

Informazione Regolamentata n. 1155-4-2023	Data/Ora Ricezione 10 Marzo 2023 13:19:46	Euronext Star Milan
---	---	---------------------

Societa' : TESMEC

Identificativo : 173292

Informazione
Regolamentata

Nome utilizzatore : TESMECN03 - Turani

Tipologia : 1.1

Data/Ora Ricezione : 10 Marzo 2023 13:19:46

Data/Ora Inizio : 10 Marzo 2023 13:19:47

Diffusione presunta

Oggetto : Tesmec S.p.A. - The BoD approved
Financial Statement at 31.12.2022 and
Consolidated Financial Statement
31.12.2022

Testo del comunicato

Vedi allegato.



TESMEC S.P.A.: THE BOARD OF DIRECTORS APPROVED THE 2022 FINANCIAL STATEMENTS AND THE 2022 CONSOLIDATED FINANCIAL STATEMENTS, THAT RECORDED A STRONG INCREASE IN REVENUES AND ORDER BACKLOG, AND A MARKED GROWTH IN NET PROFIT

Main consolidated results of 2022:

- **Revenues: Euro 245.2 million**, with a strong increase compared to Euro 194.3 million as at 31 December 2021;
- **EBITDA¹: Euro 35.2 million**, with an increase compared to Euro 28.1 million as at 31 December 2021, thanks to the important contribution of the Businesses developed, Railway and Energy Automation;
- **EBIT: Euro 13.1 million**, with an improvement compared to Euro 5.7 million as at 31 December 2021;
- **Net Result: Euro 7.9 million**, with a strong increase compared to Euro 1.2 million as at 31 December 2021, due in part to a positive impact of currency trends;
- **Net financial indebtedness²: Euro 128.4 million** compared to Euro 125.8 million as at 30 September 2022 and with respect to Euro 121.1 million as at 31 December 2021, related to the cash absorption generated by changes in working capital and by the change in the consolidation scope due to the entry of Saudi Tesmec and Tesmec Peninsula;
- **Total order backlog: Euro 406.2 million** with a marked increase both with respect to the 309.9 million euros as at 30 September 2022, and with respect to the 284.2 million euros as at 31 December 2021;
- **Sustainability**: in line with the provisions of Regulation (EU) 2020/852 so-called Taxonomy Regulation, Tesmec disclose the share of "taxonomy-aligned" revenues, capital expenditure (Capex) and operating expenses (Opex)³. They are sustainable activities within the list of activities listed by the Taxonomy and the Delegated Acts which comply with the technical screening criteria. These KPIs amount to about 43.6% Revenues, about 30.3% Capex, about 34.1% of Opex.

Other resolutions:

- **The Board of Directors approved the Consolidated Disclosure of non-financial information for 2022 in accordance with Italian Legislative Decree no. 254/2016.**
- **The Shareholders' Meeting was convened on 20 April 2023 in virtual mode.**

¹ The EBITDA is represented by the operating income gross of amortization/depreciation. The EBITDA thus defined represents a measurement used by Company management to monitor and assess the company's operating performance. EBITDA is not recognized as a measure of performance by the IFRS and therefore is not to be considered an alternative measurement for assessing the performance of the Group's operating income. As the composition of EBITDA is not governed by the reference accounting standards, the criterion for determination applied by the Group may not be in line with the criterion adopted by others and is therefore not comparable.

² The net financial indebtedness is calculated as the sum of cash and cash equivalents, current financial assets including available-for-sale securities, current and non-current financial liabilities, including leasing liabilities, fair value of hedging instruments and excluding non-current trade and other payables.

³ The share of "taxonomy-aligned" revenues, capital expenditure (Capex) and operating expenses (Opex) in line with the provisions of Regulation (EU) 2020/852 is out of scope of the limited assurance engagement on the Consolidated Non-Financial Statements of the engaged auditor.



