



**PRESS RELEASE**

**RESULTS HIGHER IN 2021**

**Revenues at € 1,320.6 million: up by 11% on 2020  
Outperforming the market in all geographical areas**

**EBITDA margin at 14.6% of revenues  
higher than the EBITDA margin of 2020 (11.5%) and 2019 (12.1%)**

**Net income from continuing operations at € 28.6 million  
(loss of € 18.4 million in 2020 and earnings of € 13.8 million in 2019)**

**Free Cash Flow positive for € 32.4 million  
(negative for € 38.2 million in 2020 and for € 8.4 million in 2019)**

**Highlights from the results for 2021\***

(in €m)	2019	2020	2021	Δ%
Revenues	1439.4	1190.2	<b>1320.6</b>	<b>+11.0</b>
EBITDA**	174.6	137.0	<b>192.5</b>	
EBIT	46.4	7.1	<b>58.4</b>	
Net result (continuing operations)	13.8	-18.4	<b>28.6</b>	
Net result	3.2	-35.1	<b>2.0</b>	
Net debt (end of period) before IFRS16	256.2	291.3	<b>258.2</b>	

*\* It should be noted that the figures for the years 2020 and 2019 were restated in application of IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations") to the subsidiaries in Brazil, Spain and Argentina of the Filtration business unit, which were sold in December 2020, January 2021 and August 2021 respectively.*

*\*\* EBITDA is calculated by adding the item "Amortization and Depreciation" and the amount of write-downs of the tangible and intangible fixed assets included in the item "Other non-operating costs (revenues) to the item "Ebit". These came to € 18.5 million at December 31 2021 (€ 13.6 million in the same period of the previous year).*

Milan, February 25 2022 - The **Board of Directors of Sogefi S.p.A.**, which met today under the chairmanship of **Monica Mondardini**, has approved the proposed financial statements for 2021 presented by Chief Executive **Frédéric Sipahi**.

Sogefi, a company of the CIR Group, is one of the main global producers of automotive components in three sectors: Air and Cooling, Filtration and Suspensions.

## PERFORMANCE OF THE MARKET

In 2021 world car production rose by 2.5% compared to 2020. After the rise of 29.2% in the first half of 2021 compared to the first half of 2020 (impacted by the spread of the Covid-19 pandemic and the resulting lockdown), in the second half global production was significantly lower than that of the same period of 2020 (-16%). It was particularly affected by the difficulties experienced in the sourcing of specific parts (which also involved the temporary closure of certain production sites of some of the top global producers), shortages of raw materials and the sharp rise in the prices of the same.

In 2021 Europe reported the worst performance, with car production at -6.2% compared to 2020; production remained substantially stable in NAFTA (+0.1%) and reported a recovery in China (+4%) and Mercosur (+16.2%).

Global production in 2021 did not see a return to the volumes of the pre-pandemic period, and reported -14.1% on 2019 (Europe -27.9%, NAFTA -20.1% and Mercosur -19.4%); the only exception was China, which did substantially return to the levels of 2019 (-0.6%).

After the fall reported in 2020 and the extremely weak recovery in 2021, IHS is forecasting 8.5% growth in production for 2022.

## SOGEFI'S KEY RESULTS FOR 2021

**The Group's revenues recorded growth of 11%** compared to 2020, clearly outperforming the market (+2.5%); compared to 2019 revenues were -8.3%, versus -14.1% for car production worldwide.

The recovery of revenues and the action taken to counter the economic impact of the crisis made it possible to close the year with:

- **"Net income from continuing operations" of € 28.6 million**, versus a loss of € 18.4 million in 2020,
- **Positive free cash flow of € 32.4 million** (a negative € 38.2 million in 2020),
- **Net debt before IFRS16 lower at € 258.2 million** (€ 291.3 million at December 31 2020).

### **The year 2021 was also a positive year for commercial activity.**

The Air and Cooling Division obtained important contracts in Europe, NAFTA and China for the supply of thermal management products for electric mobility, which contain greater added value than the average standard value of traditional products for internal combustion engines. More specifically, these new contracts were with a prime German car manufacturer for a new-generation electric platform, with two producers of electric commercial vehicles, one pure electric and the other using fuel cell technology, and with various Chinese car manufacturers of full electric vehicles.

Filtration obtained a significant number of contracts for the supply of air purification Filters and two important contracts in the NAFTA zone for transmission filters.

Suspensions extended its customer portfolio, obtaining contracts with new customers focusing exclusively on electric products. The division also obtained contracts from historical customers for orders that will be produced in the new production plant at Oradea in Romania. Of these it is worth mentioning the first contract signed with one of the principal customers for the production of coil springs in Eastern Europe.

