

DēLonghi Group

FIRST QUARTER 2021 RESULTS



DēLonghi Group

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The manager responsible for preparing the company's financial reports declares, pursuant to paragraph 2 of Article 154-bis of Legislative Decree no. 58 of February 24 1988, that the accounting information contained in this presentation corresponds to the results documented in the books, accounting and other records of the company.

Definitions & assumptions

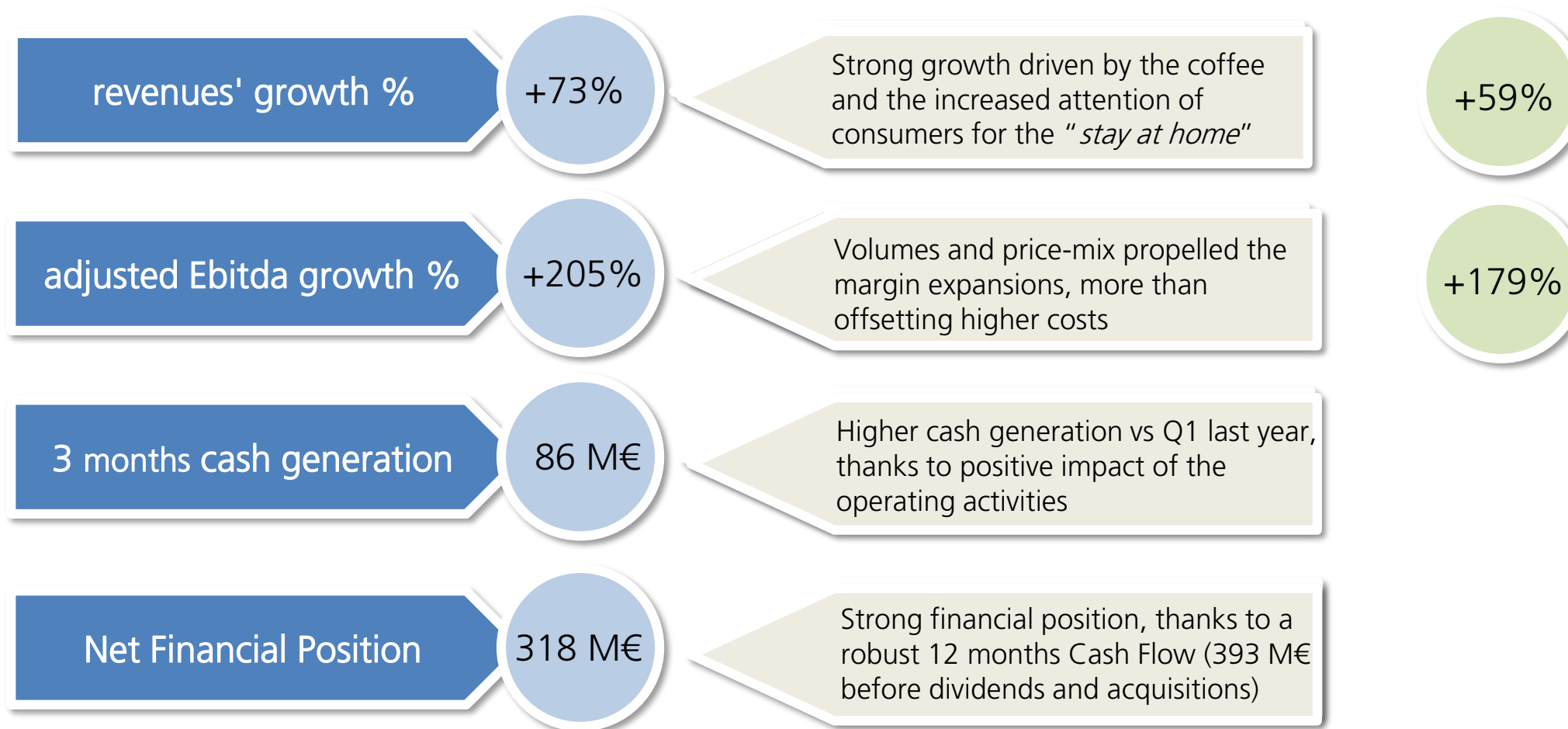
In this presentation:

- **Adjusted** stands for “before non recurring items and inputed costs of the stock option plans”
- “**At constant exchange rates**” means escluding the effects of exchange rates' variations and of hedging derivatives
- **ForEx** or **FX** stand for Foreign Exchange Rates;
- “**Like-for-like**” or “**LFL**” stands for at constant perimeter;
- “**M**” stands for million and “**bn**” stands for billion;
- **Q1** stands for first quarter (January 1st – March 31st);
- **Reported** stands for official data including the consolidation of Capital Brands Holdings Inc. and its subsidiaries, following the acquisition finalized on December 29th, 2020.

Q1 2021 RESULTS

HIGHLIGHTS

Like for like



Q1 2021 RESULTS

TOP LINE & MARGINS *(at constant perimeter)*

<i>(Eur million)</i>	Q1-2021	At constant perimeter	Change of perimeter	Q1-2020
Revenues	678.7	625.7	53.1	393.3
<i>change %</i>	72.6%	59.1%		
<i>at constant fx ch. %</i>		64.7%		
Ebitda adjusted	128.6	117.4	11.2	42.1
<i>% of revenues</i>	18.9%	18.8%	21.1%	10.7%

- In Q1-2021 revenues at constant perimeter grew by 59.1%, expanding by 64.7% at constant exchange rates;
- all main regions were up double-digit, with a strong recovery in MEIA, which grew at a triple-digit rate vs. previous year;
- In the first months of 2021 consumer demand was the main driver supporting the Group's performance, reinforcing the positive effect of 2020 new products launches and increased spending on communication and marketing activities.

Q1 2021 RESULTS

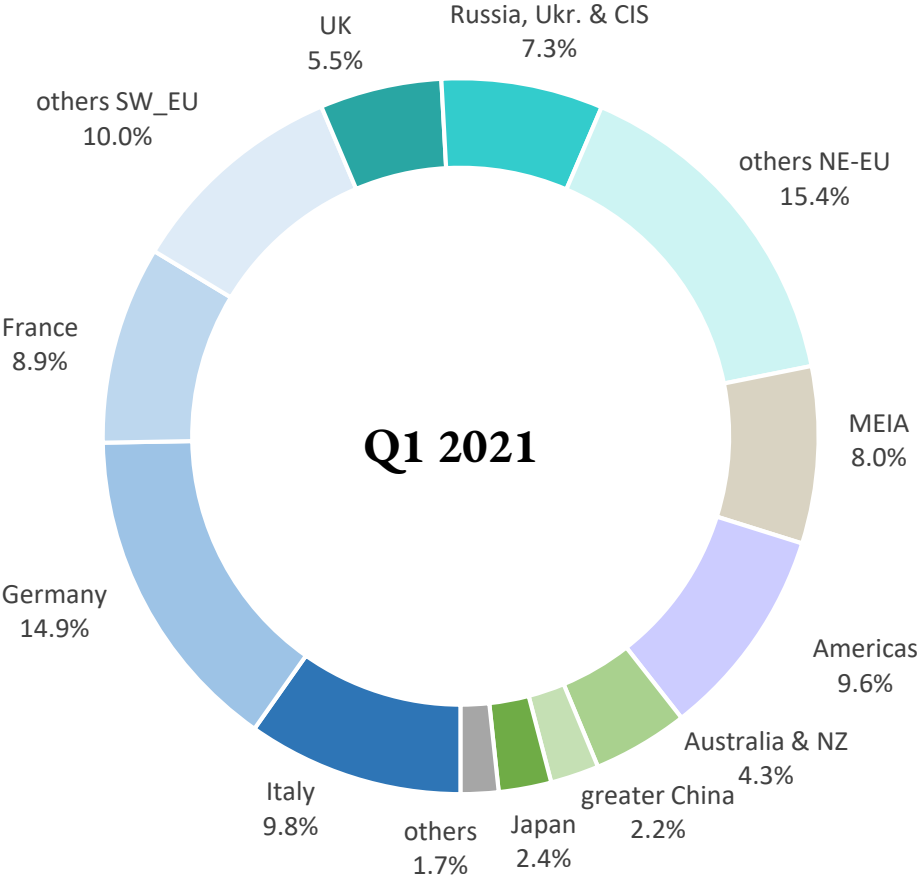
REVENUES BY REGION *(at constant perimeter)*

