

Press release

Board of Directors

Approved consolidated results for the first quarter 2025

Revenue and Margins Improving

CEO Luigi Bartoli commented: *"The first quarter of the year closed with a marked improvement compared to the previous year, both in terms of sales and profitability. The results demonstrate the appreciation from our sales network and the soundness of our strategy."*

€m	Q1 2025	Q1 2024
Revenues from sales	192.3	170.1
Ebitda adjusted	26.5	21.8
Ebit	18.3	13.7
Net profit	11.2	7.9
Net financial position	(241.6)	(231.5)
Net financial position net of IFRS 16	(198.1)	(184.7)

Bagnolo in Piano (RE), 15 May 2025 - The Board of Directors of **Emak S.p.A.** has approved the consolidated results for the first quarter 2025.

The Emak Group achieved consolidated revenues of € 192.3 million, compared to € 170.1 million for the same period last year, an increase of 13.1%. This increase is due to an organic growth in sales of 13% and the effect of translation exchange rates of 0.1%. The sales growth was widespread across all the Group's products, with significant rates especially for gardening products.

At the level of operating segments, the Outdoor Power Equipment segment recorded an increase of 22.1%, driven by preseason orders, normalized inventory levels at the distribution network, and product range expansion. The Pumps & Water Jetting segment closed the period with a growth of 6.7%, mainly thanks to the growth of cleaning machines and industrial products, while sales of agricultural products remained overall stable. The Components & Accessories segment recorded an increase of 11.3%, with extremely positive performances in both the gardening and cleaning sectors.

The **adjusted EBITDA** for the first quarter reached € 26.5 million (13.8% of revenues), compared to € 21.8 million (12.8% of revenues) in 2024. This figure benefited from the increase in sales volumes, while it was affected by the prolonged increase in transportation costs due to geopolitical tensions in the Red Sea. Personnel costs increased compared to the same period of the previous year due to certain salary dynamics and the greater use of temporary staff following higher production volumes.

EBIT amounted to € 18.3 million (9.5% of revenues), compared to € 13.7 million (8.1% of revenues) in the previous year.

The **consolidated net profit** is €11.2 million compared to €7.9 million in the same period in 2024. The result for the period benefited from lower financial charges due to the reduction in market interest rates and the lower level of gross debt. The currency management was negative compared to a positive value in the same period.

Cash flow from operations amounted to € 19.3 million, compared to € 15.6 million in 2024.

Investments in tangible and intangible fixed assets made during the period amounted to a total of € 5 million, compared to € 5.3 million in the same period of the previous year.

Total equity as of March 31, 2025, was € 289.7 million, compared to € 280.3 million as of December 31, 2024.

Net negative financial position stands at € 241.6 million, compared to € 231.5 million as of March 31, 2024, and € 209.9 million as of December 31, 2024. The 2025 figure includes € 43.5 million resulting from the application of the IFRS 16 accounting principle (€ 46.8 million in March 2024 and € 44.2 million in December 2024) and € 4.5 million of financial debts for the purchase of the remaining minority shares (€ 5.9 million in March 2024 and € 4.7 million in December 2024). The overall value of net debt increased both compared to the same period and to December 31, 2024, due to the increase in net working capital resulting from the strong growth in sales volumes recorded in the first quarter of the year.

Business outlook

The first quarter of 2025 closed with positive results. The numerous commercial initiatives of the Group were appreciated by customers in a favourable market context, generating good sales revenue growth and improved profitability.

For the coming months, the growth trend is expected to continue, albeit at a slower pace compared to the beginning of the year. The forecasts are based on an overall positive order portfolio and ongoing initiatives aimed at strengthening the market position to achieve the planned targets.

The persistence of significant uncertainties – mainly linked to geopolitical tensions that could potentially affect raw material costs and interest rates – leads the Group to maintain a prudent and flexible approach, focused on sustainable growth and value creation.

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.

Pursuant to the law, the interim report as of 31 March 2025 and this press release are 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.it).

Attached are the key statements extracted from the Group's consolidated financial statements as of 31 March 2025.

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Emak is a group active in the gardening and forestry, agriculture, cleaning, and industrial sectors. The Group operates through three divisions (Outdoor Power Equipment, Pumps and Water Jetting, Components and Accessories) specializing in offering specific solutions for the best satisfaction of customers and users. These divisions are united by their knowledge of the sectors and target markets, the sharing of know-how, and the exploitation of organizational efficiencies throughout the entire value chain.

