



EMAK GROUP

European Midcap Event, Frankfurt 8 February 2022

Agenda

- **Group overview**
- **2021 Preliminary Results**
- **Appendix**

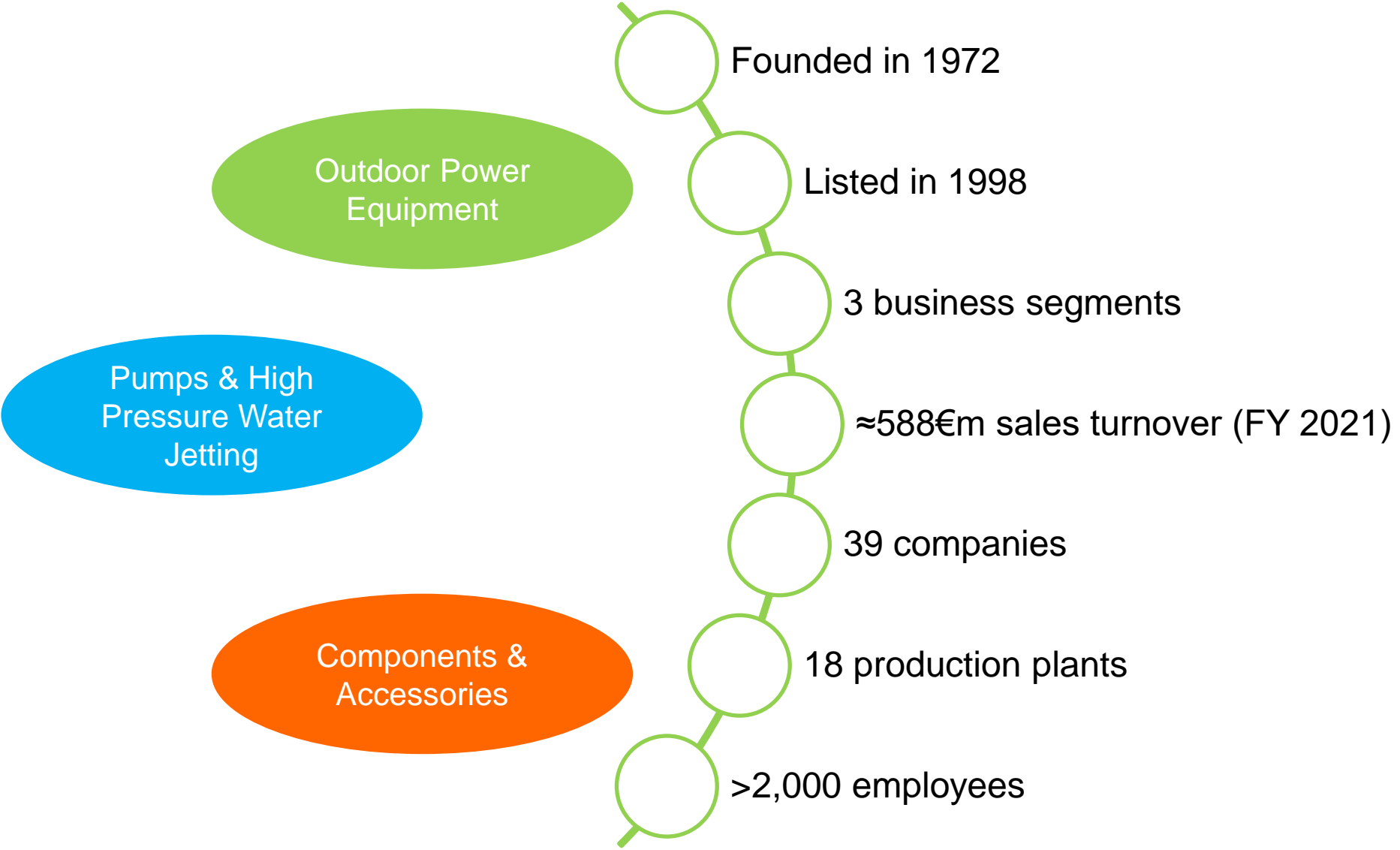


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Emak at a glance

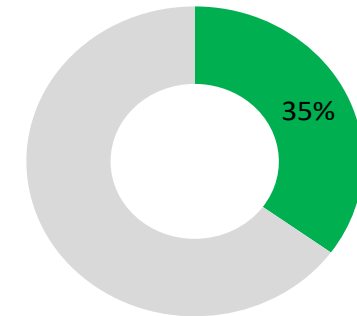




FY 2021 sales

203€m

Share of Group sales



Product range:

Trimmers, lawn mowers, garden tractors, chainsaws, transportes, motocultivators, motorhoes

Brands

Oleo Mac, Efco, Bertolini, Nibbi

Distribution channel

Specialised dealers, DIY, Online

End users

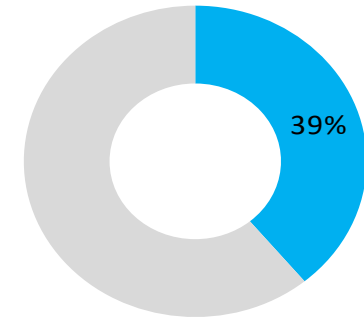
Professionals, high demanding private, farmers, home owners



FY 2021 sales

230€m

Share of Group sales



Product range:

Agricultural pumps, industrial pumps, hydrodynamic units, urban cleaning equipment, high pressure washers, vacuum cleaners, floor scrubbers

Brands

Comet, HPP, PTC, Lemasa, Lavor, Poli

Distribution channel

Specialised dealers, DIY, Online, OEM

Applications

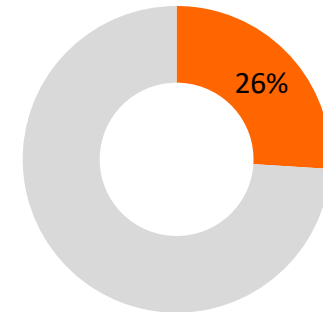
Agriculture (spraying), shipyard, oil&gas, construction



FY 2021 sales

155€m

Share of Group sales



Product range:

Cutting systems for trimmers, automatic chainsaw sharpening machinery, accessories & components for high pressure cleaning and car-wash, navigation systems, electronics and digital solutions for precision farming.

Brands

Tecomec, Markusson, Speed, Geoline, Agres, Spraycom, Mecline, Sabart

Distribution channel

Specialised dealers, DIY, Online, OEM

Our strategy



Innovation

- Product and process innovation
- Digital transformation
- New technologies and applications, safety, comfort, emissions control



Acquisitions

- Access new technologies
- Complete product range
- Penetrate new markets



Distribution

- Strengthen the position in the markets with direct presence
- Expand distribution network in markets with high growth potential
- Omni-channel approach, e-commerce



Efficiency

- Lean approach
- Exploit supply chain efficiencies
- Reduction of SG&A
- Optimization of invested capital

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Sales growth beyond expectations

**+FY 2021
+25.3%**
(+22.7% excl. acquisitions)

**Outlook
(Aug. '21)
+17% / +21%**

Consistent performance each quarter

Strategy effectiveness: product offer, service, operative flexibility

Strong order book for a positive Q1 2022

	Q1			Q2			Q3			Q4*			FY*		
	2021	2020	Δ	2021	2020	Δ	2021	2020	Δ	2021	2020	Δ	2021	2020	Δ
TOTAL	163	118	38.1%	170	130	31.3%	131	112	16.8%	124	110	13.1%	588	470	25.3%
<i>OPE</i>	57	41	39.8%	61	44	38.2%	45	39	15.2%	40	36	11.4%	203	160	27.0%
<i>PWJ</i>	63	47	34.6%	65	52	25.0%	52	46	13.7%	50	44	11.7%	230	189	21.5%
<i>C&A</i>	43	30	41.2%	44	33	32.1%	35	28	24.1%	35	30	16.2%	155	121	28.6%

*not yet subject to auditing

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9M 2021 results

€/000	9M 2021	9M 2020	ch. %	Q3 2021	Q3 2020	ch. %
Revenues from sales	464.238	359.893	29,0%	131.274	112.397	16,8%
EBITDA Adj. <i>% on revenues</i>	69.465 15,0%	47.514 13,2%	46,2%	15.763 12,0%	14.294 12,7%	10,3%
EBIT <i>% on revenues</i>	52.048 11,2%	29.992 8,3%	73,5%	9.868 7,5%	8.179 7,3%	20,7%
Net profit	37.740	15.759	139,5%	6.132	4.847	26,5%

Revenues: organic growth for 27.7%, change in the scope of consolidation for 3%, the negative effect of conversion rates for 1.7%.

EBITDA Adj: volume growth and containment of operating costs' incidence. Higher personnel costs to face increased production volumes, higher raw material and logistic costs.

