




De'Longhi Group

Capital Market Day 2024

May 28th, 2024





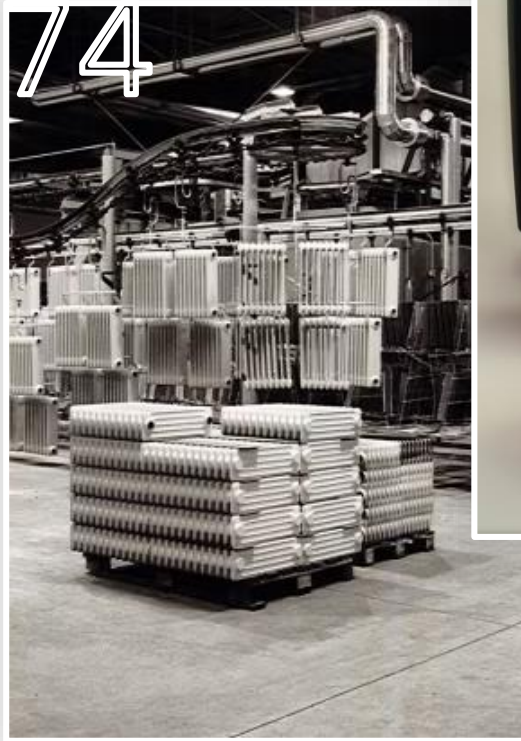
- 1 SETTING THE SCENE
- 2 HOME COFFEE
- 3 NUTRITION
-  COFFEE BREAK
- 4 PROFESSIONAL COFFEE
- 5 OUR MEDIUM TERM GOALS
- 6 SUSTAINABILITY BY DE' LONGHI GROUP
- 7 Q&A

50 years
of evolution



The beginning

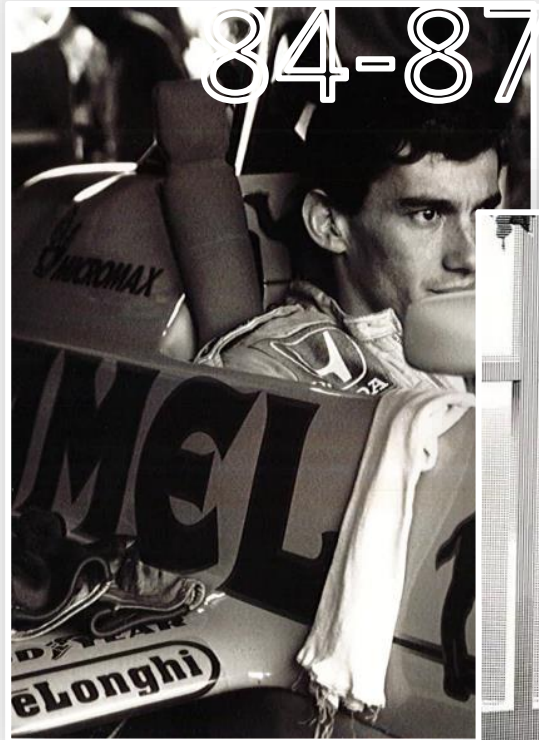
The first product
created by De' Longhi
is an **oil-filled
radiator**



**Product
diversification:**
the range expands,
from radiators through
electric fan heaters
to catalytic stoves

The global launch

The De'Longhi brand is **launched globally** through major sponsorships



The Group launches **Pinguino**, the iconic product supported by a TV campaign

Key steps to set up a global firm

Kenwood
and Ariete
acquisition



Public listing on
Milan's stock exchange



Historic
partnership
with Nespresso



Building market leadership

De' Longhi establishes itself as the **market leader** in the super-automatic espresso machine



Braun joins the Group, specifically its **household products**

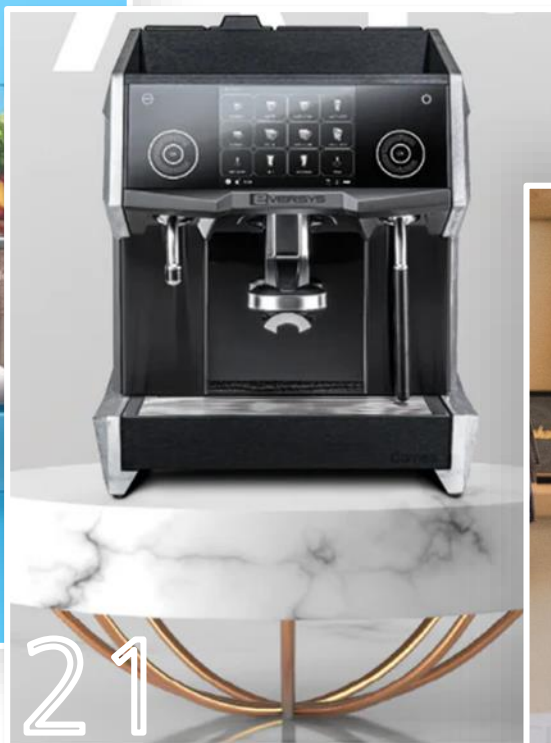


First step in the professional business, thanks to the acquisition of **40% of Eversys**



From product to consumer's experience

In the US,
De' Longhi
acquires
nutribullet,
global leader
in the personal
blenders
segment



Full acquisition of
Eversys, completed
in 2021



Business
combination
between
La Marzocco
and Eversys

The Group today

Brand portfolio

Household Brands

De'Longhi
Kenwood
Braun
nutribullet
Ariete

Professional Brands

Eversys
La Marzocco
Off. Flli Bambi
Modbar

Made by De' Longhi

6 Factories
Household
business

3 Factories
Professional
business

- Over 1000 suppliers
- More than 35 distribution centres and 7 logistic HUBS

Key financial figures*

Revenues

Above
€3,3bln

adj Ebitda

Above
€500M

Positive NFP

Above
€300M

Innovation



7 Research
centres

Over the last 5y more than
€300 M invested in R&D
More than 500 engineers

People



+ 10.000
employees



Over 50
Countries

Profitability Ratio*

ROCE

Approx.
30%

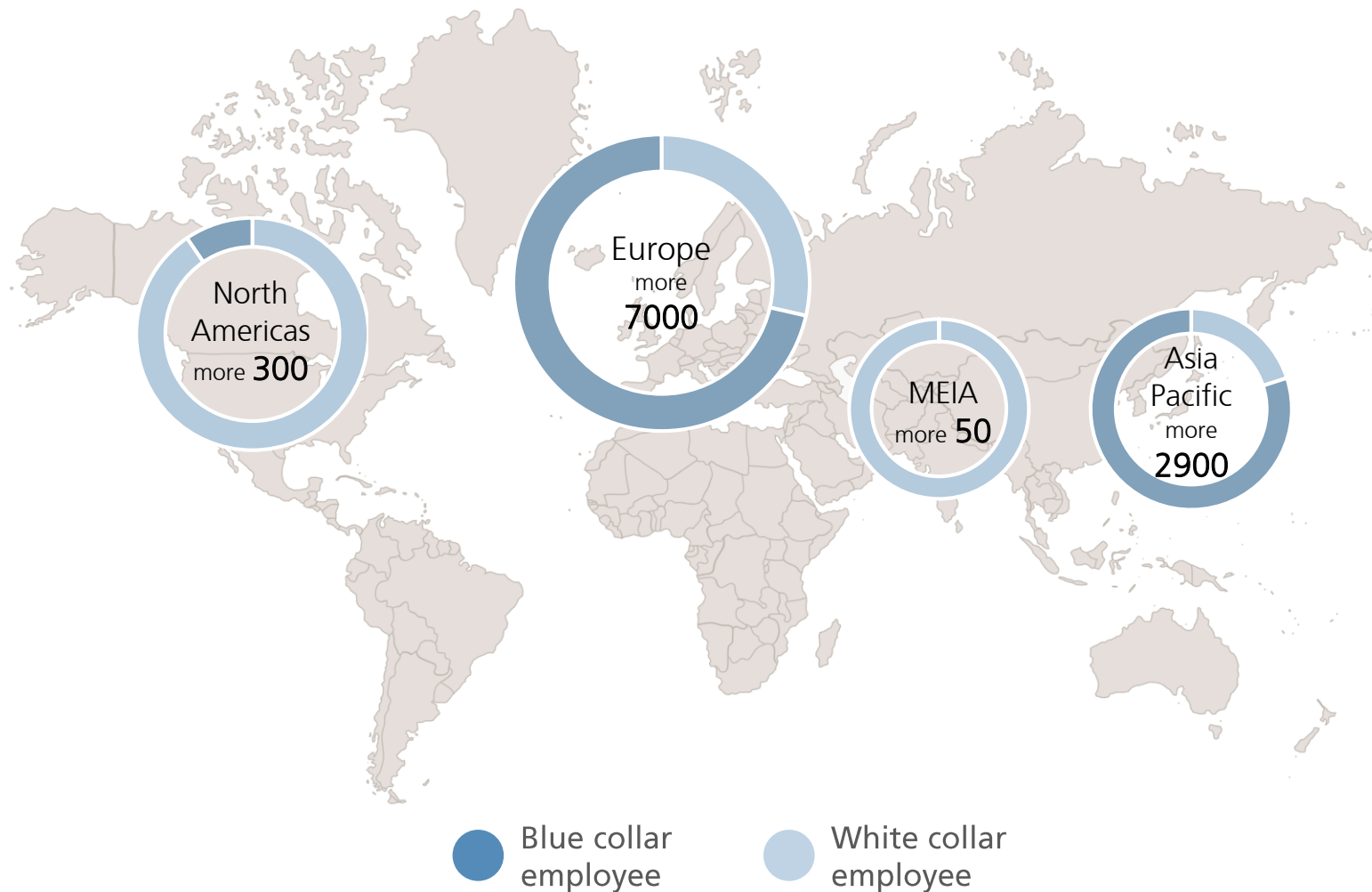
ROE

Approx.
15%

FCF yield %
(before DVD and
M&A)

Approx.
10%

We are Everyday Makers



More than 10.500 employees

36%_{ca.}

of De' Longhi's employees are White collar

64%_{ca.}

of De' Longhi's employees are Blue collar

Our Leadership Team



Giuseppe de' Longhi
Chairman and
Executive Director



Fabio de' Longhi
Vice-Chairman & CEO



Silvia de' Longhi
Chief Corporate
Service Officer



Nicola Serafin
Group's General
Manager



Stefano Biella
Chief Financial
Officer



Paul Accornero
Chief Commercial
Officer



Guido Bernardinelli
La Marzocco's CEO



Marco Cenci
Chief Planning
& Control Officer



Aparna Sundaresh
Chief Marketing
Officer



Debora Guma
Chief Information
Officer



Roberto Ceschin
Chief People
Officer



Matteo Pecci
Chief Operations
Officer

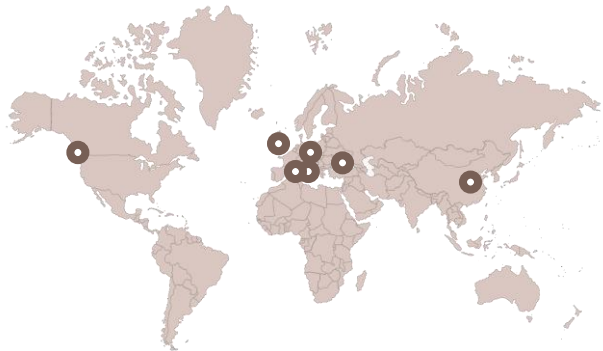


Martin Strehl
Eversys's CEO

The innovation is part of our DNA

Group research centres

Italy, Germany, UK, US and China, as well as cross-brand structures and Design teams dedicated to specific business segments



Innovation Partnerships

Multiple partnerships and research activities with top universities worldwide

Patents

Over **1.000** 

A portfolio of more than 1000 patent families

Investment in R&D

In the last 5 years, the Group invested* more than **€300 M€** to improve its products and innovation processes

Total Group ca. 2,4% on sales

Espresso pioneers, resulting in innovative solutions



Nutrition explorers, leading to clever solutions

ActiveBlade

PowerBell Plus

iTexture Control

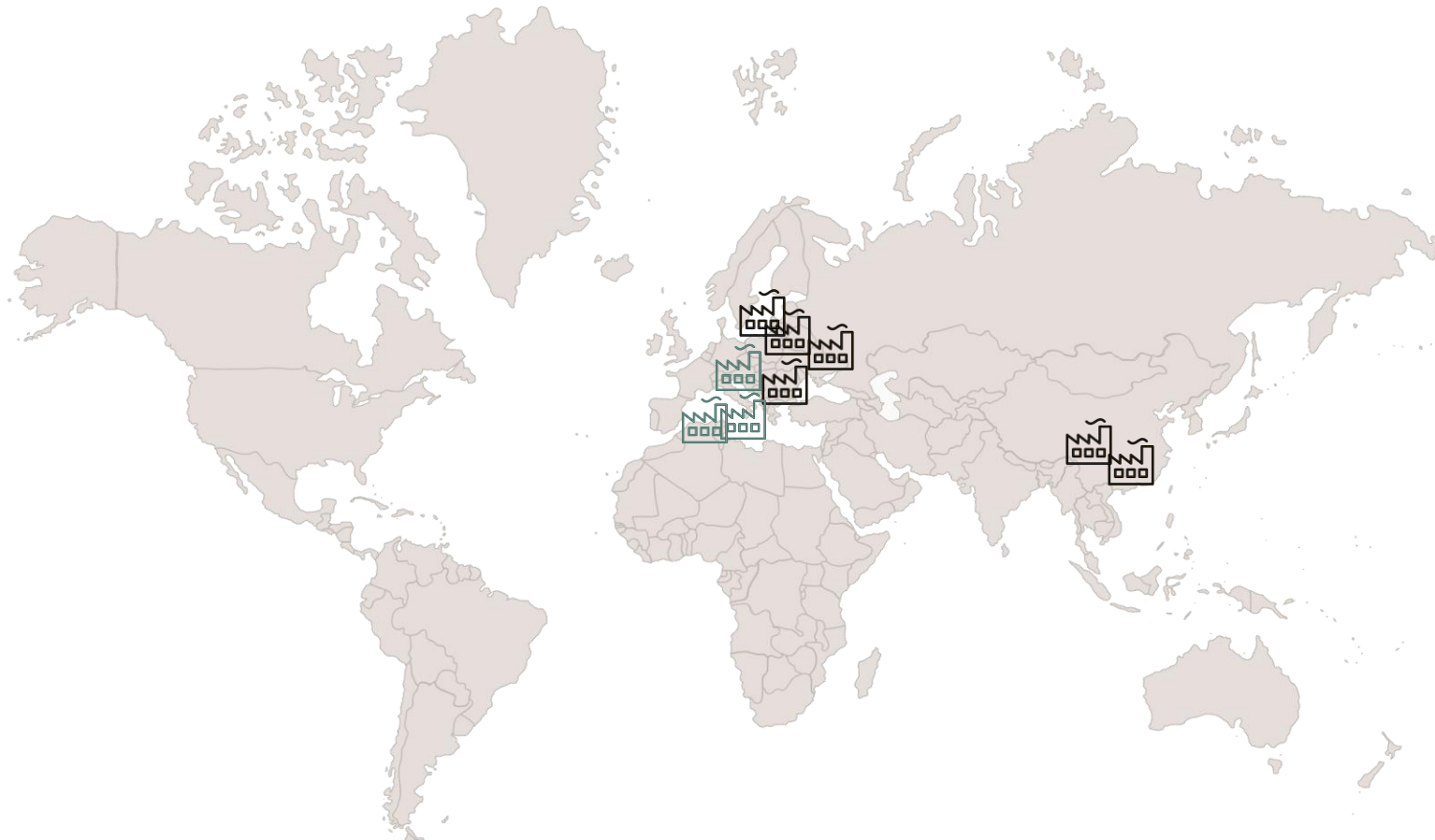
Extensive internal expertise in core technologies, systems and processes, that led to Multiple products awards



reddot winner 2024



Manufacturing Excellence



Professional
Factories:
Switzerland
Italy



Household
Factories:
Italy
Romania
China

DēLonghi Group

100% of Professional Coffee
machines produced internally

HANDCRAFTED APPROACH

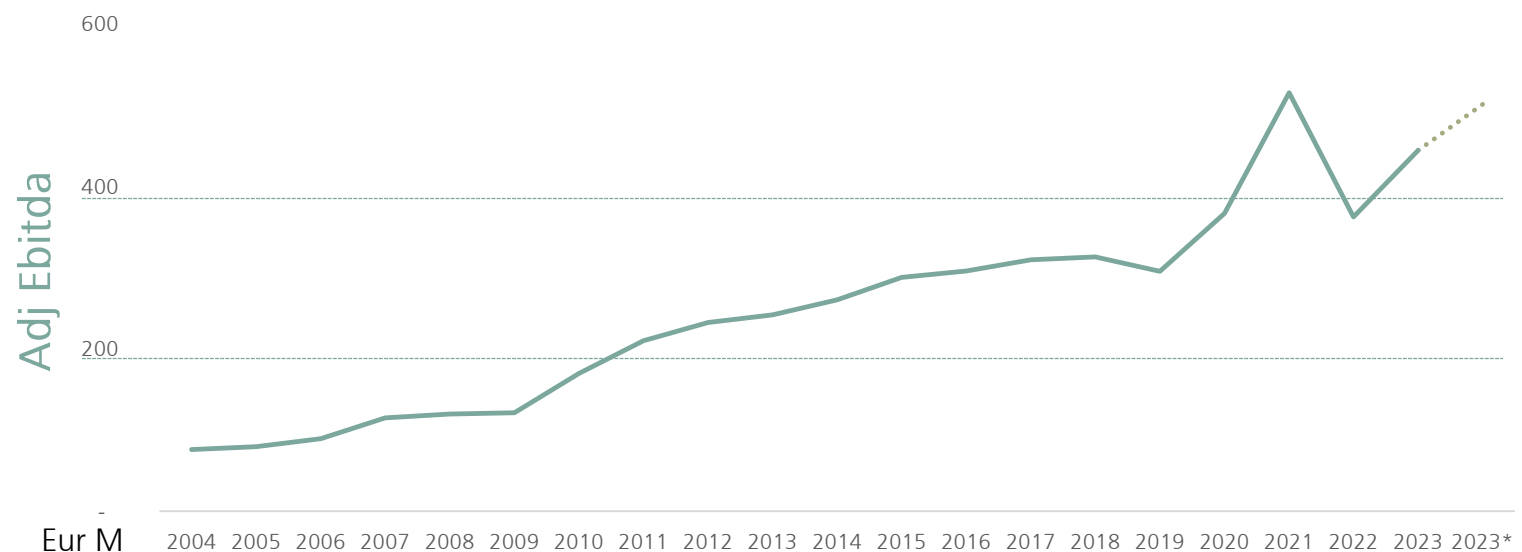
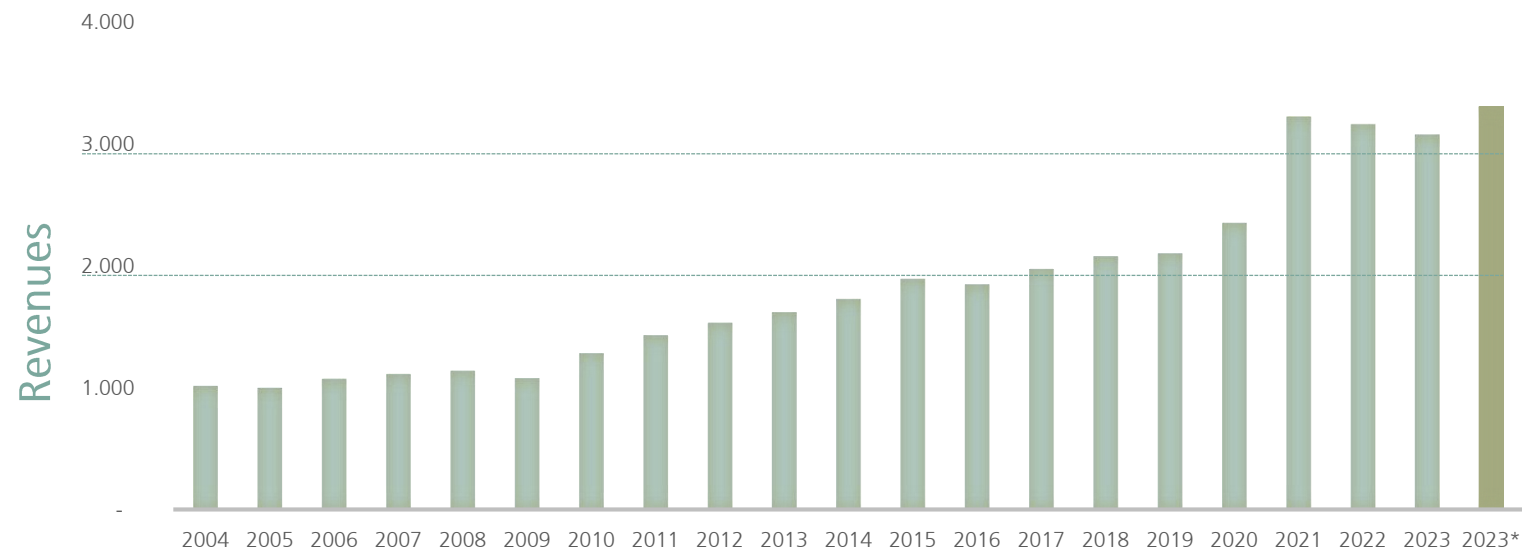
Over 80% of Household Coffee products
produced internally
(100% Fully-Auto and Pump machines)

