

**SABAF: RESULTS AT 30 SEPTEMBER 2023 APPROVED****➤ CONSOLIDATED RESULTS FOR Q3 2023<sup>1</sup>****adj REVENUE: € 61.3 million (€54.7 million in Q3 2022 +12.6%)**

REVENUE: € 67.9 million (€ 55.9 million in Q3 2022 +21.5%)

**adj EBITDA: € 8.8 million (€ 5.2 million in Q3 2022 +69%)**

EBITDA: € 10.7 million (€ 6.6 million in Q3 2022 +63.3%)

**adj EBITDA/REVENUE: 14.3% (9.5% in Q3 2022)**

EBITDA/REVENUE: 15.8% (11.7% in Q3 2022)

**adj EBIT: € 6 million (€ 1.1 million in Q3 2022 +433%)**

EBIT: € 6.9 million (€ 2 million in Q3 2022 +250.2%)

**adj Group NET RESULT: € 5.2 million (€ 4.2 million in Q3 2022)**

Group NET RESULT: € 2.8 million (€ 0.08 million in Q3 2022)

**➤ CONSOLIDATED RESULTS FOR THE FIRST NINE MONTHS<sup>1</sup>****adj REVENUE: € 176.3 million (€ 198.9 million in the first nine months of 2022 -11.4%)**

REVENUE: € 176.9 million (€ 201.6 million in the first nine months of 2022 -12.3%)

**adj EBITDA: € 24.4 million (€ 30.2 million in the first nine months of 2022 -19.4%)**

EBITDA: € 22.1 million (€ 33.5 million in the first nine months of 2022 -33.8%)

**adj EBITDA/REVENUE: 13.8 % (15.2% in the first nine months of 2022)**

EBITDA/REVENUE: 12.5% (16.6% in the first nine months of 2022)

**adj EBIT: € 13.1 million (€ 18.2 million in the first nine months of 2022 -27.7%)**

EBIT: € 8.8 million (€ 20 million in the first nine months of 2022 -56.1%)

**adj Group NET RESULT: € 8.4 million (€ 17.5 million in the first nine months of 2022)**

Group NET RESULT: € 1.4 million (€ 13.1 million in the first nine months of 2022)

GENERATED OPERATING FREE CASH FLOW € 8.7 million

NET FINANCIAL DEBT AT 30 SEPTEMBER 2023 € 83.7 million

(€ 84.4 million at 31 December 2022, € 78.8 million at 30 September 2022)

<sup>1</sup> The (adj) normalised consolidated economic results exclude the impact of the application of IAS 29 (Financial Reporting in Hyperinflationary Economies) and the start-up costs of Sabaf India, of Sabaf Mexico and of the Induction division. This representation allows a better understanding of the Group's performance and of its comparison with previous periods.

Pietro Iotti, Chief Executive Officer of Sabaf, commented:

*"In the third quarter, the Sabaf Group achieved a growth in sales (12.6%) and in EBITDA (69%), compared to the same period last year, despite a market slowed down by the trend of macroeconomic indicators (inflation) and by the accentuated geopolitical tensions".*

*"The unfavorable scenario, however, did not slow down the execution of our Business Plan. The path of international growth and of product range diversification continued in the third quarter with the acquisition of the majority of the US Mansfield Engineered Components (MEC), which allowed us to become the world's leading manufacturer of hinges for household appliances. The first integration activities confirmed the strong technical and commercial synergies expected from the transaction".*

*"The strategic projects (components for induction cooking, new production plants in India and Mexico), from which an important contribution is expected starting from the beginning of 2024, are progressing according to plan. Based on the order backlog, we expect an increase in revenues for the fourth quarter compared to both the third quarter of 2023 and the fourth quarter of 2022, also on a like-for-like basis".*

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The Board of Directors of Sabaf S.p.A. met today in Ospitaletto to approve the Interim Management Statement at 30 September 2023.

It should be noted that as from April 2022, Turkey - the country where Sabaf has production plants - is considered to be a "hyperinflationary" economy according to the criteria set out in "IAS 29 - Financial Reporting in Hyperinflationary Economies". The press release commented on the normalised consolidated economic results excluding the impact of the application of IAS 29. The normalised consolidated economic results also exclude the start-up costs of Sabaf India, of Sabaf Mexico and of the Induction division. This representation allows a better understanding of the Group's performance and a more accurate comparison with previous periods.

