Informazione Regolamentata n. 2092-13-2022	Data/Ora Ricezione 22 Aprile 2022 15:26:26	Euronext Star Milan

Societa'	:	CAREL INDUSTRIES
Identificativo Informazione Regolamentata	:	160828
Nome utilizzatore	:	CARELINDUSN03 - Grosso
Tipologia	:	1.1
Data/Ora Ricezione	:	22 Aprile 2022 15:26:26
Data/Ora Inizio Diffusione presunta	:	22 Aprile 2022 15:26:27
Oggetto	:	CAREL - AGM approves 2021 Annual Report

Testo del comunicato

Vedi allegato.

CAREL

CAREL INDUSTRIES S.p.A.
via dell'Industria, 11 - 35020 Brugine - Padova - Italy
Phone (+39) 049 97 16 611 - Fax (+39) 049 97 16 600
carel.com - carel@carel.com

Cap. Soc. € 10.000.000 i.v.
C.C.I.A.A. Padova Reg. Imp n. 04359090281
Part. IVA e Cod. Fisc. 04359090281

N. Reg. Prod. Pile: IT09060P00000903
N. Reg. Prod. AEE: IT16030000009265

LRQA CERTIFIED ISO 9001 • ISO 14001 ISO 45001 UKAS MANAGEMENT SYSTEMS 0001

Press Release

The ordinary General Shareholders' meeting of CAREL Industries S.p.A.:

- **approved the 2021 Annual Report and the dividend proposal equal to 0.15 Euro per share;**
- **examined the Report on the remuneration policy and on the fees paid, approving the remuneration policy for 2022 described in the first section and expressing a favourable opinion on the second section of the same Report**
- **approved the new authorization for the buy-back and disposal of treasury shares, upon revocation, for the part not yet executed, of the authorization approved with a resolution on 20 April 2021.**

Brugine, 22 April 2022 – Today the ordinary Annual Shareholders Meeting of Carel Industries S.p.A. ('**Carel**' or the '**Company**) approved the Company's 2021 Annual Report and the allocation of the net profit for 2021 of EUR 27,318,447 as follows:

- **distribution to the Shareholders of a dividend of EUR 0.15 per share, gross of withholdings required by law, with ex-dividend date of 20 June 2022, record date of 21 June 2022, and date of payment of 22 June 2022;**
- **allocation of the balance to other reserves.**

Consolidated Results at 31 December 2021

- **Consolidated revenues of € 420.4 million, +26.8% compared to 2020 (+27.1% at constant exchange rates; +28.4% on 2019). On a like-for-like basis the growth would have been equal to +21.9%;**
- **Consolidated EBITDA of € 85.3 million (€ 4.1 million from the inclusion of CFM and Enginia in the scope of consolidation) corresponding to 20.3% of revenues. +30.8% compared to 2020; net of a number of non-recurring expenses, mainly linked to M&A activities, the consolidated EBITDA would have been equal to € 88.2 million (21.0% of revenues);**
- **Consolidated net income of € 49.1 million, +39.7% compared to 2020;**
- **Negative consolidated net financial position of € 57.8 million, compared to € 49.6 million reported on 31 December 2020. Net of the impact deriving from the acquisitions made in the first six months of the year, equal to € 35.0 million, the net consolidated financial position would stand at € 22.9 million, including € 27.6 million accounting effect deriving from IFRS16.**

Consolidated Revenues

Consolidated revenues came to €420.4 million, compared to €331.6 million as of 31 December 2020, an increase of 26.8%. Net of the contribution deriving from the inclusion of CFM and Engina in the scope of consolidation, amounting to approximately € 16.0 million, the increase would have been +21.9%. The above performance appears even more favourable considering that growth remains above 20% even compared with 2019, which do not include any pandemic impact.

In the year just ended, the deployment of the COVID-19 vaccine enabled a significant economic recovery also driven by a new investment season after the sharp slowdown experienced in 2020. However, the rapid increase in demand for raw materials caused two closely linked phenomena: on the one hand, a shortage of electronic equipment, which prevented the world economy from achieving its full potential, and on the other, a sharp rise in the price of energy commodities, especially in the second half of the year,

CAREL INDUSTRIES S.p.A.
via dell'Industria, 11 - 35020 Brugine - Padova - Italy
Phone (+39) 049 97 16 611 - Fax (+39) 049 97 16 600
carel.com - carel@carel.com
Cap. Soc. € 10.000.000 i.v.
C.C.I.A.A. Padova Reg. Imp n. 04359090281
Part. IVA e Cod. Fisc. 04359090281
N. Reg. Prod. Pile: IT09060P00000903
N. Reg. Prod. AEE: IT16030000009265

which created a significant increase in inflation followed by a general reduction in margins. In such a complex and volatile environment, the Group recorded revenue growth on a like-for-like basis of over 20% thanks to its geographical and product differentiation and a series of countermeasures, such as the so-called "chip-pivoting", which have enabled further improvement in flexibility and resilience, although difficulties remain for some product families.

