



European Midcap Event 2022 - Paris



Agenda



- Introducing new management
- Emak at a glance
- Q1 2022 results
- Appendix

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Introducing new management



Luigi Bartoli – CEO

Born 1966

Joined the Group in 1995.

Spent his career within the Group covering various positions. Managing Director of OPE division since 2019.



Cristian Becchi – CFO

Born 1973

Joined Emak in 2005

Previously head of management control in leading company in the plant engineering sector

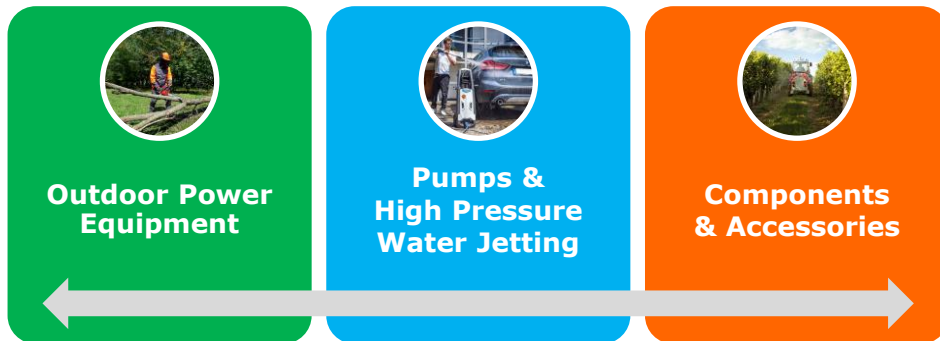
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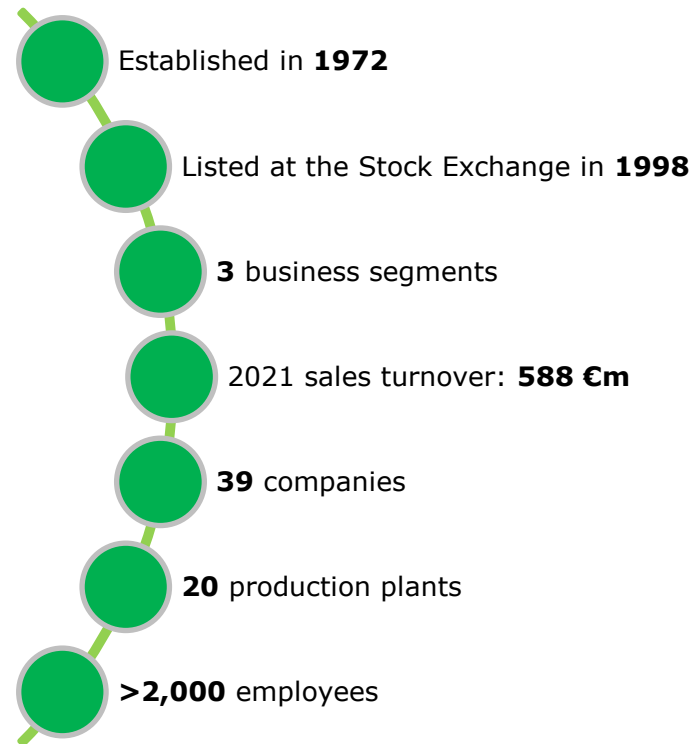
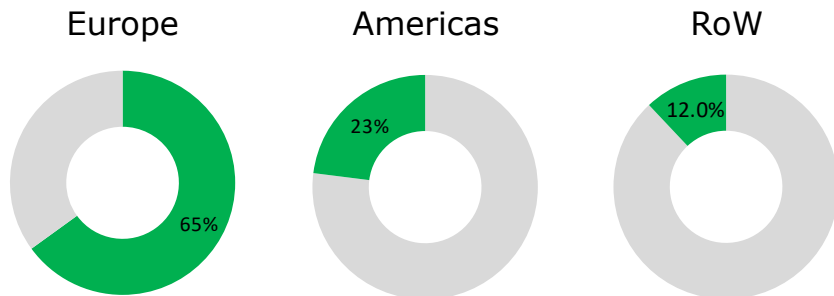
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EMAK AT A GLANCE