<i>EUR million</i>	Q1 - 2021	<i>var. %</i>	<i>var. % at constant FX</i>	Q1-2021 at constant perimeter	<i>var. %</i>	<i>var. % at constant FX</i>
South West Europe	273.8	60.1%	60.1%	273.1	59.7%	59.7%
North East Europe	182.9	64.7%	74.6%	176.6	59.0%	68.9%
EUROPE	456.6	61.9%	65.8%	449.6	59.4%	63.3%
Americas	100.4	173.7%	197.8%	59.9	63.3%	77.2%
MEIA (Middle East/India/Africa)	52.2	160.2%	181.6%	50.0	149.4%	169.9%
Asia-Pacific	69.5	27.4%	33.6%	66.1	21.3%	25.2%
TOTAL REVENUES	678.7	72.6%	79.5%	625.7	59.1%	64.7%

- **South West Europe** grew by 59.7% with all the main countries accelerating sharply, in particular Italy and France at a rate higher than the Group's average;
- **North East Europe** also recorded double-digit growth (+ 59%), showing a particularly robust expansion of Poland and the United Kingdom; negative FX penalized growth by approx. 10 percentage points;
- **Americas** achieved significant growth (+ 63.3%), despite a negative currency effect of approx. 14%;
- **MEIA region (Middle East, India, Africa)** recovered strongly, with growth of 149.4%, supported by a significant expansion of all the countries in the region;
- finally, **Asia-Pacific** area delivered an expansion of + 21.3%, supported in particular by a brilliant trend in coffee and portable heaters.

Q1 2021 RESULTS

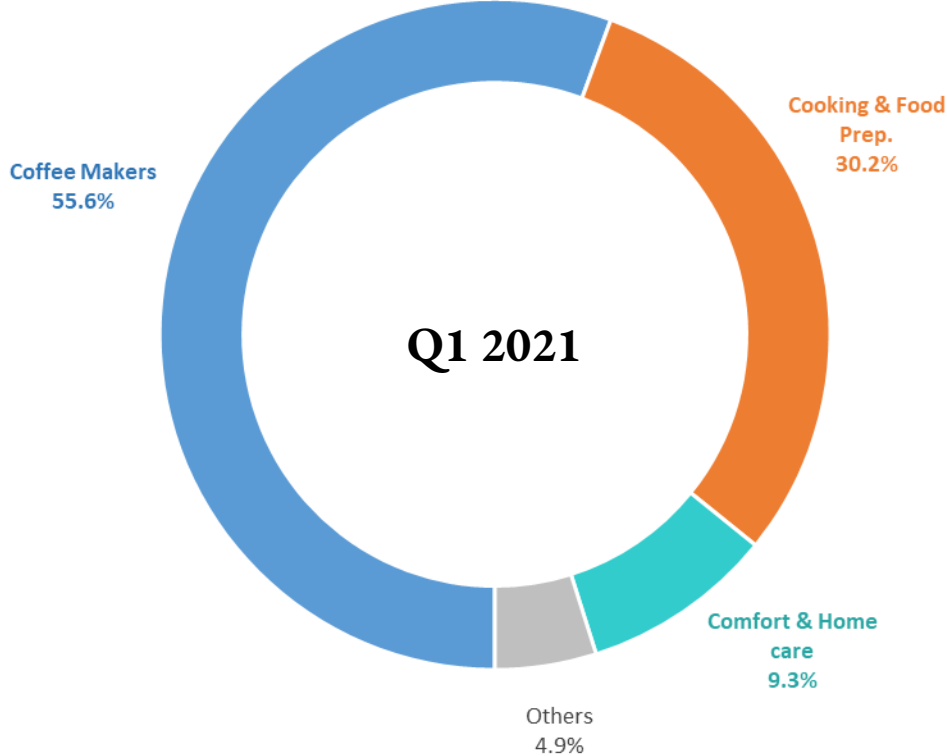
REVENUES BY MARKET *(at constant perimeter)*



