

# 2023 Consolidated Financial Results at 31<sup>st</sup> March approved

Strong growth in Q1 revenues with an order portfolio set to sustain performances in 2023

Pesaro, 11<sup>th</sup> May 2023

First quarter (in € million)	Q1 2023	Q1 2022	Variation	
			(in € million)	In %
Consolidated Net Revenues	209.5	196.6	+12.9	+6.6%
EBITDA	28.0	26.1	+1.9	+7.2%
Operating result (EBIT)*	18.4	15.1	+3.3	+21.5%
Net Profit/Loss	12.3	9.8	+2.5	+26.4%
Net Financial Position (in € million)	+107.3	+107.7	-0.4	-0.3%

(\*) after non-recurring events

Other resolutions:

- report on activities of Control and Risks committee approved
- procedure on the composition of the Boards of Directors in the subsidiaries of Biesse Group approved
- whistleblowing policy approved
- merger by incorporation in Biesse S.p.A. of the fully owned company Montresor & Co. S.r.l. approved

During its meeting held in Pesaro today, the Board of Directors of Biesse S.p.A. – Mid Cap company listed at the Euronext STAR - Milan – approved the Consolidated Financial Report for the first quarter of 2023.

**Consolidated results** achieved by the Biesse Group in the first 3 months of 2023:

- Consolidated net revenues of 209.5 million euros (+6.6% compared to Q1 2022)
- Value Added of 89.9 million euros (+2.9% compared to Q1 2022), 42.4% of revenues (40.5% in Q1 2022)
- EBITDA of 28.0 million euros (+7.2% compared to Q1 2022), 13.3% of revenues (13.3% in Q1 2022)
- EBIT, after non-recurring events, of 18.4 million euros (a growth of 21.5% compared to 15.1 million euros recorded in Q1 2022), 8.8% of revenues (7.7% in Q1 2022)
- Net profit of 12.3 million euros (+26.4% compared to Q1 2022), 5.9% of revenues (5.0% in Q1 2022)
- Tax rate 29.6% (27.0% in Q1 2022)

#### **Net Financial Position**

As of 31 March 2023, the Group Net Financial Position was positive for 107.3 million euros, including the impact of 22.3 million euros (higher payables) deriving from the application of IFRS16. Without the effects linked to the application of IFRS16, the financial position would therefore be positive for 129.6 million euros. Compared to the end of year 2022, the net financial position decreases by 9.3 million euros, mainly because of the dynamics related to net working capital and despite the good results obtained in the operational management.

#### **Comment**

“The results achieved during the first quarter and approved today – commented the Group CFO Pierre La Tour – bear testimony to how Biesse has taken full advantage of the global demand for capital goods during 2022, closing the year with a sustained order portfolio that will reflect on 2023 revenues.

Although this performance, which is *per se* very satisfactory since it compares with an exceptional Q1 2022, represents a solid starting point, it is necessary to adopt a prudent approach for the future outlook. Demand projections are complicated by enduring restrictive monetary policies that are directly impacting interest rates, combined with the ceasing of government incentives that have stimulated domestic market demand over recent years.

From a business point of view, the order portfolio at the end of March has slightly decreased versus Q1 2022, with a value of 340.6 million euros. Being unable to govern inflationary pressures which are mostly external to the Group, we will continue to pursue operational efficiency internally, in continuity with initiatives falling under the One Company project, aiming to introduce a higher level of flexibility and a prompt simplification of business processes.

We will continue to promote innovation and research, being convinced that these are essential characteristics, implementing new technical solutions with an ever increasing connectivity and automation, for a sustainable development. Our positive financial position represents an important baseline to sustain our expansion, both organically as well as through acquisitions”.

#### **Order backlog**

As of 31<sup>st</sup> March 2023, the order backlog amounted to 340.6 million euros (-16.7% compared to Q1 2022), whilst on 31<sup>st</sup> December 2022 the order portfolio amounted to 384.7 million euros.

In Q1 2023 order entry – machines only – was lower versus Q1 2022 (-25.1%), as well as versus Q4 2022, as a result of ceasing government incentives on the domestic market.