Net profit: positive forex and lower tax rate thanks to fiscal relief. In 9M 2020 negative impact of forex and the exercise of options on equity investments

€/000	30.09.2021	31.12.2020	30.09.2020
Net non-current assets	189.361	183.197	176.183
Net working capital	189.021	165.655	172.733
Net capital employed	378.382	348.852	348.916
Net financial position	(120.280)	(126.552)	(129.906)
<i>Net financial position (net of IFRS 16)</i>	<i>(89.446)</i>	<i>(97.678)</i>	<i>(99.563)</i>
Total equity	258.102	222.300	219.010

Net working capital: higher inventories in preparation for the 2022 season to mitigate supply chain and logistics risk. Trade receivables increased in line with the growth trend in turnover, with no significant signs of deterioration in credit quality

Net financial position: strong cash flow from operations considering investments for 12.3 million and dividend distribution for € 7.4 million.

9M 2021 - Results by business segment

	OUTDOOR POWER EQUIPMENT		PUMPS AND HIGH PRESSURE WATER JETTING		COMPONENTS AND ACCESSORIES		Other not allocated / Netting		Consolidated	
€/000	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020
Sales to third parties	162,963	123,927	180,581	144,997	120,694	90,969			464,238	359,893
Intersegment sales	275	494	2,259	1,888	7,905	6,763	(10,439)	(9,145)		
Revenues from sales	163,238	124,421	182,840	146,885	128,599	97,732	(10,439)	(9,145)	464,238	359,893
Ebitda	16,689	8,481	29,287	22,940	26,533	17,002	(2,774)	(1,607)	69,735	46,816
<i>Ebitda/Total Revenues %</i>	10.2%	6.8%	16.0%	15.6%	20.6%	17.4%			15.0%	13.0%
Ebitda before non ordinary expenses	16,762	8,830	28,677	23,006	26,800	17,285	(2,774)	(1,607)	69,465	47,514
<i>Ebitda before non ordinary expenses/Total Revenues %</i>	10.3%	7.1%	15.7%	15.7%	20.8%	17.7%			15.0%	13.2%
Operating result	10,616	2,739	23,665	16,951	20,541	11,909	(2,774)	(1,607)	52,048	29,992
<i>Operating result/Total Revenues %</i>	6.5%	2.2%	12.9%	11.5%	16.0%	12.2%			11.2%	8.3%
Net financial expenses (1)									(2,210)	(7,957)
Profit before taxes									49,838	22,035
Income taxes									(12,098)	(6,276)
Net profit									37,740	15,759
<i>Net profit/Total Revenues%</i>									8.1%	4.4%
(1) Net financial expenses includes the amount of Financial income and expenses, Exchange gains and losses and the amount of the Income from equity investment										
STATEMENT OF FINANCIAL POSITION	30.09.2021	31.12.2020	30.09.2021	31.12.2020	30.09.2021	31.12.2020	30.09.2021	31.12.2020	30.09.2021	31.12.2020
Net debt	145	10,780	89,399	87,031	30,848	28,741	(112)	0	120,280	126,552
Shareholders' Equity	187,788	178,820	81,519	66,031	66,413	55,096	(77,618)	(77,647)	258,102	222,300
Total Shareholders' Equity and Net debt	187,933	189,600	170,918	153,062	97,261	83,837	(77,730)	(77,647)	378,382	348,852
Net non-current assets (2)	128,252	130,336	88,906	86,970	47,688	41,397	(75,485)	(75,506)	189,361	183,197
Net working capital	59,681	59,264	82,012	66,092	49,573	42,440	(2,245)	(2,141)	189,021	165,655
Total net capital employed	187,933	189,600	170,918	153,062	97,261	83,837	(77,730)	(77,647)	378,382	348,852
(2) The net non-current assets of the Outdoor Power Equipment area includes the amount of Equity investments for 76,074 thousand Euro										
OTHER STATISTICS	30.09.2021	31.12.2020	30.09.2021	31.12.2020	30.09.2021	31.12.2020	30.09.2021	31.12.2020	30.09.2021	31.12.2020
Number of employees at period end	762	738	818	777	620	613	8	8	2,208	2,136
OTHER INFORMATIONS	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020
Amortization, depreciation and impairment losses	6,073	5,742	5,622	5,989	5,992	5,093			17,687	16,824
Investment in property, plant and equipment and in intangible assets	2,899	3,457	3,036	2,259	6,345	6,446			12,280	12,162

