



Q1 2024 Financial Results

Cavriago, 7th August 2024



Teleborsa: distribution and commercial use strictly prohibited



Disclaimer

This document has been prepared by Landi Renzo S.p.A for use during meetings with investors and financial analysts and is solely for information purposes. The information set out herein has not been verified by an independent audit company. Neither the Company nor any of its subsidiaries, affiliates, branches, representative offices (the “Group”), as well as any of their directors, officers, employees, advisers or agents (the “Group Representatives”) accepts any responsibility for/or makes any representation or warranty, express or implied, as to the accuracy, timeliness or completeness of the information set out herein or any other related information regarding the Group, whether written, oral or in visual or electronic form, transmitted or made available. This presentation contains forward looking statements regarding future events and future results of Landi Renzo S.p.A. (the “Company”) that are based on the current expectations, estimates, forecasts and projections about the industries in which the Company operates, and on the beliefs and assumptions of the management of the Company. In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management, competition, changes in business strategy and the acquisition and disposition of assets are forward looking in nature. Words such as ‘expects’, ‘anticipates’, ‘scenario’, ‘outlook’, ‘targets’, ‘goals’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, ‘seeks’, ‘estimates’, as well as any variation of such words and similar expressions, are intended to identify such forward looking statements. Those forward looking statements are only assumptions and are subject to risks, uncertainties and assumptions that are difficult to predict because they relate to events and depend upon circumstances that will occur in the future. Any forward-looking statements made by or on behalf of the Company speak only as of the date they are made. Except as required by applicable laws and regulations, the Company assumes no obligation to provide updates of any of the aforesaid forward looking statements. Under no circumstances shall the Group and/or any of the Group Representatives be held liable (for negligence or otherwise) for any loss or damage howsoever arising from any use of this document or its contents or otherwise in connection with the document or the aforesaid forward-looking statements. This document does not constitute an offer to sell or a solicitation to buy or subscribe to Company shares and neither this entire document or a portion of it may constitute a recommendation to effect any transaction or to conclude any legal act of any kind whatsoever. This document may not be reproduced or distributed, in whole or in part, by any person other than the Company. By viewing and/or accepting a copy of this document, you agree to be bound by the foregoing limitations

Q1 2024 show significant economic improvement of Green Transportation while more complex jobs slowdown production of Clean Tech Solutions

Green Transportation (Automotive)

- **Q1 2024 revenue reach 51,0 M€** (+6,2% vs. previous year), driven by **AM¹** and **OEM-MHD²** increasing volumes while **OEM-PC³** remains stable with **lower incidence** of the **main PC customer** vs. previous year
- **Product marginality improves** in all segments, with **further positive impact** at **division level** due to **revenue mix** more shifted towards **AM** and **OEM-MHD**
- Despite **focus** on **Working Capital optimization** continue to bring **positive results** (mainly inventory reduction), **NWC⁴** increase by **10,9 M€** vs. end of 2023, due to **reduction of debt vs. suppliers** and **lower incidence** of **factor** on **credit collection**

Clean Tech Solutions (Infrastructure)

- **Q1 2024 revenue** are **below previous year** results, mainly due to slightly **lower backlog beginning** of the **year** and a **different product mix** (less traditional CNG vs. higher Hydrogen/ O&G) for **equipment**, implying **delays** in **material procurement** for **more complex jobs**; on the other hand, **Spare Parts** and **Service** performs **above expectations**
- **Lower** than expected **volumes** cause a **deterioration** of **profitability**, due to **increased incidence** of **non-compressible costs** (e.g., direct labor, engineering)
- **Despite** negative **economic performance** (-0,6 M€ EBITDA adj.), **limited NWC absorption** (positive effect of WIP reduction) **mitigates financial impact** on **NFP⁵**, increased by 1,6 M€ compared to end of 2023

Despite YoY revenue reduction (3.4% vs. Q1 2023), profitability improves, driven by bet performances of Green Transportation division

