vimi fasteners

THE PATHWAY **THROUGH THE FUTURE**

Vimi Consolidated Financial Statements at 30 June 2023

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vimi fasteners

CORPORATE BODIES

BOARD OF DIRECTORS

FIRST AND LAST NAME	POSITION
Storchi Fabio	Chairman of the Board of Directors
Sargenti Marco	Chief Executive Officer
Storchi Fabrizio	Director
Accorsi Ivano	Independent Director
Storchi Alessandro	Director

OTHER POSITIONS

FIRST AND LAST NAME	POSITION
Storchi Aimone	Honorary Chairman

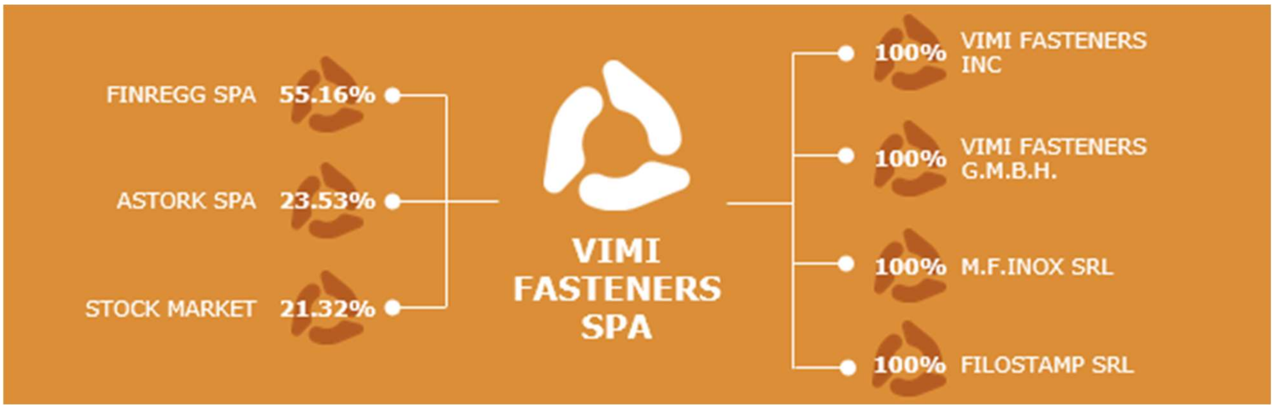
BOARD OF STATUTORY AUDITORS

FIRST AND LAST NAME	POSITION
Signoriello Gaetano	Chairman of the Board of Statutory Auditors
Tanturli Gianni	Standing auditor
Corradini Michele	Standing auditor
Esposito Paolo	Alternate auditor
Davoli Claudio	Alternate auditor

INDEPENDENT AUDITORS

Deloitte & Touche SpA

THE GROUP'S STRUCTURE



vimi fasteners

fastening your success

Management Report for the Consolidated Financial Statements at 30 June 2023

CONSOLIDATED INCOME STATEMENT, BALANCE SHEET AND CASH FLOW HIGHLIGHTS AT 30 JUNE 2023

REVENUES

Consolidated revenues exceeded Euro 31 million, showing an increase of 18.6% compared to the first half of the previous year, driven by the record order backlog reported at the end of 2022 and by the contribution given by the newly-acquired Filostamp, a company that joined the Group from 1 April 2023 and that generated revenues of Euro 2.2 million during the period of consolidation.

The Vimi Group's order backlog at 30 June 2023, due to expire on 31 December 2023 and net of sales achieved in the first half of the year, amounted to Euro 26.8 million compared to Euro 24 million recorded at 30 June 2022.

EBITDA

During the Reporting Period adjusted EBITDA (net of non-recurring costs, mainly relating to the acquisition of Filostamp S.r.l.) came to Euro 4.1 million, showing an increase compared to Euro 2.4 million reported at 30 June 2022.

However, the Vimi Group showed EBITDA, net of the aforesaid adjustment, equal to Euro 3.6 million (11.6% of sales for the period) compared to Euro 2.4 million (equal to 9.1% of sales) reported at 30 June 2022.
Therefore, the half-year ended with a positive result and an improvement over the previous year due to higher sales, together with an ongoing process of production efficiency and commercial policies concerning selling prices.

NET PROFIT

The period ended for the Group with a profit of Euro 1.27 million compared to a result of Euro 0.54 million reported during the first half of 2022. Although showing a significant improvement, the result was affected, as in previous financial periods, by a substantial amount of amortisation and depreciation (equal to Euro 2.17 million at 30 June 2023), arising from the plan of investments implemented in recent years and from the recognition of leases and rentals accounted for as required by IFRS 16.

NET DEBT

As at 30 June 2023 Net Debt amounted to Euro 26.6 million compared to Euro 14.1 million reported at 31 December 2022.

This change was mainly due to the recognition of costs incurred for the acquisition of Filostamp, together with its contribution to the consolidated financial statements, consisting of additional commitments of Euro 2.8 million for leases and rentals accounted for as required by IFRS 16.

INTRODUCTION

Dear Shareholders,

We submit for your attention the Vimi Fasteners Group's consolidated financial statements at 30 June 2023.

Therefore, these figures commented on below in this report are related to the Vimi Fasteners Group composed as follows:

- Vimi Fasteners S.p.A., the parent company with registered office in Novellara (Reggio Emilia);
- MF Inox S.r.l., a wholly-owned subsidiary with registered office in Albese con Cassano (Como);
- Filostamp S.r.l., a wholly-owned subsidiary with registered office in Alpignano (Turin);
- Vimi Fasteners GmbH, a wholly-owned subsidiary with registered office in Rommerskirchen (Germany);
- Vimi Fasteners Inc., a wholly-owned subsidiary with registered office in Charlotte, NC (USA).

SIGNIFICANT EVENTS DURING THE PERIOD

The 2023 financial year opened with a situation characterised by a complex and uncertain general climate, with no significant improvement from the end of 2022.

There continues to be significant uncertainty at a global level, markets do not cease to show strong volatility while interest rates and inflation remain at very high levels.

Despite the passing of the months, the Russian-Ukrainian conflict has shown no signs of coming to an end: in fact, while considering that there are no Ukrainian or Russian companies among its customers and direct suppliers, the Group's management pays great attention to any possible indirect impact on the supply chain and on supplies to OEMs, with ongoing monitoring of the target sectors.

The Group thus continues to move in a macroeconomic scenario that has shown no signs of regaining stability for years now. In this complex and changing scene, the challenge for Group companies remains to be able to deploy effective commercial policies concerning selling prices, together with actions aimed at making production processes more efficient.

The record level of orders received at the end of 2022 drove the opening of the current financial year, thus enabling the Group to achieve sales of more than Euro 31 million in the first half of the year, despite the continuing recession in Germany, among the main target markets for Group companies. The slowdown in sales to German customers was offset by ramp-ups with new customers and a gradual recovery in the automotive sector.

Business development and new customer scouting efforts were greatly intensified in support of continued and structured growth for all consolidated companies.

Work also continued on a constant commitment to improving production efficiency and reducing operating costs, particularly with the commissioning of the new PV system at the Parent Company's plant, which allowed energy costs to be contained compared to the previous year.

