



**SABAF**®

**INTERIM MANAGEMENT  
STATEMENT**

**AT 30 SEPTEMBER 2024**

**SABAF S.p.A.**  
Via dei Carpini, 1 – OSPITALETTO (BS), ITALY  
Fully paid-in share capital: € 12,686,795  
[www.sabafgroup.com](http://www.sabafgroup.com)

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# Group structure and corporate officers

## Parent company

SABAF S.p.A.

## Subsidiaries and equity interest attributable to the Group

### Companies consolidated on a line-by-line basis

Faringosi Hinges S.r.l.	Italy	100%
Sabaf do Brasil Ltda. (Sabaf Brazil)	Brazil	100%
Sabaf Beyaz Esya Parcalari Sanayi Ve Ticaret Limited Sirteki (Sabaf Turkey)	Turkey	100%
Sabaf Appliance Components (Kunshan) Co., Ltd. (Sabaf China)	China	100%
Sabaf US Corp. (Sabaf US)	U.S.A.	100%
A.R.C. S.r.l.	Italy	100%
Sabaf India Private Limited (Sabaf India)	India	100%
Sabaf Mexico Appliance Components S.A. de c.v. (Sabaf Mexico)	Mexico	100%
C.M.I. S.r.l.	Italy	100%
C.G.D. S.r.l.	Italy	100%
P.G.A S.r.l.	Italy	100%
Sabaf America Inc. (Sabaf America)	U.S.A.	100%
Mansfield Engineered Components LLC (MEC)	U.S.A.	51%

## Board of Directors

Chairman	Claudio Bulgarelli
Chief Executive Officer	Pietro Iotti
Director	Gianluca Beschi
Director	Alessandro Potestà
Director	Cinzia Saleri
Director (*)	Laura Ciambellotti
Director (*)	Michela Maurelli
Director (*)	Federica Menichetti
Director (*)	Daniela Toscani

(\*) independent directors

## Board of Statutory Auditors

Chairman	Alessandra Tronconi
Statutory Auditor	Maria Alessandra Zunino de Pignier
Statutory Auditor	Mauro Vivenzi

# Consolidated statement of financial position

30/09/2024 31/12/2023 30/09/2023

(€/000)

ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	103,117	108,741	110,158
Investment property	558	691	715
Intangible assets	60,121	57,231	56,812
Equity investments	86	95	97
Non-current receivables	1,174	1,094	1,559
Deferred tax assets	11,986	13,315	10,933
<b>Total non-current assets</b>	<b>177,042</b>	<b>181,167</b>	<b>180,274</b>
CURRENT ASSETS			
Inventories	65,023	61,985	67,394
Trade receivables	69,674	55,826	63,814
Tax receivables	8,689	11,722	9,459
Other current receivables	3,920	3,868	3,631
Financial assets	4,922	7,257	8,680
Cash and cash equivalents	28,273	36,353	25,576
<b>Total current assets</b>	<b>180,501</b>	<b>177,011</b>	<b>178,554</b>
ASSETS HELD FOR SALE	-	-	-
<b>TOTAL ASSETS</b>	<b>357,543</b>	<b>358,178</b>	<b>358,828</b>
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	12,687	12,687	12,687
Retained earnings, Other reserves	86,308	97,656	103,744
IAS 29 reserve	53,959	48,649	46,840
Net profit for the period	9,560	3,103	1,365
<i>Total equity interest pertaining to the Parent Company</i>	<i>162,514</i>	<i>162,095</i>	<i>164,636</i>
Minority interests	7,578	8,293	7,912
<b>Total shareholders' equity</b>	<b>170,092</b>	<b>170,388</b>	<b>172,548</b>
NON-CURRENT LIABILITIES			
Loans	68,796	81,547	82,420
Other financial liabilities	10,809	11,721	10,866
Post-employment benefit and retirement provisions	3,781	3,805	3,828
Provisions for risks and charges	308	353	811
Deferred tax liabilities	4,611	5,136	4,973
Other non-current payables	218	183	-
<b>Total non-current liabilities</b>	<b>88,523</b>	<b>102,745</b>	<b>102,898</b>
CURRENT LIABILITIES			
Loans	30,169	23,317	24,466
Other financial liabilities	409	175	175
Trade payables	46,382	42,521	40,257
Tax payables	4,390	3,025	3,690
Other payables	17,578	16,007	14,794
<b>Total current liabilities</b>	<b>98,928</b>	<b>85,045</b>	<b>83,382</b>
LIABILITIES HELD FOR SALE	-	-	-
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>357,543</b>	<b>358,178</b>	<b>358,828</b>