As from the third quarter of 2023, the results include the consolidation of MEC, a US company in which the Group acquired a 51% stake in July.

### **Consolidated results for Q3 2023**

Quarterly results	Sequential			YoY			12M 2022
	Q3 2023 (*)	Q2 2023 (*)	Δ%	Q3 2023 (*)	Q3 2022 (*)	Δ%	
Sales revenue	67,944	50,899	+33.5%	67,944	55,939	+21.5%	253,053
Hyperinflation – Turkey	(6,603)	5,899		(6,603)	(1,273)		(1,091)
Start-up revenue	(15)	-		(15)	-		
<b>Normalised revenue</b>	<b>61,326</b>	<b>56,798</b>	<b>+8.0%</b>	<b>61,326</b>	<b>54,666</b>	<b>+12.2%</b>	<b>251,962</b>
EBITDA	10,732	4,885	+119.7%	10,732	6,570	+63.3%	40,092
EBITDA %	15.8	9.6		15.8	11.7		15.8
Start-up costs	751	800		751	164		704
Hyperinflation – Turkey	(2,713)	2,778		(2,713)	(1,546)		(4,469)
<b>Normalised EBITDA</b>	<b>8,770</b>	<b>8,463</b>	<b>+3.6%</b>	<b>8,770</b>	<b>5,188</b>	<b>+69.0%</b>	<b>36,327</b>
<b>Normalised EBITDA%</b>	<b>14.3</b>	<b>14.9</b>		<b>14.3</b>	<b>9.5</b>		<b>14.4</b>
EBIT	6,931	358	n/a	6,931	1,979	+250.2%	21,887
EBIT %	10.2	0.7		10.2	3.5		8.6
Start-up costs	1,057	983		1,057	188		820
Hyperinflation – Turkey	(1,971)	2,897		(1,971)	(1,039)		(2,838)
<b>Normalised EBIT</b>	<b>6,017</b>	<b>4,238</b>	<b>+42.0%</b>	<b>6,017</b>	<b>1,128</b>	<b>+433%</b>	<b>19,869</b>
<b>Normalised EBIT%</b>	<b>9.8</b>	<b>7.5</b>		<b>9.8</b>	<b>2.1</b>		<b>7.9</b>
Group net result	2,787	(631)	n/a	2,787	88	n/a	15,249
Net result %	4.1	-1.2		4.1	0.2		6.0
Start-up costs	1,022	936		1,022	163		756
Hyperinflation – Turkey	1,353	1,517		1,353	3,918		6,077
<b>Normalised result of the Group</b>	<b>5,162</b>	<b>1,822</b>	<b>+183%</b>	<b>5,162</b>	<b>4,169</b>	<b>+23.8%</b>	<b>22,082</b>
<b>Normalised result % of the Group</b>	<b>8.4</b>	<b>3.2</b>		<b>8.4</b>	<b>7.6</b>		<b>8.8</b>

In the third quarter of 2023, the Sabaf Group achieved normalised sales revenue of €61.3 million, up 8% compared to the second quarter of 2023 (+12.2% compared to €54.7 million in the third quarter of 2022; -6% on a like-for-like basis).

Normalised EBITDA for the third quarter was €8.8 million, or 14.3% of turnover and up by 3.6% compared to the figure of €8.5 million (14.9%) in the second quarter of 2023 (€5.2 million in the third quarter of 2022, 9.5%). Although activity levels remained lower than normal, the result benefited from measures taken to make operations more efficient, from lower energy costs and raw material costs compared to the same period of 2022.

Normalised EBIT was €6 million (9.8%), up 42% compared to €4.2 million in the second quarter of 2023 (7.5%) (€1.1 million in the third quarter of 2022, 2.1%) and includes a capital gain of €1.5 million from the disposal of non-current assets. Normalised net profit for the period attributable to the Group was €5.2 million (€1.8 million in the second quarter of 2023 and €4.2 million in the third quarter of 2022).

