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FINANCIAL STATEMENTS AT 30
SEPTEMBER 2021

Testo del comunicato

Vedi allegato.



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CORPORATE BODIES**BOARD OF DIRECTORS**

CHAIRMAN	MR	FILIPPO CASADIO
EXECUTIVE DIRECTOR	MR	FRANCESCO GANDOLFI COLLEONI
NON-EXECUTIVE DIRECTOR	MR	GIANFRANCO SEPRIANO
INDEPENDENT DIRECTOR	MS	FRANCESCA PISCHEDDA
NON-EXECUTIVE DIRECTOR	MR	ORFEO DALLAGO
INDEPENDENT DIRECTOR	MS	GIGLIOLA DI CHIARA

BOARD OF STATUTORY AUDITORS

CHAIRMAN	MR	FABIO SENESE
STANDING STATUTORY AUDITOR	MR	ADALBERTO COSTANTINI
STANDING STATUTORY AUDITOR	MS	DONATELLA VITANZA
SUBSTITUTE STATUTORY AUDITOR	MR	GIANFRANCO ZAPPI
SUBSTITUTE STATUTORY AUDITOR	MS	CLAUDIA MARESCA

INDEPENDENT AUDITORS

Deloitte & Touche SpA

CONTROL AND RISKS COMMITTEE

MS GIGLIOLA DI CHIARA
MR GIANFRANCO SEPRIANO
MS FRANCESCA PISCHEDDA

REMUNERATION COMMITTEE

MS FRANCESCA PISCHEDDA
MR GIANFRANCO SEPRIANO
MS GIGLIOLA DI CHIARA

INTERNAL AUDIT

MR FABRIZIO BIANCHIMANI

SUPERVISORY BODY

MR FRANCESCO BASSI
MR GABRIELE FANTI
MR GIANLUCA PIFFANELLI

REPORT ON OPERATIONS

The consolidated financial statements of IRCE Group (hereinafter also the "Group") for the first nine months of 2021 (hereinafter also the "Group") closed with a profit of € 8.88 million.

Consolidated turnover was € 341.13 million, up 65.6% compared to € 205.95 million in the first nine months of 2020, thanks to the increase in sales volumes and the price of copper (LME average price in euros for the first nine months of 2021 +48.24% on the same period of 2020).

In the first nine months, both business areas, winding wires and energy cable, confirm the recovery of demand that has further strengthened in the last quarter, bringing sales volumes to pre-covid levels.

Since the beginning of the year, we have recorded a strong and continuous increase in the cost of raw materials, which to date shows no slowing down signals. Starting from the third quarter, the marked increase in the cost of electricity has been also added. To limit the negative impact on results, we started to pass the cost increases to the market.

The turnover without metal¹ increased by 44.6%, in detail the winding wire sector grew by 37.9%, and the cable sector recorded a growth of 66.5%.

Consolidated turnover without metal (€/million)	9 months 2021		9 months 2019		Change	
	Value	%	Value	%	Value	%
Winding wires	51.01	73.2%	36.98	76.7%	14.03	37.9%
Cables	18.65	26.8%	11.20	23.3%	7.45	66.5%
Total	69.66	100.0%	48.18	100.0%	21.48	44.6%

The following table shows the changes in results compared to the first nine months of last year, including adjusted EBITDA and EBIT.

Consolidated income statement data (€/million)	9 months 2021	9 months 2020	Change
Sales ²	341.13	205.95	135.18
EBITDA ³	21.73	6.16	15.57
EBIT	14.29	(0.24)	14.53
Result before taxes	13.15	1.41	11.74
Net result	8.88	0.65	8.23
EBITDA adjusted ⁴	20.59	7.35	13.24
EBIT adjusted ⁴	13.15	0.95	12.20

¹ Il fatturato senza metallo corrisponde al fatturato complessivo dedotta la componente metallo.

² The item "Sales" represents "Sales Revenues" as stated on the consolidated income statement.

³ EBITDA is a performance indicator used by Group Management to evaluate its operational performance and is not identified as an accounting measure under IFRS, it is calculated by adding to the EBIT, amortizations, provisions and depreciations.

⁴ Adjusted EBITDA and EBIT are respectively calculated as the sum of EBITDA and EBIT and the income/charges from operations on copper and electricity derivatives transactions (€ -1.14 million in nine months 2021 and € +1.19 million in nine months 2020). These indicators are used by the Management of the Group in order to monitor and assess the operational performance of the Group and are not identified as accounting items within IFRS. Given that the composition of these measures is not regulated by the reference accounting standards, the criterion used by the Group could potentially not be consistent with that adopted by others and therefore not be comparable.

Consolidated statement of financial position data (€/million)	As of 30.09.2021	As of 31.12.2020	Change
Net invested capital	196.54	162.36	34.18
Shareholders' Equity	131.57	122.62	8.95
Net financial debt ⁵	64.97	39.74	25.23

Net financial debt at 30 September 2021 was € 64.97 million, up from € 39.74 million at 31 December 2020, but down from € 72.75 million at 30 June 2021, consistently with changes in working capital.

The Group's investments, in first nine months of 2021, were € 3.11 million.

With reference to the upcoming months, we foresee demand to stabilize at the good levels achieved, and we expect positive results also in the last quarter, despite the increase in raw material and electricity costs.

Imola, 12th November 2021

On behalf of the Board of Directors

The Chairman

Mr Filippo Casadio



⁵ Net financial debt is measured as the sum of short-term and long-term financial liabilities minus cash and financial assets, note no. 15. It should be noted that the methods for measuring net financial debt comply with the methods for measuring the Net Financial Position defined by Consob Resolution no. 6064293 of 28 July 2006 and CESR recommendation of 10 February 2005.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unit of Euro)	Notes	2021 30 September	2020 31 December
ASSETS			
NON CURRENT ASSETS			
Goodwill and Other intangible assets	1	84,009	133,008
Property, plant and machinery	2	36,802,600	40,862,438
Equipments and other tangible assets	2	1,388,858	1,542,621
Assets under constructions and advances	2	2,765,344	971,478
Investments	3	107,926	102,137
Non current financial assets	3	5,300	124,882
Deferred tax assets	4	1,432,213	1,386,848
NON CURRENT ASSETS		42,586,250	45,123,412
CURRENT ASSETS			
Inventories	5	99,951,135	76,230,890
Trade receivables	6	98,817,103	73,906,499
Tax receivables	7	11,407	7,236
Other current assets	8	1,739,729	1,935,970
Current financial assets	9	397,186	1,903,141
Cash and cash equivalent	10	4,751,510	10,259,995
CURRENT ASSETS		205,668,070	164,243,731
TOTAL ASSETS		248,254,320	209,367,143

