



Emak[®]

our power, your passion



Euronext Star Conference 2024



Agenda



- Emak at a glance
- FY 2023 results
- Appendix

- **Emak at a glance**
- FY 2023 results
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Emak at a glance



Established in **1972**



Listed at the Stock Exchange in **1998**



3 business segments



2023 sales turnover: **566 €m**



≈**2,500** employees



Outdoor Power Equipment

30%



Pumps & Water Jetting

43%



**Components
& Accessories**

27%

Sales distribution by geographical area



EUROPE
59%



AMERICAS
29%



RoW
12%

Our strategy



Innovation

- Product innovation (emissions reduction, safety, comfort)
- Process innovation (virtual reality, 3D printing)
- Digital transformation
- New technologies and applications



Efficiency

- Lean approach
- Cost rationalization and operating leverage
- Value creation from acquisitions (synergies)
- Optimization of invested capital



Distribution

- Expand and strengthen distribution network in market with high growth potential
- Strengthen OEM relationship
- Omni-channel approach

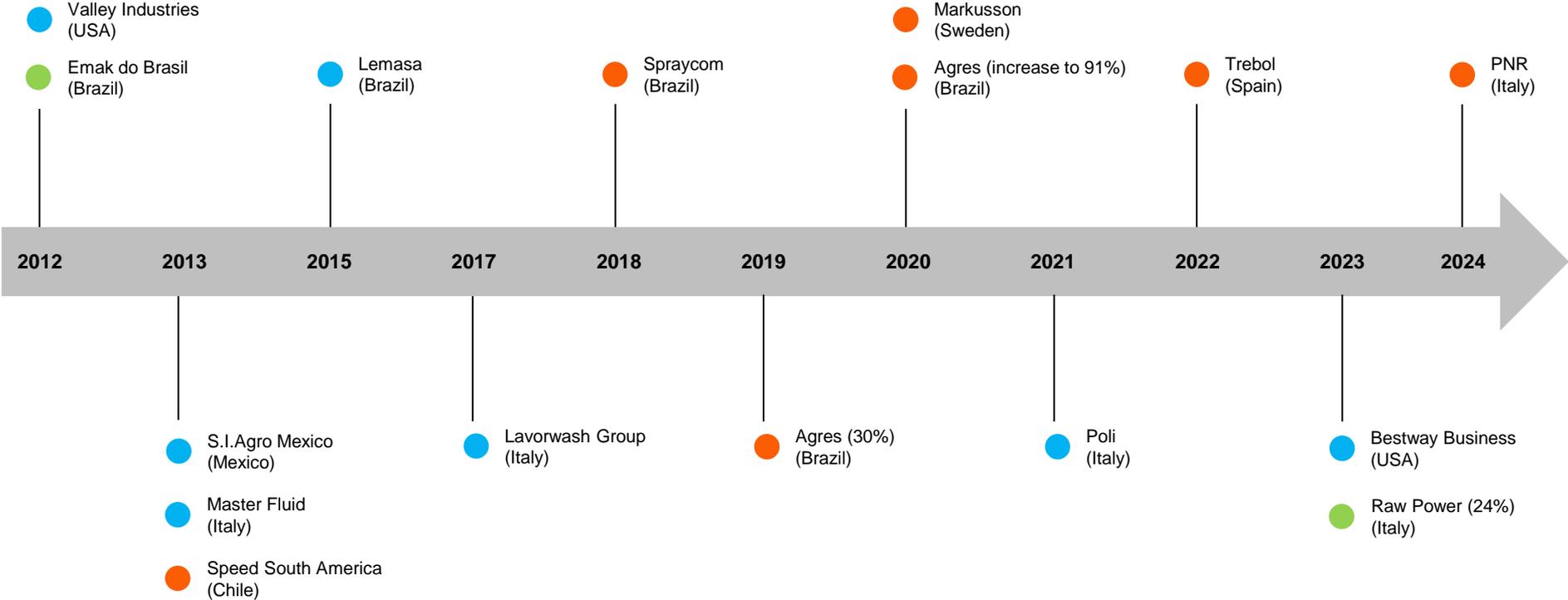


Acquisitions

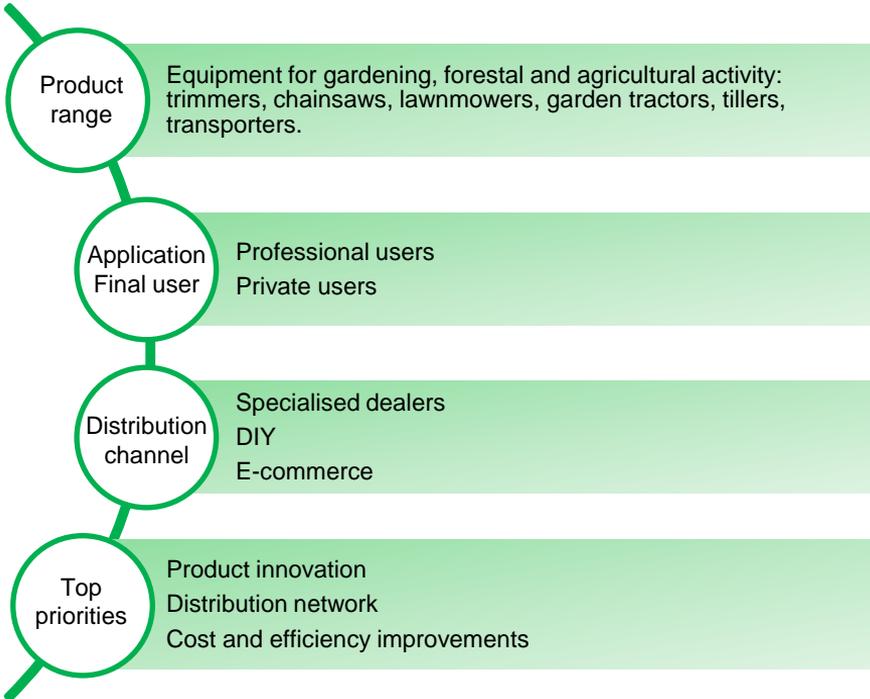
- Access new technologies
- Complete product range
- Enter new markets