The Group's most important region, EMEA (Europe, Middle East and Africa), which accounts for 72% of revenues, closed 2021 with an increase of 28.1% on a like-for-like exchange rate basis (on a like-for-like scope, growth would have been close to 22.1%): This performance was driven by a general recovery in demand, compounded by the acceleration of some of the more cyclical industries (which had been heavily impacted by the pandemic during 2020) and particularly strong performances in the high-efficiency heat pump, data-centre cooling and indoor air quality sectors. Growth in the Refrigeration market was also particularly positive: the resumption of the investment cycle in the large-scale retail sector continues to be robust, buoyed also by regulations, and food service recovery significantly accelerated.

APAC (Asia-Pacific), which accounts for about 15% of the Group's revenues, reported growth, at constant exchange rates, of 24.0% on 2020 (which had been impacted by the closure of the Suzhou plant in February for a few million euros). This performance was influenced by the record Chinese demand performance, particularly in the first few months of 2021 (which in any case remains very positive though closer to a normalized level) and by better execution of the strategy in the South APAC region with double-digit percentage revenue growth.

North American revenues, which represent approximately 11% of the total, grew by 23.2% at constant exchange rates (17.6% on a like-for-like scope), mainly due to good performance in applications related to indoor air quality and computer-centre cooling. Lastly, South America (which accounts for about 2% of the Group's total turnover), net of the negative impact of exchange rates, was up 38.8%, mainly due to a general improvement in performance in the various countries.

As far as the single business areas are concerned, Refrigeration was up +32.5% at constant exchange rates. The strong growth trend already seen in the first nine months of the year was not only confirmed but slightly improved in the last quarter, thanks to a further acceleration in food service sector along with the recovery in the food retail segment (supermarkets, hypermarkets and convenience stores) and a continued increase in the Group's global market share. The HVAC segment also closed 2021 with strong growth, +24.5% at constant exchange rates: all segments underwent significant accelerations, with even more pronounced peaks in some applications (particularly high-efficiency heat pumps and data centres) and a renewed focus on energy-efficient solutions and indoor air quality.

Table 1– Revenue by business area (*thousands of euros*)

	31.12.2021	31.12.2020	Delta %	Delta fx %
HVAC revenue	270,011	217,498	24.1%	24.5%
REF revenue	145,826	110,337	32.2%	32.5%
Total core revenue	**415,837**	**327,836**	**26.8%**	**27.2%**
Non-core revenue	4,581	3,775	21.4%	21.4%
Total Revenue	**420,418**	**331,610**	**26.8%**	**27.1%**

Table 2 Revenue by geographical area (*thousands of euros*)

	31.12.2021	31.12.2020	Delta %	Delta fx %
EMEA	302,311	236,267	28.0%	28.1%
APAC	62,725	49,714	26.2%	24.0%
North America	46,030	38,456	19.7%	23.2%
South America	9,352	7,173	30.4%	38.8%
Total Revenue	**420,418**	**331,610**	**26.8%**	**27.1%**

CAREL

CAREL INDUSTRIES S.p.A.
via dell'Industria, 11 - 35020 Brugine - Padova - Italy
Phone (+39) 049 97 16 611 - Fax (+39) 049 97 16 600
carel.com - carel@carel.com

Cap. Soc. € 10.000.000 i.v.
C.C.I.A.A. Padova Reg. Imp n. 04359090281
Part. IVA e Cod. Fisc. 04359090281

N. Reg. Prod. Pile: IT09060P00000903
N. Reg. Prod. AEE: IT16030000009265

LRQA CERTIFIED
ISO 9001 • ISO 14001
ISO 45001
UKAS MANAGEMENT SYSTEMS
0001

Consolidated EBITDA

Consolidated EBITDA at 31 December 2021 stood at € 85.3 million, up sharply (+30.8%) compared to the € 65.2 at 31 December 2020. Even excluding the positive contribution from the consolidation of Enginia and CFM (€ 4.1 million), the increase in EBITDA would be well over 20% (+24.6%). This performance benefited above all from the excellent percentage growth in revenues, which was reflected and amplified at the level of EBITDA due to operating leverage, offsetting the negative impact of exchange rates and the effect of higher raw material costs (related to the shortage). In addition to the latter, there was also a slightly different mix that contingently penalised certain higher-margin products more impacted by the shortage of electronic materials. Nevertheless, profitability (defined as the ratio of EBITDA to revenues) reached 21% adj. (20.3% reported) excluding € 2.9 million of non-recurring costs, mainly related to the intense M&A activities carried out during the year. This percentage can be compared with 19.7% recorded in 2020, meaning a 130 bps expansion.