(Unit of Euro)	Notes	2021 30 September	2020 31 December
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	11	13,802,323	13,821,563
Reserves	11	109,190,932	106,384,781
Profit (loss) for the period	11	8,879,927	2,725,715
Shareholders' equity attributable to shareholders of Parent company		131,873,182	122,932,059
Shareholders equity attributable to Minority interests	11	(302,784)	(308,043)
TOTAL SHAREHOLDERS' EQUITY		131,570,398	122,624,016
NON CURRENT LIABILITIES			
Non current financial liabilities	12	24,661,407	21,311,962
Deferred tax liabilities	4	106,024	181,882
Non current provisions for risks and charges	13	796,083	309,344
Non current provisions for post employment obligation	14	4,679,511	4,990,269
NON CURRENT LIABILITIES		30,243,025	26,793,457
CURRENT LIABILITIES			
Current financial liabilities	15	45,452,543	30,594,634
Trade payables	16	28,798,142	21,200,554
Current tax payables	17	2,704,855	594,843
<i>(of which related parties)</i>		1,808,226	225,605
Social security contributions		1,674,462	1,950,195
Other current liabilities	18	7,571,326	5,414,449
Current provisions for risks and charges	13	239,569	194,995
CURRENT LIABILITIES		86,440,897	59,949,670
SHAREHOLDERS' EQUITY AND LIABILITIES			
		248,254,320	209,367,143

CONSOLIDATED INCOME STATEMENT

(Unit of Euro)	Notes	2021 30 September	2020 30 September
Sales revenues	19	341,125,397	205,953,771
Other revenues and income		416,038	614,007
TOTAL REVENUES		341,541,435	206,567,778
Raw materials and consumables	20	(286,946,159)	(160,616,684)
Change in inventories of work in progress and finished goods		15,049,642	(1,001,820)
Cost for services	21	(24,238,246)	(16,934,989)
Personnel costs	22	(22,603,011)	(20,879,212)
Amortization /depreciation/write off tangible and intangible assets	23	(5,918,886)	(5,746,961)
Provision and write downs	24	(1,517,618)	(643,391)
Other operating costs	25	(1,078,319)	(979,473)
EBIT		14,288,838	(234,752)
Financial income / (charges)	26	(1,142,808)	1,641,620
RESULT BEFORE TAX		13,146,030	1,406,868
Income taxes	27	(4,260,844)	(717,388)
NET RESULT FOR THE PERIOD		8,885,186	689,480
Net result for the period attributable to non-controlling interests		5,259	39,114
Net result for the period attributable to the parent company		8,879,927	650,366

Earnings / losses per shares

- basic EPS for the period attributable to shareholders of the parent company	28	0.3345	0.0245
- diluted EPS for the period attributable to shareholders of the parent company	28	0.3345	0.0245

The effects of related party transactions on the consolidated income statement are reported in Note 29 "Related party disclosures".

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousand of Euro)	Notes	2021 30 September	2020 30 September
Net result for the period		8,885	689
Translation difference on financial statements of foreign companies	11	807	(12,825)
Total items that will be reclassified to net result		807	(12,825)
Actuarial gain / (losses) IAS 19	14	201	53
Tax effect		(41)	(10)
Total IAS 19 reserve variance		160	43
Total items that will not be reclassified to net result		160	43
Total comprehensive income for the period		9,852	(12,093)
Attributable to shareholders of Parent company		9,847	(12,132)
Attributable to Minority interest		5	39

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Thousand of Euro)	Share capital	Other reserves		Retained earnings					Equity attributable to shareholders of parent company	Equity attributable to minority interest	Total shareholders' equity
		Share premium reserve	Other reserves	Legal reserve	IAS 19 reserve	Retained earnings	Translation reserve	Result for the period			
Balance as of 31 December 2019	13,827	40,571	45,923	2,925	(1,196)	50,746	(22,894)	1,943	131,845	(344)	131,501
Sell / purchase own shares	(5)	(9)							(14)		(14)
Profit allocation						1,943		(1,943)	-		-
Other comprehensive income for the period					43		(12,825)		(12,782)		(12,782)
Result for the period								650	650	39	689
Total comprehensive income for the period	-	-	-	-	43	-	(12,825)	650	(12,132)	39	(12,093)
Balance as of 30 September 2020	13,822	40,562	45,923	2,925	(1,153)	52,689	(35,719)	650	119,699	(305)	119,394
Balance as of 31 December 2020	13,822	40,562	45,923	2,925	(1,212)	52,689	(34,502)	2,726	122,933	(308)	122,625
Result for previous period						2,726		(2,726)	-		-
Dividends						(797)			(797)		(797)
Sell / purchase own shares	(19)	(90)							(109)		(109)
Other comprehensive income for the period					160		807		967		967
Result for the period								8,880	8,880	5	8,885
Total comprehensive income for the period	-	-	-	-	160	-	807	8,880	9,847	5	9,852
Balance as of 30 September 2021	13,803	40,472	45,923	2,925	(1,052)	54,618	(33,695)	8,880	131,873	(303)	131,570

With regard to the items of consolidated shareholders' equity, reference should be made to note 11.