MAIN UPS & DOWNS (organic)	
UP DOUBLE DIGIT	Germany, France, Italy, US & Canada, Russia, UK, Australia & New Zealand
UP SINGLE DIGIT	Greece, Greater China (ex. temporary impact of change of go-to-market)
DOWN	===

Q1 2021 RESULTS

REVENUES BY PRODUCT LINE *(at constant perimeter)*

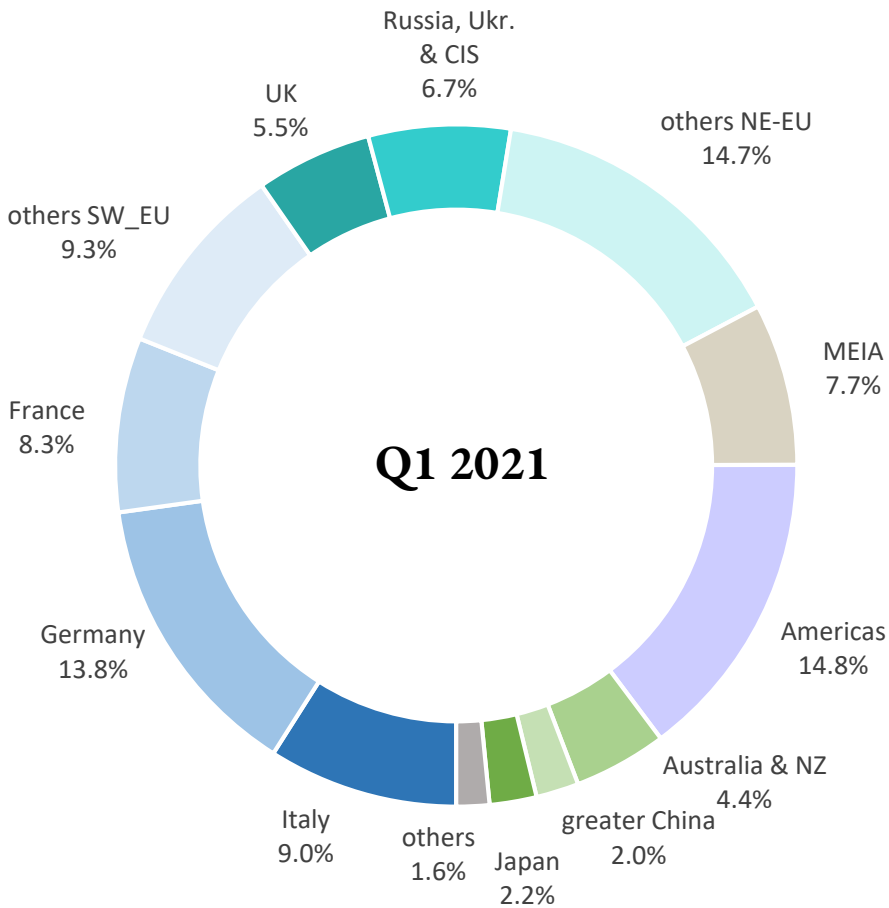


MAIN UPS & DOWNS (organic)	
UP DOUBLE DIGIT	Coffe makers Cooking & Food Prep Portable heaters Home Care
UP SINGLE DIGIT	Air conditioning
DOWN	Air treatment

