

Press release

### **Board of Directors**

## **Approved the draft Company Statutory Financial Statements and the Consolidated Financial Statements for the year 2023**

### **Dividend proposal of € 0.045 per share**

### **Approved plan to neutralize Scope 1 emissions produced by the Italian car fleet**

CEO Luigi Bartoli commented: "2023 was a challenging year in which, coming from the record results of 2022, we faced a particularly negative external scenario. The results achieved, although lower compared to the peaks reached last year, are still largely positive and the continuous investments in research and development allow us to look to the future with full confidence in our means. However, the results we achieved allowed us to confirm our investment plan in research and development and to look to the future with full confidence in our means. We further strengthened our offering by introducing new high-tech products, thanks also to significant strategic acquisitions in the United States in 2023 and in Italy at the beginning of 2023 and 2024. We confirm ourselves as a solid and dynamic Group, capable of creating and distributing value to all our stakeholders, communities, and the territories in which we operate. Aware of our role, and mindful of the contribution we can and must make, today we have formalized the plan to zero out the emissions produced by the car fleet of our Italian companies, a further concrete step to reduce the environmental impact of our Group."

€m	2023	2022
<b>Revenues</b>	<b>566.3</b>	<b>605.7</b>
<b>EBITDA adjusted</b>	<b>67.9</b>	<b>76.6</b>
<b>EBIT</b>	<b>37.2</b>	<b>46.8</b>
<b>Net profit</b>	<b>19.9</b>	<b>31.2</b>
<b>Net negative financial position</b>	<b>191.5</b>	<b>177.3</b>
<b>Net negative financial position (net of IFRS16 effect)</b>	<b>147.6</b>	<b>139.3</b>
<b>Expenditure for acquisitions of equity interests</b>	<b>21.1</b>	<b>3.5</b>
<b>Dividend proposal(€)</b>	<b>0.045</b>	<b>0.065</b>

Other resolutions of the Board of Directors

- Approved the draft financial statements of Emak S.p.A. as at 31 December 2023
- Approved the consolidated financial statements as at 31 December 2023
- Approved the Consolidated Non Financial Statement at 31 December 2023
- Approved the Report on Corporate Governance and Ownership Structures and the Report on the remuneration policy and fees paid
- Approved the calling of the Ordinary Shareholders' Meeting
- Approved the reports and related resolution proposals for the Shareholders' Meeting

*Bagnolo in Piano (RE)*, 14 March 2024 – The Board of Directors of **Emak S.p.A.** approved the draft of the financial statement and the consolidated financial statement at 31 December 2023.

Emak Group achieved **consolidated revenues of € 566.3 million**, compared to € 605.7 million of last year, a decrease of 6.5%. This change is due to the increase of turnover deriving from the expansion of the scope of consolidation which has contributed for 5.7%, from the effect of translation changes for 0.5% and from a negative organic change of sales for 11.7%.

**EBITDA adjusted** reached € 67.9 million (12% of sales), compared to € 76.6 million (12,7% of sales) of 2022. The EBITDA benefited from the change in the consolidation area by €2.2 million and from the reduction in logistics costs, while it was affected by the decrease in sales volumes and the increase in commercial costs.

**EBIT** was € 37.2 million (6.6% of sales), compared to € 46.8 million (7.7% of sales) of last year. 2022 figure included a loss of € 2.9 million due to the reduction in the value of goodwill.

**Consolidated net profit** came to € 19.9 million compared to € 31.2 million in 2022. The result was affected by the increase in financial charges due to the higher average debt and, above all, due to the increase in variable rates to which the costs of financing are linked.

**Cash flow from operation** was € 49 million, compared to € 60.5 million in 2022.

**Investments in tangible and intangible assets** made during 2023 amounted to a total of € 22.9 million compared to € 21.7 million last year with an increased incidence of sales from 3.6% to 4.1%. The growth is mainly attributable to increased investments related to the implementation of the new ERP system in the *Pumps and Water Jetting* segment.

