

Informazione Regolamentata n. 0163-15-2023	Data/Ora Ricezione 15 Maggio 2023 18:18:47	Euronext Star Milan
--	--	---------------------

Societa' : IRCE
Identificativo : 177040
Informazione
Regolamentata
Nome utilizzatore : IRCEN01 - CASADIO ELENA
Tipologia : 3.1
Data/Ora Ricezione : 15 Maggio 2023 18:18:47
Data/Ora Inizio : 15 Maggio 2023 18:18:48
Diffusione presunta
Oggetto : Interim report on operation at 31st march
2023

Testo del comunicato

Vedi allegato.



INTERIM REPORT ON OPERATIONS AT 31ST MARCH 2023

The Board of Directors has today approved the consolidated financial statements as at 31st March 2023.

In the first quarter 2023, IRCE Group (hereinafter also the "Group") recorded a profit of the period of € 2.57 million.

Consolidated turnover was € 113.19 million, down 10.3% compared to € 126.12 million in the same period of 2022, a reduction due to lower volumes and to the drop in the copper price (LME average price in euro, in the first quarter of 2023, was 6.5% lower than in the same period of 2022), partially offset by the increase of the prices of processing.

In this first quarter, market demand is still weak in both business units. In the winding wire sector, volumes are low, but improving, if compared to the fourth quarter of 2022, also thanks to the positive situation in the non-European markets; also cables sector recorded a drop in sales volumes but accompanied by an increase of the order portfolio at the end of the quarter.

To support results, the Group adopted pricing policies to limit the negative impact of production costs increases, while we registered the first reductions of the electricity price.

Results are reported in the following table.

Consolidated income statement data (€/million)	1 st quarter 2023	1 st quarter 2022	Change
Turnover ¹	113.19	126.12	(12.93)
Turnover without metal ²	26.38	24.85	1.53
EBITDA ³	5.51	5.38	0.13
EBIT	3.57	3.23	0.34
Result before tax	3.28	2.82	0.46
Net Result of the period	2.57	1.65	0.92
Adjusted EBITDA ⁴	5.73	6.04	(0.31)
Adjusted EBIT ⁴	3.79	3.89	(0.10)

¹ The item "Turnover" represents the "Revenues" reported in the income statement.

² Turnover without metal corresponds to the total turnover less the metal component.

³ EBITDA is a performance indicator the Group's Management uses to assess the operating performance of the company and is not an IFRS measure; IRCE S.p.A. calculates it by adding depreciation/amortisation, provisions and write-downs to EBIT.

⁴ Adjusted EBITDA and EBIT are calculated as the sum of EBITDA and EBIT and the gains/losses on copper and electricity derivatives transactions (€ +0.22 million in 1st quarter 2023 and +€ 0.66 million in 1st quarter 2022). These are indicators the Group's Management uses to monitor and assess its own operating performance and are not IFRS measures. Given that the composition of these measures is not regulated by the reference accounting standards, the criterion used by the Group may not be consistent with that adopted by others and is therefore not comparable.

PRESS RELEASE

Consolidated statement of financial position data (€/million)	As of 31.03.2023	As of 31.12.2022	Change
Net invested capital ⁵	207.02	204.69	2.33
Shareholders' equity	147.99	144.79	3.20
Net financial position ⁶	59.03	59.90	(0.87)

As at March 31, 2023 net financial position was € 59.03 million, down from € 59.90 million as at December 31, 2022, thanks to cash flow generated from operating activities.

The Group's investments, in the first quarter 2023, were € 3.12 million, mainly related to IRCE S.p.A.

To date, volumes are still low, while the pressure on margins due to raw material and energy costs eased; a recovery in demand is expected from mid-year onwards. The group continues its strategy of focusing on more highly specialized sectors and products with expected significant growth.

The manager responsible for preparing the company's financial reports, Mrs Elena Casadio, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance that the accounting information contained in this press release corresponds to our books and accounting records.

Imola, 15th May 2023

IRCE SPA

Contacts:

Investor relator: Mr. Sepriano Gianfranco
Tel. + 39 0382 77535 e-mail: gianfranco.sepriano@irce-group.com

Head of Corporate Information: Ms. Elena Casadio
Tel. + 39 0542 661220 e-mail: elena.casadio@irce-group.com

IRCE Group is an important player in the winding wires and electric cable sector. The production is deployed in 3 facilities in Italy and 5 facilities abroad: Nijmegen (NL), Blackburn (UK), Joinville SC (Brazil), Kochi (India) and Kierspe (Germany). The Group includes also 5 commercial companies; four of them are located outside Italy (Germany, Spain, Switzerland, Poland) and three companies currently inoperative (Czech Republic, China and India). The Group employed globally 646 employees.

⁵ Net invested capital is the sum of net working capital, fixed assets, other receivables net of other payables, provisions for risks and charges and provisions for employee benefits.