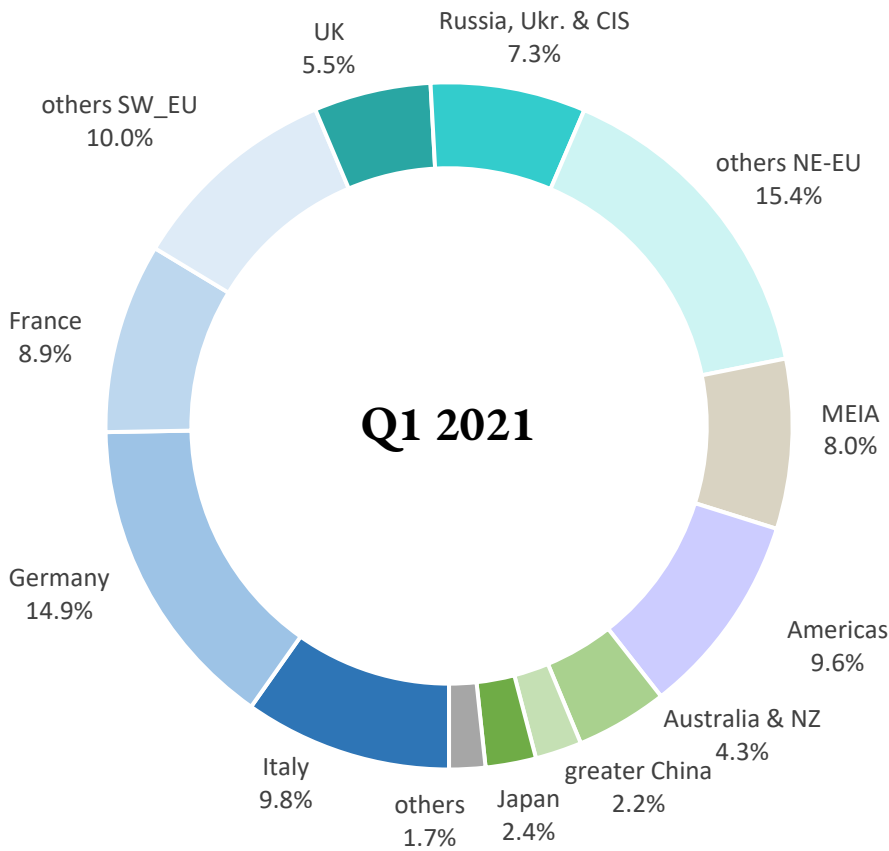
Q1 2021 RESULTS

MARKETS PORTFOLIO: NEW vs. OLD PERIMETER

Reported (new perimeter)