In the current context of generalized increases in the cost of raw materials, transportation and energy, which led to a deterioration in margins in the second half of 2021, Sogefi has

started negotiations with all customers aimed at adjusting its sales prices to the situation to a more complete extent than that envisaged by the indexation mechanisms contained in the contracts. Sogefi's management is determined and confident that it will be able to reach fair agreements with all of its customers in order to continue its commercial relationships in a way that is sustainable in the long term. With some of them this objective has already been reached.

## REVENUES

In 2021 Sogefi's revenues came in at € 1,320.6 million and were up by 11% on 2020. After growth of 34.7% in the first half, the second half closed with a decline of 6.2% on the same period of 2020, although this was still significantly better than the market's -16%.

### Performance of revenues by geographical area

Revenues rose in all geographical areas: +7.8% in Europe, +4.6% in North America, +22.0% in Asia, +67.9% in South America.

	2021	2020	reported change 2021 vs 2020	constant exchange rates 2021 vs 2020	reference market production	2019	reported change 2021 vs 2019
(in millions of Euro)	Amount	Amount	%	%	%	Amount	%
Europe	813.5	754.9	7.8	7.5	(6.2)	923.5	(11.9)
North America	262.4	250.8	4.6	5.6	0.1	288.7	(9.1)
South America	77.8	46.3	67.9	85.2	16.2	85.6	(9.1)
Asia	176.9	144.9	22.0	21.4	6.6	150.0	17.9
- of which China	100.5	86.0	16.9	13.4	4.0	75.5	33.0
Intercompany eliminations	(10.0)	(6.7)				(8.4)	
Total	1,320.6	1,190.2	11.0	11.3	2.5	1,439.4	(8.3)

### Performance of revenues by Business Unit

The Air and Cooling and Filtration sectors reported revenues close to those reported in 2019. The growth of Air and Cooling compared to 2020 (+8.1%) was due partly to the recovery of the market but partly also to the expansion of the contract portfolio particularly in China, where revenues were up by 18.4% compared to the previous year.

The increase in the revenues of Filtration (+10%) reflects the strong recovery in India as well as the evolution of the market.

Lastly, Suspensions posted revenue growth of 14.7%, but business remains significantly below the levels of the corresponding period of 2019 (-16.6%).

The rise in revenues mainly reflects the good performance in South America and China.

	2021	2020	reported change 2021 vs 2020	constant exchange rates 2021 vs 2020	2019	reported change 2021 vs 2019
(in millions of Euro)	Amount	Amount	%	%	Amount	%
Suspensions	458.2	399.6	14.7	15.6	549.7	(16.6)
Filtration	463.4	421.2	10.0	10.8	467.1	(0.8)
Air&Cooling	402.0	371.8	8.1	7.6	425.9	(5.6)
Intercompany eliminations	(3.0)	(2.4)			(3.3)	
TOTAL	1,320.6	1,190.2	11.0	11.3	1,439.4	(8.3)

## OPERATING RESULT AND NET RESULT

**EBITDA** came to € 192.5 million, up from € 137.0 million in 2020 and € 174.6 million in 2019; gross profitability (EBITDA / Revenues %) rose to 14.6% from 11.5% in 2020 (13.1% excluding non-recurring restructuring charges) and 12.1% in 2019.

The contribution margin remained stable (30.6% versus 30.8% in 2020 and 30.1% in 2019) and the increase in profitability was due to the decline in the impact of fixed costs on revenues to 16.3% (16.9% in 2020 and 17.2% in 2019) and of restructuring costs. It should be noted that compared to 2019 fixed costs were down by 12.8%, thanks to the action plans put in place. Lastly, the higher EBITDA was partly due to the positive effect of exchange rates (€ +2.5 million in 2021 versus € -4.7 million in 2020).

In conclusion, it should be pointed out that, as was the case in the third quarter, the fourth quarter was negatively affected by the weakness in volumes and the generalized rise in the cost of raw materials, especially steel prices for the production of suspensions, which caused a reduction in the contribution margin for the quarter from 31.5% in 2020 to 28.1% in 2021.

**EBIT** came to € 58.4 million, up from € 7.1 million in 2020 and € 46.4 million in 2019.

Financial expense, totalling € 17.8 million, was lower than in 2020 (€ 22.1 million) thanks to the reduction in debt and to the recognition of an item of non-recurring financial income (of € 1.2 million); tax expense came to € 13.5 million versus € 3.4 million in 2020.

**Net income from operating activity** came in at € 28.6 million and compares with a loss of € 18.4 million in 2020 and earnings of € 13.8 million in 2019.

The **net result of discontinued operations** was a loss of € 24.5 million (a loss of € 16.2 million at December 31 2020) and related to the filtration business in Argentina, which was sold in 2021 and which generated an accounting loss in the income statement of € 24.1 million, of which € 20.8 million due to the restatement of accrued exchange rate differences from shareholders' equity to the result for the period. This had no impact either on the cash or the equity position.

The **net result** was a positive € 2.0 million compared to a loss of € 35.1 million in 2020 and net income of € 3.2 million in 2019.

