



## **VIMI FASTENERS: APPROVAL OF THE CONSOLIDATED FINANCIAL REPORT AT 30 JUNE 2022 AND MEETING WITH THE FINANCIAL COMMUNITY ON 17 OCTOBER 2022**

*Novellara, 28 September 2022*

- **Consolidated revenues of Euro 26.33 million (+15.68% compared to Euro 22.76 million at 30 June 2021);**
- **Consolidated EBITDA of Euro 2.41 million compared to Euro 3.02 million at 30 June 2021, with an impact of 9.17% on revenues (13.25% on revenues at 30 June 2021);**
- **Profit for the period equal to Euro 535 thousand compared to Euro 650 thousand at 30 June 2021);**
- **Consolidated NFP equal to Euro 16.24 million (in line with the values posted at 31 December 2021, equal to Euro 16.27 million, and showing an improvement compared to Euro 19.73 million at 30 June 2021).**

The Board of Directors of VIMI Fasteners S.p.A. (“**Vimi**”, the “**Company**” or the “**Parent Company**”), a leading company in the design and production of highly engineered fasteners for the industrial, automotive, oil&gas, aerospace and other sectors, which is already listed on the Euronext Growth Milan multilateral trading system organised and managed by Borsa Italiana S.p.A. (“**Borsa Italiana**”), met today and approved the Consolidated Financial Report of the Vimi Group (the “**Group**”) for the financial period ended 30 June 2022, subject to limited review.

### **CONSOLIDATED INCOME STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT HIGHLIGHTS AT 30 JUNE 2022**

#### **REVENUES**

Consolidated revenues amount to Euro 26.33 million, showing an increase of 15.68% compared to the first half of the previous year, driven by the market recovery in 2021 and the record order backlog reported at the end of last year.

This value is substantially in line with what was announced in advance to the market on 31 August 2022.

The first half of the 2022 financial year also witnessed the Group strengthen its footprint in the "Industrial" sector, in line with the strategy it has implemented during the recent years. In support of the positive growth trend, the Group's order backlog at 30 June 2022, for the current financial period, was confirmed at Euro 24 million (net of sales achieved in the first half of the year), compared to a backlog of Euro 22 million recorded at 30 June 2021.

## **EBITDA**

As at 30 June 2022 the Group's EBITDA came to Euro 2.41 million compared to Euro 3.02 million at 30 June 2021.

The first half of 2022 was marked by a significant increase in the prices of raw materials and all commodities in general, as well as by difficulties in procuring materials, which generated a decline in profit margins for all the Group companies despite the directors' careful management policy of purchasing and passing on the higher costs incurred to customers through selling prices. Furthermore, the sales structure was strengthened during the period for more extensive and sustainable future growth for all Group companies.

Finally, in the early months of the period, there was a temporary increase in costs at subsidiary MF Inox S.r.l. ("M.F. Inox") due to a change in management of the company, with the departure of the former directors. However, these higher costs, which contributed to a decline in profit margins in the short term, should be considered preparatory to greater industrial and commercial synergies within the Group, aimed at greater efficiency and profit margins.

## **NET PROFIT**

The Group closed the half-year with a profit of Euro 535 thousand compared to Euro 650 thousand reported at 30 June 2021. As in previous financial periods, the result included a significant amount of amortisation and depreciation (equal to about Euro 1.9 million at 30 June 2022), arising from the plan of substantial investments implemented in recent years.

## **NET FINANCIAL POSITION**

As at 30 June 2022 the Net Financial Position was equal to Euro 16.24 million, in line with the values achieved at 31 December 2021 (Euro 16.27 million), thus confirming a considerable improvement compared to the values of the first half of 2021, equal to Euro 19.73 million, demonstrating the Group's ability to finance its working capital.

The Group's indebtedness showed a decrease of approximately Euro 2.80 million in the medium/long-term portion. Likewise, there was an increase of about Euro 1.62 million in the current portion, partly due to a short-term loan taken out to provide the subsidiary MF Inox S.r.l. with better liquidity management after the payment of the last tranche of Earn-Out amount to the previous owners, which took place in June 2022.

## **OUTLOOK**

The current global scenario is uncertain, characterized as it is by the impact of a war conflict whose end is not in sight, with effects, both direct and indirect, which are increasingly tangible. It is reasonably expected that any unconditional increase in the prices of electricity and gas will adversely affect the market on both demand and supply sides. In this context, action is expected from national and European authorities to curb uncontrolled growth in costs of energy supply.

At present, the Group is continuing to renegotiate selling prices to customers in order to offset, albeit partially, any staggering rise in procurement costs, while waiting for the new monetary policies of central banks to interrupt the ongoing inflationary process and bring the inflation rate of the world economy back to normal levels.