# Consolidated Income Statement

	Q3 2024		Q3 2023		9M 2024		9M 2023	
<i>(€/000)</i>								
<b>INCOME STATEMENT COMPONENTS</b>								
OPERATING REVENUE AND INCOME								
Revenue	69,198	100.0%	67,944	100.0%	213,875	100.0%	176,906	100.0%
Other income	3,046	4.4%	2,157	3.2%	7,684	3.6%	6,219	3.5%
<b>Total operating revenue and income</b>	<b>72,244</b>	<b>104.4%</b>	<b>70,101</b>	<b>103.2%</b>	<b>221,559</b>	<b>103.6%</b>	<b>183,125</b>	<b>103.5%</b>
OPERATING COSTS								
Materials	(34,906)	-50.4%	(31,689)	-46.6%	(106,202)	-49.7%	(86,269)	-48.8%
Change in inventories	1,350	2.0%	2	0.0%	6,663	3.1%	(1,383)	-0.8%
Services	(13,035)	-18.8%	(11,848)	-17.4%	(38,319)	-17.9%	(32,657)	-18.5%
Personnel costs	(16,839)	-24.3%	(16,122)	-23.7%	(51,574)	-24.1%	(42,059)	-23.8%
Other operating costs	(304)	-0.4%	(676)	-1.0%	(1,467)	-0.7%	(1,471)	-0.8%
Costs for capitalised in-house work	717	1.0%	964	1.4%	2,241	1.0%	2,860	1.6%
<b>Total operating costs</b>	<b>(63,017)</b>	<b>-91.1%</b>	<b>(59,369)</b>	<b>-87.4%</b>	<b>(188,658)</b>	<b>-88.2%</b>	<b>(160,979)</b>	<b>-91.0%</b>
<b>OPERATING PROFIT BEFORE DEPRECIATION &amp; AMORTISATION, CAPITAL GAINS/LOSSES AND WRITE-DOWNS/WRITE-BACKS OF NON-CURRENT ASSETS (EBITDA)</b>								
	<b>9,227</b>	<b>13.3%</b>	<b>10,732</b>	<b>15.8%</b>	<b>32,901</b>	<b>15.4%</b>	<b>22,146</b>	<b>12.5%</b>
Depreciations and amortisation	(5,490)	-7.9%	(5,300)	-7.8%	(16,817)	-7.9%	(14,847)	-8.4%
Capital gains/(losses) on disposals of non-current assets	(13)	0.0%	1,499	2.2%	42	0.0%	1,487	0.8%
Value adjustments of non-current assets	0	0.0%	-	-	(8)	0.0%	-	-
<b>OPERATING PROFIT (EBIT)</b>								
	<b>3,724</b>	<b>5.4%</b>	<b>6,931</b>	<b>10.2%</b>	<b>16,118</b>	<b>7.5%</b>	<b>8,786</b>	<b>5.0%</b>
Financial income	408	0.6%	678	1.0%	2,056	1.0%	1,210	0.7%
Financial expenses	(996)	-1.4%	(1,089)	-1.6%	(3,330)	-1.6%	(2,956)	-1.7%
Net income/(charges) from hyperinflation	(658)	-1.0%	(3,040)	-4.5%	(1,777)	-0.8%	(3,717)	-2.1%
Exchange rate gains and losses	(279)	-0.4%	325	0.5%	585	0.3%	(1,386)	-0.8%
Profits and losses from equity investments	0	0.0%	-	0.0%	0	0.0%	-	0.0%
<b>PROFIT BEFORE TAXES</b>								
	<b>2,199</b>	<b>3.2%</b>	<b>3,805</b>	<b>5.6%</b>	<b>13,652</b>	<b>6.4%</b>	<b>1,937</b>	<b>1.1%</b>
Income taxes	(740)	-1.1%	(682)	-1.0%	(3,365)	-1.6%	(236)	-0.1%
<b>NET PROFIT FOR THE PERIOD</b>								
	<b>1,459</b>	<b>2.1%</b>	<b>3,123</b>	<b>4.6%</b>	<b>10,287</b>	<b>4.8%</b>	<b>1,701</b>	<b>1.0%</b>
of which:								
Profit attributable to minority interests	262	0.4%	336	0.5%	727	0.3%	336	0.2%
<b>PROFIT ATTRIBUTABLE TO THE GROUP</b>								
	<b>1,197</b>	<b>1.7%</b>	<b>2,787</b>	<b>4.1%</b>	<b>9,560</b>	<b>4.5%</b>	<b>1,365</b>	<b>0.8%</b>

## Consolidated statement of comprehensive income

<i>(€/000)</i>	Q3 2024	Q3 2023	9M 2024	9M 2023
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,459</b>	<b>3,123</b>	<b>10,287</b>	<b>1,701</b>
<i>Total profits/losses that will be subsequently reclassified under profit (loss) for the period:</i>				
Forex differences due to translation of financial statements in foreign currencies	(7,825)	(1,108)	(15,036)	(19,530)
Hedge accounting effect of derivative financial instruments	27	(22)	(52)	(3)
<b>Total other profits/(losses) net of taxes for the year</b>	<b>(7,798)</b>	<b>(1,130)</b>	<b>(15,088)</b>	<b>(19,533)</b>
<b>TOTAL PROFIT</b>	<b>(6,339)</b>	<b>1,993</b>	<b>(4,801)</b>	<b>(17,832)</b>
of which				
Minority interests	262	336	727	336
<i>Total profits/losses that will be subsequently reclassified under profit (loss) for the period –</i>				
Hedge accounting effect of derivative financial instruments	-	-	-	-
<b>MINORITY INTERESTS</b>	<b>262</b>	<b>336</b>	<b>727</b>	<b>336</b>
<b>PROFIT ATTRIBUTABLE TO THE GROUP</b>	<b>(6,601)</b>	<b>1,657</b>	<b>(5,528)</b>	<b>(18,168)</b>

