

# 2024 Consolidated Financial Results at 31<sup>st</sup> March approved

Revenues in decrease compared to Q1 2023 while profitability and net financial position remain positive.

Pesaro, 14<sup>th</sup> May 2024

First quarter (in € million)	Q1 2024	Q1 2023	Variation	
			(in € million)	In %
Consolidated Net Revenues	195.8	209.5	-13.7	-6.5%
EBITDA	16.8	28.0	-11.2	-39.9%
Operating result (EBIT)*	6.6	18.4	-11.8	-64.1%
Net Profit/Loss	2.8	12.3	-9.4	-76.9%
Net Financial Position (in € million)	+2.3	+107.3	-105.0	-97.9%

(\*) after non-recurring events

Other resolutions:

- report on activities for Q1 2024 of Control and Risks committee approved
- remunerations for the members of the Board of Directors defined
- report on activities for Q1 2024 of Operations with Related Parties committee examined
- report by the Board of Statutory Auditors on the independence evaluations of its members examined

During its meeting held in Pesaro today, the Board of Directors of Biesse S.p.A. ("Biesse" or the "Company" – company listed at the Euronext STAR segment of Milan Stock Exchange – approved the Consolidated Financial Report for the first quarter of 2024.

**Main consolidated results** achieved by the Biesse Group in the first 3 months of 2024:

- Consolidated net revenues of 195.8 million euros (-6.5% compared to Q1 2023)
- EBITDA of 16.8 million euros (-39.9% compared to Q1 2023), 8.6% of revenues (13.3% in Q1 2023)
- EBIT, after non-recurring events, of 6.6 million euros (a decrease of 64.1% compared to 18.4 million euros recorded in Q1 2023), 3.4% of revenues (8.8% in Q1 2023)
- Net profit of 2.8 million euros (-76.9% compared to Q1 2023), 1.5% of revenues (5.9% in Q1 2023)
- Tax rate 46.3% (29.6% in Q1 2023)

### **Net Financial Position**

As of 31 March 2024, the Group Net Financial Position was positive for 2.3 million euros, including the impact of 30.0 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 32.3 million euros. Compared to the end of year 2023, the net financial position decreases by 90.7 million euros, mainly because of the financial disbursement for the acquisition of GMM Finance S.r.l., holding of the GMM Group, and 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 Nicola Sautto – bear testimony to how the prudent strategy pursued by Biesse is the most appropriate to maintain a positive profitability in a not favorable economic and financial scenario. In terms of revenues, the first

three months of 2024 has recorded a decrease, in line with our forecasts.

From a business point of view, the order portfolio at the end of March 2024 has increased by 6.1% versus year-end 2023, with a value of 297.0 million euros, influenced by the acquisition of GMM in a context of general slowdown of order intake already begun in 2023, following the reduction of government incentives launched during and after the pandemic, particularly the so-called “Superbonus 110%” that exceptionally stimulated Italian domestic market.

Despite the slowdown in revenues and in order intake, the Group has been able to strongly act on cost reductions and on marginality, maintaining positive the profitability and the net financial position.

We will continue to pursue operational efficiency internally, already started with initiatives falling under the One Company project, aiming to introduce a higher level of flexibility and a prompt simplification of business processes, and to be prosecuted with measures of costs containment and management policies of working capital.

Innovation and research will remain essential characteristics of our strategy. We are determined to implement new technical solutions with an ever increasing connectivity and automation, for a sustainable development. Our net financial position, which remains positive even after the acquisition of GMM Group, represents an important baseline to sustain our expansion.

Significant difficulties persist in forecasting external phenomena impacting on demand, as enduring restrictive monetary policies that are directly impacting interest rates, reduction of government incentives and sharpening international tensions”.

### **Order backlog**

As of 31<sup>st</sup> March 2024, the order backlog amounted to 297.0 million euros, positively influenced by the acquisition of GMM Group, whilst on 31<sup>st</sup> December 2023 the order portfolio amounted to 278.0 million euros.

### **Revenue breakdown**

Geographically, the Group's sales breakdown by macro-area at the end of March 2024 is:

- EMEA 63% (70% as at March 2023)
- AMERICAS 24% (19% as at March 2023)
- APAC 13% (10% as at March 2023)

By type, sales of machines & systems always account for the overwhelming majority (93%) compared to mechatronics (7%).

