

<p>Informazione Regolamentata n. 0533-4-2023</p>	<p>Data/Ora Ricezione 14 Marzo 2023 13:32:20</p>	<p>Euronext Star Milan</p>
--	--	----------------------------

Societa' : ESPRINET

Identificativo : 173425

Informazione
Regolamentata

Nome utilizzatore : ESPRINETN05 - Perfetti

Tipologia : 1.1; REGEM; 3.1

Data/Ora Ricezione : 14 Marzo 2023 13:32:20

Data/Ora Inizio : 14 Marzo 2023 13:35:05

Diffusione presunta

Oggetto : THE 2022 RESULTS CONFIRM THE
ESPRINET TRANSFORMATION INTO
INTERNATIONAL VALUE-ADDED
DISTRIBUTOR. RECORD NET INCOME:
47.3M€ (+7%). PROPOSED 0.54€ DPS.

Testo del comunicato

Vedi allegato.

Press release pursuant to CONSOB Regulation No. 11971/99

**THE 2022 FISCAL YEAR RESULTS CONFIRM
THE ESPRINET TRANSFORMATION INTO
INTERNATIONAL VALUE-ADDED DISTRIBUTOR
RECORD GROUP NET INCOME AT EURO 47.3 MILLION (+7%)
PROPOSED DIVIDEND OF EURO 0.54 PER SHARE (D.YIELD > 7%)
ORDINARY SHAREHOLDERS' MEETING CONVENED**

- SALES FROM CONTRACTS WITH CUSTOMERS: Euro 4,684 million, -0% (2021: Euro 4,691 million)
- EBITDA ADJUSTED: Euro 90.7 million, +5% (2021: Euro 86.1 million)
- EBIT: Euro 70.7 million, + 3% (2021: Euro 68.4 million)
- NET INCOME: Euro 47.3 million, +7% (2021: Euro 44.1 million)
- ROCE: 13.3% (2021: 20.5%)
- CASH CONVERSION CYCLE: 26 days (2021: 13 days)
- NFP: negative for Euro 83.0 million (2021: positive for Euro 227.2 million)

Vimercate (Monza Brianza), 14 March 2023 – The Board of Directors of ESPRINET, a leader in Southern Europe in advisory services, sale and rental of technological products and cybersecurity, which met under the chairmanship of Maurizio Rota, approved the **Consolidated financial statements and the Draft separate financial statements as at 31 December 2022**, drafted in compliance with the international accounting standards (IFRS).

Alessandro Cattani, Chief Executive Officer of ESPRINET: *“In 2022, beating the record results of the previous year, the Group recorded a further improvement in net income to Euro 47.3 million (+7%), with unchanged sales at approximately Euro 4.7 billion, despite a year marked by serious geopolitical turbulence and its consequent impacts on the inflationary front, rising interest rates and, in general, a declining consumer and business confidence index.*

The year just ended also marks a fundamental turning point in our history and, consequently, we believe, also in the type of perception the market will have of us, confirming our transformation into an international value-added distributor.

The ESPRINET Group is now active in four countries and two continents and the turnover from activities carried out on foreign markets, Spain in particular, has risen to about 40% of the total but it is even more important to note that the EBITDA generated in these geographies accounts for approximately 45% of the total.

A second major opportunity was the substantial change in the customer mix. In 2020, the weighting of sales to retailers and, therefore, indirectly the weighting of sales driven by household consumption was about 50% while in 2022, thanks to the strong focus on activities in the Solutions segment (products for data centres, software, cloud, cybersecurity for medium and large companies), it fell to 38%. The Group now has a much greater exposure to the dynamics of business and government demand than that to consumers, in line with the strategy outlined in 2021.

Finally, and this is the reason we can state that this year this “overtaking” occurred, the real big transformation came from the change in the product mix distributed. In 2022, for the first time in our history, the EBITDA generated by Solutions was higher than that generated by Screens (PCs and phones), which still account for 58% of total turnover compared to 19% for Solutions.

After more than 20 years of experience, the ESPRINET Group has completed an important first stage by becoming primarily a value-added distributor, progressively unshackling itself from its history as a distributor of low-margin PCs and printers".

MAIN CONSOLIDATED RESULTS AS AT 31 DECEMBER 2022

In 2022, Sales from contracts with customers amounted to Euro 4,684.2 million, essentially in line with the result of the previous year (Euro 4,690.9 million). The last quarter recorded sales of Euro 1,466.5 million, down by 1% compared to the same period of the previous year (Euro 1,480.1 million).

(€/million)	2022	2021	% Var.
Italy	2,751.7	2,854.7	-4%
Spain	1,749.6	1,686.7	4%
Portugal	126.5	107.5	18%
Other EU countries	36.9	28.7	29%
Other non-EU countries	19.5	13.3	47%
Sales from contracts with customers	4,684.2	4,690.9	0%

(€/million)	Q4 2022	Q4 2021	% Var.
Italy	840.4	871.5	-4%
Spain	560.9	561.2	0%
Portugal	51.7	37.1	39%
Other EU countries	7.2	8.0	-10%
Other non-EU countries	6.3	2.3	174%
Sales from contracts with customers	1,466.5	1,480.1	-1%

Italy, with sales of Euro 2,751.7 million, decreased by 4% compared to 2021 in a distribution market which, according to the UK research company Context, is practically in line with the previous year, with a turnover of Euro 9.5 billion. In **Spain**, Group sales amounted to Euro 1,749.6 million, +4% compared to 2021, in line with a market that reaches Euro 7.0 billion in revenues. **Portugal** was worth Euro 126.5 million, +18% compared to 2021, and further consolidated its share of a market that rose by +10%, bringing total sales made by the Group in the Iberian Peninsula to almost Euro 1.9 billion.

