



CEMBRE

Press release

The Shareholders' Meeting approves the financial statements as at 12/31/2021

Cembre (STAR): a €1.20 dividend per share

- Sale (purchase) of own shares authorised
- In the Q1 of 2022 consolidated turnover grew by 27.1%
- Net consolidated financial position at March 31, 2022 equal to a surplus of €16.6 million

Brescia, April 27, 2022 – The Shareholders' Meeting of Cembre S.p.A. – a STAR segment company listed on the Euronext Milan (MTA) market managed by Borsa Italiana S.p.A. and one of the largest European producers of electrical connectors and tools for their installation, held today and chaired by Giovanni Rosani, approved the 2021 financial statements of Cembre S.p.A. and the allocation of profit for the year. The Shareholders' Meeting approved the distribution of a **€1.20 dividend** per share (higher than the dividend of €0.90 distributed in relation to 2020 profit). The ex-dividend date is May 9, 2022, the record date is May 10, 2022, while dividends will be paid out from May 11, 2022.

In 2021, the **parent company Cembre S.p.A.** recorded **sales revenues** of €125.7 million, up 23.9% on 2020. Cembre S.p.A.'s **operating result** increased by 44.4%, from €20.2 million in 2020 to €29.1 million in 2021. Cembre S.p.A.'s **pre-tax profit** increased by 46.0%, from €21.2 million in 2020 to €31.0 million in 2021. Cembre S.p.A.'s **net profit** increased from €16.5 million in 2020 to €23.4 million in 2021.

The **2021 Consolidated Financial Statements**, whose highlights are shown below, were presented to the Shareholders' Meeting:

Consolidated figures (euro '000)	2021	Margin %	2020	Margin %	change 2021vs 2020	2019	Margin %	change 2021vs 2019
Revenues from sales	166,835	100	137,137	100	21.7%	146,296	100	14.0%
Gross operating profit	45,597	27.3	36,297	26.5	25.6%	37,098	25.4	22.9%
Operating profit	34,188	20.5	25,200	18.4	35.7%	27,181	18.6	25.8%
Profit before taxes	34,289	20.6	24,902	18.2	37.7%	26,937	18.4	27.3%
Net profit	25,321	15.2	18,975	13.8	33.4%	21,690	14.8	16.7%
Net financial position	20,647		8,408			5,562		

Consolidated revenues for 2021 increased by 21.7%, having risen from €137.1 million in 2020 to €166.8 million at the end of 2021 (comparing the figure with revenues for 2019, the increase recorded was 14.0%).



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In 2021, Group sales in Italy amounted to €70.4 million, up by 25.8% on the previous year; revenues in the rest of Europe increased by 23.0% to €78.8 million, while sales in non-European markets increased by 3.1%, with revenues equal to €17.6 million. Italy accounted for 42.2% of Group sales (as compared with 40.8% in 2020), with Europe accounting for 47.2% (46.7% in 2020), and the rest of the World the remaining 10.6% (12.5% in 2020).

Consolidated gross operating result in the year came to €45.6 million, representing a 27.3% margin on sales revenues, up 25.6% on €36.3 million in 2020, when it represented a 26.5% margin on sales revenues (+22.9% compared to 2019). The incidence of cost of sales increased compared to 2020, from 30.3% to 33.6%, while the weight of services costs decreased, from 12.4% to 11.9%. Personnel costs also fell from 30.2% to 27.9%. The average number of employees rose from 753 (including 32 employees on short-term contracts) in 2020 to 784 (including 59 employees on short-term contracts) in 2021.

Consolidated operating result amounted to €34.2 million, representing a 20.5% margin on sales revenues, up 35.7% on €25.2 million in the previous year, when it represented a 18.4% margin on sales revenues (+25.8% compared to 2019).

Consolidated pre-tax result amounted to €34.3 million, representing a 20.6% margin on sales, up 37.7% on €24.9 million in 2020, when it represented a 18.2% margin on sales (+27.3% compared to 2019).

Consolidated net result for the year amounted to €25.3 million, representing a 15.2% margin on sales, up 33.4% on 2020, when it amounted to €19.0 million and represented a 13.8% margin on sales (+16.7% compared to 2019).

The consolidated net financial position went from a surplus of €8.4 million at December 31, 2020 to a surplus of €20.6 million at December 31, 2021.

