

# AQUAFIL

## Corporate Presentation

*STAR CONFERENCE*  
*Fall Edition*

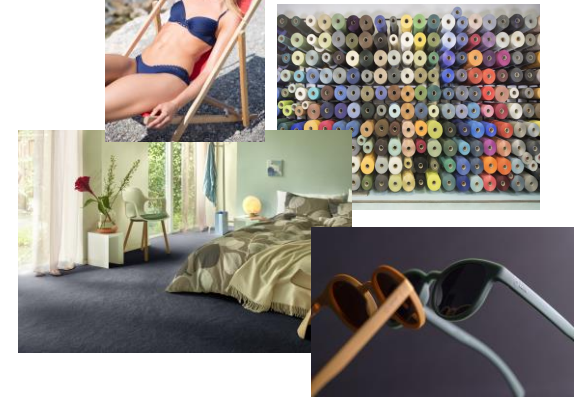
*06<sup>th</sup> October 2020*

- **Pioneers of circularity with ECONYL®:**
  - An unique **Regeneration System** to produce sustainable fiber and polymers from nylon 6 waste;
  - High barriers to entry for technology and reverse supply chain;
  - Turnover of product branded ECONYL® equal to ca **38%** of fiber turnover
  - significant environmental advantage;
  - **reduction of greenhouse gas emissions by as much as 80%**
- **Market Leader in Nylon (PA):**
  - Fiber for Carpet flooring (BCF Product);
  - Fiber for Fabrics (NTF Product);
  - Polymers for engineering plastics;
- **A successful business model based on**
  - Proprietary technology with continuous innovation;
  - R&D focus for a uniquely diversified commercial offer;
  - Manufacturing and operational excellence;
  - Focus on high-end segments for a premium positioning;
- **A Global footprint with proximity to Clients**
  - **16 plants in 3 continents** and 7 countries
  - **almost 3.000 employees** at end 2019;
  - **€549,0m of Revenues in FY2019**
  - **€69,4m EBITDA in FY2019**

**THE ECONYL®  
REGENERATION SYSTEM**



**ECONYL®**  
ENDLESS POSSIBILITIES



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# AQUAFIL AT A GLANCE

**Key Applications**



Contract



Residential



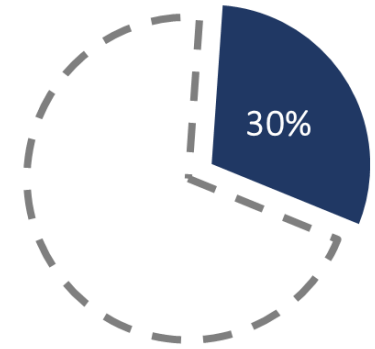
Automotive



**Contribution to Revenues FY19**

**72,9%**

**2018 European PA Market Shares <sup>(1)</sup>**



**A**

**Fiber for carpet flooring**

*BCF Product*

**B**

**Fiber for fabric**

*NTF Product*



Clothing & Fashion



Swimwear



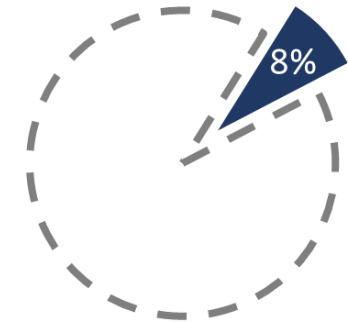
Sportswear



High-tech clothing



**ca. 19,6%**



**C**

**Polymers**

*EP Product*



Industrial Molding



**ca. 7,5%**



**Standard Caprolactam**

- Nylon 6 monomer (building block) synthetically produced from oil derivatives. Price highly correlated to oil

**ECONYL® Caprolactam**

- From various waste including post-consumer (fishnets, used carpets, etc.)

**BCF**

Production and finishing of premium synthetic yarns, principally Nylon 6, for flooring solutions