## Statement of changes in consolidated shareholders' equity

(€/000)	Share capital	Share premium reserve	Legal reserve	Treasury shares	Translation reserve	IAS 29 reserve	Post-employment benefit reserve	Other reserves	Profit for the year	Group shareholders' equity	Minority interests	Shareholders' equity
<b>Balance at 31 December 2022</b>	<b>11,533</b>	<b>10,002</b>	<b>2,307</b>	<b>(3,221)</b>	<b>(54,715)</b>	<b>32,748</b>	<b>(328)</b>	<b>142,587</b>	<b>15,249</b>	<b>156,162</b>	<b>-</b>	<b>156,162</b>
Allocation of 2022 profit												
- carried forward								15,249	(15,249)	-		-
Share capital increase	1,154	16,158								17,312		17,312
IFRS 2 measurement Stock Grant								543		543		543
Treasury share transactions				(462)						(462)		(462)
Change in the scope of consolidation										-	8,016	8,016
Put options on <i>minorities</i>								(10,866)		(10,866)		(10,866)
Hyperinflation (IAS 29)						15,901		6,077		21,978		21,978
Other changes								(1)		(1)		(1)
<i>Change in translation reserve</i>					(25,713)					(25,713)		(25,713)
<i>Other components of the total result</i>							(37)	76	3,103	3,142	277	3,419
Total profit at 31 December 2023					(25,713)		(37)	76	3,103	(22,571)	277	(22,294)
<b>Balance at 31 December 2023</b>	<b>12,687</b>	<b>26,160</b>	<b>2,307</b>	<b>(3,683)</b>	<b>(80,428)</b>	<b>48,649</b>	<b>(365)</b>	<b>153,665</b>	<b>3,103</b>	<b>162,095</b>	<b>8,293</b>	<b>170,388</b>
Allocation of 2023 profit												
- carried forward			175						(175)			
- dividends								(3,848)	(2,928)	(6,776)	(1,313)	(8,089)
IFRS 2 measurement Stock Grant				1,573				(1,676)		(103)		(103)
Hyperinflation (IAS 29)						5,311		7,521		12,832		12,832
Other changes								(6)		(6)		(6)
<i>Change in translation reserve</i>					(15,036)					(15,036)	(129)	(15,165)
<i>Other components of the total result</i>								(52)	9,560	9,508	727	10,235
Total profit at 30 September 2024					(15,036)			(52)	9,560	(5,528)	598	(4,930)
<b>Balance at 30 September 2024</b>	<b>12,687</b>	<b>26,160</b>	<b>2,482</b>	<b>(2,110)</b>	<b>(95,464)</b>	<b>53,960</b>	<b>(365)</b>	<b>155,604</b>	<b>9,560</b>	<b>162,514</b>	<b>7,578</b>	<b>170,092</b>

# Consolidated statement of cash flows

(€/000)	Q3 2024	Q3 2023	9M 2024	9M 2023
<b><i>Cash and cash equivalents at beginning of period</i></b>	<b>25,545</b>	<b>27,405</b>	<b>36,353</b>	<b>20,923</b>
Net profit/(loss) for the period	1,459	3,123	10,287	1,701
Adjustments for:				
- Depreciation and amortisation for the period	5,490	5,300	16,817	14,847
- Realised gains/losses	13	(1,500)	(42)	(1,488)
- Monetary revaluation IAS 29	1,218	1,353	2,997	4,639
- Financial income and expenses	26	(141)	(703)	1,234
- Value adjustments of non-current assets	-	-	8	-
- IFRS 2 measurement stock grant plan	196	252	(103)	490
- Income tax	740	682	3,365	236
- Non-monetary foreign exchange differences	(503)	-	(129)	-
Payment of post-employment benefit provision	(51)	115	(24)	167
Change in risk provisions	(19)	371	(45)	254
<i>Change in trade receivables</i>	<i>699</i>	<i>(3,291)</i>	<i>(15,046)</i>	<i>107</i>
<i>Change in inventories</i>	<i>(1,029)</i>	<i>1,175</i>	<i>(5,842)</i>	<i>1,720</i>
<i>Change in trade payables</i>	<i>(4,398)</i>	<i>(6,913)</i>	<i>4,332</i>	<i>(16)</i>
Change in net working capital	(4,728)	(9,029)	(16,556)	1,811
Change in other receivables and payables, deferred taxes	(171)	237	3,324	3,032
Payment of taxes	(645)	(2,925)	(1,488)	(3,691)
Payment of financial expenses	(674)	(906)	(2,735)	(2,566)
Collection of financial income	187	634	1,258	1,239
<b>Cash flows from operations</b>	<b>2,538</b>	<b>(2,434)</b>	<b>16,231</b>	<b>21,905</b>
<b>Net investments</b>	<b>(3,360)</b>	<b>(1,937)</b>	<b>(9,512)</b>	<b>(13,064)</b>
Repayment of loans	(5,694)	(2,638)	(18,978)	(23,495)
New loans	6,872	480	12,345	17,670
Change in financial assets	3,925	(4,033)	1,191	(6,627)
Purchase/sale of treasury shares	-	-	-	(462)
Payment of dividends	(860)	-	(8,089)	-
<b>Cash flows from financing activities</b>	<b>4,243</b>	<b>(6,191)</b>	<b>(13,531)</b>	<b>(12,914)</b>
Acquisition of P.G.A. S.r.l.	-	-	-	(783)
Acquisition of Mansfield Engineered Components LLC	-	(8,324)	-	(8,324)
Share capital increase	-	17,312	-	17,312
Foreign exchange differences	(693)	(255)	(1,268)	521
<b>Net cash flows for the period</b>	<b>2,728</b>	<b>(1,829)</b>	<b>(8,080)</b>	<b>4,653</b>
<b><i>Cash and cash equivalents at end of period</i></b>	<b>28,273</b>	<b>25,576</b>	<b>28,273</b>	<b>25,576</b>