Areas of business



Sales distribution



OUR STRATEGY

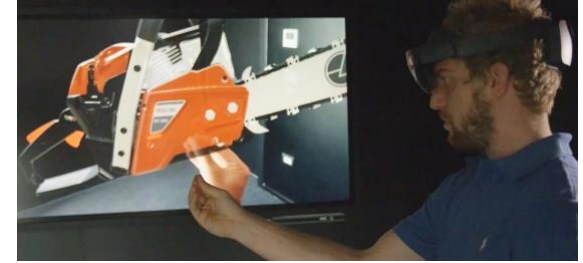
INNOVATION

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



ACQUISITIONS

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



EFFICIENCY

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

DISTRIBUTION

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



OUTDOOR POWER EQUIPMENT

Product range

Brushcutters, Lawnmowers, Chainsaws,
Garden Tractors, Rotary tillers, Two wheel
tractors, Transporters

Production sites

Italy 2; China 2

Distribution channel

Specialized dealers, DIY, Online

Customers

Professionals, high demanding privates,
farmers, home owners

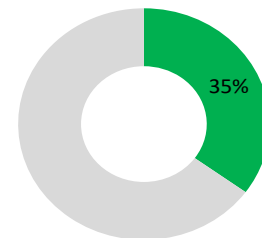


our power, your passion

FY 2021 results

Sales **203€m**
EBITDA Adj **8%**

Share of
Group sales



PUMPS & HIGH PRESSURE WATER JETTING

Product range

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

Production sites

Italy 4; Brazil 2; USA 1; China 1

Distribution channel

Specialised dealers, DIY, Online, OEM

Applications

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

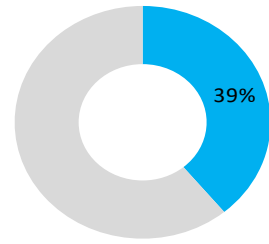


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FY 2021 results

Sales 230€m
EBITDA Adj 14.3%

Share of Group sales



COMPONENTS & ACCESSORIES

Product range

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

Production sites

Italy 1; France 1; USA 1; Chile 1; Brazil 1; South Africa 1; Sweden 1; China 1

Distribution channels

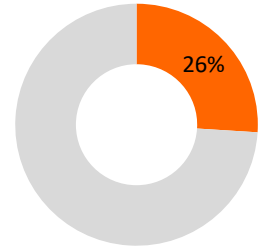
Specialised dealers, DIY, Online, OEM



FY 2021 results

Sales 155€m
EBITDA Adj 19%

Share of Group sales



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Summary Q1 2022



Sales
€190 €m
+16.8%

- Strong growth compared to record quarter
- Positive performance of all segments



EBITDA
27.3 €m
(26.4€m in Q1 21)

- Operating leverage
- Price increase partially offset high raw materials and logistic cost
- Investments to support business development



Net debt
192.9 €m

- High inventories to face supply chain constraints and shortage
- IFRS 16 effect

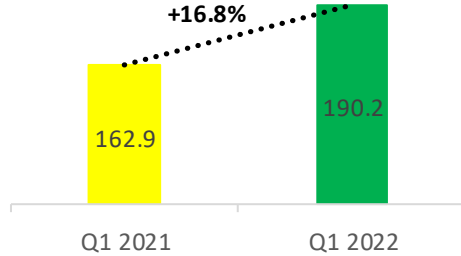


Positive view
on H1 sales

- External scenario remains characterized by uncertainties
- Reduced visibility on demand for the coming months
- Turnover for H1 will remain at record levels

