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Informazione Regolamentata n. 2092-2-2022	Data/Ora Ricezione 03 Marzo 2022 14:46:33	Euronext Star Milan

Societa'	:	CAREL INDUSTRIES
Identificativo Informazione Regolamentata	:	158026
Nome utilizzatore	:	CARELINDUSN03 - Grosso
Tipologia	:	1.1
Data/Ora Ricezione	:	03 Marzo 2022 14:46:33
Data/Ora Inizio Diffusione presunta	:	03 Marzo 2022 14:46:34
Oggetto	:	CAREL - BoDs approves 2021 FY results

Testo del comunicato

Vedi allegato.

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Press Release

The CAREL Industries Board of Directors has approved the consolidated results as of 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.
- Proposed dividend of € 0.15 per share (25% increase compared to 2020)

Brugine, 3 March 2022 – The Board of Directors of CAREL Industries S.p.A. ('CAREL' or the 'Company' or the 'Parent Company'), which met today, has approved the results as of 31 December 2021.

***Francesco Nalini, CEO of the Group**, commented: "The year 2021 was characterized by different and contrasting phenomena. On the one hand, the spread of the vaccine against COVID-19 has prevented new closures of industrial and manufacturing plants and has fuelled a strong recovery of the world economy. On the other hand, the shortage of raw materials, especially electronic materials, has halted global growth, which has also been put under pressure by the rise in inflation. This complex and sometimes contradictory context makes the record results achieved by the Group even more significant: in fact, consolidated revenues at the end of 2021 grew by 26.8% (+21.9% on a like-for-like basis) which, thanks mainly to the phenomenon of operating leverage, was reflected in profitability (EBITDA Adj margin), equal to 21.0%, up 130 basis points on the previous year. Growth and profitability have had a positive impact on the robust generation of cash flow: net of the effects deriving from M&A transactions, net debt has fallen from around 50 million to less than 23 million, with a reduction of over 50%. For a fair view of economic performance, it is useful to remember that growth rates remain largely unchanged even when compared to the results of 2019, a year not impacted by the pandemic. This performance derives first and foremost from the ongoing implementation of CAREL's strategy of diversification, internationalization and production mirroring, which has enabled the company to increase its resilience, in addition to its ability to seize the opportunities offered by the decidedly positive trends in all applications, including heat pumps, data centers, indoor air quality and the strong recovery of investments in refrigeration linked to the food-retail sector. Particularly important was also the growth through M&A activity: in 2021, in fact, two important transactions were closed, the acquisition of 100% of the share capital of ENGINIA, an Italian company specialized in components for air control units and 51% of the share capital of CFM, one of the most important Turkish distributors, long-time partner of the Group, specialized in digital and on-field services. All this is based on a medium-term vision that sees business strategies increasingly permeated by ESG elements, as we have made explicit in our first multi-year sustainability plan to 2024. It was published in December and includes 55 objectives (of which 22 social, 22 environmental and 11 governance), in turn articulated in 68 specific targets, with investments close to 3 million euro. Sustainability, however, is not only prospective but also current. Examining, in fact, the main 2021 company KPIs through the lens of the "European Taxonomy", it emerges that 60.4% of the revenues analysed as well as 49.5% of the total investments have green characteristics, i.e. they are not only eligible but also aligned with the same regulations. Sustainability, efficiency and resilience, combined with the enthusiasm that the women and men of CAREL have always shown, will therefore be the main elements to face future challenges."*

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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, 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%**

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.

Sustainability and European Taxonomy

The history of sustainability at CAREL is almost 50 years long and began with the Group in 1973. Over time, technologies, needs and sensitivities have evolved, as have the objectives and the means to achieve them. Today, even more than in the past, the strategy that guides innovation within the Group has environmental sustainability as its main target. This is pursued through two different however converging routes: on the one hand, the maximization of energy efficiency with increasingly smart and interconnected products and, on the other hand, a significant contribution to the transition towards natural refrigerant gases with low polluting impact.

The natural consequence of the interpenetration of business and sustainability strategy was the publication at the end of 2021 of the Group's first multi-year sustainability plan summarized in the concept "Driven by the Future - Sustainability in action."