SUPERIOR KNOW HOW IN THE INDUSTRY

Over 40% of the Others categories
produced internally
(above 90% Kitchen Machine - Hand Blender)

MIX BETWEEN INTERNAL COMPETENCES AND CO-SUPPLY STRATEGY

The evolution of the key financial metrics



Revenues

x3_{ca}

From 1bln to over 3bln €

Adj Ebitda

x7_{ca}

over 500Mln €

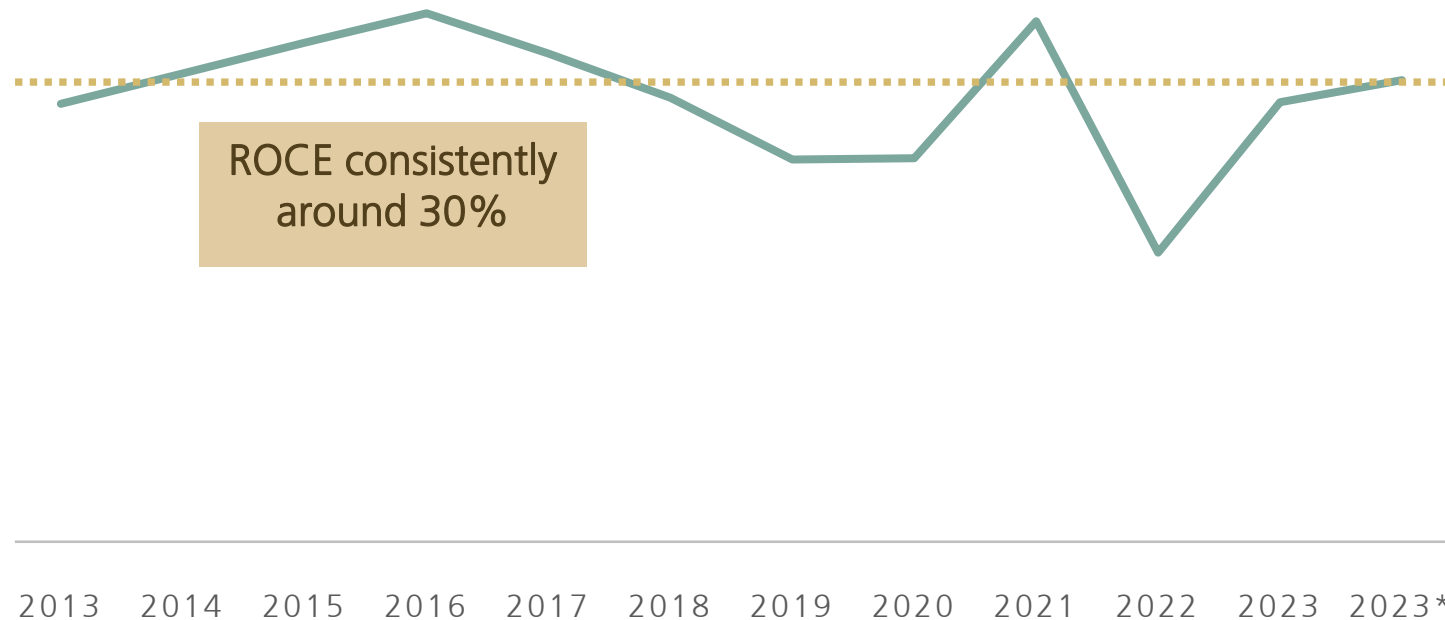
Reported figures

DēLonghi Group

*based on pro forma FY23

Profitability Ratios

The Group has demonstrated consistency in delivering a robust set of ratios throughout time



FCF Yield %
10%_{ca}

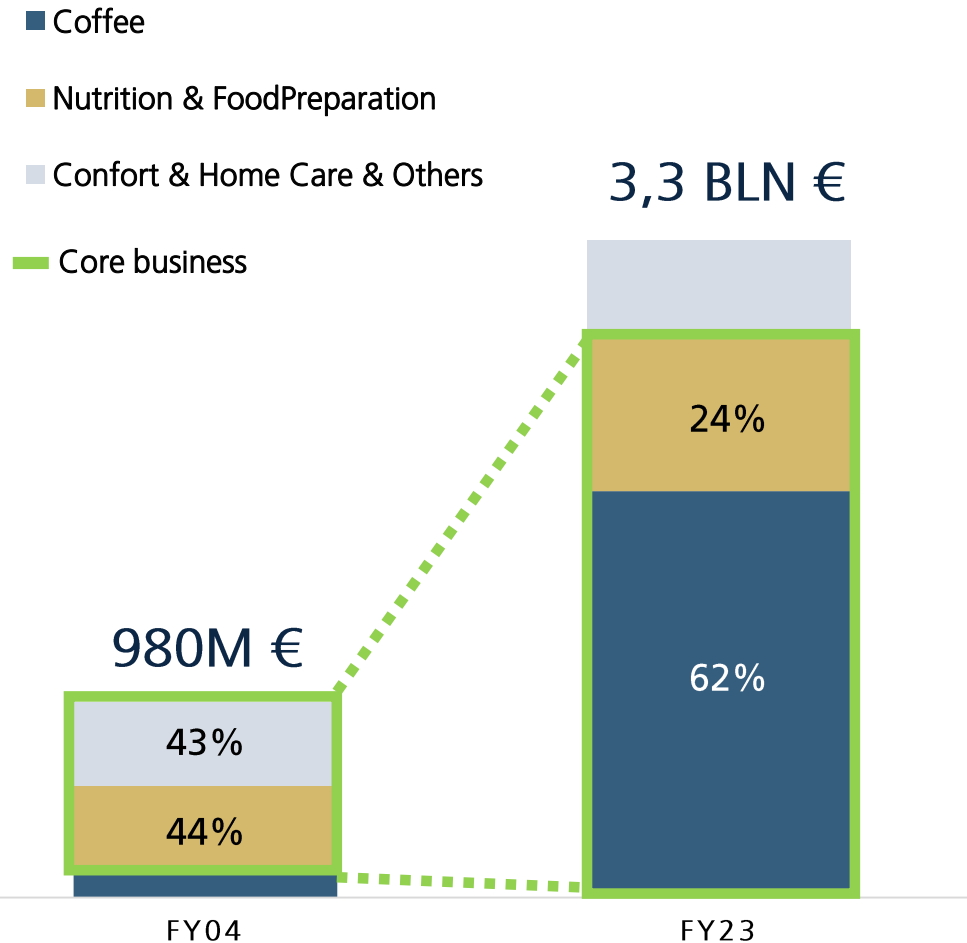
ROE
15%_{ca}

ROCE
30%_{ca}

Key factors for the De' Longhi's achievements

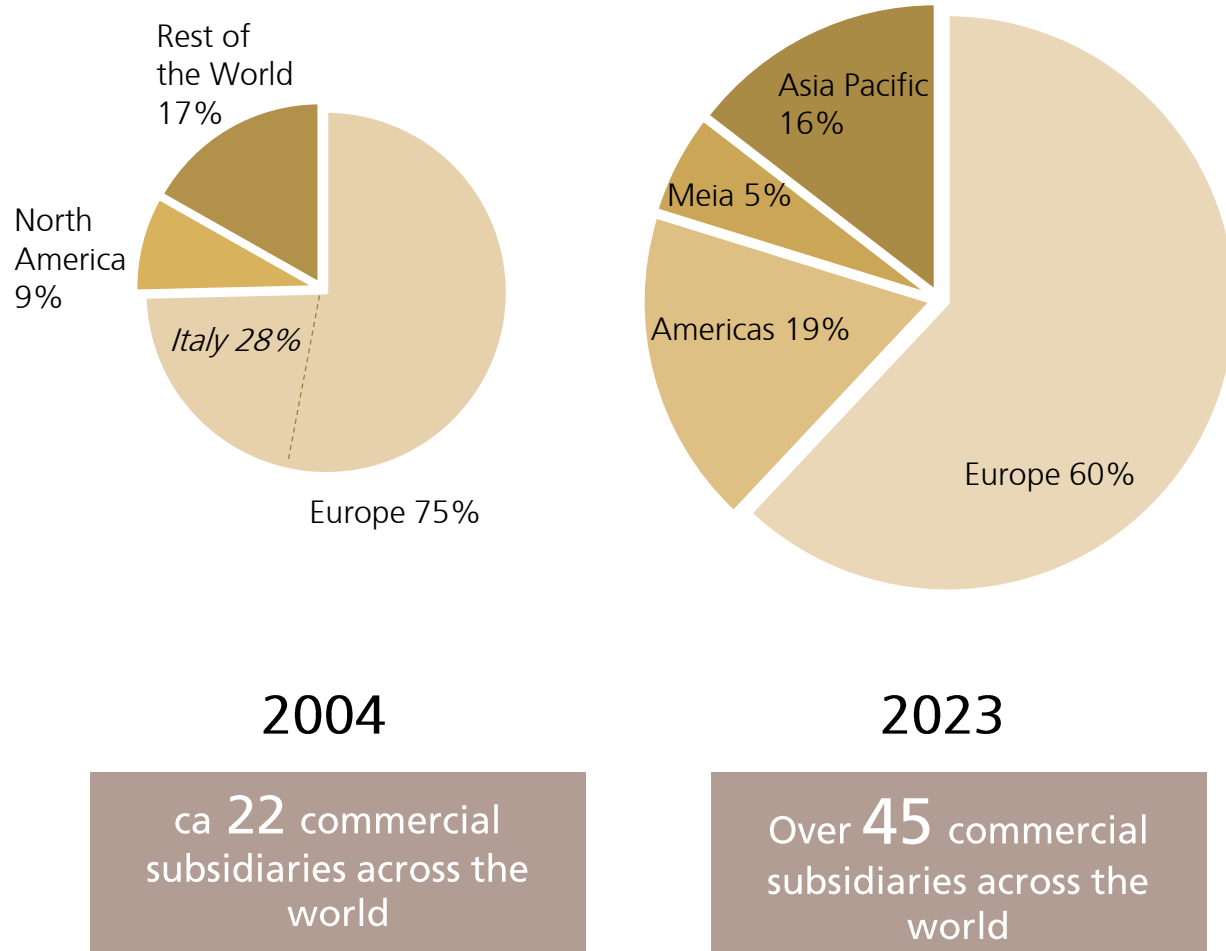
- 
- From Comfort & Traditional Kitchen to Coffee & Nutrition
 - Expanding geographical coverage
 - Establishing as a global market leader
 - Fostering sustainable choices
 - Global communication campaign
 - From Appliances to Consumer experiences
 - Strategic acquisitions

From Comfort & Traditional Cooking to Coffee & Nutrition



Over the years, the Group has successfully shifted its focus from traditional cooking and comfort to a **global lifestyle approach**, becoming a leader in the coffee and nutrition categories.

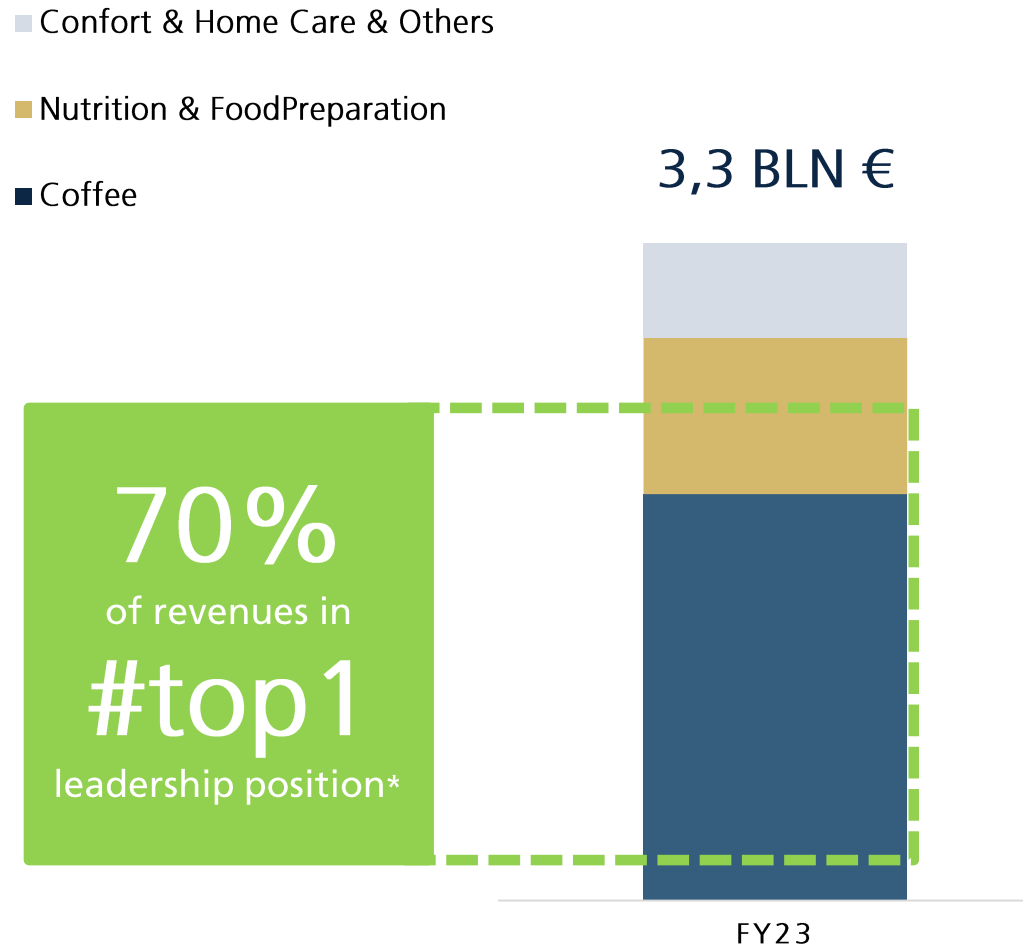
Expanding geographical coverage



The Group has expanded its worldwide reach, diversified its product offerings, and strengthened its market leadership in both established and emerging regions.

More balanced geographical relevance, thanks to North America organic growth and acquisitions.

Establishing as a global market leader



De' Longhi's primary focus is to **establish its products as premium and market leaders.**

Organic growth and acquisitions were developed in order to accomplish those purposes.

Establishing as a global market leader



#1

De' Longhi
Espresso coffee
machines*



#1

KENWOOD
Kitchen machines*
& food-preparation



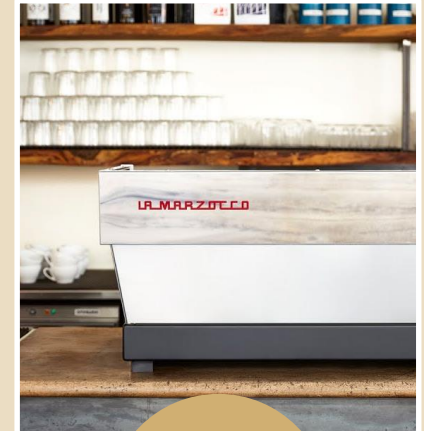
#1

Braun
Hand blenders*



#1

nutribullet
Personal blenders*



#1

LA MARZOCCO:
Semi automatic
professional
coffee makers*

DēLonghi Group

**based on market coverage (pro forma FY23)*

Fostering sustainable choices



*First espresso coffee machine
«carbon neutral»*



*Our machines focus on coffee
valorisation by enabling
sustainable behaviour*



*Our appliances allow customers to
reduce food waste and encourage
the use of fresh products*

Next De' Longhi Group's priorities

Expanding
Coffee at home

Capitalising on
brands awareness
and products
innovation

Effective cost
optimization

Riding
Nutrition wave

Surfing professional
coffee
premiutization

M&A accretive
acquisitions

Home Coffee

Coffee market growth drivers

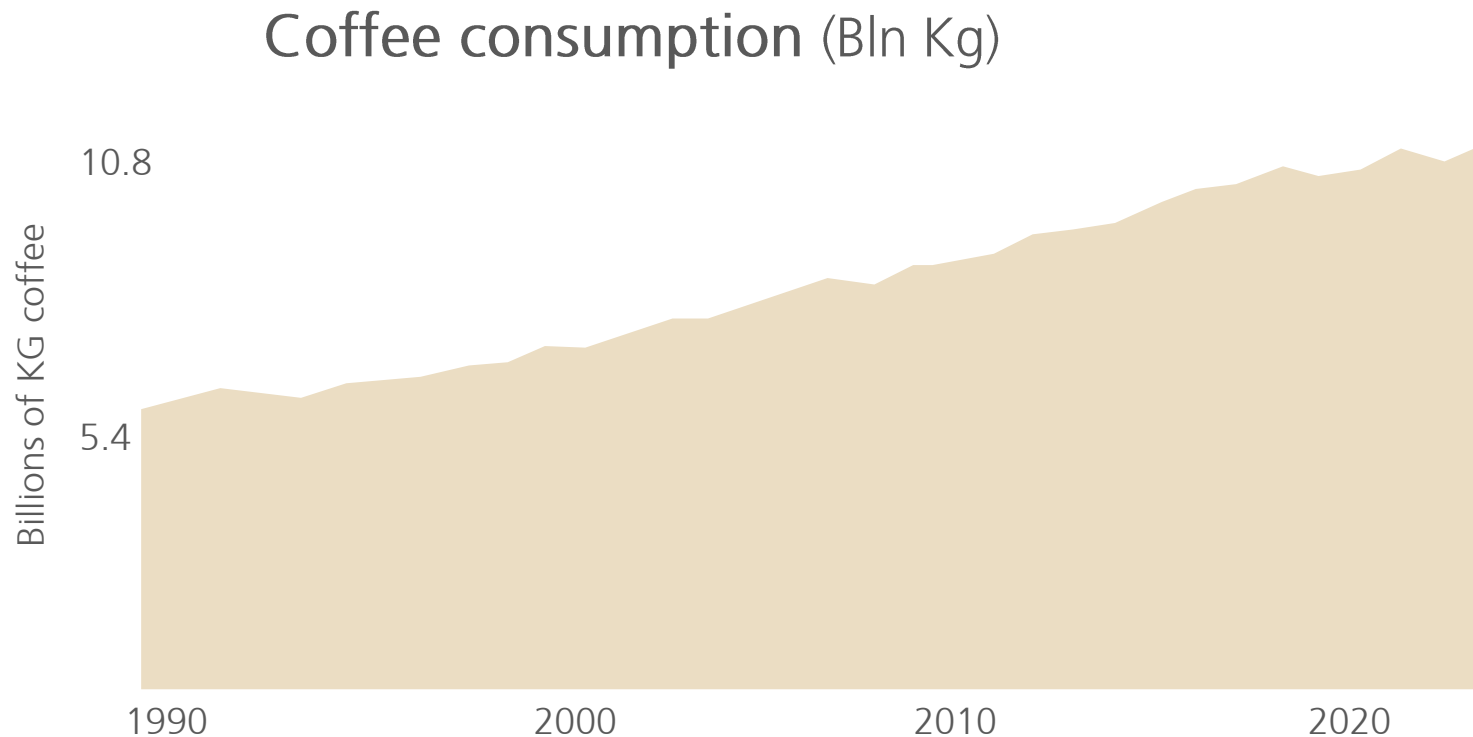
How De' Longhi has been
leading the pack

Taking it to the next level



DeLonghi Group

Coffee consumption has increased significantly



The rise in **consumer education** and the emphasis on **quality** in the café industry have lifted the coffee quality standard and consumer expectation.