Grassobbio (Bergamo), 10 March 2023 – The Board of Directors of **Tesmec S.p.A.** (EURONEXT STAR MILAN STAR: TES) (“**Tesmec**” or the “**Company**”), at the head of a group leader in the market of technologies for infrastructures (overhead, underground and railway networks) related to the transport of energy, data and materials (oil and derivatives, gas and water), and of technologies in surface mining, convened today and chaired by Ambrogio Caccia Dominioni, examined and approved the **Financial Statements and the Consolidated Financial Statements as at 31 December 2022**, which confirmed the revenue growth trend (+26.2% compared to 2021), thanks to the performance of Railway sector, to the recovery of Trencher sector, to the performance in the US market, and to a better mix in Energy sector. In absolute terms, the margin for the period increased thanks to the support of Rail and Energy Automation sectors and, it is in line, in percentage terms, with the financial year 2021, despite the criticalities connected to the volatility of raw material and energy costs that have had greatest impact on Trencher and Stringing sector as well as provisions for the period, commercial and promotional costs necessary to support growth in certain geographical areas such as Qatar and Saudi Arabia. Furthermore, it should be noted that Tesmec, with the aim of eliminating the impacts of these elements in the medium term and further relaunching company profitability, has already launched a series of actions and projects aimed at generating efficiencies based on product and technological innovation (whose investments have already been started and are in progress), on the adjustment of the sales prices (also through price revision agreements with contracting authorities for medium / long-term supply contracts), as well as investments for the energy autonomy of the Italian plants. Finally, the Net Financial Debt was Euro 128.4 million with slight increase compared both to Euro 125.8 million as at 30 September 2022 and Euro 121.1 million as at 31 December 2021; increase related to the cash absorption generated by the change in working capital due to both, increase in trade receivables, and changes in inventory. In addition, the acquisition of control of the company Saudi Tesmec and the change in consolidation of the company Tesmec Peninsula has impacted the Net Financial Indebtedness by approximately Euro 5.5 million without generating significant impacts on either EBITDA or Net Profit; these investments will generate a return as early as 2023, following the important initiatives launched in the Middle East.

The **Chairman and CEO Ambrogio Caccia Dominioni** commented as follows: *“In a macroeconomic contest such as 2022, characterized by strong volatility and uncertainty, Tesmec show its resilience, consolidating its growth in terms of revenues and recording more than Euro 406 million of backlog, and confirming the progress achieved over the past years of sectoral and geographical diversification. Profitability was in line compared to 2021, thanks to the very good performance of Rail and Energy Automation sectors. Net Financial Debt is slightly increasing, but we believe this change to be temporary, as it is linked to the trend in working capital and to corporate strengthening in the Middle East area, that will bring its benefits already in the current year. The 2023 financial year started in a still uncertain macroeconomic context, which will not affect Tesmec's growth in terms of both revenues and margins. In a market like the today's, Tesmec offers solutions with high technological content and efficiency and continues its challenge to decarbonization and electrification. Energy infrastructures are becoming more and more a fundamental factor for sustainable development and Tesmec confirms its willingness to be among the enablers of this era of green and digital transition. In terms of profitability, the Group is implementing the necessary margin recovery actions despite the general cost increase. In conclusion, during 2023 Tesmec will continue its consolidation and strengthening plan, and in 2023 it expects revenues at the high end of the range communicated in the 2021-2023 Plan, between Euro 280 - 290 million, with EBITDA improving compared to the end of 2022 and with a further reduction in Financial Debt compared to 2022”.*

MAIN CONSOLIDATED RESULTS AS AT 31 DECEMBER 2022

As at **31 December 2022**, Tesmec Group recorded consolidated **Revenues of Euro 245.2 million**, with a strong increase compared to Euro 194.3 million as at 31 December 2021. This variation is mainly due to the performance of the Railway and Trencher sector, the recovery of the Trencher sector in the US market and a better mix in the Energy sector. In particular, as at 31 December 2022 revenues from sales of products amounted to Euro 182.6 million, with an increase compared to Euro 141.2 million as at 31 December 2021, and revenues from services and changes in work in progress amounted to Euro 62.7 million, with an increase compared to Euro 53.1 million at 31 December 2021.

