

## PRESS RELEASE

### **ELICA S.p.A. BOD APPROVES Q4 ADDITIONAL PERIODIC DISCLOSURE AND 2019 PRELIMINARY CONSOLIDATED RESULTS**

#### **REVENUE UP 5.8% AS MARGINS RISE IN Q4 2019 OWN BRAND SALES GROWTH CONTINUES ACCOUNTING FOR 55% OF COOKING REVENUES**

#### **NET FINANCIAL POSITION SUBSTANTIALLY IMPROVES DUE TO CASH GENERATION AND LOWER CAPEX**

#### 2019 preliminary consolidated financial highlights:

- **Revenue: Euro 480 million (+5.8% in Q4 2019 to Euro 124.1 million), +1.6% on 2018 (+0.3% net of the currency effect). Cooking segment growth continues at 2.5% (+4.2% in Q4 2019). Motors segment significantly improves in Q4 (+17.5%). The overall contraction on 2018 (-4.4%) is however impacted by the poor performance in the first half of the year and particularly on the Turkish market;**
- **Own brand sales growth continues, up 10% (+11.7% in Q4 2019), driven particularly by the EMEA market. In the last quarter, own brand sales rose further to reach 55% of total Cooking revenue (in Q3 2019 accounted for 53%). Own brand revenue for 2019 accounts for 52% (vs 49% in 2018). Despite signs of recovery in the second half of the year in the EMEA region, in 2019 the poor North American market performance continued to have an impact on OEM revenue;**
- **Adjusted EBITDA<sup>1</sup>: Euro 45 million (including IFRS 16 effect for Euro 3.4 million), up 12.7% over Euro 40 million for 2018; margin on revenue rises to 9.4% from 8.5% for the same period of the previous year. Net of the IFRS 16 effect, Q4 margin on revenue rose to 9.1% (Euro 11.3 million) from 9.0% (Euro 10.5 million) in Q4 2018 (+7.4%).**
- **Adjusted EBIT<sup>1</sup>: Euro 19.6 million (Euro 19.8 million in 2018), with a margin on revenue of 4.1% (4.2% in 2018). In Q4 2019, EBIT was Euro 5.7 million (4.6% margin);**
- **Net Profit attributable to the Group (net of minorities of Euro 4.4 million) was Euro 3.0<sup>2</sup> million, significantly improving on the loss of Euro 0.96 million in 2018;**
- **Net Financial Position<sup>3</sup>: Euro -47.2 million (excluding the IFRS 16 effect for Euro -11.8 million) compared to Euro -56.3 million in 2018, improving thanks to the cash generation and the containment of investment.**

<sup>1</sup> The figure was adjusted for the extraordinary charge for the replacement of the Chief Executive Officer and for other restructuring costs, for a total of Euro 2.6 million. The adjustment of the 2018 result concerned the extraordinary accrual of Euro 11.3 million (of which Euro 10.2 million EBITDA effect and Euro 8.3 million net of the tax effect), considered necessary in view of the settlement stipulating mutual positions on the insolvency declaration of Exklusiv-Hauben Gutmann GmbH, in full and final settlement of all claims.

<sup>2</sup> Euro 3.2 million, excluding IFRS 16 effect of Euro - 0.2 million

<sup>3</sup> The value indicated is net of the IFRS 16 effect, as outlined in the reconciliation tables

**Milan, February 13, 2020** – The Board of Directors of **Elica S.p.A.**, the parent of a Group that is the leading manufacturer of kitchen range hoods, approved today the additional periodic disclosure for Q4 2019, prepared in accordance with IFRS, and noted the 2019 preliminary consolidated results.

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*"We are greatly satisfied with the 2019 results which are in line with market expectations - both in terms of revenue and margins - while cash generation exceeded expectations". - **stated Mauro Sacchetto, Chief Executive Officer of Elica.** "In the second half of 2019, the Group implemented an internal reorganisation ahead of a relaunch over the coming three years. We expect a further improvement for all financial indicators, particularly EBIT, in addition to the cash generation, thanks in part to a rebalancing of investment on revenue. In terms of business development, we expect to launch new products at Eurocucina in April 2020, further boosting growth both in Europe and in our expanding markets - particularly North America and Asia Pacific".*

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## Elica Group Operating Performance

In 2019, Elica's **consolidated revenues amounted to Euro 480 million**, +1.6% on the same period of 2018 (+0.3% net of the currency effect).

