



Q3 2023 Results

ANALYSTS PRESENTATION

THURSDAY OCTOBER 26TH, 2023

AGENDA

1 Q3 HIGHLIGHTS

2 INDUSTRY TREND

3 SALES
DYNAMICS

4 ECONOMICS
& FINANCIALS

5 CLOSING REMARKS

Q3 2023 RESULTS

HIGHLIGHTS

NET SALES

105,6 M€

YoY Change

-23,2 M€ -18,0%
(organic: -15,8%)

EBIT ADJ

5,2 M€

5,0%

YoY Change

-1,8 M€

-0,5 pts

NFP

(47,0) M€

Leverage: ~ 0,9

YoY Change

-8 M€

- Persisting weak market demand in Cooking business. Significant Heating industry slowdown since June, negatively impacting Motor division.
- Margin fully protected despite significant volume effect thanks to industrial footprint flexibility and strong cost control → **Ebitda margin + 80 bps vs Q3 2022.**
- Leverage under control despite revenues decline. Further inventories reduction plan ongoing.

9M 2023 RESULTS

HIGHLIGHTS

NET SALES

360,0 M€

YoY Change

-58,9 M€ -14,0%

(organic: -13,3%)

EBIT ADJ

19,4 M€

5,4%

YoY Change

-6,2 M€

-0,7 pts

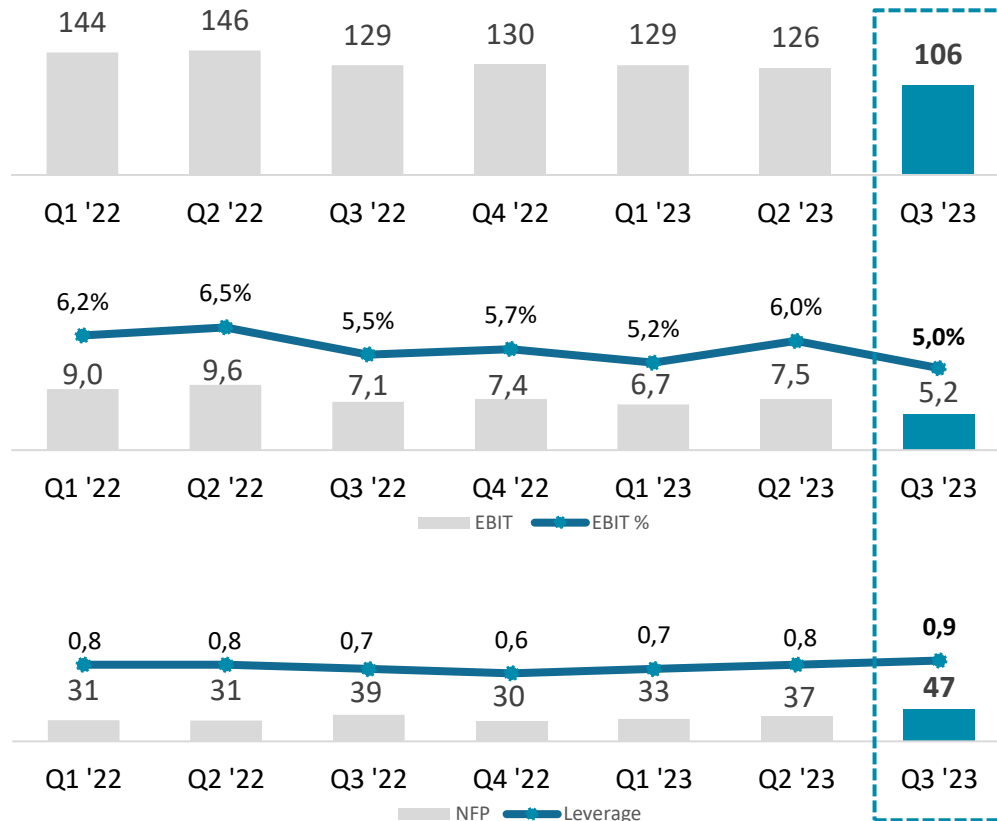
NFP

(47,0) M€

Leverage: ~ 0,9

YoY Change

-8 M€



INDUSTRY TREND

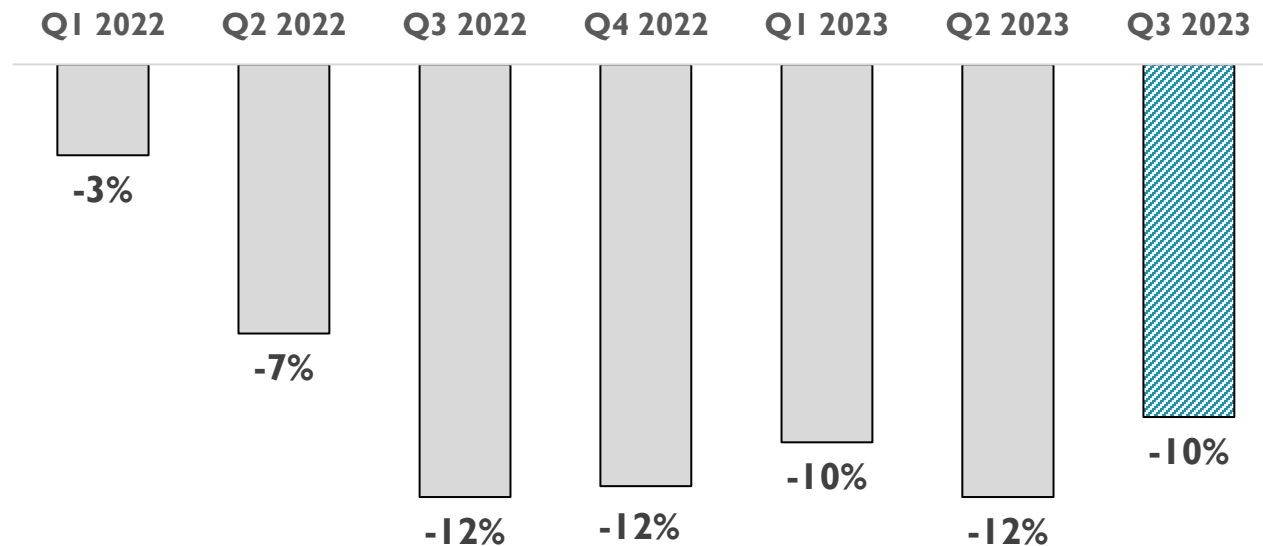


EMEA - COOKER HOODS INDUSTRY UNIT SHIPMENTS