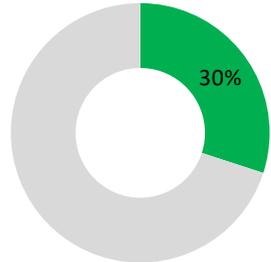
Successful M&A track record



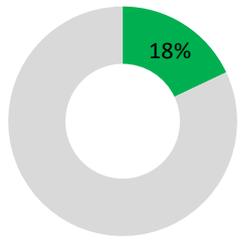
OUTDOOR POWER EQUIPMENT



% of Group sales



% of Group EBITDA



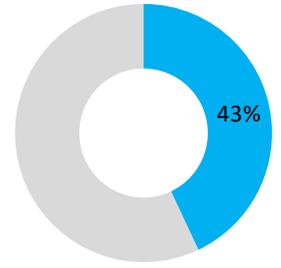
PUMPS & WATER JETTING



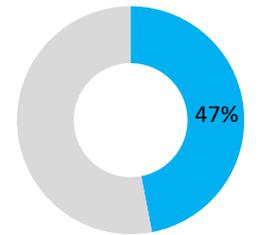
- Product range**
 Agriculture: diaphragm/centrifugal/piston pumps, spraying systems
 Industrial: piston pumps, hydrodynamic units and urban cleaning equipment.
 Cleaning: complete range of high pressure washers, floor care equipment
- Application Final user**
 Agriculture: spraying and weeding
 Industrial: Oil & gas, sugar cane, Shipyard, Cleaning
 Cleaning: Professional, Hobby
- Clients Distribution channel**
 Agriculture: Manufacturers of spraying and weeding machines
 Industrial: Manufacturers of hydrodynamic units and high pressure washers, contractors, independent distributors
 Cleaning: Specialised dealers, DIY, E-commerce
- Top priorities**
 Product innovation
 Cost and efficiency improvements
 Maximize value creation from acquisitions



% of Group sales

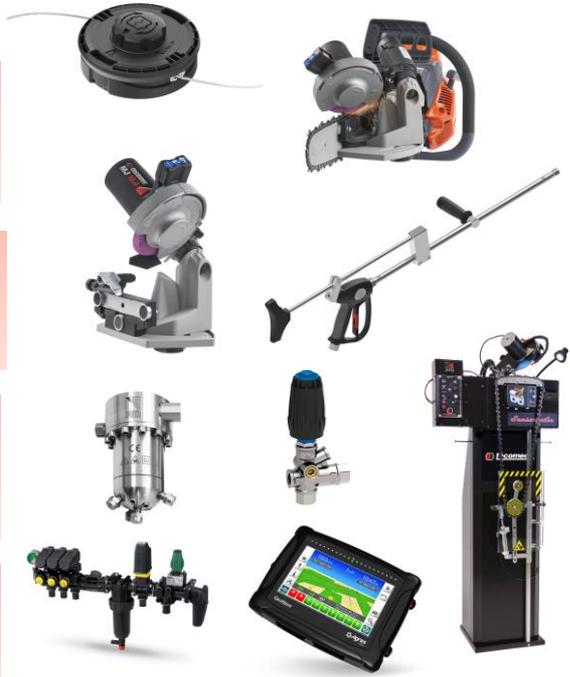


% of Group EBITDA

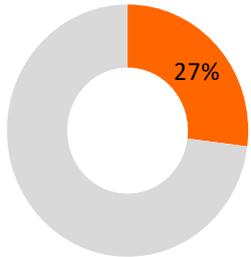


COMPONENTS & ACCESSORIES

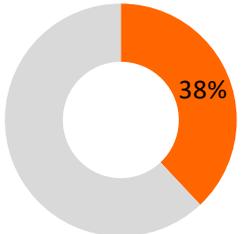
- Product range**
 Cutting systems for trimmers, automatic saw chain sharpening machinery, accessories & components hobby and professional cleaning applications, navigation systems, electronic and digital solutions for precision farming
- Application Final user**
 Agriculture: spraying and weeding
 Industrial: Oil & gas, sugar cane, shipyard, cleaning, food
 Cleaning: Professional, Hobby
- Clients Distribution channel**
 Outdoor Power Equipment manufacturers; Manufacturers of spraying and weeding machines; Manufacturers of hydrodynamic units and high-pressure washers; specialised dealers and DIY.
- Top priorities**
 Product innovation
 Strengthening of OEM relations



% of Group sales



% of Group EBITDA



Agenda



- Emak at a glance
- **FY 2023 results**
- Appendix

Sales
566.3€m

Macroeconomic dynamics: inflation and interest rates trends
Change of consumption preferences
Acquisitions contribution

