



**Star Conference 2020 – Fall Edition**

- **Group overview**
- **H1 2020 results**
- **Appendix**

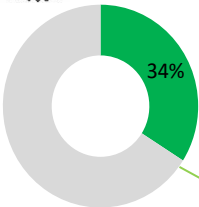


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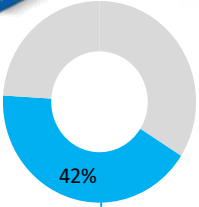


## A global player in three businesses

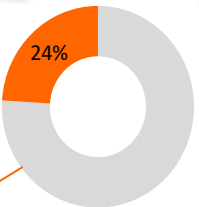
### Outdoor Power Equipment



### Pumps & High Pressure Water Jetting

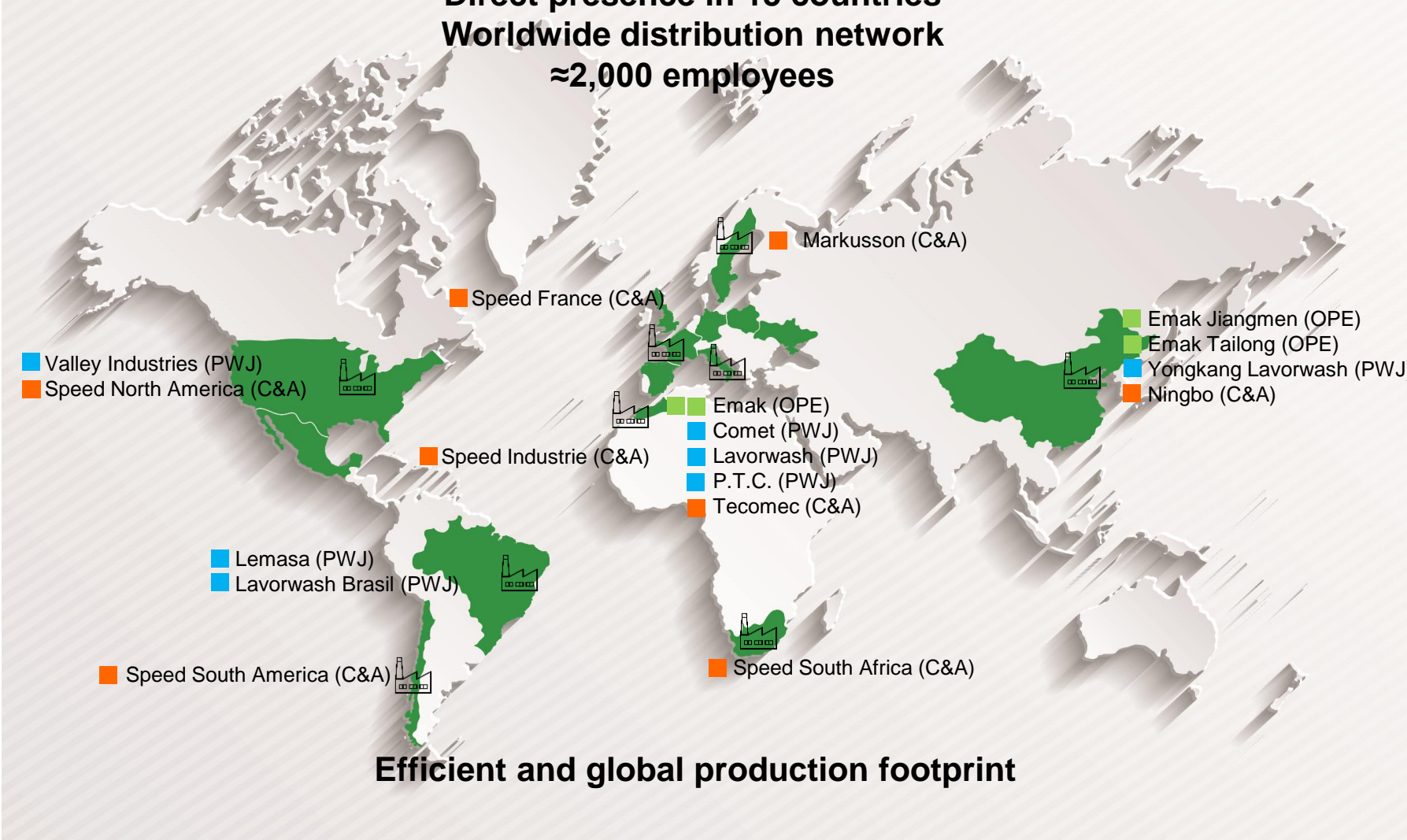


### Components & Accessories



**€ 434m sales in 2019**

**Direct presence in 15 countries**  
**Worldwide distribution network**  
**≈2,000 employees**

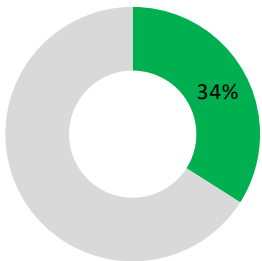






**Efficient and global production footprint**

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

	FY 2019
Total Sales (€m)	148.8
Ebitda adj %	5.0%

Share of Group net sales



Main brands	Product range	End-users	Distribution channel	Strategic priorities
   	<ul style="list-style-type: none"> <li>Gasoline and battery products:                             <ul style="list-style-type: none"> <li>✓ Hand held : trimmers, chainsaws, blowers.</li> <li>✓ Wheeled : lawnmowers, garden tractors, tillers, transporters.</li> </ul> </li> <li>Accessories and spare parts</li> </ul>	<ul style="list-style-type: none"> <li>Professional users</li> <li>High demanding private users (prosumer)</li> <li>Home owners</li> </ul>	<ul style="list-style-type: none"> <li>Specialised dealers</li> <li>Online</li> <li>DIY</li> </ul>	<ul style="list-style-type: none"> <li>Product innovation</li> <li>Develop business in Americas</li> <li>E-commerce</li> <li>Cost and efficiency improvements</li> </ul>