## DEBT AND EQUITY

**Free Cash Flow** was positive for € 32.4 million, versus cash absorption of € 38.2 million in 2020, due to the particular circumstances that occurred in 2020 and more especially to the fall in revenues, which also had an impact on working capital. In 2021 the strong recovery of Free Cash Flow reflected the positive evolution of results and the specific action taken by the Group on working capital.

**Net financial debt** before IFRS 16 stood at € 258.2 million at December 31 2021, lower than at the end of 2020 (€ 291.3 million) and substantially in line with December 31 2019 (€ 256.2 million).

Including financial payables for rights of use, as per IFRS 16, net debt stood at € 327.6 million at December 31 2021, down from € 358.1 million at December 31 2020 (€ 318.9 million at December 31 2019).

At December 31 2021 the Group had committed credit lines of € 280 million in excess of its requirements (after repaying its convertible bond loan of € 100 million in May).

At December 31 2021 **shareholders' equity**, excluding minority interests, stood at € 187.7 million compared to € 133.8 million at December 31 2020 (€ 188.7 million at December 31 2019).

#### **KEY RESULTS OF FOURTH QUARTER 2021**

In the fourth quarter of 2021, Sogefi reported **revenues** of € 330.6 million, with a decline of 8.4% compared to the fourth quarter of 2020, in a market in which production was -13.2%. The fourth quarter, like the third quarter, was affected by the temporary closure of certain production facilities of top global producers; the business unit most affected by the performance of the market was Air and Cooling partly because of its greater exposure to the two markets that suffered the most (Europe and NAFTA).

**EBITDA** came to € 48.3 million, up from € 38.8 million in the fourth quarter of 2020 and € 43.1 million in 2019. The EBITDA margin was 14.6%, higher than in 2020, but in line excluding the non-recurring expenses of the previous year. The contraction of the contribution margin (from 31.5% in fourth quarter 2020 to 28.1% in fourth quarter 2021) reflects the increase in the cost of raw materials, which had a particular impact on the results of the suspensions business unit; negotiations are in progress with customers to adjust sales prices to the current conditions of the commodity markets.

**EBIT** was a positive € 8.9 million (€ 3.8 million in fourth quarter 2020).

The **net result of operating activity** was a positive € 4.3 million, versus a loss of € 2.9 million in the fourth quarter of 2020.

The **net result of discontinued operations** was a positive € 0.2 million compared to a negative result of € 8 million in the fourth quarter of 2020 (due particularly to the Brazilian Filtration business, which was sold at the end of 2020).

The **consolidated net result** for the fourth quarter of 2021 was € 3.9 million, compared to a loss of € 12.0 million in the previous year.

#### **IMPACT OF COVID-19 ON THE BUSINESS**

In 2021, despite the continuing pandemic crisis, the effects on the market in which the Company operates were less severe than those suffered in 2020. There was, however, a general weakness in demand, which is still lower than in the same period of 2019, particularly in Europe (-27.9%) and NAFTA (-20.1%), and operating difficulties linked to fluctuating production levels and personnel absences caused by contagion and, most of all, by contact with infected people.

During the year 2021, the Sogefi Group continued to apply all the rules for health and safety in the workplace aimed at reducing the risk of contagion, namely social distancing, the use of individual protective equipment and measures to limit the presence of personnel in the workplace, i.e. working from home.

#### **RESULTS OF THE PARENT COMPANY SOGEFI S.P.A.**

In financial year 2021 the Company recognized a reversal of an impairment loss on equity investments after conducting an impairment test at December 31 2021. The reversal was for € 68.1 million (recognized to the item "Adjustments to the value of financial assets"), relating to the French subsidiary Sogefi Filtration S.A.. Thanks to this reversal Sogefi S.p.A. realized net income of € 69.9 million in financial year 2021 after reporting a net loss of € 6.2 million in 2020.

## **SIGNIFICANT EVENTS OCCURRING AFTER DECEMBER 31 2021**

No significant events have occurred since the close of the year.

## **OUTLOOK FOR THE YEAR**

Visibility as to the market trend in the next few months remains low, mainly due to the uncertainty, still existing, as to the evolution of the pandemic and the macroeconomic situation.

There are also specific areas of uncertainty regarding the trend of demand, the generalized increase in commodity prices and their availability, as well as logistic difficulties involving transportation and sourcing from Asian markets.

For 2022, after the decline in 2020 and performance in 2021 that was lower than expected at the start of the year, IHS is estimating a recovery in world car production volumes of 8.5% compared to 2021, with Europe +20.8%, Nafta +16.6%, South America +12.5% and China substantially breaking even (+0.9%); despite the expected positive trend, 2022 production would still be lower than that of 2019 (-6.8%), especially in Europe (-12.9%), Nafta (-6.9%) and South America (-9.4%), with only the Asian market at pre-Covid levels (+0.7%).