**NTF**

Production and finishing of nylon 6, 6.6 and Dryarn® for textile applications

**EP**

Polymer production for compounders

Direct sale / agents

Direct sale / agents

Direct dialogue with companies interested in ECONYL®

Direct sale

Aquafil

**Flooring Solutions Manufacturers**

**Textile Manufacturers**

**Compounders**

**Selected Application Users**

- Contract
- Residential
- Automotive

**Selected Application Users**

- Clothing & Fashion
- Swimwear
- Sportswear

**Industrial Molding**

# AQUAFIL WORLDWIDE

## USA

Cartersville (Georgia)  
**Aquafil USA 1 & 2**

Phoenix (Arizona)  
**Aquafil Carpet Recycling  
ACR#1**

Sacramento (California)  
**Aquafil Carpet Recycling  
ACR#2**

Rutherford College  
(North Carolina)  
**Aquafil O'Mara**

## UK

Kilbirnie  
**Aquafil UK**

## CROATIA

Oroslavje  
**Aquafil CRO**

## CHINA

Jiaxing  
**Aquafil Jiaxing**

## SLOVENIA

Ljubljana  
**AquafilSLO**

Senožeče  
**AquafilSLO Senožeče**

Štore  
**AquafilSLO Štore**

Ajdovščina  
**AquafilSLO Ajdovščina**

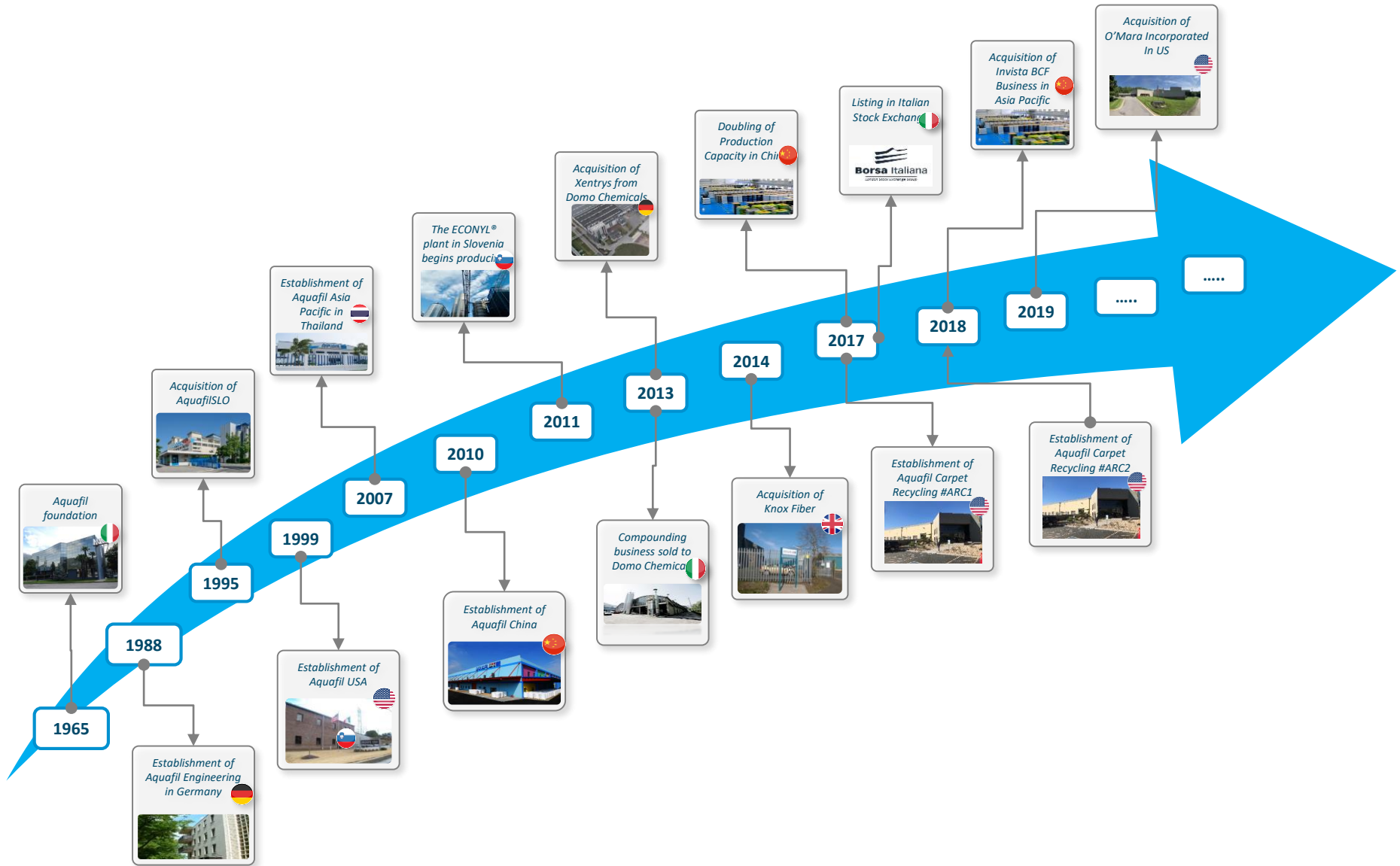
## THAILAND

Rayong  
**Aquafil Asia Pacific**

## ITALY

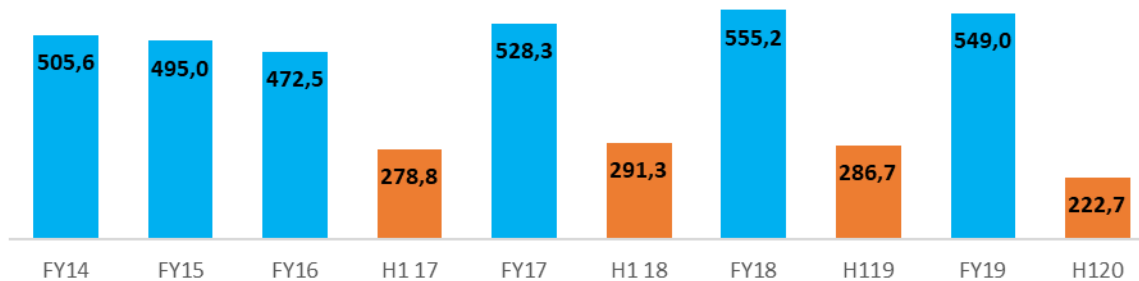
Arco (TN)  
**Aquafil (Headquarter)**

Cares (TN)  
Rovereto (TN)  
**Tessilquattro**

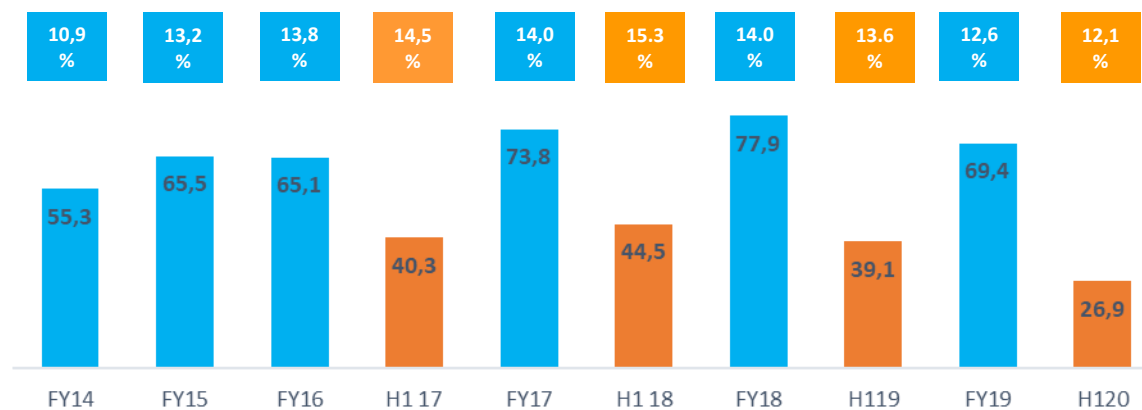




## Revenues (€m)



## EBITDA (€m) and Margin on Revenues (%)



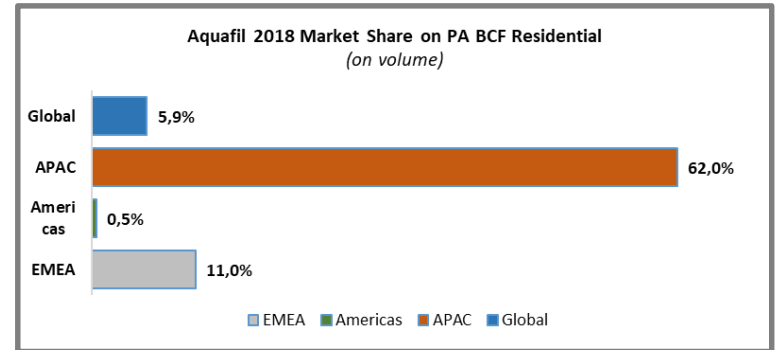
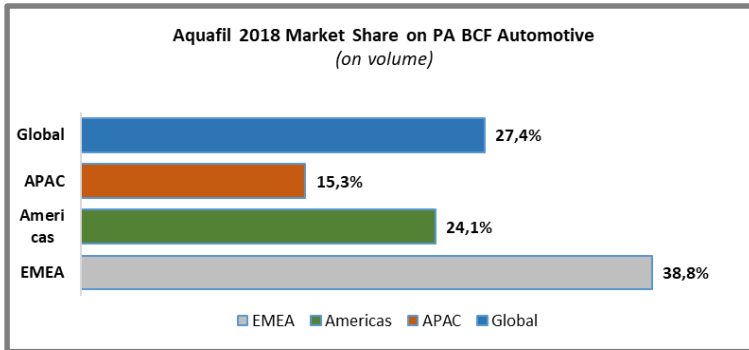
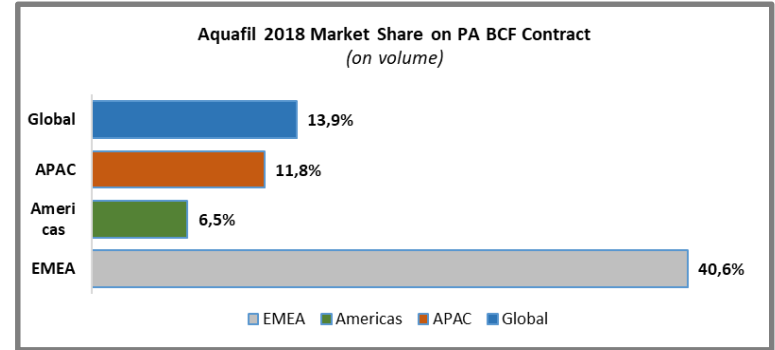
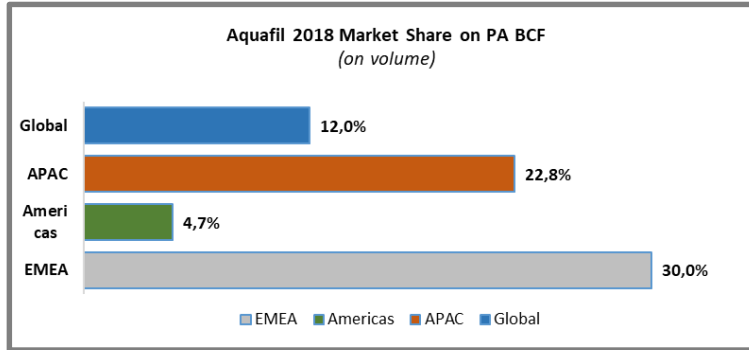
(1) Defined as EBITDA minus D&A, impairments and provisions.

# AQUAFIL MARKET

A

**Fiber for carpet flooring - BCF Product**

2018 PA Market Shares<sup>1</sup>



Competitors



*Integrated Players*

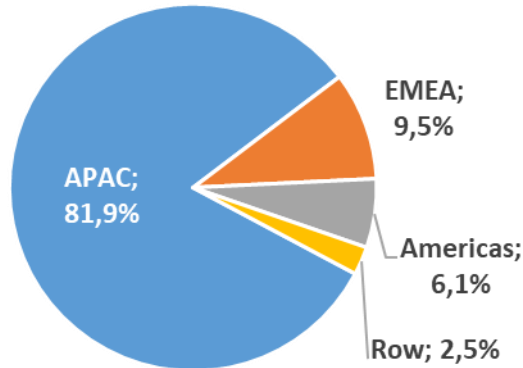


<sup>(1)</sup> Aquafil on Wood Mackenzie market data - Based on volume

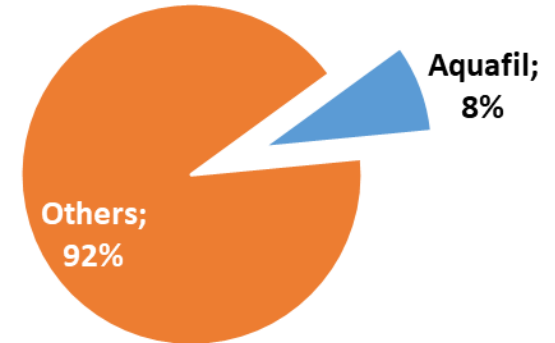
B

Fiber for Fabric - NTF Product

2018 Market Shares<sup>1</sup>



Textile mass production is in APAC, with Europe's core focus is on high-end production. Fast fashion needs lead to growing production out of Turkey, which can be served by European NTF players



A leading player with limited competition. Only 3 suppliers capable of offering products starting from monomer and intermediate handling. APAC moving slowly towards high-end production

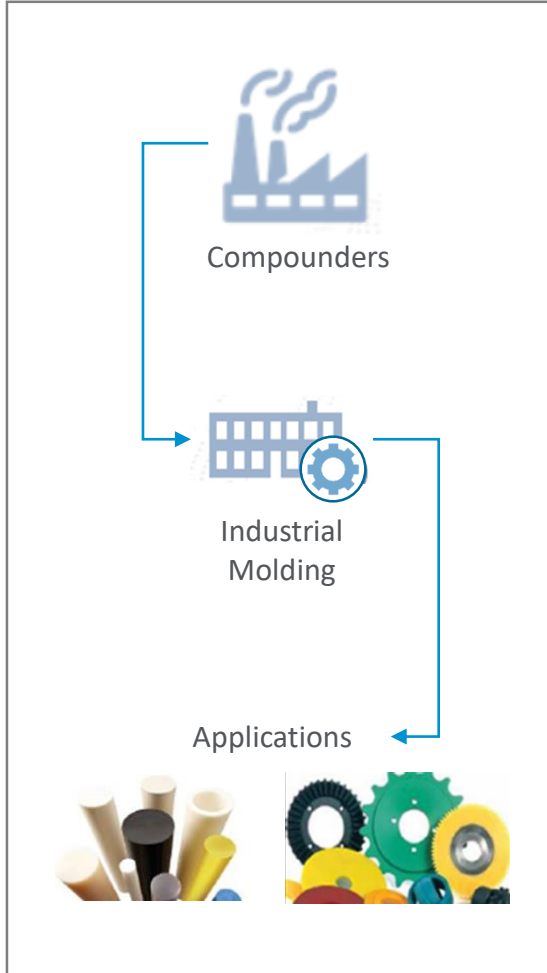
Competitors



C

**EP**

*Engineering Plastic*



**Description**

Aquafil manufactures nylon 6 and raisin pellet polymers for compounders. Once the polymer has been transformed into a techno-polymer, compounders sell the semi-finished product to the industrial molding companies, which model it based on the final product requested by the client

