

FRIULCHEM: ORDINARY SHAREHOLDERS' MEETING APPROVES THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

Milan, 23 April 2020 – The Ordinary Shareholders' Meeting of **Friulchem S.p.A. (AIM: FCM)**, innovative SME and one of the main Italian operators at international level in R&D and in the production on behalf of third parties (CDMO) of semi-finished and finished products containing pharmaceutical active ingredients, dietary supplements, specialising in particular in drug delivery for the veterinary sector, met on today's date, on first call, via audio-conference, under the chairmanship of the Chief Executive Officer Giovanni Mazzola.

It should be noted that, based on the "Covid 19" emergency, and therefore in compliance with the fundamental principles of protecting the health of company shareholders, employees, representatives and advisors, as well as, lastly, Decree Law 18 of 17 March 2020, the shareholders' meeting was held, with the participation of the share capital exclusively through the representative appointed pursuant to art. 135-Undecies of Legislative Decree no. 58 of 24 February 1998, as subsequently amended, with access to shareholder's meeting venues by shareholders or their delegates, other than the aforementioned appointed representative, remaining excluded. As regards the participation in the shareholders' meeting of directors, statutory auditors, representatives of the independent auditors and the appointed representative, this was achieved via tele-conference.

ORDINARY SHAREHOLDERS' MEETING

The Shareholders' Meeting examined the financial statements for the year ended as at 31 December 2019 and those in attendance unanimously approved them.

MAIN ECONOMIC-FINANCIAL RESULTS AS AT 31 DECEMBER 2019

The value of production as at 31 December 2019 amounted to roughly € 15.7 million compared to roughly € 17.1 million as at 31 December 2018. The decrease of 8.2% is attributable essentially to the Human BU.

EBITDA as at 31 December 2019 amounted to € 1.3 million, and stood at € 1.6 million in 2018, with an *EBITDA Margin* of 8.5%. Taking into consideration the positive impact of income deriving from the Tax Credit for IPO expenses, amounting to € 340.5 thousand, **Adjusted EBITDA** in 2019 stands at € 1.7 million, with an **Adjusted EBITDA Margin** of 10.5%.

EBIT for 2019 came to € 0.3 million compared to € 0.6 million as at 31 December 2018. **Net profit** for the year amounted to € 0.06 million and stood at € 0.2 million as at 31 December 2018.

Shareholders' equity at the end of 2019 came to € 10.7 million, marking an increase of roughly € 5.0 million, relating mainly to the resources collected at the time of the IPO. The **net financial position** as at 31 December 2019 was a positive cash position of € 1.1 million compared to a negative financial position of € 2.7 million as at 31 December 2018, thanks to the resources collected from the listing.

ALLOCATION OF THE NET PROFIT FOR THE YEAR

The Shareholders' Meeting resolved, inter alia, to allocate 5% of the profit for the year to the Legal reserve and the remainder to the Extraordinary reserve.

FILING OF DOCUMENTATION

The Minutes of the Shareholders' Meeting and the summary Report on voting shall be made available to the public on the company's website, www.friulchem.com/it in accordance with the terms and methods set out in the legislation and regulations in force.

This press release is available on the company's website www.friulchem.com/it and on www.1info.it

Friulchem (AIM:FCM), a company that has been operating in this sector for over 20 years, is today one of Italy's leading CDMOs (*Contract Development Manufacturing Organisations*) operating internationally in the healthcare sector. It offers third-party research, development and manufacturing services for semi-finished and finished products containing both active pharmaceutical ingredients and food supplements. It primarily specialises in drug delivery systems for the veterinary sector, providing Friulchem's trademark excellence, as well as in the development of dossiers for generic medicines for human use. Friulchem is an innovative SME and B2B company which prides itself on its end-customer focus, and has deep Italian roots, thanks to its manufacturing facilities in Vivaro (Pordenone) and administrative headquarters in Milan. The Company is strongly oriented towards R&D activities and boasts established relationships with leading multinational companies in the pharmaceutical sector.

Common Shares ISIN: IT0005378457 - Friulchem Warrant ISIN: 2019-2022 IT0005378366

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