With regard to commodity prices, given the unprecedented price boom in 2021, it is difficult to make any forecasts for 2022 and the current situation seems to be continuing in the first part of this year. To mitigate the effects of this, the Group has already started resourcing activities, putting in place measures to contain costs and taking commercial action.

In this scenario and in the absence of any currently unforeseeable extraordinary events, Sogefi expects to achieve operating profitability for full year 2022, excluding non-recurring charges, substantially in line with that of 2021, thanks to the effects of the incisive action already implemented to reduce the impact of fixed costs and structurally improve profitability and, with regard to Suspensions in particular, the gradual entry into operation of the new plant in Romania.

## **DIVIDEND PROPOSAL**

The Board of Directors will put before the Annual General Meeting of the Shareholders the proposal that no dividend be distributed.

## **ANNUAL GENERAL MEETING OF THE SHAREHOLDERS**

The Annual General Meeting of the Shareholders of Sogefi will be held at the first call on April 22 2022 and at the second call on April 26 2022.

The Board of Directors has voted to put the following proposals before the Annual General Meeting of the Shareholders:

- a) The cancellation and renewal of the authorization of the same Board of Directors, in the light of the rules stated in Articles 2357 and following articles of the Civil Code, of Art. 132 of D.Lgs. no. 58/98, of Art. 144-bis of Consob Resolution no. 11971/1999, of EU Regulation no. 596/2014, EU Delegated Regulation no. 2016/1052, of Consob Resolution no. 20876 of April 3 2019 and Consob Guidelines of July 2019, for a period of 18 months, to buy back a maximum of 10 million own shares at a unit price that cannot be more than 15% higher or lower than the benchmark price recorded by the Company's shares on the trading day preceding each single buyback transaction or preceding the date on which the price is fixed in the event of purchases made in accordance with the procedures stated in points

(a), (c) and (d) of the following paragraph, and in any case, when the shares are bought back through orders placed in the regulated market, the price must not be higher than the higher of the price of the last independent transaction and the highest current independent bid price on the same market. As of today's date the Company is the owner of 1,993,372 own shares, equal to 1.65% of the share capital.

The buyback must take place in the market, in compliance with the terms of Art. 132 of D.Lgs. no. 58/98 and with the terms of the law and the rules in force at the moment of the transaction and more precisely **(a)** through a public tender offer to buy or exchange shares; **(b)** on regulated markets following operating procedures established in the rules for organizing and managing the said markets, which do not allow bids and offers to be matched directly; **(c)** through the assignment pro-rata of put options to the shareholders to be assigned within 15 months of the date of the AGM resolution authorizing the same with exercise within 18 months of the same resolution; **(d)** through the purchase and sale of derivative instruments traded on regulated markets that involve physical delivery of the underlying shares in compliance with the further provisions contained in Art. 144-bis of the Rules for Issuers issued by Consob, and as per the terms of Articles 5 and 13 of EU Regulation no. 596/2014.

The main reasons why this authorization is being renewed are the following: **(i)** to fulfil obligations resulting from possible stock option plans or other awards of shares of the Company to employees or members of the Board of Directors of Sogefi S.p.A. or its subsidiaries, or to fulfil any obligations resulting from debt instruments that are convertible into or exchangeable with equity instruments; **(ii)** to have a portfolio of own shares that can be used as consideration for any extraordinary transactions, even those involving an exchange of shareholdings, with other parties within the sphere of transactions of interest to the Company (a so-called "stock of shares"); **(iii)** to engage in action to support market liquidity, optimize capital structure, and remunerate shareholders in particular market situations, all within the limits established by current rules and regulations; **(iv)** to take advantage of opportunities for creating value, as well as investing liquidity efficiently in relation to the market trend; **(v)** for any other purpose qualified by the competent Authorities as admitted market practice in accordance with applicable European or domestic rules, and with the procedures established therein.

- b) The approval of a stock grant plan for 2022 aimed at employees of the Company and its subsidiaries, in the terms to be defined by the Board of Directors and notified to the market in sufficient time for any legal obligations to be carried out. The Stock Grant Plan has the aim of rewarding the loyalty of the beneficiaries to the companies of the Group, giving them an incentive to increase their commitment to improving the performance of the Company.

#### **APPOINTMENT OF THE NEW CHIEF FINANCIAL OFFICER AND THE EXECUTIVE RESPONSIBLE FOR THE PREPARATION OF THE COMPANY'S FINANCIAL STATEMENTS**

The Board of Directors has approved the appointment, as from May 1 2022, of Olivier Proust as the new Chief Financial Officer and Investor Relator in replacement of Yann Albrand who should be leaving the Company on April 30 2022. Mr Proust has been working for Sogefi since 2008 and is currently in charge of the group's treasury. Mr Proust owns 8,394 shares in the Company.