### **Consolidated results for the first nine months 2023**

<b>9 months 2023</b>	<b>9M 2023</b>	<b>9M 2022</b>	<b>Δ%</b>	<b>12M 2022</b>
Sales revenue	176,906	201,623	-12.3%	253,053
Hyperinflation – Turkey	(620)	(2,740)		(1,091)
Start-up revenue	(15)	-		
<b>Normalised revenue</b>	<b>176,271</b>	<b>198,883</b>	<b>-11.4%</b>	<b>251,962</b>
EBITDA	22,146	33,456	-33.8%	40,092
<i>EBITDA %</i>	<i>12.5</i>	<i>16.6</i>		<i>15.8</i>
Start-up costs	1,905	430		704
Hyperinflation – Turkey	316	(3,667)		(4,469)
<b>Normalised EBITDA</b>	<b>24,367</b>	<b>30,219</b>	<b>-19.4%</b>	<b>36,327</b>
<b>Normalised EBITDA%</b>	<b>13.8</b>	<b>15.2</b>		<b>14.4</b>
EBIT	8,786	20,024	-56.1%	21,887
<i>EBIT %</i>	<i>5.0</i>	<i>9.9</i>		<i>8.6</i>
Start-up costs	2,523	499		820
Hyperinflation – Turkey	1,824	(2,350)		(2,838)
<b>Normalised EBIT</b>	<b>13,133</b>	<b>18,173</b>	<b>-27.7%</b>	<b>19,869</b>
<b>Normalised EBIT%</b>	<b>7.5</b>	<b>9.1</b>		<b>7.9</b>
Group net result	1,365	13,096	-89.6%	15,249
<i>Net result %</i>	<i>0.8</i>	<i>6.5</i>		<i>6.0</i>
Start-up costs	2,395	461		756
Hyperinflation – Turkey	4,639	3,918		6,077
<b>Normalised result of the Group</b>	<b>8,399</b>	<b>17,475</b>	<b>-51.9%</b>	<b>22,082</b>
<b>Normalised result % of the Group</b>	<b>4.8</b>	<b>8.8</b>		<b>8.8</b>

In the first nine months of 2023, the Sabaf Group achieved sales revenue of €176.3 million, down 11.4% compared to €198.9 million in the first nine months of 2022 (-18.1% on a like-for-like basis).

Normalised EBITDA for the first nine months of 2023 was €24.4 million, or 13.8% of sales and down by 19.4% compared to the figure of €30.2 million (15.2% of turnover) of 2022.

Normalised EBIT was €13.1 million (7.5%), down 27.7% compared to €18.2 million (9.1%) of the same period of 2022. Normalised net profit for the period attributable to the Group was €8.4 million (€17.5 million in 2022).

**Balance sheet, cash flows and financial debt at 30 September 2023**

(€/000)	30/09/2023	30/06/2023	31/12/2022	30/09/2022
<i>Non-current assets</i>	180,274	166,788	171,276	158,336
Short-term assets <sup>2</sup>	144,298	124,256	134,709	144,697
Short-term liabilities <sup>3</sup>	(58,741)	(63,810)	(55,329)	(59,351)
<i>Net working capital</i> <sup>4</sup>	85,557	60,446	79,380	85,346
<i>Provisions for risks and charges, Post-employment benefits, deferred taxes</i>	(9,612)	(9,087)	(10,128)	(9,467)
<b>Net invested capital</b>	<b>256,219</b>	<b>218,147</b>	<b>240,528</b>	<b>234,215</b>
Short-term net financial position	9,615	7,757	(6,030)	(29,666)
Medium/long-term net financial position	(93,286)	(81,588)	(78,336)	(85,988)
<b>Net financial debt</b>	<b>(83,671)</b>	<b>(73,831)</b>	<b>(84,366)</b>	<b>(78,796)</b>
<b>Shareholders' equity</b>	<b>172,548</b>	<b>144,316</b>	<b>156,162</b>	<b>155,419</b>

  

