

MARCOLIN

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Investors Presentation

3Q21 Financial Results

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Consolidated financials: 3Q21

Appendix

Consolidated financials 3Q21

3rd Quarter 3Q21 YTD

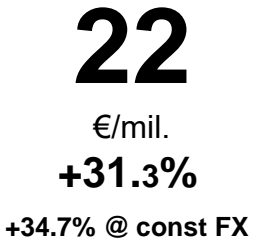
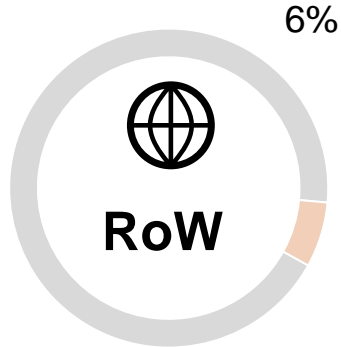
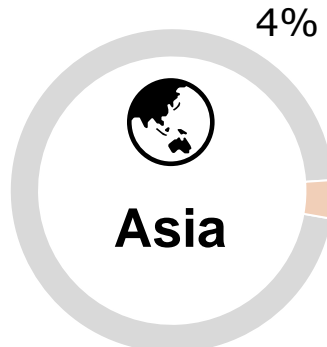
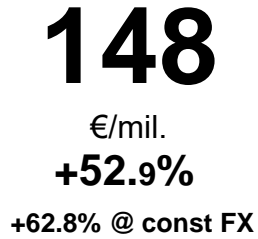
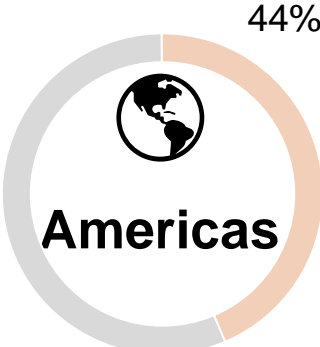
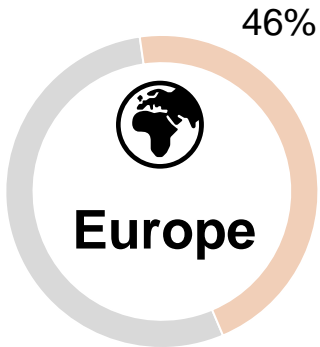
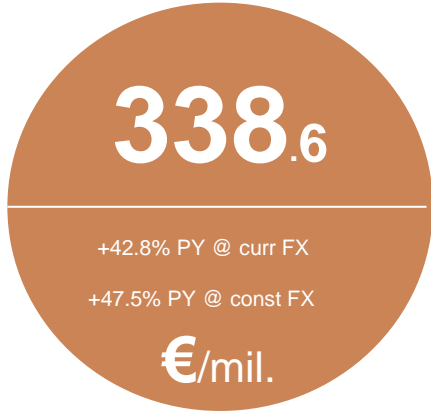
<p>Net Sales</p>	<p>101.4 €/mil.</p> <p>PY 95.1 €/mil. +6.7% 3Q19 99.0 €/mil. +2.5%</p>	<p>338.6 €/mil.</p> <p>+42.8% PY @ curr FX +47.5% PY @ const FX</p>	<p>YTD September 21 net sales confirms positive trend showed in Q1 and Q2. Strong performance in all regions compared to PY and Budget</p> <p>3Q21 net sales higher than 3Q19 (+2.5%). April, June and August months extraordinary positive, driven by EMEA, LATAM and US.</p>
<p>EBITDA Adjusted *</p>	<p>8.6 €/mil.</p> <p>8.5% On Net sales</p> <hr/> <p>PY 4.6 €/mil. 4.8%</p>	<p>42.0 €/mil.</p> <p>12.4% On Net sales</p> <hr/> <p>PY 16.0 €/mil. 6.7%</p>	<p>EBITDA positively impacted by higher volumes and savings in all costs categories thanks to deep focus on expenditures... positive effect in personnel costs leveraging PY reorganization actions</p> <p>3Q21 EBITDA Reported is €35.9m (€8.5m in 3Q20)</p>
<p>NFP Adjusted **</p>	<p>Operating CF(***)</p> <p>+11.1 €/mil.</p>	<p>295.2 €/mil.</p> <hr/> <p>-18.1 €/mil. vs FY20</p>	<p>Very positive operating activities from EBITDA and WC trend flow partially offset by Capex, Financial interest (both aligned with BDG) and JV Thèlios capital Increase of €8.8m</p> <p>Refinancing Flow: new 6.125% SS Notes due 2026 issuance for €350m and new ssRCF for €46m. not used in 3Q21</p>

