



9M 2024 – Results presentation

November 8, 2024

Highlights

- Q3 consolidated revenues are €71,9, -4,4% vs Q3 2023
- Q3 Divisional sales:
 - Heating accounts €52,1, -1,3% vs PY
 - Metering at €19,3 is -10,7%, with Gas metering at -20,8% (due to shipping delays in August) and Water metering performing +12,0% vs PY
- 9M consolidated revenues are €222,8 -8,0% vs 9M 2023
- 9M EBITDA of €19,4M (8,7% of revenues) vs €20,0 (8,3%) of PY
- 9M Net income of minus €8,3 vs minus €19,4 of PY
- Net debt at €159,0 - including €11,6 IFRS 16 and €5,1 Shareholder loan - at same level of PY

€ millions, unless otherwise stated

Key financial results

€M, unless otherwise stated	9M 24	%	9M 23	%	Chg. YoY
Revenues	222,8	100,0%	242,1	100,0%	(8,0%)
EBITDA	19,4	8,7%	20,0	8,3%	(3,1%)
D&A, impairment of assets	20,9		40,2		
EBIT	(1,5)	-0,7%	(20,2)	-8,3%	92,7%
Net financial (charges)/income	(8,9)		(5,2)		
Net forex (charges)/income	0,2		0,5		
EBT	(10,2)	-4,6%	(24,9)	-10,3%	59,1%
Taxes	1,9		5,5		
Net income	(8,3)	-3,7%	(19,4)	-8,0%	57,2%
Cash flow from operations	3,6		(22,3)		
NTWC	77,0		85,2		
Net financial debt	159,0		159,0		

€M, unless otherwise stated	Q3 24	%	Q3 23	%	Chg. YoY
Revenues	71,9	100,0%	75,2	100,0%	(4,4%)
EBITDA	5,9	8,2%	6,8	9,0%	(13,7%)

- 9M consolidated revenues account 8,0% decrease
- EBITDA at €19,4M vs €20,0M of PY
- EBIT at -€1,5M vs -€20,2M of PY (which included impairment of assets for €19,5M)
- Net financial charges include one off charge of €3,9M as amortized cost of amended banking contracts
- Tax revenue for €1,9M due to deferred tax asset
- Net income adjusted at -€5,3M vs €0,9M of PY
- Cash flow from operations is positive for €3,6M after capex for €11,8M
- NTWC of €77,0M (25,9% of revenues) vs €85,2M (26,3%) of PY
- Net financial debt stands at €159,0M vs 2023-year end of €153,7M vs €159,0 of PY

Consolidated revenues – 9M

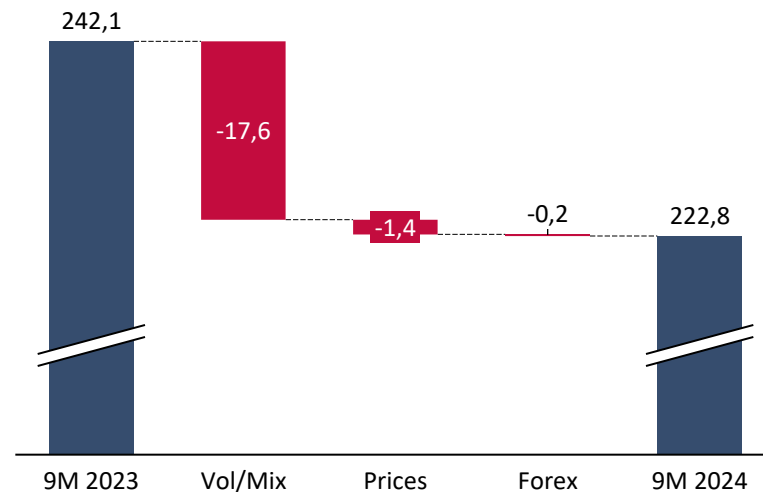
Breakdown by Division

€M, unless otherwise stated	9M 24	%	9M 23	%	Chg. YoY
Heating & Ventilation	155,5	69,8%	176,1	72,7%	(11,7%)
Metering	65,1	29,2%	64,0	26,4%	1,8%
Total business sales	220,7	99,0%	240,1	99,2%	(8,1%)
Other revenues	2,2	1,0%	2,0	0,8%	6,5%
Total revenues	222,8	100,0%	242,1	100,0%	(8,0%)

Breakdown by geography

€M, unless otherwise stated	9M 24	%	9M 23	%	Chg. YoY
Italy	70,0	31,4%	73,5	30,4%	(4,8%)
Europe (excl. Italy)	94,0	42,2%	112,6	46,5%	(16,5%)
America	35,7	16,0%	34,1	14,1%	4,9%
Asia/Pacific	23,1	10,4%	21,9	9,1%	5,5%
Total revenues	222,8	100,0%	242,1	100,0%	(8,0%)

Consolidated revenue bridge (€M)



