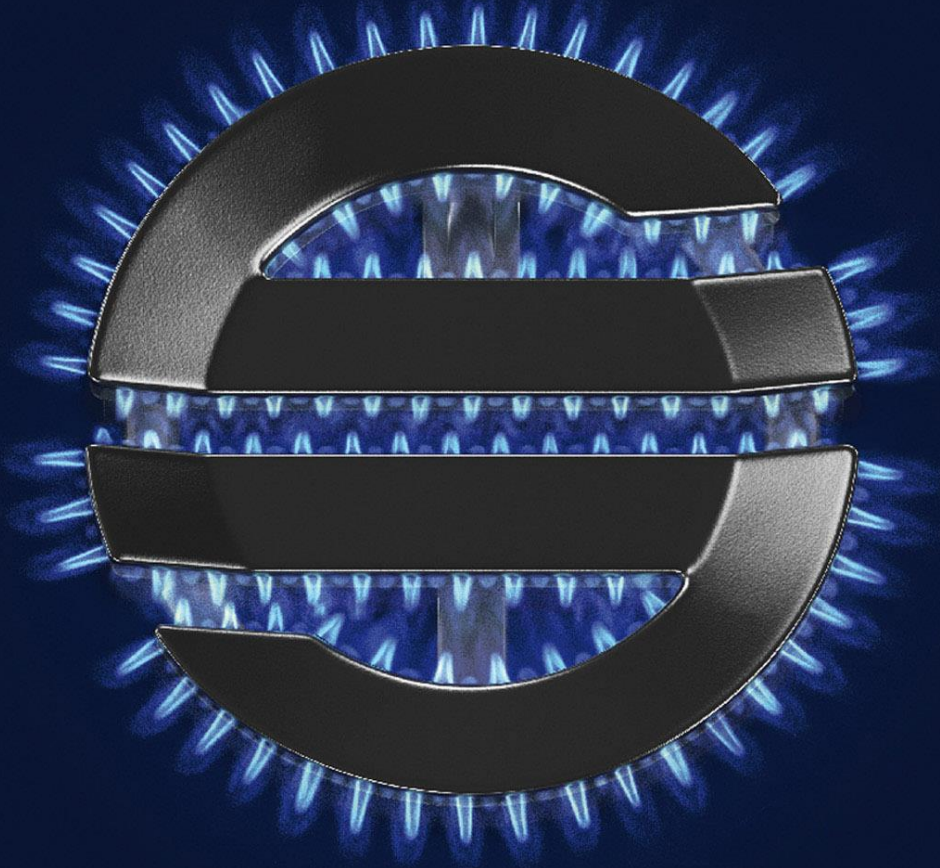


We burn for technology and safety.



FINANCIAL PRESENTATION

STAR Conference 2021

Milan, 12th - 14th October 2021

Table of contents

- I. COMPANY PROFILE
- II. 1ST HALF 2021 RESULTS
- III. OUTLOOK
- IV. BUSINESS PLAN 2021 - 2023

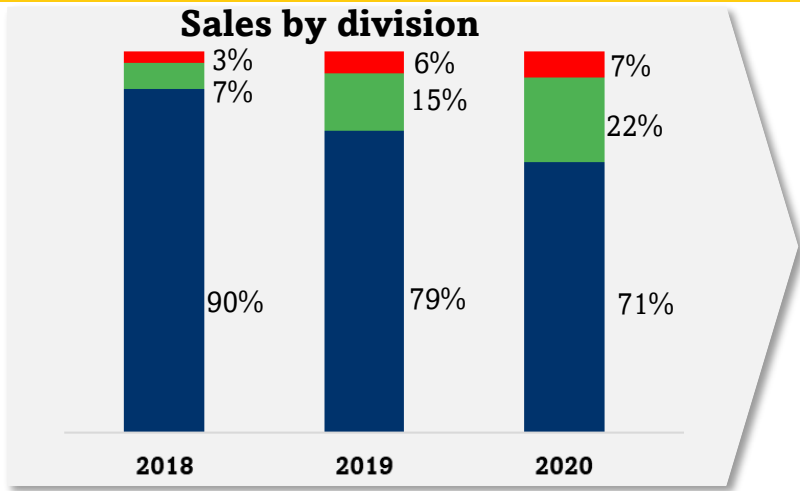
COMPANY PROFILE

Sabaf Group Timeline and history

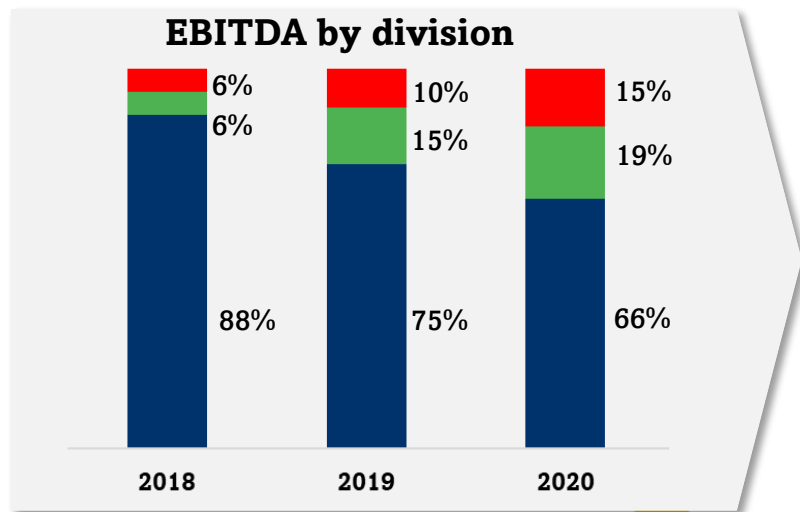


Sabaf Group

Business diversification in three divisions



Widening product range



Diversification of profitability

Sabaf Group

Product range

GAS

- Standard Burners
- Special Burners
- Professional Burners
- Oven and Grill Burners
- Gas Valves
- Gas Oven Thermostats
- Microswitches & Accessories



HINGES

- Ovens
- Dishwashers
- Washing machines
- Special applications
- Small compartments
- Catering appliances



ELECTRONIC COMPONENTS

- Cooker Hoods
- Ovens
- Cookers and hobs
- Vitroceramic hobs control cards
- Air Curtain
- Refrigerators/freezers
- Other products