Sales from contracts with customers					EBITDA Adjusted				EBITDA Adjusted %		
(€/million)	2022	2021	Var.	% Var.	2022	2021	Var.	% Var.	2022	2021	Var.
Screens	2,722.2	2,893.4	-171.2	-6%	30.9	29.3	1.6	5%	1.14%	1.01%	0.12%
Devices	1,003.5	978.4	25.1	3%	22.9	21.2	1.7	8%	2.28%	2.17%	0.12%
Solutions	882.8	741.8	141.0	19%	31.9	24.9	7.0	28%	3.61%	3.36%	0.26%
Services	17.3	12.4	4.9	40%	6.4	6.3	0.1	2%	36.99%	50.81%	-13.81%
Own Brands	58.4	64.9	-6.5	-10%	-1.4	4.4	-5.8	-132%	-2.40%	6.78%	-9.18%
Total	4,684.2	4,690.9	-6.7	0%	90.7	86.1	4.6	5%	1.94%	1.84%	0.10%

Sales from contracts with customers					EBITDA Adjusted				EBITDA Adjusted %		
(€/million)	Q4 2022	Q4 2021	Var.	% Var.	Q4 2022	Q4 2021	Var.	% Var.	Q4 2022	Q4 2021	Var.
Screens	826.6	898.6	-72.0	-8%	14.0	12.0	2.0	17%	1.69%	1.34%	0.36%
Devices	310.5	326.0	-15.5	-5%	6.5	9.2	-2.7	-29%	2.09%	2.82%	-0.73%
Solutions	306.3	237.2	69.1	29%	14.2	8.2	6.0	73%	4.64%	3.46%	1.18%
Services	6.9	4.1	2.8	68%	1.7	0.8	0.9	113%	24.64%	19.51%	5.13%
Own Brands	16.2	14.3	1.9	13%	-0.1	-2.0	1.9	95%	-0.62%	-13.99%	13.37%
Total	1,466.5	1,480.2	-13.7	-1%	36.3	28.2	8.1	29%	2.48%	1.91%	0.57%

A glance at the performance of the **business lines** in which the Group operates shows that, according to the segmentation into “five pillars” introduced last year, *Screens* (PCs, Tablets and Smartphones) reported a decrease of 6%, as did the market according to Context data.

The *Solutions* and *Services* segments together recorded an increase of 19%, performing better than the market, which, again according to the measurement of the UK research company Context, reported an increase of +16%. Sales of *Solutions* and *Services*, following application of IFRS 15, rose to Euro 900.1 million compared to Euro 754.2 million in 2021 and, consistently with the Group's strategy of focussing on the high profit margin business lines, their incidence on total sales rose to 19% (16% in 2021). The *Solutions* business line generated more EBITDA Adjusted¹ in terms of absolute value, surpassing the *Screens* line which, despite more than trebling its turnover, posted lower profitability values of roughly Euro 1.0 million.

The Group suffered a 10% reduction of sales in the *Own Brands* segment in 2022, due to a series of promotional initiatives carried out in the market in the second quarter of 2021, which were not repeated in the fiscal year just ended. The figure is, however, an improvement over the close of the first three quarters (-17%), also thanks to the results recorded in the fourth quarter: +13%.

(€/million)	2022	2021	% Var.
Retailer, E-tailer (Consumer Segment)	1,837.0	2,190.2	-16%
IT Reseller (Business Segment)	3,059.6	2,648.2	16%
<i>Reconciliation adjustments</i>	(212.4)	(147.5)	44%
Sales from contracts with customers	4,684.2	4,690.9	0%

(€/million)	Q4 2022	Q4 2021	% Var.
Retailer, E-tailer (Consumer Segment)	560.5	777.2	-28%
IT Reseller (Business Segment)	919.0	717.3	28%
<i>Reconciliation adjustments</i>	(13.0)	(14.4)	-10%
Sales from contracts with customers	1,466.5	1,480.1	-1%

Lastly, looking at the **customer segments**, in 2022, the southern European market recorded growth of 9% in the *Business Segment* (IT Reseller), and a decline of 9% in the *Consumer Segment* (Retailer, E-tailer), worsening further with respect to the close of September 2022 (-7%). Compared to the previous year, Group sales outperformed the market in the *Business Segment* (Euro 3,059.6 million, +16%) and underperformed in the *Consumer Segment* (Euro 1,837.0 million, -16%).

The weight of sales to IT Resellers in 2022 rose to 62% compared to 55% in the previous year, gradually reducing the weight of the Consumer Segment, which is subject to greater discount pressures.

Gross profit totalled Euro 244.3 million, +5% compared to 2021 (Euro 232.9 million) due to the significant increase in the percentage margin (5.22% in 2022 compared to 4.96% in 2021), in turn a result of the greater incidence of high profit margin product categories that, in line with the Group's strategy, accounted for 42% of revenues, up from 38% in 2021. It should also be noted that profit margins improved on all business lines.