**Consolidated net equity** at 31 December 2023 amounted to € 283.7 million compared to € 277 million at 31 December 2022.

**Net negative financial position** landed at € 191.5 million compared to € 177.3 million at 31 December 2022. The 2023 figure includes €43.9 million resulting from the application of the accounting principle IFRS 16 (€ 38 million in 2022) and €6 million in financial debts for the purchase of the remaining minority interest shares (€ 13.2 million in 2022). The increase in the net financial position recorded in 2023 is mainly due to the effect of the change in the consolidation area for the purchase of Bestway, which resulted in an increased debt of € 20.3 million related to the purchase price and € 3.9 million linked to the accounting of the related rental fees according to the accounting principle IFRS 16.

### **Acquisitions made after the end of the financial year**

#### Acquisition of PNR group

On 15 January 2024 the subsidiary Tecomec S.r.l. concluded the purchase of the PNR group, headquartered in Voghera (Italy), made up of 5 target companies (4 in Europe and 1 in the USA) and a total of 120 employees.

The target companies are active in the design, production and marketing of components for industrial cleaning with applications in related sectors such as high-pressure washing and agriculture and in diversified sectors, such as metal, paper, chemical, pharmaceutical and food.

Preliminary information on the results of the acquired group for 2023 is of a consolidated turnover of over 15 million euros, a normalized EBITDA margin estimated in the order of 22% and a negative net financial position of approximately 0.6 million euros.

The deal, with a total value of 15 million euros, involves the immediate purchase of 79.995% from the majority shareholder and a call option lasting 12 months in favour of Tecomec S.r.l. for the remaining shares owned by the minority shareholder.

### **Business outlook**

The Group's management, having acknowledged a particularly unfavorable external scenario at the beginning of 2023, focused on cash generation and the implementation of its investment plan, necessary to ensure medium-to-long term development. 2024 is shaping up to be another challenging year, given the uncertainties related to the geopolitical context with possible consequences on our outlet markets. The outlook for the future is nevertheless positive, thanks to the potential organic development resulting from the Group's solid market positioning and the contribution that the acquisitions concluded in the last 18 months will guarantee.

### **Dividend proposal**

The Board of Directors resolved to propose to the General Meeting of Shareholders, convened to meet on 29 April 2024, the proposal for the distribution of a **dividend of € 0.045 per share (coupon no. 26)** gross of any legal withholdings. The dividend, if approved, will be paid on 5 June 2024, with ex-dividend date 3 June 2024 and record date 4 June 2024.

## Shareholders' Meeting

Today the Board of Directors which met today resolved to convene the Shareholders' Meeting of Emak S.p.A. in ordinary session for April 29, 2024 in a single call to discuss and resolve on the following agenda:

- 1) Presentation of the Company Statutory and Consolidated Financial Statements at December 31, 2023; reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors:
  - 1.1) Approval of the management report and financial statements;
  - 1.2) Proposal for allocation of profit for the year and dividend; inherent and consequent resolutions.
- 2) Presentation the report on the policy of remuneration and compensation paid:
  - 2.1) Approval with binding resolution of the first section of the report pursuant to paragraphs 3-bis and 3-ter of art. 123-ter, Legislative Decree no. 58/98;
  - 2.2) Approval by non-binding resolution of the second section of the report pursuant to paragraph 6 of art. 123-ter, Legislative Decree no. 58/98.
- 3) Proposal for authorization to purchase and dispose of treasury shares; inherent and consequent resolutions.

It should be noted that Company has established that - pursuant to, inter alia, art. 106 of the Law Decree 17 March 2020 n. 18, as subsequently amended and extended - participation in the Shareholders' Meeting by those who have the right to vote, in any case in compliance with the legislation in force at the time, will take place exclusively through the Designated Representative.

The notice of call and the documentation relating to the items on the agenda of the Shareholders' Meeting in the ordinary session will be published within the times and in the manner prescribed by current legislation.

