



## PRESS RELEASE

### PIERREL S.P.A.

#### ORDINARY SHAREHOLDERS' MEETING

- ✓ **Revision of the consolidated financial statement of the Pierrel group at 31 December 2020, closed with revenues of around € 18.3 million, a positive EBITDA of around € 3.2 million and a positive net result of around € 1.9 million;**
- ✓ **Approval of the financial statement of Pierrel S.p.A. at 31 December 2020, closed with revenues of around € 16.4 million, a positive EBITDA of around € 0.8 million and a net profit of around € 0.2 million;**
- ✓ **Resolution to postpone the profits made by Pierrel S.p.A. in the 2020 financial year;**
- ✓ **Favorable opinion on the Report on remuneration for year 2020;**
- ✓ **New members of the Board of Directors appointed:**
  - **Mr Raffaele Petrone confirmed as Chairman of the Board of Directors;**
- ✓ **New members of the Board of Statutory Auditors appointed:**
  - **Mr Paolo Nagar confirmed as Chairman of the Board of Statutory Auditors.**

#### BOARD OF DIRECTORS MEETING

- ✓ **Approval on a voluntary basis of the Interim Management Report for the Pierrel Group and Pierrel S.p.A. at 31 March 2021, which records:**
  - **Consolidated revenues of about € 6.5 million**, showing an increase of some 59% compared to 31 March 2020, when they were some € 4.1 million;
  - **Consolidated EBITDA positive for about € 1.7 million**, showing a marked improvement compared to 31 March 2020, when it was positive for about € 0.5 million;
  - **Positive EBIT for about € 1.4 million**, of which about € 0.4 million for amortization, a significant increase compared to 31 March 2020, when it was positive for about € 0.2 million (of which about € 0.3 million for amortization);
  - **Total consolidated net profit of about € 0.9 million**, in contrast to the consolidated net loss recorded at 31 March 2020 of about € 0.1 million;
  - **Consolidated net financial debt of about € 7.5 million**, a slight decrease compared to 31 December 2020, when it was about € 7.8 million;
  - **Cash and cash equivalents of about € 3.9 million**, showing an increase compared to 31 December 2020, when it was approximately € 3.4 million.
- ✓ **The main economic and financial objectives were confirmed for the year 2021 as last reviewed by the Board of Directors during the meeting of 10 March 2021;**
- ✓ **Mr Rosario Bifulco and Mr Fulvio Citaredo were confirmed as Deputy Chairman of the Board of Directors and Chief Executive Officer of Pierrel, respectively;**
- ✓ **The independence requirements of the board members Mr Mauro Fierro and Ms Alessandra Piccinino were positively assessed;**
- ✓ **Mr Fierro and Ms Piccinino and the non-executive board member Ms Maria Paola Bifulco were appointed in the new Committee for transactions with related parties of Pierrel S.p.A.**



Capua, 26 April 2021 – Pierrel S.p.A. ("**Pierrel**" or the "**Company**") announces that, today, the Shareholders' Meeting and the Board of Directors of the Company met.

### **Shareholders' meeting**

The Shareholders' meeting, meeting today in ordinary session, examined and approved the Company's financial statements at 31 December 2020 which, in compliance with the contents of the draft financial statements at 31 December 2020 approved by the Board of Directors of the Company on 10 March 2021 (for further information, please refer to the press release published by the Company on 10 March 2021 and available on the Company's website at the address , section *Press/Press Releases*), ends with revenues for about € 16.4 million, a positive EBITDA of about € 0.8 million and a net profit for the year of about € 0.2 million.

The Shareholders, accepting the proposal presented by the Board of Directors, resolved to carry forward the profit accrued by the Company in the 2020 financial year, allocating the entire amount, with less 5% allocated to the "legal reserve" item, to the reserve "profits/previous losses".

The Shareholders also revised the consolidated financial statement of the Pierrel group at 31 December 2020, closed with consolidated revenues of around € 18.3 million, a positive EBITDA of around € 3.2 million and a net profit of around € 1.9 million.

### **New members of the Board of Directors appointed**

The Pierrel Shareholders' Meeting also resolved to confirm the number of members of the Board of Directors at seven, in consideration of the size and activities carried out by the Company, and also appointed the new Board of Directors, as well as confirm Mr Raffaele Petrone as Chairman of the Board of Directors.

