

Press release

The Group ends 2023 with consolidated revenues of € 567.3 million

The CEO Luigi Bartoli commented: *“The year that has just ended represented a challenge for the Group, after two years of record results, given the external scenario in which we all found ourselves operating. The prospects for 2024 remain positive not only due to the progressive normalization of market conditions, but also and above all in consideration of the diversification of the businesses in which the Group operates and the depth of the range offered in all segments. However, uncertainties related to the geopolitical context remain, which could influence our reference markets.”*

Bagnolo in Piano (RE), 30 January 2024 – **Emak S.p.A.** announces preliminary 2023 consolidated sales, not yet subject to auditing.

The Group recorded **consolidated revenues of € 567.3 million** compared to € 605.7 million in 2022, a decrease of 6.3% (12% on a like-for-like basis).

At the operating segment level, the *Outdoor Power Equipment* segment recorded a decline of 16.2%. A sharply declining first half of the year, mainly linked to the high levels of inventory in the network, the change in spending priorities by end consumers and the strong inflation already seen during 2022, was followed by a second part of the year broadly in line with the same period of 2022. In the fourth quarter, in particular, we began to see an alignment of order intake and sales on values comparable to the same period of the last financial year.

The *Pumps and High Pressure Water Jetting* segment closed the year with growth of 1.2% (down 11.8% on a like-for-like basis). The line was growing thanks to the contribution of the Bestway acquisition. In fact, in the same scope of consolidation, the turnover would have been decreasing because of the slowdown in all the markets in which the Group operates, an effect which was accentuated in Europe in the second part of the year, while in the United States it had the most critical moment at the beginning of the year and then progressively recovered in the second half. The cleaning line is the one that has been most affected by the macroeconomic context, with a generalized decline in both hobby and professional products. Industrial products recorded sales in line with 2022 thanks mainly to very high pressure products.

The *Components and Accessories* segment saw a decrease in sales of 5.5% (7.2% on a like-for-like basis). Lawn care products saw a general contraction, except for the American market; the line dedicated to agriculture was affected by the general decline in the sector, particularly in the South American markets; cleaning products recorded an overall decline, characterized by a negative trend in the hobby segment and a recovery in the professional line.

Events occurring after the end of the financial year

On January 15, 2024, the Group announced that Tecomec S.r.l. closed the acquisition of PNR, group headquartered in Italy, active in the design, production and marketing of components for industrial cleaning with applications in similar 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 PNR 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.

Thanks to this synergic operation, the Group acquires specific know-how which will allow the further expansion of the product range for industrial cleaning and access to new synergistic sectors with the current business areas of the Components and Accessories segment.

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).

Roberto Bertuzzi, manager responsible for the preparation of the corporate accounting documents, declares in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial information contained in the present press release correspond to the underlying accounting documents, records and accounting entries. The provisional data shown could be subject to limited variations during the approval of the draft financial statements to be held on 14 March 2024.

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).