

Biesse

Renovation is an
extraordinary journey

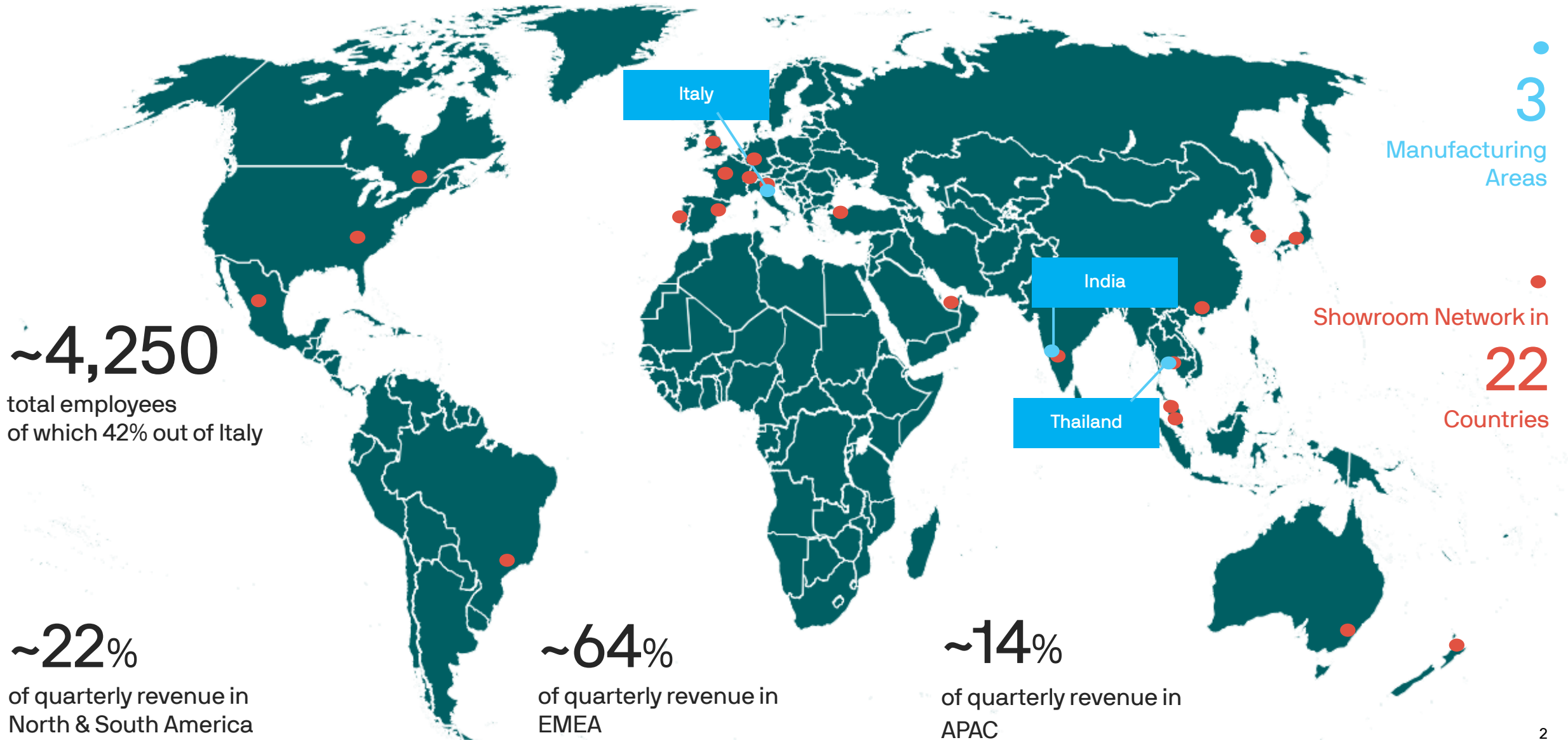
H1 2024 Results

Conference Phone Call

30 July 2024



THE GROUP – WORLDWILDE PRESENCE



ECONOMIC SCENARIOS 2024-2026

1/2



Confirmed change of context compared to the previous 5 years



INFLATION

OECD headline inflation increases slightly to 5.9% in May 2024 as energy inflation rises rapidly



