



Virtual Star Conference 2021
Spring Edition

- **Group overview**
- **A look to the future**
- **2020 Results**
- **Appendix**



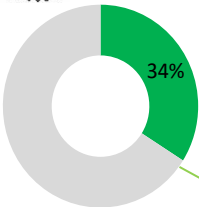
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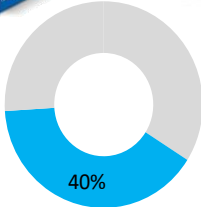


A global player in three businesses

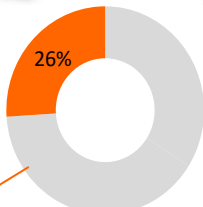
Outdoor Power Equipment



Pumps & High Pressure Water Jetting

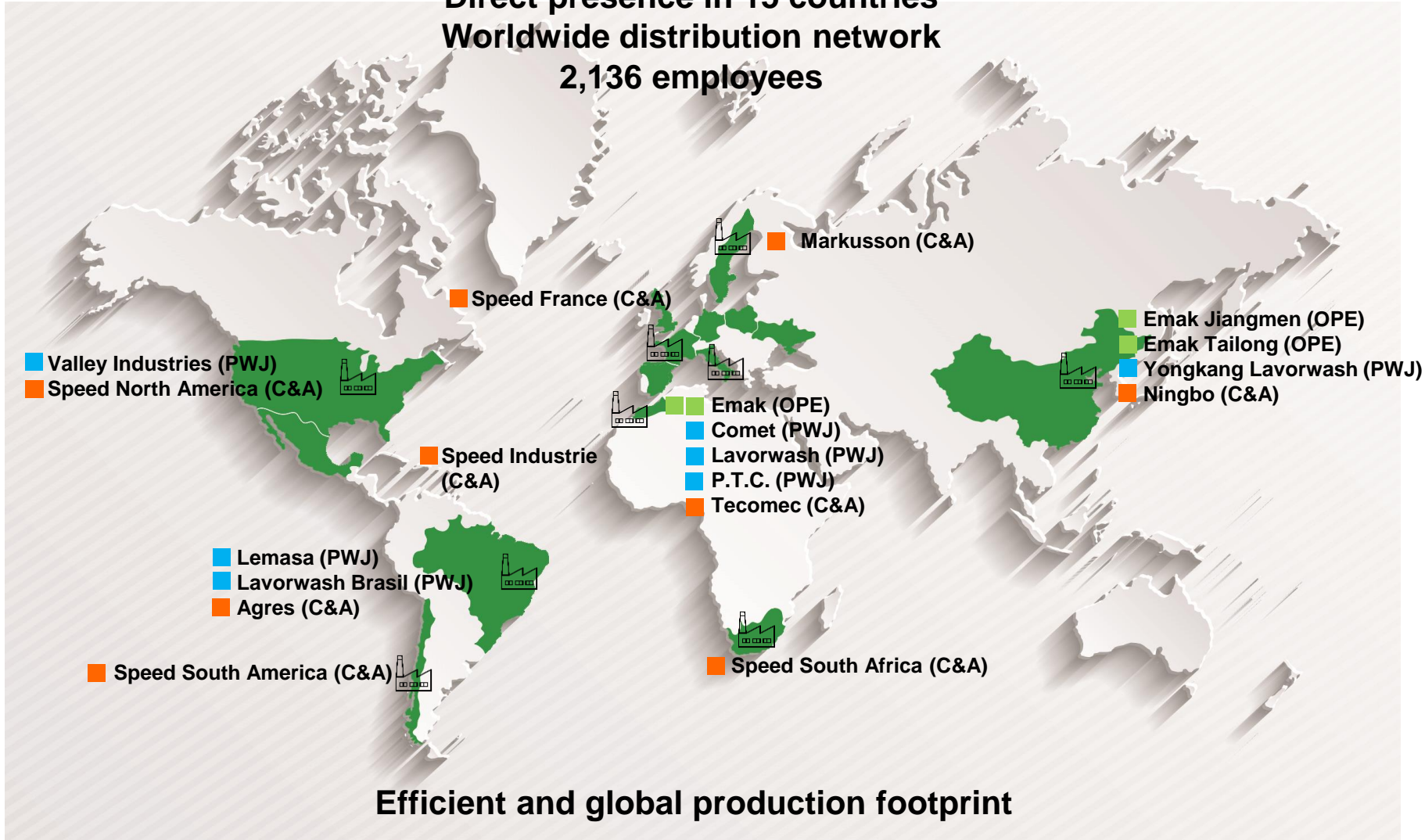


Components & Accessories



€ 470m sales in 2020

Direct presence in 15 countries
Worldwide distribution network
2,136 employees



Efficient and global production footprint

 Outdoor Power Equipment  Pumps & High Pressure Water Jetting  Components & Accessories

GARDENING & FORESTRY

FY 2020
Sales to third parties

159.8 €m



AGRICULTURE



Europe
84%



Americas
4%



Asia,
Africa,
Oceania
12%



AGRICULTURE



INDUSTRIAL



CLEANING



FY 2020
Sales to third parties

189.3 €m



Europe
54%



Americas
34%



Asia,
Africa,
Oceania
13%

GARDENING & FORESTRY



AGRICULTURE



CLEANING



FY 2020
Sales to third parties

120.7 €m



Europe
56%



Americas
29%



Asia,
Africa,
Oceania
15%

GARDENING & FORESTRY



Trimmers for cutting grass and brush



Lawn mowers and tractors for gardens and parks



Chainsaws for pruning, felling, limbing, from DIY to professional

AGRICULTURE



Pumps and components for boom sprayers



Pumps for orchard airblast spraying for high pressure or low volume treatments



Hand spraying for applications inside green houses

INDUSTRIAL



Pumps and accessories for pressure cleaners, from compact to professional machines

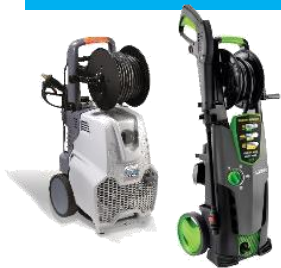


Pumps, units and accessories for application in the shipyard and in the offshore sector



Pumps, units and accessories for application in construction sites

CLEANING



Domestic cleaning



Intense cleaning



Floor care equipment from small to professional models

Our strategy



Innovation

- Product and process innovation
- Digital transformation
- New technologies and applications, safety, comfort, emissions control



Distribution

- Strengthen the position in the markets with direct presence.
- Expand distribution network in markets with high growth potential
- Omni-channel approach, e-commerce



Efficiency

- Lean approach
- Exploit supply chain efficiencies
- Reduction of SG&A
- Optimization of invested capital