Changing perspectives on coffee across time



1st Wave: The traditional coffee

Coffee is known as commodity coffee and it was used as a morning drink to recharge batteries.

Period: beginning to mid twentieth century

2nd Wave A shift from commodity to branded chains

Coffee becomes a **lifestyle product**, with social aspects

Period: mid to end twentieth century



3rd Wave A shift from branded chains to specialty coffee

Along with barista training and professionalism, **coffee bean origin and quality** became more important.

Period: beginning twenty-one century

4th Wave The expansion from coffee to coffee beverages

Technology is used to take coffee experiences to the next level, variety of coffee and beyond (such as cold brew, myxology...)

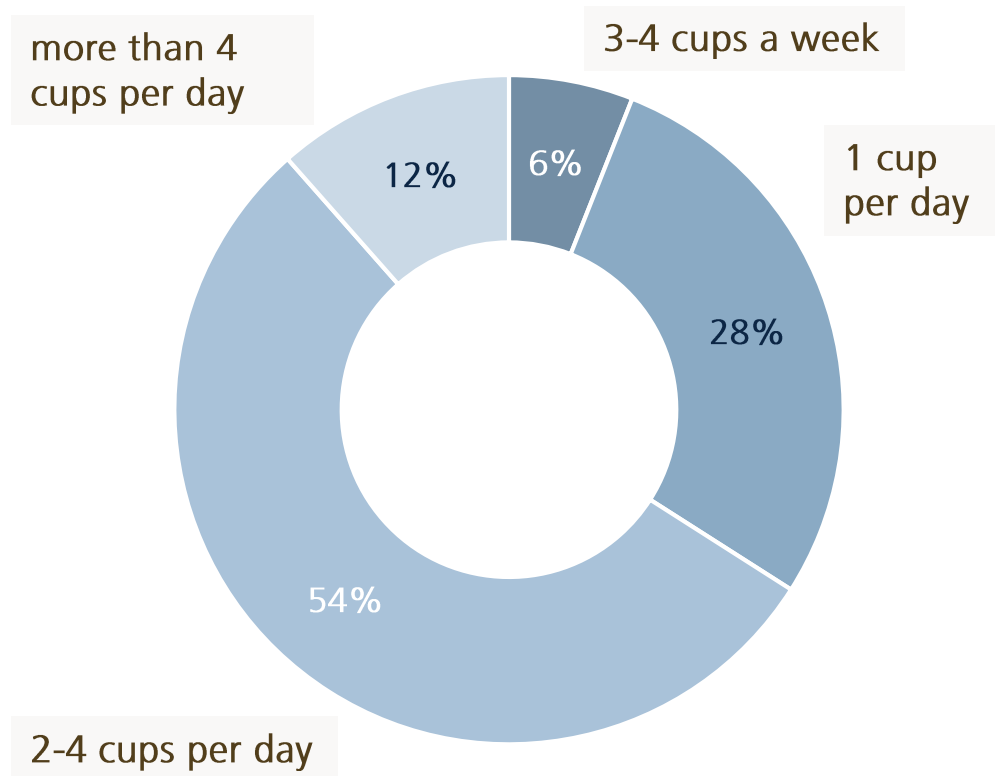
Period: now



Coffee has become part of our daily routine

Coffee has changed its role – it is no more a commodity – it's an experience both in and out of home!

Frequency of drinking coffee



AROMA and IN-CUP results are the core essence and spirit of the coffee experience

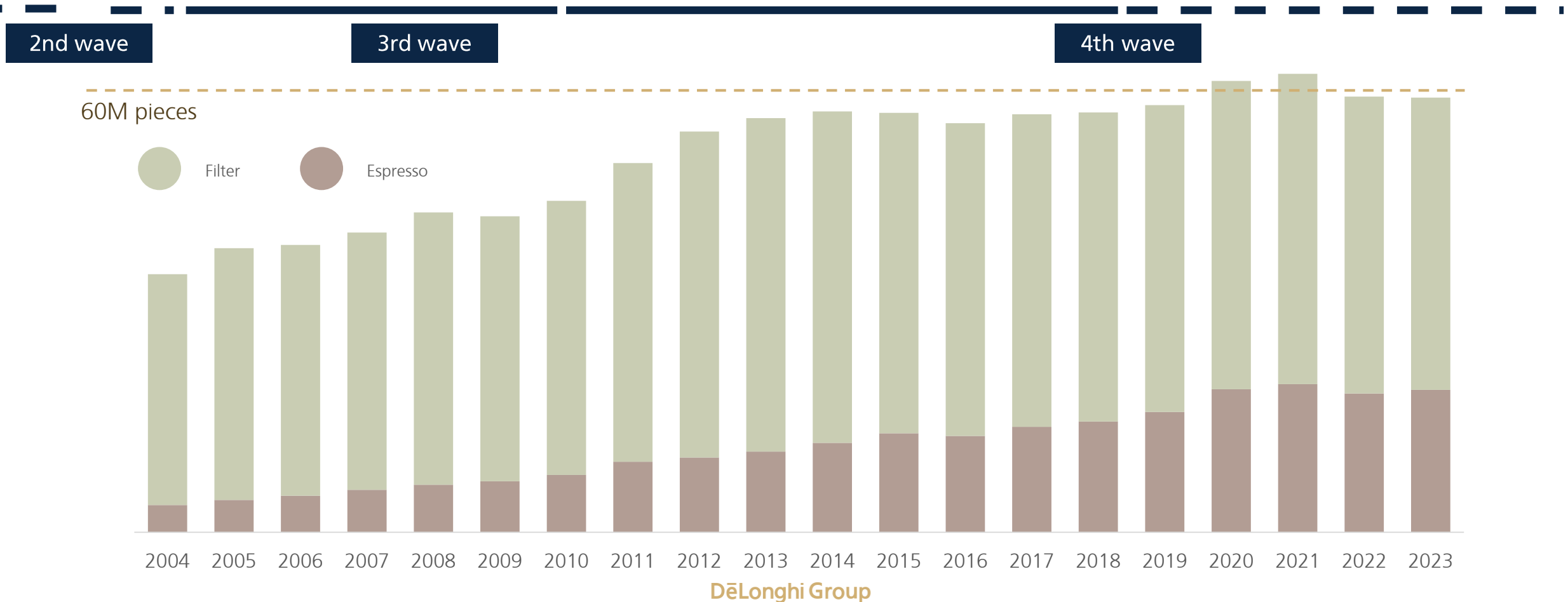
A majority of coffee drinkers agree that the best cup of coffee is made from freshly ground beans and are interested in testing new varieties

Consumers are interested in knowing and learning more about coffee:

- Country of origin of the coffee
- Type of coffee beans and blends
- Freshness of the coffee beans
- Level / degree of roasting

Coffee at home has been expanding

The market for espresso makers **has grown**, as consumers have become more sophisticated and **Espresso** coffee expansion is **outpacing** total market growth



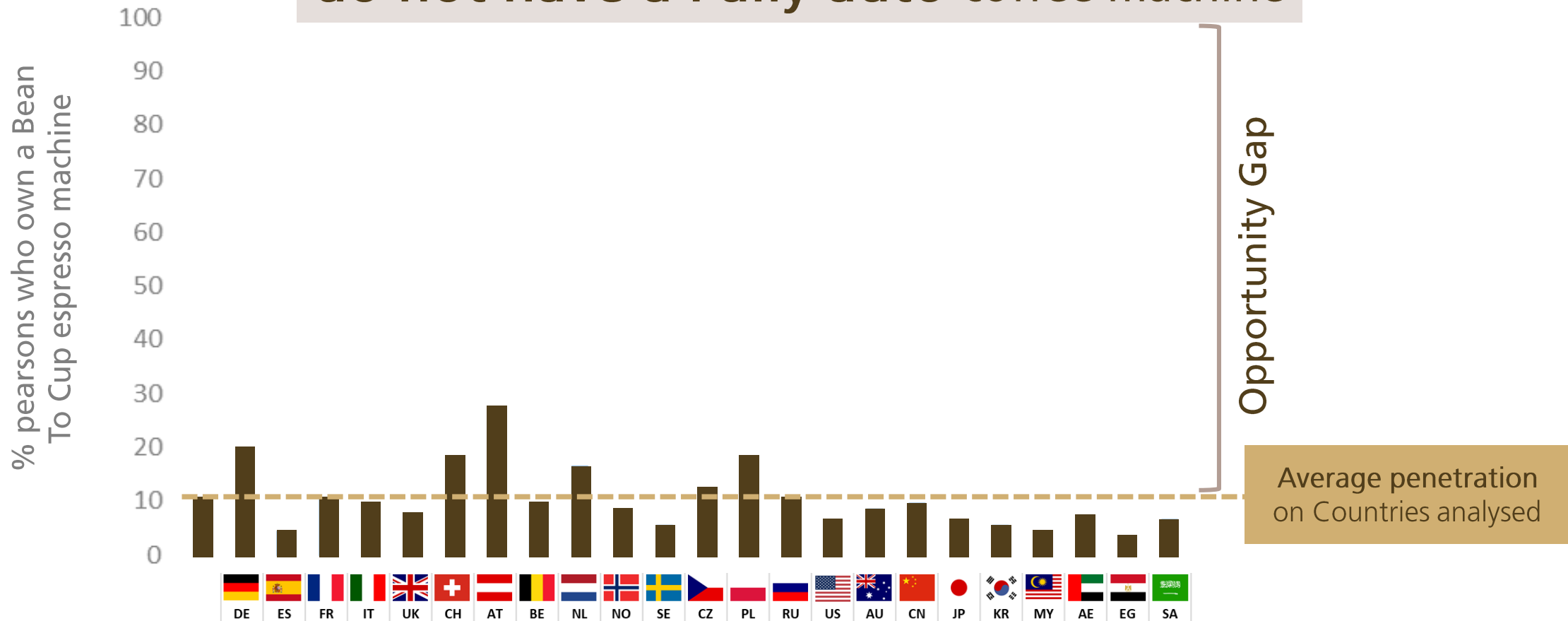
source: internal analysis on global market coverage



The Fully-Auto is
recognized as the
most versatile product
that is adaptive to the
fourth wave of coffee

Household penetration is still low

On average **90%** of households do not have a Fully auto coffee machine



From «Espresso machine» to «multi-beverage coffee machine»

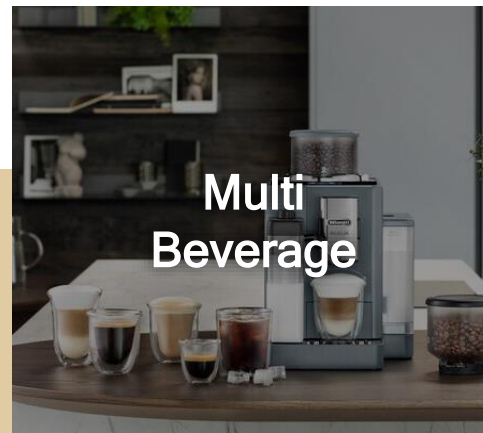
Coffee consumer tendencies have changed
over time, generations and culture.



Coffee
Beans

Coffee Variety

Different Beans and
Roasts



Multi
Beverage

Cold coffee

Espresso Cocktails
and Mocktails



Personalized
Approach

Non-Dairy Beverages

Other personalization

Home Coffee

Coffee market growth drivers

How De' Longhi has been leading the pack

Taking it to the next level



DeLonghi Group

De' Longhi is the only brand
that covers all consumer needs
and coffee segments



Moka



Drip



Drip with
grinder



Single
Serve



Pump



Pump with
grinder



Full Auto



Leading-edge
innovation

Design & Quality
& Technology

Building the coffee
experience at home

Investing in
outstanding
communication

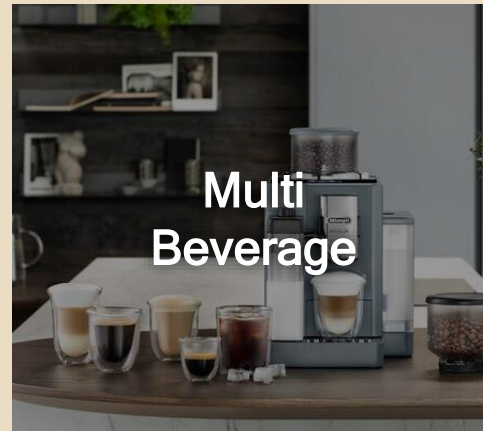


DēLonghi

La Specialista
MAESTRO



Leading-edge innovation



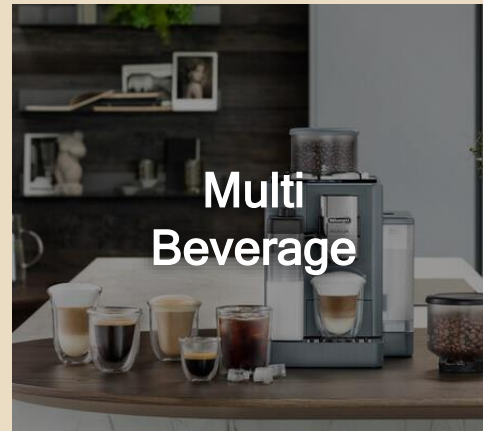
Younger and Wider
Target Audience

Multiple Moments
of use

Additional reason-why
for purchase or trade up

Coffee consumer tendencies have changed
over time, generations and culture

Leading-edge innovation

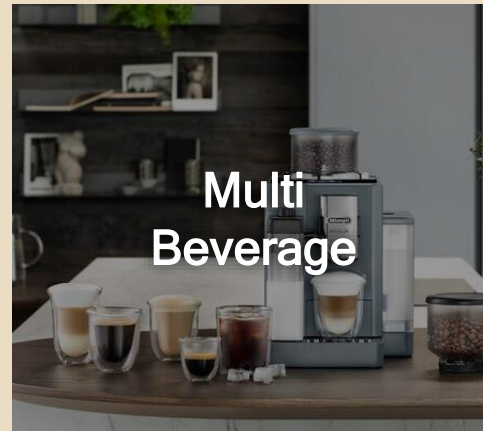


Our latest products are all designed to leverage and amplify these trends



DēLonghi Group

Leading-edge innovation



Our latest innovations are all designed to leverage and amplify these trends

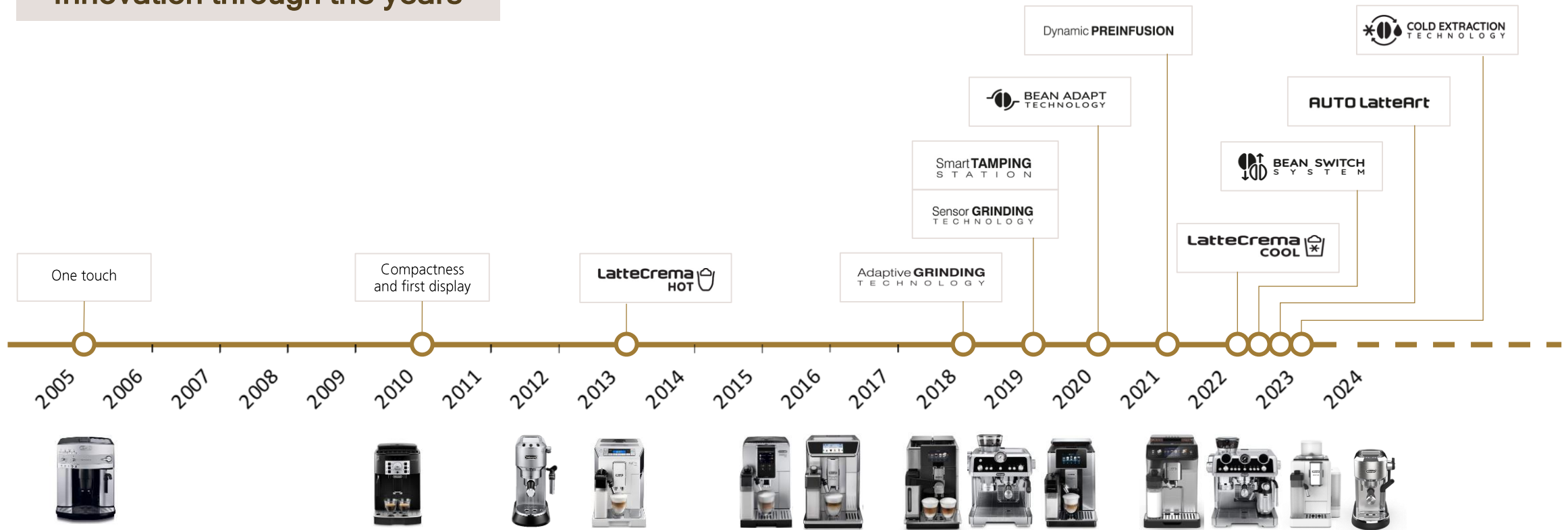


AUTO LatteArt



Leading-edge innovation

Innovation through the years



We're not simply
launching
new products...



The image shows three glasses of specialty drinks on a wooden table with a blue placemat. The glass on the left contains a layered drink with a white base, a dark brown middle layer, and a green bottom layer, topped with a sprig of mint. The middle glass is a smaller double-walled cup containing a red liquid, raspberries, a cinnamon stick, and a dried orange slice. The glass on the right is a tall glass containing a dark liquid with a thick white foam head, topped with a small cube of brown sugar. The background is a blurred window with a grid pattern.

...we are
unlocking
new experiences

Design & Quality & Technology



Category:
Product, Kitchen
appliances



Category:
User experience



Category:
User Interface



Design & Quality & Technology

Stiftung Warentest is a German consumer organisation and foundation involved in investigating and comparing goods and services in an unbiased way

DeLonghi



DeLonghi Group

Building the coffee experience at home

Key consumer category drivers:
Fully-Auto*

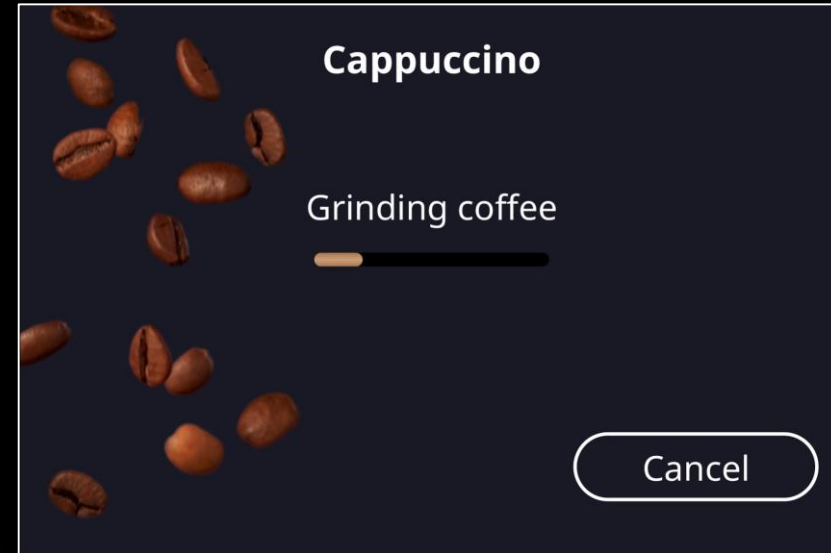
- #1 To get a better coffee at home
- #2 To have a variety of drinks
- #3 To personalize my coffee

Key consumer drivers for selecting a
De' Longhi's Fully-Auto*

- #1 De' Longhi guarantees a good quality
- #2 De' Longhi has a good reputation
- #3 De' Longhi was recommended to me

**De'Longhi fullautomatic early buyers survey, 2024*

From espresso to coffee experience



Plenty of customisation
choices and receipts to
elevate the consumer
service level

Ambassador Campaign renewed

Growing Brand Awareness
and Mental Availability

Building Emotional
Connection

Amplifying Premiumness
and Brand Value Perception



Coffee market growth drivers

How De' Longhi has been leading the pack

Taking it to the next level

Taking it to the next level



DēLonghi Group



De' Longhi's coffee plan

Address emerging trends beyond the espresso category, introducing new technologies and solutions

Strengthen mid-to-high end leadership and increase premiumness position in the Fully-auto category

Leverage the Nespresso partnership, which is still driving espresso at home expansion

Strengthen our position in the pump segment through the expansion of the "La Specialista range"

Capitalize on the low penetration of espresso, both in existing and emerging markets



