

Biesse Group: approved the  
Consolidated half-yearly report  
as at 30 June 2021  
and of the  
Group Business Plan 2021-2023

- ✓ Double the Group order intake (YTD June, machines only): **+100%** vs 2020 and **+28.9%** vs 2019
- ✓ Group production backlog (machines only): **274.4** million euros
- ✓ Forecasted for the revenues a C.A.G.R. for the periodo 2021 - 2023 of 9-11%

**Pesaro, 30 July 2021** - The Board of Directors of Biesse S.p.A. - a company listed in the STAR segment of the Italian Stock Exchange - today approved the Consolidated Report for the **First Half 2021** and the Group's Business Plan for the period **2021-2023**:

in the period 1/1/21 – 30/6/21, the Biesse Group recorded:

- consolidated net revenues of 354.1 million euros (+37.9% compared to the same period in 2020)
- added value of 158.2 million euros (+40.7% compared to the same period in 2020), 44.7% of revenues
- EBITDA of 41.0 million euros (+81.9% compared to the same period in 2020), 11.6% of revenues (8.8% in June 2020)
- EBIT of 19.7 million euros before non-recurring events, 5.6% of revenues (1.7% in June 2020)
  - positive non-recurring events of 14 million euros (4% of revenues)
- profit before taxes 31.7 million euros, 9.0% of revenues (0.8% in June 2020)
- net profit 28.4 million euros, 8.0% of revenues (0.4% in June 2020)
  - EPS 1.038 euros (0.042 euros as at June 2020)
  - tax rate of 10.4% (42.1% as at June 2020)

<i>amounts in millions of euros</i>	IH 2021	IH 2020	IH 2019
consolidated revenues	354.1	256.7	344.2
EBITDA	41.0	22.5	38.0
net operating income (EBIT) before non-recurring events	19.7	4.4	20.1
net profit	28.4	1.1	10.3
net financial position (with IFRS 16 effects)	113.1 cash	22.6 debt	33.8 debt

#### Financial Position

At 30 June 2021, the Net Financial Position is positive by 113.1 million euros, including the impact of IFRS 16 (without IFRS 16 effects, the Net Financial Position would be even more positive for 134.5 million euros).

Compared to the same period last year, the delta is an improvement of 135.7 million euros, while cash of 63.6 million euros has been generated since the end of 2020. This included the extraordinary component of 22 million euros related to the sale of the Chinese controlled Company Dongguan Korex Machinery Co. LTD.

At the end of June 2021, operating working capital amounted to 13.7 million euros (38.8% of revenues), down sharply by 67.6 million euros compared to the same period in 2020.

Shareholders' equity was 242.3 million euros (217.2 million euros in June 2020)

#### Business Plan:

Today the Board of Directors of Biesse approved the new Organic Group Business Plan for the three-year period 2021-2023. In light of the initiatives contained in the Plan and the international economic outlook, the Biesse Group forecasts as follows for the period in question:

- Net revenues: three-year CAGR (compared to 2020): 8% -12%
- Operating margin:
  - ✓ EBITDA: % of revenues **in 2023**: 9% - 11%
  - ✓ EBIT: % of revenues **in 2023**: 4% - 6%
- Capex over the three-year period: 90-110 million euros
- Net financial position **in 2023** (with IFRS 16 effects): cash positive at 80-90 million euros

*The forecasts made may be subject to significant variations due - directly or indirectly - to external events not attributable to Biesse.*

#### Orders - Personnel

The trend in Group order intake (machines) in the first half of 2021 was positive. There was a significant increase both compared to the same period last year (+100%) and compared to the first half of 2019 (+28.9%).

The order backlog (machines only) rose to 274.4 million euros (+29.4% compared to December 2020) with an average production visibility of about 4-5 months. The total number of Biesse Group employees at the end of the first half of 2021 is 4,294. Compared to the end of 2020, the number of employees (excluding temporary workers) increased by 2.98%.

### Revenue Breakdown

The machines and systems segment dominates with 90.6% compared to 9.4% (net of eliminations) in the Mechatronics segment.