The Plan defines six Areas of Commitment (Sustainable Strategy and Governance, Environmental Policies, Innovation and Technology, People, Communication and Sustainable Development of Local Communities). It is composed of 55 sustainability objectives (of which 22 social, 22 environmental and 11 governance), in turn divided into 68 specific targets, distributed over a multi-year time horizon.

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Through the definition of the six Areas of Commitment, the Company also reinforces its willingness to actively contribute to the achievement of some Sustainable Development Goals (SDGs) defined by the United Nations 2030 Agenda and in particular: #5. Gender equality, #7. Clean and affordable energy, #8. Decent work and economic growth, #9. Business, innovation and infrastructure, #12. Responsible consumption and production, #13. Combating climate change, #16. Peace, justice, and strong institutions.

The guidelines outlined in the Plan are a continuation of the strategy implemented over the years, the soundness of which is demonstrated by the Group's main economic and financial indicators (revenues, operating costs and investments) that can be considered "Green" on the basis of the "European Taxonomy". In the first year of implementation of the aforementioned regulations, CAREL proceeded not only to calculate the "eligible" part of the above indicators (as required by the regulations) but went further, also calculating the so-called "aligned" percentage.

As a result, it appears that 60.4% of revenues analysed, 59.6% of operating costs analysed and 66.8% of total investments in 2021 can be considered eligible and aligned with the "European Taxonomy". For the sake of completeness, it should be noted that the revenues analysed amounted to 351.7 million as those deriving from marketed products including compressors, gas detectors and some sensors (as required by regulations) and those deriving from ENGINIA (the analysis of which will take place from 2022) were excluded. With regard to the operating cost base analysed, it amounts to approximately 20 million, excluding inter-company costs, those not eligible or not related to the production process or research and development on the basis of the provisions of the regulations, and also in this case excluding the operating costs of ENGINIA that will be included starting from 2022. For further information, reference should be made to the relevant paragraph in the Consolidated Non-Financial Statements, which will be published in accordance with the law.

In order to give a broad view of the main achievements in terms of sustainability, it is also worth mentioning that in 2021, CAREL entered into its first "sustainability-linked loan", a loan agreement for 20 million euro characterized by the application of a mechanism that provides for the reduction of the interest rate upon the achievement of annual quantitative targets in regarding social sustainability, which in this case will concern the gender balance within the Group.

Significant events after the end of the financial year

The first few months of 2022 are still affected by the continuing pandemic in many of the markets in which the Group operates; nevertheless, the measures put in place by the Group have ensured normal production activities in all plants.

Management is carefully monitoring developments in the Russia-Ukraine conflict; the Group operates in the areas involved with exclusively distribution activities whose volumes are quantifiable as "low single-digit" on the Group's total revenues.

Business outlook

The year 2021 was characterized by the persistence of the pandemic due to COVID-19, even if the vaccine made it possible to avoid the most drastic measures to contain the contagions such as the closure of industrial activities and production plants. This has allowed for a global recovery of the economy. However, the pace has also generated inflationary phenomena that risk having a significant impact on families and, more generally, slowing growth. This general situation of uncertainty is exacerbated by recent international tensions caused by the conflict between Russia and Ukraine, which risks having serious repercussions on both the European and world economies.

In addition to this is the shortage of raw materials and electronic equipment that has affected all of 2021 and will persist into 2022, albeit to an magnitude that is currently unclear.

In view of the above indications, it is therefore not possible or prudent to make precise forecasts for the closure of the current year. However, in view of the acceleration of the positive secular trends that has characterized the sectors in which CAREL operates over the past year (especially in certain segments such as heat pumps, data centres, indoor air quality and refrigeration in supermarkets) and which is still continuing, the Group believes it can record double-digit percentage revenue growth trend for the first quarter (on a like-for-like basis).

CAREL

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OTHER BOARD OF DIRECTORS RESOLUTIONS

Consolidated non-financial information pursuant to legislative decree 254/2016, Annual Corporate Governance Report and Report on remunerations

Today, the Board of Directors approved the Disclosure of Non-Financial Information ("**DNF**"), at the same time as the draft of the 2021 Separated Financial statements and the 2021 Consolidated Financial Statements, prepared pursuant to Legislative Decree 254/2016 relating to the financial year 2021 (as a different document compared to Management Report).