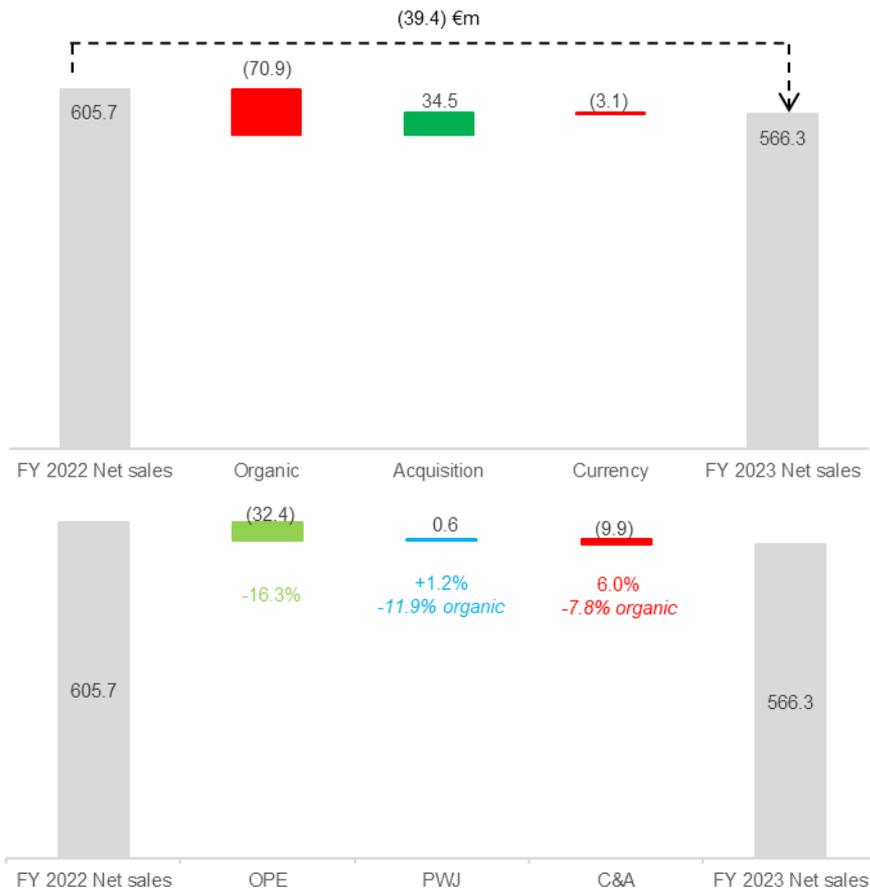
EBITDA Adj.
67.9€m

Slight decline in profitability (12% vs 12.7%)
Lower volumes
Reduction in logistic costs
Increase in commercial costs

Net debt
191.5€m

Working capital organic decrease
Inventories normalization
Higher capex
Bestway acquisition

Sales



Outdoor Power Equipment

Decrease in first half of the year, due to the high levels of inventory in the network, the change in spending priorities by end consumers and the strong inflation already seen during 2022. Second part of the year broadly in line with the same period of 2022. In the fourth quarter, in particular, we began to see an alignment of order intake and sales on values comparable to the same period of the last financial year. The sale of components and spare parts has recorded a result in line with the previous year, indicating the use of equipment and the high level of service provided to the network by the group's distributors.

Pumps and Water Jetting

The line was growing thanks to the contribution of the Bestway acquisition. Organic decrease because of the slowdown in all the markets in which the Group operates, an effect which was accentuated in Europe in the second part of the year, while in the United States it had the most critical moment at the beginning of the year and then progressively recovered in the second half. The cleaning line is the one that has been most affected by the macroeconomic context, with a generalized decline in both hobby and professional products. Industrial products recorded sales in line with 2022 thanks mainly to very high pressure products.

Components and Accessories

Lawn care products saw a general contraction, except for the American market; the line dedicated to agriculture was affected by the general decline in the sector, particularly in the South American markets; cleaning products recorded an overall decline, characterized by a negative trend in the hobby segment and a recovery in the professional line.

Profitability

	FY 2023	FY 2022	Δ	Q4 2023	Q4 2022	Δ
Revenues from sales	566.3	605.7	-6.5%	116.4	113.5	2.6%
EBITDA Adj	67.9	76.6	-11.4%	7.3	7.9	-7.5%
<i>% on sales</i>	<i>12.0%</i>	<i>12.6%</i>		<i>-1.5%</i>	<i>-1.3%</i>	
EBIT	37.2	46.8	-20.5%	(1.1)	(2.4)	-54.0%
<i>% on sales</i>	<i>6.6%</i>	<i>7.7%</i>		<i>-1.9%</i>	<i>-2.3%</i>	
<i>Financial income</i>	<i>5.6</i>	<i>4.0</i>		<i>2.8</i>	<i>1.0</i>	
<i>Financial expenses</i>	<i>(17.8)</i>	<i>(8.6)</i>		<i>(6.1)</i>	<i>(3.8)</i>	
<i>Forex</i>	<i>0.4</i>	<i>1.9</i>		<i>(0.5)</i>	<i>(1.0)</i>	
Profit befor taxes	25.4	44.1	-42.3%	(5.0)	(6.3)	-21.2%
Income taxes	(5.5)	(12.9)		2.1	0.3	
Net profit	19.9	31.2	-36.1%	(2.9)	(6.0)	-51.7%

EBITDA adjusted benefited from the change in the consolidation area by €2.2 million and from the reduction in logistics costs, while it was affected by the decrease in sales volumes and the increase in commercial costs.

