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Vedi allegato.

PRESS RELEASE

B&C Speakers S.p.A.:

Board of Directors approves Interim Management Report as at June 30, 2023

B&C Speakers S.p.A. confirms trend of clear growth in revenues, margins and profits again in the first six months of 2023

- Consolidated revenue of EUR 48.54 million (up 29.8% compared to EUR 37.39 million in the first six months of 2022);
- Consolidated EBITDA of EUR 12.06 million (up 45.3% compared to EUR 8.30 million in the first six months of 2022);
- Group Comprehensive Income of EUR 8.14 million (also significantly up from the value of EUR 4.63 million in the first six months of 2022);
- Group net financial position of EUR 7.8 million (equal to EUR 9.4 million at the end of 2022);

Bagno a Ripoli (Fi), September 12, 2023 - The **Board of Directors of B&C Speakers S.p.A.**, one of the leading international players in the field of design, production, distribution and marketing of electroacoustic transducers for professional use - listed on the Euronext STAR Milan segment of the Italian Stock Exchange - approved the Group's Interim Report for the first six months of 2023 prepared in accordance with IFRS.

Revenues

In the first half of 2023, the Group's reference market confirmed its great dynamism in continuation of the best performance of 2022. The consolidated turnover thus reached a record value of Euro 48.5 million, an increase of 29.8% compared to the value for the first half of 2022 when it stood at Euro 37.39 million.

In particular, the achieved turnover level is due to both a significant volume growth (+12% compared to the same period in 2022) and the achievement of a better sales mix.

The group achieved revenue growth in almost all its reference markets, largely driven by European and Asian customers, although the excellent performance of the South American market should not be forgotten, which has finally become dynamic again after the pandemic crisis. Below is the complete breakdown by geographical area for the first six months of 2023 compared to the same period of 2022 (all values are in Euro):

Geographical Area	1st half 2023	%	1st half 2023	%	Change	Change %
Latin America	3,946,663	8.1%	1,967,116	5.3%	1,979,547	101%
Europe	23,128,674	47.6%	16,613,429	44.4%	6,515,245	39%
Italy	3,513,022	7.2%	2,243,381	6.0%	1,269,641	57%
North America	8,913,217	18.4%	9,039,968	24.2%	(126,751)	-1%
Middle East & Africa	836,642	1.7%	1,901,412	5.1%	(1,064,770)	-56%
Asia & Pacific	8,203,644	16.9%	5,624,204	15.0%	2,579,440	46%
Total	48,541,862	100.0%	37,389,509	100.0%	11,152,352	29.83%

Cost of sales

During the first six months of 2023, cost of sales showed an improvement in its incidence on revenues compared to the same period of 2022, from 65.7% to 62.7%. This improvement was due to a return of transport costs to pre-pandemic levels and, although to a lesser extent, to an increase in the efficiency of direct personnel costs despite its increase in absolute value (+ 21% compared to H1 2022), determined by the need to support increased production volumes.

Indirect personnel

The cost for indirect personnel decreased as a percentage of revenues from 5.8% to 5.1% in the first half of 2022. In absolute terms, the figure for the first half of 2023 was slightly greater in value, following the hiring of some resources at the technical and production structure.

Commercial expenses

Commercial expenses remained essentially unchanged compared to the first half of 2022.

General and administrative

General and administrative expenses rose compared to the corresponding figure for 2022, increasing their incidence from 5.4% to 6.6%. The rise in general and administrative expenses was mainly due to the increment in external consultancy costs, amounting to €524,000, related to the company acquisition described in the section on events occurred after 30 June 2023 of this press release, and partly to the increase in energy costs.

EBITDA and EBITDA Margin

As a consequence of the dynamics described above, EBITDA for the first six months of 2023 amounted to Euro 12.1 million, showing an increase of Euro 3.76 million (+45.3%) compared to the same period in 2022.

An improvement is also observed in terms of EBITDA margin, with the figure reaching 24.9% of revenue (22.2% in the first six months of the previous year).

As recently announced, on 8th September, B&C Speakers took over Eminence Speakers (a historic professional audio brand with production sites in the US and China). BC incurred a large part of the preparatory expenses for the settlement of this transaction during the first half of 2023. The effect of these non-recurring costs, amounting to about EUR 524 thousands, caused the EBITDA margin to decrease by about 1 percentage point. EBITDA and EBITDA margin gross and net of this effect are shown in the table below:

<i>(€ thousands)</i>	1 half 2023	<i>Incidence</i>	1 half 2022	<i>Incidence</i>
Ebitda	12,059	24.84%	8,298	22.19%
<i>Costs for business aggregation</i>	524	1.08%	-	0.00%
Ebitda adjusted	12,583	25.92%	8,298	22.19%

Amortisation and depreciation

Amortisation and depreciation of tangible and intangible assets and utilisation rights were substantially in line with the first half of the previous year and amounted to €1,035 thousand (€996 thousand in the corresponding period of 2022).

