



European Midcap Event 2022 - Madrid



Agenda



- Emak at a glance
- 9M 2022 results
- Appendix

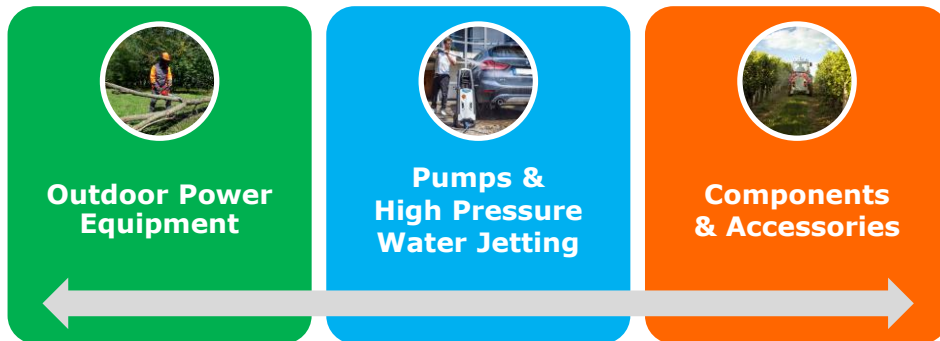
Agenda



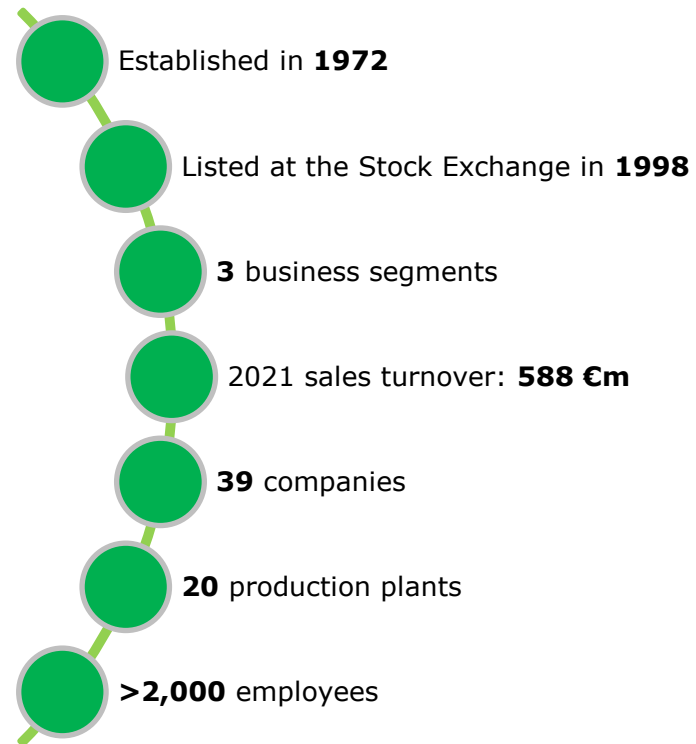
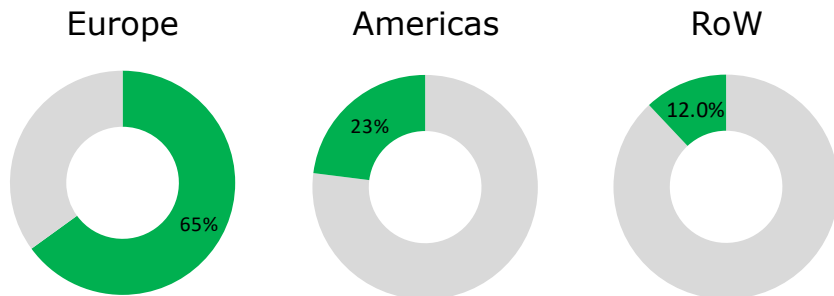
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EMAK AT A GLANCE

Areas of business



Sales distribution



OUR STRATEGY

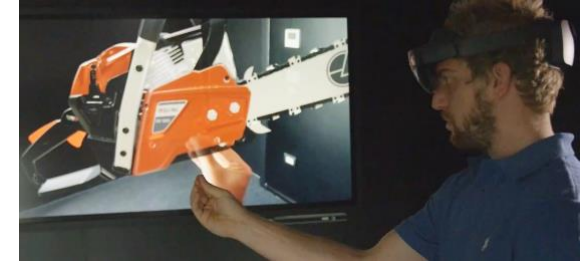
INNOVATION

- 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

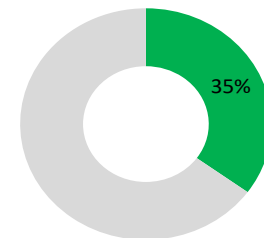


our power, your passion

FY 2021 results

Sales 203€m
EBITDA Adj 8%

Share of
Group sales



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



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

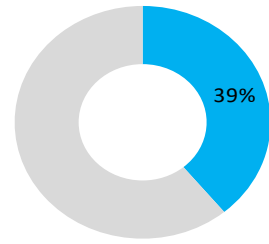


our power, your passion

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

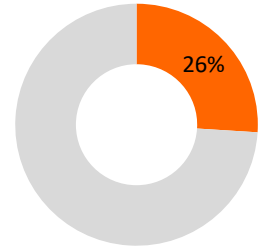
Specialised dealers, DIY, Online, OEM



FY 2021 results

Sales 155€m
EBITDA Adj 19%

Share of Group sales



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Summary 9M 2022



Sales
492.3 €m
+6%

- Positive performance thanks to product portfolio diversification
- Q3:
 - + agri and industrial sectors
 - gardening and cleaning



