

INVESTORS PRESENTATION 1Q-2024 RESULTS

04th June 2024

Index



**CONSOLIDATED
FINANCIALS**



Q&A



APPENDIX

PASUBIO



01.

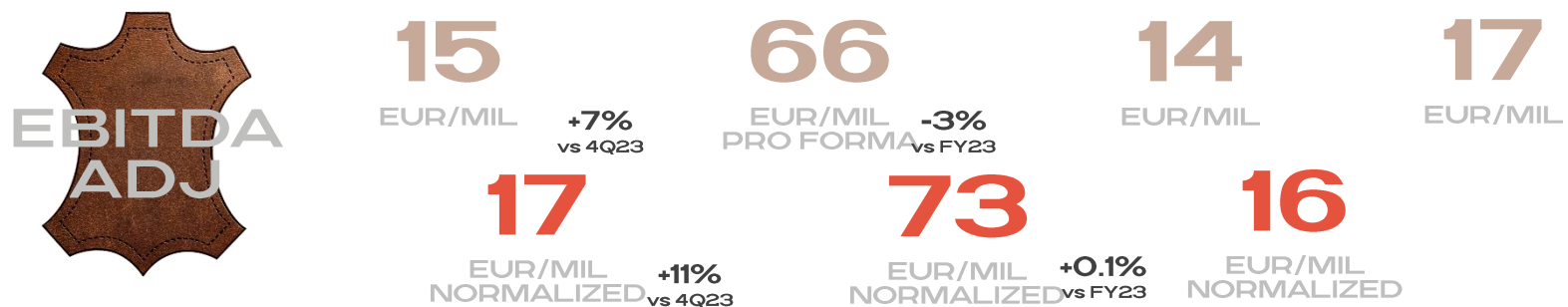
Consolidated financials

PASUBIO

KEY FINANCIAL FIGURES



- 1Q24 + 5% vs 4Q23 net revenue underling the resilience of the Group regardless of the slight demand reduction driven by the European luxury segment
- LTM 2024.03 -2% vs FY23 net revenue showing a slight decrease of demand coming from the last months of year 2023



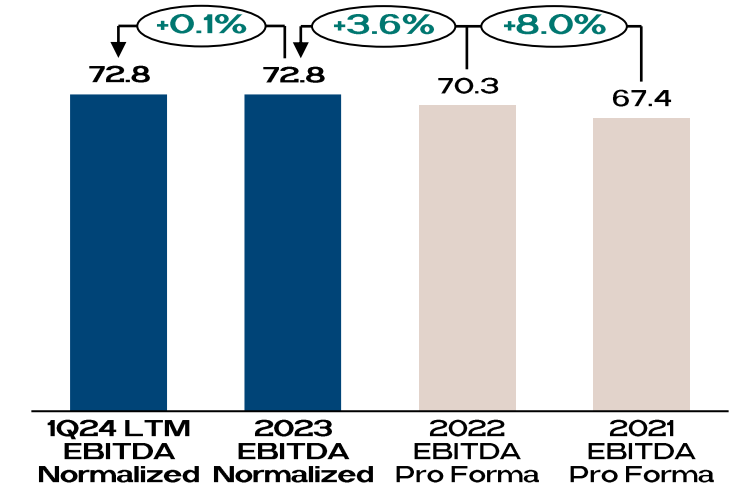
- 1Q24 + 7% vs 4Q23 EBITDA mainly related to the recovery of the temporary spike in scrap rate due to new material and technology introduced in production process
- LTM 2024.03 -3% vs FY23 EBITDA mainly attributed to the spike in scrap rate experienced during the last quarter of 2023. During the first months of 2024 the Group has seen normalization in scrap rate



- Total Liquidity available is €81M (including €58M of undrawn RCF)
- At the end of April the Group repaid all € 7M drawn RCF

CONSOLIDATED INCOME STATEMENT

€ million	1Q24 LTM	% Rev	2023 FY	% Rev	2022 FY	% Rev	2021 FY	% Rev
Net Revenue	345.7	100%	351.5	100%	350.2	100.0%	322.2	100.0%
EBITDA Adj.	61.6	17.8%	63.5	18.1%	63.7	18.2%	62.2	19.3%
Pro-Forma EBITDA Adj.	66.1	19.1%	68.2	19.4%	70.3	20.1%	67.4	20.9%
Pro-Forma EBITA Adj.	55.1	15.9%	57.6	16.4%	60.9	17.4%	59.0	18.3%



KEY OBSERVATIONS

- Adjusted EBITDA includes non-recurring costs such as one-off expenses and non-operating adjustments, start-up costs and other adjustments not reflective of the performance of our business.
- Adjusted Pro Forma EBITDA includes pro forma exercise for Hewa acquisition synergies and operational improvement cost savings run rate.
- Adjusted Pro Forma EBITDA margin in Q1 2024 is lower compared to 2023 FY because the scrap rate, while recovering to standard levels, is not yet in line with the level of 1Q23
- FY 2022 margin reflects the impact of inflation on other raw materials.
- We define EBITDA Normalized for extraordinary scrap effect and the pass through obtain during the last month for the year 2024.

