

PRESS RELEASE

ELICA S.p.A. ORDINARY SHAREHOLDERS' MEETING

- The financial statements of Elica S.p.A. for the year which ended December 31st, 2018 have been approved;
- The adoption of an incentive plan based on phantom stocks for the period 2019-2025 (the "2019-2025 Phantom Stock & Volunteer Co-investment Plan ") has been approved, reserved to some directors and employees of Elica S.p.A. and / or its subsidiaries, under the terms and conditions specified in the Information Document;
- The Remuneration Report has been approved;
- The purchase of treasury shares and the execution of acts of disposition / conveyance on them have been authorized.

Fabriano, April 18th, 2019 - The Shareholders' Meeting of Elica S.p.A., parent company of the Group world leader in the production of kitchen hoods, which convened in ordinary session, has approved the following items on the agenda:

- **Financial statements of Elica S.p.A. for the year which ended December 31st, 2018:** Report of the Directors on Operations; Report of the Board of Statutory Auditors; Non-financial reporting/statement; Report of Independent Auditors. The Shareholders' Meeting has also acknowledged the consolidated results achieved during the 2018 financial year.

Main consolidated results achieved in the 2018 financial year:

- Revenues: € 472.4 million (€ 117.3 million in Q4 of 2018), + 2.2% compared to the same period of the previous year, net of the exchange rate effect and of the change in the scope of consolidation (- 1.4% reported);
- Sales of own-branded products still continue to grow positively, especially as regards to Elica brand, which recorded a 12% increase in revenues at constant exchange rates and the contribution to cooking revenues of own-branded products **is growing at a rate of 51%**, in the fourth quarter of 2018;
- OEM turnover, mainly in EMEA, is still affected by both market demand is estimated to be **sluggish** both in the area and as well as regards to sales performance of some main customers in the reference market sector;
- Normalized EBITDA: € 40.0 million, with a 8.5% (80bp) increase compared to 2017 (€ 36.8 million); the margin on revenues rose to 8.5% from 7.7% in the previous year, recording a further improvement in the fourth quarter of the year up to 9% of turnover (10.5 million Euros); this

increase is attributable to a positive product / channel mix and the further rationalization of costs, particularly in the last quarter of the year;

- Normalized EBIT: € 19.8 million, with a 21.1% increase compared to the end of 2017 (€ 16.3 million) with a 4.2% margin on revenues showing a strong improvement as compared to 3.4% in 2017;

- Normalized Group's share of net profit: 7.3 million Euros, with a sharp increase compared to 4.7 million Euros in 2017;

- The Group decided to proceed with an extraordinary **allocation**/provision of 11.3 million Euros in 2018, 4 million Euros of which already in the first half of the year (8.3 million Euros net of tax gain), deemed necessary as a result of the **opening** of a preliminary voluntary insolvency/liquidation procedure by the German company and former subsidiary of the Group, Exklusiv Hauben Gutmann GmbH, towards which Elica SpA claims a non-current trade receivable arising prior to the sale of the company on 28 August 2017. This transaction was aimed at settling outstanding accounts definitively between the two companies as well as excluding any further predictable effects on future accounts.

- Net Financial Position: equal to -56.3 million Euros compared to -69.3 million Euros as at December 31st, 2017, characterized by a remarkable improvement in operating cash generation of 39.5 million Euros, which absolutely offsets investments, and by the positive effect deriving from the sale of 33% of the Indian subsidiary company in the third quarter of 2018.

The 2018 Annual Financial Report - Consolidated Financial Statements and the 2018 Annual Financial Report - Separate Financial Statements are available to the public on the Company's website <https://elica.com/corporation/it/investor-relations/bilanci-e-relazioni> as well as at the authorized 1Info storage mechanism, at www.1info.it.

- **2019-2025 Phantom Stock & Voluntary Co-investment Plan:** the Shareholders meeting also approved the adoption of an incentive plan based on *phantom stock* for the period 2019-2025 (the "2019-2025 Phantom Stock & Voluntary Co-investment Plan"), under the terms and conditions specified in the Information Document, as well as to vest the Board of Directors of Elica SpA, with express faculty to sub-delegate, with powers to fully and entirely implement the aforementioned plan. In this regard it is hereby specified: a) among the potential Beneficiaries of aforementioned plan, of the existence of some directors and employees of Elica S.p.A. and / or its subsidiaries, whose characteristics have been identified in the Information Document in accordance with the procedures set out in paragraph 1, Scheme 7, in Annex 3A of the Issuers Regulation, whose names are **not known as of today** and will be provided at a later date, as soon as available, during the Plan implementation step, according to the procedures set forth in art. 84-bis, paragraph 5, letter 'a' of the aforementioned Issuers Regulation; b) the financial instruments on which this incentive plan is based on are *phantom stocks*, or "units" that virtually represent an ordinary share of Elica S.p.A. and follow its value over time, whose payment term is monetary; c) the 2019 - 2025 Phantom Stock & Voluntary Co-investment Plan has been proposed for the following purposes: i) guarantee alignment of the interests of the *management* with those of the Shareholders; ii) maintain alignment with corporate objectives of the most critical management profiles; iii) support the retention of key resources in the long term.