The poor market performance continues, with estimated global range hood demand down 0.8%<sup>4</sup> in 2019, however improved in the fourth quarter of the year. In particular, North America continues to perform poorly (-2.1%), while Latin America recovered slightly (+0.6%). Asia (-1.2%) also contracted, despite the improved Indian demand - supported by higher public and consumer spending – mainly due to the Chinese market reduction. The EMEA market continues to be impacted by Turkey, while demand has grown in France and UK.

**Own brand** sales in 2019 were up 10% (+8.5% at like-for-like exchange rates), picking up to 11.7% in Q4 (+9.6% at like-for-like exchange rates), thanks in particular to the EMEA and India regions. The overall percentage of own brand sales out of the total Cooking segment revenue rose to 52% (55% in Q4 2019).

**OEM revenue** reduced 4.5% on the previous year (-6.1% at like-for-like exchange rates), impacted particularly by the slowdown on the American market, despite signs of recovery in the second half in EMEA.

The **Motors** segment, representing 13% of total revenue, saw a significant improvement in the fourth quarter of the year (+17.5% on Q4 2018). The overall contraction in 2019 (-4.4%) is however impacted by the poor performance in the first half of the year, particularly on the Turkish market.

**Adjusted EBITDA, including the IFRS 16 effect**, was Euro 45 million up 12.7% on 2018 (Euro 40 million), with a margin on revenue of 9.4%. Net of the IFRS 16 effect, Adjusted EBITDA was Euro 41.6 million, with

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

a margin on revenue of 8.7% (8.5% in 2018). The adjustment to the 2019 result was approx. Euro 2.6 million and concerns the extraordinary charge for the replacement of the previous Chief Executive Officer (Euro 1.3 million) and restructuring charges (Euro 1.3 million). The adjustment to the 2018 result related to the provision of approx. Euro 10.2 million, mainly for the insolvency of the former German subsidiary Exklusiv-Hauben Gutmann GmbH.

In the fourth quarter of 2019, net of the IFRS 16 effect, the margin on revenue rose to 9.1% (Euro 11.3 million) compared to 9% (Euro 10.5 million) in Q4 2018.

**Adjusted EBIT** was Euro 19.6 million, substantially in line with Euro 19.8 million for 2018, despite higher amortisation and depreciation stemming from the major investment plan supporting the development of the new product range launched in 2017 and 2018.

In Q4 2019, the EBIT margin on revenue was 4.6% (Euro 5.7 million) compared to 4.7% (Euro 5.5 million) in Q4 2018.

**Financial expense** was Euro 5.1 million, increasing by approx. Euro 1 million over 2018, with Euro 0.3 million concerning the impact from initial application of IFRS 16 and Euro 0.6 million from the impairment at market value of the non-core investment in a Group associate real estate company.

**Net Profit** was Euro 7.4 million, significantly up on Euro 2.3 million in 2018. Minorities of Euro 4.4 million compared to Euro 3.3 million in 2018, mainly reflect the reduction in the Group's investment in the Indian Joint Venture in September 2018 (from 51% to 25.5%).

Net Profit attributable to the Group amounted to Euro 3.0<sup>5</sup> million, recovering considerably on the loss of Euro 0.96 million in 2018;