## Total financial debt

<i>(€/000)</i>	30/09/2024	31/12/2023	30/09/2023
A. Cash	28,273	36,353	25,576
B. Cash and cash equivalents	-	-	-
C. Other current financial assets	4,922	7,257	8,680
<b>D. Liquidity (A+B+C)</b>	<b>33,195</b>	<b>43,610</b>	<b>34,256</b>
E. Current financial payable	11,042	1,799	1,098
F. Current portion of non-current debt	19,536	21,693	23,543
<b>G. Current financial debt (E+F)</b>	<b>30,578</b>	<b>23,492</b>	<b>24,641</b>
<b>H. Net current financial debt (G-D)</b>	<b>(2,617)</b>	<b>(20,118)</b>	<b>(9,615)</b>
I. Non-current financial payable	49,859	63,548	63,575
J. Debt instruments	29,746	29,720	29,711
K. Trade payables and other non-current payables	-	-	-
<b>L. Non-current financial debt (I+J+K)</b>	<b>79,605</b>	<b>93,268</b>	<b>93,286</b>
<b>M. Total financial debt (H+L)</b>	<b>76,988</b>	<b>73,150</b>	<b>83,671</b>

Financial debt at 30 September 2024 includes:

- €10.8 million for the accounting, pursuant to IAS 32, of the put option granted to minority shareholders for the 49% stake in Mansfield Engineered Components LLC (MEC);
- €5.6 million of operating leases and €0.5 million of finance leases, all of which are recognised in accordance with IFRS 16.

# Explanatory notes

## Accounting standards and scope of consolidation

The Interim Management Statement of the Sabaf Group at 30 September 2024 is prepared in compliance with the Stock Exchange Regulations that establish, among the requirements for maintaining the listing on the STAR segment of the MTA, the publication of interim management reports.

This report does not contain the information required in accordance with IAS 34. Accounting standards and policies are the same as those adopted for preparation of the consolidated financial statements at 31 December 2023, which should be consulted for reference. All the amounts contained in the statements included in this Interim Management Statement are expressed in thousands of euro.

We also draw attention to the following points:

- The Interim Management Statement was prepared according to the “discrete method of accounting” whereby the quarter in question is treated as a separate financial period. In this respect, the quarterly income statement reflects the income statement components pertaining to the period on an accrual basis;
- the financial statements used in the consolidation process are those prepared by the subsidiaries for the period ended 30 September 2023, adjusted to comply with Group accounting policies, where necessary;
- the parent company Sabaf S.p.A., the subsidiaries Faringosi Hinges, Sabaf Brazil, Sabaf Turkey, Sabaf China, A.R.C., Sabaf U.S., Sabaf India, C.M.I., C.G.D., Sabaf Mexico, P.G.A. and, from 14 July 2023, the subsidiaries Sabaf America and Mansfield Engineered Components LLC (MEC) were consolidated on a line-by-line basis.  
The financial results of Sabaf America and MEC for 2023, which are shown for comparative purposes, were consolidated only for the period during which the Sabaf Group held control.

The Interim Management Statement at 30 September 2024 has not been independently audited.

## Hyperinflation - Turkey: application of IAS 29

In the Interim Management Statement at 30 September 2024, IAS 29 was applied with reference to the subsidiary Sabaf Turkey. 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 2024 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 31/12/2023	Value at 30/09/2024	Change
TURKSTAT	1,859.38	2,526.16	+35.86%

Consumer price index	Value at 31/12/2022	Value at 31/12/2023	Change
TURKSTAT	1,128.45	1,859.38	+64.77%

Consumer price index	Value at 31/12/2022	Value at 30/09/2023	Change
TURKSTAT	1,128.45	1,691.04	+49.86%

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

(€/000)	30/09/2024	Hyperinflation effect	30/09/2024 with Hyperinflation effect
Total non-current assets	139,923	37,119	177,042
Total current assets	179,227	1,274	180,501
<b>Total assets</b>	<b>319,150</b>	<b>38,393</b>	<b>357,543</b>
Total shareholders' equity	131,781	38,311	170,092
Total non-current liabilities	88,441	82	88,523
Total current liabilities	98,928	-	98,928
<b>Total liabilities and shareholders' equity</b>	<b>319,150</b>	<b>38,393</b>	<b>357,543</b>

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

(€/000)	9M 2024	Hyperinflation effect	9 months 2024 with Hyperinflation effect
Operating revenue and income	219,965	1,594	221,559
Operating costs	(187,820)	(838)	(188,658)
EBITDA	32,145	756	32,901
EBIT	17,954	(1,836)	16,118
Profit before taxes	17,244	(3,592)	13,652
Income taxes	(3,960)	595	(3,365)
Minority interests	727	-	727
<b>Net profit for the year</b>	<b>12,557</b>	<b>(2,997)</b>	<b>9,560</b>

# Management Statement

## Economic performance - Financial highlights (€/000)

The economic results for the third quarter of 2024 and the first nine months of 2024 are presented and commented on below on a normalised basis, i.e. adjusted for the effects of the application of IAS 29 - the hyperinflation accounting standard - with reference to the financial statements of the subsidiary Sabaf Turkey. The comparative normalised consolidated economic results for the third quarter of 2023 and the first nine months of 2023 also exclude the start-up costs of Sabaf India, Sabaf Mexico and the Induction division, the results of which are included in the normalised consolidated figures in 2024. This representation allows a better understanding of the Group's performance and a more accurate comparison with previous periods.