Results at 31 December 2022 (Euro in thousands)	Revenues from sales and services		
	2022	2021	Changes 22 vs 21
Trencher	134,049	110,283	+21.6%
<i>Effect on Consolidated Revenues</i>	<i>54.7%</i>	<i>56.8%</i>	
Railway	53,001	32,885	+61.2%
<i>Effect on Consolidated Revenues</i>	<i>21.6%</i>	<i>16.9%</i>	
Energy	58,195	51,118	+13.8%
<i>Effect on Consolidated Revenues</i>	<i>23.7%</i>	<i>26.3%</i>	
Consolidate	245,245	194,296	+26.2%

In detail, the **revenues of the Trencher sector** as at 31 December 2022 amounted to **Euro 134.0 million** with an increase compared to Euro 110.3 million as at 31 December 2021. This increase is mainly due to the American market recovery and, more in general, to the launch of development and recovery plans in the countries in which the Group operates despite an economic scenario characterized by difficulties in finding materials and a rise in purchase prices. As at 31 December 2022, the Trencher segment's order backlog was Euro 82.2 million (compared to Euro 75.4 million at 31 December 2021).

The **Railway sector** recorded **Revenues** as at 31 December 2022 of **Euro 53.0 million**, in strong development compared to Euro 32.9 million as at 31 December 2021. The growth confirms the strengthening of the business generated by higher value-added projects related to diagnostic products and by international projects. In the rail sector, the confirmed order backlog amounted to Euro 223.4 million as at 31 December 2022 (with an increase compared to Euro 109.9 million as at 31 December 2021).

With reference to the **Energy sector**, **Revenues** as at 31 December 2022 were **Euro 58.2 million**, with an increase compared to Euro 51.1 million as at 31 December 2021. In particular, the Stringing segment recorded revenues of Euro 37.8 million, with an increase compared to Euro 34.1 million as at 31 December 2021, while the Energy Automation segment recorded revenues of Euro 20.4 million, with an improvement compared to Euro 17.0 million as at 31 December 2021, despite the difficulties in finding electronic components and semiconductors from the Far East. The commercial activities recorded a strong acceleration and in fact the order backlog amounted to Euro 106.0 million as at 31 December 2022 (with an increase



compared to Euro 98.9 million as at 31 December 2021), of which Euro 81.9 million in the Energy Automation segment, and Euro 18.7 million in the Stringing segment.

In geographic terms, Tesmec Group recorded a better contribution of sales in Italy driven by the Railway and Energy sectors. It confirms the predominant role of the European market and a strong recovery of the American market. The Middle East area improves its performance in the period and a further strengthening in the coming financial year is expected.

The **EBITDA** amounted to **Euro 35.2 million**, with an increase compared to the Euro 28.1 million as at 31 December 2021. In particular, the Railway sector positively drives the formation of the margin thanks to a better mix generated by projects with higher added value and by geographical diversification. The Trencher sector contributes marginally in absolute terms to profitability growth as it is affected by changes in raw materials, transport and energy costs, and an increase in charges related to provisions, commercial expenses and charges related to the acquisition of the Saudi subsidiary. At last, the Energy sector has suffered most from the critical issues related to the supply chain.

The **EBIT** of Tesmec Group amounted to **Euro 13.1 million** as at 31 December 2022, with a strong improvement compared the Euro 5.7 million at 31 December 2021.

The **Net Financial Income** of the Tesmec Group were **Euro 1.5 million** as at 31 December 2022, with a decrease compared to Euro 3.0 million as at 31 December 2021. During the period, the Group recorded foreign exchange gains of approximately Euro 4.2 million, mainly unrealized, generated by the strengthening of the dollar and linked currencies. In particular, net financial expenses, excluding foreign exchange losses, were negative Euro 5.7 million as at 31 December 2022 with a decrease compared to negative Euro 6.2 million as at 31 December 2021.

