

Informazione Regolamentata n. 0163-8-2024	Data/Ora Inizio Diffusione 15 Marzo 2024 18:26:56	Euronext Star Milan
---	--	---------------------

Societa' : IRCE

Identificativo Informazione
Regolamentata : 187489

Utenza - Referente : IRCEN01 - CASADIO

Tipologia : 1.1

Data/Ora Ricezione : 15 Marzo 2024 18:26:56

Data/Ora Inizio Diffusione : 15 Marzo 2024 18:26:56

Oggetto : Approval of 2023 separated and consolidated
financial statements

Testo del comunicato

Vedi allegato



APPROVAL OF 2023 SEPARATED AND CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors has today approved the separated and the consolidated 2023 financial statements.

In 2023, IRCE Group (hereinafter also the "Group") closed the financial year with a profit of € 8.23 million.

Consolidated turnover was € 402.78 million, down by 11.4% compared to € 454.70 million in 2022. The reduction was mainly due to lower volumes sold and, in part, to the drop of copper price (2023 LME average price in Euro was 6,0% lower than in 2022). EBITDA and EBIT improved, compared to the previous year, thanks to higher margins and greater efficiency. Also, the new photovoltaic system contributed to the result.

During the year, the market demand was weak for both business lines. Volumes of winding wires continued to decline during the whole year. In the cable, instead, volumes recorded a small reduction if compared to 2022, in the second half of the year, they registered a significant recovery, thanks to the acquisition of important public contracts in the infrastructure sector.

Results are reported in the following table:

Consolidated income statement data (€/million)	31 December 2023 Value	31 December 2022 Value	Change Value
Turnover ¹	402.78	454.70	(51.92)
Turnover without metal ²	99.23	96.69	2.54
EBITDA ³	21.37	19.37	2.00
EBIT	14.42	11.55	2.87
Result before tax	12.47	10.30	2.17
Group Net Result of the period	8.23	9.22	(0.99)
Adjusted EBITDA ⁴	21.51	19.93	1.58
Adjusted EBIT ⁴	14.56	12.11	2.45

Consolidated statement of financial position data (€/millioni)	31 December 2023 Value	31 December 2022 Value	Change Value
Net invested capital ⁵	178.98	204.84	(25.86)
Shareholders' equity	153.33	144.79	8.55
Net financial position ⁶	25.65	60.05	(34.40)

¹ The item "Turnover" represents the "Sales 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 if realized (€ +0.14 million in year 2023 and € +0.56 million in year of 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.

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.

PRESS RELEASE

As of December 31, 2023, net financial position was € 25.65 million, down from € 60.05 million as of December 31, 2022, thanks to the important reduction in working capital and the cash flow generated by operating activities.

The Group's investments, in the year 2023, amounted to € 14.23 million, and mainly concerned the parent company IRCE S.p.A. and a first part of the investment in the production plant in the Czech Republic. Investments also include the last part of the photovoltaic system in the Imola plant - Italy, which, in addition to reduce the cost of electricity, also contributes to reducing environmental impact.

In the first months of this year, in Europe, the demand for winding conductor remains weak, and we expect a recovery as early as the end of the first half of the year. In the South American market, the situation is better, and sales are in line with those of last year. In the cable business, the current order book, made up of long-term public orders, should allow sales to remain at good levels and better than last year.

The Group continues its strategy of focusing on sectors with higher growth and more specialized products, including automotive and generation and transport of energy.

The Group is not currently exposed to substantial risks arising from Russian-Ukrainian and Middle Eastern conflicts, neither regarding sales nor in relation to the supply chain, as it is not present in those countries and has limited transactions with Asia.

The Board of Directors of IRCE S.p.A. approved the "Consolidated non-financial report" which covers environmental, social, personnel-related issues, respect of human rights and the fight against corruption. The declaration was included in the Annual Report in compliance with the legislative decree 254/2016.

The Board of Directors resolved a proposal to distribute a dividend of € 0.06 per share, with dividend date May 20, 2024, record date May 21, 2024, and day of payment May 22, 2024.

The Shareholder's Meeting is called for April 29, 2024 (first call) and for May 6, 2024 (second call).

The separate and consolidated financial statements as at 31 December 2023 are subject to a legal audit of the accounts by Deloitte & Touche S.p.A., which is in progress.