In pursuing the growth objectives set out in the Strategic Plan, work was completed on the acquisition of Filostamp S.r.l., a historic Piedmontese fasteners manufacturer, which will allow the implementation of important synergies, in terms of both sales and production, with the expansion of the range of products already offered by the Group companies and which will make it possible to support future growth in turnover thanks to the large amount of machinery installed at the company.

The transaction, with a countervalue of Euro 10 million, was partially covered through a loan of Euro 5 million taken out by the controlling shareholder Finregg S.p.A., which made it possible to meet the payment of the first tranche. Subsequent payments will be completed by 2027 thanks to the cash generated by Filostamp itself.

Work also continued on the commitment to communication and transparency towards all stakeholders, with the publication of the Sustainability Report for the financial year ended 31 December 2022 in April 2023.
The publication of this document, entirely on a voluntary basis as it is not prescribed as mandatory by current regulations for groups of this size, and for the first time subject to limited review by a third-party auditor, took place at the same time as the approval by the parent company's Board of Directors concerning the draft Economic and Financial Report 2022.

In general, on the basis of the results that have been achieved and the available financial, operational and performance indicators, the Group's Directors consider that, despite the uncertain global economic and financial scene, no risks are noted with regard to the ability to continue as a going concern, nor are any critical issues regarding the Group’s ability to meet its obligations over the next 12 months.

MACROECONOMIC SCENARIO

GENERAL OVERVIEW

At worldwide level, we are witnessing a general slowdown in global economy, due to high inflation and restrictive financing conditions. In the second quarter of 2023, global economy continued to show resilience, but the most recent data show a slight loss of momentum such that, in June, the world composite Purchasing Managers' Index (PMI) on output decreased for the first time in this year.

The divergence between services and manufacturing sectors has widened further at a global level due to recent weakness in manufacturing performance in advanced economies. The short-term outlook for world trade is clouded by the lack of vigour in goods trade, particularly in advanced economies while services trade continues to improve. Overall inflation has continued to decline in OECD economies (from 7.4% to 6.5% in May 2023) since pressures on prices of food and energy have eased while core inflation remains at high levels.

The US economy has shown resilience above expectations. Growth for the first quarter of 2023 has been revised upwards to 2.0% year-on-year. In addition, figures on non-residential buildings, employment and stock are stronger than expected. Specifically, the vigour of the US labour market continues to support growth, and the unemployment rate remains at very low levels, although gradually moderating. Nonetheless, downward risks remain for US economy: the PMI index in the manufacturing sector has shown a contraction in recent months, and delinquency rates on credit card debt and loans for the purchase of cars have risen rapidly in recent months, evidencing a slowdown in future consumption.
In China, the resumption of activities is losing momentum again after benefiting from the removal of policies to contain the pandemic.

In the first quarter of 2023, the Eurozone economy saw a slowdown due to falling domestic demand, marking a moderate improvement in the second quarter. Conditions continued to be mixed across and within sectors of the economy: manufacturing and construction were particularly affected by weaker demand and tightening financing conditions while services showed greater resilience, particularly leisure activities.
Household income is benefiting from the vigour of the labour market, strengthened by robust employment growth, as well as easing inflation. Nevertheless, the outlook for economic growth remains highly uncertain since weaker global demand and the growing impact of stricter financing conditions are expected to weigh on economy.

Growth in the Italian economy is also slowing, supported by services, but held back by high interest rates. In the second quarter of 2023 the Italian GDP performance is estimated to be very weak, almost steady, due to a decline in manufacturing, although positive momentum remains in the services sector. Consumption returned to growth in the first months of this year, driven by rising employment. For the second quarter, economic indicators point to further expansion in spending, driven in particular by tourism-related items.

CHANGES IN ECONOMY IN THE THIRD QUARTER OF 2023 – SHORT-TERM OUTLOOK

In the forecast of July 2023, the International Monetary Fund (IMF) expected a growth rate of +3% in the world economy in 2023 compared to the previous year. It is a moderate growth in economy that concerns almost all countries all over the world, excluding Germany (for which a decrease of - 0.3% is expected), although with significant differences. In particular, the highest growth is projected for India (+6.1%) and China (+5.2%). Growth of +1.8% is forecast for the United States while the growth forecast for the countries in the Eurozone as a whole is +0.9%.

The short-term economic outlook for the Eurozone has deteriorated, mainly due to weakening domestic demand that is squeezed by high inflation and more restrictive financing conditions. This contraction is mainly felt in the manufacturing sector, which is also suffering from a slowdown in foreign demand at the same time.

Business investment and investment in residential buildings too, show signs of weakness while services show greater resilience.

In general, the European economy is expected to remain weak, at least in the short term: over the following months, falling inflation (the ECB Governing Council is determined to ensure the timely return of inflation to the 2% target over the medium term), rising income and improving supply conditions should be able to support recovery. However, the labour market remains solid and many new jobs are being created, particularly in the services sector.

As for Italy, the International Monetary Fund (IMF) indicates GDP growth of +1.1% in 2023 and of +0.9% in 2024. On the other hand, expected inflation would be 6.0% in 2023, 2.3% in 2024 and 2.0% in 2025.

In line with market participants' expectations, nominal interest rates would rise again this year, gradually declining in the following two years. They will be positively boosted by the use of European funds under the NGEU programme on the basis of updated information on the NRRP.

In the scenario, it is assumed that the tensions associated with the conflict in Ukraine will not lead to further difficulties in the procurement of energy commodities; accordingly, their prices would remain largely stable over the three-year forecast period and at significantly lower levels than in 2022.

In conclusion, the macroeconomic environment continues to be characterised by high uncertainty, with risks to growth that are predominantly tilted to the downside, partly due to the monetary tightening taking place in most advanced economies.

The evolution of the conflict in Ukraine, with its possible effects on the prices of raw materials and household and business confidence, remains a source of risk to be monitored over the coming months.

THE FASTENERS SECTOR

After the recovery in this market sector in the last months of the previous year, the first half of 2023 showed a stronger demand for fasteners worldwide in line with an increase in global GDP.

The recovery in production in the automotive sector in the first half of 2023 drove demand for fasteners after inventories, which had increased in the previous period, had showed a gradual decline.
There is an evolution of supply specifications for customers aimed at setting increasingly stringent product safety, weight and quality standards that are increasingly responsive to ESG issues.
Geopolitical tensions force the supply chain to mitigate procurement risks by favouring a return of production to Europe as opposed to the globalisation policies followed until a few years ago.

ALTERNATIVE KPIS

This report provides some performance indicators in order to allow for a better assessment of the Group's results of operations, financial position and cash flows.

On 3 December 2015 CONSOB (the Italian Securities and Exchange Commission) issued Communication no. 92543/15, which implemented the Guidelines that had been issued by the European Securities and Markets Authority (ESMA) on 5 October 2015, regarding the disclosure of the aforesaid indicators in regulated information disseminated or in prospectuses published as from 3 July 2016. These Guidelines, which update the previously applicable CESR (Committee of European Securities Regulators) Recommendation (CESR/05-178b), are aimed at promoting the proper use and transparency of alternative performance indicators included in regulated information or prospectuses falling within the scope of application of Directive 2003/71/EC, in order to improve their comparability, reliability and clarity. In line with the communications mentioned above, the criteria used for the formulation of these indicators are provided below.