Acquisitions

- Access new technologies
- Complete product range
- Penetrate new markets

Emak strengths

Global attractive markets

Stated dividend policy
≈40% of net profit

Diversified business



Cash generation

Wide product range

Efficient and global
production footprint

Committment
to innovation

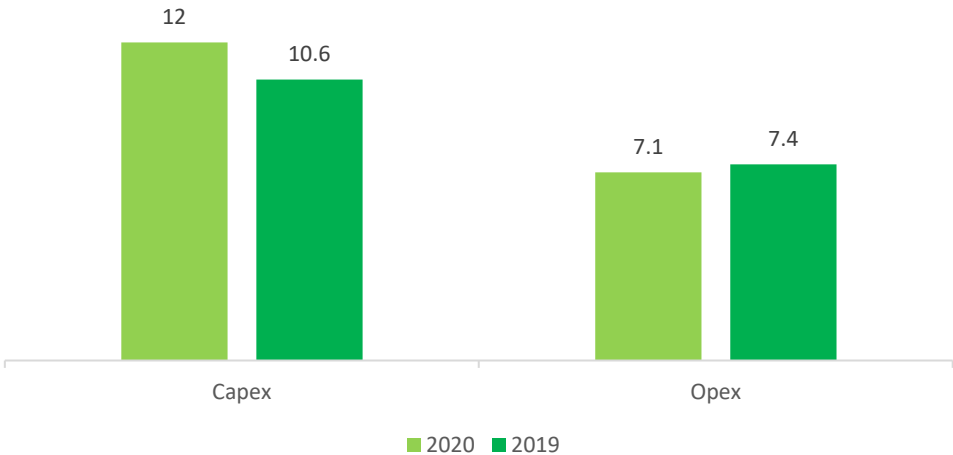
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Research & Development

R&D expenditure
€m



New 40V battery powered range



New R&D center (Bagnolo in Piano)



VRA technology

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FY 2020 results

€/000	Y 2020	Y 2019	ch. %
Revenues from sales	469,778	433,953	8.3%
EBITDA Adj. % on revenues	56,289 12.0%	46,878 10.8%	20.1%
EBIT % on revenues	32,942 7.0%	22,022 5.1%	49.6%
Net profit	19,612	13,126	49.4%

Revenues: increase is due to organic growth for 9.6%, change in the scope of consolidation for 1%, the negative effect of conversion rates for 2.3%.

EBITDA Adj: The result benefited from increase in sales volumes, segment mix, containment of commercial costs, while recording higher charges related to the safety of workplaces resulting from Covid-19.

EBIT: 2019 result included a reduction in the value of the goodwill for € 2,074 thousand.

Net profit: negative impact of forex, the exercise of options on equity investments, partially offset by tax benefits.

€/000	31.12.2020	31.12.2019
Net non-current assets	183,197	186,989
Net working capital	165,655	171,478
Net capital employed	348,852	358,467
Net financial position	(126,552)	(146,935)
Net financial position (net of IFRS 16)	(97,678)	(116,550)
Total equity	222,300	211,532

Net non-current assets decreased due to the disposal of the investment in Cifarelli, the full consolidation of Agres, the negative impact of forex on goodwill.

Investments amounted € 17,170 thousand, mainly product and process innovation.

Net working capital on sales: from 39.5% to 35.1% thanks to good receivables management; stock and payables increase due to higher purchases in the last part of the year.

Net financial position improved thanks to higher cash flow from operations, lower capex, no dividend distribution in the year; acquisition of Markusson and Agres for overall € 11 million included.

Strong sales trend from Q2

Sales by quarter

	2020	Q1 2019	Δ	2020	Q2 2019	Δ	2020	Q3 2019	Δ	2020	Q4 2019	Δ	2020	FY 2019	Δ
TOTAL	118.0	122.4	-3.6%	129.5	120.7	7.3%	112.4	93.9	19.6%	109.9	97.0	13.3%	469.8	434.0	8.3%
<i>OPE</i>	<i>40.9</i>	<i>44.2</i>	<i>-7.6%</i>	<i>44.2</i>	<i>40.8</i>	<i>8.2%</i>	<i>38.9</i>	<i>30.1</i>	<i>29.4%</i>	<i>35.8</i>	<i>33.1</i>	<i>8.3%</i>	<i>159.8</i>	<i>148.2</i>	<i>7.8%</i>
<i>PWJ</i>	<i>46.9</i>	<i>49.1</i>	<i>-4.5%</i>	<i>52.4</i>	<i>51.2</i>	<i>2.3%</i>	<i>45.7</i>	<i>40.3</i>	<i>13.3%</i>	<i>44.4</i>	<i>40.6</i>	<i>9.3%</i>	<i>189.4</i>	<i>181.3</i>	<i>4.5%</i>
<i>C&A</i>	<i>30.2</i>	<i>29.0</i>	<i>4.1%</i>	<i>33.0</i>	<i>28.6</i>	<i>15.2%</i>	<i>27.8</i>	<i>23.6</i>	<i>18.0%</i>	<i>29.7</i>	<i>23.3</i>	<i>27.5%</i>	<i>120.7</i>	<i>104.5</i>	<i>15.5%</i>