(*) EBITDA Adjusted excludes one-off elements, which mainly includes extraordinary costs coming from Group reorganization activities. EBITDA includes IFRS16 effect

(**) NFP Adjusted excludes the Shareholder Loan issued by 3Cime SpA in June 2020 eligible to be treated as equity credit and includes IFRS16 effect as detailed on page 10

(***) Operating CF includes EBITDA, Working Capital, Capex, Financial Interests and Other flows as detailed on page 8

Consolidated financials: Net Sales results by market destination



Consolidated financials: Consolidated Income Statement 3Q21

(€/mil.)	3Q21		3Q20	
	Adjusted	%NS	Adjusted	%NS
Net sales	338.6	100.0%	237.2	100.0%
Gross Margin	199.4	58.9%	135.3	57.1%
EBITDA	42.0	12.4%	16.0	6.7%
EBIT	20.4	6.0%	(4.9)	-2.1%

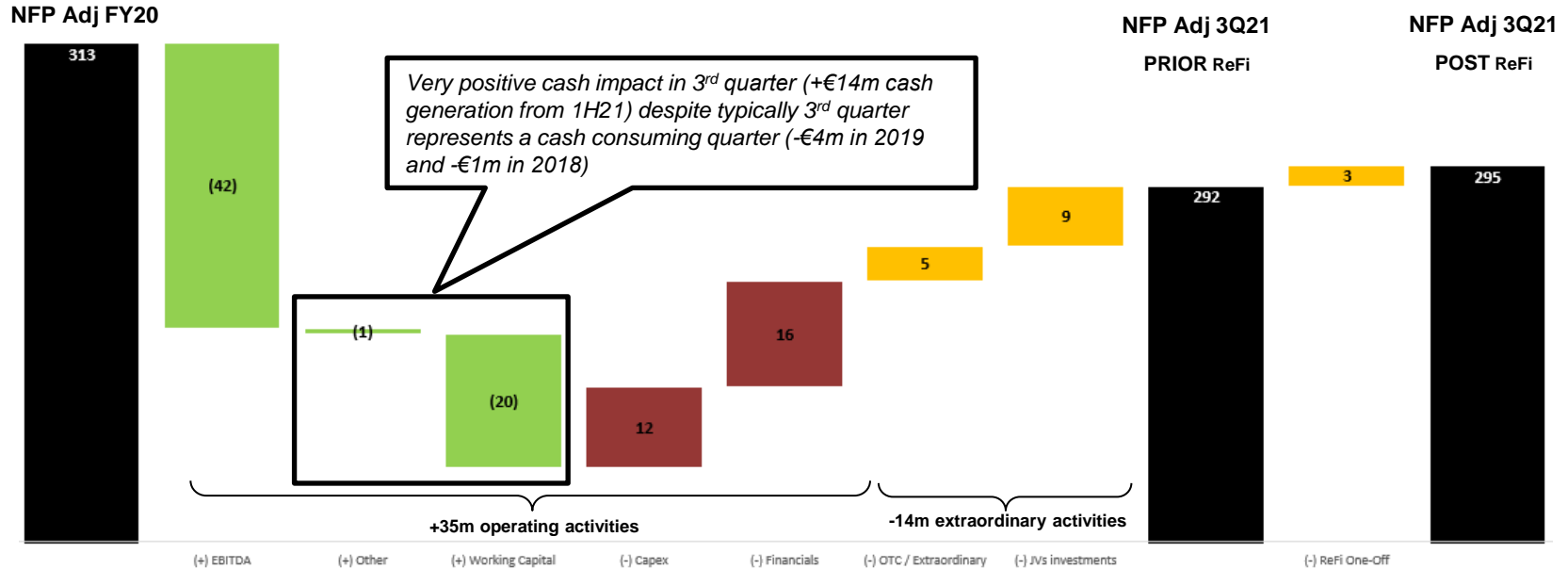
Key Observations

GM: solid performance...positive leverage on industrial overheads and strong commercial policy on pricing