The "consolidated non-financial report" at 31 December 2023 is subject to limited examination (limited assurance engagement according to the criteria indicated by the ISAE 3000 Revised standard) by Deloitte & Touch S.p.A., which is in progress.

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, 15 March 2024

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 660 employees.

PRESS RELEASE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousand of Euro)	2023 31 December	2022 31 December
ASSETS		
Non current assets		
Goodwill and other intangible assets	136	49
Property, plant and machinery	43,933	37,961
Equipments and other tangible assets	1,852	1,374
Assets under constructions and advances	13,385	12,278
Non current financial assets	5	5
Deferred tax assets	2,495	2,357
Other non current assets non financial	1,196	2,813
NON CURRENT ASSETS	63,002	56,837
Current assets		
Inventories	94,495	117,988
Trade receivables	67,157	61,498
Tax receivables	22	2,676
<i>(of which related parties)</i>	-	2,175
Other current assets	4,575	5,659
Current financial assets	373	490
Cash and cash equivalent	14,167	5,608
CURRENT ASSETS	180,789	193,919
TOTAL ASSETS	243,791	250,756

PRESS RELEASE

(Thousand of Euro)	2023	2022
	31 December	31 December
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	13,782	13,802
Reserves	131,641	122,084
Profit (loss) for the period	8,226	9,224
Shareholders' equity attributable to shareholders of Parent company	153,649	145,110
Shareholders equity attributable to Minority interests	(322)	(325)
TOTAL SHAREHOLDERS' EQUITY	153,327	144,785
Non current liabilities		
Non current financial liabilities	13,664	19,777
Deferred tax liabilities	286	338
Non current provisions for risks and charges	846	280
Non current provisions for post employment obligation	3,673	3,449
NON CURRENT LIABILITIES	18,469	23,844
Current liabilities		
Current financial liabilities	26,524	46,366
Trade payables	33,207	27,240
Current tax payables	1,496	555
<i>(of which related parties)</i>	<i>1,169</i>	<i>-</i>
Social security contributions	2,022	2,001
Other current liabilities	8,507	5,708
Current provisions for risks and charges	239	257
CURRENT LIABILITIES	71,995	82,127
SHAREHOLDERS' EQUITY AND LIABILITIES	243,791	250,756

PRESS RELEASE

CONSOLIDATED INCOME STATEMENT

(Thousand of Euro)	2023 31 December	2022 31 December
Sales revenues	402,780	454,695
Other revenues and income	1,753	4,864
TOTALE REVENUES AND INCOME	404,533	459,559
Raw materials and consumables	(306,550)	(361,748)
Change in inventories of work in progress and finished goods	(7,995)	(86)
Cost for services	(37,001)	(46,615)
Personnel costs	(30,486)	(30,009)
Amortization /depreciation/write off tangible and intangible assets	(6,927)	(7,234)
Provision and write downs	(21)	(589)
Other operating costs	(1,129)	(1,730)
EBIT	14,424	11,548
Financial income / (charges)	(1,956)	(1,250)
RESULT BEFORE TAX	12,468	10,298
Income taxes	(4,239)	(1,094)
NET RESULT FOR THE PERIOD	8,229	9,204
Net result attributable to non-controlling interests	3	(20)
Net result attributable to shareholders of the Parent Company	8,226	9,224
	2023 31 December	2022 31 December
EARNINGS/(LOSS) PER SHARE (EPS)		
Basic EPS for the period attributable to the shareholders of the parent company	0.310	0.348
Diluted EPS for the period attributable to the shareholders of the parent company	0.310	0.348