	2019	% revenue	2018	% revenue	19 Vs 18%	2019 - same standards as 2018	
<i>In Euro thousands</i>							
Revenue	479,986		472,387		1.6%	479,986	
<b>Adjusted EBITDA</b>	<b>45,038</b>	9.4%	<b>39,973</b>	8.5%	12.7%	<b>41,625</b>	8.7%
EBITDA	42,467	8.9%	29,818	6.3%	42.4%	39,054	8.1%
<b>Adjusted EBIT</b>	<b>19,623</b>	4.1%	<b>19,771</b>	4.2%	(0.8%)	<b>19,598</b>	4.1%
EBIT	17,052	3.6%	8,539	1.8%	99.7%	17,027	3.5%
Net financial expenses	(5,119)	(1.1%)	(4,053)	(0.9%)	(26.3%)	(4,854)	(1.0%)
Income taxes	(4,554)	(1.0%)	(2,172)	(0.5%)	(109.7%)	(4,612)	(1.0%)
Profit from continuing operations	7,379	1.5%	2,314	0.5%	218.9%	7,562	1.6%
<b>Adjusted Profit for the year</b>	<b>9,333</b>	1.9%	<b>10,593</b>	2.2%	(11.9%)	<b>9,516</b>	2.0%
Profit for the year	7,379	1.5%	2,314	0.5%	218.9%	7,562	1.6%
<b>Adjusted Profit attributable to the Group</b>	<b>4,930</b>	1.0%	<b>7,318</b>	1.5%	(32.6%)	<b>5,113</b>	1.1%
Profit attributable to the Group	2,976	0.6%	(961)	(0.2%)	409.7%	3,159	0.7%
Basic earnings per share on continuing operations and discontinued operations (Euro/cents)	4.70		(1.55)		403.2%	4.99	
Diluted earnings per share on continuing operations and discontinued operations (Euro/cents)	4.70		(1.55)		403.2%	4.99	

(\*) see paragraph on the application of IFRS 16 Leases

<sup>5</sup> Euro 3.2 million, excluding IFRS 16 effect of Euro - 0.2 million

	Q4 2019 - MTD	% revenue	Q4 2018 - MTD	% revenue	19 Vs 18%	Q4 2019 - MTD Same standards 2018
<i>In Euro thousands</i>						
Revenue	124,094		117,330		5.8%	124,094
<b>Adjusted EBITDA</b>	<b>12,452</b>	10.0%	<b>10,537</b>	9.0%	18.2%	<b>11,321</b>
EBITDA	11,853	9.6%	4,382	3.7%	170.5%	10,722
<b>Adjusted EBIT</b>	<b>5,731</b>	4.6%	<b>5,489</b>	4.7%	4.4%	<b>5,137</b>
EBIT	5,132	4.1%	(1,743)	(1.5%)	394.4%	5,137
Net financial expenses	(2,112)	(1.7%)	(769)	(0.7%)	(174.6%)	(2,022)
Income taxes	(1,554)	(1.3%)	744	0.6%	(308.9%)	(1,577)
Profit from continuing operations	1,466	1.2%	(1,768)	(1.5%)	182.9%	1,538
<b>Adjusted Profit for the period</b>	<b>1,921</b>	1.5%	<b>3,511</b>	3.0%	(45.3%)	1,538
Profit for the period	1,466	1.2%	(1,768)	(1.5%)	182.9%	1,538
<b>Adjusted Profit attributable to the Group</b>	<b>485</b>	0.4%	<b>2,148</b>	1.8%	(77.4%)	30
Profit attributable to the Group	30	0.0%	(3,131)	(2.7%)	101.0%	30
Basic earnings/(loss) per share on continuing operations and discontinued operations (Euro/cents)	0.05		(5.05)		100.9%	0.16
Diluted earnings/(loss) per share on continuing operations and discontinued operations (Euro/cents)	0.05		(5.05)		100.9%	0.16

(\*) see paragraph on the application of IFRS 16 Leases

## Elica Group Equity and Financial Performance

The **Net Financial Position** at December 31, 2019, net of the IFRS 16 effect of Euro -11.8 million, was a debt of Euro 47.2 million, compared to Euro -56.3 million at December 31, 2018. The improvement mainly relates to the generation of operating cash (Euro 39.1 million in 2019, substantially in line with the previous year) and lower capex (Euro -21.2 million compared to Euro -27.8 million in 2018).

