

PRESS RELEASE

Green products drive Sirmax Group's business, taking 2021 turnover to 480 million euros

The second US plant, entirely dedicated to the production of circular polymers, is now operational

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Cittadella (Padua), March 21, 2022 - Green products drive Sirmax's business, taking the Group's 2021 consolidated sales well beyond expectations. The Cittadella-based company, which produces polypropylene compounds, engineering plastics, post-consumer compounds and bio-compounds for a wide range of applications, **ended 2021 with €480 million in revenue – up from €315 million in 2020 and €300 million in 2019. Sales volumes saw a significant growth of almost 20%.**

Driving these highly positive figures is the strong push towards 100% recyclable recycled compounds, biopolymers and thermoplastic elastomers. **With a 40% increase in sales volumes, their growth rate is 2x the Group's average growth.** Technopolymers, i.e. high-tech granules for high-tech applications in the automotive and electrical sectors, are also growing by 40%.

As far as geographical areas are concerned, **the performance of the United States stands out, with the region recording a 30% increase in sales** in 2021. The most recent investments have been concentrated in the United States: **SER North America** (the Group's second US plant built in Anderson, Indiana, next to Sirmax North America) **became operational a few weeks ago.** SER North America is the Group's thirteenth plant. It is entirely dedicated to the production of recycled polypropylene from post-industrial waste, which is carefully selected, ground, and regenerated. SER North America's recycled polypropylene is destined both for industrial applications and to be processed by Sirmax North America as a secondary raw material for the production of refined compounds. These materials are enriched with mineral fillers or reinforced with glass fibers, intended, and are for the production of durable goods for the household appliance and automotive sectors. Their performance is similar to that of high-grade compounds, though they have a variable percentage of green content based on client specifications. This gives them a lower environmental impact.

On the whole, **the investments made by Sirmax Group in 2021 amounted to around 24 million euros**, of which 12 million was dedicated to strengthening of the green economy. The rest was allocated to the new production site in the United States, forming the final tranche of a 30 million investment started in 2020.

100 new hires were also made in 2021, bringing the worldwide employee total from 700 to 800.

"2021 was a year that exceeded all expectations," says President and CEO Massimo Pavin. "Our investments, as well as favoring regionalized and loyal supply chains, have gained us market share. We have been close to our clients through supplies, ad hoc products and technologically advanced services, always looking at the medium-long term and building everything with prudence and rationality. Fears for the future remain: the geopolitical situation and the cost of energy and raw materials could drive down demand. There is no concern about the direct impact on Sirmax, as our supply chains are diversified and allow us to stock up. We are concerned, however, about the indirect effects on our end clients, particularly in the automotive sector, which is especially vulnerable and already suffering from microchip shortages."

The green and circular economy sectors remain strategic in 2022. Sirmax's research is focusing on new products, specifically **flame retardant technopolymers for the electrical sector and antibacterial ones for the automotive sector, and on biopolymers for the packaging and agricultural sectors (mulching cloths)**. Thermoplastic elastomers have grown considerably in recent months, and the aim is to triple sales volumes, particularly in the automotive market where they are used for 'soft' parts (such as bellows or gaskets).

Also continuing this year is the collaboration between **Sirmax and UMass Lowell and MIT, two Massachusetts universities, on a research project funded by the ReMade Institute** – part of the DOE (Department of Energy) – titled "Chemical Conversion and Process Control for Increased use of Polyethylene and Polypropylene Secondary Feedstocks". UMass Lowell, the first university in the US for injection molding, is studying a model for recycling polyethylene and polypropylene industrial waste for proper reuse in the packaging industry. **With an annual investment of \$100,000 Sirmax Group is the only non-US company partnering on the project. Among the other participants are giants such as Procter&Gamble.** In light of the USA's increased focus on pursuing green policies, the purpose of the plan is to provide know-how and technology to accelerate the process of good recycling practices and the culture of urban waste sorting. In addition to the financial commitment, Sirmax will make its contribution by providing laboratories and facilities where recycling tests can be carried out.

Sirmax Group

Sirmax Group, with headquarters in Cittadella (Padua), is the leading independent European manufacturer (and among the top global manufacturers) of polypropylene compounds used across all sectors: automotive, household appliances, power tools, household, construction and furniture. Active since the 1960s, it now has 13 production plants: Six in Italy – Cittadella, Tombolo, Isola Vicentina, San Vito Al Tagliamento, Salsomaggiore Terme, Mellaredo di Pianiga – two in Poland (2006-2019), one in Brazil (2012), two in the USA (2015-2020) and two in India (2017), as well as a sales office in Milan with branches in France, Spain and Germany. Sirmax has acquired significant market shares in Europe, North and South America and Asia, and has become a global player on the international market. Among its clients are Whirlpool, Bosch-Siemens, Electrolux, Karcher, Philips, Honeywell, ABB, Technogym, Stellantis, Volkswagen Group, Daimler, De' Longhi, Haier, BMW and Audi. In 2021, Sirmax Group had a turnover of 480 million euros, and employed 800 people worldwide.

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