(€/000)	30/09/2023	30/06/2023	31/12/2022	30/09/2022
<b>Cash and cash equivalents at beginning of period</b>	<b>20,923</b>	<b>20,923</b>	<b>43,649</b>	<b>43,649</b>
Net profit/(loss) for the period	1,701	(1,422)	15,249	13,096
Amortisation and adjustments to cost and revenue items	20,379	13,947	20,152	18,937
Change in net working capital	1,811	10,840	(2,954)	(10,160)
Other changes from operations	(1,986)	974	(8,154)	(8,225)
<b>Cash flows from operations</b>	<b>21,905</b>	<b>24,339</b>	<b>24,293</b>	<b>13,648</b>
Cash flows from investment activities (net of disposals)	(13,182)	(11,127)	(20,856)	(16,103)
<b>Free cash flow</b>	<b>8,723</b>	<b>13,212</b>	<b>3,437</b>	<b>(2,455)</b>
Change in financial assets and liabilities	(12,452)	(6,261)	(8,334)	2,322
Purchase of treasury shares	(462)	(462)	(1,862)	(1,774)
Payment of dividends	-	-	(6,690)	(6,690)
<b>Cash flows from financing activities</b>	<b>(12,914)</b>	<b>(6,723)</b>	<b>(16,886)</b>	<b>(6,142)</b>
Changes in the scope of consolidation	(9,107)	(783)	(5,045)	(97)
Share capital increase	17,312	-	-	-
Foreign exchange differences	639	776	(4,232)	(439)
<b>Net cash flows for the period</b>	<b>4,653</b>	<b>6,482</b>	<b>(22,726)</b>	<b>(9,133)</b>
<b>Cash and cash equivalents at end of period</b>	<b>25,576</b>	<b>27,405</b>	<b>20,923</b>	<b>34,516</b>

Working capital at 30 September 2023 was €85.6 million (€60.4 million at 30 June 2023 and €85.3 million at 30 September 2022). The change in the quarter includes the effect of the first-time consolidation of MEC for about €12 million.

Net investments in the third quarter of 2023 amounted to €1.9 million. Total investments in the first 9 months of 2023 amounted to €13.1 million (€16.1 million in the same period of 2022).

The free operating cash flow generated in the first nine months of 2023 is a positive €8.7 million (€3.4 million in 2022 as a whole and -€2.5 million in the first nine months of 2022).

At 30 September 2023, net financial debt was €83.7 million against a consolidated shareholders' equity of €172.5 million. Financial debt at 30 September 2023 includes €10.9 million for the accounting of the put option granted to minority shareholders of MEC. For the acquisition of 51% of MEC, which took place on 14 July 2023, Sabaf paid a price of €9.5 million and, at the same time executed, a reserved capital increase for a total value of €17.3 million.

<sup>2</sup> Sum of Inventories, Trade receivables, Tax receivables and Other current receivables

<sup>3</sup> Sum of Trade payables, Tax payables and Other liabilities

<sup>4</sup> Difference between short-term assets and short-term liabilities

## Outlook

In an environment where visibility still remains limited, based on October sales and the order portfolio for the following months, the Board of Directors expects fourth quarter revenue to increase compared to both the third quarter of 2023 and - also on a like-for-like basis - the fourth quarter of 2022.

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*The results will be presented to the financial community at **3.00 p.m.** today, 14 November 2023, during a conference call (call 02 36 213 011 a few minutes before the scheduled start).*

*The Interim Management Statement for the third quarter of 2023, which has not been independently audited, is available in the Investor Relations section of the website [www.sabafgroup.com](http://www.sabafgroup.com). Pursuant to article 154-bis, paragraph 2 of the Italian Consolidated Finance Act (Testo Unico della Finanza), the Company's Financial Reporting Officer Gianluca Beschi declares that the financial disclosure contained in this press release corresponds to the Company's records, books and accounting entries.*

*Attachments include the statement of financial position, income statement, statement of cash flows, financial debt and a sales breakdown by product and geographical area.*

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*Founded in the early fifties, SABAF has grown consistently over the years to become the key manufacturer in Italy – and one of the leading producers in the world – of components for household appliances. In recent years, through a policy of organic investments and through acquisitions, the Group expanded its product range and is now active in the following segments of the household appliance market: hinges and electronic components. In 2022, the Group announced its entry into the induction cooking components market. Technological expertise, manufacturing flexibility, and the ability to offer a vast range of components – tailor-made to meet the requirements of individual manufacturers of cookers and built-in hobs and ovens and in line with the specific characteristics of its core markets – are Sabaf's key strengths in a sector featuring major specialisation, constantly evolving demand and an ever-increasing orientation towards products assuring total reliability and safety. The Sabaf Group has approximately 1,500 employees in Italy, Turkey, Poland, Brazil, China, India and Mexico. In addition to the Sabaf brand, the Group operates under the brands ARC (professional burners), Faringosi Hinges, C.M.I. and Mansfield (hinges), Okida and P.G.A. (electronic components).*