The Board of Directors of the Company, which will remain in office for three years and, therefore, until the date of the Shareholders' Meeting that will be called to approve the financial statements at 31 December 2023, is made up of the same members who have held the office of directors of the Company in the three-year period 2018-2020, namely:

1. Chairman Raffaele Petrone
2. Board member Rosario Bifulco;
3. Board member Fulvio Citaredo;
4. Board member Fernanda Petrone;
5. Board member Maria Paola Bifulco;
6. Independent Board member Mauro Fierro;
7. Independent Board member Alessandra Piccinino.

All the members of the Board of Directors were elected on the basis of the only list presented by the shareholders of the Company, i.e. the list presented jointly by Fin Posillipo S.p.A. (shareholder holder of 114,928,444 ordinary Pierrel shares, corresponding to 50.21% of the share capital and who exercises legal control over the Company) and Bootes S.r.l. (shareholder holding 48,394,727 Pierrel ordinary shares, corresponding to 21.14% of the share capital) in execution of the shareholders' agreement signed on 29 March 2018 (further information on this shareholders' agreement is available on the website of the Company at [www.pierrelgroup.com](http://www.pierrelgroup.com), Corporate Governance / Shareholders' Agreements section).

The composition of the Company's Board of Directors respects the balance between genders provided for in accordance with current legislation.

The curricula vitae of all members of the Company's Board of Directors are available to the public on the Company's website at [www.pierrelgroup.com](http://www.pierrelgroup.com).

As far as the Company is aware, as of today the board members Fernanda Petrone, Maria Paola Bifulco, Mauro Fierro and Francesca Piccinino do not hold Pierrel shares. The Chairman of the Board of Directors Mr Raffaele Petrone is also



the CEO and significant shareholder of Fin Posillipo S.p.A., while the Vice-Chairman of the Board of Directors of the Company Mr Rosario Bifulco is also the sole director and controlling shareholder of Bootes S.r.l.

### **New Board of Statutory Auditors appointed**

During the same meeting, the Shareholders' Meeting of the Company also appointed the new Board of Statutory Auditors, composed of 5 members, of which 3 standing auditors and 2 alternate auditors.

The new Board of statutory auditors of the Company, which will remain in office for three years and, therefore, until the date of the Shareholders' Meeting to approve the financial statements at 31 December 2023, is made up of the same members who have held the office of statutory auditors of the Company in the three-year period 2018-2020, namely:

1. Chairman Paolo Nagar;
2. Standing auditor Monica Valentino;
3. Standing auditor Fabio Rossi;
4. Alternate auditor Mena Menzione;
5. Alternate auditor Antonello Scrimieri.

All the members of the Company's Board of Statutory Auditors were appointed on the basis of the only list presented by the Company's shareholders, i.e. the list presented jointly by Fin Posillipo S.p.A. and Bootes S.r.l. in execution of the shareholders' agreement of 29 March 2018. The Shareholders' Meeting also appointed Mr Nagar as Chairman of the Board of statutory auditors, placed in first place on the list presented by the shareholders of Fin Posillipo S.p.A. and Bootes S.r.l.

The composition of the Company's Board of statutory auditors respects the balance between genders provided for in accordance with current legislation.

The curricula vitae of all members of the Company's Board of statutory auditors are available to the public on the Company's website at [www.pierrelgroup.com](http://www.pierrelgroup.com).

To the best of the Company's knowledge, as of today none of the members of the Company's Board of Statutory Auditors holds shares in the share capital of Pierrel.

### **Report on remuneration**

With reference to the report on remuneration for the year 2020 drawn up pursuant to art. 123-ter of Legislative Decree no. 58/1998, as subsequently amended and supplemented (the "**TUF**"), and art. 84-quater of the CONSOB Regulation no. 11971/1999, as subsequently amended and supplemented (the "**Issuers Regulation**") (the "**Report**"), during the same meeting the Shareholders' Meeting of the Company also expressed a favorable opinion:

- (i) on the first section of the Report which describes: *(a)* the Company's policy on the remuneration of the members of the administrative bodies, general managers and executives with strategic responsibilities of the Pierrel Group with reference to the year 2021 and, without prejudice to the provisions of art. 2402 of the Italian Civil Code, of the members of the supervisory body; and *(b)* the procedures used for the adoption and implementation of this policy; and
- (ii) on the second section of the Report which gives: *(a)* a representation of each of the items that make up the remuneration of the members of the administrative and control bodies of the Company and of the managers with strategic responsibilities of the Pierrel Group; *(b)* an analytical illustration and on a nominative basis of the remuneration paid during the year 2020 by Pierrel and by subsidiaries or associated companies to the members of the administrative and control bodies of Pierrel and to the General Manager of the Company; and *(c)* an illustration on an aggregate basis of the remuneration paid during the year 2020 by Pierrel and by subsidiaries or associates to other managers with strategic responsibilities of the Pierrel Group other than those indicated in the previous letter *(b)*.