<b>Quarterly results</b> <i>Data in thousands of €</i>	<b>Q3 2024</b>	<b>Q3 2023</b>	<b>Change 2024-2023</b>	<b>% change</b>	<b>12 MONTHS 2023</b>
Sales revenue	69,198	67,944	1,254	+1.8%	237,949
Hyperinflation – Turkey	3	(6,603)			1,160
Start-up revenue	-	(15)			(23)
<b>Normalised revenue</b>	<b>69,201</b>	<b>61,326</b>	<b>7,875</b>	<b>+12.8%</b>	<b>239,086</b>
EBITDA	9,227	10,732	(1,505)	-14.0%	29,612
<i>EBITDA %</i>	<i>13.3</i>	<i>15.8</i>			<i>12.4</i>
Start-up costs	-	751			2,649
Hyperinflation – Turkey	(22)	(2,713)			786
<b>Normalised EBITDA</b>	<b>9,205</b>	<b>8,770</b>	<b>435</b>	<b>+5.0%</b>	<b>33,047</b>
<b>Normalised EBITDA%</b>	<b>13.3</b>	<b>14.3</b>			<b>13.8</b>
EBIT	3,724	6,931	(3,207)	-46.3%	11,062
<i>EBIT %</i>	<i>5.4</i>	<i>10.2</i>			<i>4.6</i>
Start-up costs	-	1,057			3,724
Hyperinflation – Turkey	737	(1,971)			2,710
<b>Normalised EBIT</b>	<b>4,461</b>	<b>6,017</b>	<b>(1,556)</b>	<b>-25.9%</b>	<b>17,496</b>
<b>Normalised EBIT%</b>	<b>6.4</b>	<b>9.8</b>			<b>7.3</b>
Net profit	1,197	2,787	(1,590)	-57.1%	3,103
<i>Net result %</i>	<i>1.7</i>	<i>4.1</i>			<i>1.3</i>
Start-up costs	-	1,022			3,530
Hyperinflation – Turkey	1,218	1,353			7,521
<b>Normalised result of the Group</b>	<b>2,415</b>	<b>5,162</b>	<b>(2,747)</b>	<b>-53.2%</b>	<b>14,154</b>
<b>Normalised result %</b>	<b>3.5</b>	<b>8.4</b>			<b>5.9</b>

During the third quarter, the Sabaf Group confirmed a solid growth, supported by a good performance in Europe, a positive contribution from the South American market and the steady expansion of activities at the new sites in Mexico and India. However, there were signs of a slowdown in the US market.

For the period, the Group recorded normalised sales of €69.2 million, up 12.8% compared to the third quarter of 2023 (on a like-for-like basis).

Normalised EBITDA for the third quarter was €9.2 million (13.3% of turnover), up by 5% compared to the figure of €8.8 million (14.3%) in the third quarter of 2023. Profitability in the quarter was partially impacted by higher production costs, including higher labour costs in Italy and Turkey.

Normalised EBIT was €4.5 million (6.4%). In the same period of 2023 normalised EBIT amounted to €6 million (9.8%), which included a capital gain of €1.5 million from the sale of non-current assets (former production plant of Lumezzane). Excluding the effect of this capital gain, EBIT for the third quarter of 2024 is substantially unchanged compared to 2023. Normalised net profit for the period attributable to the Group was €2.4 million (3.5%), down 53.2% compared to 5.2 million in the third quarter of 2023 (8.4%).

<b>Nine-month results</b> <i>Data in thousands of €</i>	<b>9</b> <b>MONTHS</b> <b>2024</b>	<b>9</b> <b>MONTHS</b> <b>2023</b>	<b>Change</b> <b>2024-2023</b>	<b>% change</b>	<b>12</b> <b>MONTHS</b> <b>2023</b>
Sales revenue	213,875	176,906	36,969	+20.9%	237,949
Hyperinflation – Turkey	(1,563)	(620)			1,160
Start-up revenue	-	(15)			(23)
<b>Normalised revenue</b>	<b>212,312</b>	<b>176,271</b>	<b>36,041</b>	<b>+20.4%</b>	<b>239,086</b>
EBITDA	32,901	22,146	10,755	+48.6%	29,612
<i>EBITDA %</i>	<i>15.4</i>	<i>12.5</i>			<i>12.4</i>
Start-up costs	-	1,905			2,649
Hyperinflation – Turkey	(756)	316			786
<b>Normalised EBITDA</b>	<b>32,145</b>	<b>24,367</b>	<b>7,778</b>	<b>+31.9%</b>	<b>33,047</b>
<b>Normalised EBITDA%</b>	<b>15.1</b>	<b>13.8</b>			<b>13.8</b>
EBIT	16,118	8,786	7,332	+83.5%	11,062
<i>EBIT %</i>	<i>7.5</i>	<i>5.0</i>			<i>4.6</i>
Start-up costs	-	2,523			3,724
Hyperinflation – Turkey	1,836	1,824			2,710
<b>Normalised EBIT</b>	<b>17,954</b>	<b>13,133</b>	<b>4,821</b>	<b>+36.7%</b>	<b>17,496</b>
<b>Normalised EBIT%</b>	<b>8.5</b>	<b>7.5</b>			<b>7.3</b>
Net profit	9,560	1,365	8,195	+600.4%	3,103
<i>Net result %</i>	<i>4.5</i>	<i>0.8</i>			<i>1.3</i>
Start-up costs	-	2,395			3,530
Hyperinflation – Turkey	2,997	4,639			7,521
<b>Normalised result of the Group</b>	<b>12,557</b>	<b>8,399</b>	<b>4,158</b>	<b>+49.5%</b>	<b>14,154</b>
<b>Normalised result %</b>	<b>5.9</b>	<b>4.8</b>			<b>5.9</b>

In the first nine months of 2024, the Sabaf Group achieved sales revenue of €212.3 million, up 20.4% compared to €176.3 million in the first nine months of 2023 (+12.7% on a like-for-like basis).