### Consolidated statement of financial position

(€/000)	30/09/2023	31/12/2022	30/09/2022
<b>ASSETS</b>			
NON-CURRENT ASSETS			
Property, plant and equipment	110,158	99,605	97,090
Investment property	715	983	1,576
Intangible assets	56,812	54,168	49,198
Equity investments	97	97	83
Non-current receivables	1,559	2,752	1,397
Deferred tax assets	10,933	13,145	8,992
<b>Total non-current assets</b>	<b>180,274</b>	<b>170,750</b>	<b>158,336</b>
CURRENT ASSETS			
Inventories	67,394	64,426	68,093
Trade receivables	63,814	59,159	64,886
Tax receivables	9,459	8,214	6,195
Other current receivables	3,631	2,910	5,523
Financial assets	8,680	2,497	2,342
Cash and cash equivalents	25,576	20,923	34,516
<b>Total current assets</b>	<b>178,554</b>	<b>158,129</b>	<b>181,555</b>
ASSETS HELD FOR SALE	<b>0</b>	<b>526</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>358,828</b>	<b>329,405</b>	<b>339,891</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
SHAREHOLDERS' EQUITY			
Share capital	12,687	11,533	11,533
Retained earnings, Other reserves	150,584	129,380	130,790
Net profit for the period	1,365	15,249	13,096
<i>Total equity interest pertaining to the Parent Company</i>	164,636	156,162	155,419
<i>Minority interests</i>	7,912	-	-
<b>Total shareholders' equity</b>	<b>172,548</b>	<b>156,162</b>	<b>155,419</b>
NON-CURRENT LIABILITIES			
Loans	82,420	78,336	85,988
Other financial payables	10,866	-	-
Post-employment benefit and retirement provisions	3,828	3,661	3,630
Provisions for risks and charges	811	639	763
Deferred tax liabilities	4,973	5,828	5,074
<b>Total non-current liabilities</b>	<b>102,898</b>	<b>88,464</b>	<b>95,455</b>
CURRENT LIABILITIES			
Loans	24,466	28,876	28,746
Other financial liabilities	175	574	920
Trade payables	40,257	39,628	43,821
Tax payables	3,690	2,545	3,519
Other payables	14,794	13,156	12,011
<b>Total current liabilities</b>	<b>83,382</b>	<b>84,779</b>	<b>89,017</b>
LIABILITIES HELD FOR SALE	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>358,828</b>	<b>329,405</b>	<b>339,891</b>