## Board of directors

The Board of Directors of Pierrel met today and revised and approved on a voluntary basis the **Interim Management Report of the Pierrel Group and the Company at 31 March 2021**, prepared in accordance with IAS/IFRS international accounting standards and not subject to legal audit.

The results recorded by the Company and its only subsidiary Pierrel Pharma S.r.l. with a sole shareholder ("**Pierrel Pharma**") and, together with the Company, the "**Pierrel Group**") in the first quarter of 2021 show a positive trend in the production and commercial activities despite the problems connected with the ongoing health emergency.

In detail, the **Pierrel Group** closed the first three months of 2021 with **consolidated revenues** of approximately **€ 6.5 million**, showing an increase of about 59% compared to the approximately € 4.1 million achieved in the corresponding period of 2020 and a **positive consolidated EBITDA of about € 1.7 million**, a significant increase compared to 31 March 2020, when it was positive for about € 0.5 million. The substantial increase in the main economic indicators (gross revenues and EBITDA) at 31 March 2021, compared to the corresponding data recorded in the same period of 2020, is partly attributable to the shift to the first days of January 2021 of the shipment of some batches of Orabloc® products to the North American market, due to logistical problems arising from the provisions adopted locally and worldwide to fight and contain the spread of the Covid-19 virus. These effects then normalized as early as April 2021 in line with the budget estimates approved by the Company's Board of Directors on 16 April 2021.

Here follows a brief description of the business performance and management results at 31 March 2021 of the individual divisions Contract Manufacturing - CMO, Pharma and Holding of the Pierrel Group.

The **CMO Division** recorded in the first three months of 2021: (a) **total sales**, gross of intercompany eliminations, of **approximately € 3.5 million**, a decrease of some 22% compared to the € 4.5 million recorded in the same period of 2020; and (b) a **positive EBITDA**, gross of intercompany eliminations, of **approximately € 0.3 million**, a decrease compared to the same period of 2020, when it was positive for approximately € 0.8 million.

The **Pharma Division** recorded in the first three months of 2021 **total sales**, gross of intercompany eliminations, of **approximately € 5.5 million**, a significant increase compared to the € 2.1 million recorded in the first three months of 2020; and a **positive EBITDA of approximately € 1.5 million**, a significant increase compared to the same period of 2020, when it was positive for approximately € 0.3 million for the reasons stated above.

The **Holding Division**, which does not generate revenues, recorded a **negative EBITDA** for the first three months of 2021 **of some € 0.5 million**, a slight worsening compared to the result at 31 March 2020, when it was a negative € 0.4 million.

Compared to the budget forecasts approved by the Board of Directors of the Company on 16 April 2021, the total sales and EBITDA figures recorded by the CMO, Pharma and Holding Divisions at 31 March 2021, bearing the effects referred to in the introduction, are substantially on line.

The Pierrel Group recorded a **positive EBIT (operating result)** at 31 March 2021 **of about € 1.4 million**, after amortisation of around € 0.4 million, a significative improvement on the figure of 31 March 2020, when it was positive for about € 0.2 million, after amortisation of around € 0.3 million.

In addition, it is noted that the Pierrel Group at 31 March 2021 recorded **net financial expenses** of about **€ 0.3 million** (in line with the figure at 31 March 2020). This item also includes **net financial income** from currency adjustment, totaling around **€ 0.2 million**, linked to the payable (stated in US dollars) still due from Pierrel to the American customer Dentsply International Inc. of around € 5.7 million at 31 March 2021, by way of interest and capital stock.

In light of the above and for the reasons briefly illustrated above, at 31 March 2021 the Pierrel Group recorded a **consolidated net profit of approximately € 0.9 million**, in contrast with the consolidated net loss recorded by the Group at 31 March 2020 equal to about € 0.1 million.

The **net financial debt** of the Pierrel Group at 31 March 2020, which includes a current financial debt of approximately € 1.7 million (approximately € 2.6 million at 31 December 2020), amounted to some **€ 7.5 million**, a slight decrease compared to the figure at 31 December 2020, when it was about € 7.8 million.