It should be noted that Mr Albrand has terminated his relationship with the Company by mutual consent; in connection with the termination of the employment there will be payment of an all-inclusive sum as a negotiated settlement (including the notice period) of euro 307,000 and he will keep the benefits that he was assigned that have not yet vested under the stock grant plans approved by the Company for the years 2018 and 2019.

According to the information available to the Company, Mr Albrand owns 74,517 shares in the Company.

In addition to the position of Chief Financial Officer, Mr Albrand was also the Executive Responsible for the preparation of the Company's Financial Statements. After obtaining the favourable opinion of the Board of Statutory Auditors, the Board of Directors has resolved to assign the title of Executive Responsible for the preparation of the Company's Financial Statements to Ms Maria Beatrice De Minicis, who has been in Sogefi since 2004 and is currently in charge of the Company's consolidated accounts and reporting. Ms De Minicis is the owner of 20,570 shares in the Company.

*The Executive responsible for the preparation of the Company's Financial Statements, Yann Albrand, hereby declares, in compliance with the terms of paragraph 2 Article 154 bis of the Finance Consolidation Act (TUF), that the figures contained in this press release correspond to the results documented in the Company's accounts and general ledger.*

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This press release can also be consulted on the website: <http://www.sogefigroup.com/it/area-stampa/index.html>

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*Attached are the main results of the income statement and the statement of financial position as of December 31 2021 of the Sogefi Group.*



## **SOGEFI GROUP**

### **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(in millions of Euro)

<b>ASSETS</b>	<b>12.31.2021</b>	<b>12.31.2020 (*)</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	120.9	209.7
Other financial assets	1.3	4.0
Inventories	111.9	97.7
Trade receivables	136.7	146.3
Other receivables	10.9	8.8
Tax receivables	25.6	23.2
Other assets	2.7	2.3
<b>ASSETS HELD FOR SALE</b>	-	6.5
<b>TOTAL CURRENT ASSETS</b>	<b>410.0</b>	<b>498.5</b>
<b>NON-CURRENT ASSETS</b>		
Land	12.2	12.4
Property, plant and equipment	368.6	361.1
Other tangible fixed assets	4.7	4.5
Right of Use	67.4	66.4
Intangible assets	236.7	255.4
Other financial assets	-	-
Financial receivables	4.0	2.3
Other receivables	38.8	33.9
Deferred tax assets	36.3	40.7
<b>TOTAL NON-CURRENT ASSETS</b>	<b>768.7</b>	<b>776.7</b>
<b>TOTAL ASSETS</b>	<b>1,178.7</b>	<b>1,275.2</b>

(\*) The comparative information has been restated to account a change in the classification of liabilities from "Trade receivables" to "Trade and other payables".

<b>LIABILITIES</b>	<b>12.31.2021</b>	<b>12.31.2020 (*)</b>
<b>CURRENT LIABILITIES</b>		
Bank overdrafts and short-term loans	2.0	3.2
Current portion of medium/long-term financial debts and other loans	86.9	148.8
Short-term financial debts for right of use	17.1	18.0
Other short-term liabilities for derivative financial instruments	-	-
Trade and other payables	317.6	320.2
Tax payables	4.8	4.3
Other current liabilities	33.5	35.3
Current provisions	16.7	26.1
<b>LIABILITIES RELATED TO ASSETS HELD FOR SALE</b>	-	5.3
<b>TOTAL CURRENT LIABILITIES</b>	<b>478.6</b>	<b>561.2</b>
<b>NON-CURRENT LIABILITIES</b>		
Financial debts to bank	219.0	255.4
Other medium/long-term financial debts	74.2	95.3
Medium/long-term financial debts for right of use	54.4	52.2
Other medium/long term financial liabilities for derivative financial instruments	-	1.0
Non-current provisions	56.3	71.0
Other payables	65.9	58.7
Deferred tax liabilities	25.3	30.2
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>495.1</b>	<b>563.8</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	62.5	62.5
Reserves and retained earnings (accumulated losses)	123.2	106.4
Group net result for the year	2.0	(35.1)
<b>TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE HOLDING COMPANY</b>	<b>187.7</b>	<b>133.8</b>
Non-controlling interests	17.3	16.4
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>205.0</b>	<b>150.2</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,178.7</b>	<b>1,275.2</b>

(\*) The comparative information has been restated as a result of:

- the change in the classification of liabilities from "Trade receivables" to "Trade and other payables";
- the split of the previous item "Long-term provisions" between "Current provisions" and "Non-current provisions";
- the application of the IFRIC "Attributing Benefit to Periods of Service (IAS 19 Employee Benefits)".