The **Net result** as at 31 December 2022 was **Euro 7.9 million**, with a strong increase compared to Euro 1.2 million as at 31 December 2021.

The **Net financial indebtedness** was **Euro 128.4 million** as at 31 December 2022, compared to Euro 125.8 million as at 30 September 2022 and compared to Euro 121.1 million as at 31 December 2021, with an increase due to the cash absorption generated by the change in working capital the increase in net working capital and by the change in the scope of consolidation. This value included Euro 24.1 million of financial liabilities related to rights of use (IFRS 16), mainly related to the Grassobbio premises and to the Trencher rental fleet.

The Total Order Backlog of the Tesmec Group as at 31 December 2022 amounted to Euro 406.1 million – Euro 223.4 million of which referring to the Railway segment, Euro 82.2 million to the Trencher segment and Euro 100.6 million to the Energy segment (of which Euro 81.9 million related the Energy-Automation segment and Euro 18.7 million related to the Stringing segment) – with an sharp increase both compared to Euro 309.9 million as at 30 September 2022 and to Euro 284.2 million as at 31 December 2021. This result confirms the validity of Tesmec's investments in the Railway sector and in the Energy Automation segment, sectors that present solutions with higher added value and lower volatility.

Summary of financial data are reported below:



(Euro in million)	Actual FY 2022	Actual FY 2021	Change 22 vs 21
Revenues	245.2	194.3	+26.2%
Ebitda	35.2	28.1	+25.1%
<i>Ebitda Margin</i>	14.4%	14.5%	
Ebit	13.1	5.7	130.7%
Net result	7.9	1.2	554.8%
Net financial indebtedness	128.4	121.0	+6.1%

BUSINESS OUTLOOK

Tesmec confirms its response to external challenges by adapting its strategy to these exogenous changes through its sectoral and geographical diversification. The Group plans to sustain and strengthen growth through opportunities generated by national plans to support infrastructure development, energy transition and digitization projects. The Group's business is concentrated in strategic sectors that are extremely lively and have significant growth prospects. In details, huge investments are planned in the Trencher segment to strengthen telecommunications networks and digitalization in addition to strong development in the mining sector. In 2023, the US market will contribute to the performance, also thanks to the new American Plan IRA Inflation Reduction Act, which is expected to favor US productions. The Rail segment is benefiting from a significant increase in investments to reduce traffic congestion of road vehicles and increase sustainable mobility, as well as for the maintenance of lines with the aim of ensuring the safety of rail transport. In the Energy segment, the transition to the use of renewable energy sources is confirmed, with the power lines being adapted to the new requirements. In the light of the above, Tesmec expects revenues in the high range of the 2021-2023 Business Plan, between Euro 280-290 million a margin between 16% and 17% with an improvement compared to 2022, but with a decrease compared to Plan '21-'23, which did not contemplate inflationary impacts such as those recorded in 2021, and 2022, and an improvement in Net Financial Debt compared to the end of 2022 although at levels higher than those provided for in the Plan, due to the aforementioned needs for more working capital.

SUSTAINABILITY

At today's meeting, the Board of Directors of Tesmec approved the 2022 Consolidated Non-Financial Declaration pursuant to D. Lgs. 254/2016.

The Group strategy is focused on integrating ESG principles into its growth path. In line with the Sustainable Development Goals (SDGs) of the United Nations, Tesmec aims to increase the share of green & digital technological solutions, paying particular attention to climate issues.

In line with the provisions of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework that promotes sustainable investments and amending Regulation (EU) 2019/2088, the so-called Taxonomy Regulation, Tesmec, in the Consolidated Non-Financial Statement, disclose the share of "taxonomy-aligned"⁴, " revenues, capital expenditure (Capex) and operating

⁴ The share of "taxonomy-aligned" revenues, capital expenditure (Capex) and operating expenses (Opex) in line with the provisions of Regulation (EU) 2020/852 is out of scope of the limited assurance engagement on the Consolidated Non-Financial Statements of the engaged auditor.



expenses (Opex). They are sustainable activities within the list of activities listed by the Taxonomy and the Delegated Acts which comply with the technical screening criteria.

