

PRESS RELEASE

FIME EXPANDS IN THE MOTORS BUSINESS: PRELIMINARY AGREEMENT SIGNED FOR ACQUISITION OF THE COMPANIES ELECTRIC MOTORS COMPANY (EMC) AND CPS, TECHNOLOGICAL PARTNERS OF THE SECTOR LEADING EUROPEAN PLAYERS

With this transaction FIME further strengthens its position as leader in the motors sector and accelerates growth in energy-saving technology and energy transition

Fabriano, June 28, 2021 - FIME, the motors business unit of Elica Group's, strengthens its presence in electric motors through a preliminary agreement signed between Elica S.p.A and Electric Motors Company S.r.l. ("E.M.C.") and CPS S.r.l. ("CPS") to acquire 100% of the share capital of the two companies.

E.M.C. and CPS are European leaders in the design and manufacture of electric motors, domestic cooker hood fan systems, pellet stove fans and motors for medical applications.

With over 40 years of experience in the production and manufacture of electric motors, and a leading position on the global market, FIME has recorded significant growth in recent years.

This agreement fits perfectly with the planned development of the Motors business (FIME), through the strengthening of the strategy undertaken with the separation of the Motors from the Cooking division.

The company is convinced that this is a strategic investment in a context of growing awareness of the importance of sustainability and ecological transition issues and in which the potential of the electric motor is considerable.

The transaction will see the creation of a European centre of excellence in the ventilation and heating sector, which will in turn enable the development of a critical mass to better respond to the needs of a growing market.

"The acquisition of E.M.C. and CPS will create a significant critical mass that will provide us with the resources, skills and R&D initiatives required to tackle the challenges facing Europe in household appliances energy saving and energy transition."

Our customers will benefit from a product portfolio that sits increasingly at the cutting-edge of sustainability, and production capacity of the highest level, guaranteeing them both stability and competitiveness. For our employees, it's business as usual: we will continue to form a cohesive team, and new opportunities will continue to arise, both in terms of internationalisation and new business.” **Luca Barboni, FIME (Group Motors Division) Managing Director stated.**

In 2020, E.M.C. and CPS reported pro-forma net revenues of Euro 21.4 million, up 22.6% on the previous year.

The payment for the purchase of 100% of E.M.C. and CPS, for a total of Euro 31 million, will be made using Elica's own resources and in several tranches, the last of which in January 2023. Today, following the signing of the preliminary purchase agreement, Euro 4 million was settled.

The Closing of the transaction will be preceded by a number of preliminary steps by the Sellers, and is expected to take place in the first half of July at the latest.

Elica has been supported in the transaction by the FIVELEX Legal and Tax Firm, as legal advisor, and by E&Y for the Financial and Tax due diligence activities, while the counterparty has been assisted by Nctm as legal advisor and by the Studio Associato Picchio & Marcolini di Loreto as Financial and Tax advisor.

Elica, active in the market since the 1970s, is the global leader in the production of kitchen hoods and extractor hobs and the leader in Europe in the production of motors for domestic ventilation. Chaired by Francesco Casoli and led by Giulio Cocci, it has a production network of seven sites in Italy, Poland, Mexico, India and China, employing over 3.900 people. The Elica Group is recognised on the market for its long experience in the sector, meticulous attention to design, careful choice of materials and advanced technologies that guarantee maximum efficiency and reduced consumption. All this has allowed the company to revolutionise the traditional image of kitchen hoods: they are no longer simple accessories but objects of unique design capable of improving the quality of life.



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