

**BOARD OF GEFRAN S.p.A. APPROVES
DRAFT CONSOLIDATED FINANCIAL STATEMENTS AS OF 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)
- Profit from continuing operations of 13.5 million Euro (+12.9% compared to 31 December 2021)
- Net financial position positive by 24.3 million Euro (positive by 3.4 million Euro at end 2021)
- Dividend of 0.40 Euro per share proposed

Group income statement highlights

(Euro/000)	31 December 2022		31 December 2021	
Revenues	134,427	100.0%	118,598	100.0%
EBITDA	24,636	18.3%	22,454	18.9%
EBIT	17,514	13.0%	15,814	13.3%
Profit before tax	17,636	13.1%	15,658	13.2%
Profit from continuing operations	13,452	10.0%	11,915	10.0%
Net results of disposal groups held for sale and discontinued	(3,464)	-2.6%	1,777	1.5%
Group net profit	9,988	7.4%	13,692	11.5%

Group statement of financial position highlights

(Euro/000)	31 December 2022	31 December 2021
Capital invested in continuing operations	62,695	57,967
Capital invested in disposal groups held for sale and discontinued	3,758	24,311
Net working capital	21,602	17,808
Shareholders' equity	90,723	85,538
Net financial position associated with continuing operations	24,270	3,374
Net financial position associated with disposal groups held for sale and discontinued	-	(114)

Provaglio d'Iseo (BS), 09 March 2023 – The GEFran S.p.A. Board of Directors met today, chaired by Maria Chiara Franceschetti, in the company's offices in Provaglio d'Iseo (BS) and unanimously approved the company's draft Financial Statement, Consolidated Financial Statement and Non-Financial Consolidated Statement at 31 December 2022.

Continuing operations

With reference to the consolidated results, **revenues** totalled 134.4 million Euro, as compared with revenues of 118.6 million Euro in 2021, an increase of 15.8 million Euro (+13.3%), which would amount to 11.6 million Euro (+9.8%) net of the positive effect brought by exchange rate fluctuations. Despite the emergence of critical events that reflected in the global economic picture, to name a few, the outbreak of the Russian-Ukraine conflict, the discontinuity of raw materials supply, the general increase in costs, mainly due to the rise in inflation and the escalation of the pandemic in some geographical regions, the Group has been able to consolidate the growth trend in revenues seen in 2021. Technological leadership, in-depth knowledge of industrial processes, the ability to serve the market and a strong focus on customer needs are some of the key factors that contributed to the steady increase in sales volumes and which enabled the Group to react vigorously.

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 (20.9% growth net of exchange effects). Asia is the only area that is countering this trend, with a contraction in the year 2022 compared to 2021 (-3.8%), affected by restrictions under the "Zero-COVID" policy, which led to lockdown periods in some parts of the continent during 2022, particularly in Shanghai where one of the Group's production sites is located.

Added value as of 31 December 2022 amounted to 95.4 million Euro (84.6 as of 31 December 2021) and represents 71% of revenues, a slightly lower share than in the previous year (-0.3%). The growth in added value, by 10.8 million Euro overall, reflects the increase in revenues that was offset - albeit minimally - by the rise in raw material procurement costs, which led to a slight decrease in percentage margins.

Other operating costs in 2022 amounted to 23.5 million Euro, an absolute increase of 2.8 million Euro over the figure for 2021, representing 17.5% percent of revenues (in line with 2021). There was an increase in the variable costs associated with higher sales volumes, the commercial costs related to travel and trade fairs, which in 2022 recovered after the slowdown caused by the pandemic, and user costs due to the current contingency situation.

Personnel costs in the year 2022 amounted to EUR 47.2 million, compared with EUR 41.3 million in the previous year, with an increase of EUR 5.9 million. This increase is linked to the strengthening of the workforce: the number of employees employed by the Group in continuing operations has risen from 613 at 31 December 2021 to 646 at the end of 2022, and the average number of employees is rising (612 in the first half of 2021 and 630 in 2022). The percentage of revenues in 2022 was slightly higher at 35.1% (34.9% as of 31 December 2021). It should also be noted that in the fourth quarter of the year, a one-off contribution was granted to all Group employees (a total of EUR 1.3 million was allocated), as an additional contribution to offset the significant increase in the cost of living and the impact on household budgets.

