



## **PRESS RELEASE**

**ELICA S.p.A. BoD APPROVES Q1 2022 RESULTS:**

**REVENUE OF EURO 144.0 MILLION  
 RECORD QUARTER FOR ELICA  
 GROWTH DRIVEN BY OWN BRAND SALES AND MOTORS SEGMENT**

**ADJUSTED EBITDA OF EURO 9.0 MILLION EBIT MARGIN OF 6.2%  
 MORE THAN OFFSETTING SIGNIFICANT COST INFLATION OF  
 EURO 18.0 MILLION**

**EURO 20 MILLION OPERATING CASH GENERATED OVER 12 MONTHS  
 TO SUPPORT GROWTH**

**ESG GOVERNANCE STRENGTHENED THROUGH APPOINTMENT  
 OF “SUSTAINABILITY BOARD”**

### **Consolidated Highlights – Q1 2022:**

- **Revenue: Euro 144 million, +5.1% on the same period of the previous year (+5.7% organic), up significantly thanks to the positive price-mix effect, although within a market impacted by the uncertainty from the Russia-Ukraine conflict and supply chain disruption.**
- **EMEA and Americas revenue saw strong organic growth in Q1 2022 (+15.2% and +10.2% on Q1 2021), outperforming the general market with consequent gaining of market share.**
- **Cooking segment reports revenue of Euro 112.3 million, with organic growth of 3.9% (-4.7% reported) and considerable own brand sales growth (+17.5%). This improvement was mainly in the EMEA and Americas regions and for the Nikola Tesla range of aspiration hobs, which now accounts for approx. 15% of Cooking revenue - up 22% on Q1 2021 and by over 100% on Q1 2020.**

- Motors segment revenue of Euro 31.7 million reports significant organic growth in Q1 2022 of 16.4% (+65.1% reported), driven mainly by the “heating” and “ventilation” areas and the consolidation of EMC and CPS, acquired on July 2, 2021 and contributing Euro 9.4 million in the quarter.
- Adjusted EBITDA<sup>1</sup>: Euro 14.9 million, increasing 4.0% on Euro 14.4 million in Q1 2021, due to the higher revenue driven by a positive price mix and the control of SG&A costs, offsetting the significant rise in raw material costs and components for Euro 18.0 million. EBITDA margin on revenues of 10.4%, substantially in line with the same period of the previous year.
- Adjusted EBIT<sup>2</sup> of Euro 9.0 million, up 5.2% on Q1 2021 (Euro 8.5 million in Q1 2021), with a margin on revenues of 6.2% in line with Q1 2021.
- The Adjusted Net Profit was Euro 5.9 million (compared to Euro 5.6 million in the same period of 2021). The Adjusted Group Net Profit was Euro 5.4 million, compared to Euro 3.9 million in Q1 2021. The Minorities profit of Euro 0.4 million decreased on Euro 1.7 million in Q1 2021 and reflects the performances by Aria fina and Airforce which were substantially in line with 2021 and the deconsolidation of Elica PB India compared to the same period of the previous year.
- Adjusted Net Financial Position<sup>3</sup>: Euro -31.0 million (excluding the IFRS 16 effect of Euro -13.5 million) compared to Euro -22.7 million at December 31, 2021. This increase relates to higher inventory, for a more efficient management of the footprint and the criticalities related to raw material availability, in addition to the payment of the third tranche for Euro 5.0 million for the acquisition of EMC and CPS (significantly reducing on Euro -51.3 million at March 31, 2021). Operating cash of Euro 20 million was generated over the 12 months.
- Dispute concerning the business plan for the reorganisation of the Italy Cooking area successfully concluded in December 2021. The agreement with the trade unions, which provides for voluntary redundancies, early retirements and the reallocation of workers, while guaranteeing at the same time employment and the achievement of the plan’s competitiveness objectives, is proceeding in line with expectations and an initial tranche of product families has already been transferred to Poland in the first quarter of 2022.
- In the hope for a rapid diplomatic solution to the current conflict, the company is monitoring the geopolitical environment and the situation in Russia on a daily basis to