Increase in sales, facing cost pressure

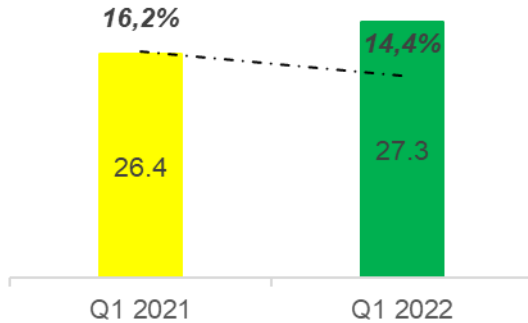
Sales (€m)



The increase is due to the organic growth for 14.5%, the effect of translation changes for 1.6% and change in the scope of consolidation for 0.7%.

All three segments performed well: OPE +31.1%, PWJ +10.9%, C&A +6.4%

EBITDA Adj (€m)



Growth in absolute value and slight decrease of the margin:

- + Strong sales growth and consequent operating leverage
- + Change in the scope of consolidation
- + Price increase
- High raw materials, energy and transports costs
- Increase in operating cost to support the business development
- Higher personnel costs to cope with higher production volumes

Consolidated balance sheet

€/000	31.03.2022	31.12.2021	31.03.2021
Net non-current assets	205,121	202,117	183,804
Net working capital	267,342	198,085	204,429
Net capital employed	472,463	400,202	388,233
Net financial position	(192,890)	(144,269)	(148,397)
<i>IFRS 16 effect</i>	39,112	38,974	28,935
<i>Net financial position (net of IFRS 16)</i>	<i>(153,778)</i>	<i>(105,295)</i>	<i>(119,462)</i>
Total equity	279,573	255,933	239,836

Net working capital:

- Trend consistent with the seasonality of the business
- Increase in inventories to face supply chain criticalities

Net negative financial position

- Seasonal working capital trend
- IFRS 16 effect
- Figure includes € 11.4 million of financial debts for the purchase of minorities (€ 5.7 million in March 2021 and € 12.3 million in December 2021).

Results by business segment

	OPE		PWJ		C&A	
€/000	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Sales to third parties	74,857	57,118	70,073	63,172	45,317	42,591
<i>Intersegment sales</i>	93	77	901	669	3,351	2,916
Revenues from sales	74,950	57,195	70,974	63,841	48,668	45,507
Ebitda before non ordinary expenses	6,967	6,024	11,440	10,869	9,702	10,370
<i>Ebitda before non ordinary expenses/Total Revenues %</i>	9.3%	10.5%	16.1%	17.0%	19.9%	22.8%
Operating result	4,892	4,015	9,390	9,639	7,555	8,403
<i>Operating result/Total Revenues %</i>	6.5%	7.0%	13.2%	15.1%	15.5%	18.5%

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Consolidated income statement



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FY 2021		Q1 2022	Q1 2021
588,299	Revenues from sales	190,247	162,881
5,110	Other operating incomes	713	1,381
48,764	Change in inventories	9,094	(1,272)
(354,737)	Raw materials, consumable and goods	(113,573)	(85,406)
(98,231)	Personnel expenses	(26,601)	(24,257)
(111,909)	Other operating costs and provisions	(32,541)	(26,410)
(24,392)	Amortization, depreciation and impairment losses	(6,272)	(5,748)
52,904	Operating result	21,067	21,169
1,003	Financial income	893	67
(8,611)	Financial expenses	(1,092)	(1,266)
589	Exchange gains and losses	2,108	375
45,885	Profit before taxes	22,976	20,345
(12,774)	Income taxes	(6,124)	(5,065)
33,111	Net profit	16,852	15,280
(603)	(Profit)/loss attributable to non controlling interests	(241)	(138)
32,508	Net profit attributable to the Group	16,611	15,142