The income statement reclassified by destination must be prepared according to the following criteria:

- Cost of goods sold: this consists of costs directly attributable to products intended for sale. It includes, but is not limited to, costs of materials, labour, third-party processing, consumables and maintenance relating to production departments;
- Commercial costs: these include, by destination, costs incurred by sales networks, such as personnel, transport of goods sold, fees and commissions due to agents, and promotional/advertising costs;
- Administrative costs: these include any and all costs linked to general functions and departments, such as, for example, personnel not directly engaged in production, consultancy advice and corporate expenses.

  They also include any and all costs linked to the R&D work on new products, including costs for staff members from the various company areas involved in the projects, as well as for materials and equipment used for experimentation, third-party advice from research institutions and Universities that collaborate with the Group companies;
- Other operating costs: these include any and all production-related costs that are not reclassified to cost of goods sold, such as, for example, leases and rentals and non-production utilities.

The main items of the reclassified income statement that are equivalent to the corresponding items of the income statement reported in the section on "Financial statements" are: Revenues, Amortisation, depreciation and other impairment, Operating profit (loss), Financial income, Financial costs, Profit (loss) before tax, Taxes, Profit (loss) for the period.

The following alternative performance indicators are used in this report on operations:
- Gross profit: this value is obtained by subtracting the cost of goods sold – as expressed above - from Revenues for the period, as resulting from the financial statements;
- EBITDA: this is obtained by adding "amortization, depreciation and other impairment" recognised during the period to EBIT.

The reclassified balance sheet must be prepared according to the following criteria:

- Net working capital: this is determined by the algebraic sum of current assets and liabilities functional to the company's operations;
- Fixed assets: these consist of the set of long-term assets, i.e. non-current assets and receivables;
- Net Invested Capital: this indicator consists of the total of current and non-current assets, excluding financial assets, net of current and non-current liabilities, excluding financial liabilities;
- Net Financial Indebtedness: this indicator is calculated in accordance with CONSOB Communication no. 15519 of 28 July 2006, also including "Other financial assets" consisting of temporary cash investments. Furthermore, this indicator is reported in compliance with the provisions of CONSOB warning notice no. 5/21 of 29 April 2021, on the basis of the requirements of the ESMA Guidance published on 4 March 2021.

The capital and financial structure reflects assets and liabilities classified according to the schedule of net invested capital. The main items of the statement of financial position equivalent to the corresponding items of the statement of financial position reported in the section on "Financial statements" are: inventories, property, plant and equipment, intangible assets, Employee Severance Pay (TFR) and shareholders' equity.

Finally, for the purposes of preparing the statement of financial indebtedness, we have applied the provisions of CONSOB Communication DEM/6064293 of 28 July 2006 and of the subsequent CONSOB warning notice no. 5/21 of 29 April 2021, as already stated above.

THE GROUP'S PERFORMANCE

INCOME STATEMENTS

The first half of 2023 ended with a profit of Euro 1,270 thousand, showing significant growth in revenues, which exceeded Euro 31 million, up by 18.7% compared to the first half of the previous year. Profit margins also improved, supported both by overall higher sales and by major cost efficiency and pricing activities with customers.

For more details, reference should be made to the highlights of the reclassified income statement, compared to those of the previous period, as shown in the table reported below.

€/th.	30.06.2023	%	30.06.2022	%
Revenues	**31,241**	**100.00%**	**26,329**	**100.00%**
Cost of goods sold	(20,039)	-64.14%	(17,182)	-65.26%
Gross margin	**11,202**	**35.86%**	**9,147**	**34.74%**
Administrative costs	(4,365)	-13.97%	(3,582)	-13.60%
Commercial costs	(1,340)	-4.29%	(1,278)	-4.85%
Other operating costs	(1,889)	-6.05%	(1,874)	-7.12%
Gross operating margin (EBITDA)	**3,608**	**11.55%**	**2,413**	**9.17%**
Amortisation & depreciation	(2,168)	-6.94%	(1,930)	-7.33%
Operating profit - (EBIT)	**1,440**	**4.61%**	**483**	**1.83%**
Financial income	559	1.79%	191	0.73%
Financial costs	(528)	-1.69%	(170)	-0.65%
Profit (loss) before tax	**1,471**	**4.71%**	**504**	**1.91%**
Taxes for the period	(201)	-0.64%	31	0.12%
Profit (loss) for the period	**1,270**	**4.07%**	**535**	**2.03%**
Non-recurring costs	528	2.04%	-	-
Adjusted EBITDA	**4,136**	**13.24%**	**2,413**	**9.17%**

For the sake of clarity and comparability of the figures at 30 June 2023 compared to the first half of the previous year, it should be noted that the total costs recorded in these half-year financial report include non-recurring-costs of Euro 528 thousand, mainly related to expenses incurred to support the acquisition of Filostamp S.r.l..
For this reason, it has been deemed appropriate to present Adjusted EBITDA at 30 June 2023 that does not take account of these costs, which are not related to the Group's operating activities, as described above.

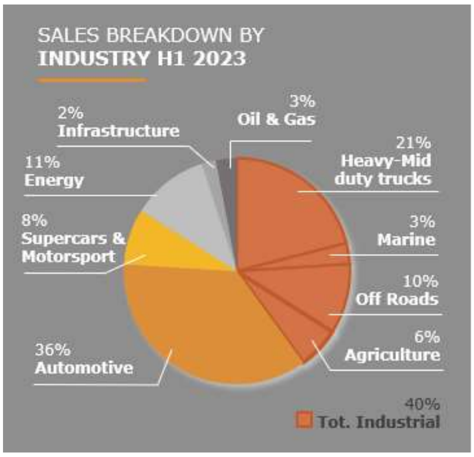
Furthermore, the reader of this document is reminded that gross margin and EBITDA are not identified as accounting measures within the scope of IFRS and should not, therefore, be regarded as indicators for assessing the Group's performance of operations.
Finally, it should also be noted that the criterion used by the Group to calculate the parameters mentioned above may not be the same as that adopted by other companies in the sector, and, therefore, these values may not be comparable.
However, these values are reported and commented on in this document, since they are normally the object of analysis on the part of stakeholders.

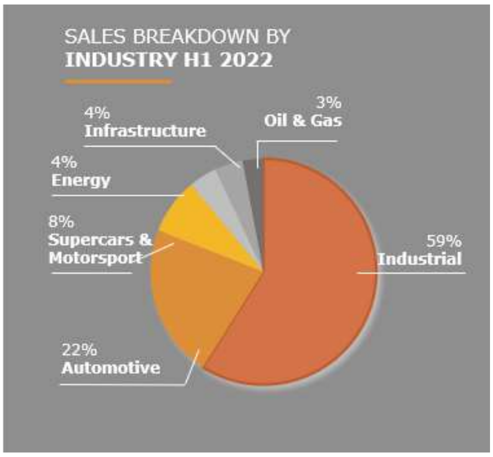
REVENUES AND ORDERS

As already noted in the publication of the annual consolidated financial statements for the financial year ended 31 December 2022, the first half of 2023 showed the positive effects of a record order backlog for the Group at the end of the previous year.

The high levels of order backlog at the end of 2022, in fact, enabled the Group companies to achieve significantly higher levels of sales than in the first half of the previous year, exceeding Euro 31 million (compared to Euro 26 million at 30 June 2022).