### Consolidated Income Statement

	Q3 2023		Q3 2022		9M 2023		9M 2022	
(€/000)								
<b>INCOME STATEMENT COMPONENTS</b>								
<b>OPERATING REVENUE AND INCOME</b>								
Revenue	67,944	100.0%	55,939	100.0%	176,906	100.0%	201,623	100.0%
Other income	2,157	3.2%	1,810	3.2%	6,219	3.5%	6,473	3.2%
<b>Total operating revenue and income</b>	<b>70,101</b>	<b>103.2%</b>	<b>57,749</b>	<b>103.2%</b>	<b>183,125</b>	<b>103.5%</b>	<b>208,096</b>	<b>103.2%</b>
<b>OPERATING COSTS</b>								
Materials	(31,689)	-46.6%	(25,789)	-46.1%	(86,269)	-48.8%	(102,984)	-51.1%
Change in inventories	2	0.0%	(3,184)	-5.7%	(1,383)	-0.8%	4,164	2.1%
Services	(11,848)	-17.4%	(11,586)	-20.7%	(32,657)	-18.5%	(39,233)	-19.5%
Personnel costs	(16,122)	-23.7%	(11,170)	-20.0%	(42,059)	-23.8%	(38,316)	-19.0%
Other operating costs	(676)	-1.0%	(278)	-0.5%	(1,471)	-0.8%	(1,006)	-0.5%
Costs for capitalised in-house work	964	1.4%	828	1.5%	2,860	1.6%	2,735	1.4%
<b>Total operating costs</b>	<b>(59,369)</b>	<b>-87.4%</b>	<b>(51,179)</b>	<b>-91.5%</b>	<b>(160,979)</b>	<b>-91.0%</b>	<b>(174,640)</b>	<b>-86.6%</b>
<b>OPERATING PROFIT BEFORE DEPRECIATION &amp; AMORTISATION, CAPITAL GAINS/LOSSES AND WRITE-DOWNS/WRITE-BACKS OF NON-CURRENT ASSETS (EBITDA)</b>								
	<b>10,732</b>	<b>15.8%</b>	<b>6,570</b>	<b>11.7%</b>	<b>22,146</b>	<b>12.5%</b>	<b>33,456</b>	<b>16.6%</b>
Depreciations and amortisation	(5,300)	-7.8%	(4,611)	-8.2%	(14,847)	-8.4%	(13,674)	-6.8%
Capital gains/(losses) on disposals of non-current assets	1,499	2.2%	20	0.0%	1,487	0.8%	242	0.1%
<b>OPERATING PROFIT (EBIT)</b>	<b>6,931</b>	<b>10.2%</b>	<b>1,979</b>	<b>3.5%</b>	<b>8,786</b>	<b>5.0%</b>	<b>20,024</b>	<b>9.9%</b>
Financial income	678	1.0%	626	1.1%	1,210	0.7%	1,743	0.9%
Financial expenses	(1,089)	-1.6%	(406)	-0.7%	(2,956)	-1.7%	(1,192)	-0.6%
Net income/(expenses) from hyperinflation	(3,040)	-4.5%	(3,058)	-5.5%	(3,717)	-2.1%	(7,664)	-3.8%
Exchange rate gains and losses	325	0.5%	823	1.5%	(1,386)	-0.8%	1,170	0.6%
Profits and losses from equity investments	-	0.0%	-	0.0%	-	0.0%	(48)	0.0%
<b>PROFIT BEFORE TAXES</b>	<b>3,805</b>	<b>5.6%</b>	<b>(36)</b>	<b>-0.1%</b>	<b>1,937</b>	<b>1.1%</b>	<b>14,033</b>	<b>7.0%</b>
Income taxes	(682)	-1.0%	124	0.2%	(236)	-0.1%	(937)	-0.5%
<b>NET PROFIT FOR THE PERIOD</b>	<b>3,123</b>	<b>4.6%</b>	<b>88</b>	<b>0.2%</b>	<b>1,701</b>	<b>1.0%</b>	<b>13,096</b>	<b>6.5%</b>
of which:								
Profit attributable to minority interests	336	0.5%	-	0.0%	336	0.2%	-	0.0%
<b>PROFIT ATTRIBUTABLE TO THE GROUP</b>	<b>2,787</b>	<b>4.1%</b>	<b>88</b>	<b>0.2%</b>	<b>1,365</b>	<b>0.8%</b>	<b>13,096</b>	<b>6.5%</b>