Alternative performance indicators

The criteria used to construct the main performance indicators that management deems useful for monitoring the Group's performance are provided below:

- 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.

Highlights of the consolidated financial statement broken down by operating segment

	OUTDOOR POWER EQUIPMENT		PUMPS & WATER JETTING		COMPONENTS & ACCESSORIES		Other not allocated / Netting		Consolidated	
€/000	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Sales to third parties	68,437	56,042	71,471	66,984	52,421	47,081			192,329	170,107
Intersegment sales	107	98	581	512	3,244	2,878	(3,932)	(3,488)		
Revenues from sales	68,544	56,140	72,052	67,496	55,665	49,959	(3,932)	(3,488)	192,329	170,107
Ebitda (*)	7,353	5,177	8,738	7,746	10,731	9,202	(366)	(638)	26,456	21,487
Ebitda/Total Revenues %	10.7%	9.2%	12.1%	11.5%	19.3%	18.4%			13.8%	12.6%
Ebitda before non ordinary expenses (*)	7,353	5,294	8,738	7,746	10,757	9,394	(366)	(638)	26,482	21,796
Ebitda before non ordinary expenses/Total Revenues %	10.7%	9.4%	12.1%	11.5%	19.3%	18.8%			13.8%	12.8%
Operating result	5,167	3,193	5,751	4,813	7,783	6,326	(366)	(638)	18,335	13,694
Operating result/Total Revenues %	7.5%	5.7%	8.0%	7.1%	14.0%	12.7%			9.5%	8.1%
Net financial expenses (1)									(3,178)	(3,045)
Profit before taxes									15,157	10,649
Income taxes									(3,947)	(2,798)
Net profit									11,210	7,851
Net profit/Total Revenues%									5.8%	4.6%
(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										
STATEMENT OF FINANCIAL POSITION	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024
Net debt (*)	42,569	17,558	138,837	135,438	60,216	56,963	0	0	241,622	209,959
Shareholders' Equity	188,466	185,667	91,817	90,158	87,797	82,934	(78,366)	(78,445)	289,714	280,314
Total Shareholders' Equity and Net debt	231,035	203,225	230,654	225,596	148,013	139,897	(78,366)	(78,445)	531,336	490,273
Net non-current assets (2) (*)	123,382	123,570	108,126	109,658	71,404	71,936	(75,205)	(75,174)	227,707	229,990
Net working capital (*)	107,653	79,655	122,528	115,938	76,609	67,961	(3,161)	(3,271)	303,629	260,283
Total net capital employed (*)	231,035	203,225	230,654	225,596	148,013	139,897	(78,366)	(78,445)	531,336	490,273
(2) The net non-current assets of the Outdoor Power Equipment area includes the amount of Equity investments for 76,074 thousand Euro										
OTHER STATISTICS	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024
Number of employees at period end	732	727	988	980	822	811	9	9	2,551	2,527
OTHER INFORMATIONS	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024	31.03.2025	31.12.2024
Amortization, depreciation and impairment losses	2,186	7,769	2,987	16,491	2,948	12,210			8,121	36,470
Investment in property, plant and equipment and in intangible assets	2,126	7,532	962	8,193	1,962	8,996			5,050	24,721

(*) See section "Definitions of alternative performance indicators"

