



Approval of the consolidated half-year financial statements as at 30 June 2018

- **Pro-forma consolidated turnover of Euro 27.70 million;**
- **Pro-forma consolidated EBITDA of Euro 3.96 million;**
- **Pro-forma consolidated net profit of Euro 1.73 million;**
- **Consolidated NFP of Euro 22.54 million;**
- **Loan approved to the American subsidiary**

Novellara, 28 September 2018

CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AS AT 30 JUNE 2018

Today, the Board of Directors of Vimi Fasteners S.p.A. approved the consolidated half-year financial statements as at 30 June 2018, prepared in accordance with international accounting standards (IAS/IFRS).

The financial statements were prepared in consolidated form for the first time, as the requirements for consolidation were met only as at 30 June 2018. In fact, on 25 May 2018, Vimi Fasteners S.p.A. established MFH Fasteners S.r.l., a wholly-owned subsidiary, which was used as a vehicle company for acquiring MF Inox S.r.l. Acquisition of the latter company was completed on 7 June 2018, consequently, Vimi Group, through its subsidiary MFH Fasteners S.r.l. acquired 100% of MF Inox S.r.l., a company operating in the fasteners sector and, in particular, in the production of hot-stamped screws and bolts for the oil & gas, energy, and infrastructure sectors. The scope of consolidation also includes Vimi Fasteners G.m.b.H., established on 27 November 2017.

In order to best present the Group's consolidated results and to provide continuity with the disclosure included in the Admission Document, the Company has also prepared, on a voluntary basis, the pro-forma consolidated income statement and statement of financial position as at 30 June 2018, the data from which are described below.

Pro-forma consolidated revenue for the first half of 2018 amounts to Euro 27.7 million, of which Euro 24.1 million attributable to Vimi Fasteners (+17.30% on a stand-alone basis compared to 30 June 2017) and Euro 3.6 million generated by the subsidiary MF Inox. Italy generated 34% of the consolidated pro-forma revenue for the first half of the year, the European Union (excluding Italy) 49%, the US and Canada 6%, and the remaining 11% was generated in Asia.

Pro-forma consolidated EBITDA as at 30 June 2018 was Euro 3.96 million, equivalent to 14.30% of revenue. This figure is in comparison with Euro 2.13 million recorded in the first half of 2017 (equal to 10.37% of revenue), which did not yet include MF Inox.

Pro forma consolidated net profit totals Euro 1.73 million, or 6.23% of revenue. This figure is in comparison with Euro 0.48 million recorded in 2017, or 2.31%, solely for Vimi Fasteners.

The consolidated net financial position (NFP) at 30 June 2018 amounts to Euro 22.54 million, compared with Euro 5.38 million at 31 December 2017. The NFP at the end of June 2018 includes the Euro 10 million loan agreed for the acquisition of MF Inox, Euro 4.32 million as an obligation towards the selling shareholders of MF Inox for the earn-out at contract conclusion, and an additional Euro 2.52 million of repayment to these shareholders for the cash funds of MF Inox as at 31 May 2018.

The first half of 2018 closed with positive results, which were significantly improved over the same period of 2017 due to organic growth for Vimi Fasteners and the excellent results posted by the newly acquired company, MF Inox.

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During this period, the Company achieved higher results in terms of both revenue and operating margins.

Net financial position was affected by the acquisition of MF Inox and by the obligations agreed with its selling shareholders. NFP improved considerably in August after the share capital increase resulting from the Company's listing on the stock exchange.

Furthermore, note that during the first six months of 2018, the Group made investments totalling Euro 3.8 million; in particular, Euro 3.5 million were allocated to tangible assets, the most significant item being the second conveyor remediation furnace and a chamber furnace for heat treatment dedicated to nickel-based alloys, as well as the installation of a surface-hardening line for adjusting screws. Intangible investments amount to approximately Euro 0.3 million and mainly include the capitalisation of R&D expenses and the purchase of SAP 4 HANA licenses, which will upgrade the company's management system.

Significant events after the reporting date

Listing on the AIM Italia market

On 2 August 2018, the Company was listed on the AIM Italia/Alternative Capital Market multilateral trading system, organised and managed by Borsa Italiana S.p.A.

The Company was admitted for trading following the placement of a total of 3,529,000 ordinary shares, without indication of the par value, and, specifically: (i) an institutional placement for qualified Italian investors and institutional foreign investors (with the exclusion of United States, Australia, Canada and Japan and of every other jurisdiction in which institutional placement is subject to restrictions) of 2,905,000 ordinary shares deriving from a capital increase; (ii) a placement directed at the public in Italy of 330,000 ordinary shares (with minimum subscription of 60 minimum lot, consisting of 500 ordinary shares and corresponding to Euro 102,000.00), in accordance with Article 100 of Legislative Decree no. 58/1998 and with Article 34-ter, Paragraph 1, Letter c) and d) of CONSOB Regulation no. 11971/1999, deriving from a capital increase; (iii) a placement of 294,000 ordinary shares, corresponding to approximately 9% of the shares of the Global Offer, deriving from the exercise of the Over Allotment Option, made available by the shareholder Finregg S.p.A.