The increase in the percentage margin is particularly significant as it is obtained despite the higher cost of transport to customers due to increased fuel costs, and the increase in the cost of programmes for the assignment of receivables without recourse as a result of the dizzying growth in interest rates ordered by the European Central Bank.

¹ The costs attributed to each pillar are direct sales and marketing costs, and certain categories of general and administrative expenses directly attributable to each business line (e.g. credit insurance costs, inventory costs); the remaining G&A costs are distributed in proportion to the weight of the business line on total sales. The results are not audited.

EBITDA Adjusted amounted to Euro 90.7 million, up by 5% compared to Euro 86.1 million in 2021², and is calculated gross of non-recurring costs amounting to Euro 2.8 million incurred by the parent company Esprinet S.p.A. in relation to the voluntary public tender offer for all of the ordinary shares of the Italian company Cellularline S.p.A.

The incidence on sales went up to 1.94% compared to 1.84% in 2021, despite the increase in the weight of operating costs (from 3.13% in 2021 to 3.28% in 2022) as a result of inflationary phenomena that had a heavy impact on utility costs and the cost of personnel indemnities accrued both in Italy and in Spain to compensate for the non-renewal and/or adjustment of national collective labour agreements. Additional components of the increase in operating costs are attributable to investment in new personnel, the cost of managing warehouses in 2021, and costs related to the recovery of mobility and promotional and communication activities due to the elimination of Covid-19 restrictions.

EBIT Adjusted, gross of Euro 2.8 million in non-recurring costs referred to above, amounted to Euro 73.4 million, +5% compared to Euro 69.8 million in 2021. The incidence on sales increased to 1.57% from 1.49% in 2021.

EBIT amounted to Euro 70.7 million, +3% compared to Euro 68.4 million in 2021.

Profit before income taxes amounted to Euro 62.9 million, +3% compared to Euro 60.8 million in 2021.

Net income amounted to Euro 47.3 million, +7% compared to Euro 44.1 million in 2021.

Basic earnings per ordinary share, equal to Euro 0.96, showed an increase of 8% compared with the value in 2021 (Euro 0.89).

The **Cash Conversion Cycle**³ closed at 26 days (+13 days vs Q4 21 and +5 days vs Q3 22). In particular, the following trends were recorded:

- Days sales of inventory (DSI): +17 days vs Q4 21 (+2 days vs Q3 22),
- Days sales outstanding (DSO): +5 days vs Q4 21 (+2 days vs Q3 22),
- Days payable outstanding (DPO): +9 days vs Q4 21 (-1 days vs Q3 22).

A negative **Net Financial Position** of roughly Euro 83.0 million was recorded, an improvement over 30 September 2022 (when it was negative by Euro 382.5 million) but worse than the figure as at 31 December 2021 (positive by Euro 227.2 million). The change compared to 30 September 2022 is attributable to the usual lower absorption of Net Working Capital in correspondence with the peak seasonality of the business.

The value of the exact net financial position as at 31 December is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' factoring of trade receivables (factoring, confirming and securitisation), and trends in the behaviour of customers and suppliers at different times of the year. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned programmes for the factoring and securitisation of trade receivables, which result in complete transfer of risks and benefits to assignees and therefore allow their derecognition from statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 31 December 2022 of Euro 540.2 million (Euro 561.0 million euro as at 31 December 2021).

² Non-recurring costs of Euro 1.4 million in 2021 relate to the expansion of the warehouses in Italy and the fitting out of the new headquarters in Madrid, in which the personnel taken on as a result of the various acquisitions and located in several areas of the city were concentrated.

³ Equal to the average number of days of turnover of Operating Net Working Capital of the last 4 quarters, calculated as the sum of trade receivables, inventories and trade payables.

Net equity totalled Euro 409.2 million compared to Euro 386.1 million as at 31 December 2021.

ROCE was **13.3%**, compared to 20.5% in 2021. The main changes related to this trend can be summarised as follows:

- “**NOPAT - Net Operating Profit Less Adjusted Taxes**” grew compared to 2021;
- **Average Net Invested Capital**, measured before the effects of the introduction of IFRS 16, increased (+65%) due to the increase in the Average Net Working Capital.

(€/million)	FY 2022	FY 2021
Operating profit (Adj. EBIT) ⁴	71.1	68.5
NOPAT ⁵	53.3	49.7
Average Net Invested Capital ⁶	400.7	242.4
ROCE ⁷	13.3%	20.5%

MAIN RESULTS OF ESPRINET SPA AS AT 31 DECEMBER 2022

Sales from contracts with customers amounted to Euro 2,719.2 million, down by 4% compared to Euro 2,830.1 million in 2021.

The **Gross profit** amounted to Euro 141.3 million, marking an increase of +1% compared to 2021 (Euro 139.4 million) due to the improvement in the percentage margin, which went from 4.93% in 2021 to 5.20% in 2022.

EBITDA Adjusted, calculated gross of one-off costs⁸ of Euro 2.8 million, totalled Euro 42.1 million, -2% compared to Euro 42.9 million in 2021, calculated gross of one-off costs⁹ of Euro 1.1 million.

EBIT Adjusted, gross of Euro 2.8 million in non-recurring costs cited above, amounted to Euro 30.4 million, -4% compared to Euro 31.8 million in 2021, calculated gross of non-recurring costs of Euro 1.1 million cited above. The incidence on sales was confirmed at 1.12%.

EBIT came to Euro 27.6 million, marking a decrease of 10% compared to Euro 30.6 million in 2021.