While on the one hand the newly-acquired Filostamp's integration into the Vimi Group from 1 April 2023 brought in additional sales of approximately Euro 2.2 million (for more details on the acquisition of Filostamp, reference should be made to the information provided in the paragraph on "Business Combinations" in the Notes to the Financial Statements), on the other hand there was significant growth in sales, even on a like-for-like basis, compared to the previous year.





In order to more clearly and comprehensively present the sales figures by target sector, it is necessary to bring the following factors to the attention of the financial statement user:

- The newly-acquired Filostamp has the automotive market as its target market, with the production of non-powertrain related components. This has therefore led to an increase in the Group's sales volumes to that part of the automotive sector that will not undergo significant changes with the migration to electric vehicles.
- As the sales volumes of Group companies increase, the different trends in those individual market segments grouped until now under the single "industrial" macro-sector become increasingly evident and significant. As already anticipated in the Report on Operations at 31 December 2022, the presence in this macro-sector guarantees the

Group an important diversification of its customer base: in order to provide greater details, the breakdown by individual market segment at 30 June 2023 is reported above for a sector that globally accounts for 40% of the Vimi Group's turnover.

As at 30 June 2023 the Vimi Group's order backlog, expiring on 31 December 2023 and net of the sales achieved in the first half of the year, came to Euro 26.8 million, showing an increase compared to Euro 24 million reported at 30 June 2022.

GROSS MARGIN

Gross margin showed a value of Euro 11.20 million, showing significant growth compared to Euro 9.15 million reported in the first half of 2022, and an impact on revenues that came to 35.86% compared to 34.74% at 30 June 2022.

As mentioned above, the improvement in gross margin values was certainly supported by the efforts of all Group companies, aimed partly at increasing efficiency in production processes (among which the activation of the new PV system at the Parent Company's plant should be emphasised, which is a significant investment that immediately began to show its effects on energy procurement costs), and partly by continuous and ongoing monitoring and attention to commercial policies relating to selling prices.

ADMINISTRATIVE, COMMERCIAL AND OPERATING COSTS

Administrative costs for the period amounted to Euro 4.36 million compared to Euro 3.58 million in the first half of 2022, with an impact on revenues that was almost in line with the first half of the previous year.

This item also includes the reclassification of research and development costs. The Parent Company is, in fact, continuing its investments in R&D projects, with a total expenditure, during the first half of 2023, equal to Euro 615 thousand, of which an amount of Euro 132 thousand was capitalised.

The activities concerned the study and design of new high-performance fastening systems with light alloy materials; in particular, work was completed during the half-year on the project funded by the Ministry of Economic Development (MISE) regarding the: "*Development of design methods and production techniques for highly performing fastening systems for aerospace, motorsport, high-end automotive/supercar applications and new mild and full electric engines*", which had commenced in 2018.

Commercial costs for the period amounted to Euro 1.34 million compared to Euro 1.28 million in the first half of 2022, with an impact on revenues that was slightly lower than in the first six months of the previous year.

Other operating costs, which mainly include maintenance costs and services and indirect utilities, amounted to Euro 1.89 million compared to Euro 1.87 million reported at 30 June 2022, and with an impact of 6.05% on revenues, down compared to the first half of the previous year.

GROSS OPERATING MARGIN (EBITDA)

EBITDA reported at 30 June 2023 came to Euro 3.61 million, showing a significant improvement, in absolute value, compared to Euro 2.41 million recorded in the first half of 2022. The same improvement was seen in EBITDA as a percentage of total revenues, which showed a value of 11.55% at 30 June 2023 compared to 9.17% at 30 June 2022.

For the sake of clarity and comparability of figures, it should also be noted that in the first half of 2023 the Vimi Group incurred extraordinary and non-recurring costs (mainly related to the acquisition of Filostamp S.r.l.) for about Euro 528 thousand. Net of these costs, which are not directly related to business operations, the Group would have achieved EBITDA of Euro 4.14 million, accounting for 13.24% of revenues.

As already explained above, the improvement in profit margins appears to be directly related to a substantial increase in sales achieved in the first half-year, mainly driven by the record order backlog volumes achieved at the end of 2022 and the contribution given by the newly-acquired Filostamp.

To this positive effect has then been added the ongoing commitment of all Group companies to continuous improvement in production and resource management efficiency (e.g., the commissioning of the new PV system at the Parent Company's plant), together with management's continuous and ongoing commitment to careful monitoring of selling prices, within a global context that continues to show itself to be complex.

AMORTISATION & DEPRECIATION

Amortisation and depreciation, which amounted to Euro 2.17 million at 30 June 2023 compared to Euro 1.93 million at 30 June 2022, with an impact of 6.94% on revenues compared to 7.33% in the first half of 2022. This item includes costs of Euro 546 thousand for rental and lease agreements, as required by IFRS 16.

OPERATING RESULT (EBIT)

As at 30 June 2023, EBIT came to Euro 1.44 million, equal to 4.61% of revenues, compared to a result of Euro 0.48 million at 30 June 2022, with an impact of 1.83% on revenues.

PROFIT (LOSS) FOR THE PERIOD

The result before tax posted a profit of Euro 1.47 million at 30 June 2023, against a result of Euro 0.50 million recorded at the end of the first half of the previous year.

After the recognition of taxes for the period, the Vimi Group's consolidated financial statements at 30 June 2023 showed a profit of Euro 1.27 million, equal to 4.07% of revenues stated in the accounts, against a result of Euro 0.54 million (2.03% of revenues) recognised at 30 June 2022.

CAPITAL AND FINANCIAL STRUCTURE

The Group's capital and financial structure at 30 June 2023, which is summarised in the table below, shows the following amounts:

€/th.	30.06.2023	%	31.12.2022	%
Trade receivables and advances to suppliers	16,150	28%	9,758	22%
Inventories	15,464	27%	12,964	29%
Trade payables and advances from customers	(11,159)	-19%	(9,225)	-21%
Other net receivables and payables	(3,611)	-6%	(2,995)	-7%
Net working capital	**16,844**	**29%**	**10,503**	**24%**
Property, plant and equipment	17,650	31%	13,616	31%
Intangible assets	19,937	35%	16,782	38%
Non-current financial assets	97	0%	1	0%
Receivables from others and deferred tax assets	5,612	10%	5,491	12%
Fixed assets	**43,297**	**75%**	**35,891**	**81%**
Provision for Employee Severance Pay and other long-term payables	(2,745)	-5%	(2,051)	-5%
Net invested capital	**57,396**	**100%**	**44,343**	**100%**
Net financial debt (A)	**26,592**	**46%**	**14,086**	**32%**
Shareholders' equity (B)	**30,804**	**54%**	**30,257**	**68%**
Total sources of Financing (A) + (B)	**57,396**	**100%**	**44,343**	**100%**

Net invested capital at 30 June 2023 amounted to Euro 57.40 million, showing an increase compared to Euro 44.34 million at 31 December 2022, mainly as a result of the change in the consolidation area.

Specifically:

- net working capital rose from Euro 10.50 million at 31 December 2022 to Euro 16.84 million at 30 June 2023, resulting in a change in the impact on net invested capital from 24% at 31 December 2022 to 29% at 30 June 2023.