Volume Data Change % vs LY

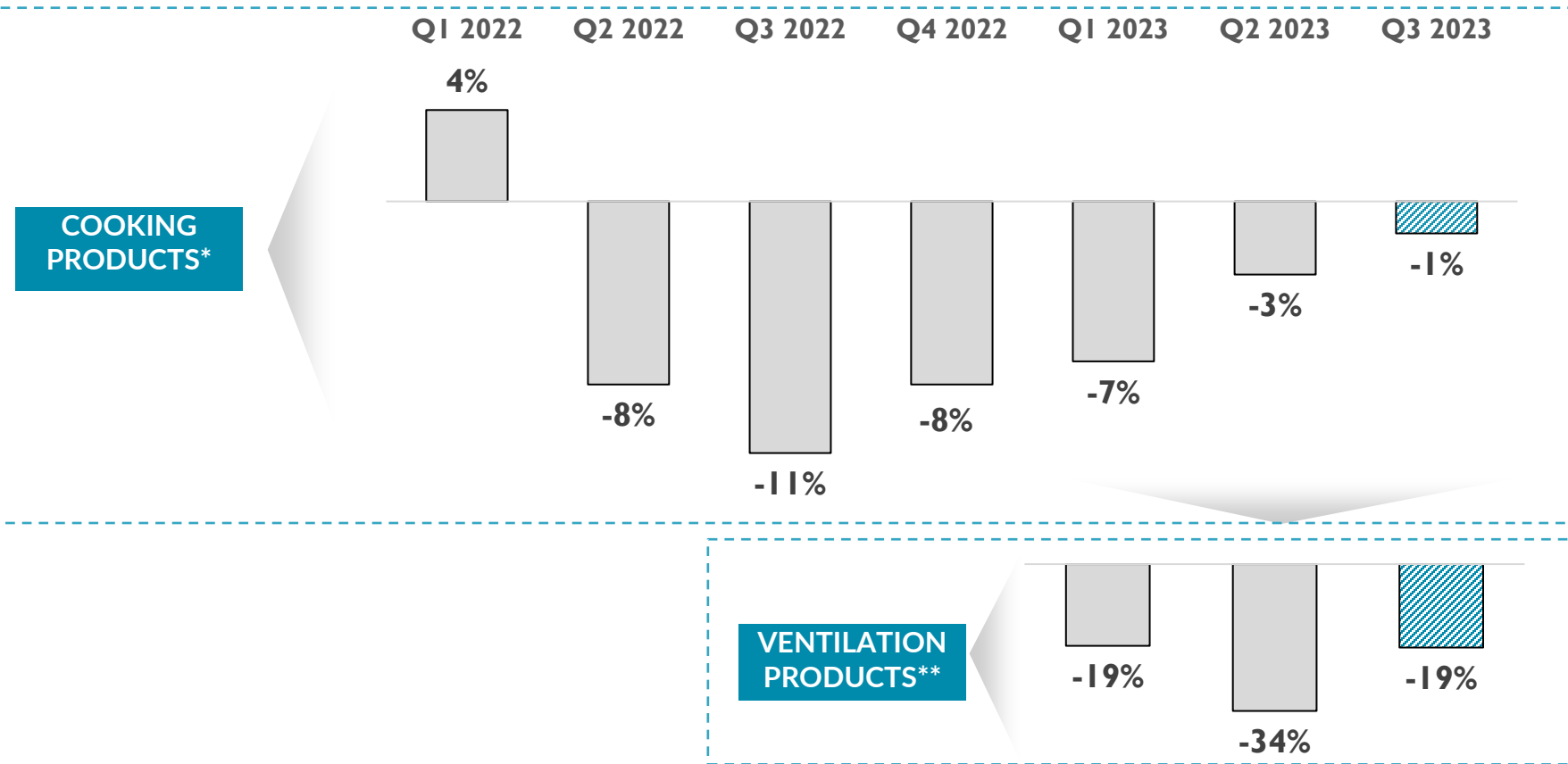


EMEA*



NORTH AMERICA - COOKER HOODS INDUSTRY UNIT SHIPMENTS

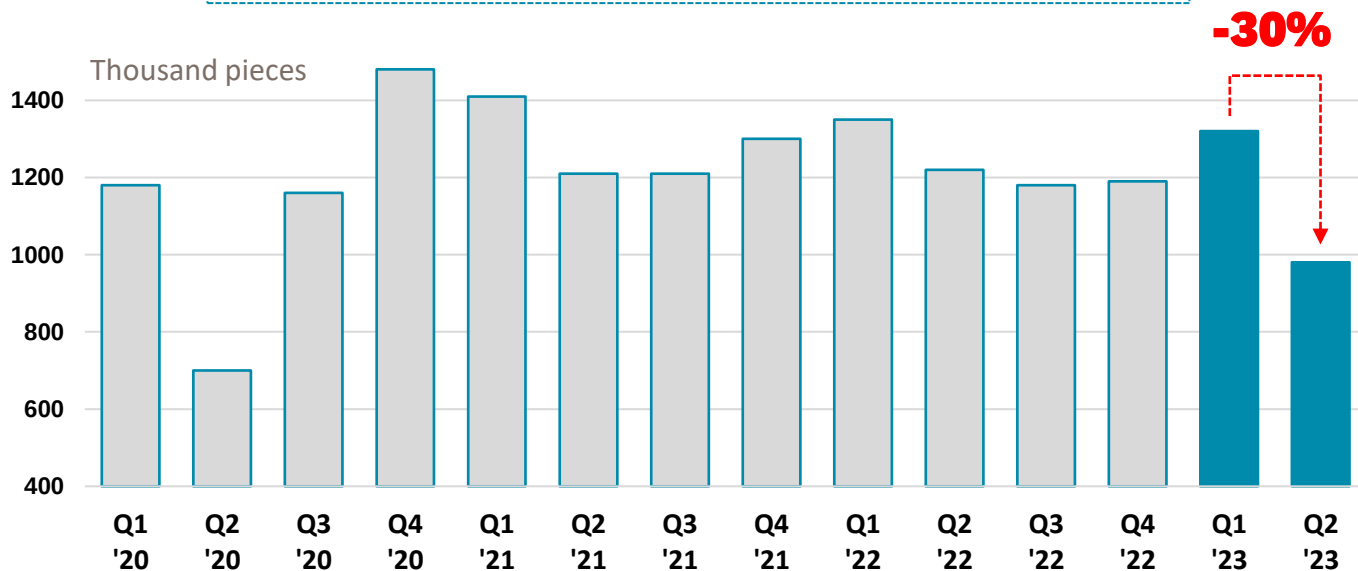
Volume Data Change % vs LY



* SOURCE AHAM: DATA REFERS TO ALL COOKING PRODUCT RANGES but MICROWAVES, COVERING ≈ 40% OF THE MARKET

** SOURCE AHAM

HEATING SECTOR MARKET TREND - BOILERS



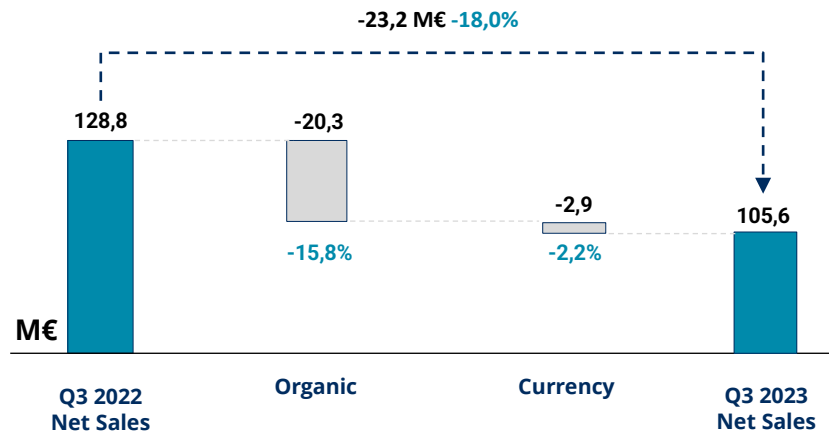
Visibility in the Heating segment remains limited due to the change in incentives regulations and legislation announcement effect

