



9M Results 2022

ANALYSTS PRESENTATION

THURSDAY OCTOBER 27TH, 2022

AGENDA

1 9M 2022 HIGHLIGHTS

2 INDUSTRY TREND

3 SALES
DYNAMICS

4 ECONOMICS
& FINANCIALS

5 CLOSING REMARKS

9M 2022 HIGHLIGHTS



FIRST HALF



MARKET TRENDS

- Slow down in demand impacted by supply chain and macroeconomic disruptions with increasing and significant inflation
- Industry shipment **-2% in North America and -7% in Europe**
- **Cost inflation: 37 M€**



- **Price increases** successfully executed
- **Strong service level to our customers**, overcoming supply chain disruptions (Electronics)
- Gaining **market shares** reinforcing our leadership in the strategic markets


KEY ACTIONS

SECOND HALF

- The inflationary trend (rocketing energy and gas prices) is driving **down consumer confidence**, sharpening customers **destocking** measures
- Industry shipment **-10% in North America and -15% in Europe**
- **Cost inflation: 20 M€**



- Industrial reshape plan quickly executed to flexibly react to the drop of demand (**-35% capacity reduction**)
- Strategic initiatives for 2023 on track:
 - Industrial **footprint re-organization**
 - Investments in growth, to be ready for the **new products** launches and to serve **new customers**

COST TAKE OUT

Q3 2022 RESULTS

HIGHLIGHTS

NET SALES

128,8 M€

YoY Change

-8,6 M€

-6,3%

(organic: +0,6%)

EBIT ADJ

7,0 M€

5,5%

YoY Change

-1,2 M€

-0,5 pts

NFP

(39,0) M€

Leverage:~ 0,7

YoY Change

-7 M€

- **Positive organic growth** driven by Cooking own brands and Motor division performance despite a massive drop in demand
- **Very strong organic margin** offsetting 14 M€ cost inflation for raw materials, components and for the rocketing energy and gas prices
- **Persistent ongoing cash conversion** (+16 M€ like for like) financing the payment of the key strategic initiatives: (industrial footprint relocation cashout (~9M€); M&A cashout (~13M€))

9M 2022 RESULTS

HIGHLIGHTS

NET SALES	<u>YoY Change</u>
419,0 M€	+12 M€
	+3,0%
	<i>(organic: +4,1%)</i>

EBIT ADJ	<u>YoY Change</u>
25,6 M€	+0,6 M€
6,1%	- pts

NFP	<u>YoY Change</u>
(39,0) M€	-7 M€
<i>Leverage:~ 0,7</i>	

- After a record year in 2021, and despite the negative market demand scenario, **Organic sales growth of +4,1%**
- **Robust operating margin achieved** in an unfavorable inflationary environment (YoY: 50 M€ negative cost inflation), supported by a rapid and effective price increase execution and costs containment actions
- **Persistent ongoing cash conversion** (+16 M€ like for like) financing the payment of the key strategic initiatives: (industrial footprint relocation cashout (~9M€); M&A cashout (~13M€))

INDUSTRY TREND



2022 – COOKER HOODS INDUSTRY SHIPMENTS

(Units YoY Change)

	Q1'22	Q2'22	Q3'22	9M'22
Western Europe	(1.9%)	(9.7%)	(14.7%)	(8.8%)
Eastern Europe (incl. CIS)	(2.7%)	(14.0%)	(16.8%)	(11.0%)
Europe	(2.2%)	(11.6%)	(15.5%)	(9.7%)
EMEA	(1.7%)	(10.0%)	(13.5%)	(8.3%)
North America	4.0%	(8.0%)	(11.0%)	(4.8%)
Latin America	(5.5%)	(5.0%)	(6.6%)	(5.8%)
AMERICAS	0.1%	(7.2%)	(9.4%)	(5.1%)
ASIA	2.9%	(5.3%)	0.9%	(0.6%)
WORLD	0.7%	(7.4%)	(5.9%)	(4.2%)

Key evidence

GENERAL REMARKS

The situation of the global economy remains challenging, as the war in Ukraine lingers and private consumption shows signs of weakening amid intensified inflationary pressures and rising uncertainty.

High commodity prices and persisting supply chain disruptions continue to set the global economy on a course of slower growth and high inflation. Major central banks around the world are tightening monetary policy in response to rising inflation limiting the mortgage access.