### **Revenue breakdown**

Geographically, the Group's sales breakdown by macro-area at the end of March 2023 is:

- Western Europe 55.7% (52.1% in Q1 2022) – of which Italy 21.5% (20.9% in Q1 2022)
- Eastern Europe 13.1% (13.9% as at March 2022)
- North America 17.6% (18.3% as at March 2022)
- Asia Pacific 11.4% (12.6% as at March 2022)
- Rest of the World 2.3% (3.1% as at March 2022)

By type, sales of machines & systems always account for the overwhelming majority (91.1%) compared to mechatronics (8.9%).

### **Balance sheet**

Group Shareholders' Equity: 271.9 million euros

Net Invested Capital: 164.6 million euros

Net Operating Current Assets positive at 36.0 million euros

### **Dividends**

As already communicated, a gross dividend of 0.33 euros per share has been paid. The total disbursement for the dividends amounts has been equal to 9,042,855.69 euros. Coupon date: 8 May 2023, Record date: 9 May 2023; Payment date: 10 May 2023. Coupon no. 17.

### **Merger by incorporation of Montresor & Co. S.r.l.**

The Board of Directors has approved the merger by incorporation in Biesse S.p.A. of the fully owned subsidiary Montresor & Co. S.r.l., pursuant to art. 2502 c.c.

### Conference Call

Biesse will hold a conference call today at 4.30 p.m. to comment on the approved Q1 2023 Financial Statements. The supporting presentation will be available on the corporate website [www.biessegroup.com](http://www.biessegroup.com) in the Investor Relations section. The same presentation will also be made available on the official storage website [www.1info.it](http://www.1info.it)

The details needed for taking part in the conference call in question are on the company's website, in the section dedicated to investors.

“The Financial Reporting Officer (Pierre La Tour) declares that, pursuant to paragraph 2, Article 154-bis of the Consolidated Law on Finance, the accounting information in this press release corresponds to the results in the accounting documents, books and other records”

**BIESSE S.p.A.** - Biesse is an international company that designs, manufactures and distributes systems and machines for processing wood, glass, stone, metal, plastic and composite materials for the furniture, housing & construction, automotive and aerospace industries. Founded in Pesaro in 1969 by Giancarlo Selci, it has been listed in the STAR segment of Euronext Milan since June 2001. It generates approx. 85% of its consolidated turnover abroad, operating in more than 160 countries, thanks to 14 production plants and a direct presence in the main world markets. Its customers include industry-leading companies and prestigious Italian and international design brands. It currently has a total of over 4,300 employees.



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Financial statements  
Profit & Loss - Income Statement at 31 March 2023

	31 March 2023	% on sales	31 March 2022	% on sales	CHANGE %
<i>Euro 000's</i>					
<b>Revenue from sales and services</b>	<b>209,515</b>	<b>100.0%</b>	<b>196,599</b>	<b>100.0%</b>	<b>6.6%</b>
Change in inventories, wip, semi-finished products and finished products	541	0.3%	17,931	9.1%	(97.0)%
Other Revenues	2,116	1.0%	995	0.5%	112.7%
<b>Revenue</b>	<b>212,172</b>	<b>101.3%</b>	<b>215,524</b>	<b>109.6%</b>	<b>(1.6)%</b>
Raw materials, consumables, supplies and goods	(86,565)	(41.3)%	(94,574)	(48.1)%	(8.5)%
Other operating costs	(35,679)	(17.0)%	(33,558)	(17.1)%	6.3%
Personnel expense	(61,959)	(29.6)%	(61,294)	(31.2)%	1.1%
<b>Gross operating result</b>	<b>27,969</b>	<b>13.3%</b>	<b>26,098</b>	<b>13.3%</b>	<b>7.2%</b>
Depreciation and amortisation	(7,811)	(3.7)%	(7,991)	(4.1)%	(2.3)%
Provisions	(3,694)	(1.8)%	(2,961)	(1.5)%	24.8%
<b>Operating result before non recurring items</b>	<b>16,464</b>	<b>7.9%</b>	<b>15,146</b>	<b>7.7%</b>	<b>8.7%</b>
Non recurring items	1,937	0.9%	-	-	-
<b>Operating result</b>	<b>18,401</b>	<b>8.8%</b>	<b>15,146</b>	<b>7.7%</b>	<b>21.5%</b>
Financial income	284	0.1%	89	0.0%	-
Financial expense	(604)	(0.3)%	(439)	(0.2)%	37.6%
Exchange rate income and expenses net	(579)	(0.3)%	(1,427)	(0.7)%	(59.4)%
<b>Pre-tax result</b>	<b>17,502</b>	<b>8.4%</b>	<b>13,368</b>	<b>6.8%</b>	<b>30.9%</b>
Income taxes	(5,173)	(2.5)%	(3,611)	(1.8)%	43.3%
<b>Result for the period</b>	<b>12,330</b>	<b>5.9%</b>	<b>9,758</b>	<b>5.0%</b>	<b>26.4%</b>

