



**CEMBRE**

**Press release**

The Board of Directors approved the Half-yearly Financial Report 2022

**Cembre (Euronext STAR): consolidated turnover up +23.4% in the first half-year**

- In the first 6 months, domestic sales were up +27.5% while sales outside Italy grew by +20.4%
- Net profit for the half-year of 17.4% of revenues (up 24.2% from 2021)
- As at August 31, 2022, consolidated revenues recorded growth of 21,7% compared to the first eight months of 2021

<b>Consolidated figures</b> (euro '000)	<b>1st Half</b> <b>2022</b>	<b>Marg.</b> <b>%</b>	<b>1st Half</b> <b>2021</b>	<b>Marg.</b> <b>%</b>	<b>change</b>	<b>Full year</b> <b>2021</b>	<b>Marg.</b> <b>%</b>
<b>Revenues from sales</b>	104,359	100	84,547	100	23.4%	166,835	100
<b>Gross operating profit</b>	30,505	29.2	25,225	29.8	20.9%	45,597	27.3
<b>Operating profit</b>	24,648	23.6	19,596	23.2	25.8%	34,188	20.5
<b>Profit before taxes</b>	24,672	23.6	19,676	23.3	25.4%	34,289	20.6
<b>Net profit for the period</b>	18,192	17.4	14,650	17.3	24.2%	25,321	15.2
<b>Net financial position</b>	(302)		1,259			20,647	

*Brescia, September 12, 2022* - The Board of Directors of Cembre S.p.A., Company listed on the Euronext STAR segment of the Italian Stock Exchange – one of the largest European manufacturers of electrical connectors and tools for their installation – chaired by its Chairman and Managing Director Giovanni Rosani, approved the Half-yearly Financial Report 2022.

In the first six months of 2022, the Group reported **consolidated sales** of €104.4 million, up 23.4% on €84.5 million in the first half of 2021.

Domestic sales of the Group amounted to €46.4 million, up by 27.5%, while sales outside Italy amounted to €58.0 million, up 20.4%. A total of 44.5% of Group sales were represented by Italy (as compared with 43.0% in the 1st Half of 2021), 45.2% by the rest of Europe (46.8% in the 1st Half of 2021), and the remaining 10.4% by the rest of the World (10.2% in the 1st Half of 2021).



# CEMBRE

**Consolidated gross operating profit (EBITDA)** for the first half of 2022 amounted to €30.5 million, representing a 29.2% margin on sales, up 20.9% on the first half of 2021 when it amounted to €25.2 million, representing a 29.8% margin on sales.

The incidence of cost of sales and cost of services increased during the half year, mainly due to the increase in the inflation rate. However, the list price increases introduced in January 2022 made it possible to absorb, at least partially, the increases seen in the various production factors, helping to contain the increase in the incidence of the cost of sales on sales revenues. The cost of electricity in the first half of 2022 was in line with that of the same period in 2021, as Cembre S.p.A. had contractually fixed the price of electricity for the period from July 1, 2021 to June 30, 2022. The new price set for the period from July 1, 2022 to June 30, 2023 has doubled from the previous price. The incidence of personnel costs is decreasing. However, this cost has increased in absolute terms but less than proportionally to the increase in turnover. The average number of Group employees in the period went from 784 (average figure 2021) to 813.

**Consolidated operating profit (EBIT)** for first six months of 2022 amounted to €24.6 million, representing a 23.6% margin on sales, up 25.8% on €19.6 million in the first six months of last year, when it represented a 23.2% margin on sales.

**Consolidated profit before taxes** amounted to €24.7 million, representing a 23.6% margin on sales, up by 25.4% on €19.7 million in the first half of 2021, when it represented a 23.3% margin on sales.

**Net income for the period** reached €18.2 million, up by 24.2% from €14.7 million in the same period of last year. The percentage incidence of net profit on turnover therefore represents 17.4% of sales, compared to 17.3% in the first half of 2021.

**The consolidated net financial position** went from a surplus of €20.6 million as at December 31, 2021 to a loss of €0.3 million as at June 30, 2022, reflecting the effects of the payment of dividends of €20.1 million by the Parent company and capital expenditure amounting to €5.1 million. At June 30, 2021, the net financial position was equal to a surplus of €1.3 million.