## Plan to neutralize emissions produced by the Italian car fleet

The Board of Directors approved the plan to neutralize Scope 1 emissions produced by the car fleet of the Italian companies of the Group during 2024. This goal will be achieved through the definition of a **new corporate car policy** aimed at reducing the environmental impact - favouring the inclusion in the car fleet of electric and hybrid vehicles or, in any case, models that are less polluting compared to those currently in use - and **offsetting** the emissions by purchasing certified carbon credits equal to the emissions produced by the Italian car fleet.

## Other information

The company's management will meet the financial community at the Euronext Star Conference to be held in Milano from 19 to 21 March 2024. The supporting presentation will be available on the company's website and on the eMarket Storage mechanism before the event begins.

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Attached are the highlights from the consolidated accounts of the Group and separate from that of Emak S.p.A. (the Parent Company).

## Alternative performance indicators

Below are the criteria used for the construction of the main performance indicators that management believes are useful for monitoring the Group's performance.

- EBITDA Adjusted (before non-ordinary expenses and revenues): is obtained by deducting at EBITDA the impact of charges and income for litigation and grants relating to non-core management, expenses related to M&A transaction, and costs for staff reorganization and restructuring.
- EBITDA: defined as profit/(loss) for the period gross of depreciation of tangible and intangible fixed assets and rights of use, write-downs of fixed assets, goodwill and equity investments, Income from/(expenses on) equity investment, income and financial charges, foreign exchange gains and charges and income taxes.
- FREE CASH FLOW FROM OPERATIONS: calculated by adding the items "Net profit" plus "Amortization, depreciation and impairment losses".
- NET WORKING CAPITAL: include items "Trade receivables", "Inventories", current non financial "other receivables" net of "Trade payables" and current non financial "other payables".
- NET FINANCIAL POSITION: this indicator is calculated by adding to the scheme envisaged by the "Call for attention no. 5/21" of 29 April 2021 issued by Consob, which refers to ESMA guidelines 32-382-1138 of 4 March 2021, the non-current financial receivables.

Roberto Bertuzzi, manager responsible for the preparation of the corporate accounting documents, declares and certifies in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial statements contained in the present press release correspond to the underlying accounting documents, records and accounting entries.

This press release is available to the public at the Company's registered office, on the company website [www.emakgroup.it](http://www.emakgroup.it), in the "Investor Relations" section and on the storage mechanism eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)).

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*Emak Group develops, produces and distributes a wide range of products in three business areas: (i) outdoor power equipment, which includes products for gardening, forestry and agriculture such as trimmers, lawn mowers, garden tractors, chain saws, tillers, rotary tiller; (ii) pumps and high pressure water jetting including products (a) for agriculture as centrifugal and diaphragm pumps for spraying and weeding; (b) for industry, including industrial pumps, high and high pressure systems and urban cleaning equipment; (c) for cleaning, as professional and semiprofessional high pressure washers, floor scrubbers and vacuum cleaners; (iii) components and accessories for the abovementioned sectors, the most representative of which are line and heads for trimmers, accessories for chain saws (i.e. sharpeners), guns, nozzles and valves for high pressure washers and agricultural applications, precision farming (sensors and computers).*