Profit before income taxes amounted to Euro 22.4 million, -16% compared to Euro 26.5 million in 2021.

Net income amounted to Euro 16.1 million, -13% compared to Euro 18.5 million in 2021.

The **Net Financial Position** was negative for Euro 16.9 million, compared to a liquidity surplus of Euro 126.0 million as at 31 December 2021 resulting from the higher absorption of Net Working Capital during the year. The value of the exact net financial position as at 31 December is influenced by technical factors like the seasonality of the business, the trend in ‘non-recourse’ factoring of trade receivables (factoring, confirming and securitisation), and trends in the behaviour of customers and suppliers at different times of the year. Therefore, it is not representative of the average levels of net

⁴ Equal to the sum of EBITs – excluding the effects of IFRS 16 – in the last 4 quarters.

⁵ Operating profit (Adj. EBIT), as defined above, net of taxes calculated at the actual tax rate of the reference annual consolidated financial statements.

⁶ Equal to the average of “Loans” at the closing date of the period and at the four previous quarterly closing dates (excluding the equity effects of IFRS 16).

⁷ Equal to the ratio between (a) NOPAT, as defined above, and (b) the average net invested capital as defined above.

⁸ One-off costs were incurred by the parent company Esprinet S.p.A. in relation to the voluntary Public Tender Offer for all of the ordinary shares of the Italian company Cellularline S.p.A.

⁹ The one-off costs relate to the expansion of the warehouses in Italy.

financial indebtedness noted during the period. The aforementioned programmes for the factoring and securitisation of trade receivables, which result in complete transfer of risks and benefits to assignees and therefore allow their derecognition from statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 31 December 2022 of Euro 226.4 million (Euro 299.2 million as at 31 December 2021).

Net equity totalled Euro 269.3 million (Euro 277.6 million as at 31 December 2021).

DIVIDEND PROPOSAL

The Board of Directors resolved to propose that the Shareholders' Meeting distribute a dividend of Euro 0.54 per share, unchanged with respect to the amount paid in 2022 and 2021.

This dividend of Euro 0.54 per share underlies a pay-out ratio of approximately 56%, consistent with the Group's robust growth plans presented to the market in November 2021.

In addition, the Board of Directors proposes that the dividend actually approved by the Shareholders' Meeting be paid from 26 April 2023 (ex-coupon no. 17 on 24 April 2023 and record date on 25 April 2023).

BUSINESS OUTLOOK

The Covid emergency now appears to have been fully overcome with a return to normality of the procurement of all product lines, with very few limited exceptions.

The long-term demand for the digital solutions distributed by the Group is expected by all analysts to grow strongly both due to constant product innovation and to the increased adoption of these technologies by large segments of the population and companies following the pandemic shock.

In addition to this structural scenario, which applies substantially to any geographical market, in Italy and Spain, the two main countries in which the Group operates, there is also an important demand acceleration driver represented by funds linked to the NRRPs (National Recovery and Resilience Plans): these countries are recipients of almost the 55% of the total amount allocated by the European Union and over 20% of this figure is allocated to digital innovation.

The combination of these phenomena makes it possible to look at medium/long-term demand with great optimism.

In the first few months of 2023, a climate of macroeconomic uncertainty still prevails, making short-term planning extremely difficult.

In fact, if we look to the next few months, it is necessary to highlight how the inflationary scenario and the interest rate increases already sustained, in addition to those that many analysts expect for the near future, lead to consider the possibility of the countries where the Group operates entering a period of recession.

On the other hand, some analysts predict an increase in GDP, albeit more limited than forecasts made available before the invasion of Ukraine by Russia, supported by the wide availability of savings accumulated during the pandemic period and by the speed with which European economies in particular have been able to react to the changing context.

Since the change in demand for Information Technology has historically been a multiple of the GDP growth rate, it is difficult to predict short-term trends.

Sector analysts, such as IDC, currently expect a low single-digit percentage increase in demand in the Group's reference markets considering, however, a strong reduction in the volumes of PCs and in Italy also of televisions.

The Group decisively continues to implement its strategic plan, which focuses on expanding its presence in the greater added-value Solutions and Services segments, finding value in lower profitability lines such as telephones and computers (so called "Screens") only with optimal management of working capital levels.

In the short term, therefore, the reduction of excess inventory, accumulated due to the combined effect of the reopening of post-pandemic supply chains and the slowdown in consumer demand, has become a priority for the Group.

This is accompanied by the continuous search for development opportunities also in other areas of Western Europe for the "Solutions" business lines and the acceleration of the spread of value-added services in the portfolio, with particular emphasis on operational rental (Esprirent).

Despite the short-term uncertainty, the Group, with its proven ability to execute, excellent relationships with the ecosystem of its customers and suppliers, also attested by record results in terms of Customer Satisfaction, and a favorable long-term scenario, believes to be able to achieve satisfactory economic results also in 2023 together with the desired strong improvement in the level of net working capital absorption, consequently guaranteeing excellent returns on invested capital.

As usual, the Group will present its profitability guidance for the current fiscal year at the time of the presentation of the first quarter results expected in mid-May.

