

**DEXELANCE PRESENTS THE FINANCIAL RESULTS AS AT 30.06.2024**

- **Revenue at Euro 151.0 million<sup>1</sup>**
- **Adjusted EBITDA equal to Euro 19.1 million**
- **Adjusted Net Profit equals Euro 6.8 million**
- **Net bank debt equal to Euro 12.0 million**
- **Investments in structure and brand positioning continue**

Milan, 9 September 2024

The Board of Directors of **Dexelance S.p.A. (DEX.MI)**, a diversified industrial group and one of Italy's leading players in high-end design, lighting and furniture (the "Company" or the "Group"), approved today the Group's financial results as at 30 June 2024.

The Group recorded **revenue** of Euro 151.0 million, up 9.2% compared to the Full<sup>2</sup> of H1 2023 revenues, with a slightly negative organic variation (-4.3%).

The first half of 2024 was characterized by challenging market conditions, in which the Group performed well in the residential segment (*Furniture, Lighting, Kitchen&Systems* areas), which recorded growth of 16.4% - driven by the good performance of the *Kitchen&Systems* area and the entry in the consolidation perimeter Axolight and Turri, the companies acquired in the second half of 2023.

The *Luxury Contract* area, conversely, recorded a temporary negative performance (-8.7% compared to 2023), mainly due to the postponement of some major contract orders to the second half of the year.

Exports accounted for 73 %, in line with the previous year. Europe remains the leading export market, although the deceleration of France and Germany was evident, but well compensated by sales in the Middle East and Africa, confirming the Group's increasingly strong international positioning. Continued good performance in North America, the third largest export market and area in which Dexelance has continued to invest through the strengthening of the sales subsidiary and the opening of new spaces.

In fact, it is worth noting that, on occasion of the NYCxDESIGN Festival held in May, Gervasoni opened a new flagship store in New York, located on the first floor of the space on Lexington Avenue where both Meridiani and Davide Groppi had already opened their monobrand stores in October 2023.

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<sup>1</sup> The figures as at 30 June 2024 have not been marked as 'Reported' or 'Full' since, as there were no changes in the consolidation perimeter during the quarter under review, the two figures coincide.

<sup>2</sup> "Full" figures as at 30 June 2023, were calculated by including the results of Cubo Design in the scope of consolidation as if the acquisition of the company had taken place on 1 January 2023 (transaction completed on 31 January 2023).

**EBITDA** is Euro 18.5 million (compared to Euro 21.6 million in 2023). Adjusted EBITDA is Euro 19.1 million, down 22.2% from the Full Adjusted 2023 figure. The reduction in percentage margin, attested at 12.6% on revenue, is largely due to the ongoing investment program, particularly focused in marketing and sales activities aimed at pushing the growth of the distribution network and the positioning of the Group's brands, as well as the progressive further organizational strengthening of the companies.

The semester ended with **Net Profit** of Euro 1.0 million (compared to Euro 5.8 million in 2023). Adjusted Net Profit is Euro 6.8 million, also down from the Full Adjusted Net Income figure of Euro 12.3 million as of 30 June 2023.

The **net bank debt position** as of 30 June 2024 is Euro 12.0 million. Cash generation in the six-month period was driven by good working capital performance and low capex, in line with the Group's business model. Also considering payables for *earnouts* and purchase of minority shares through the exercise of *put&call* options, the net financial position amounts to Euro 81.6 million, mainly due in the medium term. During the second quarter of 2024, the Group paid *earnouts* totaling Euro 7.0 million. Considering payables resulting from the application of IFRS 16, amounting to Euro 35.1 million, the net financial position amounts to Euro 116.7 million.

The six-month period was marked by the participation of Group companies in various festivals and trade fair events dedicated to the world of furniture and design. All seven brands in the Furniture area and Binova participated in the Salone del Mobile in April, both through the presentation of new products at the fair and with specific installations and events related to the Fuorisalone circuit. Gervasoni, Meridiani and Davide Groppi, participated in the NYCxDESIGN Festival, during which an event dedicated to the community of designers and architects was held at the Lexington Avenue spaces in collaboration with Dezeen, a renowned international design and architecture magazine. In addition, Meridiani and Saba took part in the "3daysofdesign" initiative, held in June in Copenhagen, during which Saba exhibited its "Cime" and "Vela" collections inside the city's Soho House and Meridiani inaugurated the first international "Meridiani House," a new retail concept presented in Milan at the Salone.

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The Board of Directors today also approved the policy on dialogue with shareholders and other relevant stakeholders of the company, which is available on the company's website ([www.dexelance.com](http://www.dexelance.com)) at the section "[Investors/Governance/Documents and Procedures](#)".

