



CEMBRE

Press release

The Board of Directors approved the interim report on operations as at March 31, 2021

Cembre (STAR): consolidated sales up in the first quarter (5.0%)

- Sales rose by 9.5% in Italy and 2.0% abroad in the first three months
- As at April 30, 2021, consolidated revenues rose by 20.7% compared to the first 4 months of 2020, and 0.6% also when compared to the first 4 months of 2019
- The Board resolved the start of a share buy-back programme

CONSOLIDATED FIGURES (euro '000)	1st Quarter 2021	Marg. %	1st Quarter 2020	Marg. %	Change
Revenues from sales	38,267	100	36,459	100	5.0%
Gross operating profit	10,166	26.6	9,866	27.1	3.0%
Operating profit	7,374	19.3	7,199	19.7	2.4%
Profit before taxes	7,494	19.6	7,227	19.8	3.7%
Net Profit	5,640	14.7	5,251	14.4	7.4%
Net financial position	9,624		4,735		

Brescia, May 13, 2021 – The Board of Directors of Cembre S.p.A., which met today in Brescia, chaired by the Chairman and Managing Director Giovanni Rosani, approved the results of the **first quarter of 2021**.

Compared with the first quarter of 2020, **consolidated revenues** grew by 5.0%, from €36.5 million to €38.3 million. In the same period, domestic sales, amounting to €15.7 million, grew by 9.5%, while exports, amounting to €22.6 million, grew by 2.0% on the 1st Quarter of 2021.

In the first quarter of 2021, 41.0% of sales were represented by Italy, 49.2% by the rest of Europe and 9.8% by the rest of the world.

The **consolidated gross operating result (EBITDA)** rose by 3.0% in the first quarter, up from €9.9 million, equal to 27.1% of sales in the first quarter of 2020, to €10.2 million, equal to 26.6% of sales in the first quarter of 2021. The incidence of the cost of goods sold rose while the weight of the cost for services fell during the period. Personnel costs increased in comparison to the first quarter of



CEMBRE

2020, when the first effects of the pandemic were already being felt, which involved greater use of holidays and leave and use of the Cassa Integrazione Guadagni (Wage Guarantee Fund). The average number of Group employees in the period went from 754 to 763.

Consolidated operating profit (EBIT) amounted to €7.4 million in the first quarter of 2021, representing a 19.3% margin on sales, up by 2.4% on €7.2 million in the first three months of the previous year, when it represented a 19.7% margin on sales.

Consolidated profit before taxes for the first three months of 2021 was equal to €7.5 million, representing a 19.6% margin on sales, up by 3.7% on €7.2 million in the three months of 2020, when it represented 19.8% of sales.

Consolidated net profit for the first quarter of 2021 was equal to €5.6 million, representing a 14.7% margin on sales, up by 7.4% on €5.3 million in the first quarter of 2020, when it represented 14.4% of sales.

The **consolidated net financial position** went from a surplus of €4.7 million at March 31, 2020 to a surplus of €9.6 million at March 31, 2021. At December 31, 2020, the net financial position was equal to a surplus of €8.4 million. Short-term financial debt does not include payables due to shareholders of €15.07 million for dividends for the 2020 financial year (similar to the last year, for €15.05 million), payable to Shareholders on May 19, 2021, as resolved by the Shareholders' Meeting on April 27, 2021.

Capital expenditure for the first quarter of 2021 by the Group amounted to €3.5 million, up on the corresponding period in 2020 when it amounted to €1.9 million.

“In the first 4 months, revenues rose by 20.7% compared to the first 4 months of 2020, and 0.6% also when compared to the first 4 months of 2019. We confirm the estimated growth in consolidated turnover of the Cembre Group over the whole of 2021 and the maintenance of positive economic results.” - commented Chairman Giovanni Rosani.

The Board resolved the start of a share buy-back programme

The Board of Directors resolved the launch of a share buy-back programme as a result of the authorisation to purchase and sell own shares resolved by the Shareholders' Meeting on April 27, 2021 and the conclusion of the programme initiated on May 20, 2020.

This programme represents a useful strategic investment opportunity for all purposes allowed by current regulations, including those set forth in article 5 of EU Regulation no. 593/2014 (Market Abuse Regulation, MAR) and in the procedures allowed under article 13 of the MAR, as well as, where necessary, for the provision of own shares to be allocated to beneficiaries of the incentive plan known as “*Premio Carlo Rosani per i 50 anni dalla fondazione della Società*” approved by the Shareholders' Meeting on April 18, 2019 - with the following characteristics in compliance with the resolution passed by the aforementioned Shareholders' Meeting.