# ECONYL®

# ECONYL®

ENDLESS POSSIBILITIES

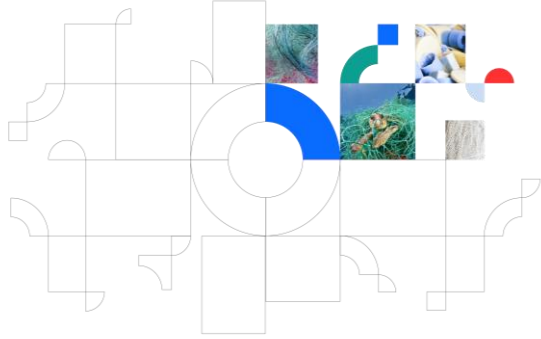
## THE ECONYL® REGENERATION SYSTEM

- 100% regenerated & regenerable nylon
- Unique proprietary technology
- Ca 38 % of Aquafil Fiber 2019 Revenues

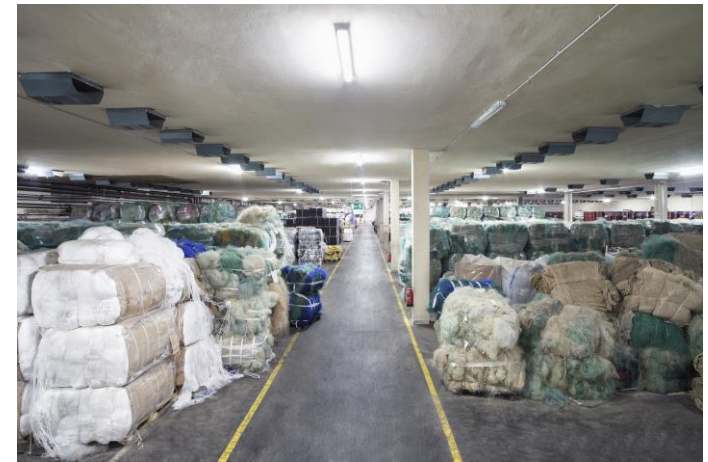


[WWW.ECONYL.COM](http://WWW.ECONYL.COM)

## STEP 1: RESCUE

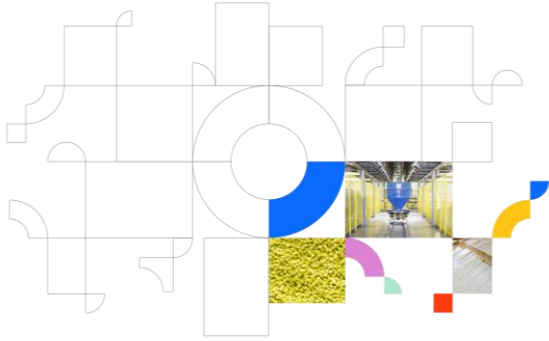


The ECONYL® Regeneration System starts with rescuing waste, like fishing nets, fabric scraps, carpet flooring and industrial plastic from landfills and oceans all over the world. That waste is then sorted and cleaned to recover all of the nylon possible.





## STEP 2: REGENERATE



Through a radical regeneration and purification process, the nylon waste is recycled right back to its original purity. That means ECONYL® regenerated nylon is exactly the same as virgin nylon.



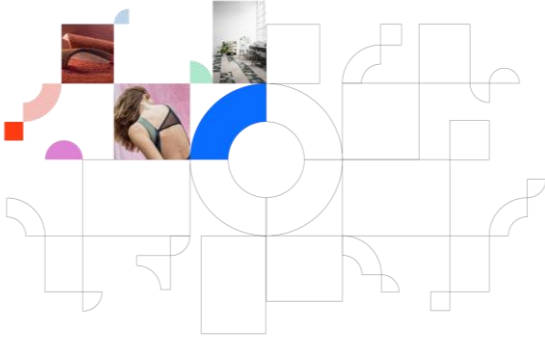
### STEP 3: REMAKE

**ECONYL®** regenerated nylon is processed into carpet yarn and textile yarn for the fashion and interior industries.



## STEP 4: REIMAGINE

Fashion brands and carpet producers use ECONYL® regenerated nylon to create brand new products. And that nylon has the potential to be recycled infinitely, without ever losing its quality.



STELL/McCARTNEY



NAPAPIJRI



BURBERRY  
LONDON

Interface®

ege®



# 2020 OUTLOOKS AND 1° HALF 2020 FINANCIAL RESULTS

## STRONG GROUP REACTION

EXTRAORDINARY EFFORTS OF ALL OF US

BUSINESS CONTINUITY,  
2019 SAVINGS PLAN AND  
PROMPTLY ADOPTED  
COUNTERMEASURES  
MINIMISED FLOW THROUGH

NFP IMPROVED AND  
FINANCIAL SOLIDITY ENHANCED

RECOVERY IN SUMMER

2020 GUIDANCE

## CONFIDENT IN GROUP FUTURE

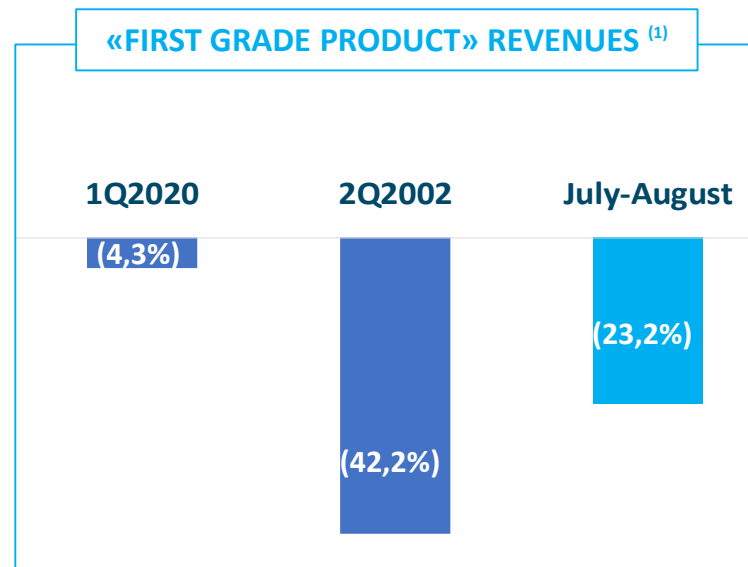
CLEAR PATH AHEAD

“CIRCULARITY” IN OUR DNA  
IN OUR STRATEGY  
AND DRIVING OUR FUTURE

LEVERAGE  
OUR PEOPLE  
OUR PRODUCTS  
AND OUR TECHNOLOGIES

STRONG FOCUS ON  
VALUE CHAINS AND  
PARTHENSHP

- Asia and Oceania driving recovery thanks to “Fiber for carpet” (BCF)
- NTF demand stronger than last year in North America
- ECONYL® demand recovering gradually



<sup>(1)</sup> See please Definition slide in Annex – Change QTR on QTR - O’Mara included since 1<sup>st</sup> January 2020 - August data still preliminary

**Assuming no COVID-19 resurgence and no further lockdowns in 2H2020:**

- Revenues: summer trend substantially confirmed
- EBITDA: on-going benefits from 2019 savings plan, COVID-19 countermeasures <sup>(1)</sup> and moreover a positive evolution of sales mix both in term of regions and product lines
- NFP: reduction driven by CAPEX and NWC

<b>2020 GUIDANCE</b> <sup>(2)</sup>	<b>SALES</b>	<b>20% reduction</b>
	<b>EBITDA</b>	<b>20% reduction</b>
	<b>NFP</b>	<b>10% improvement</b>

<sup>(1)</sup> Possible PPP loan positive impacts of \$ 5.5m not included

<sup>(2)</sup> 2020 FX assumptions: € / USD 1.12 and € / CNY 7.73 (FY2019 average FX) - O'Mara consolidate for 12 months in 2020

# 1° HALF 2020 FINANCIAL RESULTS



		REVENUES		
		2019	2020	Δ%
<b>HALF</b>		286,8	222,7	(22,3%)
<b>QUARTER</b>		141,3	82,0	(42,0%)

		EBITDA		
		2019	2020	Δ%
<b>HALF</b>		39,1	26,9	(31,2%)
<b>% on net sales</b>		13,6%	12,1%	
<b>QUARTER</b>		20,0	8,7	(56,6%)
		14,1%	10,6%	

		NET PROFIT		
		2019	2020	Δ%
<b>HALF</b>		10,7	(1,9)	n.s.
<b>% on net sales</b>		3,7%	n.s.	
<b>QUARTER</b>		3,0	(6,0)	n.s.
		2,1%	n.s.	

NFP		
FY2019	1H2020	Δ%
249,6	242,2	(2,90%)

## SALES

Excluding O'Mara:  
(25,3%) in 1H and (43,2%) in 2Q

Sever impact of Covid-19  
across all regions and products  
lines

Limited influence of  
raw material price pass trough

ECONYL®:  
(14,7%) in 1H and (28%) in 2Q  
Reference markets impacted  
later in the period

## EDITDA

Excluding O'Mara:  
(31,4%) in 1H and (52%) in 2Q

2019 savings plan on track:  
€ 6.6m generated in 1H

Exceptional countermeasures:  
€ 7m from strong focus  
on fix costs management

Potential benefit of US  
government support  
initiatives (\$ 5,6m)

