



Q1 Results 2021

ANALYSTS PRESENTATION

WEDNESDAY MAY 5TH, 2021

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EXECUTIVE SUMMARY Q1 2021 HIGHLIGHTS



- **Industry_(*):** Strong Q1 in EMEA, driven by European dynamics.
- **Revenues growing above Market:** +23,7% vs Q1 2020 (+27,3% Organic)
- **Products:** **NikolaTesla**, with the new fit range, driving sales boost in high-end segment (~ +60% YoY in Q1)
- **Margins:** Revenues growth and cost containment delivering:
 - **14,4 M€ Adj. EBITDA (10,5% on NS)** vs. 10,9 M€ 2020 (9,9% on NS) and
 - **8,5 M€ Adj. EBIT (6,2% on NS)**, vs. 4,3 M€ 2020 (3,9% on NS)
- **NFP:** Positive Operating Cash Flow as a result of strong earning and Capex stabilization.



INDUSTRY TREND

Volume Data _ Change % vs . Y-1

	Q1'20	Q1'21	Q4'20
Western Europe	(5.0%)	3.9%	4.0%
Eastern Europe (incl. CIS)	(0.5%)	8.7%	6.6%
Europe	(2.7%)	6.0%	5.0%
EMEA	(2.5%)	5.3%	4.2%
North America	(1.5%)	2.0%	(0.5%)
Latin America	1.6%	1.6%	(1.8%)
AMERICAS	(0.2%)	1.8%	(1.0%)
ASIA	(28.3)	30.5%	1.8%
WORLD	(14.4%)	14.7%	2.1%

Key evidence

GENERAL REMARKS

Many economies especially in Europe are still subject to significant social distancing and economic activity restrictions in Q1 2021, however the global economic situation has improved although the recoveries are diverging across countries and sectors suggesting a K-shaped recovery. The general situation is improving as vaccine distribution accelerates.

EMEA

The second wave of the COVID—19 has had a significant impact on the economies of Germany and UK that register negative results due to local lockdowns and restrictions especially in the first two month of 2021. The positive Europe result is triggered mostly by the Eastern Europe robust growth. Markets across Europe, the Middle East and Africa recorded a strong quarter as a whole.

AMERICAS

U.S. market surged higher in Q1 2021 on the back of two overriding themes – greater than expected stimulus and vaccine progress. The resurgence of new daily COVID-19 cases at the beginning of 2021 led to every major Latin American economy reimposing lockdown measures and slowing down the expected rebound.

ASIA

China's economy expand notably in the first quarter, a growth figure inflated by the coronavirus-related crash in the year-ago period. Japan's economy shrinks due to a second state of emergency. Although Indian economic activity has rebounded, high-frequency indicators suggest that the recovery has been uneven so far.