## Highlights of the consolidated financial statement broken down by operating segment

	OUTDOOR POWER EQUIPMENT		PUMPS AND HIGH PRESSURE WATER JETTING		COMPONENTS AND ACCESSORIES		Other not allocated / Netting		Consolidated	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
€/000										
Sales to third parties	166,994	199,436	244,252	241,283	155,071	165,004			566,317	605,723
Intersegment sales	393	357	3,045	3,308	8,129	9,685	(11,567)	(13,350)		
Revenues from sales	167,387	199,793	247,297	244,591	163,200	174,689	(11,567)	(13,350)	566,317	605,723
Ebitda (*)	11,694	12,257	31,290	34,910	25,517	31,937	(2,197)	(3,025)	66,304	76,079
Ebitda/Total Revenues %	7.0%	6.1%	12.7%	14.3%	15.6%	18.3%			11.7%	12.6%
Ebitda before non ordinary expenses (*)	11,984	12,495	31,928	35,082	26,163	32,092	(2,197)	(3,025)	67,878	76,644
Ebitda before non ordinary expenses/Total Revenues %	7.2%	6.3%	12.9%	14.3%	16.0%	18.4%			12.0%	12.7%
Operating result	3,834	1,251	20,263	26,054	15,324	22,475	(2,197)	(3,025)	37,224	46,755
Operating result/Total Revenues %	2.3%	0.6%	8.2%	10.7%	9.4%	12.9%			6.6%	7.7%
Net financial expenses (1)									(11,789)	(2,658)
Profit before taxes									25,435	44,097
Income taxes									(5,513)	(12,932)
Net profit									19,922	31,165
Net profit/Total Revenues%									3.5%	5.1%
(1) Net financial expenses includes the amount of Financial income and expenses, Exchange gains and losses and the amount of the Income from equity investment										
<b>STATEMENT OF FINANCIAL POSITION</b>										
Net debt (*)	11,174	21,295	134,618	108,992	45,703	47,018	0	0	191,495	177,305
Shareholders' Equity	185,337	184,363	99,670	98,689	76,978	72,228	(78,318)	(78,293)	283,667	276,987
Total Shareholders' Equity and Net debt	196,511	205,658	234,288	207,681	122,681	119,246	(78,318)	(78,293)	475,162	454,292
Net non-current assets (2) (*)	122,370	122,922	116,156	101,679	60,261	57,242	(75,212)	(75,238)	223,575	206,605
Net working capital (*)	74,141	82,736	118,132	106,002	62,420	62,004	(3,106)	(3,055)	251,587	247,687
Total net capital employed (*)	196,511	205,658	234,288	207,681	122,681	119,246	(78,318)	(78,293)	475,162	454,292
(2) The net non-current assets of the Outdoor Power Equipment area includes the amount of Equity investments for 76,074 thousand Euro										
<b>OTHER STATISTICS</b>										
Number of employees at period end	725	747	959	873	669	655	9	9	2,362	2,284
<b>OTHER INFORMATIONS</b>										
Amortization, depreciation and impairment losses	7,860	11,006	11,027	8,856	10,193	9,462			29,080	29,324
Investment in property, plant and equipment and in intangible assets	6,202	4,461	9,814	8,639	6,920	8,632			22,936	21,732

## Emak Group– Consolidated income statement and comprehensive income statement

Thousand of Euro

CONSOLIDATED INCOME STATEMENT	Notes	Year 2023	of which to related parties	Year 2022	of which to related parties
<b>Revenues from sales</b>	10	<b>566,317</b>	<b>969</b>	<b>605,723</b>	<b>1,045</b>
Other operating incomes	10	5,493		4,753	12
Change in inventories		755		12,790	
Raw materials, consumables and goods	11	(298,310)	(1,754)	(331,528)	(2,452)
Personnel expenses	12	(105,036)		(99,519)	
Other operating costs and provisions	13	(102,915)	(643)	(116,140)	(526)
Amortization, depreciation and impairment losses	14	(29,080)	(1,859)	(29,324)	(4,698)
<b>Operating result</b>		<b>37,224</b>		<b>46,755</b>	
Financial income	15	5,621		4,007	1
Financial expenses	15	(17,830)	(384)	(8,560)	(366)
Exchange gains and losses	15	418		1,895	
Income from/(expenses on) equity investment	22	2		-	
<b>Profit before taxes</b>		<b>25,435</b>		<b>44,097</b>	
Income taxes	16	(5,513)		(12,932)	
<b>Net profit (A)</b>		<b>19,922</b>		<b>31,165</b>	
(Profit)/loss attributable to non controlling interests		(847)		(897)	
<b>Net profit attributable to the Group</b>		<b>19,075</b>		<b>30,268</b>	
<b>Basic earnings per share</b>	17	<b>0.117</b>		<b>0.185</b>	
<b>Diluted earnings per share</b>	17	<b>0.117</b>		<b>0.185</b>	