## GARDENING & FORESTRY

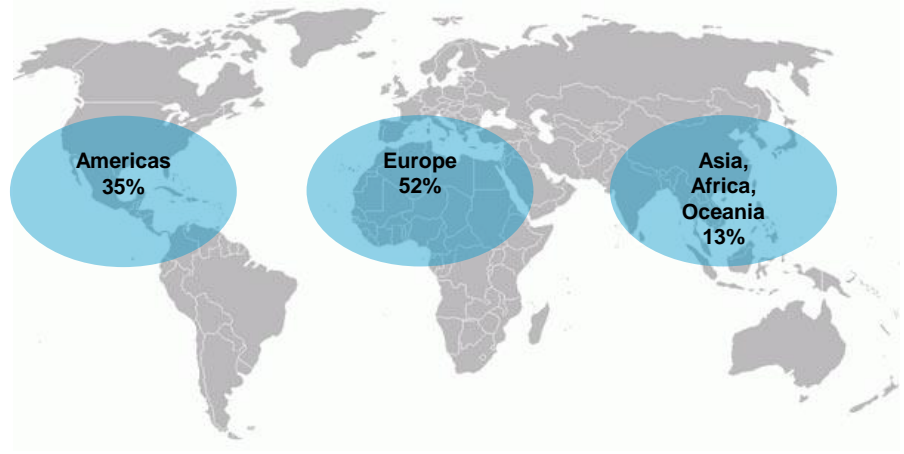
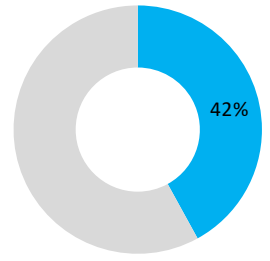


## AGRICULTURE



	FY 2019
Sales (€m)	183
Ebitda adj %	14.2%

Share of Group net sales



Main brands	Product range	Application / End user	Clients / distribution channel	Strategic priorities
    	<ul style="list-style-type: none"> <li><b>Agriculture products:</b> diaphragm, centrifugal and piston pumps</li> <li><b>Industrial products:</b> piston pumps, hydrodynamic units and urban cleaning equipment.</li> <li><b>Cleaning products:</b> complete range of high pressure washers, floor care equipment</li> </ul>	<ul style="list-style-type: none"> <li>Agriculture: spraying and weeding</li> <li>Several industries:                             <ul style="list-style-type: none"> <li>✓ Oil &amp; gas</li> <li>✓ Sugar cane</li> <li>✓ Shipyard</li> <li>✓ Cleaning</li> </ul> </li> <li>Professional</li> <li>Hobby</li> </ul>	<ul style="list-style-type: none"> <li>Manufacturers of spraying and weeding machines</li> <li>Manufacturers of hydrodynamic units and high pressure washers, contractors, independent distributors</li> <li>Specialised dealers, DIY, online</li> </ul>	<ul style="list-style-type: none"> <li>Product innovation</li> <li>Cost and efficiency improvements</li> <li>Maximize synergies from acquisitions</li> <li>Focus on key attractive segments</li> </ul>