2021 SALES DYNAMICS

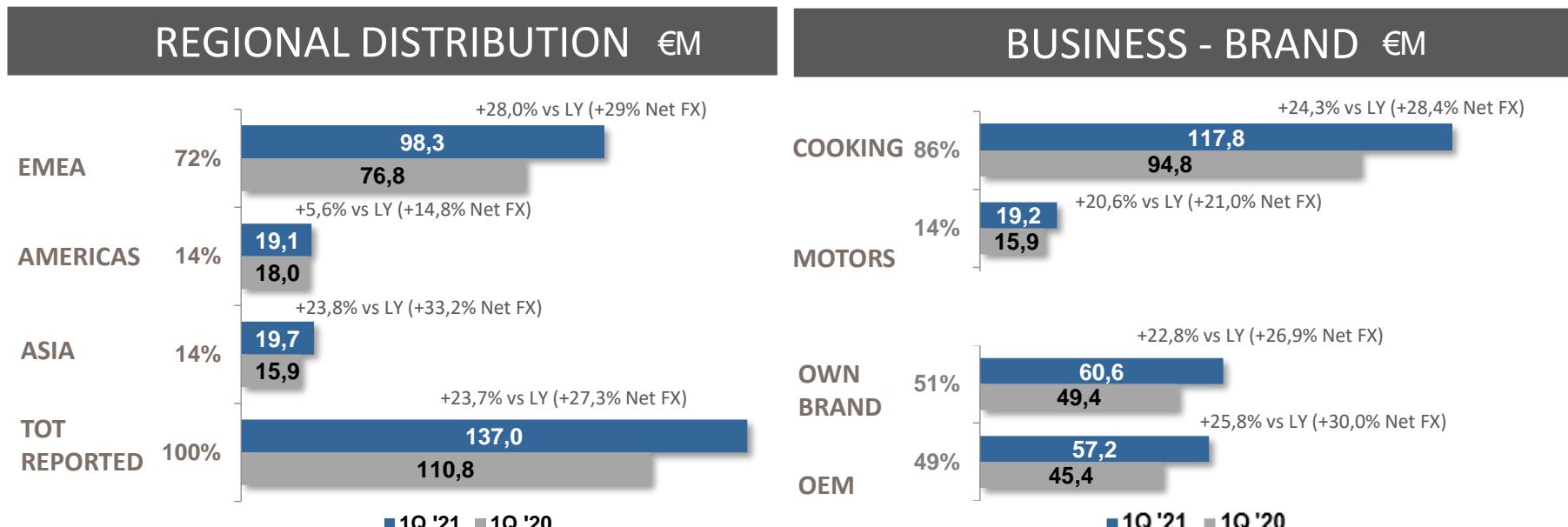


- **Q1 Confirmed robust growth** (+27,3% organic) driven by **Volume/Price-Mix**. Positive also vs 2019 (+17%)
- **Currencies (USD,INR,JPY)** negatively affecting Revenues (-3,6%) but fully balanced @ Margins level

Q1		
Change vs Y-1	€M	%
Vol/Price-Mix	30,3	27,3%
Currency	(4,0)	(3,6)%
Reported NS	137	23,7%

Q1 SALES DISTRIBUTION & DYNAMICS

- **Q1:** All geographies growing supported by positive demand, EMEA above the market in all channels.
- **AMERICAS & ASIA:** Strong operational performance partially offset by negative FX effect.
- **COOKING:** Double digit growth in both OWN Brands and OEM.
- **MOTOR:** Q1 persistent growth driven by positive market demand powered by Eco-bonus & New Projects.



OUR DESIGN, OUR DNA, our PASSION



NikolaTesla FIT *Design Fabrizio Crisà*



OPEN SUITE *Design Fabrizio Crisà*



RULES *Design Fabrizio Crisà*



SUPERPLAT *Design Fabrizio Crisà*



144 AWARDS IN 13 YEARS

OUR DESIGN, our DNA, our PASSION

elica

2021

4



DESIGN
AWARD
2021



reddot award 2021
winner

2



3



1

archiproducts[®]
DESIGN AWARDS
—
WINNER 2020



1



2



1



4



2

20 Awards



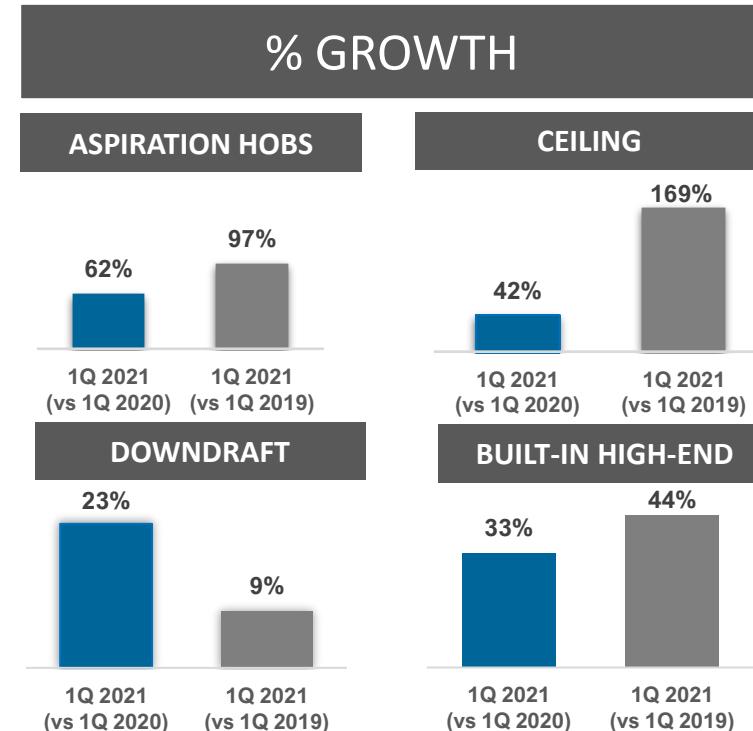
Alexa...!
Accendi le luci della cappa!