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	Notes	Year 2023	Year 2022
<b>Net profit (A)</b>		<b>19,922</b>	<b>31,165</b>
Profits/(losses) deriving from the conversion of foreign company accounts		(2,192)	2,141
Actuarial profits/(losses) deriving from defined benefit plans	33	(43)	741
Income taxes on OCI		11	(206)
<b>Total other components to be included in the comprehensive income statement (B)</b>		<b>(2,224)</b>	<b>2,676</b>
<b>Total comprehensive income for the period (A)+(B)</b>		<b>17,698</b>	<b>33,841</b>
Comprehensive net profit attributable to non controlling interests (C)		(844)	(949)
<b>Comprehensive net profit attributable to the Group (A)+(B)+(C)</b>		<b>16,854</b>	<b>32,892</b>

## Emak Group – Consolidated statement of financial position

Thousand of Euro

ASSETS	Notes	31.12.2023	of which to related parties	31.12.2022	of which to related parties
<b>Non-current assets</b>					
Property, plant and equipment	18	86,021		82,524	
Intangible assets	19	29,228		24,482	
Rights of use	20	41,907	13,014	36,461	13,860
Goodwill	21	72,554	9,914	71,216	9,914
Equity investments in other companies	22	8		8	
Equity investments in associates	22	802		-	
Deferred tax assets	32	11,531		10,395	
Other financial assets	27	1,267	74	1,151	111
Other assets	24	96		60	
<b>Total non-current assets</b>		<b>243,414</b>		<b>226,297</b>	
<b>Current assets</b>					
Inventories	25	234,656		233,970	
Trade and other receivables	24	121,936	2,132	119,661	1,079
Current tax receivables	32	11,249		9,967	
Other financial assets	27	59	37	38	37
Derivative financial instruments	23	1,028		2,707	
Cash and cash equivalents	26	75,661		86,477	
<b>Total current assets</b>		<b>444,589</b>		<b>452,820</b>	
<b>TOTAL ASSETS</b>		<b>688,003</b>		<b>679,117</b>	

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	31.12.2023	of which to related parties	31.12.2022	of which to related parties
<b>Shareholders' Equity</b>					
Shareholders' Equity of the Group	28	279,352		273,003	
Non-controlling interests		4,315		3,984	
<b>Total Shareholders' Equity</b>		<b>283,667</b>		<b>276,987</b>	
<b>Non-current liabilities</b>					
Loans and borrowings due to banks and other lenders	30	138,547		152,346	
Liabilities for leasing	31	36,433	11,867	31,682	12,789
Deferred tax liabilities	32	7,968		7,962	
Employee benefits	33	6,066		6,291	
Provisions for risks and charges	34	2,885		2,778	
Other liabilities	35	1,653		1,510	
<b>Total non-current liabilities</b>		<b>193,552</b>		<b>202,569</b>	
<b>Current liabilities</b>					
Trade and other payables	29	109,772	1,606	109,344	1,233
Current tax liabilities	32	4,691		4,984	
Loans and borrowings due to banks and other lenders	30	86,424		76,594	
Liabilities for leasing	31	7,503	1,819	6,357	1,670
Derivative financial instruments	23	603		699	
Provisions for risks and charges	34	1,791		1,583	
<b>Total current liabilities</b>		<b>210,784</b>		<b>199,561</b>	
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>688,003</b>		<b>679,117</b>	

