



## PRESS RELEASE

THE BOARD OF DIRECTORS APPROVED THE CONSOLIDATED FINANCIAL REPORT AT 30 JUNE 2024

REVENUES AT €186.6 MILLION AND EBITDA AT €46.9 MILLION

**Vescovini: “We are confident that our strong positioning in such a challenging market context will provide us with new opportunities we will be able to seize in the medium term by continuing to invest in innovation and industrial efficiency to increase our market share and ensure sustainable growth.”**

Highlights at 30 June 2024:

- **Revenues: €186.6 million, -15.3% compared to €220.2 million in H1 2023;**
- **EBITDA<sup>1</sup>: €46.9 million, -19.3% compared to H1 2023 EBITDA (€58.1 million);**
- **EBITDA margin at 25.2% (vs EBITDA margin at 26.4% in H1 2023);**
- **Net profit: €21.9 million, -33.8% compared to €33.1 million in H1 2023;**
- **Net Financial Position: positive (net cash) at €45.0 million compared to €54.8 million at 31 December 2023;**
- **Investments at €24.0 million compared to €28.0 million in H1 2023.**

Reggio Emilia, 23 September 2024 – The Board of Directors of **SBE-Varvit S.p.A.** (“SBEV”, the “Group” or the “Company”), a company active in the production, distribution and commercialisation of fastening components, listed on the Euronext Growth Milan market (Ticker: VARV), examined and approved the Half-Year Financial Report at 30 June 2024.

The Chairman of the Board of Directors, Alessandro Vescovini, stated: *“Despite the complex yet predictable market phase, we remain fully confident in our business model, which we believe will enable us to quickly adapt to the changing economic conditions and seize new growth opportunities.*

*Our commitment to enhancing operational efficiency and implementing technological upgrades at our plants, in addition to expanding our production capacity, is stronger than ever.*

*We will continue to invest in these strategic areas, which are essential to remain competitive, ensure long-term sustainable growth and position SBE-Varvit to best meet the market challenges ahead.*

*The current macro-economic scenario urges agility and responsiveness, leading us to identify and grasp new growth opportunities. We are facing this period — for which we are prepared — with determination and a spirit of adaptation, with the aim of consolidating and expanding our market position.*

*We look to the future with a clear strategic vision, confident that our actions will enable us to overcome the current challenges and forge ahead with our growth path.”*

### **Revenues**

Revenues amounted to €186.6 million at 30 June 2024 compared to €220.2 million for the previous year. The decrease was due, as stated, to the market-wide decline in volumes, whereas sales prices remained stable overall (down exclusively as a result of adjustments due to automatic commodity clauses).

### **EBITDA**

EBITDA stood at €46.9 million in H1 2024 compared to €58.1 million for the same period of the previous year. EBITDA margin was 25.2% compared to 26.4% in H1 2023.

The decrease in margins between the two first half-year periods is due to the higher impact of fixed costs resulting from the decrease in volumes and the increase in personnel costs, which are currently not included in the contractual pass-through agreements by customers.

---

<sup>1</sup> Calculated as follows: Profit for the period + Income taxes -/+ Financial income/charges excluding foreign exchange gains and losses + amortisation and depreciation



### **Net financial result**

Net financial result in the first half of 2024 was positive at €0.4 million compared to a negative €2 million for the same period of the previous year. With regard to financing activities, €0.2 million referred to foreign exchange losses and €0.3 million to foreign exchange gains.

### **Income taxes**

Income taxes for the period amounted to €7.1 million compared to €8.9 million for the previous year. The change reflects the decline in income before taxes of €13.1 million. As the benefits of the Patent Box ended in December 2023 and those of the “hyper-amortisation” will cease at the end of 2024, as of 2025 the tax rate is expected to stand slightly below the IRES and IRAP tax rates as a result of other positive components not subject to taxation and linked to tax relief schemes.

### **Net result**

In the first half of 2024, net profit amounted to €21.9 million (11.8% of revenues) compared to €33.1 million (15.0% of revenues) for the same period of the previous year.

