VIMI FASTENERS: APPROVAL OF THE CONSOLIDATED FINANCIAL REPORT AT 30 JUNE 2024 AND MEETING WITH THE FINANCIAL COMMUNITY

Novellara, 24 September 2024

- **Consolidated revenues of Euro 30.0 million (-4.0% compared to Euro 31.2 million at 30 June 2023);**
- **Consolidated EBITDA of Euro 3.6 million, with an impact of 11.9% on revenues (compared to EBITDA of Euro 3.6 million, 11.6% on revenues at 30 June 2023);**
- **Profit for the period equal to Euro 0.4 million compared to Euro 1.3 million at 30 June 2023;**
- **Consolidated Net Debt equal to Euro 22.0 million (compared to Euro 23.9 million at 31 December 2023 and Euro 26.6 million at 30 June 2023, after the completion of the acquisition of Filostamp).**

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 2024, subject to limited review.

CONSOLIDATED INCOME STATEMENT, BALANCE SHET AND CASH FLOW STATEMENT HIGHLIGHTS AT 30 JUNE 2024

REVENUES

Consolidated revenues in the first half of 2024 stood at Euro 30.0 million, slightly less than Euro 31.2 million in the first half of 2023 (-4.0%) as a result of the market slowdown being witnessed at an international level.
The Vimi Group's order backlog at 30 June 2024, due to expire on 31 December 2024 and net of sales achieved in the first half of the year, amounted to Euro 24.0 million compared to Euro 26.8 million at 30 June 2023 (record half-year for the Group) and in line with the financial years prior thereto for the same reporting period.

EBITDA

EBITDA for the period amounted to Euro 3.6 million, equal to 11.89% of revenues, in line with Euro 3.6 million (11.55% of revenues) at 30 June 2023 (adjusted EBITDA of Euro 4.1 million at 30 June 2023, equal to 13.2%).

The Group has therefore demonstrated that it is able to sustain its profit margins despite the complex macroeconomic environment in which it operates. All Group companies reiterate their firm commitment to continuous and increasingly necessary production and resource management efficiency, together with the management's constant and ongoing effort towards careful monitoring and negotiation of sales prices with their customers, in order to be able to maintain their profit margins, despite a general slowdown in the Parent Company's sales volumes which were recorded in the first half of the year.

NET PROFIT

The first half-year ended for the Group with a profit of Euro 0.4 million compared to a result of Euro 1.3 million reported in the first half of 2023, following the recognition of net financial costs of Euro 0.7 million (compared to almost no impact of the financial component at 30 June of the previous year). Furthermore, the amount of amortisation and depreciation remained significant, equal to Euro 2.3 million (Euro 2.2 million at 30 June 2023) for those 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 FINANCIAL DEBT

Finally, as at 30 June 2024, there was an improvement in the level of Net Financial Debt, which stood at Euro 22.0 million, compared to Euro 23.9 million at 31 December 2023 and Euro 26.6 million recognised at 30 June 2023 following the acquisition of Filostamp S.r.l., proving the evidence of the Group's ability to generate cash.

SIGNIFICANT EVENTS FOR THE PERIOD

As the first few months of the year progressed, escalating global geopolitical conflicts and tensions reverberated negatively on an already weak and precarious macroeconomic scenario, thus amplifying its criticality. As already noted in the last quarter of 2023, Europe continues to experience weakness, and its most significant markets, especially Germany, are poised between modest growth and technical recession.

The external environment in which Vimi operates highlights the Group's own resilience, which has been strengthened in part through the acquisition of Filostamp, characterised by the variety of its product mix and geographic positioning of its customers, with half-yearly sales almost in line with those recorded in the same period in 2023.

More in detail, a positive performance of all subsidiaries was noted in the first half of 2024.
Filostamp increased its turnover compared to the first half of 2023, partly due to starting production operations of new businesses resulting from the integration process with the Parent Company.
MF Inox saw its business volume grow, driven by, among other things, the consolidation of a new distribution customer based in the United States, which is rapidly increasing its new orders on components manufactured with high-grade metal alloys.

Vimi Fasteners Inc also reported an increase in sales, both with existing customers and with the acquisition of new businesses, thanks to good market demand in the United States.
The Parent Company, on the other hand, was experiencing continued weakness in demand at the European level, especially due to the distribution sector in the German area. However, the Italian and UK markets were found to be the most vibrant compared to other European areas, generating new orders for new businesses.
The agricultural machinery sector was most affected by the negative economic environment while demand from the energy and infrastructure sectors was positive. The automotive sector saw a new slowdown, which became more pronounced as the first months of the year progressed, including in the face of declining exports from Germany.

Within this general framework, the Vimi Group's management has been paying close attention to activities to reduce costs and streamline operations among the various Group companies.
With this in mind, work was completed on the implementation of the first group of production synergies while diverting, within the Group itself, all those activities and services that were previously outsourced to third-party suppliers and companies. In addition, the implementation of cash pooling tools was finalised during the first months of the year, so as to optimise the management of the Group's financial resources as much as possible, thus consequently reducing its operating costs.