## Emak Group – Consolidated cash flow statement

( €/000 )	Notes	31.12.2023	31.12.2022
<b>Cash flow from operations</b>			
<b>Net profit for the period</b>		<b>19,922</b>	<b>31,165</b>
Amortization, depreciation and impairment losses	14	29,080	29,324
Financial expenses from discounting of debts and other income/expenses from non-monetary transactions	15	80	119
Income from/(expenses on) equity investment	15	(2)	-
Financial (income)/ Expenses from adjustment of estimated liabilities for outstanding commitment associates' shares	15	(1,427)	1,864
Capital (gains)/losses on disposal of property, plant and equipment		(183)	(69)
Decreases/(increases) in trade and other receivables		314	10,646
Decreases/(increases) in inventories		11,978	(12,586)
(Decreases)/increases in trade and other payables		(4,270)	(43,128)
Change in employee benefits		(225)	(1,209)
(Decreases)/increases in provisions for risks and charges		292	(142)
Change in derivative financial instruments		1,561	(2,317)
<b>Cash flow from operations</b>		<b>57,120</b>	<b>13,667</b>
<b>Cash flow from investing activities</b>			
Change in property, plant and equipment and intangible assets		(22,851)	(21,350)
(Increases) and decreases in securities and financial assets		(923)	(90)
Proceeds from disposal of property, plant and equipment and other changes		183	69
Change in scope of consolidation	7	(20,304)	(3,360)
<b>Cash flow from investing activities</b>		<b>(43,895)</b>	<b>(24,731)</b>
<b>Cash flow from financing activities</b>			
Other changes in equity		(262)	(269)
Change in short and long-term loans and borrowings		(1,796)	39,642
Liabilities for leasing refund		(7,756)	(6,427)
Dividends paid		(10,788)	(12,425)
<b>Cash flow from financing activities</b>		<b>(20,602)</b>	<b>20,521</b>
<b>Total cash flow from operations, investing and financing activities</b>		<b>(7,377)</b>	<b>9,457</b>
<b>Effect of changes from exchange rates and translation reserve</b>		<b>(3,063)</b>	<b>(2,937)</b>
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(10,440)</b>	<b>6,520</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>83,349</b>	<b>76,829</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<b>72,909</b>	<b>83,349</b>

### ADDITIONAL INFORMATION ON THE CASH FLOW STATEMENT

( €/000 )		31.12.2023	31.12.2022
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>			
<b>Opening cash and cash equivalents, detailed as follows:</b>	26	<b>83,349</b>	<b>76,829</b>
Cash and cash equivalents		86,477	79,645
Overdrafts		(3,128)	(2,816)
<b>Closing cash and cash equivalents, detailed as follows:</b>	26	<b>72,909</b>	<b>83,349</b>
Cash and cash equivalents		75,661	86,477
Overdrafts		(2,752)	(3,128)
<b>Other information:</b>			
Income taxes paid		(9,228)	(14,798)
Financial interest income		1,104	272
Financial expenses paid		(11,700)	(3,910)
Change in related party receivables and service transactions		(1,053)	(13)
Change in related party payables and service transactions		373	(3,279)
Change in current tax receivables		(1,282)	120
Change in current tax liabilities		(293)	(1,322)
Change in related party financial assets		37	37
Related party liabilities for leasing refund		(2,163)	(2,002)



**Emak Group – Consolidated net financial position**

(€/000)	31.12.2023	31.12.2022
A. Cash	75,661	86,477
B. Cash equivalents	-	-
C. Other current financial assets	1,087	2,745
<b>D. Liquidity funds (A+B+C)</b>	<b>76,748</b>	<b>89,222</b>
E. Current financial debt	(24,304)	(22,956)
F. Current portion of non-current financial debt	(70,226)	(60,694)
<b>G. Current financial indebtedness (E + F)</b>	<b>(94,530)</b>	<b>(83,650)</b>
<b>H. Net current financial indebtedness (G - D)</b>	<b>(17,782)</b>	<b>5,572</b>
I. Non-current financial debt	(174,980)	(184,028)
J. Debt instruments	-	-
K. Non-current trade and other payables	-	-
<b>L. Non-current financial indebtedness (I + J + K)</b>	<b>(174,980)</b>	<b>(184,028)</b>
<b>M. Total financial indebtedness (H + L) (ESMA)</b>	<b>(192,762)</b>	<b>(178,456)</b>
N. Non-current financial receivables	1,267	1,151
<b>O. Net financial position (M-N)</b>	<b>(191,495)</b>	<b>(177,305)</b>
<b>Effect IFRS 16</b>	<b>43,936</b>	<b>38,039</b>
<b>Net financial position without effect IFRS 16</b>	<b>(147,559)</b>	<b>(139,266)</b>