The aim of the document is to illustrate the group's activities, results and impact, mainly in relation to environmental and social issues, relating to personnel and in compliance with human rights, to all stakeholders.

At the same session, the Board of Directors approved the Annual Report on Corporate Governance and Ownership Structure pursuant to Articles 123-*bis* of the Legislative Decree of 24 February 1998 ("**TUF**") and 89-*bis* of the Issuers' Regulation 11971/99 and the Remuneration Report pursuant to Articles 123-*ter* of the Legislative Decree of 24 February 1998 and 84-*quater* of the Issuers' Regulation 11971/99.

Both the Corporate Governance Report and the Remuneration Report and the DNF will be made available to the public under the terms and conditions required by law.

Granting of shares under the 2018-2022 Performance Shares Plan: Disclosure pursuant to art. 84-*bis*, paragraph 5 of Consob Regulation.

The Board of Directors, on the proposal of the Remuneration Committee, resolved to grant, effective by 30 April 2022, a total No. 70,040 CAREL shares to No. 18 beneficiaries on the basis of the achievement of the performance targets for the 2019-2021 vesting period, and in implementation of the provision contained in the "*2018-2022 Performance Share Plan*" established by the Board of Directors on 1 August 2018 and subsequently approved by the Shareholders' Meeting on 7 September 2018 (the " **2018-2022 Plan**"). Mention should be made that the 2018-2022 Plan takes form of a multi-year incentive plan, concerning the free-of-charge granting of CAREL shares, with 3 waves (rolling) lasting 3 years each, granting its beneficiaries the right to receive, at the end of each wave, ordinary shares of CAREL provided that certain performance targets (Group Cumulative Adjusted EBITDA for each vesting period and Cash Conversion rate) have been achieved and in accordance with terms and conditions indicated in the plan regulation.

The No. 18 beneficiaries of the 2018-2022 Plan, identified by name by the Board of Directors, heard the opinion of the Remuneration Committee, are the CEO, the Executive Directors, the managers with strategic responsibilities and a number of key roles located in Italy.

The characteristics of the 2018-2022 Plan are explained in detail in the Directors' report to the Shareholders' meeting of 7 September 2018 and in the information document ex. art. 84-*bis* of Issuers Regulation, available on the coprarate website www.carel.com in the section IR/Shareholders meetings, as well as at the authorised storage mechanism "eMarket STORAGE" at www.emarketstorage.com.

Attached is the information required by Schedule 7 of Annex 3A to Consob Regulation n. 11971/1999 to account for the granting of shares in the context of the 2018-2022 Plan relating the 2019-2021 vesting period.

For more information on the granting of shares under the 2018-2022 Performance Shares Plan in relation to the 2018-2020 vesting period, please refer to the press release published on 4 March 2021 and the Remuneration Report pursuant to Articles 123-*ter* TUF and 84-*quater* of the Issuers' Regulation 11971/99.

Proposal for the authorisation to buy and sell treasury shares

The Board of Directors approved the proposal to be submitted to the Shareholders' Meeting regarding authorisation to buy and sell treasury shares, following the revocation of the authorisation approved by the Ordinary Shareholders' Meeting of 20 April 2021.

The Board of Director's new proposal requests authorisation 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 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. 0,1005% of the share capital.

The Board of Directors also requests authorisation, for the same purposes outlined above, for the possession (in full or in part, and even on several occasions) of the 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.

For more information with regard to the proposal for authorisation to buy and sell treasury shares, refer to the report prepared pursuant to Article 124-*ter* of the TUF and Article 73 of the Issuers' Regulation, which 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 IR/Shareholders' Meetings section, as well as at the authorised storage mechanism "eMarket STORAGE" at the address www.emarketstorage.com, under the terms required by existing regulations.

Dividend

The Board of Directors resolved to submit a proposal to the Shareholders' Meeting to pay a dividend of € 0.15 per share, which will be paid on 22 June 2022 (ex-dividend date 20 June 2022 - record date 21 June 2022).