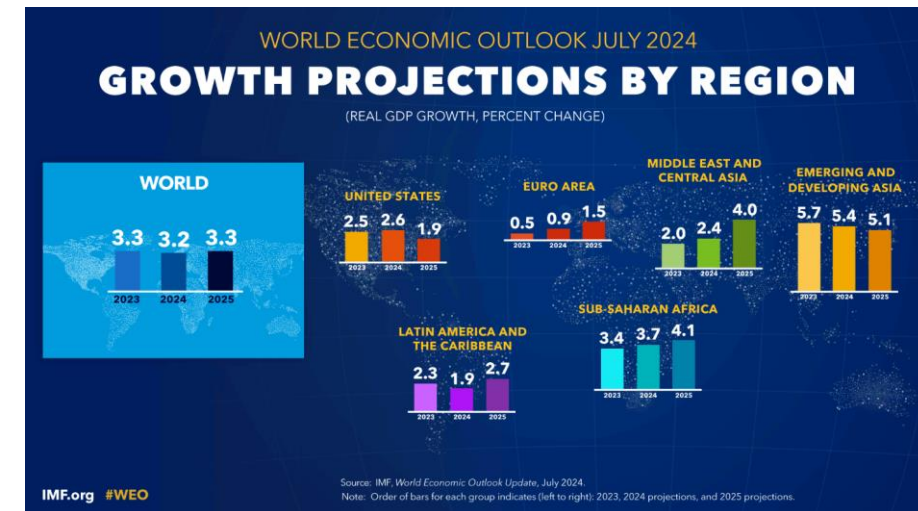
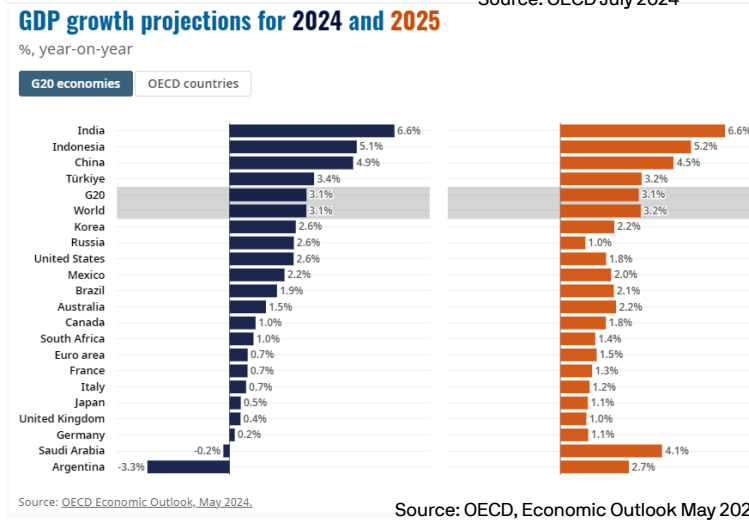
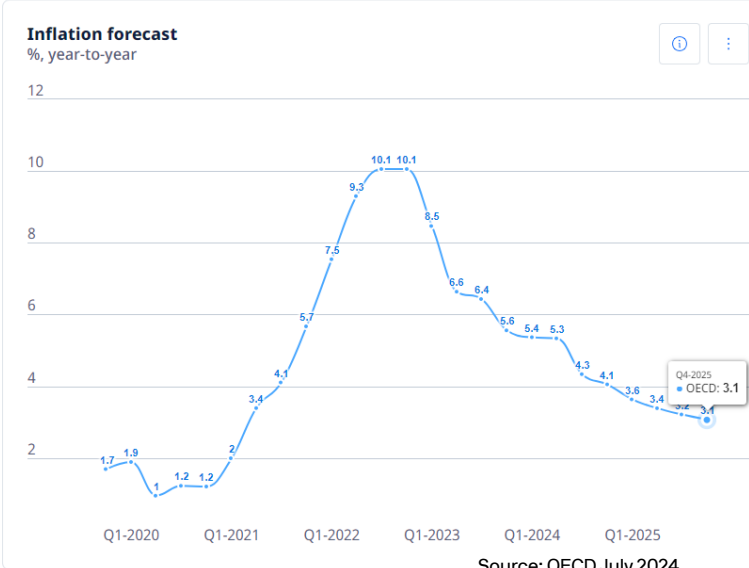
GDP OUTLOOK