SALES DYNAMIC

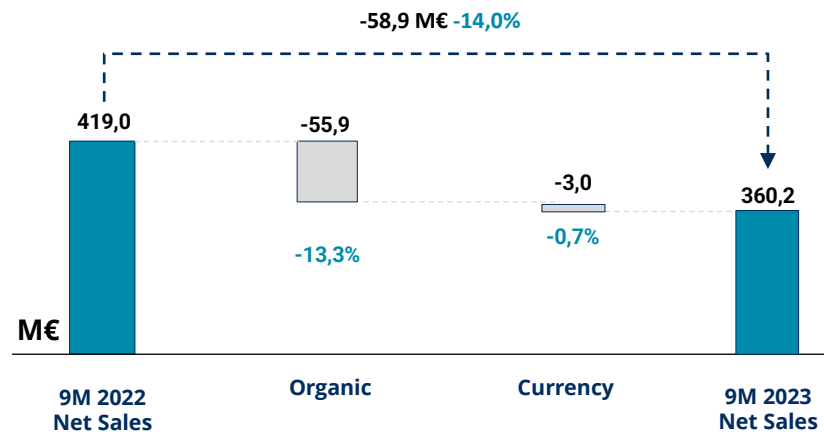


SALES KEY DRIVERS

Q3

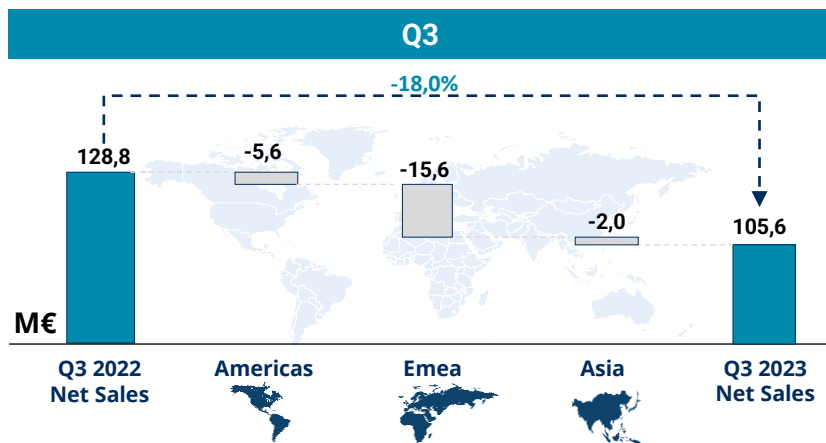


9M

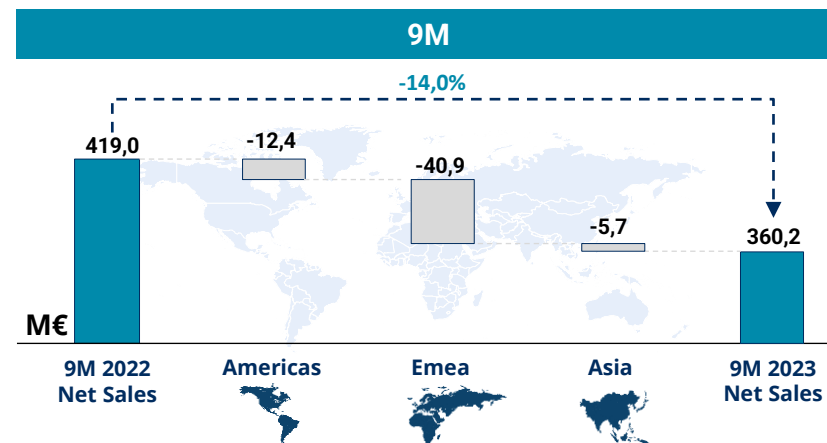


- Cooking trend still affected by volumes decline, as a result of the persistent weaker market demand compared to last year.
- Motors: Ventilation negative trend remain unchanged, on the other hand, Heating in Q3 accounted a significant slow down due to the change in incentives regulations and legislation announcement effect, combined with customers destocking measures.

SALES DRIVERS & REGIONAL OVERVIEW

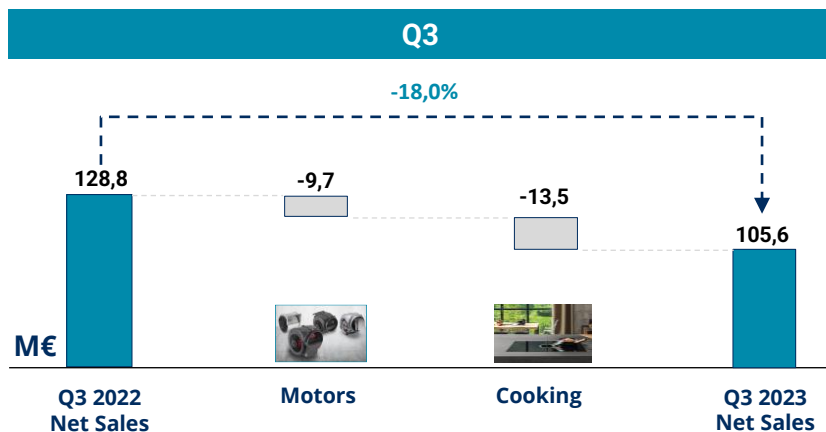


Q3 2022	21,4	98,6	8,9	128,8
Currency	-0,9 -4,4%	-1,1 -1,2%	-0,8 -8,8%	-2,9 -2,2%
ORGANIC Growth	-4,7 -21,9%	-14,5 -14,7%	-1,2 -13,3%	-20,3 -15,8%
YoY Change	-5,6 -26,3%	-15,6 -15,8%	-2,0 -22,1%	-23,2 -18,0%
Q3 2023	15,7	83,0	6,9	105,6
Regional weights	15%	79%	7%	

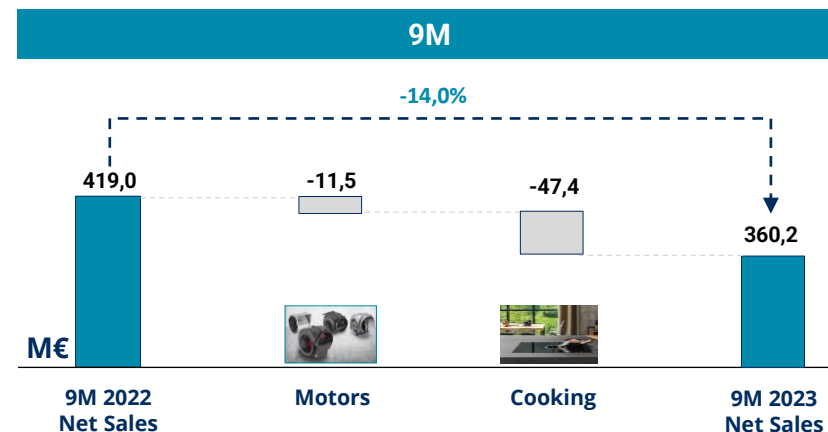


9M 2022	63,0	327,7	28,3	419,0
Currency	-0,3 -0,4%	-1,0 -0,3%	-1,8 -6,2%	-3,0 -0,7%
ORGANIC Growth	-12,1 -19,2%	-39,9 -12,2%	-3,9 -13,7%	-55,9 -13,3%
YoY Change	-12,4 -19,6%	-40,9 -12,5%	-5,7 -19,9%	-58,9 -14,0%
9M 2023	50,6	286,9	22,7	360,2
Regional weights	14%	80%	6%	