NOTICE OF CALL OF ORDINARY SHAREHOLDERS' MEETING

The Ordinary Shareholders' Meeting of Esprinet S.p.A. will be held, in a single call, on 20 April 2023 to discuss the following agenda:

1. Financial Statements as at 31 December 2022
 - 1.1 Approval of the Financial Statements as at 31 December 2022, Directors' Report on Operations, Statutory Auditors' Report and Independent Auditors' Report. Presentation of the Consolidated Financial Statements as at 31 December 2022 and the Consolidated Non-Financial Statements pursuant to Legislative Decree No. 254 of 30/12/2016 - Sustainability Report.
 - 1.2 Allocation of the result for the year.
 - 1.3 Dividend distribution.
2. Report on the remuneration policy and compensation paid
 - 2.1 Non-binding resolution on the second section pursuant to art. 123-ter, paragraph 6 of the TUF.
3. Proposal to authorise the purchase and disposal of own shares, within the maximum number permitted and with a term of 18 months; contextual revocation, for any unused portion, of the authorisation resolved by the Shareholders' Meeting of 14 April 2022.

AUTHORISATION TO PURCHASE OWN SHARES

The Board of Directors of Esprinet S.p.A. resolved to submit to the Ordinary Shareholders' Meeting the proposal to authorise the purchase and disposal of own shares.

The reasons behind the proposal of the authorisation of the Shareholders' Meeting to purchase and sell own shares are as follows:

- i) reduction in share capital, in value or number of shares;
- ii) fulfilment of obligations arising from share option programmes or other assignments of shares to employees or members of the board of directors of the Company or its subsidiaries or affiliates; and
- iii) in order to buy own shares held by employees of the Company or its subsidiaries and allotted or subscribed pursuant to articles 2349 and 2441, paragraph 8 of the Italian Civil Code, or arising from compensation plans approved under art. 114-bis of the TUF;

as specified in more detail in the Report of the Board of Directors prepared pursuant to art. 125-ter of the TUF, to which reference is made, and which will be made available to the public within the terms of the law at the registered office, on the Company's website at www.esprinet.com, and on the authorised "eMarket Storage" storage mechanism at www.emarketstorage.com.

The proposal envisages that: the maximum number of shares that can be purchased for a period of 18 months is equal to 5% of the share capital of the Company, without calculating the number of treasury shares in the portfolio at the date of approval of the authorization resolution; purchases must be made in compliance with the provisions of art. 132 of the TUF, of art. 144-bis of the Issuers' Regulation and any other applicable legislation, as well as the market practices permitted by Consob, where applicable (so as to benefit, where appropriate, from the protection ensured by the safe harbour envisaged pursuant to art. 5 of EU Reg. no. 596/2014 or by permitted market practices in force from time to time, where applicable), ensuring equal treatment among Shareholders, at a price between the minimum and maximum price established in the Report.

The Company currently owns 1,011,318 own shares, equal to 2.01% of the share capital. Esprinet's subsidiaries do not hold any shares in the Company.

The executive charged with the drawing up of the Company's accounting documents, Pietro Aglianò, declares that, in compliance with the provisions of paragraph 2 of art. 154-bis of Legislative Decree No. 58/1998 (T.U.F. - Consolidated Law on Finance), the financial data shown in this press release corresponds to the findings resulting from accounting documents, books and accounting records.

With regard to the financial statement formats required by law, it should be specified that the statutory audit of the data has not been completed and, in the case of reclassified financial statements, that the data are not subject to statutory audit.

Esprinet is an enabler of the technological ecosystem, promoting tech democracy with a strong vocation for environmental and social sustainability. With a comprehensive offering of advisory services, IT security, services and products for sale or rental through an extensive network of professional resellers, Esprinet is the leading Group in Southern Europe (Italy, Spain and Portugal), the fourth in Europe and in the top ten at the global level. Boasting more than 1,800 employees and € 4.7 billion in turnover in 2022, Esprinet (PRT:IM - ISIN IT0003850929) is listed on Borsa Italiana, the Italian stock exchange.

Press release available on www.esprinet.com and on www.emarketstorage.com

For more information:

INVESTOR RELATIONS

ESPRINET S.p.A.
Tel. +39 02 404961
Giulia Perfetti
giulia.perfetti@esprinet.com

CORPORATE COMMUNICATION

ESPRINET S.p.A.
Tel. +39 02 404961
Paola Bramati
paola.bramati@esprinet.com

CORPORATE COMMUNICATION CONSULTANTS

BARABINO & PARTNERS

Tel: +39 02 72023535

Federico Vercellino
E-mail: f.vercellino@barabino.it
Mob: +39 331 5745171

Linda Battini
E-mail: l.battini@barabino.it
Mob: +39 347 4314536

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(€/000)	2022	2021	% Var.
Sales from contracts with customers	4,684,164	4,690,947	0%
Cost of goods sold excl. factoring/securitisation	4,433,031	4,454,299	0%
Financial cost of factoring/securitisation ⁽¹⁾	6,826	3,755	82%
Gross Profit⁽²⁾	244,307	232,893	5%
<i>Gross Profit %</i>	<i>5.22%</i>	<i>4.96%</i>	
Personnel costs	87,056	83,295	5%
Other operating costs	66,579	63,456	5%
EBITDA adjusted⁽³⁾	90,672	86,142	5%
<i>EBITDA adjusted %</i>	<i>1.94%</i>	<i>1.84%</i>	
Depreciation and amortisation	5,728	5,289	8%
IFRS 16 Right of Use depreciation	11,532	11,026	5%
Goodwill impairment	-	-	n/s
EBIT adjusted⁽³⁾	73,412	69,827	5%
<i>EBIT adjusted %</i>	<i>1.57%</i>	<i>1.49%</i>	
Non recurring costs ⁽⁴⁾	2,754	1,416	94%
EBIT	70,658	68,411	3%
<i>EBIT %</i>	<i>1.51%</i>	<i>1.46%</i>	
IFRS 16 interest expenses on leases	3,260	3,183	2%
Other financial (income) expenses	3,439	2,745	25%
Foreign exchange (gains) losses	1,064	1,709	-38%
Profit before income taxes	62,895	60,774	3%
Income taxes	15,549	16,694	-7%
Net income	47,346	44,080	7%
- of which attributable to non-controlling interests	-	(103)	100%
- of which attributable to the Group	47,346	44,183	7%