<i>In Euro thousands</i>	Dec 31, 19	Jan 1, 19	Dec 31, 18
Cash and cash equivalents	35,613	35,612	35,612
Bank loans and borrowings (current)	(27,317)	(37,792)	(37,792)
Bank loans and borrowings (non-current)	(55,451)	(54,102)	(54,102)
<b>Net Financial Position</b>	<b>(47,155)</b>	<b>(56,282)</b>	<b>(56,282)</b>
Lease payables IFRS 16 (current)	(3,525)	(2,961)	n/a
Lease payables IFRS 16 (non-current)	(8,233)	(8,829)	n/a
<b>Net Financial Position - Including IFRS 16 impact</b>	<b>(58,913)</b>	<b>(68,073)</b>	<b>(56,282)</b>
Assets for derivatives	498	513	513
Liabilities for derivatives (current)	(386)	(1,737)	(1,737)
Liabilities for derivatives (non-current)	(198)	(120)	(120)
<b>Net Financial Position - Including IFRS 16 impact &amp; Derivatives effect</b>	<b>(58,999)</b>	<b>(69,416)</b>	<b>(57,626)</b>

The **Managerial Working Capital** on annualised revenue was 3.7% in 2019, unchanged on 2018.

<i>In Euro thousands</i>	Dec 31, 19	Dec 31, 18	Jan 1, 19
Trade receivables	55,022	51,192	51,192
Inventories	72,890	76,196	76,196
Trade payables	(110,100)	(109,916)	(109,916)
<b>Managerial Working Capital</b>	<b>17,812</b>	<b>17,472</b>	<b>17,472</b>
% annualised revenue	3.7%	3.7%	3.7%
Other net receivables/payables	(9,671)	(10,801)	(10,801)
<b>Net Working Capital</b>	<b>8,141</b>	<b>6,672</b>	<b>6,672</b>

## Significant events in 2019 and subsequently

- **On January 30, 2019**, in accordance with Article 2.6.2, paragraph 1, letter b) of the Regulations of the Markets Organised and Managed by Borsa Italiana S.p.A., Elica S.p.A. published the Financial Calendar for the year 2019.
- **On February 12, 2019**, the Board of Directors of Elica S.p.A. approved the additional periodic disclosure for the fourth quarter of 2018, prepared according to IFRS and the 2018 preliminary consolidated results.
- **On February 27, 2019**, Elica S.p.A. announced the reaching - together with the subsidiary Elica GmbH - of a settlement with the company Exklusiv-Hauben Gutmann GmbH (“Gutmann”) in insolvency, with its administrators and with its sole shareholder Manuel Fernandez Salgado, to whom the company was sold in August 2017. The agreement was approved by the creditors committee of the Gutmann insolvency and the Administrator of the insolvency and is binding upon the parties. The Board of Directors of Elica S.p.A., in consideration of the opportunity to establish mutual positions on the insolvency declaration of Exklusiv-Hauben Gutmann GmbH and to mitigate the main risks associated with the claims advanced and the disputes threatened against Elica S.p.A and Elica GmbH, assessed the proposal as being in the interest of the company and mandated the Chief Executive Officer to conclude a possible agreement. Within the overall framework of the agreement and in settlement of the mutual rights and claims, Elica S.p.A. recognised to Gutmann Euro 2.6 million, of which Euro 800 thousand to be paid within three weeks from the agreement’s conclusion, Euro 1.7 million through the transfer to Gutmann of part of Elica S.p.A.’s receivable from Manuel Fernandez Salgado for the transfer of the shares of Gutmann, in addition to a further Euro 100 thousand, entirely offset against that to be paid by Gutmann for the retransfer of the “Gutmann” brands acquired by Elica S.p.A. in 2017. Manuel Fernandez Salgado shall remain liable to pay to Elica S.p.A. the residual amount of Euro 800 thousand, due for the transfer of the Gutmann shares (the total of the receivable was Euro 2.5 million). This obligation will be settled by paying Elica S.p.A. the amount of Euro 200 thousand by February 28, 2020, in settlement of his entire debt position. For completeness, Elica S.p.A. in addition agrees to settle the guarantee provided in 2015 in favour of the company owning the property leased by Gutmann of Euro 1.65 million, which has already been provisioned in the company’s accounts, and to settle the amounts regarding the trade payables arising in favour of Gutmann GmbH after the sale of the company and prior to its declaration of insolvency, related to ordinary operations and amounting to approx. Euro 0.5 million, currently prudently blocked by Elica S.p.A.. Elica S.p.A. wrote-down the trade receivable previously held against the sale for Euro 6.8 million in the 2018 financial statements. This transaction definitively concludes all disputes between the two companies, excluding further impacts on future accounts.
- **On March 7, 2019**, the Board of Directors of Elica S.p.A. approved the 2018 consolidated results at December 31, 2018 and the statutory financial statements at December 31, 2018, prepared in accordance with IFRS, in addition to the Directors’ Report.