WW GDP growth is expected to be **-3%** for the next two years
Weak outlook mainly in EU area
Sustained growth in emerging and developing countries (+4%)



COST OF MONEY

Interest rates are expected to remain **high** for the period 2024-2026.
Interest rates: BCE 4,5% - FED 5,5%
Reductions may happen in line with inflation decrease trend



Source: IMF World Economic Outlook July 2024

ECONOMIC SCENARIOS 2024-2026

2/2



Imports, Exports, and Order Intake are suffering vs. previous year

Source: Acimall

GLOBAL (WOOD MACHINERY)

Jan-Apr 2024 Δ vs LY



Customs Code 8465* Wood/Cork/Bone/Rubber & Plastic Working Machinery	
IMPORT	EXPORT
WORLD -11,4% ▼	WORLD -14,0% ▼
<ul style="list-style-type: none"> ❑ US -2,3% ❑ Germany -5,7% ❑ China -35,3% ❑ France -10,9% ❑ Italy -48,3% 	<ul style="list-style-type: none"> ❑ Germany -23,3% ❑ China -0,8% ❑ Italy -21,2% ❑ Austria -35,2%

Source: UCIMU

ITALY MACHINERY TOOLS	FIRST SEMESTER 2024 – TREND VARIATION	
	% changes in orders compared to the same period in 2023	%
Total Orders	▼	-17,3%
Orders from abroad	▼	-16,2%
Internal Orders	▼	-18,7%



Source: UCIMU

Ordini di macchine utensili

Nel primo trimestre 2024 – JULY 2024

EUROPE (MACHINERY TOOLS)

Jan-Mar 2024 Δ vs LY



Key Markets	Order Index ⁽¹⁾	Var% 24/23	Trend	Var % Local	Var % Foreign
Germany	87	-23,8%	▼	-1,8%	-32,3%
Italy	89	-19,5%	▼	-19,9%	-19,1%
France ⁽²⁾	88	-25,0%	▼	6,5%	-32,0%
UK	88	-24,8%	▼	-10,0%	-31,3%
Austria	101	-6,5%	▼	-29,3%	-1,8%
Czech Rep.	74	-19,6%	▼	-21,3%	-19,4%
Switzerland	85	-14,1%	▼	-25,9%	-9,6%

The first quarter of 2024 records **negative order collection data** for almost all European countries; it deals with double-digit contractions for the **United Kingdom (-24.8%), Germany (-23.8%), the Czech Republic (-19.6%), Italy (-19.5%) and Switzerland (-14.1%)**

(1) Order Index (current prices, 2021=100)

(2) France: overall data not available (available only var local %) – internal estimate

*Commodity: 8465, Machine-Tools For Wrkg Wood/Cork/Bone/ Hard Rbr & Plas, Ex Nailing/Glueing Etc

KEY COMPETITORS OVERVIEW 1/2



Wood

HOMAG

- In Q1 '24, Sales declined by **14.1%** year-on-year
- Order intake increased by **7.0%** year-on-year to €377.3M, due to a **very large order worth around €90 million** collected in Q4 '23 in China (furniture)
- To better cope with fluctuations in demand and enhance earnings resilience, **600 job cuts** have been initiated
- Outlook for FY2024:
 - Sales decline up to **15%**
 - EBIT before extraordinary effects **between 2.0% and 4.0%** due to the previous year's low order intake
 - Free cash flow **€50M**

Note: Except for HOMAG, which was significantly affected by market weakness, all divisions of DURR were able to expand margins

scm

- The **Wage Guarantee Fund "Solidarietà"** started in February 2024 and covers approximately 1,800 employees. It is valid until January 2025
- Plants involved: Rimini, Coriano (RN), Verucchio (RN), Thiene (VI), Vigolzone (PC)

Ministero del Lavoro e delle Politiche Sociali
 Direzione Generale degli ammortizzatori sociali e della formazione
 DIVISIONE IV

Elenco di aziende con provvedimenti C.I.G.S. emanati dal 08/02/2024 al 16/02/2024

Ministero del Lavoro e delle Politiche Sociali
 Direzione Generale degli ammortizzatori sociali e della formazione
 DIVISIONE IV

Elenco di aziende con provvedimenti C.I.G.S. emanati dal 08/04/2024 al 15/04/2024