CONSOLIDATED STATEMENT OF CASH FLOW

(Thousand of Euro)	Notes	2021 30 September	2020 30 September
OPERATING ACTIVITIES			
Result of the period (Group and Minorities)		8,885	689
<i>Adjustments for:</i>			
Depreciation / Amortization	23	5,919	5,747
Net change in deferred tax (assets) / liabilities		(162)	(110)
Capital (gains) / losses from disposal of fixed assets		(7)	-
Losses / (gains) on unrealised exchange rate differences		(395)	747
Provisions for risks	24	500	320
Income taxes	27	4,423	828
Financial (income) / expenses		1,193	(1,282)
Operating result before changes in working capital		20,356	6,939
Income taxes paid		(862)	(329)
Financial charges paid		(2,931)	(623)
Financial income collected		1,738	1,905
Decrease / (Increase) in inventories		(23,368)	4,431
Change in trade receivables		(24,521)	(14,544)
Change in trade payables		7,584	7,532
Net changes in current other assets and liabilities		(728)	1,259
Net changes in current other assets and liabilities - related parties		1,654	-
Net changes in non current other assets and liabilities		(121)	(572)
CASH FLOW FROM OPERATING ACTIVITIES		(21,199)	5,998
INVESTING ACTIVITIES			
Investments in intangible assets	2	(23)	(4)
Investments in tangible assets	1	(3,090)	(1,238)
Investments in subsidiaries, associates, other entities		(1)	-
Disposals of tangible and intangible assets		12	-
CASH FLOW FROM INVESTING ACTIVITIES		(3,102)	(1,242)
FINANCING ACTIVITIES			
Repayments of loans		(6,572)	(1,950)
Obtainment of loans		10,000	15,498
Net changes of current financial liabilities		14,756	(18,248)
Net changes of current financial assets		1,347	(2,307)
Other effects on shareholders' equity		-	-
Dividends paid to shareholders		(797)	-
Sell/(purchase) of own shares		(108)	(14)
CASH LOW FROM FINANCING ACTIVITIES		18,626	(7,021)
NET CASH FLOW FROM THE PERIOD		(5,675)	(2,265)
CASH BALANCE AT THE BEGINNING OF THE PERIOD	10	10,260	8,632
Exchange rate differences		167	(587)
Net cash flow from the period		(5,676)	(2,266)
CASH BALANCE AT THE END OF THE PERIOD	10	4,752	5,778

GENERAL INFORMATION

The Interim report on operations of IRCE S.p.A and its subsidiaries (hereafter referred to as “IRCE Group” or “Group”) as of 30 September 2021 was approved by the Board of Directors of IRCE SpA (hereafter also referred to as the “Company” or the “Parent Company”) on 12 November 2021.

IRCE Group owns 9 manufacturing plants and is one of the major players in the European winding wire industry, as well as in the Italian electrical cable sector.

Italian plants are located in the towns of Imola (Bologna), Guglionesi (Campobasso), Umbertide (Perugia) and Miradolo Terme (Pavia), while foreign operations are carried out by Smit Draad Nijmegen BV in Nijmegen (NL), FD Sims Ltd in Blackburn (UK), IRCE Ltda in Joinville (SC – Brazil), Stable Magnet Wire P.Ltd in Kochi (Kerala – India) and Isodra GmbH in Kierspe (D).

The distribution network consists of agents and the following commercial subsidiaries: Isomet AG in Switzerland, DMG GmbH in Germany, Isolveco Srl in liquidation and Isolveco 2 Srl in Italy, Irce S.L. in Spain, and IRCE SP.ZO.O in Poland.

Finally, have been recently established Irce Electromagnetic Wire (Jiangsu) Co. Ltd, with the headquarter in Haian (China) and Irce S.r.o. with the headquarter in Ostrava (Rep. Ceca), and they are not currently operating.

GENERAL DRAFTING CRITERIA

The Interim report on operations has been prepared in accordance with IAS 34 "Interim Financial Reporting", pursuant to the provisions for the condensed interim financial statements, and based on Article 154 ter of the Consolidated Financial Act. The Half-Yearly Financial Report does not therefore include all the information required for preparing the annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2020.

The Interim report on operations is drafted in euro and all values reported in the notes are stated in thousands of euro, unless specified otherwise.

The financial statements have been prepared in accordance with the provisions of IAS 1; in particular:

- the statement of financial position was drafted by presenting current and non-current assets,
- and current and non-current liabilities, as separate classifications;
- the income statement was drafted by classifying the items by nature;
- the statement of cash flows was drafted, in accordance with IAS 7, by classifying cash flows during the period into operating, investing and financing activities. Cash flows from operating activities
- were presented using the indirect method.

The Directors have assessed the adoption of the going concern assumption in the preparation of the Interim report on operations, concluding that this assumption is appropriate as there is no doubt about the company's ability to continue as a going concern.

ACCOUNTING STANDARDS

The accounting standards adopted to prepare the Interim report on operations as of 30 September 2021 are the same as those used to prepare the consolidated financial statements as of 31 December 2020 to which reference should be made for further details, except for the following.

It should be noted that, for a better representation of the financial statements, the “Share capital”, equal to €/000 14.627, has been shown net of the “Reserve for own shares”, equal to €/000 805, while at 31 December 2020 the latter item was included among the “Reserves”. The comparative consolidated statements of financial position have been adjusted accordingly.

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2021

The following accounting standards, amendments and IFRS interpretations were applied for the first time by the Group from 1 January 2021:

Accounting standard / Amendment / IFRS Interpretation	Issuing date	Effective date	Endorsement date
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 e IFRS 16 Interest Rate Benchmark Reform - Phase 2	27 August 2020	1 January 2021	13 January 2021
Amendments to IFRS 4 Insurance Contracts - deferral of IFRS 9	25 June 2020	1 January 2021	15 December 2020
Amendments to IFRS 16 Leases: Covid 19 Related Rent Concessions beyond 30 June 2021	31 March 2021	1 January 2021	31 August 2021

The adoption of these amendments did not have any impact on the Group consolidated financial statements.

ACCOUNTING STANDARDS, AMENDMENTS AND IFRS AND IFRIC INTERPRETATIONS APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORY AND NOT ADOPTED BY THE GROUP IN ADVANCE AS OF 30 SEPTEMBER 2021

Accounting standard / Amendment / IFRS Interpretation	Issuing date	Effective date	Endorsement date
Amendments to IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment , IAS 37 Provisions, Contingent Liabilities and Contingent Assets	14 May 2020	1 January 2022	28 June 2021
Annual Improvements 2018-2020 to IFRS 1, IFRS 9, IAS 41, IFRS 16	14 May 2020	1 January 2022	28 June 2021

The Directors do not expect a significant impact on the Group's consolidated annual financial statements from the adoption of said Accounting standards, Amendments and Interpretations.