## SHAREHOLDERS' EQUITY

(in millions of Euro)	<b>Consolidated shareholders' equity - Group</b>	<b>Capital and reserves pertaining to non-controlling interests</b>	<b>Total Group and non-controlling shareholders' equity</b>
Balance at December 31, 2020	133.8	16.4	150.2
Dividends	0.0	0.0	0.0
Currency translation differences and other changes	51.9	(1.2)	50.7
Net result for the period	2.0	2.1	4.1
Balance at December 31, 2021	187.7	17.3	205.0

## CONSOLIDATED INCOME STATEMENTS

(in millions of Euro)	Period		Period		Change	
	01.01 – 12.31.2021		01.01 – 12.31.2020 (*)			
	Amount	%	Amount	%	Amount	%
Sales revenues	1,320.6	100.0	1,190.2	100.0	130.4	11.0
Variable cost of sales	916.9	69.4	824.0	69.2	92.9	11.3
<b>CONTRIBUTION MARGIN</b>	<b>403.7</b>	<b>30.6</b>	<b>366.2</b>	<b>30.8</b>	<b>37.5</b>	<b>10.3</b>
Manufacturing and R&D overheads	114.9	8.7	106.0	8.9	8.9	8.5
Depreciation and amortization	115.5	8.8	116.2	9.8	(0.7)	(0.6)
Distribution and sales fixed expenses	29.9	2.3	28.5	2.4	1.4	4.7
Administrative and general expenses	70.5	5.3	66.4	5.6	4.1	6.4
Restructuring costs	7.1	0.5	28.9	2.4	(21.8)	(75.5)
Losses (gains) on disposal	-	-	0.1	-	(0.1)	(103.7)
Exchange losses (gains)	(2.5)	(0.2)	4.7	0.4	(7.2)	(153.7)
(income)	9.9	0.8	8.3	0.7	1.6	18.9
<b>EBIT</b>	<b>58.4</b>	<b>4.4</b>	<b>7.1</b>	<b>0.6</b>	<b>51.3</b>	-
Financial expenses	20.7	1.5	23.5	2.0	(2.8)	(11.9)
Financial (income)	(2.9)	(0.2)	(1.4)	(0.1)	(1.5)	111.4
Losses (gains) from equity investments	(1.5)	(0.1)	-	-	(1.5)	-
<b>RESULT BEFORE TAXES</b>	<b>42.1</b>	<b>3.2</b>	<b>(15.0)</b>	<b>(1.3)</b>	<b>57.1</b>	<b>380.6</b>
Income taxes	13.5	1.0	3.4	0.2	10.1	296.4
<b>NET INCOME (LOSS) OF OPERATING ACTIVITIES</b>	<b>28.6</b>	<b>2.2</b>	<b>(18.4)</b>	<b>(1.5)</b>	<b>47.0</b>	<b>255.3</b>
Net income (loss) from discontinued operations, net of tax effects	(24.5)	(1.9)	(16.2)	(1.4)	(8.3)	(51.0)
<b>NET RESULT INCLUDING THIRD PARTY</b>	<b>4.1</b>	<b>0.3</b>	<b>(34.6)</b>	<b>(2.9)</b>	<b>38.7</b>	<b>111.9</b>
Loss (income) attributable to non-controlling interests	(2.1)	(0.2)	(0.5)	(0.1)	(1.6)	345.4
<b>GROUP NET RESULT</b>	<b>2.0</b>	<b>0.1</b>	<b>(35.1)</b>	<b>(3.0)</b>	<b>37.1</b>	<b>105.6</b>

(\*) The 2020 values, relating to “Assets held for sale”, have been reclassified following the application of IFRS 5 “Non-current assets held for sale and discontinued operations” to the line “Net income (loss) from discontinued operations, net of tax effects”.