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**Dexelance management will present the results to the financial community today at 6.00 p.m. CET.**

The supporting documentation will be made available in the 'Investors/Results and Financial Documents' section of the Company's website ([www.dexelance.com](http://www.dexelance.com)).

To follow the event via streaming it is possible to register at this [link](#).

The Chairman and Chief Executive Officer, Andrea Sasso, and the Manager in charge of preparing the company's financial reports, Alberto Bortolin, hereby declare, pursuant to paragraph 2 of Article 154 bis of Legislative Decree no. 58/1998 (Consolidated Finance Act) that the accounting information contained in this press release, as well as in the schedules in Attachments 1 and 2, corresponds to the documented results, books and accounting records.



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This press release is also available on the Company's website and conveyed via the 1Info SDIR system([www.1info.it](http://www.1info.it)).

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#### ACCOUNTING PRINCIPLES, COMPARABILITY OF DATA AND CHANGES TO THE SCOPE OF CONSOLIDATION

The economic and financial information have been prepared in accordance with the International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board ('IASB') and endorsed by the European Union.

Please note that the figures as at 30 June 2024 included in the press release are not marked as 'Reported' or as 'Full' as, since there were no changes in the consolidation perimeter during the semester under review, the two figures coincide. This data is represented in detail in Appendix 1.

The related changes have been calculated with respect to the 'Full' figures as at 30 June 2023 (also represented in Appendix 1), which were calculated by including the results of Cubo Design in the scope of consolidation as if the acquisition of the company had taken place on 1 January 2023 (transaction completed on 31 January 2023).

In this document, in addition to the financial aggregates provided for by International Financial Reporting Standards (IFRS), certain aggregates derived from the latter are presented even though they are not provided for by IFRS (Non-GAAP Measures) in line with the ESMA guidelines on Alternative Performance Indicators (Guidelines ESMA/2015/1415, adopted by Consob with Communication no. 92543 of 3 December 2015) published on 5 October 2015. These metrics are presented to allow for a better assessment of the group's performance and should not be considered as alternatives to those provided for by IFRS.

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#### DEXELANCE

Dexelance is one of the most important Italian groups operating in high-end design. The Group consists of numerous companies with complementary activities that express precise identities and specific excellence in the segments where they operate, united under a coherent strategic project to create an integrated industrial group in the offer of design, lighting and high-end furniture: Gervasoni creates furnishing solutions through its namesake and the Very Wood brands; Meridiani specializes in the creation of refined contemporary furniture; Davide Groppi creates and produces original and highly recognizable lighting projects; Saba Italia creates and produces furniture with innovative, high-end design; Flexalighting designs and produces lighting systems for interiors and exteriors; Axolight specializes in the design and production of made-in-Italy designer lamps; Gamma Arredamenti is one of Italy's leaders in upholstered furniture of the highest quality leathers; Cubo Design produces top and premium kitchens and systems under the Binova and Miton Cucine brands; Turri is a historic brand of very high-end furniture with a prominent position in luxury furniture and hospitality projects; Cenacchi International and Modar are two established leaders in custom furniture for the luxury and fashion industries.

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## APPENDIX 1

Reclassified Income Statement <i>amounts are shown in €/1,000</i>	F1H 2023		F1H 2024		Change	
	value	% revenue	value	% revenue	value	%
Revenue	135.394	100,0%	151.028	100,0%	15.635	11,5%
Other income	2.290	1,7%	2.630	1,7%	340	14,9%
<b>Total revenue and income</b>	<b>137.684</b>	<b>101,7%</b>	<b>153.659</b>	<b>101,7%</b>	<b>15.975</b>	<b>11,6%</b>
External operating costs	(94.705)	-69,9%	(107.457)	-71,1%	(12.751)	13,5%
<b>Added value</b>	<b>42.978</b>	<b>31,7%</b>	<b>46.202</b>	<b>30,6%</b>	<b>3.224</b>	<b>7,5%</b>
Payroll costs	(21.151)	-15,6%	(27.485)	-18,2%	(6.334)	29,9%
Provisions and write-downs	(195)	-0,1%	(238)	-0,2%	(43)	21,9%
<b>Gross operating profit (EBITDA)</b>	<b>21.632</b>	<b>16,0%</b>	<b>18.479</b>	<b>12,2%</b>	<b>(3.154)</b>	<b>-14,6%</b>
Amortisation, depreciation and write-downs of fixed assets	(7.622)	-5,6%	(10.475)	-6,9%	(2.853)	37,4%
<b>Operating profit (EBIT)</b>	<b>14.010</b>	<b>10,3%</b>	<b>8.004</b>	<b>5,3%</b>	<b>(6.007)</b>	<b>-42,9%</b>
Financial result	(4.639)	-3,4%	(5.043)	-3,3%	(404)	8,7%
<b>Gross result</b>	<b>9.371</b>	<b>6,9%</b>	<b>2.961</b>	<b>2,0%</b>	<b>(6.411)</b>	<b>-68,4%</b>
Income tax	(3.547)	-2,6%	(1.933)	-1,3%	1.614	-45,5%
<b>Group consolidated net result</b>	<b>5.824</b>	<b>4,3%</b>	<b>1.028</b>	<b>0,7%</b>	<b>(4.797)</b>	<b>-82,4%</b>