Normalised EBITDA for the first nine months of 2024 was €32.1 million (15.1% of sales), up by 31.9% compared to the €24.4 million (13.8%) in the first nine months of 2023.

Normalised EBIT was €18 million (8.5%), up 36.7% compared to €13.1 million (7.5%) in the first nine months of 2023.

Normalised net profit for the period was €12.6 million (5.9%), up 49.5% compared to €8.4 million in the first nine months of 2023 (4.8%).

### ***Balance sheet, cash flows and financial debt at 30 September 2024***

<i>(€/000)</i>	<b>30/09/2024</b>	<b>31/12/2023</b>	<b>30/09/2023</b>
<i>Non-current assets</i>	177,042	181,167	180,274
Short-term assets <sup>1</sup>	147,306	133,401	144,298
Short-term liabilities <sup>2</sup>	(68,350)	(61,553)	(58,741)
<i>Net working capital<sup>3</sup></i>	<b>78,956</b>	<b>71,848</b>	<b>85,557</b>
<i>Provisions for risks and charges, post-employment benefit, deferred taxes, other non-current payables</i>	(8,918)	(9,477)	(9,612)
<b>Net invested capital</b>	<b>247,080</b>	<b>243,538</b>	<b>256,219</b>
Short-term net financial position	2,617	20,118	9,615
Medium/long-term net financial position	(79,605)	(93,268)	(93,286)
<b>Net financial debt</b>	<b>(76,988)</b>	<b>(73,150)</b>	<b>(83,671)</b>
<b>Shareholders' equity</b>	<b>170,092</b>	<b>170,388</b>	<b>172,548</b>

Cash flows for the financial year are summarised in the table below:

<i>(€/000)</i>	<b>30/09/2024</b>	<b>31/12/2023</b>	<b>30/09/2023</b>
<b>Opening liquidity</b>	<b>36,353</b>	<b>20,923</b>	<b>20,923</b>
<i>Operating cash flow</i>	16,231	39,852	21,905
<i>Cash flow from investments</i>	(9,512)	(16,942)	(13,182)
Free cash flow	6,719	22,910	8,723
Cash flow from financing activities	(5,442)	(14,670)	(12,913)
Acquisitions	-	(9,108)	(9,108)
Payment of dividends	(8,089)	-	-
Share capital increase	-	17,312	17,312
Foreign exchange differences	(1,268)	(1,014)	639
<b>Cash flow for the period</b>	<b>(8,080)</b>	<b>15,430</b>	<b>4,653</b>
<b>Closing liquidity</b>	<b>28,273</b>	<b>36,353</b>	<b>25,576</b>

In the first nine months of 2024, operations generated cash flows of €6.7 million. At 30 September 2024, the impact of the net working capital<sup>3</sup> on revenue was 27.7% compared to 36.3% at 30 September 2023 and 30.2% at the end of 2023.

<sup>1</sup> Sum of Inventories, Trade receivables, Tax receivables and Other current receivables

<sup>2</sup> Sum of Trade payables, Tax payables and Other liabilities

<sup>3</sup> Difference between short-term assets and short-term liabilities

Net investments in the third quarter of 2024 amounted to €3.4 million. Total investments in the first nine months of 2024 amounted to €9.5 million (€13.1 million in the same period of 2023).

At 30 September 2024, net financial debt was €77 million (€73.2 million at 31 December 2023 and €83.4 million at 30 September 2023), against a shareholders' equity of €170.1 million. The net financial debt at 30 September 2024 includes the financial liability of €10.8 million related to the recognition of the put option granted to the minority shareholders of MEC (US company in which Sabaf acquired 51% in July 2023) and the financial liabilities of €6.1 million recognised in accordance with IFRS 16 (€5.6 million related to operating leases and €0.5 million related to finance leases).

#### *Significant non-recurring, atypical and/or unusual transactions*

During the third quarter of 2024, the Group did not engage in significant transactions qualifying as atypical and/or unusual, as envisaged by the CONSOB communication of 28 July 2006.

#### *Outlook*

The Group expects to close 2024 with revenues ranging from €276 to €280 million, up by 15-17% compared to 2023. In recent weeks, the order intake has been influenced by the inventory reduction policy of major customers, which is typical at the end of the year.

In the coming months, potential more expansionary monetary policies could support the recovery of the housing sector in Europe and in the United States and thus the recovery of the market for household appliances.

In 2025, Sabaf will continue to implement its Business Plan, which aims to increase and consolidate its global market shares, through

- the increasingly widespread presence of the Group at a global level
- the diversification of product offering
- the enhancement of the synergies with acquired companies
- the growth through acquisitions.

In particular, an increasing contribution is expected from the Gas division, thanks also to the new plants in Mexico and India, from the Induction division and from the direct presence in the United States (thanks to the recent acquisition of MEC).