M€; %	Green Transportation	Clean Tech Solutions	LRG	Q1 2023	delta	delta %
	Q1 2024	Q1 2024	Q1 2024			
Revenues	51,0	17,8	68,8	71,2	-2,4	-3,4%
Adj. EBITDA	0,1	-0,6	-0,5	-1,0	0,5	51,5%
<i>% on rev.</i>	<i>0,2%</i>	<i>-3,1%</i>	<i>-0,7%</i>	<i>-1,4%</i>		
EBITDA	-0,7	-0,9	-1,6	-2,1	0,5	22,3%
<i>% on rev.</i>	<i>-1,4%</i>	<i>-5,1%</i>	<i>-2,4%</i>	<i>-2,9%</i>		
EBIT	-4,0	-1,6	-5,6	-6,3	0,7	11,2%
<i>% on rev.</i>	<i>-7,8%</i>	<i>-8,9%</i>	<i>-8,1%</i>	<i>-8,8%</i>		
EBT			-9,0	-10,1	1,1	10,6%
<i>% on rev.</i>			<i>-13,1%</i>	<i>-14,1%</i>		
Net Result			-9,0	-9,9	0,9	9,6%

Highlights

- **Reduction of turnover vs. Q1 2023** is due to **lower production of Clean Tech Solutions**, offsetting increase of **Green Transportation** revenue
- **Despite negative** economic performance of **Clean Tech Solutions**, **EBITDA adj. grows YoY**, driven by **profitability increase in Green Transportation**

Green Transportation: sales mix and better product marginality lead to EBITDA adj. improvement vs. Q1 2023; however, NFP increase due to working capital absorption

Highlights

Green Transportation (Automotive)

M€ ; %	Q1 2024	Q1 2023	delta	delta %
Revenues	51,0	48,1	3,0	+6,2%
Adj. EBITDA	0,1	-2,5	2,6	
% on rev.	0,2%	-5,2%		
EBIT	-4,0	-6,9	2,9	
% on rev.	-7,8%	-14,4%		

M€	Q1 2024	FY 2023
NWC	49,0	38,1
NFP ⁽¹⁾	98,9	82,0

- **Revenue improvement** vs. Q1 2023 is driven by **AM** and **OEM-MHD**, while **OEM-PC** remains **stable**, despite a **reduction** of sales with **main PC customer** (which has **lower margin** compared to other segments)
- More **favorable segment mix** and a **significant improvement** of **product marginality** in each segment, lead to an **Adjusted EBITDA** well **above previous year performances** (+2,6 M€), even if EBIT continue to be negative
- **Increase of NFP** is mainly due to **higher absorption of NWC**, caused by **reduction of debt with suppliers** and **lower incidence of factor on credit collection**, that offset initiatives on working capital optimization

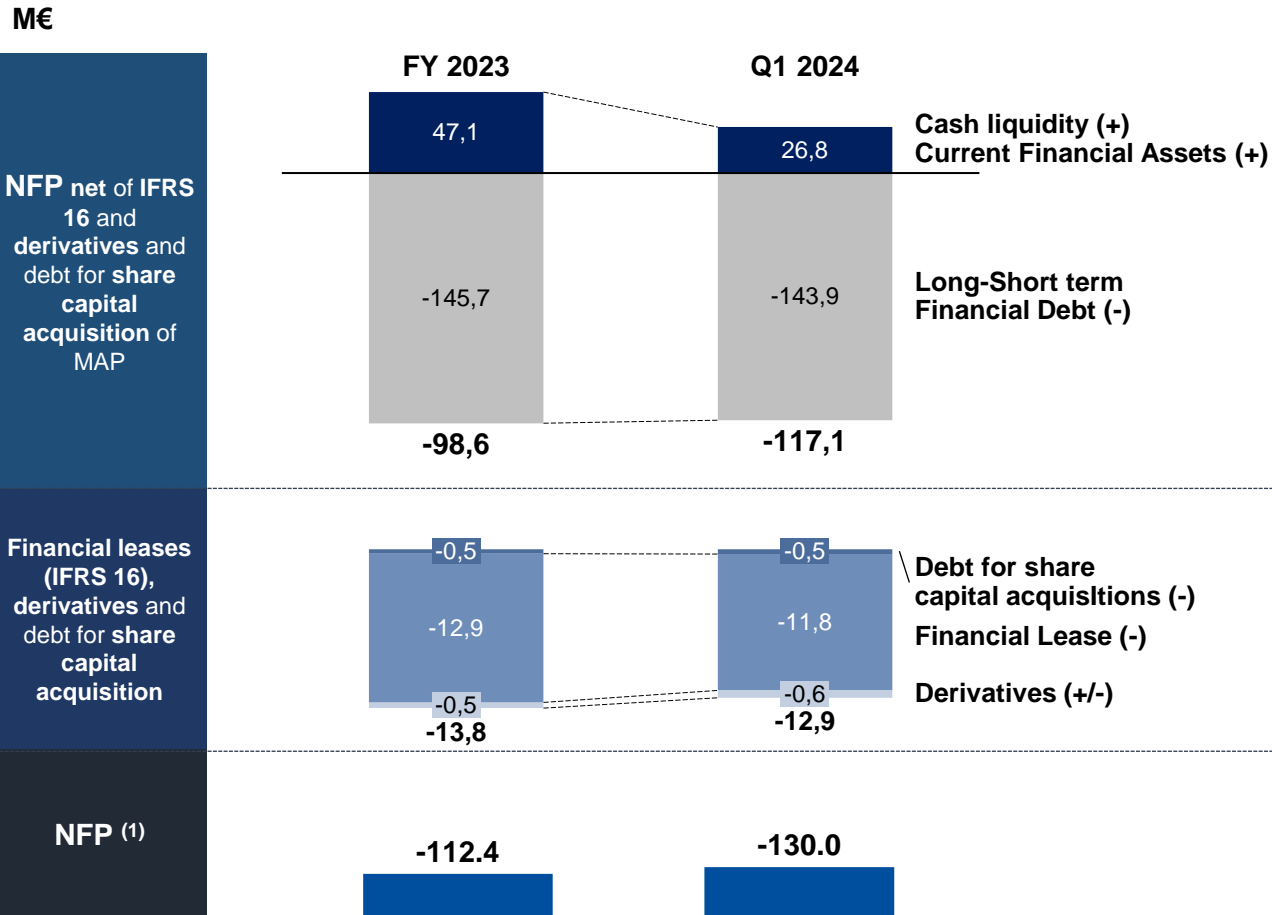
Clean Tech Solutions: low equipment sales (mainly due to less CNG volumes and more complex project mix) cause a deterioration of profitability in Q1 2024