Denominazione azienda: SCM GROUP SPA
 Con sede in: RIMINI Prov: RN
 Causale di Intervento: Contratti di solidarietà
 Unità di: CORIANO Prov: RN
 Settore: Fabbricazione di altre macchine utensili (incluse parti e accessori) nca
 Unità di: VERUCCHIO Prov: RN
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 Unità di: RIMINI Prov: RN
 Settore: Fabbricazione di altre macchine utensili (incluse parti e accessori) nca
 Decreto del: 13/02/2024 N. 20240335

Concessione del trattamento di C.I.G.S. dal: 05/02/2024 al 31/01/2025
 Pagamento diretto INPS: No

Denominazione azienda: SCM GROUP SPA
 Con sede in: RIMINI Prov: RN
 Causale di Intervento: Contratti di solidarietà
 Unità di: VIGOLZONE Prov: PC
 Settore: Fabbricazione di altre macchine utensili (incluse parti e accessori) nca
 Decreto del: 11/04/2024 N. 20240888

Concessione del trattamento di C.I.G.S. dal: 01/04/2024 al 31/03/2025
 Pagamento diretto INPS: No

KEY COMPETITORS OVERVIEW 2/2



Stone

breton

- **Economic Challenges:** The company is currently facing significant **financial difficulties**, **loss of profitability** with **high debt** and **liquidity issues** impacting its overall performance and stability
- **Declining turnover:** from €290 million in 2019 to €219 million in 2023, with a projected **€175 million for 2024 (-40%)**
- Experienced a **progressive order portfolio erosion**, indicating a **contraction of approximately 50% in H1 2024** compared to the previous year
- **Strategic Rebalancing Efforts:** The company is currently under the management of **financial restructuring** experts/advisors supporting management in implementing comprehensive **restructuring plans**, **cost-cutting measures** aimed at **restoring financial health**
- Request for the initiation of a **corporate crisis procedure** with the application of extraordinary wage guarantee fund (Cassa Integrazione Straordinaria) for the Castello di Codego and Vedelago plants (~830 employees)
- The company has a **targeted reduction plan** aiming to reduce the workforce by **~200 employees**

ANSA.it

ANSA / **Economia** / PMI

Crisi aziendali, Breton dichiara 216 esuberi, chiesta Cigs

Fatturato e ordini in flessione, vertice in Regione

TREVISOTODAY

ECONOMIA CASTELLO DI GODEGO

Breton annuncia 216 esuberi: «Cigs per crisi aziendale e piano di incentivi all'esodo»

La preoccupazione del sindacato dei metalmeccanici Fiom Cgil per l'impatto occupazionale sul territorio



IL GAZZETTINO.it

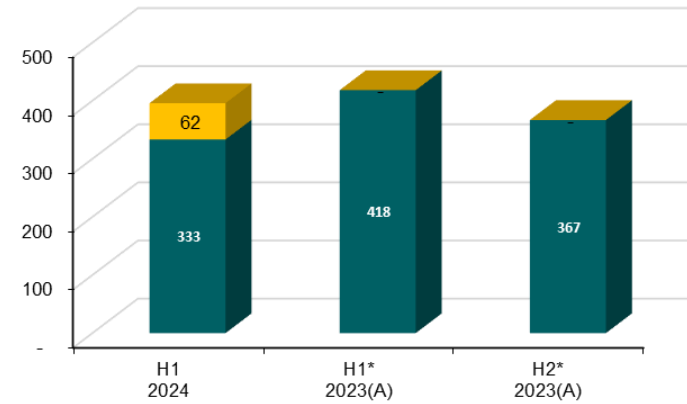
Breton, dichiara 216 esuberi: vertice in Regione per la cassa integrazione straordinaria

Fatturato e ordini in flessione per l'azienda specializzata nella fabbricazione di utensili per la lavorazione della pietra che oggi conta 900 lavoratori

THE GROUP - TREND ORDERS-SALES-BACKLOG



REVENUES



BIESSSE perimeter

Revenues: € 333m vs € 418m PY (€ -85m; -20%)

