PRESS RELEASE Ospitaletto (BS), 8 May 2024

SABAF: THE SHAREHOLDERS' MEETING APPROVES THE 2023 FINANCIAL STATEMENTS

- **The financial statements at 31 December 2023 were approved**
- **The distribution of a dividend of €0.54 per share was approved**
- **The Board of Directors and the Board of Statutory Auditors were appointed for the three-year period from 2024 to 2026**

The Shareholders' Meeting of Sabaf S.p.A. was held today and was called upon, among other things, to approve the financial statements for the year ended 31 December 2023 and to appoint the corporate bodies for the three-year period from 2024 to 2026.

Consolidated results for 2023 of the Sabaf Group

The 2023 consolidated results of the Sabaf Group were presented at the shareholders' meeting.
In 2023, the Sabaf Group reported a sales revenue of €237.9 million, a decrease of 6.0% versus the figure of €253.1 million in the previous year (-13.8% on a like-for-like basis).
2023 was characterised by a significant economic weakness in the household appliance sector, most evident in European markets where demand was estimated to be more than 10% below average volumes. Geographical diversification and the contribution of recent acquisitions limited the decline in sales compared with 2022, which was characterised by a dynamic first half-year and a sudden drop in demand in the second half-year.
In 2023, the Group continued to work on operational efficiency and cost containment, even at reduced activity levels. The decline in sales also impacted operating profitability: EBITDA was €29.6 million (12.4% of turnover), down 26.1% from €40.1 million in 2022 (15.8% of turnover). EBIT was €11.1 million (4.6% of turnover) compared to €21.9 million in 2022 (8.6% of turnover). Net profit was €3.1 million (1.3% of sales) compared to €15.2 million (6.0% of sales) in 2022.

2023 Financial Statements of Sabaf S.p.A.

The Shareholders' Meeting voted to approve the Sabaf S.p.A. financial statements for FY 2023.
In 2023, the Parent Company Sabaf S.p.A.'s sales revenue totalled €99.5 million (-16.5% compared to €119.1 million in 2022), EBITDA was €5.5 million, down 35.2% from €8.5 million in 2022 and net profit was €3.5 million (up 55.9% from €2.2 million in 2022).

2024 dividend

The Shareholders' Meeting approved the payout of a gross dividend of €0.54 per share. The ex-date is 27 May 2024, the record date 28 May 2024 and the payment date 29 May 2024.

Board of Directors

The Shareholders' Meeting appointed the Board of Directors, composed of 9 members, for the three-year period from 2024 to 2026.
The Board of Directors is composed Pietro Iotti, Gianluca Beschi, Alessandro Potestà, Daniela Toscani, Francesca Michela Maurelli, Federica Menichetti and Laura Ciambellotti, elected from the list submitted by Quaestio SGR S.p.A., Claudio Bulgarelli, elected from the list submitted by Fintel s.r.l. and Cinzia Saleri, elected from the list submitted by Cinzia Saleri S.a.p.A.

Board of Statutory Auditors
The Shareholders' Meeting appointed the Board of Statutory Auditors for the three-year period from 2024 to 2026.
The Statutory Auditors Alessandra Tronconi (Chairman, elected from the list submitted by Cinzia Saleri S.a.p.A.), Maria Alessandra Zunino de Pignier and Mauro Giorgio Vivenzi, elected from the list submitted by Quaestio SGR S.p.A. were confirmed.

Report on remuneration policy and remuneration paid
The Shareholders' Meeting also approved the first section of the Report on Remuneration Policy and Remuneration Paid that sets out the policy adopted by the Company with regard to the remuneration of Directors and Executives with Strategic Responsibilities for the period from 2024 to 2026, and expressed a favourable advisory vote on the second section of the same Report, which sets out the remuneration of Directors, Statutory Auditors and other executives with strategic responsibilities for the year 2023.

Authorisation to purchase and sell treasury shares
The Shareholders' Meeting authorised the Board of Directors to purchase and sell treasury shares, in compliance with the equal treatment of shareholders and with the regulations in force, for the following purposes:
- use, in line with the Company's strategic lines, the treasury shares as part of operations related to industrial projects and agreements with strategic partners, or as part of investment operations, also through exchange, conferral, transfer, or other acts of disposal of the treasury shares for the acquisition of stakes or shareholding packages, or other operations of extraordinary finance that involve assigning or disposing of treasury shares;
- dispose of treasury shares to be destined to serve the stock incentive plans reserved for directors and/or employees of the Company or subsidiaries and, in particular, the stock grant plan approved today by the Shareholders' Meeting;
- offer shareholders an additional instrument to monetise their investment;
- carry out activities in support of market liquidity.

This authorisation allows the Board to purchase up to 634,339 ordinary shares equal to 5% of the share capital on the market, for a period of 18 months, for a maximum total disbursement equal to the available reserves and distributable profits, at a price not higher than 10% the average official prices recorded on the MTA (electronic stock exchange) during the five sessions prior to purchase.
The Board of Directors has also been authorised to dispose of treasury shares without any time restrictions according to any procedure, determined by the Board of Directors itself, that proves advisable for achieving the goals pursued.