ACCOUNTING STANDARDS, AMENDMENTS AND IFRS INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION AS OF 30 SEPTEMBER 2021

Furthermore, as at the reporting date of this document, the European Union competent bodies have not yet completed the approval process required for the adoption of the following accounting standards and amendments:

Accounting standard / Amendment / IFRS Interpretation	Issuing date	Effective date	Expected endorsement date
IFRS 17 Insurance Contracts	18 May 2017	1 January 2023	Undetermined
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current	23 January 2020 e 15 July 2020	1 January 2023	Undetermined
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Estimates	12 February 2021	1 January 2023	Undetermined
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	12 February 2021	1 January 2023	Undetermined
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	7 May 2021	1 January 2023	Undetermined

The Directors do not expect a significant impact on the Group's consolidated annual financial statements from the adoption of said Accounting standards, Amendments and Interpretations.

USE OF ESTIMATES

The drafting of the condensed consolidated half-yearly financial statements pursuant to IFRSs requires to make estimates and assumptions which affect the amounts of the assets and liabilities recognised in the financial statements as well as the disclosure related to contingent assets and liabilities at the reporting date. The final results could differ from these estimates. Estimates are mainly used to recognise the provisions for bad debt, realisable value, inventory obsolescence, depreciation and amortisation, impairment of assets, employee benefits, and taxes. The estimates and assumptions are reviewed periodically and the effects of each change are reflected in the income statement.

SCOPE OF CONSOLIDATION

The following table shows the list of companies included in the scope of consolidation as of 30 September 2021:

Company	% of investment	Registered office	Share capital	Consolidation	
Isomet AG	100%	Switzerland	CHF	1,000,000	line by line
Smit Draad Nijmegen BV	100%	Netherlands	€	1,165,761	line by line
FD Sims Ltd	100%	UK	£	15,000,000	line by line
Isolveco Srl in liquidation	75%	Italy	€	46,440	line by line
DMG GmbH	100%	Germany	€	255,646	line by line
IRCE S.L.	100%	Spain	€	150,000	line by line
IRCE Ltda	100%	Brazil	BRL	157,894,223	line by line
ISODRA GmbH	100%	Germany	€	25,000	line by line
Stable Magnet Wire P.Ltd.	100%	India	INR	165,189,860	line by line
IRCE SP.ZO.O	100%	Poland	PLN	200,000	line by line
Isolveco 2 S.R.L.	100%	Italy	€	10,000	line by line
Irce Electromagnetic Wire (Jiangsu) Co. Ltd	100%	China	CNY	15,209.587	line by line
Irce S.r.o.	100%	Czech Republic	CZK	3.300.000	line by line

In the first quarter of 2021, the company IRCE s.r.o, wholly owned by the Parent Company IRCE Spa, was established in the Czech Republic.

EXCHANGE RATES

The main exchange rates used to convert the figures of foreign countries into euros in the current and previous comparative periods were as follows:

Currency	30 September 21		31 December 20		30 September 20	
	Average	Spot	Average	Spot	Average	Spot
GBP	0.8640	0.8608	0.8892	0.8990	0.8845	0.9124
CHF	1.0904	1.0830	1.0703	1.0802	1.0678	1.0804
BRL	6.3816	6.2684	5.8898	6.3735	5.7072	6.6308
INR	88.0445	85.9834	84.5790	89.6605	83.4336	86.2990
CNY	7.7398	7.4841	7.8707	8.0225	7.8613	7.9720
PLN	4.5467	4.6325	4.4431	4.5597	4.4226	4.5462
CZK	25.3960	25.4950	-	-	-	-

SEGMENT REPORTING

IFRS 8 defines an operating segment as follows. An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

Strategic decisions, including the allocation of financial resources, are the responsibility of the Chairman of the Board of Directors of the Parent Company as well as the Parent Company's General Manager—the top operational decision-making level.

At least on a quarterly basis, the General Manager assesses and monitors the Group's performance by geographic area of production of operating results.

In accordance with IFRS 8, the companies of the IRCE Group were grouped in the following 3 operating segments, considering their similar economic characteristics:

- Italy: Irce SpA, Isolveco 2 Srl and Isolveco Srl in liquidation;
- EU: Smit Draad Nijmegen BV, DMG GmbH, Irce S.L., Isodra GmbH and IRCE SP. ZO.O., Irce S.r.o.
- Non-EU: FD Sims Ltd, Irce Ltda, Isomet AG, Stable Magnet Wire Ltda Irce Electromagnetic Wire (Jiangsu)

Below is the income statement as at 30 September 2021 broken down by operating segments of the Irce Group as well as the balance sheet balances of intangible and tangible fixed assets at the same date:

(Thousand of Euro)	Italy	UE	Extra UE	Consolidation entries	Irce Group
Current period					
Sales revenues	230,437	28,355	94,075	(11,742)	341,125
Ebitda	14,196	(718)	8,266	(19)	21,725
Ebit	9,664	(1,315)	5,958	(19)	14,289
Financial income / (charges)					(1,143)
Income taxes					(4,261)
Net result for the period					8,885
Intangible assets	48		36		84
Tangible assets	21,016	5,566	14,374		40,957

DERIVATIVE INSTRUMENTS

The Group uses the following types of derivative instruments:

- Derivative instruments related to copper forward purchase and sale transactions with maturity after 30 September 2021. The Group entered into sale contracts to hedge against price decreases relating to the availability of raw materials, and purchase contracts to prevent price increases relating to sale commitments with fixed copper values. The fair value of copper forward contracts outstanding at the reporting date is determined on the basis of forward prices of copper with reference to the maturity dates of contracts outstanding at the reporting date. These transactions do not qualify as hedging instruments for the purposes of hedge accounting and, therefore, they affected the result for the period.

Below is a summary of copper commodity derivative contracts for forward sales and purchases, outstanding as of 30 September 2021:

Measurement unit of the notional amount	Net notional amount - tonnes		Result with fair value measurement as of 30/09/2021		
	Assets	Liabilities	Assets - €/000	Liabilities - €/000	Net carrying amount - €/000
Current assets and liabilities					
Tonnes	(925)	1,800	412	(358)	54
Total			412	(358)	54

- Derivative instruments related to USD and GBP forward purchase and sale transactions with maturity after 30 September 2021. These transactions do not qualify as hedging instruments for the purposes of cash flow hedge accounting and, therefore, they affected the result for the period.

Below is a summary of the currency derivative contracts for forward sales and purchases, outstanding as of 30 September 2021:

Measurement unit of the notional amount	Net notional amount - currency		Result with fair value measurement as of 30/09/2021		
	Assets/ 000	Liabilities /000	Assets - €/000	Liabilities - €/000	Net carrying amount - €/000
Current assets and liabilities					
USD	1,440	1,000	26	(23)	3
GBP		6,000		(395)	(395)
Total			26	(418)	(392)

- Derivative instruments related to electricity purchase obligations with a maturity date after 30 September 2021. These transactions do not qualify as hedging instruments for the purposes of cash flow hedge accounting.

