

## PRESS RELEASE

- **Submission to CONSOB of the application for approval of the Prospectus on the admission to trading of Neodecortech S.p.A. shares and warrants on the MTA, STAR segment.**
- **Submission to Borsa Italiana of the application for admission to listing of Neodecortech S.p.A. ordinary shares and warrants on the MTA, STAR segment.**
- **Publication of the documentation for the Company's Ordinary Shareholders' Meeting scheduled on 24 February 2020.**

*Filago, 6 February 2020*

Neodecortech S.p.A. ("**NDT**" or the "**Company**"), Italian market leader in the production of decorative papers for laminated panels and flooring for interior design, listed on AIM Italia, a multilateral trading system organized and managed by Borsa Italiana S.p.A., announces the filing today with CONSOB of the application for approval of the Prospectus pursuant to Article 113 of Legislative Decree no. 58 of 24 February 1998, to Article 42 of EU Delegated Regulation no. 2019/980, and to Article 52 of CONSOB Regulation no. 11971/1999, on the admission to trading of the Company's shares and of the "Warrant Neodecortech 2018-2021" (the "**Warrant**") on the Mercato Telematico Azionario ("**MTA**"), possibly STAR segment.

The Company has concurrently submitted to Borsa Italiana an application for admission to listing of the shares and warrants on the MTA and a request for STAR qualification, as well as a request to withdraw its financial instruments from trading on AIM Italia, subject to their concurrent admission to trading on the MTA, STAR segment.

For the transition process on the MTA, the Company is assisted by Gianni, Origoni, Grippo, Cappelli & Partners as legal advisor, BDO Italia as the Independent Auditors, E&Y S.p.A. as consultant for the business plan and the management control system, Studio Boldrini Pesaresi & Associati as tax advisor, and Studio LMB Commercialisti Associati as consultant. BPER Banca S.p.A. acts as Sponsor and is assisted by BonelliErede as legal advisor.

The Company additionally informs that, with regard to the Ordinary Shareholders' Meeting scheduled on 24 February, the following documents have been filed at the Company's registered office and published on its website [www.neodecortech.it](http://www.neodecortech.it) in the Investors, Corporate Governance, Documents and Shareholders' Meetings, Shareholders' Meetings section:

- draft financial statements and consolidated financial statements for the year ended 31 December 2019, accompanied by the reports of the Board of Statutory Auditors and the Independent Auditors;
- the explanatory report by the Board of Directors on the items on the agenda of the Ordinary Shareholders' Meeting;
- the proposal of the Board of Statutory Auditors on the appointment of the Independent Auditors;
- the form for the acceptance of the office of Statutory Auditor and the statement certifying possession of the requirements;
- the form for the granting of the proxy to attend the abovementioned meeting.

Attached are the tables of the consolidated Statement of Financial Position, consolidated

Income Statement and consolidated Statement of Cash Flows at 31 December 2019, prepared in accordance with international accounting standards and previously published on 31 January 2020, with corrections of a few non-material errors made therein.

Below is the Statement of Financial Position of Neodecortech S.p.A. at 31/12/2019 versus 31/12/2018:

|                                                  | 31 DECEMBER<br>2019 | 31 DECEMBER<br>2018 | Difference     | % Difference  |
|--------------------------------------------------|---------------------|---------------------|----------------|---------------|
| CONSOLIDATED FIGURES IN EURO THOUSANDS           |                     |                     |                |               |
| Trade receivables                                | 19.239              | 24.052              | (4.813)        | (20,0%)       |
| Inventory                                        | 39.114              | 35.948              | 3.166          | 8,8%          |
| Trade payables                                   | (31.333)            | (33.176)            | 1.843          | (5,6%)        |
| <b>Operating NWC</b>                             | <b>27.020</b>       | <b>26.824</b>       | <b>196</b>     | <b>0,7%</b>   |
| Other current receivables                        | 5.294               | 5.761               | (467)          | (8,1%)        |
| Other current payables                           | (4.714)             | (4.260)             | (454)          | 10,7%         |
| Tax payables                                     | (881)               | (1.387)             | 506            | (36,5%)       |
| Payables from tax consolidation                  | (422)               | (472)               | 50             | (10,6%)       |
| <b>Net Working Capital</b>                       | <b>26.297</b>       | <b>26.466</b>       | <b>(169)</b>   | <b>(0,6%)</b> |
| Property, plant and equipment                    | 78.871              | 76.675              | 2.196          | 2,9%          |
| Intangible assets                                | 2.905               | 3.451               | (546)          | (15,8%)       |
| Other financial assets                           | -                   | 2.199               | (2.199)        | (100,0%)      |
| Non-current financial assets not included in NFP | 1.853               | 1.662               | 191            | 11,5%         |
| Other non-current assets                         | 108                 | 37                  | 71             | 191,9%        |
| <b>Fixed assets</b>                              | <b>83.738</b>       | <b>84.023</b>       | <b>(285)</b>   | <b>(0,3%)</b> |
| Post-employment benefits                         | (2.887)             | (2.867)             | (20)           | 0,7%          |
| Provisions for risks and charges                 | (918)               | (724)               | (194)          | 26,8%         |
| Deferred tax assets and liabilities              | (4.416)             | (4.252)             | (164)          | 3,9%          |
| <b>Net Capital Employed</b>                      | <b>101.814</b>      | <b>102.648</b>      | <b>(834)</b>   | <b>(0,8%)</b> |
| <b>Equity</b>                                    | <b>61.277</b>       | <b>58.603</b>       | <b>2.674</b>   | <b>4,6%</b>   |
| Cash and cash equivalents                        | (3.475)             | (6.489)             | 3.014          | (46,4%)       |
| Other current financial receivables              | (63)                | -                   | (63)           | -             |
| Current financial liabilities                    | 21.023              | 22.682              | (1.659)        | (7,3%)        |
| Non-current financial liabilities                | 23.051              | 27.853              | (4.802)        | (17,2%)       |
| <b>Net Financial Debt</b>                        | <b>40.536</b>       | <b>44.046</b>       | <b>(3.510)</b> | <b>(8,0%)</b> |
| <b>Equity and Net Financial Debt</b>             | <b>101.814</b>      | <b>102.648</b>      | <b>(834)</b>   | <b>(0,8%)</b> |