- **On April 18, 2019**, the Shareholders' Meeting of Elica S.p.A. met in ordinary session and **approved** the following matters on the agenda:
- **Statutory Financial statements at December 31, 2018 of Elica S.p.A.:** Directors' Report; Board of Statutory Auditors' Report; Non Financial Report, Independent Auditors' Report. The Shareholders' Meeting also noted the consolidated results for 2018.
- **2019-2025 Phantom Stock & Voluntary Co-investment Plan:** The Shareholders' Meeting also approved the 2019-2025 Phantom stock option incentive plan (the "2019-2025 Phantom Stock & Voluntary Co-investment Plan") according to the terms and conditions of the Disclosure Document, in addition to the granting to the Board of Directors of Elica S.p.A., with express power to sub-delegate, the broadest powers necessary for full and complete execution of the plan. The Illustrative Report of the Directors to the Shareholders' Meeting on the proposal to establish a long-term incentive plan called the 2019-2025 Phantom Stock & Voluntary Co-investment Plan, accompanied by the Disclosure Document drawn up as per Annex 3A, Schedule 7 of the Issuers' Regulation, was published on March 18, 2019 and is available to the public at the registered office, in addition to the 1Info authorised storage mechanism at [www.1info.it](http://www.1info.it) and on the website <https://elica.com/corporation/it/investor-relations/assemblea-azionisti>
- **Remuneration Report:** In accordance with Article 123 ter, paragraph 6 of Legs. Decree No. 58/1998, the Shareholders' Meeting of Elica S.p.A., considering the content of the Remuneration Report filed on March 27, 2019 and made available to the public on the company website <https://elica.com/corporation/it/investor-relations/bilanci-e-relazioni> and on the authorised storage mechanism 1Info at [www.1info.it](http://www.1info.it) expressed its approval of the first section of the report. The results of the vote will be made available to the public in accordance with Article 125 *quater*, paragraph 2 of the same Decree.
- **Purchase and utilisation of treasury shares:** The Shareholders' Meeting also approved the authorisation to purchase and utilise treasury shares, pursuant to Article 2357 and 2357-ter of the Civil Code, in order to provide the company with an important instrument of strategic and operative flexibility. The new authorisation was preceded by the revocation of that previously granted on April 27, 2018. The authorisation granted on April 18, 2019 concerns the purchase of ordinary company shares up to a maximum of 20% of the share capital, therefore 12,664,560 ordinary shares and runs for a period of 18 months from the date of the Shareholders' Meeting motion, while the authorisation to utilise such shares is without time limit.
- **On May 7, 2019**, the Board of Directors of Elica S.p.A. approved the 2019 First Quarter results, prepared in accordance with IFRS accounting standards. The Board of Directors of Elica S.p.A. approved at the same date the FY 2019 guidelines, forecasting increased revenue and margins.
- **On July 8, 2019**, the Board of Directors appointed Mauro Sacchetto as the new Chief Executive Officer of Elica S.p.A.. The appointment, in accordance with the succession plan adopted by the company, concludes a selection process and is based on the proposal of the Appointments and Remuneration Committee, reflecting its opinion and follows approval by the Board of Statutory Auditors.  
Having held the position of Chief Executive Officer since November 2016, Antonio Recinella and the company have mutually agreed that the conditions have arisen to begin a leadership transition process. The settlement agreement for Mr. Recinella's departure, in legal conclusion of the relationship, was approved on the same date by the Board of Directors of the company, with the

favourable opinion of the Appointments and Remuneration Committee and the Control, Risks and Sustainability Committee (acting as the Related Parties Committee). The agreement stipulates the recognition of a total indemnity of Euro 1.280 million gross, to be paid by the end of July 2019, on condition of the agreement's confirmation in a protected setting. The agreement in addition includes the maintenance of a number of benefits until December 31, 2019 at the latest; no subsequent benefits or rights are stipulated.