⁶ The methods for measuring the net financial position as defined by Consob's Notice no. 5/21 of 29 April 2021, which incorporates the ESMA Guideline published on 4 March 2021.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousand of Euro)	2023 31 March	2022 31 December
ASSETS		
Non current assets		
Goodwill and other intangible assets	61	49
Property, plant and machinery	36,614	37,961
Equipments and other tangible assets	1,281	1,374
Assets under constructions and advances	15,156	12,278
Non current financial assets	5	5
Deferred tax assets	2,436	2,357
Other non current assets non financial	2,864	2,813
NON CURRENT ASSETS	58,417	56,837
Current assets		
Inventories	122,139	117,988
Trade receivables	74,506	61,586
Tax receivables	2,684	2,676
<i>(of which related parties)</i>	<i>2,175</i>	<i>2,175</i>
Other current assets	4,564	5,659
Current financial assets	704	490
Cash and cash equivalent	8,039	5,608
CURRENT ASSETS	212,636	194,007
TOTAL ASSETS	271,053	250,844

PRESS RELEASE

(Thousand of Euro)	2023 31 March	2022 31 December
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	13,802	13,802
Reserves	131,947	122,084
Profit (loss) for the period	2,569	9,224
Shareholders' equity attributable to shareholders of Parent company	148,318	145,110
Shareholders equity attributable to Minority interests	(326)	(325)
TOTAL SHAREHOLDERS' EQUITY	147,992	144,785
Non current liabilities		
Non current financial liabilities	17,835	19,777
Deferred tax liabilities	332	338
Non current provisions for risks and charges	558	280
Non current provisions for post employment obligation	3,354	3,449
NON CURRENT LIABILITIES	22,079	23,844
Current liabilities		
Current financial liabilities	49,940	46,224
Trade payables	41,278	27,240
Current tax payables	644	555
Social security contributions	1,531	2,000
Other current liabilities	7,352	5,939
Current provisions for risks and charges	237	257
CURRENT LIABILITIES	100,982	82,215
SHAREHOLDERS' EQUITY AND LIABILITIES	271,053	250,844

CONSOLIDATED INCOME STATEMENT

(Thousand of Euro)	2023 31 March	2022 31 March
Sales revenues	113,191	126,115
Other revenues and income	186	285
TOTALE REVENUES AND INCOME	113,377	126,400
Raw materials and consumables	(93,689)	(107,011)
Change in inventories of work in progress and finished goods	3,761	7,238
Cost for services	(10,116)	(12,991)
Personnel costs	(7,555)	(7,797)
Amortization /depreciation/write off tangible and intangible assets	(1,629)	(1,662)
Provision and write downs	(308)	(494)
Other operating costs	(271)	(456)
EBIT	3,570	3,227
Financial income / (charges)	(288)	(407)
RESULT BEFORE TAX	3,282	2,820
Income taxes	(713)	(1,193)
NET RESULT FOR THE PERIOD	2,569	1,627
Net result for the period attributable to non-controlling interests	-	(20)
Net result for the period attributable to the parent company	2,569	1,647

Earnings/(loss) per share (EPS)

- basic EPS for the period attributable to ordinary shareholders of the Parent Company	0.097	0.063
- diluted EPS for the period attributable to ordinary shareholders of the Parent Company	0.097	0.063

CONSOLIDATED STATEMENT OF CASH FLOW

(Thousand of Euro)	2023 31 March	2022 31 March
OPERATING ACTIVITIES		
Result of the period (Group and Minorities)	2,569	1,627
<i>Adjustments for:</i>		
Depreciation / Amortization	1,629	1,662
Net change in deferred tax (assets) / liabilities	(76)	54
Capital (gains) / losses from disposal of fixed assets	(11)	(16)
Losses / (gains) on unrealised exchange rate differences	(32)	(84)
Provisions for risks	300	300
Income taxes	790	1,139
Financial (income) / expenses	214	(125)
Operating result before changes in working capital	5,383	4,557
Income taxes paid	(2,733)	(821)
Financial charges paid	(1,114)	(1,342)
Financial income collected	900	1,466
Decrease / (Increase) in inventories	(3,848)	(12,851)
Change in trade receivables	(12,711)	(520)
Change in trade payables	13,993	2,593
Net changes in current other assets and liabilities	4,152	(4,176)
Net changes in current other assets and liabilities - related parties	-	784
Net changes in non current other assets and liabilities	(114)	18
CASH FLOW FROM OPERATING ACTIVITIES	3,908	(10,292)
INVESTING ACTIVITIES		
Investments in intangible assets	(20)	-
Investments in tangible assets	(3,102)	(2,620)
Investments in subsidiaries, associates, other entities	-	(25)
Disposals of tangible and intangible assets	189	22
CASH FLOW FROM INVESTING ACTIVITIES	(2,933)	(2,623)
FINANCING ACTIVITIES		
Repayments of loans	(1,863)	(657)
Net changes of current financial liabilities	3,630	7,826
Net changes of current financial assets	(336)	(279)
Sell/(purchase) of own shares	-	(3)
CASH FLOW FROM FINANCING ACTIVITIES	1,431	6,887
NET CASH FLOW FROM THE PERIOD	2,406	(6,028)
CASH BALANCE AT THE BEGINNING OF THE PERIOD	5,608	10,678
Exchange rate differences	25	592
NET CASH FLOW FROM THE PERIOD	2,406	(6,028)
CASH BALANCE AT THE END OF THE PERIOD	8,039	5,242

Fine Comunicato n.0163-15

Numero di Pagine: 8