The **consolidated cash resources** of the Pierrel Group as at 31 March 2021 was equal to approximately **€ 14.4 million**, an increase compared to 31 December 2020, when it was equal to approximately € 3.9 million, due, among others, to a medium/long-term bank loan for a total of € 10 million.

As of 31 March 2021, none of the Pierrel Group companies has issued bonds.

At 31 March 2020 the Pierrel Group's **overdue debts to suppliers amounted to around € 0.7 million** (around € 0.8 million at 31 December 2020), while those to **Fonchim** (supplementary pension fund for chemical and pharmaceutical workers) reduced to **around € 30 thousand** (compared to around € 60 thousand at 31 December 2020) due to payments made in line with the repayment plan announced by the Company.

During the first quarter of 2021, the consolidation scope of the Pierrel Group did not change significantly compared to the closing date of 2020.

It should be noted that, with a provision dated 23 May 2019, the CONSOB ordered the cancellation of the Company from the "black list", thus eliminating the monthly disclosure obligations relating to the economic, equity and financial situation of the Pierrel Group pursuant to art. 114, paragraph 5, of TUF. With the same provision, CONSOB also requested the Company to include certain specific information in the annual and interim financial reports of the Company (for further information, see press release of 23 May 2019 published on the Company's website and available at [www.pierrelgroup.com](http://www.pierrelgroup.com), section Investor Relations/Press/Press Releases). With reference to 31 March 2021, this information is contained in an annex to this press release and in a specific section of the Pierrel Group's interim report at 31 March 2021.

#### **Results of Pierrel**

At 31 March 2021 **Pierrel** recorded **revenues** of about € 3.4 million, a decrease of about 23% compared to about € 4.5 million of the corresponding period of 2020, and a negative **EBITDA** of about € 0.2 million, in contrast to 31 March 2020, when it was positive for about € 0.4 million.

The company's **net financial position** at 31 March 2021 was negative for some € 5.2 million, compared to 31 December 2020, when it was negative for some € 4.2 million.

In light of the foregoing, at 31 March 2021, after having recognised amortisation of € 0.3 million and net financial expenses of € 0.3 million, the Company posted a **net loss of some € 0.5 million**, a worsening compared to the net loss recorded by the Company at 31 March 2020 of € 0.05 million, after recognition of amortisation of € 0.2 million and net financial expenses of € 0.3 million.

\* \* \*

Based on the results achieved by the Pierrel Group at 31 March 2021 and described in this press release and the data held by the Company, including the outlook for the coming months, during the same meeting the Pierrel Board of Directors confirmed the Pierrel Group's main economic and financial objectives for 2021 which, as already communicated to the market on 16 April, include: (a) consolidated gross revenues of about € 24.0 million; and (b) a positive consolidated EBITDA of about € 4.9 million.

\* \* \*

During the same meeting, the Board of Directors also confirmed Mr Rosario Bifulco and Mr Fulvio Citaredo to the offices, respectively, of Deputy Chairman of the Board of Directors and Chief Executive Officer of Pierrel. It is noted that, as of the date of this press release, the Company's Chief Executive Officer Mr Citaredo also holds the position of General Manager of the Pierrel Group.

\* \* \*

The Board of Directors also verified the validity of the independence requirements of the board members Mr Mauro Fierro and Ms Alessandra Piccinino, pursuant to art. 148, co. 3 of the TUF.

Upon the outcome of the aforementioned verification, the Board of Directors of the Company then resolved the establishment of the new Related Parties Committee made up by the independent board members Mr Fierro (chairman), Ms Piccinino and the non-executive board member Ms Maria Paola Bifulco.



\* \* \*

No significant events occurred during the first quarter of 2021 and subsequent to 31 March 2021.

\* \* \*

The Interim Report of the Pierrel Group and Company at 30 March 2021 is filed and available to the public on request, at the registered office of the Company in Capua (CE), Strada Statale Appia 7 bis 46/48 and at the head office of Borsa Italian S.p.A. and it will also be available in the Investor Relations/Financial Documents of the Company's website, [www.pierrelgroup.com](http://www.pierrelgroup.com), and on the authorized storage mechanism of regulated information eMarket Storage at [www.emarketstorage.com](http://www.emarketstorage.com).

\* \* \*

The executive responsible for the preparation of corporate accounting documents of Pierrel, Mr Francesco Pepe, declares, pursuant to art. 154-*bis*, co. 2 of the TUF, that the accounting information contained in this press release and relative to the Interim Management Report at 31 March 2021 corresponds to the documented results, ledgers and accounting entries of the Company and the Pierrel Group.