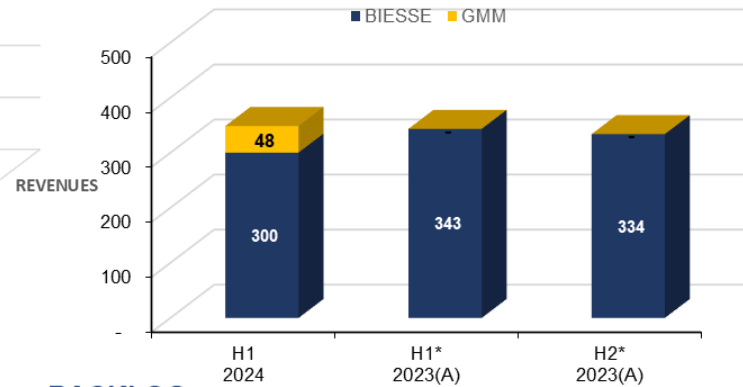
Orders: € 300m vs € 343m PY (€ -43m; -13%)

Backlog: € 249m vs € 315m PY (€ -66m; -21%)

The order intake has decreased compared to previous year because of:

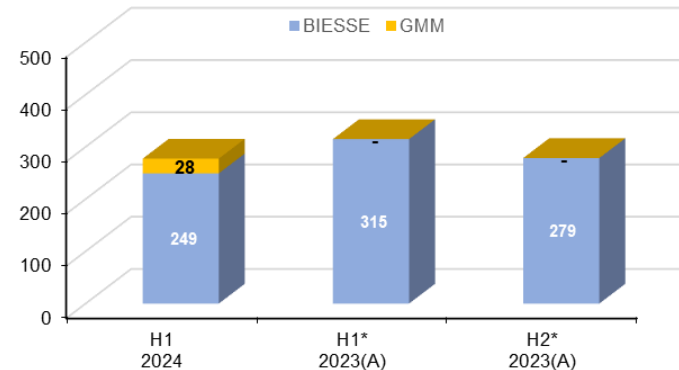
- Slowdown recorded in some markets of EU area
- Difficulties in credit access and increase in interest rates which led to a consequential growth in orders blocked for financial reasons

ORDERS



Revenues result lower than previous year as a consequence of the dynamic of order intake.

BACKLOG



GMM Group perimeter

Revenues : € 62m

Order: € 48m

Backlog : € 28m

* Data for 2023 does not include GMM Group in the perimeter

THE GROUP – H1 2024 HIGHLIGHTS



Value in €m		H1 2024(A)	H1* 2023(A)	△	H2* 2023(A)	△
Revenues	A	395,7	418,2	-5,4%	366,8	7,9%
EBITDA adjusted	B	32,9	47,0	-30,0%	30,0	9,5%
<i>% on Net Sales</i>		8,3%	11,2%		8,2%	
EBIT adjusted	C	13,3	28,4	-53,1%	11,9	11,6%
<i>% on Net Sales</i>		3,4%	6,8%		3,3%	
EBIT		10,3	30,3	-66,1%	-6,2	NA
<i>% on Net Sales</i>		2,6%	7,3%		-1,7%	
Net Result	D	3,9	19,5	-79,9%	-7,0	NA
<i>% on Net Sales</i>		1,0%	4,7%		-1,9%	
Order intake		348,9	343,4	1,6%	333,8	4,5%

A Revenues in H1 2024 have been equal to € 395.7 mil., (5.4%) compared with H1 2023 but +7.9% compared with H2 2023.

B EBITDA adjusted equal to € 32.9 mil., lower than H1 2023 and higher compared to H2 2023.

C EBIT adjusted equal to € 13.3 mil, lower than H1 2023 and higher than H2 2023.