Consolidated revenues – Q3

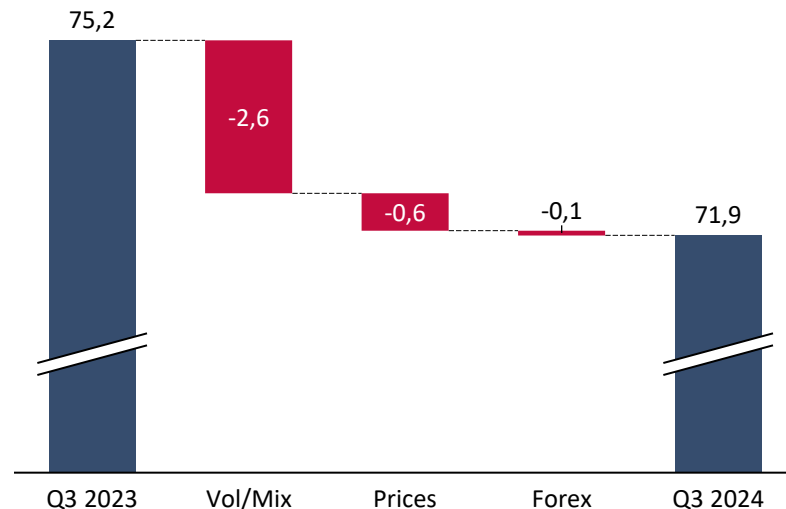
Breakdown by Division

€M, unless otherwise stated	Q3 24	%	Q3 23	%	Chg. YoY
Heating & Ventilation	52,1	72,4%	52,7	70,1%	(1,3%)
Metering	19,3	26,8%	21,6	28,7%	(10,7%)
Total business sales	71,4	99,2%	74,3	98,8%	(4,0%)
Other revenues	0,6	0,8%	0,9	1,2%	(33,9%)
Total revenues	71,9	100,0%	75,2	100,0%	(4,4%)

Breakdown by geography

€M, unless otherwise stated	Q3 24	%	Q3 23	%	Chg. YoY
Italy	19,0	26,4%	22,6	30,1%	(16,0%)
Europe (excluding Italy)	31,7	44,0%	34,5	45,9%	(8,3%)
America	13,3	18,5%	10,2	13,6%	30,3%
Asia/Pacific	8,0	11,1%	7,9	10,5%	1,4%
Total revenues	71,9	100,0%	75,2	100,0%	(4,4%)

Consolidated revenue bridge (€M)



Heating & Ventilation sales

Q3 sales by geography

€M, unless otherwise stated	Q3 24	%	Q3 23	%	Chg. YoY
Italy	7,6	14,6%	6,9	13,1%	9,7%
Europe (excluding Italy)	24,7	47,4%	27,9	52,9%	(11,5%)
America	12,0	23,0%	9,7	18,3%	23,9%
Asia/Pacific	7,8	15,0%	8,3	15,7%	(5,5%)
Total business sales	52,1	100,0%	52,7	100,0%	(1,3%)

9M sales by geography

€M, unless otherwise stated	9M 24	%	9M 23	%	Chg. YoY
Italy	26,8	17,2%	28,5	16,2%	(6,2%)
Europe (excluding Italy)	72,0	46,3%	92,0	52,2%	(21,8%)
America	32,7	21,1%	32,5	18,4%	0,8%
Asia/Pacific	24,1	15,5%	23,1	13,1%	4,2%
Total business sales	155,5	100,0%	176,1	100,0%	(11,7%)

Divisional sales:

- Q3 -1,3%, 9M -11,7%, forex impact not material
- Overall 9M sales performance vs PY reflects Q1 impact (-24% vs 23) which was still affected by sector incentives. 2024 Q3 market seasonality is less than expected
- Italy. Q3 is up €0,7M , +9,7% vs PY. Increase is accounted in Central Heating, Catering and Cooker Hoods while Direct Heating is basically in line with PY.
- Europe. Q3 down €3,2M, -11,5% vs PY. Turkey accounts YoY decrease due to Central Heating; Central Europe markets are down (-11,5%) in Central Heating with Heat Recovery Units impacted by general trend in the sector.
- America. Q3 sales are up €2,3M, 23,9% vs PY.
- Asia/Pacific. Q3 accounts reduction of €0,5M mainly due to market reduction in Australia

Metering sales

Q3 Smart Gas Metering

€M, unless otherwise stated	Q3 24	%	Q3 23	%	Chg. YoY
Residential	9,3	78,2%	12,5	83,9%	(26,1%)
Commercial & Industrial	2,5	21,4%	2,4	15,8%	7,6%
Other	0,0	0,3%	0,0	0,3%	-
Total business sales	11,8	100,0%	14,9	100,0%	(20,8%)

9M Smart Gas Metering

€M, unless otherwise stated	9M 24	%	9M 23	%	Chg. YoY
Residential	32,3	74,5%	36,5	82,2%	(11,7%)
Commercial & Industrial	8,4	19,3%	7,8	17,5%	7,4%
Other	2,7	6,2%	0,1	0,3%	-
Total business sales	43,3	100,0%	44,5	100,0%	(2,6%)