Furthermore, in March 2024, at the same time as the approval of the Economic and Financial Report for the 2023 financial year, the third Sustainability Report was published, which was subject to limited review by the appointed audit firm. The publication of this document allowed Vimi to strengthen its commitment to ESG issues with all its stakeholders, as well as to be able to enter into banking relationships on favourable terms and conditions.

Finally, the second tranche of the amount due from the acquisition completed last year was paid to the sellers of Filostamp.

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.

MAIN SIGNIFICANT EVENTS AFTER THE REPORTING DATE

The intensity and efforts with which the Group went through the first half of the year, in the complex context already described several times, continued to show itself, even in the months following the end of the period.

In order to be able to sustain the Group's profit margins, work continued, in fact, on specific policies to reduce costs without interruption while it remained constant 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.

Between July and September, several contracts were finalised for new businesses, particularly for the U.S. market, for which the first supplies will start as early as the second half of the year. In line with the diversification strategy that guarantees the Group's hallmark strength and resilience, these new opportunities are spread over several sectors and with their rump-up will ensure, in full operation, a significant source of revenue for the years to come.

Work then continued on price renegotiation for the entire year 2024, and a major agreement to update price lists as from 1 January 2025 was concluded with a major customer.

Furthermore, the subsidiary Filostamp started two-shift production for some production departments in order to be able to cope with the growing business volumes, which were realised thanks to the perfect technical and commercial integration established in particular with the Parent Company Vimi Fasteners S.p.A..

In terms of attention to cost reduction in support of profit margins, it should be noted that in July new production assets were started up, which were being installed at the end of the first half of the year: these new investments will enable both the Parent Company and its subsidiaries to optimise their operating costs.

Work was then completed on a major rebalancing of financial exposure with both the banking system and the majority shareholder, which was made possible by the implementation of a well-functioning cash pooling system. This enabled better management of resources, as well as the reduction of any related charges. This activity included the full repayment of the loan of Euro 5 million entered into with the parent company Finregg S.p.A. in 2023 in order to support the acquisition of Filostamp.

Finally, it is noted that work commenced on a project on ESG issues with a major global customer of the Group, which had selected Vimi among its five strategic suppliers to jointly pursue carbon footprint reduction projects.

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 while continuing to show vibrancy and a spirit of innovation and improvement, even in such a complex and difficult to forecast global scenario.

OUTLOOK

The work of making forecasts in this particularly turbulent period is certainly not easy; in fact, one can identify both positive development trends, tending to the restart of some sectors, and others opposite that, on the contrary, could delay their recovery.

The stabilisation of the world geopolitical situation, with the easing of tensions and conflicts and the materialisation of a new scenario of greater confidence, will favour the release of projects and investments; likewise, the long-awaited reduction in interest rates will also favour the launch of new investments and a recovery in consumption.

The expected positive outlook of economy in Germany will certainly be a very important driver for the recovery of the European market, and in particular of our business. At present, the opportunities in the U.S. market also continue to show positive, although the presidential elections in November may change their developments.

In the coming months work will continue on the activities, already started in the first half of 2024, aimed at finalising new business and seeking growth opportunities with both new customers and new products. Along these lines we find the activities of continuous price renegotiation with major customers and the development of M&A activities, which have always been part of the Group's DNA.

In general, as of today, we expect a second half of the year with a business volume that does not differ much from the second half of last year. At the same time, a further improvement in the financial position is expected with specific regard to the reduction of financial debt.

In light of this, and of the information reported above, 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.

MEETING WITH THE FINANCIAL COMMUNITY

It is also announced to all interested stakeholders that, following the publication of the consolidated half-year financial report at 30 June 2024 on this day and the publication of the consolidated economic and financial highlights at 30 September 2024, scheduled for 14 October 2024, a meeting will be held with the financial community on **15 October 22024** at hours **11:00 a.m..**
To be accredited for the event and receive the link for participation in virtual mode, please write to ir@vimifasteners.com, by no later than hours 10:00 on 15 October 2024.

www.vimifasterners.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, Balance Sheet and Net Financial Debt, together with the cash flow statement, prepared at 30 June 2024 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, www.vimifasteners.com, Investor Relations/Financial Statements and Reports section, and on the website www.borsaitaliana.it, Stocks/Documents section.