EBIT and EBIT Margin

EBIT for the first six months of 2023 amounted to Euro 11.02 million, an increase of 52.2% compared to the same period of 2022 (Euro 7.24 million). The EBIT margin is 22.7% of revenue (19.4% in the same period of 2022).

Group Net Profit

The Group Net Profit, at the end of the first six months of 2023, amounted to Euro 8.11 million and represented 16.7% of consolidated revenue, with an overall increase of 85.1% compared to the corresponding period of 2022.

The overall **Net Financial Position** was negative and amounted to Euro 7.8 million, compared to a value of Euro 9.4 million at year-end 2022. The excellent generation of operating cash flow for the period (core business generated cash of EUR 9.1 million in the first half of 2023) had a positive impact on the Net Financial Position. This allowed the payment of a dividend of Euro 6.5 million and the fulfilment of the maturities of existing loans, without negatively affecting the total net financial debt.

(values in Euro thousands)

	30 June 2023 (a)	31 December 2022 (a)	Change %
A. Cash	6,987	5,825	20%
C. Other current financial assets	8,671	8,574	1%
D. Cash and cash equivalent (A+C)	15,658	14,399	9%
E. Bank overdrafts	(4,988)	(476)	-
F. Current portion of non current borrowings	(9,360)	(11,519)	-19%
G. Current borrowingse (E+F)	(14,349)	(11,995)	20%
H. Current net financial indebtness (G+D)	1,309	2,404	-46%
I. Non current financial indebtness	(9,171)	(11,818)	-22%
L. Non current financial indebtness	(9,171)	(11,818)	-22%
M. Total financial indebtteness (H+L)	(7,862)	(9,414)	-16%

Below is the reclassified Group Income Statement for the first six months of 2023 compared to the corresponding period of 2022:

Economic trends - Group B&C Speakers

<i>(€ thousands)</i>	1 half 2023	<i>Incidence</i>	1 half 2022	<i>Incidence</i>
Revenues	48,542	100.00%	37,390	100.0%
Cost of sales	(30,468)	-62.77%	(24,560)	-65.7%
Gross margin	18,073	37.23%	12,829	34.3%
Other revenues	170	0.35%	126	0.3%
Cost of indirect labour	(2,490)	-5.13%	(2,161)	-5.8%
Commercial expenses	(479)	-0.99%	(452)	-1.2%
General and administrative expenses	(3,216)	-6.62%	(2,044)	-5.5%
Ebitda	12,059	24.84%	8,298	22.2%
Depreciation and Amortization	(1,035)	-2.13%	(996)	-2.7%
Writedowns	0	0.00%	(58)	-0.2%
Earning before interest and taxes (Ebit)	11,024	22.71%	7,243	19.4%
Writedown of investments in non controlled associates	0	0.00%	-	0.0%
Financial costs	(981)	-2.02%	(2,072)	-5.5%
Financial income	785	1.62%	800	2.1%
Earning before taxes (Ebt)	10,828	22.31%	5,972	16.0%
Income taxes	(2,715)	-5.59%	(1,590)	-4.3%
Profit for the year	8,113	16.71%	4,382	11.7%
Minority interest	0	0.00%	0	0.0%
Group Net Result	8,113	16.71%	4,382	11.7%
Other comprehensive result	26	0.05%	250	0.7%
Total Comprehensive result	8,138	16.77%	4,632	12.4%

Events after June 30, 2023

There are currently no events occurring after 30 June 2023 that require additional notes to this half-yearly report.

As already announced to the market in a press release of 8 September 2023, the Parent Company B&C Speakers S.p.A acquired 100% of the share capital of Eminence Speaker LLC (a company incorporated under US law) from Eminence Holdings LLC and, simultaneously, committed itself to purchase from Eminence Dongguan Enterprise Co. Ltd, (also owned by of Eminence Holdings LLC), a significant portion of its assets through a NewCo (whose establishment is an essential condition for the accomplishment of the agreement) entirely owned by B&C.

The two transactions described above represent a significant step forward in the internationalisation strategy of B&C Speakers. The Group will now benefit from two additional production facilities (one in the USA and one in China) where Eminence brand products are manufactured. Eminence is an historic brand in professional audio and very strong in sectors where the B&C Group's presence is historically smaller.

Business outlook

The mood of the reference market is very positive towards the current year and confirms that the year can close on better production and sales levels than in 2022. The Group's management, given the return to normality of logistics costs and the current stability of input costs, believes that the conditions are in place to work on progressively improving production and structural efficiency. The acquisition of Eminence Speaker will guarantee greater visibility to the entire Group and, reasonably, we believe we will be able to observe the first positive effects as early as the current financial year.