EMEA

European economies continue to be hit hard by the consequences of the conflict in Ukraine, given their high exposure through energy imports. Despite a strong labor market and accumulated household savings in Europe, rising energy prices, growing uncertainties and weakening external demand weigh on the region's performance.

AMERICAS

US home mortgage rates have climbed following the US inflation trend and accelerated with the Fed tightening regimen. As a consequence, US home sales have declined, while prices remained high.

US consumer confidence has weakened further as high inflation is affecting consumer purchasing power. In Latin America the slowdown reflects weakened external demand, inflation, political uncertainty and lower growth in the region's main trading partner – China, The US and Europe.

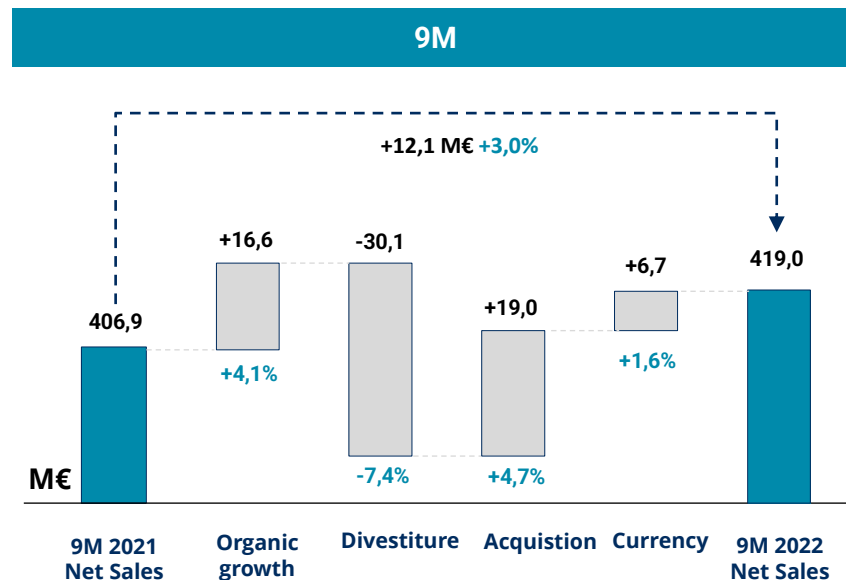
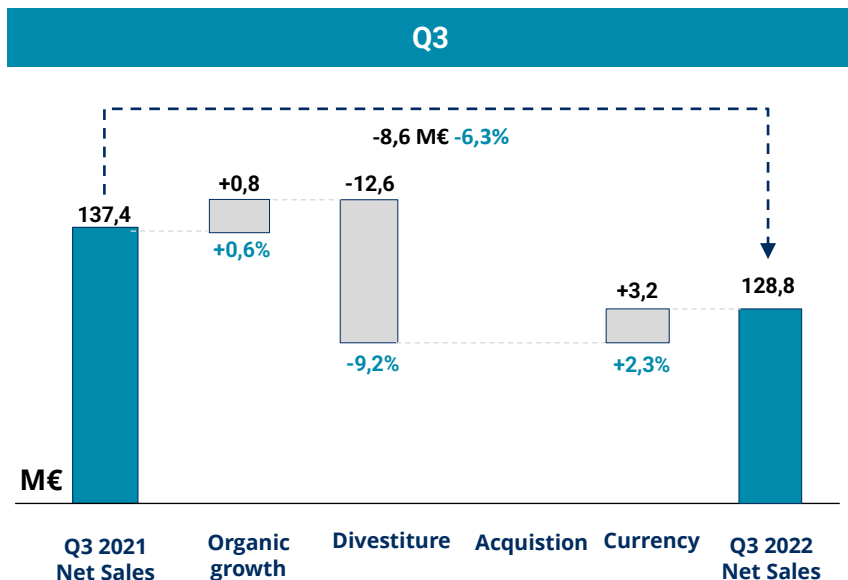
ASIA

China's economic slowdown has also been more significant than expected, driven by lower consumption and disrupted activities as the country retains its zero-COVID policy. In India recent indicators show manufacturing and services expansion.

