

Draft 2023 Financial Statements approved

Slight decrease in net consolidated revenues, as forecasted, compared to 2022 with a net financial position that remains strongly positive.

Pesaro, 14th March 2024

Fourth quarter (in € million)	IVQ 2023	IVQ 2022	Variation
Consolidated Net Revenues	189.3	209.1	-19.8 -9.4%
EBITDA	14.3	19.8	-5.5 -27.8%
EBIT Adjusted	6.0	5.0	+1.0 +21.2%
Operating result (EBIT)*	-3.9	6.6	-10.5 -159.1%
Net Profit/Loss	-6.3	5.5	-11.8 -214.5%

12 months (in € million)	FY 2023	FY 2022	Variation
Consolidated Net Revenues	785.0	822.4	-37.4 -4.6%
EBITDA	77.0	90.6	-13.6 -14.9%
EBIT Adjusted	40.4	47.6	-7.2 -15.2%
Operating result (EBIT)*	24.2	50.7	-26.5 -52.4%
Net Profit/Loss	12.5	30.3	-17.8 -58.8%

Net Financial Position (in € million)	+93.0	+116.6	-23.6 -20.2%

(*) after non-recurring events

Other resolutions:

- Corporate Governance Report for the year 2023 approved
- Report on remuneration policy for the year 2024 and paid rewards for the year 2023
- Remuneration Report for the year 2023 approved
- Sustainability Report for the year 2023 (non-financial statement) approved
- Proposed distribution of a dividend of 0.14 euros per share

During its meeting held today, the Board of Directors of Biesse S.p.A. (the Company) – a company listed at the Euronext STAR - Milan – examined and approved the Draft 2023 Consolidated Annual Financial Report as well as the Draft Financial Statements of the Company for the financial year ended on 31.12.2023.

Consolidated results achieved by Biesse Group in the 12 months of 2023:

- Consolidated net revenues of 785.0 million euros (-4.6% compared to 2022 and -5.8% compared to 2021)
- EBITDA of 77.0 million euros (-14.9% compared to 2022), 9.8% of revenues (11% in 2022)
- EBIT before non-recurring events of 40.4 million euros (47.6 million euros in 2022), 5.1% of revenues (5.8% in 2022)
- EBIT after non-recurring events of 24.2 million euros (50.7 million euros in 2022) 3.1% of revenues (6.2% in 2022)
- Net profit of 12.5 million euros (30.3 million euros in 2022), 1.6% of revenues - EPS (net profit per share) 0.46 euros
- Tax rate 39.0% (27.2% in 2022)

Net Financial Position

As of 31 December 2023, the Group Net Financial Position was positive for 93.0 million euros, including the impact of 25.5 million euros (higher payables) deriving from the application of IFRS16. Without the effects linked to the application of IFRS16, the financial position would therefore be positive for 118.5 million euros. Compared to the previous year, the net financial position decreases by 23.6 million euros (2023 cash flow).

Comment of Biesse Group Chief Financial Officer:

“The results achieved during the past year and approved today - comments following the Board of Directors’ meeting the Group’s CFO Pierre La Tour – bear testimony to how Biesse has been affected by the negative dynamics of the global demand for

capital goods, closing - as expected - 2023 with lower volumes versus 2022, which was an exceptional year.

The cautious approach adopted by Biesse is proving to be the most adequate to face the challenges of the current global scenario, characterized by persistent uncertainties in the international context, the slowdown of demand, the continuation during 2023 of restrictive monetary policies that are impacting interest rates and the reshaping of government incentives that have stimulated our domestic market over recent years. These several factors do not allow for optimistic projections in the immediate future.

From a business point of view, the order portfolio at the end of 2023 has decreased versus 2022 - when the historical maximum level was reached - and has been affected by a changing and worsened economic scenario.

Being unable to govern exogenous inflationary pressures, we will continue to pursue efficiency actions within our structure, in continuity with the execution of the One Company project, introducing a higher level of flexibility, optimization of costs and a swift simplification of our business processes”.

Regarding the acquisition of GMM Group, completed in January, the Group CEO Roberto Selci said: “The entrance of GMM in the Group will allow us to complete our stone-working product portfolio and to further increase our offering of machinery and instruments for glass-working and other materials’ processing segments by integrating the technologies of a leading company in our productions, thus enhancing the presence, productivity and flexibility of our group.

We will continue to promote innovation and research since we are convinced that these are essential principles of our strategy, implementing new technical solutions that are based on connectivity and automation, for a sustainable development. Our cash position remains positive, and represents an important base

to sustain our organic growth and our future expansion through acquisitions”.