Prompt response to COVID impact thanks to flexible and global production footprint and employees commitment

Results driven by strategy effectiveness: product innovation, competitiveness, strengthening of distribution network, contribution of acquisitions

Favourable season for gardening and cleaning, change in consumer habit

Outdoor Power Equipment

€/000	FY 2020	FY 2019	Var. %
Europe	134,722	129,738	3.8
Americas	6,094	6,342	(3.9)
Asia, Africa and Oceania	18,945	12,163	55.8
Total	159,761	148,243	7.8

€/000	FY 2020	FY 2020
Sales to third parties	159,761	148,243
<i>Intersegment sales</i>	<i>585</i>	<i>518</i>
Revenues from sales	160,346	148,761
Ebitda Adj	9,348	7,507
<i>Ebitda Adj / Revenues from sales%</i>	<i>5.8%</i>	<i>5.0%</i>
Ebit	1,262	(2,287)
<i>Ebit / Revenues from sales%</i>	<i>0.8%</i>	<i>-1.5%</i>

SALES

- ✓ Europe: positive performance in main markets (Italy, France, Spain, Poland)
- ✓ Americas: further recovery in Q4 thanks to Latin America
- ✓ Asia, Africa and Oceania: strong performance on the Turkish market.

EBITDA Adj

- ✓ Increase in sales volumes
- ✓ Cost containment measures
- ✓ Unfavorable product / country mix

Pumps & High Pressure Water Jetting

€/000	FY 2020	FY 2019	Var. %
Europe	99,515	93,708	6.2
Americas	65,103	63,979	1.8
Asia, Africa and Oceania	24,739	23,563	5.0
Total	189,357	181,250	4.5

€/000	FY 2020	FY 2019
Sales to third parties	189,357	181,250
<i>Intersegment sales</i>	<i>2,290</i>	<i>1,693</i>
Revenues from sales	191,647	182,943
Ebitda Adj	28,535	26,079
<i>Ebitda Adj / Revenues from sales%</i>	<i>14.9%</i>	<i>14.2%</i>
Ebit	20,274	17,872
<i>Ebit / Revenues from sales%</i>	<i>10.6%</i>	<i>9.8%</i>

SALES

- ✓ Europe: strong performance in Italy, Spain, Germany, Poland and online.
- ✓ Americas: positive result penalized by devaluation of South American currencies.
- ✓ Asia, Africa and Oceania: positive trend continues in Asia and Oceania.

EBITDA Adj

- ✓ Increase in sales volumes
- ✓ Cost containment measures

Components & Accessories

€/000	FY 2020	FY 2019	Var. %
Europe	68,123	61,053	11.6
Americas	34,682	29,416	17.9
Asia, Africa and Oceania	17,855	13,991	27.6
Total	120,660	104,460	15.5

€/000	FY 2020	FY 2019
Sales to third parties	120,660	104,460
<i>Intersegment sales</i>	<i>8,444</i>	<i>7,007</i>
Revenues from sales	129,104	111,467
Ebitda Adj	20,770	15,669
<i>Ebitda Adj / Revenues from sales%</i>	<i>16.1%</i>	<i>14.1%</i>
Ebit	13,770	8,814
<i>Ebit / Revenues from sales%</i>	<i>10.7%</i>	<i>7.9%</i>

SALES

- ✓ Europe: higher sales of gardening products, mainly in Central European markets. Consolidation of Swedish company Markusson
- ✓ Americas: strong growth linked to the sales of forestry and gardening products in the North American market. Continued good performance in the South American markets. Consolidation of Agres
- ✓ Asia, Africa and Oceania: growth mainly attributable to Chinese, Australian and Turkish markets.