<sup>1</sup> The value was adjusted considering the extraordinary effects from the execution of the 2021/2023 plan involving the reorganisation of the Cooking Business Unit for Euro 0.5 million and an additional Euro 0.4 million for extraordinary G&A costs

<sup>2</sup> The value was adjusted considering the extraordinary effects from the execution of the 2021/2023 plan involving the reorganisation of the Cooking Business Unit for Euro 0.5 million and an additional Euro 0.4 million for extraordinary G&A costs

<sup>3</sup> The value indicated is net of the IFRS 16 effect and of the payables for investment acquisitions, as outlined in the NFP table.

assess potential future effects, the impact of which on the Q1 2022 numbers was insignificant.

**Fabriano, April 28, 2022** – The Board of Directors of **Elica S.p.A.**, the parent of a Group that is the leading manufacturer of kitchen range hoods, has today approved in Fabriano the Q1 2022 consolidated results, prepared in accordance with IFRS.

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*“We again in Q1 2022 delivered a record result, confirming the correctness of our strategic direction, with a new but ever-quicker and more determined organisation. This is now more than ever a team result. Despite an increasingly critical supply chain and production cost environment, we were able to return profitability in line with last year’s already extraordinary level and a major improvement over the final quarter of 2021”. Giulio Cocci, Chief Executive Officer of Elica, stated “Despite the complex current geopolitical environment and inflationary pressures, we confirm our revenue and operating margin growth objectives. We will take the opportunity of Elica’s participation at the “Salone del Mobile” (Furniture Trade Fair) to present new products and the extended Cooking range, in which we are targeting a stronger presence also through M&A’s.”*

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## Elica Group Operating Performance

In Q1 2022, Elica returned **Consolidated revenue of Euro 144.0 million**, +5.1% on Q1 2021 (+5.7% organic, +4.8% organic net of currency gains). The increase in sales is driven by the price-mix effect and the growing contribution of own brand sales (particularly in EMEA), despite the challenging procurement situation and the market uncertainties from the Russia/Ukraine conflict.

The global economic situation in the first quarter of the year was shaped by the Russia-Ukraine conflict, which particularly materialised in terms of energy and raw material cost inflation and the interruption to the supply chain. The geopolitical shock is weighing heavily on a recovery that looked strong in early 2022 thanks to the partial easing of the anti-COVID-19 restrictions. In particular, in Q1 2022 global range hood demand growth was estimated at +0.7%<sup>4</sup>, with divergent situations emerging across the various regions.

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<sup>4</sup> Source: Elica Group, internal estimates

**The Cooking segment, which accounts for 78% of total revenue, reports organic growth of 3.9% (-4.7% reported).**

**Own brand sales** saw organic growth of 17.5% on Q1 2021, driven in particular by the Nikola Tesla range which, also thanks to the introduction of the Nikola Tesla Fit, rose to account for 15% of Cooking revenues. Own brand sales in the Cooking segment accounted for 53% in Q1 2022.

**OEM revenue** reports an organic contraction of 10.4% on the same period of the previous year. The segment performance was significantly impacted by the supply chain issues and the planned phase out for certain clients.

The **Motors** segment, accounting for 22.0% of total revenue, reported a record 16.4% organic growth (+65.1% reported, also thanks to the consolidation of E.M.C. and CPS, acquired at the beginning of July 2021, which contributed Euro 9.4 million in the quarter).

**Adjusted EBITDA** was Euro 14.9 million, up 4% on Q1 2021 (Euro 14.4 million), with a margin on revenues of 10.4% substantially in line with the same period of the previous year, thanks to the revenue growth driven by a positive price mix and the control of the SG&A costs, offsetting the significant increase in raw material costs and the supply chain impacts, compared to Q1 2021.

**The Adjusted EBIT** was Euro 9.0 million, up 5.2% (Euro 8.5 million in Q1 2021), with a margin on revenues of 6.2% in line with the previous year.