\* \* \*

The present press release represents the Interim Management Report of the Pierrel Group and Pierrel at 31 March 2021 pursuant to Article 154-ter of TUF, and can be accessed in the section Investor Relations/Financial Documents of the web site of the Company: [www.pierrelgroup.com](http://www.pierrelgroup.com).

\* \* \*

In addition to the conventional financial indicators required by the IFRS, in order to allow a better assessment of the economic management and financial position of the Pierrel Group, this document contains some alternative performance indicators relating to data of the Pierrel Group and the Company at 31 March 2021. These indicators are presented in the other annual financial reports and interim reports of the Company and the Pierrel Group, but should not be considered as replacements for the conventional indicators recommended by the IFRS.

According to CESR/05-178b of 3 November 2005, below is a brief description of the alternative performance indicators, as well as their composition, mentioned in this press release:

- **"EBITDA" or "gross operating result"** indicates the difference between sales revenues and costs related to the consumption of materials, cost of services, labor costs and the net balance of operating income and write-downs and represents the operating result before amortization, depreciation and provisions, financial management and taxation;
- **"EBIT" or "operating result"** indicates the difference between the gross operating result and the value of amortization, write-downs and provisions and represents the operating result prior to financial management and taxation;
- **"Net financial debt"** is an indicator of the financial structure of the Pierrel Group. It is calculated as the result of short and long-term financial payables and related derivative instruments, net of cash and cash equivalents and financial assets.

\* \* \*

Attached below are the income statements and balance sheets of the Pierrel Group and Pierrel at 31 March 2021, that have not been subject to audit, together with the information on the Company and the Pierrel Group required by CONSOB, with provision of 23 May 2019, pursuant to art. 114 of the TUF.

## FINANCIAL STATEMENTS OF THE PIERREL GROUP

### Consolidated income statement

#### Consolidated income statement

<i>(€ thousands)</i>	First three months	
	2021	2020
<b>Revenue</b>	<b>6.515</b>	<b>4.101</b>
<i>of which non-recurring</i>		86
Raw materials and consumables used	(2.052)	(1.019)
Sundry services and Third-party goods	(815)	(787)
<i>of which non-recurring</i>		(14)
Personnel costs	(1.540)	(1.560)
Other provisions and costs	(395)	(255)
<b>Earnings Before Interest, Tax, Depreciation and Amortisation</b>	<b>1.713</b>	<b>480</b>
Amortisation, depreciation and write-downs	(361)	(281)
<b>Operating profit/(loss)</b>	<b>1.352</b>	<b>199</b>
Financial income	-	-
Financial expenses*	(317)	(265)
<b>Profit/(loss) before tax</b>	<b>1.035</b>	<b>(66)</b>
Income tax	(95)	(76)
<b>Net Profit/(Loss) for the period</b>	<b>940</b>	<b>(142)</b>

\* of which losses due to exchange rate adjustments of financial debt in USD equal to about 1.275 thousand (notional net financial charges at 31 March 2020 equal to about 1.201 thousand)



## Consolidated balance sheet

### Consolidated balance sheet

ASSETS	31 March 2021	31 December 2020
<i>(€ thousands)</i>		
Intangible assets	3.296	3.194
Tangible assets	15.203	14.562
Tangible assets leased assets	288	302
Financial fixed assets	10	10
Receivables and other non-current assets	13	13
Active deferred taxes	5.275	5.275
<b>Non-current assets</b>	<b>24.085</b>	<b>23.356</b>
Inventories	3.619	4.067
Trade receivables	2.594	3.684
Tax receivables	371	643
Other current assets and sundry receivables	524	812
Cash and cash equivalents	14.444	3.886
<b>Current assets</b>	<b>21.552</b>	<b>13.092</b>
<b>Total assets</b>	<b>45.637</b>	<b>36.448</b>
<b>EQUITY AND LIABILITIES</b>		
<i>(€ thousands)</i>		
Share capital	3.716	3.716
Reserves and retained earnings/(losses)	11.695	9.766
Loss for the year	940	1.903
<b>Consolidated equity</b>	<b>16.351</b>	<b>15.385</b>
Employee benefits	325	324
Non-current financial liabilities	20.216	9.107
Other current liabilities and sundry payables	1.479	1.469
<b>Non-current liabilities</b>	<b>22.020</b>	<b>10.900</b>
Trade payables	2.871	2.848
Current financial liabilities	1.724	2.590
Current tax payables	93	34
Other current liabilities and sundry payables	2.578	4.691
<b>Current liabilities</b>	<b>7.266</b>	<b>10.163</b>
<b>Total liabilities</b>	<b>29.286</b>	<b>21.063</b>
<b>Total equity and liabilities</b>	<b>45.637</b>	<b>36.448</b>