Below is the Income Statement of Neodecortech S.p.A. at 31/12/2019 versus 31/12/2018

| CONSOLIDATED FIGURES IN EURO THOUSANDS                           | 31 DECEMBER<br>2019 | % ON<br>REVENUE | 31 DECEMBER<br>2018 | % ON<br>REVENUE | Change         | % change       |
|------------------------------------------------------------------|---------------------|-----------------|---------------------|-----------------|----------------|----------------|
| <b>Revenue from sales and services</b>                           | <b>132.985</b>      | <b>100,0%</b>   | <b>130.943</b>      | <b>100,0%</b>   | <b>2.041</b>   | <b>1,6%</b>    |
| Changes in work in progress, semi-finished and finished products | 1.359               | 1,0%            | 275                 | 0,2%            | 1.084          | 393,6%         |
| Other revenue                                                    | 2.873               | 2,2%            | 2.601               | 2,0%            | 272            | 10,5%          |
| <b>Value of Production</b>                                       | <b>137.218</b>      | <b>103,2%</b>   | <b>133.819</b>      | <b>102,2%</b>   | <b>3.399</b>   | <b>2,5%</b>    |
| Raw and ancillary materials and consumables                      | (77.501)            | 58,3%           | (77.194)            | 59,0%           | (307)          | 0,4%           |
| Other operating expense                                          | (23.097)            | 17,4%           | (20.903)            | 16,0%           | (2.194)        | 10,5%          |
| <b>Value Added</b>                                               | <b>36.621</b>       | <b>27,5%</b>    | <b>35.722</b>       | <b>27,3%</b>    | <b>899</b>     | <b>2,5%</b>    |
| Personnel expense                                                | (20.724)            | 15,6%           | (17.980)            | 13,7%           | (2.744)        | 15,3%          |
| <b>EBITDA</b>                                                    | <b>15.897</b>       | <b>12,0%</b>    | <b>17.742</b>       | <b>13,5%</b>    | <b>(1.845)</b> | <b>(10,4%)</b> |
| Amortization, depreciation                                       | (8.689)             | 6,5%            | (7.157)             | 5,5%            | (1.532)        | 21,4%          |
| Allocations                                                      | (77)                | 0,1%            | -                   | 0,0%            | (77)           | -              |
| <b>EBIT</b>                                                      | <b>7.130</b>        | <b>5,4%</b>     | <b>10.586</b>       | <b>8,1%</b>     | <b>(3.456)</b> | <b>(32,6%)</b> |
| Financial components                                             | (1.893)             | 1,4%            | (2.906)             | 2,2%            | 1.012          | (34,8%)        |
| Exchange gains and losses                                        | (28)                | 0,0%            | (57)                | 0,0%            | 29             | (50,5%)        |
| <b>Profit (loss) before tax</b>                                  | <b>5.209</b>        | <b>3,9%</b>     | <b>7.623</b>        | <b>5,8%</b>     | <b>(2.414)</b> | <b>(31,7%)</b> |
| Income tax                                                       | (1.248)             | 0,9%            | (1.593)             | 1,2%            | 345            | (21,6%)        |
| <b>Profit (loss) for the period</b>                              | <b>3.961</b>        | <b>3,0%</b>     | <b>6.030</b>        | <b>4,6%</b>     | <b>(2.068)</b> | <b>(34,3%)</b> |