EBITDA Adj

- ✓ Increase in sales volumes
- ✓ Positive customer/product mix

Good start of 2021

- January – February sales up ≈25%
- Low market inventory level of gardening and cleaning products
- Demand of agricultural products supported by the favorable price of commodities
- High demand for sanitation and cleaning products
- Strong order entry for upcoming months
- 2021 still impacted by Covid-19, but improvement expected thanks to vaccination plan

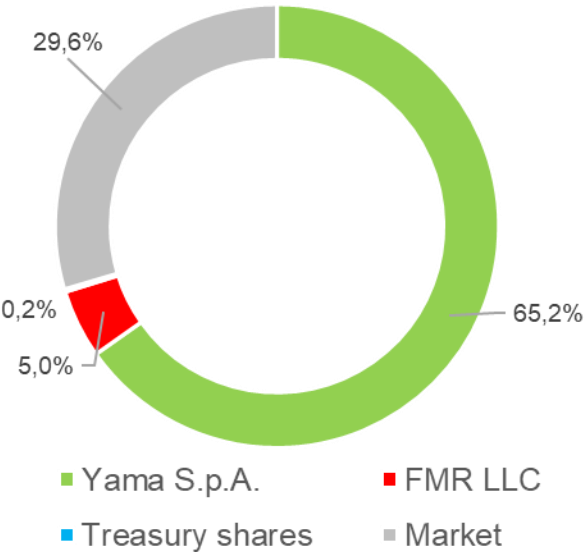
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Shareholders and Governance

Emak has been listed on the Italian Stock Exchange since 1998 and since 2001 on STAR segment (dedicated to mid-size companies that adhere to strict requirements appreciated by global investors in terms of governance, liquidity, transparency).



Yama is an industrial holding whose shareholders are the families that founded the Group in late 60's.
Seven families hold 97% of Yama's share capital, with shareholdings from 6% to 23%.

Board of Directors

Bellamico Fausto	Chairman & CEO
Burani Aimone	Vice Chairman & CFO
Bartoli Luigi	Executive director
Baldi Francesca	Director
Bartoli Ariello	Director
Becchi Paola	Director
Ferrari Giuliano	Director
Salsapariglia Marzia	Director
Spaggiari Vilmo	Director
Zambelli Guerrino	Director
Iotti Elena	Independent Director
Lanza Alessandra	Independent Director
Livatino Massimo	Lead Independent Director

Board of Statutory Auditors

Montanari Stefano	Chairman
Bartoli Gianluca	
Benassi Francesca	

Independent Auditors

Deloitte & Touche S.p.A.