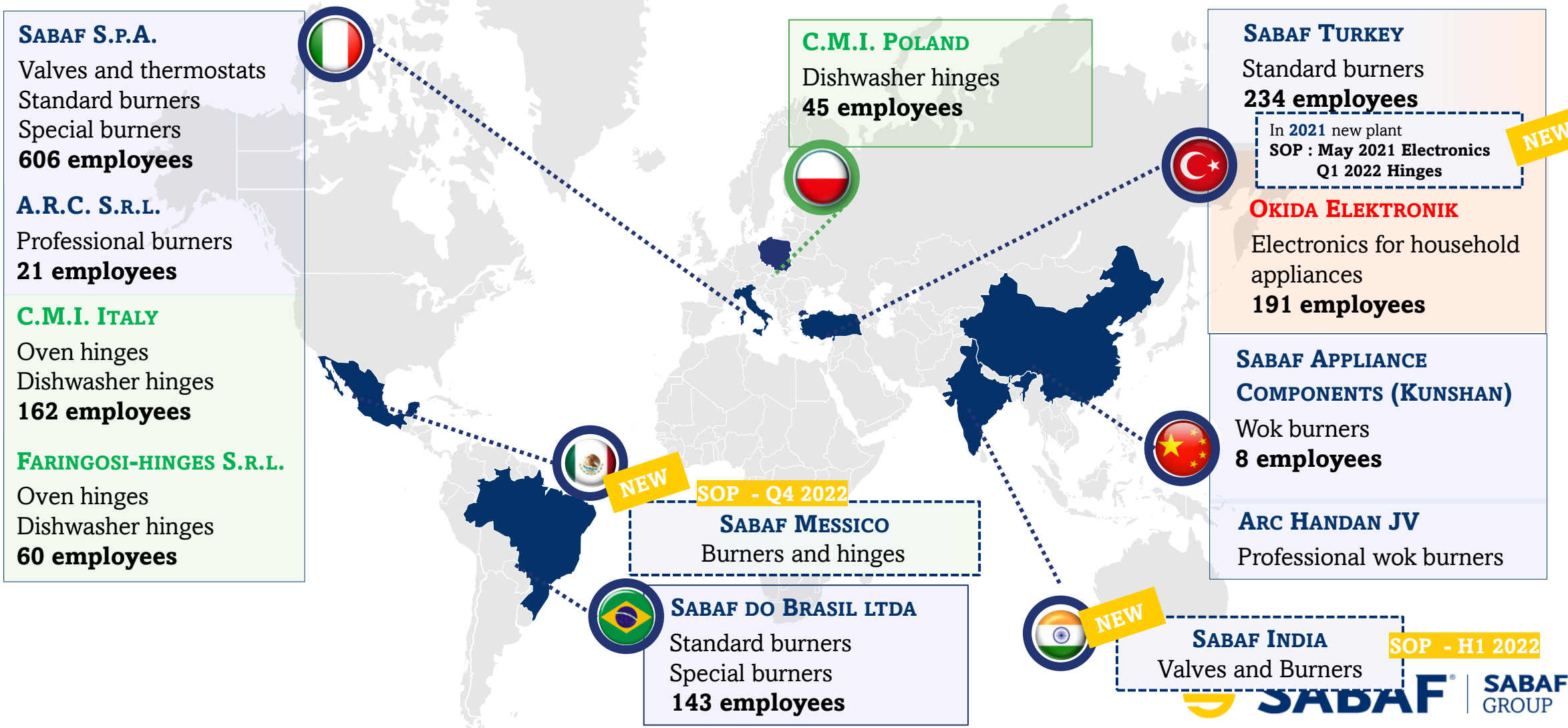


Sabaf Group

Industrial Footprint: present and near future



Total Group employees
at 30 September 2021
1,470



Sabaf Group Market



Global leader in the segment of **components for domestic gas** cooking appliances, with 400 customers in 64 different countries. A strong leadership in Europe (market share above 40%), estimated market share worldwide of about 10%

Weight of **top 10** customers on total Group sales is **48%**



No customer represents **more than 11%** of total Group sales

Long-term agreements and strong relationships with all the main players in the household appliances business, based on mutual trust, technical cooperation, co-engineering and tailor-made products

Sabaf Group

Product & technology



Product Innovation:
about 88 active patents

Know-how:

- Mechanical: forefront process technology - internal development of special machinery, high performance molds for robotic die-casting, high speed and high precision tools not available on the market
- Electronic: strong skills in new product development

Intellectual capital:
highly specialized and qualified staff (50+ R&D engineers)

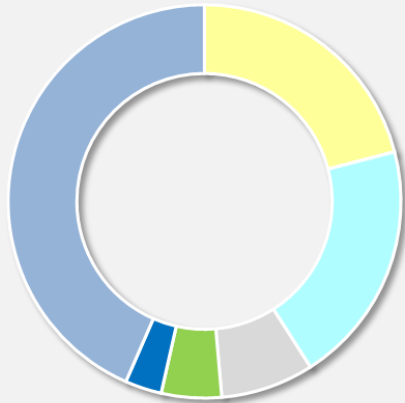
Strong operational leverage: great flexibility in production volumes growth, ready to satisfy customers requests



Sabaf Group

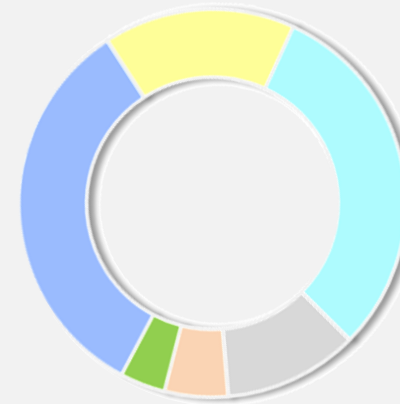
Main Shareholders

% OF SHARE CAPITAL



20.94 %	Cinzia Saleri S.a.p.a.
20.00 %	Quaestio SGR
7.66 %	Fintel S.r.l.
4.95 %	Paloma Rheem Investments
3.01 %	Treasury Shares
43,44 %	Market

% OF VOTING RIGHTS

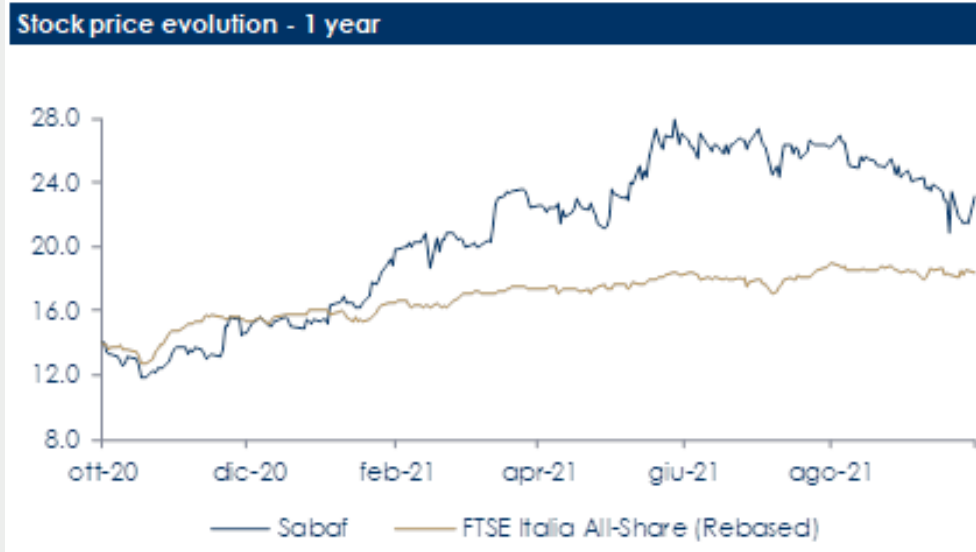


30.57 %	Quaestio SGR
16.01 %	Cinzia Saleri S.a.p.a.
11.49 %	Fintel
3.78 %	Paloma Rheem Investments
3,01 %	Treasury Shares
38,15 %	Market