Consolidated balance sheet - Assets

31.12.2021	€/000	31.03.2022	31.03.2021
	Non-current assets		
78,558	Property, plant and equipment	79,201	77,183
24,853	Intangible assets	24,854	22,591
37,665	Rights of use	37,677	27,867
70,634	Goodwill	73,652	67,208
8	Equity investments in other companies	8	8
10,012	Deferred tax assets	9,662	8,970
984	Other financial assets	1,024	849
59	Other assets	60	58
222,773	Total non-current assets	226,138	204,734
	Current assets		
217,316	Inventories	230,545	163,359
127,984	Trade and other receivables	193,243	162,824
10,076	Current tax receivables	10,047	6,107
72	Other financial assets	332	619
286	Derivative financial instruments	1,263	1,047
79,645	Cash and cash equivalents	46,157	81,555
435,379	Total current assets	481,587	415,511
658,152	TOTAL ASSETS	707,725	620,245

Consolidated balance sheet - Liabilities

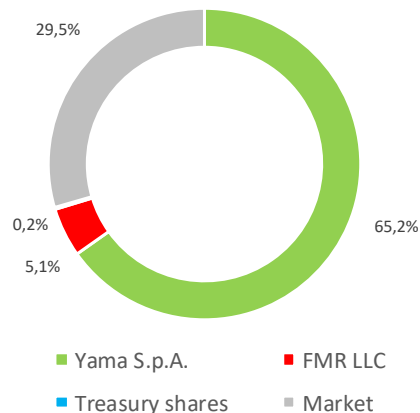
31.12.2021	€/000	31.03.2022	31.03.2021
	Shareholders' Equity		
253,183	Shareholders' Equity of the Group	276,346	237,520
2,750	Non-controlling interests	3,227	2,316
255,933	Total Shareholders' Equity	279,573	239,836
	Non-current liabilities		
115,994	Loans and borrowings due to banks and other lenders	118,083	123,087
33,111	Liabilities for leasing	33,034	24,039
7,386	Deferred tax liabilities	7,774	6,537
7,500	Employee benefits	7,428	7,604
2,590	Provisions for risks and charges	2,655	2,422
2,197	Other non-current liabilities	2,135	3,517
168,778	Total non-current liabilities	171,109	167,206
	Current liabilities		
149,222	Trade and other payables	152,742	117,342
6,182	Current tax liabilities	12,130	9,279
69,707	Loans and borrowings due to banks and other lenders	83,992	79,539
5,863	Liabilities for leasing	6,078	4,896
581	Derivative financial instruments	479	906
1,886	Provisions for risks and charges	1,622	1,241
233,441	Total current liabilities	257,043	213,203
658,152	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	707,725	620,245

Shareholders and Governance



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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

Livatino Massimo	Chairman
Bartoli Luigi	Vice Chairman & CEO
Becchi Cristian	CFO
Baldi Francesca	Director
Bartoli Ariello	Director
Becchi Paola	Director
Ferrari Giuliano	Director
Salsapariglia Marzia	Director
Spaggiari Vilmo	Director
Zambelli Paolo	Director
Iotti Elena	Independent Director
Lanza Alessandra	Independent Director
Grappi Silvia	Independent Director

Board of Statutory Auditors

Montanari Stefano	Chairman
Labanti Roberta	
Pasquetti Livio	

Independent Auditors

Deloitte & Touche S.p.A.