KEY PRODUCT CATEGORIES PERFORMANCE

Q1 supporting growth trend in all strategic product families:

- NikolaTesla range reaching 11.5% of Cooking Sales, thanks to range expansion boost: Nikola Tesla Fit (60cm)
- Acceleration & Fast Growth in all Categories improving mix-up and margins.



2021 ECONOMICS & FINANCIALS



MARGINS & KEY RESULT DRIVERS VS LY

€M	Q1		VAR	
	2021	2020	€	%
NET SALES	137,0	110,8	26,3	23,7%
ADJ EBITDA	14,4	10,9	3,4	31,4%
% NET SALES	10,5%	9,9%	0,6%	0,6%
ADJ EBIT	8,5	4,3	4,2	98,4%
% NET SALES	6,2%	3,9%	2,3%	2,3%
NRI	(2,5)	0,0	(2,5)	n.a
EBIT	6,0	4,3	1,7	40,2%
% NET SALES	4,4%	3,9%	0,5%	0,5%
PBT	5,7	3,7	2,0	54,8%
% NET SALES	4,2%	3,3%	0,8%	0,8%
NET PROFIT	4,1	2,0	2,1	103,9%
% NET SALES	3,0%	1,8%	1,2%	1,2%
MINORITIES	1,7	1,1	0,6	51,7%
GROUP NET PROFIT	2,4	0,9	1,5	170,0%
% NET SALES	1,8%	0,8%	1,0%	1,0%
ADJ GROUP NET PROFIT	3,9	0,9	3,0	336,8%
% NET SALES	2,8%	0,8%	2,0%	2,0%

CHANGES vs. PRIOR YEAR	Q1
VOLUME	+++
PRICE / MIX	+
RAW MATERIAL INFLATION	-
SG&A	+
CURRENCY	-
D&A	+
ADJ EBIT	4,2
NRI	-
FINANCIAL COSTS	+
COMBINED TAX RATE	+
NET PROFIT	2,1

FOCUS: NRI & MINORITIES

RESTRUCTURING COSTS & NRI

€M	Q1 2021	Q1 2020
CHINA NEW BUSINESS MODEL	1,6	0,0
RESTRUCTURING & FORMER CEO NCA	0,9	0,0
TOT NRI	2,5	0,0

MINORITIES

€M	MINORITY SHARES	Q1 2021	Q1 2020	VAR
ELICA PB INDIA	74,5%	1,2	0,7	0,5
ARIAFINA	49,0%	0,4	0,5	(0,1)
AIRFORCE	40,0%	0,1	0,0	0,1
TOT MINORITIES		1,7	1,1	0,6

- **FOCUSED ONE-OFFS TO DELIVER INCREASING MARGINS & ELIMINATE LIABILITIES:**
 - China assets write-off with no financial effect
 - Corporate SG&A Re-sizing
 - Former CEO No Competition Agreement

- **ELICA PB INDIA:** Delivering Record Result driven by Sales Growth (+46%) and Flexible Business Model.
- **ARIAFINA** (Japan) and **AIRFORCE** (Italy) performance in line with 2020.

