



CEMBRE

Press release

The Board of Directors approved the interim report on operations as at March 31, 2023

Cembre (STAR): consolidated sales up in the first quarter (18.8%)

- Sales rose by 15.6% in Italy and 21.3% abroad in the first three months
- As at April 30, 2023, consolidated revenues recorded growth of 18.4% compared to the first four months of 2022
- The Board resolved the start of a share buy-back programme.

CONSOLIDATED FIGURES (euro '000)	1st Quarter 2023	Marg. %	1st Quarter 2022	Marg. %	change
Revenues from sales	57,789	100	48,647	100	18.8%
Gross operating profit	17,770	30.7	13,816	28.4	28.6%
Operating profit	14,678	25.4	10,950	22.5	34.0%
Profit before taxes	14,742	25.5	10,985	22.6	34.2%
Net Profit	10,864	18.8	8,243	16.9	31.8%
Net financial position	10,682		16,625		

Brescia, May 15, 2023 – 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 2023**.

Compared with the first quarter of 2022, **consolidated revenues** grew by 18.8%, from €48.6 million to €57.8 million. In the first three months of 2023, domestic sales, amounting to €24.8 million, grew by 15.6%, while exports, amounting to €33.0 million, grew by 21.3%.

In the first quarter of 2023, 42.9% of sales were represented by Italy, 46.9% by the rest of Europe and 10.2% by the rest of the world.

The consolidated gross operating result (EBITDA) rose by 28.6% in the first quarter, up from €13.8 million, equal to 28.4% of sales in the first quarter of 2022, to €17.8 million, equal to 30.7% of sales in the first quarter of 2023. The incidence of the cost of goods sold declined, while the weight of the cost for services rose during the period. Personnel costs in absolute terms increased by 12.8%



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compared to the first quarter of 2022, mainly as a result of the increase in the average number of Group workers from 810 in the first quarter of 2022 to 834 in the first quarter of 2023. However, personnel costs as a percentage of turnover decreased from 25.6% to 24.3%.

Consolidated operating profit (EBIT) amounted to €14.7 million in the first quarter of 2023, representing a 25.4% margin on sales, up by 34.0% on €10.9 million in the first three months of the previous year, when it represented a 22.5% margin on sales.

Consolidated profit before taxes for the first three months of 2023 was equal to €14.7 million, representing a 25.5% margin on sales, up by 34.2% on €11.0 million in the three months of 2022, when it represented 22.6% of sales.

Consolidated net profit for the first quarter of 2023 was equal to €10.9 million, representing a 18.8% margin on sales, up by 31.8% on €8.2 million in the first quarter of 2022, when it represented 16.9% of sales.

The **consolidated net financial position** went from a surplus of €16.6 million at March 31, 2022 to a surplus of €10.7 million at March 31, 2023. At December 31, 2022, the net financial position was equal to a surplus of €14.6 million. Short-term financial debt does not include payables due to shareholders of €3.5 million for dividends for the 2022 financial year (similar to the last year, for €0.1 million), payable to shareholders on May 10, 2023, as resolved by the Shareholders' Meeting on April 27, 2023.

Capital expenditure for the first quarter of 2023 by the Group amounted to €3.9 million, up on the corresponding period in 2022 when it amounted to €2.5 million.

“The Cembre Group's consolidated revenues in the first three months of 2023 amounted to €57.8 million, up 18.8% compared to the same period of last year. The month of April 2023 also performed well, bringing the Group's progressive sales in the first four months of 2023 to €76.5 million, marking a growth of 18.4% over the first four months of 2022. Despite the uncertainties characterising the economic situation, the Cembre Group's consolidated revenues are expected to grow in 2023 and the economic result is expected to be positive.” - commented CEO Giovanni Rosani.

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

The Board of Directors approved 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, 2023 and the conclusion of the programme initiated on April 27, 2022.

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. 596/2014 (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



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Shareholders' Meeting on April 18, 2019 - with the following characteristics in compliance with the resolution passed by the aforementioned Shareholders' Meeting.

- the number of ordinary shares of par value €0.52 purchased may not exceed 5% of the share capital, for a maximum number of own shares in portfolio equal to 850,000 ordinary Cembre S.p.A. shares and for a total consideration that shall not exceed €25,000,000;
- the purchase must take place on a market regulated pursuant to article 144-*bis*, par. 1, letter 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 S.p.A. 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, 2023.

At the date of the present press release, Cembre holds 217,541 own shares, representing 1.28% 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 845 employees (data updated as at March 31, 2023). 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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Contacts:

Claudio Bornati (Cembre S.p.A.) 030/36921 claudio.bornati@cembre.com

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

Attachments: Financial Statements at March 31, 2023

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, services received and personnel 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.