SALES DYNAMIC

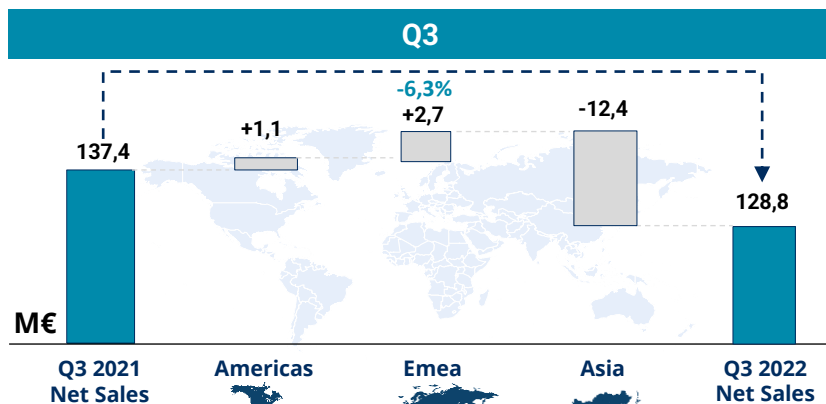


SALES KEY DRIVERS

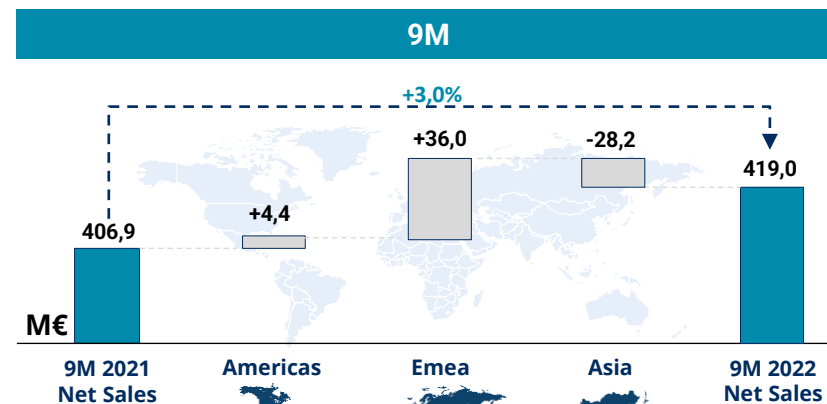


- **Positive organic growth**, driven by Cooking own brands and Motor business growth, despite the massive drop in demand
- Industry volumes down combined with OEM customers destocking measures headwinds, offset by strong execution of pricing actions

SALES DRIVERS & REGIONAL OVERVIEW

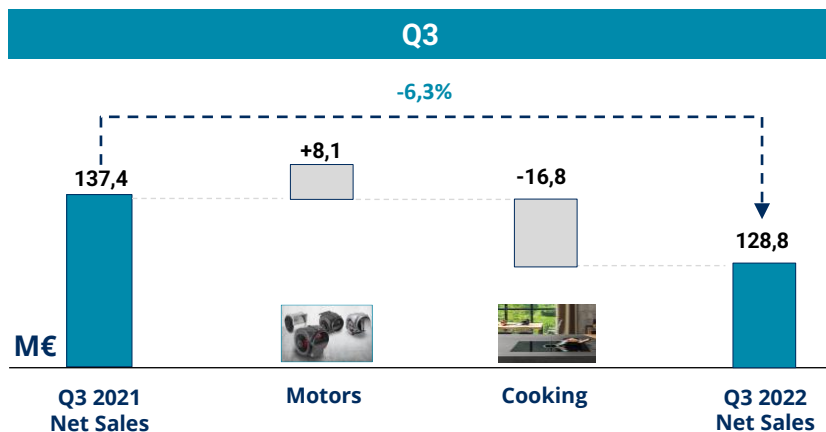


Q3 2021	20,3	95,9	21,3	137,4
Divestiture & M&A	-	-	-12,6 -59,3%	-12,6 -9,2%
Currency	+3,0 +14,6%	+0,5 +0,5%	-0,3 -1,4%	+3,2 +2,3%
ORGANIC Growth	-1,9 -9,3%	+2,2 +2,3%	+0,5 +2,2%	+0,8 +0,6%
YoY Change	+1,1 +5,3%	+2,7 +2,8%	-12,4 -58,4%	-8,6 -6,3%
Q3 2022	21,4	98,6	8,9	128,8
Regional weights	17%	77%	7%	