  Inventory stock increased from Euro 12.96 million at 30 June 2022 to Euro 15.46 million at 30 June 2023. This increase appears to be due to different effects that are combined with each other: on the one hand, we must note that on 30 June 2023 Filostamp S.r.l. joined the scope of consolidation of the Vimi Group, with a contribution of about Euro 1.31 million; on the other hand, it became necessary to increase stock for other Group companies in order to support the growth achieved in sales and the performance of portfolio contracts during the second half of the year.

  Trade receivables rose from Euro 9.76 million at 30 June 2022 to Euro 16.15 million at 30 June 2023. The considerable increase compared to the first half of the previous year was partly due to Filostamp joining the Group's consolidated accounts (with the contribution of receivables of more than Euro 3 million) and partly to higher sales reported in particular during the last part of the half-year.

  No deterioration was reported in the quality of the receivables themselves.

  A slight decline, in percentage terms, was reported in trade payables, which rose from Euro 9.23 million at 31 December 2022, equal to 21% of net invested capital, to Euro 11.16 million at 30 June 2023, equal to 19% of net invested capital. The increase in absolute value in total trade payables was mainly due to the recognition of trade payables of Filostamp, which had not been consolidated at 31 December 2022.

- Fixed assets (consisting of the sum of the value of property, plant and equipment, intangible assets, non-current financial assets, rights of use arising from IFRS 16 measurement and non-current receivables) showed an increase of Euro 7.41 million compared to the values recorded at 30 June 2022, mainly due to Filostamp joining the Group with a contribution of about Euro 4.0 million in Rights of use accounted for among property, plant and equipment as required by IFRS 16 and the recognition of goodwill of Euro 3.24 million among consolidated intangible assets.

Net Financial Debt

As at 30 June 2023 the financial debt showed a total amount of Euro 26.59 million.

- The change compared to the previous year was a direct result of the acquisition of Filostamp, which occurred during the first half of 2023. In fact, this transaction entailed the recognition of a debt of Euro 10 million related to the Consideration for the acquisition (partly stated as less cash, and partly as debt to shareholders, and partly as the recognition of a financial debt to the selling shareholders), together with extraordinary costs that the Group had to incur for the preparatory activities to finalise the transaction itself. To this amount must be then added the effect of the recognition of Filostamp's own IFRS16 contracts, which amounted to more than Euro 2.7 million at 30 June 2023.

Net of these effects, there would therefore be a debt value substantially in line with that at the end of 2022.

Furthermore, it should be noted that the stated overall value of financial debt includes discounted borrowings relating to the payment of future leases and rentals, as required by IFRS 16, totalling Euro 5.23 million, of which an amount of Euro 1.15 million due within the subsequent 12 months, while at 31 December 2022 they amounted to Euro 2.69 million, of which an amount of Euro 762 thousand due within the subsequent 12 months.

The table below provides a breakdown of the Group’s net debt at 30 June 2023, compared to the same figures at 31 December 2022.

€/th.	**30.06.2023**	**31.12.2022**
A. Cash	2,539	1,546
B. Cash equivalents	-	-
C. Other current financial assets	-	-
D. Liquidity (A) + (B) + (C)	2,539	**1,546**
E. Current financial debt	(1,151)	(762)
E1. of which lease liabilities	(1,151)	*(762)*
F. Current portion of non-current financial debt	(9,232)	(9,863)
G. Financial debt for acquisition of Filostamp	(864)	-
H. Current financial debt (E) + (F) + (G)	**(11,247)**	**(10,625)**
I. Net Current Financial Debt (Financial Position) (H) + (D)	**(8,708)**	**(9,079)**
J. Non-current financial debt	(14,407)	(5,006)
J1. of which lease liabilities	(4,083)	(1,925)
K. Debt instruments	-	-
I. Trade payables and other non-current payables	-	-
L. Financial debt for acquisition of Filostamp	(3,477)	-
M. Non-current Financial Debt (J) + (K) + (I) + (L)	**(17,884)**	**(5,006)**
N. Total Net Debt (M) + (I)	**(26,592)**	**(14,085)**

INVESTMENTS

The first half of 2023 ended with a plan of substantial investments made by the Group; first of all, we see the aforementioned completion of the acquisition of Filostamp S.r.l., which required the parent company to make an investment of Euro 10 million, supported partly by financing from the controlling company Finregg S.p.A., and partly by future flows from the subsidiary itself.

Net of the fixed assets acquired from Filostamp (approximately Euro 1 million in property, plant and equipment and intangible assets, and Euro 4 million in Rights of Use IFRS16), and the recognition of goodwill of Euro 3.28 million among intangible assets at 30 June 2023, there was the recognition of an additional sum of Euro 1.0 million in investments made by Group companies in new fixed assets.

Of this amount, a portion of about Euro 0.9 million was attributable to increases in property, plant and equipment (including Euro 746 thousand for purchases and improvements to equipment and machinery), and a portion of Euro 187 thousand relating to lease agreements accounted for as required by IFRS 16.

Investments in intangible assets amounted to Euro 166 thousand, of which an amount of Euro 132 thousand was due to the capitalisation of development costs relating to the MISE project, which was completed in May 2023.

In particular, it should be noted that since this project (with the theme: "Development of design methods and production techniques for highly performing fastening systems for aerospace, motorsport, high-end automotive/supercar applications and new mild and full electric engines") was funded by the MISE required the company to prepare the related reporting process. The parent company benefited from the disbursement of the second Work Progress Report (SAL) instalment of the grant on 3 May 2023, for a total amount of Euro 353 thousand (of which an amount of Euro 312 thousand was disbursed directly by the MISE and an amount of Euro 41 thousand was disbursed by the Emilia-Romagna Regional Government).

The ultimate goal of the project is to arrive at having nine new prototype products, developed by adopting the new methodologies and techniques developed during the course of the project itself, which will have to present characteristics that exceed the state of the art in the relevant macro-sector of reference. This objective was achieved through a structured plan of activities organised on 6 different ROs and 6 different types of high-performance fasteners.

Finally, it should be noted that, following the completion of the project, the entire amount of capitalisations made in the period under review and in previous periods, totalling Euro 2,464 thousand, which had been stated among intangible assets “under development” until that time (with the related deferral of amortisation), was recorded among capitalised R&D costs at 30 June 2023, with the consequent recognition of the amortisation allowance for the period through profit or loss.

FINANCIAL PERFORMANCE INDICATORS

Certain performance indicators achieved by the Vimi Group at 30 June 2023 are reported below in addition to comparative data at 30 June 2022:

PROFITABILITY RATIOS

		30.06.2023	30.06.2022
Return on sales (ROS)	Operating profit / Revenues	0.05	0.02
Return on investment (ROI)	Operating profit / Invested capital	0.03	0.01
Return on Equity (ROE)	Profit for the period / Equity	0.04	0.02
EBITDA		3,602	2,413
EBIT		1,440	483
Personnel performance	Revenues / Personnel costs	3.74	3.56

As shown in the table reported above, the half-year ended with a substantial improvement in all profitability ratios, with a positive impact on the Group.

FINANCIAL RATIOS

		30.06.2023	30.06.2022
Current ratio	Current assets / Current liabilities	1.15	1.10
Quick ratio	Current assets – inventories / Current liabilities	0.66	0.56
Leverage	Total investments / Net worth	1.86	1.56
Fixed assets coverage	Equity / Fixed assets	0.82	0.95

The values recorded through the calculation of the financial ratios at the end of the first half of 2023 show, as a whole, the Group's ability to finance working capital and keep its financial position in balance, even following the acquisition of the new subsidiary Filostamp, which led to a temporary increase in debt, shown in any case by a small increase in the leverage ratio.