SALES BY BUSINESS

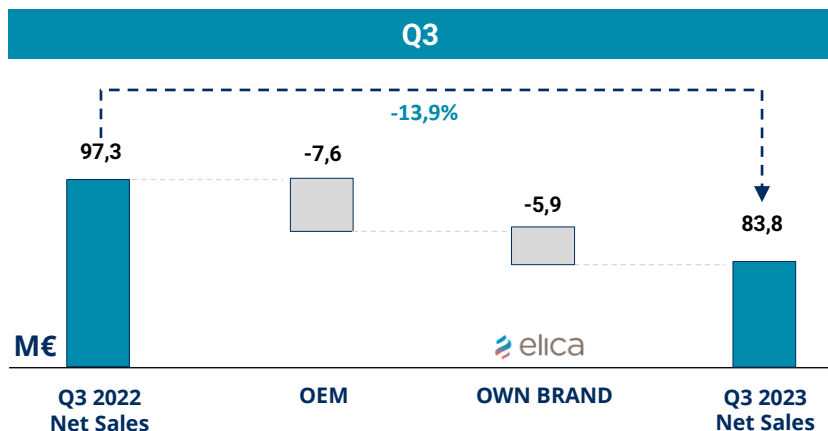


Q3 2022	31,5	97,3	128,8
Currency	+0,1 +0,2%	-2,9 -3,0%	-2,9 -2,2%
ORGANIC Growth	-9,8 -31,9%	-10,6 -10,9%	-20,3 -15,8%
YoY Change	-9,7 -30,8%	-13,5 -13,9%	-23,2 -18,0%
Q3 2023	21,8	83,8	105,6
Business weights	21%	79%	

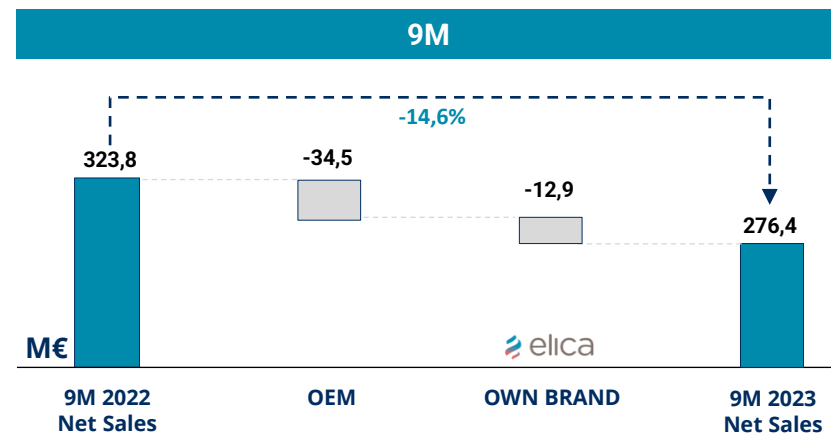


9M 2022	95,2	323,8	419,0
Currency	+0,1 +0,1%	-3,1 -0,9%	-3,0 -0,7%
ORGANIC Growth	-11,5 -12,1%	-44,3 -13,7%	-55,9 -13,3%
YoY Change	-11,5 -12,0%	-47,4 -14,6%	-58,9 -14,0%
9M 2023	83,8	276,4	360,2
Business weights	23%	77%	

COOKING SALES BY BRAND



Q3 2022	41,4	55,9	97,3
Currency	-0,6 -1,4%	-2,3 -4,2%	-2,9 -3,0%
ORGANIC Growth	-7,0 -16,9%	-3,6 -6,4%	-10,6 -10,9%
YoY Change	-7,6 -18,3%	-5,9 -10,6%	-13,5 -13,9%
Q3 2023	33,8	50,0	83,8
Brand weights	40%	60%	



9M 2022	142,1	181,6	323,8
Currency	-0,1 -0,1%	-3,0 -1,6%	-3,1 -0,9%
ORGANIC Growth	-34,4 -24,2%	-9,9 -5,5%	-44,3 -13,7%
YoY Change	-34,5 -24,3%	-12,9 -7,1%	-47,4 -14,6%
9M 2023	107,6	168,7	276,4
Brand weights	39%	61%	

ECONOMICS & FINANCIALS



MARGINS & KEY RESULT DRIVERS

€M	Q3			9M		
	2023	2022	% VAR	2023	2022	% VAR
NET SALES	105,5	128,8	(18,0)%	360,2	419,0	(14,0)%
ADJ EBITDA	11,4	12,8	(11,3)%	37,5	43,3	(13,4)%
% NET SALES	10,8%	10,0%	80 bps	10,4%	10,3%	10 bps
ADJ EBIT	5,2	7,1	(26,1)%	19,4	25,6	(24,3)%
% NET SALES	5,0%	5,5%	-50 bps	5,4%	6,1%	-70 bps
NRI	(0,3)	(1,5)	80,2%	(1,3)	(3,5)	62,7%
EBIT	4,9	5,6	(12,0)%	18,1	22,1	(18,2)%
% NET SALES	4,7%	4,4%	30 bps	5,0%	5,3%	-30 bps
PBT	2,9	3,0	(2,1)%	13,8	22,0	(37,1)%
% NET SALES	2,8%	2,3%	50 bps	3,8%	5,2%	-140 bps
NET PROFIT	2,2	1,5	39,8%	10,7	14,5	(26,2)%
% NET SALES	2,1%	1,2%	80 bps	3,0%	3,5%	-50 bps
MINORITIES	0,4	0,6	(35,9)%	1,1	1,2	(6,4)%
GROUP NET PROFIT	1,8	1,0	82,1%	9,6	13,3	(28,0)%
% NET SALES	1,7%	0,8%	90 bps	2,7%	3,2%	-50 bps

CHANGES vs. PRIOR YEAR

	Q3	9M
VOLUME	---	---
PRICE / MIX	-	-
RAW MATERIAL INFLATION	+	+
COST TAKEOUT	++	++
CURRENCY	-	-
D&A	-	-
ADJ EBIT	-1,8	-6,2
NRI	++	++
FINANCIAL COSTS	+	-
COMBINED TAX RATE	+	+
NET PROFIT	0,6	-3,8