EBIT 2022 figure included a loss of € 2.9 million due to the reduction in the value of goodwill.

Consolidated net profit was affected by the increase in financial charges due to the higher average debt and, above all, due to the increase in variable rates to which the costs of financing are linked.

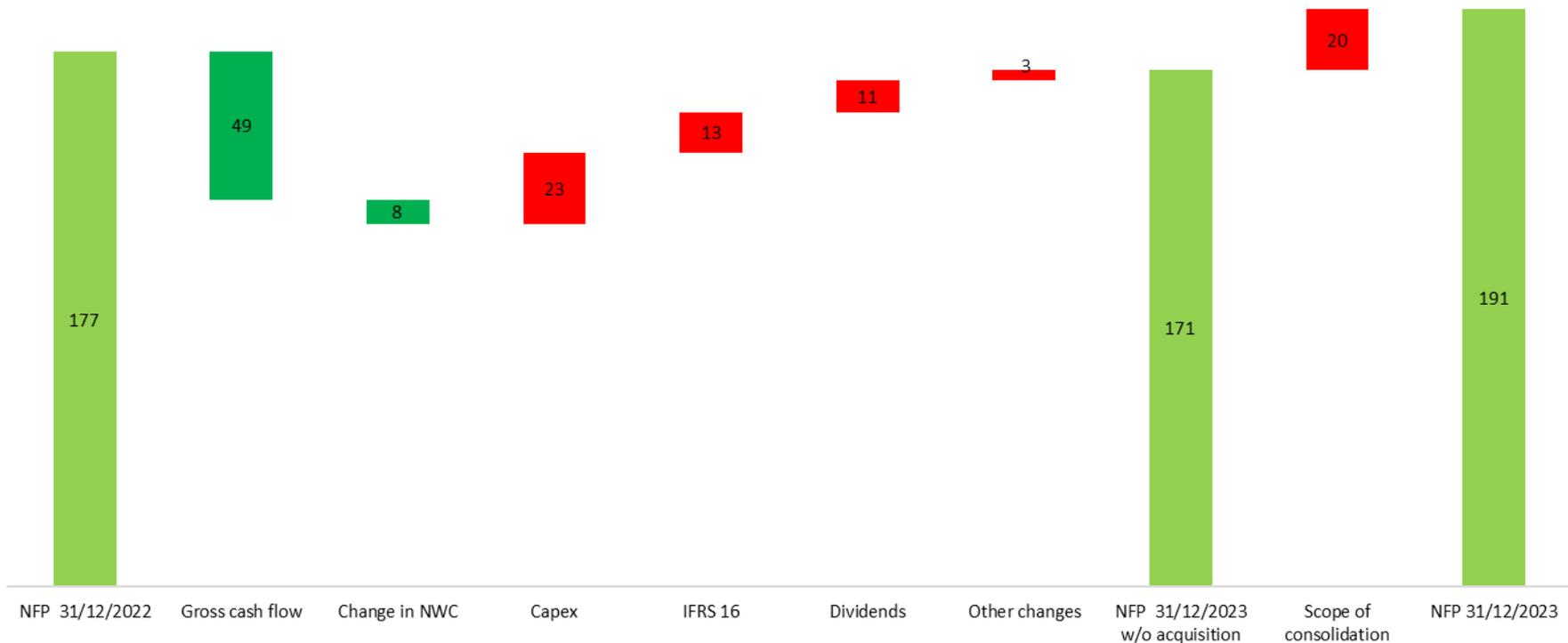
Consolidated balance sheet

€m	31.12.2023	31.12.2022
Net non-current assets	223,6	206,6
Net working capital	251,6	247,7
Total net capital employed	475,2	454,3
Net financial position	(191,5)	(177,3)
<i>IFRS16 effect</i>	<i>(43,9)</i>	<i>(38,0)</i>
<i>Net financial position (no IFRS16)</i>	<i>(147,6)</i>	<i>(139,3)</i>
Total equity	283,7	277,0