From the geographical point of view, the domestic market accounted for 16.7% of turnover (15.3% as at June 2020)

This is the breakdown (incidence on the consolidated financial statements) of revenues by geographical macro-area:

- Western Europe 49.9% (46.9% in the first half of 2020)
- Eastern Europe 16.7% (17.1% in the first half of 2020)
- North America 17.0% (20.0% in the first half of 2020)
- Asia Pacific 13.4% (13.4% in the first half of 2020)
- Rest of World 3.0% (2.7% in the first half of 2020)

### Conference Call

Today at 4:00 p.m. Biesse will hold a brief conference call to comment on the results achieved in the first half of 2021 and the main elements of the Group's Industrial Plan. A short supporting presentation (PDF) will be made available on the company website [www.biessegroup.com](http://www.biessegroup.com) Investor Relations area.

On the sidelines of today's Board of Directors meeting, Group CEO Roberto Selci commented:

*"We are satisfied of, the Group's results in the first half of this year deeply impacted by the effects of the health emergency. We have experienced and are still experiencing periods of severe turbulence, with impacts on the cost of raw materials and logistics that inevitably affect our margins.*

*But what we have achieved in these first six months also shows our ability to deal quickly and effectively with the difficult times we are going through, demonstrating we are an important and reliable global player.*

*On the balance sheet side, we have maintained a strong focus on the dynamics of net operating working capital and a constant focus on cash generation. At the end of June, the Group's net financial position was very positive, improving further on last December. Today we have even approved the Organic Group's Business Plan for the period 2021-2023 which, beyond the guidance contained therein, reaffirms all the key aspects of our identity and are part of our lifeblood.*

*Internally we are undergoing a profound transformation process to become more of a resilient and efficient group. It is a simplification that affects the entire organizational structure as well as our very way of doing business. We want to make the changes that we believe are essential to realise the One Company concept and make it into a driver of success. For us, One Company means having a single, integrated vision, standardise and uniform the projecting processes, the implementation satisfying our customer needs.*

*We have never stopped investing in research and development, just as we want to continue to expand and strengthen our international presence, which remains a priority. Our strength has always been to ensure proximity and service to our customers; to make them feel they are at the heart of our plans. Clearly, new technical solutions and the increasing connectivity of our products – in essence the digital evolution – are part of an irreversible process, but a widespread sales and distribution presence is still our core strength.*

*We put a lot of emphasis on the themes of sustainability and social responsibility. The principles enshrined in the acronym ESG will be always an integral part of our activities and taken well beyond regulatory obligations.*

*We want to consolidate our international leadership, regain efficiency and productivity without foreclosing any possible chance of external growth, even in spite of an uncertain scenario and still with many socio-economic unknowns to be resolved."*

**"The Financial Reporting Officer (*Pierre LaTour*) declares that, pursuant to paragraph 2, Article 154-bis of the Consolidated Law on Finance, the accounting information in this press release corresponds to the results in the accounting documents, books and other records."**

Biesse Group is multinational leader in technology for processing wood, glass, stone, metal, plastic and composited materials. It designs, manufactures and distributes machines, integrated systems and software for manufacturers of furniture, door/window frames and components for the constructions, ship-building and aerospace industries. The Group realizes the 85% of the total turnover outside Italy, using 13 premises, 39 subsidiaries, 300 selected dealers. Its customers include some of the most prestigious names in Italian and international design. Founded in Pesaro in 1969 by Giancarlo Selci, Biesse has been listed in the STAR segment of the Italian Stock Exchange since June 2001. It actually has almost 4,300 employees distributed all over the world.