## NET PROFIT

Impacted by EBITDA reduction  
and higher depreciation

Depreciation increase  
connected to  
2018-2019 CAPEX program

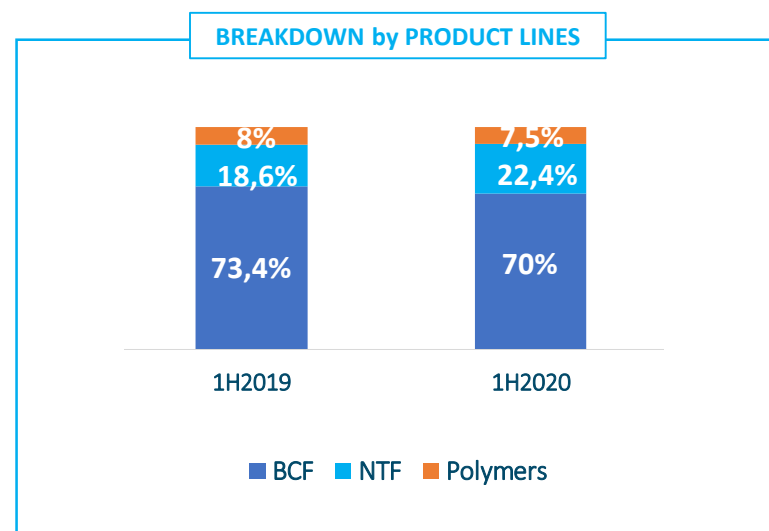
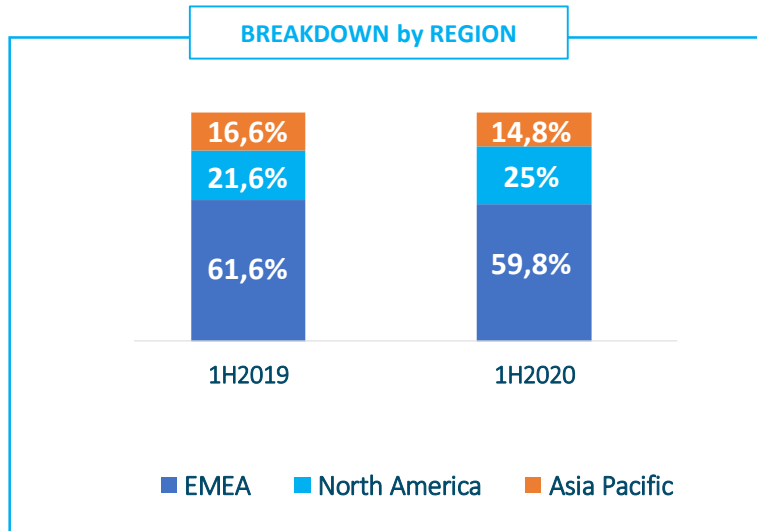
## NFP

Positive cash generation  
despite tough environment  
thanks to CAPEX reduction

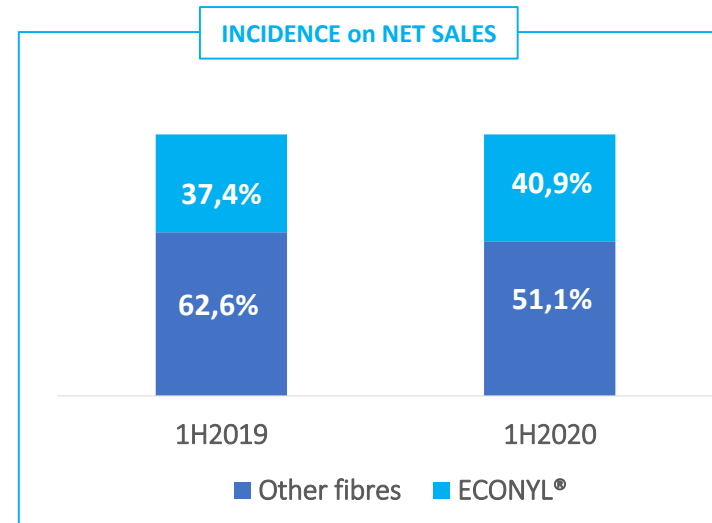
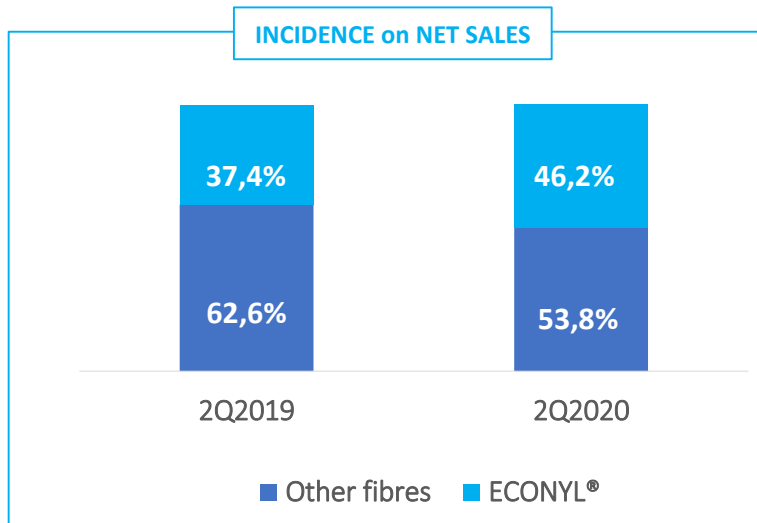
New medium-term  
bank loan facilities

Liquidity to € 132,8m

HALF	BCF				NTF				POLYMERS				TOTAL			
	2019	2020	Δ	Δ%	2019	2020	Δ	Δ%	2019	2020	Δ	Δ%	2019	2020	Δ	Δ%
EMEA	108,7	82,4	(26,3)	(24,2%)	48,7	37,4	(11,4)	(23,3%)	19,2	13,5	(5,8)	(29,9%)	176,7	133,3	(43,4)	(24,6%)
North America	55,8	41,9	(13,8)	(24,8%)	2,9	10,4	7,6	n.a.	3,4	3,3	(0,1)	(2,4%)	62	55,7	(6,3)	(10,2%)
Asia & Oceania	46,1	31,5	(14,5)	(31,7%)	1,3	1,6	0,3	24,3%	0,2	0,0	(0,2)	(94,1%)	47,6	33,1	(14,5)	(30,5%)
ROW	0,1	0,1	0,0	63,6%	0,5	0,6	0,1	29,0%	0,0	0,0	0,0	n.s.	0,5	0,7	0,2	33,6%
<b>TOTAL</b>	<b>210,6</b>	<b>155,9</b>	<b>(54,7)</b>	<b>(26,0%)</b>	<b>53,4</b>	<b>50,0</b>	<b>(3,4)</b>	<b>% 6,3</b>	<b>22,8</b>	<b>16,8</b>	<b>(6,0)</b>	<b>(26,5%)</b>	<b>286,8</b>	<b>222,7</b>	<b>(64,1)</b>	<b>(22,3%)</b>

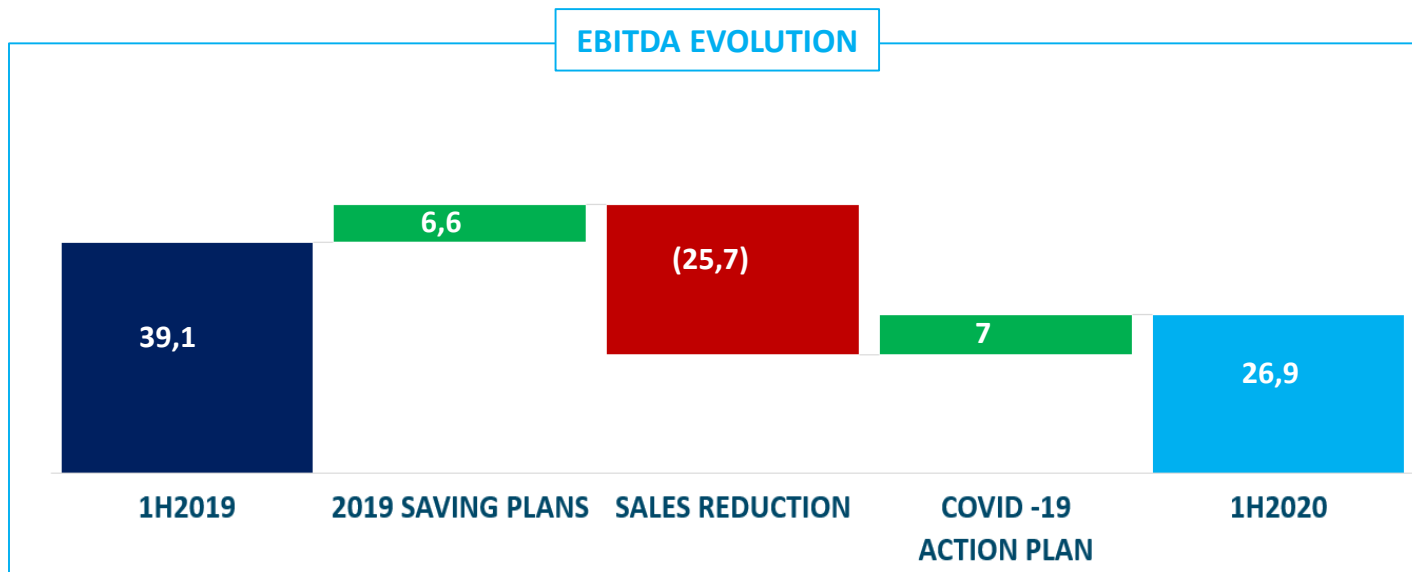


- Sales: reduction of 14,7% in 1H2020 and of 28% in 2Q2020
  - end markets impacted later in the period
- % on net sales: 40,9% in 1H2020
  - 2Q incidence peak influenced by demand evolution



<b>PROFITABILITY</b>	<b>BUSINESS CONTINUITY</b>	<p>Sites: prompt adoption stricter safety measures, including new sites protocol and working practice</p> <p>HQs progressive adoption of remote working</p> <p>Customers: on-going support and services</p>
	<b>LABOUR</b>	<p>Activation of Government social schemes and other employment support tools</p> <p>Precise and flexible “shift” management</p>
	<b>OTHER COST</b>	<p>Cancelling all discretionally spending</p>

- Delivery of 2019 saving plans almost in line with expectations
- Group strong efforts to minimize sales decline are paying off
  - Business continuity
  - Exceptional effort in labour efficiency