## Annexes to the interim management statement

### Normalised revenue by geographical area

Normalised quarterly revenue (€/000)	Q3 2024	%	Q3 2023	%	% change	2023 FY
Europe (excluding Turkey)	18,997	27.5%	16,393	26.7%	+15.9%	71,734
Turkey	18,171	26.3%	14,221	23.2%	+27.8%	63,419
North America	14,977	21.6%	16,495	26.9%	-9.2%	47,697
South America	9,696	14.0%	8,135	13.3%	+19.2%	27,858
Africa and Middle East	2,801	4.0%	3,617	5.9%	-22.6%	17,762
Asia and Oceania	4,559	6.6%	2,465	4.0%	+84.9%	10,616
<b>Total</b>	<b>69,201</b>	<b>100%</b>	<b>61,326</b>	<b>100%</b>	<b>+12.8%</b>	<b>239,086</b>

Normalised nine-month revenue (€/000)	9 MONTHS 2024	%	9 MONTHS 2023	%	% change	2023 FY
Europe (excluding Turkey)	60,489	28.5%	55,346	31.4%	+9.3%	71,734
Turkey	55,024	25.9%	45,578	25.9%	+20.7%	63,419
North America	45,414	21.4%	33,953	19.3%	+33.8%	47,697
South America	27,316	12.9%	21,051	11.9%	+29.8%	27,858
Africa and Middle East	12,037	5.7%	13,751	7.8%	-12.5%	17,762
Asia and Oceania	12,032	5.7%	6,592	3.7%	+82.5%	10,616
<b>Total</b>	<b>212,312</b>	<b>100%</b>	<b>176,271</b>	<b>100%</b>	<b>+20.4%</b>	<b>239,086</b>

### Normalised revenue by product line

Normalised quarterly revenue (€/000)	Q3 2024	%	Q3 2023*	%	% change	2023 FY
Gas parts	41,354	59.8%	34,351	56.0%	+20.4%	144,010
Hinges	21,534	31.1%	21,159	34.5%	+1.8%	70,410
Electronic components	6,144	8.9%	5,816	9.5%	+5.6%	24,666
Induction	169	0.2%	-	-	-	-
<b>Total</b>	<b>69,201</b>	<b>100%</b>	<b>61,326</b>	<b>100%</b>	<b>+12.8%</b>	<b>239,086</b>

Normalised nine-month revenue (€/000)	9 MONTHS 2024	%	9 MONTHS 2023	%	% change	2023 FY
Gas parts	126,107	59.4%	106,907	60.6%	+18.0%	144,010
Hinges	65,467	30.8%	50,180	28.5%	+30.5%	70,410
Electronic components	20,338	9.6%	19,184	10.9%	+6.0%	24,666
Induction	400	0.2%	-	-	-	-
<b>Total</b>	<b>212,312</b>	<b>100%</b>	<b>176,271</b>	<b>100%</b>	<b>+20.4%</b>	<b>239,086</b>



## Reconciliation of the consolidated income statement of the first nine months

(€/000)	9 MONTHS 2024	Hyperinfl ation IAS 29	Normalised 9 MONTHS 2024	9 MONTHS 2023	Hyperinf lation IAS 29	Start- up effect	Normalised 9 MONTHS 2023
<b>INCOME STATEMENT COMPONENTS</b>							
OPERATING REVENUE AND INCOME							
Revenue	213,875	(1,563)	212,312	176,906	(620)	(15)	176,271
Other income	7,684	(31)	7,653	6,219	(11)	(34)	6,174
<b>Total operating revenue and income</b>	<b>221,559</b>	<b>(1,594)</b>	<b>219,965</b>	<b>183,125</b>	<b>(631)</b>	<b>(49)</b>	<b>182,445</b>
OPERATING COSTS							
Materials	(106,202)	758	(105,444)	(86,269)	650	54	(85,565)
Change in inventories	6,663	(295)	6,368	(1,383)	168	3	(1,212)
Services	(38,319)	154	(38,165)	(32,657)	92	1,545	(31,020)
Personnel costs	(51,574)	210	(51,364)	(42,059)	35	350	(41,674)
Other operating costs	(1,467)	11	(1,456)	(1,471)	2	2	(1,467)
Costs for capitalised in-house work	2,241	-	2,241	2,860	-	-	2,860
<b>Total operating costs</b>	<b>(188,658)</b>	<b>838</b>	<b>(187,820)</b>	<b>(160,979)</b>	<b>947</b>	<b>1,954</b>	<b>(158,078)</b>
<b>OPERATING PROFIT BEFORE DEPRECIATION AND AMORTISATION, CAPITAL GAINS/LOSSES, AND WRITE-DOWNS/WRITE-BACKS OF NON-CURRENT ASSETS</b>							
	<b>32,901</b>	<b>(756)</b>	<b>32,145</b>	<b>22,146</b>	<b>316</b>	<b>1,905</b>	<b>24,367</b>
Depreciations and amortisation	(16,817)	2,544	(14,273)	(14,847)	1,507	618	(12,722)
Capital gains on disposals of non-current assets	42	48	90	1,487	1	-	1,488
Value adjustments of non-current assets	(8)	-	(8)	-	-	-	-
<b>EBIT</b>	<b>16,118</b>	<b>1,836</b>	<b>17,954</b>	<b>8,786</b>	<b>1,824</b>	<b>2,523</b>	<b>13,133</b>
Financial income	2,056	(15)	2,041	1,210	29	2	1,241
Financial expenses	(3,330)	(5)	(3,335)	(2,956)	8	-	(2,948)
Net income/(charges) from hyperinflation	(1,777)	1,777	-	(3,717)	3,717	-	-
Exchange rate gains and losses	585	(1)	584	(1,386)	94	-	(1,292)
Profits and losses from equity investments	-	-	-	-	-	-	-
<b>PROFIT BEFORE TAXES</b>	<b>13,652</b>	<b>3,592</b>	<b>17,244</b>	<b>1,937</b>	<b>5,672</b>	<b>2,525</b>	<b>10,134</b>
Income taxes	(3,365)	(595)	(3,960)	(236)	(1,033)	(130)	(1,399)
<b>NET PROFIT FOR THE PERIOD</b>	<b>10,287</b>	<b>2,997</b>	<b>13,284</b>	<b>1,701</b>	<b>4,639</b>	<b>2,395</b>	<b>8,735</b>
of which:							
Minority interests	727	-	727	336	-	-	336
<b>PROFIT ATTRIBUTABLE TO THE GROUP</b>	<b>9,560</b>	<b>2,997</b>	<b>12,557</b>	<b>1,365</b>	<b>4,639</b>	<b>2,395</b>	<b>8,399</b>