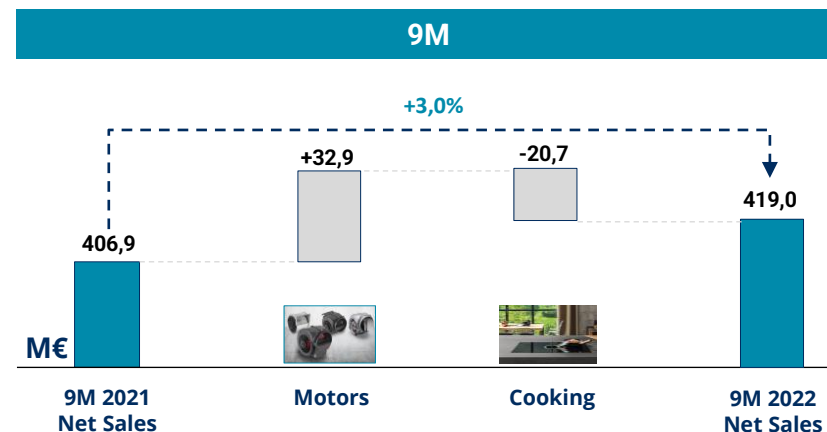


9M 2021	58,6	291,7	56,6	406,9
Divestiture & M&A	-	+19,0 +6,5%	-30,1 -53,3%	-11,1 -2,7%
Currency	+6,6 +11,3%	+0,5 +0,2%	-0,5 -0,9%	+6,7 +1,6%
ORGANIC Growth	-2,3 -3,9%	+16,4 +5,6%	+2,4 +4,3%	+16,6 +4,1%
YoY Change	+4,4 +7,5%	+36,0 +12,3%	-28,2 -49,9%	+12,1 +3,0%
9M 2022	63,0	327,7	28,3	419,0
Regional weights	15%	78%	7%	

SALES BY BUSINESS

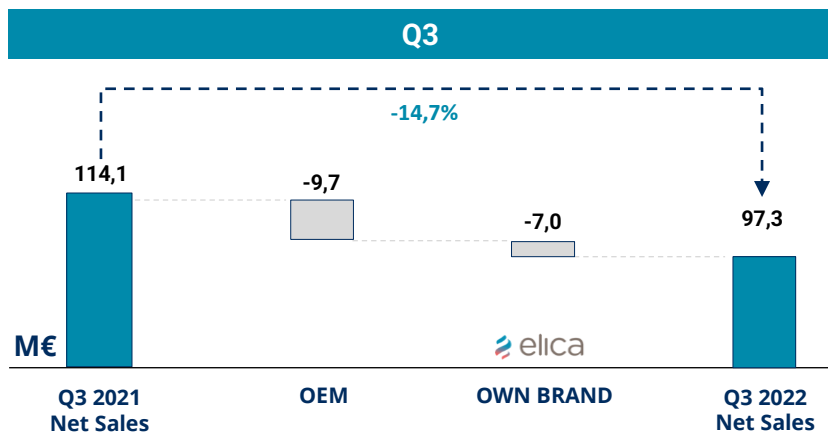


Q3 2021	23,4	114,1	137,4
Divestiture & M&A		-12,6 -11,0%	-12,6 -9,2%
Currency	-0,0 -0,2%	+3,2 +2,8%	+3,2 +2,3%
ORGANIC Growth	+8,2 +34,9%	-7,3 -6,4%	+0,8 +0,6%
YoY Change	+8,1 +34,8%	-16,8 -14,7%	-8,6 -6,3%
Q3 2022	31,5	97,3	128,8
Business weights	24%	76%	

