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Informazione
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Oggetto : GRIFAL GROUP: REVENUE AND
MARGIN GROWTH Consolidated
Revenues EUR 19.4 Million (+ 4.5% vs
30/6/2022) Ebitda EUR 2.7 Million (+ 37%
vs H1 2022)

Testo del comunicato

Vedi allegato.

GRIFAL GROUP: REVENUE AND MARGIN GROWTH
Consolidated Revenues EUR 19.4 Million (+ 4.5% vs 30/6/2022)
Ebitda EUR 2.7 Million (+ 37% vs H1 2022)

Revenues EUR 19,392,737 (EUR 18,564,121 as of June 30, 2022)
Production Value EUR 20,926,952 (EUR 20,671,649 as of June 30, 2022)
EBITDA EUR 2,671,605 (EUR 1,947,759 as of June 30, 2022)
EBIT EUR 1,202,955 (EUR 489,168 as of June 30, 2022)
Net Profit EUR 570,036 (EUR 121,202 as of June 30, 2022)
Net Financial Position Negative (Net Indebtedness) EUR 20,801,685 (EUR 18,865,018 as of December 31, 2022)
Net Equity EUR 18,180,366 (EUR 17,696,371 as of December 31, 2022)

Cologno al Serio (BG), September 29, 2023

The Board of Directors of Grifal Spa (“**the Company**” or “**Grifal**”), heading an Italian group active in the industrial packaging market since 1969 (“**Group**” or “**Grifal Group**”) and listed on the Euronext Growth Milan Market of Borsa Italiana S.p.A, approved the Consolidated Semi-Annual Financial Statements of the Group as of June 30, 2023.

Fabio Gritti, Chairman and Chief Executive Officer of Grifal, commented as follows:

“In the first half of this year, the company's growth in terms of both revenue and margins confirms the validity of our business model based on innovation and sustainability, even during this difficult economic phase for the industrial sector.

In recent months, a significant reorganizational effort has been directed towards enhancing the management and operations of the engineering and production areas of the corrugating machinery, including the hiring of a dedicated General Manager.

We have made considerable investments in completing the new area dedicated to the production of cArtù®; the initial assembly of the production lines is currently underway and will conclude throughout the year.

We have launched our joint venture in Portugal, SEVEN CARTÙ for which we are developing the production line to be installed at the beginning of 2024.

The cArtù® conversion machinery project is nearly complete. This equipment will be made available to the corrugated cardboard converting industry and other end-users of packaging materials.

Ongoing partnerships with several multinationals, to whom we offer R&D support, are proceeding with very promising results. We expect important developments from these collaborations in the coming months”.

Key Consolidated Financial and Asset Data as of June 30, 2023

Grifal Group's offering of sustainable and cost-effective packaging solutions continues to attract and win new customers: the first half of 2023 ended with **consolidated revenues of Euro 19,392,737**, in line with the preliminary revenue figures announced on July 24, up by 4.5% compared to the corresponding period in 2022 (Euro 18,564,121) and counter to the market trend marked by a general decline in volumes and revenues.

The Group's flagship product, cArtù®, accounted for 34% of the Group's revenues, as did foreign sales, which made up 27% of the total.

After a 2022 marked by significant increases in the cost of production factors, which could not be immediately passed on to customers, the gradual reduction in raw material prices has allowed the Group to achieve a significant increase in margins.

Group EBITDA reached **Euro 2,671,605**, up by **37%** compared to Euro 1,947,759 as of June 30, 2022, with an **EBITDA Margin** of **13.8%** of sales revenues, also up by 31% compared to 10.5% as of June 30, 2022.

The Group's total depreciation amounted to Euro 1,468,649 (Euro 1,458,591 as of June 30, 2022), resulting in a **Group EBIT** of **Euro 1,202,955**, showing significant improvement compared to the corresponding period in 2022 (Euro 489,168).

Net of financial expenses amounting to Euro 488,900 and taxes amounting to Euro 184,020, the **Consolidated Net Result** stands at **Euro 570,036**, also showing strong growth compared to Euro 121,202 as of June 30, 2022.

