

GIBUS GROUP: REVENUE GROWTH +11% AND EBITDA MARGIN OF 18.4% IN THE FIRST HALF OF 2023

- Revenues of €50.6M, up by +11% compared to €45.5M in the first half of 2022; abroad revenues represent 45% of the total
- Significant stability in margins (EBITDA of €9.3M compared to €9.8M in the first half of 2022), despite the dynamics relating to raw material prices and the important investments that lay the foundations for growth abroad in the coming years.
- Net Profit: €3.3M (in the first half of 2022: €7.3M)
- Net Financial Position: €27.5M (2022 financial year: €22.9M)

SACCOLONGO (PD), 19th SEPTEMBER 2023

Today, the Board of Directors of **GIBUS** (GBUS:IM), the Italian brand of the high-end *Outdoor Design* sector, listed on the Euronext Growth Milan and founded in 1982, has approved the consolidated financial statements report as of 30th June 2023; it should be noted that the scope of consolidation as of 30th June 2023 fully includes the LEINER Group, acquired on 30th September 2022 and consolidated starting from 1st October 2022.

Alessio Bellin, Managing Director of GIBUS says: "Despite the adverse economic scenario, the results of the first half of 2023 are **positive, both in terms of revenues and margins**, especially when compared to years of strong growth and in light of multiple factors that penalized the period under review both in Italy and abroad. In **Italy**, revenues stand at a satisfactory value after the important performances recorded in the first half of 2022 (+36%) and in the first half of 2021 (+117%), despite the benefits of the discount in the invoice being suspended in February and there having been a contraction of consumptions due to a period of uncertainty that's affecting large areas of consumer goods such as the outdoor and sun protection sectors. However, it should be highlighted that the number of leads generated by GIBUS, with the same promotional investments, remained at the same level as in 2022: this indicator confirms that the consumers' interest in the Group's products is the same and this is a strong indicator of confidence for the medium-long term. Even more significant is the data on **margins**, which remained substantially at the same levels of previous years despite the **significant operational investments made to lay the foundations for growth abroad in the coming years**, which represents the real challenge for our Group. The cooling of the economy, detectable at a global level, is particularly marked in the main countries of the old continent and especially in Germany, the reference market of LEINER GMBH. The very high levels of inflation, combined with interest rates that are the highest of the last few years, have jointly eroded consumers' spending capacity and created a climate of mistrust. In such a challenging context, however, we are confident that we have **laid the foundations to guarantee the best possible stability of volumes in the second half of 2023 and to generate lasting growth starting from 2024**. The distribution of GIBUS pergolas through LEINER dealers in Germany only began in the first half of the year; moreover, the new branch has been operating in the Dutch market with the inauguration of the new showroom in Zwolle just since March 2023. Finally, the company's debt is largely sustainable and the cash availability is extremely capacious: the financial situation, therefore, remains characterized by extreme solidity."

MAIN CONSOLIDATED RESULTS AS AT 30th JUNE 2023

Revenues amounted to 50.6 million Euros, +11.2% compared to 45.5 million Euros at 30th June 2022; the performance is attributable to the contribution of the acquired company.

Revenues generated **Abroad** amount to 22.6 million euros and represent 45% of the total. The growth compared to 30th June 2022 is equal to +122.4% (10.2 million euros, equal to 22% of the total) with a contribution from the LEINER Group of 13.2 million euros. **Italy** recorded revenues of 28.0 million euros, down 20.7% compared to 35.4 million euros at 30th June 2022.

As concerns the product lines of GIBUS Group, the **High-End Luxury segment** recorded revenues of 18.8 million Euros, -9.1% compared to 20.6 million Euros at 30th June 2022; in particular, the *Luxury High Tech line* (bioclimatic pergolas) recorded revenues of 12.9 million euros (14.3 million euros in the first half of 2022) and the *Sustainability line* (zip screen) recorded revenues of 5.9 million euros (6.3 million euros in the first half of 2022). The **Design Line** recorded revenues of 28.0 million euros (+24.4% compared to 22.5 million euros at 30th June 2022).

The incremental revenues attributable to the LEINER Group amount to 13.2 million euros, of which 2.3 million euros are generated by the subsidiary Schirmherrschaft Vertriebs, which sells directly only to end customers in the hospitality industry.

The Gross Operating Margin (**EBITDA**) is equal to **9.3 million euros**, -5.1% compared to 9.8 million euros at 30th June 2022. The incidence on turnover, which stands at 18.4% (21.6% at 30th June 2022) is to be considered satisfactory in light of the dynamics relating to the decrease in volumes, the trend in raw material prices and the important operational investments made to lay the foundations for the future growth in the reference markets. The *Industrial Margin* stood at 47.0% (44.0% as at 30th June 2022), a figure slightly lower than the figure of the entire 2022 financial year when it was 48.7%. The incidence of variable and overhead costs went from 22.4% to 28.6%. Among the main investments in operating costs, in addition to the acquisition of the LEINER Group, whose integration entails costs linked to the implementation of commercial and operational strategies, we note the opening of the new GIBUS NL B.V. branch which officially opened its new showroom in Zwolle.

