

**Grifal Spa: The Board of Directors approves the
Consolidated Annual Financial Report as of December 31, 2023.
Revenues of EUR 37.8 million (+2.5% vs. 2022) and EBITDA of EUR 5.6 million
(+27.8% vs. 2022).**

Revenues: EUR 37,784,299 (EUR 36,875,510 as of December 31, 2022)
Value of Production: EUR 42,040,814 (EUR 41,422,114 as of December 31, 2022)
EBITDA: EUR 5,588,717 (EUR 4,372,741 as of December 31, 2022)
EBIT of EUR 2,174,566 (EUR 1,305,382 as of December 31, 2022)
Net Profit of EUR 887,217 (EUR 432,047 as of December 31, 2022)
**Negative net financial position (net debt) of EUR 18,526,556 (EUR 20,801,685 as of
June 30, 2023)**
Equity of EUR 18,275,740 (EUR 17,696,371 as of December 31, 2022)

Cologno al Serio (BG), March 25, 2024

The Board of Directors of Grifal Spa, a technology company listed on the Euronext Growth Milan, a multilateral trading facility organized and managed by Borsa Italiana Spa, heading a group active in the industrial packaging market since 1969, has approved today the Group's Consolidated Annual Financial Report as of December 31, 2023. The draft Financial Statement as of December 31, 2023, for the parent company Grifal Spa has also been approved.

On the sidelines of the meeting, the President and CEO of Grifal Spa, Fabio Gritti, commented:

"For the fiscal year 2023, Grifal concludes the 55th fiscal year of its history. This significant milestone provides an opportunity to extend our customary annual review to encompass the past five years, a period during which 2023 stands out with results that our company has never before achieved.

Since fiscal year 2019, we have navigated through the pandemic, geopolitical tensions, macroeconomic shifts and financial market fluctuations. Amid these challenges, the Group has continued to grow, enhance profitability, and make substantial investments aimed at the future.

<i>In millions of Euro</i>	2019		2023		Δ	Δ%	CAGR
Revenues	18.6		37.8		19.1	103%	19%
Ebitda	2.5	13.3%	5.6	14.8%	3.1	125%	23%
Equity	14.7		36.8		22.1	151%	26%
Headcount	93		175		82	88%	17%
Covered space in sq.m.	12,200		27,800		15,600	128%	22.9%
Number of production sites	1		4		3	300%	41.4%

The financial figures underscore our company's entrepreneurial vigor. Our substantial investments continue to fortify our production capabilities, in alignment with the surging demand for eco-friendly packaging and signaling a promising trajectory for revenue growth.

We've strategically enhanced our machinery range, introducing a new series of advanced converting machines, engineered specifically to maximize productivity in converting our robust corrugated products.

These will be increasingly indispensable for customers of our cArtù semi-finished products, enabling them to effectively respond to rapidly growing market demands.”

Key Consolidated Economic and Financial Data as of December 31, 2023

The 2023 financial year closes with **Consolidated Revenues** of **EUR 37,784,299**, further increasing (+2.5%) compared to the corresponding period in 2022 (EUR 36,875,510), supported by revenues generated by cArtù®, the innovative eco-sustainable corrugated cardboard whose sales have risen from EUR 12.2 million to EUR 12.8 million and now represent 34% of the Group's consolidated revenues.

2023 recorded a progressive return from the inflationary pressures that had led to significant increases in the cost of production factors in 2022, which was not immediately possible to reflect in prices. This realignment of the cost of raw materials has allowed us to return to more appropriate profitability.

The Group's **EBITDA** reached **EUR 5,588,717**, which is 27.8% more than the EUR 4,372,741 as of December 31, 2022, with an **EBITDA Margin** of **14.8%**, up nearly three percentage points from the 11.9% achieved in the 2022 financial year.

The **Group's EBIT** stands at **EUR 2,174,566**, markedly improved from the EUR 1,305,382 recorded in the 2022 financial year after having accounted for depreciation of EUR 3,414,151 (EUR 3,067,539 as of December 31, 2022).

The **Consolidated Net Profit** stands at **EUR 887,217** compared to EUR 432,047 as of December 31, 2022, after financial charges of EUR 942,392 (EUR 540,501 in the 2022 financial year) and taxes of EUR 344,958.

The **Consolidated Net Financial Position** as of December 31, 2023 (net debt) is **EUR 18,526,556**. The NFP has improved by 2.3 million compared to June 30, 2023 (EUR 20,801,685), after investments of 4.7 million made in the second half of the year. This improvement in the Net Financial Position, combined with the simultaneous increase in profitability, has enabled a further reduction in the **NFP/EBITDA ratio** to **3.3x** (from 4.1x as of June 30 and 4.3x as of December 31, 2022). Notably, the composition of the Net financial indebtedness is characterized by the almost absolute prevalence of medium-long term components over short-term ones (98% vs. 2%), thanks to the new loans, included the Bond Loan issued in December.