Consolidated Net income

The consolidated net result of € 49.1 million shows a significant increase (+39.7%) compared to € 35.1 million as of 31 December 2020, thanks to the excellent operating results. The tax rate (19.6%) was more favourable than last year (21.1%), mainly due to a better revenue/country mix.

Consolidated net financial position

The consolidated net financial position was a negative value of €57.8 million. Net of the impact resulting from acquisitions made during the first half of the year, in the amount of € 35.0 million, the consolidated net financial position would amount to € 22.9 million (including the accounting effect related to the application of IFRS16 of € 27.6 million), therefore approximately halved compared to the figure at 31 December 2020 and equal to € 49.6 million.

The dynamics that affected the net debt trend are mainly related to a robust cash generation that has easily covered: 1) an increase in net working capital mainly due to higher revenues and an expected increase in inventories in order to better manage the global shortage of raw materials; and, 2) net investments of approximately € 18.7 million; 3) dividends of approximately € 12 million. In addition, we need to consider the aforementioned impact of the two acquisitions (CFM and Enginia) which took place between May and June.

OTHER ORDINARY SHAREHOLDERS' MEETING RESOLUTION

Report on the remuneration policy and paid fees

The Annual Shareholders' meeting examined the Report on the remuneration policy and on the fees paid, approving the remuneration policy for 2022 described in the first section and expressing a favourable opinion on the second section of the same Report concerning the fees paid in or related to 2021; pursuant to Article 123-*ter,* Legislative decree 58/1998 and pursuant to art. 84-quarter of the Consob Regulation n. 11971/1999.

Proposal for the authorisation to buy and sell treasury shares

The Annual Shareholders' meeting revoked, for the part not yet executed, the authorization for the buy-back and the disposal of treasury shares, granted to the Board of Directors of the Company with a resolution resolved upon on 20 April 2021.

At the same time, the Annual Shareholders' meeting conferred new authorization to the Board of Directors of the Company to buy treasury shares, in one go or several instalments, up to a maximum number which, taking into account the treasury shares in the Company's portfolio, at any given time, or those of its subsidiaries, cannot, in total, exceed 5,000,000 shares, equal to 5% of the share capital of the Company, for the purpose of: (i) complying with the obligations arising from stock option plans other allocation of shares to employees, or to members of the administrative or control bodies of the Company or its associates or subsidiaries; (ii) proceed with the purchase of treasury shares owned by employees of the Company or of its subsidiaries and assigned or subscribed pursuant to art. 2349 and 2441, par. 8, of the Italian Civil Code or deriving from compensation plans approved pursuant to art. 114-bis TUF (iii) carrying out transactions supporting market liquidity in order to promote the smooth operation of trading avoiding price variations decoupled with market developments; and (iv) implementing sales, exchanges, trade-ins or contribution transactions or any other acts of disposal of treasury shares through the acquisition of equity investments and/or property and/or the conclusion of

CAREL INDUSTRIES S.p.A.
via dell'Industria, 11 - 35020 Brugine - Padova - Italy
Phone (+39) 049 97 16 611 - Fax (+39) 049 97 16 600
carel.com - carel@carel.com
Cap. Soc. € 10.000.000 i.v.
C.C.I.A.A. Padova Reg. Imp n. 04359090281
Part. IVA e Cod. Fisc. 04359090281
N. Reg. Prod. Pile: IT09060P00000903
N. Reg. Prod. AEE: IT16030000009265

agreements with strategic partners, and/or through the implementation of industrial projects or extraordinary finance transactions, which come under the expansion objectives of the company and the Carel Group.

Authorisation to buy treasury shares is requested for the maximum duration provided for by Article 2357, paragraph 2 of the Italian Civil Code, equal to eighteen months from the resolution of the meeting granting authorisation.

The purchase of treasury shares shall take place within the limits of the distributable earnings and the available reserves resulting from the latest financial statements approved at the time of each transaction, (i) at a price which is not more than 20% lower or higher than the benchmark price of the stock at the Stock Exchange session on the day prior to each individual transaction, and, in any event, (ii) at a price which is not higher than the higher price between the price of the latest independent transaction and the highest current independent takeover bid price during the trading session where the purchase is being made.

The company currently holds 100,521 treasury shares in its portfolio, equal to 0.1005% of the share capital.

The Shareholders' meeting, for the same purposes outlined above, authorized the Board of Directors of the Company to sell (in full or in part, and even on several occasions) treasury shares in the portfolio, in accordance with Article 2357 of the Italian Civil Code, without any time constraints, even before having exhausted the maximum quantity of shares that can be purchased and to potentially buy back the actual shares to the extent that the treasury shares held by the Company and, if applicable, its subsidiaries, does not exceed the limit set by the authorisation.