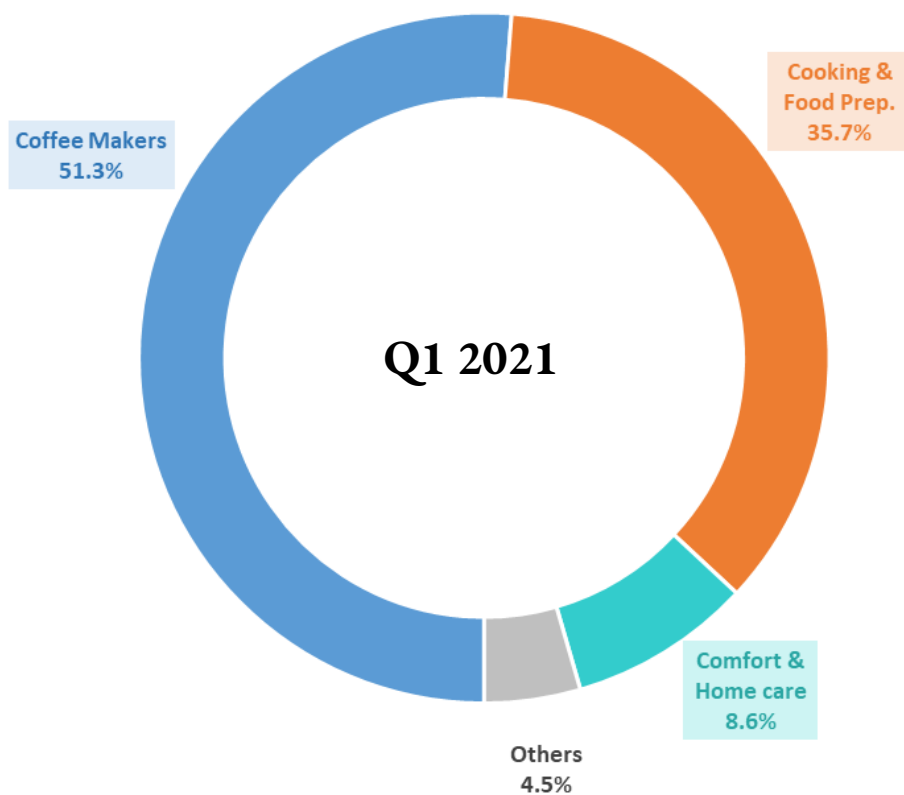
Old perimeter



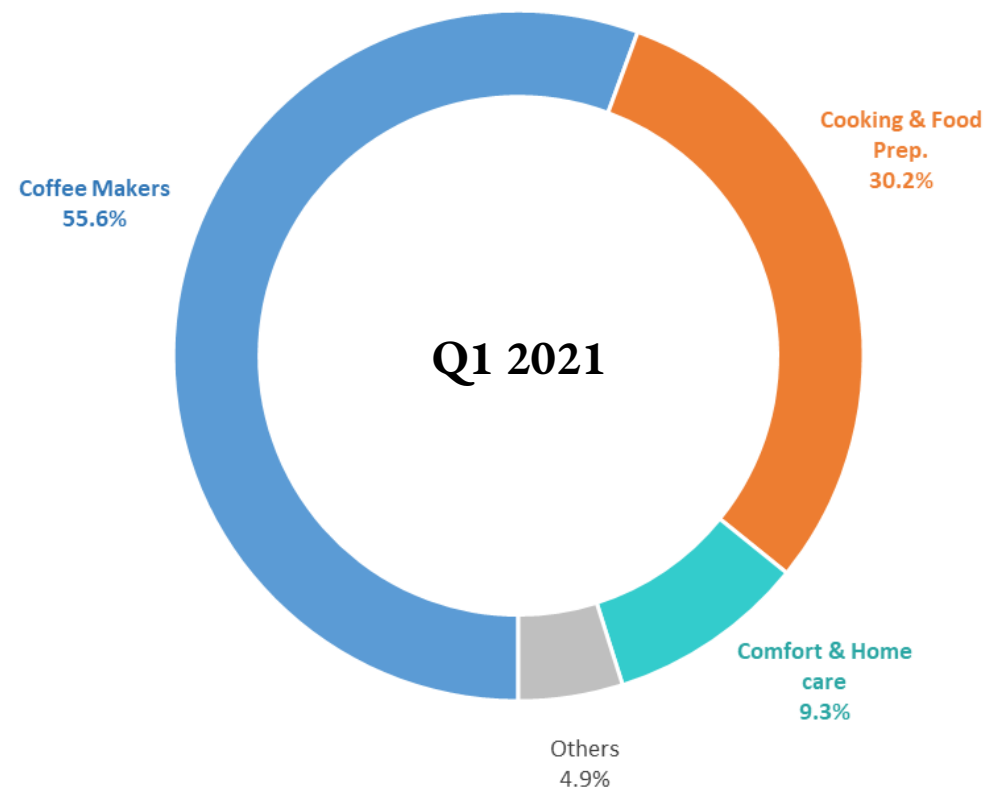
Q1 2021 RESULTS

PRODUCT PORTFOLIO: NEW vs. OLD PERIMETER

Reported (new perimeter)