PRESS RELEASE

CONSOLIDATED STATEMENT OF CASH FLOW

(Thousand of Euro)	2023 31 December	2022 31 December
OPERATING ACTIVITIES		
Result of the period (Group and Minorities)	8,229	9,204
<i>Adjustments for:</i>		
Depreciation / Amortization	6,927	7,234
Net change in deferred tax (assets) / liabilities	(116)	(305)
Capital (gains) / losses from disposal of fixed assets	(202)	(703)
Losses / (gains) on unrealised exchange rate differences	57	(144)
Provisions for risks	(17)	150
Income taxes	4,355	1,399
Financial (income) / expenses	1,934	276
Operating result before changes in working capital	21,167	17,111
Income taxes paid	2	(6,922)
Financial charges paid	(3,591)	(4,035)
Financial income collected	2,590	3,759
Decrease / (Increase) in inventories	25,024	(11,792)
Change in trade receivables	(4,166)	31,646
Change in trade payables	5,790	(3,226)
Net changes in current other assets and liabilities	1,886	(1,145)
Net changes in current other assets and liabilities - related parties	756	(4,337)
Net changes in non current other assets and liabilities	1,534	(3,400)
CASH FLOW FROM OPERATING ACTIVITIES	50,993	17,659
INVESTING ACTIVITIES		
Investments in intangible assets	(228)	(30)
Investments in tangible assets	(14,006)	(13,609)
Investments in subsidiaries, associates, other entities	-	113
Disposals of tangible and intangible assets	221	743
CASH FLOW FROM INVESTING ACTIVITIES	(14,013)	(12,783)
FINANCING ACTIVITIES		
Repayments of loans	(6,170)	(10,176)
Obtainment of loans	-	12,000
Net changes of current financial liabilities	(20,731)	(11,961)
Net changes of current financial assets	60	579
Other effects on shareholders' equity	-	6
Dividends paid to shareholders	(1,592)	(1,327)
Sell/(purchase) of own shares	(82)	(3)
CASH FLOW FROM FINANCING ACTIVITIES	(28,515)	(10,882)
NET CASH FLOW FROM THE PERIOD	8,465	(6,006)
CASH BALANCE AT THE BEGINNING OF THE PERIOD		
Exchange rate differences	94	936
NET CASH FLOW FROM THE PERIOD	8,465	(6,006)
CASH BALANCE AT THE END OF THE PERIOD	14,167	5,608

PRESS RELEASE

SEPARATED STATEMENT OF FINANCIAL POSITION

(Unit of Euro)	2023	2022
	31 December	31 December
ASSETS		
Non current assets		
Goodwill and other intangible assets	121,242	21,749
Property, plant and machinery	25,496,097	19,201,657
Equipments and other tangible assets	1,262,203	1,075,722
Assets under constructions and advances	5,692,788	10,225,232
Investments	63,028,882	64,068,433
Non current financial assets	28,174,906	23,204,196
<i>(of which related parties)</i>	28,174,906	23,204,196
Deferred tax assets	2,241,294	2,001,431
NON CURRENT ASSETS	126,017,412	119,798,420
Current assets		
Inventories	60,258,467	78,720,000
Trade receivables	43,215,556	49,871,218
<i>(of which related parties)</i>	9,115,289	9,553,809
Tax receivables	-	2,658,048
<i>(of which related parties)</i>	-	2,175,190
Other current assets	2,600,620	2,003,988
Current financial assets	373,248	416,187
Cash and cash equivalent	4,858,069	1,431,639
CURRENT ASSETS	111,305,960	135,101,080
TOTAL ASSETS	237,323,372	254,899,500

PRESS RELEASE

(Unit of Euro)	2023	2022
	31 December	31 December
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	13,781,874	13,801,647
Reserves	146,354,189	142,240,118
Profit (loss) for the period	5,805,871	5,788,946
SHAREHOLDERS' EQUITY	165,941,934	161,830,711
Non current liabilities		
Non current financial liabilities	12,647,671	17,909,339
Non current provisions for risks and charges	10,680,510	7,828,306
Non current provisions for post employment obligation	2,834,404	2,978,993
NON CURRENT LIABILITIES	26,162,585	28,716,638
Current liabilities		
Current financial liabilities	18,127,256	38,627,287
Trade payables	18,637,705	20,859,765
<i>(of which related parties)</i>	<i>193,209</i>	<i>173,249</i>
Current tax payables	1,298,245	-
<i>(of which related parties)</i>	<i>1,168,535</i>	<i>-</i>
Social security contributions	1,663,296	1,647,060
Other current liabilities	5,492,351	3,218,039
CURRENT LIABILITIES	45,218,853	64,352,151
SHAREHOLDERS' EQUITY AND LIABILITIES	237,323,372	254,899,500