However, at present, the Vimi Group reports stable orders, with an order backlog of about Euro 24 million expiring in 2022 (compared to Euro 22 million at 30 June 2021), together with positive signs of growth coming from the industrial and energy sector, in which the Group is increasing its footprint. In light of this, expectations therefore remain positive for the coming years.

## **MAIN SIGNIFICANT EVENTS AFTER THE REPORTING DATE**

Despite the global critical issues that characterised the third quarter of 2022, the Group is actively pursuing its strategic objectives.

With this in mind, it should be noted that in July 2022 the Group published the “2021 Sustainability Report”, for the first time in its history and on a voluntary basis. The Sustainability Report constitutes the outcome of a structured process – started by the Company's management merely on a voluntary basis - aimed at the application of "Environmental, social and corporate governance" (ESG) best practices, and gives a signal of transparency and concrete and tangible commitment to the Group's stakeholders. Our commitments will include the construction of the new PV plant at Novellara production factory, which will be completed by the end of the financial year.

In terms of investments and renewal of production assets, we also note the installation of a new machinery for rolling operations at Novellara plant, which will enable a tangible improvement in productivity. Work also continued on strengthening the corporate structure to support future growth, with the hiring of two new managers who will join the Parent Company's workforce during the second half of the year, filling the positions of HR Manager and Continuous Improvement Manager, respectively.

With regard to MF Inox, for which there was a decline in profit margins during the first half-year, which was due partly to contingent market situations, and partly to the higher costs incurred during the first months of the year to ensure an adequate transition between the previous and the new management, it should be noted that the second half of 2022 witnessed a recovery in orders, in particular in the energy sector, and an improvement in company profit margins.

Finally, it should be noted that in July 2022 an agreement was reached with the trade unions to renew the Parent Company's supplementary agreement, which will remain in force for the next four years.

## **MEETING WITH THE FINANCIAL COMMUNITY – 17 OCTOBER 2022**

Vimi announces that, following today's publication of the consolidated half-yearly financial report at 30 June 2022 and the publication of the consolidated economic and financial highlights at 30 September 2022 scheduled for 13 October 2022, it will arrange a meeting with investors to present these data on 17 October 2022 at 11:00 a.m..

The meeting will be held in a hybrid mode, providing the opportunity to attend both in person, at Integrae SIM's headquarters (Piazza Castello 24, Milan), and remotely.

The presentation that will accompany the event will be available on the Company's website at the link: [www.vimifasteners.com](http://www.vimifasteners.com) (*Investor Relations/Presentations* section), as well as on the website of the Italian Stock Exchange: [www.borsaitaliana.it](http://www.borsaitaliana.it) ("*Stocks/Documents*" section).

For accreditation to the event and receive the link for virtual participation, please send an email to [ir@vimifasteners.com](mailto:ir@vimifasteners.com), indicating preference for in-person or remote attendance.

Following this press release, the Company will take steps, pursuant to Article 17 of the Euronext Growth Milan Issuers' Regulation, to accordingly update the financial calendar, which is available on its website [www.vimifasteners.com](http://www.vimifasteners.com) in the "*Investor Relations/Corporate Events*" section.

**[www.vimifasteners.com](http://www.vimifasteners.com)**

*Vimi Fasteners, based in Novellara (Reggio Emilia), operates in the high-precision mechanics sector and is a leading company in the design and production of highly engineered fasteners for the automotive, industrial, oil&gas and aerospace sectors. The Group operates in partnership with its customers (OEMs, Tier1 partners and distributors) and develops customised solutions, which it exports all over the world, using special steel, superalloys and cutting-edge technology in the integrated manufacturing of its products.*

ISIN code: **IT0004717200**

Ticker: **VIM**

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## **ANNEX 1 – SCHEDULES OF FINANCIAL STATEMENTS**

The Group's reclassified consolidated Income Statement and Balance Sheet, together with the cash flow statement, prepared at 30 June 2022 are reported below.

The Half-year Financial Report in its entirety, prepared in accordance with IAS/IFRS and subject to limited review by the independent auditors Deloitte & Touche S.p.A., including the Schedules of Financial Statements, the Report on Operations and the Explanatory Notes, will be made available within the time limits prescribed by law at the Company's registered office, on the Company's website and on the website [www.borsaitaliana.it](http://www.borsaitaliana.it), Stocks/Documents section.