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.

EBIT as of December 31, 2022 was positive and amounted to 17.5 million Euro (13% of revenues), as compared with an EBIT of 15.8 million Euro in 2021 (13.3% of revenues), an increase of 1.7 million Euro. The increase in the volume of sales has resulted in higher revenues and added value, that were only partially eroded by greater operating and personnel costs.

The **net profit** as of 31 December 2022 was 13.5 million Euro (10% of revenues), up by 1.5 million Euro over the positive result of 11.9 million Euro in the previous year (in line with revenues).

The Group's **net profit** as of 31 December 2022 was 10 million Euro (7.4% of revenues), up by 3.7 million Euro over the positive result of 13.7 million Euro in the previous year (11.5% of revenues), mainly due to the recognition of the net effects expected from the complete disposal of the business described above.

As of 31 December 2022, **net working capital** amounted to 21.6 million Euro, compared with 17.8 million Euro on 31 December 2021, a total increase of 3.8 million Euro. Changes in working capital affected the increase in inventories, mainly of raw materials, necessary to ensure the continuity of production facilities in a situation of contingencies characterised by the lack of availability of so-called "critical materials" and the consequent lengthening of procurement times; also increasing were stocks of semi-finished and finished products, essential for filling, by the requested time, the planned customer orders in the coming months. The increase in inventories, totalling EUR 5.6 million, is partially offset by the increase in trade payables (+1.3 million Euro).

Shareholders' equity as of 31 December 2022 amounted to 90.7 million Euro, an increase of 5.2 million Euro compared to the end of 2021. The positive result for the period, amounting to 10 million Euro, was partially absorbed by the distribution of dividends which took place in May, totalling 5.5 million Euro.

Investment in 2022 amounted to 6.3 million Euro (7.4 million Euro in the previous year).

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.

Outlook

Given the uncertainty arising from the analysis of the global macroeconomic scenario, due mainly to the tensions associated with the current conflict, the complexity of the supply chain and performance-related dynamics, we remain optimistic about a positive trend in revenues and margins due to the Group's focus on continuing business activities (sensors and automation components), product innovation and commercial development plans.

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.

In addition, on 1 March 2023, Gefran India Private Limited, the Indian subsidiary of the Group, entered into an agreement with WEG Industries (India) Private Limited, an Indian subsidiary of the WEG Group, for the sale of its business unit worth EUR 675 thousand. This agreement represents the final stage of the transaction.

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).

The **net loss from disposal groups held for sale** in the period to 31 December 2022 was 3.5 million Euro, down by 5.3 million Euro compared with the net profit of 1.8 million Euro reported at 31 December 2021. The result of the year 2022 includes recognition of the net effects of the disposal of the motion control business, being a loss of 3.9 million Euro. Net of these effects, the net profit of assets held for sale as at 31 December 2022 would be positive by 0.5 million Euro (-1.3 million Euro compared with 31 December 2021).

The **net financial position** at 31 December 2022 was zero, compared with the figure as at 31 December 2021, when it was negative by EUR 0.1 million overall.

Marcello Perini, Chief Executive Officer of the Gefran Group, commented

Two factors characterised the year 2022: high market uncertainty (originating from a combination of critical issues in the supply chain, the pandemic persisting in some countries and geopolitical crisis) and the change in the Group's scope of activity (determined by the sale of the motion control business to the Brazilian multinational WEG).

The businesses we are continuing (sensors and components for industrial automation) have experienced significant growth, allowing Gefran to achieve excellent economic and financial results, which are a source of particular satisfaction. The Group has expanded and innovated its product portfolio and evolved industrial processes through significant investments by continuing to serve the market with reliability and punctuality.

On the demand side, 2023 opened at two speeds: Europe and America are stable compared to the last quarter of 2022, while Asia is down. There are still difficulties in procurement, and challenges in the international context, but we are confident in the Group's ability to manage uncertainty thanks to the strengths that, in recent years, have made it possible to achieve excellent performance in equally challenging situations. Therefore, for the current year, we remain optimistic about a positive trend in revenues and margins.