The Global Offer was concluded with total demand amounting to 2.6 times the quantity offered, with subscription requests received both from Italian and foreign qualified/institutional investors and by the general public in Italy. Of the institutional placement, approximately 26% was subscribed by foreign investors and the remaining 74% by Italian investors.

The placement price of ordinary shares was set to Euro 3.40, with total funding of approximately Euro 12 million, including also the shares deriving from the exercise of the Over Allotment Option, and capitalisation of the Company expected as at the trading start date amounting to approximately Euro 45 million. On 31 August 2018, the Global Coordinator BPER Banca S.p.A. exercised the Greenshoe option for the subscription of 81,500 shares at the IPO price as an increase to share capital.

Hedging derivative

On 7 June 2018, the Company signed a loan contract with the bank Crédit Agricole for Euro 10,000,000 to acquire the company MF Inox S.r.l. Subsequently, on 3 September 2018, a derivative contract was signed with the lending bank to hedge the risk related to fluctuations in the interest rate applicable to the loan.

Establishment of Legal Entity in the U.S.

On 19 September 2018, the Board of Directors of Vimi Fasteners S.p.A. resolved to establish the company Vimi Fasteners Inc., based in Charlotte, North Carolina, in the United States, wholly-owned by Vimi Fasteners S.p.A., with an initial share capital up to a maximum of USD 100,000.

The establishment of the company will boost the activities of promoting and selling the products of Vimi Group companies, already performed by Comer Industries Inc., providing the U.S. commercial division with its own independent organisational structure.

Merger of MF Inox S.r.l. and MFH Fasteners S.r.l.

On 20 September 2018, the shareholders' meeting of MF Inox S.r.l. and the shareholders' meeting of MFH Fasteners S.r.l., resolved the reverse merger by incorporation of MFH Fasteners S.r.l. into MF Inox S.r.l.

The merger, which had been included in the Admission Document, is part of the transactions planned to optimise the process by which Vimi Fasteners S.p.A. acquires control of MF Inox S.r.l.

TRANSACTIONS WITH RELATED PARTIES - LOAN TO SUBSIDIARY

The Board of Directors of Vimi Fasteners S.p.A. resolved today, with the favourable opinion of the independent director Ivano Accorsi, to disburse an interest-bearing loan to the wholly-owned U.S. company Vimi Fasteners Inc. for a maximum amount of USD 1,500,000 with a one-year duration, renewable from year to year, at the rate of the 3-month USD Libor (2.40% annually) plus a spread of 1.60% on an annual basis. For this transaction, which is not considered “significant”, the exemption provided for by Article 16.2.d. of the procedure for related party transactions applies, not involving the significant interest of other related parties, as it is a transaction carried out with a wholly-owned company.

CODE OF ETHICS

Today, the Board of Directors of Vimi Fasteners S.p.A. approved the Code of Ethics, which is available for consultation on the Company’s website.

The consolidated half-year financial statements as at 30 June 2018 will be available on the website www.vimifasteners.com, in the section “Investor Relations, Financial Statements and Reports”, under the terms and in the manner provided for by the AIM Italia Issuers’ Regulations.

Half-year financial statement schedules

Below are the schedules of the half-year financial statements approved today, which incorporate the results of MF Inox S.r.l. starting from 1 June 2018 (i.e., only one month for the income statement), designated date of the acquisition for accounting purposes as agreed in the contract. The 2017 comparison refers solely to Vimi Fasteners S.p.A.

For the other financial statement schedules, please refer to the consolidated half-year financial statements at 30 June 2018, which will be made available on the Company's website and that have been subject to a limited review by the independent auditors EY S.p.A., which issued their report on 28 September 2018.

Conto Economico

(migliaia di Euro)	30/06/2018	(a)	30/06/2017	(a)	variazione	variazione %
Ricavi	24.569	100,00%	20.567	100,00%	4.002	19,46%
Costo del venduto	-15.631	-63,62%	-13.097	-63,68%	-2.533	19,34%
Utile lordo industriale	8.939	36,38%	7.470	36,32%	1.469	19,66%
Spese di ricerca e sviluppo	-232	-0,94%	-323	-1,57%	91	-28,17%
Spese commerciali di vendita	-1.686	-6,86%	-1.171	-5,69%	-515	43,98%
Spese generali ed amministrative	-4.634	-18,86%	-3.842	-18,68%	-791	20,60%
Margine operativo lordo (EBITDA)	2.387	9,72%	2.134	10,37%	253	11,87%
Ammortamenti e altre svalutazioni	-1.471	-5,99%	-1.437	-6,99%	-34	2,34%
Utile operativo - (EBIT)	916	3,73%	697	3,39%	219	31,50%
Proventi (Oneri) finanziari netti	-32	-0,13%	-41	-0,20%	9	-22,78%
Utile prima delle imposte	885	3,60%	656	3,19%	229	34,91%
Imposte sull'esercizio	-202	-0,82%	-180	-0,87%	-22	12,49%
Utile dell'esercizio	683	2,78%	476	2,31%	206	43,37%