FY 2020 - Results by business segment

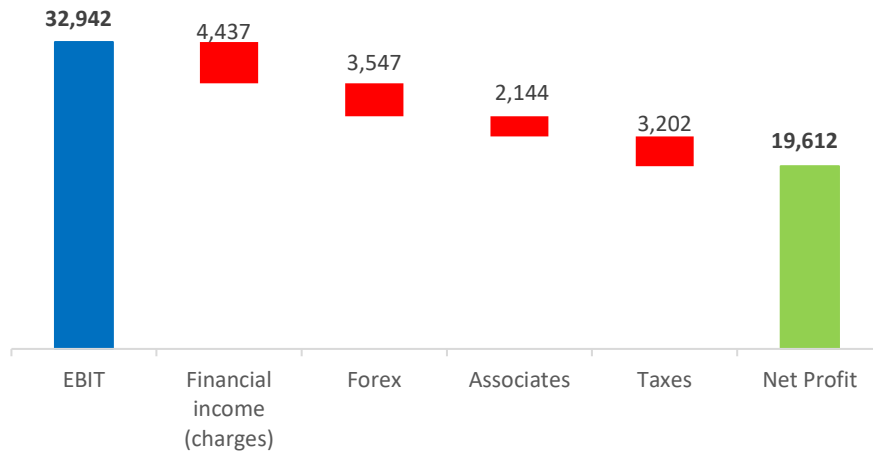
	OUTDOOR POWER EQUIPMENT		PUMPS AND HIGH PRESSURE WATER JETTING		COMPONENTS AND ACCESSORIES		Other not allocated / Netting		Consolidated	
€/000	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Sales to third parties	159,761	148,243	189,357	181,250	120,660	104,460			469,778	433,953
Intersegment sales	585	518	2,290	1,693	8,444	7,007	(11,319)	(9,218)		
Revenues from sales	160,346	148,761	191,647	182,943	129,104	111,467	(11,319)	(9,218)	469,778	433,953
Ebitda	9,011	7,283	28,157	26,058	20,830	15,126	(2,364)	(2,377)	55,634	46,090
Ebitda/Total Revenues %	5.6%	4.9%	14.7%	14.2%	16.1%	13.6%			11.8%	10.6%
Ebitda before non ordinary expenses	9,348	7,507	28,535	26,079	20,770	15,669	(2,364)	(2,377)	56,289	46,878
Ebitda before non ordinary expenses/Total Revenues %	5.8%	5.0%	14.9%	14.2%	16.1%	14.1%			12.0%	10.8%
Operating result	1,262	(2,287)	20,274	17,872	13,770	8,814	(2,364)	(2,377)	32,942	22,022
Operating result/Total Revenues %	0.8%	-1.5%	10.6%	9.8%	10.7%	7.9%			7.0%	5.1%
Net financial expenses (1)									(10,128)	(3,141)
Profit before taxes									22,814	18,881
Income taxes									(3,202)	(5,755)
Net profit									19,612	13,126
Net profit/Total Revenues%									4.2%	3.0%
(1) Net financial expenses includes the amount of Financial income and expenses, Exchange gains and losses and the amount of the Income from equity investment										
STATEMENT OF FINANCIAL POSITION	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net debt	10,780	29,304	87,031	98,863	28,741	19,071	0	(303)	126,552	146,935
Shareholders' Equity	178,820	176,334	66,031	62,460	55,096	50,295	(77,647)	(77,557)	222,300	211,532
Total Shareholders' Equity and Net debt	189,600	205,638	153,062	161,323	83,837	69,366	(77,647)	(77,860)	348,852	358,467
Net non-current assets (2)	130,336	137,483	86,970	94,433	41,397	30,577	(75,506)	(75,504)	183,197	186,989
Net working capital	59,264	68,155	66,092	66,890	42,440	38,789	(2,141)	(2,356)	165,655	171,478
Total net capital employed	189,600	205,638	153,062	161,323	83,837	69,366	(77,647)	(77,860)	348,852	358,467
(2) The net non-current assets of the Outdoor Power Equipment area includes the amount of Equity investments for 76,074 thousand Euro										
OTHER STATISTICS	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Number of employees at period end	738	743	777	731	613	506	8	8	2,136	1,988
OTHER INFORMATIONS	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Amortization, depreciation and impairment losses	7,748	9,570	7,884	8,186	7,060	6,312			22,692	24,068
Investment in property, plant and equipment and in intangible assets	5,050	8,573	3,476	3,983	8,644	5,897			17,170	18,453

