

**BOARD MEETING OF GEFRAN S.p.A.:  
PRELIMINARY CONSOLIDATED RESULTS AT 30 JUNE 2022**

**Provaglio d'Iseo (BS), 4 August 2022** – The Board of Directors of GEFRAN S.p.A. met today, in a session chaired by Maria Chiara Franceschetti at the registered office in Provaglio d'Iseo (BS), to examine the preliminary results at 30 June 2022, having due regard for the framework agreement to sell the motion control business signed on 1 August 2022 and described in the press release issued on that date.

This press release provides information about continuing operations separately from the results of the disposal group now classified as held for sale.

### **Continuing operations**

**Revenues** amounted to 69.3 million Euro compared with 59.1 million Euro in the first half of 2021. The increase of 10.2 million Euro (17.2%) was largely due to the increase in the volume of sales.

Revenues increased in both **business segments**: sensors (+16.5%), due to higher sales volumes across all product ranges, supported by the investment carried out in recent years to expand the related production lines; automation components (+17.6%), with most of the additional sales concentrated in Italy, due to expansion of the range offered to customers via the launch of new products with innovative characteristics.

An analysis of revenues by **geographical region** reveals double-digit growth in almost all the areas served by the Group, particularly in Italy (+22%), Europe (+24.1% overall) and the Americas (+37.2%). This last area also benefited from changes in the Euro exchange rates for the Brazilian real and the US dollar. Asia was the only main region that did not follow this trend, with a contraction in the first half of 2022 compared with the same period in 2021 (-5.3%). This outcome was partly attributable to restrictions linked to the “Zero Covid” policy in China.

**EBITDA** for the period ended 30 June 2022 was positive by 15.4 million Euro (22.2% of revenues) and 3 million Euro (23.9%) more than was reported at 30 June 2021 (12.4 million Euro, representing 21% of revenues). The improvement in EBITDA is attributable to the increase in revenues recorded in the period, as only partially offset by higher ordinary operating costs.

The **net financial position** at 30 June 2022 is positive by 2.5 million Euro, decreasing of 0.9 million Euro since the end of 2021, when it was positive by 3.4 million Euro. Net financial debt comprises net short-term cash and cash equivalents totalling 15.6 million Euro, and net medium/long-term debt of 13.2 million Euro.

### **Business reclassified as disposal group held for sale**

**Revenues** amounted to 23.3 million Euro, up by 1.2 million Euro (+5.6%) compared with 22.1 million Euro in the first half of 2021.

**EBITDA** for the period ended 30 June 2022 was positive by 0.9 million Euro (3.9% of revenues) and 1 million Euro (-52.1%) less than was reported at 30 June 2021 (1.9 million Euro, representing 8.6% of revenues). The growth in sales volumes during the first six months of the year was offset by the greater incidence of raw material costs and higher operating costs.

The **net loss** for the period ended 30 June 2022 of the disposal groups held for sale, which includes the result expected from disposal of the business, is estimated at 4.4 million Euro.

The final economic impact on the net results for the period will be determined on the closing date. Based on the contractual agreements, the first phase of the disposal should be completed by the end of 2022 followed by a finalisation deadline of 30 June 2023, with a possible extension to 31 December 2023 if required by procedures linked to selling the lines of business.

The **net financial position** at 30 June 2022 is negative by 2.6 million Euro, comprising short-term debt of 2.5 million Euro and medium/long-term debt of 0.1 million Euro. This reflects a decreasing of 2.5 million Euro since the end of 2021, when the net financial position was negative by 0.1 million Euro.

The Board of Directors of Gefran S.p.A. is expected to approve the Half-yearly Financial Report at 30 June 2022 during its next meeting scheduled for 9 September 2022. Changes are currently being made.

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On 4 August 2022 with the favourable opinion of the Board of Statutory Auditors, the Board of Directors of Gefran S.p.A. appointed Paolo Beccaria, already the Group Chief Financial Officer, as the Executive in Charge of Financial Reporting.

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*Pursuant to paragraph 2 of article 154-bis of the Consolidated Finance Act, Paolo Beccaria, the Executive in charge of financial reporting, declares that the information contained in this press release accurately represents the figures contained in the Group's accounting records.*

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This press release contains some "alternative performance indicators" not included in the IFRS, whose meaning and content, in line with recommendation ESMA/2015/1415 of 5 October 2015, are illustrated below.

Specifically, the following alternative indicators are used in relation to the income statement:

- **EBITDA**: the operating result before depreciation, amortisation and impairment. The purpose of this indicator is to present the Group's operating profitability before the main non-monetary items;

The following alternative indicators are used in relation to the reclassified statement of financial position:

- **Net financial position**: algebraic sum of the following items:  
Medium/long-term financial payables  
Short-term financial payables  
Financial liabilities for derivatives  
Financial investments for derivatives  
Cash and cash equivalents and short-term financial receivables.

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*The **Gefran Group** directly serves the principal world markets with sales offices in Italy, France, Germany, Switzerland, the United Kingdom, Belgium, Turkey, the United States, Brazil, China, Singapore and India, as well as production plants in Germany, Switzerland, Brazil, the United States and China.*

*The **Gefran Group** currently has approximately 800 employees.*

*The key factors behind **Gefran's** success are specialist know-how, design and production flexibility, capacity for innovation and the quality of its processes and products. Complete control over process technology and application expertise enables **Gefran** to create instruments and integrated systems for specific applications in various different industrial sectors: from the processing of plastics, to the food and pharmaceutical industry, and packaging and moulding machinery.*

***Gefran**, which has been listed on the Italian Stock Exchange since 9 June 1998, became part of the STAR (high-requisite stock) segment in 2001 and has been listed in the ALL STAR class since 31 January 2005, which became Euronext STAR Milan (abbreviated as "STAR") on 25 October 2021.*