**Net financial expense** was Euro 0.4 million, compared to Euro 0.3 million in Q1 2021.

**The Adjusted Net Profit** was Euro 5.9 million (compared to Euro 5.6 million in the same period of 2021). The Adjusted Group Net Profit was Euro 5.4 million, compared to Euro 3.9 million in Q1 2021. The Minorities profit of Euro 0.4 million decreased on Euro 1.7 million in Q1 2021 and reflects the performances by Aria fina and Airforce which were substantially in line with 2021 and the deconsolidation of Elica PB India compared to the same period of the previous year.

The **Group Net Profit** was Euro 4.7 million, compared to Euro 2.4 million in 2021.

In Euro thousands	Q1 2022	% of revenue	Q1 2021	% of revenue	22 Vs 21%
Revenue	144,044		137,048		5.1%
Adjusted EBITDA	14,949	10.4%	14,377	10.5%	4.0%
EBITDA	14,061	9.8%	13,488	9.8%	4.3%
Adjusted EBIT	8,960	6.2%	8,519	6.2%	5.2%
EBIT	8,072	5.6%	6,020	4.4%	34.1%
Net financial expenses	(417)	(0.3%)	(313)	(0.2%)	(33.2%)
Income taxes	(2,463)	(1.7%)	(1,579)	(1.2%)	(56.0%)
Profit from continuing operations	5,192	3.6%	4,128	3.0%	25.8%
Adjusted Net Profit for the period	5,867	4.1%	5,624	4.1%	4.3%
Net Profit for the period	5,192	3.6%	4,128	3.0%	25.8%
Adjusted Group Net Profit	5,418	3.8%	3,900	2.8%	38.9%
Group Net Profit	4,743	3.3%	2,411	1.8%	96.7%
Earnings/(loss) per share on continuing operations and discontinued operations (Euro/cents)	7.49		3.81		96.6%
Diluted earnings/(loss) per share on continuing operations and discontinued operations (Euro/cents)	7.49		3.81		96.6%

## Elica Group Equity and Financial Performance

**The Adjusted Net Financial Position** at March 31, 2022 was Euro -31.0 million (net of the IFRS 16 effect of Euro 13.5 million and the non-current assets relating to derivatives and the acquisition of investments), compared to Euro -51.3 million at March 31, 2021 (Euro -22.7 million at December 31, 2021).

The main impacts on the net financial position compared to the end of 2021 were from:

- the contribution from the growth in EBITDA and the change to working capital on the generation of operating cash which amounts to Euro 4.5 million (Euro 6.3 million in Q1 2021);
- Capex of Euro 2.2 million
- the negative impact from the payment of the third tranche for the acquisition of the companies E.M.C. S.r.l. and CPS S.r.l., now merged into EMC-Fime, for Euro 5 million.
- the cash out for dividends and other financial items for Euro 3.6 million.

In Euro thousands	31/03/22	31/12/21	31/03/21
Cash and cash equivalents	80,265	99,673	65,104
Bank loans and borrowings (current)	(33,495)	(44,543)	(24,179)
Bank loans and borrowings (non-current)	(77,813)	(77,866)	(92,249)
<b>Adjusted Net Financial Position</b>	<b>(31,043)</b>	<b>(22,736)</b>	<b>(51,324)</b>
Lease payables IFRS 16 (current)	(4,417)	(4,106)	(3,478)
Lease payables IFRS 16 (non-current)	(9,045)	(8,314)	(5,414)
<b>Adjusted Net Financial Position - Including IFRS 16 impact</b>	<b>(44,505)</b>	<b>(35,156)</b>	<b>(60,216)</b>
Other payables for purchase of investments	(13,069)	(17,998)	-
<b>Net Financial Position</b>	<b>(57,575)</b>	<b>(53,154)</b>	<b>(60,216)</b>

