

HALF-YEARLY GROWTH FOR SIRMAX, BOOM IN DEMAND FOR RECYCLED COMPOUND (+ 70%)

Post-consumer products are flying high. The strategy of the region-based, loyal supply chain proves successful.

President and CEO Massimo Pavin: "We were ready during the lockdown and demonstrated our speed and flexibility, gaining market share both within Italy and internationally. We emerged from the pandemic even stronger than before"

Cittadella (Pd), 30 July 2021 - The first half of 2021 ends with record numbers for the Sirmax Group. The Cittadella (Padua) company, specialising in the production of polypropylene compounds, post-consumer compounds, and bio-compounds for the automotive, household appliance, power tools and housewares, electrical, electronic, construction, furniture and packaging sectors, reported an **increase in total sales volumes of 35% from the beginning of January to the end of June, compared to the same period in 2020** (+20% compared to the first half of 2019). In absolute terms, this is more than 125 thousand tonnes of product sold, against 93 thousand in 2020 and 104 thousand in 2019. **The total turnover recorded in the first half of the year is 220 million euros, a number that projects the forecast for the year to a total of more than 400 million euros, up from 300 in 2020.**

"We were ready during and after the lockdown, thanks to strategic raw material suppliers and a structured and loyal supply chain," explained Massimo Pavin, President and CEO of the Sirmax Group. "Faced with a shortage in raw materials, we have shown speed and flexibility, gaining market share both in Italy and abroad, entering into solid agreements with new customers. This is not a rebound following market recovery; signs of consolidation are present, as the result of a modus operandi that favours quality, a local and compact supply chain, and transparency. We emerged from the pandemic even stronger than before."

The ability of Sirmax to implement a procurement policy in times of scarcity of raw materials and strong price fluctuations through consolidated relationships with its suppliers proved successful, which made it possible to ensure **production continuity during the pandemic**. The regionalised supply chain was successful, because *"in being multi-country and multi-product," said Massimo Pavin, "we have always chosen to be as independent as possible in every area of the world in which we operate"*. This has all led to the conquest of new market shares of the Sirmax compound in all sectors of application.

With reference to geographical areas, growth in volumes in the first half of 2021 included a **decisive boost from the United States market (+ 58%)**, where strong demand for household appliances persists, as well as Brazil (+ 38%), where the car market resumed after the sudden stop due to Covid, and the EMEA area (Europe, Middle East and Africa) saw + 30%.

The recycled products business unit showed excellent performance. SER, the 100% subsidiary of Sirmax Group in Salsomaggiore Terme (Parma) that produces post-consumer compounds, increased its volumes by 70% in the first half of the year compared to the first half of 2020. "It is not only a sign that the choice to invest in the production of green compounds deriving from the recycling of municipal waste has proved successful for our group," adds the President of Sirmax Group, "but also that our enhanced plastic suitable for any customer need is increasingly appreciated. It is for this reason that we are proud to have gained new customers, especially in Italy".

What distinguishes the post-consumer plastic produced by Sirmax from others is its consolidated know-how of technical compounds: an odourless secondary raw material capable of fully replacing virgin plastic in countless contexts. Sirmax's recycled compound is enhanced with mechanical and technological capabilities. Together with the customer, Sirmax takes part in the design of the plastic product, offering innovative moulding solutions in order to reduce the use of virgin plastic, to the benefit of the environment and sustainability. **More than 20 million euros have been invested in SER to date since 2019, the year of its acquisition, in doubling the production chain and redeveloping the plant.**

The automotive sector has also resumed its course. The market has recovered this year after the downturn in 2020, but has not yet returned to pre-Covid levels. With -16% in car sales in the EMEA macro-area compared to 2019 numbers, Sirmax Group recorded a +5% of product sales on the automotive in the same period in 2021, in part due to new projects that the Cittadella-based company is pursuing with German car manufacturers.

Growth in sales volumes is also seen in the bio-polymers sector, a green product intended for food packaging and bags for large-scale distribution, pharmacies and the collection of the organic waste, whose production is concentrated in the Sirmax plant in Mellaredo di Pianiga (Venice), which saw +6% compared to the first half of 2020.

Sirmax Group

Sirmax Group, headquartered in Cittadella (PD), is the first non-integrated European manufacturer, and one of the leading manufacturers in the world of polypropylene compounds for all sectors where these are used, such as: automotive, household appliances, power tools and household, electrical, electronic, construction, and furnishings. Active since the 1960s, it has 13 production plants: six in Italy - Cittadella (PD), Tombolo (PD), Isola Vicentina (VI), San Vito Al Tagliamento (PN), Salsomaggiore Terme (PR), Mellaredo di Pianiga (VE), two in Poland (2006-2019), one in Brazil (2012), two in the US (2015-2020), two in India (2017), a sales office in Milan, and foreign branches in France, Spain, and Germany. Sirmax has gained a significant market share in Europe, the Americas, and Asia, thus becoming a global reference for the international market. Its clients include Whirlpool, Bosch-Siemens, Electrolux, Karcher, Philips, Honeywell, ABB, Technogym, Stellantis, Volkswagen Group, Daimler, De' Longhi, Haier, BMW, Audi, and Mercedes. In 2020, the Sirmax group had a consolidated turnover of 300 million euros, employing 700 people worldwide.

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