Pietro Iotti, CEO of Sabaf,
owns 1.5%

Sabaf Group

Stock price



Market cap: € 266.4 mn at October 11th, 2021

2021 DIVIDEND

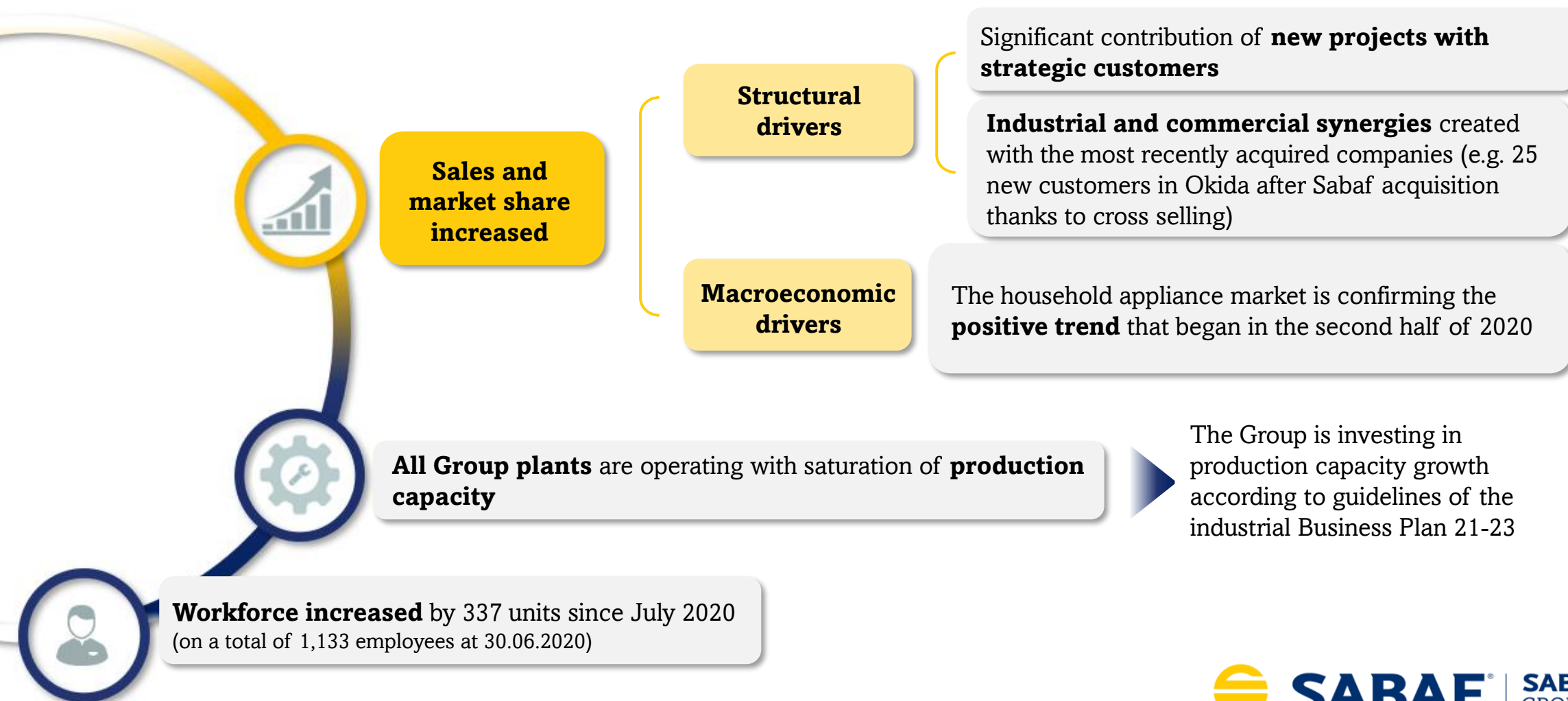
- € 0.55 per share - Tot. amount 6.1 mn eur
- Ex-date: 31st May 2021
- Dividend yield: 2.4%
- Payout ratio: 45.4%

Sabaf performance	
Change	
1-month (%)	- 4.94%
3-month (%)	- 12.83%
6-month (%)	+ 2.67%
12-month (%)	+68.00%
YTD (%)	+53.49%

Consensus Overview	Source Bloomberg Consensus Oct.12th, 2021	
	FY 2021	FY 2022
Price/EPS	8.78	8.76
EV/EBITDA	5.66	5.71
EV/EBIT	8.05	8.36