Reclassified Income Statement Adjusted <i>amounts are shown in €/1,000</i>	F1H 2023	F1H 2024	Change	
	Adj.	Adj.	value	%
Revenue	138.360	151.028	12.668	9,2%
Other income	2.131	2.630	499	23,4%
<b>Total revenue and income</b>	<b>140.491</b>	<b>153.659</b>	<b>13.167</b>	<b>9,4%</b>
External operating costs	(94.107)	(106.871)	(12.764)	13,6%
<b>Added value</b>	<b>46.384</b>	<b>46.787</b>	<b>404</b>	<b>0,9%</b>
Payroll costs	(21.677)	(27.468)	(5.791)	26,7%
Provisions and write-downs	(195)	(238)	(43)	21,9%
<b>Gross operating profit (EBITDA)</b>	<b>24.512</b>	<b>19.081</b>	<b>(5.431)</b>	<b>-22,2%</b>
Amortisation, depreciation and write-downs of fixed assets	(4.842)	(6.777)	(1.936)	40,0%
Amortisation, depreciation and write-downs of fixed assets arising from the PPA process	-	-	-	
<b>Operating profit (EBIT)</b>	<b>19.670</b>	<b>12.304</b>	<b>(7.366)</b>	<b>-37,4%</b>
Financial result	(2.502)	(2.436)	65	-2,6%
<b>Gross result</b>	<b>17.169</b>	<b>9.868</b>	<b>(7.301)</b>	<b>-42,5%</b>
Income tax	(4.861)	(3.053)	1.808	-37,2%
<b>Group consolidated net result</b>	<b>12.307</b>	<b>6.815</b>	<b>(5.493)</b>	<b>-44,6%</b>



Reclassified statement of financial position <i>amounts are shown in €1,000</i>	FY 2023		1H 2024	
	value	% CIN	value	% CIN
Intangible assets	243.635	88,5%	240.091	88,4%
Right of use	32.910	12,0%	34.045	12,5%
Property, plant and equipment	28.631	10,4%	29.567	10,9%
Holdings and other non-current assets	8.543	3,1%	8.556	3,2%
<b>Non-current assets (A)</b>	<b>313.719</b>	<b>113,9%</b>	<b>312.260</b>	<b>115,0%</b>
Inventories	41.646	15,1%	45.878	16,9%
Trade receivables	38.961	14,2%	39.266	14,5%
Other current assets	11.059	4,0%	9.415	3,5%
<b>Current assets (B)</b>	<b>91.665</b>	<b>33,3%</b>	<b>94.559</b>	<b>34,8%</b>
Trade payables	(51.271)	-18,6%	(46.575)	-17,2%
Other current liabilities	(40.293)	-14,6%	(50.071)	-18,4%
<b>Current liabilities (C)</b>	<b>(91.564)</b>	<b>-33,3%</b>	<b>(96.646)</b>	<b>-35,6%</b>
<b>Net working capital (D = B – C)</b>	<b>102</b>	<b>0,0%</b>	<b>(2.087)</b>	<b>-0,8%</b>
Provisions for risk and severance pay	(11.944)	-4,3%	(11.857)	-4,4%
Other non-current liabilities	(26.551)	-9,6%	(26.795)	-9,9%
<b>Medium-/long-term assets (liabilities) (E)</b>	<b>(38.495)</b>	<b>-14,0%</b>	<b>(38.651)</b>	<b>-14,2%</b>
<b>Net invested capital (A + D + E)</b>	<b>275.326</b>	<b>100,0%</b>	<b>271.521</b>	<b>100,0%</b>
<b>Shareholders' equity</b>	<b>154.378</b>	<b>56,1%</b>	<b>154.827</b>	<b>57,0%</b>
Net financial position, banks	14.197	5,2%	11.970	4,4%
Net financial position, others	106.751	38,8%	104.724	38,6%
<b>Net financial position</b>	<b>120.948</b>	<b>43,9%</b>	<b>116.695</b>	<b>43,0%</b>
<b>Equity and debt</b>	<b>275.326</b>	<b>100,0%</b>	<b>271.521</b>	<b>100,0%</b>

