



Aquafil Group

1 Quarter 2023

Financial Result

11th May 2023

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Key Message

**CONTINUED
GROWTH FOR
CARPET FIBRES IN
THE UNITED STATES**

**GLOBAL MARKET
CHARACTERIZED BY
VOLATILITY
WITH LIMITED
VISIBILITY**

**ECONYL[®] BRANDED
PRODUCTS UP 11.2%
COMPARED TO THE
FIRST QUARTER OF
2022**

**RATIO OF ECONYL[®]
BRANDED PRODUCTS
TO REVENUES
GENERATED BY
FIBERS AT 46.9%**

Financial Result

REVENUES				EBITDA			NET PROFIT				NFP				
	2022	2021	Δ%		2022	2021	Δ%		2022	2021	Δ		31.03.23	31.12.22	Δ
1Q	166,8	171,2	-2,5%	1Q	21,6	24,8	-13,1%	1Q	3,3	9,1	(5,8)	1Q	(246,8)	(247,9)	1,1
	% on Revenues				12,9%	14,5%		% on Revenues							

SALES

VOLUME¹
-9,5% compared to 1Q 2022

EMEA
Lower demand

USA
Best macro area

ECONYL®
46,9% of Fiber Revenues
Growth of ca 11% vs 1Q22

EBITDA

LOWER TO 1Q 222

Lower Volume

High inventory
Raw Material unit cost

NET PROFIT

LOWER TO 1Q 222

Lower EBITDA

Higher Depreciation and Financial Cost
not benefit of Mark to Market on IRS

NET FINANCIAL POSITION

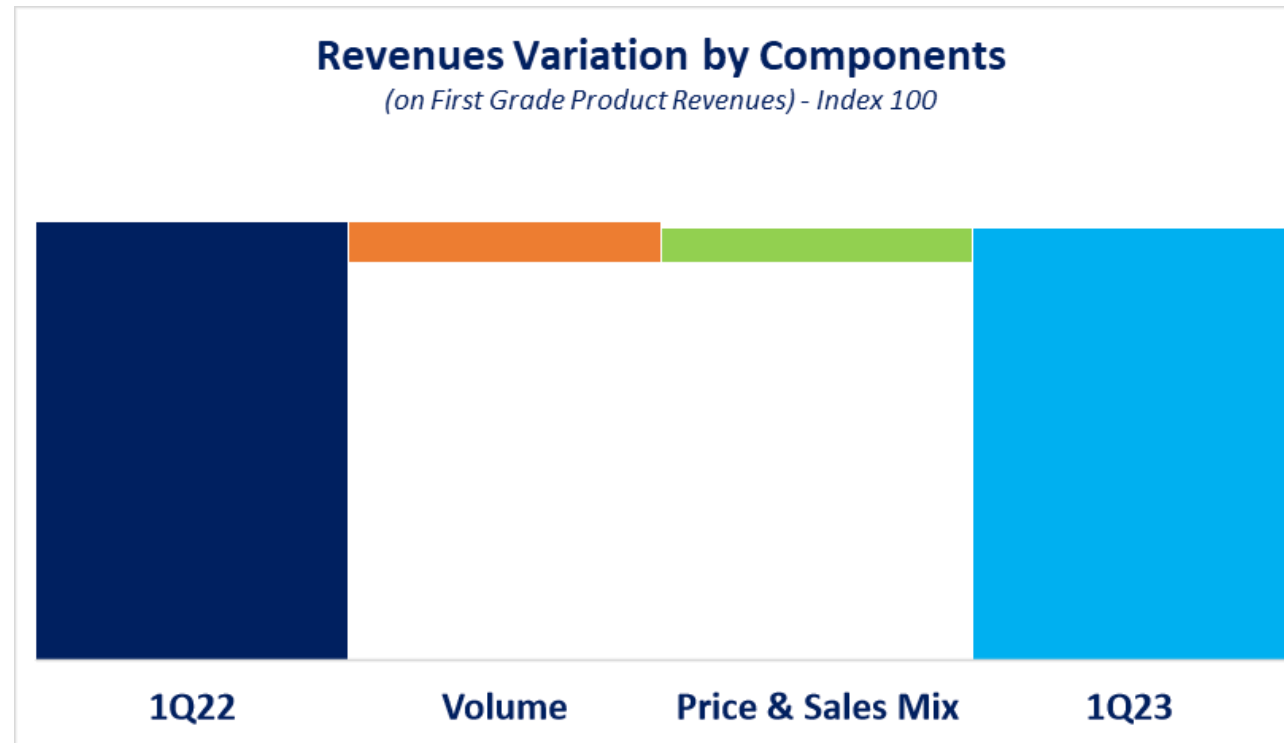
BETTER THAN Dec 22

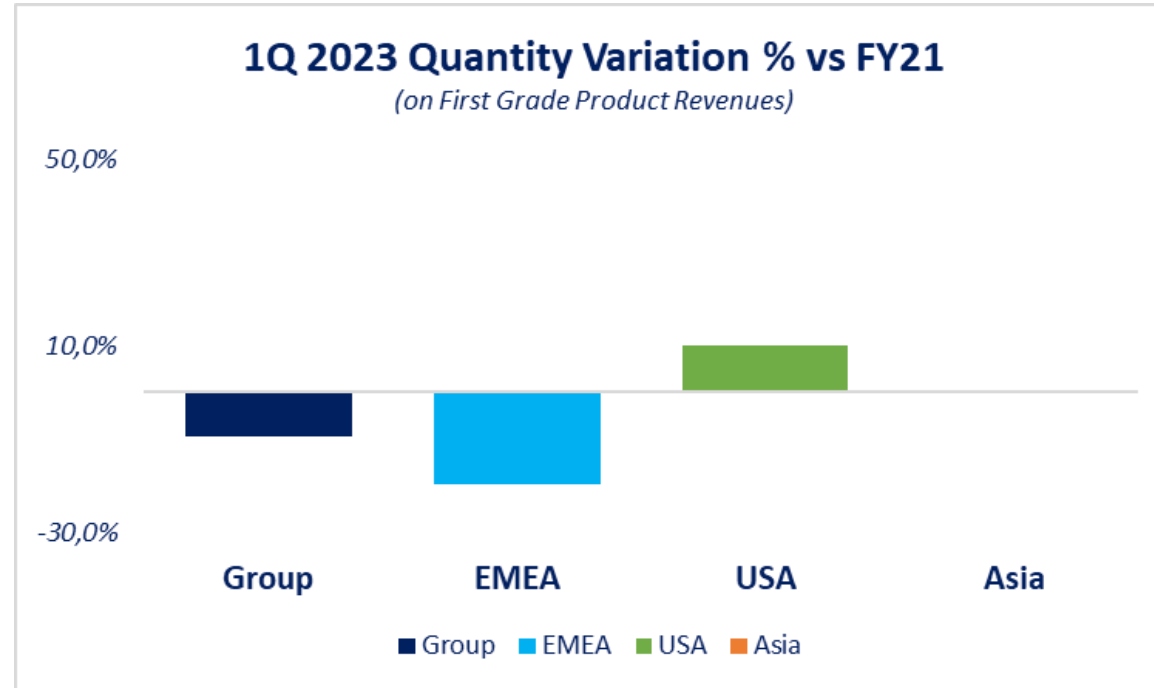
NFP/EBITDA LTM
X2,687
on 31st December 2022

X2,773
on 31st March 2023

⁽¹⁾ Based on "First Grade Product" revenues

- **Lower volumes of ca 9% compared to 1Q 2022**
 - **Volume:** lower sales in EMEA
 - **Price & sales mix:** positive impact thanks to selling price adjustment.