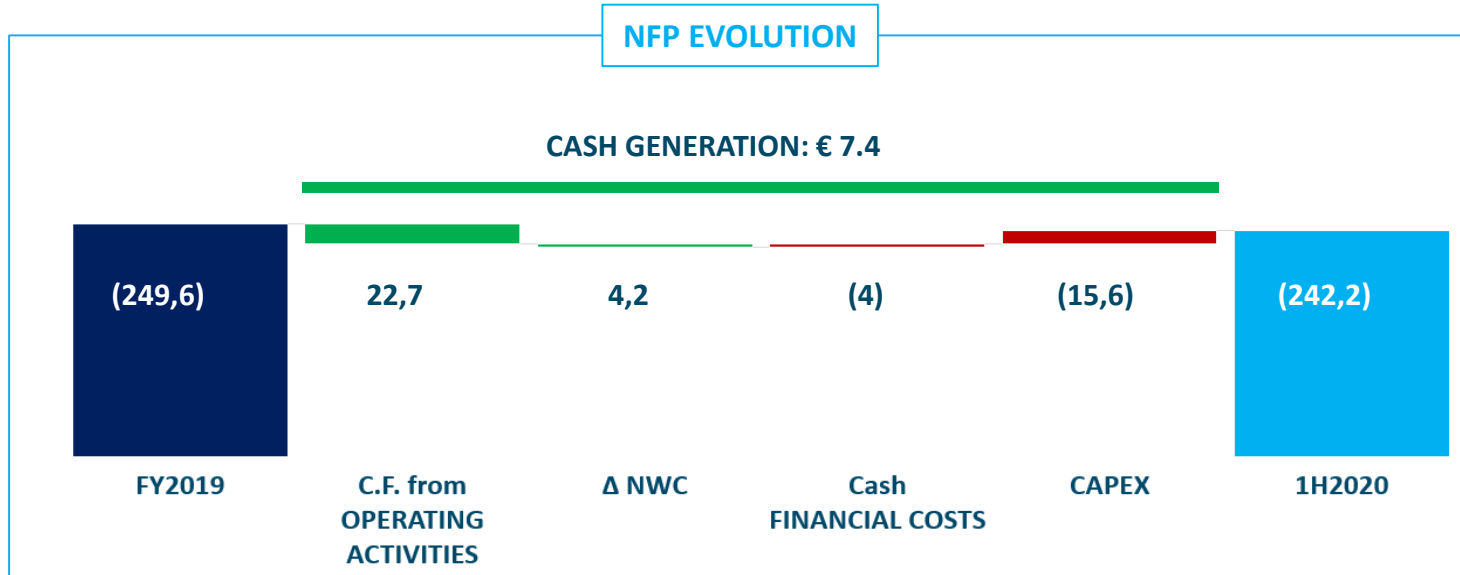
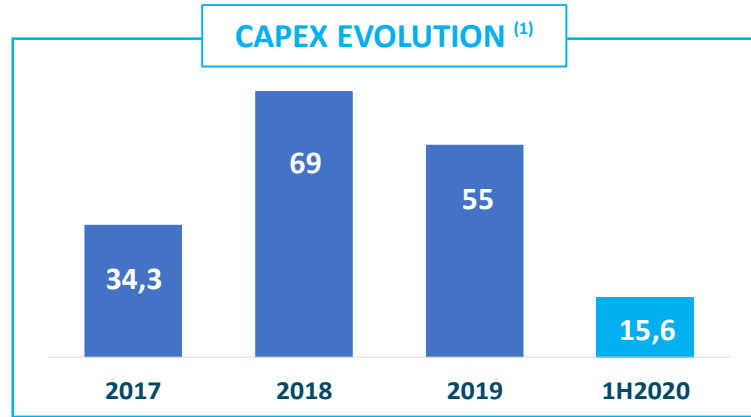


	QUARTER			HALF		
	2019	2020	Δ%	2019	2020	Δ%
<b>REVENUES</b>	141,3	82,0	(42%)	286,8	222,7	(22%)
<b>EBITDA</b>	20,0	8,7	(57%)	39,1	26,9	(31%)
<i>Margin %</i>	14,1%	10,6%		13,6%	12,1%	
<b>EBIT</b>	8,1	-5,3	n.s.	17,1	(0,1)	n.s.
<i>Margin %</i>	5,7%	n.s.		6,0%	0,0%	
<b>EBT</b>	4,7	(7,2)	n.s.	14,3	(1,6)	n.s.
<i>Margin %</i>	3,3%	n.s.		5,0%	n.s.	
<b>NET RESULTS</b>	3,0	(6,0)	n.s.	10,7	(1,9)	n.s.
<i>Margin %</i>	2,1%	n.s.		3,7%	n.s.	

- Depreciation: +€ 5,2m driven by 2018-2019 CAPEX peak and O'Mara consolidation

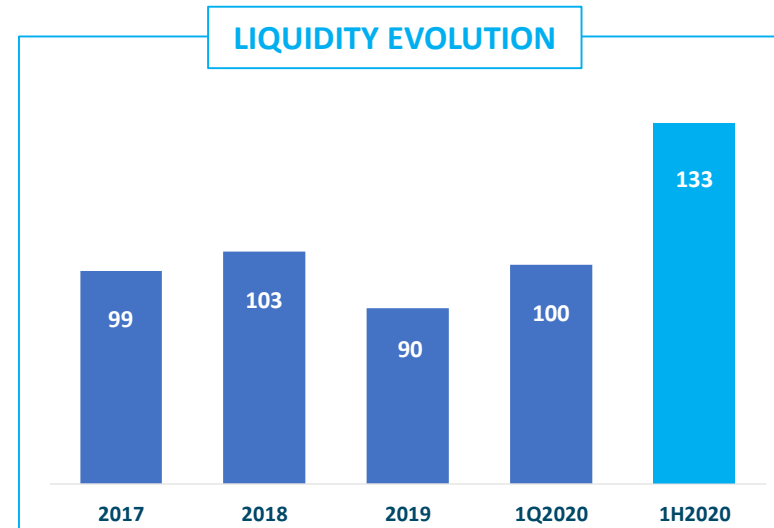
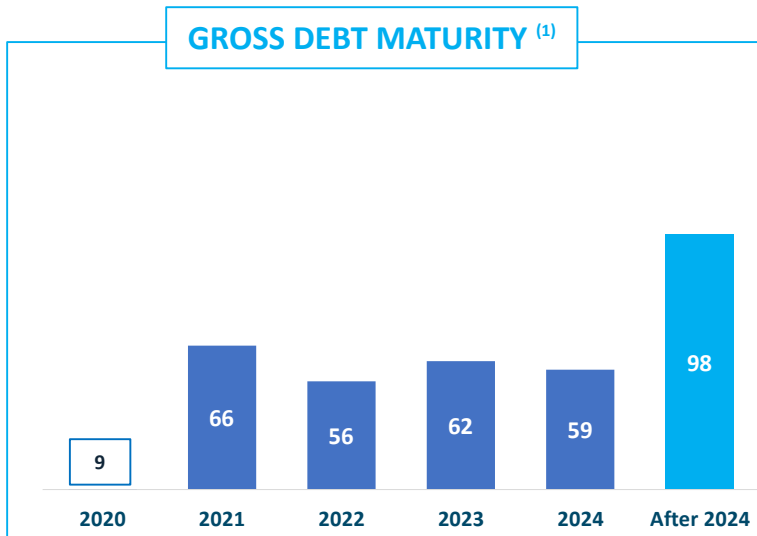
<b>CASH GENERATION</b>	NWC	Proactive and efficient inventories management
	CAPEX	Focus on operating CAPEX
	M&A	Temporary suspension of M&A process
<b>FINANCIAL SOLIDITY</b>	NEW LOANS	€ 40 million new medium-long term loans
	DEBT MATURITY	Extension of all medium-long term facilities
	COVENANTS HOLIDAY	«Covenant holiday» agreement on 30 June 2020 test <sup>(1)</sup>
	DIVIDENDS	2019 profit entirely allocated to retained earnings

<sup>(1)</sup> Agreement entered with Prudential Financial and Cassa Depositi e Prestiti on PFN/EBITDA LTM covenants





- 2 new medium long-term for a total amount of € 40 million
  - Further increase of liquidity
- Extended all medium-term facilities
- “Covenant holiday” on 30 June 2020



Data in € million - <sup>(2)</sup> Excluding lease liabilities

# ANNEXES

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Mr. Sergio Calliari, the Manager in charge of preparing the corporate accounting documents, declares that, pursuant to Article 154-*bis*, paragraph 2, of the Legislative Decree No. 58 dated February 24, 1998, the accounting information contained in the Presentation correspond to document results, books and accounting records.

The reader should, however, consult any further disclosure Aquafil may make in documents it files with the Italian Securities and Exchange Commission and with the Italian Stock Exchange.

<p><b>«FIRST CHOICE REVENUES»</b></p>	<p>“First choice revenues” are revenues generated by the sale of fibers and polymers, gross of any adjustments (for example, discounts and allowances), but excluding revenues generated by “non-first choice products”, revenues generated by Aquafil Engineering GmbH and “other revenues”. On the basis of the 2019 figures, these revenues accounted for more than 95% of the Group’s consolidated revenues</p>
<p><b>EBITDA</b></p>	<p>This is an alternative performance indicator not defined under IFRS but used by company management to monitor and assess the operating performance as not impacted by the effects of differing criteria in determining taxable income, the amount and types of capital employed, in addition to the amortisation and depreciation policies. This indicator is defined by the Aquafil Group as the net result for the year adjusted by the following components: income taxes, investment income and charges, amortisation, depreciation and write-downs of tangible and intangible assets, provisions and write-downs, financial income and charges, non-recurring items.</p>
<p><b>NFP</b></p>	<p>This was calculated as per Consob Communication of July 28, 2006 and the ESMA/2013/319 Recommendations:</p> <ul style="list-style-type: none"> <li>A. Cash</li> <li>B. Other liquid assets</li> <li>C. Other current financial assets</li> <li><b>D. Liquidity (A+B+C)</b></li> <li>E. Current financial receivables</li> <li>F. Current bank payables</li> <li>G. Current portion of non-current debt</li> <li>H. Other current financial payables</li> <li>I. Current financial debt (F+G+H)</li> <li><b>J. Net current financial debt (I-D-E)</b></li> <li>K. Non-current bank payables</li> <li>L. Bonds issued</li> <li>M. Other non-current payables</li> <li><b>N. Non-current financial debt (K+L+M)</b></li> <li><b>O. Net financial debt (J+N)</b></li> </ul>

# CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

A capital structure with **3 type of Shares** (a) **Ordinary Share**, (b) **share B**: dedicated to Giulio Bonazzi family with the same economic right of ordinary share but with 3 voting right for any share and (c) **share C**: no transferable, no economic and voting right but at certain conditions convertible in ordinary share at a ratio of 4,5 ordinary share for 1 Share C. At 31<sup>st</sup> December 2018:

**51.218.794 SHARES DIVIDED IN 3 DIFFERENT TYPES**



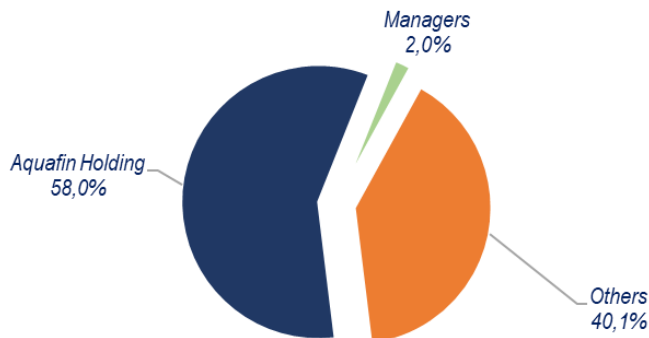
**67.770.834 VOTING RIGHTS**



Main Aquafil's shareholders is Aquafin Holding S.p.A. (holding of Giulio Bonazzi Family) and also Managers are involved::

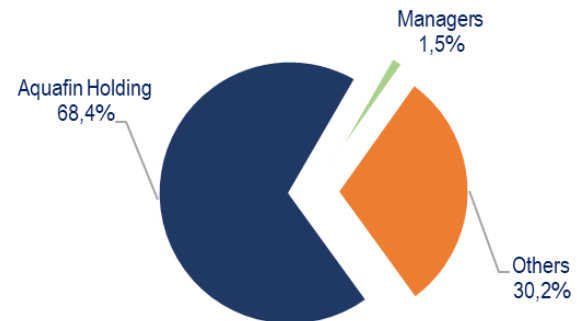
**MAIN SHAREHOLDER with MANAGER INVOLVED**

(by Share)



**MAIN SHAREHOLDER with MANAGER INVOLVED**

(by Voting Right)



## Board of Directors

**Giulio Bonazzi**  
*Chairman and CEO*

**Fabrizio Calenti**  
*Executive Director*

**Silvana Bonazzi**  
*Director*

**Margherita Zambon**  
*Independent Director<sup>(1) (6)</sup>*

**Francesco Profumo**  
*Independent Director<sup>(1) (4) (5)</sup>*

**Simona Heidempergher**  
*Independent Director<sup>(1) (2) (3)</sup>*

**Adriano Vivaldi**  
*Executive Director*

**Franco Rossi**  
*Executive Director*

**Ilaria Maria Dalla Riva**  
*Independent Director<sup>(1) (3) (6)</sup>*



## Board of Statutory Auditors

**Stefano Poggi Longostrevi**  
*Chairman*

**Fabio Buttignon**  
*Statutory Auditor*

**Bettina Solimando**  
*Statutory Auditor*



## Auditors Firm

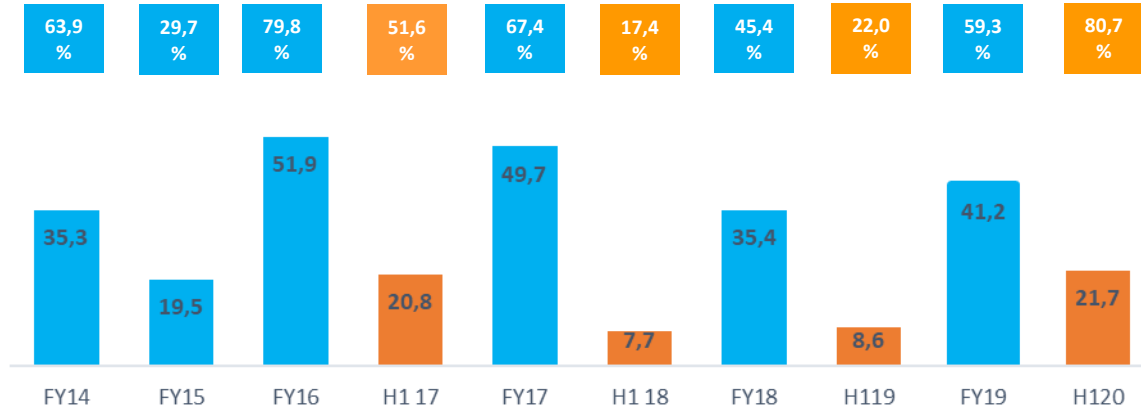


Board of Directors defines the Group's global strategies by developing actions for growth, launching new activities in various sectors and implementing plans for investment, control and assessment of results.

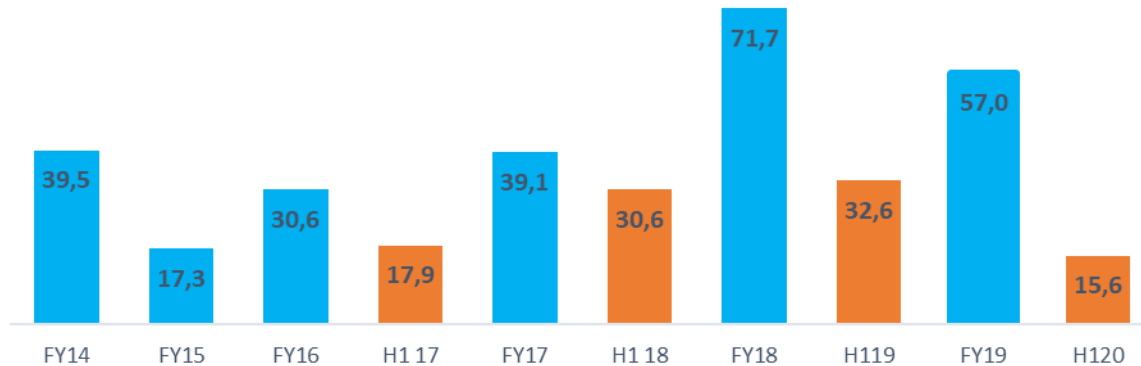
# HISTORICAL CASH FLOW, CAPEX AND NET FINANCIAL POSITION



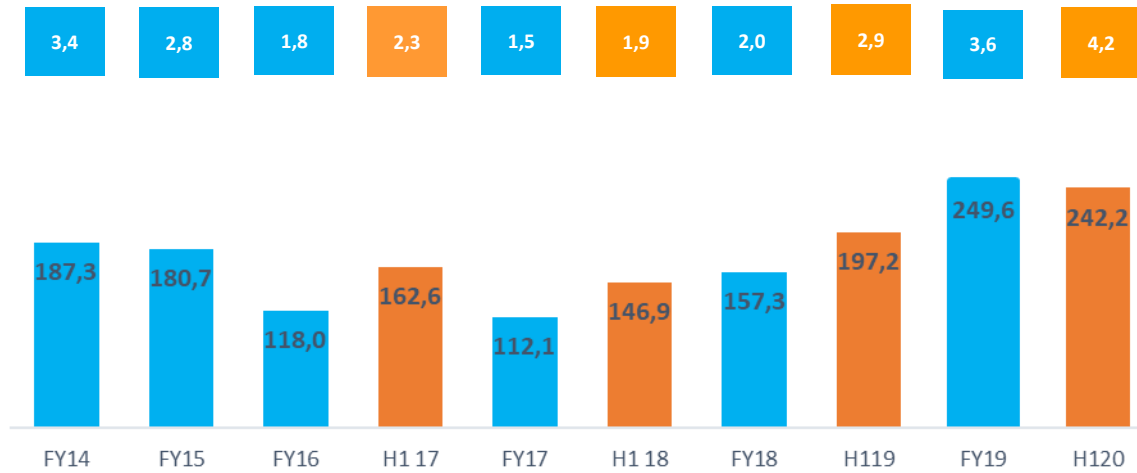
## Cash Flow from Operating Activities (€m) and Cash Return<sup>(2)</sup> (%)



## Capex (€m)



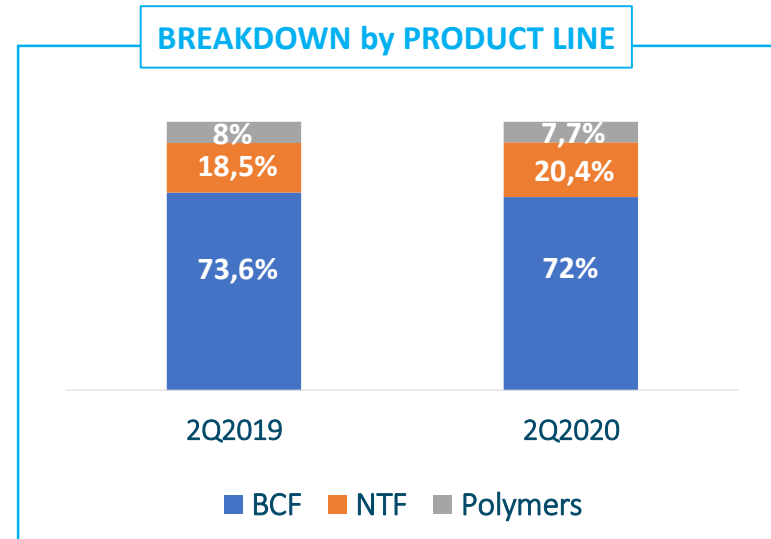
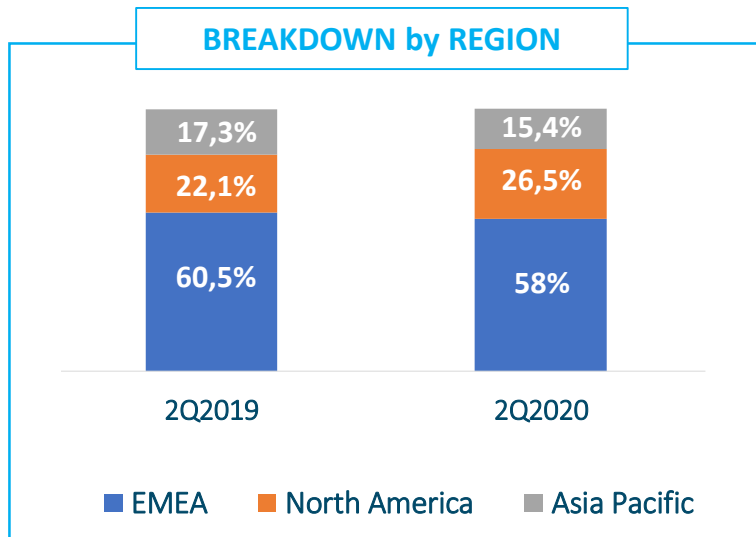
## Net Financial Debt (€m) and Net Financial Debt / EBITDA<sup>(1)</sup>