Accordingly, the Group is able to maintain its historical propensity to being able to generate cash in support of its operations.

OPERATIONAL RATIOS

		30.06.2023	30.06.2022
DOI	Inventories / Cost of goods sold x 365 (*)	139	138
DSO	Trade receivables / Revenues x 365 (*)	93	78
DPO	Trade payables / Costs of raw materials and services (*)	106	108

(*) the ratios at 30 June 2023 were determined by calculating a turnover over 180 days

Finally, as reported above, at 30 June 2023 a substantial balance was noted, even with regard to the timing of inventory turnover and payment to suppliers.

With regard to the calculation of average collection days from customers, which increased compared to 30 June 2022, a change in the factors underlying the calculation itself should be noted: on the one hand, in fact, the group was joined by Filostamp, which sells its products mainly in the Italian market that historically shows more deferred payment terms than abroad; on the other hand, it should also be noted that all the Group companies reported higher sales in the second half of the year, resulting in the recognition, at 30 June, concerning a high amount of uncollected receivables as they were not yet formally past due. Therefore, it can be said that there are no problems with collection of receivables or solvency of customers of the Group companies.

MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

In carrying out its activities, the Vimi Group is exposed to various types of business risk that might have an impact on its results of operations and financial position:

- market risk is essentially linked to trends in demand and prices of products. In relation to future trends in the target sectors, which at present can only be partially predicted, there will be related repercussions in terms of demand in the specific markets in which the Group operates;
- process risk: the Group relies on an accounting organisation based on the division of tasks and a management application system based on the division of functions with dedicated profiles and authorisations that are reviewed periodically. For the purpose of preparing the financial statements, the Board of Statutory Auditors and the Independent Auditors carry out periodical audits of the internal control system, which are followed by adjustments to processes, where necessary;
- risk of non-compliance with regulations: there is no particular risk of incurring penalties or being disqualified from carrying out activities due to the failure to comply with the relevant regulations, especially those governing environmental risks and

occupational safety. For objections concerning the Report on Findings (PVC) with the Agency, reference should be made to the explanatory notes.

- Country risk: in past years the Group did not consider the factor related to country risk to be a critical issue for its activities. However, in light of the present uncertain international situation, it is deemed appropriate to carry out this assessment. As of today's date, the Vimi Fasteners Group does not include, among its customers and direct suppliers, any companies based in Ukraine or Russia, which are the countries that are currently involved in the war in progress. However, possible repercussions at global level cannot be fully ruled out in the coming months, even in the sectors in which the Group operates. For this reason, this issue will therefore continue to be monitored by management in the near future.

FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICY

The information below is provided with regard to the disclosure required by Article 2428, paragraph 2.6-*bis*, of the Italian Civil Code, in the matter of financial statements, regarding financial risk management objectives and policy.

The Group is exposed to financial risks associated with its business, specifically relating to the following cases:

- Credit risk. It is the risk that a counterparty fails to meet its obligations linked to a financial instrument or a commercial contract, thus giving rise to a financial loss. The Group is exposed to credit risk arising from its operating activities (especially trade receivables and credit notes) and from its financing activities, including deposits with banks and financial institutions and transactions in foreign currency.

  In particular, with regard to the risk associated with commercial contracts, which is deemed to be the most significant, it should be noted that the Vimi Group does not hold significant amounts of receivables. It is in fact the Group companies' policy to make sales to customers after assessing their creditworthiness and then monitoring past due amounts (if any) on a monthly basis. Historically, the Group has not incurred significant credit losses.
- Liquidity risk. A prudent liquidity risk policy entails maintaining adequate cash and cash equivalents and sufficient lines of credit on which to draw for any requirement. It is the Group's policy to rely on lines of credit that can be used for cash requirements and for disposals of portfolio assets, which are immediately available within the limits of the facilities granted.

  The breakdown of loans in place is reported below.

Amounts in €/th.	**within 1 year**	**from 2 to 3 years**	**beyond 3 years**	**Total**
Credem loan	133	-	-	133
Credem loan	287	1,222	490	2,000
Simest loan	-	8	13	21
BPER loan	600	1,216	-	1,816
BPER loan	360	2,640	-	3,000
Banco BPM loan	1,250	-	-	1,250
UNICREDIT loan	1,852	-	-	1,852
FINREGG loan	250	2,000	2,750	5,000
Total Loans	**4,732**	**7,086**	**3,253**	**15,072**

The breakdown reported above does not include short-term hot money loans in place at 30 June 2023. For more information, reference should be made to point 14 of the explanatory notes to this report.

- Market risk: the market risk to which the Group is subject is detailed as follows:

a) Exchange risk, relating to transactions in foreign currency areas other than those of denomination;

b) Interest rate risk, relating to the Group's exposure to financial instruments that generate interest. This is the risk that the fair value or future cash flows of a financial instrument will change due to fluctuations in market interest rates. The Group's exposure to the risk of changes in market interest rates is linked in the first instance to long-term debt with variable interest rates.

Amounts in €/th.	**Interest rate**	**30.06.2023**	**31.12.2022**
Credem loan	EUR3 M+0.75%	133	265
Credem loan	EUR3 M+0.95%	-	504
Credem loan	EUR3M+1.45%	2,000	-
Simest loan	0.051% FIXED	21	21
BPER loan	0.90% FIXED	1,816	2,110
BPER loan	EUR3M+1%	3,000	-
Banco BPM loan	EUR6 M+1.20%	1,250	1,873
UNICREDIT loan	EUR3 M+0.5%	1,852	2,776
FINREGG loan	EUR3M +2%	5,000	-

The Group assesses its exposure to the risk of fluctuations in interest rates on an ongoing basis and manages this risk by also using derivative financial instruments.
The effects of a theoretical, instantaneous upward fluctuation of 50 basis points in interest rates would entail higher financial costs for the Group in 2023, totalling Euro 84 thousand on an annual basis (in the assessment carried out at 31 December 2021 this higher amount was estimated at approximately Euro 38 thousand over 12 months). The sensitivity analyses have not considered any loans for which hedging transactions have been put in place or which have been taken out at a fixed rate, as well as cash investments at a fixed rate. Moreover, it is deemed reasonable that a change in interest rates could have an opposite economic effect on the derivative entered into to hedge the Unicredit loan, thereby reducing the overall change potentially caused by a fluctuation in the reference interest rates.

c) Commodity and utilities price risk, due to changes in the prices of commodities and utilities in general.

The Group companies are affected by the volatility of the price of certain commodities and utilities, since operating activities require the purchase and processing of steel on an ongoing basis and, consequently, a continuous supply of steel.

In order to hedge this risk, which is particularly significant in this historical moment due to significant increases in the prices of raw materials and energy, some contracts of sale have been entered into, which provide for price adjustments in any case of changes in the price of energy and raw material.

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OTHER INFORMATION

HUMAND RESOURCES, TRAINING AND INDUSTRIAL RELATIONS

The Group pays great attention to the proper management of its human resources, as well as to their professional growth and involvement, through a reward system based on the measurement and assessment of their performance and of the specific skills they acquire.