Performance of the parent company, Gefran S.p.A.

Looking at the results of Gefran S.p.A. alone, the year 2022 closed with **revenues** of 82.6 million Euro, up 7.6 million Euro from 2021 (+10.2%). The increase is widespread and affects nearly all the main market areas in which Gefran S.p.A. operates: +19% in Italy, +17.1% in Europe, +21.4% overall in America. Asia is the only contracting area, where 2022 revenues were 13.1% lower than in 2021, with its economy still suffering from the effects of the COVID-19 pandemic, also in line with the “Zero-COVID” policies of governments. From the business area point of view, sensors recorded a 7.7% increase in revenues, while the increase in revenues from the automation components business, albeit lower than that of sensors in absolute terms, was 18.6%.

In the year 2022 **EBIT** was positive at 9.6 million Euro (11.7% of revenues), compared with a positive EBIT of 10.2 million Euro as of 31 December 2021 (13.6% of revenues). The increase in operating costs, for raw materials procurement and for the strengthening of the workforce was not fully offset by the higher added value achieved, due to the increase in sales volumes.

The **result from operating activities** at 31 December 2022 was positive at 11 million Euro (13.3% of revenues) compared with the positive result of 9.2 million Euro in the previous year (12.3% of revenues), with an increase of EUR 1.8 million, thanks to the improvement of financial management.

The **net result of assets held for sale and discontinued** at 31 December 2022, which was negative at EUR 1.5 million overall, mainly relates to the loss incurred on the sale of the shares of Gefran Drives and Motion S.r.l., a company incorporated under Italian law, and of Siei Areg GmbH, under German law, to WEG S.A., under the framework agreement signed on 1 August 2022 and on the sale of the motion control business (€ 1.8 million in total). The item also includes the reclassification under IFRS 5 of EUR 0.3 million of financial income relating to the dividend granted to Gefran S.p.A. by Siei Areg GmbH. There were no assets held for sale in 2021.

Net profit for the year ending on 31 December 2022 was 9.5 million Euro, up 0.3 million Euro over the figure recorded for 2021.

Working capital at the end of 2022 amounted to 13.4 million Euro, a decrease of 0.4 million Euro over the figure of 13.8 million Euro as of 31 December 2021.

Shareholders' equity amounted to 76.8 million Euro, an increase of 4.5 million Euro over the figure for 31 December 2021, as a result of recognition of the annual profit and distribution of dividends during 2022.

Net financial position at 31 December 2022 was a positive EUR 10.1 million, an improvement of EUR 20.5 million recorded at the end of 2021.

Notice of Ordinary Shareholders' Meeting

Shareholders are summoned to an Ordinary Shareholders' Meeting scheduled for 4 pm on 21 April 2023, in a single summons, which will be considered held in the registered office of GEFTRAN S.p.A. at Via Sebina, no. 74, Provaglio d'Iseo (BS), to discuss and resolve on the following.

AGENDA

1. Annual financial statements for the year ending 31 December 2022.
Approval of the Annual Financial Statements as of 31 December 2022, complete with the Report on Operations of the Board of Directors, the Report of the Board of Statutory Auditors and the External Auditor's Report. Presentation of the Consolidated Financial Statements for the year ending 31 December 2022. Presentation of the Non-financial Statement prepared under Legislative Decree no. 254/2016. Related and consequent resolutions.
2. Allocation of profit for the year ending 31 December 2022.
Approval of the proposed distribution of dividends. Related and consequent resolutions.
3. Allocation of profit for the year ending 31 December 2022.
Allocation of the remaining portion of annual profit. Related and consequent resolutions.
4. Report on Remuneration Policy and on the compensation paid. Approval of the first section of the Report under paragraph 3-ter of art.123-ter of Legislative Decree no. 58/1998.
5. Report on Remuneration Policy and on the compensation paid. Consultation on the second section of the Report under paragraph 6 of art.123-ter of Legislative Decree no. 58/1998.
6. Appointment of the Board of Directors.
Determination of the number of members of the Board of Directors.
7. Appointment of the Board of Directors.
Determination of the duration of the office.
8. Appointment of the Board of Directors.
Appointment of the members of the Board of Directors.
9. Appointment of the Board of Directors.
Determination of the remuneration of the members of the Board of Directors.
10. Withdrawal as far as for non-used of the previous authorisation to buy and sell own shares and release of new authorisation.