**RECLASSIFIED SCHEDULES – CONSOLIDATED FINANCIAL STATEMENTS OF THE VIMI GROUP**

**RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2022**

€/th.	06.2022	%	06.2021	%
<b>Revenues</b>	<b>26,329</b>	<b>100.00%</b>	<b>22,761</b>	<b>100.0%</b>
Cost of goods sold	(17,182)	-65.26%	(13,395)	-58.8%
<b>Gross margin</b>	<b>9,147</b>	<b>34.74%</b>	<b>9,366</b>	<b>41.2%</b>
Administrative costs	(3,582)	-13.60%	(3,420)	-15.4%
Commercial costs	(1,278)	-4.85%	(1,060)	-4.7%
Other operating costs	(1,874)	-7.12%	(1,867)	-7.8%
<b>Gross operating margin (EBITDA)</b>	<b>2,413</b>	<b>9.17%</b>	<b>3,018</b>	<b>13.3%</b>
Amortisation, depreciation and other impairment	(1,930)	-7.33%	(2,065)	-9.1%
<b>Operating profit - (EBIT)</b>	<b>483</b>	<b>1.83%</b>	<b>954</b>	<b>4.3%</b>
Financial income	191	0.73%	36	0.1%
Financial costs	(170)	-0.65%	(286)	-1.3%
<b>Profit (loss) before tax</b>	<b>504</b>	<b>1.91%</b>	<b>704</b>	<b>3.1%</b>
Taxes for the period	31	0.12%	(54)	-0.2%
<b>Profit (loss) for the period</b>	<b>535</b>	<b>2.03%</b>	<b>650</b>	<b>2.9%</b>

**RECLASSIFIED CONSOLIDATED BALANCE SHEET AT 30 JUNE 2022**

€/th.	06.2022	%	12.2021	%
Trade receivables and advances to suppliers	11,186	25%	10,458	24%
Inventories	12,990	29%	11,197	25%
Trade payables and advances from customers	(9,825)	-22%	(9,507)	-21%
Other net receivables and payables	(3,002)	-7%	(2,396)	-5%
<b>Net working capital</b>	<b>11,348</b>	<b>25%</b>	<b>9,751</b>	<b>22%</b>
Property, plant and equipment	13,832	31%	14,925	34%
Intangible assets	16,681	37%	16,448	37%
Non-current financial assets	1	0%	1	0%
Receivables from others and deferred tax assets	5,477	12%	5,638	13%
<b>Fixed assets</b>	<b>35,992</b>	<b>80%</b>	<b>37,011</b>	<b>83%</b>
Provision for Employee Severance Pay and other long-term payables	(2,236)	-5%	(2,292)	-5%
<b>Net invested capital</b>	<b>45,104</b>	<b>100%</b>	<b>44,471</b>	<b>100%</b>
<b>Net financial position (A)</b>	<b>16,236</b>	<b>36%</b>	<b>16,272</b>	<b>37%</b>
<b>Shareholders' equity (B)</b>	<b>28,869</b>	<b>64%</b>	<b>28,199</b>	<b>63%</b>
<b>Total sources of Financing (A) + (B)</b>	<b>45,104</b>	<b>100%</b>	<b>44,471</b>	<b>100%</b>

## CONSOLIDATED CASH FLOW STATEMENT AT 30 JUNE 2022

	30.06.2022	31.12.2021
<b>OPERATING ACTIVITIES</b>		
<b>Profit for the period</b>	<b>535</b>	<b>2,088</b>
<i>Adjustments for:</i>		
- Depreciation of property, plant and equipment and amortisation of intangible assets	1,488	3,221
- Capital (gains) losses on disposal of fixed assets	42	(10)
- Change in provisions for risks and charges and employee benefit liabilities	(119)	14
-Other non-monetary changes	536	(152)
-Taxes	(31)	188
<b>Sub-Total</b>	<b>1,916</b>	<b>3,261</b>
(Increase) decrease in trade receivables and other receivables	(613)	(1,663)
(Increase) decrease in inventories	(1,793)	(1,774)
Increase (decrease) in trade payables and other payables	(1,338)	1,628
Taxes paid	28	
<b>CASH FLOWS GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>(1,265)</b>	<b>3,540</b>
<b>INVESTING ACTIVITIES</b>		
Investments in property, plant and equipment	(672)	(1,254)
Investments in intangible assets	(347)	(771)
Equity investments	-	-
Sale of fixed assets	(42)	-
<b>CASH FLOWS USED IN INVESTING ACTIVITIES (B)</b>	<b>(1,061)</b>	<b>(2,025)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of loans	(2,474)	(7,300)
Other changes in financial assets/liabilities	3,638	3,000
funds collected from listing on AIM	-	-
share buy-back	-	-
Dividends paid	-	-
Interest and dividends collected (paid)	21	(341)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES (C)</b>	<b>1,185</b>	<b>(4,641)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)</b>	<b>(1,141)</b>	<b>(3,126)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (E)</b>	<b>1,911</b>	<b>5,037</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (L=H+I)</b>	<b>770</b>	<b>1,911</b>