The Group considers that its economic activities contribute to the first objective identified by the European Commission, namely that of climate change mitigation. Economic activities considered are "3.1. Manufacture of renewable energy technologies", "3.3. Manufacture of low carbon technologies for transport" and "Manufacture of other low carbon technologies" of Annex I of the Regulation.

In detail, around 43.6% Revenues, 30.3% Capex, 34.1% Opex are aligned under the Taxonomy Regulation.

For more information, please refer to the dedicated paragraph of the Consolidated Non-Financial Statement which will be published in accordance with the law.

In addition to providing technological solutions that facilitate a transition towards a more sustainable economy, Tesmec keep on the path of continuous enhancement of human resources, whose professional growth and satisfaction are key targets.

In 2022 corporate volunteering was also launched, through which the Group aims to create opportunities for awareness and social sharing for its employees through the participation in projects carried out in collaboration with non-profit organizations.

SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY TESMEC S.P.A.

The Parent Company Tesmec S.p.A. closed the fiscal year 2022 with Net revenues of Euro 10.8 million, with an increase compared to Euro 91.1 as at 31 December 2021.

In the fiscal year 2022, The EBITDA of Tesmec S.p.A. amounted to Euro 8.8 million, with an increase compared to Euro 6.0 million as at 31 December 2021.

As at 31 December 2022, the Parent Company's Net Profit amounted to Euro 4.1 million, compared to a negative result of Euro 0.8 million as at 31 December 2021.

The Net Financial Indebtedness of the Parent Company as at 31 December 2022 amounted to Euro 70.4 million, compared to Euro 45.5 million as at 31 December 2021. This increase is due, by USD 20,5 million, to the reclassification of financial credits granted to the subsidiary Tesmec USA from short to medium-long-term. For the remaining part, the debt increase is due to changes in working capital to support the growth of revenues.

MAIN EVENTS OCCURRING DURING THE FOURTH QUARTER 2022

On **6 October 2022** Tesmec announced the awarding of key contracts, through its subsidiary Tesmec Rail, in both the national and international railway sector for a total value of approximately Euro 60 million.

On **23 November 2022** Tesmec announced the start of works for the construction of a new photovoltaic plant connected to the grid at the Grassobbio site, which will expand and upgrade the existing one.



On **29 November 2022** Tesmec announced the provisional awarding, through its subsidiary Tesmec Rail, of two tender lots by RFI - Rete Ferroviaria Italiana, the Italian State Railways Group company responsible for the overall management of the national railway network, for the supply of 44 trucks for the Armamento sector in Full Maintenance Service for a total value of about Euro 109 million.

TREASURY SHARES

At the time of this press release, the Company holds 4,711,879 treasury shares, equal to 0.777% of the Share Capital. The amount is unchanged compared to 30 June 2022.

OTHER RESOLUTIONS

The Board of Directors of Tesmec S.p.A. approved the Report on Corporate Governance and Ownership Structures and made the periodic review of the independence requirements of the members of the Board of Directors, deeming that there were no changes in the situation already announced to the market.

Then the Board of Directors approved the remuneration policy of the directors and executives with strategic responsibilities and the annual Report on Remuneration that will be submitted to the Shareholders.

In today's session, the Tesmec Board of Directors assessed the adequacy of the size, composition and functioning of the Board and of the Advisory Committees.

Finally, the Board of Directors decided to convene the Ordinary Shareholders' Meeting of the Company on 20 April 2023, at 10:30 am, in single call.