Our goals

EXPAND PENETRATION ACROSS ALL COFFEE SEGMENTS



FOCUS ON INNOVATION, CONSUMER EXPERIENCE AND EMERGING COFFEE CONSUMPTION TRENDS

Target '24-'26 Cagr

**HOME COFFEE MAKERS CAN GROW AT
MID TO HIGH SINGLE DIGIT**

Nutrition

Consumer preferences are fast evolving

The Group is reframing growth strategy

Future-fit value creation plan



DēLonghi Group



**Consumer approach
to nutrition is evolving**

Health IS the biggest motivation

Health is the #1 reason
to cook at home

73%



82%



69%



77%

81%

Health trigger even
stronger for younger
consumers

58%

of all recipes social
conversations were
focussed on health

55%

Linked to wellness
goals, diets and
weight loss programs

DēLonghi Group

Source: survey greater than 5k respondents FRA, DE, IT, AU, UK, US. Social listening

Freshness & Quality: unmet needs



Becoming more important

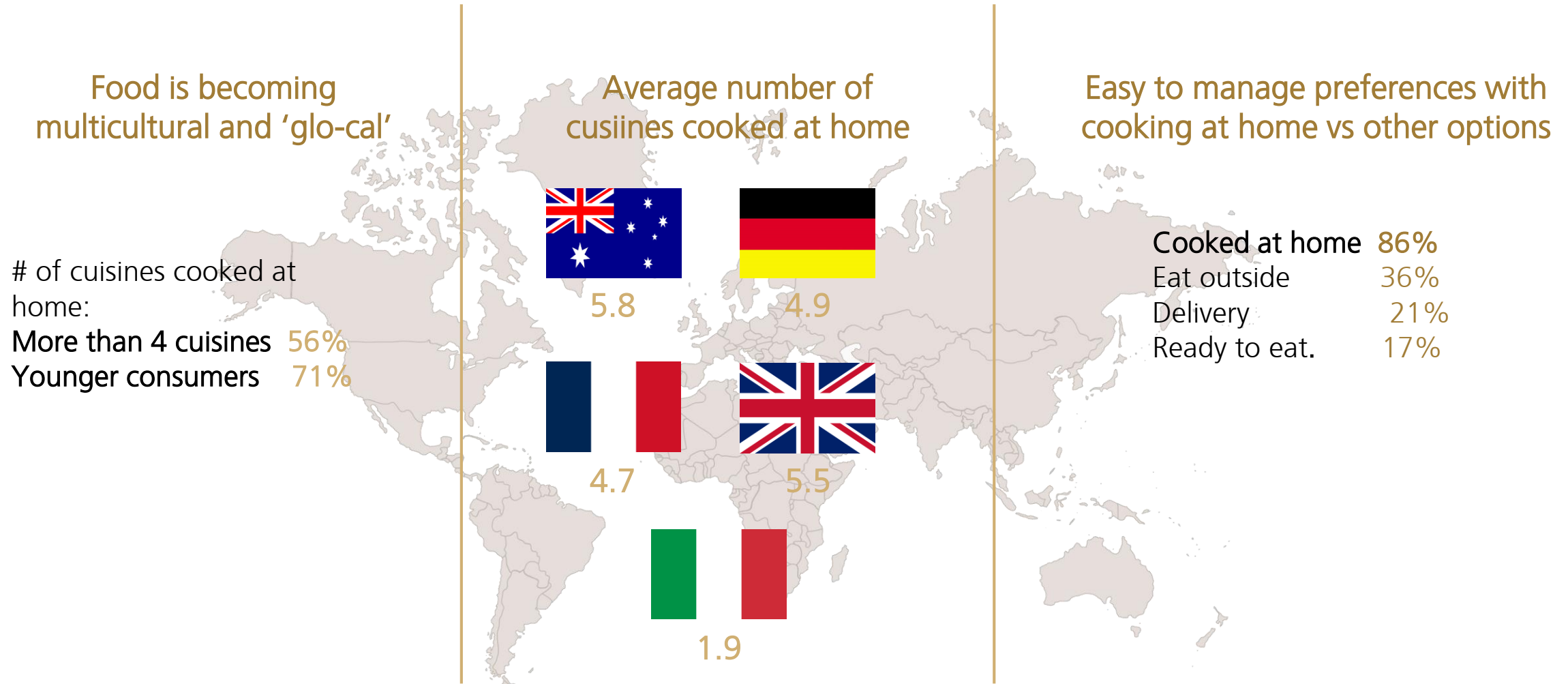


Control over quality & freshness
is the second biggest reason to
cook at home

Top 3 concerns:
Hyper processed
Added sugars
Saturated fat

Sustainability
Biggest link to quality 66%
Kind to planet 64%
Freshness 50%

Variety and Versatility is key





Information and inspiration hungry

Young consumers
Cook with a phone or tablet

59%

Search – Information

How to
Keto, intermittent, gluten free

15 Mn

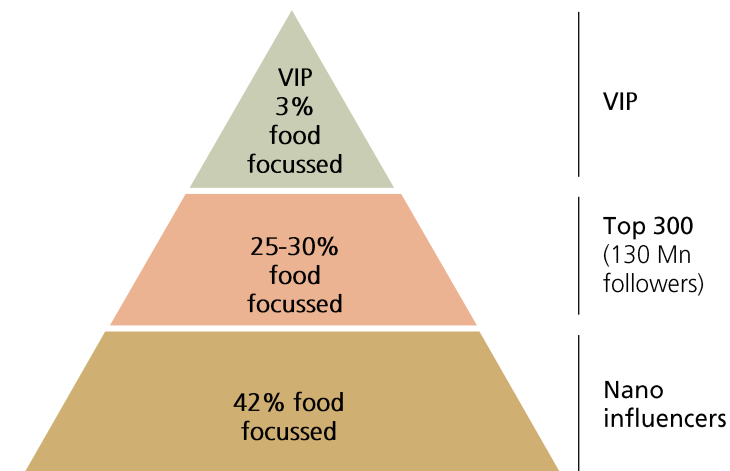


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SOCIAL

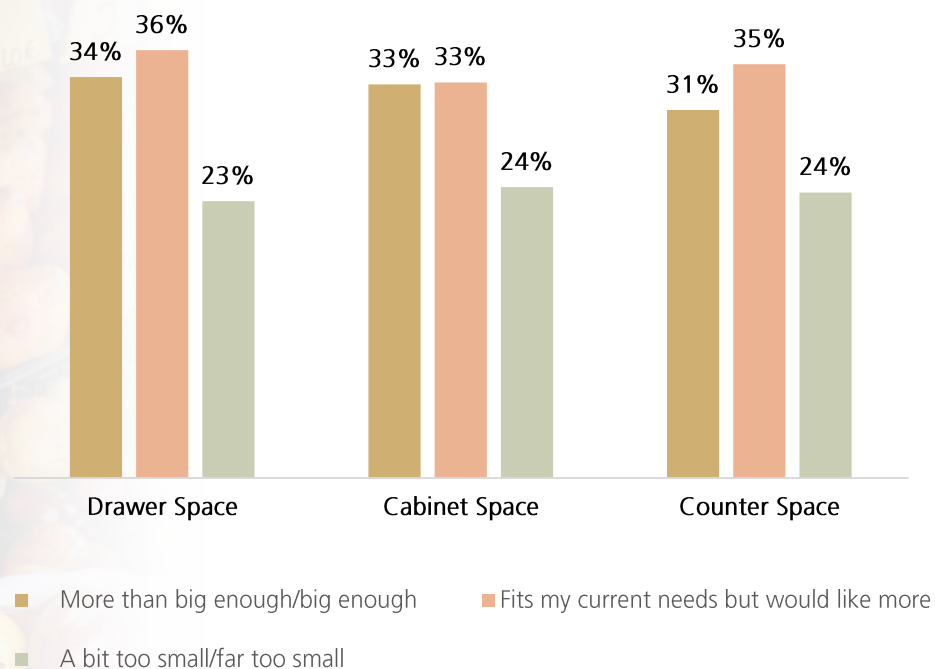
Trendy topics
Mediterranean, vegan, vegetarian

2 Mn



Shrinking space and wallet

2\3 people think space is too less or would like more space



Cost conscious while eating out

TOTAL POP 81%

Gen Z 65%

Millennials 82%

Gen X 81%

Nutrition

Consumer preferences are fast evolving

The Group is reframing growth strategy

Future-fit value creation plan



DēLonghi Group



nutribullet® fits wonderfully with this phenomenon

nutribullet: it's that simple

Category
captain

N #1

Global Personal Blender
Brand in the World

Over
100 M
units sold
worldwide

"Go To"
Brands for
Gen Z



Quick,
Easy , On
the go

Expand consumer
insights

Win in Full Size and
Portable blending



Adjacent
Categories

Opportunities to
Win in adjacent
category



Expanding across categories

Personal
Blenders



Full size
Blenders



Juicers



Air Fryers



Expanding across geographies

US

#1

Market Share in
personal Blender
Category

GLOBAL

#1

Market Share in
personal Blender
Category

DēLonghi Group

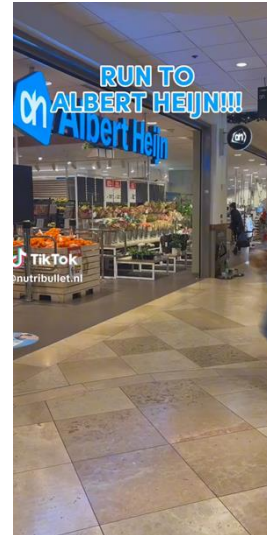
Expanding across geographies: early signs of success

AUSNZ



Successful nutribullet®
Portable launch,
exceeding forecast and
beating competitors

BENELUX



nutribullet® & magic
bullet® awarded Best
Buys by Benelux
Consumer Association

THE UK



Consumer Love
demonstrated by
TRUSTPILOT
5 stars

BRAUN

#1

Hand Blender
Globally

BRAUN

Which are the barriers to
Hand Blender ownership?

30%

Have other appliances
that meets needs

17%

Don't do enough
food prep



DēLonghi Group

UNLIMITED VERSATILITY

Attract new consumers
Expand current consumers

BRAUN
Lead and grow
the Category

MORE than a hand blender

*Comparative analysis on number of hand blenders accessories marketed by competitors - year 2022.

DēLonghi Group

BRAUN

BRAUN

New

All this. And more.

world's largest
attachment system*,
for unlimited versatility



* Comparative analysis on number of hand blenders accessories marketed by competitors - year 2022.

KENWOOD





Easily stored



Simple controls



Compact & Light weight



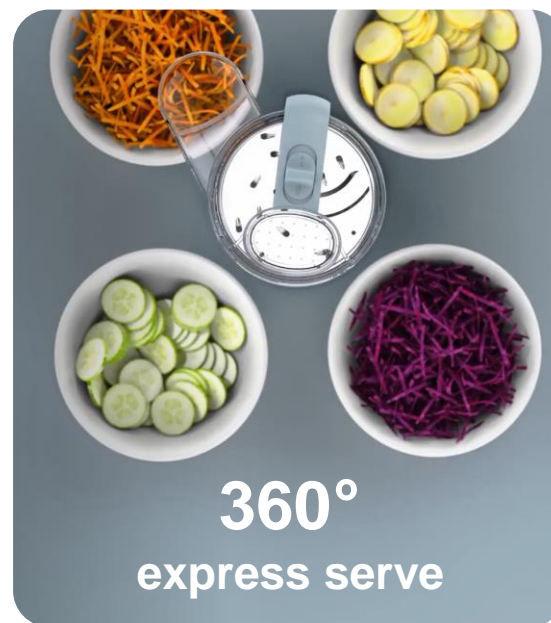
Wonderful gift



Designed to be moved



Calming & modern design



**360°
express serve**



Unlimited capacity

#3

Food Process Globally

#6 to #3 Food Processor 2023
and to #2 in Europe in just one year

FASTEST growing brand in 2024

Multipro GO +4pp Mkt share
on total food processors

- Viral TikTok video campaign with influencers 20M views and 34M on instagram
- IT FR DE UK



Nutrition

Consumer preferences are fast evolving

The Group is reframing growth strategy

Future-fit value creation plan



DēLonghi Group

De' Longhi's nutrition plan



Optimise portfolio in line with consumer preferences

Drive innovation to resolve consumer pain points and evolve category boundaries

Social by Design: Scale up influencer and affiliate marketing

Leverage CRM and connected machines to cross-sell and drive expandability

Scale up e-commerce, reviews program and DTC selling models

Our goals

PLAY OUR BRAND PORTFOLIO WITH SHARP
CATEGORY FOCUS



FOCUS ON INNOVATION, MARKETING DATA
DRIVEN AND NEW APPROACH TO THE CONSUMER
EXPECTATIONS

Target '24-'26 Cagr

**NUTRITION CAN GROW AT
LOW TO MID SINGLE DIGIT**



WEEKLY COFFEE



COFFEE BREAK

DēLonghi Group



Professional Coffee

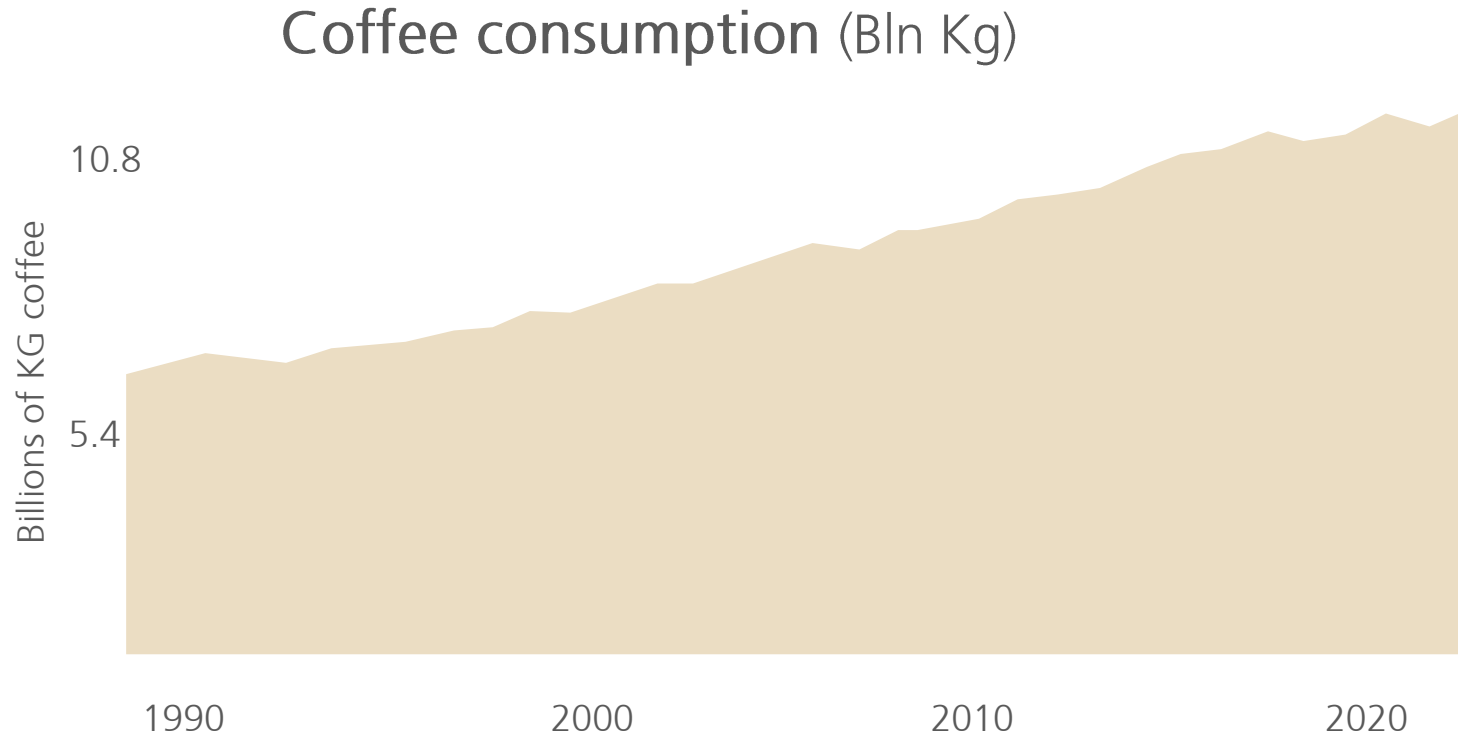
The market's growth and
consistent enhancement in
coffee quality

La Marzocco and Eversys's
role in leading the market

Combining capabilities for
leveraging opportunities

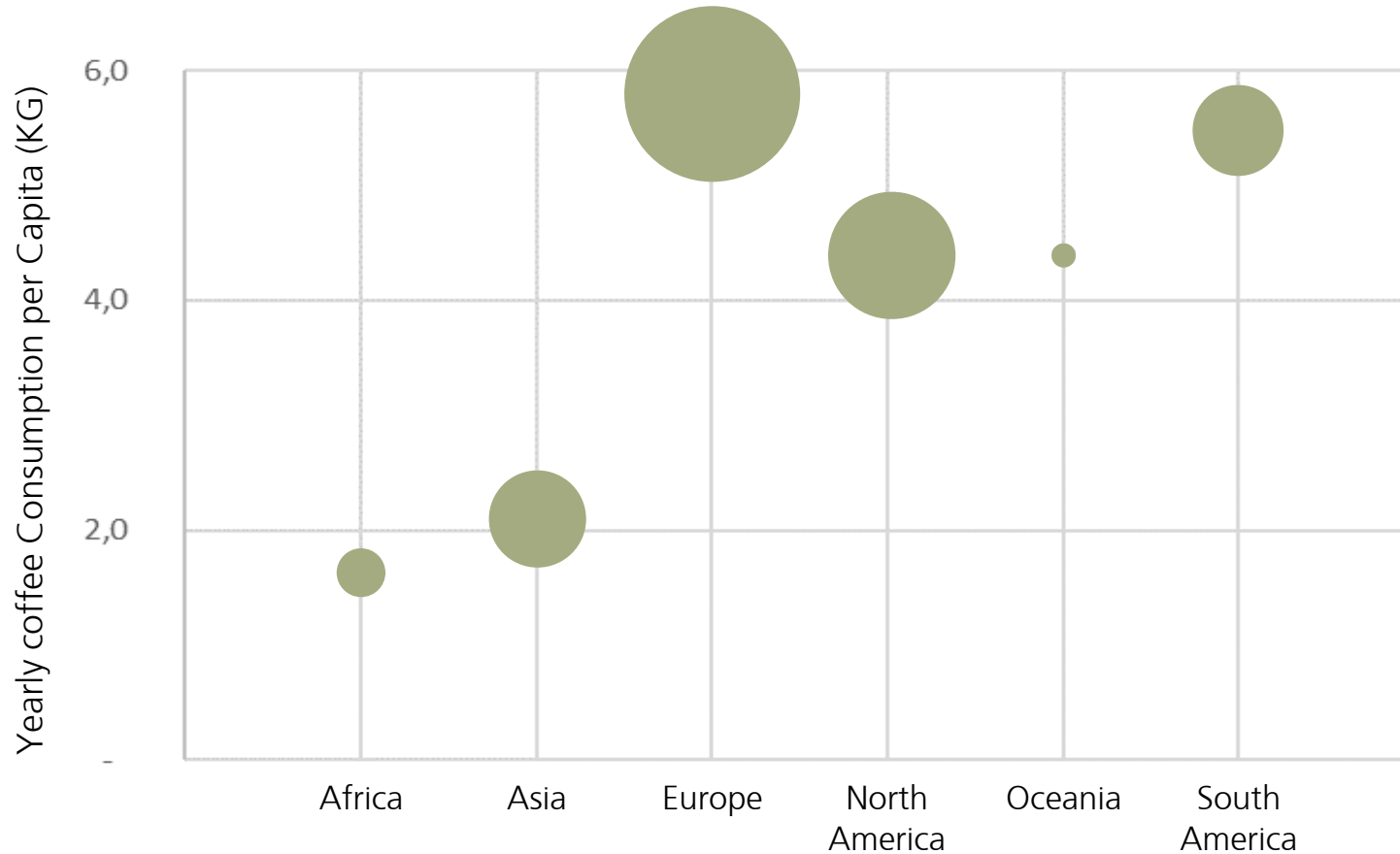


Coffee consumption has increased significantly



Population expansion, rising per capita income, and a growing middle class **enhance coffee volume and quality everywhere**