## Financial Statements

### Income Statement at 30 June 2021

	30 June 2021	% on sales	30 June 2020	% on sales	CHANGE %
<i>Euro 000's</i>					
<b>Revenue from sales and services</b>	<b>354,117</b>	<b>100.0%</b>	<b>256,728</b>	<b>100.0%</b>	<b>37.9%</b>
Change in inventories, wip, semi-finished products and finished products	18,183	5.1%	(418)	(0.2)%	-
Other Revenues	2,296	0.6%	4,187	1.6%	(45.2)%
<b>Revenue</b>	<b>374,596</b>	<b>105.8%</b>	<b>260,496</b>	<b>101.5%</b>	<b>43.8%</b>
Raw materials, consumables, supplies and goods	(160,910)	(45.4)%	(104,599)	(40.7)%	53.8%
Other operating costs	(55,500)	(15.7)%	(43,489)	(16.9)%	27.6%
Personnel expense	(117,171)	(33.1)%	(89,863)	(35.0)%	30.4%
<b>Gross operating profit</b>	<b>41,014</b>	<b>11.6%</b>	<b>22,545</b>	<b>8.8%</b>	<b>81.9%</b>
Depreciation and amortisation	(16,612)	(4.7)%	(16,985)	(6.6)%	(2.2)%
Provisions	(4,683)	(1.3)%	(1,204)	(0.5)%	-
<b>Operating profit before non recurring items</b>	<b>19,719</b>	<b>5.6%</b>	<b>4,357</b>	<b>1.7%</b>	<b>-</b>
Impairment losses and non recurring-items	13,999	4.0%	(152)	(0.1)%	-
<b>Operating profit</b>	<b>33,718</b>	<b>9.5%</b>	<b>4,205</b>	<b>1.6%</b>	<b>-</b>
Financial income	216	0.1%	439	0.2%	(50.9)%
Financial expense	(1,480)	(0.4)%	(1,412)	(0.6)%	4.8%
Exchange rate income and expenses (net)	(711)	(0.2)%	(1,244)	(0.5)%	(42.9)%
<b>Pre-tax profit</b>	<b>31,743</b>	<b>9.0%</b>	<b>1,988</b>	<b>0.8%</b>	<b>-</b>
Income taxes	(3,317)	(0.9)%	(838)	(0.3)%	-
<b>Profit/Loss for the period</b>	<b>28,426</b>	<b>8.0%</b>	<b>1,150</b>	<b>0.4%</b>	<b>-</b>

## Balance Sheet at 30 June 2021

	30 June 2021	31 December 2020
<i>Euro 000's</i>		
Intangible assets	68,369	73,354
Property, plant and equipment	116,324	125,130
Financial assets	3,194	3,277
<b>Non-current assets</b>	<b>187,885</b>	<b>201,761</b>
Inventories	159,660	129,848
Trade receivables and contract assets	104,523	102,875
Trade payables	(167,967)	(132,790)
Contract liabilities	(82,487)	(72,189)
<b>Net operating working capital</b>	<b>13,729</b>	<b>27,744</b>
Post-employment benefits	(12,343)	(12,775)
Provision for risk and charges	(25,813)	(19,988)
Other net payables	(50,977)	(45,979)
Net deferred tax assets	16,784	14,508
<b>Other net liabilities</b>	<b>(72,347)</b>	<b>(64,235)</b>
<b>Net invested capital</b>	<b>129,266</b>	<b>165,270</b>
Share capital	27,393	27,393
Profit for the previous year and other reserves	185,962	184,099
Profit/Loss for the period	28,312	2,531
Non-controlling interests	652	790
<b>Equity</b>	<b>242,319</b>	<b>214,812</b>
Bank loans and borrowings and loans and borrowings from other financial backers	65,090	141,989
Other financial assets	(27,682)	(28,107)
Cash and cash equivalents	(150,461)	(163,425)
<b>Net financial indebtedness</b>	<b>(113,053)</b>	<b>(49,543)</b>
<b>Total sources of funding</b>	<b>129,266</b>	<b>165,270</b>

## Net Financial Position

<i>Euro 000's</i>	<b>At 30th June</b>	<b>At 31st March</b>	<b>At 31st December</b>	<b>At 30th June</b>
	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>
Financial assets:	178,143	171,946	191,532	141,296
<i>Current financial assets</i>	27,682	27,589	28,107	22,618
<i>Cash and cash equivalents</i>	150,461	144,357	163,425	118,677
Short term lease liabilities	(7,876)	(6,929)	(6,746)	(6,599)
Short-term bank loans and borrowings and loans from other financial backers	(34,996)	(41,101)	(68,763)	(55,804)
<b>Short-term net financial position</b>	<b>135,271</b>	<b>123,916</b>	<b>116,023</b>	<b>78,894</b>
Medium/Long-term lease liabilities	(21,303)	(22,939)	(23,526)	(25,188)
Medium/Long-term bank loans and borrowings	(915)	(40,838)	(42,954)	(76,292)
Trade payables and other medium/long-term payables	-	-	-	-
<b>Medium/Long-term net financial position</b>	<b>(22,218)</b>	<b>(63,777)</b>	<b>(66,480)</b>	<b>(101,479)</b>
<b>Total net financial position</b>	<b>113,053</b>	<b>60,139</b>	<b>49,543</b>	<b>(22,583)</b>

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