**Emak S.p.A. –Income statement and comprehensive income statement**

€	Notes	Year 2023	of which to related parties	Year 2022	of which to related parties
<b>Revenues from sales</b>	<b>8</b>	<b>117,804,558</b>	<b>21,200,873</b>	<b>147,544,975</b>	<b>34,042,972</b>
Other operating incomes	8	3,496,799	2,402,840	3,386,639	2,279,857
Change in inventories		(7,662,305)		(987,569)	
Raw materials, consumable and goods	9	(64,410,762)	(23,509,199)	(91,017,281)	(29,167,642)
Personnel expenses	10	(22,264,800)		(24,411,580)	
Other operating costs and provisions	11	(23,239,496)	(970,076)	(31,160,830)	(1,135,156)
Amortization, depreciation and impairment losses	12	(5,424,660)		(5,589,619)	
<b>Operating result</b>		<b>(1,700,666)</b>		<b>(2,235,265)</b>	
Financial income	13	16,133,952	14,296,530	16,870,443	15,568,506
Financial expenses	13	(5,358,477)		(1,253,952)	
Exchange gains and losses	13	104,525		813,870	
<b>Profit before taxes</b>		<b>9,179,334</b>		<b>14,195,096</b>	
Income taxes	14	1,267,127		255,108	
<b>Net profit</b>		<b>10,446,461</b>		<b>14,450,204</b>	

**Statement of other comprehensive income**

€	Notes	Year 2023	Year 2022
<b>Net profit (A)</b>		<b>10,446,461</b>	<b>14,450,204</b>
Actuarial profits/(losses) deriving from defined benefit plans (*)	31	(65,000)	322,000
Income taxes on OCI (*)		18,000	(90,000)
<b>Total other components to be included in the comprehensive income statement (B)</b>		<b>(47,000)</b>	<b>232,000</b>
<b>Total comprehensive income for the period (A)+(B)</b>		<b>10,399,461</b>	<b>14,681,904</b>

(\*) Items will not be classified in the income statement

**Emak S.p.A. - statement of financial position**
**ASSETS**

€	Notes	31.12.2023	of which to related parties	31.12.2022	of which to related parties
<b>Non-current assets</b>					
Property, plant and equipment	16	25,082,483		25,339,214	
Intangible assets	17	3,969,548		3,983,508	
Rights of use	18	154,791		168,605	
Equity investments in other companies	20	90,508,582		89,708,582	
Deferred tax assets	30	1,793,403		1,740,959	
Other financial assets	22	18,474,212	18,474,212	18,920,854	18,920,854
Other assets	23	2,549		2,549	
<b>Total non-current assets</b>		<b>139,985,568</b>		<b>139,864,271</b>	
<b>Current assets</b>					
Inventories	24	42,282,945		49,945,251	
Trade and other receivables	23	37,578,927	8,140,657	40,409,950	12,068,844
Current tax receivables	30	1,596,825		1,662,344	
Other financial assets	22	9,737,106	9,737,106	16,037,106	16,037,106
Derivative financial instruments	21	361,641		1,020,194	
Cash and cash equivalents	25	35,896,370		43,333,676	
<b>Total current assets</b>		<b>127,453,814</b>		<b>152,408,521</b>	
<b>TOTAL ASSETS</b>		<b>267,439,382</b>		<b>292,272,792</b>	