Calling of the Shareholders' Meeting

In the light of the above, the Board of Directors has resolved to call the Carel Shareholders' Meeting, in ordinary session, for 22 April 2022, in a single call, to resolve upon the following agenda:

1. Approval of the Draft Financial Statements as at 31 December 2021 and presentation of the Consolidated Financial Statements as at 31 December 2021. Allocation of the profit (loss) for the year.

   1.1 Approval of the Draft Financial Statements as at 31 December 2021; Resolutions pertaining thereto and resulting therefrom.

   1.2 Allocation of the profit (loss) for the year; Resolutions pertaining thereto and resulting therefrom.

2. Resolutions related to the Remuneration Report pursuant to Article 123-*ter,* Legislative decree 58/1998 and pursuant to art. 84-quarter of the Consob Regulation n. 11971/1999.

   2.1 Binding vote on the remuneration policy relating to the year 2022 illustrated in the first section of the Report; Resolutions pertaining thereto and resulting therefrom;

   2.2 Consultation on the second section of the Report, relating to the fees paid in or related to 2021; Resolutions pertaining thereto and resulting therefrom.

3. Proposal for the authorisation to buy and sell treasury shares, following the revocation of the authorisation approved by the Ordinary Shareholders' Meeting held on 20 April 2021. Resolutions pertaining thereto and resulting therefrom.

CONFERENCE CALL

The results as of 31 December 2021 will be illustrated today, 3 March 2022, at 16.30 (CET) during a conference call to the financial community, which will also be the subject of a webcast in listen-only mode on www.carel.com, Investor Relations section.

The CFO, 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.

For further information

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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.

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The accounting statements of the CAREL Industries Group, currently subject to independent auditing, are illustrated below.

Consolidated Financial Statements as of 31 December 2021

Consolidated Statement of financial position

(€'000)	**31/12/2021**	**31/12/2020**
Property, plant and equipment	84,403	74,880
Intangible assets	134,570	89,498
Equity-accounted investments	1,250	724
Other non-current assets	10,407	11,311
Deferred tax assets	7,022	5,265
Non-current assets	**237,652**	**181,678**
Trade receivables	74,455	57,728
Inventories	80,907	52,012
Current tax assets	3,886	2,156
Other current assets	9,788	7,445
Current financial assets	483	7,540
Cash and cash equivalents	100,625	105,586
Current assets	**270,144**	**232,468**
TOTAL ASSETS	**507,796**	**414,145**
Equity attributable to the owners of the parent company	154,952	159,317
Equity attributable to non-controlling interests	14,923	304
Total equity	**169,875**	**159,621**
Non-current financial liabilities	93,700	113,657
Provisions for risks	2,157	1,292
Defined benefit plans	8,612	8,189
Deferred tax liabilities	17,110	10,212
Other non-current liabilities	49,894	-
Non-current liabilities	**171,473**	**133,350**
Current financial liabilities	65,250	49,080
Trade payables	66,444	43,234
Current tax liabilities	4,775	2,991
Provisions for risks	1,907	2,104
Other current liabilities	28,073	23,766
Current liabilities	**166,449**	**121,175**
TOTAL LIABILITIES AND EQUITY	**507,796**	**414,145**

Consolidated Statement of profit or loss

(€'000)	**31/12/2021**	**31/12/2020**
Revenue	420,418	331,610
Other revenue	5,779	3,704
Costs of raw materials, consumables and goods and changes in inventories	(190,138)	(139,644)
Services	(51,034)	(42,536)
Capitalised development expenditure	1,249	2,227
Personnel expenses	(99,379)	(88,620)
Other expenses, net	(1,594)	(1,548)
Amortisation, depreciation and impairment losses	(20,844)	(18,482)
OPERATING PROFIT	**64,457**	**46,713**
Net financial income	(2,355)	(1,489)
Net exchange rate losses	(1,430)	(921)
Gain/Losses from valuation of options on minority interests	(125)	-
Net result from companies consolidated with Equity method	508	208
PROFIT BEFORE TAX	**61,055**	**44,511**
Income taxes	(11,967)	(9,393)
PROFIT FOR THE PERIOD	**49,088**	**35,118**
Non-controlling interests	29	5
PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY	**49,059**	**35,112**