As at 30 June 2023, the Group directly employed 282 people (233 in service at 31 December 2022 and 235 at 30 June 2022), about 33% of whom are office workers or managerial staff members, as reported below.

For the sake of clarity, it should be noted that, net of the effect due to Filostamp joining the Group, employees on the payroll at 30 June for other Group companies amounted to 234 people, thus in line with previous periods.

	30.06.2023	31.12.2022	30.06.2022
Executives	8	9	8
Office workers	85	67	68
Manual workers	189	157	159
Total	**282**	**233**	**235**

In addition to subordinate staff, temporary workers must also be taken into account in order to have the clearest possible representation. As shown in the table below, the headcount at 30 June 2023 was 31 (of which only 2 people contributed by Filostamp upon joining the Vimi Group), showing a significant increase compared to the value posted in the previous year. The greater use of temporary work, noted mainly on the parent company Vimi S.p.A., was necessary in order to support an increase in production.

	30.06.2023	31.12.2022	30.06.2022
Temporary manual workers	31	19	21
Total	**31**	**19**	**21**

Personnel costs amounted to Euro 8.4 million, up from Euro 7.4 million recorded at 30 June 2022. The impact of these costs on revenues was equal to 26.74% against 28.12% during the first half of the previous year.

The increase in personnel costs recorded in the first half of 2023 compared to the previous year, as it can be inferred from the figures reported above, appears to be directly linked to the increase in the workforce recorded at Group companies, specifically when the newly-acquired Filostamp joined the Group.

In terms of industrial relations, the Group still continued its constructive relationship with the Trade Union Organizations and Representatives, allowing for a substantial absence of conflict.

HEALTY, SAFETY AND ENVIRONMENT

The Vimi Fasteners Group has always been sensitive to safeguarding the health and safety of its workers. The Parent Company Vimi Fasteners S.p.A. has maintained in place its Safety Management System, passing the audit in February 2023 to maintain the renewal of the Occupational Health and Safety Certification, according to the requirements of the UNI ISO 45001:2018 standard specification.

During the first half of 2023, no fatal accidents occurred at the Group's plants.
The Group companies have complied with the obligations provided for by regulations on health surveillance.

Costs of Euro 65 thousand were incurred in connection with personnel and safety issues during the half-year; work continued on training courses according to schedule.

As regards environmental protection, it should be noted that in the first half of 2023 Vimi Fasteners S.p.A. and Filostamp S.r.l., a company that joined the Group from April 2023, maintained the certification of their Environmental Management System according to UNI EN ISO 14001:2015 standard.

In early 2023 there were no changes in manufacturing processes, which are essentially related to cold and hot stamping, thread rolling, mechanical processing and heat treatment of steel; the raw material consists of special steels, and accessory materials in use mainly consist of packaging, lubricants, hardening oils and detergents for aqueous washing solutions.
The plants operate in compliance with the European, national and local environmental regulations; furthermore, the Group pays ongoing attention to environmental protection, setting itself objectives aimed at continuous improvement, the status of attainment of which is verified by periodic reviews.

There was also a well-established commitment by management to report on non-financial issues through a process that led to the publication of the second Sustainability Report on a voluntary basis, which was approved on 29 March 203, at the same time as the Group's economic and financial report and subject to limited review for the first time.

At present, no environmental damage has been caused and no complaints have been received from third-party stakeholders.

POSITIONS OR OPERATIONS ARISING FROM ATYPICAL AND/OR UNUSUAL TRANSACTIONS

In compliance with the requirements of CONSOB Communication DEM/6064293 of 28 July 2006, it should be noted that the first half of 2023 was not affected by any atypical and/or unusual transaction, as defined in the explanatory notes to the Consolidated Financial Statements.

RELATED-PARTY TRANSACTIONS

Credit and debit and financial transactions with related parties are analysed in detail in the explanatory notes to which reference should be made. It should also be noted that sales and purchases between the parties do not qualify as atypical or unusual, since they are carried out by the Group companies at arm’s length during the normal course of their business.

Finally, it should be noted that the Board of Directors has adopted a specific procedure for related-party transactions, which is available on the Group's website, to which reference should be made.

TREASURY SHARES

In compliance with the provisions of Article 2428 of the Italian Civil Code, it is hereby informed that the Parent Company did not trade any treasury share or shares of controlling companies during the first half of 2023. At present, the Parent Company Vimi Fasteners S.p.A. holds 138,500 treasury shares, corresponding to 1.02% of the share capital, for a carrying amount of Euro 305,311.

MAIN SIGNIFICANT EVENTS AFTER THE REPORTING DATE

The third quarter of 2023 showed no significant changes from the previous period: the macroeconomic environment remains uncertain and volatile, the Russian-Ukrainian conflict shows no signs of an imminent resolution, world economy continues to show a general slowdown, and interest rates have reached highs from which it is hoped they will soon begin to fall again.

While 2022 had ended with a major increase in orders from customers, mainly driven by the need to secure stock to support the post-pandemic recovery, supporting the good sales in the first half of 2023, to date we are seeing, on the contrary, a slowdown in orders from well-established customers. However, the Vimi Group companies were able, by carrying out significant sales development activities, to gain contracts of sale with new customers, and in particular, the first deliveries for a major new global customer in the industrial engines and components sector should be noted. In recent months the first orders for high-performance screws were also received from an iconic Italian brand of superbikes, demonstrating continued capacity for growth and technological development of the products the Group offers.

Work continued on the monitoring and updating of commercial policies, which continue to be fundamental to ensure stability for the Group at a time of volatility and uncertainty such as the present one. These activities will allow the Group's profit margins to be supported, even taking account of the increase in labour costs as from June 2023, in the face of the amendments to the National Collective Labour Agreement for the metalworking sector.

With the newly appointed Integration Leader, a rigorous process of commercial and production integration is underway between the newly-acquired Filostamp and other Group companies. This activity will strengthen production efficiencies as early as in the short/medium term, together with strengthening relations with customers and suppliers with undoubted benefits in terms of turnover and profit margins.

It should also be noted that work was completed on the search and selection of a Technical Sales manager for the US market, for which management sees great potential and possibilities for development and further growth.

In spite of all the critical issues reported above, it is therefore noted that the Group is putting in place a number of tools in order to be able to pursue sound growth on an ongoing basis, even in such a complex and difficult to forecast global scenario.

OUTLOOK

The global scenario in which we are operating, which is so complex and changing, makes it particularly difficult to make estimates for the future.

The difficulties world economy is going through could have an impact on the business with well-established customers; however, we expect to see an increase in volumes in the United States of America, where economy is showing stronger, and further opportunities with new customers. As evidence of this, work will continue significantly on sales development in the coming months, with the inclusion of new customers for the industrial sector.

The Group's strength will be its ability to diversify its range of products, coupled with differentiation at the level of geographical areas and target sectors served: in fact, these factors, when combined, characterise the Group's strong resilience to market cyclicality, which is especially crucial in this period of high volatility.

Furthermore, as already mentioned above, work for the integration of Filostamp into the Group will continue in an increasingly comprehensive manner with higher sales and cost efficiency, resulting in improved consolidated profit margins.

Furthermore, Filostamp itself, which was consolidated for only three months in the first half of 2023, will be consolidated on a line-by-line basis for the entire second half of the year: therefore, the Group expects to benefit from this acquisition more significantly in the second half of the year.

