



PRESS RELEASE

OMER: THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED HALF-YEAR REPORT AS OF 30 JUNE 2023

THE GROWTH PATH CONTINUES CONFIRMING THE SOLID BUSINESS MODEL

- **Consolidated revenues: € 33.0 million, up about 6% compared to € 31.2 million in the first half 2022**
- **EBITDA: € 7.2 million, +10.5% compared to € 6.5 million in the first half 2022, EBITDA Margin growing to 22%**
- **Net profit for the year: € 3.7 million compared to € 3.9 million in the first half 2022**
- **Shareholders' Equity: € 50.6 million, up compared to € 48.6 million as of 31st December 2022**
- **Net Financial Position: positive equal to € 16.9 million compared to a Net Financial Position as of 31st December 2022 positive equal to € 9.6 million**
- **Backlog as of 30 June 2023: about € 133 million, up compared to € 116 million as of 31st December 2022**

Carini (PA), September 25th, 2023 – OMER S.p.A. (the “Company” or “OMER”, ISIN IT0005453748) – *a company active in the sector of components and interior furnishings for railway transport vehicles* – approved the consolidated half-year report as of 30 June 2023, drawn up in accordance with Italian accounting principles and voluntarily subjected to a limited audit, during today’s meeting of the Board of Directors.

Giuseppe Russello, Chief Executive Officer of OMER, commented: *“The results achieved confirm the trend already recorded in the first quarter and a certainly positive management framework. Despite a still complex international context, characterized by inflationary dynamics deriving both from the effects of the final wake of the Covid-19 pandemic crisis and from the consequences of the ongoing Russian-Ukrainian conflict, the growth of the main economic indicators confirms the validity of our solid business model. Furthermore, the order book (backlog), equal to € 133 million, increased by 15% compared to 2022, to which*

is added a soft backlog¹ of approximately € 244 million, which is a demonstration of the adequate strategic choices undertaken by management. These numbers are also evidence of the current general trend of the railway market, in constant growth and with a positive outlook for the coming years. For the near future, with the aim of establishing ourselves even more firmly among the players in the sector, in the national and international context, we intend to continue our commitment in the R&D field, in particular in the System integration activity for the toilet product and investments in engineering and co-design for our main customers. Investment activity on our plants also continues, aimed at increasing production capacity and improving the company's performance".

CONSOLIDATED ECONOMIC-FINANCIAL DATA AS OF 30 JUNE 2023

The **Value of Production** is equal to approximately **€ 33.0 million**, up by about **6%** compared to € 31.2 million in the first half of 2022. This value, in addition to turnover related to products sold and the change in the value of Work in Progress (WIP), includes part of the price revisions recognized by the main customers in relation to the contractual clauses, which partially offset the increase in the costs of the main production factors recorded during the half-year.

In particular, during the half-year, the Group was committed to the continuation of the contracts acquired in recent years, mainly for the customers of the Hitachi group and the Alstom group.

Production costs, mainly relating to raw materials, recorded a decrease, going from € 11.8 million in the first half of 2022 to € 11.6 million (-2% YoY). This trend was generated by a slight reduction in the cost of raw materials and energy costs. The increase in the number of company resources, engaged both in the production area and in strengthening the operational structure, led to an increase in **personnel costs** of approximately 14%, going from € 7.3 million to € 8.3 million, while inflationary dynamics affected the trend of **costs for services and miscellaneous** which increased by approximately 7% from € 5.5 million in the first half of 2022 to € 5.9 million in the first half of 2023.

EBITDA stands at **€ 7.2 million**, up **10.5%** compared to € 6.5 million in the first half of 2022, with an EBITDA Margin rising from about 21% to approximately 22%. These values are in line with the company's performance recorded in the last 18 months, as a consequence of the current inflationary dynamics deriving, firstly, from the effects of the final part of the Covid-19 pandemic crisis and, lastly, from the consequences of the Russian-Ukrainian conflict currently underway.

After amortization and depreciation of € 1.4 million, **EBIT** stands at **€ 5.8 million**, accounting for 18% of revenues, an increase of **over 5%** compared to the € 5.5 million of the first half of 2022.

The operating profit amounted to **€ 3.7 million**, slightly decreasing compared to € 3.9 million of the first half of 2022 due to the increase in interest rates payable, equal to € 0.4 million, deriving from the factoring in place with some customers.

¹ The *soft backlog* is equal to the value of the options contractualized in the framework agreements, exercisable by customers, and not yet exercised at a given date.