NET FINANCIAL POSITION

€M	I Q 2021	I Q 2020	VAR	COMMENTS
OPENING NFP	(60,3)	(56,8)	(3,4)	
IFRS16 EFFECT	8,9	9,7		
OPENING NFP NET of IFR16	(51,4)	(47,2)	(4,2)	
OPERATING CASH FLOW	5,3	1,1	4,1	
(*) CAPEX	(3,4)	(3,3)	(,1)	
TAXES	(1,8)	(1,8)	(,0)	
OPERATING CF	,1	(4,0)	4,1	
% SALES	0,0%	-0,8%	0,9%	
DIVIDENDS & FINANCIAL ITEMS	(1,4)	(3,1)	1,8	
FX EFFECT	,3	(1,0)	1,4	
RESTRUCTURING COSTS	,0	,0	,0	
OTHER NRI	1,0	,0	1,0	
CLOSING NFP	(51,3)	(55,3)	4,0	
LEVERAGE	1,2	1,3		

- Positive OPERATING CF result mainly driven by EBITDA Growth and CAPEX stabilization in line with target.
- Positive impact in cash out vs LY from Dividend (Ariafina) and Financial items (Putian).
- Positive impact vs LY for FX conversion of the Foreign Entities NFP (mainly MXP, INR and JPN).
- Other NRI: 1st settlement of China Land Transfer.
- Closure Q1 aligned with Q4 2020 despite negative seasonality that historically affects the first quarter.

INCREASING OCF IN Q1: NFP BETTER THAN LY, LEVERAGE LARGELY BELOW NEW 100 M€ LOAN COVENANTS



CLOSING REMARKS & TAKE-AWAYS

- **Sales & Margins:** Q1 Results continues to report a robust growth above the market trend.
- **Price Mix:** Strong Focus to carry on the Cost based Price Increase to mitigate the Component and Raw Materials inflationary.
- Maintaining strong focus on **New Product** and **Strategic initiatives**, with a strict control of CAPEX spending.
- Increasing Operating Cash generation driven by Margin growth.
- All «mid-term» **strategic projects** running in line with our expectations to deliver incremental growth, margins and cash generation.



ANNEX: FINANCIAL HIGHLIGHTS

Q1 CONSOLIDATED INCOME STATEMENT

€M	Q1 '21	Q1 '20	%
Net Sales	137.0	110.8	23.7%
EBITDA Adj	14.4	10.9	31.4%
%	10.5%	9.9%	60 bps
EBITDA	13.5	10.9	23.2%
%	9.8%	9.9%	0 bps
EBIT	6.0	4.3	40.2%
%	4.4%	3.9%	50 bps
Net Result	4.1	2.0	103.9%
%	3.0%	1.8%	120 bps
EPS* – Euro cents	3.81	1.41	170.2%

(*) EPS is calculated by dividing the Net Result pertaining to the Group by the number of ordinary shares outstanding, excluding treasury shares at the same data.

NET WORKING CAPITAL

€M	Q1 '21	Q1 '20	Δ
Trade receivables	97.4	62.1	35.3
<i>% on annualized sales</i>	17.8%	14.0%	<i>380 bps</i>
Inventories	80.0	72.3	7.7
<i>% on annualized sales</i>	14.6%	16.3%	<i>(170 bps)</i>
Trade payables	(133.0)	(108.1)	(24.9)
<i>% on annualized sales</i>	(24.3)%	(24.4)%	<i>100 bps</i>
Managerial Working Capital	44.4	26.3	18.1
<i>% on annualized sales</i>	8.1%	5.9%	<i>220 bps</i>
Short term assets & liabilities	(10.4)	(11.9)	1.5
<i>% on annualized sales</i>	(1.9)%	(2.7)%	<i>80 bps</i>
Net Working Capital	34.0	14.4	19.6
<i>% on annualized sales</i>	6.2%	3.2%	<i>300 bps</i>

CONSOLIDATED CASH FLOW

€M	Q1 '21	Q1 '20
Operating Cash Flow	4.5	(0.6)
Capex (*)	(3.4)	(3.3)
Cash Flow from Financing Activities	(1.4)	(3.1)
△ Net Financial Position	(0.3)	(7.1)

	2021	2020		2021	2020
Net Operating Fixed Assets	149.0	167.6	Net Financial Position (*)	60.2	66.0
Net Working Capital	34.0	14.4	Group Equity	107.0	101.3
			Minorities	18.8	13.5
Net Financial Assets	3.0	(1.2)	Total Shareholders' Equity	125.8	114.8
Net Capital Employed	186.0	180.8	Total Sources	186.0	180.8

DISCLAIMER



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