The Consolidated Balance Sheet and Consolidated Income Statement as at June 30, 2023 are shown below

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Values in Euro)	30 June 2023	31 December 2022
ASSETS		
Fixed assets		
Tangible assets	2,637,336	2,513,000
Right of use	4,383,862	4,657,737
Goodwill	2,318,181	2,318,181
Other intangible assets	401,778	400,956
Investments in non controlled associates	-	-
Deferred tax assets	897,507	756,478
Other non current assets	541,717	536,368
	<i>related parties</i> 6,700	6,700
Total non current assets	11,180,381	11,182,720
Currents assets		
Inventory	28,470,118	26,420,332
Trade receivables	22,270,079	21,592,254
Tax assets	0	19,831
Other current assets	12,730,017	14,968,330
Cash and cash equivalents	6,987,479	5,825,350
Total current assets	70,457,693	68,826,097
Total assets	81,638,074	80,008,817
LIABILITIES		
Equity		
Share capital	1,083,624	1,083,955
Other reserves	3,966,055	3,490,104
Foreign exchange reserve	467,143	442,276
Retained earnings	32,768,627	31,676,850
Total equity attributable to shareholders of the parent	38,285,449	36,693,185
Minority interest	-	-
Total equity	38,285,449	36,693,185
Non current liabilities		
Long-term borrowings	5,849,447	8,183,309
Long-term lease liabilities	3,321,945	3,634,895
	<i>related parties</i> 2,766,341	3,086,130
Severance Indemnities	789,317	772,315
Provisions for risk and charges	41,487	41,487
Total non current liabilities	10,002,196	12,632,006
Current liabilities		
Short-term borrowings	13,127,520	10,819,475
Short-term lease liabilities	1,221,286	1,174,874
	<i>related parties</i> 924,519	885,605
Trade liabilities	11,908,717	13,487,204
	<i>related parties</i> 85,312	83,175
Tax liabilities	4,114,645	2,445,913
Other current liabilities	2,978,262	2,756,160
Total current liabilities	33,350,430	30,683,626
Total Liabilities	81,638,075	80,008,817

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Values in Euro)

1 half 2023
1 half 2022

Revenues	48,541,861	37,389,509
Cost of sales	(30,468,416)	(24,560,274)
Other revenues	169,770	126,122
Cost of indirect labour	(2,489,662)	(2,161,166)
Commercial expenses	(478,825)	(452,036)
General and administrative expenses	(3,215,746)	(2,043,868)
Depreciation and amortization	(1,035,166)	(996,493)
Writedowns	-	58,419.00
Earning before interest and taxes	11,023,817	7,243,375
Writedown of investments in non controlled associates	-	0
Financial costs	(981,259)	(2,071,627)
	<i>related parties</i>	(41,873)
Financial income	785,471	800,450
Earning before taxes	10,828,029	5,972,198
Income taxes	(2,715,429)	(1,590,221)
Profit for the year (A)	8,112,600	4,381,977
Other comprehensive income/(losses) for the year that will not be reclassified in income statement:		
Actuarial gain/(losses) on DBO (net of tax)	1,008	27,970
Other comprehensive income/(losses) for the year that will be reclassified in income statement:		
Exchange differences on translating foreign operations	24,867	222,489
Total other comprehensive income/(losses) for the year (B)	25,875	250,459
Total comprehensive income (A) + (B)	8,138,475	4,632,435
Profit attributable to:		
Owners of the parent	8,112,600	4,381,977
Minority interest	-	-
Total comprehensive income attributable to:		
Owners of the parent	8,138,475	4,632,435
Minority interest	-	-
Basic earning per share	0.75	0.40
Diluted earning per share	0.75	0.40

The Manager in charge of preparing the corporate accounting documents of B&C Speakers S.p.A., Francesco Spapperi, certifies - pursuant to Article 154-bis, paragraph 2 of Legislative Decree 58/1998 - that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

B&C Speakers S.p.A. is a leading international player in the design, production, distribution and marketing of electro-acoustic transducers for professional use (the main components of cabinets for the reproduction of music, commonly known as loudspeakers) mainly intended for manufacturers of finished professional audio systems (Original Equipment Manufacturer, OEM). With about 185 employees, of which about 10% in the Research and Development Department, B&C Speakers carries out all design, production, marketing and control activities under the Group's brands: B&C,

18SOUND and CIARE, at its headquarters in Florence and Reggio Emilia. Most of the products are developed on the specific needs of the main customers. B&C Speakers is also present in the USA and Brazil through two subsidiaries that carry out commercial activities.

B&C Speakers S.p.A.

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