Below is the Statement of Cash Flows of Neodecortech S.p.A. at 31/12/2019 versus 31/12/2018:

| <i>Euro thousands</i>                                                                                        | 31 December<br>2019 | 31 December<br>2018 |
|--------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Profit (loss) for the period                                                                                 | 3.961               | 6.030               |
| Income tax                                                                                                   | 1.001               | 1.381               |
| Deferred/(prepaid) tax                                                                                       | 247                 | 212                 |
| Interest expense/(interest income)                                                                           | 1.922               | 2.963               |
| (Dividends)                                                                                                  |                     |                     |
| (Gains)/losses from disposal of assets                                                                       | (228)               | (5)                 |
| <b>1 Profit (loss) for the period before income tax, interest, dividends and gains/losses from disposals</b> | <b>6.903</b>        | <b>10.590</b>       |
| Adjustments for non-monetary items that had no balancing entry in net working capital:                       |                     |                     |
| Allocation to post-employment benefits                                                                       | 22                  | 34                  |
| Allocations to other provisions                                                                              | 77                  |                     |
| Depreciation of fixed assets                                                                                 | 8.689               | 7.157               |
| Write-downs for impairment losses                                                                            |                     |                     |
| Other adjustments for non-monetary items                                                                     | 757                 | 1.376               |
| <b>2 Cash flow before changes in NWC</b>                                                                     | <b>16.447</b>       | <b>19.157</b>       |
| Changes in net working capital                                                                               |                     |                     |
| Decrease/(increase) in receivables from customers                                                            | 4.647               | 3.699               |
| Decrease/(increase) in inventory                                                                             | (3.166)             | (2.682)             |
| Increase/(decrease) in payables to suppliers                                                                 | (3.143)             | (2.185)             |
| Decrease/(increase) in other receivables                                                                     | 639                 | 1.880               |
| Increase/(decrease) in other payables                                                                        | (863)               | (576)               |
| Other changes in net working capital                                                                         | 5                   | (137)               |
| <b>3 Cash flow after changes in NWC</b>                                                                      | <b>14.567</b>       | <b>19.155</b>       |
| Other adjustments                                                                                            |                     |                     |
| Interest received/(paid)                                                                                     | (1.518)             | (1.693)             |
| (Income tax paid)                                                                                            | (698)               | (265)               |
| (Gains)/losses from disposal of assets                                                                       |                     |                     |
| Dividends received                                                                                           |                     |                     |
| (Utilization of provisions)                                                                                  |                     | (546)               |
| (Utilization of provisions for post-employment benefits)                                                     | (248)               | (178)               |
| <b>4 Cash flow after other adjustments</b>                                                                   | <b>12.103</b>       | <b>16.473</b>       |

|                                                              |                |                |
|--------------------------------------------------------------|----------------|----------------|
| <b>A Cash flow from operations</b>                           | <b>12.103</b>  | <b>16.473</b>  |
| Property, plant and equipment                                | (7.615)        | (6.868)        |
| (Purchase)                                                   | (7.615)        | (6.868)        |
| Disposal                                                     |                |                |
| Intangible assets                                            | (368)          | (860)          |
| (Purchase)                                                   | (368)          | (860)          |
| Disposal                                                     |                |                |
| Non-current financial assets                                 | 2.426          |                |
| (Purchase)                                                   | 2.426          |                |
| loans granted                                                |                |                |
| Proceeds from disposal of assets                             | 251            |                |
| <b>B Cash flow from investing activities</b>                 | <b>(5.306)</b> | <b>(7.728)</b> |
| Liabilities                                                  | <b>(7.612)</b> | <b>(6.245)</b> |
| Increase (decrease) in current bank payables                 | (2.326)        | (1.559)        |
| New loans                                                    | 182            | 1.128          |
| Repayment of loans                                           | (3.025)        | (3.209)        |
| Increase (decrease) in non-current bank payables             | (52)           |                |
| Financial liabilities to other lenders                       | (2.173)        | (3.314)        |
| Change in financial receivables from other lenders           | (218)          | 710            |
| Equity                                                       | <b>(2.198)</b> | <b>(2.114)</b> |
| Share capital increase                                       |                |                |
| Sale (purchase) of treasury shares                           | (197)          | (94)           |
| Other changes in equity                                      | (2.001)        | (2.020)        |
| <b>C Cash flow from financing activities</b>                 | <b>(9.809)</b> | <b>(8.359)</b> |
| Increase (decrease) in cash and cash equivalents (A ± B ± C) | (3.013)        | 386            |
| Cash and cash equivalents at 1 January                       | 6.489          | 6.103          |
| Cash and cash equivalents at 31 December                     | 3.475          | 6.489          |

## Neodecortech S.p.A.

Neodecortech is the Italian market leader in the production of decorative papers for laminated panels and flooring for interior design. The Group's business is in the production of complete and technologically advanced solutions for the realization of interior design projects, covering all stages of the production process for the production of decorative paper, from raw material management, through surface finishing and impregnation, up to the finished product and the management of end-of-line logistics. The Group offers 6 product categories: decorative papers; decorative printings; finish foil; melamine film; PPF; laminates ([www.neodecortech.it](http://www.neodecortech.it)).

ISIN Code ordinary shares: IT0005275778

ISIN Code Warrants: IT0005346785

For further information:

| <b>Nomad and Specialist</b>                                    | <b>Investor Relator</b>                                                                    |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------|
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