Consolidated Statement of comprehensive income

(€'000)	**31/12/2021**	**31/12/2020**
Profit for the period	**49,088**	**35,118**
Items that may be subsequently reclassified to profit or loss:		
- Fair value gains (losses) on hedging derivatives net of the tax effect	385	(73)
- Exchange differences	6,639	(6,279)
Items that may not be subsequently reclassified to profit or loss:		
- Discounted benefits to employees net of fiscal effect	(103)	(177)
Comprehensive income	**56,009**	**28,589**
attributable to:		
- Owners of the parent company	55,880	28,619
- Non-controlling interests	129	(31)

Earnings per share

Earnings per share (in euros)	**0.49**	**0.35**

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Consolidated Statement of cash flows

(€'000)	**31/12/2021**	**31/12/2020***
Profit for the period	49,088	35,118
Adjustments for:		
Amortisation, depreciation and impairment losses	20,844	18,482
Accruals to/utilisations of provisions	2,599	(560)
Non-monetary net income	1,358	1,187
Taxes	10,636	8,122
(Capital gains)/losses on fixed assets disposal	(367)	-
	84,158	**62,349**
Changes in working capital:		
Change in trade receivables and other current assets	(11,887)	692
Change in inventories	(22,020)	(4,348)
Change in trade payables and other current liabilities	19,415	5,887
Change in non-current assets	(351)	1,592
Change in non-current liabilities	(241)	84
Cash flows generated from operations	**69,075**	**66,256**
Net interest paid	(2,076)	(1,650)
Taxes paid	(12,881)	(7,503)
Net cash flows generated by operating activities	**54,118**	**57,103**
Investments in property, plant and equipment	(14,890)	(8,260)
Investments in intangible assets	(3,753)	(5,086)
Investments/Disinvestments of financial assets	7,541	(7,500)
Disinvestments of property, plant and equipment and intangible assets	952	148
Interest collected	81	178
Investment in companies evaluated with the equity method	(27)	(15)
Industrial aggregation net of the acquired cash	(31,686)	-
Cash flows generated by (used in) investing activities	**(41,783)**	**(20,536)**
Capital increase	-	33
Repurchase of treasury stocks	-	(958)
Dividend to Shareholders	(11,988)	(11,980)
Dividend to Minorities	-	(50)
Increase in financial liabilities	57,774	69,797
Decrease in financial liabilities	(60,011)	(44,510)
Decrease in financial liabilities for leasing fees	(4,759)	(4,238)
Cash flows generated by (used in) financing activities	**(18,984)**	**8,094**
Change in cash and cash equivalents	(6,648)	44,662
Cash and cash equivalents - opening balance	105,586	62,798
Cash and cash equivalents - closing balance	**100,625**	**105,586**

*To make some data as at 31 December 2020 more comparable, investments in financial assets have been reclassified from cash flows from financing activities to cash flows from investing activities

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Consolidated Statement of changes in equity

(€'000)