Below is a summary of the electricity derivative contracts for forward purchases and sales, outstanding as of 30 September 2021:

Measurement unit of the notional amount	Net notional amount - MWh		Result with fair value measurement as of 30/09/2021		
	Assets	Liabilities	Assets - €/000	Liabilities - €/000	Net carrying amount - €/000
Current assets and liabilities					
MWh	1,276		198		198
Total			198		198

COMMENT ON THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION**1. INTANGIBLE ASSETS**

This item refers to intangible assets from which future economic benefits are expected. The changes in their net carrying amount are shown below:

(Thousand of Euro)	Patents and intellectual property rights	Licenses, trademarks, similar rights and multi-year charges	Total
Opening balance current period	41	92	133
Changes - current period			
Purchases	18	4	23
Amortization	(22)	(50)	(72)
Exchange rate differences	-	-	-
Closing balance current period	37	47	84

It should be noted that research costs are incurred periodically and, in the absence of the conditions required by IAS 38 for their possible capitalisation, they are recognised in the income statement.

2. TANGIBLE ASSETS

€/000	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	Total
Opening balance current period	12,825	12,337	15,701	984	559	971	43,377
Investments	-	8	775	285	82	1,940	3,090
Amortization	(21)	(849)	(4,307)	(338)	(184)	-	(5,699)
Riclassifications	-	-	-	79	(75)	(4)	-
Write-downs	-	-	-	-	-	(147)	(147)
Disposals - Historical cost	-	-	-	-	(56)	-	(56)
Disposals - Depreciation Fund.	-	-	-	-	51	-	51
Effect of exchange rates	123	122	89	-	2	5	341
Closing balance current period	12,927	11,618	12,258	1,010	379	2,765	40,957

Investments of the Group in the nine months of 2021, not including Right-of-use assets, amounted to € 3.09 million and mainly related to machinery of IRCE S.p.A. and the Brazilian subsidiary IRCE Ltda.

It should be noted that the closing balance as at 30 June 2021, equal to € 40.96 million, includes Right-of-use assets for € 1.8 million. In particular, Land includes the investment for € 1.3 million made by the Chinese subsidiary to acquire the 50-year concession for the land on which the production site will be built.

The "Write down" of the period, equal to € 0.15 million, refers to plant and machinery under construction of the Parent Company and the Indian subsidiary.

3. INVESTMENTS AND NON-CURRENT FINANCIAL ASSETS

The items “Investments” and “Non-current financial assets” are broken down as follows:

(Thousand of Euro)	2021 30 September	2020 31 December
Investments in other entities	108	102
Non current financial assets	5	125
Total investments and non current financial assets	113	227

The item “equity investments in other companies” refers to a shareholding held in the Indian subsidiary Stable Magnet Wire P. Ltd in a non-operational company.

4. DEFERRED TAXES ASSETS

An analysis of deferred tax assets and liabilities is shown below:

(Thousand of Euro)	2021 30 September	2020 31 December
Deferred tax assets	1,432	1,387
Deferred tax liabilities	(106)	(182)
Total deferred tax	1,326	1,205

Deferred tax assets were recorded in connection with temporary differences between the carrying values of assets and liabilities for accounting purposes and their corresponding values for tax purposes and to the extent that the existence of adequate future tax profit which can allow the use of these differences is deemed probable.

It should be noted that deferred tax assets are offset against related deferred tax liabilities within the same tax jurisdiction.

5. INVENTORIES

Inventories are not pledged nor used as collateral. Inventories are broken down as follows:

(Thousand of Euro)	2021 30 September	2020 31 December
Raw materials, ancillary and consumables	35,856	27,179
Work in progress and semi-finished goods	20,576	10,893
Finished products and goods	47,647	41,835
Provision for write down of raw material	(3,084)	(2,865)
Provision for write down of finished products and goods	(1,044)	(811)
Total inventories	99,951	76,231

The significant change in the period is due to the increase in volumes in stock and in the price of the raw material. In fact, the closing price of copper at 31 December 2020 in the LME market was 6.31 €/kg while the average quotation of the first 9 months was €/kg 7.68.

The table below shows the changes in the provision for write-down of inventories in the first half of 2021:

(Thousand of Euro)	Opening balance	Provisions	Utilization	Exchange rate differences	Closing balance
Provision for write down of raw materials	(2,865)	(238)	22	(3)	(3,084)
Provision for write down of finished goods	(811)	(290)	62	(5)	(1,044)
Total	(3,676)	(528)	84	(8)	(4,128)

The provision for write-down of raw materials corresponds to the amount deemed necessary to cover the risks of obsolescence, mainly of packaging, whilst the provision for write-down of finished products and goods is set aside against slow-moving or non-moving finished products and to align their value to their estimated realisable value.

6. TRADE RECEIVABLES

(Thousand of Euro)	2021 30 September	2020 31 December
Current trade receivables	100,509	74,766
Current bad debt provision	(1,692)	(859)
Total trade receivables	98,817	73,907

The balance of receivables due from customers is entirely composed of receivables due within the next 12 months.

The increase of trade receivables is substantially attributable to the raise of Group's turnover compared to the last quarter of 2020.

The table below shows the changes in the bad debt provision during the first nine months of 2021:

(Thousand of Euro)	Opening balance	Provisions	Utilization	Exchange rate differences	Closing balance
Bad debt provision	(859)	(990)	165	(8)	(1,692)

The increase in the Bad debt provision is mainly due to the updated estimation of "expected losses", as the possible renewal of the insurance policy on trade receivables expired at the beginning of the year is still being assessed.

7 CURRENT TAX RECEIVABLES

This item, amounting to €/000 11, refers to tax advances already paid partially offset by current tax payables.

8. RECEIVABLES DUE FROM OTHERS

The item is detailed as follows:

(Thousand of Euro)	2021 30 September	2020 31 December
Accrued income and prepaid expenses	116	63
Social securities receivables	19	19
Other current assets	658	1,126
VAT receivables	947	728
Total receivables due from others	1,740	1,936

The increase in "Accrued income and prepaid expenses" is due to services pertaining to the entire year invoiced at beginning of the period.