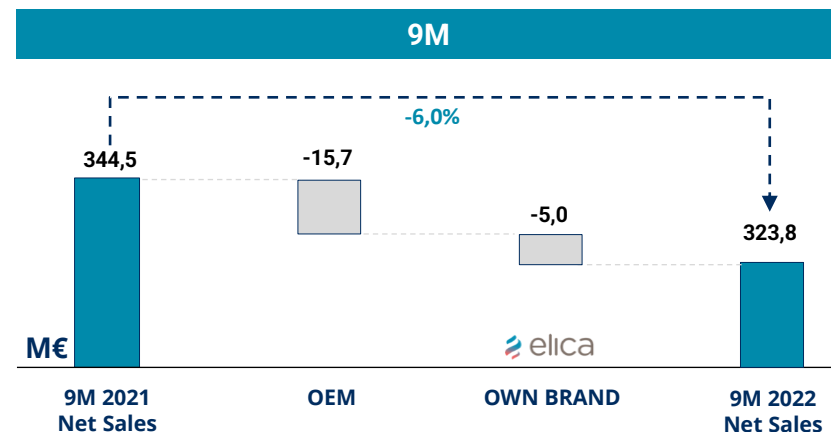


9M 2021	62,4	344,5	406,9
Divestiture & M&A	+19,0 +30,5%	-30,1 -8,7%	-11,1 -2,7%
Currency	-0,1 -0,1%	+6,8 +2,0%	+6,7 +1,6%
ORGANIC Growth	+13,9 +22,3%	+2,6 +0,8%	+16,6 +4,1%
YoY Change	+32,9 +52,7%	-20,7 -6,0%	+12,1 +3,0%
9M 2022	95,2	323,8	419,0
Business weights	23%	77%	

COOKING SALES BY BRAND



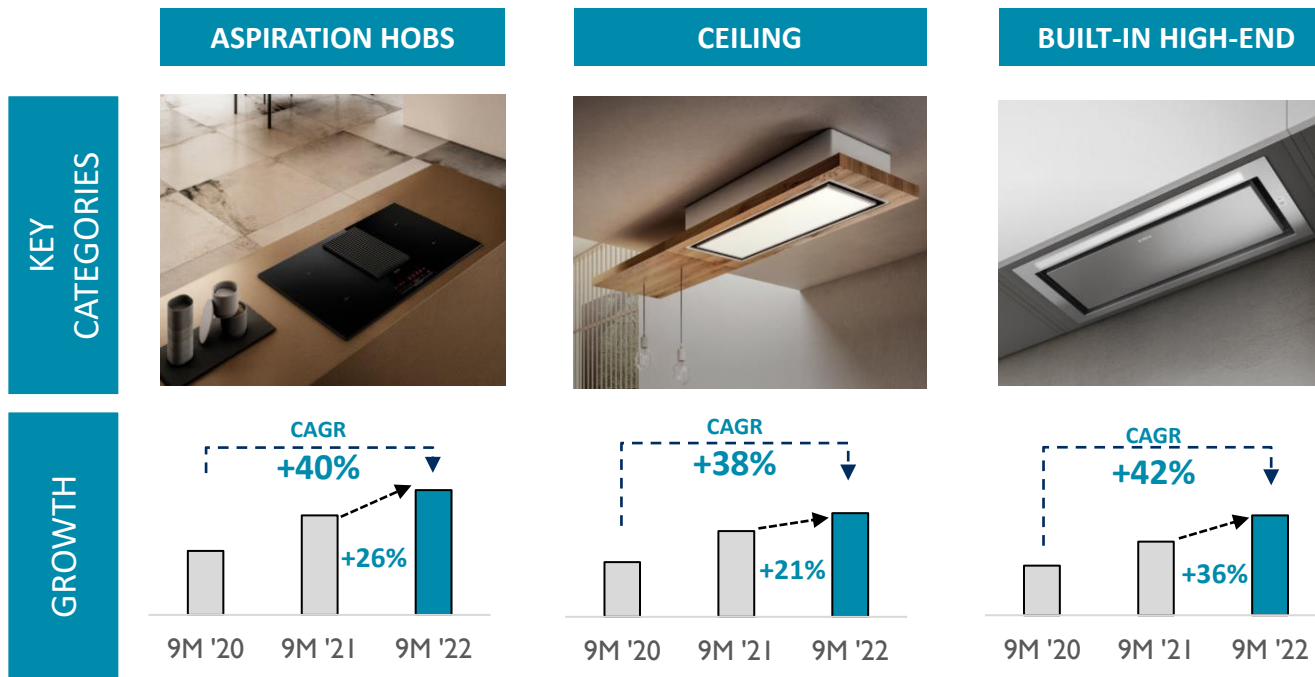
Q3 2021	51,1	62,9	114,1
Divestiture & M&A	-	-12,6 -20,0%	-12,6 -11,0%
Currency	+2,3 +4,5%	+0,9 +1,4%	+3,2 +2,8%
ORGANIC Growth	-12,1 -23,6%	+4,7 +7,5%	-7,3 -6,4%
YoY Change	-9,7 -19,1%	-7,0 -11,1%	-16,8 -14,7%
Q3 2022	41,4	55,9	97,3
Brand weights	43%	57%	