The consolidated balance sheet presents **Intangible Assets** equal to **€ 7.5 million**. This item includes the values of the improvements made to the so-called Plant B, subject to real estate demerger in favour of Betha S.r.l. during 2021, not transferred during the spin-off.

The balance of Tangible Assets, equal to € 7.5 million, relates to property, plant and machinery.

The goods and finished products warehouse, equal to € 15.4 million, recorded a reduction of € 2.5 million as a result of the reduction in the average stocks of the raw materials and semi-finished products warehouse. In addition to the value of raw materials, this balance includes the value of the finished products present in the Alstom customer's nearby warehouses and the so-called WIP - Work in progress, i.e. the products in progress at the balance sheet date. Both the value of finished products and WIP are exposed to the cost of production.

Trade receivables, equal to € 16.1 million, include receivables from national and foreign customers.

The item **Receivables for factoring operations**, equal to € 2.6 million, shows the balance of the position relating to the "non-recourse factoring with maturity" operation held with Unicredit.

Trade payables, equal to € 10.9 million, include the balance of the amount owed to suppliers of goods and services by the Group.

Shareholders' equity amounted to € 50.6 million compared to € 48.6 million as of 31st December 2022.

The **Consolidated Net Financial Position** was positive (cash) and equal to **€ 16.9 million** compared to a positive Consolidated Net Financial Position as of 31st December 2022 equal to € 9.6 million.

The *backlog*² is equal to € 133 million, with an increase of 15% compared to the 2022 figure (equal to € 116 million). The *soft backlog*³ is equal to approximately € 244 million, a reduction compared to the 2022 figure (equal to € 250 million) due to the backlog conversions recorded during the year.

MAIN SIGNIFICANT EVENTS THAT OCCURRED DURING THE FIRST HALF OF 2023

On the 10th of January 2023, the Company communicated **the signing of the contract with the Alstom group for the supply of interiors for the "Line B - RER in Paris" project**. The contract has a minimum value of € 25 million to be developed by 2030, with an additional € 5 million of potential soft backlog.

On 12th January 2023, the Company communicated the **signing of a € 5 million contract with the Knorr-Bremse group**; the agreement provides for the supply of toilet modules for 42 trains in Mexico. The start of production and delivery activities will take place in the first quarter of 2023, with an overall duration of the contract currently expected to be around 2 years.

² The value of the *backlog* is equal to the residual value of the not already completed contractual orders, calculated as the quantities still to be delivered multiplied by the unit order price on a given date.

³ The *soft backlog* is equal to the value of the options contractualized in the framework agreements, exercisable by customers, and not yet exercised at a given date.



As of **30 June 2023**, end date of the appointment conferred on Intermonte SIM S.p.A., OMER S.p.A. owns a total of n. **112,892 own shares**, equal to **0.3927%** of the share capital following the execution of the buyback program.

MAIN SIGNIFICANT EVENTS AFTER THE END OF THE FIRST HALF OF 2023

As of the date of the Consolidated Half-Year Financial Report of OMER S.p.A. no events of particular importance were highlighted at the level of operational activity.

FORESEEABLE EVOLUTION OF MANAGEMENT

The European macroeconomic framework, influenced by the continuation of the Russian-Ukrainian conflict, is showing substantial weakness in terms of economic growth, also due to the inflation levels recorded in recent months, which has pushed the European Central Bank to make several increases in the discount rate, with clear impacts on both families and businesses.

As described above, the second half of 2023 will see the Group continue to implement the projects already started some time ago as well as the development of recently acquired projects.

The order book (backlog) as of 30 June 2023 had a value of about € 133 million, an increase compared to the 2022 budget figure, equal to 116 million euros. This value is able to guarantee visibility equal to at least 2 years of activity.

From the point of view of investments, accounted for under the item "Improvements on third-party assets" of the balance sheet assets, the parent company OMER S.p.A. will be committed to completing the so-called plant B, and in particular in the completion of the so-called plant B3, which will be equipped with a new liquid painting system that will make it fully operational in the implementation of ongoing projects.

DEPOSIT OF DOCUMENTATION

The documentation relating to the Consolidated Half-Year Report as of 30 June 2023, including the Independent Auditors' Report, will be made available to the public at the registered office, on the website of Borsa Italiana S.p.A., as well as through the publication on the institutional website within the terms provided for by the Euronext Growth Milan Issuers' Regulations. It should be noted that the limited audit of the Consolidated Half-Year Report as of 30 June 2023 by PricewaterhouseCoopers S.p.A. has not yet been completed, and therefore the related report will be made available as soon as it is available. Attached are the profit and loss account and balance sheet of OMER S.p.A. consolidated financial statements.