Q3 MARGIN PROTECTED DESPITE VOLUMES DROP , GROUP NET PROFIT 2x vs LY

9M 2023 – NET FINANCIAL POSITION

€M	9M 2023	9M 2022	VAR
OPENING NFP	43,9	35,1	(8,8)
IFRS16 EFFECT	14,0	12,4	1,6
OPENING NFP NET of IFR16	29,9	22,7	(7,2)
OPERATING CASH FLOW	22,8	30,6	(7,8)
(*) CAPEX	(11,5)	(12,2)	0,7
TAXES	(2,4)	(6,1)	3,7
OPERATING FCF	9,0	12,3	(3,3)
% SALES	1,6%	2,3%	
Buy Back	(0,9)	(1,3)	0,4
Industrial Footprint Cash-out	(2,7)	(8,7)	6,0
M&A Cash Out	(7,0)	(13,1)	6,1
Dividend & Financial Items	(9,6)	(2,1)	(7,5)
Other NRI	(5,8)	(3,3)	(2,5)
CLOSING NFP of IFR16	47,0	38,9	(8,1)
LEVERAGE (NFP/EBITDA)	0,9	0,7	

COMMENTS

- **Leverage in line with LY despite:**
 - EU Manufacturing footprint relocation ~2,7M€
 - M&A (Last tranche EMC): ~7,0M€
 - Shares Buyback: ~0,9M€
 - Elica Dividend ~5,0M€
- NWC negatively impacting on Operating Cash Flow for ~8M€: further inventories reduction plan ongoing.

WELL POSITIONED TO ACHIEVE OUR MID TERM TARGETS



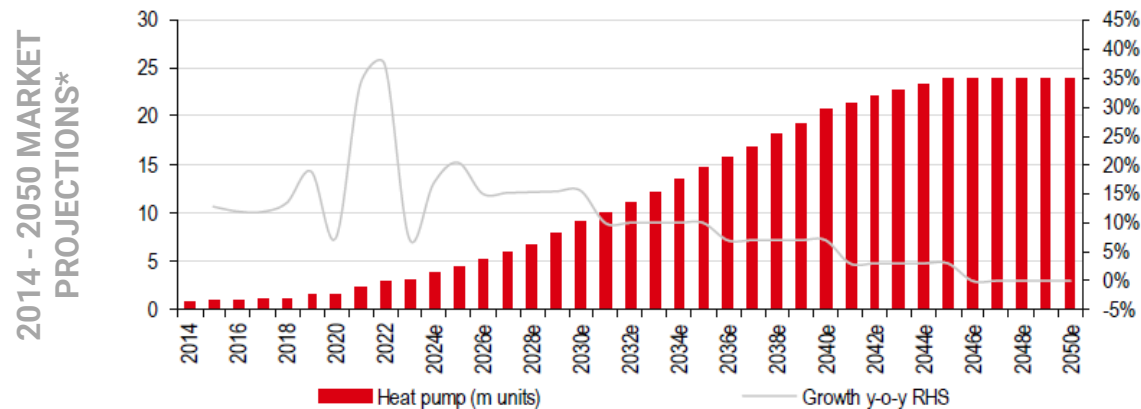
LHOV *Design Fabrizio Crisà*

DESIGN for LOVE

 elica

MOTOR DIVISION: HEAT PUMPS GROWTH OPPORTUNITY

- HISTORICAL DATA AND FUTURE PROJECTIONS CONFIRMING THE HUGE POTENTIAL



- WE'RE READY TO PRODUCE FROM DECEMBER '23 OUR FANS FOR HEAT PUMPS



RADIAL SOLUTIONS



- High performances and efficiency
- Low noise
- Low power consumption

AXIAL SOLUTIONS



- Fluid dynamics optimized
- Compact design
- Easy installation

COOKING: FROM CORE BUSINESS TO A COMPLETE RANGE OFFER

CORE BUSINESS

Cooker hoods



Aspiration Hobs



Keep the leadership and the unique selling proposition leveraging on design and technology.

Growth in market share thanks to a Wider product range based on design and unique features, able to address the different user needs and flexible for any kitchen configuration

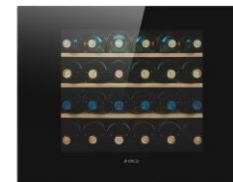
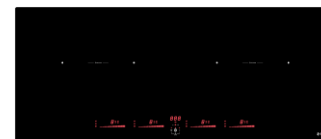
NEW BUSINESS OPPORTUNITIES

HOVs



A breakthrough innovation to create a new cooking segment

Built-in complements



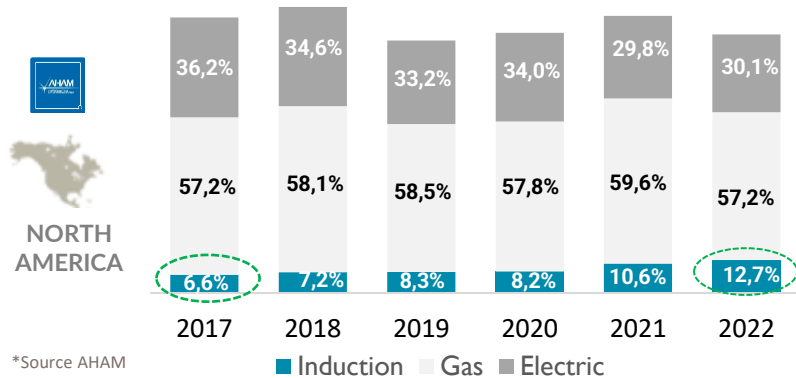
Enlarging the offer in built-in leveraging on leadership position in growing markets