9M 2021	157,9	186,6	344,5
Divestiture & M&A	-	-30,1 -16,1%	-30,1 -8,7%
Currency	+5,4 +3,4%	+1,4 +0,7%	+6,8 +2,0%
ORGANIC Growth	-21,1 -13,4%	+23,7 +12,7%	+2,6 +0,8%
YoY Change	-15,7 -10,0%	-5,0 -2,7%	-20,7 -6,0%
9M 2022	142,1	181,6	323,8
Brand weights	44%	56%	

KEY PRODUCT CATEGORIES PERFORMANCE

- Persistent growth trend in all strategic product families
- NikolaTesla range @ 16% of Cooking Sales.



ECONOMICS & FINANCIALS



MARGINS & KEY RESULT DRIVERS

€M	Q3			9M		
	2022	2021	% VAR	2022	2021	% VAR
NET SALES	128,8	137,4	(6,3)%	419,0	406,9	3,0%
ADJ EBITDA	12,8	14,7	(12,8)%	43,3	43,3	0,0%
% NET SALES	10,0%	10,7%	-70 bps	10,3%	10,6%	-30 bps
ADJ EBIT	7,1	8,2	(14,0)%	25,6	24,9	2,8%
% NET SALES	5,5%	6,0%	-50 bps	6,1%	6,1%	0 bps
NRI	(1,5)	(16,5)	91,1%	(3,5)	(19,5)	82,3%
EBIT	5,6	(8,3)	167,7%	22,1	5,4	310,3%
% NET SALES	4,4%	(6,0)%	1040 bps	5,3%	1,3%	400 bps
PBT	3,0	6,5	(53,4)%	22,0	19,4	13,2%
% NET SALES	2,3%	4,7%	-240 bps	5,2%	4,8%	50 bps
NET PROFIT	1,5	6,7	-77,0%	14,5	15,2	(5,1)%
% NET SALES	1,2%	4,9%	-370 bps	3,5%	3,7%	30 bps
MINORITIES	0,6	2,0	(72,8)%	1,2	4,8	(75,7)%
GROUP NET PROFIT	1,0	4,7	(78,8)%	13,3	10,4	27,5%
% NET SALES	0,8%	3,4%	-260 bps	3,2%	2,6%	60 bps
ADJ GROUP NET PROFIT	2,1	4,5	(53,2)%	15,9	12,1	31,7%
% NET SALES	1,6%	3,3%	-160 bps	3,8%	3,0%	80 bps

CHANGES vs. PRIOR YEAR

	Q3	9M
VOLUME	--	-
PRICE / MIX	++	+
RAW MATERIAL INFLATION	--	--
SG&A	+	+
CURRENCY	+	+
ADJ EBIT	-1,1	0,7
NRI	-	+
FINANCIAL COSTS	-	+
COMBINED TAX RATE	-	+
GROUP NET PROFIT	-3,7	2,9

9M: Operating Margins growth despite a volatile business environment

RESTRUCTURING COSTS & NRI

€M	2022		2021	
	Q3	9M	Q3	9M
PATENTS AGREEMENT	---	-3,2	---	---
RESTRUCTURING SG&A	0,1	1,0	1,5	2,9
INDUSTRIAL PLAN	1,3	5,6	15,0	15,0
CHINA BUSINESS MODEL	---	---	---	1,6
TOT NRI	1,5	3,5	16,5	19,5

FOCUSED ONE-OFFS TO DELIVER INCREASING MARGINS & ELIMINATE LIABILITIES:

- Patent Asset co-ownership
- Corporate SG&A Re-sizing
- Industrial Plan: additional voluntary exit agreement and operational execution costs.

