



CEMBRE

Press release

The Board of Directors approved the Interim Financial Report 2024

Cembre (Euronext STAR): consolidated turnover up +1.6% in the first half-year

- In the first 6 months, domestic sales were up +5.2% while sales outside Italy were down by -1.3%
- Net profit for the half-year of 16.9% of revenues (down 15.3% from 2023)
- As at August 31, 2024, consolidated revenues recorded growth of 2.1% compared to the first eight months of 2023 and the net financial position was a negative €4.0 million
- Establishment of two new commercial companies wholly owned by Cembre S.p.A. in China and in the Netherlands

<u>Consolidated figures</u> (euro '000)	1st Half 2024		1st Half 2023		change	Full year 2023	
		<i>Marg.</i> %		<i>Marg.</i> %			<i>Marg.</i> %
Revenues from sales	119,513	100	117,642	100	1.6%	222,551	100
Gross operating profit	34,852	29.2	38,649	32.9	-9.8%	66,569	29.9
Operating profit	28,351	23.7	32,428	27.6	-12.6%	53,964	24.2
Profit prior to taxes	28,551	23.9	32,450	27.6	-12.0%	53,828	24.2
Net profit for the period	20,823	17.4	23,880	20.3	-12.8%	40,828	18.3
Net financial position	(6,196)		(5,228)			18,221	

Brescia, September 12, 2024 - 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 Report for the first half of 2024.

In the first six months of 2024, the Group reported **consolidated sales** of €19.5 million, up 1.6% on €17.6 million in the first half of 2023.

Domestic sales of the Group amounted to €4.7 million, up by 5.2%, while sales outside Italy amounted to €4.8 million, down 1.3%. A total of 45.8% of Group sales were represented by Italy



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(as compared with 44.2% in the 1st Half of 2023), 44.8% by the rest of Europe (45.9% in the 1st Half of 2023), and the remaining 9.4% by the rest of the World (9.9% in the 1st Half of 2023).

Consolidated gross operating profit (EBITDA) for the first half of 2024 amounted to €34.9 million, representing a 29.2% margin on sales, down 9.8% on the corresponding period in 2023 when it amounted to €38.7 million, representing a 32.9% margin on sales. This decrease was due to the increase in the impact of the cost of goods sold from 30.8% to 32.5%, as well as the increase in the impact of personnel costs from 24.2% to 26.1%. The average number of Group employees in the period went from 856 in the 1st half of 2023 to 888 in the 1st half of 2024.

Consolidated operating profit (EBIT) for the first six months of 2024 amounted to €28.4 million, representing a 23.7% margin on sales, down 12.6% on €32.4 million in the 1st half of 2023, when it represented a 27.6% margin on sales.

Consolidated profit prior to taxes for the period amounted to €28.6 million, representing a 23.9% margin on sales, down 12.0% on €32.4 million in the 1st half of 2023, when it represented a 27.6% margin on sales.

Consolidated net profit for the half-year amounted to €20.8 million, representing a 17.4% margin on sales, down 12.8% on €33.9 million in the 1st half of 2023, when it represented a 20.3% margin on sales.

The **consolidated net financial position** went from a surplus of €18.2 million as at December 31, 2023, to a deficit of €6.2 million as at June 30, 2024. The financial position was affected by the payment of €30.2 million in dividends and capital expenditure in fixed assets amounting to €13.0 million. At June 30, 2023, the net financial position was equal to a deficit of €5.2 million.

Capital expenditure in the period amounted to €13.0 million. In the same period of 2023 it amounted to €7.8 million. The increase in capital expenditure is mainly related to work in progress for the construction of two new industrial buildings at the Parent Company's headquarters, totalling 15,000 square metres.

"The Cembre Group's consolidated revenues in the first half of 2024 amounted to €119.5 million, up 1.6% compared to the same period of the previous year. At the end of August 2024, Group sales had marked growth of 2.1% over the first eight months of 2023; furthermore, the net financial position as at 31 August 2024 was a negative €4.0 million, an improvement over the deficit of €6.2 million as at June 30, 2024." - commented Chair Giovanni Rosani.

Establishment of two new commercial companies wholly owned by Cembre S.p.A. in China and in the Netherlands

It is hereby announced that the process for the establishment of two commercial companies wholly owned by Cembre S.p.A., with headquarters in China (Shanghai) and in the Netherlands (Eindhoven), is being finalized. These companies will represent a direct presence of the Cembre Group on their respective markets and will serve the local market in a more widespread manner.

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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



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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 (Germany, France, Spain and the United States) and a manufacturing and trading subsidiary (Cembre Ltd, with registered office in Birmingham), for a total of 891 employees (data updated as at June 30, 2024). The Company has an Integrated Management System (quality, safety, environment and anti-corruption) 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.

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

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

Attachments - Interim Financial Report 2024:

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

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.