The Net Operating Margin (**EBIT**) is equal to **6.2 million Euros**, -29.6% compared to 8.8 Euro million at 30th June 2022, after amortization, depreciation and write-downs of 2.7 Euro million, an increase compared to 1.1 Euro million as of 30th June 2022 as a result of the important investments made in recent years but, above all, as a result of the amortization of the elements allocated during the *purchase price allocation* phase. Extraordinary management presents a negative balance of €408 thousand, due to some residual costs linked to the acquisition of the LEINER Group, which were all expensed in the income statement.

The **Pre-Tax Result** was equal to **5.5 Euro million**, -44.6% compared to 10.0 Euro million at 30th June 2022. Despite the negative mark, mainly due to the increase in bank debt to support the acquisition of the LEINER Group, the financial management remains particularly positive with a net balance, between active and passive components, equal to 680 thousand Euros. This result is due to a particularly efficient management of the excess liquidity compared to the need of the operating business, thanks also to the excellent financial rating that allows access to competitive credit and a good capacity to manage the company liquidity.

The **Net Profit** is **3.3 million Euros**, -55.7% compared to 7.3 million Euros on 30th June 2022, net of taxes of 2.3 million Euros (2.7 million Euros on 30th June 2022).

The **Shareholders' Equity** is equal to **35.3 million Euros**, higher than on 31st December 2022 when it was **34.5** million Euros.

The **Net Financial Position** is equal to **27.5 Euro million**, an increase compared to 22.9 Euro million at 31st December 2022 mainly due to the distribution of the 2023 dividend (2.5 million Euro in 2022) and as a result of the retransfer of tax credits stipulated in May 2023, which involved a financial advance in June 2023; net of disbursement in the following months of contributions and taxes due to the compensation between F24 tax forms and tax credits.

FORESEEABLE EVOLUTION OF MANAGEMENT

Despite the economic context of strong uncertainty both at a national and international level, the favorable trend in the prices of the main raw materials allows us to remain positive on margin levels and to plan a reduction in fixed assets at the warehouse, which, in the last financial year, had reached very high levels due to hoarding policies due to the scarcity of many materials and the very high level of prices. Despite the very high levels of interest that we currently record, the company's indebtedness is largely sustainable and the cash availability is extremely large: the financial situation therefore remains characterized by extreme solidity.

GIBUS (GBUS:IM – ISIN IT0005341059) is the Italian brand protagonist of the high-end Outdoor Design sector for HO.RE.CA. and Residential, present in Italy and the main European countries with a network of 434 GIBUS Ateliers which is unique in the national and international competitive landscape. With headquarters in Saccolongo (PD) and around 200 employees, it designs 100% Made in Italy products and oversees the entire value chain. GIBUS has a consolidated market share in Italy and has strengthened its presence abroad, particularly in France and the DACH area. It constantly invests in R&D and, with over 50 patented technical solutions and 30 protected design models, has defined new quality standards in the sector: raising the technological content and product design is the key to compete in the high-end segment of the outdoor sector and to meet the needs of increasingly greater comfort in the use of outdoor spaces. The main product lines, Luxury High Tech (Bioclimatic Pergolas) and Sustainability (ZIP Screen), are characterized by their level of design and technology and represent the main growth driver of the Company. Historically the products make the combination of mechanical technology and textile processing know-how their strongpoint, and electronics have become increasingly important in recent years: today the company is able to offer fully automated solutions, capable of responding automatically to changes in weather conditions, and connected to web platforms for remote control. The products are characterized by high production and safety standards: ISO 14001, ISO 9001, ISO 45001, anti-counterfeiting hologram with the GIBUS brand and unique alphanumeric code.

Release available on www.emarketstorage.com and www.gibusgroup.com

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RECLASSIFIED INCOME STATEMENT

(Amounts in euros)	30th June 2023		30th June 2022		Var. %
Net sales revenue	50,629,000	100.0%	45,512,424	100.0%	11.2%
Cost of goods sold	(26,828,613)	-53.0%	(25,484,820)	-56.0%	5.3%
Industrial margin	23,800,387	47.0%	20,027,604	44.0%	18.8%
Variable costs and overhead costs	(14,479,244)	-28.6%	(10,203,195)	-22.4%	41.9%
EBITDA	9,321,143	18.4%	9,824,409	21.6%	-5.1%
Depreciation/amortization and write-downs	(2,692,846)	-5.3%	(1,067,105)	-2.3%	>100.0%
Extraordinary management	(408,463)	-0.8%	81,748	0.2%	>100.0%
EBIT	6,219,834	12.3%	8,839,052	19.4%	-29.6%
Financial income and expenses	(679,610)	-1.3%	1,160,021	2.5%	>100.0%
Result before taxes	5,540,224	10.9%	9,999,073	22.0%	-44.6%
Taxes	(2,283,205)	-4.5%	(2,652,308)	-5.8%	-13.9%
Net result	3,257,019	6.4%	7,346,765	16.1%	-55.7%