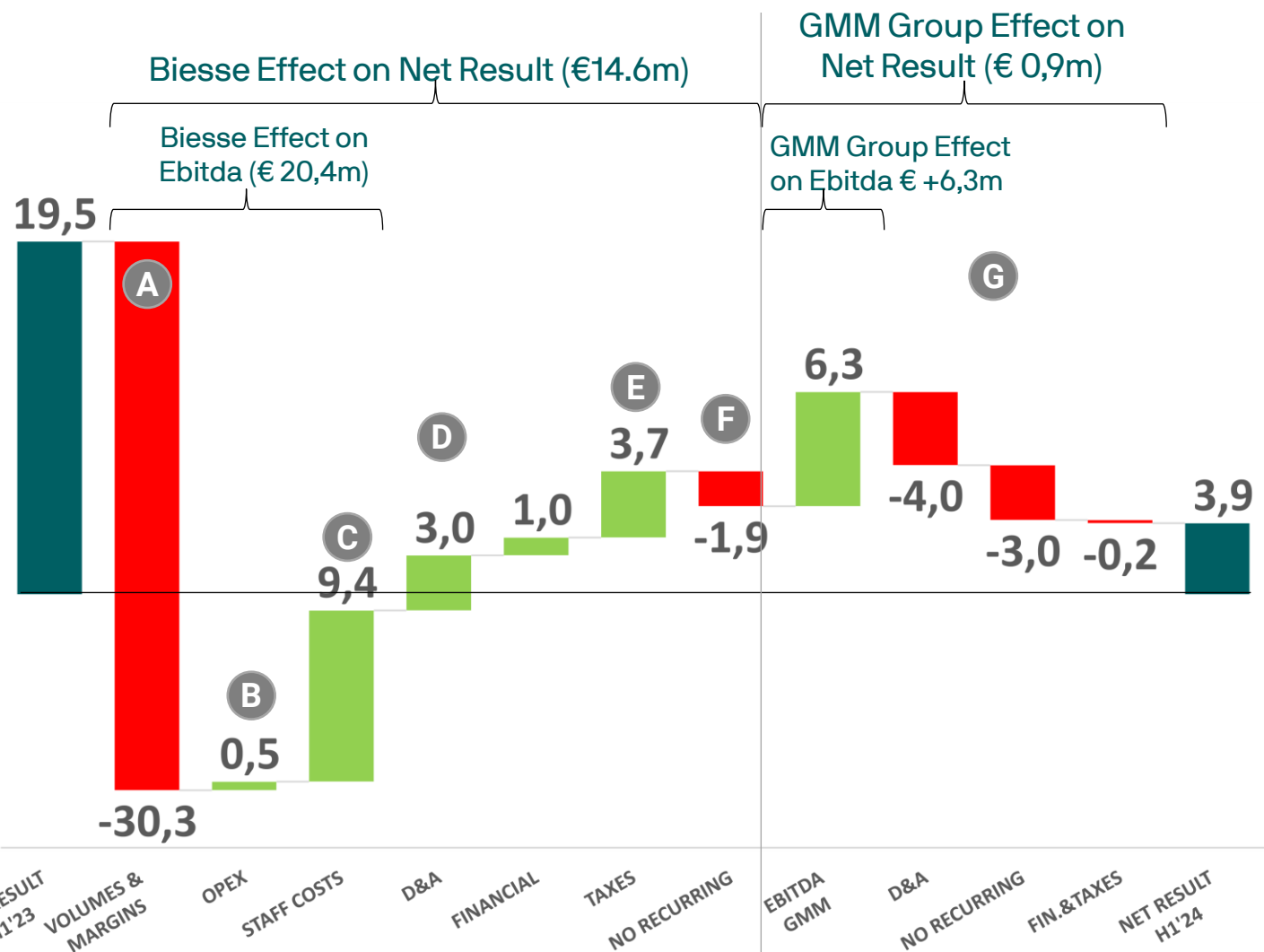
D The Group has recorded a **Net Result** positive for € 3.9 mil., € (15.6) mil. lower than H1 2023.

* Data for 2023 does not include GMM Group in the perimeter

THE GROUP-BRIDGE NET RESULTS H1 2023 VS H1 2024



Net result as of 30th June 2024 has been equal to € 3.9 mil., € (15.6) mil. compared with H1 2023.



A Revenues lower compared with H1 2023 of about € 85 mil., generating a lower marginality equal to € 43.6 mil. However, industrial margin improves of 4.3% because of the mix effect and of minor devaluations for € 2.3 mil.

B OPEX lower due to savings in trade shows and in business trips, partially compensated with higher consultancy and IT costs.

C Labor costs lower of about 9.4 mil. due to higher turnover, “cassa integrazione” and lower variable rewards, notwithstanding higher inflation costs.

D D&A lower of roughly € 3 mil. due to changes in capitalization policies, lower provisions and lower devaluations in R&D.

E Taxes: positive effect due to minor result of the period. Tax rate increased compared with H1 2023 (50% vs 28%).

F Non-recurring: higher due to a capital gain recorded in H1 2023

G GMM: negative effect on net result of the H1 2024 due to amortization of PPA, non-recurring costs related to the acquisition and restructuring costs of € 2 mil.