## CONSOLIDATED INCOME STATEMENT FOR FOURTH QUARTER 2021

(in millions of Euro)	Period		Period		Change	
	10.01 - 12.31.2021		10.01 - 12.31.2020 (*)		Amount	%
	Amount	%	Amount	%	Amount	%
Sales revenues	330.6	100.0	360.9	100.0	(30.3)	(8.4)
Variable cost of sales	237.7	71.9	247.0	68.5	(9.3)	(3.8)
<b>CONTRIBUTION MARGIN</b>	<b>92.9</b>	<b>28.1</b>	<b>113.9</b>	<b>31.5</b>	<b>(21.0)</b>	<b>(18.4)</b>
Manufacturing and R&D overheads	26.4	8.0	30.5	8.5	(4.1)	(13.5)
Depreciation and amortization	29.2	8.8	29.6	8.2	(0.4)	(1.4)
Distribution and sales fixed expenses	7.7	2.3	7.9	2.2	(0.2)	(2.9)
Administrative and general expenses	19.0	5.8	18.6	5.1	0.4	2.1
Restructuring costs	4.7	1.4	16.7	4.5	(12.0)	(71.6)
Losses (gains) on disposal	-	-	0.2	0.1	(0.2)	(100.0)
Exchange losses (gains)	(0.4)	(0.1)	1.5	0.4	(1.9)	(125.3)
(income)	(2.6)	(0.8)	5.1	1.4	(7.7)	(151.0)
<b>EBIT</b>	<b>8.9</b>	<b>2.7</b>	<b>3.8</b>	<b>1.1</b>	<b>5.1</b>	<b>134.8</b>
Financial expenses	5.0	1.5	6.2	1.7	(1.2)	(19.3)
Financial (income)	(0.6)	(0.2)	(0.1)	(0.0)	(0.5)	547.0
Losses (gains) from equity investments	-	-	-	-	-	-
<b>RESULT BEFORE TAXES</b>	<b>4.5</b>	<b>1.4</b>	<b>(2.3)</b>	<b>(0.6)</b>	<b>6.8</b>	<b>299.7</b>
Income taxes	0.2	0.1	0.6	0.2	(0.4)	(58.3)
<b>NET INCOME (LOSS) OF OPERATING ACTIVITIES</b>	<b>4.3</b>	<b>1.3</b>	<b>(2.9)</b>	<b>(0.8)</b>	<b>7.3</b>	<b>249.7</b>
Net income (loss) from discontinued operations, net of tax effects	0.2	0.1	(8.0)	(2.2)	8.2	(102.5)
<b>NET RESULT INCLUDING THIRD PARTY</b>	<b>4.5</b>	<b>1.4</b>	<b>(10.9)</b>	<b>(3.0)</b>	<b>15.4</b>	<b>141.2</b>
Loss (income) attributable to non-controlling interests	(0.6)	(0.2)	(1.1)	(0.3)	0.5	51.7
<b>GROUP NET RESULT</b>	<b>3.9</b>	<b>1.2</b>	<b>(12.0)</b>	<b>(3.3)</b>	<b>15.9</b>	<b>132.7</b>

(\*) The values of the fourth quarter of 2020, relating to "Assets held for sale", have been reclassified following the application of IFRS 5 "Non-current assets held for sale and discontinued operations" to the line "Net income (loss) from discontinued operations, net of tax effects".

## BREAKDOWN OF THE NET FINANCIAL POSITION

(in millions of Euro)	12.31.2021	12.31.2020
A. Cash	120.9	209.7
B. Cash equivalents	-	-
C. Other current financial assets	5.1	6.2
<b>D. Liquidity (A) + (B) + (C)</b>	<b>126.0</b>	<b>215.9</b>
E. Current Financial Debt (including debt instruments, but excluding current portion of non-current financial debt)	2.0	4.5
F. Current portion of non-current financial debt	104.1	165.6
<b>G. Current financial indebtedness (E) + (F)</b>	<b>106.1</b>	<b>170.1</b>
<b>H. Net current financial indebtedness (G) - (D)</b>	<b>(19.9)</b>	<b>(45.8)</b>
I. Non-current financial debt (excluding the current portion and debt instruments)	273.3	310.1
J. Debt instruments	74.2	93.8
K. Non-current trade and other payables	-	-
<b>L. Non-current financial indebtedness (I) + (J) + (K)</b>	<b>347.5</b>	<b>403.9</b>
<b>M. Total financial indebtedness (H) + (L)</b>	<b>327.6</b>	<b>358.1</b>

## CONSOLIDATED CASH FLOW STATEMENT

(in millions of Euro)	12.31.2021	12.31.2020
SELF-FINANCING	124.6	104.9
Change in net working capital	(13.0)	(32.1)
Other medium/long-term assets/liabilities	28.8	6.0
<b>CASH FLOW GENERATED BY OPERATIONS</b>	<b>140.4</b>	<b>78.8</b>
Net decrease from sale of fixed assets	21.1	2.3
TOTAL SOURCES	161.5	81.1
TOTAL APPLICATION OF FUNDS	120.0	133.4
Net financial position of subsidiaries purchased/sold during the year	(5.4)	9.0
Exchange differences on assets/liabilities and equity	(3.7)	5.1
<b>FREE CASH FLOW</b>	<b>32.4</b>	<b>(38.2)</b>
Dividends paid by subsidiaries to non-controlling interests	(3.0)	-
Change in fair value derivate instruments	1.1	(1.0)
CHANGES IN SHAREHOLDERS' EQUITY	(1.9)	(1.0)
<b>Change in net financial position</b>	<b>30.5</b>	<b>(39.2)</b>
<b>Opening net financial position</b>	<b>(358.1)</b>	<b>(318.9)</b>
<b>CLOSING NET FINANCIAL POSITION</b>	<b>(327.6)</b>	<b>(358.1)</b>

## **SOGEFI S.p.A.**

### **STATEMENT OF FINANCIAL POSITION**

(in millions of Euro)