Order backlog

At the end of 2023, the order backlog amounted to 278.4 million euros (-38.3% compared to the same date of 2022 and -35.6% compared to the same date of 2021).

The order intake for the full year 2023 decreased by 13.3% compared to 2022 and by 24.1% compared to 2021.

In the fourth quarter of 2023 alone, order intake was lower than the same period in 2022 (-11.5%).

Revenue breakdown

Geographically, the Group’s sales breakdown by macro-area at the end of December 2023 is:

- Western Europe 52.5% (52.4% as at December 2022) – of which Italy 20.3% (23.5% at the end of 2022)
- Eastern Europe 15.9% (13.8% as at December 2022)
- North America 17.6% (19.1% as at December 2022)
- Asia Pacific 11.4% (12.2% as at December 2022)
- Rest of the World 2.6% (2.5% as at December 2022)

By type, sales of machines & systems always account for the overwhelming majority of revenues (91.7%) compared to mechatronics (8.3%).

Balance sheet

Group Shareholders' Equity at 31 December 2023: 261.4 million euros

Net Invested Capital at 31 December 2023: 168.5 million euros

Net Operating Current Assets at 31 December 2023: positive at 41.7 million euros

Dividends

In the light of the earnings and financial results achieved and particularly the net result emerging from the Draft Consolidated Financial Statements equal to Euro 12.483.240,63, it will be proposed to the Ordinary Shareholder Meeting the payment of a gross dividend of 0.14 euros per share, amounting to 3.836.363,02 euros entirely from net income for the year, in line with the rule adopted by the Group in this regard (30% of net profit). The proposed dividend represents approximately 30% of Group net profit achieved in 2022. The last dividend payment dates back to May 2023 when it was 0.33 euros per share.

The total disbursement for the proposed dividends amounts to 3.836.363,02 euros. Coupon date: 6 May 2024, Record date: 7 May 2024; Payment date: 8 May 2024. Coupon no. 18.

Biesse Ordinary Shareholders' Meeting

During today's meeting, the Board of Directors called the Ordinary Shareholders' Meeting to be held on 29 April 2024 at 9.30 a.m. in first call, and eventually, on 30 April 2024 at 9.30 a.m. in second call.

Ordinary Shareholder Meeting will be called to deliberate about the approval of the Draft Financial Statement for the year 2023, arguments on the published agenda, as well as the appointment of the new members of the Board of Directors and of the Board of Statutory Auditors and the adoption of the related resolutions.

The notice of call of the Ordinary Shareholder Meeting, as well as other documents that will be discussed during the Meeting will be available, as per law, at Biesse's headquarter, on the authorized

storage site www.1info.it. and on the Company's website www.biessegroup.com in the dedicated areas.

Other resolutions of the Board of Directors

During today's meeting, the Board of Directors has approved (i) the Corporate Governance Report for the year 2023 prepared as by art. 123-bis D. Lgs. N. 58/1998; (ii) the Report on remuneration policy for the year 2024 and paid rewards for year 2023 prepared as by art. 123-ter D. Lgs. n. 58/1998 e and art. 84-quater of Regolamento Emittenti Consob adopted with resolution n. 11971 of 14 May 1999, and (iii) the Sustainability Report for the year 2023.

Moreover, today the Board of Directors appointed Nicola Sautto (*Group Chief Financial Officer* from the day following today's meeting) as new Manager in charge of financial reporting, in accordance with art. 154-bis of D.Lgs. 58/1998, and Investor Relator of the Company (for further details please refer to the press release of 1 March 2024 available at the following link

https://www.biessegroup.com/media/files/2291_Comunicato_Stampa_01_03_2024_ENG_New_CFO.pdf)

Conference Call

Biesse will hold a conference call today at 4.30 p.m. to comment on the approved draft 2023 Financial Statements. The supporting presentation will be available on the corporate website www.biessegroup.com in the Investor Relations section. The same presentation will also be made available on the official storage website www.1info.it

The details for taking part in the conference call are available on the company's website, in the section dedicated to investors.

“The Financial Reporting Officer (Pierre La Tour) declares that, pursuant to paragraph 2, Article 154-bis of the D. Lgs. N. 58/1998, the accounting information in this press release corresponds to the results in the accounting documents, books and other records”

BIESSE - We are an international company that manufactures integrated lines and machines to process wood, glass, stone, plastic and composite materials. Founded in Italy in 1969 and listed in the Euronext STAR segment of the Italian Stock Exchange, we support the business evolution of our customers in the furniture, housing & construction, automotive and aerospace sectors. Today, about 80% of our consolidated turnover is achieved abroad by an ever-growing global network with 4 manufacturing campuses and 30+ showrooms all over the world. Thanks to our rooted competence embodied by 4.400 employees, we empower the imagination of industry leading companies and prestigious names in Italian and international design to make the potential of any material shine.