## AGRICULTURE

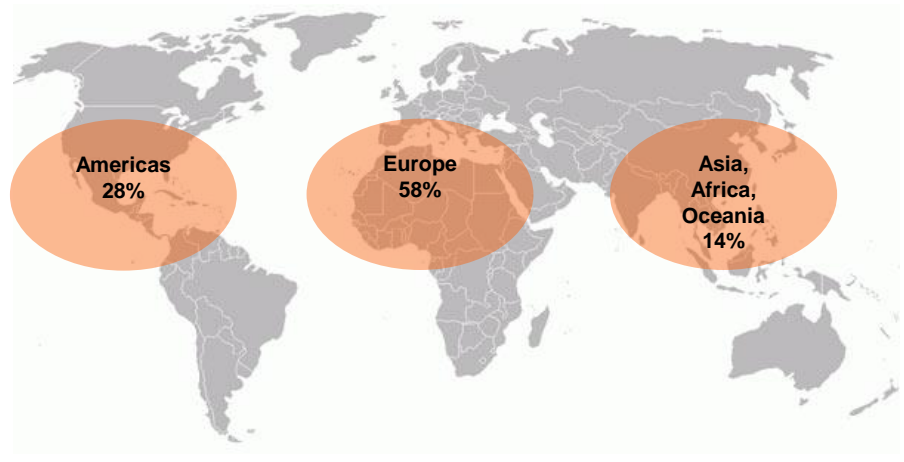
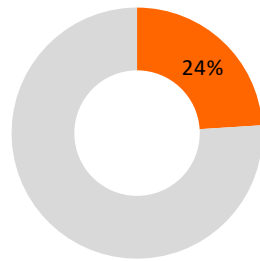
## INDUSTRIAL






## CLEANING



	FY 2019
Sales (€m)	111.5
Ebitda adj %	14.1%

Share of Group net sales



Main brands	Product range	End-users	Distribution channel	Strategic priorities
    	<ul style="list-style-type: none"> <li>Nylon line and heads for trimmers</li> <li>Chain grinders</li> <li>Spray guns</li> <li>Nozzles</li> <li>Control systems</li> <li>Precision farming</li> </ul>	<ul style="list-style-type: none"> <li>Professional users</li> <li>High demanding private users (prosumers)</li> <li>Home owners</li> </ul>	<ul style="list-style-type: none"> <li>Outdoor Power Equipment manufacturers</li> <li>Manufacturers of spraying and weeding machines</li> <li>Manufacturers of hydrodynamic units and high pressure washers</li> <li>Specialised dealers and DIY</li> </ul>	<ul style="list-style-type: none"> <li>Product innovation</li> <li>Strengthening of OEM relations</li> <li>Focus on key attractive segments</li> <li>E-commerce (b2b)</li> </ul>