## Net consolidated financial position

### Net consolidated financial position

<i>(€ thousands)</i>	31 March 2021	31 december 2020
A. Cash	2	2
B. Other cash resources	14.442	3.884
C. Securities held for trading		
<b>D. Cash Resources (A)+(B)+(C)</b>	<b>14.444</b>	<b>3.886</b>
<b>E. Current financial receivables</b>		
F. Current bank debt	(544)	(500)
G. Current portion of non-current debt		
H. Other current financial liabilities	(1.180)	(2.090)
<b>I. Current financial debt (F)+(G)+(H)</b>	<b>(1.724)</b>	<b>(2.590)</b>
<b>J. Net current financial debt (I)+(E)+(D)</b>	<b>12.720</b>	<b>1.296</b>
K. Non-current bank debt	(10.000)	
L. Bonds issued		
M. Other non-current liabilities	(10.216)	(9.107)
<b>N. Non-current financial debt (K)+(L)+(M)</b>	<b>(20.216)</b>	<b>(9.107)</b>
<b>O. Net financial debt (N) + (J)</b>	<b>(7.496)</b>	<b>(7.811)</b>



## FINANCIAL STATEMENTS OF PIERREL S.P.A.

### Separated income statement

#### *Pierrel S.p.A. - parent company*

#### Separated income statement

	First three months	
	2021	2020
<i>(€ thousands)</i>		
<b>Revenue</b>	<b>3.481</b>	<b>4.511</b>
<i>of which non-recurring</i>	<i>49</i>	<i>63</i>
Raw materials and consumables used	(1.228)	(1.663)
Sundry services and Third-party goods	(588)	(566)
<i>of which non-recurring</i>		<i>(14)</i>
Personnel costs	(1.502)	(1.536)
Other provisions and costs	(344)	(313)
<i>of which non-recurring</i>	<i>(3)</i>	
<b>Earnings Before Interest, Tax, Depreciation and Amortisation</b>	<b>(181)</b>	<b>433</b>
Amortisation, depreciation and write-downs	(343)	(265)
<b>Operating profit/(loss)</b>	<b>(524)</b>	<b>168</b>
Financial income	-	-
Financial expenses*	(303)	(230)
<i>of which non-recurring</i>		<i>-</i>
<b>Profit/(loss) before tax</b>	<b>(827)</b>	<b>(62)</b>
Income tax for the period	279	12
<b>Net Profit/(Loss) for the period</b>	<b>(548)</b>	<b>(50)</b>

\*of which losses due to exchange rate adjustments of financial debt in USD equal to about | 275 thousand (notional net financial charges at 31 March 2020 equal to about | 201 thousand)

## Balance sheet

(€ thousands)

### Pierrel S.p.A. - parent company

#### Balance sheet

ASSETS	31 March 2021	31 December 2020
<i>(€ thousands)</i>		
Intangible assets	1.353	1.348
Tangible assets	15.201	14.561
Tangible assets leased assets	288	302
Investments	4.574	4.574
Active deferred taxes	5.275	5.275
<b>Non-current assets</b>	<b>26.691</b>	<b>26.060</b>
Inventories	3.364	3.040
Trade receivables	954	756
Tax receivables	371	642
Other current assets and sundry receivables	524	803
Cash and cash equivalents	11.968	2.773
<b>Current assets</b>	<b>17.181</b>	<b>8.014</b>
<b>Total assets</b>	<b>43.872</b>	<b>34.074</b>
<b>EQUITY AND LIABILITIES</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
Share capital	3.716	3.716
Reserves and Retained earnings	16.666	16.465
Loss for the year	(548)	201
<b>Equity</b>	<b>19.834</b>	<b>20.382</b>
Employee benefits	325	324
Non-current financial liabilities	15.524	5.353
Other current liabilities and sundry payables	1.479	1.469
<b>Non-current liabilities</b>	<b>17.328</b>	<b>7.146</b>
Trade payables	2.681	2.653
Current financial liabilities	1.684	1.652
Current tax payables	27	34
Other current liabilities and sundry payables	2.318	2.207
<b>Current liabilities</b>	<b>6.710</b>	<b>6.546</b>
<b>Total liabilities</b>	<b>24.038</b>	<b>13.692</b>
<b>Total equity and liabilities</b>	<b>43.872</b>	<b>34.074</b>