The Consolidated Net Financial Position (net debt) is **Euro 20,801,685**. The investments made during the semester, amounting to Euro 4.3 million to enhance the Group's production capacity, have only partially influenced this figure compared to the Net Financial Position as of December 31, 2022 (Euro 18,865,018). This outcome has been achieved through profitability and careful management of working capital. The net financial position is characterized by the predominance of its medium-to-long term component over the short-term one (61% vs 39%). The latter has remained substantially unchanged compared to December 31, 2022, while the former has increased in line with the Group's growth plans, which have involved significant investments but envisage generating consistent future cash flows to further improve the Net Financial Position to EBITDA ratio, which has decreased to 4.1x (4.3x as of December 31, 2022).

The Consolidated Net Equity amounts to Euro **18,180,366** compared to Euro 17,696,371 as of December 31, 2022.

Expected Evolution of Operations

In early 2023, our project to establish a dedicated network of production sites, notably for manufacturing cArtù®, reached a significant milestone. A joint venture with the José Neves Group, a Portuguese enterprise with over forty years of expertise in corrugated cardboard packaging and innovative solutions, led to the formation of Seven cArtù Lda in February.

This partnership is especially gratifying, both for its timely execution and the quality of our collaborator. The order has already been made for a 19-pitch cArtù® production line, featuring the latest fast-cutting technology. The line is set to become operational in Guimarães within the first few months of 2024. In preparation, Portuguese staff training and commercial development activities are already underway, initially assisted by our Italian resources.

Meanwhile, the first quarter of 2023 saw the completion of an expanded manufacturing unit at Grifal Spa's existing headquarters in Cologno al Serio. Finalization of the requisite technical and administrative measures for its activation is imminent.

In March, the new cArtù® production line, which offers double the capacity of previous lines, received certification for Industry 4.0 compliance as per the national transition plan. Initially functioning in the pre-existing area of the Cologno al Serio facility, the new line will be relocated to a dedicated space by year-end.

Within the engineering sector managed by Tieng Srl, substantial enhancement is in progress under the leadership of the new Executive President, who joined last December. The broader Group's strategy is directly linked to the consolidation and anticipated growth of this area. Tieng Srl will soon expand its workspace, benefiting from significant staff augmentation and improved profit margins.

Regarding packaging-related production, rising demand for cArtù®-based materials is anticipated in both Italy and Romania. Furthermore, activities continue apace at the Grifal Group Innovation Hub, located in Bergamo's Kilometro Rosso district, a renowned center for technological excellence. This venue is increasingly acknowledged as a nexus for international dialogue on innovation, sustainability, and technological advancement.

As for geopolitical concerns, the Group neither operates in markets affected by the Russia-Ukraine conflict nor in countries subject to international sanctions. Additionally, our production activities, led by our flagship product cArtù®, have minimal energy requirements, thus limiting our exposure to escalating energy costs.

Attached:

- Consolidated Income Statement as of June 30, 2023 vs June 30, 2022
- Consolidated Balance Sheet as of June 30, 2023 vs December 31, 2022
- Consolidated Net Financial Position as of June 30, 2023 vs December 31, 2022

This press release is available in the "Financial Press Releases" section of the Investor Relations area on www.grifal.it.

Grifal Group is a key player in the Packaging sector in Italy, operating through Grifal Spa – active since 1969 and listed on Euronext Growth Milan – and Tieng Srl. The Group also includes Grifal Europe Srl in Romania and Seven cArtù Lda, a joint venture with Grupo José Neves in Portugal. Grifal Group's strategy involves establishing an international network through partnerships with packaging manufacturers to establish cArtù® and cushionPaper as new green packaging standards.