Net financial position <i>amounts are shown in €1,000</i>	FY 2023	1H 2024	Change
Short-term bank loans	20.422	22.177	1.755
Medium/long-term bank loans	63.852	53.109	(10.743)
Cash	(41.457)	(31.842)	9.614
Other current financial assets	(28.621)	(31.474)	(2.853)
<b>NFP, banks</b>	<b>14.197</b>	<b>11.970</b>	<b>(2.227)</b>
Current earn-out payable	7.560	1.946	(5.614)
Non-current earn-out payable	10.821	10.516	(305)
Current payable for purchase of minority shares through the exercise of the put option	-	595	595
Non-current payable for purchase of minority shares through the exercise of the put option	54.555	55.829	1.274
<b>NFP, other than banks</b>	<b>72.935</b>	<b>68.885</b>	<b>(4.050)</b>
Current financial payables to lessors	5.671	6.376	705
Non-current financial payables to lessors	28.030	28.686	656
<b>NFP, payables to lessors (IFRS 16)</b>	<b>33.700</b>	<b>35.061</b>	<b>1.361</b>
Other financial payables	114	778	664
<b>NFP, total</b>	<b>120.946</b>	<b>116.695</b>	<b>(4.252)</b>



<b>Consolidated statement of cash flows</b> <i>(amounts in thousands of euros)</i>	<b>1H 2024</b>	<b>1H 2023</b>
<b><u>A. Cash flows from operating activities (indirect method)</u></b>		
Profit/(loss) for the period	1.028	5.824
Income tax	1.933	3.547
Interest expense/(interest income)	5.047	4.465
Other non-monetary income and expenses	20	174
Capital (gains)/losses on disposals	(128)	-
<b>1. Profit/(loss) before income taxes, interest, dividends and capital gains/losses from transfer</b>	<b>7.900</b>	<b>14.010</b>
Severance Indemnity Provision	475	338
Provisions	461	191
Depreciation and amortisation of fixed assets	10.475	7.626
Impairment losses	28	-
Other adjustments for non-monetary items	110	(200)
<b>2. Cash flow before changes in net working capital</b>	<b>19.448</b>	<b>21.966</b>
Decrease/(Increase) in inventories	(2.948)	(3.564)
Decrease/(Increase) in contract assets	(1.283)	345
Decrease/(Increase) in trade receivables	(172)	(5.034)
Increase/(Decrease) in trade payables	(4.696)	(6.394)
Increase/(Decrease) in contract liabilities	4.147	(3.085)
Decrease/(Increase) in other changes in net working capital	6.275	3.382
Interest received/paid on loans	(1.972)	(1.237)
(Income taxes paid)	(1.146)	(5.853)
Disbursement of severance payments and other provisions	(599)	(379)
<b>3. Cash flow after other adjustments</b>	<b>(2.394)</b>	<b>(21.819)</b>
<b>Cash flow of operating activities (A = 1 + 2 + 3)</b>	<b>17.054</b>	<b>147</b>
<b><u>B. Cash flows from investment activities</u></b>		
Investments in tangible fixed assets, net of divestments	(3.872)	(2.394)
Investments in intangible assets, net of divestments	(369)	(168)
Investments in financial fixed assets	276	-
Investments in other financial assets	(2.853)	(25.053)
Acquisition or sale of subsidiaries or business units, net of cash	-	(23.969)
Exercise of options and earnout	(7.022)	(37.362)
<b>Cash flow of investment activities (B)</b>	<b>(13.839)</b>	<b>(88.947)</b>
<b><u>C. Cash flows from financing activities</u></b>		
Third-party financing		
Increase (decrease) in short-term payables to banks	(111)	(75)
Loans taken out	2.125	40.506
Loan repayment	(9.863)	(7.490)
Payments for lease liabilities	(4.095)	(2.385)
Adjustment, other financial payables	-	(2.355)
Equity		
Increase in net capital	-	70.117



Purchase of treasury shares	(885)	-
(Dividends and advances on dividends paid)	-	<b>(700)</b>
<b>Cash flow of financing activities (C)</b>	<b>(12.830)</b>	<b>97.619</b>
Increase (decrease) in cash (A ± B ± C)	(9.614)	8.818
Cash at 1 January	41.457	42.978
Cash and cash equivalents at 30 June	<b>31.842</b>	<b>51.796</b>
<b>Change in cash</b>	(9.614)	8.818