PRESS RELEASE

SEPARATED INCOME STATEMENT

(Unit of Euro)	2023	2022
	31 December	31 December
Sales revenues	257,875,883	304,200,697
<i>(of which related parties)</i>	14,082,645	13,166,115
Other revenues and income	1,587,247	1,941,474
<i>(of which related parties)</i>	173,071	144,220
TOTALE REVENUES AND INCOME	259,463,130	306,142,171
Raw materials and consumables	(193,719,009)	(238,173,392)
<i>(of which related parties)</i>	(2,747,725)	(1,476,689)
Change in inventories of work in progress and finished goods	(3,148,181)	(1,897,390)
Cost for services	(26,312,242)	(35,265,243)
<i>(of which related parties)</i>	(1,141,403)	(1,094,640)
Personnel costs	(17,236,565)	(17,284,106)
<i>(of which related parties)</i>	(3,988)	(8,614)
Amortization /depreciation/write off tangible and intangible assets	(4,137,545)	(3,602,896)
Provision and write downs	420,000	(407,289)
Other operating costs	(474,728)	(571,705)
EBIT	14,854,860	8,940,150
Impairment of equity investments	(5,944,000)	(5,529,000)
Financial income / (charges)	(170,699)	2,126,855
<i>(of which related parties)</i>	2,481,857	2,249,529
RESULT BEFORE TAX	8,740,161	5,538,005
Income taxes	(2,934,290)	250,941
NET RESULT FOR THE PERIOD	5,805,871	5,788,946

PRESS RELEASE

SEPARATED STATEMENT OF CASH FLOW

(Unit of Euro)	2023 31 December	2022 31 December
OPERATING ACTIVITIES		
Result of the period	5,805,871	5,788,946
<i>Adjustments for:</i>		
Depreciation / Amortization	4,137,545	3,602,896
Net change in deferred tax (assets) / liabilities	(233,411)	(340,839)
Capital (gains) / losses from disposal of fixed assets	(197,546)	(703,075)
Losses / (gains) on unrealised exchange rate differences	(162,591)	(263,857)
Expenses / (Income) from investments	4,796,891	3,379,000
Provisions for risks	(420,000)	150,000
Income taxes	3,167,701	89,897
Financial (income) / expenses	1,314,699	(203,400)
Operating result before changes in working capital	18,209,159	11,499,568
Income taxes paid	-	(5,244,972)
Financial charges paid	(2,048,233)	(801,905)
Financial income collected	303,925	1,005,305
Decrease / (Increase) in inventories	18,461,533	(2,062,620)
Change in trade receivables	6,816,752	28,067,589
Change in trade payables	(2,242,020)	(5,584,638)
Net changes in current other assets and liabilities	1,889,853	170,152
Net changes in current other assets and liabilities - related parties	1,214,336	(5,033,835)
Net changes in non current other assets and liabilities	(189,158)	(427,289)
Net changes in non current other assets and liabilities - related parties	(3,608,390)	(1,120,238)
CASH FLOW FROM OPERATING ACTIVITIES	38,807,757	20,467,115
INVESTING ACTIVITIES		
Investments in intangible assets	(227,826)	(25,548)
Investments in tangible assets	(5,893,243)	(10,984,271)
Investments in subsidiaries, associates, other entities	(2,214,570)	-
Dividends received from investments	1,147,109	2,150,000
Disposals of tangible and intangible assets	217,626	718,031
CASH FLOW FROM INVESTING ACTIVITIES	(6,970,904)	(8,141,788)
FINANCING ACTIVITIES		
Repayments of loans	(5,289,149)	(9,514,824)
Obtainment of loans	-	12,000,000
Net changes of current financial liabilities	(21,490,006)	(12,766,406)
Net changes of current financial assets	42,939	256,932
Dividends paid to shareholders	(1,592,497)	(1,327,081)
Sell/(purchase) of own shares	(81,710)	(3,285)
CASH FLOW FROM FINANCING ACTIVITIES	(28,410,423)	(11,354,663)
NET CASH FLOW FROM THE PERIOD	3,426,430	970,664
CASH BALANCE AT THE BEGINNING OF THE PERIOD	1,431,639	460,975
NET CASH FLOW FROM THE PERIOD	3,426,430	970,664
CASH BALANCE AT THE END OF THE PERIOD	4,858,069	1,431,639

Fine Comunicato n.0163-8-2024

Numero di Pagine: 12