The shareholders are convened to discuss and deliberate on the following:

- 1. Approval of the financial statements as at 31 December 2022 and presentation of the Tesmec Group's consolidated financial statements and relevant reports, including the consolidated non-financial statement; allocation of result for the period; related and consequent resolutions.**
 - 1.1 Approval of the financial statements as at 31 December 2022 and the Board of Directors' report on operations;**
 - 1.2 Allocation of profit or loss for the period.**
- 2 Resolutions regarding the report on the policy of remuneration and compensation paid pursuant to Article 123-ter of Legislative Decree 58/1998 and Article 84-quater of CONSOB Regulation no. 11971/1999; related and consequent resolutions.**
 - 2.1 Binding vote on the remuneration policy relating to 2023 illustrated in the first section of the report;**
 - 2.2 Consultation on the second section of the report regarding the fees paid in 2022 or relating to them.**
- 3 Authorisation to purchase and dispose of treasury shares; related and consequent resolutions.**



The documents relating to the Shareholders' Meeting will be available to the public through the system eMarket-Storage, at www.emarketstorage.com, through publication on the website of Borsa Italiana S.p.A. and the website www.tesmec.com. The call of the Shareholders' ordinary meeting will be at the Tesmec operational offices in Grassobbio (BG), Via Zanica 17/O, on 20 April 2023, at 10:30 a.m., in single call. The following documents are also available to the public at Tesmec S.p.A. operating office, in Grassobbio (BG) - Via Zanica 17/O, through the system eMarket-Storage, at www.emarketstorage.com, through publication on the website of Borsa Italiana S.p.A. and the website www.tesmec.com: Directors' report on the draft resolutions submitted to the Shareholders Meeting and the Proxy Forms.

Conference Call

At 2:30 PM (CET) – 1:30 PM BST, Friday 10 March 2023, Ambrogio Caccia Dominioni, Chairman and CEO of Tesmec S.p.A., and the Top Management of the Company will present the consolidated results for the year 2021 to the financial community during a conference call.

To participate, you are kindly requested to call this number:

from Italy:	+39 02 36213011
from UK:	+44 121 281 8003
from Germany:	+49 69 17415713
from France:	+33 170918703
from Switzerland:	+41 225954727
from USA:	+1 718 7058794

The manager responsible for the preparation of the corporate accounting documents, Marco Paredi, declares, pursuant to article 154-bis, paragraph 2, of Legislative Decree No. 58/1998 ("Consolidated Law on Finance") that the information contained in this press release corresponds to the document results, books and accounting records.

Note that in this press release, in addition to financial indicators required by IFRS, there are also some alternative performance indicators (e.g. EBITDA) in order to allow a better understanding of the economic and financial management. These indicators are calculated according to the usual market practice.

The financial statements and the consolidated financial statements as at 31 December 2019 will be available to the public at the administrative office, in Grassobbio (Bergamo) Italy, Via Zanica n. 17/O, through the system eMarket-Storage, at www.emarketstorage.com, through publication on the company website www.tesmec.com, according to law.

**For further information:****Tesmec S.p.A.**

Marco Paredi

Investor Relations Manager

Tel: +39 035 4232840 – Fax: +39 035 3844606

E-mail: ir@tesmec.com**Image Building - Media Relations**

Alfredo Mele, Carlo Musa

Tel: +39 02 89011300

E-mail: tesmec@imagebuilding.it

The press release to analysts and investors is available in the Investors section of the website:
<http://investor.tesmec.com/it/Investors/PressReleases>.

Tesmec Group

Tesmec Group is active in the design, production and marketing of systems and integrated solutions for the construction, maintenance and diagnostics of infrastructures (overhead, underground and railway networks) for the transport of energy, data and materials (oil and derivatives, gas and water), as well as technologies for quarries and surface mining. The Group operates in the following sectors: - **Energy**. Tesmec Group designs, manufactures and markets machines and integrated systems for the construction and maintenance of overhead and underground power lines, fibre optic networks (Stringing segment), as well as advanced equipment and systems for the automation, efficiency, management and monitoring of high, medium and low voltage electrical networks and substations (Energy Automation Segment); - **Trencher**. Tesmec Group carries out the design, production, sale and rental of trencher machines functional to four types of activities (excavation and mines, excavations for the installation of pipelines, for the construction of telecommunication and optical fibre infrastructures, excavations for the construction of underground power networks), as well as the provision of specialized excavation services. The trencher machines are rented by the Group both with the operator (hot rental or wet rental) and without the operator (cold rental or dry rental); - **Railway**. The Group designs, manufactures and markets machines and integrated systems for the installation and maintenance of the railway catenary, devices for the diagnostics of the railway catenary and track, as well as customized machines for special operations on the line.