## Reconciliation of the consolidated income statement at the third quarter

(€/000)	Q3 2024	Hyperinf lation IAS 29	Normalised Q3 2024	Q3 2023	Hyperinf lation IAS 29	Start-up effect	Normalised Q3 2023
<b>INCOME STATEMENT COMPONENTS</b>							
OPERATING REVENUE AND INCOME							
Revenue	69,198	3	69,201	67,944	(6,603)	(15)	61,326
Other income	3,046	8	3,054	2,157	(173)	(34)	1,950
<b>Total operating revenue and income</b>	<b>72,244</b>	<b>11</b>	<b>72,255</b>	<b>70,101</b>	<b>(6,776)</b>	<b>(49)</b>	<b>63,276</b>
OPERATING COSTS							
Materials	(34,906)	106	(34,800)	(31,689)	2,740	10	(28,939)
Change in inventories	1,350	(125)	1,225	2	(210)	-	(208)
Services	(13,035)	(6)	(13,041)	(11,848)	758	651	(10,439)
Personnel costs	(16,839)	(18)	(16,857)	(16,122)	764	137	(15,221)
Other operating costs	(304)	10	(294)	(676)	11	2	(663)
Costs for capitalised in-house work	717	-	717	964	-	-	964
<b>Total operating costs</b>	<b>(63,017)</b>	<b>(33)</b>	<b>(63,050)</b>	<b>(59,369)</b>	<b>4,063</b>	<b>800</b>	<b>(54,506)</b>
<b>OPERATING PROFIT BEFORE DEPRECIATION AND AMORTISATION, CAPITAL GAINS/LOSSES, AND WRITE-DOWNS/WRITE-BACKS OF NON-CURRENT ASSETS</b>	<b>9,227</b>	<b>(22)</b>	<b>9,205</b>	<b>10,732</b>	<b>(2,713)</b>	<b>751</b>	<b>8,770</b>
Depreciations and amortisation	(5,490)	755	(4,735)	(5,300)	741	306	(4,253)
Capital gains on disposals of non-current assets	(13)	4	(9)	1,499	1	-	1,500
Value adjustments of non-current assets	-	-	-	-	-	-	-
<b>EBIT</b>	<b>3,724</b>	<b>737</b>	<b>4,461</b>	<b>6,931</b>	<b>(1,971)</b>	<b>1,057</b>	<b>6,017</b>
Financial income	408	(6)	402	678	(44)	2	636
Financial expenses	(996)	(2)	(998)	(1,089)	4	-	(1,085)
Net income/(charges) from hyperinflation	(658)	658	-	(3,040)	3,040	-	-
Exchange rate gains and losses	(279)	20	(259)	325	474	-	799
Profits and losses from equity investments	-	-	-	-	-	-	-
<b>PROFIT BEFORE TAXES</b>	<b>2,199</b>	<b>1,407</b>	<b>3,606</b>	<b>3,805</b>	<b>1,503</b>	<b>1,059</b>	<b>6,367</b>
Income taxes	(740)	(189)	(929)	(682)	(150)	(37)	(869)
<b>NET PROFIT FOR THE PERIOD</b>	<b>1,459</b>	<b>1,218</b>	<b>2,677</b>	<b>3,123</b>	<b>1,353</b>	<b>1,022</b>	<b>5,498</b>
of which:							
Minority interests	262	-	262	336	-	-	336
<b>PROFIT ATTRIBUTABLE TO THE GROUP</b>	<b>1,197</b>	<b>1,218</b>	<b>2,415</b>	<b>2,787</b>	<b>1,353</b>	<b>1,022</b>	<b>5,162</b>

## **Statement of the Financial Reporting Officer pursuant to Article 154-bis (2) TUF**

The Financial Reporting Officer, Gianluca Beschi, declares that, pursuant to paragraph 2, Article 154-bis of Italian Legislative Decree 58/1998 (TUF, or Consolidated Finance Act), the accounting information contained in the Interim Management Statement at 30 September 2024 of Sabaf S.p.A. corresponds to the Company's records, books and accounting entries.

*Ospitaletto (BS), 12 November 2024*

Financial Reporting Officer

Gianluca Beschi