Allocation of net profit for the year

Regarding the profit for the year 2022, the Board of Directors has resolved to propose to the Shareholders' Meeting distribution of a dividend of 0.40 Euro per share in circulation (not including own shares), through use of the necessary amount of the net profit for the year, carrying over the residual amount. In accordance with the provisions of the "Regulation of the markets organised and managed by Borsa Italiana S.p.A.", the dividend will be paid as follows ex-dividend date 8 May 2023, record date 9 May 2023 and on payment from 10 May 2023.

Authorisation to buy own shares

The Board has resolved to propose to the Shareholders' Meeting approval of the authorisation to purchase and dispose of, in one or more instalments, a number of ordinary shares in the company up to a maximum of 1,440,000.00 shares, equal to 10% of the company's share capital. The authorisation was requested for a period of 18 months from the date of the shareholders' resolution.

Authorisation to buy and dispose of own shares is required for the following purposes:

- to trade on the market, in accordance with the regulations in force;
- to offer shareholders an additional tool to monetise investments.

Acquisitions and disposals of own shares, which must comply with market practices and the regulatory provisions in force, will take into account the own shares currently in the portfolio in each case.

Own shares will be purchased at a unit price that is not less than their nominal value and not higher than the average price over the last three trading days prior to the purchase date plus 15%.

The sale price will be established on each occasion by the Board, based on the share price trend prior to the transaction and in the Company's best interest. The minimum price may not be more than 10% lower than the price registered during the trading session prior to each disposal; this price limit shall not be applied in the case of a disposal other than sale.

For further details, please see the Explanatory Report on items on the agenda of the Shareholders' Meeting, published on the Company's website www.gefran.com.

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.

Note that the Annual Financial Statements and the Consolidated Financial Statements for the year ending on 31 December 2022, with the corresponding Reports, and the Consolidated Non-financial Statement, the Annual Report on Corporate Governance and Ownership, and the Remuneration Report, shall be available in the company's offices beginning on 30 March 2022, and may also be consulted on the company's Internet site (www.gefran.com), in the section entitled "Investor relations/Investing in Gefran" and in the "Investor relations/Governance/Meetings" section, or via the "1 Info" distribution and storage system operated by Computershare S.p.A. (www.1info.it).

Please note that the financial statements figures are currently subject to audit by the Board of Statutory Auditors and by the Independent Audit Firm.

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:

- **Added value:** the direct margin resulting from revenues, including only direct materials, gross of other production costs, such as personnel costs, services and other sundry costs;
- **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;
- **EBIT:** operating result before financial management and taxes. The purpose of this indicator is to present the Group's operating profitability.

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

- **Net non-current assets:** the algebraic sum of the following items in the statement of financial position:
 - Goodwill
 - Intangible assets
 - Property, plant, machinery and equipment
 - Shareholdings valued at equity
 - Equity investments in other companies
 - Receivables and other non-current assets
 - Deferred tax assets

- **Working capital:** the algebraic sum of the following items in the statement of financial position:
 - Inventories
 - Trade receivables
 - Trade payables
 - Other assets
 - Tax receivables
 - Current provisions
 - Tax payables
 - Other liabilities

- **Net invested capital:** the algebraic sum of fixed assets, operating capital and provisions.

- **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 650 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.

Attachments:

Consolidated income statement, Consolidated results by business, Analysis of consolidated revenues by geographical region, Consolidated statement of financial position and Consolidated cash flow statement.

Income Statement of Gefran S.p.A., Statement of Financial Position of Gefran S.p.A. and Cash Flow Statement of Gefran S.p.A.