EBITDA Adj.
68.7 €m
(69.5 €m in 9M 21)

- Operating leverage
- Price policies mostly offset higher production and logistic costs
- Investments to support business development



Net debt
181.6 €m

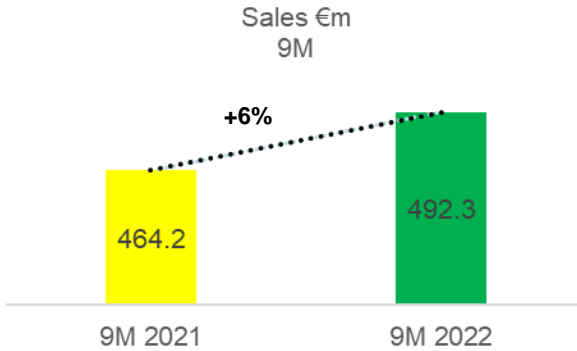
- High working capital to cope with strong market demand and logistic constraints in H1
- IFRS 16 effect compared to Sept. 2021



Positive view
on FY sales

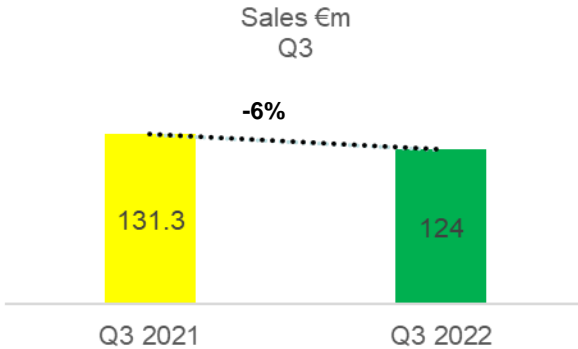
- External scenario remains critical
- Sales turnover at record levels
- Progressive normalization of the value of the net working capital

Increase in sales...



9 months increase due to

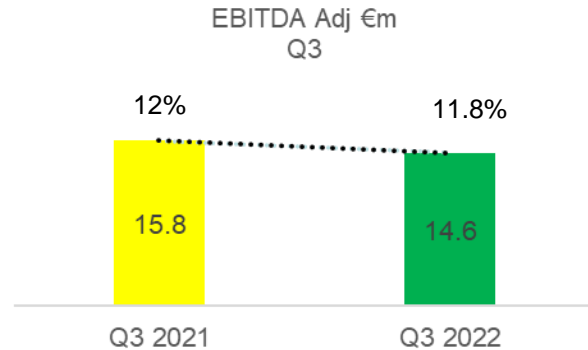
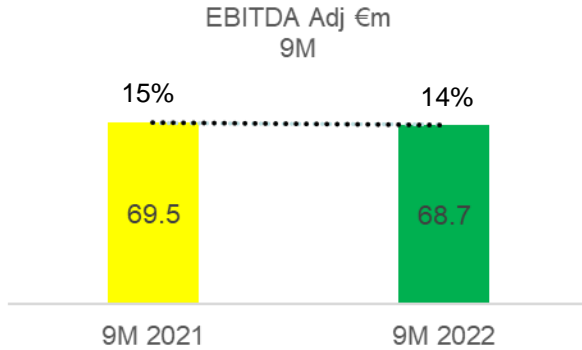
- organic growth for 2.7%,
- translation changes for 2.6%
- change in the scope of consolidation for 0.7%.



Q3 slowdown due to

- good performance for agriculture and industrial products
- lower sales of gardening and cleaning products, penalized by the worsening of the external scenario and by unfavourable weather conditions
- Overall increase in Americas and Asia, Africa and Oceania
- Negative trend of European markets

...facing cost pressure



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 early in the year

Consolidated balance sheet

€/000	30.09.2022	31.12.2021	30.09.2021
Net non-current assets	206,553	202,117	189,361
Net working capital	267,323	198,085	189,021
Net capital employed	473,876	400,202	378,382
Net financial position	(181,627)	(144,269)	(120,280)
<i>IFRS 16 effect</i>	<i>37,426</i>	<i>38,974</i>	<i>30,834</i>
<i>Net financial position (net of IFRS 16)</i>	<i>(144,201)</i>	<i>(105,295)</i>	<i>(89,446)</i>
Total equity	292,249	255,933	258,102

Net working capital:

- Increase in inventories to cope with the strong market demand and the difficult logistical conditions in H1
- In the third quarter reduction in purchases, with a still limited impact on inventories, but already evident on trade payables.