**Capital expenditure** in the period amounted to €5.1 million and consisted primarily of investments in plant and equipment. In the same period of 2021 they amounted to €5.3 million.

*"Revenues for the first 6 months show good growth, marking an increase of 23.4% compared to the first 6 months of 2021, profit margins also remained satisfactory despite the recent inflationary pressure. The consolidated revenues at the end of August 2022 show growth of 21.7% compared to the first eight months of FY 2021." - commented Chair Giovanni Rosani.*

\* \* \* \*

*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

*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 812 employees (data updated as at June 30, 2022). 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 Euronext STAR section since September 24, 2001.*

## Contacts:

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Further information is available at Cembre's institutional website [www.cembre.com](http://www.cembre.com) in the Investor Relations section.

**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.**

## **Attachments - Interim Financial Report 2022:**

- Consolidated Balance Sheet
- Consolidated Statement of Comprehensive Income
- Consolidated Cash Flow Statement

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.

## Consolidated Financial Statements at June 30, 2022

### Consolidated Statements of Financial Position

ASSETS	Jun. 30, 2022		Dec. 31, 2021	
(euro '000)		<i>of which: related parties</i>		<i>of which: related parties</i>
<b>NON CURRENT ASSETS</b>				
Property, plant and equipment	84.630		84.501	
Investment property	792		813	
Intangible assets	4.481		4.476	
Goodwill	4.608		4.608	
Right of use assets	5.362	2.878	5.960	3.218
Other investments	5		5	
Other non-current assets	85		81	
Deferred tax assets	3.122		3.057	
<b>TOTAL NON-CURRENT ASSETS</b>	<b>103.085</b>		<b>103.501</b>	
<b>CURRENT ASSETS</b>				
Inventories	65.237		57.617	
Trade receivables	44.260		28.164	
Tax receivables	458		683	
Other receivables	950		1.218	
Cash and cash equivalents	25.089		46.636	
<b>TOTAL CURRENT ASSETS</b>	<b>135.994</b>		<b>134.318</b>	
<b>NON-CURRENT ASSETS AVAILABLE FOR SALE</b>	<b>-</b>		<b>-</b>	
<b>TOTAL ASSETS</b>	<b>239.079</b>		<b>237.819</b>	

LIABILITIES AND SHAREHOLDERS' EQUITY	Jun. 30, 2022		Dec. 31, 2021	
(euro '000)		<i>of which: related parties</i>		<i>of which: related parties</i>
<b>SHAREHOLDERS' EQUITY</b>				
Capital stock	8.840		8.840	
Reserves	147.692		141.997	
Net profit	18.192		25.321	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>174.724</b>		<b>176.158</b>	
<b>NON-CURRENT LIABILITIES</b>				
Non-current financial liabilities	3.702	2.212	4.279	2.563
Employee termination indemnity and other personnel benefits	2.044	121	1.989	124
Provisions for risks and charges	470		372	
Deferred tax liabilities	3.464		3.371	
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>9.680</b>		<b>10.011</b>	
<b>CURRENT LIABILITIES</b>				
Current financial liabilities	21.689	732	21.710	721
Trade payables	18.042		16.261	
Tax payables	3.095		2.774	
Other payables	11.849	160	10.905	
<b>TOTAL CURRENT LIABILITIES</b>	<b>54.675</b>		<b>51.650</b>	
<b>LIABILITIES ON ASSETS HELD FOR DISPOSAL</b>	<b>-</b>		<b>-</b>	
<b>TOTAL LIABILITIES</b>	<b>64.355</b>		<b>61.661</b>	
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>239.079</b>		<b>237.819</b>	