### Consolidated statement of cash flows

<i>(€/000)</i>	Q3 2023	Q3 2022	9M 2023	9M 2022
<b><i>Cash and cash equivalents at beginning of period</i></b>	<b>27,405</b>	<b>12,343</b>	<b>20,923</b>	<b>43,649</b>
Net profit/(loss) for the period	3,123	88	1,701	13,096
Adjustments for:				
- Depreciation and amortisation for the period	5,300	4,611	14,847	13,674
- Realised gains/losses	(1,500)	(20)	(1,488)	(242)
- Monetary revaluation IAS 29	1,353	2,465	4,639	3,918
- Financial income and expenses	(141)	(1,064)	1,234	(186)
- Profits and losses from equity investments	-	-	-	48
- IFRS 2 measurement stock grant plan	252	348	490	1,137
- Income tax	682	(124)	236	937
Payment of post-employment benefit provision	115	40	167	222
Change in risk provisions	371	(50)	254	(571)
<i>Change in trade receivables</i>	<i>(3,291)</i>	<i>25,303</i>	<i>107</i>	<i>3,152</i>
<i>Change in inventories</i>	<i>1,175</i>	<i>3,724</i>	<i>1,720</i>	<i>(2,313)</i>
<i>Change in trade payables</i>	<i>(6,913)</i>	<i>(12,046)</i>	<i>(16)</i>	<i>(10,999)</i>
Change in net working capital	(9,029)	16,981	1,811	(10,160)
Change in other receivables and payables, deferred taxes	237	(720)	3,032	59
Payment of taxes	(2,925)	(291)	(3,691)	(7,042)
Payment of financial expenses	(906)	(412)	(2,566)	(1,400)
Collection of financial income	634	5	1,239	158
<b>Cash flows from operations</b>	<b>(2,434)</b>	<b>21,857</b>	<b>21,905</b>	<b>13,648</b>
<b>Net investments</b>	<b>(1,937)</b>	<b>(5,085)</b>	<b>(13,064)</b>	<b>(16,103)</b>
Repayment of loans	(2,638)	(9,110)	(23,495)	(23,717)
New loans	480	16,011	17,670	25,632
Change in financial assets	(4,033)	(265)	(6,627)	407
Purchase/sale of treasury shares	-	(585)	(462)	(1,774)
Payment of dividends	-	-	-	(6,690)
<b>Cash flows from financing activities</b>	<b>(6,191)</b>	<b>6,051</b>	<b>(12,914)</b>	<b>(6,142)</b>
Acquisition of P.G.A. S.r.l.	-	-	(783)	-
Acquisition of Mansfield Engineered Components LLC	(8,324)	-	(8,324)	-
ARC Handan deconsolidation	-	-	-	(97)
Share capital increase	17,312	-	17,312	-
Foreign exchange differences	(255)	(650)	521	(439)
<b>Net cash flows for the period</b>	<b>(1,829)</b>	<b>22,173</b>	<b>4,653</b>	<b>(9,133)</b>
<b><i>Cash and cash equivalents at end of period</i></b>	<b><i>25,576</i></b>	<b><i>34,516</i></b>	<b><i>25,576</i></b>	<b><i>34,516</i></b>



### Total financial debt

<i>(€/000)</i>	<b>30/09/2023</b>	<b>31/12/2022</b>	<b>30/09/2022</b>
A. Cash	25,576	20,832	33,870
B. Cash equivalents	-	91	646
C. Other current financial assets	8,680	2,497	2,342
<b>D. Liquidity (A+B+C)</b>	<b>34,256</b>	<b>23,420</b>	<b>36,858</b>
E. Current financial payable	1,098	8,098	7,033
F. Current portion of non-current debt	23,543	21,352	22,633
<b>G. Current financial debt (E+F)</b>	<b>24,641</b>	<b>29,450</b>	<b>29,666</b>
<b>H. Net current financial debt (G-D)</b>	<b>(9,615)</b>	<b>6,030</b>	<b>(7,192)</b>
I. Non-current financial payable	63,575	48,651	56,312
J. Debt instruments	29,711	29,685	29,676
K. Trade payables and other non-current payables	-	-	-
<b>L. Non-current financial debt (I+J+K)</b>	<b>93,286</b>	<b>78,336</b>	<b>85,988</b>
<b>M. Total financial debt (H+L)</b>	<b>83,671</b>	<b>84,366</b>	<b>78,796</b>

Financial debt at 30 September 2023 includes:

- €10.9 million for the recognition, pursuant to IAS 32, of the put option granted to minority shareholders for the 49% stake in Mansfield Engineered Components LLC (MEC), which is described in detail in the following paragraphs;
- €6.2 million of operating leases and €0.7 million of finance leases, all of which are recognised in accordance with IFRS 16.

### Revenue by geographical area

Normalised quarterly results	Sequential			YoY			2022 FY
	Q3 2023 (*)	Q2 2023 (*)	% change	Q3 2023 (*)	Q3 2022 (*)	% change	
Europe (excluding Turkey)	16,393	19,188	-14.6%	16,393	17,268	-5.1%	87,142
Turkey	14,221	14,441	-1.5%	14,221	14,093	+0.9%	65,994
North America	16,495	9,735	+69.4%	16,495	8,743	+88.7%	39,749
South America	8,135	6,187	+31.5%	8,135	6,134	+32.6%	28,481
Africa and Middle East	3,617	4,814	-24.9%	3,617	5,175	-30.1%	19,078
Asia and Oceania	2,465	2,433	+1.3%	2,465	3,253	-24.2%	11,518
<b>Total</b>	<b>61,326</b>	<b>56,798</b>	<b>+8.0%</b>	<b>61,326</b>	<b>54,666</b>	<b>+12.2%</b>	<b>251,962</b>

