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RadiciGroup closes the year 2019 with positive results: Sales EUR 1,092 million and EBITDA EUR 165 million

First quarter 2020 results hold up, but the rest of the year will feel the consequences of pandemic-induced uncertainty and difficulties. Nevertheless, the Group remains cautiously optimistic about long-term prospects, while boosting innovation, sustainability and care for the environment and communities.

RadiciGroup – an Italian multinational with **3,100** employees in **16 countries**, engaged in the chemicals, engineering polymers, fibres and nonwovens businesses – closed financial year 2019 with **consolidated sales revenue of EUR 1,092 million** and **EBITDA of EUR 165 million**.

The results obtained were in line with the budgeted figures and were attained through the strategy of focusing on those **Group businesses that were strategic**, synergistic and of interest in the medium term. The goal of the Group's approach was to improve its competitive position and achieve an overall balance among the geographical areas where it operates in order to reduce dependency on single markets and increase cash flow to finance new initiatives in its strategic businesses.

Crucial to maintaining the Group's **competitiveness and development** in 2019 was the decision to continue allocating sizeable **investments – totalling over EUR 45 million** – to the constant **technological upgrading** of plant and equipment, as well as to business **sustainability**. In particular, **EUR 7.6 million** was earmarked for implementing Best Available Techniques, enhancing energy efficiency, emission abatement and R&D activities aimed at adding to low environmental impact processes and products. The investments made in 2019 to further RadiciGroup growth brought the total amount allocated during the **2015-2019 five-year period to EUR 216 million**.

On the acquisitions front, in the first few days of 2020, the purchase of **Radici Plastics France SA** shares was completed, thus giving RadiciGroup a majority interest in the French company engaged in the sale of engineering polymers. The Group also acquired **Zeta Polimeri Srl**, an Italian company specializing in the recovery of synthetic fibres and thermoplastics.

*“We are pleased with how the Group closed the year 2019,” said **Angelo Radici, president of RadiciGroup.** “The figures confirm our market competitiveness. Our attention will now be focused on the evolution of the global scenario and the inevitable impact of the COVID-19 health crisis, which has plagued the whole world since the beginning of the year. Despite the fact that our figures held up during the first quarter of 2020, for the second and following quarters we expect a general downturn, although, as of today, it is impossible to forecast with any certainty what the actual effects of the pandemic on the world economy will be. However, we are confident and believe that our Group has put into place all the strategies needed to handle the emergency situation, thanks to our solid equity and financial position, geographical diversification and efficient production organization, in addition to our great research and development efforts.”*

During the present scenario of global uncertainty, RadiciGroup is thus seeking to stay competitive by leveraging its research and innovation work to expand its product portfolio, including products obtained from low environmental impact materials, and to create new market opportunities capable of further promoting the sustainability of Group companies.

Alessandro Manzoni, CFO of RadiciGroup, remarked: *“In 2019, we allotted over EUR 45 million to investments aimed at maintaining high levels of technological excellence and innovation to raise our companies’ competitiveness, safeguard the environment and promote the development of local communities. These strategic choices were confirmed by the positive results recorded in 2019, which show an improvement in financial position and related balance sheet ratios over the prior year. The same choices will also guide our future actions. Right in the middle of the COVID-19 crisis, the Group took action to set up a made-in-Italy production chain for the manufacture of gowns and personal protection equipment approved for medical use, thus making a valuable contribution to the fight against the coronavirus. Today, the Group is continuing this initiative as it has become a significant business activity, in which further investments will be made during the second half of the year.”*

In keeping with the goal of starting anew by concentrating on innovation and sustainability, which are fundamental values in the RadiciGroup vision, the Group has recently founded **Radici InNova**, a non-profit consortium, which will handle and coordinate all the Group's strategically important R&D activities, with the objective of developing innovative projects and generating value for the local communities.

Indeed, **Radici InNova** renews and strengthens RadiciGroup's commitment to a development model that strikes a balance between **economic profitability**, on the one hand, and **environmental protection and social equity**, on the other.

RADICIGROUP – With approximately 3,100 employees, sales revenue of EUR 1,092 million in 2019 and a network of production and sales sites located throughout Europe, North America, South America and Asia, RadiciGroup is one of the world's leading producers of a wide range of chemical intermediates, polyamide polymers, high performance engineering polymers and advanced textile solutions, including nylon yarn, polyester yarn, yarn made from recovered and bio-source materials, nonwovens and personal protective equipment for the healthcare field. These products are the result of the Group's outstanding chemical expertise and vertically integrated polyamide production chain and have been developed for use in a variety of industrial sectors, such as: automotive – electrical and electronics – consumer goods – apparel – furnishings – construction – household appliances – sports. The basis of the Group's strategy is a strong focus on innovation, quality, customer satisfaction and social and environmental sustainability. With its business areas – Specialty Chemicals, High Performance Polymers and Advanced Textile Solutions –, RadiciGroup is part of a larger industrial group that also includes textile machinery (ITEMA), energy (GEOGREEN) and hotel (SAN MARCO) businesses. RadiciGroup is the main sponsor of Atalanta B.C. for the UEFA Champions League 2019-2020.

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