



CEMBRE

Press release

The Board of Directors approved the interim report on operations as at March 31, 2022

Cembre (STAR): consolidated sales up in the first quarter (27.1%)

- Sales rose by 36.5% in Italy and 20.6% abroad in the first three months
- As at April 30, 2022, consolidated revenues recorded growth of 26.3% compared to the first 4 months of 2021
- The Board resolved the start of a share buy-back programme.

CONSOLIDATED FIGURES (euro '000)	1st Quarter 2022	Marg. %	1st Quarter 2021	Marg. %	change
Revenues from sales	48,647	100	38,267	100	27.1%
Gross operating profit	13,816	28.4	10,166	26.6	35.9%
Operating profit	10,950	22.5	7,374	19.3	48.5%
Profit before taxes	10,985	22.6	7,494	19.6	46.6%
Net Profit	8,243	16.9	5,640	14.7	46.2%
Net financial position	16,625		9,624		

Brescia, May 13, 2022 – 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 2022**.

Compared with the first quarter of 2021, **consolidated revenues** grew by 27.1%, from €38.3 million to €48.6 million. In the same period, domestic sales, amounting to €21.4 million, grew by 36.5%, while exports, amounting to €27.2 million, grew by 20.6% on the 1st Quarter of 2022.

In the first quarter of 2022, 44.1% of sales were represented by Italy, 45.7% by the rest of Europe and 10.2% by the rest of the world.

The consolidated gross operating result (EBITDA) rose by 35.9% in the first quarter, up from €10.2 million, equal to 26.6% of sales in the first quarter of 2021, to €13.8 million, equal to 28.4% of sales in the first quarter of 2022. The incidence of cost of goods sold and service costs rose during



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the period, whilst that of personnel costs fell, despite the increase in absolute terms due to the rise in the average number of Group employees from 763 to 810 during the period.

Consolidated operating profit (EBIT) amounted to €10.9 million in the first quarter of 2022, representing a 22.5% margin on sales, up by 48.5% on €7.4 million in the first three months of the previous year, when it represented a 19.3% margin on sales.

Consolidated profit before taxes for the first three months of 2022 was equal to €11.0 million, representing a 22.6% margin on sales, up by 46.6% on €7.5 million in the three months of 2021, when it represented 19.6% of sales.

Consolidated net profit for the first quarter of 2022 was equal to €8.2 million, representing a 16.9% margin on sales, up by 46.2% on €5.6 million in the first quarter of 2021, when it represented 14.7% of sales.

The consolidated net financial position went from a surplus of €9.6 million at March 31, 2021 to a surplus of €16.6 million at March 31, 2022. At December 31, 2021, the net financial position was equal to a surplus of €20.6 million. Short-term financial debt does not include €20.1 million of dividends to shareholders in 2021 (similar to the approach adopted in the previous year, amounting to €15.1 million), payable on May 11, 2022, as resolved by the Shareholders' Meeting on April 27, 2022.

Capital expenditure for the first quarter of 2022 by the Group amounted to €2.5 million, down on the corresponding period in 2021 when it amounted to €3.5 million.

"Progressive revenues for the first 4 months marked growth of 26.3% compared to the first 4 months of 2021, however, it should be noted that the sales for the month of May 2021 were particularly high (amounting to €18.3 million), so 2022 progressive sales growth is expected to mark a less significant increase starting from May 2022. It is extremely difficult to make reliable forecasts, but in any case it is estimated that in 2022 the Cembre Group's consolidated revenues will grow and the consolidated economic result will be positive" - commented Chairman 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, 2022 and the conclusion of the programme initiated on April 27, 2021.

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



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- 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. 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 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, 2022.

At the date of the present press release, Cembre holds 236,541 own shares in its portfolio, representing 1.39% of the capital stock.

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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 819 employees (data updated as at March 31, 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 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: Financial Statements at March 31, 2022

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.



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Interim Report on Operations at March 31, 2022
Consolidated Financial Statements
Consolidated Comprehensive Income Statement

	1 st Quarter 2022	1 st Quarter 2021
(euro '000)		
Revenues from contract with customers	48.647	38.267
Other revenues	185	194
TOTAL REVENUES	48.832	38.461
Cost of goods and merchandise	(21.733)	(12.724)
Change in inventories	5.348	194
Cost of services received	(5.688)	(4.303)
Lease and rental costs	(62)	(43)
Personnel costs	(12.461)	(11.451)
Other operating costs	(775)	(493)
Increase in assets due to internal construction	402	563
Write-down of receivables	(39)	(31)
Accruals to provisions for risks and charges	(8)	(7)
GROSS OPERATING PROFIT	13.816	10.166
Property, plant and equipment depreciation	(2.204)	(2.136)
Intangible asset amortization	(198)	(206)
Depreciation of right of use assets	(464)	(450)
OPERATING PROFIT	10.950	7.374
Financial income	1	1
Financial expenses	(22)	(25)
Foreign exchange gains (losses)	56	144
PROFIT BEFORE TAXES	10.985	7.494
Income taxes	(2.742)	(1.854)
NET PROFIT FROM ORDINARY ACTIVITIES	8.243	5.640
Items that may be reclassified subsequently to profit and loss		
Conversion differences included in equity	53	1.296
COMPREHENSIVE INCOME	8.296	6.936