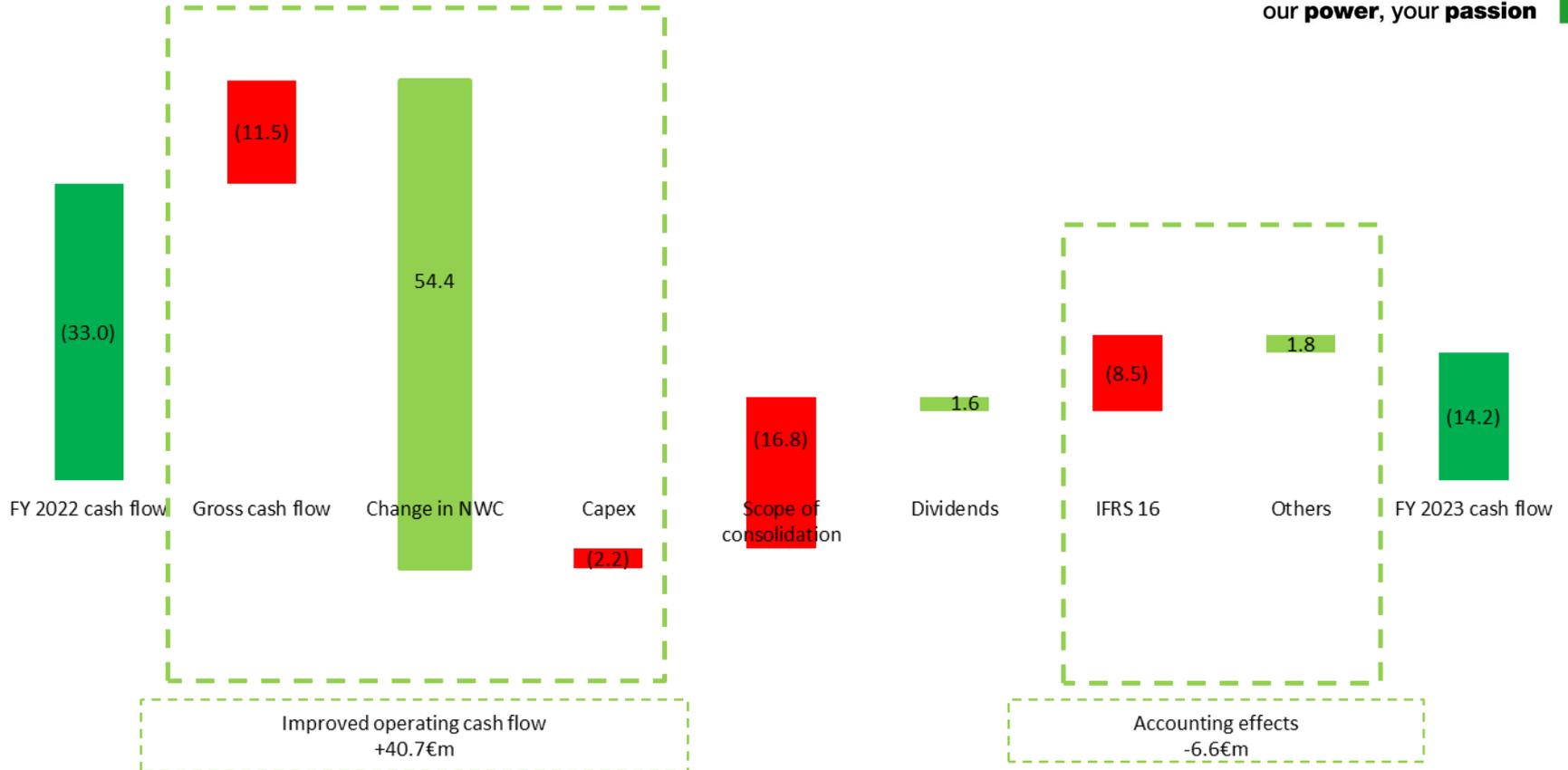
- Net working capital:
 - Acquisition impact of 12€m
 - Progressive normalization of the level of inventories
 - Decline in trade receivables due to lower sales

- Net financial position
 - Overall improved cash flow generation
 - Acquisition impact of 20€m

Net Financial Position



Cash flow



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- FY 2023 results
- **Appendix**

Results by business segment – FY 2023



our power, your passion

	OUTDOOR POWER EQUIPMENT		PUMPS AND WATER JETTING		COMPONENTS AND ACCESSORIES		Other not allocated / Netting		Consolidated	
€/000	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Sales to third parties	166,994	199,436	244,252	241,283	155,071	165,004			566,317	605,723
Intersegment sales	393	357	3,045	3,308	8,129	9,685	(11,567)	(13,350)		
Revenues from sales	167,387	199,793	247,297	244,591	163,200	174,689	(11,567)	(13,350)	566,317	605,723
Ebitda (*)	11,694	12,257	31,290	34,910	25,517	31,937	(2,197)	(3,025)	66,304	76,079
<i>Ebitda/Total Revenues %</i>	7.0%	6.1%	12.7%	14.3%	15.6%	18.3%			11.7%	12.6%
Ebitda before non ordinary expenses (*)	11,984	12,495	31,928	35,082	26,163	32,092	(2,197)	(3,025)	67,878	76,644
<i>Ebitda before non ordinary expenses/Total Revenues %</i>	7.2%	6.3%	12.9%	14.3%	16.0%	18.4%			12.0%	12.7%
Operating result	3,834	1,251	20,263	26,054	15,324	22,475	(2,197)	(3,025)	37,224	46,755
<i>Operating result/Total Revenues %</i>	2.3%	0.6%	8.2%	10.7%	9.4%	12.9%			6.6%	7.7%
Net financial expenses (1)									(11,789)	(2,658)
Profit before taxes									25,435	44,097
Income taxes									(5,513)	(12,932)
Net profit									19,922	31,165
<i>Net profit/Total Revenues%</i>									3.5%	5.1%
(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	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Net debt (*)	11,174	21,295	134,618	108,992	45,703	47,018	0	0	191,495	177,305
Shareholders' Equity	185,337	184,363	99,670	98,689	76,978	72,228	(78,318)	(78,293)	283,667	276,987
Total Shareholders' Equity and Net debt	196,511	205,658	234,288	207,681	122,681	119,246	(78,318)	(78,293)	475,162	454,292
Net non-current assets (2) (*)	122,370	122,922	116,156	101,679	60,261	57,242	(75,212)	(75,238)	223,575	206,605
Net working capital (*)	74,141	82,736	118,132	106,002	62,420	62,004	(3,106)	(3,055)	251,587	247,687
Total net capital employed (*)	196,511	205,658	234,288	207,681	122,681	119,246	(78,318)	(78,293)	475,162	454,292
(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	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Number of employees at period end	725	747	959	873	669	655	9	9	2,362	2,284
OTHER INFORMATIONS	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Amortization, depreciation and impairment losses	7,860	11,006	11,027	8,856	10,193	9,462			29,080	29,324
Investment in property, plant and equipment and in intangible assets	6,202	4,461	9,814	8,639	6,920	8,632			22,936	21,732