## GARDENING & FORESTRY

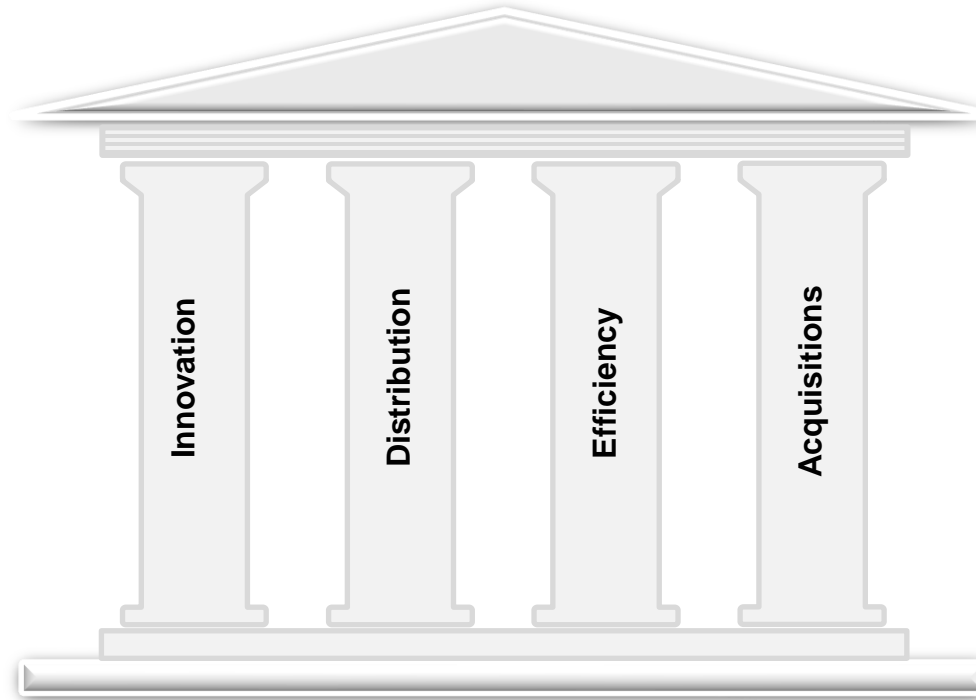


## AGRICULTURE



## CLEANING





## 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

# Innovation – new products and technology

OPE



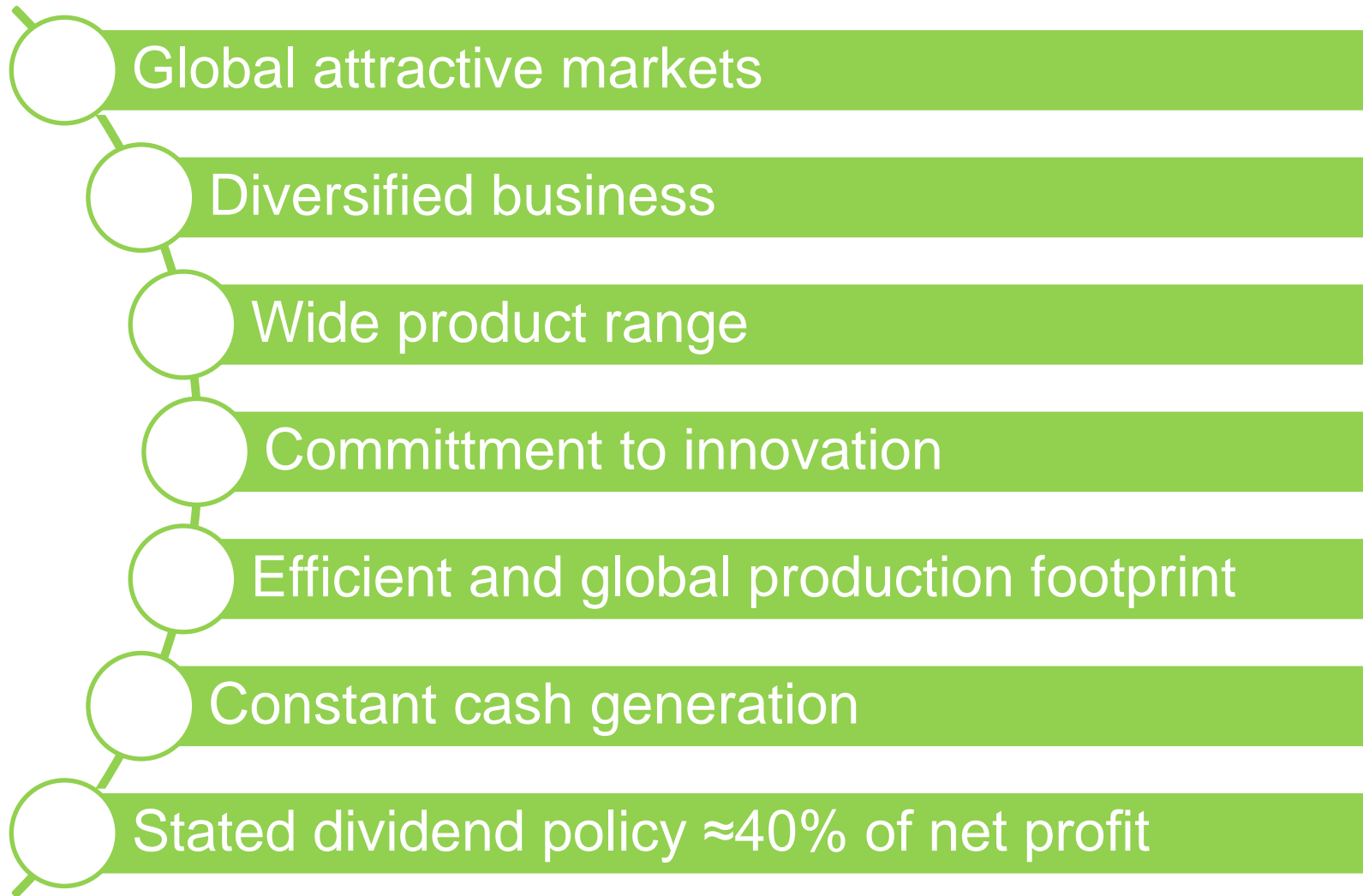
PWJ



C&A



# Emak strengths



# Agenda

- **Group overview**
- **H1 2020 results**
- **Appendix**



€/000	Q2 2020	Q2 2019	ch. %	H1 2020	H1 2019	ch. %
Revenues from sales	129,529	120,684	7.3%	247,496	243,041	1.8%
EBITDA Adj. % on revenues	19,193 14.8%	16,647 13.8%	15.3%	33,220 13.4%	31,074 12.8%	6.9%
EBIT % on revenues	13,438 10.4%	8,861 7.3%	51.7%	21,813 8.8%	17,887 7.4%	21.9%
Net profit	7,079	4,380	61.6%	10,912	10,468	4.2%

**Revenues:** increase is due to the change in the scope of consolidation for 0.4%, from organic growth for 2.3%, partially offset by the negative effect of conversion rates for 0.9%.

Strong performance in Q2 with improved market situation in May and June.

**EBITDA Adj:** The result benefited from the increase in sales volumes, a favorable segment mix, the reduction of raw material costs, the containment of operating and personnel costs.

**EBIT:** H1 2019 result included a reduction in the value of the goodwill for € 2,074 thousand.

**Net profit:** negative forex for € 2,229 thousand (positive for € 659 thousand in 2019). The exercise of options on equity investments had an overall negative impact of € 1,799 thousand.

€/000	30.06.2020	31.12.2019	30.06.2019
Net non-current assets	176,859	186,989	189,767
Net working capital	189,661	171,478	188,246
Net capital employed	366,520	358,467	378,013