TOWARDS TO A COOKING COMPANY

COOKING 360°
Design
Performance
Innovation

INDUCTION GROWTH OPPORTUNITIES

COOKTOPS UNITS TREND



NIKOLATESLA SWITCH
ASPIRATION



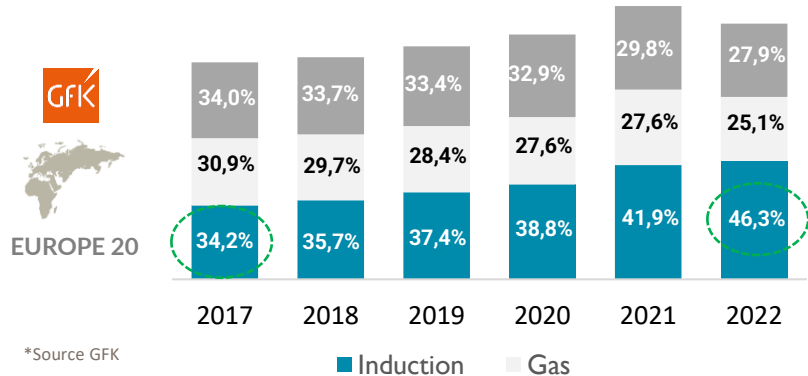
NIKOLATESLA FLUX
ASPIRATION



VOLTA
INDUCTION



HOBBS UNITS TREND



INDUCTION



ASPIRATION



NIKOLATESLA FIT
3Z



NIKOLATESLA
ALPHA

FURTHER NOVELTIES IN THE ASPIRATION HOBBS RANGE AND A NEW 2024 LINE-UP IN THE INDUCTION HOBBS

“BOOTS ON GROUND”



NEW DISTRIBUTOR IN NORTH AMERICA in PARTNERSHIP WITH ILVE



Introducing **SEA, Southeast Appliance** - Your Trusted Appliances Distributor!

We are thrilled to announce the launch of SEA, Southeast Appliance. We are on a **mission to bring quality, innovation, and reliability to every household and business.**

With a passion for delivering the latest in appliances and an unwavering commitment to **exceptional customer service**, SEA, Southeast Appliance is set to redefine the way of home experience and commercial appliances.

Our commitment to **excellence, innovation, and customer satisfaction** sets us apart in the industry.