1ST HALF 2021

FINANCIAL RESULTS



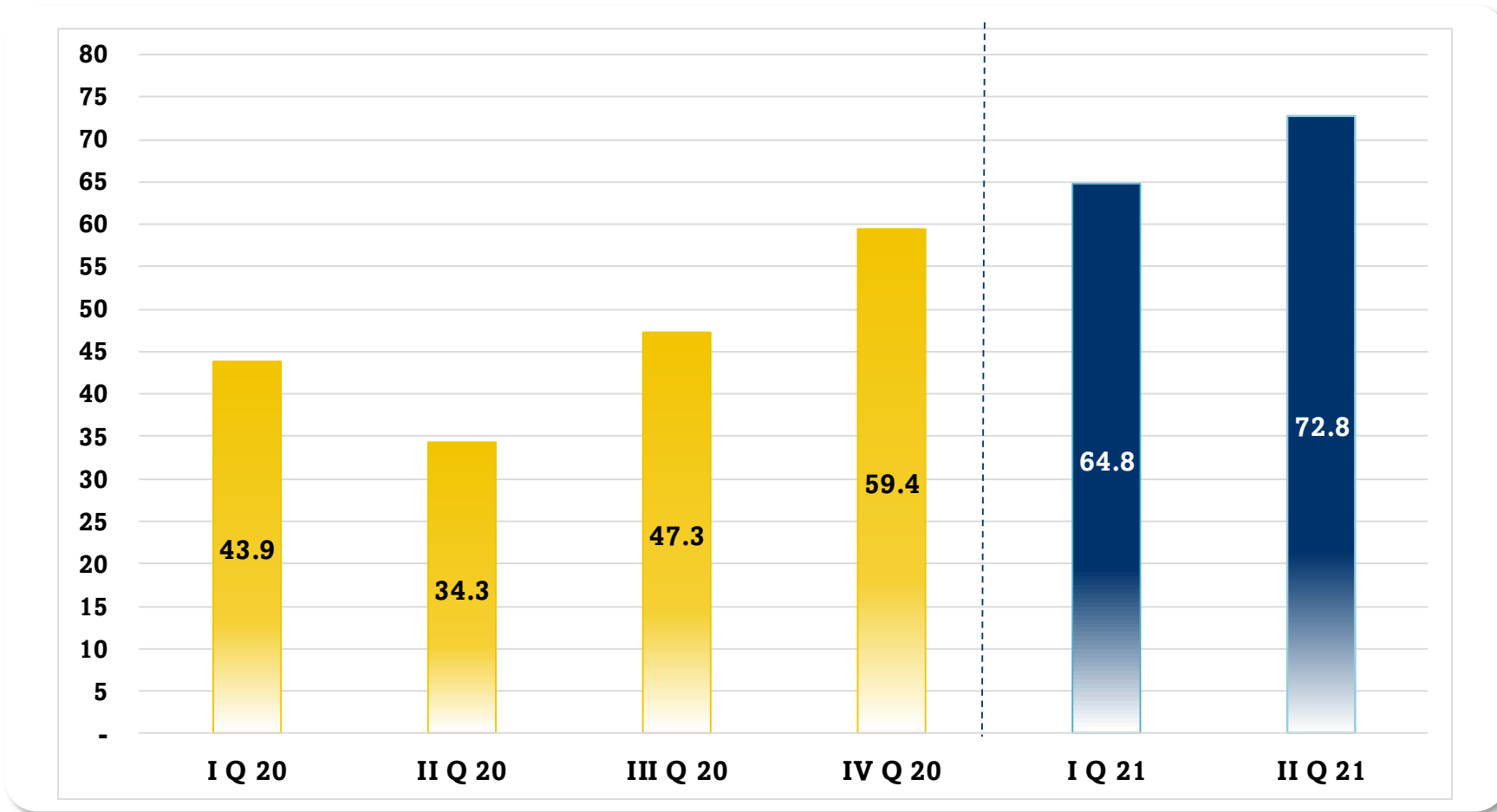
Performance data

Income statement – H1 2021

€ x 000	H1 2021		H1 2020		Δ % 20 - 19	12 MONTHS 2020	
Revenue	137,665	100.0%	78,164	100.0%	+76.1%	184,906	100.0%
Other income	4,485	3.3%	1,969	2.5%		7,194	3.9%
Total operating revenue and income	142,150		80,133	102.5%		192,100	
Materials	(76,146)	(55.3%)	(35,381)	(45.3%)		(82,966)	(44.9%)
Personnel costs	(28,136)	(20.4%)	(19,901)	(25.5%)		(43,700)	(23.6%)
Change in inventories	20,345	14.8%	3,677	4.7%		6,406	3.5%
Other operating costs	(26,029)	(18.9%)	(15,244)	(19.5%)		(34,743)	(18.8%)
EBITDA	32,184	23.4%	13,284	17.0%	+142.3%	37,097	20.1%
Depreciation	(8,341)	(6.1%)	(8,508)	(10.9%)		(16,968)	(9.2%)
Gains/losses on fixed assets	117	0.1%	41	0.1%		105	0.1%
Write-downs/write-backs of non-current assets	-	0.0%	-	0.0%		(141)	(0.1%)
EBIT	23,960	17.4%	4,817	6.2%	+397.4%	20,093	10.9%
Net financial expense	23	0.0%	761	1.0%		(780)	(0.4%)
Exchange rate gains and losses	(1,853)	(1.3%)	(1,837)	(2.4%)		(4,812)	(2.6%)
Profits and losses from equity investments	(49)	(0.0%)	-	0.0%		8	0.0%
EBT	22,081	16.0%	3,741	4.8%	+490.2%	14,509	7.8%
Income taxes	(4,768)	(3.5%)	(1,225)	(1.6%)		(149)	(0.1%)
PROFIT FOR THE YEAR	17,313	12.6%	2,516	3.2%	+588.1%	14,360	7.8%
Minority interests	(564)	(0.4%)	(92)	(0.1%)		(399)	(0.2%)
PROFIT ATTRIBUTABLE TO THE GROUP	16,749	12.2%	2,424	3.1%	+591.0%	13,961	7.6%

Performance data

Sales - Quarter Analysis



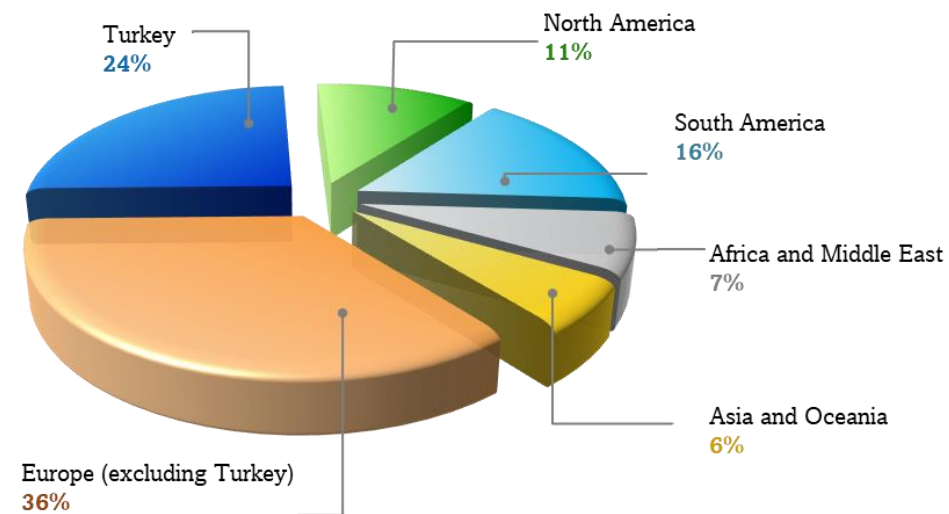
Figures in euro million

Performance data

Sales by market

€ x 000

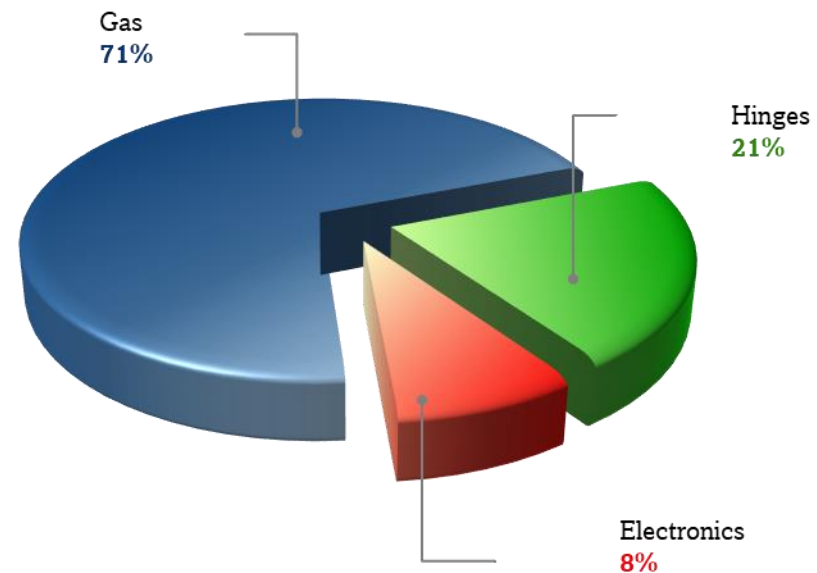
	H1 2021	H1 2020	H1 21 vs. H1 20	H1 2019	H1 21 vs. H1 19
Europe (excluding Turkey)	48,904	28,325	+72.7%	29,103	+68.0%
Turkey	33,630	18,972	+77.3%	18,416	+82.6%
North America	15,578	9,826	+58.5%	7,570	+105.8%
South America	21,421	12,400	+72.8%	12,103	+77.0%
Africa and Middle East	9,974	5,551	+79.7%	3,196	+212.1%
Asia and Oceania	8,158	3,090	+164.0%	4,438	+83.8%
Total	137,665	78,164	+76.1%	74,826	+84.0%