Emak Group – Consolidated income statement and comprehensive income statement

Thousand of Euro

FY 2024	CONSOLIDATED INCOME STATEMENT	1 Q 2025	1 Q 2024
601,914	Revenues from sales	192,329	170,107
5,089	Other operating incomes	951	936
14,134	Change in inventories	(4,796)	(3,014)
(323,486)	Raw materials, consumable and goods	(97,476)	(88,603)
(120,549)	Personnel expenses	(32,380)	(30,419)
(116,221)	Other operating costs and provisions	(32,172)	(27,520)
(36,470)	Amortization, depreciation and impairment losses	(8,121)	(7,793)
24,411	Operating result	18,335	13,694
4,843	Financial income	392	1,125
(18,119)	Financial expenses	(3,185)	(4,308)
(654)	Exchange gains and losses	(392)	132
4	Income from/(expenses on) equity investment	7	6
10,485	Profit before taxes	15,157	10,649
(3,985)	Income taxes	(3,947)	(2,798)
6,500	Net profit (A)	11,210	7,851
(745)	(Profit)/loss attributable to non controlling interests	(247)	(263)
5,755	Net profit attributable to the Group	10,963	7,588
0.035	Basic earnings per share	0.067	0.047
0.035	Diluted earnings per share	0.067	0.047
FY 2024	CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	1 Q 2025	1 Q 2024
6,500	Net profit (A)	11,210	7,851
(3,591)	Profits/(losses) deriving from the conversion of foreign company accounts	(1,810)	521
50	Actuarial profits/(losses) deriving from defined benefit plans (*)	-	-
(14)	Income taxes on OCI (*)	-	-
(3,555)	Total other components to be included in the comprehensive income statement (B)	(1,810)	521
2,945	Total comprehensive income for the period (A)+(B)	9,400	8,372
(386)	Comprehensive net profit attributable to non controlling interests (C)	(286)	(247)
2,559	Comprehensive net profit attributable to the Group (A)+(B)+(C)	9,114	8,125

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

Emak Group – Consolidated statement of financial position

Thousand of Euro

31.12.2024	ASSETS	31.03.2025	31.03.2024
Non-current assets			
93,248	Property, plant and equipment	92,573	90,402
32,474	Intangible assets	31,559	28,924
41,670	Rights of use	40,892	44,587
67,176	Goodwill	67,210	76,729
8	Equity investments in other companies	8	8
806	Equity investments in associates	813	808
13,517	Deferred tax assets	13,280	11,954
1,182	Other financial assets	1,237	1,326
97	Other assets	94	144
250,178	Total non-current assets	247,666	254,882
Current assets			
251,684	Inventories	245,525	237,169
133,620	Trade and other receivables	191,512	178,418
10,450	Current tax receivables	9,141	11,526
38	Other financial assets	76	104
370	Derivative financial instruments	272	1,035
69,174	Cash and cash equivalents	34,177	83,711
465,336	Total current assets	480,703	511,963
715,514	TOTAL ASSETS	728,369	766,845
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
275,947	Shareholders' Equity of the Group	285,061	287,477
4,367	Non-controlling interests	4,653	6,530
280,314	Total Shareholders' Equity	289,714	294,007
Non-current liabilities			
161,261	Loans and borrowings due to banks and other lenders	149,844	172,116
35,552	Liabilities for leasing	34,514	38,524
9,006	Deferred tax liabilities	8,786	7,905
6,535	Employee benefits	6,531	6,606
2,735	Provisions for risks and charges	2,714	2,972
730	Other liabilities	691	683
215,819	Total non-current liabilities	203,080	228,806
Current liabilities			
128,142	Trade and other payables	132,622	128,434
4,876	Current tax liabilities	7,656	6,720
74,300	Loans and borrowings due to banks and other lenders	82,996	98,231
8,632	Liabilities for leasing	9,018	8,280
978	Derivative financial instruments	1,012	573
2,453	Provisions for risks and charges	2,271	1,794
219,381	Total current liabilities	235,575	244,032
715,514	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	728,369	766,845

Emak Group – Net financial position

(€/000)	31.03.2025	31.12.2024	31.03.2024
A. Cash	34,177	69,174	83,711
B. Cash equivalents	-	-	-
C. Other current financial assets	348	408	1,139
D. Liquidity funds (A+B+C)	34,525	69,582	84,850
E. Current financial debt	(29,741)	(17,484)	(33,234)
F. Current portion of non-current financial debt	(63,285)	(66,426)	(73,850)
G. Current financial indebtedness (E + F)	(93,026)	(83,910)	(107,084)
H. Net current financial indebtedness (G - D)	(58,501)	(14,328)	(22,234)
I. Non-current financial debt	(184,358)	(196,813)	(210,640)
J. Debt instruments	-	-	-
K. Non-current trade and other payables	-	-	-
L. Non-current financial indebtedness (I + J + K)	(184,358)	(196,813)	(210,640)
M. Total financial indebtedness (H + L) (ESMA)	(242,859)	(211,141)	(232,874)
N. Non current financial receivables	1,237	1,182	1,326
O. Net financial position (M-N)	(241,622)	(209,959)	(231,548)
Effect IFRS 16	43,532	44,184	46,804
Net financial position without effect IFRS 16	(198,090)	(165,775)	(184,744)