Coffee Consumption by Country

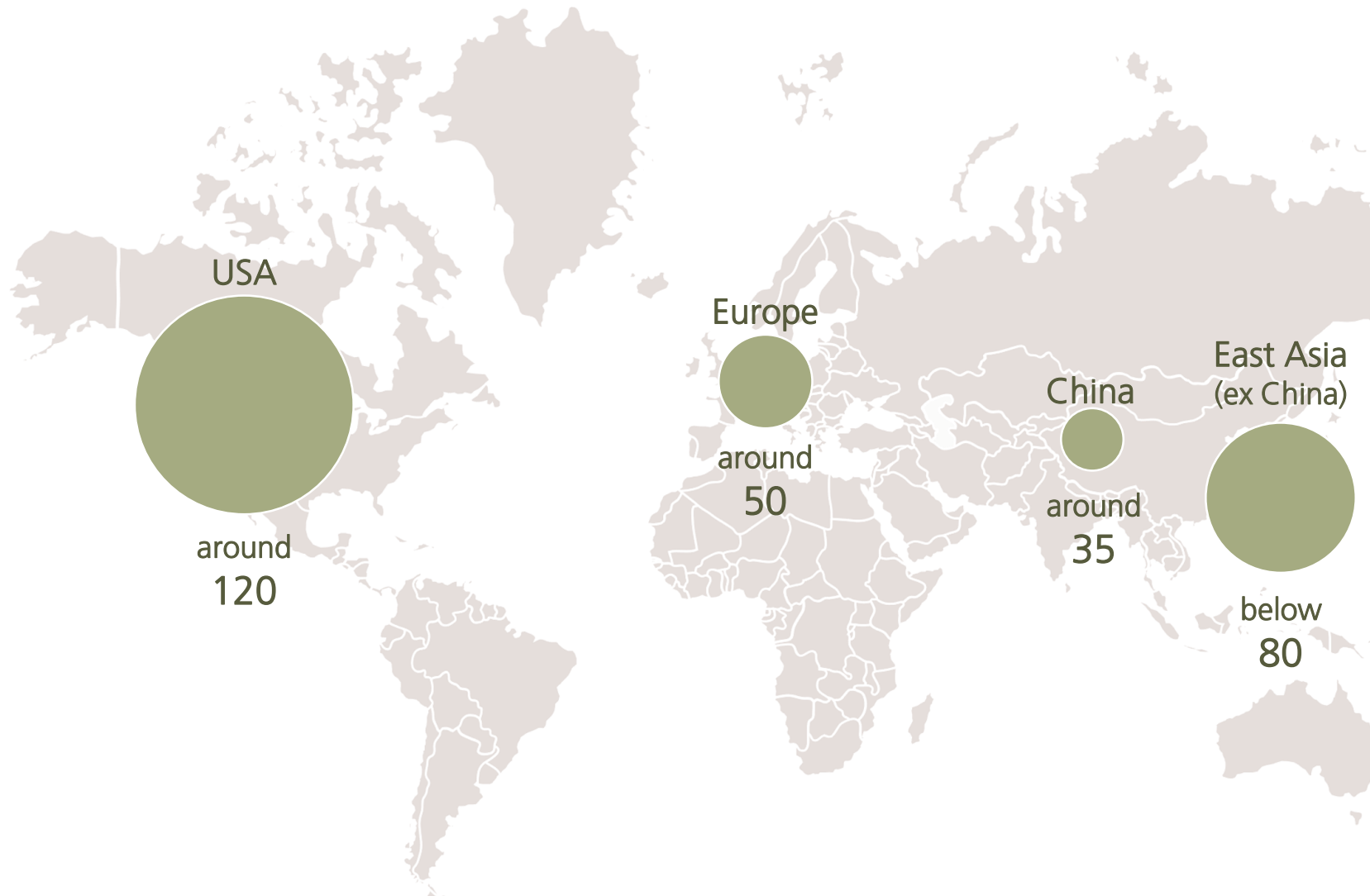


The lifestyle **associated** with coffee shops has a major impact on the evolution of the coffee industry, spreading the coffee consumption across the world.

Coffee is trending worldwide

Consumption (tons)

Branded Coffee Shops by Region



Modern coffee shops offer an alternative way to socialise between work and home, and they are **influencing consumer lifestyles** that value convenience, social engagement, and high-quality experiences

Total Coffee shops
per M population

The professional coffee market is expected to steadily expand

PROLIFERATION OF CAFÉ SHOPS

Expected High single digit expansion of number of coffee shops in Asia and a low single digit growth in Europe and the US

INCREASE BEVERAGE VARIETIES

Filter coffee is still the most popular in the US, but younger customers prefer espresso-based beverages (as Iced-coffee, Cappuccino).

ENHANCEMENT OF COFFEE EQUIPMENT

Consumers demanding higher quality and improved experiences as their knowledge and expectations increase

RISE OF COFFEE SHOP SALES

Above 60% of industry leaders think there is plenty of opportunity for business expansion, so improving footfall and beverages

Coffee machine segments



Semi-automatic coffee machines separate bean grinding, espresso brewing and milk heating processes and thus need to be operated by a barista



Vending machines make coffee from beans, liquid, or powder, but they use milk powder and are less sophisticated



Filter coffee machines brew traditional black coffee from ground beans, using fine (e.g. paper) filters instead of sieves

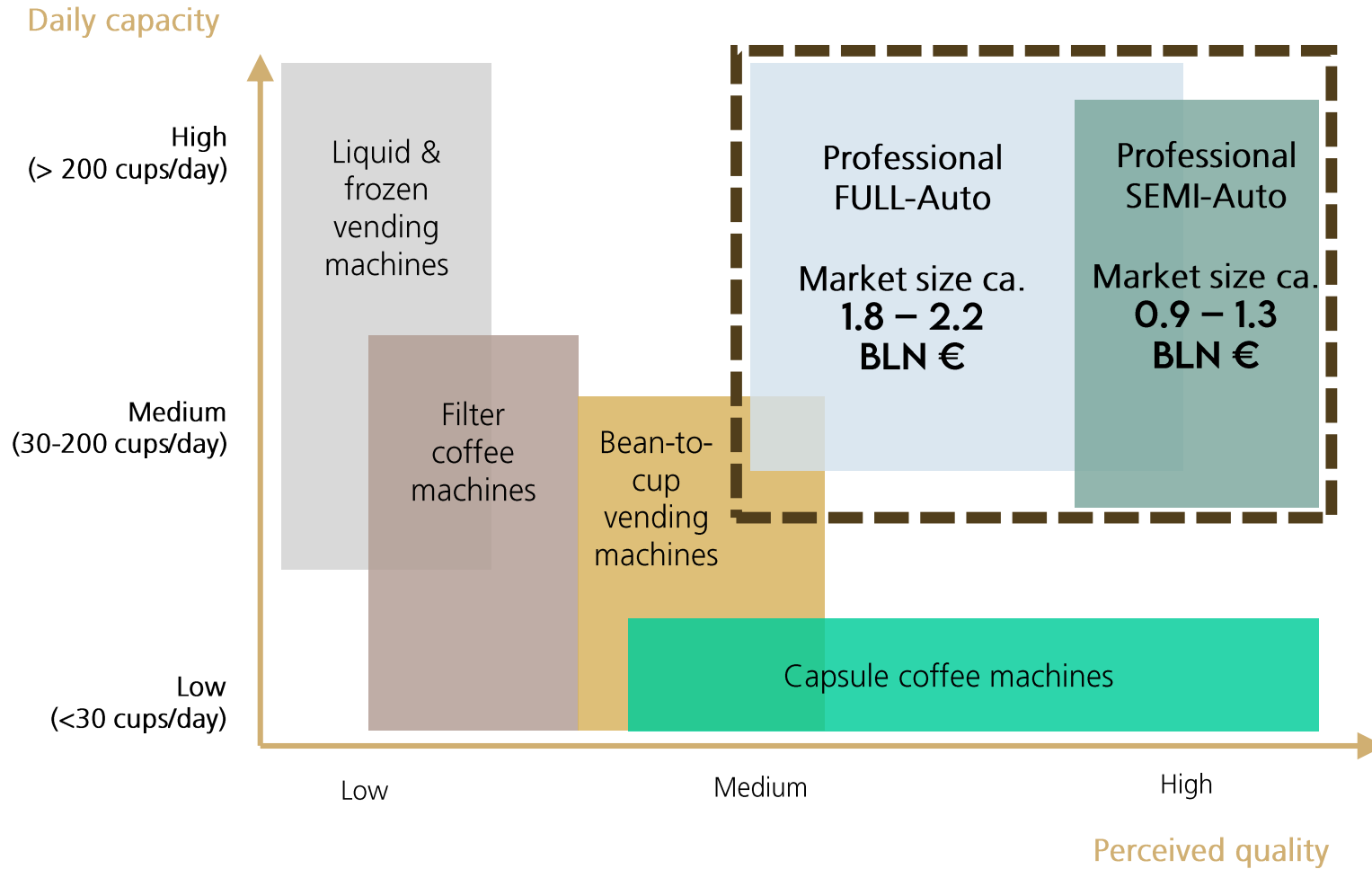
Automatic coffee machines grind beans, portion coffee, and add milk foam.



Machines use capsules/pods to brew coffees and espresso (milk can be added via separate appliance)



Group's Market opportunity



Full-Auto and Semi-Auto professional coffee makers have been growing above the industry average

Professional Coffee

The market's growth and
consistent enhancement in
coffee quality

La Marzocco and Eversys's
role in leading the market

Combining capabilities for
leveraging opportunities





Around 30	Offices and Branded Resellers	More than 5
More than 100	Distributors	More than 100
2	Operational Footprint	1
More than 700	People	About 350
Around 10%	% Spare parts & Service	Around 17%





DēLonghi Group



ICONIC DESIGN

LOVED BRAND

INNOVATION IS IN LMZ'S DNA

ADJACENT CATEGORIES

THE HOME OPPORTUNITY

SUPERIOR IN-CUP QUALITY

ADVANCE CORE TECHNOLOGY

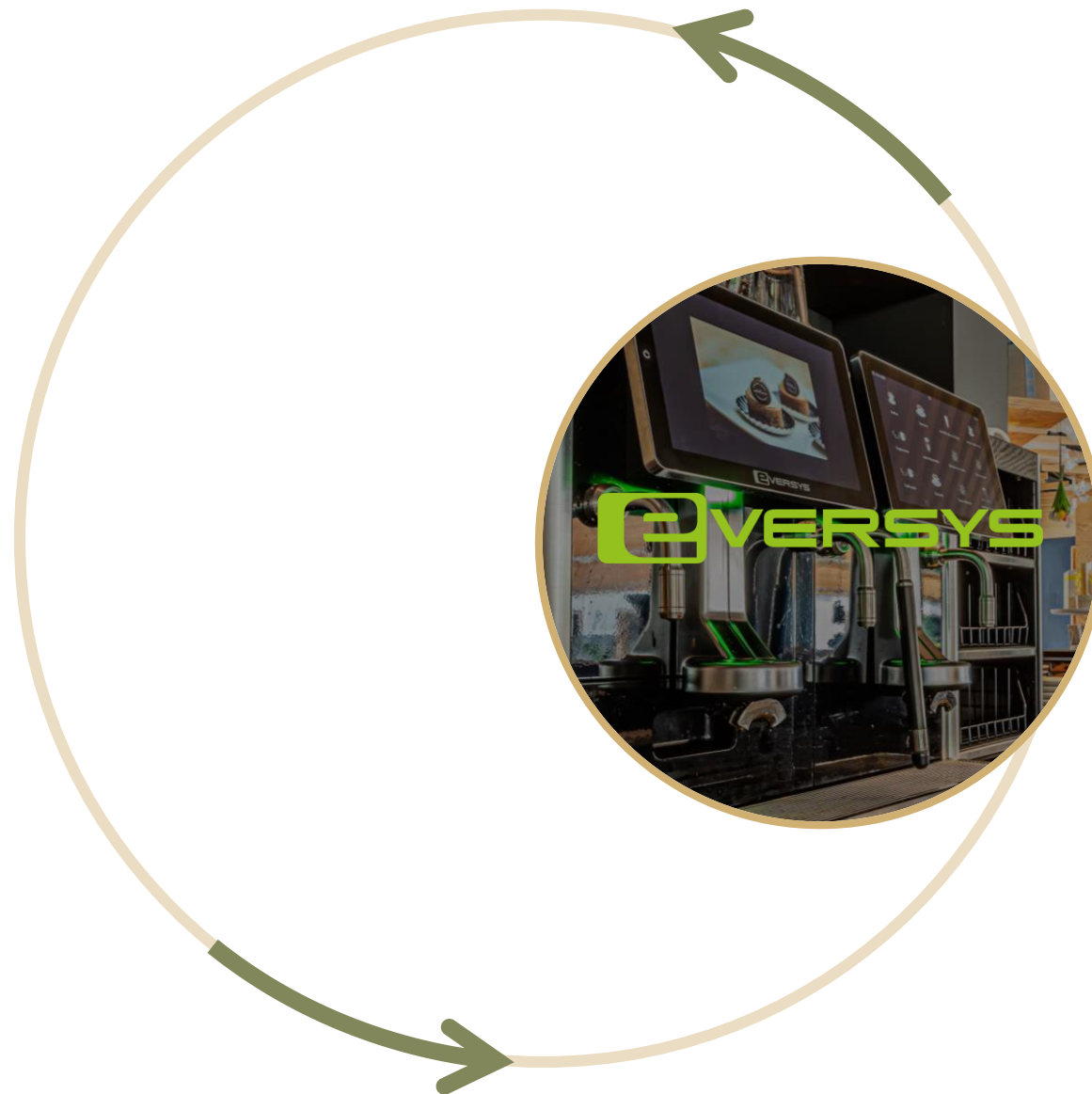
DESIGN TO SIMPLIFY MAINTENANCE

INNOVATIVE SOLUTIONS

DēLonghi Group



DēLonghi Group



DēLonghi Group

Superior In-Cup quality

Consistency

Automated calibration and telemetry ensure precise, high-quality beverages even during peak hours, minimizing errors and waste.



Superior In-Cup quality



//
Working with Eversys is like having a silent expert by your side, ensuring every cup reflects our passion and dedication to coffee.

Chris Loukakis
(World Latte Art Champion 2011)



//
Eversys machines bring a new level of precision to our craft. They're not just machines; they're our partners in pushing the envelope of coffee excellence.

Dale Harris
(World Barista Champion 2017)



//
Peak times have become more manageable without needing extra staff on shift, as the machine can just step up a gear... without any drop in quality.

Boram Um
(World Barista Champion 2023)

Advance one technology

Telemetry has been a **game-changer** for many customers, enabling remote software integration that allows for unparalleled control over coffee profiling, milk monitoring, and water management

Cup Quality
(Differentiation)

Asset Efficiency
(Total Cost of Ownership)



Design to simplify maintenance

Each Eversys **espresso machine** is built in **modules** with a technician's mind set, ensuring **rapid access for technical intervention** with minimal downtime, quick replacement and reduced maintenance costs.



Innovative solutions

NEW TECHNOLOGIES

R&D leads the pack in professional espresso technology on:

- Cold brew
- Milk system
- Brewing
- Cleaning

IoT

Developed ecosystem of IoT partners covering payments, under-counter solutions, self-service coffee, etc.

TELEMETRY

Industry Leadership, tracking more than 33 million beverages monthly





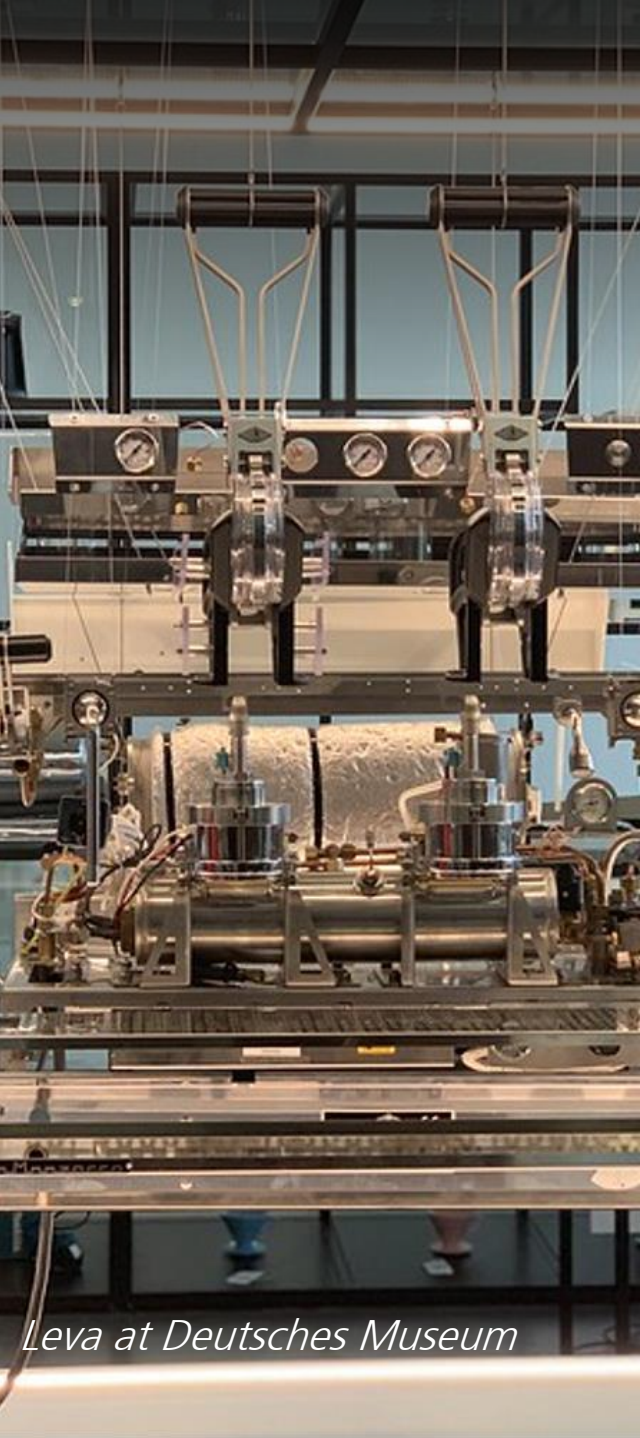
DēLonghi Group



Iconic design

Officine Fratelli Bambi Bespoke is an extraordinary design collaboration between brands and artisans to create the ultimate handcrafted espresso machine

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Leva at Deutsches Museum



Le Café Lacoste at KaDeWe

Iconic design



Porsche Carrera Cup



Limited-edition RIMOWA



Loved brand

Jan Frodeno



Triathlon legend Jan Frodeno

David Beckham



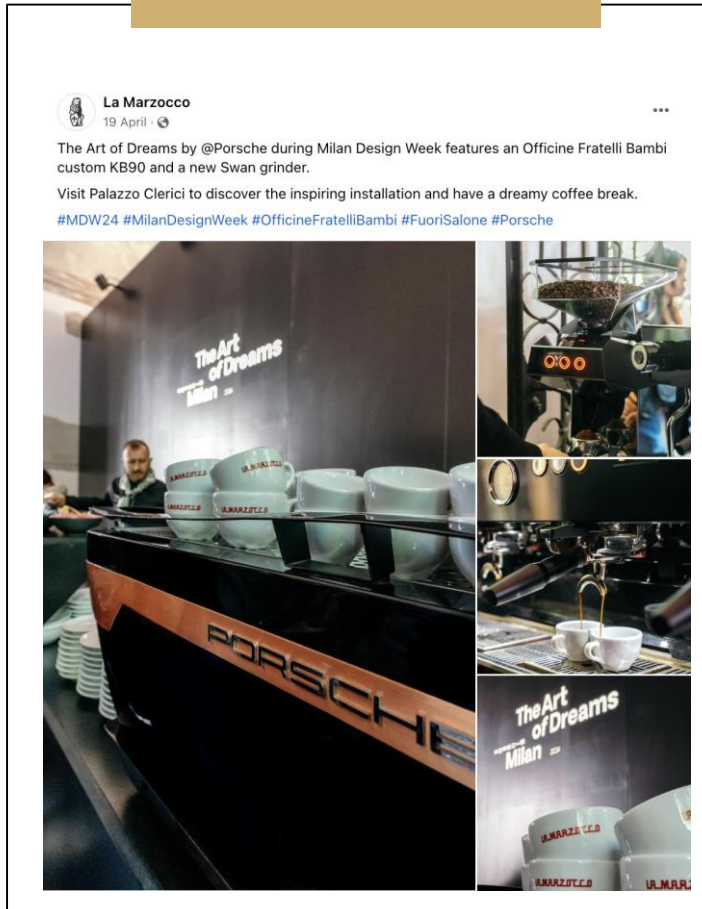
Source: reddit

"It's quite temperamental, this, but I love it... It's the best," Beckham tells Beckham docuseries, as he ushers him into his kitchen at the beginning of episode two.