“The Group's sales in the first three months of 2022 were up 27.1% over the same period of 2021. However, it should be noted that sales in May 2021 had been particularly high (at €18.3 million). Therefore, it is expected that 2022 progressive sales growth will mark a less pronounced increase from May 2022. The Cembre Group has no significant supply relationships or sales to the Russian and Ukrainian markets. Therefore, the loss of revenues that may result from the current conflict is not significant. Therefore, it can be estimated that the consolidated turnover of the Cembre Group in 2022 will show growth, with a positive economic result forecast, despite rising commodity prices and increased procurement difficulties.” - Chairman Giovanni Rosani commented. “The Group has a solid financial position, amounting to a positive €20.6 million at December 31, 2021, and still positive at March 31, 2022, at €16.6 million. The Shareholders' Meeting approved the proposed dividend, confirming it at €1.20 per share, marking an all-time high for the Company (in 2021 €0.90 per share was distributed)” - continued G. Rosani.

Shareholders' Meeting resolves to authorise the purchase of own shares

The Shareholders' Meeting also resolved to authorise – after revoking the previous authorisation granted by the same on April 27, 2021, for the part not executed – the purchase of own shares with the end of providing the Company with strategic investment opportunities to any end allowed by current regulations, including those contemplated in article 5 of EU Regulation no. 596/2014 (Market Abuse Regulation, MAR) and in the procedures contemplated under article 13, MAR.

The authorisation to purchase own shares was granted for a period of 18 months from the date of the Ordinary Shareholders' Meeting and is intended for the purchase of Cembre ordinary shares of par value €0.52, up to a the maximum limit established by current regulations for a consideration that shall not exceed the higher between the price at which the last independent transaction was concluded and the last



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independent bid price in the market in which the purchase is carried out. For any single purchase, such price per share shall in any case not be more than 20% lower or higher than the closing price registered by Cembre shares on the previous trading day.

The authorisation to sell own shares is granted without a time limit.

At the date of the present press release, Cembre holds 236,541 own shares, representing 1.391% of the capital stock of the Company.

Report on Remuneration Policy and compensation paid

The Shareholders' Meeting, pursuant to art. 123-ter of the TUF, approved, by means of a binding resolution, Section I of the Remuneration Report, containing the Remuneration Policy adopted by the Company, and approved, by means of a non-binding resolution, Section II of said Report, regarding the compensation paid in the reference year.

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Further information on the resolutions of the Shareholders' Meeting are contained in the related reports issued by the Board of Directors and the minutes of the Shareholders' Meeting that will be deposited within the legal term at the Company's Registered Office and published on the company website at <https://www.cembre.com/investor/assemblee>.

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Cembre designs, manufactures and distributes electrical connectors and cable accessories. It enjoys a leadership position in Italy and significant market shares in the rest of Europe. Cembre is one of the world's leading manufacturers of tools (mechanical, pneumatic and hydraulic) for the installation of connectors and the shearing of cables. The products it has developed for connection to the rail and for other railway applications are used by the main companies in this sector round the world. Cembre owes its success to an insistence on innovative, high-quality products, a broad and thorough collection, and an extensive distribution network both in Italy and abroad.

Founded in Brescia in 1969, the Cembre Group is now a fully-fledged international force. Along with the parent company in Brescia it has five subsidiaries: four trading companies (in Germany, France, Spain and the United States) and a manufacturing and trading subsidiary (Cembre Ltd, with registered office in Birmingham), for a total of 795 employees (data updated as at December 31, 2021). Since 1990, its products have been certified by Lloyd's Register Quality Assurance for the design and production of accessories for cables, electrical connectors and tools for their installation.

Cembre has been listed on the Italian Stock Exchange since December 15, 1997, and on the STAR section since September 24, 2001.

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Further information is available at Cembre's institutional website www.cembre.com in the Investor Relations section.

The manager responsible for preparing the Company's financial reports, Claudio Bornati, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.



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In this press release, use is made of certain alternative performance indicators that are not envisaged in IFRS-EU accounting standards, and whose significance and content are illustrated below, in line with the ESMA/2015/1415 recommendations published on October 5, 2015:

Gross Operating Result (EBITDA): defined as the difference between sales revenues and costs for materials, of services received, and the net balance of operating income and charges. It represents the profit achieved before amortisation, cash flows and taxes.

Operating Result (EBIT): defined as the difference between the Gross Operating Result and the value of amortization/impairment. It represents the profit before cash flows and taxes.

Net Financial Position: represents the algebraic sum of cash and cash equivalents, financial receivables and current and non-current financial debt.