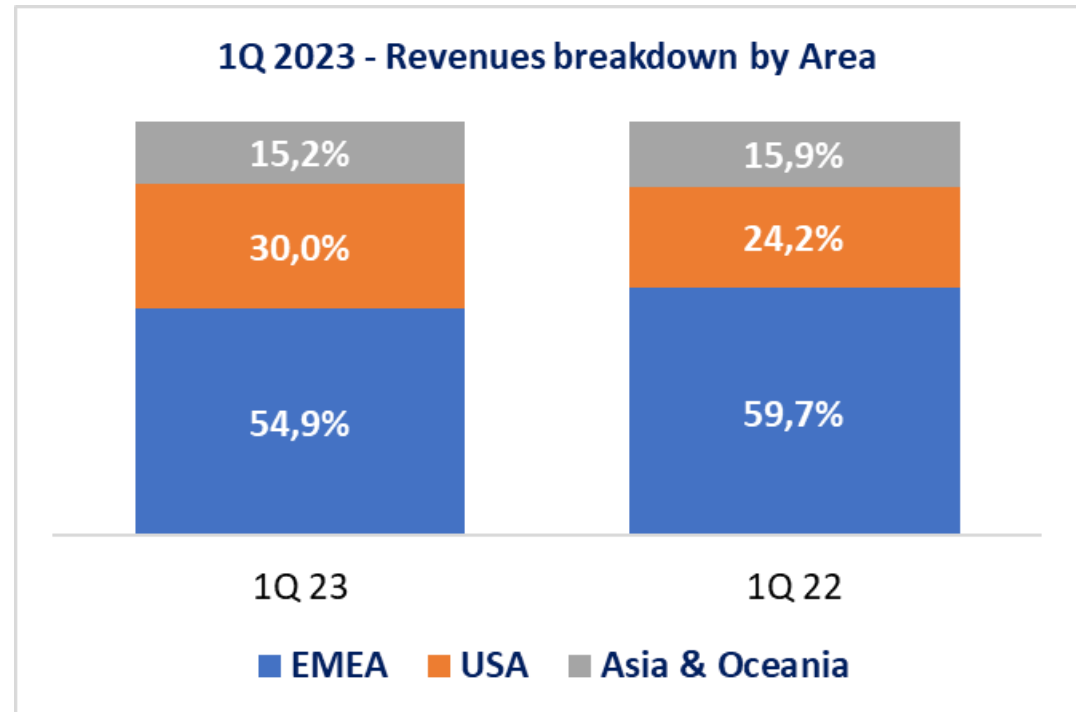
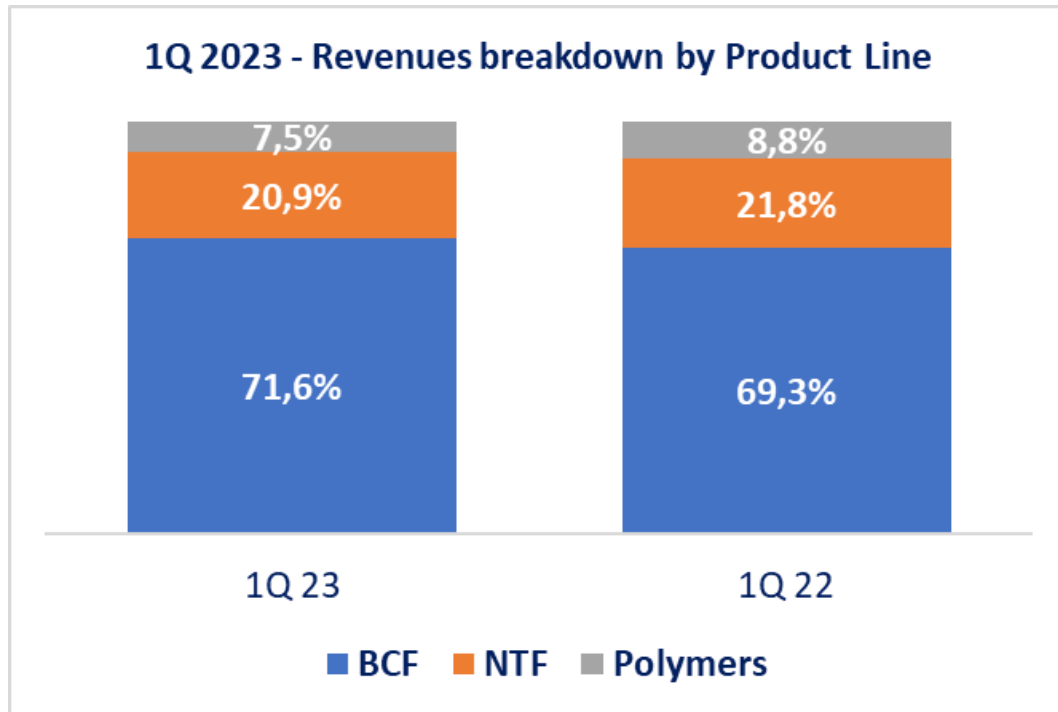
EMEA: volumes ca -20% vs 1Q 2022:

- BCF, NTF and Polymers: lower quantity due to slow market demand;

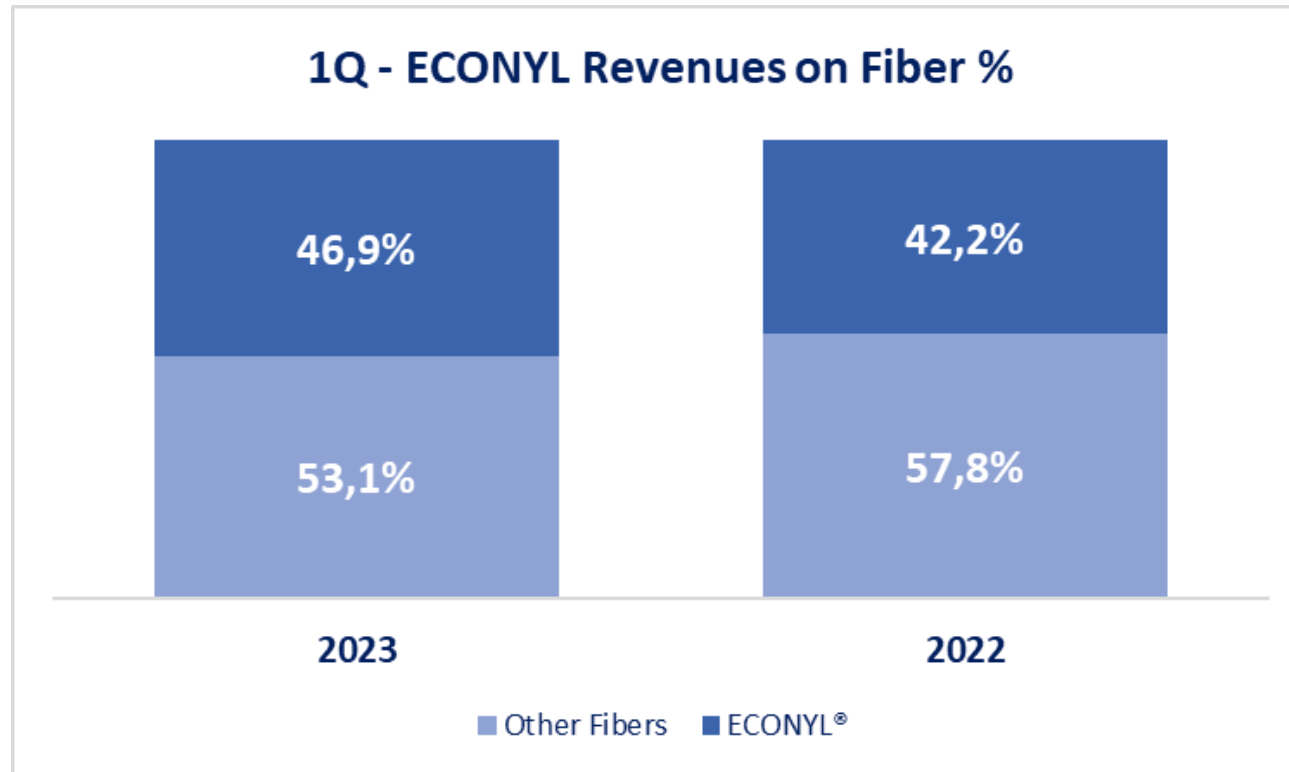
USA: volumes ca +10% vs 1Q 2022:

- BCF: higher quantity due market demand;
- NTF: lower quantity due to slow market demand;

Asia: in line with 1Q 2022;

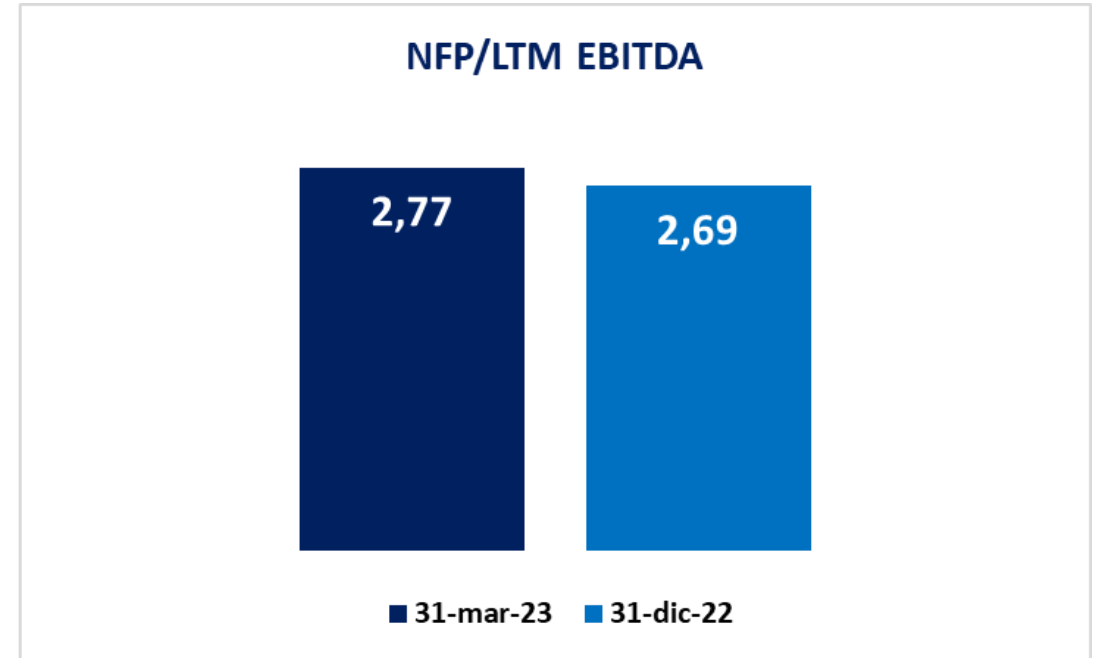
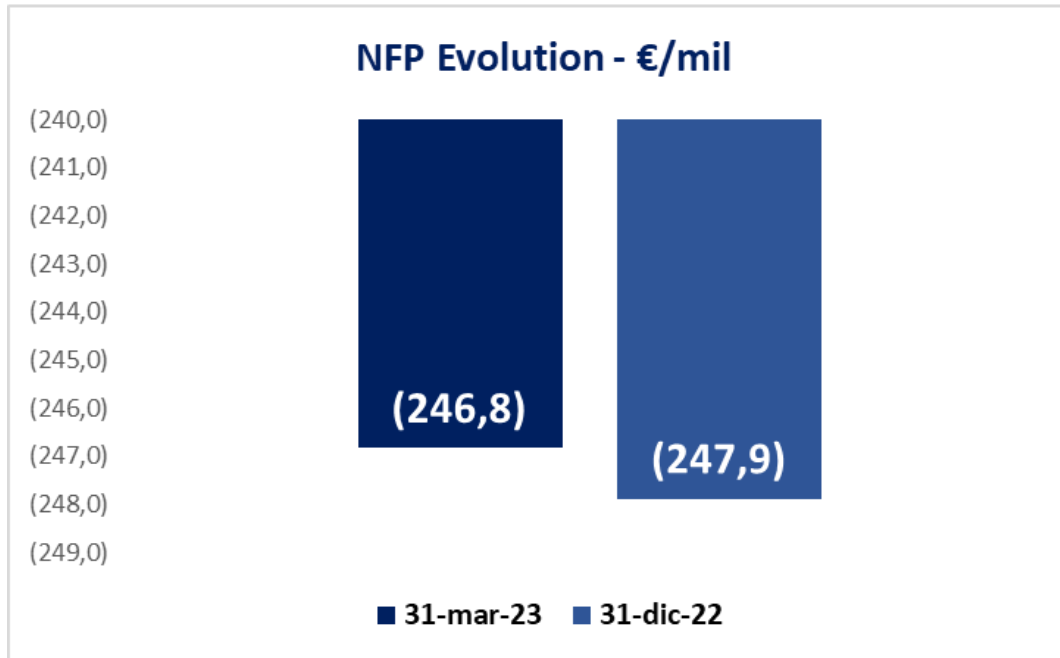