**Managerial Working Capital** on annualised revenue was 5.6% at March 31, 2022, decreasing on 8.1% at March 31, 2021.

In Euro thousands	31/03/22	31/12/21	31/03/21
Trade receivables	92,319	82,186	97,385
Inventories	97,828	84,861	79,975
Trade payables	(157,834)	(141,222)	(132,951)
Managerial Working Capital	32,313	25,825	44,409
% annualised revenue	5.6%	4.8%	8.1%
Other net assets/ liabilities	(31,038)	(34,474)	(10,422)
Net Working Capital	1,275	(8,649)	33,987

### Significant events in the period and subsequent events

**On February 10, 2022**, the Board of Directors of Elica S.p.A. approved the additional periodic disclosure for the fourth quarter of 2021, prepared according to IFRS and the 2021 preliminary consolidated results.

**On March 16, 2022**, the Board of Directors of Elica S.p.A. approved the consolidated results at December 31, 2021 and the statutory financial statements at December 31, 2021, prepared in accordance with IFRS, in addition to the Directors' Report.

**On March 21, 2022** the share buyback plan authorised by the Shareholders' Meeting of April 29, 2021 began (the "Buyback Plan"), to run until September 21, 2022 for a maximum number of acquirable treasury shares of 325,000 (approx. 0.5% of the subscribed paid-in share capital). By March 31, 7,500 shares had been acquired for a cash out of Euro 23,679.

**On April 28, 2022**, following the resolution by which the Shareholders' Meeting authorized the purchase of treasury shares and the completion of deeds of disposal on the same, pursuant to articles 2357 and 2357-ter of the Civil Code, in order to provide the Company of an important strategic and operational flexibility instrument, the BoD confirmed the buy-back program approved on March 16, 2022 which will therefore continue within the same terms and within the limits established by today's shareholders' resolution.

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## Outlook

The Group confirms the pillars identified to support its strategy:

- Forecast organic growth in 2022 (~5-6%) amid a slight increase in demand.
- The commitment to create value despite the still critical raw materials situation (both in terms of availability and inflation) remains a Group priority.
- The net financial position continues to improve, supporting investments in production capacity, innovation and possible M&A's.

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## 2019 - 2025 PHANTOM STOCK & VOLUNTARY CO-INVESTMENT PLAN

With reference to the 2019 - 2025 PHANTOM STOCK & VOLUNTARY CO-INVESTMENT PLAN, reserved for employees and/or senior directors of Elica, it is announced, as per Article 84-bis of the CONSOB Issuers' Regulation that, on April 28, 2022, the Board of Directors of the Company, having obtained the opinion of the Remuneration Committee and verified the achievement of the objectives of the 2019-2021 Cycle, identified April 28, 2022 as the Grant Date. The information required by Schedule 7 of Annex 3A of the Issuers' Regulation detailing the grant, which will be subject to possible deferral under the Plan, is attached.

In addition, it is noted that with respect to the 2017-2019 cycle of the 2016-2022 PHANTOM STOCK & VOLUNTARY CO-INVESTMENT PLAN, today's Board has identified May 7, 2022 as the end of the deferral period. The information required by Schedule No. 7 of Annex 3A of the Issuers' Regulations detailing the matching, the value of which will be determined based on the value of the share in the 30 days prior to that date, is attached to this press release.

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## Statement pursuant to Article 154-bis, paragraph two, of the Consolidated Finance Act

The Corporate Financial Reporting Manager Mr. Emilio Silvi declares, pursuant to Article 154-bis, second paragraph of Legs. Decree No. 58/98, that this press release corresponds to the underlying accounting documents, records and accounting entries.

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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 Cocci, the Group has seven plants, including in Italy, Poland, Mexico and China and employs more than 3,300 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 revolutionise the traditional image of kitchen 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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## Definitions and reconciliations

### Definitions

EBITDA is the operating result (EBIT) plus amortisation and depreciation and any impairment losses on Goodwill, brands and other tangible and intangible assets.

EBIT is the operating result as reported in the consolidated Income Statement.