9M 2021 - Consolidated income statement

Year 2020	€/000	Q3 2021	Q3 2020	9 M 2021	9M 2020
469,778	Revenues from sales	131,274	112,397	464,238	359,893
4,152	Other operating incomes	1,525	1,082	3,676	2,178
9,996	Change in inventories	13,741	533	18,210	(5,246)
(258,006)	Raw materials, consumables and goods	(81,668)	(60,098)	(261,866)	(186,605)
(84,588)	Personnel expenses	(22,371)	(19,851)	(72,690)	(61,206)
(85,698)	Other operating costs and provisions	(26,605)	(20,211)	(81,833)	(62,198)
(22,692)	Amortization, depreciation and impairment losses	(6,028)	(5,673)	(17,687)	(16,824)
32,942	Operating result	9,868	8,179	52,048	29,992
727	Financial income	74	63	440	224
(5,164)	Financial expenses	(801)	(1,036)	(3,682)	(3,565)
(3,547)	Exchange gains and losses	(697)	(997)	1,032	(3,226)
(2,144)	Income from/(expenses on) equity investment	-	123	-	(1,390)
22,814	Profit before taxes	8,444	6,332	49,838	22,035
(3,202)	Income taxes	(2,312)	(1,485)	(12,098)	(6,276)
19,612	Net profit (A)	6,132	4,847	37,740	15,759
(312)	(Profit)/loss attributable to non controlling interests	(63)	(88)	(540)	(183)
19,300	Net profit attributable to the Group	6,069	4,759	37,200	15,576
0.118	Basic earnings per share	0.037	0.029	0.227	0.095
0.118	Diluted earnings per share	0.037	0.029	0.227	0.095

9M 2021 - Consolidated balance sheet - Assets

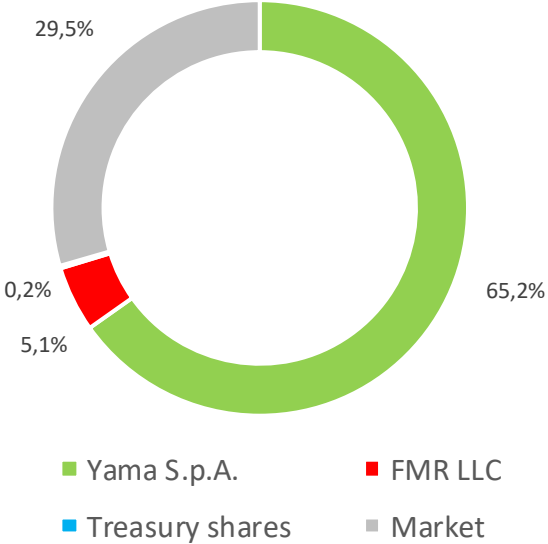
31.12.2020	€/000	30.09.2021	30.09.2020
Non-current assets			
76,409	Property, plant and equipment	77,486	75,459
23,069	Intangible assets	21,919	20,947
27,925	Rights of use	29,781	29,551
67,464	Goodwill	68,523	61,061
8	Equity investments in other companies	8	8
-	Equity investments in associates	-	2,971
9,063	Deferred tax assets	9,987	8,310
808	Other financial assets	994	1,930
57	Other assets	58	57
204,803	Total non-current assets	208,756	200,294
Current assets			
163,602	Inventories	184,530	148,143
111,082	Trade and other receivables	128,043	112,949
7,516	Current tax receivables	7,212	5,164
229	Other financial assets	55	186
506	Derivative financial instruments	788	498
99,287	Cash and cash equivalents	87,183	102,015
382,222	Total current assets	407,811	368,955
587,025	TOTAL ASSETS	616,567	569,249

9M 2021 - Consolidated balance sheet - Liabilities

31.12.2020	€/000	30.09.2021	30.09.2020
	Shareholders' Equity		
220,137	Shareholders' Equity of the Group	255,409	217,005
2,163	Non-controlling interests	2,693	2,005
222,300	Total Shareholders' Equity	258,102	219,010
	Non-current liabilities		
135,456	Loans and borrowings due to banks and other lenders	111,171	134,596
24,058	Liabilities for leasing	25,806	25,396
6,465	Deferred tax liabilities	6,423	7,988
7,608	Employee benefits	7,454	7,873
2,382	Provisions for risks and charges	2,487	2,343
4,343	Other non-current liabilities	2,036	3,976
180,312	Total non-current liabilities	155,377	182,172
	Current liabilities		
110,554	Trade and other payables	120,914	86,872
4,764	Current tax liabilities	8,209	5,346
62,032	Loans and borrowings due to banks and other lenders	66,795	68,709
4,816	Liabilities for leasing	5,028	4,947
1,020	Derivative financial instruments	500	887
1,227	Provisions for risks and charges	1,642	1,306
184,413	Total current liabilities	203,088	168,067
587,025	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	616,567	569,249

Shareholders and Governance

Emak has been listed on the Italian Stock Exchange since 1998 and since 2001 on STAR segment (dedicated to mid-size companies that adhere to strict requirements appreciated by global investors in terms of governance, liquidity, transparency).