The Vimi Group ended the first half of the year with an order backlog of Euro 26.8 million (Euro 24 million at 30 June 2022), expiring in 2023 (net of sales achieved at 30 June). In light of this, expectations therefore remain positive for the current year and the years to come. Therefore, on the basis of the Group's results to date and financial, management and operational indicators, the Directors have assessed that, despite the uncertain global economic and financial environment, there are no uncertainties regarding the Group's ability to continue as a going concern, nor any critical issues regarding the Group's ability to meet its obligations over the next 12 months.

Novellara (RE), 29 September 2023

The Chairman of the Board of Directors

(Fabio Storchi)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2023

(Values in €/th.)

ASSETS	Notes	30.06.2023	31.12.2022
Property, plant and equipment	1	11,396	11,009
Right of use - IFRS 16	2	6,254	2,607
Intangible assets	3	19,937	16,783
Equity investments	4	2	1
Tax receivables	8	104	70
Other non-current assets	9	100	-
Deferred tax assets	5	5,595	5,421
TOTAL NON-CURRENT ASSETS		**43,383**	**35,891**
Inventories	6	15,464	12,964
Trade receivables	7	16,150	9,758
Tax receivables	8	838	876
Other receivables	9	1,098	492
Cash and cash equivalents	10	2,539	1,546
TOTAL CURRENT ASSETS		**36,088**	**25,636**
TOTAL ASSETS		**79,476**	**61,527**

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	30.06.2023	31.12.2022
Share capital	11	9,646	9,646
Share premium reserve	11	8,955	8,955
Other reserves	11	2,351	2,574
Profit (loss) carried forward	11	8,583	7,337
Profit (loss) for the period	11	1,270	1,745
TOTAL SHAREHOLDERS' EQUITY		**30,804**	**30,257**
Employee benefit liabilities	12	1,577	896
Provisions for risks and charges	13	115	112
Non-current loans	14	10,324	3,081
Non-current lease liabilities	14	4,083	1,925
Other non-current liabilities	15	1,016	998
Deferred tax liabilities	5	37	44
TOTAL NON-CURRENT LIABILITIES		**17,152**	**7,057**
Current loans	14	9,232	9,863
Current lease liabilities	14	1,151	762
Trade payables	16	11,159	9,139
Tax payables	17	485	436
Other payables	18	9,493	4,012
TOTAL CURRENT LIABILITIES		**31,520**	**24,213**
TOTAL LIABILITIES		**48,672**	**31,270**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**79,476**	**61,527**

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CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2023

(Values in €/th.)

	Notes	30.06.2023	30.06.2022
Revenues	19	30,209	25,726
Other income	20	1,032	603
TOTAL REVENUES		**31,241**	**26,329**
Cost for materials, goods for resale and change in inventories	21	10,977	9,433
Costs for services and leases and rentals	22	8,011	6,918
Personnel costs	23	8,355	7,400
Amortisation, depreciation and impairment	24	2,168	1,930
Accrual to provision for risks and charges	25	-	-
Other operating costs	26	290	164
TOTAL OPERATING COSTS		**29,801**	**25,846**
OPERATING PROFIT		**1,440**	**483**
Financial income	27	559	191
Financial costs	28	(528)	(170)
TOTAL FINANCIAL INCOME AND COSTS		**31**	**21**
PROFIT BEFORE TAX		**1,471**	**504**
Current income taxes	29	7	126
Deferred income taxes	29	(207)	(95)
TOTAL TAXES		**(201)**	**31**
PROFIT FOR THE PERIOD		**1,270**	**535**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AT 30 JUNE 2023

(Values in €/th.)

	30.06.2023	30.06.2022
Profit (loss) for the period	**1,270**	**535**
Other comprehensive income that will not be reclassified to profit or loss	-	-
Profits (losses) from translation of financial statements of foreign entities	24	89
Actuarial gains (losses) on defined-benefit plans	-	-
Tax effect	-	-
Profits (losses) on derivatives for the period	(31)	60
Tax effect	7	(14)
Total other comprehensive income that will not be subsequently reclassified to profit or loss, net of taxes	**0**	**135**
Total comprehensive income(loss)	**1,270**	**670**

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CONSOLIDATED CASH FLOW STATEMENT
AT 30 JUNE 2023

(Values in €/th.)

	30.06.2023	31.12.2022
OPERATING ACTIVITIES		
Profit for the period	**1,270**	**1,745**
Adjustments for:		
- Depreciation of property, plant and equipment and amortisation of intangible assets	2,162	3,765
- Capital (gains) losses on disposal of fixed assets	(2)	(44)
- Change in provisions for risks and charges and employee benefit liabilities	(79)	(292)
-Other non-monetary changes	(39)	(390)
-Taxes	201	208
Sub-Total	**2,243**	**3,247**
(Increase) decrease in trade receivables and other receivables	(2,930)	1,005
(Increase) decrease in inventories	(1,128)	(1,767)
Increase (decrease) in trade payables and other payables	(1,467)	(2,072)
Taxes paid	(61)	(61)
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES (A)	**861**	**2,097**
INVESTING ACTIVITIES		
Investments in property, plant and equipment	(995)	(2,037)
Investments in intangible assets	(159)	(578)
Equity investments	-	-
Business combinations, net of cash acquired	(3,694)	-
Sale of fixed assets	-	44
CASH FLOWS USED IN INVESTING ACTIVITIES (B)	**(4,848)**	**(2,571)**
FINANCING ACTIVITIES		
Repayment of loans	(2,486)	(4,956)
Other changes in financial assets/liabilities	8,709	5,424
Acquisition of treasury shares	-	-
Dividends paid	(714)	-
Interest and dividends collected (paid)	(529)	(359)
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	**4,980**	**109**
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)	**993**	**(365)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**1,546**	**1,911**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**2,539**	**1,546**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium Reserve	Legal Reserve	Reserve for profits (losses) carried forward	FTA Reserve	Cash flow hedge reserve	Costs for listing	Other reserves	Profit (loss) for the period	Group equity
Balance at 1 January 2021	9,322	9,820	607	3,893	1,143	(69)	(968)	2,503	(255)	25,996
Profit (loss) for the previous period				1,085				(1,340)	255	-
Other comprehensive income (loss)				43		56		108		207
Dividends								-		-
Other changes	324	(865)		536				(87)		(92)
Profit (loss) for the current period								-	2,088	2,088
Balance at 31 December 2021	9,646	8,955	607	5,557	1,143	(13)	(968)	1,184	2,088	28,199
Profit (loss) for the previous period			20	1,629				439	(2,088)	-
Other comprehensive income (loss)				152		70		88		310
Dividends								-		-
Other changes								2		2
Profit (loss) for the current period								-	1,745	1,745
Balance at 31 December 2022	9,646	8,955	627	7,337	1,143	57	(968)	1,713	1,745	30,257
Profit (loss) for the previous period			41	1,960				(175)	(1,745)	81
Other comprehensive income (loss)						(24)		24		0
Dividends				(714)				-		(714)
Other changes								(90)		(90)
Profit (loss) for the current period								-	1,270	1,270
Balance at 30 June 2023	9,646	8,955	668	8,583	1,143	34	(968)	1,472	1,270	30,804