

Press release

Preliminary consolidated revenues for 2019 amounted to € 435.4 million

Bagnolo in Piano (RE), 1 February 2020 – **Emak S.p.A.**, (MTA– STAR), parent company of one of world major groups working in the sectors of outdoor power equipment, pumps and water jetting, and of the related components and accessories, announces the preliminary results of the consolidated revenues for the year 2019, not yet subject to auditing.

The **fourth quarter** recorded sales growth of 0.8%, thanks to the contribution made by the *Pumps and High Pressure Water Jetting* and *Components and Accessories* sectors.

The **consolidated turnover** of the year was **€ 435.4 million**, down 3.8% from € 452.8 million for the year 2018. At constant scope of consolidation (excluding 2018 first quarter revenues of Raico Srl, sold on 30 March 2018) the decrease in revenues is equal to 3.2%.

In 2019, sales of the *Outdoor Power Equipment* sector decreased by 10.5% compared to the previous year, mainly due to the negative season for gardening products, especially in Europe, and the stagnation of demand in some important markets.

The *Pumps and High Pressure Water Jetting* sector closed the year with a slight decrease (-0.3%) compared to 2018. After a first part of the year penalized by the contraction in demand for cleaning products, the second part of the year saw a positive performance driven by products for industry.

Sales of the *Components and Accessories* sector grew by 0.6%. At constant scope of consolidation, the increase was 3.7%, mainly attributable to the positive results achieved on the North American market, thanks to the further development of collaboration with the chains of large-scale distribution and OEM customers, and to the good Latin American trend.

Subsequent events

Acquisition of 51% of Swedish company Markusson Professional Grinders AB

Today the controlled company Tecomec S.r.l. completed the purchase of 51% of the share capital of the Swedish company Markusson Professional Grinders AB ("Markusson"), active in the development and marketing of professional sharpeners for chainsaw chains.

The transaction is part of the Group's external growth strategy through the expansion and completion of its product range, in the specific case of the *Components and Accessories* segment.

The consideration paid for the acquisition amounts to SEK 17.8 million (equal to approximately € 1.7 million). The agreements that regulate the operation also provide for a Put & Call Option on the remaining 49% to be exercised in 2023. The company develops a turnover of approximately € 2 million and an EBITDA of approximately € 0.5 million.

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

Aimone Burani, the executive responsible for the preparation of the corporate accounting documents, confirms that the preliminary figures presented here are the best representation available today of the results of the Group and that, therefore, could be subject to limited changes during the approval of the draft financial statement, which will take place on March 13, 2020.

For additional information:

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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).