THE GROUP – REVENUES BY GEOGRAPHY



Value in €m	CONSOLIDATED			Biese			GMM	GMM Group	
AREA GEO	H1 2024(A)	H1* 2023(A)	H2* 2023(A)	H1 2024(A)	H1* 2023(A)	H2* 2023(A)	H1 2024(A)	H1** 2023(A)	H2** 2023(A)
AMERICAS	88,8	79,3	76,1	68,4	79,3	76,1	20,4	20,4	17,3
% on Total	22%	19%	21%	21%	19%	21%	33%	31%	28%
USA - MEXICO	64,9	60,1	53,0	47,2	60,1	53,0	17,7	17,9	15,1
CANADA	13,1	14,0	15,1	12,0	14,0	15,1	1,0	0,0	0,7
LATIN AMERICA	10,8	5,2	8,0	9,2	5,2	8,0	1,6	2,5	1,4
APAC	54,3	42,2	41,1	47,1	42,2	41,1	7,2	8,4	5,6
% on Total	14%	10%	11%	14%	10%	11%	12%	13%	9%
OCEANIA	25,5	17,7	16,6	20,1	17,7	16,6	5,4	6,6	4,5
INDIA	10,1	7,6	7,2	9,8	7,6	7,2	0,3	0,0	0,1
CHINA-TAIWAN	11,1	9,7	9,1	10,8	9,7	9,1	0,4	0,2	0,4
OTHERS	7,6	7,2	8,1	6,5	7,2	8,1	1,1	1,6	0,7
EMEA	252,7	296,7	249,7	217,8	296,7	249,7	34,8	36,0	38,3
% on Total	64%	71%	68%	65%	71%	68%	56%	56%	63%
NEEA	72,1	87,9	74,2	65,5	87,9	74,2	6,5	8,1	6,7
ITALY	56,0	86,3	71,2	47,4	86,3	71,2	8,7	13,8	12,0
DACH	32,6	34,1	24,4	28,9	34,1	24,4	3,7	4,5	4,2
FRANCE	29,4	26,6	32,1	26,0	26,6	32,1	3,4	0,6	2,2
UK - IRELAND	19,1	27,1	15,5	16,6	27,1	15,5	2,4	2,7	2,2
OTHERS	46,0	34,7	32,3	33,4	34,7	32,3	12,5	9,1	13,3
Total	395,7	418,2	366,8	333,3	418,2	366,8	62,4	64,8	61,2

EMEA, even after the acquisition of GMM, remains the main market of the Group, with revenues in H1 2024 equal to € 252.7 mil., 64% of the global sales.