CONSOLIDATED RECLASSIFIED FINANCIAL STATEMENT

(Amounts in euros)	30 th June 2023	31 st Dec.2022
Net intangible fixed assets	25,557,712	26,778,708
Net tangible fixed assets	17,675,578	17,424,574
Financial fixed assets	10,000	10,000
Operating fixed assets	43,243,289	44,213,282
Stocks	21,363,249	19,369,085
Trade receivables	20,507,146	12,358,264
Trade payables	(15,407,088)	(13,265,368)
Operating working capital	26,463,307	18,461,982
Other receivables	1,035,526	74,833
Tax payables	3,354,615	6,460,095
Other payables	(1,778,912)	(843,909)
Deferred taxes	(6,316,377)	(7,898,273)
Net operating working capital	621,468	640,635
Other receivables	23,379,627	16,895,362
Severance pay	(383,493)	(367,177)
Provisions for risks and charges	(3,743,227)	(3,635,411)
Total provisions for risks and charges	(4,126,720)	(4,002,589)
Total net invested capital	62,496,196	57,106,056
Liquid assets	16,707,806	22,411,674
Bank payables	(43,911,862)	(44,995,772)
Net financial position	(27,204,056)	(22,584,097)
Share capital and reserves	(32,035,121)	(24,217,090)
Result for the period	(3,257,019)	(10,304,870)
Net assets	(35,292,140)	(34,521,959)
Financing sources of net invested capital	(62,496,196)	(57,106,056)

NET CONSOLIDATED FINANCIAL POSITION

(Amounts in euros)

	30 th June 2023	31 st Dec. 2022
A. cash and bank deposits	16,707,806	22,411,674
B. other cash on hand	-	-
C. held-for-trading securities	-	-
D. Liquidity (A)	16,707,806	22,411,674
E. Current financial receivables	-	-
F. short-term bank debts	-	-
G. current portion of non-current debt	(9,033,023)	(16,575,122)
H. other current financial debts	(80,847)	(113,175)
I. Current financial debt (F)+(G)+(H)	(9,113,870)	(16,688,297)
J. Net current financial debt (I) - (E) - (D)	7,593,936	5,723,377
K. non-current bank debts	(34,878,839)	(28,420,650)
L. issued bonds	-	-
M. other non-current debts	(182,954)	(219,230)
N. Non-current financial debt (K)+(M)	(35,061,792)	(28,639,879)
O. Net financial debt (J)+(N)	(27,467,857)	(22,916,502)

CONSOLIDATED FINANCIAL STATEMENT

(Amounts in euros)

Net result for the year

Income tax paid

(Capital gains)/capital losses from asset transfers

Allocations to funds

Fixed asset depreciation/amortization

Other adjustments to increase/(decrease) for non-monetary items

Cash flow before changes to the Net Working Capital

Decrease/(increase) in stocks

Decrease/(increase) in trade receivables

Increase/(decrease) in trade payables

Decrease/(increase) prepayments and accruals

Increase/(decrease) accruals and deferred income

Increase/(decrease) in provisions for risks

Increase/(decrease) in staff severance fund

Other decreases/(increases) in net current capital

Flows derived from net changes in current capital

Flows generated (absorbed) from income management (A)

Tangible fixed assets

(Flows from investments)

Flows from disposals

Intangible fixed assets

(Flows from investments)

Flows from disposals

Financial fixed assets

(Flows from investments)

Flows from disposals

Acquisition or sale of subsidiaries or business branches

Flows derived from investment activities (B)

Leased equipment

New loans

(Loan repayments)

Own equipment

Paid in capital increase

Sales/Purchase of treasury shares

Flows derived from investment activities (C)

Changes in liquid assets (A±B±C)

Short-term net financial position (initial)

Change in net financial position

Short-term net financial position (final)

30th June 2023 **30th June 2022**

3,257,019 **7,346,765**

- (599,701)

(12,259) (2,000)

138,425 228,216

2,692,846 1,067,105

(60,539) 8,624

6,015,493 **8,049,010**

(1,994,163) (2,404,173)

(8,148,881) (9,020,368)

2,276,823 4,357,548

(1,084,406) (390,728)

243,079 904,331

(91,274) (98,132)

26,682 8,061

2,343,050 4,056,176

(6,429,090) **(2,587,285)**

(413,597) **5,461,725**

(1,198,514) (2,346,937)

12,259 2,000

(524,340) (676,116)

- -

- -

- -

- -

(1,710,595) **(3,021,053)**

10,517,000 2,000,000

(11,600,910) (2,811,921)

- (120,864)

(2,495,765) (5,004,404)

(3,579,675) **(5,937,189)**

(5,703,867) **(3,496,517)**

22,411,673 **23,015,293**

(5,703,867) (3,496,517)

16,707,806 **19,518,776**