Net financial position	(149,593)	(146,935)	(169,078)
<i>Net financial position (net of IFRS 16)</i>	<i>(120,728)</i>	<i>(116,550)</i>	<i>(136,311)</i>
Total equity	216,927	211,532	208,935

**Net non-current assets** decreased by € 4,646 thousand due to the sale of an equity investment and by € 3,508 thousand for a debt for the deferred payment of the acquisition of a production technology

**Investments** amounted to € 8,940 thousand, mainly product and process innovation.

**Net working capital** increase is related to the seasonality of sales in the half year.

**Net financial position** includes € 3,545 thousand for Markusson's acquisition.



# Outdoor Power Equipment

€/000	H1 2020	H1 2019	Var. %	2Q 2020	2Q 2019	Var. %
Europa	72,616	73,944	(1.8)	37,753	35,644	5.9
Americas	2,717	3,430	(20.8)	1,218	1,449	(15.9)
Asia, Africa e Oceania	9,709	7,714	25.9	5,204	3,748	38.8
<b>Totale</b>	<b>85,042</b>	<b>85,088</b>	<b>(0.1)</b>	<b>44,175</b>	<b>40,841</b>	<b>8.2</b>

€/000	30.06.2020	30.06.2019
Sales to third parties	85,042	85,088
<i>Intersegment sales</i>	409	988
Revenues from sales	85,451	86,076
Ebitda Adj	5,323	7,198
<i>Ebitda Adj / Revenues from sales%</i>	6.2%	8.4%
Ebit	1,449	1,460
<i>Ebit / Revenues from sales%</i>	1.7%	1.7%

## SALES

- ✓ Europe: a significant recovery in the second quarter, following the exit of the various countries from the lock-down situations imposed by the spread of the COVID-19 virus.
- ✓ Americas: sales on North American market substantially stable.
- ✓ Asia, Africa and Oceania: continuing positive trend on the Turkish market.