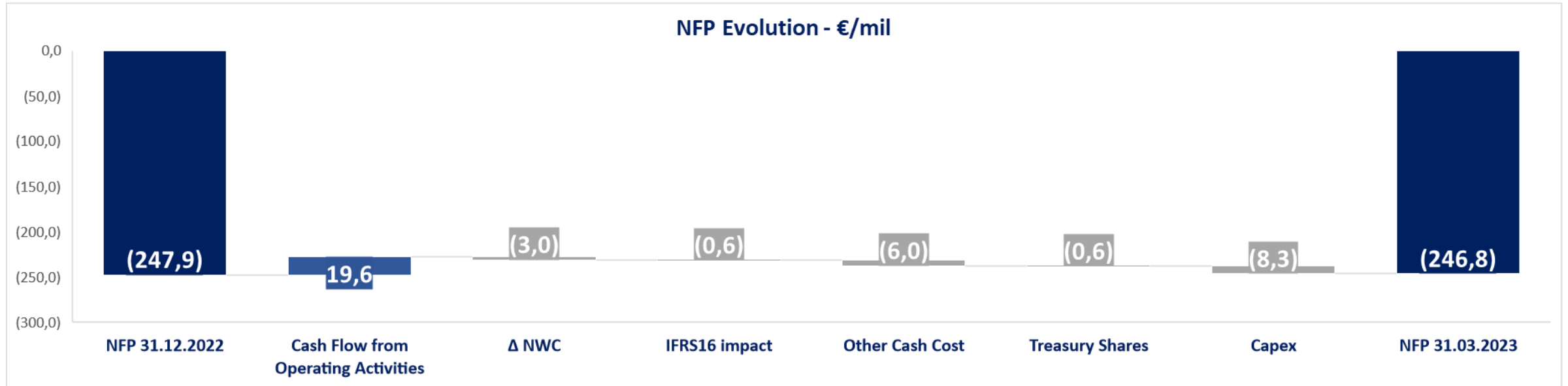
- **+11,2% compared to 1Q 2022** due to higher price



€/mil	First Quarter		
	2023	2022	△
REVENUES	166,8	171,2	(4,3)
EBITDA	21,6	24,8	(3,2)
<i>% on net sales</i>	12,9%	14,5%	
EBIT	8,0	12,5	(4,5)
<i>% on net sales</i>	4,8%	7,3%	
EBT	4,6	11,9	(7,3)
<i>% on net sales</i>	2,8%	7,0%	
NET RESULT	3,3	9,1	(5,8)

- **NFP** on 31st March 2023 equal to (246,8) **better of 1,1 €/mil** compared to 31st December 2022;
- **Ratio NFP/EBITDA LTM at x2,77**





Outlook

In terms of margins, the first quarter of 2023 ended in line with Group's expectations and the different geographical areas confirmed the trend reported during the fourth quarter of the previous year.

In terms of volumes sold compared to the first quarter of 2022, the United States confirmed an uptrend, while the Asia Pacific demand levels remained stable and the EMEA witnessed a decline of the end market for all product lines.

In this context, the Group maintained its capacity to generate value.

The remaining part of 2023 is still marked by strong uncertainty, especially with regard to the EMEA market, also due to an extremely limited visibility.

Within this framework, the Group continues to make sustainability-oriented strategic decisions, with the aim of creating products and processes that are increasingly appreciated by the end market, while pursuing greater industrial efficiency and cost effectiveness.