- **On July 24, 2019**, Elica S.p.A. announced an agreement for the sale of 1,275,498 treasury shares, equal to 2.014% of the share capital, to TIP - Tamburi Investment Partners S.p.A., an independent and diversified investment/merchant bank listed on the STAR segment of the Italian Stock Exchange, at an agreed price of Euro 2 per share for a total amount of Euro 2,550,996. The agreed price is in line with the motions passed by the Shareholders' Meeting of April 18, 2019 concerning the disposal of treasury shares.

This transaction took place concurrently with the purchase by TIP of the entire holding of Whirlpool EMEA S.p.A in Elica of 7,958,203 shares - equal to 12.568% of the share capital - against the same consideration of Euro 2 per share paid by TIP to Elica.

Elica and Whirlpool shall maintain their commercial partnership as previously, in accordance with the long-term agreement signed on December 18, 2018.

Following the above transactions, on July 26, 2019 TIP came to hold 14.582% of the share capital of Elica S.p.A..

- **On July 26, 2019** - in accordance with Article 122 of the CFA and Article 129 of the Issuers' Regulation, on July 24, 2019, FAN S.r.l., with registered office in Rome, via Parigi No. 11 and TAMBURI INVESTMENT PARTNERS S.p.A., with registered office in Milan, via Pontaccio No. 10, signed an agreement concerning a portion of the ordinary share of Elica S.p.A., in addition to, inter alia, some provisions regarding the governance of Elica S.p.A. (the "Shareholder Agreements"). The key information regarding the Shareholder Agreements was today published as per Article 130 of the Issuers' Regulation on Elica S.p.A.'s website, <https://elica.com/corporation/it/corporategovernance/altri-documenti> and on the website of the authorised storage mechanism "1INFO" at [www.1info.it](http://www.1info.it). In addition, the key details concerning the agreement between TAMBURI INVESTMENT PARTNERS S.p.A. and WHIRLPOOL EMEA S.p.A., regarding a lock-up commitment on acquired shares and a commitment not to sell the shares to certain Whirlpool Group competitors, has been made available.
- **On July 30, 2019**, the Board of Directors of Elica S.p.A., the parent of a Group that is the leading manufacturer of kitchen range hoods, meeting in Milan approved the Half-Year Report at June 30, 2019, prepared in accordance with IFRS.
- **On August 1, 2019**, the Half-Year Report of Elica S.p.A. was made available to the public, at the registered office, on the authorised storage mechanism 1INFO ([www.1info.it](http://www.1info.it)) and on the Elica S.p.A. website <https://elica.com/corporation/it/investor-relations/bilanci-e-relazioni>.
- **On August 1, 2019**, in line with Borsa Italiana Notice No. 8342 of May 6, 2013 and Article 6.P.2 of the Self-Governance Code, in addition to the motion passed by the Shareholders' Meeting of April

18, 2019, the Board of Directors of Elica S.p.A. on July 30, 2019 launched the 2019-2025 Phantom Stock & Voluntary Co-investment Plan, identifying the Beneficiaries of the 2019-2021 plan cycle and the relative Performance objectives, as defined in the prospectus published on March 18, 2019 and available on the website <http://corporation.elica.com>, Investor Relations/Shareholders' Meeting section, to which reference should be made for greater details, in addition to the 1info authorised storage mechanism.

