

SDF: double-digit growth in revenue, which reached an all-time high of 1,481 million euros (+29%), and an EBITDA of 10.8%.

The company continues to play a leading role in the local community:

- **SDF regional vaccination hub established with 40,000 doses of vaccine administered to employees and their families, vendors and the public**
- **Performance bonuses in excess of 5,000 euros paid to employees**
- **Approximately 300 staff hired in Italy, taking the total global workforce to approximately 4,200 employees**
- **63 million euros invested in new projects, research and development and new technologies for sustainable agriculture**

Treviglio (Bergamo, Italy), 16 May 2022

The Supervisory Board of SDF, an Italian multinational headquartered in Treviglio (Bergamo, Italy) and one of the world's leading manufacturers of tractors, agricultural harvesting machines and diesel engines, has approved the consolidated results for the 2021 financial year.

Economic and financial results

The Company closed 2021 with growth in revenue and EBITDA, both in percentage and absolute terms.

More specifically, **revenue** amounted to 1,481 million euros, up 29% on the previous year (1,146 million euros), which had been affected by the prolonged closure of the Treviglio headquarters for more than two months due to the COVID-19 pandemic, and 17% higher than the revenue euros 1,268 million euros achieved in 2019, the year before the pandemic.

EBITDA also increased to 159 million euros, or 10.8%, up from 9.5% in 2020 and 8.7% in 2019.

Net profits were 62.6 million euros, equal to 4.2%, up on the percentages figures for 2020 (3.4%) and 2019 (3.5%). The net financial position closed with debt of 122 million euros, down almost 55 million euros (-31%) on the previous year. This also confirms the best assessment parameters of financial solidity for 2021.

SDF, a protagonist of the national economy supporting the community

According to the SDF vision, the economic value generated by the company must be accompanied by long-term sustainable development of its resources and of the social and physical environment in which they operate. For this reason, in a year characterised by the continuation of the COVID-19 emergency, the company supported initiatives in favour of its employees and the local community.

SDF was the first company in the province of Bergamo and one of the first in Italy to set up a community vaccination hub by making its resources and company facilities available. Initially dedicated to employees and their families and the Company's vendors, the SDF vaccination hub in Treviglio subsequently became a regional vaccination hub for the entire community, administering approximately 40,000 doses of vaccine.

In 2021, redevelopment projects were initiated at the Ranipet, Châteaubernard, Lauingen and Treviglio sites.

The Grégoire plant in **Châteaubernard**, France and the **Ranipet** plant in India are still the focus of major investments to revamp their buildings, production systems and logistics.

For the **Lauingen** site, the Company launched the "MOVE" project that, in line with the new functional and architectural requirements of DEUTZ-FAHR Land, involves the rebuilding of the current offices, covering a surface area of almost 2,000 m², and completes the investments that started in 2017 with the construction of DEUTZ-FAHR Land.

Lastly, for the **Treviglio** site, the Company unveiled the "SAME Campus" project, which will come to full fruition in 2027, for a total value of approximately 25 million euros. The main aims of the architectural project involve the creation of an employee car park, new changing rooms and new office buildings covering a total surface area of 4,000 m².

Furthermore, in Italy, SDF paid a **performance bonus** of over 5,000 euros to all its employees, making it once again this year one of the top companies in the country in terms of bonus value. In general, the profitability index has grown by 93% over the last ten years to 1,035 euros.

The Company hired approximately 300 new members of staff (office workers and labourers) at its Treviglio plant, through direct hires, project collaborations and medium- and long-term temporary contracts, taking the global workforce to 4,187 resources.

Markets

2021 was characterised by generalised growth across the tractor and harvesting machine market.

The launch of new products, supported by efficacious sales management, allowed SDF to increase its market shares in both **Europe** (from 10.7% to 11.4%), and **Turkey** (from 6.6% to 9.7%).

In other countries outside the continent, SDF turnover increased by 356 million euros, up 27.6% on 2020.

In China, the diffusion of the DEUTZ-FAHR brand improved considerably and the 6W-7W Series, equipped with powershift transmissions and important technical upgrades, were successfully launched, making DEUTZ-FAHR the benchmark for powershift tractors in China.

In addition, SDF India won the country's prestigious "Indian Tractor of the Year" award with the Agrolux 70 4RM in the "Best Tractor above 60HP" category.

Innovation and Smart Farming

The drive towards innovation was supported by **investments in R&D**, which reached 63 million euros, equal to 4.3% of revenues, and up on the 57 million euros and 60 million euros invested in 2020 and 2019, respectively.

The technological changes associated with **digitalisation** contributed, also in the farming field, to enhancing supply for the end user. For SDF, this means providing innovative services able to assist customers during various product use activities, such as: SDF Fleet Management, enabling customers to monitor and analyse vehicle use; SDF Field Management, enabling the application of precision agriculture in the field; and SDF Farm Management, facilitating customers in farm management activities.

On the **product** front, SDF dedicated significant resources to the development of new-generation Stage V engines, which comply with stringent emissions regulations. This led to the advent of the FARMotion 35 and 45, Stage V-compliant 3- and 4-cylinder engines developed entirely by SDF (covering the 65 to 160 hp power range). The versions up to 75 hp are equipped with external exhaust gas recirculation, oxidation catalyser and particulate filter. All higher power versions are also fitted with the selective catalytic reduction system. The 130 to 160 hp FARMotion 45 engines are equipped with a VTG (Variable Turbine Geometry) turbocharger.

DEUTZ-FAHR has also updated its high-power 6 TTV Series and 7 TTV Series product ranges, to coincide with the introduction of SDF's new T7540, T7560 and T7780 continuously variable transmissions. Finally, the introduction of the new 6C Series confirmed the brand's vocation for adaptability to the needs of any type of customer, thanks to the 3 transmission types, including the new Rvshift Full PowerShift.

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SDF

SDF is an Italian multinational, headquartered in Treviglio (Bergamo, Italy) and a world leader in the manufacture of tractors, agricultural harvesting machines and diesel engines. It distributes its products under the SAME, DEUTZ-FAHR, Lamborghini Trattori, Hürlimann and Grégoire brands. The tractors range is characterised by powers of 25 to 336 hp and the harvesting machines range has a maximum power of 395 hp. In almost a century of history, the Company has been the driving force behind the mechanisation of the agricultural sector, the protagonist of a successful internationalisation process and driver of the digital transformation of agriculture, putting it in a position to manufacture "smart tractors" able to increase operating efficiency and productivity as part of an Agriculture 4.0 outlook. SDF has 8 manufacturing sites, 13 commercial subsidiaries, 2 joint ventures, 155 importers and over 3,100 dealers, employing more than 4,000 people worldwide. In 2021, the Company recorded revenues of 1,481 million euros and an EBITDA of 10.8%. www.sdfgroup.com