## EBITDA Adj

- ✓ Positive results from cost containment measures
- ✓ Unfavorable product / country mix
- ✓ reorganization of the distribution model in Germany

# Pumps & High Pressure Water Jetting

€/000	H1 2020	H1 2019	Var. %	2Q 2020	2Q 2019	Var. %
Europa	51,963	53,905	(3.6)	28,093	26,259	7.0
Americas	35,279	34,098	3.5	17,580	18,773	(6.4)
Asia, Africa e Oceania	12,081	12,357	(2.2)	6,718	6,190	8.5
<b>Totale</b>	<b>99,323</b>	<b>100,360</b>	<b>(1.0)</b>	<b>52,391</b>	<b>51,222</b>	<b>2.3</b>

€/000	30.06.2020	30.06.2019
Sales to third parties	99,323	100,360
<i>Intersegment sales</i>	<i>1,252</i>	<i>1,202</i>
Revenues from sales	100,575	101,562
Ebitda Adj	16,265	15,953
<i>Ebitda Adj / Revenues from sales%</i>	<i>16.2%</i>	<i>15.7%</i>
Ebit	12,146	12,024
<i>Ebit / Revenues from sales%</i>	<i>12.1%</i>	<i>11.8%</i>

## SALES

- ✓ Europe: sharp contraction of the cleaning market from the end of February to April. Significant recovery and good performance of online sales in the second quarter .
- ✓ Americas: positive trend in the North American market. In Latin American countries, the weakening of Real and Peso led to a negative effect on the conversion into euros of the turnover of the subsidiaries in Brazil and Mexico, which in local currency recorded an increase.
- ✓ Asia, Africa and Oceania: strong recovery in May and June largely mitigated the delay accumulated in March and April.

## EBITDA Adj

- ✓ Positive results from cost containment measures
- ✓ Slight decrease in sales volumes
- ✓ Unfavorable product / customer mix.

# Components & Accessories

€/000	H1 2020	H1 2019	Var. %	2Q 2020	2Q 2019	Var. %
Europa	37,588	35,569	5.7	19,361	17,052	13.5
Americas	17,670	14,525	21.7	8,411	7,710	9.1
Asia, Africa e Oceania	7,873	7,499	5.0	5,191	3,859	34.5
<b>Totale</b>	<b>63,131</b>	<b>57,593</b>	<b>9.6</b>	<b>32,963</b>	<b>28,621</b>	<b>15.2</b>

€/000	30.06.2020	30.06.2019
Sales to third parties	63,131	57,593
<i>Intersegment sales</i>	4,465	4,176
Revenues from sales	67,596	61,769
Ebitda Adj	12,664	9,745
<i>Ebitda Adj / Revenues from sales%</i>	18.7%	15.8%
Ebit	9,250	6,225
<i>Ebit / Revenues from sales%</i>	13.7%	10.1%

## SALES

- ✓ Europe: excellent performance for gardening and cleaning products and the recovery on the Italian market in the second quarter. Contribution of the newly acquired company Markusson for around 900 €/000.
- ✓ Americas: positive trend continued on the North American market for forestry and agriculture products. Good performance of the subsidiaries in Latin America
- ✓ Asia, Africa and Oceania: strong recovery in sales in the second quarter, in particular towards some markets in the Far East.