RECLASSIFIED SCHEDULES – CONSOLIDATED FINANCIAL STATEMENTS OF THE VIMI GROUP

RECLASSIFIED CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2024

€/th.	30.06.2024	%	30.06.2023	%
Revenues	**29,980**	**100.00%**	**31,241**	**100.00%**
Cost of goods sold	(18,500)	-61.71%	(20,039)	-64.14%
Gross margin	**11,480**	**38.29%**	**11,202**	**35.86%**
Administrative costs	(4,703)	-15.69%	(4,365)	-13.97%
Commercial costs	(1,201)	-4.01%	(1,340)	-4.29%
Other operating costs	(2,010)	-6.71%	(1,889)	-6.05%
Gross operating margin (EBITDA)	**3,566**	**11.89%**	**3,608**	**11.55%**
Amortisation, depreciation and other impairment	(2,335)	-7.79%	(2,168)	-6.94%
Operating profit - (EBIT)	**1,231**	**4.11%**	**1,440**	**4.61%**
Financial income	138	0.46%	559	1.79%
Financial costs	(809)	-2.70%	(528)	-1.69%
Profit (loss) before tax	**560**	**1.87%**	**1,471**	**4.71%**
Taxes for the period	(127)	-0.42%	(201)	-0.64%
Profit (loss) for the period	**433**	**1.45%**	**1,270**	**4.07%**
Non-recurring costs	-	-	528	2,04%
Adjusted EBITDA	**3,566**	**11,89%**	**4,136**	**13,24%**

RECLASSIFIED CONSOLIDATED BALANCE SHEET AT 30 JUNE 2024

€/th.	30.06.2024	%	31.12.2023	%
Trade receivables and advances to suppliers	16,657	31%	15,609	28%
Inventories	14,171	26%	13,381	24%
Trade payables and advances from customers	(11,302)	-21%	(9,509)	-17%
Other net receivables and payables	(4,246)	-8%	(3,366)	-6%
Net working capital	**15,280**	**28%**	**16,115**	**29%**
Property, plant and equipment	15,683	29%	16,034	29%
Intangible assets	19,886	37%	19,884	36%
Non-current financial assets	2	0%	2	0%
Receivables from others and deferred tax assets	5,793	11%	5,962	11%
Fixed assets	**41,363**	**77%**	**41,882**	**76%**
Provision for Employee Severance Pay and other long-term payables	(2,830)	-5%	(2,773)	-5%
Net invested capital	**53,812**	**100%**	**55,225**	**100%**
Net financial position (A)	**22,035**	**41%**	**23,875**	**43%**
Shareholders' equity (B)	**31,777**	**59%**	**31,350**	**57%**
Total sources of Financing (A) + (B)	**53,812**	**100%**	**55,225**	**100%**

NET FINANCIAL DEBT AT 30 JUNE 2024

€/th.	30.06.2024	31.12.2023
A. Cash	5,135	2,991
B. Cash equivalents	-	-
C. Other current financial assets	-	-
D. Liquidity (A) + (B) + (C)	**5,135**	**2,991**
E. Current financial debt	(5,000)	(4,000)
F. Current portion of non-current financial debt	(6,708)	(6,762)
F1. of which lease liabilities	*(1,251)*	*(1,187)*
G. Financial debt for acquisition of Filostamp	(1,830)	(703)
H. Current financial debt (E) + (F) + (G)	**(13,538)**	**(11,465)**
I. Net Current Financial Debt (Financial Position) (H) + (D)	**(8,403)**	**(8,474)**
J. Non-current financial debt	(11,807)	(11,655)
J1. of which lease liabilities	(2,692)	(3,152)
K. Debt instruments	-	-
I. Trade payables and other non-current payables	-	-
L. Financial debt for acquisition of Filostamp	(1,825)	(3,747)
M. Non-current Financial Debt (J) + (K) + (I) + (L)	**(13,635)**	**(15,402)**
N. Total (Financial Debt) /Net Financial Position (M) + (I)	**(22,035)**	**(23,875)**

CONSOLIDATED CASH FLOW STATEMENT AT 30 JUNE 2024

€/th.	30.06.2024	31.12.2023
OPERATING ACTIVITIES		
Profit for the period	**433**	**1,958**
Adjustments for:		
- Depreciation of property, plant and equipment and amortisation of intangible assets	2,329	4,651
- Capital (gains) losses on disposal of fixed assets	31	4
- Change in provisions for risks and charges and employee benefit liabilities	55	(78)
-Other non-monetary changes	(139)	456
-Taxes	127	241
Sub-Total	**2,403**	**5,274**
(Increase) decrease in trade receivables and other receivables	123	(3,284)
(Increase) decrease in inventories	(789)	955
Increase (decrease) in trade payables and other payables	885	322
Taxes paid	-	(66)
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES (A)	**3,055**	**5,159**
INVESTING ACTIVITIES		
Investments in property, plant and equipment	(1,738)	(1,546)
Investments in intangible assets	(271)	(434)
Equity investments	-	-
Business combinations, net of cash acquired	-	(3,694)
Sale of fixed assets	-	-
CASH FLOWS USED IN INVESTING ACTIVITIES (B)	**(2,010)**	**(5,673)**
FINANCING ACTIVITIES		
Repayment of loans	(9,396)	(4,470)
Other changes in financial assets/liabilities	10,494	8,319
Acquisition of treasury shares	-	-
Dividends paid	-	(714)
Interest and dividends collected (paid)	-	(1,174)
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	**1,098**	**1,961**
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)	**2,143**	**1,446**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**2,991**	**1,546**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**5,135**	**2,991**