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Interim Report on Operations at March 31, 2023
Consolidated Financial Statements
Consolidated Comprehensive Income Statement

	1 st Quarter 2023	1 st Quarter 2022
(euro '000)		
Revenues from contract with customers	57.789	48.647
Other revenues	187	185
TOTAL REVENUES	57.976	48.832
Cost of goods and merchandise	(19.167)	(21.733)
Change in inventories	315	5.348
Cost of services received	(7.207)	(5.688)
Lease and rental costs	(80)	(62)
Personnel costs	(14.058)	(12.461)
Other operating costs	(407)	(775)
Increase in assets due to internal construction	486	402
Write-down of receivables	(57)	(39)
Accruals to provisions for risks and charges	(31)	(8)
GROSS OPERATING PROFIT	17.770	13.816
Property, plant and equipment depreciation	(2.329)	(2.204)
Intangible asset amortization	(248)	(198)
Depreciation of right of use assets	(515)	(464)
OPERATING PROFIT	14.678	10.950
Financial income	61	1
Financial expenses	(41)	(22)
Foreign exchange gains (losses)	44	56
PROFIT BEFORE TAXES	14.742	10.985
Income taxes	(3.878)	(2.742)
NET PROFIT FROM ORDINARY ACTIVITIES	10.864	8.243
Items that may be reclassified subsequently to profit and loss		
Conversion differences included in equity	28	53
COMPREHENSIVE INCOME	10.892	8.296



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Interim Report on Operations at March 31, 2023
Consolidated Financial Statements
Consolidated Statement of Financial Position - Assets

ASSETS	Mar. 31, 2023	Dec. 31, 2022
(euro '000)		
NON CURRENT ASSETS		
Property, plant and equipment	87.827	86.567
Investment property	760	770
Intangible fixed assets	4.445	4.394
Goodwill	4.608	4.608
Right of use assets	7.238	5.038
Other investments	5	5
Other non-current assets	79	79
Deferred tax assets	3.629	3.358
TOTAL NON CURRENT ASSETS	108.591	104.819
CURRENT ASSETS		
Inventories	71.820	71.571
Trade receivables	45.020	31.656
Other financial assets	6.000	15.000
Tax receivables	2.049	2.169
Other receivables	1.343	1.080
Cash and cash equivalents	11.999	15.028
TOTAL CURRENT ASSETS	138.231	136.504
NON-CURRENT ASSETS AVAILABLE FOR SALE	-	-
TOTAL ASSETS	246.822	241.323



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Interim Report on Operations at March 31, 2023

Consolidated Financial Statements

Consolidated Statement of Financial Position - Liabilities and Shareholders' Equity

LIABILITIES AND SHAREHOLDERS' EQUITY	Mar. 31, 2023	Dec. 31, 2022
(euro '000)		
SHAREHOLDERS' EQUITY		
Capital stock	8.840	8.840
Reserves	179.263	147.337
Net profit	10.864	31.918
TOTAL SHAREHOLDERS' EQUITY	198.967	188.095
NON-CURRENT LIABILITIES		
Non-current financial liabilities	5.475	3.365
Employee Severance Indemnity and other personnel benefits	1.780	1.682
Provisions for risks and charges	692	653
Deferred tax liabilities	3.719	3.608
TOTAL NON-CURRENT LIABILITIES	11.666	9.308
CURRENT LIABILITIES		
Current financial liabilities	1.842	12.067
Trade payables	18.441	19.203
Tax payables	5.768	2.292
Other payables	10.138	10.358
TOTAL CURRENT LIABILITIES	36.189	43.920
LIABILITIES ON ASSETS HELD FOR DISPOSAL	-	-
TOTAL LIABILITIES	47.855	53.228
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	246.822	241.323

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Interim Report on Operations at March 31, 2023
Consolidated Financial Statements
Consolidated Statement of Cash Flows

	1 st Quarter 2023	1 st Quarter 2022
(migliaia di euro)		
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	15.028	46.636
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	10.864	8.243
Income taxes	3.878	2.742
Financial charges/(Financial profits)	(20)	(21)
(Gains)/Losses on disposal of assets	(15)	0
Depreciation, amortization and write-downs	3.092	2.866
Net change in Employee Termination Indemnity	98	16
Net change in provisions for risks and charges	39	49
Stock options plan IFRS2 remeasurement	28	41
Operating profit (loss) before change in working capital	17.964	13.936
(Increase) Decrease in trade receivables	(13.364)	(8.961)
(Increase) Decrease in inventories	(249)	(4.482)
Increase (Decrease) of trade payables	(762)	188
(Increase) Decrease in working capital	(14.375)	(13.255)
Other changes	(643)	(1.883)
Interests received/(Interests paid)	20	21
(Paid income taxes)	(282)	(285)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	2.684	(1.466)
C) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(298)	(176)
- tangible	(3.555)	(2.286)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- tangible	19	5
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(3.834)	(2.457)
D) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other financial assets	9.000	-
Increase (Decrease) in bank payables	(10.358)	6.000
Increase (Decrease) in other financial payables	22	-
Repayment of leasing liabilities	(495)	(474)
Changes in reserves	(48)	-
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(1.879)	5.526
E) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)	(3.029)	1.603
F) Foreign exchange conversion differences	-	74
G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (A+E+F)	11.999	48.313
Of which: assets held for disposal	-	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11.999	48.313
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11.999	48.313
Other financial assets	6.000	-
Current financial liabilities	(1.842)	(27.705)
Non current financial liabilities	(5.475)	(3.983)
NET CONSOLIDATED FINANCIAL POSITION	10.682	16.625
BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash	8	11
Bank deposits	11.991	48.302
	11.999	48.313