Born in Italy in 1951 and led by the Chairman and CEO Ambrogio Caccia Dominioni, the Group counts on more than 900 employees and has its production sites in Grassobbio (Bergamo), Endine Gaiano (Bergamo), Sirone (Lecco), Monopoli (Bari) and Bitetto (Bari) in Italy, Alvarado (Texas) in the USA and Durtal in France. It relies on three research and development units in Fidenza (Parma), Padua and Patrica (Frosinone). Listed on the Euronext STAR MILAN of the Euronext Milan market of the Italian Stock Exchange, the Group boasts a global commercial presence through foreign subsidiaries and sales offices in the USA, in South Africa, West Africa, Australia, New Zealand, Russia, Qatar and China.

In its development strategy, the Group intends to consolidate its position as a solution provider in the three abovementioned business areas, by exploiting the trends of energy transition, digitalization, and sustainability.

Below are the reclassified statements of balance sheet, income statement, statement of cash flows and the prospectus of sources and uses of the Tesmec Group and Tesmec S.p.A. as at 31 December 2022.



Tesmec Group reclassified consolidated income statements

Income statement (€ in thousands)	As at 31 December	
	2022	2021
Revenues	245,245	194,286
Total operating costs	(232,126)	(188,599)
Operating Income	13,119	5,687
Financial (income) / expenses	(5,713)	(6,187)
Foreign exchange gains/losses	4,162	3,227
Share of profit / (loss) of associates and joint ventures	44	(25)
Income before tax	11,612	(2,702)
Net income for the period	7,916	1,209
EBITDA	35,204	28,134
EBITDA (% on revenues)	14.4%	14.5%



Tesmec Group reclassified consolidated statements of financial position

Balance sheet	31 December 2022	31 December 2021
<i>(€ in thousands)</i>		
Total Non- current assets	142,267	128,643
Total Current assets	265,427	229,489
Total assets	407,694	358,132
Total Non-current liabilities	120,305	133,749
Total Current liabilities	204,012	151,741
Total liabilities	324,317	285,490
Total Equity	83,377	72,642
Total equity and liabilities	407,694	358,132



Tesmec Group Reclassified Consolidated Financial Statement

Summary of the cash flow statement (€ in thousands)	As at 31 December	
	2022	2021
Net cash flow generated by (used in) operating activities (A)	24,951	9,081
Net cash flow generated by (used in) investing activities (B)	(35,351)	(28,695)
Net cash flow generated by financing activities (C)	10,644	(1,084)
Total cash flow for the period (D=A+B+C)	244	(20,698)
Cash and cash equivalents at the beginning of the period (F)	50,189	70,426
Effect of exchange-rate changes on cash and cash equivalents (E)	554	461
Cash and cash equivalents at the end of the period (G=D+E+F)	50,987	50,189



Tesmec Group Consolidated Sources and Uses Prospectus

Funding Sources and Uses

((€ in thousands)	<u>As at 31 December 2022</u>	<u>Aa at 31 December 2021</u>
Net working capital ⁵	80,631	76,536
Fixed assets	111,658	102,946
Other long-term assets and liabilities	19,452	14,172
Net invested capital⁶	<u>211,741</u>	<u>193,654</u>
Net financial indebtedness ⁷	128,364	121,012
Shareholders' equity	83,377	72,642
Total sources of funding	<u>211,741</u>	<u>193,654</u>

⁵ The net working capital is calculated as current assets net of current liabilities excluding financial assets and financial liabilities. Net working capital is not recognized as a measure of performance by the IFRS. The valuation criteria applied by the Company may not necessarily be the same as those adopted by other groups and therefore the balance obtained by the Company may not necessarily be comparable therewith.