EBITDA: significant savings compared to LY on all cost categories, deep focus on monthly expenditures in accordance with Budget, positive effect in personnel costs leveraging LY reorganization actions

EBIT: % margin benefits from EBITDA growth and stability on D&A

Consolidated financials: Consolidated Adj Cash Flow



Key Observations

WC: very disciplined and optimized working capital management, overall cash generating in 3Q21 despite historical trends

Capex: strong focus on optimizing capex expenditures, in line with BDG

OTC/Extraordinary: overall non-significant, mainly one-time costs coming from Group reorganization activities

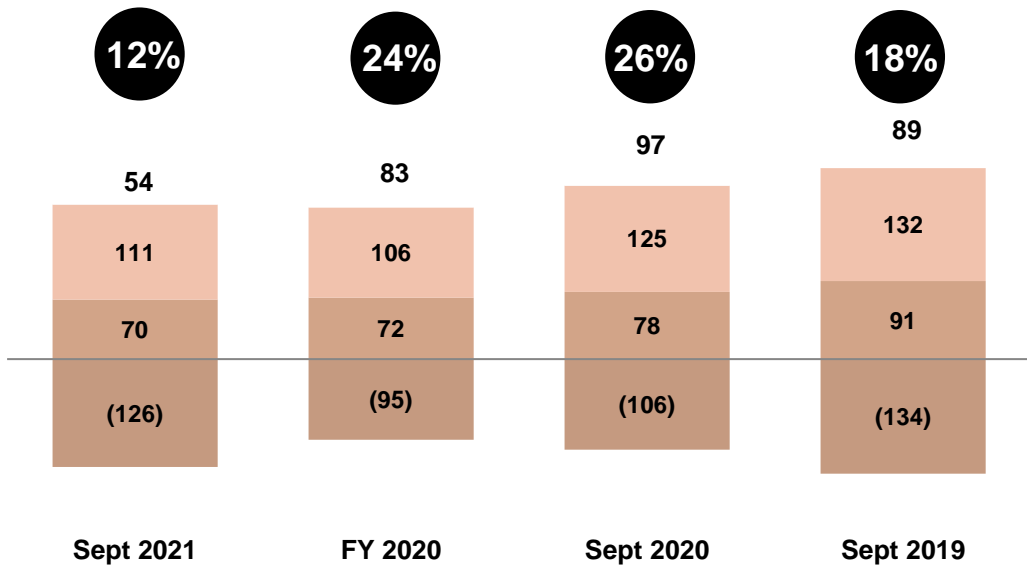
Consolidated financials: Trade Working Capital

AS % ON LTM
NET SALES

Inventory

Receivables

Payables



Key Observations

Inventory: good inventory management confirmed from the decreased level compared both to 2020 and to 2019 (pre Covid19 level), thanks to execution of key projects on supply chain side, such as new automation processes, new sales and demand planning processes in order to reduce stock obsolescence risk and backorders and maintain an efficient inventory level

Trade Receivables: alignment with FY20 driven both by recovery on sales and seasonality effect; very high quality of receivables with lowest DSO index ever for most part of the year

Trade Payables: aligned with purchase flows. DPO stable

Consolidated financials: Net Financial Position Adjusted

NFP Adj (€/mil.)	3Q21	FY20
Cash and cash equivalents	76	52
Current, Non Current financial assets and Amortized Fees ^(*)	22	24
Total Cash and Financial Assets	98	77
ssRCF	0	40
Current Financial Loans and Others	18	24
Bond accrued interests	8	1
Current financial liabilities	25	66
Senior Secured Notes	350	250
SACE Backed Term Loan	0	50
Non Current Financial Loans and Others	4	9
Non Current financial liabilities	354	309
IFRS16 Financial Liability	14	15
Total Financial Liabilities	394	390
NFP Adj	295	313

* Financial Assets includes amortized fees (accounted in accordance with IFRS9 in Financial Liabilities in the Condensed Consolidated Statement of Financial Position) and the shareholders loan granted by Marcolin SpA to the associate entity Thélios SpA for €14.5m.