**SHAREHOLDERS' EQUITY AND LIABILITIES**

€	Notes	31.12.2023	of which to related parties	31.12.2022	of which to related parties
<b>Capital and reserves</b>					
Issued capital		42,623,057		42,623,057	
Share premium		41,513,153		41,513,153	
Treasury shares		(2,835,019)		(2,835,019)	
Other reserves		44,298,640		40,479,880	
Retained earnings		26,747,134		30,750,877	
<b>Total Shareholders' Equity</b>	<b>26</b>	<b>152,346,965</b>		<b>152,531,948</b>	
<b>Non-current liabilities</b>					
Loans and borrowings due to banks and other lenders	28	53,581,904	74,212	74,265,554	111,318
Liabilities for leasing	29	94,097		97,959	
Deferred tax liabilities	30	268,594		365,464	
Employee benefits	31	1,982,130		2,002,568	
Provisions for risks and charges	32	436,104		410,621	
Other non-current liabilities	33	738,870		634,507	
<b>Total non-current liabilities</b>		<b>57,101,699</b>		<b>77,776,673</b>	
<b>Current liabilities</b>					
Trade and other payables	27	34,914,456	10,802,531	32,745,582	7,443,374
Current tax liabilities	30	829,966		826,313	
Loans and borrowings due to banks and other lenders	28	21,444,633	43,708	27,595,807	43,708
Liabilities for leasing	29	64,200		72,898	
Derivative financial instruments	21	292,463		328,571	
Provisions for risks and charges	32	445,000		395,000	
<b>Total current liabilities</b>		<b>57,990,718</b>		<b>61,964,171</b>	
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>267,439,382</b>		<b>292,272,792</b>	

**Emak S.p.A. – Cash flow statement**

€/000	Notes	2023	2022
<b>Cash flow from operations</b>			
<b>Net profit for the period</b>		<b>10,446</b>	<b>14,450</b>
Amortization, depreciation and impairment losses	12	5,425	5,590
Capital (gains)/losses on disposal of property, plant and equipment		(7)	(6)
Dividends income		(12,200)	(14,824)
Decreases/(increases) in trade and other receivables		2,844	6,331
Decreases/(increases) in inventories		7,662	988
(Decreases)/increases in trade and other payables		2,179	(22,846)
Change in employee benefits		(67)	(288)
(Decreases)/increases in provisions for risks and charges	32	75	28
Change in derivate financial instruments		623	(704)
<b>Cash flow from operations</b>		<b>16,980</b>	<b>(11,281)</b>
<b>Cash flow from investing activities</b>			
Dividends income		12,200	14,824
Change in property, plant and equipment and intangible assets		(5,140)	(3,408)
(Increases) and decreases in financial assets		5,947	(12,104)
Proceeds from disposal of property, plant and equipment		7	6
<b>Cash flow from investing activities</b>		<b>13,014</b>	<b>(682)</b>
<b>Cash flow from financing activities</b>			
Dividends paid	26	(10,584)	(12,266)
Change in short and long-term loans and borrowings		(26,833)	36,274
Liabilities for leasing refund		(13)	22
Other changes in equity		-	(806)
<b>Cash flow from financing activities</b>		<b>(37,430)</b>	<b>23,224</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(7,436)</b>	<b>11,261</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>		<b>43,327</b>	<b>32,066</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<b>35,891</b>	<b>43,327</b>
<b>ADDITIONAL INFORMATION ON THE CASH FLOW STATEMENT</b>			
€/000		2023	2022
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS:</b>			
<b>Opening cash and cash equivalents, detailed as follows:</b>	25	<b>43,327</b>	<b>32,066</b>
Cash and cash equivalents		43,334	32,072
Overdrafts		(7)	(6)
<b>Closing cash and cash equivalents, detailed as follows:</b>	25	<b>35,891</b>	<b>43,327</b>
Cash and cash equivalents		35,896	43,334
Overdrafts		(5)	(7)
<b>Other information:</b>			
Income taxes paid		-	(94)
Financial expenses paid		(3,890)	(1,172)
Interest IFRS 16		(6)	(3)
Interest on financings to subsidiary companies		2,097	744
Interest on financings from subsidiary companies		0	0
Interest receivable on bank account		657	46
Interest receivable on trade receivables		179	146
Effects of exchange rate changes		(189)	(117)
Change in related party financial assets		6,747	(12,121)
Change in related party financial loans and borrowings		(37)	(120)
Change in related party receivables and service transactions		3,928	857
Change in related party payables and service transactions		3,360	(2,970)
Change in current tax receivables		12	979
Change in current tax liabilities		(92)	(79)