## Balance Sheet at 31 March 2023

	31 March 2023	31 December 2022
<i>Euro 000's</i>		
Intangible assets	88,432	88,177
Property, plant and equipment	114,108	117,625
Financial assets	3,484	4,688
<b>Non-current assets</b>	<b>206,024</b>	<b>210,489</b>
Inventories	218,096	215,588
Trade receivables and contract assets	118,719	112,513
Trade payables	(178,430)	(181,996)
Contract liabilities	(122,418)	(138,197)
<b>Net operating working capital</b>	<b>35,966</b>	<b>7,908</b>
Post-employment benefits	(10,196)	(10,567)
Provision for risk and charges	(28,608)	(25,015)
Other net payables	(55,380)	(54,629)
Net deferred tax assets	16,791	15,961
<b>Other net liabilities</b>	<b>(77,394)</b>	<b>(74,249)</b>
<b>Net invested capital</b>	<b>164,596</b>	<b>144,147</b>
Share capital	27,403	27,403
Result for the previous year and other reserves	231,945	202,898
Net Result	12,330	30,248
Non-controlling interests	241	245
<b>Equity</b>	<b>271,918</b>	<b>260,793</b>
Bank loans and borrowings and loans and borrowings from other financial backers	25,059	28,937
Other financial assets	(20,696)	(7,164)
Cash and cash equivalents	(111,685)	(138,419)
<b>Net financial position (1)</b>	<b>(107,322)</b>	<b>(116,646)</b>
<b>Total sources of funding</b>	<b>164,596</b>	<b>144,147</b>



## Net financial position at 31 March 2023

<i>Euro 000's</i>	<b>31st March 2023</b>	<b>31st December 2022</b>	<b>30th September 2022</b>	<b>30th June 2022</b>	<b>31st March 2022</b>
Financial assets:	132,381	145,583	108,061	117,201	136,539
<i>Current financial assets</i>	20,696	20,544	7,157	7,266	27,141
<i>Cash and cash equivalents</i>	111,685	125,039	100,903	109,935	109,398
Short-term financial lease payables	(7,072)	(7,504)	(7,983)	(8,524)	(7,194)
Short-term bank loans and borrowings and loans from other financial institutions	(1,412)	(4,222)	(4,761)	(7,493)	(5,826)
<b>Short-term net financial position</b>	<b>123,897</b>	<b>133,858</b>	<b>95,317</b>	<b>101,185</b>	<b>123,520</b>
Medium/Long-term financial lease payables	(16,114)	(16,496)	(14,997)	(15,508)	(15,179)
Medium/Long-term bank loans and borrowings	(320)	(561)	(573)	(525)	(395)
Trade payables and other medium/long-term payables	(140)	(155)	(171)	(185)	(285)
<b>Medium/Long-term net financial position</b>	<b>(16,575)</b>	<b>(17,212)</b>	<b>(15,740)</b>	<b>(16,218)</b>	<b>(15,859)</b>
<b>Total net financial position</b>	<b>107,322</b>	<b>116,646</b>	<b>79,577</b>	<b>84,965</b>	<b>107,661</b>