The Directors' explanatory Report at the Shareholders' Meeting concerning the proposal to implement the 2019-2025 Phantom Stock & Voluntary Co-investment Plan accompanied by the Information Document prepared in compliance with the provisions in Annex 3A, Scheme 7 of the Issuers Regulation, was published on March 18th, 2019 and is available to the public, at the company's registered office, as well as at the authorized 1Info storage mechanism, at www.1info.it and on the website <https://elica.com/corporation/it/investor-relations/assemblee-azionisti>

- **Remuneration Report:** In compliance with the provisions of art. 123 *ter*, paragraph 6, of Legislative Decree 58/1998, the ordinary Shareholders' Meeting of Elica SpA, having acknowledged the contents in the Remuneration Report, filed in March 27th, 2019 and available to the public on the Company's website <https://elica.com/corporation/it/investor-relations/bilanci-e-relazioni>, as well as at the authorized storage mechanism 1Info, at www.1info.it, has approved in favor of the first section of the same. The outcome of the vote will be made available to the public pursuant to article 125 *quarter*, paragraph 2 of the same decree.
- **Purchase of treasury shares and execution of acts of disposition/conveyance on them:** the Shareholders' Meeting has also approved the authorization to purchase treasury shares and to carry out acts of disposition/conveyance on them, pursuant to articles 2357 and 2357-*ter* of the Italian Civil Code, in order to provide the Company with an important instrument of strategic and operational flexibility. The new authorization was preceded by revocation of the previous one, granted on April 27th, 2018. The authorization granted on today's date deals with the purchase of the Company's ordinary shares up to a maximum limit of 20% of the share capital, amounting to no. 12,664,560 ordinary shares, and will be valid for a period of 18 months starting from the date on which the Shareholders' Meeting adopted the related resolution; while the authorization for disposition/conveyance was issued without any deadlines. The purchase price of each ordinary share will be fixed at an amount: a) not lower -to a minimum- than 95% of the official price **quoted** by the share in the Stock Exchange meeting prior to each individual transaction (b) not higher- to a maximum – than (i) 5 Euros and (ii) 105% of the official price quoted by the share in the Stock Exchange meeting prior to each individual transaction. It is to be intended that purchases shall be made at price conditions that do comply with the provisions of art. 3 of the 2016/1052 Delegated Regulation in implementation of Regulation (EU) 596/2014 and in any case in compliance with the relevant legislation in force governing the subject, as well as the conditions and limits set by Consob with regard to accepted market practices, where applicable. **On** completion of each individual transaction for the purchase of treasury shares, the Board of Directors shall act in compliance with the operating conditions established for market practice regarding the purchase of treasury shares admitted by Consob, as pursuant to art. 13, Regulation 596/2014 with resolution no. 16839 dated March 19th, 2009 as well as any other applicable legal and regulatory provisions, including the rules set out in Regulation 596/2014, the Delegated Regulations 2016/1052 to the EU and national implementation rules, and, in particular, in compliance with provisions of art. 132 of TUF, art. 144-bis first paragraph, letter 'b'), of the Issuers Regulation and in compliance with the applicable regulatory legislation on the subject, so as to ensure the same treatment to all shareholders. As to date, the Company holds no. 1,275,498 ordinary treasury shares, amounting to 2.01% of the share capital.

It should be noted that, the Financial statements of Elica SpA as at December 31st, 2018, approved by the Shareholders' Meeting and the Consolidated Financial Statements of Elica S.p.A. as at December 31st, 2018, accompanied by any documentation required by current regulations, are available to the public at the Company's headquarters, on the website <https://elica.com/corporation/it/investor-relations/bilanci-e-relazioni>, as well as at the authorized storage mechanism 1Info, at the address www.1info.it.

Declaration pursuant to art. 154-bis, second paragraph, T.U.F.

The company Director responsible for preparing the corporate accounting records/documents, Mr. Alessandro Carloni declares, as pursuant to art. 154-bis, second paragraph, of Legislative Decree no. 58/98, that the accounting information contained in this press release does correspond to document results, accounting books and records.

Elica Group, presided by the Chairman, Mr. Francesco Casoli, and managed by the CEO, Antonio Recinella, has been operating in the kitchen hood market since the 1970's. Today it is the world leader in terms of units sold, in addition to boasting of a leadership position at a European level in design, production and commercialization of electric motors for hoods and heating boilers.

With over 3,800 employees and an overall annual production of about 21 million units, Elica Group can boast of a production platform consisting in seven factories based in Italy, Poland, Mexico, India and China.

Extensive experience, great attention to design, high quality, refined materials and state-of-the-art technologies, guaranteeing maximum efficiency and reduced energy consumption, are the reasons why Elica Corporation stands out in the reference market. Thanks to these key factors, Elica has also been able to revolutionize the traditional image of kitchen hoods: not just simple accessories, but unique design objects that improve the quality of your life.

For further information:

Investor Relations Elica S.p.A.:

Giulio Cocci - Group Controlling & Investor Relations Director

Francesca Cocco – Lerxi Consulting

Tel: +39 (0)732 610 4205

E-mail: investor-relations@elica.com

Image Building:

Simona Raffaelli, Lidy Casati

Tel: +39 02 89011300

E-mail: elica@imagebuilding.it

Press Office Elica S.p.A.:

Gabriele Patassi - Press Office Manager

Mob: +39 340 1759399

E-mail: g.patassi@elica.com