NOTE

⁽¹⁾ Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring and securitization programs.

⁽²⁾ Gross of amortization/depreciation that, by destination, would be included in the cost of sales.

⁽³⁾ Adjusted as gross of non-recurring items.

⁽⁴⁾ Of which Euro 2.8 million otherwise included in "Other operating costs" and, with reference to 2021, of which Euro 1.4 million otherwise included in "Other operating costs".

CONSOLIDATED INCOME STATEMENT

(€/000)	2022	non - recurring	2021	non - recurring
Sales from contracts with customers	4,684,164	-	4,690,947	-
Cost of sales	(4,441,195)	-	(4,459,057)	-
Gross profit	242,969	-	231,890	-
Sales and marketing costs	(71,333)	-	(66,351)	-
Overheads and administrative costs	(100,510)	(2,754)	(97,482)	(1,416)
Impairment loss/reversal of financial assets	(468)	-	354	-
Operating income (EBIT)	70,658	(2,754)	68,411	(1,416)
Finance costs - net	(7,763)	-	(7,637)	-
Profit before income taxes	62,895	(2,754)	60,774	(1,416)
Income tax expenses	(15,549)	768	(16,694)	386
Net income	47,346	(1,986)	44,080	(1,030)
- of which attributable to non-controlling interests	-	-	(103)	-
- of which attributable to Group	47,346	(1,986)	44,183	(1,030)
Earnings per share - basic (euro)	0.96	-	0.89	-
Earnings per share - diluted (euro)	0.95	-	0.88	-

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€/000)	2022	2021
Net income (A)	47,346	44,080
Other comprehensive income:		
- Changes in translation adjustment reserve	(8)	22
Other comprehensive income not be reclassified in the separate income statement:		
- Changes in 'TFR' equity reserve	428	133
- Taxes on changes in 'TFR' equity reserve	(103)	(32)
Other comprehensive income (B):	317	123
Total comprehensive income (C=A+B)	47,663	44,203
- of which attributable to Group	47,663	44,297
- of which attributable to non-controlling interests	-	(94)

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2022	31/12/2021
Fixed assets	258,453	245,222
Operating net working capital	261,593	(75,832)
Other current assets/liabilities	(3,222)	12,104
Other non-current assets/liabilities	(24,574)	(22,553)
Total uses	492,250	158,941
Short-term financial liabilities	82,163	55,195
Lease liabilities	10,740	9,829
Current financial (assets)/liabilities for derivatives	24	2
Financial receivables from factoring companies	(3,207)	(3,128)
Current debts for investments in subsidiaries	2,455	1,854
Other financial receivables	(10,336)	(9,857)
Cash and cash equivalents	(172,185)	(491,471)
Net current financial debt	(90,346)	(437,576)
Borrowings	71,118	106,531
Lease liabilities	101,661	102,253
Non-current debts for investments in subsidiaries	600	1,615
Net Financial debt	83,033	(227,177)
Net equity	409,217	386,118
Total sources of funds	492,250	158,941

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2022	31/12/2021
ASSETS		
Non - current assets		
Property, plant and equipment	20,199	13,856
Right of use assets	106,860	107,504
Goodwill	110,303	102,200
Intangibles assets	9,652	8,527
Deferred income tax assets	9,091	10,713
Receivables and other non - current assets	2,348	2,422
	258,453	245,222
Current assets		
Inventory	672,688	529,502
Trade receivables	701,071	585,522
Income tax assets	1,113	310
Other assets	68,908	70,330
Cash and cash equivalents	172,185	491,471
	1,615,965	1,677,135
Total assets	1,874,418	1,922,357
EQUITY		
Share capital	7,861	7,861
Reserves	354,010	334,074
Group net income	47,346	44,183
Total equity	409,217	386,118
LIABILITIES		
Non - current liabilities		
Borrowings	71,118	106,531
Lease liabilities	101,661	102,253
Deferred income tax liabilities	16,646	14,784
Retirement benefit obligations	5,354	5,232
Debts for investments in subsidiaries	600	1,615
Provisions and other liabilities	2,574	2,537
	197,953	232,952
Current liabilities		
Trade payables	1,112,166	1,190,856
Short-term financial liabilities	82,163	55,195
Lease liabilities	10,740	9,829
Income tax liabilities	1,058	4,287
Derivative financial liabilities	24	2
Debts for investments in subsidiaries	2,455	1,854
Provisions and other liabilities	58,642	41,264
	1,267,248	1,303,287
Total liabilities	1,465,201	1,536,239
Total equity and liabilities	1,874,418	1,922,357