- **On September 26, 2019**, the Board of Directors of Elica S.p.A., the parent company of a Group that is the leading manufacturer of kitchen range hoods and stoves, co-opted Giovanni Tamburi as a Non-Executive Director. This appointment followed the resignation, for personal reasons, of the Non-Executive Director Gennaro Perialisi. The co-option took place alongside the transaction, announced on July 24, 2019, through which Tamburi Investment Partners S.p.A. (of which Giovanni Tamburi is Chairman and Chief Executive Officer) acquired a minority holding in Elica S.p.A. with the purchase of the shares held by Whirlpool EMEA S.r.l. and the treasury shares of the company. Giovanni Tamburi shall remain in office until the next Shareholders' Meeting of the company. Giovanni Tamburi does not personally hold Elica S.p.A. shares. The curriculum vitae of the newly appointed Director shall be published today on the company website <https://elica.com/corporation/it/corporate-governance/altri-documenti>.
- **On September 30, 2019**, the Board of Directors of Elica S.p.A., the parent of a Group that is the leading manufacturer of kitchen range hoods and stoves, met in Fabriano and appointed, with immediate effect, Giulio Cocci as Group Chief Financial Officer, replacing Alessandro Carloni. Giulio Cocci, satisfying the requirements established by applicable regulations and the By-Laws, was also appointed Corporate Financial Reporting Manager, with the Board of Statutory Auditors issuing a favourable opinion in this regard.
- **On October 31, 2019**, the Board of Directors of Elica S.p.A. approved the 2019 First Nine Months results, prepared in accordance with IFRS accounting standards.
- **On November 28, 2019**, Tamburi Investment Partners S.p.A. announced that its holding in Elica S.p.A. had exceeded 20% of the share capital on November 26, 2019.

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

The Executive Officer for Financial Reporting Mr. Giulio Cocci 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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*The Elica Group has been active in the kitchen hood and stoves market since the 1970's. Chaired by Francesco Casoli and led by Mauro Sacchetto, today it is the world leader in terms of units sold. It is also a European leader in the design, manufacture and sale of motors for central heating boilers. With approx. 3,700 employees, the Elica Group has seven plants, including in Italy, Poland, Mexico, India and China. With many years' experience in the sector, Elica has combined meticulous care in design, judicious choice of materials and cutting-edge technology guaranteeing maximum efficiency and reducing consumption, making Elica the prominent market figure it is today. The company has revolutionized the traditional image of the kitchen cooker hood: it is no longer seen as simple accessory but as a design object which improves quality of life.*

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## Definitions and reconciliations

EBITDA is the operating profit (EBIT) plus amortisation and depreciation and any impairment losses on goodwill and brands. EBIT is the operating profit 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/(expense) is the sum of the Share of profit/(loss) from associates, Financial Income, Financial Expense, Impairment of financial assets and Exchange rate gains and losses.

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

The adjusted profit attributable to the Group is the result for the period attributable to the Group, 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 2018 and 2019 was calculated by dividing the Profit attributable to the Group, as defined in the Consolidated Income Statement, by the number of outstanding shares at the respective reporting dates. The numbers of shares in circulation at the reporting date was 63,322,800, while at December 31, 2018 was 62,047,302.

The earnings (loss) per share in Q4 2018 and Q4 2019 was calculated as the difference between the profit (loss) per share and the profit (loss) per share for 9M of the same years.

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.

Net Financial Position (NFP) is the sum of Cash and Cash equivalents and Other financial assets less Current bank loans and borrowings and amounts due under finance leases and to other lenders, as reported in the Statement of Financial Position and Non-current bank loans and borrowings and amounts due under finance leases and to other lenders, as reported in the Statement of Financial Position. Amounts due under finance leases were zero.

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

The Net Financial Position - Including IFRS 16 impact and Derivatives Effect is the sum of the Net Financial Position - Including IFRS 16 impact and the derivative instrument assets and liabilities, as per the Statement of Financial Position.