Normalised 9M 2023	YoY			2022 FY
	9M 2023	9M 2022	% change	
Europe (excluding Turkey)	55,346	67,921	-18.5%	87,142
Turkey	45,578	49,675	-8.2%	65,994
North America	33,953	32,487	+4.5%	39,749
South America	21,051	24,169	-12.9%	28,481
Africa and Middle East	13,751	15,334	-10.3%	19,078
Asia and Oceania	6,592	9,297	-29.1%	11,518
<b>Total</b>	<b>176,271</b>	<b>198,883</b>	<b>-11.4%</b>	<b>251,962</b>

### Revenue by product division

Normalised quarterly results	Sequential			YoY			2022 FY
	Q3 2023 (*)	Q2 2023 (*)	% change	Q3 2023	Q3 2022 (*)	% change	
Gas parts	34,351	36,334	-5.5%	34,351	34,375	-0.1%	157,983
Hinges	21,159	13,707	+54.4%	21,159	15,053	+40.6%	68,604
Electronic components	5,816	6,757	-13.9%	5,816	5,238	+11.0%	25,375
<b>Total</b>	<b>61,326</b>	<b>56,798</b>	<b>+8.0%</b>	<b>61,326</b>	<b>54,666</b>	<b>+12.2%</b>	<b>251,962</b>

Normalised 9M 2023	YoY			2022 FY
	9M 2023	9M 2022	% change	
Gas parts	106,907	125,152	-14.6%	157,983
Hinges	50,180	55,715	-9.9%	68,604
Electronic components	19,184	18,016	+6.5%	25,375
<b>Total</b>	<b>176,271</b>	<b>198,883</b>	<b>-11.4%</b>	<b>251,962</b>

### Hyperinflation – Turkey: application of IAS 29

In the Half-Yearly Report at 30 September 2023, IAS 29 was applied with reference to the subsidiaries Sabaf Turkey and Okida. The effect related to the re-measurement of non-monetary assets and liabilities, equity items and income statement items in the first nine months of 2023 was recognised in a separate item in the income statement under financial income and expenses. The related tax effect was recognised in taxes for the period.

The cumulative levels of general consumer price indices are shown below:

Consumer price index	Value at 31/12/2022	Value at 30/09/2023	Change
TURKSTAT	1,128.45	1,691.04	+49.86%
Consumer price index	Value at 31/12/2021	Value at 31/12/2022	Change
TURKSTAT	686.95	1,128.45	+64.27%
Consumer price index	Value at 31/12/2021	Value at 30/09/2022	Change
TURKSTAT	686.95	1,046.86	+52.40%
Consumer price index	Value at 01/01/2003	Value at 31/12/2021	Change
TURKSTAT	100	686.95	+586.95%

#### *Effects of the application of the hyperinflation on the Consolidated Statement of Financial Position*

<i>(€/000)</i>	<b>30/09/2023</b>	<b>Hyperinflation effect</b>	<b>30/09/2023 with Hyperinflation effect</b>
Total non-current assets	149,547	30,727	180,274
Total current assets	174,889	3,665	178,554
Total assets	324,436	34,392	358,828
Total shareholders' equity	138,241	34,307	172,548
Total non-current liabilities	102,813	85	102,898
Total current liabilities	83,382	-	83,382
Total liabilities and shareholders' equity	324,436	34,392	358,828

#### *Effects of the application of the hyperinflation on the Consolidated Income Statement*

<i>(€/000)</i>	<b>9M 2023</b>	<b>Hyperinflation Effect</b>	<b>9m 2023 with Hyperinflation effect</b>
Operating revenue and income	182,494	631	183,125
Operating costs	(160,032)	(947)	(160,979)
EBITDA	22,462	(316)	22,146
EBIT	10,610	(1,824)	8,786
Profit before taxes	7,609	(5,672)	1,937
Income taxes	(1,269)	1,033	(236)
Minority interests	336	-	336
Net profit for the year	6,004	(4,639)	1,365