Pierre La Tour
Chief Financial Officer and Investor Relator

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Financial statements
Income Statement at 31 December 2023

	31 December 2023	% on sales	31 December 2022	% on sales	CHANGE %
<i>Euro 000's</i>					
Revenue from sales and services	785,002	100.0%	822,425	100.0%	(4.6)%
Change in inventories, wip, semi-finished products and finished products	(34,900)	(4.4)%	30,791	3.7%	-
Other Revenues	6,457	0.8%	8,421	1.0%	(23.3)%
Revenue	756,558	96.4%	861,638	104.8%	(12.2)%
Raw materials, consumables, supplies and goods	(292,034)	(37.2)%	(363,363)	(44.2)%	(19.6)%
Other operating costs	(146,168)	(18.6)%	(156,292)	(19.0)%	(6.5)%
Personnel expense	(241,331)	(30.7)%	(251,423)	(30.6)%	(4.0)%
Gross Operating Result	77,025	9.8%	90,559	11.0%	(14.9)%
Depreciation and amortisation	(30,913)	(3.9)%	(32,496)	(4.0)%	(4.9)%
Provisions	(5,763)	(0.7)%	(10,489)	(1.3)%	(45.1)%
Operating result before non recurring items	40,348	5.1%	47,574	5.8%	(15.2)%
Non recurring-items	(16,180)	(2.1)%	3,175	0.4%	-
EBIT Operating result	24,169	3.1%	50,748	6.2%	(52.4)%
Financial income	2,310	0.3%	868	0.1%	-
Financial expense	(2,331)	(0.3)%	(2,014)	(0.2)%	15.8%
Net exchange rate losses	(3,668)	(0.5)%	(7,969)	(1.0)%	(54.0)%
Pre-tax profit	20,479	2.6%	41,634	5.1%	(50.8)%
Income taxes	(7,996)	(1.0)%	(11,338)	(1.4)%	(29.5)%
Profit for the year	12,483	1.6%	30,296	3.7%	(58.8)%

Statement of financial position at 31 December 2023

	31 December 2023	31 December 2022
<i>Euro 000's</i>		
Intangible assets	83,446	88,177
Property, plant and equipment	117,213	117,625
Financial assets	3,519	4,688
Non-current assets	204,179	210,489
Inventories	168,393	215,588
Trade receivables and contract assets	116,619	112,513
Trade payables	(135,281)	(181,996)
Contract liabilities	(108,049)	(138,197)
Net operating working capital	41,682	7,908
Post-employment benefits	(10,041)	(10,567)
Provision for risk and charges	(37,512)	(25,015)
Other net payables	(47,175)	(54,629)
Net deferred tax assets	17,362	15,961
Other net liabilities	(77,365)	(74,249)
Net invested capital	168,495	144,147
Share capital	27,403	27,403
Profit for the previous year and other reserves	221,562	202,898
Profit for the year	12,483	30,248
Non-controlling interests	0	245
Equity	261,448	260,793
Bank loans and borrowings and loans and borrowings from other financial backers	28,279	28,937
Other financial assets	(16,758)	(20,544)
Cash and cash equivalents	(104,473)	(125,039)
Net financial position (1)	(92,953)	(116,646)
Total sources of funding	168,495	144,147

Net financial position

	31st December 2023	30th September 2023	30th June 2023	31st March 2023	31st December 2022
<i>Euro 000's</i>					
Financial assets:	121,232	116,498	115,812	132,381	145,583
<i>Current financial assets</i>	16,768	21,435	28,682	20,696	20,544
<i>Cash and cash equivalents</i>	104,473	95,063	87,130	111,685	125,039
Short-term financial lease payables	(7,027)	(6,252)	(6,553)	(7,072)	(7,504)
Short-term bank loans and borrowings and loans from other financial	(2,358)	(5,436)	(1,464)	(1,412)	(4,222)
Short-term net financial position	111,847	104,810	107,795	123,897	133,858
Medium/Long-term financial lease payables	(18,478)	(14,249)	(15,528)	(16,114)	(16,496)
Medium/Long-term bank loans and borrowings	(264)	(284)	(284)	(320)	(561)
Trade payables and other medium/long-term payables	(152)	(163)	(128)	(140)	(155)
Medium/Long-term net financial position	(18,894)	(14,696)	(15,941)	(16,575)	(17,212)
Total net financial position	92,953	90,115	91,855	107,322	116,646