## Net financial position

### *Pierrel S.p.A. - parent company*

#### Net financial position of the Parent Company Pierrel S.p.A.

<i>(€ thousands)</i>	31 March 2021	31 December 2020
A. Cash	2	2
B. Other cash resources	11.966	2.771
C. Securities held for trading		-
<b>D. Cash Resources (A)+(B)+(C)</b>	<b>11.968</b>	<b>2.773</b>
<b>E. Current financial receivables</b>		
F. Current bank debt	(544)	(500)
G. Current portion of non-current debt	-	-
H. Other current financial liabilities	(1.140)	(1.152)
<b>I. Current financial debt (F)+(G)+(H)</b>	<b>(1.684)</b>	<b>(1.652)</b>
<b>J. Net current financial debt (I)+(D)+(E)</b>	<b>10.284</b>	<b>1.121</b>
K. Non-current bank debt	(10.000)	-
L. Bonds issued	-	-
M. Other non-current liabilities	(5.524)	(5.353)
<b>N. Non-current financial debt (K)+(L)+(M)</b>	<b>(15.524)</b>	<b>(5.353)</b>
<b>O. O. Net financial debt (J)+(N)</b>	<b>(5.240)</b>	<b>(4.232)</b>

#### Information on CONSOB request pursuant to art.114 of Legislative Decree no. 58/98, as subsequently amended and integrated

In compliance with the provisions of CONSOB with communication of 23 May 2019 with which the monthly communication obligations to which the Company had been subject since July 2012 have been revoked, the following information relate to: (a) the net financial position of the Company and the Pierrel Group, with evidence of the short-term components separately from the medium-term ones; (b) the overdue debt positions of the Company and the Pierrel Group, broken down by nature and with an indication of any creditors' reaction initiatives; (c) the main changes in relations with related parties of the Company and the Pierrel Group; (d) any failure to comply with covenants, negative pledges and any other indebtedness clause of the Pierrel Group involving limits on the use of financial resources; and (e) the state of implementation of the business plan, highlighting the discrepancies of the final data compared to the expected ones.

#### (a) Net financial position of the Company and of the Pierrel Group , highlighting the short-term components separately from the medium-long term ones.

The following table summarizes the net financial position of the Company and the Pierrel Group at 31 March 2021 compared with the same figures at 31 December 2020:





## Net financial position

	Pierrel Group		Pierrel S.p.A.	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<i>(€ thousands)</i>				
A. Cash	2	2	2	2
B. Other cash resources	14.442	3.884	11.966	2.771
C. Securities held for trading	-	-	-	-
<b>D. Cash Resources (A)+(B)+(C)</b>	<b>14.444</b>	<b>3.886</b>	<b>11.968</b>	<b>2.773</b>
E. Current financial receivables	-	-	-	-
F. Current bank debt	(544)	(500)	(544)	(500)
G. Current portion of non-current debt	-	-	-	-
H. Other current financial liabilities	(2.118)	(2.090)	(1.140)	(1.152)
<b>I. Current financial debt (F)+(G)+(H)</b>	<b>(2.662)</b>	<b>(2.590)</b>	<b>(1.684)</b>	<b>(1.652)</b>
<b>J. Net current financial debt (I)+(E)+(D)</b>	<b>11.782</b>	<b>1.296</b>	<b>10.284</b>	<b>1.121</b>
K. Non-current bank debt	(10.000)	-	(10.000)	-
L. Bonds issued	-	-	-	-
M. Other non-current liabilities	(9.278)	(9.107)	(5.524)	(5.353)
<b>N. Non-current financial debt (K)+(L)+(M)</b>	<b>(19.278)</b>	<b>(9.107)</b>	<b>(15.524)</b>	<b>(5.353)</b>
<b>O. Net financial debt (N) + (J)</b>	<b>(7.496)</b>	<b>(7.811)</b>	<b>(5.240)</b>	<b>(4.232)</b>

### (b) Overdue debt positions of the Company and the Pierrel Group, broken down by nature (financial, commercial, tax, social security and towards employees) and description of the related creditors' reaction initiatives.