Q&A

01 Consolidated financials: 3Q21
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Appendix: Income Statement

(€/mil.)	3Q21				3Q20			
	Reported	%NS	Adjusted ⁽¹⁾	%NS	Reported	%NS	Adjusted ⁽¹⁾	%NS
Net sales	339	100,0%	339	100,0%	237	100,0%	237	100,0%
Cost of sales	(143)	-42,1%	(139)	-41,1%	(104)	-44,1%	(102)	-42,9%
Gross Margin	196	57,9%	199	58,9%	133	55,9%	135	57,1%
Selling and marketing costs	(138)	-40,8%	(136)	-40,2%	(104)	-43,8%	(101)	-42,7%
G&A expenses	(23)	-6,7%	(22)	-6,5%	(21)	-8,8%	(19)	-7,9%
Other income and expenses	1	0,2%	1	0,2%	1	0,3%	1	0,3%
EBITDA	36	10,6%	42	12,4%	8	3,6%	16	6,7%
Amortization-Depreciation	(22)	-6,4%	(22)	-6,4%	(24)	-10,2%	(21)	-8,8%
Operating Profit	14	4,2%	20	6,0%	(16)	-6,6%	(5)	-2,1%
Equity method investments	1	0,2%	-	0,0%	(13)	-5,6%	-	0,0%
Net finance costs	(16)	-4,8%	(14)	-4,1%	(16)	-6,8%	(16)	-6,8%
Profit before taxes	(1)	-0,3%	6	1,9%	(45)	-19,1%	(21)	-8,9%
Non-recurring elements	-	0,0%	(8)	-2,2%	-	0,0%	(24)	-10,1%
Income tax expense	(1)	-0,3%	(1)	-0,3%	6	2,7%	6	2,7%
Net Result	(2)	-0,7%	(2)	-0,7%	(39)	-16,4%	(39)	-16,4%

(1) Adjusted elements exclude: 1) one-off costs and 2) Share of net results of JV Thélios accounted for using the equity method

Appendix: Statement of Financial Position

Balance Sheet (€/mil.)	3Q21 Reported	3Q21 Adjusted ⁽²⁾	FY 20 Adjusted ⁽²⁾
Trade receivables	70	70	72
Inventory	111	111	106
Trade Payables	(126)	(126)	(95)
Trade Working Capital	54	54	83
Other assets and liabilities	(4)	(4)	(2)
NET WORKING CAPITAL	50	50	81
Other non current assets	54	54	49
Property, plant and equipment	42	42	43
Intangible assets	44	44	43
Goodwill	286	286	280
Total Fixed Assets	426	426	415
Funds	(30)	(30)	(38)
NET INVESTED CAPITAL	446	446	458
Net Financial Position	322	295	313
Equity	124	151	145
COVERAGE OF NIC	446	446	458

(2) Adjusted column classifies the €25m subordinated shareholders loan (plus accrued interests) issued by 3 Cime SpA in June 2020 from Net Financial Position to Equity, given it is treated as equity credit

Appendix: Effect on IFRS16 adoption

IFRS16 effect on 3Q21 is shown in the table below:

3Q21 Income Statement effect	(€/mil.)
(+) EBITDA (Decrease in operating rental expenses)	4.6
<i>(-) Asset depreciation</i>	<i>(4.3)</i>
<i>(-) interest expenses</i>	<i>(0.5)</i>
Net Result	(0.2)
3Q21 Net Financial Statement effect	(€/mil.)
(+) Lease Liabilities	13.9

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Thank you.

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