Remuneration plan based on financial instruments in favour of directors and employees of the Company and its subsidiaries
The Shareholders' Meeting resolved to approve a free allocation plan of shares in favour of directors and employees of the Company and its subsidiaries ("the Plan") by granting to the Board of Directors the necessary powers for its management, administration and revision.
The Plan addresses individuals who hold or will hold key posts for the Company and/or subsidiaries, with reference to the implementation of the content and the achievement of Business Plan objectives and of sustainability objectives.
The subject-matter of the Plan is the free allocation to the beneficiaries of a maximum of 270,000 total rights, each of which entitles them to receive free of charge, under the terms and conditions provided for by the Regulations of the Plan, 1 Sabaf S.p.A. share.
The free allocation of shares is conditional, among other things, on the achievement, in whole or in part, with progressiveness, of the business targets related to the ROI and EBITDA and ESG targets.
The Plan aims to promote and pursue the involvement of the beneficiaries whose activities are considered relevant for the implementation of the contents and the achievement of the objectives set out in the Business Plan, foster loyalty development and motivation of managers, by increasing their entrepreneurial approach as well as align the interests of management with those of the Company's shareholders.

Delegation of power to the Board of Directors for share capital increase

The Extraordinary Shareholders' Meeting approved a proxy to the Board of Directors to increase the share capital and the consequent amendment to Article 5 of the Articles of Association. The delegation of powers gives the Board of Directors the power to increase the share capital against payment and by subscription in cash, all at once or in multiple instalments and through splitting shares, with the exclusion of the right of option pursuant to art. 2441, paragraph 4, second sentence, of the Italian Civil Code, through the issue, also in several tranches, of a number of ordinary shares not exceeding 10% of the share capital existing before the date of exercise of the power, if any, and in any case for a nominal amount not exceeding €1,268,679, with the right to establish any additional share premium.

The purpose of the Delegation of Power is to provide the Board of Directors with the necessary flexibility and timeliness in the carrying out of one or more increases in share capital in order to seize the most favourable conditions for the conclusion of agreements with possible partners and/or investors, which would contribute money to the pursuit of the strategic objectives set out in the Business Plan, including those relating to possible acquisitions.

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Subsequent to the Shareholders' Meeting, the Board of Directors met to define the allocation of offices and powers, set up the Committees within the Board and assessed the independence of the Directors.

Appointment of the Chairman and Chief Executive Officer

Claudio Bulgarelli was confirmed Chairman of the Board of Directors of the Company.
Pietro Iotti was confirmed as Chief Executive Officer.

Assessing the independence of the independent directors

The Board of Directors then assessed that the directors Laura Ciambellotti, Francesca Maurelli, Federica Menichetti and Daniela Toscani can be qualified as independent both in accordance with the Consolidated Finance Act and in accordance with the principles and application criteria of the Corporate Governance Code.

Appointment of Board Committees

Therefore, the Control and Risk Committee (which includes Federica Menichetti, Chairman, Laura Ciambellotti and Daniela Toscani), the Sustainability Committee (which includes Pietro Iotti, Chiarman, Gianluca Beschi and Francesca Maurelli) and the Remuneration and Nomination Committee (which includes Daniela Toscani, Chairman, Laura Ciambellotti, Francesca Maurelli, Alessandro Potestà and Cinzia Saleri) were set up within the Board of Directors.

Appointment of the Supervisory Body

The Board of Directors set up the Supervisory Body pursuant to Italian Legislative Decree no. 231/2001 for the three-year period from 2024 to 2026, appointing Federica Menichetti (Chairman) and Giuseppe Garzillo as members of the Body.

Appointment of the Financial Reporting Officer

The Board of Directors also confirmed Gianluca Beschi as "Financial Reporting Officer" pursuant to Article 154-bis of Legislative Decree no. 58/1998. He was appointed with the favourable opinion of the Board of Statutory Auditors and in compliance with the professional requirements set out in the Bylaws.

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Pursuant to Article 154-bis, paragraph 2 of the Italian Consolidated Finance Act (Testo Unico della Finanza), the company's Financial Reporting Officer Gianluca Beschi declares that the financial disclosure contained in this press release corresponds to the company's records, books and accounting entries.

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Founded in the early fifties, SABAF has grown consistently over the years to become the key manufacturer in Italy – and one of the leading producers in the world – of components for household appliances. In recent years, through a policy of organic investments and through acquisitions, the Group expanded its product range and is now active in the following segments of the household appliance market: hinges and electronic components. In 2022, the Group announced its entry into the induction cooking components market. Technological expertise, manufacturing flexibility, and the ability to offer a vast range of components – tailor-made to meet the requirements of individual manufacturers of cookers and built-in hobs and ovens and in line with the specific characteristics of its core markets – are Sabaf's key strengths in a sector featuring major specialisation, constantly evolving demand and an ever-increasing orientation towards products assuring total reliability and safety. The Sabaf Group has approximately 1,700 employees in Italy, Turkey, Poland, Brazil, China, India, USA and Mexico. In addition to the Sabaf brand, the Group operates under the brands ARC (professional burners), Faringosi Hinges, C.M.I. and Mansfield (hinges), Okida and P.G.A. (electronic components).