Loved brand

La Marzocco



Jimmy Butler





Innovation is in La Marzocco's DNA

Smart saturation

Strada X automatically saturates the espresso puck at a low pressure set by a pump that feeds consistent pressure into the machine. It uses data from internal flow meters to sense the exact moment it should increase the pressure.

Straight-in porta filters

Straight-in portafilters speed extraction and reduce barista stress and espresso puck damage, decreasing one of the most repetitive tasks in espresso preparation.

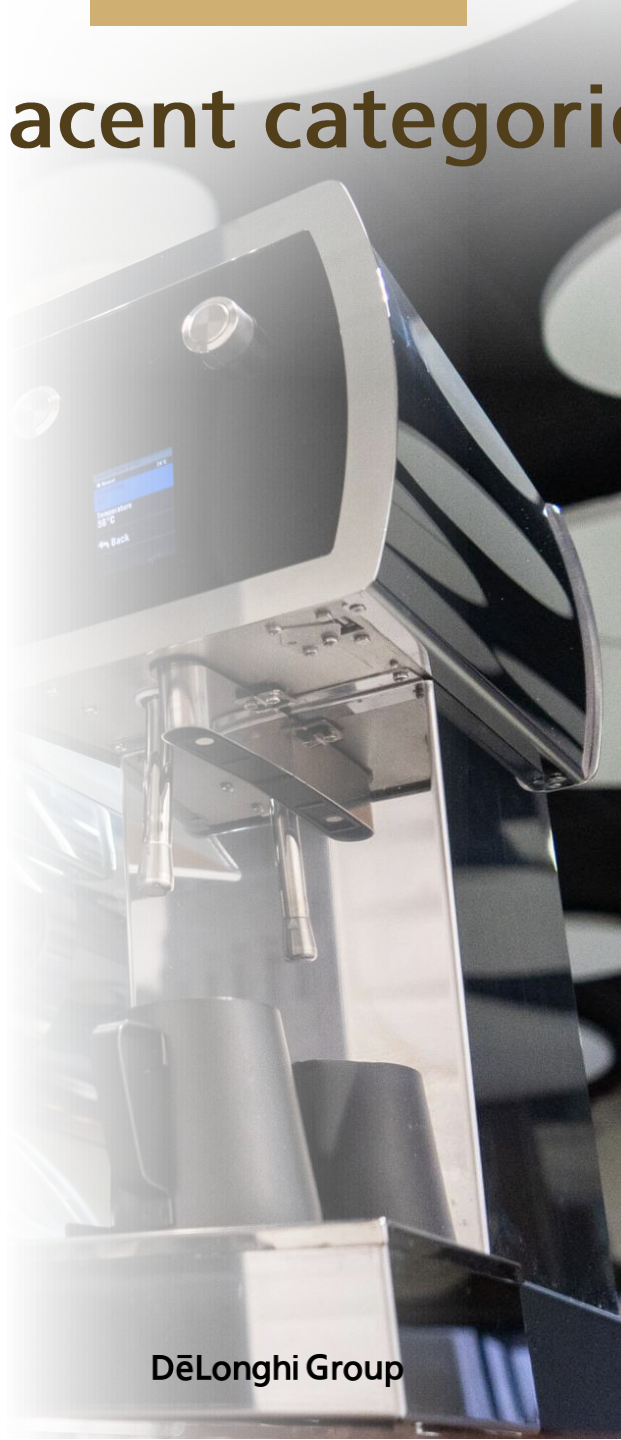
Patented anti-static technology

It uses an electric field to neutralise the static charge caused by grinding, allowing coffee to fall directly from the burrs into the portafilter.

Adjacent categories

Brand awareness,
technical competence,
production know how
are among the factors
that enable La Marzocco
to move into adjacent
areas.

Just the addressable
grinder market is **worth**
around **over € 300 M**

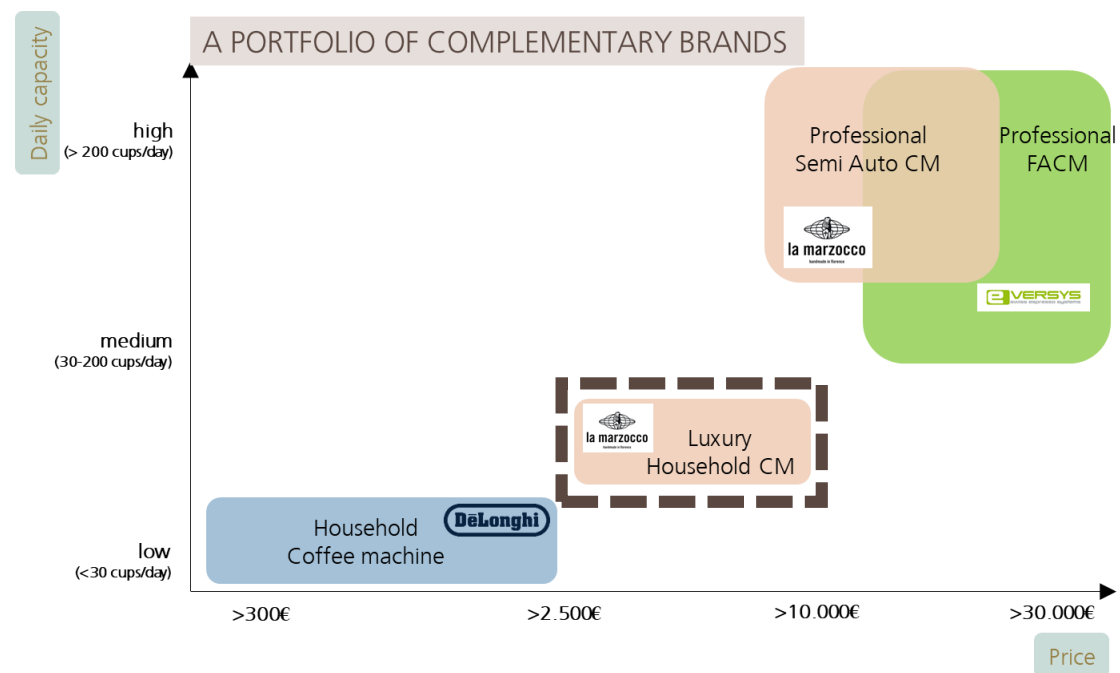


DēLonghi Group



The Home opportunity

A significant opportunity in a developing area, leveraging brand knowledge and know-how to serve the luxury home market



Professional Coffee

The market's growth and
consistent enhancement in
coffee quality

La Marzocco and Eversys's
role in leading the market

Combining capabilities for
leveraging opportunities

De' Longhi's professional coffee plan

Exploit combined business opportunities, collaborating on partnerships and commercial propositions

Take advantage of the Group's size for achieving economies of scale in sourcing and supply chain

Joint technological know how for developing new innovative solutions, as the cold coffee trend

Riding the Home opportunity and exploring adjacent category potential

Our goals

COFFEE SHOP GROWTH AND EQUIPMENT
IMPROVEMENT



SUPERIOR IN-CUP QUALITY, TECHNOLOGICAL
EXPERTISE, ICONIC DESIGN

Target '24-'26 Cagr

**PROFESSIONAL COFFEE CAN GROW AT
HIGH SINGLE DIGIT
TO LOW TEENS**

Our medium
term goals



3 years Business Plan

6 STRATEGIC ENABLERS

Beyond 3 years up to 5 years

Ensure long term vision and development strategy

Talent Development

Sustainability

Innovation

Digital Transformation

Media and market activation

Operational Excellence

3 SPECIFIC WORKSTREAMS

Across 3 years

Focus and investments on dedicated workstreams

Professional Coffee

Ecommerce acceleration

NUTRIBULLET International expansion

YEARLY PLAN

By year

Plan developed by regions, brands and products categories

DeLonghi

BRAUN

KENWOOD

nutribullet.

Ariete.



EVERSYS

3 years Business Plan

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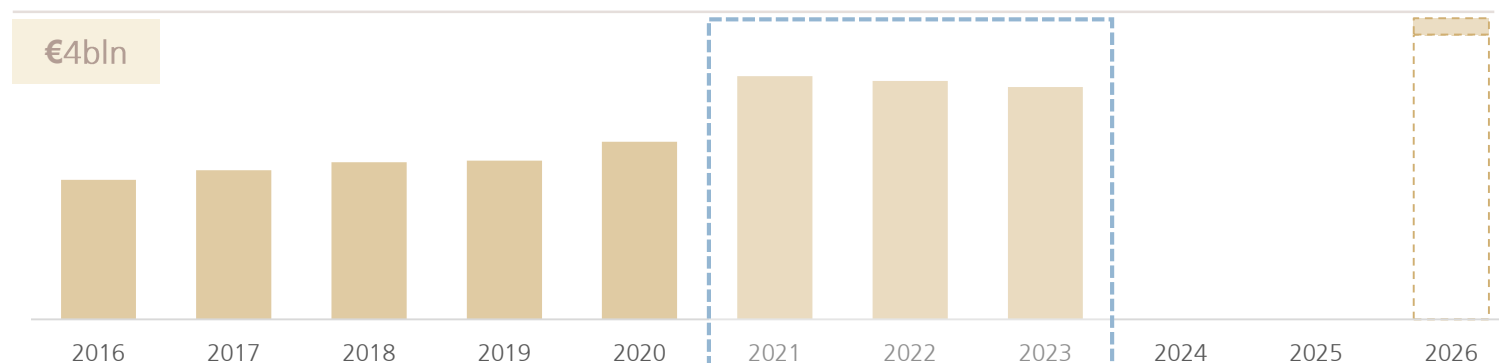
Ariete.



EVERSYS

Total Group: evolution of key financial metrics

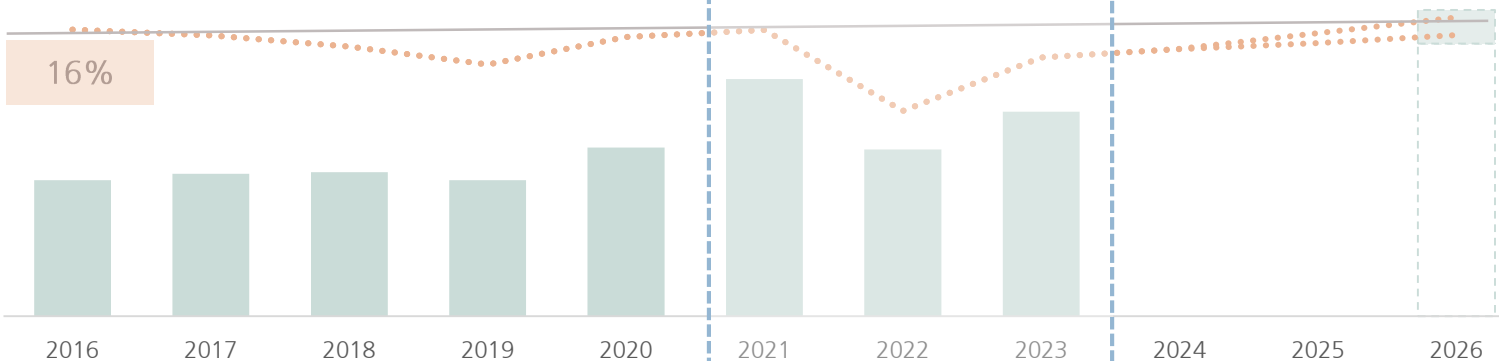
REVENUES



Growth trend driven by:

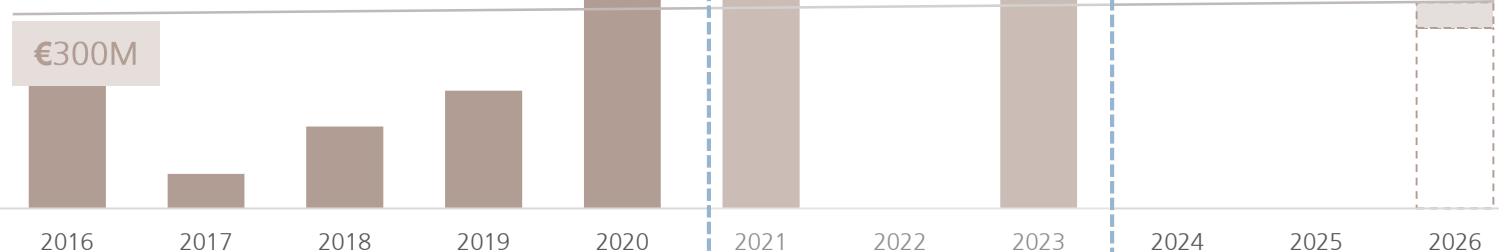
- mid single digit organic growth, mostly by coffee
- M&A (CB and EV in 2021 and LM in 2024)

Adj EBITDA



- EBITDA in the range 14-16% (except for 2022)
- acquisitions (CB, EV, LM) margin accretive

FCF (before DVD and M&A)

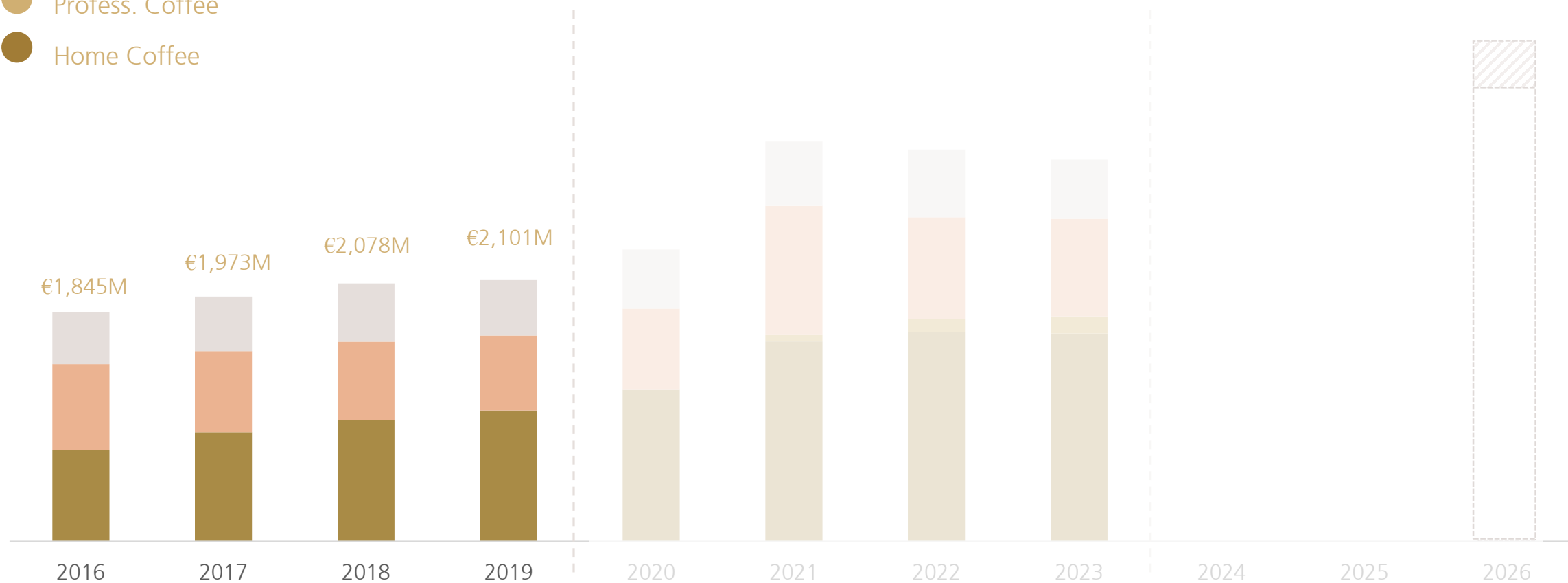


Consistent FCF across the years supports:

- investments and growth
- dividend distribution

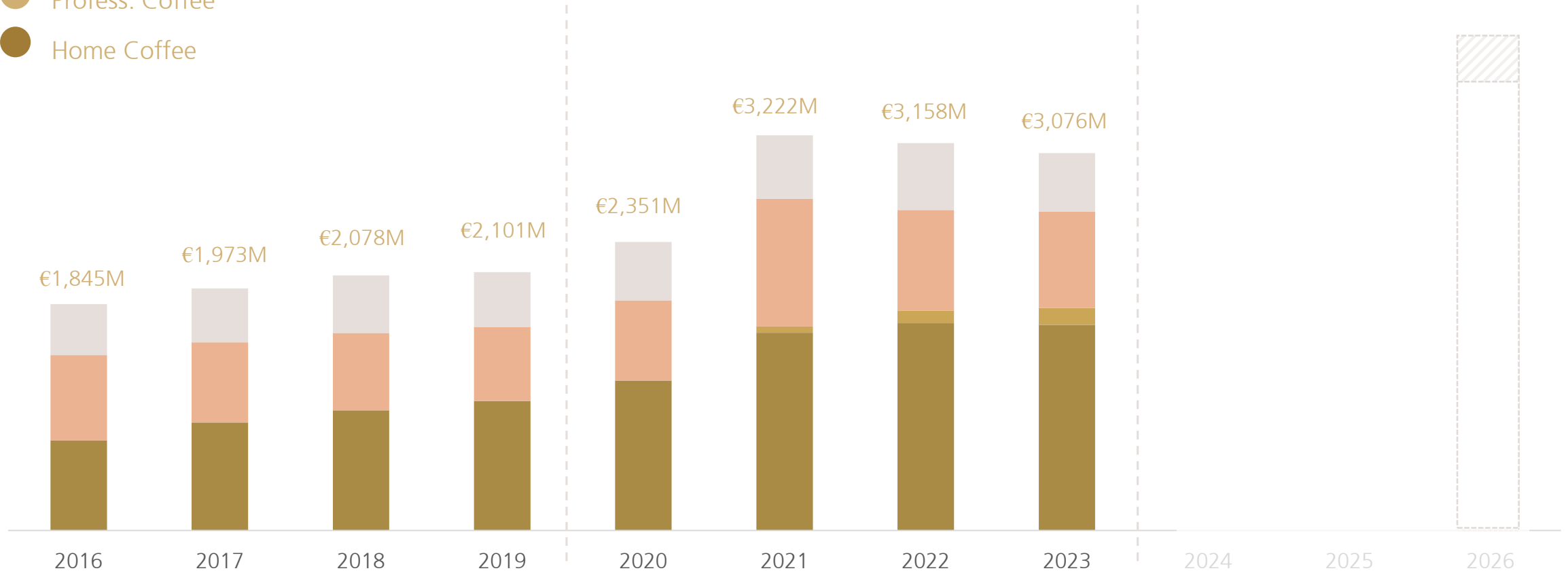
Revenues evolution

- Others
- Nutrition
- Profess. Coffee
- Home Coffee



Mid single digit growth, driven by Home Coffee in key geographies

Revenues evolution



Growth at high single digit rate thanks to:

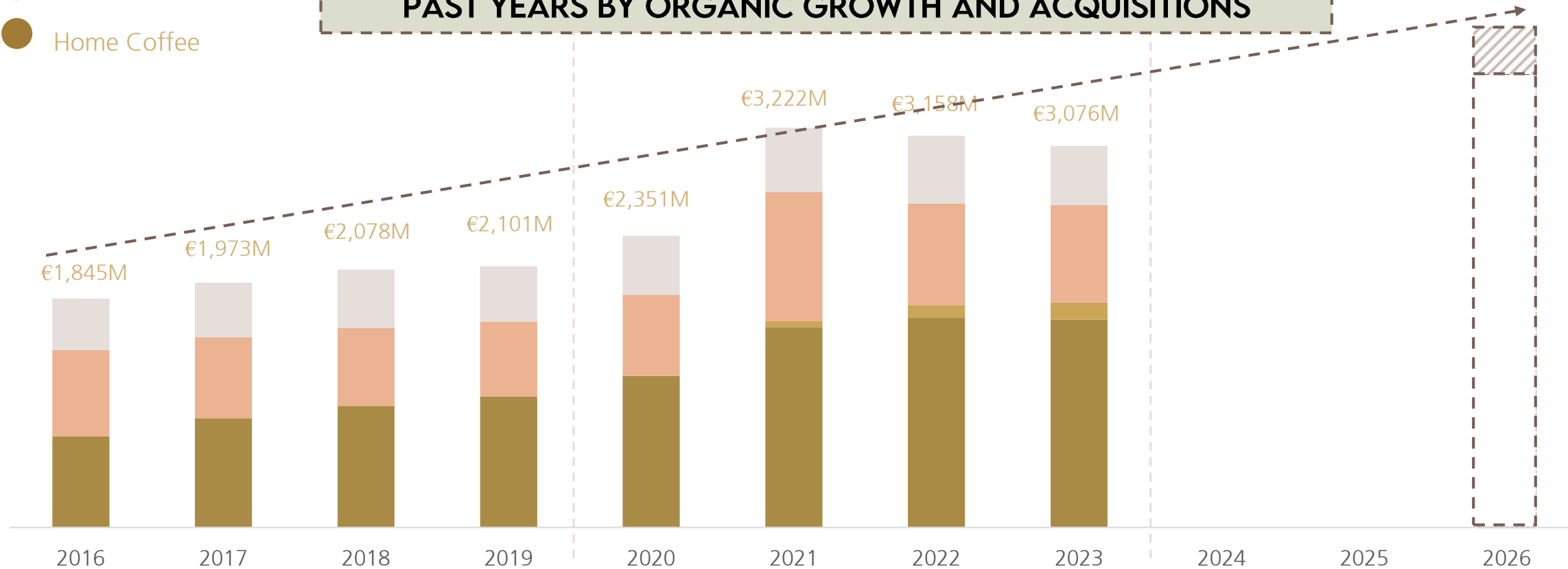
- mid single digit organic
- acquisition of EV and CB in '21
- 2021 strongly influenced by Covid

DēLonghi Group

Revenues evolution

- Others
- Nutrition
- Profess. Coffee
- Home Coffee

EXPECTED TO KEEP THE HIGH SINGLE DIGIT GROWTH TREND OF PAST YEARS BY ORGANIC GROWTH AND ACQUISITIONS



Expected growth at high single digit, due to:

- La Marzocco consolidation;
- Mid single digit organic growth

Total Group: Business performances by Product Segment



Home Coffee



Nutrition



Others



Professional Coffee

CAGR %
'24 - '26

Mid to high
single digit

Low to mid
single digit

Flat to low
single digit

High single digit
to Low teens

Emerging
Trends

Grow penetration across all
coffee segments
Product innovation to support
emerging consumption trends

Consumers' nutrition needs
Expand nutribullet in new
markets and its range in the
core ones

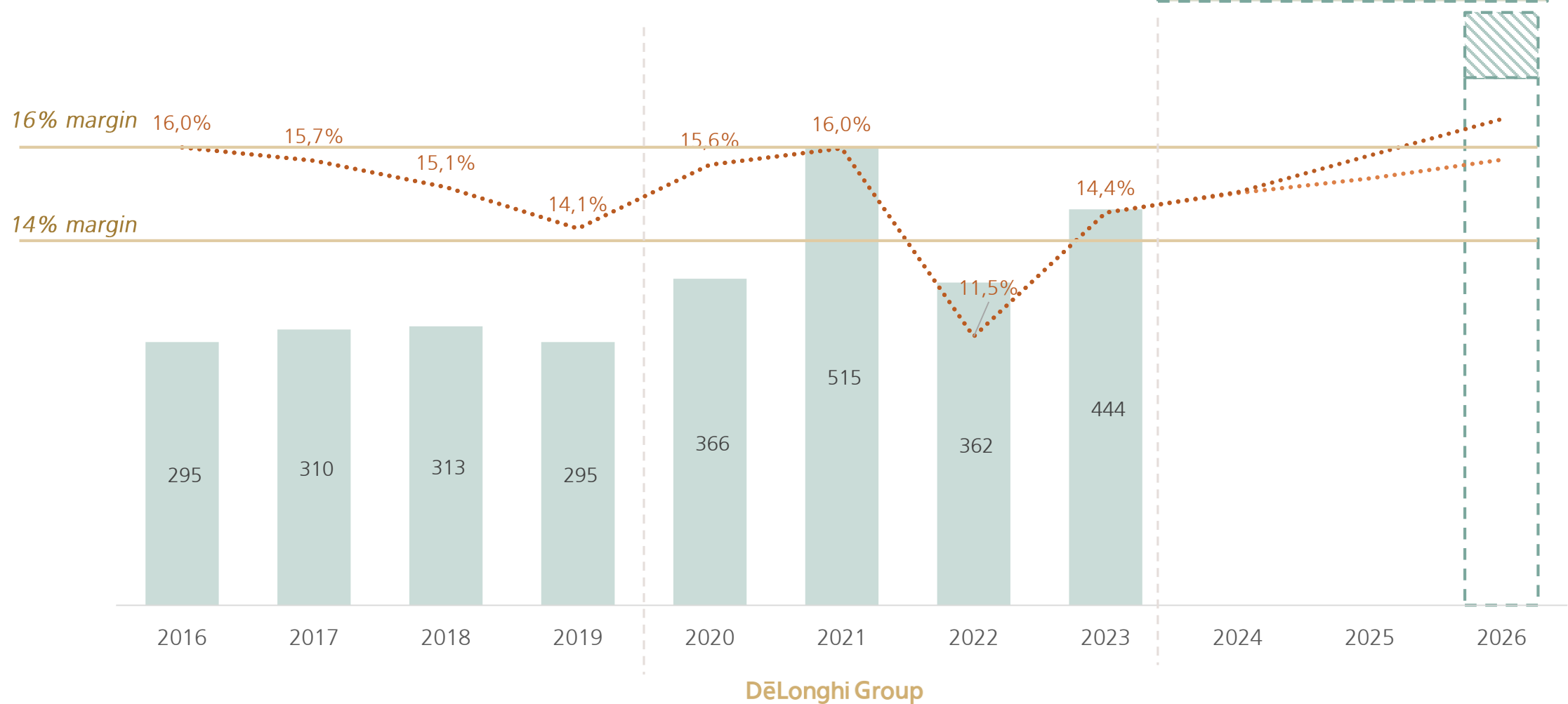
Exploit the Braun ironing
range potential.
Maintain comfort leadership
in select markets.

Joint technological expertise
for innovative solutions
Exploit business combination
by collaborating on
partnerships and commercial.

Medium term profitability evolution

..... Adj EBITDA margin

● Adj EBITDA



3Y Group's Adj Ebitda margin blocks



VOLUME

Volume growth led by coffee (both home and professional) and nutrition



PRODUCTION COSTS

Production cost normalization (raw materials, electronic components and freights) and efficiencies driven by volumes



CHANGE PERIMETER

Consolidation of La Marzocco, with accretive Ebitda margin



PRICE MIX

Improve the product mix through the premiumization on core categories



OPEX

Long-term projects development to enlarge product ranges both in coffee and nutrition



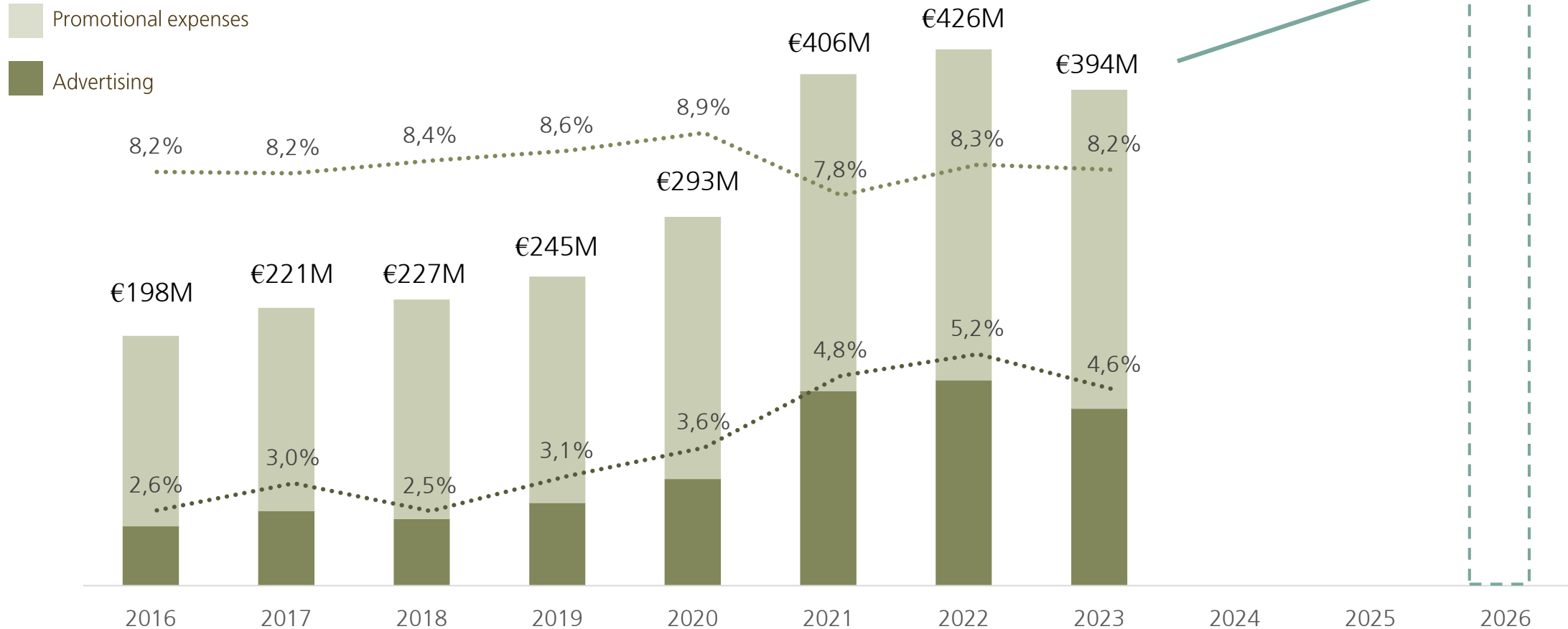
A&P

Growing investment in advertising and communication to support all products' 'perfect launch' and coffee leadership

A&P investments

Leading beans to cup
Products perfect launch

**TOTAL A&P
IN FY26 ABOVE
€450 M**



Price Mix development

Excerpt from Investor Day 2021



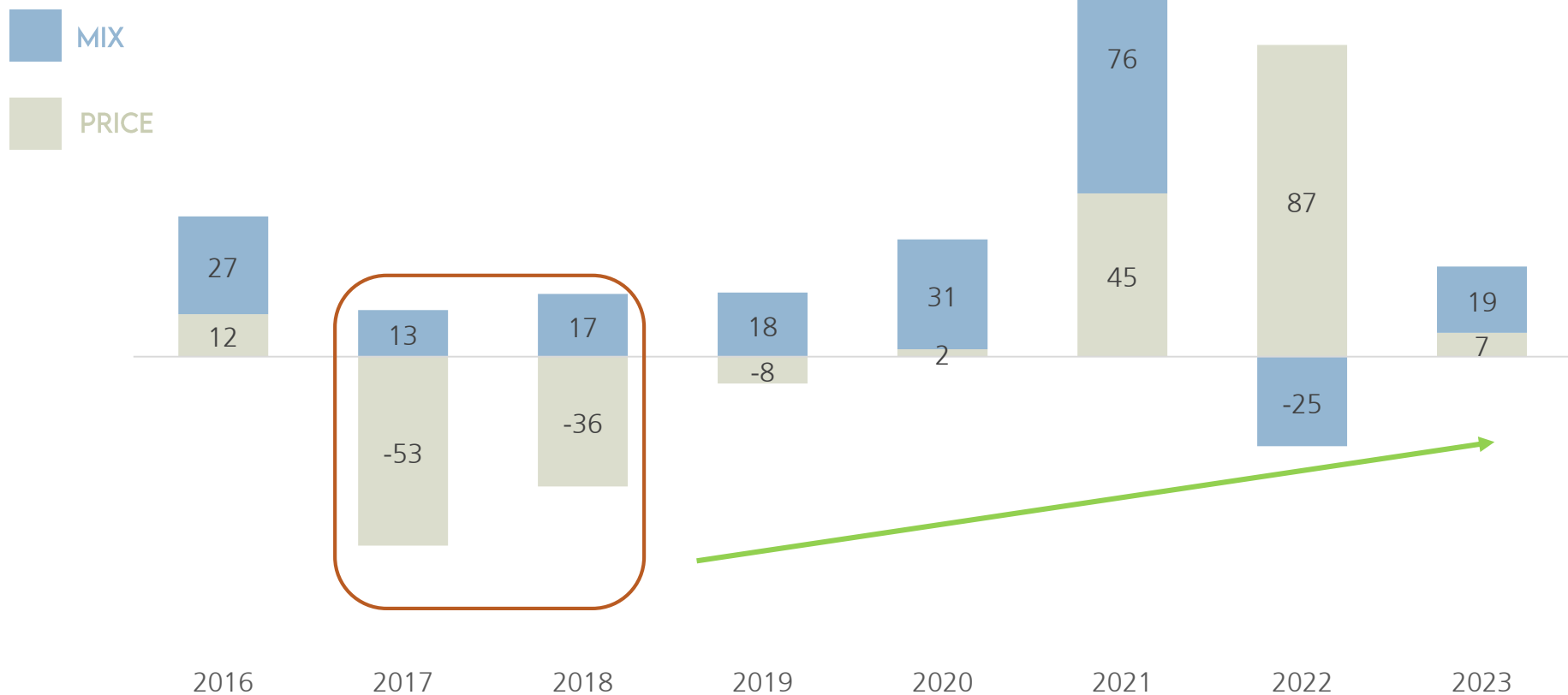
FROM SUFFERING
STERILE PRICE
COMPETITION...

...TO COMPETE ON
INNOVATION AND
A&P INVESTMENTS

Since 2019, the new **commercial policy** combined with increased **investments in media and communication** has generated a positive effect



Price Mix development



Positive trend is continued, as so **Price Mix effect**, in particular for a further improvement of mix is **expected positive** for the next three years

Capital Allocation's key factors



CAPEX

Investing in product categories and ranges, digitalization, production capacity and automation



DIVIDENDS

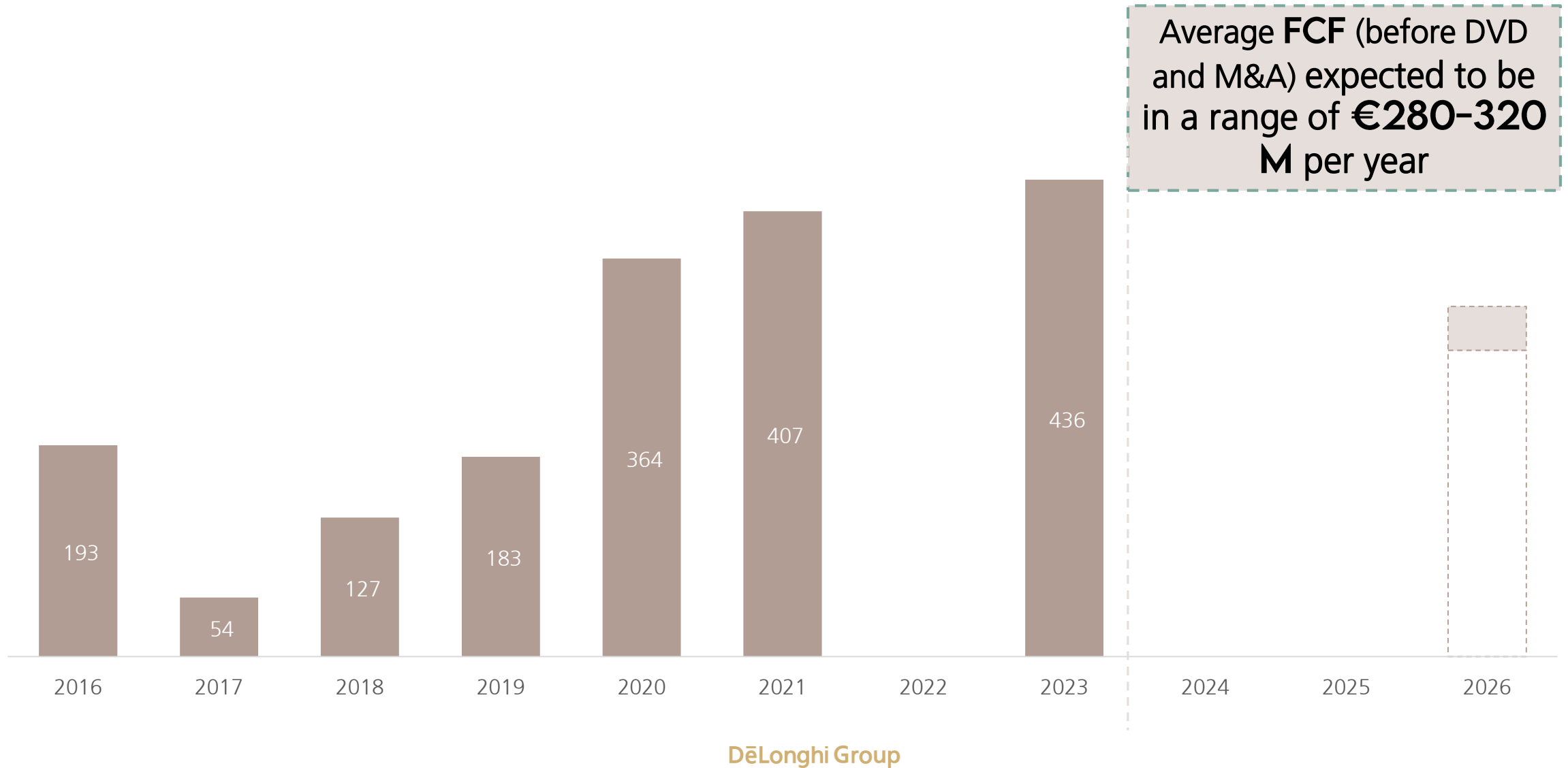
Cash distribution for shareholders' return



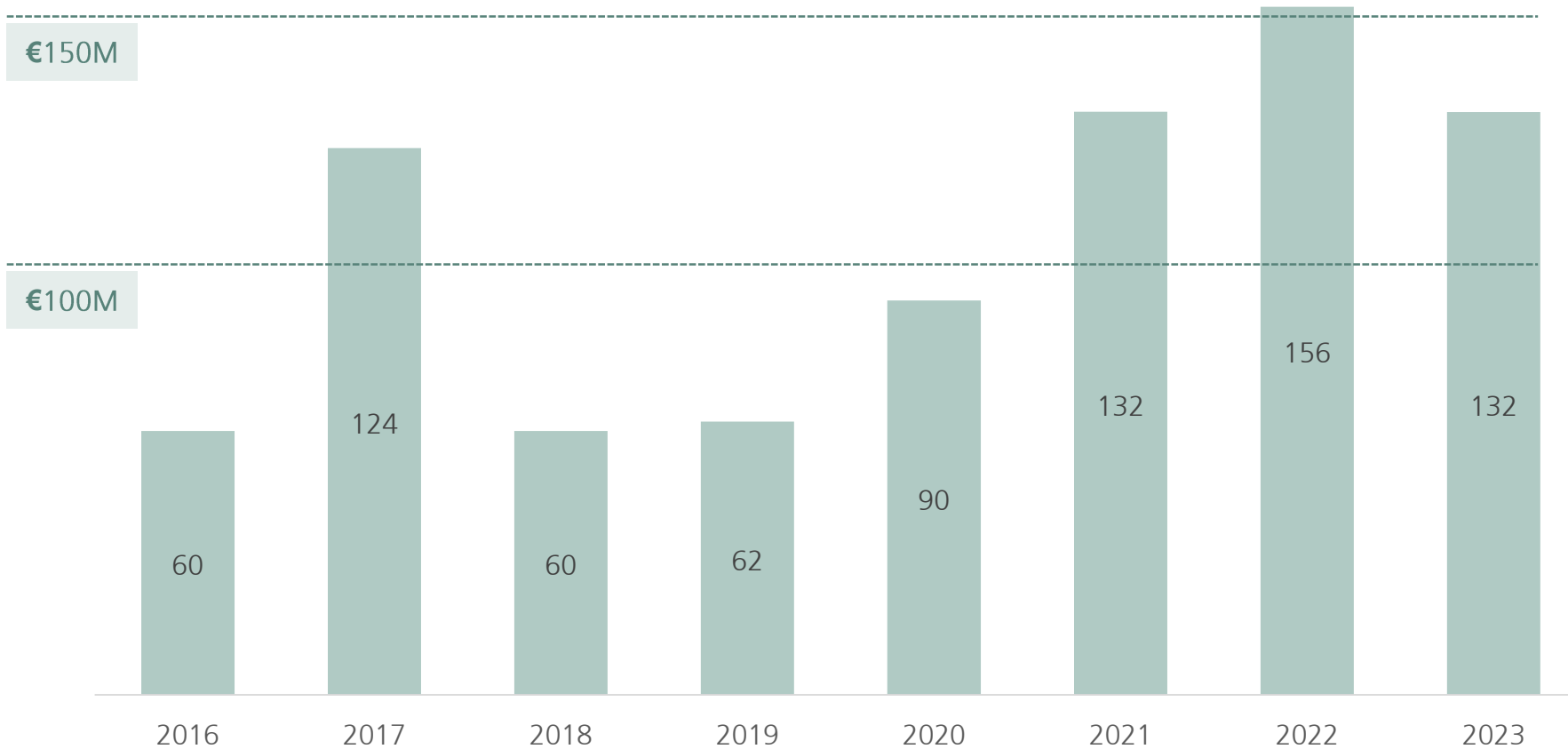
M&A

M&A as a consistent strategy for backing organic growth

Free Cash Flow (before DVD and M&A)