Net negative financial position

- Working capital trend
- Higher dividends
- Figure includes € 11.7 million of financial debts for the purchase of minorities (€ 6.1 million in September 2021 and € 12.3 million in December 2021)
- Negative currency effect

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Results by business segment

€/000	OPE		PWJ		C&A	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Sales to third parties	169,594	162,963	192,540	180,581	130,131	120,694
<i>Intersegment sales</i>	297	275	2,829	2,259	7,977	7,905
Revenues from sales	169,891	163,238	195,369	182,840	138,108	128,599
Ebitda before non ordinary expenses	13,490	16,762	30,061	28,677	27,539	26,800
<i>Ebitda before non ordinary expenses/Total Revenues %</i>	7.9%	10.3%	15.4%	15.7%	19.9%	20.8%
Operating result	7,315	10,616	23,666	23,665	20,623	20,541
<i>Operating result/Total Revenues %</i>	4.3%	6.5%	12.1%	12.9%	14.9%	16.0%

Consolidated income statement

Year 2021	€/000	3 Q 2022	3 Q 2021	9 months 2022	9 months 2021
588,299	Revenues from sales	124,060	131,274	492,265	464,238
5,110	Other operating incomes	1,212	1,525	3,049	3,676
48,764	Change in inventories	(701)	13,741	9,627	18,210
(354,737)	Raw materials, consumables and goods	(62,057)	(81,668)	(269,344)	(261,866)
(98,231)	Personnel expenses	(22,156)	(22,371)	(75,768)	(72,690)
(111,909)	Other operating costs and provisions	(25,864)	(26,605)	(91,372)	(81,833)
(24,392)	Amortization, depreciation and impairment losses	(6,532)	(6,028)	(19,267)	(17,687)
52,904	Operating result	7,962	9,868	49,190	52,048
1,003	Financial income	1,172	74	3,017	440
(8,611)	Financial expenses	(2,177)	(801)	(4,711)	(3,682)
589	Exchange gains and losses	654	(697)	2,901	1,032
45,885	Profit before taxes	7,611	8,444	50,397	49,838
(12,774)	Income taxes	(2,210)	(2,312)	(13,250)	(12,098)
33,111	Net profit (A)	5,401	6,132	37,147	37,740
(603)	(Profit)/loss attributable to non controlling interests	(339)	(63)	(862)	(540)
32,508	Net profit attributable to the Group	5,062	6,069	36,285	37,200

Consolidated balance sheet - Assets

31.12.2021	€/000	30.09.2022	30.09.2021
78,558	Property, plant and equipment	80,255	77,486
24,853	Intangible assets	24,324	21,919
37,665	Rights of use	35,958	29,781
70,634	Goodwill	75,360	68,523
8	Equity investments in other companies	8	8
10,012	Deferred tax assets	10,267	9,987
984	Other financial assets	1,133	994
59	Other assets	62	58
222,773	Total non-current assets	227,367	208,756
217,316	Inventories	234,170	184,530
127,984	Trade and other receivables	131,451	128,043
10,076	Current tax receivables	8,705	7,212
72	Other financial assets	38	55
286	Derivative financial instruments	2,394	788
79,645	Cash and cash equivalents	86,185	87,183
435,379	Total current assets	462,943	407,811
658,152	TOTAL ASSETS	690,310	616,567

Consolidated balance sheet - Liabilities

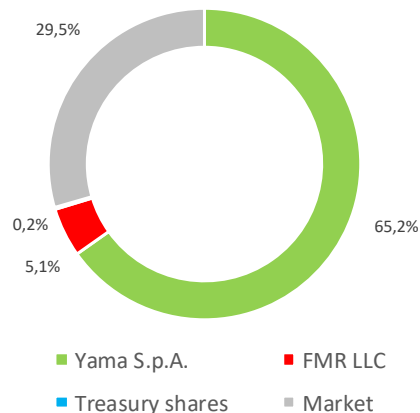
31.12.2021	€/000	30.09.2022	30.09.2021
255,933	Total Shareholders' Equity	292,249	258,102
115,994	Loans and borrowings due to banks and other lenders	142,871	111,171
33,111	Liabilities for leasing	31,210	25,806
7,386	Deferred tax liabilities	8,019	6,423
7,500	Employee benefits	7,455	7,454
2,590	Provisions for risks and charges	2,605	2,487
2,197	Other non-current liabilities	1,601	2,036
168,778	Total non-current liabilities	193,761	155,377
149,222	Trade and other payables	98,691	120,914
6,182	Current tax liabilities	6,609	8,209
69,707	Loans and borrowings due to banks and other lenders	90,333	66,795
5,863	Liabilities for leasing	6,216	5,028
581	Derivative financial instruments	747	500
1,886	Provisions for risks and charges	1,704	1,642
233,441	Total current liabilities	204,300	203,088
658,152	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	690,310	616,567

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 in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial statements contained in the present presentation correspond to the underlying accounting documents, records and accounting entries.



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Speakers

Mr. Luigi Bartoli – CEO

Mr. Cristian Becchi – CFO

Mr. Andrea La Fata – Investor Relator

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