⁶ The net invested capital is calculated as net working capital plus fixed assets and other non-current assets less non-current liabilities. The net invested capital is not recognized as a measure of performance under IFRS. The valuation criteria applied by the Company may not necessarily be the same as those adopted by other groups and therefore the balance obtained by the Company may not necessarily be comparable therewith.

⁷ The net financial indebtedness is calculated as the sum of cash and cash equivalents, current financial assets including available-for-sale securities, non-current financial liabilities, fair value of hedging instruments and other non-current financial assets.

Reclassified income statement of the Parent Company Tesmec S.p.A.

Income statement

(€ in thousands)	As at 31 December	
	2022	2021
Revenues from sales and services	110,775	91,110
Total operating costs	(107,952)	(91,519)
Operating income	2,823	(409)
Net financial income/(expenses)	2,345	(568)
Pre-tax profit	5,168	(977)
Net profit for the period	4,134	(752)
EBITDA	8,740	6,001
EBITDA (% on revenues)	7.9%	6.6%

Reclassified balance sheet of the Parent Company Tesmec S.p.A

	31 December 2022	31 December 2021
Balance sheet		
(€ in thousands)		
	130,548	107,747
Total non-current assets	155,868	161,909
Total current assets	286,416	268,656
Total assets	80,215	94,584
Total non-current liabilities	113,982	86,098
Total current liabilities	194,196	180,682
Total liabilities	92,220	87,974
Total shareholders' equity	268,656	268,656

Reclassified consolidated cash flow statement of the Parent Company Tesmec S.p.A.

Summary of the cash flow statement

(€ in thousands)

	As at 31 December	
	2022	2021
Net cash flow generated by (used in) operating activities (A)	2,390	(138)
Net cash flow generated by (used in) investing activities (B)	(5,541)	(19,815)
Net cash flow generated by financing activities (C)	1,767	(8,933)
Total cash flow for the period (D=A+B+C)	(1,384)	(28,886)
Cash and cash equivalents at the beginning of the period (F)	21,000	49,887
Effect of exchange-rate changes on cash and cash equivalents (E)	-	-
Cash and cash equivalents at the end of the period (G=D+E+F)	19,616	21,001



Statement of Funding Sources and Uses of the Parent Company Tesmec S.p.A

Funding Sources and Uses

(€ in thousands)	<u>Al 31 Dicembre 2022</u>	<u>Al 31 Dicembre 2021</u>
Net working capital ⁸	38,085	30,685
Fixed assets	101,454	98,072
Other long-term assets and liabilities	23,089	4,763
Net invested capital ⁹	<u>162,628</u>	<u>133,520</u>
Net financial indebtedness ¹⁰	70,408	45,546
Shareholders' equity	92,220	87,974
Total sources of funding	<u>162,628</u>	<u>133,520</u>

⁸ The net working capital is calculated as current assets net of current liabilities excluding financial assets and financial liabilities. Net working capital is not recognized as a measure of performance by the IFRS. The valuation criteria applied by the Company may not necessarily be the same as those adopted by other groups and therefore the balance obtained by the Company may not necessarily be comparable therewith.

⁹ The net invested capital is calculated as net working capital plus fixed assets and other non-current assets less non-current liabilities. The net invested capital is not recognized as a measure of performance under IFRS. The valuation criteria applied by the Company may not necessarily be the same as those adopted by other groups and therefore the balance obtained by the Company may not necessarily be comparable therewith.

¹⁰ The net financial indebtedness is calculated as the sum of cash and cash equivalents, current financial assets including available-for-sale securities, non-current financial liabilities, fair value of hedging instruments and other non-current financial assets.

Fine Comunicato n.1155-4

Numero di Pagine: 19