

## BOARD MEETING OF GEFRAN S.p.A.: PRELIMINARY CONSOLIDATED RESULTS AT 31 December 2022

Following the signature of a framework agreement for the sale of the motion control business to the Brazilian Group WEG S.A., as resolved by the Board of Directors of Gefran S.p.A. on 1 August 2022 and described in the press release published on the same date, and the divestment of Gefran Drives and Motion Srl and Siei Areg GmbH on 3 and 4 October 2022, the Company has reclassified the relevant disposal groups as “held for sale and discontinued” pursuant to IFRS 5. In order to ensure the comparability of data, the related amounts for comparative periods have also been reclassified in the same way. This communication therefore provides information about the results of continuing operations separately from those of the disposal groups now classified as held for sale and discontinued.

- **Revenues of 134.4 million Euro (+13.3% compared with 31 December 2021)**
- **EBITDA of 24.6 million Euro (18.3% of revenues)**
- **Net financial position positive by 24.3 million Euro (positive by 3.4 million Euro at end 2021)**
- **Approval of the draft financial statements and consolidated financial statements as at 31 December 2022 is set for 9 March 2023**

**Provaglio d’Iseo (BS), 09 February 2023** – The GEFRAN S.p.A. Board of Directors met today in a session chaired by Maria Chiara Franceschetti in the company’s offices in Provaglio d’Iseo (BS) to examine the company’s preliminary results as of 31 December 2022.

### Continuing operations

**Revenues** amounted to 134.4 million Euro, an increase of 15.8 million Euro (+13.3%) over 2021 revenues of 118.6 million Euro. Revenues increased in all **business segments**: sensors (+11.6%), with higher sales volumes across all product ranges and, especially, those comprising industrial pressure and high temperature sensors, which have benefited from investment in recent years in reinforcement of production lines; automation components (+16.2%), with most of the additional sales concentrated in Italy and in Europe, due to expansion of the range of innovative products capable of interfacing with digitised industrial processes.

Breakdown of revenues by **geographical region** reveals double-digit growth in almost all the areas served by the Group, particularly in Italy (+13.8%), Europe (+17.7% overall) and the Americas (+37.1% overall), where this performance was partly attributable to depreciation of the American dollar and the Brazilian real.

The only one of the principal areas served that counters this trend is Asia, where sales shrank in 2022 compared to the year 2021 (-3.8%).

**EBITDA** for the period ending on 31 December 2022 was positive by 24.6 million Euro (18.3% of revenues), 2.2 million Euro (9.7%) more than the figure reported at 31 December 2021 (when it amounted to 22.5 million Euro). The improvement in EBITDA is due to increased revenues in the period.

**Net financial position** as of 31 December 2022 is positive by 24.3 million Euro, up 20.9 million Euro over the end of 2021, when it was, on the whole, positive by 3.4 million Euro. Net financial debt comprises net short-term cash and cash equivalents totalling 32.7 million Euro, and net medium/long-term debt of 8.4 million Euro.

## Significant events following the end of the fourth quarter of 2022

Under the framework agreement for sale of the motion control business to the Brazilian Group WEG S.A., resolved on 1 August 2022 by the Gefran S.p.A. Board of Directors, following transfer of the shares in the Italian company Gefran Drives and Motion S.r.l. and the German company Siei Areg GmbH to WEG S.A. on 3 and 4 October 2022, on 31 December 2022, Gefran Siei Drives Technology (Shanghai) co., Ltd., the Group's Chinese subsidiary, signed an agreement with WEG (Changzhou) Automation Equipment Co., Ltd, the Chinese subsidiary of the WEG Group, for the sale of the corresponding company branch for 2.98 million Euro out of an overall total of 23 million Euro for sale of the Motion Control Business. The agreement went into effect on 3 January 2023.

## Business unit reclassified as disposal groups and discontinued

**Revenues** amounted to 36.7 million Euro in the period ending on 31 December 2022, down 7.7 million Euro (-17.3%) compared to the 31 December 2021 figure of 44.4 million Euro.

**EBITDA** for the period ending on 31 December 2022 was positive by 2.5 million Euro (6.8% of revenues) and 1.2 million Euro (-32.2%) less than was reported at 31 December 2021 (when it amounted to 3.7 million Euro, representing 8.3% of revenues).

**Net financial position** as of 31 December 2022 is zero compared with the 31 December 2021 figure of 0.1 million Euro.

Approval of the company's draft financial statements and consolidated financial statements at 31 December 2022 is scheduled for 9 March 2023, the date of the next Gefran S.p.A. Board of Directors meeting. Changes are currently being made.

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*Pursuant to paragraph 2 of article 154-bis of the Consolidated Finance Act, Paolo Beccaria, the Executive in charge of financial reporting, declares that the information contained in this communication accurately represents the figures contained in the Group's accounting records.*

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This communication contains some "alternative performance indicators" not included in the IFRS, whose meaning and content, in line with recommendation ESMA/2015/1415 of 5 October 2015, are illustrated below.

Specifically, the following alternative indicators are used in relation to the income statement:

- **EBITDA**: the operating result before depreciation, amortisation and impairment. The purpose of this indicator is to present the Group's operating profitability before the main non-monetary items;

The following alternative indicators are used in relation to the reclassified statement of financial position:

- **Net financial position**: algebraic sum of the following items:
  - Medium/long-term financial payables
  - Short-term financial payables
  - Financial liabilities for derivatives
  - Financial investments for derivatives
  - Non-current financial investments
  - Cash and cash equivalents and short-term financial receivables.

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*The **Gefran Group** operates directly in the main international markets, through sales branches in Italy, France, Germany, Switzerland, the UK, Belgium, the US, Brazil, China, Singapore and India, and through manufacturing branches also in Switzerland, Brazil, the US and China.*

*The **Gefran Group** currently has approximately 670 employees.*

*The key factors behind **Gefran's** success are specialist know-how, design and production flexibility, capacity for innovation and the quality of its processes and products. Complete control over process technology and application expertise enables **Gefran** to create instruments and integrated systems for specific applications in various different industrial sectors: from the processing of plastics, to the food and pharmaceutical industry, and packaging and moulding machinery.*

***Gefran**, which has been listed on the Italian Stock Exchange since 9 June 1998, became part of the STAR (high-requisite stock) segment in 2001 and has been listed in the ALL STAR class since 31 January 2005, which became Euronext STAR Milan (abbreviated as “STAR”) on 25 October 2021.*