### On application of IFRS 16 Leases

The column FY 19 GAAP 2018 presents the income statement indicators, as if the new standard IFRS 16 regarding the recognition of lease contracts had not been applied. A comparison is therefore provided with the previous year. The impacts from this application concern the accounts of Other operating expenses and provisions and amortisation and depreciation, in addition to financial expense. The column Jan 1, 19 presents the impact on initial application of IFRS 16 Leases, at the beginning of the period presented.

operating lease commitments as per financial statements at 31/12/2018	13,049
maturity within 12 months	(1,012)
impact of contracts for goods of a value of less than 5k\$ (with a residual duration of greater than 12 months)	(19)
Other	(147)
impact from discounting	(520)
Impact on the right of use land in Poland	440
finance lease payable as per IFRS 16 at 1/1/2019	11,791

## Reconciliations

<i>Euro thousands</i>	Q4 2019 - MTD	Q4 2018 - MTD	2019	2018
<b>Operating profit – EBIT</b>	<b>5,132</b>	<b>(1,743)</b>	<b>17,052</b>	<b>8,539</b>
(Amortisation & Depreciation)	6,721	5,048	25,415	20,202
<b>EBITDA</b>	<b>11,853</b>	<b>4,382</b>	<b>42,467</b>	<b>29,818</b>
(CEO replacement risk provision)			1,280	
(Valuation trade receivable before sale, from Gutmann)		6,155		10,155
(Restructuring charges)	599		1,292	
<b>Adjusted EBITDA</b>	<b>12,452</b>	<b>10,537</b>	<b>45,038</b>	<b>39,973</b>

<i>Euro thousands</i>	Q4 2019 - MTD	Q4 2018 - MTD	2019	2018
<b>Operating profit – EBIT</b>	<b>5,132</b>	<b>(1,743)</b>	<b>17,052</b>	<b>8,539</b>
(Impairment of Brands)	0	1,077	0	1,077
(CEO replacement risk provision)	0	0	1,280	0
(Valuation trade receivable before sale, from Gutmann)	0	6,155	0	10,155
(Restructuring charges)	599	0	1,292	0
<b>Adjusted EBIT</b>	<b>5,731</b>	<b>5,489</b>	<b>19,623</b>	<b>19,771</b>

<i>Euro thousands</i>	Q4 2019 - MTD	Q4 2018 - MTD	2019	2018
<b>Profit for the period</b>	<b>1,466</b>	<b>(1,768)</b>	<b>7,379</b>	<b>2,314</b>
(Impairment of Brands)	-	1,077	-	1,077
(CEO replacement risk provision)	-	-	1,280	-
(Valuation trade receivable before sale, from Gutmann)	-	6,155	-	10,155
(Restructuring charges)	599	-	1,292	-
(Impact valuation trade receivables - from Gutmann)		(139)	-	(139)
(Income taxes & adjusted items)	(144)	(1,814)	(617)	(2,814)
<b>Adjusted Profit for the year</b>	<b>1,921</b>	<b>3,511</b>	<b>9,333</b>	<b>10,593</b>
<b>(Profit attributable to non-controlling interests)</b>	<b>(1,436)</b>	<b>(1,363)</b>	<b>(4,403)</b>	<b>(3,275)</b>
(Non-controlling interest profit adjustments)	-	-	-	-
<b>Adjusted Profit attributable to the Group</b>	<b>485</b>	<b>2,148</b>	<b>4,930</b>	<b>7,318</b>

	2019	2018
Profit/(loss) attributable to the Group ( <i>in Euro thousands</i> )	2,976	(961)
Shares in circulation at period-end	63,322,800	62,047,302
<b>Earnings (loss) per share (Euro/cents)</b>	<b>4.70</b>	<b>(1.55)</b>

	Q4 2019 - MTD	Q4 2018 - MTD
FY Earnings (loss) per share (Euro/cents)	4.70	(1.55)
9M Earnings (loss) per share (Euro/cents)	(4.65)	(3.50)
<b>Earnings (loss) per share (Euro/cents)</b>	<b>0.05</b>	<b>(5.05)</b>

<i>Euro thousands</i>	2019	2018
Other receivables	5,374	6,589
Tax assets	14,966	17,275
(Provision for risks and charges)	(6,487)	(9,318)
(Other payables)	(15,749)	(14,503)
(Tax liabilities)	(7,775)	(10,844)
<b>Other net receivables / payables</b>	<b>(9,671)</b>	<b>(10,801)</b>