Consolidated income statement

€/000	Year 2023	of which to related parties	Year 2022	of which to related parties
Revenues from sales	566,317	969	605,723	1,045
Other operating incomes	5,493		4,753	12
Change in inventories	755		12,790	
Raw materials, consumables and goods	(298,310)	(1,754)	(331,528)	(2,452)
Personnel expenses	(105,036)		(99,519)	
Other operating costs and provisions	(102,915)	(643)	(116,140)	(526)
Amortization, depreciation and impairment losses	(29,080)	(1,859)	(29,324)	(4,698)
Operating result	37,224		46,755	
Financial income	5,621		4,007	1
Financial expenses	(17,830)	(384)	(8,560)	(366)
Exchange gains and losses	418		1,895	
Income from/(expenses on) equity investment	2		-	
Profit before taxes	25,435		44,097	
Income taxes	(5,513)		(12,932)	
Net profit (A)	19,922		31,165	
(Profit)/loss attributable to non controlling interests	(847)		(897)	
Net profit attributable to the Group	19,075		30,268	
Basic earnings per share	0.117		0.185	
Diluted earnings per share	0.117		0.185	

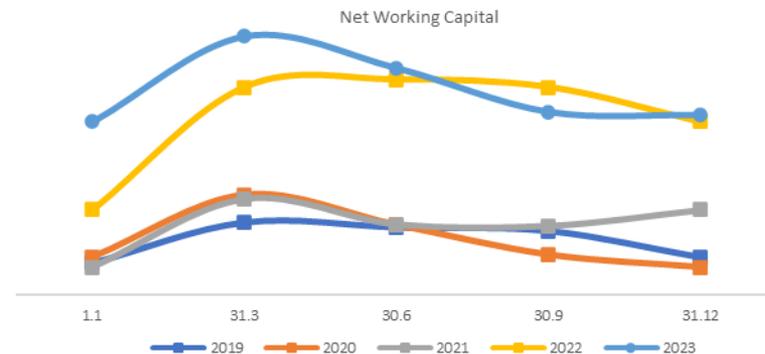
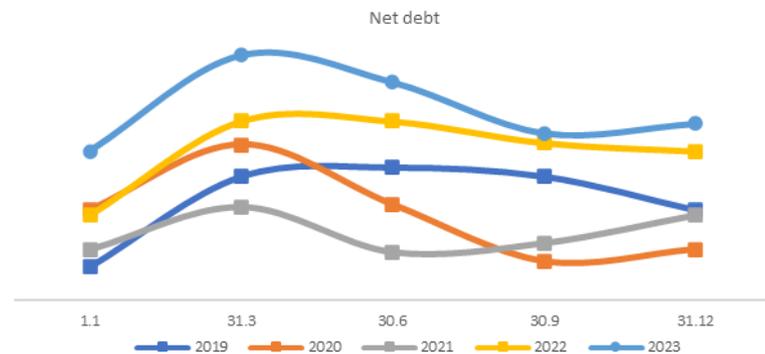
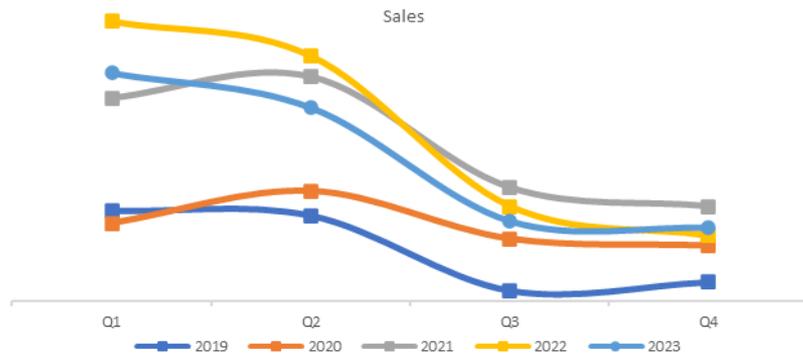
Consolidated balance sheet - Assets

€/000	Notes	31.12.2023	of which to related parties	31.12.2022	of which to related parties
Non-current assets					
Property, plant and equipment	18	86,021		82,524	
Intangible assets	19	29,228		24,482	
Rights of use	20	41,907	13,014	36,461	13,860
Goodwill	21	72,554	9,914	71,216	9,914
Equity investments in other companies	22	8		8	
Equity investments in associates	22	802		-	
Deferred tax assets	32	11,531		10,395	
Other financial assets	27	1,267	74	1,151	111
Other assets	24	96		60	
Total non-current assets		243,414		226,297	
Current assets					
Inventories	25	234,656		233,970	
Trade and other receivables	24	121,936	2,132	119,661	1,079
Current tax receivables	32	11,249		9,967	
Other financial assets	27	59	37	38	37
Derivative financial instruments	23	1,028		2,707	
Cash and cash equivalents	26	75,661		86,477	
Total current assets		444,589		452,820	
TOTAL ASSETS		688,003		679,117	