CONSOLIDATED STATEMENT OF CASH FLOWS

(euro/000)	2022	2021
Cash flow provided by (used in) operating activities (D=A+B+C)	(251,407)	21,652
Cash flow generated from operations (A)	89,907	84,518
Operating income (EBIT)	70,658	68,411
Income from business combinations	-	(168)
Depreciation, amortisation and other fixed assets write-downs	17,260	16,315
Net changes in provisions for risks and charges	37	(1,218)
Net changes in retirement benefit obligations	(163)	(562)
Stock option/grant costs	2,115	1,740
Cash flow provided by (used in) changes in working capital (B)	(319,329)	(50,340)
Inventory	(143,171)	(110,126)
Trade receivables	(113,199)	23,526
Other current assets	1,186	(26,092)
Trade payables	(79,614)	65,222
Other current liabilities	15,469	(2,870)
Other cash flow provided by (used in) operating activities (C)	(21,985)	(12,526)
Interests paid	(5,249)	(4,865)
Received interests	156	34
Foreign exchange (losses)/gains	(1,532)	(1,473)
Income taxes paid	(15,360)	(6,222)
Cash flow provided by (used in) investing activities (E)	(19,059)	(17,016)
Net investments in property, plant and equipment	(10,927)	(5,373)
Net investments in intangible assets	(1,503)	(466)
Net investments in other non current assets	106	39
Subsidiaries business combination	(6,735)	(11,216)
Cash flow provided by (used in) financing activities (F)	(48,820)	(72,093)
Medium/long term borrowing	13,000	26,500
Repayment/renegotiation of medium/long-term borrowings	(36,691)	(30,447)
Leasing liabilities reimbursement	(10,841)	(9,660)
Net change in financial liabilities	13,964	(8,482)
Net change in financial assets and derivative instruments	(536)	(2,691)
Deferred price acquisitions	(2,154)	(220)
Dividend payments	(25,562)	(27,234)
Own shares acquisition	-	(19,859)
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	(319,286)	(67,457)
Cash and cash equivalents at year-beginning	491,471	558,928
Net increase/(decrease) in cash and cash equivalents	(319,286)	(67,457)
Cash and cash equivalents at year-end	172,185	491,471

ESPRINET SPA RECLASSIFIED INCOME STATEMENT

(€/000)	2022	2021	% Var.
Sales from contracts with customers	2,719,248	2,830,090	-4%
Cost of goods sold excl. factoring/securitisation	2,574,723	2,688,794	-4%
Financial cost of factoring/securitisation ⁽¹⁾	3,210	1,888	70%
Gross Profit⁽²⁾	141,315	139,408	1%
<i>Gross Profit %</i>	<i>5.20%</i>	<i>4.93%</i>	
Personnel costs	50,180	47,541	6%
Other operating costs	49,055	48,966	0%
EBITDA adjusted⁽³⁾	42,080	42,901	-2%
<i>EBITDA adjusted %</i>	<i>1.55%</i>	<i>1.52%</i>	
Depreciation, amortisation, impairment	3,554	3,288	8%
IFRS 16 Right of Use depreciation	8,160	7,859	4%
Goodwill impairment	-	-	n/s
EBIT adjusted⁽³⁾	30,366	31,754	-4%
<i>EBIT adjusted %</i>	<i>1.12%</i>	<i>1.12%</i>	
Non recurring costs ⁽⁴⁾	2,754	1,109	>100%
EBIT	27,612	30,645	-10%
<i>EBIT %</i>	<i>1.02%</i>	<i>1.08%</i>	
IFRS 16 interest expenses on leases	2,619	2,576	2%
Other financial (income) expenses	1,795	2,678	-33%
Foreign exchange (gains) losses	817	(681)	<100%
Cost (income) from investments	-	(465)	100%
Profit before income taxes	22,381	26,537	-16%
Income taxes	6,321	8,077	-22%
Net income	16,060	18,460	-13%

NOTE

- ⁽¹⁾ Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring and securitization programs.
- ⁽²⁾ Gross of amortization/depreciation that, by destination, would be included in the cost of sales.
- ⁽³⁾ Adjusted as gross of non-recurring items.
- ⁽⁴⁾ Of which Euro 2.8 million otherwise included in "Other operating costs" and, with reference to 2021, of which Euro 1.1 million otherwise included in "Other operating costs".

ESPRINET SPA SEPARATE INCOME STATEMENT

(€/000)	2022	non - recurring	2021	non - recurring
Sales from contracts with customers	2,719,248	-	2,830,090	-
Cost of sales	(2,579,271)	-	(2,691,685)	-
Gross profit	139,977	-	138,405	-
Sales and marketing costs	(47,914)	-	(44,195)	-
Overheads and administrative costs	(64,369)	(2,754)	(63,812)	(1,109)
Impairment loss/reversal of financial assets	(82)	-	247	-
Operating income (EBIT)	27,612	(2,754)	30,645	(1,109)
Finance costs - net	(5,231)	-	(4,573)	-
Investments expenses / (incomes)	-	-	465	-
Result before income taxes	22,381	(2,754)	26,537	(1,109)
Income tax expenses	(6,321)	768	(8,077)	309
Net result	16,060	(1,986)	18,460	(800)
- of which attributable to non-controlling interests	-	-	-	-
- of which attributable to Group	16,060	(1,986)	18,460	(800)