The resolution was also passed with the vote in favour of the majority of the Shareholders of Carel present at the Shareholders Meeting, other than shareholders who separately or collectively hold the majority interest, including in relative terms, provided that it exceeds ten (10) percent (i.e. Luigi Rossi Luciani S.a.p.a. and Luigi Nalini S.a.p.a.), and the exemption under Art. 106, paragraphs 1, 1-*bis* and 1-*ter*, to the extent applicable, and Art. 3 of the Consolidated Finance Act and Art. 44-*bis*, paragraph 2, of the Issuers Regulation therefore applies in respect of the aforesaid shareholders.

Consolidated Non-Financial Report

The ordinary Annual Shareholders Meeting acknowledged the 2021 Consolidated Non-Financial Report drafted in accordance with Legislative Decree No. 254 of 30 December 2016.

It bears recalling that the Annual Financial Report of Carel Industries as of and for the year ended 31 December 2021 approved by the Annual Shareholders Meeting, including, *inter alia*, the separate and consolidated financial statements, together with the Consolidated Non-Financial Report, the Corporate Governance and Ownership Structure Report, the reports of the Board of Statutory Auditors and the independent auditors and the Board of Directors' reports on the other items on the agenda are available to the public from the Company's registered offices and the website www.carel.it. The additional documentation set out in Art. 77, paragraph 2-*bis*, of the Issuers Regulation is available from the public from the registered office.

In accordance with applicable legislation, a condensed tally of the votes, containing the number of shares represented at the Annual Shareholders Meeting and the shares for which the vote was cast, the percentage of capital represented by the said shares, the number of votes in favour of and against the resolution and the number of abstentions will be made available to the public within five days of the date of the Annual Shareholders Meeting on the Company's website. The minutes of the Annual Shareholders Meeting will be made available to the public within 30 days of the date of the Annual Shareholders Meeting according to the same methods.

The Manager in charge of preparing the corporate Accounting Books, Nicola Biondo, stated, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Act, that the accounting information in this press release corresponds to the documented results, accounts and bookkeeping records.

The Financial Statements at 31 December 2021 will be made available to the public at the Company's Registered Office, at Borsa Italiana S.p.A., at the Company's website www.carel.com in the Investor Relations section, as well as at the authorised storage mechanism "eMarket STORAGE" at the address www.emarketstorage.com, under the terms required by existing regulations.

CAREL INDUSTRIES S.p.A.
via dell'Industria, 11 - 35020 Brugine - Padova - Italy
Phone (+39) 049 97 16 611 - Fax (+39) 049 97 16 600
carel.com - carel@carel.com
Cap. Soc. € 10.000.000 i.v.
C.C.I.A.A. Padova Reg. Imp n. 04359090281
Part. IVA e Cod. Fisc. 04359090281
N. Reg. Prod. Pile: IT09060P00000903
N. Reg. Prod. AEE: IT16030000009265

For further information

INVESTOR RELATIONS

Giampiero Grosso – Investor Relations Manager
giampiero.grosso@carel.com
+39 049 9731961

MEDIA RELATIONS

Barabino & Partners
Fabrizio Grassi
f.grassi@barabino.it
+39 392 73 92 125
Marco Trevisan
m. trevisan@barabino.it
+39 02 72 02 35 35

***

CAREL

The CAREL Group is a global leader in the design, production and marketing of technologically-advanced components and solutions for excellent energy efficiency in the control of heating, ventilation and air conditioning ("HVAC") and refrigeration equipment and systems. CAREL is focused on several vertical niche markets with extremely specific needs, catered for with dedicated solutions developed comprehensively for these requirements, as opposed to mass markets.
The Group designs, produces and markets hardware, software and algorithm solutions aimed at both improving the performance of the units and systems they are intended for and for energy saving, with a globally-recognised brand in the HVAC and refrigeration markets (collectively, "HVAC/R") in which it operates and, in the opinion of the Company's management, with a distinctive position in the relevant niches in those markets.
HVAC is the Group's main market, representing 65% of the Group's revenues in the financial year to 31 December 2021, while the refrigeration market accounted for 34% of the Group's revenues.
The Group commits significant resources to research and development, an area which plays a strategic role in helping it maintain its position of leadership in the reference HVAC/R market niches, with special attention focused on energy efficiency, the reduction of environmental impact, trends relating to the use of natural refrigerant gases, automation and remote connectivity (the Internet of Things), and the development of data-driven solutions and services.
The Group operates through 29 subsidiaries and ten production plants located in various countries. As of 31 December 2021, approximately 80% of the Group's revenues was generated outside of Italy and 30% outside of EMEA (Europe, Middle East, Africa).
Original Equipment Manufacturers or OEMs - suppliers of complete units for applications in HVAC/R markets - make up the Company's main category of customers, which the Group focuses on to build long-term relationships.

Fine Comunicato n.2092-13	Numero di Pagine: 7