This press release is available in the Investor Relations section of the website <https://omerspa.com>.



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About OMER

OMER S.p.A., founded in Palermo in 1990 as a manufacturer of components for road vehicles, in 1993 began operating in the sector of components and interior furnishings for railway vehicles. Today OMER is an important international operator in the design and production of railway components with a high engineering, design and innovative content, intended for the preparation of high-speed, regional and underground trains. The Company is positioned as a partner of the manufacturers of railway trains, which receive their orders from railway transport operators. The Group is recognized by the main manufacturers of rolling stock and is specialized in the design and production of railway interiors, i.e. internal coatings intended for all areas of the vehicle, of cabins for sanitary modules (so-called toilet module cabins), as well as of the external components of the carriage, such as fairings and doors. The Group's commitment is also made clear by an ESG (Environmental, Social, Governance) profile. The Issuer's products are in fact intended for a sector which cares for the environmental impact such as the railway sector. In this regard, the prevalent use of aluminium inside the trains is oriented towards high recyclability. For more information visit our website: www.omerspa.com

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The income statement and statement of financial position of the Consolidated Financial Report as of 30 June 2023 are attached below.

CONSOLIDATED INCOME STATEMENT

Values in thousands of euros	30.06.2023	30.06.2022
Revenues from sales	32,113	30,114
Other Income	847	1,113
Total revenues	32,960	31,227
Cost of production	(11,555)	(11,845)
Labour Costs	(8,319)	(7,322)
Services and other costs	(5,921)	(5,518)
Total costs	(25,796)	(24,685)
EBITDA	7,164	6,542
<i>Ebitda %</i>	<i>22%</i>	<i>21%</i>
Depreciation and Amortisation	(1,396)	(1,014)
EBIT	5,768	5,528
<i>Ebit %</i>	<i>18%</i>	<i>18%</i>
Financial income and charges	(444)	74
EBT	5,324	5,601
Taxes for the period	(1,648)	(1,659)
Net Profit	3,677	3,942

CONSOLIDATED BALANCE SHEET

Values in thousands of euros	30.06.2023	31.12.2022
Intangible fixed assets	7,537	7,843
Tangible fixed assets	7,545	6,498
Financial Fixed assets	111	123
Total fixed assets	15,193	14,464
Inventory of goods and finished products	15,438	17,979
Receivables from customers	16,087	15,524
Receivables for factoring operations	2,641	2,506
Other activities	2,663	2,784
Trade payables	(10,898)	(8,807)
Other liabilities	(6,997)	(5,084)
Provision for severance indemnities	(325)	(325)
Provisions for risks and charges	(76)	(49)
Total Working Capital	18,532	24,528
Share capital	5,750	5,750
Equity Reserves	41,207	34,492
Profit for the period	3,677	8,339
Total equity	50,633	48,581
Other medium/long term financial debts	(306)	(362)
Other short-term financial debts	(287)	(292)
Long-term financial debts	(1,666)	(2,257)
Short-term financial debts	(1,179)	(1,277)
Cash and cash equivalents	20,346	13,778
Net Financial Position	16,908	9,589

CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)

Values in thousands of euros	30.06.2023	30.06.2022
Profit/Loss for the period	3,677	3,942
Income taxes for the year	1,648	1,659
Depreciation	1,396	1,014
Interest and other non-cash changes	358	740
Cash flow before changes in the NWC	7,078	7,356
Changes in working capital	4,809	(7,839)
Paid income taxes	(485)	(705)
Other variations	(374)	(63)
Cash flow from operating activities	11,027	(1,252)
Net cash flow from investing activities	(2,207)	(1,651)
Change in short and m/l term financing activity	(689)	(1,217)
Payment of dividends	(1,432)	-
Purchase of treasury shares	(131)	-
Cash flow from financing activities	(2,252)	(1,217)
Total Cash Flow	6,568	(4,119)
Opening cash and cash equivalents	13,778	25,315
Closing cash and cash equivalents	20,346	21,196

CONSOLIDATED NET FINANCIAL POSITION

Values in thousands of euros	30.06.2023	31.12.2022
Bank deposits	20,339	13,771
Cash and other valuables on hand	7	7
Cash and cash equivalents	20,346	13,778
Short-term bank payables	(1,179)	(1,277)
Short-term payables to other lenders	(287)	(292)
Short-term financial debt	(1,466)	(1,570)
Short-term net financial position	18,880	12,208
Long-term bank debts	(1,666)	(2,257)
Long-term debt to other lenders	(306)	(362)
Net Financial Position	16,908	9,589