9M 2024 Foreign sales are ≈4%, mostly Greece and Croatia

Q3 Water Metering

€M, unless otherwise stated	Q3 24	%	Q3 23	%	Chg. YoY
Water meters, finished	2,9	38,3%	2,4	36,1%	18,5%
Water meter parts	4,2	56,6%	3,6	54,3%	16,8%
Other	0,4	5,1%	0,6	9,5%	(39,9%)
Total business sales	7,5	100,0%	6,7	100,0%	12,0%

9M Water Metering

€M, unless otherwise stated	9M 24	%	9M 23	%	Chg. YoY
Water meters, finished	8,7	40,1%	7,1	36,7%	22,4%
Water meter parts	11,8	54,3%	10,6	54,5%	11,3%
Other	1,2	5,6%	1,7	8,8%	(28,9%)
Total business sales	21,8	100,0%	19,5	100,0%	11,8%

9M 2024 geography breakdown: Portugal 17,3%, Spain 45,0%, Rest of Europe 21,8%, Americas 13,1%, Asia/Pacific 2,7%

Net trade working capital

€M, unless otherwise stated	2024.09	2023.12	9M 24 Change	2023.09	2022.12	9M 23 Change	YoY change
Inventory	86,0	83,3	2,7	98,2	91,4	6,9	(12,2)
Accounts receivables	60,3	63,5	(3,1)	50,3	63,8	(13,5)	10,0
Accounts payables	(69,4)	(66,9)	(2,4)	(63,2)	(81,4)	18,2	(6,1)
Net Trade Working Capital	77,0	79,9	-2,8	85,2	73,8	11,5	-8,2
<i>NTWC/Revenues</i>	<i>25,9%</i>	<i>24,5%</i>	<i>1,5%</i>	<i>26,3%</i>	<i>18,8%</i>	<i>7,6%</i>	<i>-0,4%</i>

YTD reported 9M 2024 NTWC: -€2,8

- Inventory increase (+€2,7) reflects seasonality in H&V and order book in the Metering business
- Account Receivables and Account payables are in line with volume effect

YOY change in NTWC: -€8,2

- Inventory decrease (-€12,2) and destocking impact on purchasing
- Change in factoring policy impacts AR

Cash flow and Net debt

Change in net debt

€M, unless otherwise stated	9M 24	9M 23
Current cash flow	16,5	22,3
Change in NTWC	2,4	(9,7)
Inventory	(4,4)	(5,1)
Accounts Receivables	3,2	14,3
Accounts Payables	3,7	(18,9)
Other working capital	(3,6)	(18,2)
Capex, net	(11,8)	(16,6)
Cash flow from operations	3,6	(22,3)
Financial charges	(5,3)	(5,2)
IFRS 16 - Leases	(0,4)	(0,6)
Other	(3,2)	(0,3)
Change in net debt	(5,3)	(28,5)
Net debt - BoP	153,7	130,5
Net debt - EoP	159,0	159,0

- Current cash flow of €16,5M vs €22,3M of PY
- YTD change in NTWC includes inventory seasonality
- Other working capital in H1 23 (-€18,2M) includes dispute settlement
- Capex for €11,8M vs €16,6M of PY

Net financial position

€M, unless otherwise stated	30/09/2024	31/12/2023	30/09/2023
(Cash & cash equivalents)	(7,5)	(8,7)	(17,2)
Current debt, net	25,2	50,9	54,9
Non current debt	127,4	97,8	108,6
MTM derivatives & M&A debt	2,3	0,2	(0,6)
IFRS 16 - Leases	11,6	13,5	13,2
Net debt - EoP	159,0	153,7	159,0

- Net Debt/EBITDA LTM: 6,0x vs 5,3x vs 4,8x of previous year
- Non current debt includes Shareholder loan for €5,1M

Outlook

- Heating & Ventilation market scenario in Europe has deteriorated vs previous outlook provided
- FY sales of the Heating & Ventilation Division are expected to decrease low double digit compared to 2023
- Metering guidance is confirmed, and the Division is expected to achieve sales in line with FY 2023
- EBITDA margin is expected to be slightly higher than previous year thanks to strict control of operating costs and production footprint efficiencies
- Net financial debt is expected to be in the range of 145 - 150 million euros

Chairman and CEO statement

"Although our current performance doesn't yet reflect our expectations, we have begun to reposition ourselves in high-potential sectors, bringing innovative technological solutions and products to the market that will contribute to the Group's performance as early as 2025. In addition, the cost reduction actions taken in the first nine months of the year are already showing material benefits, which will continue in the coming months.

Looking positively to 2025, despite a market with extremely limited visibility, we are confident that we can achieve satisfactory results in the near future.

In fact, we expect SIT's market share to grow, thanks especially to the introduction of new products and the consolidation of the Group's strategic commercial relationships."

ANNEXES



Regulatory statement

The manager responsible for the preparation of the company's accounts, Paul Fogolin, hereby declares, as per article 154-bis, paragraph 2, of the "Testo Unico della Finanza", that all information related to the company's accounts contained in this presentation are fairly representing the accounts and the books of the company.

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