Performance data

Sales by Division

€ x 000	H1 2021	H1 2020	H1 21 vs. H1 20	H1 2019	H1 21 vs. H1 19
Gas	97,041	55,124	+76.0%	64,330	+50.8%
Hinges	29,114	17,262	+68.7%	5,730	+408.1%
Electronics	11,510	5,778	+99.2%	4,766	+141.5%
Total	137,665	78,164	+76.1%	74,826	+84.0%



Performance data

Balance Sheet

€ x 000	30/06/2021	31/12/2020	30/06/2020
Fixed assets	136,192	131,543	133,599
<i>Inventories</i>	58,735	39,224	37,599
<i>Trade receivables</i>	81,666	63,436	48,964
<i>Tax receivables</i>	3,531	2,419	3,081
<i>Other current receivables</i>	3,086	3,167	2,147
<i>Trade payables</i>	(56,494)	(41,773)	(26,338)
<i>Tax payables</i>	(6,629)	(3,287)	(1,165)
<i>Other payables</i>	(13,463)	(10,957)	(10,836)
Net working capital	70,432	52,229	53,452
Provisions for risks and severance indemnity	(8,883)	(9,643)	(11,425)
Capital Employed	197,741	174,129	175,626
Equity	126,615	117,807	114,980
Net debt	71,126	56,322	60,646
Sources of finance	197,741	174,129	175,626

Performance data

Cash flow statement

€ x 000	H1 2021	12 MONTHS 2020	H1 2020
Cash at the beginning of the period	13,318	18,687	18,687
Net profit	17,313	14,360	2,516
Depreciation	8,341	16,968	8,508
Other income statement adjustments	4,310	1,873	140
Change in net working capital			
- Change in inventories	(19,511)	(3,881)	(2,256)
- Change in receivables	(18,230)	(16,507)	(2,035)
- Change in payables	14,721	14,213	(1,141)
	(23,020)	(6,175)	(5,432)
Other changes in operating items	(115)	(1,959)	(845)
Operating cash flow	6,829	25,067	4,887
Investments, net of disposals	(15,162)	(17,296)	(8,345)
Free Cash Flow	(8,333)	7,771	(3,458)
Cash flow from financial activity	13,545	(2,136)	(2,677)
Own shares buyback	-	(2,073)	(1,264)
Dividends	(6,172)	(3,924)	-
CMI Acquisition	-	(3,063)	-
Forex	562	(1,944)	(986)
Net financial flow	(398)	(5,369)	(8,385)
Cash at the end of the period	12,920	13,318	10,302

Working capital

- Increase in working capital due to the increase in inventories, as a result of the need to **ensure continuity of supplies and to limit the impact of changes in raw material prices**
- Nevertheless **lower incidence of NWC on turnover**: 25.6% compared to 34.2% at 30 June 2020 and 28.2% at 31 December 2020

Investments

The **high levels of activity led the Group to anticipate to 2021 some investments originally planned for 2022**, where growth is considered structural, in order to be able to guarantee continuity in supplies to customers and full production efficiency

Performance data

Financial Indicators



	H1 2021	H1 2020	12 MONTHS 2020
Change in turnover (vs. previous year)	+76.1%	+4.5%	+18.6%
Change in turnover - Organic (vs. previous year)	+76.1%	-12.5%	+8.4%
ROCE (return on capital employed)	24.2%	5.5%	11.5%
Net debt/EBITDA	1.10	2.80	1.52
Net working capital/Turnover	25.6%	34.2%	28.2%
Net debt/equity	56.2%	52.7%	47.8%
Days of Sales Outstanding	107	106	111
Days of Payables Outstanding	99	93	98
Days of Inventory Outstanding	96	101	97

OUTLOOK

Outlook

**€ 255-260 mn
EXPECTED SALES**

TOTAL 2021 SALES: ~+40% on 2020 (€184.9 mn) and ~ +65% on 2019 (€155.9 mn)

Forecast upgraded 4 times during the year:

- February 11th : Sales € **200** mn - EBITDA close to **20%**
- March 23rd : Sales € **210** mn - EBITDA **20%**
- May 13th : Sales more than € **240** mn - EBITDA more than **21%**
- August 03rd : Sales € **255/260** mn - EBITDA more than **22%**

I HALF 2021

Activity on the high side with all markets showing a very strong demand.

II HALF 2021

Trend expected to continue

more than **22%**
EBITDA

EBITDA 2021

Operating profitability (EBITDA %) of more than 22% of sales (previous forecast: more than 21%)

- Diversification of Group's offer
- Favorable trend in sales prices
- Full utilization of production capacity