(a) incidenza sul totale ricavi

Stato patrimoniale

(migliaia di Euro)	30/06/2018	31/12/2017	variazione	variazione %
Crediti commerciali e acconti a fornitori	14.900	13.076	1.824	13,95%
Rimanenze	10.233	7.215	3.018	41,83%
Debiti commerciali e acconti da clienti	(12.093)	(9.985)	(2.108)	21,11%
Altri al netto	(3.372)	(2.505)	(868)	34,64%
Capitale netto di funzionamento	9.668	7.802	1.867	23,93%
Immobilizzazioni materiali	15.254	10.782	4.472	41,47%
Immobilizzazioni immateriali	13.983	796	13.187	1656,22%
Immobilizzazioni finanziarie	1	26	(25)	-95,98%
Crediti verso altri e imposte anticipate	1.070	1.104	(34)	-3,09%
Capitale fisso	30.308	12.708	17.599	138,49%
Fondo TFR e altri debiti a lungo termine	(3.497)	(1.944)	(1.552)	79,85%
Capitale investito netto	36.480	18.566	17.914	96,49%
Posizione finanziaria netta (A)	(22.541)	(5.386)	(17.155)	318,49%
Patrimonio netto (B)	(13.939)	(13.179)	(760)	5,76%
Totale fonti di finanziamento (A+B)	(36.480)	(18.566)	(17.914)	96,49%

Rendiconto finanziario

in migliaia di Euro

30.06.2018 30.06.2017

ATTIVITÀ OPERATIVA		
Utile dell'esercizio	683	476
<i>Rettifiche per:</i>		
- Ammortamenti immobilizzazioni materiali ed immateriali	1.449	1.437
- (Plus) o minusvalenze da realizzo di immobilizzazioni	99	100
- Variazione dei fondi per rischi ed oneri e passività per benefici a dipendenti	32	-216
- Altre variazioni non monetarie	2.170	558
- Imposte	202	180
Sub Totale	4.635	2.535
(Incremento) o decremento crediti commerciali e altri crediti	-2.367	-1.617
(Incremento) o decremento delle rimanenze	-3.018	-1.645
Incremento o (decremento) dei debiti commerciali ed altri debiti	2.105	-139
Imposte pagate	0	-55
DISPONIBILITÀ LIQUIDE GENERATE DALL'ATTIVITÀ OPERATIVA (A)	1.355	-921
ATTIVITÀ DI INVESTIMENTO		
Investimenti in immobilizzazioni materiali	-3.978	-718
Investimenti in immobilizzazioni immateriali	-136	-23
Investimenti in partecipazioni	0	0
Vendita di immobilizzazioni	129	0
Acquisizione o cessione di società controllate o di rami d'azienda al netto delle disponibilità liquide	-14.490	0
DISPONIBILITÀ LIQUIDE IMPIEGATE NELL'ATTIVITÀ DI INVESTIMENTO (B)	-18.475	-741
ATTIVITÀ FINANZIARIA		
Rimborso dei debiti finanziari	-572	-1.585
Altre variazioni attività/passività finanziarie	19.722	3.976
Acquisto di capitale a pagamento	0	0
Dividendi pagati	0	0
Interessi corrisposti	-34	-17
DISPONIBILITÀ LIQUIDE IMPIEGATE NELL' ATTIVITÀ FINANZIARIA (C)	19.116	2.374
VARIAZIONE NETTA CASSA E DISPONIBILITÀ LIQUIDE (D=A+B+C)	1.996	712
CASSA E DISPONIBILITÀ LIQUIDE ALL'INIZIO DELL'ESERCIZIO (E)	3.614	292
CASSA E DISPONIBILITÀ LIQUIDE ALLA FINE DELL'ESERCIZIO (L=H+I)	5.610	1.004

www.vimifasteners.com

Vimi Fasteners, based in Novellara (RE), operates in the field of high-precision mechanics and is a leader 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, Tier 1 suppliers, and distributors) and develops customised solutions, which it exports throughout the world, using special steels, superalloys, and cutting-edge technologies in the integrated production of its products.

ISIN Code: **IT0004717200**

Ticker: **VIM**

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