Appendix

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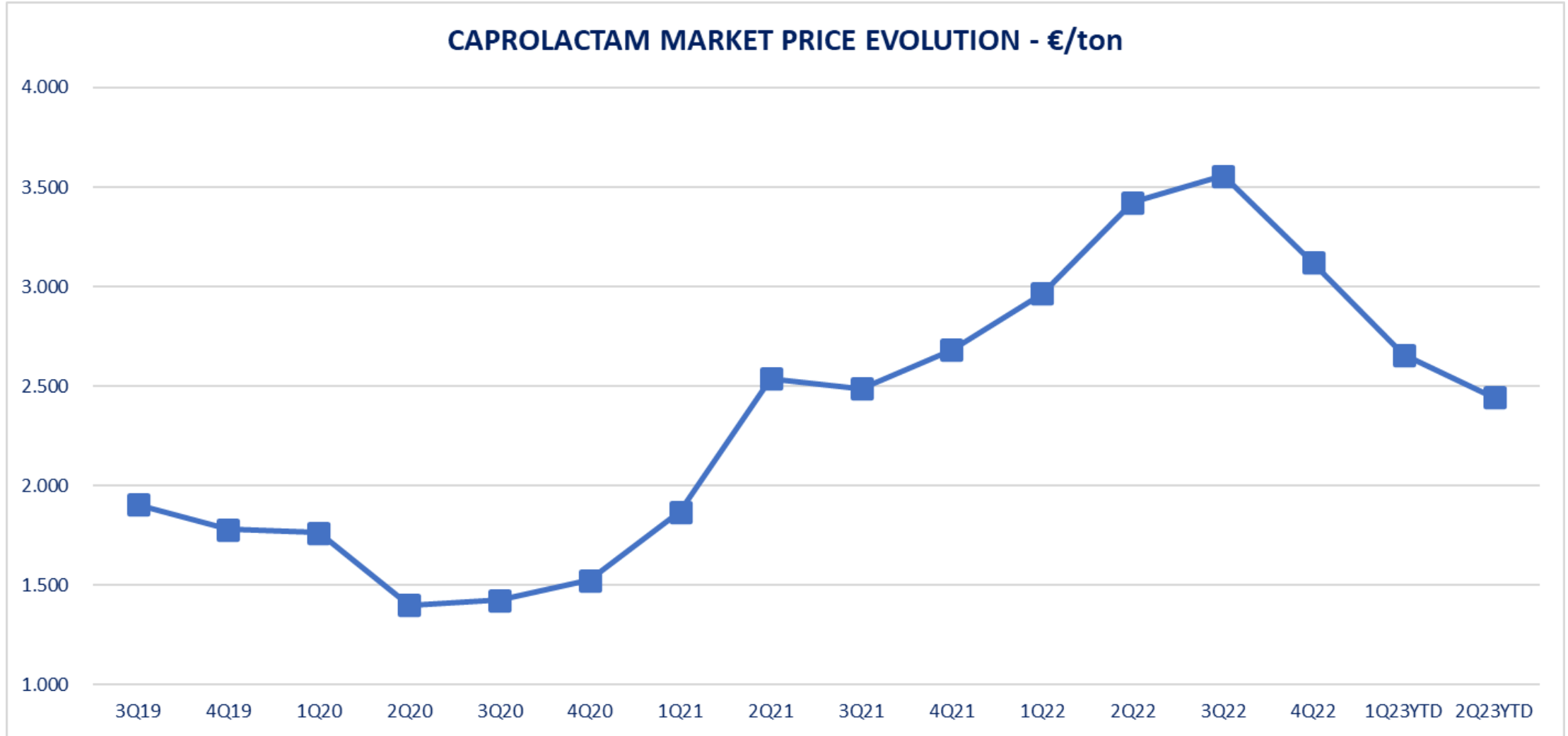
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<p>«FIRST CHOICE REVENUES»</p>	<p>“First choice revenues” are revenues generated by the sale of fibers and polymers, gross of any adjustments (for example, discounts and allowances), but excluding revenues generated by “non-first choice products”, revenues generated by Aquafil Engineering GmbH and “other revenues”. On historical base figures, these revenues accounted for more than 95% of the Group’s consolidated revenues</p>
<p>EBITDA</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>NFP</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"> A. Cash B. Other liquid assets C. Other current financial assets D. Liquidity (A+B+C) E. Current financial receivables F. Current bank payables G. Current portion of non-current debt H. Other current financial payables I. Current financial debt (F+G+H) J. Net current financial debt (I-D-E) K. Non-current bank payables L. Bonds issued M. Other non-current payables N. Non-current financial debt (K+L+M) O. Net financial debt (J+N)