Consolidated balance sheet - Liabilities

€/000	Notes	31.12.2023	of which to related parties	31.12.2022	of which to related parties
Shareholders' Equity					
Shareholders' Equity of the Group	28	279,352		273,003	
Non-controlling interests		4,315		3,984	
Total Shareholders' Equity		283,667		276,987	
Non-current liabilities					
Loans and borrowings due to banks and other lenders	30	138,547		152,346	
Liabilities for leasing	31	36,433	11,867	31,682	12,789
Deferred tax liabilities	32	7,968		7,962	
Employee benefits	33	6,066		6,291	
Provisions for risks and charges	34	2,885		2,778	
Other liabilities	35	1,653		1,510	
Total non-current liabilities		193,552		202,569	
Current liabilities					
Trade and other payables	29	109,772	1,606	109,344	1,233
Current tax liabilities	32	4,691		4,984	
Loans and borrowings due to banks and other lenders	30	86,424		76,594	
Liabilities for leasing	31	7,503	1,819	6,357	1,670
Derivative financial instruments	23	603		699	
Provisions for risks and charges	34	1,791		1,583	
Total current liabilities		210,784		199,561	
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		688,003		679,117	

Business seasonality





BESTWAY AG

- The company is recognized as a key player in the US market for the production and marketing of sprayers, equipment for agricultural applications.
- The transaction allowed the expansion and completion of PWJ product range
- The North American agricultural market can be reached and served in a more capillary way.
- FY 2022 figures: turnover of 32 \$m; EBITDA of 2.5 \$m.
- The final consideration for the acquisition was equal to 22.1 million US dollars.



TRAILER SPRAYERS



3 POINT HITCH SPRAYERS



ELECTRONICS



SPOT SPRAYERS



TRACTOR TANK MOUNTS



BOOMS



DALTON FERTILIZER SPREADERS



DALTON ANHYDROUS AMMONIA WAGONS



- On 22 February 2023, the Parent Company ratified the entry into the company Raw Power S.r.l., based in Reggio Emilia, through the subscription of a share capital increase for a 24% stake, for an amount equal to Euro 800 thousand .
- The company deals with all aspects related to power electronic design, aimed at automation and static conversion of energy and the design of electric motors and generators.
- The operation is carried out with the intention of allowing Emak S.p.A. to enhance the fundamental know-how of electric motor technology in order to increase competitiveness in the battery-powered products market, which is constantly and rapidly evolving.

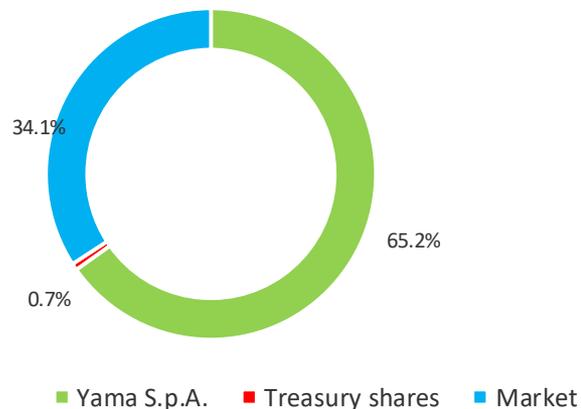


- Group headquartered in Italy, made up of 5 companies (4 in Europe and 1 in the USA), active in the design, production and marketing of components for industrial cleaning
- Applications in Group's similar sectors, such as high-pressure washing and agriculture, and in diversified sectors, such as metal, paper, chemical, pharmaceutical and food.
- Acquisition of specific know-how which will allow the further expansion of the product range for industrial cleaning and access to new synergistic sectors with the current business areas of the Components and Accessories segment
- FY 2023 preliminary figures: turnover of 15 €m; EBITDA margin 22%; net debt 0.6 €m.
- Total consideration for the acquisition was equal to 15 €m.



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

Livatino Massimo	Chairman
Bartoli Luigi	Vice Chairman & CEO
Becchi Cristian	CFO
Baldi Francesca	Director
Bartoli Ariello	Director
Becchi Paola	Director
Ferrari Giuliano	Director
Salsapariglia Marzia	Director
Spaggiari Vilmo	Director
Zambelli Paolo	Director
Iotti Elena	Independent Director
Lanza Alessandra	Independent Director
Grappi Silvia	Independent Director

Board of Statutory Auditors

Montanari Stefano	Chairman
Labanti Roberta	
Pasquetti Livio	

Independent Auditors

Deloitte & Touche S.p.A.