CEMBRE

- the number of ordinary shares of par value €0.52 purchased may not exceed 5% of the share capital and therefore a maximum of 850,000 ordinary Cembre S.p.A. shares for a total consideration that shall not exceed €10,000,000;
- the purchase must take place on a market regulated pursuant to article 144-bis, par. b), of Consob Regulation 11971/1999 and other applicable regulations, so as to ensure the equal treatment of shareholders as per article 132 of Legislative Decree no. 58/1998, taking into account terms set for the negotiation as per article 3 of EU Delegated Regulation 2016/1052 (“Regulation 1052”) implementing the MAR;
- the price per share shall not exceed the higher between the price at which the last independent transaction was concluded and the last independent bid price in the market in which the purchase is carried out. For any single purchase, such price per share shall in any case not be more than 20% lower or higher than the closing price registered by Cembre shares on the previous trading day;
- the volume of daily purchases may not exceed 25% of the average daily trading volume of Cembre shares in the market in which the purchase is carried out, calculated in accordance with parameters set in article 3 of Regulation 1052;
- the purchase plan shall be implemented within 18 months of the Shareholders' Meeting resolution passed on April 27, 2021.

At the date of the present press release, Cembre holds 258.041 own shares, representing 1.514% of the capital stock of the Company.

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Cembre designs, manufactures and distributes electrical connectors and cable accessories. It enjoys a leadership position in Italy and significant market shares in the rest of Europe. Cembre is one of the world's leading manufacturers of tools (mechanical, pneumatic and hydraulic) for the installation of connectors and the shearing of cables. The products it has developed for connection to the rail and for other railway applications are used by the main companies in this sector round the world.

Cembre owes its success to an insistence on innovative, high-quality products, a broad and thorough collection, and an extensive distribution network both in Italy and abroad.

Founded in Brescia in 1969, the Cembre Group is now a fully-fledged international force. Along with the parent company in Brescia it has five subsidiaries: four trading companies (in Germany, France, Spain and the United States) and a manufacturing and trading subsidiary (Cembre Ltd, with registered office in Birmingham), for a total of 765 employees (data updated as at March 31, 2021). Since 1990, its products have been certified by Lloyd's Register Quality Assurance for the design and production of accessories for cables, electrical connectors and tools for their installation.

Cembre has been listed on the Italian Stock Exchange since December 15, 1997, and on the STAR section since September 24, 2001.



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Further information is available on Cembre's website, in the Investor Relations section, www.cembre.com

Attachments: Consolidated Financial Statements at March 31, 2021

The manager responsible for preparing the Company's financial reports, Claudio Bornati, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

In this press release, use is made of certain alternative performance indicators that are not envisaged in IFRS-EU accounting standards, and whose significance and content are illustrated below, in line with the ESMA/2015/1415 recommendations published on October 5, 2015:

Gross Operating Result (EBITDA): defined as the difference between sales revenues and costs for materials, of services received, and the net balance of operating income and charges. It represents the profit achieved before amortisation, cash flows and taxes.

Operating Result (EBIT): defined as the difference between the Gross Operating Result and the value of amortization/impairment. It represents the profit before cash flows and taxes.

Net Financial Position: represents the algebraic sum of cash and cash equivalents, financial receivables and current and non-current financial debt.

This Interim Report on Operations has not been audited.



CEMBRE

Interim Report on Operations at March 31, 2021
Consolidated Financial Statements
Consolidated Comprehensive Income Statement

	1 st Quarter 2021	1 st Quarter 2020
(euro '000)		
Revenues from contract with customers	38.267	36.459
Other revenues	194	206
TOTAL REVENUES	38.461	36.665
Cost of goods and merchandise	(12.724)	(12.029)
Change in inventories	194	524
Cost of services received	(4.303)	(4.554)
Lease and rental costs	(43)	(30)
Personnel costs	(11.451)	(10.622)
Other operating costs	(493)	(456)
Increase in assets due to internal construction	563	377
Write-down of receivables	(31)	(3)
Accruals to provisions for risks and charges	(7)	(6)
GROSS OPERATING PROFIT	10.166	9.866
Property, plant and equipment depreciation	(2.136)	(2.060)
Intangible asset amortization	(206)	(194)
Depreciation of right of use assets	(450)	(413)
OPERATING PROFIT	7.374	7.199
Financial income	1	1
Financial expenses	(25)	(32)
Foreign exchange gains (losses)	144	59
PROFIT BEFORE TAXES	7.494	7.227
Income taxes	(1.854)	(1.976)
NET PROFIT FROM ORDINARY ACTIVITIES	5.640	5.251
Items that may be reclassified subsequently to profit and loss		
Conversion differences included in equity	1.296	(362)
COMPREHENSIVE INCOME	6.936	4.889