* Data for 2023 does not include GMM Group in the perimeter

** Data presented pro-forma in order to allow comparability

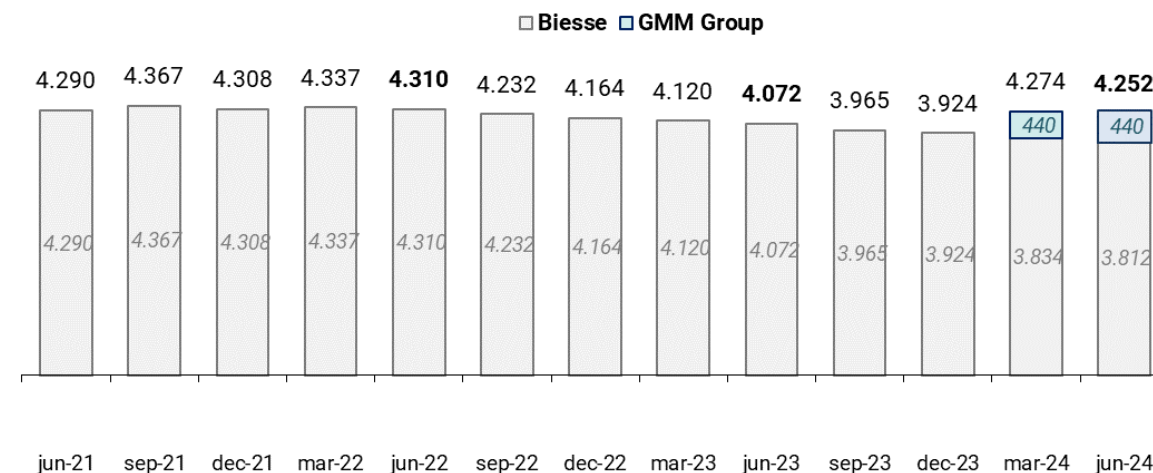
THE GROUP – HEADCOUNT TREND



Headcount	JUN 2024	%	JUN 2023*	%	Δ	Δ %
<i>Italy</i>	2.141	50%	2.422	59%	-281	-12%
<i>Rest of the world</i>	1.671	39%	1.650	41%	21	1%
BIESSE	3.812	90%	4.072	100%	-260	-6%
GMM Group	440	10%	NA	NA	440	NA
TOTAL	4.252	100%	4.072	100%	180	4,4%

Headcount as of June 2024 has recorded a growth of 180 unities compared with June 2023. The growth is due to the integration of GMM Group, partially compensated by a reduction of 260 unities in Biesse's perimeter.

Headcount	JUN 2024	MAR 2024	DEC 2023*	SEP 2023*	JUN 2023*
<i>Italy</i>	2.141	2.189	2.265	2.312	2.422
<i>Rest of the world</i>	1.671	1.645	1.659	1.653	1.650
BIESSE	3.812	3.834	3.924	3.965	4.072
GMM Group	440	440	NA	NA	NA
TOTAL	4.252	4.274	3.924	3.965	4.072



* Data for 2023 does not include GMM Group in the perimeter

THE GROUP – H1 2024 NWC & NFP



Value in €m	H1 2024	DEC 2023*	Δ	H1 2023*	Δ
Inventories	216,3	168,4	47,9	207,8	8,6
Trade receivables	129,2	116,6	12,6	129,1	0,1
Trade payables	(155,7)	(135,3)	(20,5)	(174,6)	18,8
Contract liabilities	(103,8)	(108,0)	4,3	(114,4)	10,6
Net operating working capital A	86,0	41,7	44,3	48,0	38,1
Net financial position without IFRS16	24,4	118,5	(94,0)	113,1	(88,7)
Net financial position B	(7,4)	93,0	(100,4)	91,9	(99,3)

A The **operative net working capital** has increased of € 44.3 mil. compared with December 2023, mainly because of the variation of the consolidation perimeter as consequence of the **acquisition of GMM Group**. The remaining part of the effect is due to the decrease recorded in contract liabilities, equal to € 4.3 mil., influenced by the slowdown of order intake already started during 2023.

B **Net financial position** is negative for € 7.4 mil. Compared with year-end 2023, the indicator decreases of € 100.4 mil., mainly because of the financial disbursement for the acquisition of GMM Group, the dynamics related to net working capital and the payment of dividends in May for a total amount of 3.8 million euros. **Without the effects related to the application of IFRS16, NFP as of June 30th 2024, was positive for € 24.4 mil.**

*Data for 2023 does not include GMM Group in the perimeter

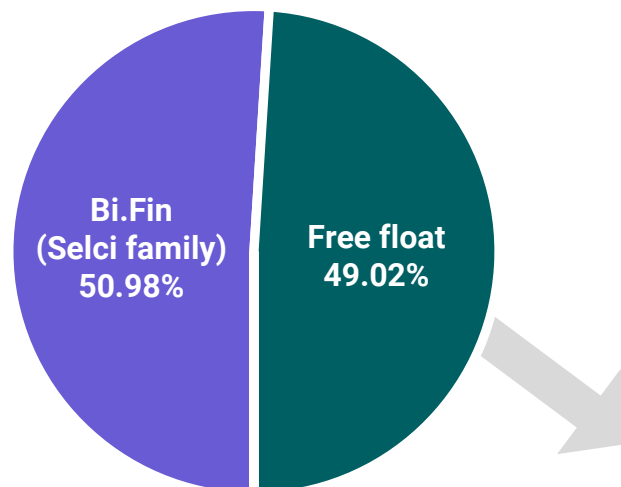
THE GROUP - SHAREHOLDER DISTRIBUTION



Biesse Board of Directors

- Roberto Selci (President)
- Massimo Potenza (C.E.O.)
- Alessandra Baronciani
- Rossella Schiavini
- Federica Ricceri
- Massimiliano Bruni
- Cristina Sgubin

Shareholders distribution



Top 5 Shareholders