FY 2020 - Consolidated income statement

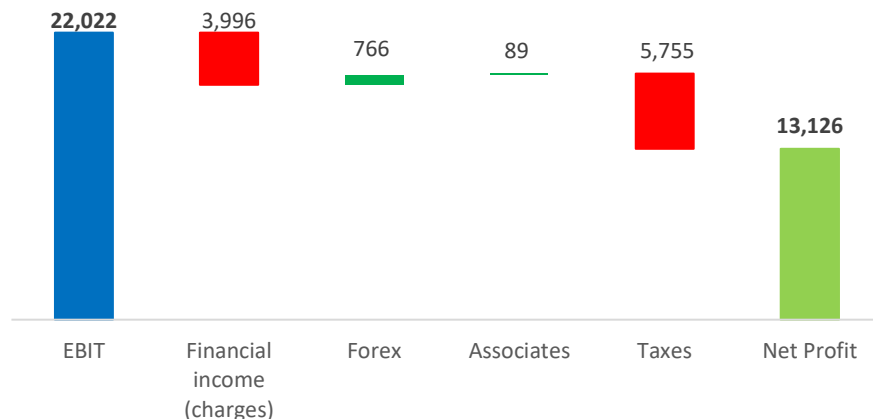
€/000	FY 2020	FY 2019
Revenues from sales	469,778	433,953
Other operating incomes	4,152	4,668
Change in inventories	9,996	854
Raw materials, consumables and goods	(258,006)	(230,213)
Personnel expenses	(84,588)	(81,106)
Other operating costs and provisions	(85,698)	(82,066)
Amortization, depreciation and impairment losses	(22,692)	(24,068)
Operating result	32,942	22,022
Financial income	727	1,370
Financial expenses	(5,164)	(5,366)
Exchange gains and losses	(3,547)	766
Income from/(expenses on) equity investment	(2,144)	89
Profit before taxes	22,814	18,881
Income taxes	(3,202)	(5,755)
Net profit	19,612	13,126
(Profit)/loss attributable to non controlling interests	(312)	(177)
Net profit attributable to the Group	19,300	12,949

Increase in net profit despite forex and associates

Net profit 2020



Net profit 2019



- Financial income (charges): 2020 figure includes 646€/000 charges (gain of 486€/000 in 2019) for Put & Call option estimate adjustments.
- Forex: 2020 figure affected by the negative trend of the Brazilian Real, and in general of the other South American currencies and the US dollar.
- Associates: 2020 figure includes a capital loss for 1,389 €/000 from the sale of 30% of of Cifarelli, and a capital loss of 755 €/000 for the adjustment of the 33% stake in Agres at the fair value, consequent to the shift from associates to consolidated company.
- Taxes: 2020 tax rate 14% compared to 30.5% in 2019 due to tax benefits deriving from the application of the provisions set out in Legislative Decree 104/2020 (realignments, revaluations) and application of the "Patent Box" regime following approval by the Italian Revenue Agency.

FY 2020 - Consolidated balance sheet - Assets

€/000	31.12.2020	31.12.2019
Non-current assets		
Property, plant and equipment	76,409	76,591
Intangible assets	23,069	20,498
Rights of use	27,925	29,716
Goodwill	67,464	63,844
Equity investments in other companies	8	8
Equity investments in associates	-	7,399
Deferred tax assets	9,063	8,106
Other financial assets	808	2,423
Other assets	57	63
Total non-current assets	204,803	208,648
Current assets		
Inventories	163,602	158,336
Trade and other receivables	111,082	104,304
Current tax receivables	7,516	5,225
Other financial assets	229	465
Derivative financial instruments	506	301
Cash and cash equivalents	99,287	47,695
Total current assets	382,222	316,326
TOTAL ASSETS	587,025	524,974

FY 2020 - Consolidated balance sheet - Liabilities

€/000	31.12.2020	31.12.2019
Shareholders' Equity		
Shareholders' Equity of the Group	220,137	209,495
Non-controlling interests	2,163	2,037
Total Shareholders' Equity	222,300	211,532
Non-current liabilities		
Loans and borrowings due to banks and other lenders	135,456	98,153
Liabilities for leasing	24,058	25,426
Deferred tax liabilities	6,465	8,337
Employee benefits	7,608	8,110
Provisions for risks and charges	2,382	2,304
Other non-current liabilities	4,343	486
Total non-current liabilities	180,312	142,816
Current liabilities		
Trade and other payables	110,554	90,477
Current tax liabilities	4,764	4,174
Loans and borrowings due to banks and other lenders	62,032	68,373
Liabilities for leasing	4,816	4,959
Derivative financial instruments	1,020	908
Provisions for risks and charges	1,227	1,735
Total current liabilities	184,413	170,626
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	587,025	524,974