### **Balance sheet**

Group Shareholders' Equity: 266.8 million euros

Net Invested Capital: 264.5 million euros

Net Operating Current Assets positive at 84.0 million euros

### **Dividends**

As already communicated on 29<sup>th</sup> April 2024, a gross dividend of 0.14 euros per share has been put on payment. The total disbursement for the dividends amounts has been equal to 3,836,363.02 euros. Coupon date: 6 May 2024, Record date: 7 May 2024; Payment date: 8 May 2024. Coupon no. 18.

### Conference Call

Biesse will hold a conference call today at 4.30 p.m. to comment on the approved Q1 2024 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 (Nicola Sautto) 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 - We are an international company that manufactures integrated lines and machines to process wood, glass, stone, plastic and composite materials. Founded in Italy in 1969 and listed in the Euronext STAR segment of the Italian Stock Exchange, we support the business evolution of our customers in the furniture & construction, automotive and aerospace sectors. Today, about 80% of our consolidated turnover is achieved abroad by an ever-growing global network with 12 manufacturing campuses and 20+ showrooms all over the world. Thanks to our rooted competence embodied by 4.300 employees, we empower the imagination of industry leading companies and prestigious names in Italian and international design to make the potential of any material shine.**

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### Alternative performance indicators

Management uses some performance indicators, which are not identified as accounting measures under the IFRS (non-GAAP measures), to better assess Biesse's performance. The criterion applied by Biesse to set these indicators might not be the same as that adopted by other groups, and the indicators might not be comparable with those set by the latter. These performance indicators, which were set in compliance with the Guidelines on performance indicators issued by ESMA/2015/1415 and adopted by CONSOB with its communication No. 92543 of 3 December 2015, refer to performance in the accounting period covered by this Business Plan and the previous years used for comparison. Performance indicators are to be regarded as complementary to and not a substitute for financial data prepared in accordance with IFRS. Hereafter is a description of the main indicators adopted.

#### Value Added

This indicator is defined as the Profit (Loss) for the year before income taxes, finance income and expense, exchange rate gains and losses, amortisation of intangible assets, depreciation of property, plant and equipment, impairment losses on fixed assets, allocations to provisions for risks and charges, costs and revenues arising from transactions that Management considers as non-recurring relative to Biesse's ordinary operations, as well as personnel expense.

#### Adjusted EBITDA (Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation)

This indicator is defined as the Profit (Loss) for the period before income taxes, finance income and expense, exchange rate gains and losses, amortisation of intangible assets, depreciation of property, plant and equipment, impairment losses on fixed assets, allocations to provisions for risks and charges, as well as costs and revenues arising from transactions that Management considers as non-recurring relative to Biesse's ordinary operations.

#### Operating Profit or EBIT (Earnings Before Interest and Taxes)

This indicator is defined as Profit (Loss) for the year before income taxes, financial income and expenses, and foreign exchange losses and gains.

#### Net Operating Working Capital:

This indicator is calculated as the total of Inventories, Trade receivables and Contract assets, net of Trade payables and Contract liabilities.

#### Net Working Capital

This indicator is calculated as the total of Net Operating Working Capital and other Current Assets and Liabilities, including Provisions for short-term risks and charges.

#### Net Invested Capital

This indicator represents the total of Current and Non-Current Assets, excluding financial assets, net of Current and Non-Current Liabilities, excluding financial liabilities.

#### Net financial position

This indicator is calculated in compliance with the provisions contained in Communication No. 5/21 of 29 April 2021 issued by Consob, which refers to the ESMA Recommendations of 4 March 2021.