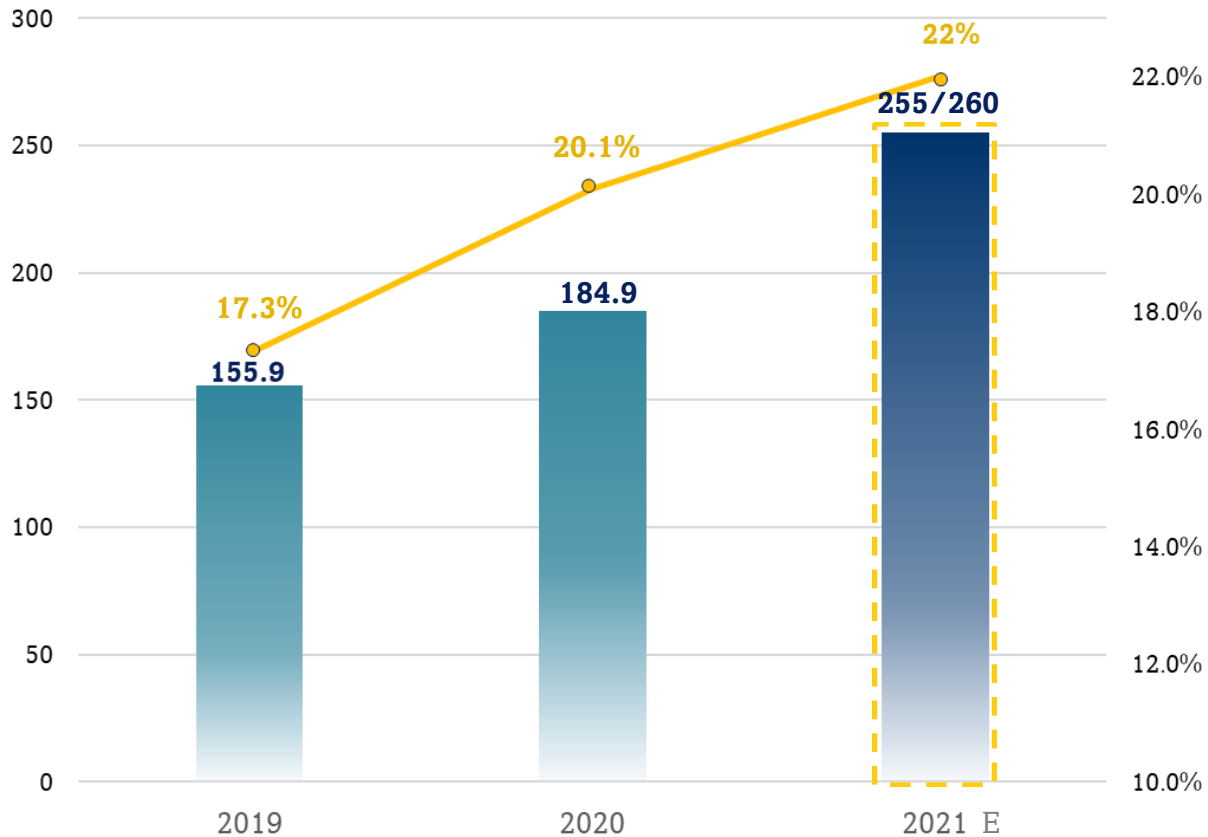


Will balance unfavorable raw materials and the increase of the energy cost

Revenues: 2019 – 2021E

REVENUES

euro mn



■ REVENUES — EBITDA

EBITDA % on revenues

**FY 21 expected SALES
at € 255-260 million**

- **~+40%** vs. 2020
- **~+65%** vs. 2019

**FY 21 expected EBITDA
at € 56-57 million**

- **~+40%** vs. 2020
- **>+100%** vs. 2019

BUSINESS PLAN 2021 - 2023

Business plan 2021 – 2023

KEY POINTS

around
€ 300 mn
SALES

TOTAL SALES by 2023
+62% vs. 2020 CAGR > 17.5%

- **Organic** CAGR >10%:
around € 250 mn sales by 2023
- **M&A:** € 50 mn sales by 2023

€ 57 mn
EBITDA
by 2023

EBITDA
at least 19% on sales

at least
+100 bps

ROI 12.5%
Compared to 11.5% in 2020

~ 2.0

FINANCIAL LEVARAGE
Net debt/EBITDA around 2.0

€ 130 mn

INVESTMENTS in 3 years

- **Organic:** € 58 mn capex,
of which € 46 mn for growth and
€ 12 mn in maintenance
- **M&A:** up to € 72 mn investment

€ 20 mn

DIVIDENDS in 3 years

- Total amount higher than previous years
(2018 - 2020: € 16 mn)
- Lower payout to support future growth



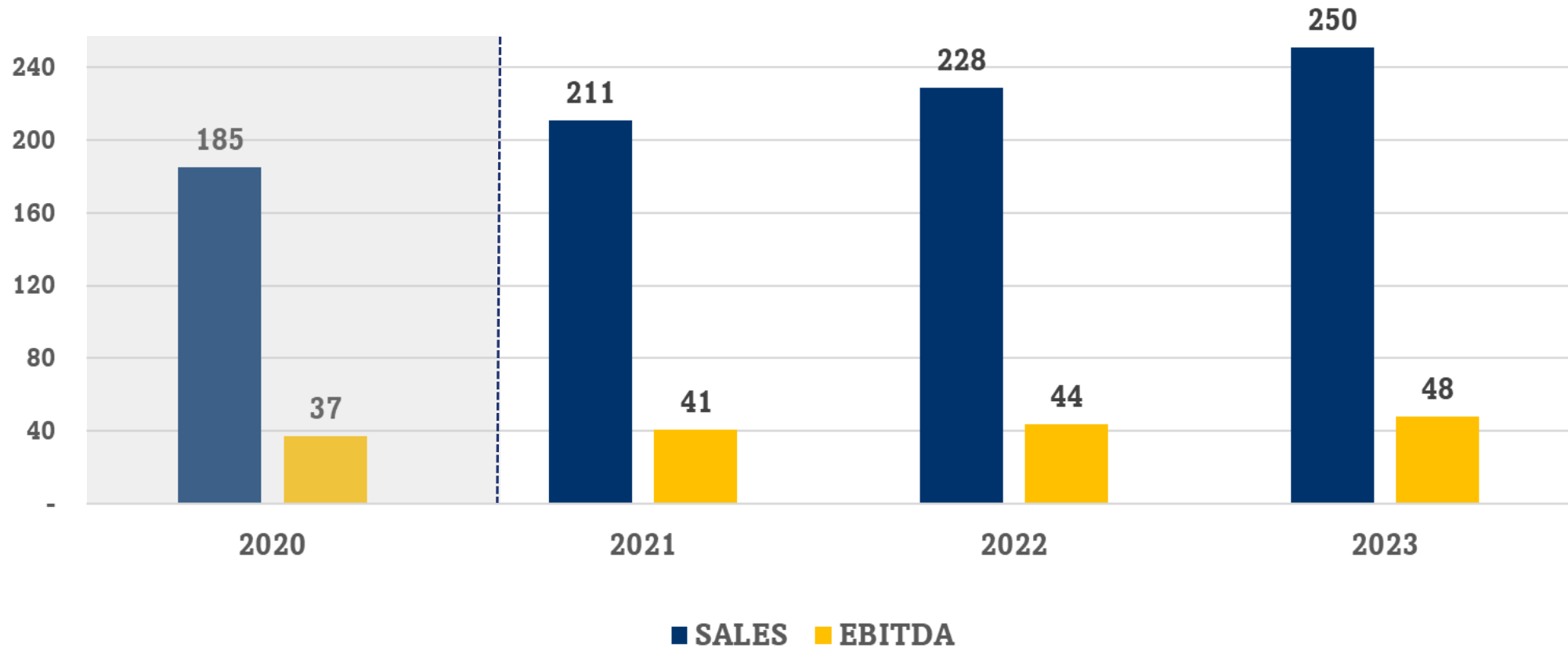
FINANCED with:

- **OPERATING CASH FLOW** € 85 mn in 3 years
- **NEW FINANCIAL DEBT** up to € 65 mn by 2023

Business plan 2021 - 2023

Organic growth

CAGR: +10.6%



Business plan 2021 - 2023

Organic growth - Market development

MARKET	2020	2021	2022	2023	Var % 2023 vs. 2020	CAGR
EUROPE (excl. Turkey)	69.6	76.3	80.3	86.6	+24.5%	7.6%
TURKEY	44.8	51.6	55.6	56.6	+26.3%	8.1%
NORTH AMERICA	22.7	27.5	32.2	37.2	+63.6%	17.8%
SOUTH AMERICA	27.6	29.0	30.4	32.9	+18.9%	5.9%
AFRICA AND MIDDLE EAST	12.2	14.1	14.1	16.1	+32.5%	9.8%
CHINA AND FAR EAST	6.8	10.3	11.5	14.2	+101.1%	28.1%
INDIA	1.2	1.7	4.3	6.9	+468.0%	78.4%
TOTAL	184.9	210.5	228.4	250.5	+35.5	10.6%
<i>Growth vs. previous year</i>		+13.9%	+8.5%	+9.7%		