Clean Tech Solutions	M€ ; %	Q1 2024	Q1 2023	delta	delta %
	Revenues		17,8	23,1	-5,4
Adj. EBITDA		-0,6	1,6	-2,1	
% on rev.		-3,1%	6,7%		
EBIT		-1,6	0,6	-2,2	
% on rev.		-8,9%	2,7%		
		Q1 2024	FY 2023		
NWC		15,0	14,6		
NFP ⁽¹⁾		18,2	16,6		

Highlights

- **Low sales of equipment influence Q1 2024 results**, due to:
 - **Backlog at the end of 2023 slightly lower than expectations (~2,5M€)**
 - **Different product mix** (less traditional CNG vs. higher Hydrogen/ O&G) – **developed a mitigating plan** through anticipation of engineering and purchasing activities
 - **Lower contribution from traditional (CNG) orders in North America**
- Conversely, **Spare Parts & Service are above previous year**, with **positive outlook** expected also for the **next quarter**
- **Lower than expected volumes cause a deterioration of marginality**, due to **increased incidence of non-compressible costs** (e.g., direct labor, engineering); **reduction of WIP** contribute to **limit NWC increase**

Working capital increase in Green Transportation and low profitability in Clean Tech Solutions cause a 17.6 M€ increase of NFP



Highlights

- **NFP increases by 17,6 M€**, due to the impact of **working capital absorption in Green Transportation** and **low economic performance of Clean Tech Solutions**
- **Cash reduction is mainly driven by operational and financial needs**, while there are **not significant variations on debt decrease**
- Based on the **agreement signed with financing banks**, **repayment profile of 73 M€ long-term debt** have been **rescheduled** according to the **new company's business plan**

(1) Short and long terms debt are inclusive of amortized cost effect

Landi Renzo S.p.A.
Headquarter

Via Nobel 2 - 42025 Corte Tegge
Cavriago (RE), Italy

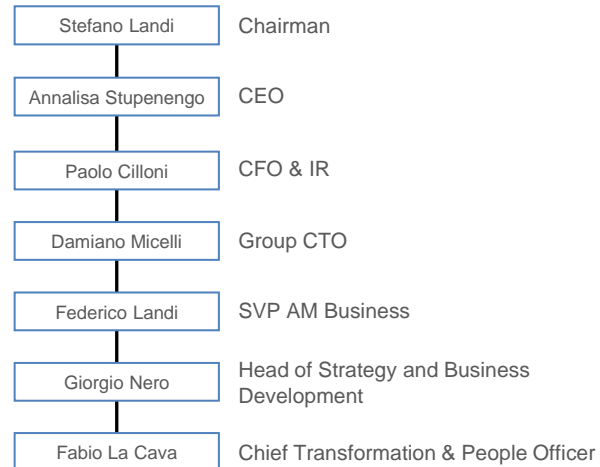
www.landirenzogroup.com
www.landirenzo.com