Adjusted EBITDA is EBITDA net of the relative adjustment items.

Adjusted EBIT is EBIT net of the relative adjustment items.

Net financial income/(charges) is the sum of the Share of profit/(loss) from Group companies, Financial income, Financial Charges and Exchange rate gains and losses.

The adjusted result is the result for the period, as published in the Consolidated Income Statement, net of the relative adjustment items.

The adjusted Group result is the result for the period attributable to the owners of the Parent, as published in the Consolidated Income Statement, net of the relative adjustment items.

Adjustment items: earnings items are considered for adjustment where they: (i) derive from non-recurring events and operations or from operations or events which do not occur frequently; (ii) derive from events and operations not considered as in the normal course of business operations, as is the case for impairments, disputes considered atypical in terms of frequency and amount and restructuring charges.

The Earnings per Share for Q1 2022 and Q1 2021 was calculated by dividing the Group Net Profit as defined in the Consolidated Income Statement, by the number of outstanding shares at the respective reporting dates. The number of outstanding shares at the reporting date was 63,291,367 following the start of the buyback plan. The value of the outstanding shares at March 31, 2021, unchanged on December 31, 2021, was 63,322,800.

The earnings per share so calculated does not coincide with the earnings per share as per the consolidated income statement, as there were changes to the number of shares in circulation in the period.

Managerial Working Capital is the sum of Trade receivables with Inventories, net of Trade payables, as presented in the Consolidated Statement of Financial Position.

Net Working Capital is the amount of Managerial Working Capital and Other net receivables/payables. Other net receivables/payables comprise the current portion of Other receivables and Tax Receivables, net of the current portion of Provisions for risks and charges, Other payables and Tax payables, as presented in the Consolidated Statement of Financial Position.

The Adjusted Net Financial Position (Adjusted NFP) is the sum of Cash and Cash equivalents, less Current and Non-current bank loans and borrowings, as reported in the Statement of Financial Position.

The Adjusted Net Financial Position - Including IFRS 16 Impact is the sum of the Adjusted Net Financial Position and current and non-current lease payables from application of IFRS 16, as reported in the Consolidated Statement of Financial Position.

The Net Financial Position is the sum of the Adjusted Net Financial Position - Including IFRS 16 Impact and of the liabilities included among other payables arising in relation to the acquisition of the new companies, belonging to the consolidation scope. The result coincides with the Consob definition of the Net Financial Position

## Reconciliations

in Euro thousands	Q1 2022	Q1 2021
Operating profit/(loss) - EBIT	8,072	6,020
(Impairment losses on Tangible and Intangible assets)	-	1,610
(Amortisation & Depreciation)	5,989	5,858
EBITDA	14,061	13,488
(Cooking BU production reorganisation)	73	-
(Consumables - adjustments)	73	-
(Departure former chief executive officer)	-	600
(Cooking BU production reorganisation)	419	-
(Service expense - adjustments)	419	600
(Cooking BU production reorganisation)	8	-
(Other operating expenses and accruals - adjustments)	8	-
(Other reorganisations)	388	289
(Restructuring charges - adjustments)	388	289
Adjusted EBITDA	14,949	14,377

in Euro thousands	Q1 2022	Q1 2021
Operating profit/(loss) - EBIT	8,072	6,020
(Cooking BU production reorganisation)	73	0
(Consumables - adjustments)	73	-
(Departure former chief executive officer)	0	600
(Cooking BU production reorganisation)	419	0
(Service expense - adjustments)	419	600
(Cooking BU production reorganisation)	8	0
(Other operating expenses and accruals - adjustments)	8	-
(Other reorganisations)	388	289
(Restructuring charges - adjustments)	388	289
(Land&Buildings - Other reorganisations)	0	1,610
(Impairments - adjustments)	0	1,610
Adjusted EBIT	8,960	8,519