# 1<sup>ST</sup> HALF 2020 – FINANCIAL RESULTS

CONSOLIDATED INCOME STATEMENT €/000	Half Year 2020	of wich non-	Half Year 2019	of wich non-	Second Quarter 2020	of wich non-	Second Quarter 2019	of wich non-
Revenue	222.733	-	286.667	-	82.019	166	141.339	-
<i>of which related parties</i>	27	-	29	-	-	-	12	-
Other Revenue	3.371	226	1.181	95	2.889	42	580	20
<b>Total Revenue and Other Revenue</b>	<b>226.104</b>	<b>226</b>	<b>287.848</b>	<b>95</b>	<b>84.909</b>	<b>209</b>	<b>141.919</b>	<b>20</b>
Raw Material	(109.477)	(58)	(148.225)	(119)	(36.746)	(46)	(71.071)	(19)
Services	(42.296)	(1.036)	(51.191)	(2.340)	(17.194)	(410)	(26.410)	(1.537)
<i>of which related parties</i>	(211)	-	(219)	-	(102)	-	(116)	-
Personel	(51.635)	(1.168)	(54.060)	(739)	(23.817)	(544)	(27.348)	(600)
Other Operating Costs	(2.582)	(716)	(1.311)	(293)	(1.436)	(587)	(717)	(174)
<i>of which related parties</i>	(35)	-	(38)	-	(17)	-	(23)	-
Depreciation and Amortization	(21.754)	-	(16.574)	-	(10.921)	-	(8.536)	-
Doubtful debt prevision	(1.084)	-	(117)	-	(1.070)	-	(103)	-
Provisions for risks and charges	(3)	-	(107)	-	(3)	-	(86)	-
Capitalization of Internal Construction Costs	2.666	-	886	-	1.028	-	415	-
<b>EBIT</b>	<b>(62)</b>	<b>(2.751)</b>	<b>17.148</b>	<b>(3.396)</b>	<b>(5.250)</b>	<b>(1.378)</b>	<b>8.063</b>	<b>(2.310)</b>
Other Financial Income	197	-	1.100	1.082	151	-	9	-
Interest Expenses	(4.241)	-	(3.717)	-	(2.035)	-	(2.156)	-
<i>of which related parties</i>	(123)	-	(132)	-	(94)	-	(68)	-
FX Gains and Losses	2.541	-	(241)	-	(78)	-	(1.202)	-
<b>Profit Before Taxes</b>	<b>(1.564)</b>	<b>(2.751)</b>	<b>14.291</b>	<b>(2.314)</b>	<b>(7.213)</b>	<b>(1.378)</b>	<b>4.714</b>	<b>(2.310)</b>
Income Taxes	(371)	-	(3.637)	-	1.201	-	(1.757)	-
<b>Net Profit (Including Portion Attr. to Minority )</b>	<b>(1.935)</b>	<b>(2.751)</b>	<b>10.654</b>	<b>(2.314)</b>	<b>(6.012)</b>	<b>(1.378)</b>	<b>2.958</b>	<b>(2.310)</b>
Net Profit Attributable to Minority Interest	0	-	-	-	0	-	0	-
<b>Net Profit Attributable to the Group</b>	<b>(1.935)</b>		<b>10.654</b>		<b>(6.012)</b>		<b>2.958</b>	

2QUARTER	BCF				NTF				POLYMERS				TOTAL			
	2019	2020	Δ	Δ%	2019	2020	Δ	Δ%	2019	2020	Δ	Δ%	2019	2020	Δ	Δ%
EMEA	53,9	30	(23,9)	(44,3%)	22,5	12,4	(10,1)	(44,7%)	9,1	5,1	(4,0)	(44,1%)	85,5	47,5	(38,0)	(44,4%)
North America	26,3	17,1	(9,2)	(35,0%)	2,9	3,5	0,6	22,1%	2,1	1,2	(1,0)	(45,1%)	31,3	21,8	(9,5)	(30,5%)
Asia & Oceania	23,8	11,9	(11,8)	(49,8)%	0,5	0,7	0,1	25,3%	0,1	0,0	(0,1)	(85,8%)	24,4	12,6	(11,8)	(48,3%)
ROW	(0,0)	0,0	0,0	n.a	0,3	0,1	(0,2)	(60,2%)	0,0	0,0	0,0	n.s.	0,29	0,1	(0,2)	(60,0%)
<b>TOTAL</b>	<b>104,0</b>	<b>59,0</b>	<b>(45,0)</b>	<b>(43,2%)</b>	<b>26,2</b>	<b>16,7</b>	<b>(9,5)</b>	<b>(36,2%)</b>	<b>11,3</b>	<b>6,3</b>	<b>(5,0)</b>	<b>(44,6%)</b>	<b>141,3</b>	<b>82,0</b>	<b>(59,3)</b>	<b>(42,0%)</b>



RECONCILIATION FROM NET PROFIT TO EBITDA €/000	Half Year 2020	Half Year 2019	Second Quarter 2020	Second Quarter 2019
<b>Net Profit (Including Portion Attr. to Minority )</b>	(1.935)	10.654	<b>(6.012)</b>	<b>2.958</b>
Income Taxes	371	3.637	(1.201)	1.757
Amortisation & Depreciation	21.754	16.574	10.921	8.536
Write-downs & Write-backs of intangible and tangible assets	1.087	224	1.073	189
Financial items (*)	2.848	4.587	2.501	4.208
No recurring items (**)	2.751	3.396	1.378	2.310
<b>EBITDA</b>	<b>26.876</b>	<b>39.070</b>	<b>8.660</b>	<b>19.957</b>
Revenue	222.733	286.667	82.019	141.339
EBITDA Margin	12,1%	13,6%	10,6%	14,1%

RECONCILIATION FROM EBITDA TO EBIT ADJUSTED €/000	Half Year 2020	Half Year 2019	Second Quarter 2020	Second Quarter 2019
<b>EBITDA</b>	<b>26.876</b>	<b>39.070</b>	<b>8.660</b>	<b>19.957</b>
Amortisation & Depreciation	21.754	16.574	10.921	8.536
Write-downs & Write-backs of intangible and tangible assets	1.087	224	1.073	189
<b>EBIT Adjusted</b>	<b>4.036</b>	<b>22.273</b>	<b>(3.334)</b>	<b>11.232</b>
Revenue	222.733	286.667	82.019	141.339
EBIT Adjusted Margin	1,8%	7,8%	-4,1%	7,9%

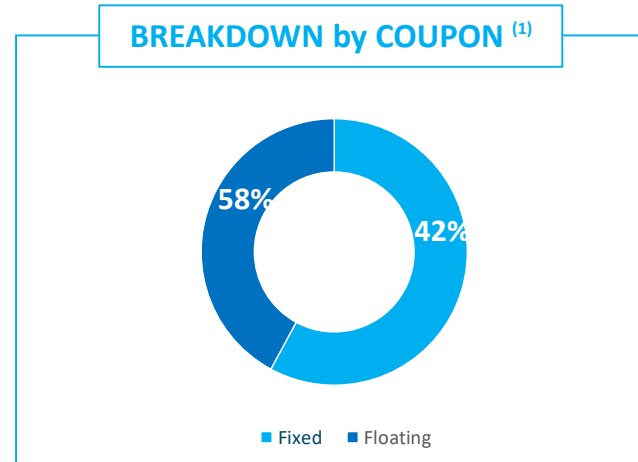
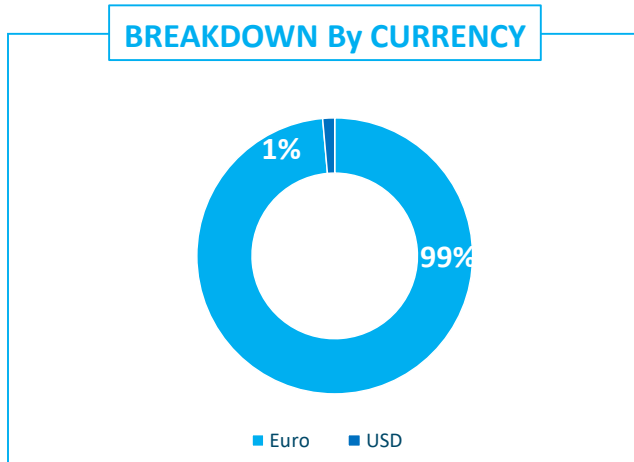
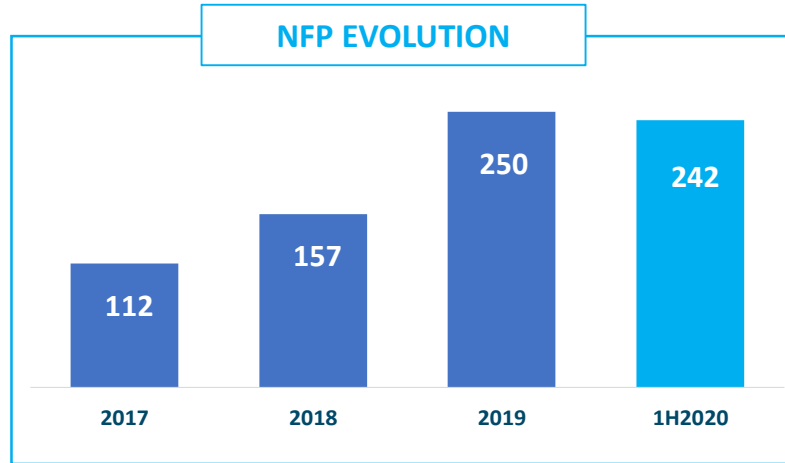
(\*) The financial items include: (i) financial income of Euro 0.2 million and Euro 1.1 million respectively in the periods ending June 30, 2020 and June 30, 2019 (ii) financial charges of Euro 4.2 million and Euro 3.7 million respectively in the periods ending June 30, 2020 and June 30, 2019, (iii) cash discounts of Euro 1.3 million and Euro 1.7 million respectively in the periods ending June 30, 2020 and June 30, 2019, and (iv) exchange gains of Euro 2.5 million and exchange losses of Euro 0.2 million respectively in the periods ending June 30, 2020 and June 30, 2019.