Business plan 2021 - 2023

Organic growth – Sales By division



PROJECTS		GAS	HINGES	ELECTRONICS	TOTAL	CAGR
ADDITIONAL SALES IN 3 YEARS COMPARED TO 2020	NEW	€ 26.3 mn <i>No. 11 projects</i>	€ 10.6 mn <i>No. 5 projects</i>	€ 8.5 mn <i>No. 25 projects</i>	€ 45.4 mn <i>No. 41 projects</i>	+7.6%
	EXISTING	€ 7.6 mn	€ 8.6 mn	€ 4.0 mn	€ 20.2 mn	+3%
TOTAL		€ 33.9 mn	€ 19.2 mn	€ 12.5 mn	€ 65.6 mn	+10.6%

HUGE NEW PROJECTS PIPELINE



ORGANIC GROWTH
+35.5% on 2020



STRONG RELATIONSHIPS WITH GLOBAL PLAYERS

Business plan 2021 - 2023

Organic growth – Investments

Production Capacity Increase

India Plant	5,2
Turkey Plant	6,0
Mexico Plant	5,0

Tot New Plants 16,2

Maintenance 12,5

New Projects

Electronics	5,3
Other Projects	6,0
Hinges	5,0
Gas	13,8

Tot new projects 30,1

(Mn Eur)