Landi Renzo - Company profile

BOARD OF DIRECTORS

Stefano Landi – Chairman
 Sergio Iasi – Deputy Chairman
 Annalisa Stupenengo – CEO
 Andrea Landi – Director
 Silvia Landi – Director
 Massimo Lucchini – Director
 Anna Maria Artoni – Independent Director
 Sara Fornasiero – Independent Director
 Pamela Morassi – Independent Director

TOP MANAGERS



INVESTOR RELATIONS

Investor Relations Contacts:

Paolo Cilloni
 Tel: +39 0522 9433
 E-mail: ir@landi.it
www.landirenzogroup.com

SHARE INFORMATION

Euronext STAR Milan segment of Borsa Italiana

N. of shares outstanding: 225.000.000

Price as of 07/08/2024: €0,25

CONSOLIDATED P&L

(thousands of Euro)

CONSOLIDATED INCOME STATEMENT	31/03/2024	31/03/2023 (Restated)
Revenues from sales and services	68,772	71,168
Other revenues and income	148	201
Cost of raw materials, consumables and goods and change in inventories	-41,832	-46,189
Costs for services and use of third-party assets	-14,941	-13,729
Personnel costs	-12,859	-12,365
Allocations, write downs and other operating expenses	-912	-1,177
Gross Operating Profit	-1,624	-2,091
Amortization, depreciation and impairment	-3,954	-4,193
Net Operating Profit	-5,578	-6,284
Financial income	202	175
Financial expenses	-2,816	-2,583
Exchange gains (losses)	204	-993
Income (expenses) from hyperinflation	-550	-96
Income (expenses) from equity investments	-207	-7
Income (expenses) from joint venture measured using the equity method	-243	-269
Profit (Loss) before tax	-8,988	-10,057
Taxes	-1	118
Net profit (loss) for the Group and minority interests, including:	-8,989	-9,939
Minority interests	-847	-34
Net profit (loss) for the Group	-8,142	-9,905
Basic earnings (loss) per share (calculated on 225,000,000 shares)	-0.0362	-0.0440
Diluted earnings (loss) per share	-0.0362	-0.0440

CONSOLIDATED BALANCE SHEET

(thousands of Euro)

ASSETS	31/03/2024	31/12/2023 (*)
Non-current assets		
Land, property, plant, machinery and other equipment	12,609	13,232
Development expenditure	9,679	9,987
Goodwill	80,132	80,132
Other intangible assets with finite useful lives	14,465	15,034
Right-of-use assets	11,329	11,945
Equity investments measured using the equity method	2,298	2,498
Other non-current financial assets	902	902
Other non-current assets	0	0
Deferred tax assets	9,035	8,745
Non-current assets for derivative financial instruments	26	39
Total non-current assets	140,475	142,514
Current assets		
Trade receivables	77,396	72,821
Inventories	76,385	76,260
Contract work in progress	14,233	17,377
Other receivables and current assets	17,782	17,355
Current financial assets	584	20,647
Cash and cash equivalents	26,210	26,495
Total current assets	212,590	230,955
TOTAL ASSETS	353,065	373,469

CONSOLIDATED BALANCE SHEET

(thousands of Euro)

SHAREHOLDERS' EQUITY AND LIABILITIES	31/03/2024	31/12/2023 (*)
Shareholders' Equity		
Share capital	22,500	22,500
Other reserves	42,958	77,596
Profit (loss) for the period	-8,142	-35,169
Total Shareholders' Equity of the Group	57,316	64,927
Minority interests	4,633	5,277
TOTAL SHAREHOLDERS' EQUITY	61,949	70,204
Non-current liabilities		
Non-current bank loans	67,264	67,785
Other non-current financial liabilities	17,578	18,503
Non-current liabilities for right-of-use	9,228	10,090
Provisions for risks and charges	6,093	6,244
Defined benefit plans for employees	3,322	3,257
Deferred tax liabilities	3,014	3,048
Non-current Liabilities for derivative financial instruments	643	515
Total non-current liabilities	107,142	109,442
Current liabilities		
Bank financing and short-term loans	51,302	51,987
Other current financial liabilities	7,758	7,459
Current liabilities for right-of-use	2,577	2,792
Trade payables	87,378	100,115
Tax liabilities	2,628	2,440
Other current liabilities	32,331	29,030
Total current liabilities	183,974	193,823
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	353,065	373,469