The **Consolidated Equity** reached EUR 18,275,740 from EUR 17,696,371 as of December 31, 2022.

Activities Carried Out in 2023

The group's flagship facility in Cologno al Serio (BG) has expanded, adding an additional 6,700 square meters to the pre-existing 14,000 square meters to house the full cArtù® production department. The transfer of all cArtù® production lines, along with the new 4.0 production line, into this expanded space is now complete.

Furthermore, we have secured approximately 4,700 square meters in a neighboring building, primarily to accommodate Tieng Srl—our group's technological core and driver of innovation. This area is dedicated to the realization of cArtù® and Mondaplen® production lines, operating specialized converting machines, including new high-performance cutting machines, and designing and manufacturing machinery for applying resins and adhesives.

In Romania, Grifal Europe Srl, part of our group, has established its presence in Timisoara, catering predominantly to leading clients in the white goods sector. The subsidiary has reported a profitable closure

of its accounts in its inaugural year, 2022. Continuing this momentum into 2023, we have bolstered our local team to tap into and develop the Romanian market.

Our expansion strategy also included a significant partnership in Portugal with Grupo José Neves. By allocating space within one of its production facilities in Ponte Guimares, this collaboration will kick-start cArtù® production on the Iberian Peninsula, enhancing its market penetration in the region.

During the year, the parent company of the Group, Grifal Spa, has successfully refinanced with a 6-year non-convertible and non-subordinated Bond Loan of EUR 6,000,000, which includes a one-year pre-amortization period. This refinancing, supplemented by various other medium-to-long-term loans of smaller amounts, aims to recalibrate our debt profile in line with our substantial investments, most of which have already been actualized.

Significant events after December 31, 2023

Grifal Spa has forged a pivotal strategic partnership with ITIR – the Institute for Transformative Innovation Research – a new multidisciplinary research center that spans seven departments at the University of Pavia. This alliance, born from a synergy of corporate foresight and academic insight, charts a course towards a future defined by innovative digital and eco-sustainable models of production and distribution. The collaboration aims to deliver a suite of solutions from fundamental material conversion technologies to cutting-edge applications in packaging, e-commerce, and logistics, establishing a new benchmark for eco-friendly packaging that meets the evolving needs of businesses while fostering new business development and cultural enrichment.

Management Outlook Forecast

In 2023, Grifal Spa completed a major expansion of its main plant in Cologno al Serio, culminating in a dedicated area for cArtù® production. Leveraging investments in a new 4.0 production line and modernizing existing ones with state-of-the-art technology, we have tripled our production capacity. This expansion not only meets the increasing market demand but also paves the way for penetration into new geographic markets.

The initiative to establish a network of cArtù®-dedicated production sites took a significant leap forward in 2023 with the formation of Seven cArtù Lda, a joint venture with the esteemed Portuguese entity Grupo José Neves. This move is notable for both its swift execution and the caliber of our partner, a renowned group with over forty years of expertise in producing corrugated cardboard packaging and innovative solutions.

Seven cArtù Lda has acquired a state-of-the-art cArtù® production line, complete with the latest high-performance cutting machines. Set to be operational in Guimarães in the first half of 2024, we have already commenced the training of Portuguese staff and are in the commercial development phase, with close support from our Italian production and sales teams.

In Romania, the demonstrated market potential has led to the creation of a dedicated sales team. Originating from our Timisoara office, this new commercial division is dedicated to building partnerships with a national network of packaging converters, with prospects of extending to neighboring countries.

Tieng Srl, our machinery and engineering division, has fortified its operations with new spaces and a significant increase in skilled staff. This strategic consolidation is expected to boost both sales and profitability, fueling the Group's ambitious goals for expansion.

Our Innovation Hub at the Kilometro Rosso in Bergamo continues to thrive as a beacon of expertise, increasingly recognized as a hub for strategic conversations, brand awareness and growth, where international entrepreneurs convene to discuss innovation, sustainability, and technological development, leading to new opportunities of business and cooperation.

The partnership with the University of Pavia and ITIR is a cornerstone project for Grifal; it aims to propel the Group culturally and competitively through the integration of advanced digital and eco-sustainable business models. This venture includes the launch of a new e-commerce platform in the second half-year 2024, showcasing our commitment to innovation in production and distribution in the B2B environment.

The operations described have all been undertaken to further accelerate growth and enhance our ability to meet the increasing demand from companies, both in Italy and abroad, that prioritize sustainability, innovation, and communication in packaging. Through our proprietary brands, cArtù® and cushionPaper™, we are addressing these themes head-on.

In an era marked by significant transformation, Grifal continues to remain ahead of market trends and offer products that align with emerging priorities: sustainability, efficiency, and circularity. These distinctive factors have significantly increased our order flow, attracting a broader audience and benefiting from a stellar reputation.

The Group navigates the complex challenges of this historical period with confidence and a steady approach, repeatedly reassured in its ambitious development plans by the market and industry giants' recognition of our innovative solutions.