### **Investments and acquisitions**

Cash outflows for investments in property, plant, equipment and intangible assets amounted to €24.0 million compared to €28.0 million for the same period of the previous year. Investments focused on activities aimed at stepping up industrial efficiency and improving the existing plants in technological terms.

### **Change in net working capital**

Net working capital rose by €10.3 million. The change was a result of the €4.5 million increase in trade receivables due to contingencies and the approximately €4.9 million rise in inventories attributable to greater stocks due the aforementioned market slowdown.

### **Net financial position**

The Group’s net financial position was positive at €45.0 million compared to €54.8 million at 31 December 2023. In addition, it bears noting that a €21.1 million dividend was distributed on 22 May 2024.

### **Outlook**

The complex market scenario in which the Group has been operating since the end of 2023 continued also in the first six months of 2024 and is expected to persist throughout the year.

According to our forecasts, compared to 2023 we expect a 15%-18% decline in sales in FY 2024 with margins around 25%.

### **Adjustment of the number of votes assigned to A shares with multiple votes**

On 27 March 2024, Article 2351, paragraph 4, of the Italian Civil Code was amended by Article 13 of Italy’s “Capital Market Law” (Law No. 21 of 5 March 2024) providing for the possibility to assign up to 10 (ten) votes to specific share classes.

As already disclosed in the IPO Document, Article 8.4(i) of SBE-Varvit S.p.A.’s By-laws provides that “each A Share bears the right to the maximum number of votes that can be cast from time to time pursuant to the applicable regulatory provisions and, in any case, up to a maximum of 10 (ten) votes in the Ordinary and Extraordinary Shareholders’ Meetings of the Company”.

Based on the foregoing, the number of votes that can be cast by holders of A shares was automatically adjusted in accordance with the regulatory provisions.

In the interest of greater clarity, reference should be made to the information published on the website, under section “[Information for Shareholders](#)”.

Shareholder	N. Ordinary shares	N. Multiple-Vote shares	% of the Share Capital	% of Ordinary shares	% of voting rights
Vescovini Group S.p.A.	-	114.000.000	97,44%	0,00%	99,74%
ECD Uno S.r.l.	1.392.557	-	1,19%	46,42%	0,12%
Free float (*)	1.607.443	-	1,37%	53,58%	0,14%
<b>Totale</b>	<b>3.000.000</b>	<b>114.000.000</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



This press release contains forward-looking statements. These statements are based on the SBE-Varvit Group's current expectations and projections regarding future events and are, by their very nature, subject to a number of risks and uncertainties. These statements refer to events and depend on circumstances that may or may not occur or take place in the future, and, as such, undue reliance should not be made on them. Actual performance could differ significantly from the contents of such statements due to a variety of factors, including constant volatility and a further deterioration of capital and financial markets, changes in macroeconomic conditions and economic growth and other changes in business conditions, changes in the law and institutional context (in Italy and internationally), and many other factors, most of which are beyond the Group's control.

\* \* \*

*SBE-Varvit is active in the production, distribution and commercialization of a wide and diversified range of fastening components including screws, bolts, nuts, cold and hot formed products, fasteners and highly engineered mechanical components. The Company is characterised by its integrated and vertical offer, through which it can constantly monitor each stage of the production process and disintermediate the market. The Issuer's business model is indeed centred on the disintermediation of every stage of the production and distribution process, with the main objective of shortening the distance between producer and end customer as much as possible, reducing the distributors' role to a minimum. The Issuer's products are intended to be marketed in various markets including agricultural machinery, construction machinery, industrial machinery, commercial vehicles, personal mobility, wind power and infrastructure, totalling more than 5,000 customers. SBE-Varvit operates through seven production units located in Italy (in Monfalcone, Grugliasco, Tolmezzo, San Giuliano Milanese, Montirone and Acerra) and one located in Serbia (in Sabac) and through five highly automated warehouses in Italy, Serbia and the United States.*