**Financial statements**  
**Profit & Loss - Income Statement at 31 March 2024**

	31 March 2024	% on sales	31 March 2023	% on sales	CHANGE %
<i>Euro 000's</i>					
<b>Revenue from sales and services</b>	<b>195,801</b>	<b>100.0%</b>	<b>209,515</b>	<b>100.0%</b>	<b>(6.5)%</b>
Change in inventories, wip, semi-finished products and finished products	6,914	3.5%	541	0.3%	1179.1%
Other Revenues	2,173	1.1%	2,116	1.0%	2.7%
<b>Revenue</b>	<b>204,888</b>	<b>104.6%</b>	<b>212,172</b>	<b>101.3%</b>	<b>(3.4)%</b>
Raw materials, consumables, supplies and goods	(82,239)	(42.0)%	(86,565)	(41.3)%	(5.0)%
Other operating costs	(40,241)	(20.6)%	(35,679)	(17.0)%	12.8%
Personnel expense	(65,607)	(33.5)%	(61,959)	(29.6)%	5.9%
<b>Gross operating result</b>	<b>16,801</b>	<b>8.6%</b>	<b>27,969</b>	<b>13.3%</b>	<b>(39.9)%</b>
Depreciation and amortisation	(8,063)	(4.1)%	(7,811)	(3.7)%	3.2%
Provisions	(1,089)	(0.6)%	(3,694)	(1.8)%	(70.5)%
<b>Operating result before non recurring items</b>	<b>7,648</b>	<b>3.9%</b>	<b>16,464</b>	<b>7.9%</b>	<b>(53.5)%</b>
Non recurring items	(1,034)	(0.5)%	1,937	0.9%	(153.4)%
<b>Operating result</b>	<b>6,614</b>	<b>3.4%</b>	<b>18,401</b>	<b>8.8%</b>	<b>(64.1)%</b>
Financial income	605	0.3%	284	0.1%	112.8%
Financial expense	(1,212)	(0.6)%	(604)	(0.3)%	100.5%
Exchange rate income and expenses net	(710)	(0.4)%	(579)	(0.3)%	22.7%
<b>Pre-tax result</b>	<b>5,297</b>	<b>2.7%</b>	<b>17,502</b>	<b>8.4%</b>	<b>(69.7)%</b>
Income taxes	(2,450)	(1.3)%	(5,173)	(2.5)%	(52.6)%
<b>Result for the year</b>	<b>2,847</b>	<b>1.5%</b>	<b>12,330</b>	<b>5.9%</b>	<b>(76.9)%</b>

### Balance Sheet at 31 March 2024

	31 March 2024	31 December 2023
<i>Euro 000's</i>		
Intangible assets	130,994	83,446
Property, plant and equipment	130,579	117,213
Financial assets	2,939	3,519
<b>Non-current assets</b>	<b>264,512</b>	<b>204,179</b>
Inventories	217,689	168,393
Trade receivables and contract assets	131,288	116,619
Trade payables	(167,892)	(135,281)
Contract liabilities	(97,061)	(108,049)
<b>Net operating working capital</b>	<b>84,024</b>	<b>41,682</b>
Post-employment benefits	(13,341)	(10,041)
Provision for risk and charges	(37,147)	(37,512)
Other net payables	(51,764)	(47,175)
Net deferred tax assets	18,223	17,362
<b>Other net liabilities</b>	<b>(84,029)</b>	<b>(77,365)</b>
<b>Net invested capital</b>	<b>264,506</b>	<b>168,495</b>
Share capital	27,403	27,403
Result for the previous year and other reserves	236,559	221,562
Net Result	2,847	12,483
Non-controlling interests	-	0
<b>Equity</b>	<b>266,808</b>	<b>261,448</b>
Bank loans and borrowings and loans and borrowings from other financial backers	115,240	28,279
Other financial assets	(16,696)	(16,758)
Cash and cash equivalents	(100,846)	(104,473)
<b>Net financial position</b>	<b>(2,302)</b>	<b>(92,953)</b>
<b>Total sources of funding</b>	<b>264,506</b>	<b>168,495</b>

## Net financial position at 31 March 2024

<i>Euro 000's</i>	31st March 2024	31st December 2023	30th September 2023	30th June 2023	31st March 2023
Financial assets:	117,542	121,232	116,498	115,812	132,381
<i>Current financial assets</i>	<i>16,696</i>	<i>16,758</i>	<i>21,435</i>	<i>28,682</i>	<i>20,696</i>
<i>Cash and cash equivalents</i>	<i>100,846</i>	<i>104,473</i>	<i>95,063</i>	<i>87,130</i>	<i>111,685</i>
Short-term financial lease payables	(9,111)	(7,027)	(6,252)	(6,553)	(7,072)
Short-term bank loans and borrowings and loans from other financial backers	(85,093)	(2,358)	(5,436)	(1,464)	(1,412)
<b>Short-term net financial position</b>	<b>23,339</b>	<b>111,847</b>	<b>104,810</b>	<b>107,795</b>	<b>123,897</b>
Medium/Long-term financial lease payables	(20,849)	(18,478)	(14,249)	(15,528)	(16,114)
Medium/Long-term bank loans and borrowings	(46)	(264)	(284)	(284)	(320)
Trade payables and other medium/long-term payables	(142)	(152)	(163)	(128)	(140)
<b>Medium/Long-term net financial position</b>	<b>(21,036)</b>	<b>(18,894)</b>	<b>(14,696)</b>	<b>(15,941)</b>	<b>(16,575)</b>
<b>Total net financial position</b>	<b>2,302</b>	<b>92,953</b>	<b>90,115</b>	<b>91,855</b>	<b>107,322</b>