"Other current assets" mainly refers to deposits paid and insurance reimbursements.

The increase in "VAT receivables" is mainly attributable to the Brazilian subsidiary, only partially offset by the decrease of the VAT balance of the Parent Company. It should be reminded that the VAT receivable is offset within the same tax jurisdiction if, and only if, the entity has the right to offset the recognised amounts and intends to settle on a net basis.

9. OTHER CURRENT FINANCIAL ASSETS

(Thousand of Euro)	2021 30 September	2020 31 December
Mark to market gains derivatives on metal	54	572
Guarantee deposits	7	1,293
Mark to market gains derivatives exchange rate	3	-
Mark to market gains derivatives electricity	198	38
Other current financial assets	135	-
Total other current financial assets	397	1,903

The items "Mark to market gains derivatives on metal", and "Mark to market derivatives exchange rate" and "Mark to market gains derivatives electricity" refer to the Mark to Market (Fair Value) measurement of copper, foreign exchange rate and energy outstanding as of 30/09/2021 of the Parent Company IRCE SpA.

The change of item "Guarantee deposits" is due to the repayment of the margin calls ("hedging requests") deposited with the brokers for copper forward transactions on the LME (London Metal Exchange).

The item "Other current financial assets" includes the "TEE" energy efficiency certificates held by the Parent Company, classified as at 31 December 2020 among the "Other non-current financial assets".

10. CASH AND CASH EQUIVALENT

This item includes bank deposits, cash in hand and valuables.

(Thousand of Euro)	2021 30 September	2020 31 December
Bank and postal deposits	4,741	10,249
Cash and cash equivalents	11	11
Total cash and cash equivalent	4,752	10,260

Short-term bank and postal deposits are remunerated at floating rates. Bank and postal deposits are not subject to constraints or restrictions.

11. SHAREHOLDERS' EQUITY

Share capital

The share capital is composed of 28,128,000 ordinary shares worth € 14,626,560 without par value. The shares are fully subscribed and paid up and bear no rights, privileges or restrictions as far as dividend distribution and capital distribution, if any, are concerned.

The table below shows the break down of the share capital:

(Thousand of Euro)	2021 30 September	2020 31 December
Subscribed share capital	14,627	14,627
Treasury shares	(824)	(805)
Total share capital	13,803	13,822

Net equity is detailed as follows:

(Thousand of Euro)	2021 30 September	2020 31 December
Share capital	14,627	14,627
Own share capital	(824)	(805)
Share premium reserve	40,539	40,539
Revaluation reserve	22,328	22,328
Own share premium	(65)	24
Legal reserve	2,925	2,925
IAS 19 Reserve	(1,052)	(1,212)
Extraordinary reserve	45,075	44,662
Other reserve	23,595	23,595
Profit (losses) of previous years	9,542	8,027
Translation Reserve	(33,696)	(34,502)
Profit (loss) for the period	8,880	2,726
Total shareholders' equity attributable to Parent company	131,873	122,932
Shareholders' equity attributable to Minority interests	(303)	(308)
Total shareholders' equity	131,570	122,624

Own Shares

The nominal value of "Treasury shares" is classified as a decrease in share capital while the "Treasury Share premium reserve" reduces the reserves.

The number of treasury shares as of 30 September 2021 are 1,585,088, i.e. 5.64% of the share capital. Therefore the outstanding shares are n. 26,542,912.

Here below is the movement, in thousands, of the number of shares outstanding at 30 September 2021:

Thousands of shares	
Balance as of 31/12/2019	26,590
Share buyback	(10)
Balance as of 31/12/2020	26,580
Share buyback	(37)
Balance as of 30/09/2021	26,543

IAS 19 reserve

This reserve includes actuarial gains and losses accumulated as a result of the application of IAS 19 Revised.

The change in the reserve is as follows:

Balance as of 31/12/2020	(1,212)
Actuarial valuation	201
Tax effect on actuarial valuation	(41)
Balance as of 30/09/2021	(1,053)

Foreign currency translation reserve

The change in the translation reserve, equal to € 0,81 million, is mainly due to the revaluation of the Brazilian real against the Euro.

12. NON-CURRENT FINANCIAL LIABILITIES

Here below is the breakdown :

(Thousand of Euro)	2021 30 September	2020 31 December
Non current Financial liabilities due to banks	24,495	21,069
Non current Financial liabilities - IFRS 16	166	243
Total non current financial liabilities	24,661	21,312

The table below shows the details of “Non-current financial liabilities due to bank”

€/000	Currency	Rate	Company	30/09/2021	31/12/2020	Due date
Banco di Imola	EUR	Floating	IRCE SpA	5,161	5,500	2026
M.P.S.	EUR	Floating	IRCE SpA	7,000	-	2025
Unicredit	EUR	Floating	IRCE SpA	5,500	10,000	2025
Mediocredito	EUR	Floating	IRCE SpA	2,308	3,231	2025
Banco Popolare	EUR	Floating	IRCE SpA	1,250	1,875	2023
Banco Popolare	EUR	Fix	IRCE SpA	2,815		2025
NAB	CHF	Zero	Isomet AG	461	463	2025
Total				24,495	21,069	

It should be noted that as at 31 December 2020 all the financial constraints relating to existing loans, where envisaged, were fully satisfied. At 30 September 2021, however, the compliance with financial constraints is not envisaged as the “testing date” is contractually at the end of the year.

The IFRS 16 items derive from the application of the accounting standard on “Leases”; in particular the lease contracts stipulated by the Group relate to lease contracts for properties and cars.

13. PROVISIONS FOR RISKS AND CHARGES

The movements of the provisions for risks and charges - non current and current – as at 30 June 2021 are shown below:

(Thousand of Euro)	Opening balance	Provisions	Utilization	Closing balance
Provision for severance payments to agent	140	-	-	140
Other provision for risks and charges	169	500	(13)	656
Total provision for risk and charges - non current	309	500	(13)	796

(Thousand of Euro)	Opening balance	Provisions	Utilization	Closing balance
Provision for severance payments to agents	1	21	(1)	21
Other provision for risks and charges	194	116	(91)	219
Total provision for risk and charges - current	195	137	(92)	240

The item “Provision for severance payments to agent” refers to allocations made for severance payments relating to outstanding agency contracts of the Parent Company and Smit Draad Nijmegen BV.