The following table summarizes the overdue debt positions of the Pierrel Group and of the Company at 31 March 2021, broken down by nature, compared with the respective data at 31 December 2020:

NATURE OF EXPIRED DEBT	Pierrel Group		Pierrel S.p.A.	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<i>(€ thousands)</i>				
Financial liabilities	713	703	713	703
Trade payables	703	780	648	761
Social security payables	32	63	32	63
<b>TOTAL EXPIRED DEBT POSITIONS</b>	<b>1.448</b>	<b>1.546</b>	<b>1.393</b>	<b>1.527</b>

The trade payables of the Pierrel Group which expired on 31 March 2021 were equal to € 713 thousand, referring exclusively to the Company. In addition, as of 31 March 2021 the Pierrel Group's overdue social security payables amounted to approximately € 30 thousand, all related to the Company and accrued towards Fonchim (supplementary social security fund for workers in the chemical-pharmaceutical sector) for non-payment of the contributions due for the month of December 2013 for certain employees of the Company. As previously reported in this press release, this debt is repaid through the payment of two-monthly installments in execution of the repayment plan communicated by the Company and regularly fulfilled by the same.

The payment of the last installment of the past due, as per the repayment plan in place, is expected by May 2021.

It should be noted that in the first quarter of 2021 as well as after 31 March 2021, there were no initiatives by the creditors of the Pierrel Group.



As of 31 March 2021, the Company and the Pierrel Group have not received requests for injunctions or have recorded overdue tax debts and/or debts towards employees.

**(c) Main changes in relations with related parties of the Company and the Pierrel Group compared to the financial statements for the year ended 31 March 2021.**

The following table summarizes the relationships maintained by the Company and the Pierrel Group with its related parties:

**Relations with related parties**

<i>(€ thousands)</i>		31 March 2021		
		Pierrel Group		
RELATED PARTY	Receivables	Liabilities	Costs	Revenue
Bootes S.r.l.		2.417	50	
Fin Posillipo S.p.A.		713	30	
Farmacie Internazionali S.a.s.		3	3	
Grafiche Pizzi S.r.l.		22	22	
<b>TOTAL</b>	-	<b>3.155</b>	<b>105</b>	-

<i>(€ thousands)</i>		31 March 2021		
		Pierrel S.p.A.		
RELATED PARTY	Receivables	Liabilities	Costs	Revenue
Bootes S.r.l.		51	30	
Fin Posillipo S.p.A.		713	10	
Farmacie Internazionali S.a.s.		3	3	
Grafiche Pizzi S.r.l.		22	22	
Pierrel Pharma S.r.l.	453			2.222
<b>TOTAL</b>	<b>453</b>	<b>789</b>	<b>65</b>	<b>2.222</b>

It should be noted that the relationships between the Company and the Pierrel Group with its related parties as of 31 March 2021 do not show substantial changes and are in line with the data relating to the Company's financial statements closed on 31 December 2020.

**(d) any failure to comply with the covenants, negative pledges and any other clause of the Pierrel Group's debt involving limits on the use of financial resources, with the updated date of the degree of compliance with said clauses:**

At 31 March 2021, the Company and the Pierrel Group have no financial and/or commercial contracts in place which provide for compliance with covenants, negative pledges or other clauses involving limits on the use of the financial resources of the Company and/or the Pierrel Group.

**(e) the implementation status of any industrial and financial plans, highlighting the deviations of the final data with respect to those expected.**

At 31 March 2021, the Pierrel Group recorded economic results substantially in line with the forecasts contained in the 2021 budget approved by the Board of directors of the Company on 16 April 2021.

\* \* \*

**Pierrel S.p.A.** specialises in the pharmaceutical production (Contract Manufacturing Division) and the development, registration and licensing of new drugs and medical devices (Pharma Division).





Pierrel Group is listed on the MTA exchange which is organised and managed by Borsa Italiana and boasts over 70 years' experience in the pharmaceutical sector, being one of Europe's leading producers of local and dental anaesthetics.

Pierrel also has a production unit in Capua, close to Naples, Italy, authorised by the European Medicines Agency (EMA) and the Food and Drug Administration (FDA) for the aseptic production of injectable medicines.

The subsidiary Pierrel Pharma S.r.l. with sole shareholder has registered and distributes the Orabloc® dental anaesthetic in the US, Canada, Russia and CIS countries, Africa, Asia and Far East.. The registered office of Pierrel S.p.A. is in Capua (CE), Italy.

**For further information:**

**Pierrel S.p.A.**

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