

Press Release

**THE BOARD OF DIRECTORS OF EPTA S.P.A. APPROVES
THE 2021 CONSOLIDATED FINANCIAL STATEMENT**

**Record results for commercial refrigeration's global player:
the target of a billion Euro was surpassed
with revenues of €1,197m (+29.6% vs. 2020)**

**Adjusted EBITDA of €136m (+82%) and strong growth in margins
(11.4% vs. 8.1% in 2020 financial year)**

**Adjusted Net Income increased significantly to €66m
(vs. €21m in 2020)**

Milan, March 10th 2022 – The **Board of Directors of Epta S.p.A.** – the global player in the commercial refrigeration sector and the company heading the Epta group (the “**Group**”) - was convened on 24th February to examine and approve the **financial statement as at 31 December 2021**. The financial statement was drafted in compliance with the International Financial Reporting Standards (IFRS) drawn up by the International Accounting Standards Board (IASB) and ratified by the European Union.

In the 2021 financial year, Epta's **Net Revenues** were **€1,197m**, up 29.6% vs. 2020 and significantly above pre-Covid-19 levels, driven by the growth in all three business units (Retail, Food & Beverage and After Sales) in which the Group operates.

In general, this positive performance is linked to two factors: firstly, the strong resilience of the core business, as previously demonstrated in the second half of 2020 and which continued all throughout 2021; and, secondly, the Group's ability to offer integrated, innovative and sustainable solutions that allow it to obtain a competitive advantage and strengthen its position in the market.

The positive performance was seen in all geographical areas in which the Group operates. In particular, in Europe the Group's revenues were **€898m**, up 31% vs. 2020, **€176m** in the Americas, +31%, vs. 2020, and **€93m** in APAC, up 29% vs. 2020, with the residual **€29m** generated in the rest of the world.

GROUP MAIN FINANCIAL RESULTS FOR THE FINANCIAL YEAR 2021:

- **Adjusted EBITDA**¹ of **€136m** (€75m in 2020), to reach an **EBITDA margin** of **11.4%** (8.1% in 2020). The significant increase in the margin (+220 bps and +330 bps vs. 2019 and 2020, respectively) was driven by innovative and differentiated offer in the market, economies of scale obtained through volumes and synergies deriving from recent acquisitions.
- **Adjusted Net income** of **€66m** (€21m in 2020) thanks to improved profitability in terms of EBITDA, constant levels of amortisation/depreciation and an improvement in the financial area.
- **Net debt** of **€58m** as at 31 December 2021, down from €81m reported on 31 December 2020 with a limited leverage (0.4x net debt/adjusted EBITDA).

2021 INVESTMENT PLAN

The main objective of the 2021 Investment Plan introduced by Epta is the promotion of sustainable innovation underpinned by values, experience and technological ethics that drive forward the Group's already evolved and responsible transformation. Within this framework, in 2021 consolidated investments were made in product innovation and the modernisation of production facilities for a value **of approximately €18m**.

Thanks to a team of more than 270 people in 11 premises, including an Innovation Center dedicated to exploring future technologies, the Group's R&D function designs products and

¹ Adjusted for non recurring events or transactions, not representative of normal business operations

services capable of capturing the constant evolution of trends in the Retail, Food & Beverage and After Sales sectors.

A special focus was dedicated to the development of solutions to interpret and satisfy the evolving customer requirements and emerging market megatrends, including the spread of new commercial formats such as dark stores and quick commerce, the increase in neighbourhood and proximity stores, the increasingly important role of instore shopping experience, regardless of whether these are discount chains or large-scale premises, as well as digitalisation and increasing use of IoT or AI technologies. This is always guided by an attention towards sustainability, compliance with applicable regulations on the reduction of environmental impacts, product ergonomics and ease of use for both customers and final consumers.

Major investments were also made in solutions for the US market that will allow Epta to expand its offer through the brand Kysor Warren thanks to new technologies - especially green technologies - and display and merchandising solutions.

*"I am extremely proud to comment on a very successful 2021. It has been an important year that was full of challenges but also a magnificent year where our success was built day after day through the decisions by the management and the efforts of our employees, who are the main contributors of this record-breaking year which saw Epta become a "One Billion Company" – commented **Marco Nocivelli, Chairman and CEO of Epta S.p.A.** "The results we are presenting today are the reward for our hard work and investments and demonstrate the success of our growth strategy, which sees Epta stand alongside its Customers throughout the entire life-cycle of products, and at the forefront of the energy transition process".*

"For the first time we will also be publishing an Integrated Report: this is a milestone in terms of transparency and reporting and after 10 years of Corporate Social Responsibility Reports, this represents a natural evolution for a group like Epta. Sustainability has always been present in the Group's DNA and is strictly linked to competitiveness and financial performance.

The year that has just ended is a major landmark in Epta's history and we hope the year that has just begun will be equally significant".

ECONOMIC SITUATION

- The global macroeconomic recovery began in 2021 with the launch of the vaccination campaign and the loosening of Covid-19 restrictions throughout the world. The recovery was sustained by government tax aid and the use of expansionary monetary policies by central banks.
- In 2021 consumer spending and investments picked up globally, despite persisting uncertainties surrounding new Covid-19 variants.
- On the whole GDP variations were positive, with a partial recovery to pre-Covid levels: the US saw a 6.0% increase, France was up 6.3%, Spain 5.7%, Italy 6.2% and Germany 3.1%. In Asia, China's GDP increase was more than 8%.
- In 2021 the rise in inflation was one of the main issues. Overall the following inflation rates were reported: 1.7% in Italy, 2.0% in France, 2.2% in Spain and 3.9% in Germany. In North America prices increased by 4.3%.
- The global geopolitical situation at the time of writing is worrying and constantly evolving, with potential wide-ranging implications.
- The immediate consequences of this situation on Epta's business appear limited, with Russia accounting for only 0.05% and Ukraine 0.2% of the Group's consolidated revenues. Moreover, Epta does not have production facilities in the areas affected by the crisis nor is it dependent on raw materials or goods of Russian origin.
- The Epta Group expresses its solidarity with all the population involved and hopes that a solution can be found to restore peace in the conflict zones.

Epta. Advanced solutions for your store.

EPTA – A multinational Group specialising in commercial refrigeration, that operates globally through its brands **Costan** (1946), **Bonnet Névé** (1930), **Eurocryor** (1991), **Misa** (1969), **Iarp** (1983) and **Kysor Warren** (1882). In both domestic and international markets, Epta is a partner capable of producing and marketing complete refrigeration systems, thanks to the individual product ranges it has incorporated. These include traditional, vertical and semi-vertical positive fridge cabinets, negative vertical and horizontal cabinets and built-in units (plug-ins) for Retail, Food&Beverage and Ho.Re.Ca., along with mid- and high-power units and cold-rooms and a complete portfolio of pre and after sales services. With headquarters in Milan, it employs more than 6,000 people and boasts a number of production sites in Italy and abroad. It also has a far-reaching technical and sales force worldwide, guaranteed by over 40 technical and commercial sites.

Instagram: @Epta_Group

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