The “Other provision for risks and charges” refers mainly to the Parent Company and the subsidiaries FD Sims and Smit Draad Nijmegen. The increase for the period is mainly due to the provision made, with the support of its consultants, against a lawsuit still in a preliminary phase for the English subsidiary.

The Directors also point out that in May 2021, the Brazilian Supreme Court of Justice (Recepta Federal do Brasil – RFB) issued a ruling that it irrevocably stated that the ICMS regional tax should be excluded from the basis for calculating PIS and Cofins federal taxes. Therefore, the Brazilian subsidiary has the right to claim for reimbursement for the extra PIS and Cofins taxes paid to the Brazilian Treasury in relation to sales invoices issued from March 2017. Although the ruling is final, the Directors have considered appropriate to not include the tax income as at 30 September 2021 waiting for an appropriate clarification that allows to have a complete and exhaustive picture of the actual financial convenience to request the reimbursement. On the basis of a preliminary estimate, the potential effect on the income statement resulting from the recording of this financial gain would be less than Euro 1 million.

14. PROVISIONS FOR EMPLOYEE DEFINED BENEFITS

The table below shows the changes in the Provision for employee defined benefits:

(Thousand of Euro)	Opening balance	Reclass	Provisions	Net equity variance	Utilization	Exchange rate differences	Closing balance
Provision for employee defined benefit - non current	4,990	4	110	(201)	(222)	(1)	4,680
Total	4,990	4	110	(201)	(222)	(1)	4,680

The Provision includes €/000 3,681 related to IRCE S.p.A., €/000 847 to ISOMET AG, €/000 65 to

Isolveco SRL, €/000 24 to Isolveco 2 SRL, €/000 6 to DMG, as well as €/000 51 to Magnet Wire.

15. CURRENT FINANCIAL LIABILITIES

Current financial liabilities are broken down as follows:

(Thousand of Euro)	2021 30 September	2020 31 December
Current Financial liabilities due to banks	44,947	30,384
Current Financial liabilities - IFRS 16	111	138
Mark to market losses derivatives exchange rate	395	73
Total current financial liabilities	45,453	30,595

The item "Mark to Market losses derivatives exchange rate" refers to the Mark to Market (Fair Value) measurement of USD and GBP forward contracts outstanding as of 30/09/2021 of the Parent Company IRCE SpA.

Below is the "Net financial position" calculated accordingly with the new scheme provided for by Consob's Notice no. 5/21 of 29 April 2021, which incorporates the ESMA Guideline published on 4 March 2021.

(Thousand of Euro)	2021 30 September	2020 31 December
Cash and cash equivalents	4,752	10,260
Current financial assets	397	1,903
Liquidity	5,149	12,163
Current financial liability	(42,256)	(28,422)
Long term loans current portion	(3,197)	(2,173)
Net current financial indebtedness	(40,304)	(18,432)
Non-current financial liability	(24,661)	(21,312)
NET FINANCIAL POSITION	(64,965)	(39,744)

Net financial position at 30 September 2021 amounted to € 64.97 million, up from € 39.74 million at 31 December 2020, but down from € 72.75 million at 30 June 2021, in correlation with changes in working capital.

16. TRADE PAYABLES

Trade payables are all due in the following 12 months. As of 30 September 2021, they totalled €/000 28,798 compared to €/000 21,201 as of 31 December 2020.

The change is due either the "travelling copper", as the incoterms provide for the transfer of ownership at the time of departure of the ship while the payment of the raw material is made only on arrival, and the payment of some important wire rod suppliers at the beginning of October.

17. TAX PAYABLES

(Thousand of Euro)	2021 30 September	2020 31 December
Tax payables due to Aequafin	1,808	226
Tax payables-current	897	369
Total tax payables	2,705	595

The item "Tax payables due to Aequafin", equal to €/000 1,808, refers to the IRES liability due to the

Parent company Aequafin with which a National Tax Consolidation contract is in place.

18. OTHER CURRENT LIABILITIES

Other payables are broken down as follows:

(Thousand of Euro)	2021 30 September	2020 31 December
Payables due to employees	3,740	3,119
Accrued liabilities and deferred income	508	307
Other payables	614	628
VAT payables	2,546	885
Employee IRPEF (personal income tax) payables	163	475
Total other current liabilities	7,571	5,414

The increase of VAT payables is mainly due to the Parent Company

COMMENT ON THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

19. REVENUES

These refer to revenues from the sale of goods, net of returns, rebates and the return of packaging. Consolidated turnover in the first nine months, equal to €/000 341,125, increased by 65.6% compared to the prior year period (€/000 205,954), the latter negatively impacted by the Covid 19 pandemia. For additional details, see the note on segment reporting.

20. COSTS FOR RAW MATERIALS AND CONSUMABLES

This item, equal to € 286.94 million, includes respectively for € 288.83 million the costs incurred for the acquisition of raw materials, the most significant of which are copper, insulating materials and materials for packaging and maintenance, for € 6.27 million the purchase of finished goods, partially offset, for € 8.32 million, by the positive change in inventory of raw materials and consumables.

21. COSTS FOR SERVICES

These include costs incurred for the supply of services pertaining to copper processing as well as utilities, transportation and other commercial and administrative services, in addition to costs for the use of third-party goods, as detailed below:

(Thousand of Euro)	2021 30 September	2020 30 September	Change
External processing	4,130	3,325	805
Utility expenses	10,363	5,751	4,612
Maintenance	1,613	1,310	303
Transport of sales and purchase	3,879	3,051	828
Payable fees	106	188	(82)
Statutory auditors compensation	56	56	-
Other services	3,935	3,064	871
Cost for the use of third party goods	156	190	(34)
Total cost for services	24,238	16,935	7,303

The change in costs for services, in particular in variable costs (external works, utilities and transport costs), is linked to the significant increase of production, essentially in Italy and in the Brazilian plant as well as, with the particular reference to the electricity, to the higher unit cost per MWh.

The item "Other services" includes primarily technical, legal and tax consulting fees as well as insurance and business expenses.

22. PERSONNEL COST

Personnel cost is detailed as follows:

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Salaries and wages	15,297	14,178	1,119
Social security charges	3,803	3,603	200
Retirement costs for defined contribution plans	1,104	1,055	49
Other personnel costs	2,399	2,043	356
Total personnel costs	22,603	20,879	1,724

The increase in personnel costs is attributable to the fact that in the first nine months of 2020, to cope with the drop in production due to the Covid-19 pandemic, the available holidays were used and Irce SpA had recourse to temporary layoff funds.