Environmental	2023	2022
Scope 1 GHG emissions <i>Tons CO2eq</i>	6,567	4,302
Scope 2 GHG emissions - market based <i>Tons CO2eq</i>	8,060	8,047
Scope 2 GHG emissions - location based <i>Tons CO2eq</i>	7,082	7,274
Scope 1 + Scope 2 (market based) <i>Tons CO2eq</i>	14,627	12,349
Scope 1 + Scope 2 (location based) <i>Tons CO2eq</i>	13,650	11,576
Total waste generated <i>Tons</i>	1,979	2,360
% of recovered waste	60%	67%
% of hazardous waste	3%	4%



Social	2023	2022
# employees	2,362	2,284
% men	66%	65%
% women	34%	35%



Governance	2023	2022
Board gender diversity	46%	46%
<i>Female</i>	6	6
<i>Male</i>	7	7
Total board members	13	13
Independent directors	3	3
Executive directors	2	2
Non executives directors	8	8
Separate chairman and CEO	Yes	Yes
Code of ethics	Yes	Yes

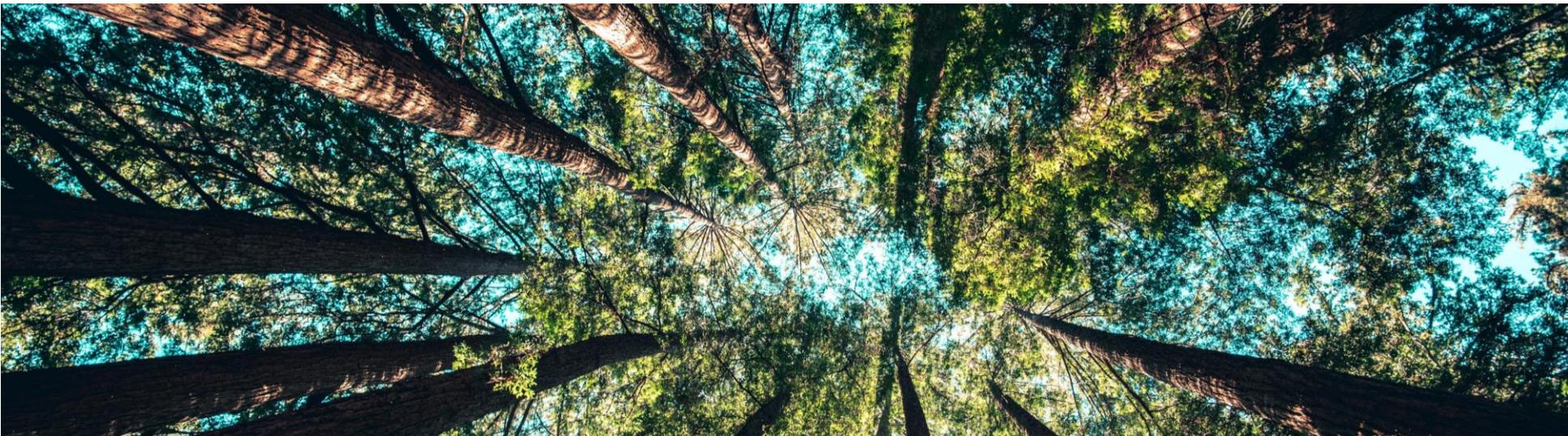
Synthesis of results

€m	2014	2015	2016	2017	2017 PF	2018	2019	2020	2021	2022	2023
Sales	354.8	381.6	391.9	422.2	461.8	452.8	434.0	469.8	588.3	605.7	566.3
EBITDA adj margin	33.1 9.3%	37.5 9.8%	40.5 10.3%	45.6 10.8%	52.5 11.4%	50.8 11.2%	46.9 10.8%	56.3 12.0%	77.4 13.2%	76.6 12.7%	67.9 12.0%
EBITDA margin	31.5 8.9%	35.8 9.4%	39.5 10.1%	43.9 10.4%	50.1 10.8%	49.4 10.9%	46.1 10.6%	55.6 11.8%	77.3 13.1%	76.1 12.6%	66.3 11.7%
EBIT margin	20.0 5.6%	23.3 6.1%	21.9 5.6%	30.0 7.1%	35.8 7.8%	34.0 7.5%	22.0 5.1%	32.9 7.0%	52.9 9.0%	46.8 7.7%	37.2 6.6%
Net profit margin	10.2 2.9%	9.0 2.4%	17.7 4.5%	16.4 3.9%	20.6 4.5%	25.6 5.7%	13.1 3.0%	19.6 4.2%	33.1 5.6%	31.2 5.1%	19.9 3.5%
FCF from operations *	21.7	21.5	35.3	30.4	34.9	41.1	31.8	36.7	51.4	53.8	40.8
Net Equity	160.1	168.5	181.7	187.5	187.5	205.8	211.5	222.3	255.9	277.0	283.7
Net fin. debt	79.0	99.4	80.1	125.3	125.3	117.4	146.9	126.6	144.3	177.3	191.5
Debt/Equity	0.5	0.6	0.4	0.7	0.7	0.6	0.7	0.6	0.6	0.6	0.7
Debt/EBITDA adj	2.4	2.7	2.0	2.7	2.4	2.3	3.1	2.2	1.9	2.3	2.8

* Calculated by adding the items "Net profit" + "Amortization, depreciation and impairment losses" – IFRS 16 effect (starting from 2019)

2014: Acquisition of Speed Industrie Sarl (Marocco), S.I.Agro Mexico, Geoline Electronic (Italy), Master Fluid (Italy), 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 (Brazil) **2019:** acquisition of 30% of Agres (Brazil) **2020:** acquisition of 51% of Markusson (Sweden); increase in Agres to 91% **2021:** Acquisition of 80% of Poli (Italy) **2022:** Acquisition of 83.33% of Trebol (Spain) **2023:** Acquisition of Bestway AG (USA), 24% of Raw Power (Italy)

Roberto Bertuzzi, manager 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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