CONSOLIDATED CASH FLOW

€ million	3 month at March 31. 2024	3 month at March 31. 2023	12 month at December 31. 2023	12 month at December 31. 2022
Cash flow from operating activities	5.1	9.8	41.2	31.6
Cash flow used in investing activities	(3.8)	(5.0)	(25.5)	(13.2)
Cash flow used in M&A activities	-	(4.9)	(8.6)	(3.3)
Cash flow used in financing activities	(0.9)	0.8	(7.1)	(20.1)
Increase/(Decrease) cash and cash equivalents	0.5	0.7	(0.0)	(5.0)
RCF (Increase) / Decrease	-	-	3.0	12.0
Post RCF Increase/(Decrease) cash and cash equivalents	0.5	0.7	3.0	7.0
Cash flow w/o One Off effects	1.4	5.6	15.1	8.0

KEY OBSERVATIONS

- Operating cash flow for the first quarter of 2024 is mainly affected by higher amount of interest paid and accrual for higher taxes which we will pay in 2024 based on a higher taxable income.
- Investing cash flow includes the investments on fix assets (CAPEX) which amounted to €3.4 million for the first quarter 2024.
- Financing cash flow is primarily driven by the settlement of € 0.9M of unsecured debt.
- During the month of April, 2024 the Group repaid the total amount of the RCF outstanding (€ 7M).

TRADE WORKING CAPITAL

€ million	As of March 31. 2024	As of December 31. 2023	As of December 31. 2022	As of December 31. 2021
Inventory	79.5	78.3	93.4	93.8
Receivables	36.5	40.6	40.7	30.1
Payables	(54.3)	(57.7)	(57.6)	(55.9)
TWC	61.6	61.2	76.5	68.0
as % on LTM NET REVENUE	17.8%	17.4%	21.9%	21.1%
Other WC Items	(7.0)	(6.4)	(6.1)	(4.6)
WC	54.6	54.8	70.4	63.4
as % on LTM NET REVENUE	15.8%	15.6%	20.1%	19.7%

Key Observations

- Working capital at March 31, 2024 shows a decrease as % of sales vs FY 2022 and vs FY 2021 primarily driven by the optimization of the inventory level.
- Inventory at March 31, 2024 vs Inventory at December 31, 2023 shows a slight increase when compared to FY 2023 due to coverage strategy.
- Receivables and payables shows a slight decrease when compared to FY 2023 primarily driven by the optimization of collection days.

NET FINANCIAL POSITION

€ million	3 month at March 31. 2024	12 month at December 31. 2023	12 month at December 31. 2022	12 month at December 31. 2021
Cash and cash equivalents	(23.3)	(22.9)	(22.9)	(28.0)
Revolving Credit Facility	7.1	7.2	10.2	22.2
Senior Secured Notes	340.1	340.1	340.1	340.0
Senior Secured Net Debt	323.8	324.4	327.4	334.3
SSND / PF EBITDA Adj.	4.9x	4.8x	4.7x	5.0x
Unsecured other Financial Debt	16.0	18.0	20.7	23.4
NFP	339.8	342.5	348.1	357.7
NFP / PF EBITDA Adj.	5.1x	5.0x	5.0x	5.3x

Key Observations

- Cash and cash equivalents show a slight increase when compared to December 2023, albeit the Group has been able to repay € 2M of other financial debt.
- Other financial debt mainly refers to Pasubio and Hewa local credit facilities which are unsecured.
- Total Liquidity available is € 81M (including €58M of undrawn RCF).
- The Group has hedged its floating rate debt to proactively mitigate exposure to global rising rates entering into a hedging instrument which covers around 50% of its FRN nominal value for the period ending June, 2025.
- During the month of April 2024 further €7M of RCF were repaid.