in Euro thousands	Q1 2022	Q1 2021
Net Profit for the period	5,192	4,128
(Consumables - adjustments)	73	-
(Service expense - adjustments)	419	600
(Other operating expenses and accruals - adjustments)	8	-
(Restructuring charges - adjustments)	388	289
(Impairments - adjustments)	-	1,610
(Income taxes on adjusted items)	(213)	(1,003)
Adjusted Net Profit for the period	5,867	5,624
	0	-
(Profit/(loss) attributable to non-controlling interests)	(449)	(1,717)
(Adjustments to non-controlling interests)	-	(7)
Adjusted Group Net Profit	5,418	3,900
	31/03/2022	31/03/2021
Group Net Profit (in Euro thousands)	4,743	2,411
Outstanding shares at period-end	63,291,367	63,322,800
Earnings (loss) per share (Euro/cents)	7.49	3.81

in Euro thousands	31/03/2022	31/12/2021	31/03/2021
Other receivables	7,554	5,413	6,046
Tax assets	28,897	24,575	17,120
(Provision for risks and charges)	(16,288)	(22,069)	(4,152)
(Other payables)	(35,406)	(27,857)	(18,287)
(Tax liabilities)	(15,795)	(14,536)	(11,147)
Other net assets/ liabilities	(31,038)	(34,474)	(10,422)

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**ATTRIBUTION OF APRIL 28, 2022, RELATING TO THE 2019-2021 CYCLE**

28/04/22

Box 1 - Scheme 7 - Annex 3A - Issuers Regulation								
Name Surname or Category	Office	Financial Instruments other than stock options						
		Section 1						
		Instruments relating to plans, currently valid, approved on the basis of previous Shareholders' Meeting resolutions						
		Date of the Shareholders' Meeting	Type of financial instrument	Number of financial instruments	Assignment Date	Instrument purchase price (if applicable)	Market Price at the date of the assignment	Vesting Period
Casoli Francesco	President	18/04/19	Phantom Stock	342.983	30/07/19	Without consideration	2,160 €	3 anni
Giulio Cocci*	CEO	18/04/19	Phantom Stock	22.954	30/07/19	Without consideration	2,160 €	3 anni
Executives with strategic responsibilities**		18/04/19	Phantom Stock	36.680	30/07/19	Without consideration	2,160 €	3 anni
Other Employees or Partners of the Group - cluster 2		18/04/19	Phantom Stock	29.542	30/07/19	Without consideration	2,160 €	3 anni
Other Employees or Partners of the Group - cluster 3		18/04/19	Phantom Stock	92.623	30/07/19	Without consideration	2,160 €	3 anni

cluster 2: Strategic Executives at the time of the Assignment but no longer at the current date

cluster 3: Key People and High Potential of the Company who cover key functions and with a significant impact on the creation of value for the Company and for the shareholders

\* He was not in the role of CEO at the date of assignment

\*\* Not all current Executives had this qualification at the assignment date

**DEFERRED ALLOCATION OF 07 MAY 2022, RELATING TO THE 2017-2019 CYCLE**

28/04/22

Box 1 - Scheme 7 - Annex 3A - Issuers Regulation								
Name Surname or Category	Office	Financial Instruments other than stock options						
		Section 1						
		Instruments relating to plans, currently valid, approved on the basis of previous Shareholders' Meeting resolutions						
		Date of the Shareholders' Meeting	Type of financial instrument	Number of financial instruments	Assignment Date	Instrument purchase price (if applicable)	Market Price at the date of the assignment	Vesting Period
Casoli Francesco	President	28/04/17	Phantom Stock Deferred	323.088	07/05/20	Without consideration	2,850 €	2 anni
Executives with strategic responsibilities		28/04/17	Phantom Stock Deferred	24.402	07/05/20	Without consideration	2,850 €	2 anni
Other Employees or Partners of the Group - cluster 3		28/04/17	Phantom Stock Deferred	58.506	07/05/20	Without consideration	2,850 €	2 anni

cluster 3: Key People and High Potential of the Company who cover key functions and with a significant impact on the creation of value for the Company and for the shareholders