CAPEX investments

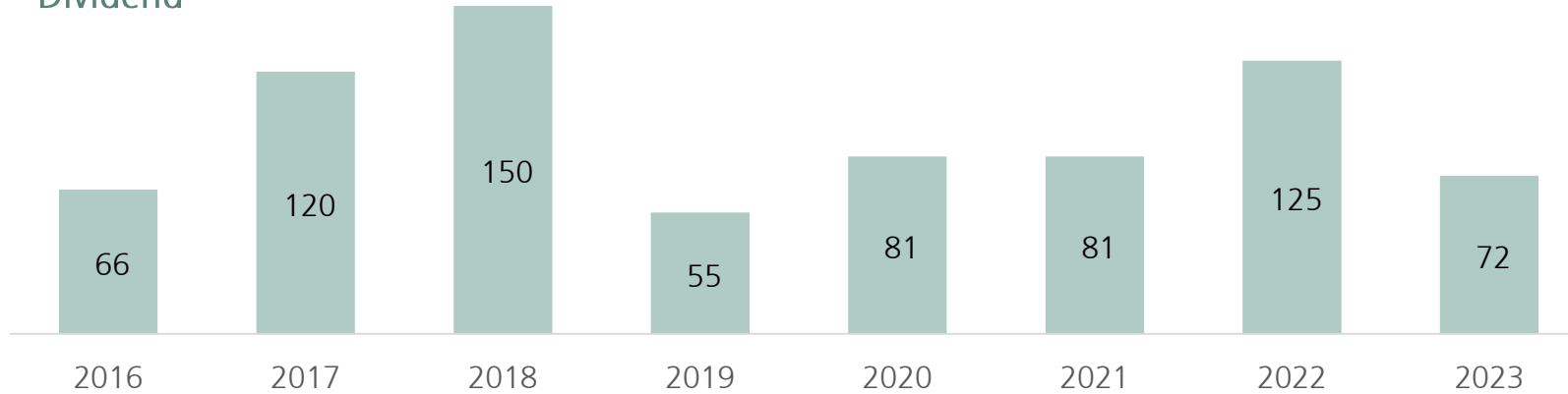


CAPEX for the new perimeter is expected to be at around **€ 150 M per year**, focusing on products innovation, technology upgrade and operational development



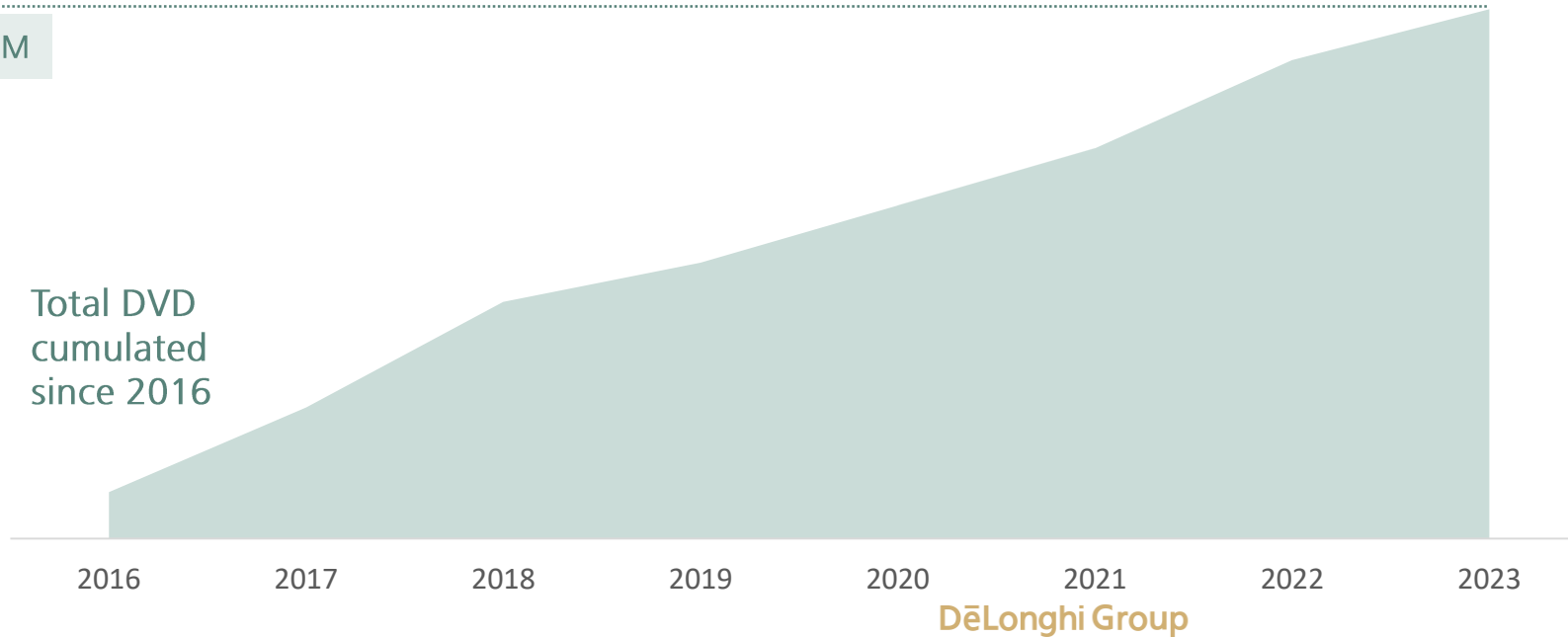
Dividends

Dividend



€750M

Total DVD
cumulated
since 2016



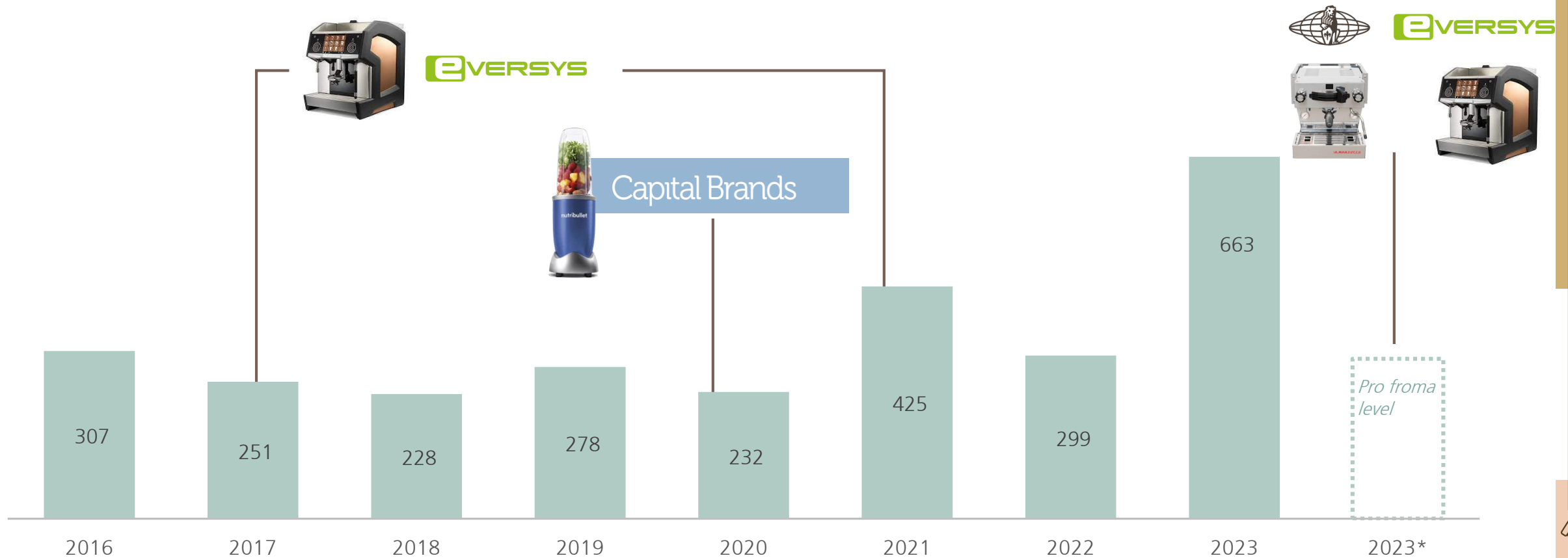
PAY OUT RATIO
at 40% of Net
Earnings, that in the
last years has
supported 3 significant
acquisitions

Threshold can be
modified in case of
significant changes of
the net financial
position



Net Financial position

A robust FCF enabled 3 major acquisitions, maintaining a solid financial position



DeLonghi Group

* The Enterprise Value at which the acquisition deal was completed



Key criteria about M&A

Leadership position
(*Brand, Technology,
Market*)

Strategic fit:
category and
geo complementarity

Adjacent to Group's
know how and
management
continuity

Ebitda accretive to
the Group's average

ROCE and FCF
conversion of the
target above Group's
performance

Expected Revenues
growth above
Group's trend

Group's last deals



Leadership position (Brand, Technology, Market)	✓	✓	✓
Strategic fit (category – geo)	✓	✓	✓
Adjacent know how and management continuity	✓	✓	✓
Ebitda accretive	✓	✓	✓
ROCE and FCF conversion performance	—	✓	✓
Expected Revenues growth above Group's trend	✓	✓	✓

DēLonghi Group



3 years Business Plan

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BRAUN

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nutribullet.

Ariete.



EVERSYS

Strategic Enablers

Operational Excellence



Focus on operational excellence, logistic simplification, procurement optimization and process automation

Sustainability



Integrate sustainability into business processes through the endorsement of three overarching commitments

Media and market activation



Expand media investments in core categories across all key markets and channels

Talent Development



Empower people's development and growth by valuing each individual talent, addressing employees' ambitions and expectations

Innovation



Enhance our innovation capabilities across all the Group to ensure a long-lasting products leadership

Digital Transformation



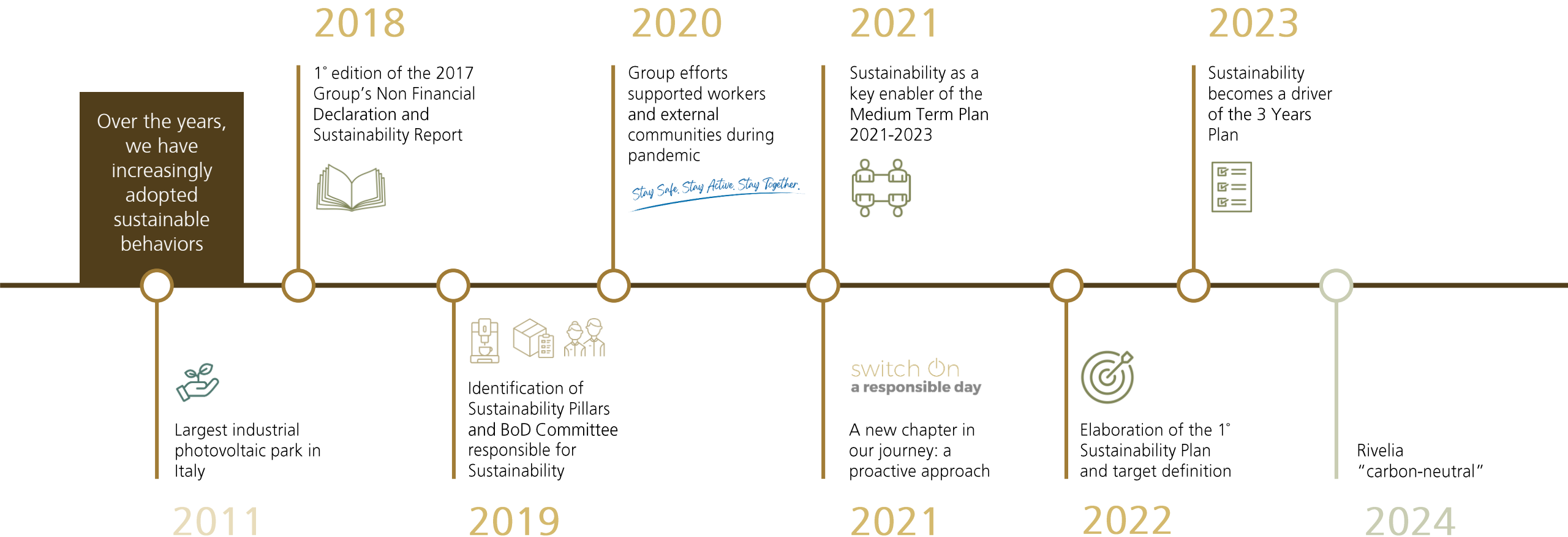
Accelerate our digital adoption and evolve into a fully digitalized and data-driven company

Sustainability by De' Longhi Group

DeLonghi Group



Our journey started some years ago



Our Sustainability Commitments



Decarbonizing our
operations and value
chain
(Science-Based Target)

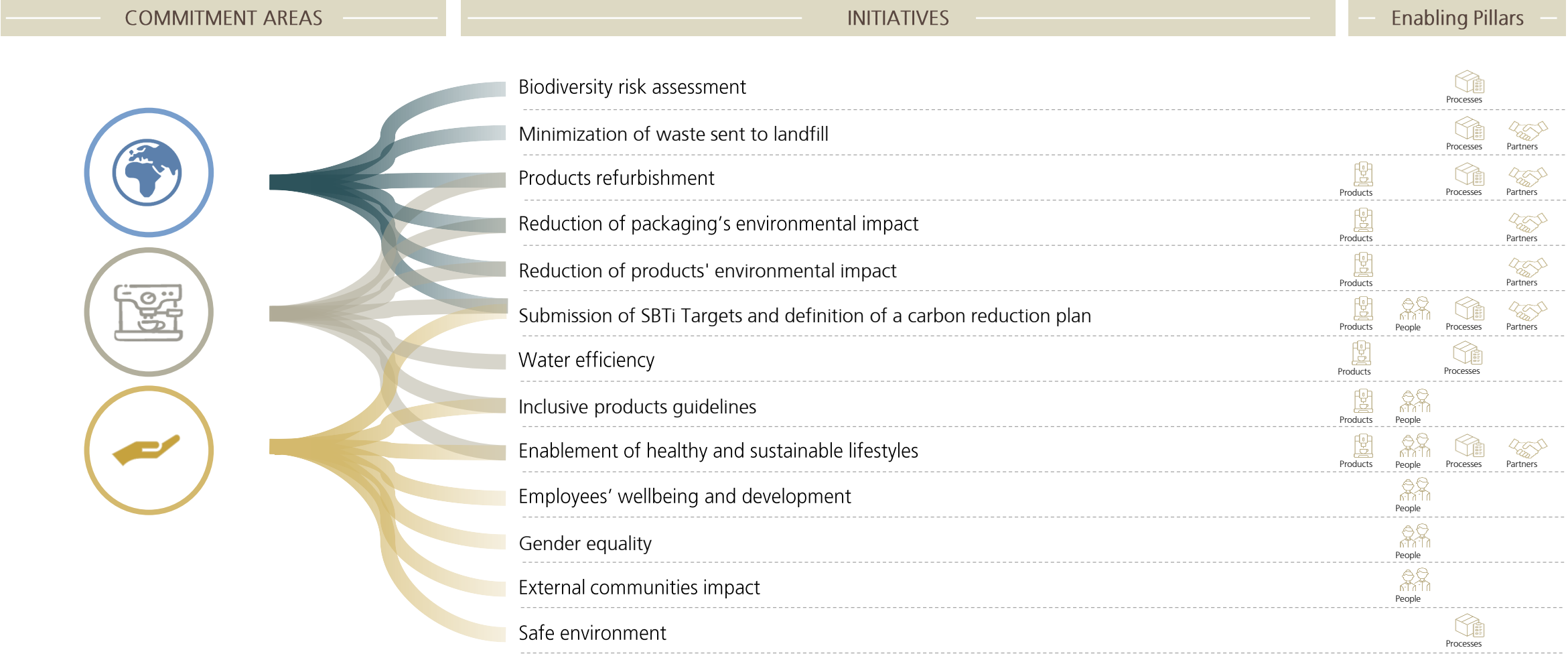


Sustainable products
through design, materials,
and manufacturing
(Eco-design guidelines)



Fostering awareness,
conscious choices &
responsible behaviours

Our Sustainability Plan



Working on a Sustainability Culture

Our People

Diversity, competences, talent development among the key ingredients of people development

The energy we use

Constant increase of energy efficiency and renewable sourcing

The materials we choose

Implementation of eco-design guidelines and ongoing research of sustainable materials

The optimisation we execute

Improve operational efficiency by optimizing resource utilization, minimizing waste and digitalizing operations

The people who inspired us

*Fostering conscious choices and responsible behaviour
(Inspirational speeches, courses)*

The partners we engage

*Working on best sustainable practices with suppliers, customers and other stakeholders
(Code of Conduct, Audits)*

Our People



Talent development

OUR Group
PERFORMANCE
APPRAISAL with a
proactive approach of
learning and a constant
updating of our skills

Talent development



Competences

Global Training Catalogue

Competences



DE&I

OUR COMMITMENT on
Diversity Equity & Inclusion that grounds on
concrete initiatives related
to four focus areas:

- Company Culture
- Processes
- Goals & KPIs
- Targeted Initiatives on Gender Diversity

DE&I

The people who inspired us

We think that every gesture matters towards making a difference

INSPIRING

Inspirational meeting with
prof. Joseph Stiglitz



UPSKILLING

Group's platform is designed
to foster sustainability education

We are driving our people through a
global learning journey, to make
everyone of us more aware of the **impact**
we can have on the world that we live in

The energy we use

In 2023, total emissions market based decreased by 55% compared with 2022, due to **100% grid-sourced electricity** covered by Guarantees of Origin (GO)

In 2023, the **energy intensity** (energy consumed kwh/pieces produced) decreased from 6.7 to 5.8



Eco-Design Guidelines

Collaboration

DēLonghi Group



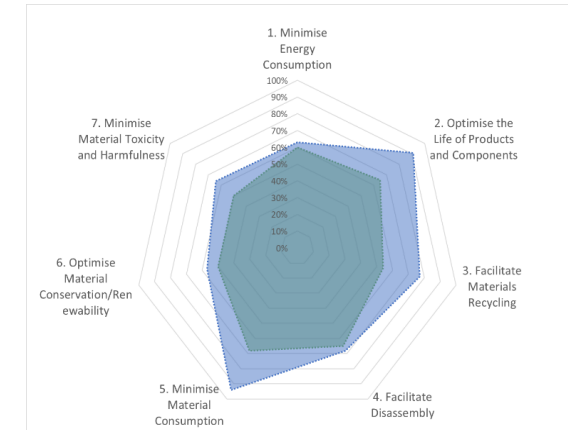
**POLITECNICO
MILANO 1863**

DIPARTIMENTO DI DESIGN



DESIGN AND
SYSTEM INNOVATION
FOR SUSTAINABILITY

Handbook of Guidelines
to Design Low
Environmental Impact



Implementation of Eco-Design approach

By implementing this approach, we lessen environmental hazards, improve efficiency, lower costs, and attract environmentally conscious consumers, positioning ourselves for long-term success.

RIVELIA:
the 1st CARBON NEUTRAL domestic coffee-machine



De'Longhi Group



Thank you!



Q & A

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