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Interim Report on Operations at March 31, 2022
Consolidated Financial Statements
Consolidated Statement of Financial Position - Assets

ASSETS	Mar. 31, 2022	Dec. 31, 2021
(euro '000)		
NON CURRENT ASSETS		
Property, plant and equipment	84.568	84.501
Investment property	802	813
Intangible fixed assets	4.454	4.476
Goodwill	4.608	4.608
Right of use assets	5.669	5.960
Other investments	5	5
Other non-current assets	81	81
Deferred tax assets	3.190	3.057
TOTAL NON CURRENT ASSETS	103.377	103.501
CURRENT ASSETS		
Inventories	62.099	57.617
Trade receivables	37.125	28.164
Tax receivables	483	683
Other receivables	1.505	1.218
Cash and cash equivalents	48.313	46.636
TOTAL CURRENT ASSETS	149.525	134.318
NON-CURRENT ASSETS AVAILABLE FOR SALE	-	-
TOTAL ASSETS	252.902	237.819



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Interim Report on Operations at March 31, 2022

Consolidated Financial Statements

Consolidated Statement of Financial Position - Liabilities and Shareholders' Equity

LIABILITIES AND SHAREHOLDERS' EQUITY	Mar. 31, 2022	Dec. 31, 2021
(euro '000)		
SHAREHOLDERS' EQUITY		
Capital stock	8.840	8.840
Reserves	167.412	141.997
Net profit	8.243	25.321
TOTAL SHAREHOLDERS' EQUITY	184.495	176.158
NON-CURRENT LIABILITIES		
Non-current financial liabilities	3.983	4.279
Employee Severance Indemnity and other personnel benefits	2.005	1.989
Provisions for risks and charges	421	372
Deferred tax liabilities	3.433	3.371
TOTAL NON-CURRENT LIABILITIES	9.842	10.011
CURRENT LIABILITIES		
Current financial liabilities	27.705	21.710
Trade payables	16.449	16.261
Tax payables	5.031	2.774
Other payables	9.380	10.905
TOTAL CURRENT LIABILITIES	58.565	51.650
LIABILITIES ON ASSETS HELD FOR DISPOSAL	-	-
TOTAL LIABILITIES	68.407	61.661
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	252.902	237.819

Interim Report on Operations at March 31, 2022
Consolidated Financial Statements
Consolidated Statement of Cash Flows

	1 st Quarter 2022	1 st Quarter 2021
€ '000		
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	46.636	37.688
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	8.243	5.640
Depreciation, amortization and write-downs	2.866	2.792
(Gains)/Losses on disposal of assets	-	9
Net change in Employee Termination Indemnity	16	(17)
Net change in provisions for risks and charges	49	32
Operating profit (loss) before change in working capital	11.174	8.456
(Increase) Decrease in trade receivables	(8.961)	(5.838)
(Increase) Decrease in inventories	(4.482)	(704)
(Increase) Decrease in other receivables and deferred tax assets	(235)	(77)
Increase (Decrease) of trade payables	(860)	(210)
Increase (Decrease) of other payables, deferred tax liabilities and tax payables	794	997
Change in working capital	(13.744)	(5.832)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	(2.570)	2.624
C) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(176)	(229)
- tangible	(2.286)	(3.257)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- tangible	5	20
Increase (Decrease) of trade payables for assets	1.048	1.328
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(1.409)	(2.138)
D) CASH FLOW FROM FINANCING ACTIVITIES		
Increase (Decrease) in bank payables	6.000	(6.201)
Repayment of leasing liabilities	(459)	(448)
Change in stock option reserve	41	40,00
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	5.582	(6.609)
E) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)	1.603	(6.123)
F) Foreign exchange conversion differences	74	1.030
G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (A+E+F)	48.313	32.595
Of which: assets held for disposal	-	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	48.313	32.595
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	48.313	32.595
Current financial liabilities	(27.705)	(18.007)
Non current financial liabilities	(3.983)	(4.964)
NET CONSOLIDATED FINANCIAL POSITION	16.625	9.624
BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash	11	13
Bank deposits	48.302	32.582
	48.313	32.595