## EBITDA Adj

- ✓ increase in sales volumes,
- ✓ favorable customer / product mix and a
- ✓ favorable trend in raw material prices
- ✓ increase in personnel costs

# Covid-19 Emergency response

- ✓ Ensured health and safety of employees and business continuity
- ✓ Mitigation of economic and financial impact and maintenance of adequate liquidity profile
- ✓ Partial cost reduction and remodeling of the investment plan
- ✓ Constant monitoring for prompt reaction

People safety

Ready for the  
future

Business  
continuity

# Agenda

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# Results by business segment

	OUTDOOR POWER EQUIPMENT		PUMPS AND HIGH PRESSURE WATER JETTING		COMPONENTS AND ACCESSORIES		Other not allocated / Netting		Consolidated	
	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019
€/000										
Sales to third parties	85,042	85,088	99,323	100,360	63,131	57,593			247,496	243,041
Intersegment sales	409	988	1,252	1,202	4,465	4,176	(6,126)	(6,366)		
Revenues from sales	85,451	86,076	100,575	101,562	67,596	61,769	(6,126)	(6,366)	247,496	243,041
Ebitda	5,239	7,148	16,191	16,036	12,566	9,386	(1,032)	(1,822)	32,964	30,748
<i>Ebitda/Total Revenues %</i>	6.1%	8.3%	16.1%	15.8%	18.6%	15.2%			13.3%	12.7%
Ebitda before non ordinary expenses	5,323	7,198	16,265	15,953	12,664	9,745	(1,032)	(1,822)	33,220	31,074
<i>Ebitda before non ordinary expenses/Total Revenues %</i>	6.2%	8.4%	16.2%	15.7%	18.7%	15.8%			13.4%	12.8%
Operating result	1,449	1,460	12,146	12,024	9,250	6,225	(1,032)	(1,822)	21,813	17,887
<i>Operating result/Total Revenues %</i>	1.7%	1.7%	12.1%	11.8%	13.7%	10.1%			8.8%	7.4%
Net financial expenses (1)									(6,110)	(2,289)
Profit before taxes									15,703	15,598
Income taxes									(4,791)	(5,130)
Net profit									10,912	10,468
<i>Net profit/Total Revenues%</i>									4.4%	4.3%

(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	30.06.2020	31.12.2019	30.06.2020	31.12.2019	30.06.2020	31.12.2019	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Net debt	30,299	29,304	96,413	98,863	23,123	19,071	(242)	(303)	149,593	146,935
Shareholders' Equity	173,821	176,334	64,668	62,460	55,958	50,295	(77,520)	(77,557)	216,927	211,532
Total Shareholders' Equity and Net debt	204,120	205,638	161,081	161,323	79,081	69,366	(77,762)	(77,860)	366,520	358,467
Net non-current assets (2)	130,691	137,483	89,703	94,433	31,990	30,577	(75,525)	(75,504)	176,859	186,989
Net working capital	73,429	68,155	71,378	66,890	47,091	38,789	(2,237)	(2,356)	189,661	171,478
Total net capital employed	204,120	205,638	161,081	161,323	79,081	69,366	(77,762)	(77,860)	366,520	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	30.06.2020	31.12.2019	30.06.2020	31.12.2019	30.06.2020	31.12.2019	30.06.2020	31.12.2019	30.06.2020	31.12.2019
Number of employees at period end	736	743	742	731	524	506	8	8	2,010	1,988

OTHER INFORMATIONS	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019	30.06.2020	30.06.2019
Amortization, depreciation and impairment losses	3,790	5,688	4,045	4,012	3,316	3,161			11,151	12,861
Investment in property, plant and equipment and in intangible assets	2,143	4,408	1,823	2,400	4,974	2,537			8,940	9,345

# Consolidated income statement

Year 2019	CONSOLIDATED INCOME STATEMENT	H1 2020	H1 2019
<b>433,953</b>	<b>Revenues from sales</b>	<b>247,496</b>	<b>243,041</b>
4,668	Other operating incomes	1,096	2,036
854	Change in inventories	(5,779)	2,421
(230,213)	Raw materials, consumables and goods	(126,507)	(131,589)
(81,106)	Personnel expenses	(41,355)	(42,506)
(82,066)	Other operating costs and provisions	(41,987)	(42,655)
(24,068)	Amortization, depreciation and impairment losses	(11,151)	(12,861)
<b>22,022</b>	<b>Operating result</b>	<b>21,813</b>	<b>17,887</b>
1,370	Financial income	161	200
(5,366)	Financial expenses	(2,529)	(3,095)
766	Exchange gains and losses	(2,229)	659
89	Income from/(expenses on) equity investment	(1,513)	(53)
<b>18,881</b>	<b>Profit before taxes</b>	<b>15,703</b>	<b>15,598</b>
(5,755)	Income taxes	(4,791)	(5,130)
<b>13,126</b>	<b>Net profit</b>	<b>10,912</b>	<b>10,468</b>
(177)	(Profit)/loss attributable to non controlling interests	(95)	(70)
<b>12,949</b>	<b>Net profit attributable to the Group</b>	<b>10,817</b>	<b>10,398</b>
<b>0.079</b>	<b>Basic earnings per share</b>	<b>0.066</b>	<b>0.064</b>
<b>0.079</b>	<b>Diluted earnings per share</b>	<b>0.066</b>	<b>0.064</b>