(\*\*) This includes (i) non-recurring charges related to the expansion of the Aquafil Group and other corporate transactions for Euro 1.7 million and 2.3 million respectively in the periods ending June 30, 2020 and June 30, 2019, (ii) non-recurring industrial charges of Euro 0.6 million for the period ending June 30, 2019, (iii) costs for restructuring for Euro 0.5 million and Euro 0.1 million respectively in the periods ending June 30, 2020 and June 30, 2019 and (iv) other non-recurring charges of Euro 0.5 million and Euro 0.4 million respectively in the periods ending June 30, 2020 and June 30, 2019.

<b>CONSOLIDATED BALANCE SHEET</b>	<b>At June 30,</b>	<b>At December 31,</b>
<i>€/000</i>	<b>2020</b>	<b>2019</b>
Intangible Assets	22.265	21.101
Goodwill	13.071	13.029
Tangible Assets	244.154	251.492
Financial Assets	677	765
<i>of which related parties</i>	313	313
Other Assets	1.336	2.189
Deferred Tax Assets	10.577	13.636
<b>Total Non-Current Assets</b>	<b>292.081</b>	<b>302.212</b>
Inventories	168.360	184.931
Trade Receivable	22.426	24.960
<i>of which related parties</i>	98	69
Financial Current Assets	853	1.637
Current Tax Receivables	1.987	1.639
Other Current Assets	13.096	12.126
<i>of which related parties</i>	2.416	2.231
Cash and Cash Equivalents	132.774	90.400
Asset held for sales	-	428
<b>Total Current Assets</b>	<b>339.496</b>	<b>316.120</b>
<b>Total Current Assets</b>	<b>631.577</b>	<b>618.332</b>
Share Capital	49.722	49.722
Reserves	92.377	81.813
Group Net Profit for the year	(5.490)	10.799
<b>Group Shareholders Equity</b>	<b>136.609</b>	<b>142.335</b>
Net Equity attributable to minority interest	1	1
<b>Total Shareholders Equity</b>	<b>136.610</b>	<b>142.336</b>
Employee Benefits	5.729	5.721
Non-Current Financial Liabilities	341.414	286.970
<i>of which related parties</i>	7.241	9.624
Provisions for Risks and Charges	1.963	1.508
Deferred Tax Liabilities	8.997	10.915
Other Payables	13.600	15.383
<b>Total Non-Current Liabilities</b>	<b>371.704</b>	<b>320.497</b>
Current Financial Liabilities	34.462	54.733
<i>of which related parties</i>	3.556	3.572
Current Tax Payables	655	1.127
Trade Payables	64.801	76.089
<i>of which related parties</i>	406	127
Other Liabilities	23.345	23.551
<i>of which related parties</i>	230	236
<b>Total Current Liabilities</b>	<b>123.263</b>	<b>155.499</b>
<b>Total Equity and Liabilities</b>	<b>631.577</b>	<b>618.332</b>

<b>NET FINANCIAL DEBT</b>	<b>At June 30,</b>	<b>At December 31,</b>
<b>€/000</b>	<b>2020</b>	<b>2019</b>
A. Cash	132.774	90.400
B. Other cash equivalents	-	-
C. Securities held-for-trading	-	-
<b>D. Liquidity ( A + B + C )</b>	<b>132.774</b>	<b>90.400</b>
<b>E. Current financial receivables</b>	<b>853</b>	<b>1.637</b>
F. Current bank loans and borrowing	(72)	(129)
G. Current portion of non-current loans and borrowing	(26.066)	(46.056)
H. Other current loans and borrowing	(8.324)	(8.547)
<b>I. Current financial debt ( F + G + H )</b>	<b>(34.462)</b>	<b>(54.733)</b>
<b>J. Net current financial debt ( I + E+ D )</b>	<b>99.165</b>	<b>37.304</b>
K. Non-current bank loans and borrowing	(226.800)	(169.796)
L. Bonds issued	(90.432)	(90.458)
M. Other non-current loans and borrowing	(24.182)	(26.619)
<b>N. Non-current financial debt ( K + L + M )</b>	<b>(341.414)</b>	<b>(286.874)</b>
<b>O. Net financial debt ( J+N )</b>	<b>(242.249)</b>	<b>(249.570)</b>





BORROWINGS - 30 June 2020	ISSUE DATE	CURRENCY	COUPON <sup>(1)</sup>	MATURITY	AMOUNT			COVENANTS <sup>(2)</sup>		
					Total	Drawn	Undrawn	Parameters	Reference	Check
Private Placement B	Sept 2018	EUR	4,70%	Sept 2028	50	50	0	EBITDA / Net financial charges > 3.5 Net Debt / EBITDA < 3.75		
Private Placement C	May 2019	EUR	2,87%	May 2029	40	40	0	Minimum NET Equity threshold levels	Group	Half-yearly
Shelf facilities	Sept 2018	EUR	Floating at use	Sept 2028	50	0	50	To be defined at use		
<b>US Private Placement</b>					<b>140</b>	<b>90</b>	<b>50</b>			
Medium-long term loans - fixed rate	2016-2020	EUR	1,25%	2021-2027	109	109	0	Net Debt / Net Equity Net Debt / EBITDA	Group	
Medium-long term loans - variable rate	2018-2020	EUR	0,62%	2021-2026	139	139	0	EBITDA / Financial charges		
USD PPL	June 2019	USD	1,00%	2021	5	5	0	N.A.		
<b>Medium-long term loans</b>					<b>253</b>	<b>253</b>	<b>0</b>			
<b>Short term credit lines</b>	N.A.	EUR	Floating at use	Revocable	<b>84</b>	<b>0</b>	<b>84</b>	N.A.		
<b>Leasing</b>	2007	EURO	0,08%	2021	<b>9</b>	<b>9</b>	<b>0</b>	N.A.		
<b>TOTAL</b>					<b>486</b>	<b>352</b>	<b>134</b>			

Data in € million – <sup>(1)</sup> Actual coupon

<sup>(2)</sup> Please see 1H2020 Explanatory Notes to the Financial Statements for details on each medium-long term loans and short term credit credit lines

CASH FLOW STATEMENT	At June 30, €/'000	At June 30, 2019
<b>Operation Activities</b>		
Net Profit (Including Portion Attr. to Minority )	-1.935	10.654
<i>of which related parties</i>	-342	-360
Income Taxes	371	3.637
Income (loss) from Investments	-197	-1.100
Other Financial Income	4.241	3.717
<i>of which related parties</i>	123	132
FX (Gains) and Losses	-2.541	241
(Gain)/Loss on non - current asset Disposals	-72	-148
Provisions & write-downs	1.087	224
Amortisation, depreciation & write-downs	21.761	16.572
Net variation non-monetary increase IFRS16	-1.206	-2.976
<b>Cash Flow from Operating Activities Before Changes in NWC</b>	<b>21.508</b>	<b>30.820</b>
Change in Inventories	16.571	1.313
Change in Trade and Other Receivables	-11.287	-19.584
<i>of which related parties</i>	279	-611
Change in Trade and Other Payables	2.531	-4.966
<i>of which related parties</i>	-29	36
Change in Other Assets/Liabilities	-3.640	402
<i>of which related parties</i>	-191	681
Net Interest Expenses paid	-4.044	-1.593
Income Taxes paid	610	-713
Change in Provisions for Risks and Charges	-571	-58
<b>Cash Flow from Operating Activities (A)</b>	<b>21.678</b>	<b>5.621</b>
<b>Investing activities</b>		
Investment in Tangible Assets	-12.120	-30.421
Disposal of Tangible Assets	584	183
Investment in Intangible Assets	-2.979	-2.319
Disposal of Intangible Assets	167	7
Business Purchases Aquafil O'Mara	0	-35.618
<i>of which Asset</i>	0	-15.060
<i>of which Goodwill</i>	0	-14.040
<i>of which cash</i>	0	112
<i>of which other assets and liabilities</i>	0	-6.630
<b>Cash Flow used in Investing Activities (B)</b>	<b>(14.348)</b>	<b>(68.168)</b>
<b>Financing Activities</b>		
Increase in no current Loan and borrowing	45.059	73.000
Decrease in no current Loan and borrowing	-7.991	-11.320
Net variation in current financial Assets and Liability	-2.024	-1.105
<i>of which related parties</i>	-2.400	2.030
Dividends Distribution	0	-12.273
<i>of which related parties</i>	0	-7.316
<b>Cash Flow from Financing Activities ( C )</b>	<b>35.044</b>	<b>48.301</b>
<b>Net Cash Flow of the Year (A)+(B)+(C)</b>	<b>42.374</b>	<b>(14.245)</b>



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