Reclassified Consolidated Income Statement of the Gefran Group for the period ended 31 December 2022

(Auditing still in progress)

(Euro/000)	31 December 2022 Amount	31 December 2021 Amount	Diff. 2022-2021 Amount	%
a Revenues	134,427	118,598	15,829	13.3%
b Increases for internal work	907	1,276	(369)	-28.9%
c Consumption of materials and products	39,958	35,298	4,660	13.2%
d Added value (a+b-c)	95,376	84,576	10,800	12.8%
and Other operating costs	23,545	20,779	2,766	13.3%
f Personnel costs	47,195	41,343	5,852	14.2%
g EBITDA (d-e-f)	24,636	22,454	2,182	9.7%
h Depreciation, amortisation and impairment	7,122	6,640	482	7.3%
i EBIT (g-h)	17,514	15,814	1,700	10.7%
l Gains (losses) from financial assets/liabilities	98	(176)	274	n.s.
m Gains (losses) from shareholdings valued at equity	24	20	4	20.0%
n Profit before tax (i±l±m)	17,636	15,658	1,978	12.6%
o Taxes	(4,184)	(3,743)	(441)	-11.8%
p Profit from continuing operations (n±o)	13,452	11,915	1,537	12.9%
q Net results of disposal groups held for sale and discontinued	(3,464)	1,777	(5,241)	n.s.
p Group net profit (p±q)	9,988	13,692	(3,704)	-27.1%

Revenues of the Gefran Group by business at 31 December 2022

(Auditing still in progress)

(Euro/000)	31 December 2022					31 December 2021				
	Revenues	EBITDA	% of revenues	EBIT	% of revenues	Revenues	EBITDA	% of revenues	EBIT	% of revenues
Sensors	88,557	20,460	23.1%	16,295	18.4%	79,365	17,853	22.5%	13,984	17.6%
Automation components	53,796	4,176	7.8%	1,219	2.3%	46,286	4,601	9.9%	1,830	4.0%
Eliminations	(7,926)	-	n.s.	-	n.s.	(7,053)	-	n.s.	-	n.s.
Total	134,427	24,636	18.3%	17,514	13.0%	118,598	22,454	18.9%	15,814	13.3%

Revenues of the Gefran Group by geographical region at 31 December 2022

(Auditing still in progress)

(Euro/000)	31 December 2022		31 December 2021		Diff. 2022-2021	
	Amount	%	Amount	%	Amount	%
Italy	45,046	33.5%	39,584	33.4%	5,462	13.8%
European Union	36,698	27.3%	31,194	26.3%	5,504	17.6%
Non-EU Europe	4,816	3.6%	4,084	3.4%	732	17.9%
North America	13,461	10.0%	9,794	8.3%	3,667	37.4%
South America	5,690	4.2%	4,176	3.5%	1,514	36.3%
Asia	28,240	21.0%	29,366	24.8%	(1,126)	-3.8%
Rest of the world	476	0.4%	400	0.3%	76	19.0%
Total	134,427	100%	118,598	100%	15,829	13.3%

Reclassified schedule of the Consolidated Statement of Financial Position of the Gefran Group at 31 December 2022

(Auditing still in progress)

(Euro/000)	31 December 2022		31 December 2021	
	Amount	%	Amount	%
Intangible assets	12,037	18.1	12,171	14.8
Tangible assets	37,924	57.1	37,277	45.3
Other non-current assets	6,547	9.9	5,899	7.2
Net non-current assets	56,508	85.0	55,347	67.3
Inventories	20,067	30.2	14,449	17.6
Trade receivables	24,183	36.4	24,752	30.1
Trade payables	(22,648)	(34.1)	(21,393)	(26.0)
Other assets/liabilities	(10,304)	(15.5)	(9,124)	(11.1)
Working capital	11,298	17.0	8,684	10.6
Provisions for risks and future liabilities	(1,841)	(2.8)	(2,307)	(2.8)
Deferred tax liabilities	(1,029)	(1.5)	(916)	(1.1)
Employee benefits	(2,241)	(3.4)	(2,841)	(3.5)
Capital invested in continuing operations	62,695	94.3	57,967	70.5
Capital invested in disposal groups held for sale and discontinued	3,758	5.7	24,311	29.5
Net invested capital	66,453	100.0	82,278	100.0
Shareholders' equity	90,723	136.5	85,538	104.0
Financial payables	7,205	10.8	16,483	20.0
Financial payables	10,469	15.8	15,059	18.3
Financial payables for IFRS 16 leases (current and non-current)	2,737	4.1	2,761	3.4
Financial liabilities for derivatives (current and non-current)	-	-	88	0.1
Financial assets for derivatives (current and non-current)	(539)	(0.8)	-	-
Other financial assets	(28)	(0.0)	(67)	(0.1)
Financial receivables	-	-	(2,201)	(2.7)
Cash and cash equivalents and current financial receivables	(44,114)	(66.4)	(35,497)	(43.1)
Net debt relating to operations	(24,270)	(36.5)	(3,374)	(4.1)
Net financial debt related to assets held for sale and discontinued	-	-	114	0.1
Total sources of financing	66,453	100.0	82,278	100.0