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Interim Report on Operations at March 31, 2021
Consolidated Financial Statements
Consolidated Statement of Financial Position - Assets

ASSETS	Mar. 31, 2021	Dec. 31, 2020
(euro '000)		
NON CURRENT ASSETS		
Property, plant and equipment	86.248	84.880
Investment property	845	855
Intangible fixed assets	4.415	4.392
Goodwill	4.608	4.608
Right of use assets	6.557	6.653
Other investments	5	5
Other non-current assets	548	548
Deferred tax assets	3.129	2.889
TOTAL NON CURRENT ASSETS	106.355	106.984
CURRENT ASSETS		
Inventories	51.139	50.435
Trade receivables	31.637	25.799
Tax receivables	597	577
Other receivables	1.378	1.575
Cash and cash equivalents	32.595	37.688
TOTAL CURRENT ASSETS	117.346	116.074
NON-CURRENT ASSETS AVAILABLE FOR SALE	-	-
TOTAL ASSETS	223.701	220.904



CEMBRE

Interim Report on Operations at March 31, 2021

Consolidated Financial Statements

Consolidated Statement of Financial Position - Liabilities and Shareholders' Equity

LIABILITIES AND SHAREHOLDERS' EQUITY	Mar. 31, 2021	Dec. 31, 2020
(euro '000)		
SHAREHOLDERS' EQUITY		
Capital stock	8.840	8.840
Reserves	156.085	135.774
Net profit	5.640	18.975
TOTAL SHAREHOLDERS' EQUITY	170.565	163.589
NON-CURRENT LIABILITIES		
Non-current financial liabilities	4.964	5.010
Other non-current payables	496	496
Employee Severance Indemnity and other personnel benefits	2.161	2.178
Provisions for risks and charges	297	265
Deferred tax liabilities	2.939	2.938
TOTAL NON-CURRENT LIABILITIES	10.857	10.887
CURRENT LIABILITIES		
Current financial liabilities	18.007	24.270
Trade payables	12.706	11.588
Tax payables	3.258	1.344
Other payables	8.308	9.226
TOTAL CURRENT LIABILITIES	42.279	46.428
LIABILITIES ON ASSETS HELD FOR DISPOSAL	-	-
TOTAL LIABILITIES	53.136	57.315
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	223.701	220.904

Interim Report on Operations at March 31, 2021
Consolidated Financial Statements
Consolidated Statement of Cash Flows

	1 st Quarter 2021	1 st Quarter 2020
€ '000		
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	37.688	20.983
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	5.640	5.251
Depreciation, amortization and write-downs	2.792	2.667
(Gains)/Losses on disposal of assets	9	15
Net change in Employee Termination Indemnity	(17)	(16)
Net change in provisions for risks and charges	32	18
Operating profit (loss) before change in working capital	8.456	7.935
(Increase) Decrease in trade receivables	(5.838)	(4.503)
(Increase) Decrease in inventories	(704)	(396)
(Increase) Decrease in other receivables and deferred tax assets	(77)	(317)
Increase (Decrease) of trade payables	(210)	(902)
Increase (Decrease) of other payables, deferred tax liabilities and tax payables	997	627
Change in working capital	(5.832)	(5.491)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	2.624	2.444
C) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(229)	(213)
- tangible	(3.257)	(1.717)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- tangible	20	7
Increase (Decrease) of trade payables for assets	1.328	(939)
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(2.138)	(2.862)
D) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other non current assets	-	(8)
Increase (Decrease) in bank payables	(6.201)	16.675
Repayment of leasing liabilities	(448)	(402)
Change in stock option reserve	40	-
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(6.609)	16.265
E) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)	(6.123)	15.847
F) Foreign exchange conversion differences	1.030	(195)
G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (A+E+F)	32.595	36.635
Of which: assets held for disposal	-	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	32.595	36.635
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	32.595	36.635
Current financial liabilities	(18.007)	(24.766)
Non current financial liabilities	(4.964)	(7.134)
NET CONSOLIDATED FINANCIAL POSITION	9.624	4.735
BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash	13	18
Bank deposits	32.582	36.617
	32.595	36.635