Yama is an industrial holding whose shareholders are the families that founded the Group in late 60's.
Seven families hold 97% of Yama's share capital, with shareholdings from 6% to 23%.

Board of Directors

Bellamico Fausto	Chairman & CEO
Burani Aimone	Vice Chairman & CFO
Bartoli Luigi	Executive director
Baldi Francesca	Director
Bartoli Ariello	Director
Becchi Paola	Director
Ferrari Giuliano	Director
Salsapariglia Marzia	Director
Spaggiari Vilmo	Director
Zambelli Guerrino	Director
Iotti Elena	Independent Director
Lanza Alessandra	Independent Director
Livatino Massimo	Lead Independent Director

Board of Statutory Auditors

Montanari Stefano	Chairman
Bartoli Gianluca	
Benassi Francesca	

Independent Auditors

Deloitte & Touche S.p.A.

Synthesis of results

€m	2011	2011 PF	2012	2013	2014	2015	2016	2017	2017 PF	2018	2019 no IFRS 16	2019	2020
Sales	204.4	357.0	354.8	355.0	354.8	381.6	391.9	422.2	461.8	452.8	434.0	434.0	469.8
EBITDA adj margin	19.6 9.6%	37.8 10.6%	31.7 8.9%	34.2 9.6%	33.1 9.3%	37.5 9.8%	40.5 10.3%	45.6 10.8%	52.5 11.4%	50.8 11.2%	40.9 9.4%	46.9 10.8%	56.3 12.0%
EBITDA margin	17.5 8.6%	35.8 10.0%	28.8 8.1%	34.2 9.6%	31.5 8.9%	35.8 9.4%	39.5 10.1%	43.9 10.4%	50.1 10.8%	49.4 10.9%	40.1 9.2%	46.1 10.6%	55.6 11.8%
EBIT margin	10.4 5.1%	23.7 6.6%	16.6 4.7%	22.4 6.3%	20.0 5.6%	23.3 6.1%	21.9 5.6%	30.0 7.1%	35.8 7.8%	34.0 7.5%	21.5 5.0%	22.0 5.1%	32.9 7.0%
Net profit Margin	5.8 2.8%	13.0 3.6%	8.6 2.4%	10.5 3.0%	10.2 2.9%	9.0 2.4%	17.7 4.5%	16.4 3.9%	20.6 4.5%	25.6 5.7%	13.4 3.1%	13.1 3.0%	19.6 4.2%
FCF from operations *	12.9	25.0	20.8	22.4	21.7	21.5	35.3	30.4	34.9	41.1	32.1	37.2	42.3
Net Equity	140.1	140.1	145.0	150.8	160.1	168.5	181.7	187.5	187.5	205.8	212.2	211.5	222.3
Net fin. debt	97.3	97.3	99.9	76.4	79.0	99.4	80.1	125.3	125.3	117.4	116.6	146.9	126.6
Debt/Equity	0.7	0.7	0.7	0.5	0.5	0.6	0.4	0.7	0.7	0.6	0.5	0.7	0.6
Debt/EBITDA adj	5.0	2.6	3.1	2.2	2.4	2.7	2.0	2.7	2.4	2.3	2.8	3.1	2.2

* Calculated by adding the items "Net profit" plus "Amortization, depreciation and impairment losses"

2011: Acquisition of Epicenter (Ukraine), Tecomet, Comet, Sabart and Raico **2012:** Start-up of Emak do Brazil, acquisition of Valley in USA **2014:** Acquisition of Speed Industrie Sarl (Marocco), S.I.Agro Mexico, Geoline Electronic, Master Fluid, Speed South America (Chile) **2015:** Acquisition of Lemasa (Brazil) **2016:** Acquisition of 30% of Cifarelli S.p.A. **2017:** Acquisition of Lavorwash Group **2018:** Sale of Raico; acquisition of Spraycom **2019:** acquisition of 30% of Agres (Brazil) **2020:** acquisition of 51% of Markusson (Sweden); increase in Agres to 91%.

Aimone Burani, the executive responsible for the preparation of the corporate accounting documents, declares and certifies accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial statements contained presentation correspond to the underlying accounting documents, records and accounting entries.



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Speakers

Mr. Fausto Bellamico – Chairman and CEO
Mr. Aimone Burani – Deputy Chairman and CFO
Mr. Andrea La Fata – Investor Relator
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