Appendix - Consolidated Income Statements

CONSOLIDATED INCOME STATEMENT €/000	First Quarter 2023	<i>of which non- current</i>	First Quarter 2022	<i>of which non- current</i>
Revenue	166.820		171.160	296
<i>of which related parties</i>	76		13	
Other Revenue	2.717	2	1.256	91
Total Revenue and Other Revenue	169.537	2	172.416	387
Raw Material	(82.183)	-	(78.567)	(91)
Services	(36.242)	(803)	(38.860)	(354)
<i>of which related parties</i>	(124)	-	(526)	
Personel	(32.034)	(318)	(31.387)	(347)
Other Operating Costs	(864)	(3)	(1.234)	(55)
<i>of which related parties</i>	(17)		(17)	
Depreciation and Amortization	(11.828)		(10.919)	
Provisions&Write-downs	87		(17)	
(write-downs)/ recovery of inancial assets (receivables)	63		25	
Capitalization of Internal Construction Costs	1.450		1.004	
EBIT	7.986	(1.123)	12.463	(460)
Other Financial Income	114		1.694	
Interest Expenses	(3.280)		(1.872)	
<i>of which related parties</i>	(45)		(31)	
FX Gains and Losses	(176)		(383)	
Profit Before Taxes	4.644	(1.123)	11.902	(460)
Income Taxes	(1.352)		(2.782)	
Net Profit (Including Portion Attr. to Minority)	3.291	(1.123)	9.120	(460)
Net Profit Attributable to Minority Interest	0		0	
Net Profit Attributable to the Group	3.291		9.120	

1Q 2023 €/mil	BCF (fiber for carpet)				NTF (fiber for fabric)				Polymers				Total					
	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	2023	2022	Δ	Δ%	% 23	% 22
EMEA	54,3	59,4	34,5	58,0 %	26,3	28,4	17,0	59,6 %	10,9	14,5	(13,3)	(92,2)%	91,5	102,3	38,1	37,2 %	54,9 %	59,7 %
North America	41,4	33,9	61,4	181,1 %	7,2	7,4	3,1	42,4 %	1,4	0,2	(2,4)	(993,1)%	50,0	41,5	62,1	149,7 %	30,0 %	24,2 %
Asia e Oceania	23,5	25,2	10,6	41,9 %	1,0	1,0	(1,2)	(122,1)%	0,2	0,4	0,3	0,0 %	24,7	26,6	9,7	36,5 %	14,8 %	15,6 %
RoW	0,2	0,2	0,2	109,1 %	0,3	0,6	0,5	80,5 %	0,0	0,0	(0,0)	0,0 %	0,6	0,8	0,7	86,8 %	0,3 %	0,5 %
Total	119,4	118,7	106,6	89,8 %	34,8	37,4	19,4	51,9 %	12,6	15,1	(15,4)	(101,8)%	166,8	171,2	110,6	64,6 %	100,0 %	100,0 %
% ToT	71,6%	69,3%			20,9%	21,8%			7,5%	8,8%			100,0%	100,0%				

1Q - % Revenues by Geographical Area



2023

2022

■ EMEA ■ North America ■ Asia e Oceania

1Q - % Revenues by Product Line



2023

2022

■ BCF (fiber for carpet) ■ NTF (fiber for fabric) ■ Polymers

RECONCILIATION FROM NET PROFIT TO EBITDA €/000	First Quarter 2023	First Quarter 2022
Net Profit (Including Portion Attr. to Minority)	3.291	9.120
Income Taxes	1.352	2.782
Amortisation & Depreciation	11.828	10.919
Write-downs & Write-backs of intangible and tangible assets	(150)	(9)
Financial items (*)	4.127	1.542
No recurring items (**)	1.123	460
EBITDA	21.572	24.814
<i>Revenue</i>	166.820	171.160
EBITDA Margin	12,9%	14,5%

RECONCILIATION FROM EBITDA TO EBIT ADJUSTED €/000	First Quarter 2023	First Quarter 2022
EBITDA	21.572	24.814
Amortisation & Depreciation	11.828	10.919
Write-downs & Write-backs of intangible and tangible assets	(150)	(9)
EBIT Adjusted	9.893	13.904
<i>Revenue</i>	166.820	171.160
<i>EBIT Adjusted Margin</i>	5,9%	8,1%

(*) The financial items include: (i) financial income of Euro 0.1 million (ii) financial charges and other bank charges of Euro (3.2) million, (iii) cash discounts of Euro (0.8) million, and (iv) exchange loss of Euro (0.2) million.

(**) This includes at the end of March: (i) non-recurring charges related to the expansion of the Aquafil Group for Euro (0.4) million, (ii) (0.7) million related to a no recurring event in the USA.