Contacts:

Grifal Spa	Euronext Growth Advisor Banca Finnat Euramerica Spa	Specialist & Corporate Broker MIT Sim Spa	SEC Newgate Italia Srl Società Benefit
Giulia Gritti, Director of Marketing giulia_gritti@grifal.it Paolo Frattini, Investor Relations investor.relations@grifal.it	Mario Artigliere, Senior Manager Advisory & Corporate Finance, m.artigliere@finnat.it	info@mitsim.it	Angelo Vitale, Corporate Communications, angelo.vitale@secnewgate.it

Consolidated Income Statement as of June 30, 2023 vs June 30, 2022

Description	30/06/2023	% on revenues	30/06/2022	% on revenues	Variation	Variation %
Revenues	19.392.737	100,0%	18.564.121	100,0%	828.615	4,5%
Changes in Inventory of Work-in-Progress, Semi-finished, Finished Goods and Increase in Fixed Assets	1.224.199	6,3%	1.785.747	9,6%	-561.548	-31,4%
Purchases and Changes in Inventory of Raw Materials, Supplies, Consumables and Goods	7.820.527	40,3%	9.085.253	48,9%	-1.264.726	-13,9%
Costs for Services and Use of Third-party Assets	5.255.754	27,1%	4.949.439	26,7%	306.316	6,2%
ADDED VALUE	7.540.654	38,9%	6.315.177	34,0%	1.225.478	19,4%
Non-core Operating Revenues	310.016	1,6%	321.780	1,7%	-11.764	-3,7%
Labor costs	5.131.382	26,5%	4.619.983	24,9%	511.399	11,1%
Other operating costs	47.684	0,2%	69.214	0,4%	-21.531	-31,1%
EBITDA	2.671.605	13,8%	1.947.759	10,5%	723.845	37,2%
Depreciation, Impairment and Other Provisions	1.468.649	7,6%	1.458.591	7,9%	10.059	0,7%
EBIT	1.202.955	6,2%	489.168	2,6%	713.787	145,9%
Interests and Fair Value Adjustments of Financial Assets and Liabilities	-448.900	-2,3%	-244.703	-1,3%	-204.197	83,4%
EBT	754.055	3,9%	244.465	1,3%	509.590	208,5%
Taxes	184.020	0,9%	123.264	0,7%	60.756	49,3%
NET PROFIT FOR THE PERIOD	570.036	2,9%	121.202	0,7%	448.834	370,3%

Consolidated Balance Sheet as of June 30, 2023 vs December 31, 2022

Description	30/06/2023	31/12/2022
Fixed Assets	32.205.565	29.478.972
Current Assets	20.697.357	22.293.847
Accruals and Deferrals	941.113	643.721
TOTAL ASSETS	53.844.034	52.416.540
Equity:	18.180.366	17.696.371
- of which Net Income for the Period	570.036	432.047
Provisions for Risks and Charges	175.810	186.185
Employee Severance Indemnities	1.471.914	1.482.666
Short-term Liabilities	19.579.841	21.516.691
Long-term Liabilities	12.760.839	10.813.615
Accruals and Deferrals	1.675.265	721.012
TOTAL LIABILITIES	53.844.034	52.416.540

Consolidated Net Financial Position as of June 30, 2023 vs December 31, 2022

Description	30/06/2023	31/12/2022
A. Cash Equivalents	423.950	78.304
B. Near-Cash Items	-	-
C. Other Current Financial Assets	314.259	314.259
D. LIQUIDITY (A + B + C)	738.209	392.563
E. Current Financial Debt	6.085.856	6.005.784
F. Current Portion of Non-current Financial Debt	2.693.199	2.438.181
G. CURRENT FINANCIAL INDEBTEDNESS (E + F)	8.779.055	8.443.965
H. NET CURRENT FINANCIAL INDEBTEDNESS (G - D)	8.040.847	8.051.402
I. Non-current Financial Debt	12.760.839	10.813.615
J. Debt Instruments	-	-
K. Trade Payables and Other Non-current Liabilities	-	-
L. NON-CURRENT FINANCIAL INDEBTEDNESS (I + J + K)	12.760.839	10.813.615
M. TOTAL FINANCIAL INDEBTEDNESS (H + L)	20.801.685	18.865.018

Fine Comunicato n.20131-25

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