Old perimeter



Q1 2021 RESULTS

MARGINS

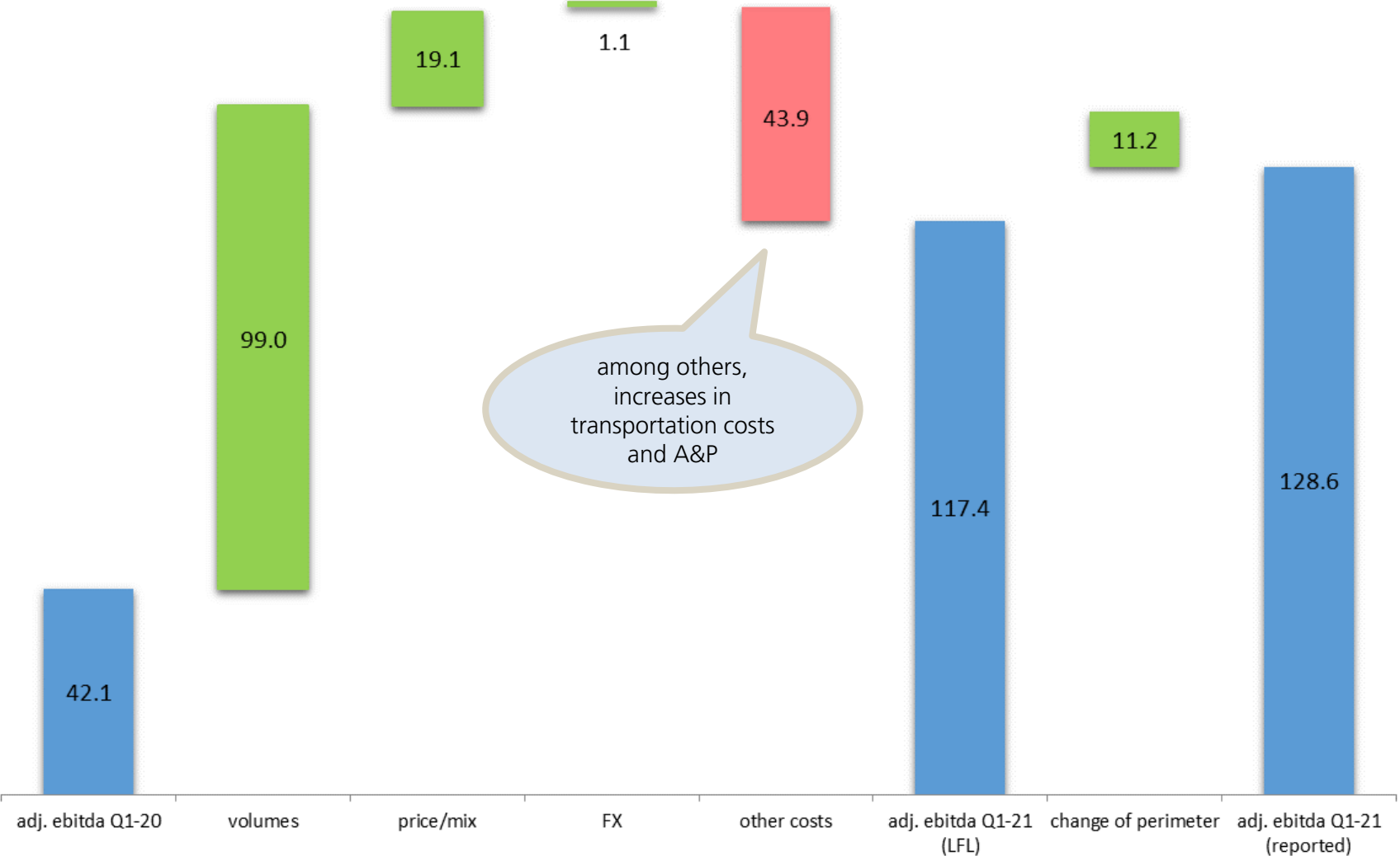
	<i>reported</i>	
	Q1-2021	Q1-2020
<i>(Eur million)</i>		
net ind. margin	355.1	198.3
<i>% of revenues</i>	<i>52.3%</i>	<i>50.4%</i>
adjusted Ebitda	128.6	42.1
<i>% of revenues</i>	<i>18.9%</i>	<i>10.7%</i>
Ebitda	127.6	36.6
<i>% of revenues</i>	<i>18.8%</i>	<i>9.3%</i>
Ebit	108.2	17.6
<i>% of revenues</i>	<i>15.9%</i>	<i>4.5%</i>
Net Income	80.9	11.0
<i>% of revenues</i>	<i>11.9%</i>	<i>2.8%</i>