Synthesis of results

€m	2011	2011 PF	2012	2013	2014	2015	2016	2017	2017 PF	2018	2019 no IFRS 16	2019	2020
Sales	204.4	357.0	354.8	355.0	354.8	381.6	391.9	422.2	461.8	452.8	434.0	434.0	469.8
EBITDA adj	19.6	37.8	31.7	34.2	33.1	37.5	40.5	45.6	52.5	50.8	40.9	46.9	56.3
margin	9.6%	10.6%	8.9%	9.6%	9.3%	9.8%	10.3%	10.8%	11.4%	11.2%	9.4%	10.8%	12.0%
EBITDA	17.5	35.8	28.8	34.2	31.5	35.8	39.5	43.9	50.1	49.4	40.1	46.1	55.6
margin	8.6%	10.0%	8.1%	9.6%	8.9%	9.4%	10.1%	10.4%	10.8%	10.9%	9.2%	10.6%	11.8%
EBIT	10.4	23.7	16.6	22.4	20.0	23.3	21.9	30.0	35.8	34.0	21.5	22.0	32.9
margin	5.1%	6.6%	4.7%	6.3%	5.6%	6.1%	5.6%	7.1%	7.8%	7.5%	5.0%	5.1%	7.0%
Net profit	5.8	13.0	8.6	10.5	10.2	9.0	17.7	16.4	20.6	25.6	13.4	13.1	19.6
Margin	2.8%	3.6%	2.4%	3.0%	2.9%	2.4%	4.5%	3.9%	4.5%	5.7%	3.1%	3.0%	4.2%
FCF from operations *	12.9	25.0	20.8	22.4	21.7	21.5	35.3	30.4	34.9	41.1	32.1	37.2	42.3
Net Equity	140.1	140.1	145.0	150.8	160.1	168.5	181.7	187.5	187.5	205.8	212.2	211.5	222.3
Net fin. debt	97.3	97.3	99.9	76.4	79.0	99.4	80.1	125.3	125.3	117.4	116.6	146.9	126.6
Debt/Equity	0.7	0.7	0.7	0.5	0.5	0.6	0.4	0.7	0.7	0.6	0.5	0.7	0.6
Debt/EBITDA adj	5.0	2.6	3.1	2.2	2.4	2.7	2.0	2.7	2.4	2.3	2.8	3.1	2.2

* Calculated by adding the items "Net profit" plus "Amortization, depreciation and impairment losses"

2011: Acquisition of Epicenter (Ukraine), Tecomet, Comet, Sabart and Raico **2012:** Start-up of Emak do Brazil, acquisition of Valley in USA **2014:** Acquisition of Speed Industrie Sarl (Marocco), S.I.Agro Mexico, Geoline Electronic, Master Fluid, Speed South America (Chile) **2015:** Acquisition of Lemasa (Brazil) **2016:** Acquisition of 30% of Cifarelli S.p.A. **2017:** Acquisition of Lavorwash Group **2018:** Sale of Raico; acquisition of Spraycom **2019:** acquisition of 30% of Agres (Brazil) **2020:** acquisition of 51% of Markusson (Sweden); increase in Agres to 91%.

Aimone Burani, the executive responsible for the preparation of the corporate accounting documents, declares and certifies in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the financial statements contained in this presentation correspond to the underlying accounting documents, records and accounting entries.



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Speakers

Mr. Fausto Bellamico – Chairman and CEO
Mr. Aimone Burani – Deputy Chairman and CFO
Mr. Andrea La Fata – Investor Relator
andrea.lafata@emak.it - 0039-0522.956.332