MINORITIES

€M	MINORITY SHARES	2022		2021	
		Q3	9M	Q3	9M
ELICA PB INDIA	—%	—	—	1,6	3,4
ARIAFINA	49,0%	0,6	1,2	0,4	1,2
AIRFORCE	—%	—	—	0,0	0,2
TOT MINORITIES		0,6	1,2	2,0	4,8

- **MINORITIES** impact reduced due to **INDIA deconsolidation**
- **ARIAFINA** (Japan) performance in line with 2021
- **AIRFORCE** is 100% controlled by Elica since July

9M 2022 – NET FINANCIAL POSITION

€M	9M 2022	9M 2021	VAR
OPENING NFP	(35,1)	(61,0)	25,9
IFRS16 EFFECT	12,4	9,7	2,7
OPENING NFP NET of IFR16	(22,7)	(51,4)	(28,7)
OPERATING CASH FLOW	30,6	38,6	(7,9)
CAPEX	(12,2)	(12,3)	0,1
TAXES	(6,1)	(6,4)	0,3
OPERATING CF	12,3	19,8	(7,5)
% SALES	2,2%	3,6%	
Buy Back	(1,3)	-	(1,3)
Industrial Footprint Cash-out	(8,7)	-	(8,7)
M&A Cash-Out	(13,1)	(13,0)	(0,1)
Divestiture Impact	-	13,2	(13,2)
Dividend & Financial Items	(2,1)	(1,2)	(0,9)
Other NRI	(3,3)	0,8	(4,1)
CLOSING NFP	(38,9)	(32,1)	6,8
LEVERAGE	0,7	0,6	-0,1

COMMENTS

- **Significant ongoing cash conversion** (+16 M€ like for like) financing the payment of the key strategic initiatives: (industrial footprint relocation cashout (~9M€); M&A cashout (~13M€); Shares buyback (~1M€)
- **Execution of buyback** programme with 1,3 M€ cashout
- **8,7M€ Cash-out for Voluntary Agreement** signed with trade unions
- **~12M€ of M&A Cash-out related to Motor Division** acquisition and **1,5 M€ to Airforce** M&A Cash-out

CLOSING REMARKS & 2022 GUIDANCE



- **H2 2022 still challenging market scenario:**
 - Expected FY2022 revenues: 545 – 550 M€ with positive organic growth (~2%)
 - Margins trend in line with consensus @6% despite ~60 M€ raw materials, components and energy cost inflation
 - Solid Net Financial Position supported by destocking initiatives
- **2023 early guidance:**
 - **Revenues:** persisting demand uncertainty offset by Motors business unit growth, Aspiration Hobs positive trend and Cooking new products introduction.
 - **Margins:** improving value creation in a volatile inflationary and macroeconomic environment driven by industrial footprint relocation and focus on costs containment.

ANNEX: FINANCIAL HIGHLIGHTS



Q3 CONSOLIDATED INCOME STATEMENT

€M	3Q 22	3Q 21	%
Net Sales	128.8	137.4	(6.3)%
EBITDA Adj	12.8	14.7	(12.8)%
%	10.0%	10.7%	(75) bps
EBITDA	11.4	(1.8)	728%
%	8.8%	(1.3)%	1015 bps
EBIT	5.6	(8.3)	167.7%
%	4.4%	(6.0)%	1041bps
Net Result	1.5	6.7	(77.0)%
%	1.2%	4.9%	(370) bps
EPS* – Euro cents	1.62	7.41	(78.2)%

(*) 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	2022	2021	Δ
Trade receivables <i>% on annualized sales</i>	68.0 12.2%	85.4 15.7%	(17.4) (350) bps
Inventories <i>% on annualized sales</i>	121.6 21.8%	79.8 14.7%	41.9 710 bps
Trade payables <i>% on annualized sales</i>	(163.8) (29.3)%	(128.4) (23.7)%	(35.4) (560) bps
Managerial Working Capital <i>% on annualized sales</i>	25.8 4.6%	36.7 6.8%	(10.9) (220) bps
Short term assets & liabilities <i>% on annualized sales</i>	(13.4) (2.4)%	(38.5) (7.1)%	25.0 470 bps
Net Working Capital <i>% on annualized sales</i>	12.4 2.2%	(1.8) (0.3)%	14.1 250 bps

CONSOLIDATED CASH FLOW

€M	2022	2021
Operating Cash Flow	14.4	32.6
Capex (*)	(12.2)	(12.3)
Cash Flow from Financial Activities	(19.2)	(1.3)
Δ Net Financial Position	(17.0)	18.9

	2022	2021		2022	2021
Net Operating Fixed Assets	175.1	165.5	Net Financial Position (*)	51.8	43.6
Net Working Capital	12.4	-1.8	Group Equity	131.5	113.9
			Minorities	5.9	6.4
Net Financial Assets	0.8	0.2	Total Shareholders' Equity	136.5	120.3
Net Capital Employed	188.3	163.9	Total Sources	188.3	163.9