Notice of the Ordinary Shareholders' Meeting and Filing of Documentation

The Board of Directors has resolved to convene the Shareholders' Meeting on April 24, 2024, to pass resolutions in the ordinary session on the approval of the financial statements as of December 31, 2023, on the allocation of profits and on the appointment of the statutory auditor.

Proposal for Allocation of Profit

The Board of Directors has resolved to propose to the Shareholders' Assembly the allocation of the net profit for the fiscal year, amounting to EUR 379,840, as follows:

- EUR 18,992 to the Legal Reserve;
- EUR 360,848 to cover previous losses.

It should be noted that the draft statutory and consolidated financial statements are subject to audit by BDO Italia Spa.

The Company announces that in compliance with the amendments introduced by notice no. 43747, published on November 17, 2023, by Borsa Italiana S.p.A. to article 6-bis of the Euronext Growth Milan Issuers' Regulation, which came into effect on December 4, 2023, the Company's Board of Directors has defined the quantitative and qualitative criteria for assessing the significance, including economic significance, of relationships potentially relevant for the evaluation of Directors' independence ("Policy"). The Policy is available on the Company's website at www.grifal.it under the Governance section of the Investor Relations area.

Attachments:

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

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

The Grifal Group is a benchmark in the Italian packaging industry, operating through Grifal Spa - established in 1969 and listed on Euronext Growth Milan - and Tieng Srl. The Group encompasses Grifal Europe Srl in Romania and Seven cArtù Lda, a joint venture with Grupo José Neves, in Portugal. Grifal Group's international expansion strategy involves establishing production centers to meet demands from various geographic regions, laying the groundwork for cArtù® and cushionPaper™ to become the new standards in green packaging.

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Consolidated Income Statement as of December 31, 2023 vs. December 31, 2022

Description	31/12/2023	% on revenue	31/12/2022	% on revenue
Revenues	37,784,299	100.0%	36,875,510	100.0%
Changes in Inventory of Work in Progress, Semi-finished, and Finished Goods and Increase in Fixed Assets	3,560,809	9.4%	3,680,576	10.0%
Purchases and Changes in Inventory of Raw Materials, Ancillary Supplies, Consumables and Goods	15,353,315	40.6%	17,497,419	47.4%
Costs for Services and Use of Third-party Assets	10,847,914	28.7%	10,126,211	27.5%
ADDED VALUE	15,143,879	40.1%	12,932,456	35.1%
Non-core Operating Revenues	695,706	1.8%	866,028	2.3%
Labor Costs	10,105,603	26.7%	9,294,255	25.2%
Other Operating Costs	145,265	0.4%	131,488	0.4%
EBITDA	5,588,717	14.8%	4,372,741	11.9%
Depreciation, Impairment and Other Provisions	3,414,151	9.0%	3,067,359	8.3%
EBIT	2,174,566	5.8%	1,305,382	3.5%
Interests and Value Adjustments of Financial Assets and Liabilities	-942,392	-2.5%	-540,501	-1.5%
EBT	1,232,175	3.3%	764,881	2.1%
Income Taxes	344,958	0.9%	332,834	0.9%
Net Profit for the Year	887,217	2.3%	432,047	1.2%

Consolidated Balance Sheet as of December 31, 2023 vs. December 31, 2022

Description	31/12/2023	31/12/2022
Fixed Assets	34,722,023	29,478,972
Current Assets	25,469,622	22,293,847
Accruals and Deferrals	735,000	643,721
TOTAL ASSETS	60,926,645	52,416,540
Group Equity	18,275,740	17,696,371
- including Net Profit for the year	887,217	432,047
Provisions for Risks and Charges	221,517	186,185
Employee Severance Indemnity	1,492,615	1,482,666
Short-term Liabilities	20,787,865	21,516,691
Long-term Liabilities	18,208,915	10,813,615
Accruals and Deferrals	1,939,993	721,012
TOTAL LIABILITIES	60,926,645	52,416,540

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

Description	31/12/2023	30/06/2023
A. Cash Equivalents	6,650,601	423,950
B. Near-Cash Items	-	-
C. Other Current Financial Assets	314,457	314,259
D. LIQUIDITY (A + B + C)	6,965,058	738,209
E. Current Financial Debt	4,554,651	6,085,856
F. Current Portion of Non-Current Financial Debt	2,728,048	2,693,199
G. CURRENT FINANCIAL INDEBTEDNESS (E + F)	7,282,699	8,779,055
H. NET CURRENT FINANCIAL INDEBTEDNESS (G - D)	317,641	8,040,847
I. Non-Current Financial Debt	12,280,554	12,760,839
J. Debt Instruments	5,928,361	-
K. Trade Payables and Other Non-Current Liabilities	-	-
L. NON-CURRENT FINANCIAL INDEBTEDNESS (I + J + K)	18,208,915	12,760,839
M. TOTAL FINANCIAL INDEBTEDNESS (H + L)	18,526,556	20,801,685