



PRESS RELEASE

AGREEMENT REACHED FOR THE SALE BY ELICA OF THE CONTROLLING INTEREST IN ELICA PB INDIA TO WHIRLPOOL INDIA

- Strategic partnership confirmed between ELICA and Whirlpool Corporation;
- Net value of the transaction estimated at approx. Euro 22 million in 2021, supporting growth;
- Positive impact on Elica's EPS from 2022 onwards.

Milan, September 27, 2021 - Elica S.p.A., the parent of a Group that is the leading manufacturer of kitchen range hoods, announces the signing of an agreement for the sale to Whirlpool of India Limited of 19% of the share capital of the Indian subsidiary Elica PB India Private Ltd., together with the other Indian minority shareholders disposing of an additional 19%. Upon completion of the transaction, Whirlpool of India Limited will hold approx. 87% of Elica PB India Private Ltd., while Elica S.p.A. and the group of other Indian minority shareholders will retain a holding in the Indian company with a stake of approx. 6% each.

Simultaneous to the purchase of the shareholding, Elica PB India Private Ltd. will sign new license agreements for the use of the Elica brand and the Whirlpool brand respectively in India.

Giulio Coccia, Chief Executive Officer of Elica commented: "We are very pleased with this transaction, which, unlike the 2018 agreements which provided for the total sale of the stake in Elica India, sees us remain shareholders and confirms the strategic partnership between Elica and Whirlpool. This transaction confirms the strategic nature of the Indian market for the Elica brand and will positively impact the Group's EPS from 2022 onwards, as well as ensuring a cash-in that will further support our growth projects in the Cooking segment and a steady flow of Royalties for the coming years."



Conditions and value of the transaction

The consideration for the sale of 19% of the share capital of the Indian subsidiary Elica PB India Private Ltd, in which Elica currently holds a minority stake of 25.5%, will be equal to INR 2,12,42,17,166 (approx. EUR 24.6 million gross at today's exchange rate) and shall be settled, net of withholdings, through a single payment on the transaction completion date, which is scheduled to take place by September 30, 2021.

Following the transaction, the agreements under which Elica S.p.A. exercised control over Elica PB India Private Ltd. and consolidated its financial statements will cease.

On closing, Elica PB India Private Ltd. shall agree (i) a supply contract and a "Trademark License Agreement" with the Whirlpool Group, which stipulates the use of the Whirlpool brand in India for the marketing of products in the kitchen & cooking sector of the latter and (ii) a supply contract and a "Trademark & Technical License Agreement" with Elica, which establishes the exclusive use of the Elica brand in India for the marketing of products in the kitchen & cooking sector of the latter, with an initial duration of seven years and which will provide for guaranteed minimum royalties.

Also on closing, Elica S.p.A., Whirlpool of India Limited and the other Indian shareholders shall sign a shareholder agreement stipulating, among other matters, a prohibition on the sale to third parties of their respective investments in Elica PB India Private Ltd within 90 days from the approval of the financial statements of Elica PB India Private Ltd for the year ending March 31, 2024.

In addition, the shareholder agreement shall include Put and Call options, under which Whirlpool of India Limited may acquire (i.e. Elica and the other Indian shareholders may sell to Whirlpool of India Limited) the entire holding, from March 31, 2024, or before that date exclusively on the occurrence of certain events.

Elica PB India Private Ltd. Key Financial Highlights in the Consolidated Financial Statements of Elica

M€	2018	2019	2020	H1 2021
Net Sales	29,1	35,3	31,9	17,6
Ebitda	4,5	5,5	7,8	3,7
Net Profit	2,9	3,4	5,5	2,4
 Net Profit to Elica Group	1,2	0,9	1,4	0,6
Net Profit to Other Shareholders (Minorities)	1,7	2,5	4,1	1,8
 NFP	2,3	4,8	8,1	7,6



Elica S.p.A. was supported in the transaction by Studio Sabelli-Benazzo.

Elica, a market player since the 1970's, is the leading global manufacturer of range hoods and hobs and of motors for domestic ventilation. Chaired by Francesco Casoli and led by Giulio Coccia, the Group has seven plants, including in Italy, Poland, Mexico, India and China and employs more than 3,900 people. With many years' experience in the sector, Elica has combined meticulous care for design with judicious choice of high-quality materials and cutting-edge technology to guarantee maximum efficiency and low energy consumption, making the Elica Group the prominent market figure it is today. This has enabled the Group to revolutionize the traditional image of cooker hoods: they are no longer seen as a simple accessory but as a design element that improves the quality of life.

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