For more information: [www.sbe.it](http://www.sbe.it)

## CONTACTS

**Investor Relator** – Alessandro Caronti – [investor@varvit.com](mailto:investor@varvit.com) +39 0522 5088

**Euronext Growth Advisor**  
**Equita SIM S.p.A.**  
[sbe-varvit@equita.eu](mailto:sbe-varvit@equita.eu)

**IR & Media**  
**Barabino&Partners**  
Office: +39 02/72.02.35.35  
Ferdinando De Bellis – [f.debellis@barabino.it](mailto:f.debellis@barabino.it) +39 339 18 72 266  
Agota Dozsa – [a.dozsa@barabino.it](mailto:a.dozsa@barabino.it) +39 338 74 24 061  
Virginia Bertè – [v.berte@barabino.it](mailto:v.berte@barabino.it) +39 342 97 87 585



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Values in €'000)

	1H2024	1H2023
Revenue	186.603	220.244
Other income	2.217	4.049
Raw materials and consumables	(82.312)	(96.282)
Changes in finished goods and semi-finished products	6.900	1.924
Services	(37.965)	(43.603)
Employee benefits	(27.419)	(26.228)
Other costs	(1.158)	(969)
Impairment losses on trade receivables	(35)	(521)
<b>EBITDA</b>	<b>46.831</b>	<b>58.614</b>
Amortisation and depreciation	(18.285)	(14.521)
<b>EBIT</b>	<b>28.546</b>	<b>44.093</b>
Financial Income	1.371	352
Financial expense	(927)	(2.397)
<b>Pre-Tax Profit</b>	<b>28.990</b>	<b>42.048</b>
Income taxes	(7.058)	(8.940)
<b>Profit for the year</b>	<b>21.932</b>	<b>33.108</b>
<i>Attributable to:</i>		
<b>To non-controlling interests</b>	<b>1.458</b>	<b>1.533</b>
<b>The owners of the parent</b>	<b>20.474</b>	<b>31.575</b>

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>
---

(Values in €'000)

	<b>1H2024</b>	<b>2023</b>
<b>Assets</b>	<b>541.221</b>	<b>558.882</b>
<b>Non-current assets</b>	<b>221.579</b>	<b>222.096</b>
Property, plant and equipment	193.372	192.122
Intangible assets	1.420	964
Goodwill	12.110	12.110
Right-of-use assets	11.172	11.892
Non-current financial assets	270	266
Other non-current assets	705	2.292
Deferred tax assets	2.530	2.450
<b>Current assets</b>	<b>319.642</b>	<b>336.786</b>
Trade receivables	88.437	83.943
Inventories	144.821	139.954
Other current assets	19.788	23.679
Current tax assets	408	1.657
Current financial assets	17.597	17.957
Cash and cash equivalents	48.591	69.596
<b>Equity and liabilities</b>	<b>541.221</b>	<b>558.882</b>
<b>Equity</b>	<b>404.613</b>	<b>403.342</b>
Share capital	3.096	3.096
Legal reserve	622	622
Other reserves	369.541	334.974
Profit (Loss) for the year	20.474	55.266
<b>Total equity</b>	<b>393.733</b>	<b>393.958</b>
<b>Equity attributable to non-controlling interests</b>	<b>10.880</b>	<b>9.384</b>
<b>Total non-current liabilities</b>	<b>35.574</b>	<b>40.152</b>
Non-current financial liabilities	7.152	9.655
Non-current lease liabilities	7.058	7.919
Employee benefits	4.961	4.878
Provisions	2.025	2.055
Deferred tax liabilities	6.459	6.363
Other non-current liabilities	7.919	9.282
<b>Current liabilities</b>	<b>101.034</b>	<b>115.388</b>
Current financial liabilities	4.647	12.939
Current lease liabilities	2.347	2.283
Employee benefits	9.878	9.290
Trade payables	75.539	80.427
Current tax liabilities	0	-
Other current liabilities	8.623	10.449



**RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

<i>(Values in €'000)</i>	<b>1H2024</b>	<b>2023</b>
Intangible assets	1.420	964
Property, plant and equipment	193.372	192.122
Goodwill	12.110	12.110
Right-of-use assets	11.172	11.892
Non-current financial assets	270	266
Deferred tax assets	2.530	2.450
Other non-current assets	705	2.292
Provisions	(2.025)	(2.055)
Employee benefits	(4.961)	(4.878)
Other non-current liabilities	(7.919)	(9.282)
Non-current tax liabilities	(6.459)	(6.363)
<b>Net fixed assets</b>	<b>200.215</b>	<b>199.518</b>
Trade receivables	88.437	83.943
Inventories	144.821	139.954
Current tax assets	408	1.657
Other current assets	19.788	23.679
Trade payables	(75.539)	(80.427)
Employee benefits	(9.878)	(9.290)
Current tax liabilities	-	-
Other current liabilities	(8.623)	(10.449)
<b>Net working capital</b>	<b>159.414</b>	<b>149.067</b>
<b>Uses of funds</b>	<b>359.629</b>	<b>348.585</b>
<b>Equity</b>	<b>404.613</b>	<b>403.342</b>
<b>Net financial position (cash positive)</b>	<b>(44.984)</b>	<b>(54.757)</b>
<b>Sources of funds</b>	<b>359.629</b>	<b>348.585</b>

<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>
---

<i>(Values in €'000)</i>	<b>1H2024</b>	<b>1H2023</b>
Profit for the year	21.932	33.108
Adjustments for:		
– Depreciation of property, plant and equipment	16.880	12.785
– Amortisation of intangible assets	244	277
– Depreciation of right-of-use assets	1.161	1.459
– Accruals for provisions and employee benefits	1.208	1.124
– Remeasurement of financial liabilities for contractual obligations		
– Net financial expense	(335)	1.539
– Gain on sale of property, plant and equipment	(35)	(167)
– Income taxes	7.058	8.940
<b>Cash flows from operating activities</b>	<b>48.113</b>	<b>59.065</b>
Changes in:		
– Inventories	(4.867)	(1.369)
– Trade receivables	(4.494)	(20.296)
– Other current assets and liabilities	(3.021)	(561)
– Trade payables	(293)	(13.147)
– Utilisation of provisions and employee benefits	(919)	(928)
<b>Cash generated from operating activities</b>	<b>34.519</b>	<b>22.764</b>
Interest paid	(670)	(623)
Income taxes paid	-	-
<b>Net cash flows generated by operating activities (A)</b>	<b>33.849</b>	<b>22.141</b>
<b>Cash flows from investing activities</b>		
Interest received	822	189
Proceeds from sale of property, plant and equipment	601	243
Proceeds from sale of financial assets	14.788	6.866
Cash transferred in the demerger transaction		
Acquisition of subsidiary, net of cash acquired		
Acquisition of property, plant and equipment	(23.291)	(27.666)
Acquisition of intangible assets	(700)	(334)
Acquisition of other financial assets	(14.005)	(9.908)
<b>Net cash flows used in investing activities (B)</b>	<b>(21.785)</b>	<b>(30.610)</b>
<b>Cash flows from financing activities</b>		
Acquisition of subsidiary, net of cash acquired		(150)
Proceeds from financial liabilities	4.234	3.437
Repayments of financial liabilities	(15.029)	(3.780)
Payment of lease liabilities	(1.214)	(1.256)
	(21.060)	
<b>Net cash flows used in financing activities (C)</b>	<b>(33.069)</b>	<b>(1.749)</b>
<b>Net decrease (increase) in cash and cash equivalents (A)+(B)+(C)</b>	<b>(21.005)</b>	<b>(10.218)</b>
<b>Opening cash and cash equivalents as of 1st January</b>	<b>69.596</b>	<b>49.147</b>
<b>Closing cash and cash equivalents as of 30th June</b>	<b>48.591</b>	<b>38.929</b>