

## PFNonwovens a.s. reports the results for the first half of 2020

**PRAGUE/ZNOJMO (31 August 2020) – Based on unaudited results, PFNonwovens a.s. (hereafter "Company"), a leading European producer of nonwovens textiles, recorded consolidated revenues of CZK 3,347.3 million in the first half 2020, up by 6.0% yoy.**

Positive impact on revenues had increase of the sold tons. The development in the price of polymers had a negative effect on the year-on-year development of revenues. Positive impact on revenues on a year-on-year basis had year-on-year impact of IFRS 15 adjustment, on the basis of which the Group recognizes revenues from finished products, which are produced on order for a specific customer, immediately following the production of the given product.

In the first half of 2020, EBITDA amounted to CZK 659.6 million. The main reason for the year-on-year increase was the higher production and sales volumes in tonnes compared to the 1st half of 2019 thanks to the full operation of two new lines in the Czech Republic and South Africa. The polymer price pass-through mechanism, likewise, had a positive effect on a year-on-year basis.

In the first half of 2020, profit from operations (EBIT) amounted to CZK 367.3 million.

In the first half of 2020, net profit amounted to CZK 9.3 million.

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*"The EBITDA of CZK 659.6 million achieved in the first half met the bottom range of expectations, nevertheless, it rose by 8.9% year-on-year. Sales and production volumes in tonnes rose year-on-year primarily due to the newly launched production line in the Czech Republic in June 2019 and the subsequent commercial production launch of another production line in South Africa in November 2019. Despite these positive factors, the financial results of the Group were negatively impacted by discounts provided to customers during contract negotiations for 2020-2021.*

*The indebtedness of the Company and the net debt to EBITDA ratio amounted to 3.76x at the end of the first half,"* said Marian Rašík, Chief Financial Officer and Member of the Board of PFNonwovens a.s.

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## Consolidated Financial Results of PFNonwovens a.s. for the first half and the second quarter of 2019.

	1H 2019	1H 2020	Change in %
Revenues	3,159.3	3.347.3	6.0%
EBITDA	605.8	659.6	8.9%
Profit from operations	353.2	367.3	4.0%
Net profit	246.8	9.3	(96.2%)

In CZK mil.

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PFNonwovens a.s and its subsidiaries (hereinafter "Group") is one of the leading global producers of nonwoven textiles used primarily in the personal hygiene products market. The Group supplies its customers with spunbond polypropylene- and polypropylene/polyethylene- based textiles principally for use in disposable hygiene products (such as baby diapers, adult incontinence and feminine hygiene products) and, to a lesser extent, in construction, agricultural and medical applications. The Group currently has almost 700 employees.

PFNonwovens a.s. is registered in the Commercial Register at the City Court in Prague, section B, file 23154. The company's registered office is at Hradčanské náměstí 67/8, Hradčany, 118 00 Prague 1.