

Press release

## ORDINARY SHAREHOLDERS' MEETING

**Approved 2019 financial statement of Emak S.p.A.**

**Presented the consolidated financial statements**

**Approved the full allocation of the profit to reserve**

**Approved section I and II of the Remuneration Report as for Article 123-ter of D.Lgs. 58/1998**

**Revocation of the authorization to purchase and dispose of treasury shares**

*Bagnolo in Piano (RE), 29 April 2020* – The Ordinary Shareholders' meeting of **Emak S.p.A.** met today and resolved, with regard to the various items on the agenda, in the terms below briefly reported

### Approval of Financial Statement and allocation of profit

The Shareholders' Meeting approved the report of the Board of Directors and the Financial Statements 2019 of Emak S.p.A. and has resolved to allocate the 2019 profit of € 2,439,010.00 to the legal reserve, for the amount prescribed by law, and to retained earnings for all the residual amount.

### Presentation of 2019 consolidated results

Emak Group achieved **consolidated revenues of € 434 million**, compared to € 452.8 million of last year, a decrease of 4.2%. This change is due to the exit from the scope of consolidation of the company Raico S.r.l. for 0.7%, to the positive effect of the exchange rate for 0.6% and to the reduction of sales volume for 4.1%

**EBITDA** reached € 46.1 million (€ 46.9 million *adjusted*), compared to € 49.4 million (€ 50.8 million *adjusted*) in 2018. The incidence on revenues stands at 10.6% (10.8% *adjusted*) in spite of 10.9% (11.2% *adjusted*) in 2018. The application of the new IFRS 16 principle has resulted in a positive effect on the EBITDA for 2019 for € 6 million.

**Net profit** of 2019 is € 13.1 million, compared to € 25.6 million of 2018. The result of the year was penalized by the accounting of depreciations for € 2.1 million. During 2018, capital gains and contingent financial assets were recorded for a total amount of € 4.5 million.

**Net negative financial position** stands at € 146.9 million (of which € 15.9 million of debts for future commitments relating to the purchase of residual minority interests) compared to € 117.4 million at 31 December 2018. The adoption of IFRS 16 accounting standard resulted in the recognition of financial liabilities amounting to € 30.4 million. Net of this effect, the net negative financial position would have been € 116.5 million. The figure for the period also includes higher dividends distributed (€ 7.5 million compared to € 5.9 million), investments in property, plant and equipment and intangible assets for € 18.5 million and the financial investment of € 2.8 million for the acquisition of 30% of the Brazilian company Agres

### Remuneration Report as for Article 123-ter of D.Lgs. 58/1998

The Shareholders' Meeting approved the remuneration policy for the 2019-2021 financial years with a binding resolution and the second section of the report with a non-binding resolution.

## Revocation of the authorization to purchase and dispose of treasury shares

The Shareholders' Meeting revoked, from today's date and for the part not yet executed, the resolution authorizing the purchase and disposal of treasury shares, adopted by the ordinary Shareholders' Meeting of 30 April 2019

### Documentation filing

In accordance with the provisions of art. 125-quater, paragraph 2, of the TUF and art. 77, paragraph 3, of the Issuers' Regulations a summary report containing the number of voting shares represented at the meeting and the actions for which the vote was cast, the percentage of capital that these shares represent, as well as the number of votes for and against the resolution and the number of abstentions, will be made available to the public within five days from the date of the company's website and on the authorized storage mechanism eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)). The minutes of the meeting will be made available to the public within 30 days from the date of the Assembly in the same manner

As a reminder, the Annual Report for the year ended 31 December 2019 approved by the Assembly, comprising the Board of Directors report, separated financial statements and the consolidated financial statements, together with the reports of board of statutory auditors and the independent auditors, the Report on Corporate Governance and ownership structure as well as the consolidated non-financial statement are available to the public at the registered office, on the website [www.emakgroup.it](http://www.emakgroup.it) in the Investor Relations section and on the authorized storage mechanism eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)).

Aimone Burani, the executive 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.

For additional information:

**Mr. Andrea La Fata**

Investor Relation Office

Phone (+39) 0522 956332; Fax (+39) 0522 959227

[aandrea.lafata@emak.it](mailto:aandrea.lafata@emak.it); [www.emakgroup.com](http://www.emakgroup.com)

*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).*