CONSOLIDATED BALANCE SHEET	At March 31,	At December 31,
<i>€/000</i>	2023	2022
Intangible Assets	20.852	21.596
Goodwill	15.346	15.647
Tangible Assets	243.959	247.469
Financial Assets	643	831
<i>of which related parties</i>	<i>318</i>	<i>318</i>
Investments & Equity method	1.018	1.018
Other Assets	426	426
Deferred Tax Assets	9.855	11.519
Total Non-Current Assets	292.101	298.506
Inventories	242.684	260.808
Trade Receivable	35.846	28.553
<i>of which related parties</i>	<i>398</i>	<i>376</i>
Financial Current Assets	5.632	9.964
Current Tax Receivables	1.167	580
Other Current Assets	16.059	15.862
<i>of which related parties</i>	<i>1.851</i>	<i>247</i>
Cash and Cash Equivalentents	122.817	110.682
Total Current Assets	424.206	426.449
Total Current Assets	716.306	724.955

CONSOLIDATED BALANCE SHEET €/000	At March 31, 2023	At December 31, 2022
Share Capital	49.722	49.722
Reserves	121.113	96.528
Group Net Profit for the year	3.291	29.151
Group Shareholders Equity	174.127	175.401
Net Equity attributable to minority interest	1	1
Net Profit for the year attributable to minority interest	0	0
Total Shareholders Equity	174.128	175.402
Employee Benefits	4.975	5.192
Non-Current Financial Liabilities	286.705	285.385
<i>of which related parties</i>	4.837	5.262
Provisions for Risks and Charges	1.591	1.975
Deferred Tax Liabilities	9.064	9.237
Other Payables	7.899	8.985
Total Non-Current Liabilities	310.233	310.774
Current Financial Liabilities	88.575	83.146
<i>of which related parties</i>	2.817	2.957
Current Tax Payables	3.241	3.630
Trade Payables	113.372	126.840
<i>of which related parties</i>	281	270
Other Liabilities	26.757	25.163
<i>of which related parties</i>	230	230
Total Current Liabilities	231.945	238.779
Total Equity and Liabilities	716.306	724.955

Appendix - Consolidated Cash Flow Statement (1/2)

CASH FLOW STATEMENT €/000	At March 31, 2023	At March 31, 2022
Operation Activities		
Net Profit (Including Portion Attr. to Minority)	3.291	9.120
<i>of which related parties</i>	<i>(111)</i>	<i>(561)</i>
Income Taxes	1.352	2.782
Financial income	(114)	(1.694)
Financial charges	3.280	1.872
<i>of which related parties</i>	<i>45</i>	<i>31</i>
FX (Gains) and Losses	176	383
(Gain)/Loss on non - current asset Disposals	<i>(81)</i>	<i>(56)</i>
Provisions&Write-downs	(87)	17
(write-downs)/recovery of inancial assets (receivables)	(63)	(25)
Amortisation, depreciation & write-downs	11.828	10.918
Cash Flow from Operating Activities Before Changes in NWC	19.582	23.316
Change in Inventories	18.127	(27.001)
Change in Trade and Other Payables	(13.469)	5.409
<i>of which related parties</i>	<i>11</i>	<i>461</i>
Change in Trade and Other Receivables	(7.230)	(6.889)
<i>of which related parties</i>	<i>(22)</i>	<i>51</i>
Change in Other Assets/Liabilities	(430)	(2.696)
<i>of which related parties</i>	<i>(1.604)</i>	<i>2.040</i>
Net Interest Expenses	(3.166)	(178)
Income Taxes paid	(2.335)	(78)
Change in Provisions for Risks and Charges	(668)	(242)
Cash Flow from Operating Activities (A)	10.411	(8.358)

CASH FLOW STATEMENT €/000	At March 31, 2023	At March 31, 2022
<i>Investing activities</i>		
Investment in Tangible Assets	(7.858)	(7.226)
Disposal of Tangible Assets	304	76
Investment in Intangible Assets	(771)	(550)
Disposal of Intangible Assets		
Cash Flow used in Investing Activities (B)	(8.325)	(7.701)
<i>Financing Activities</i>		
Increase in no current Loan and borrowing	15.000	20.000
Decrease in no current Loan and borrowing	(11.903)	(10.854)
Net variation in current and not current financial Assets and Liability included IFRS 16	8.172	2.357
<i>of which related parties</i>	(565)	472
Net variation non-monetary increase IFRS16	(617)	(3.982)
<i>of which related parties</i>	-	(1.177)
Dividends Distribution	(6)	
Acquisition of treasury shares	(597)	(1.558)
Cash Flow from Financing Activities (C)	10.049	5.964
Net Cash Flow of the Year (A)+(B)+(C)	12.135	(10.095)

NET FINANCIAL DEBT €/000	At March 31, 2023	At December 31, 2022
A. Liquidity	122.817	110.682
B. Cash and cash equivalents		
C. Other current financial assets	5.632	9.964
D. Liquidity (A + B + C)	128.450	120.646
E. Current financial debt (including debt instruments but excluding the current portion of non-current financial debt)	(6.358)	(1.333)
F. Current portion of non-current financial debt	(82.217)	(81.814)
G. Current financial debt (E + F)	(88.575)	(83.146)
H. Net current financial debt (G - D)	39.875	37.500
I. Non-current financial debt (excluding current portion and debt instruments)	(216.417)	(215.084)
J. Debt instruments	(70.288)	(70.301)
K. Trade payables and other non-current payables		
L. Non-current financial debt (I + J + K)	(286.705)	(285.385)
M. Total financial debt (H + L)	(246.831)	(247.885)