Consolidated Cash Flow Statement of the Gefran Group for the period ended 31 December 2022

(Auditing still in progress)

(Euro/000)	31 December 2022	31 December 2021
A) CASH AND CASH EQUIVALENTS, START OF PERIOD	35,497	41,742
B) CASH GENERATED (ABSORBED) BY OPERATIONS DURING THE PERIOD		
Profit/(loss) for the period	9,988	13,692
Depreciation, amortisation and impairment	7,122	6,640
Provisions (Releases)	1,532	2,231
Capital losses (gains) on the sale of non-current assets	24	12
Net results of disposal groups held for sale	3,464	(1,777)
Net result from financial operations	(122)	156
Taxes	4,967	3,823
Change in provisions for risks and future liabilities	(697)	(981)
Change in other assets and liabilities	2,666	762
Change in deferred taxes	(766)	(100)
Change in trade receivables	558	(6,843)
of which related parties:	65	(64)
Change in inventories	(7,015)	(5,115)
Change in trade payables	1,268	7,063
of which related parties:	182	(171)
Operational flows from assets held for sale	(3,085)	7,815
TOTAL	19,904	27,378
C) CASH GENERATED (ABSORBED) BY INVESTING ACTIVITIES		
Investments in:		
- Property, plant, machinery and intangible assets	(6,316)	(7,434)
of which related parties:	(294)	(188)
- Equity investments and securities	22,710	1
- Financial receivables	(189)	5
Disposal of non-current assets	179	93
Investment flows from assets and liabilities held for sale	(646)	(1,472)
TOTAL	15,738	(8,807)
D) FREE CASH FLOW (B+C)	35,642	18,571
E) CASH GENERATED (ABSORBED) BY FINANCING ACTIVITIES		
Arrangement of financial debt	-	787
Repayment of financial debt	(11,757)	(11,099)
Increase (decrease) in current financial payables	(5,924)	1,115
Outflows for IFRS 16 leases	(1,183)	(1,091)
Taxes paid	(5,971)	(1,129)
Interest paid	(231)	(719)
Interest collected	88	64
Sale (purchase) of own shares	(238)	-
Dividends distributed	(5,462)	(8,480)
Cash flows from assets and liabilities held for sale	4,797	(4,588)
TOTAL	(25,881)	(25,140)
F) CASH FLOWS FROM CONTINUING OPERATIONS (D+E)	9,761	(6,569)
G) CASH FLOW FROM OPERATING ASSETS HELD FOR SALE AND DISCONTINUED	(1,066)	(25)
H) Translation differences on liquid funds	(78)	349
I) NET CHANGE IN LIQUID FUNDS (F+G+H)	8,617	(6,245)
J) CASH AND CASH EQUIVALENTS, END OF PERIOD (A+I)	44,114	35,497

Reclassified schedule of the consolidated Income Statement of Gefran S.p.A. at 31 December 2022
(Auditing still in progress)

<i>(Euro/000)</i>		31 December 2022	31 December 2021	Diff. 2022-2021	
		Amount	Amount	Amount	%
a	Revenues	82,568	74,927	7,641	10.2%
b	Increases for internal work	850	1,107	(257)	-23.2%
c	Consumption of materials and products	27,399	24,053	3,346	13.9%
d	Added value (a+b-c)	56,019	51,981	4,038	7.8%
and	Other operating costs	15,894	13,630	2,264	16.6%
f	Personnel costs	25,195	23,117	2,078	9.0%
g	EBITDA (d-e-f)	14,930	15,234	(304)	-2.0%
h	Depreciation, amortisation and impairment	5,300	5,020	280	5.6%
i	EBIT (g-h)	9,630	10,214	(584)	-5.7%
l	Gains (losses) from financial assets/liabilities	4,350	1,500	2,850	n.a.
n	Profit (loss) before tax (i±l)	13,980	11,714	2,266	19.3%
o	Taxes	(2,960)	(2,509)	(451)	-18.0%
p	Profit from continuing operations (n±o)	11,020	9,205	1,815	19.7%
q	Profit (loss) from assets held for sale and discontinued	(1,500)	-	(1,500)	editor's
note	Net profit (loss) (p±q)	9,520	9,205	315	3.4%