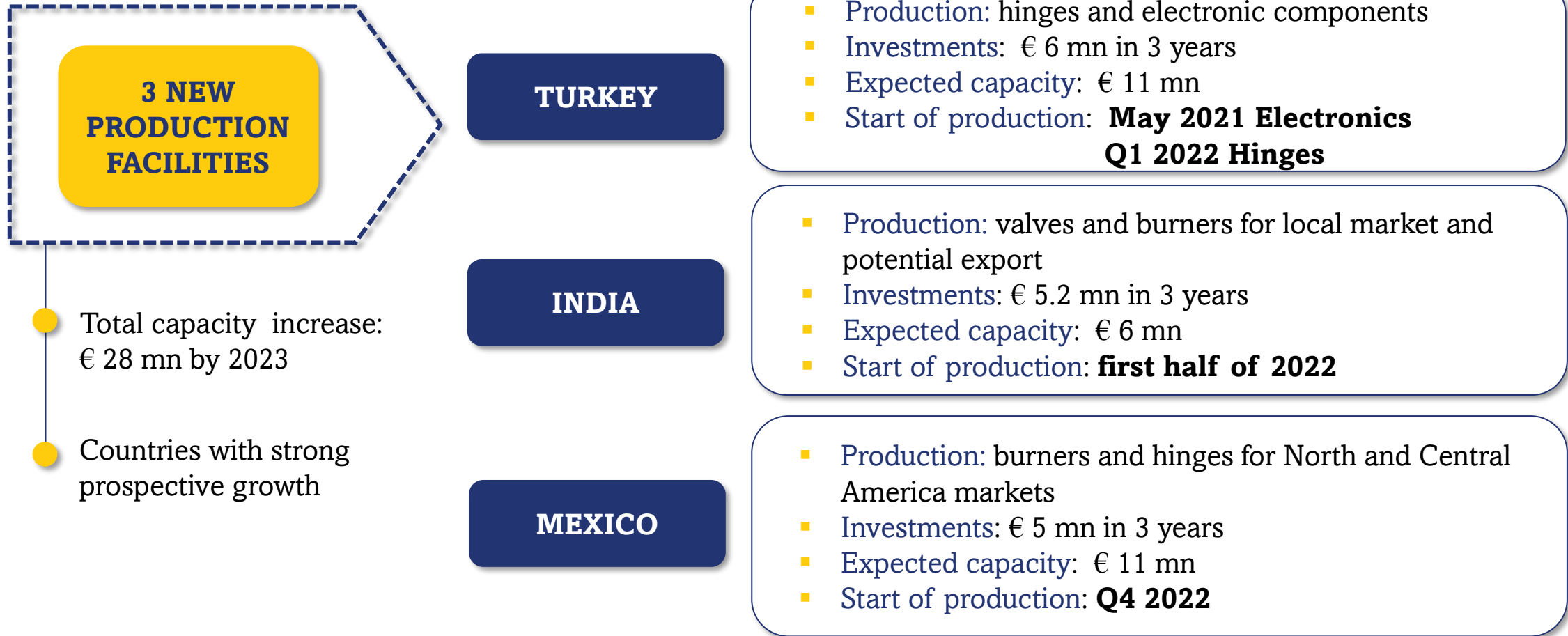


**New Manisa
Electronic
Plant
unveiled in
May 2021**

Total investments in organic growth € 58,8 mn in 3 years

Business plan 2021 - 2023

Organic growth - New facilities



Business plan 2021 - 2023

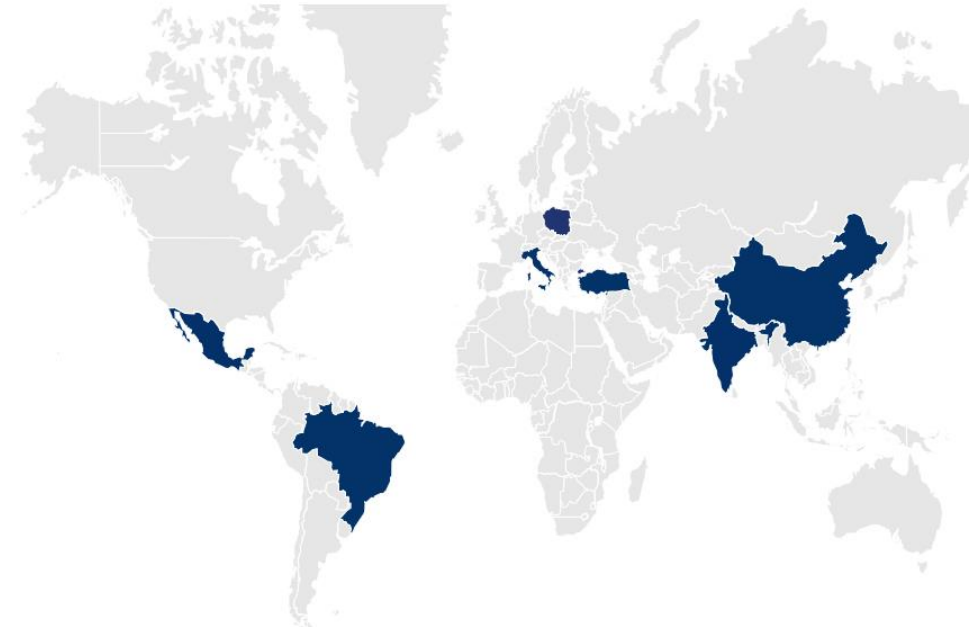
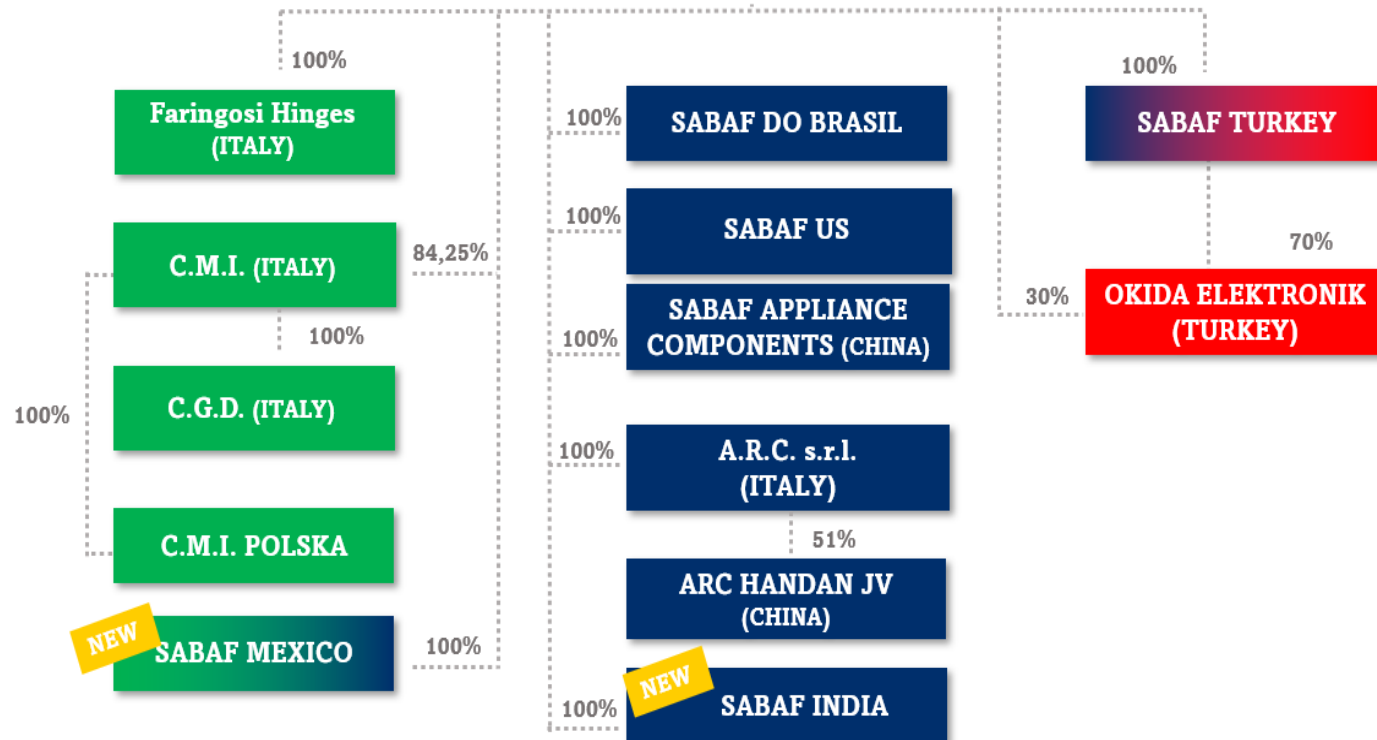
Organic growth - Industrial footprint



- 14 Companies
- 10 Production plants as of 2020
- 13 Production plants by 2022
(5 in Italy and 8 abroad)

3 new production plants by 2022
(Turkey, Mexico and India)

SABAF S.p.A.



Business plan 2021 - 2023

Organic growth - Sustainability

“ Sabaf’s strategy and governance model are aimed towards ensuring long-term sustainable growth. For Sabaf, sustainability is primarily based on sharing values with its stakeholders; compliance with common values increases mutual trust and encourages knowledge development. ”

SABAF GROUP VISION

«We believe in a world in which all people’s basic needs, such as home, food and reliable energy, are fulfilled in an environmentally sustainable way.

We promote a company that improves the quality of the environment and the communities where we live and work»

BUSINESS PLAN KPI

Area	KPI	2023 TARGETS (VS.2020)
1 Development of resources and skills	Hours of training per capita	+40%
	Accident frequency rate	-44%
2 Health and safety	Accident severity rate	
	3 Eco-efficiency and Emissions into the atmosphere	tCO _{2eq} emissions on sales

SDGs



Business plan 2021 - 2023

Growth by acquisitions - M&A Strategy

M&A as a tool for achieving **long-term targets** through:

- the acquisition of **know-how** and **technologies**
- the expansion of the **product offer**
- the opening to **new markets**
- the **risk diversification**
- the ability **to scale the business quickly**



Growth of the competitive advantage by differentiating the Sabaf value proposition from competitors



• Preservation of the identity of acquired companies, which maintain their brand, local supply chain and workforce

• Retention of talents and soft skills

• Achievement of significant commercial and industrial synergies

• From an entrepreneurial to an industrial approach

• Joint effort for growth and positives influence on margins

• Preferably seller is taken onboard as a director and/or minority shareholder

INVESTMENT SECTORS

- 1 COMPONENTS FOR HOUSEHOLD APPLIANCES
- 2 ELECTRONICS
- 3 HEATING
- 4 PROFESSIONAL COOKING

Business plan 2021 - 2023

Growth by acquisitions - Target profile

TARGET PARAMETERS

TURNOVER

€ 5 - 70 mn sales

EBITDA

Steady positive results over past years
No turnarounds

SHAREHOLDING

Preference for **entrepreneurial** ownership

EBITDA MULTIPLES

Non-dilutive

M&A TEAM

Dedicated to scouting and development of business **contacts**, creation of an **internal Data Base**, analysis and evaluation of **opportunities**, management of **negotiations**

Business plan 2021 - 2023

Summary - Targets

Around € 300 mn sales
 Total **growth: 62%** by **2023** vs. 2020 (Organic and by acquisitions growth)
 (CAGR 17.5%)

Total investments € 130 mn of which:

- ✓ € 58 mn organic growth
- ✓ € 72 mn growth by acquisitions

✓ **Dividends: € 20 mn**

Investments and dividends, for a total amount of € **150 mn**
financed with:

- ✓ **Operating cash flow: € 85 mn**
- ✓ **New financial debt: € 65 mn**

Sustainability targets:

- ✓ Hours of training per capita
- ✓ Accident frequency and severity rates
- ✓ CO2 emissions reduction

**HIGH PROFITABILITY
 (EBITDA AT LEAST 19%)**

**ROI > 12.5%
 COMPARED TO 11.5% IN 2020**

**NET DEBT/EBITDA
 ~ 2.0**

DISCLAIMER

Certain information included in this document is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially.

The Company's business is in the domestic appliance industry, with special reference to the gas cooking sector, and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting this business. Forward-looking statements with regard to the Group's business involve a number of important factors that are subject to change, including: the many interrelated factors that affect consumer confidence and worldwide demand for durable goods; general economic conditions in the Group's markets; actions of competitors; commodity prices; interest rates and currency exchange rates; political and civil unrest; and other risks and uncertainties.

Pursuant to Article 154/2, 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 financial presentation corresponds to the company's records, books and accounting entries.

For further information, please contact

Gianluca Beschi - +39.030.6843236

gianluca.beschi@sabaf.it