# Consolidated balance sheet - Assets

31.12.2019	€/000	30.06.2020	30.06.2019
	<b>Non-current assets</b>		
76,591	Property, plant and equipment	76,641	76,166
20,498	Intangible assets	21,342	20,748
29,716	Rights of use	27,895	32,161
63,844	Goodwill	62,401	64,104
8	Equity investments in other companies	8	8
7,399	Equity investments in associates	2,848	7,256
8,106	Deferred tax assets	8,216	8,503
2,423	Other financial assets	2,438	2,273
63	Other assets	58	261
<b>208,648</b>	<b>Total non-current assets</b>	<b>201,847</b>	<b>211,480</b>
	<b>Current assets</b>		
158,336	Inventories	149,247	159,788
104,304	Trade and other receivables	134,190	129,690
5,225	Current tax receivables	4,268	4,053
465	Other financial assets	137	1,094
301	Derivative financial instruments	327	151
47,695	Cash and cash equivalents	85,864	38,194
<b>316,326</b>	<b>Total current assets</b>	<b>374,033</b>	<b>332,970</b>
<b>524,974</b>	<b>TOTAL ASSETS</b>	<b>575,880</b>	<b>544,450</b>



# Consolidated balance sheet - Liabilities

31.12.2019	€/000	30.06.2020	30.06.2019
<b>Shareholders' Equity</b>			
209,495	Shareholders' Equity of the Group	214,974	206,963
2,037	Non-controlling interests	1,953	1,972
<b>211,532</b>	<b>Total shareholders' Equity</b>	<b>216,927</b>	<b>208,935</b>
<b>Non-current liabilities</b>			
98,153	Loans and borrowings due to banks and others lenders	139,571	88,760
25,426	Liabilities for leasing	23,971	27,757
8,337	Deferred tax liabilities	8,318	8,358
8,110	Employee benefits	7,918	8,310
2,304	Provisions for risks and charges	2,337	2,270
486	Other non-current liabilities	3,977	503
<b>142,816</b>	<b>Total non-current liabilities</b>	<b>186,092</b>	<b>135,958</b>
<b>Current liabilities</b>			
90,477	Trade and other payables	89,460	97,266
4,174	Current tax liabilities	6,961	6,155
68,373	Loans and borrowings due to banks and others lenders	69,088	88,017
4,959	Liabilities for leasing	4,894	5,010
908	Derivative financial instruments	835	1,246
1,735	Provisions for risks and charges	1,623	1,863
<b>170,626</b>	<b>Total current liabilities</b>	<b>172,861</b>	<b>199,557</b>
<b>524,974</b>	<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>575,880</b>	<b>544,450</b>

# Synthesis of results

€m	2011	2011 PF	2012	2013	2014	2015	2016	2017	2017 PF	2018	2019 no IFRS 16	2019
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
EBITDA adj margin	19.6 9.6%	37.8 10.6%	31.7 8.9%	34.2 9.6%	33.1 9.3%	37.5 9.8%	40.5 10.3%	45.6 10.8%	52.5 11.4%	50.8 11.2%	40.9 9.4%	46.9 10.8%
EBITDA margin	17.5 8.6%	35.8 10.0%	28.8 8.1%	34.2 9.6%	31.5 8.9%	35.8 9.4%	39.5 10.1%	43.9 10.4%	50.1 10.8%	49.4 10.9%	40.1 9.2%	46.1 10.6%
EBIT margin	10.4 5.1%	23.7 6.6%	16.6 4.7%	22.4 6.3%	20.0 5.6%	23.3 6.1%	21.9 5.6%	30.0 7.1%	35.8 7.8%	34.0 7.5%	21.5 5.0%	22.0 5.1%
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
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
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
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
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
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

\* 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

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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