Reclassified schedule of the Statement of Financial Position of Gefran S.p.A. at 31 December 2022
(Auditing still in progress)

(Euro/000)	31 December 2022		31 December 2021	
	Amount	%	Amount	%
Intangible assets	5,209	7.8	5,425	6.6
Tangible assets	26,898	40.3	26,108	31.6
Other non-current assets	28,844	43.2	28,749	34.7
Net non-current assets	60,951	91.3	60,282	72.9
Inventories	10,586	15.9	7,744	9.4
Trade receivables	20,438	30.6	22,550	27.3
Trade payables	(17,649)	(26.4)	(16,457)	(19.9)
Other assets/liabilities	(4,829)	(7.2)	(5,991)	(7.2)
Working capital	8,546	12.8	7,846	9.5
Provisions for risks and future liabilities	(1,111)	(1.7)	(1,556)	(1.9)
Deferred tax liabilities	(146)	(0.2)	(11)	(0.0)
Employee benefits	(1,514)	(2.3)	(1,947)	(2.4)
Capital invested in continuing operations	66,726	100.0	64,614	78.1
Capital invested in disposal groups held for sale and discontinued	-	-	18,117	21.9
Net invested capital	66,726	100.0	82,731	100.0
Shareholders' equity	76,821	115.1	72,367	87.5
Financial payables	6,898	10.3	16,176	19.6
Financial payables	16,544	24.8	30,323	36.7
Financial payables for IFRS 16 leases (current and non-current)	549	0.8	465	0.6
Financial liabilities for derivatives (current and non-current)	-	-	88	0.1
Financial assets for derivatives (current and non-current)	(539)	(0.8)	-	-
Non-current financial investments	(28)	(0.0)	(67)	(0.1)
Cash and cash equivalents and current financial receivables	(33,519)	(50.2)	(36,621)	(44.3)
Net debt relating to operations	(10,095)	(15.1)	10,364	12.5
Total sources of financing	66,726	100.0	82,731	100.0

Reclassified schedule of the Consolidated Cash Flow Statement of Gefran S.p.A. at 31 December 2022

(Auditing still in progress)

(Euro/000)	31 December 2022	31 December 2021
A) CASH AND CASH EQUIVALENTS, START OF PERIOD	35,497	41,742
B) CASH GENERATED (ABSORBED) BY OPERATIONS DURING THE PERIOD		
Profit/(loss) for the period	9,988	13,692
Depreciation, amortisation and impairment	7,122	6,640
Provisions (Releases)	1,532	2,231
Capital losses (gains) on the sale of non-current assets	24	12
Net results of disposal groups held for sale	3,464	(1,777)
Net result from financial operations	(122)	156
Taxes	4,967	3,823
Change in provisions for risks and future liabilities	(697)	(981)
Change in other assets and liabilities	2,666	762
Change in deferred taxes	(766)	(100)
Change in trade receivables	558	(6,843)
	of which related parties:	65 (64)
Change in inventories	(7,015)	(5,115)
Change in trade payables	1,268	7,063
	of which related parties:	182 (171)
Operational flows from assets held for sale	(3,085)	7,815
TOTAL	19,904	27,378
C) CASH GENERATED (ABSORBED) BY INVESTING ACTIVITIES		
Investments in:		
- Property, plant, machinery and intangible assets	(6,316)	(7,434)
	of which related parties:	(294) (188)
- Equity investments and securities	22,710	1
- Financial receivables	(189)	5
Disposal of non-current assets	179	93
Investment flows from assets and liabilities held for sale	(646)	(1,472)
TOTAL	15,738	(8,807)
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