<b>ASSETS</b>	<b>12.31.2021</b>	<b>12.31.2020</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	49.8	119.4
Centralized treasury current accounts with subsidiaries	82.1	127
Other financial assets	-	-
Other financial loans with subsidiaries	4.3	2.6
Trade receivables	2.9	4.8
<i>of which to subsidiaries</i>	2.1	2.3
<i>of which to parent company</i>	0.8	2.5
Other receivables	-	-
Tax receivables	2.6	2.3
Other assets	0.1	0.1
<i>TOTAL WORKING CAPITAL</i>	5.6	7.2
<b>TOTAL CURRENT ASSETS</b>	<b>141.8</b>	<b>256.2</b>
<b>NON-CURRENT ASSETS</b>		
Land	8.8	9.2
Buildings	5.0	5.0
Other tangible fixed assets	0.1	0.1
Right of use	0.2	0.3
Intangible assets	13.0	16.5
Investments in subsidiaries	416.2	348.0
Other financial loans	178.6	112.5
<i>of which to subsidiaries</i>	174.6	110.2
<i>for derivatives</i>	4.0	2.3
Other receivables	-	-
Deferred tax assets	4.3	5.1
<b>TOTAL NON-CURRENT ASSETS</b>	<b>626.2</b>	<b>496.7</b>
<b>TOTAL ASSETS</b>	<b>768.0</b>	<b>752.9</b>

<b>LIABILITIES</b>	<b>12.31.2021</b>	<b>12.31.2020</b>
<b>CURRENT LIABILITIES</b>		
Bank overdrafts and short-term loans	-	0.1
Centralized treasury current accounts with subsidiaries	193.7	116.7
Current portion of medium/long-term financial debts and other loans	63.2	130.2
<i>of which to subsidiaries</i>	1.0	-
Short-term financial debts for right of use	0.1	0.1
Other short-term liabilities for derivative financial instruments	-	-
Trade and other payables	5.2	3.2
<i>of which to subsidiaries</i>	1.0	-
<i>of which to parent company</i>	1.2	0.6
Tax payables	0.1	0.1
Other current liabilities	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>262.3</b>	<b>250.4</b>
<b>MEDIUM/LONG TERM FINANCIAL DEBTS AND</b>		
Financial debts to bank	154.3	199.3
Other medium/long-term financial debts	74.2	93.8
Medium/long-term financial debts for right of use	-	0.2
Other medium/long-term financial liabilities for derivative financial instruments	-	1.0
<b>OTHER LONG-TERM LIABILITIES</b>		
Long-term provisions	0.3	0.2
Deferred tax liabilities	0.1	2.4
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>	<b>0.4</b>	<b>2.6</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>228.9</b>	<b>296.9</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	62.5	62.5
Reserves and retained earnings (accumulated losses)	144.4	149.3
Net result for the year	69.9	(6.2)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>276.8</b>	<b>205.6</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>768.0</b>	<b>752.9</b>

**RECLASSIFIED INCOME STATEMENT FOR THE YEAR**  
(in millions of Euro)

	<b>12.31.2021</b>	<b>12.31.2020</b>
Financial income/expenses and dividends	5.2	(0.4)
Adjustments to financial assets	68.1	(0.5)
Other operating revenues	8.7	7.9
Operating costs	(12.1)	(11.8)
Other non-operating income (expenses)	(0.8)	(2.5)
<b>RESULT BEFORE TAXES</b>	<b>69.1</b>	<b>(7.3)</b>
Income taxes	0.8	1.1
<b>NET RESULT</b>	<b>69.9</b>	<b>(6.2)</b>

**CASH FLOW STATEMENT**  
(in millions of Euro)

	<b>12.31.2021</b>	<b>12.31.2020</b>
<b>SELF-FINANCING</b>	<b>4.2</b>	<b>(0.4)</b>
Change in net working capital	3.6	(1.4)
Other medium/long-term assets/liabilities	0.8	0.9
<b>CASH FLOW GENERATED BY OPERATIONS</b>	<b>8.6</b>	<b>(0.9)</b>
Sale of equity investments	-	-
Net decrease from sale of intangible assets	-	-
<b>TOTAL SOURCES</b>	<b>8.6</b>	<b>(0.9)</b>
<b>TOTAL APPLICATION OF FUNDS</b>	<b>0.4</b>	<b>0.4</b>
<b>FREE CASH FLOW</b>	<b>8.2</b>	<b>(1.3)</b>
Holding Company increases in capital	-	-
Change in <i>fair value</i> derivate instruments	1.1	(1.0)
Dividends paid by the Holding Company	-	-
<b>CHANGES IN SHAREHOLDERS' EQUITY</b>	<b>1.1</b>	<b>(1.0)</b>
<b>Change in net financial position</b>	<b>9.3</b>	<b>(2.3)</b>
<b>Opening net financial position</b>	<b>(180.0)</b>	<b>(177.7)</b>
<b>CLOSING NET FINANCIAL POSITION</b>	<b>(170.7)</b>	<b>(180.0)</b>