Synthesis of results

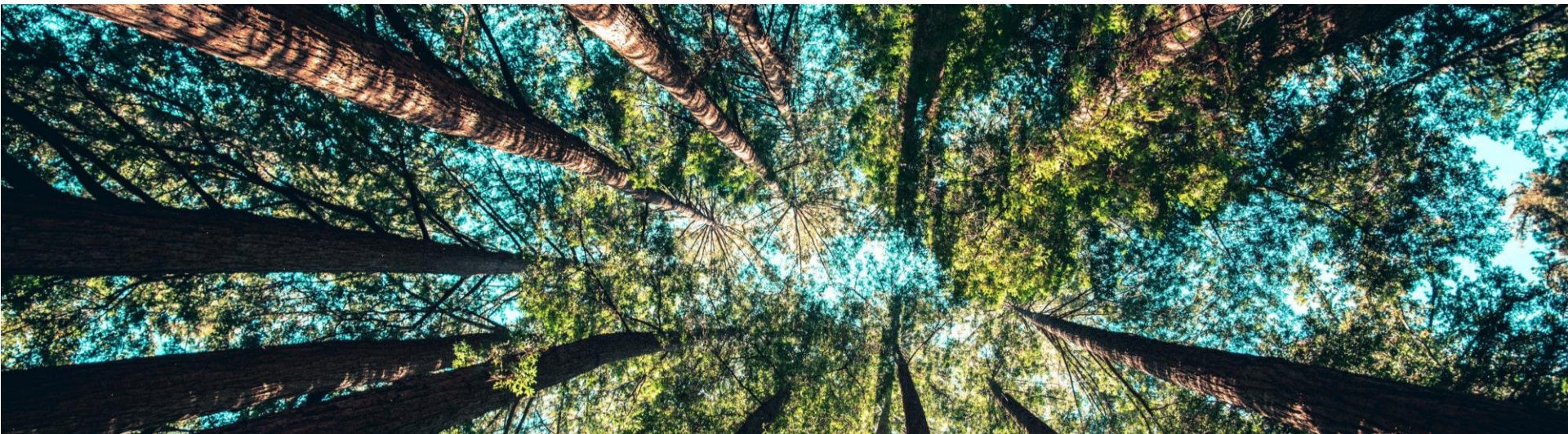


€m	2014	2015	2016	2017	2017 PF	2018	2019	2020	2021
Sales	354.8	381.6	391.9	422.2	461.8	452.8	434.0	469.8	588.3
EBITDA adj margin	33.1 9.3%	37.5 9.8%	40.5 10.3%	45.6 10.8%	52.5 11.4%	50.8 11.2%	46.9 10.8%	56.3 12.0%	77.4 13.2%
EBITDA margin	31.5 8.9%	35.8 9.4%	39.5 10.1%	43.9 10.4%	50.1 10.8%	49.4 10.9%	46.1 10.6%	55.6 11.8%	77.3 13.1%
EBIT margin	20.0 5.6%	23.3 6.1%	21.9 5.6%	30.0 7.1%	35.8 7.8%	34.0 7.5%	22.0 5.1%	32.9 7.0%	52.9 9.0%
Net profit margin	10.2 2.9%	9.0 2.4%	17.7 4.5%	16.4 3.9%	20.6 4.5%	25.6 5.7%	13.1 3.0%	19.6 4.2%	33.1 5.6%
FCF from operations *	21.7	21.5	35.3	30.4	34.9	41.1	31.8	36.7	51.4
Net Equity	160.1	168.5	181.7	187.5	187.5	205.8	211.5	222.3	255.9
Net fin. debt	79.0	99.4	80.1	125.3	125.3	117.4	146.9	126.6	144.3
Debt/Equity	0.5	0.6	0.4	0.7	0.7	0.6	0.7	0.6	0.6
Debt/EBITDA adj	2.4	2.7	2.0	2.7	2.4	2.3	3.1	2.2	1.9

* Calculated by adding the items "Net profit" + "Amortization, depreciation and impairment losses" – IFRS 16 effect (starting from 2019)

2014: Acquisition of Speed Industrie Sarl (Marocco), S.I.Agro Mexico, Geoline Electronic (Italy), Master Fluid (Italy), 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 (Brazil) **2019:** acquisition of 30% of Agres (Brazil) **2020:** acquisition of 51% of Markusson (Sweden); increase in Agres to 91% **2021:** Acquisition of 80% of Poli (Italy).

Roberto Bertuzzi, manager 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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• www.linkedin.com/company/emak-s-p-a-

Speakers

Mr. Luigi Bartoli – CEO

Mr. Cristian Becchi – CFO

Mr. Andrea La Fata – Investor Relator

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