SAME DISTRIBUTION MODEL BEING IMPLEMENTED FOR CANADA

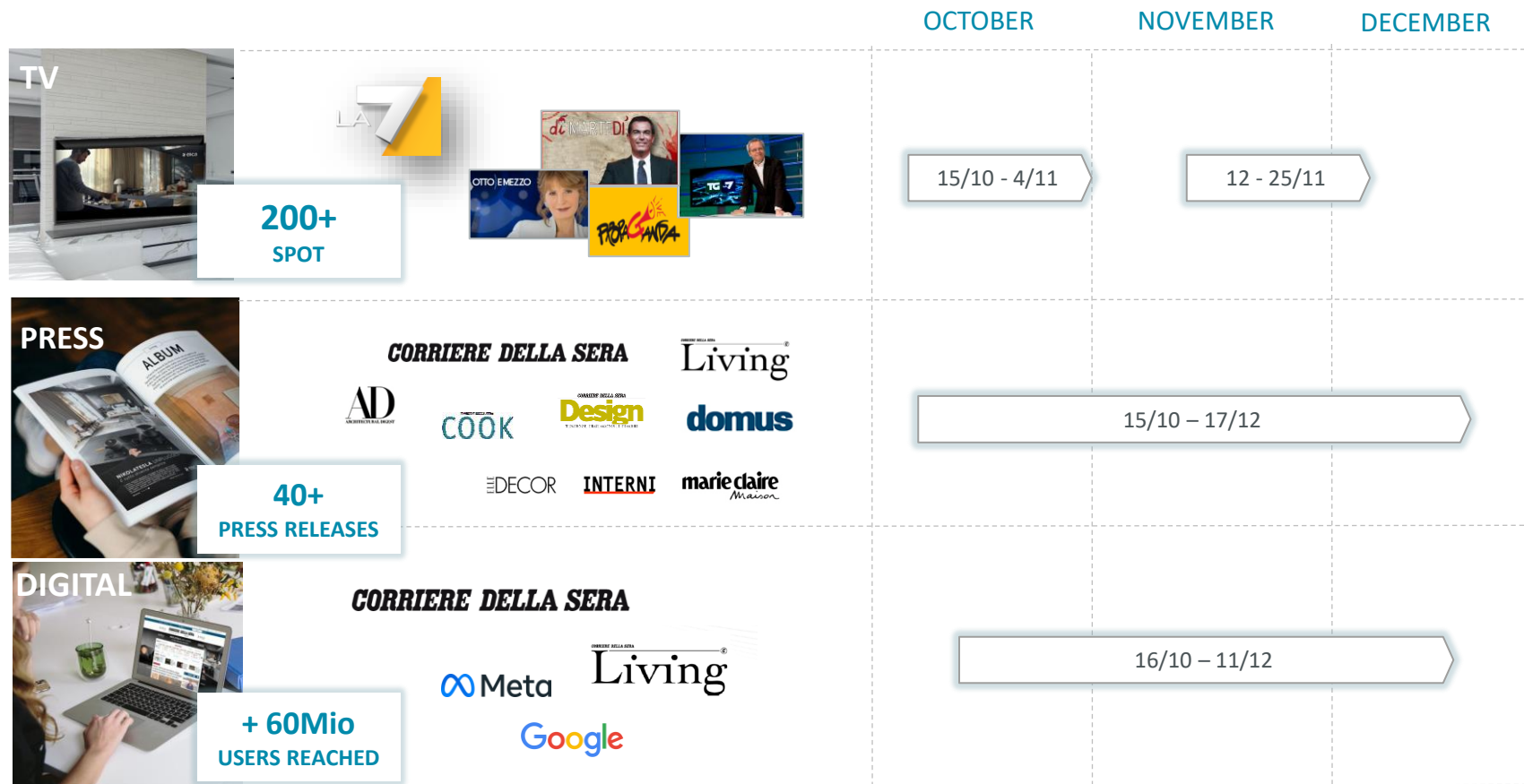
CLOSING REMARKS



ELICA KEEPS BOOSTING ON ITS
BRAND AWARENESS AND UNIQUENESS

READY FOR THE SECOND WAVE OF
THE NIKOLATESLA UNPLUGGED CAMPAIGN

THE CROSS-CHANNEL CAMPAIGN WILL BE ON AIR FOR TWO MONTHS





2023 YTD Takeaways :

- Persisting weak market demand in Cooking business and significant Heating industry slowdown in Motor division, negatively impacting revenues.
- Margins fully protected thanks to industrial footprint flexibility and strong cost control. Solid fundamentals, low contribution from decreasing raw materials costs to offset negative volumes impact.
- **Leverage in line with LY**, healthy mid-term debt structure @2020 interest rates.

Full Year Guidance:

- **Revenues: ~ -15% vs 2022**
 - Cooking market demand not expected to improve YoY in Q4
 - **Priorities:** Defend Market Shares and continue the phase-in of Elica new product range and distribution enlargement
 - Motors: heating market not expected to improve in Q4
 - **Priorities:** Heat-Pumps (Q4), Hydrogen
- **Operating Margin: ~ -50 bps vs LY**
- **Leverage** in line with Q3

ANNEX: FINANCIAL HIGHLIGHTS



Q3 CONSOLIDATED INCOME STATEMENT

€M	3Q 23	3Q 22	%
Net Sales	105.6	128.8	-18.0%
EBITDA Adj	11.4	12.8	-11.3%
%	<i>10.8%</i>	<i>10.0%</i>	<i>81 bps</i>
EBITDA	11.1	11.4	-2.5%
%	<i>10.5%</i>	<i>8.8%</i>	<i>168 bps</i>
EBIT	4.9	5.6	-12.0%
%	<i>4.7%</i>	<i>4.4%</i>	<i>32 bps</i>
Net Result	2.2	1.5	39.8%
%	<i>2.1%</i>	<i>1.2%</i>	<i>85 bps</i>
EPS* – Euro cents	2.92	1.62	<i>80.5%</i>

(*) 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.

9M CONSOLIDATED INCOME STATEMENT

€M	9M 23	9M 22	%
Net Sales	360.2	419.0	-14.0%
EBITDA Adj	37.5	43.3	-13.4%
%	10.4%	10.3%	8 bps
EBITDA	36.2	39.8	-9.1%
%	10.0%	9.5%	54 bps
EBIT	18.1	22.1	-18.2%
%	5.0%	5.3%	-26 bps
Net Result	10.7	14.5	-26.2%
%	3.0%	3.5%	-49 bps
EPS* – Euro cents	15.35	21.15	-27.4%

(*) 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	9M 23	FY 22	Δ
Trade receivables <i>% on annualized sales</i>	30.8 6.4%	48.5 8.8%	(17.7) (240) bps
Inventories <i>% on annualized sales</i>	109.1 22.7%	101.5 18.5%	7.6 420 bps
Trade payables <i>% on annualized sales</i>	(121.2) (25.2)%	(139.6) (25.4)%	18.3 20 bps
Managerial Working Capital <i>% on annualized sales</i>	18.6 3.9%	10.4 1.9%	8.2 200 bps
Short term assets & liabilities <i>% on annualized sales</i>	1.6 0.3%	(12.6) (2.3)%	14.2 260 bps
Net Working Capital <i>% on annualized sales</i>	20.2 4.2%	(2.2) (0.4)%	22.4 460 bps

CONSOLIDATED CASH FLOW

€M	9M 23	9M 22
Operating Cash Flow	15.7	14.4
Capex (*)	(11.5)	(12.2)
Cash Flow from Financial Activities	(20.8)	(19.2)
Δ Net Financial Position	(16.5)	(17.0)

	9M 23	9M 22		9M 23	9M 22
Net Operating Fixed Assets	181.3	175.1	Net Financial Position (*)	59.6	51.8
Net Working Capital	20.2	12.4	Group Equity	140.7	131.5
			Minorities	5.1	5.0
Net Financial Assets	3.9	0.8	Total Shareholders' Equity	145.8	136.5
Net Capital Employed	205.4	188.3	Total Sources	205.4	188.3

FOCUS: NRI & MINORITIES

RESTRUCTURING COSTS & NRI

€M	2023		2022	
	Q3	9M	Q3	9M
PATENTS AGREEMENT	---	---	---	-3,2
RESTRUCTURING SG&A	0,3	0,9	0,1	1,0
INDUSTRIAL PLAN	0,0	0,2	1,3	5,6
OTHERS	0,0	0,2	---	---
TOT NRI	0,3	1,3	1,5	3,5

- **FOCUSED on COST CONTAINMENT** and SGA Re-sizing

MINORITIES

€M	2023			2022		
	MINORITY SHARES	Q3	9M	MINORITY SHARES	Q3	9M
ARIAFINA	49,0%	0,4	1,1	49,0%	0,6	1,2
TOT MINORITIES		0,4	1,1		0,6	1,2

- **ARIAFINA** (Japan) performance in line with 2022