ESPRINET SPA STATEMENT OF COMPREHENSIVE INCOME

(€/000)	2022	2021
Net result (A)	16,060	18,460
Other comprehensive income not be reclassified in the separate income statement:		
- Changes in 'TFR' equity reserve	315	100
- Taxes on changes in 'TFR' equity reserve	(76)	(24)
Other comprehensive income (B):	239	76
Total comprehensive income (C=A+B)	16,299	18,536
- of which attributable to Group	16,299	18,536
- of which attributable to non-controlling interests	-	-

ESPRINET SPA RECLASSIFIED STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2022	31/12/2021
Fixed assets	225,623	210,534
Operating net working capital	(10,841)	(134,976)
Other current assets/liabilities	81,319	86,442
Other non-current assets/liabilities	(9,903)	(10,422)
Total uses	286,198	151,578
Short-term financial liabilities	52,131	31,319
Lease liabilities	7,307	6,905
Financial receivables from factoring companies	(3,207)	(3,128)
Current debts for investments in subsidiaries	2,455	1,854
Financial (assets)/liab. From/to Group companies	(25,922)	(41,077)
Other financial receivables	(10,336)	(9,857)
Cash and cash equivalents	(121,130)	(242,784)
Net current financial debt	(98,702)	(256,768)
Borrowings	34,568	48,014
Lease liabilities	80,442	81,162
Non-current debts for investments in subsidiaries	600	1,615
Net Financial debt	16,908	(125,977)
Net equity	269,290	277,555
Total sources of funds	286,198	151,578

ESPRINET SPA STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2022	31/12/2021
ASSETS		
Non - current assets		
Property, plant and equipment	16,741	10,396
Right of use assets	83,450	84,599
Goodwill	18,282	18,282
Intangibles assets	1,789	772
Investments	101,326	92,369
Deferred income tax assets	2,262	2,372
Receivables and other non - current assets	1,773	1,744
	225,623	210,534
Current assets		
Inventory	373,486	325,931
Trade receivables	348,798	284,092
Income tax assets	745	-
Other assets	172,986	176,881
Cash and cash equivalents	121,130	242,784
	1,017,145	1,029,688
Total assets	1,242,768	1,240,222
EQUITY		
Share capital	7,861	7,861
Reserves	245,369	251,234
Net result for the period	16,060	18,460
Total equity	269,290	277,555
LIABILITIES		
Non - current liabilities		
Borrowings	34,568	48,014
Lease liabilities	80,442	81,162
Deferred income tax liabilities	3,315	3,126
Retirement benefit obligations	3,547	4,082
Debts for investments in subsidiaries	600	1,615
Provisions and other liabilities	3,041	3,214
	125,513	141,213
Current liabilities		
Trade payables	733,125	744,999
Short-term financial liabilities	74,709	49,241
Lease liabilities	7,307	6,905
Income tax liabilities	-	3,478
Debts for investments in subsidiaries	2,455	1,854
Provisions and other liabilities	30,369	14,977
	847,965	821,454
Total liabilities	973,478	962,667
Total equity and liabilities	1,242,768	1,240,222

ESPRINET SPA STATEMENT OF CASH FLOWS

(euro/000)	2022	2021
Cash flow provided by (used in) operating activities (D=A+B+C)	(89,337)	34,045
Cash flow generated from operations (A)	40,878	44,074
Operating income (EBIT)	27,612	30,645
Depreciation, amortisation and other fixed assets write-downs	11,714	11,147
Net changes in provisions for risks and charges	(173)	1,032
Net changes in retirement benefit obligations	(258)	(372)
Stock option/grant costs	1,983	1,622
Cash flow provided by (used in) changes in working capital (B)	(115,944)	(4,115)
Inventory	(47,555)	(61,636)
Trade receivables	(64,706)	20,410
Other current assets	(6,792)	(25,562)
Trade payables	(11,478)	71,147
Other current liabilities	14,587	(8,474)
Other cash flow provided by (used in) operating activities (C)	(14,271)	(5,914)
Interests paid	(3,378)	(3,190)
Received interests	208	52
Foreign exchange (losses)/gains	(1,213)	(1,289)
Income taxes paid	(9,888)	(1,487)
Cash flow provided by (used in) investing activities (E)	(18,030)	(15,573)
Net investments in property, plant and equipment	(9,617)	(3,878)
Net investments in intangible assets	(1,299)	(354)
Net investments in other non current assets	(29)	(619)
Subsidiaries business combination	(7,085)	(12,033)
Subsidiaries share plans reimbursement	-	256
Celly merger	-	590
Dividends	-	465
Cash flow provided by (used in) financing activities (F)	(14,287)	(102,778)
Medium/long term borrowing	13,000	25,000
Repayment/renegotiation of medium/long-term borrowings	(18,073)	(13,992)
Leasing liabilities reimbursement	(7,547)	(6,961)
Net change in financial liabilities	16,107	761
Short-term borrowing received/(granted)	10,500	(58,000)
Net change in financial assets and derivative instruments	(558)	(2,720)
Deferred price acquisitions	(2,154)	(220)
Dividend payments	(25,562)	(26,787)
Own shares acquisition	-	(19,859)
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	(121,654)	(84,306)
Cash and cash equivalents at year-beginning	242,784	327,090
Net increase/(decrease) in cash and cash equivalents	(121,654)	(84,306)
Cash and cash equivalents at year-end	121,130	242,784

Fine Comunicato n.0533-4

Numero di Pagine: 20