## Consolidated Financial Statements at June 30, 2022

### Statement of Consolidated Comprehensive Income

	1 <sup>st</sup> Half 2022		1 <sup>st</sup> Half 2021	
	(euro '000)	of which: related parties		of which: related parties
Revenues from contracts with customers	104.359		84.547	
Other revenues	316		345	
<b>TOTAL REVENUES</b>	<b>104.675</b>		<b>84.892</b>	
Cost of goods and merchandise	(44.178)		(27.488)	
Change in inventories	7.517		125	
Cost of services received	(11.806)	(444)	(9.146)	(351)
Lease and rental costs	(108)		(84)	
Personnel costs	(25.632)	(195)	(23.288)	(398)
Other operating costs	(828)		(967)	
Increase in assets due to internal construction	1.026		1.246	
Write-down of receivables	(145)		(52)	
Accruals to provisions for risks and charges	(16)		(13)	
<b>GROSS OPERATING PROFIT</b>	<b>30.505</b>		<b>25.225</b>	
Property, plant and equipment depreciation	(4.516)		(4.285)	
Intangible asset amortization	(400)		(412)	
Depreciation of right of use assets	(941)	(368)	(932)	(346)
<b>OPERATING PROFIT</b>	<b>24.648</b>		<b>19.596</b>	
Financial income	1		2	
Financial expenses	(43)	(29)	(49)	(35)
Foreign exchange gains (losses)	66		127	
<b>PROFIT BEFORE TAXES</b>	<b>24.672</b>		<b>19.676</b>	
Income taxes	(6.480)		(5.026)	
<b>NET PROFIT FROM ORDINARY ACTIVITIES</b>	<b>18.192</b>		<b>14.650</b>	
<b>NET PROFIT FROM ASSETS HELD FOR DISPOSAL</b>	<b>-</b>		<b>-</b>	
<b>NET PROFIT</b>	<b>18.192</b>		<b>14.650</b>	
<b>Items that may be reclassified subsequently to profit and loss</b>				
Conversion differences included in equity	408		1.107	
<b>COMPREHENSIVE INCOME</b>	<b>18.600</b>		<b>15.757</b>	
<b>BASIC EARNINGS PER SHARE</b>	<b>1,09</b>		<b>0,88</b>	
<b>DILUTED EARNINGS PER SHARE</b>	<b>1,08</b>		<b>0,87</b>	

## Consolidated Financial Statements at June 30, 2022

### Consolidated Statement of Cash Flows

	1 <sup>st</sup> Half 2022	1 <sup>st</sup> Half 2021
€ '000		
<b>A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>46.636</b>	<b>37.688</b>
<b>B) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit for the period	18.192	14.650
Depreciation, amortization and write-downs	5.857	5.629
(Gains)/Losses on disposal of assets	(2)	33
Net change in Employee Termination Indemnity	55	(27)
Net change in provisions for risks and charges	98	63
<b>Operating profit (loss) before change in working capital</b>	<b>24.200</b>	<b>20.348</b>
(Increase) Decrease in trade receivables	(16.096)	(12.431)
(Increase) Decrease in inventories	(7.620)	(591)
(Increase) Decrease in other receivables and deferred tax assets	425	(139)
Increase (Decrease) of trade payables	1.196	2.431
Increase (Decrease) of other payables, deferred tax liabilities and tax payables	1.358	3.122
<b>Change in working capital</b>	<b>(20.737)</b>	<b>(7.608)</b>
<b>NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES</b>	<b>3.463</b>	<b>12.740</b>
<b>C) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets:		
- intangible	(406)	(541)
- tangible	(4.715)	(4.774)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- intangible	-	13
- tangible	37	35
Increase (Decrease) of trade payables for assets	585	629
<b>NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>(4.499)</b>	<b>(4.638)</b>
<b>D) CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Increase) Decrease in other non current assets	(4)	490
Increase (Decrease) in other non current payables	-	(496)
Increase (Decrease) in bank payables	-	(1.400)
Repayment of leasing liabilities	(938)	(925)
Change in stock option reserve	82	108
Dividends distributed	(20.116)	(15.068)
<b>NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES</b>	<b>(20.976)</b>	<b>(17.291)</b>
<b>E) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)</b>	<b>(22.012)</b>	<b>(9.189)</b>
F) Foreign exchange conversion differences	465	881
<b>G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (A+E+F)</b>	<b>25.089</b>	<b>29.380</b>
Of which: assets held for disposal	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>25.089</b>	<b>29.380</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>25.089</b>	<b>29.380</b>
Current financial liabilities	(21.689)	(22.946)
Non current financial liabilities	(3.702)	(5.175)
<b>NET CONSOLIDATED FINANCIAL POSITION</b>	<b>(302)</b>	<b>1.259</b>
<b>BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		
Cash	12	11
Bank deposits	25.077	29.369
	<b>25.089</b>	<b>29.380</b>