Consolidated Financial Statements at June 30, 2024

Consolidated Statements of Financial Position

ASSETS	June 30, 2024		Dec. 31, 2023	
	(euro '000)	of which: related parties		of which: related parties
NON CURRENT ASSETS				
Property, plant and equipment	97.609		90.252	
Investment property	709		729	
Intangible assets	5.049		4.712	
Goodwill	4.608		4.608	
Right of use assets	6.370	3.392	6.422	3.725
Other investments	5		5	
Other non-current assets	166		78	
Deferred tax assets	3.637		3.446	
TOTAL NON-CURRENT ASSETS	118.153		110.252	
CURRENT ASSETS				
Inventories	74.143		68.743	
Trade receivables	55.905		42.493	
Other financial assets	-		4.000	
Tax receivables	1.709		1.583	
Other receivables	1.171		1.250	
Cash and cash equivalents	19.444		20.882	
TOTAL CURRENT ASSETS	152.372		138.951	
NON-CURRENT ASSETS AVAILABLE FOR SALE	-		-	
TOTAL ASSETS	270.525		249.203	

LIABILITIES AND SHAREHOLDERS' EQUITY	June 30, 2024		Dec. 31, 2023	
	(euro '000)	of which: related parties		of which: related parties
SHAREHOLDERS' EQUITY				
Capital stock	8.840		8.840	
Reserves	167.394		156.051	
Net profit	20.823		40.828	
TOTAL SHAREHOLDERS' EQUITY	197.057		205.719	
NON-CURRENT LIABILITIES				
Non-current financial liabilities	7.798	2.971	4.693	3.305
Employee termination indemnity and other personnel benefits	1.748	144	1.751	139
Provisions for risks and charges	243	28	691	165
Deferred tax liabilities	3.349		3.570	
TOTAL NON-CURRENT LIABILITIES	13.138		10.705	
CURRENT LIABILITIES				
Current financial liabilities	17.842	788	1.968	771
Trade payables	17.390		14.829	
Tax payables	11.553		4.193	
Other payables	13.545	174	11.789	313
TOTAL CURRENT LIABILITIES	60.330		32.779	
LIABILITIES ON ASSETS HELD FOR DISPOSAL	-		-	
TOTAL LIABILITIES	73.468		43.484	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	270.525		249.203	

Consolidated Financial Statements at June 30, 2024

Statement of Consolidated Comprehensive Income

	1 st Half 2024		1 st Half 2023	
	(euro '000)	<i>of which: related parties</i>		<i>of which: related parties</i>
Revenues from contracts with customers	119.513		117.642	
Other revenues	657		460	
TOTAL REVENUES	120.170		118.102	
Cost of goods and merchandise	(42.561)		(37.451)	
Change in inventories	3.736		1.238	
Cost of services received	(14.459)	(452)	(14.383)	(466)
Lease and rental costs	(228)		(155)	
Personnel costs	(31.244)	(217)	(28.454)	(202)
Other operating costs	(933)		(924)	
Increase in assets due to internal construction	589		851	
Write-down of receivables	(135)		(157)	
Accruals to provisions for risks and charges	(83)		(18)	
GROSS OPERATING PROFIT	34.852		38.649	
Property, plant and equipment depreciation	(4.910)		(4.658)	
Intangible asset amortization	(563)		(518)	
Depreciation of right of use assets	(1.028)	(400)	(1.045)	(423)
OPERATING PROFIT	28.351		32.428	
Financial income	234		106	
Financial expenses	(174)	(67)	(133)	(59)
Foreign exchange gains (losses)	140		49	
PROFIT BEFORE TAXES	28.551		32.450	
Income taxes	(7.728)		(8.570)	
NET PROFIT FROM ORDINARY ACTIVITIES	20.823		23.880	
NET PROFIT FROM ASSETS HELD FOR DISPOSAL	-		-	
NET PROFIT	20.823		23.880	
Items of the other comprehensive income that will be reclassified subsequently to profit or loss				
Conversion differences included in equity	717		408	
COMPREHENSIVE INCOME	21.540		24.288	
BASIC EARNINGS PER SHARE	1,24		1,42	
DILUTED EARNINGS PER SHARE	1,24		1,42	

Consolidated Financial Statements at June 30, 2024

Consolidated Statement of Cash Flows

	1 st Half 2024	1 st Half 2023
€ '000		
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	20.882	15.028
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	20.823	23.880
Income taxes	7.728	8.570
Financial charges/(Financial profits)	(60)	27
(Gains)/Losses on disposal of assets	(57)	(43)
Depreciation, amortization and write-downs	6.502	6.221
Net change in Employee Termination Indemnity	(3)	7
Net change in provisions for risks and charges	(448)	77
Stock options plan IFRS2 remeasurement	34	56
Operating profit (loss) before change in working capital	34.519	38.795
(Increase) Decrease in trade receivables	(13.412)	(17.653)
(Increase) Decrease in inventories	(5.400)	(1.356)
Increase (Decrease) of trade payables	2.561	(3.025)
(Increase) Decrease in working capital	(16.251)	(22.034)
Other changes	1.622	1.475
Interests received/(Interests paid)	60	(27)
(Paid income taxes)	(696)	(4.011)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	19.254	14.198
C) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(899)	(749)
- tangible	(12.092)	(7.029)
- financial	(88)	-
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- tangible	70	52
- financial	-	1
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(13.009)	(7.725)
D) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other non current assets	4.000	15.000
Increase (Decrease) in bank payables	19.002	666
Repayment of leasing liabilities	(1.000)	(1.002)
Changes in reserves	(44)	0
Dividends distributed	(30.235)	(23.495)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(8.277)	(8.831)
E) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)	(2.033)	(2.358)
F) Foreign exchange conversion differences	595	263
G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (A+E+F)	19.444	12.933
Of which: assets held for disposal		
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	19.444	12.933
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	19.444	12.933
Current financial liabilities	(17.842)	(12.864)
Non current financial liabilities	(7.798)	(5.297)
NET CONSOLIDATED FINANCIAL POSITION	(6.196)	(5.228)
BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash	12	6
Bank deposits	19.432	12.927
	19.444	12.933