	Share capital	Legal reserve	Translation reserve	Hedging reserve	Other reserves	Retained earnings	Profit for the period	Equity	Equity att. to non-controlling interests	Total equity
Balance as of 1/1/2020	**10,000**	**2,000**	**3,557**	**(363)**	**46,166**	**46,487**	**35,019**	**142,868**	**353**	**143,220**
Owner transactions										
- Allocation of profit for the period	-	-	-	-	22,711	12,308	(35,019)	-	-	-
- Capital increase	-	-	-	-	-	-	-	-	33	**33**
- Defined benefit plans	-	-	-	-	767	-	-	**767**	-	**767**
- Treasury shares repurchase	-	-	-	-	(958)	-	-	**(958)**	-	**(958)**
- Dividend distributions	-	-	-	-	(11,980)	-	-	**(11,980)**	(50)	**(12,030)**
- Change in the consolidation perimeter	-	-	-	-		-	-	-		-
Total owner transactions	**10,000**	**2,000**	**3,557**	**(363)**	**56,706**	**58,795**	**-**	**130,697**	**336**	**131,032**
- Profit for the period							35,112	**35,112**	5	**35,118**
- Other comprehensive income (expenses)	-	-	(6,243)	(73)	(177)	-	-	**(6,493)**	(36)	**(6,529)**
Total other comprehensive income (expenses)	**-**	**-**	**(6,243)**	**(73)**	**(177)**	**-**	**35,112**	**28,619**	**(31)**	**28,589**
Balance as of 31/12/2020	**10,000**	**2,000**	**(2,686)**	**(436)**	**56,530**	**58,795**	**35,112**	**159,317**	**304**	**159,621**
Balance as of 1/1/2021	**10,000**	**2,000**	**(2,686)**	**(436)**	**56,530**	**58,795**	**35,112**	**159,317**	**304**	**159,621**
Owner transactions										
- Allocation of profit for the period	-	-	-	-	20,896	14,216	(35,112)	-	-	-
- Defined benefit plans	-	-	-	-	818	-	-	**818**	-	**818**
- Dividend distribution	-	-	-	-	(11,988)		-	**(11,988)**	-	**(11,988)**
- Options on minority interests acquisition					(49,075)			**(49,075)**		**(49,075)**
- Change in the consolidation perimeter	-	-	-	-		-	-	-	14,490	**14,490**
Total owner transactions	**10,000**	**2,000**	**(2,686)**	**(436)**	**17,181**	**73,011**	**-**	**99,072**	**14,794**	**113,866**
- Profit for the period							49,059	**49,059**	29	**49,088**
- Other comprehensive expenses	-	-	6,539	385	(103)	-	-	**6,821**	100	**6,921**
Total other comprehensive expenses	**-**	**-**	**6,539**	**385**	**(103)**	**-**	**49,059**	**55,880**	**129**	**56,009**
Balance as of 31/12/2021	**10,000**	**2,000**	**3,853**	**(51)**	**17,079**	**73,011**	**49,059**	**154,952**	**14,923**	**169,875**

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INFORMATION EX FORM No. 7 OF THE ANNEX 3A – CONSOB REGULATION No. 11971/1999

COMPENSATION PLANS BASED ON FINANCIAL INSTRUMENTS

Name and Surname or category	Office (only to be specified for parties named individually)	Box 1 (Financial instruments other than *stock option*)						
		Section 2 Newly assigned instruments on the basis of the resolution resolved upon by the Body in charge of the implementation of the Shareholders' meeting resolution						
		Date of Shareholders' meeting resolution	Type of financial instruments	No. of financial instruments assigned by the BoD	Date assigned (*)	Instrument purchase price (if applicable)	Market price at the time of assignment (**)	Vesting period
Luigi Rossi Luciani	Chairman	7 September 2018	Shares of CAREL Industries S.p.A.	6,643	3 March 2022	N.A.	€ 20.2	1° January 2019 – 31 December 2021
Luigi Nalini	Vice-Chairman	7 September 2018	Shares of CAREL Industries S.p.A.	4,783	3 March 2022	N.A.	€ 20.2	1° January 2019 – 31 December 2021
Francesco Nalini	Chief Executive Officers	7 September 2018	Shares of CAREL Industries S.p.A.	15,942	3 March 2022	N.A.	€ 20.2	1° January 2019 – 31 December 2021
Carlotta Rossi Luciani	Executive Director	7 September 2018	Shares of CAREL Industries S.p.A.	3,348	3 March 2022	N.A.	€ 20.2	1° January 2019 – 31 December 2021
Giandomenico Lombello	Managing Director	7 September 2018	Shares of CAREL Industries S.p.A.	8,221	3 March 2022	N.A.	€ 20.2	1° January 2019 – 31 December 2021
Managers with strategic respons. Of CAREL Industries S.p.A.	Executive Managers	7 September 2018	Shares of CAREL Industries S.p.A.	15,767	3 March 2022	N.A.	€ 20.2	1° January 2019 – 31 December 2021
Other employees of CAREL Industries S.p.A. and its subsidiaries	Managers	7 September 2018	Shares of CAREL Industries S.p.A.	15,336	3 March 2022	N.A.	€ 20.2	1° January 2019 – 31 December 2021

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(*) Shares will be made available by 30 April 2022 by the BoDs met on 3 March 2022; the Remuneration Committee made its proposal on 2 March 2022.

(**)The value indicated refers to the date of determination of the assignments by the BoDs, it being understood that the effective assignment date is deferred by 30 April 2022

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