- Net industrial margin, equal to 355.1 M€ improved from 50.4% to 52.3% (+79.1%) on revenues, thanks above all to higher volumes and the positive contribution of price-mix;
- **adjusted Ebitda** amounted to 128.6 M€, equal to 18.9% of revenues; on a like-for-like basis, it stood at 117.4 M€, with a sharp improvement from 10.7% to 18.8% of revenues;
- finally, **net profit** amounted to 80.9 M€, equal to 11.9% of revenues.



Q1 2021 RESULTS

ADJUSTED EBITDA BRIDGE



Q1 2021 RESULTS

BALANCE SHEET

<i>EUR million</i>	March 31, 2021	March 31, 2020 (old perimeter)	12 months change	Dec. 31, 2020	3 months change
Net working Capital	101.4	256.6	-155.2	96.2	5.3
Net Equity	1,364.0	1,190.7	173.3	1,267.4	96.6
Net Financial Position	318.2	335.0	-16.8	232.0	86.2
Net Bank Position	386.9	396.8	-9.9	303.8	83.1
NWC / Revenues	3.8%	12.1%	-8.3%	4.1%	-0.3%

- **Net financial position** as at 31.03.2021 stood at € 318.2 million, with a net cash generation of € 86.2 million in the quarter, after investments for € 19.8 M;
- in the 12 months NFP decreased by € 16.8 million; however, the cash flow before dividends and acquisitions was € 393.3 million, thus almost entirely covering both the acquisition of Capital Brands Holdings (€ 329.3 million) and the distribution of dividends for € 80.8 million;
- **Net working capital** improved significantly compared to 2020: in the 12 months the increase in inventories was largely offset by an increase in trade payables, thus maintaining the ratio of net working capital to revenues at 3.8%, a marked reduction compared to last year's figure (12.1%), but in line with the value reached at the end of 2020. **Operating Working Capital** ratio to revenues improved as well in the 12 months from 14.7% to 9.6%.

Q1 2021 RESULTS

3 MONTHS NET CASH FLOW (reported)



Q1 2021 RESULTS

FY 2021 GUIDANCE

Massimo Garavaglia, Group C.E.O.:

"The extraordinary results achieved further consolidate De' Longhi's position among the leaders in the industry. (...) The signals that we receive from the markets in these first weeks of the second quarter reasonably suggest, for the remaining months of the year, a very robust and more sustained sales trend than initially expected; in light of this, therefore, we revise upwards our guidance for the current year and for the new perimeter including Capital Brands, now forecasting revenues growing at constant exchange rates at a pace between 28% and 33% (i.e. in the range 18 % - 22% on a like-for-like basis) and an adjusted Ebitda in line with 2020 as a percentage of revenues."

**FY 2021
guidance**

**Revenues growing at constant
exch.rates between 28% and 33%
(including Capital Brands)**

+

**Adjusted Ebitda in line with
2020 as a percentage of revenues
(including Capital Brands)**



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