02. **Q&A**

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03. **Appendix**

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Revenue Breakdown by Application / Geography

NET REVENUES Q1 2024 LTM BREAKDOWN

By Application



By Geography



Notes: (1) Percentage breakdown by Application and by Geography are not sensitive changed since last quarter

Consolidated Reported

Balance Sheet

€ thousand	As of March 31, 2024	As of December 31, 2023
Goodwill	297,074	301,298
Intangible assets	22,650	23,446
Property, plant and equipment	74,181	74,373
Investments in associated and other companies	431	106
Other assets	2,566	2,444
Non-current Assets	396,902	401,667
Inventories	79,452	78,295
Trade receivables	36,458	40,641
Tax receivables	7,264	3,706
Deferred tax assets	895	1,026
Other receivables	3,915	7,489
Prepaid expenses and accrued income	2,329	1,821
Cash at bank and on hand	23,339	22,879
Total current Assets	153,651	155,857
Total Assets	550,553	557,524
Shareholders' equity	(95,892)	(100,650)
Deferred tax liabilities	(6,290)	(6,559)
Provisions for employee severance indemnities	(1,632)	(1,680)
Provision for risks and charges	(640)	(640)
Bank Loan	(8,660)	(8,844)
Notes	(330,237)	(329,801)
Shareholders' loan	(14,314)	(14,034)
Other financial liabilities	(3,164)	(3,432)
Non-Current Liabilities	(364,936)	(364,990)
Bank Loan	(10,147)	(11,834)
Notes	(55)	(60)
Other financial liabilities	(4,709)	(3,542)
Trade payables	(54,273)	(57,740)
Tax payables	(3,138)	(1,463)
Social security payables	(2,750)	(3,054)
Other payables	(9,293)	(8,881)
Accrued expenses	(5,360)	(5,309)
Current Liabilities	(89,725)	(91,885)
Total Liabilities and Shareholders' equity	(550,553)	(557,524)

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Income Statements

€ thousand	3 month at March 31, 2024	3 month at March 31, 2023
Revenue	88,347	96,277
Other revenue and income	527	1,170
Total revenue and other income	88,874	97,447
Purchase of goods and changes in inventory	(43,400)	(49,535)
Cost of services	(17,144)	(17,795)
Use of third party assets	(367)	(312)
Personnel costs	(14,317)	(13,285)
Other operating costs	(157)	(275)
Capitalization in fixed assets for internal work	590	216
Depreciation - tangible assets	(2,770)	(2,300)
Amortization - intangible assets	(5,881)	(7,582)
Write-down of trade receivables	(35)	(66)
Total operating costs	(83,482)	(90,933)
Operating profit / (loss)	5,392	6,514
Financial income (expenses)	(7,956)	(10,389)
Net exchange rate gain (losses)	246	(125)
Profit (Loss) before tax	(2,317)	(4,000)
Income taxes	(2,514)	(947)
Profit (Loss) for the year	(4,831)	(4,947)

Consolidated Reported Cash Flow

€ thousand	3 month at March 31, 2024	3 month at March 31, 2023
<i>Cash flow from operating activities</i>		
Profit (Loss) for the year	(4,831)	(4,947)
Income Taxes	2,514	947
Net financial expenses	7,956	10,389
(Capital gains) Capital losses deriving from disposal assets	(1)	-
1. Profit (loss) for the year before income taxes, interest, dividends and capital gains / losses on disposal	5,638	6,390
<i>Non cash adjustments</i>		
Depreciation and Amortization	8,651	9,881
Non-monetary adjustments that have not had a counterpart in working capital	29	61
Provisions (Uses) for contingencies	-	(146)
Total non-monetary adjustments without effects in working capital	8,680	9,796
2. Cash flow from operating activities before changes in net working capital	14,318	16,186
<i>Changes in Net Working Capital</i>		
Decrease (Increase) of inventories	(1,157)	(1,222)
Decrease (Increase) of trade receivables	4,183	2,052
(Decrease) Increase in trade payables	(3,467)	121
Decrease (Increase) in accrued income and prepaid expenses	(564)	(250)
(Decrease) Increase in accrued expenses and deferred income	60	-
Other working capital items	(506)	(248)
Total changes in working capital	(1,451)	454
3. Cash flow from operating activities after changes in working capital	12,867	16,640
<i>Other Adjustments</i>		
(Income tax paid)	(240)	(642)
(Interests paid)	(7,489)	(6,267)
Total other adjustments	(7,728)	(6,909)
Cash flow from operating activities (A)	5,139	9,731

€ thousand	3 month at March 31, 2024	3 month at March 31, 2023
<i>Cash flow from investing activities</i>		
(Payments for tangible assets)	(2,646)	(4,043)
Proceeds from sale of tangible assets	68	-
(Payments for intangible assets)	(861)	(905)
(Payments for financial fixed assets)	(324)	(25)
Net cash used in acquisition of Innova	-	(4,941)
Net cash flow for the acquisition of Conceria Pasubio Group	-	-
Cash flow from investing activities (B)	(3,762)	(9,914)
<i>Cash flow from financing activities</i>		
Proceeds and repayment of short term loan	(852)	75
Proceeds of new long term loan	1	1,720
Repayment of long term loan	(66)	(958)
Cash flow from financing activities (C)	(917)	837
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	460	653
Cash at hand and on bank at beginning of the period	22,879	22,928
Cash at hand and on bank at the end of the period	23,339	23,581

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