The item "Other personnel costs" includes costs for temporary work, contract work, and the compensation of Directors.

The Group's average number of personnel for the period and the current number at the reporting date is shown below:

(Number of employees)	Average 30/09/2021	Final 30/09/2021	Final 30/09/2020
Executives	25	25	24
Whitecollars	155	153	150
Bluecollars	544	548	541
Total	724	726	715

The number of employees is calculated according to the Full-Time Equivalent method and includes both internal and external (temporary and contract) staff. Personnel is classified according to the type of employment contract.

23. DEPRECIATION/AMORTISATION AND IMPAIRMENT OF FIXED ASSETS

Depreciations are detailed as follows:

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Amortization of intangible assets	72	53	19
Depreciation of tangible assets	5,574	5,630	(56)
Depreciation of tangible assets - IFRS 16	126	64	62
Write off tangible assets	147	-	147
Total amortization/depreciation and write-down	5,919	5,747	172

24. PROVISIONS AND WRITE-DOWNS

Provisions and write-downs are detailed as follows:

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Bad debt provision	990	210	780
Receivables losses	28	113	(85)
Provision for risks	500	320	180
Total provisions and write-downs	1,518	643	875

See the sections "Provisions for risks and charges" and "Trade receivables" for the comment on the "Provisions for risks" and bad debt provision.

25. OTHER OPERATING COSTS

This item is primarily composed of contingent liabilities as well as non-deductible taxes and duties.

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Other taxes and indirect taxes	885	228	657
Capital losses and contingent liabilities	39	274	(235)
Other costs	154	477	(323)
Total other operating costs	1,078	979	99

The change in the item "Other taxes and indirect taxes", mainly relating to the Brazilian subsidiary, is attributable both to the reclassification in this report of the ICMS, PIS and Cofins taxes, included up to last year in the "Other costs" and to the increase in turnover, compared to the previous period, which represents the taxable base of these taxes.

26. FINANCIAL INCOMES AND CHARGES

Financial income and charges were broken down as follows:

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Financial income	1,738	1,905	(167)
Financial charges	(2,931)	(623)	(2,308)
Foreign exchange gains/losses	50	360	(310)
Total financial income / (charges)	(1.143)	1.642	(2,785)

The item "Financial income" includes € 1.50 million of interest income on payment extension granted to customers mainly by the Brazilian subsidiary and € 0.23 million of net effect of derivatives on electricity.

The item "Financial charges" essentially includes € 1.37 million of net effect of forward transactions on cooper, both already settled during the nine months and from valuation at the end of the period, as well as € 1.35 million of charges related to the discount without recourse of trade receivables mainly by the Brazilian subsidiary.

The negative balance of the item "Exchange gains/(losses)" includes for € 0.37 million the net effect of exchange rates, realized and unrealized, partially offset for a total of € 0.32 million by forward currency transactions, both already settled and from valuation.

27. INCOME TAXES

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Current taxes	(4,423)	(827)	(3,596)
Deferred tax assets / (liabilities)	162	110	52
Total income tax	(4,261)	(717)	(3,544)

28. EARNINGS PER SHARE

As required by IAS 33, here below are the disclosures on the data used to calculate basic and diluted earnings per share.

For the purposes of calculating the basic earnings per share, the profit or loss for the period less the portion attributable to non-controlling interests was used as the numerator. In addition, it should be noted that there were no preference dividends, settlements of preference shares, and other similar effects to be deducted from the profit or loss attributable to the ordinary equity holders. The weighted average number of ordinary shares outstanding was used as the denominator; this figure was calculated by deducting the average number of own shares held during the period from the overall number of shares composing the share capital.

Basic and diluted earnings per share were equal, as there are no ordinary shares that could have a dilutive effect and no shares or warrants that could have a dilutive effect will be exercised.

	30/09/2021	30/09/2020
Net result attributable to shareholders of the Parent Company	8,879,927	650,366
Average weighted number of ordinary shares used to calculate basic earnings per share	26,542,912	26,579,912
Basic earnings/(loss) per share	0.3345	0.0245
Diluted earnings/(loss) per share	0.3345	0.0245

29. RELATED PARTY DISCLOSURES

In compliance with the requirements of IAS 24, the nine months compensation for the members of the Board of Directors of the Parent Company is shown below:

(Thousand of Euro)	Compensation for the office held	Compensation for other tasks	Total
Directors	189	239	428

This table shows the compensation paid for any reason and under any form, including social security contributions.

As of 30 September 2021, the Group Parent Company IRCE SPA had a payable of € 1,81 million with respect to its parent company Aequafin SPA for the payment of tax advances due to the application of the national tax consolidation regime.

30. MANAGEMENT OF TRADE RECEIVABLES

The classification of receivables takes into account any positions subject to renegotiation.

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Risk level			
Minimum	69,448	36,437	33,011
Medium	24,050	30,784	(6,734)
Superior	6,297	2,456	3,841
High	714	861	(147)
Total trade receivables	100,509	70,538	29,971

(Thousand of Euro)	2021 30 September	2020 30 September	Change
Due dates			
Not yet due	53,940	63,908	(9,968)
< 30 days	44,088	4,754	39,334
31-60 days	1,422	442	980
61-90 days	88	331	(243)
61-120 days	-	228	(228)
> 120 days	971	875	96
Total trade receivables	100,509	70,538	29,971

The *Fair Value* of trade receivables corresponds to their nominal exposure net of the provision for bad debts.

Please note that there are no clients generating revenue for the Group that exceeds 10% of total revenue.

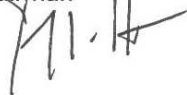
31. EVENTS FOLLOWING THE REPORTING PERIOD

No significant events occurred between the reporting date and the date when the Interim Report are authorised for issue.

STATEMENT ACCORDING TO ARTICLE 154-BIS D.LGS NO.58/1998

The Executive Manager assigned to draw up the company books, Elena Casadio, declares that the information contained in this quarterly report is an accurate representation of the documents, accounting books and records.

Filippo Casadio
Chairman



Elena Casadio
Manager responsible for preparing the corporate accounting documents



Fine Comunicato n.0163-24

Numero di Pagine: 32