

DēLonghi Group

Borsa Italiana, Italian Equity Week 2021

Consumer Day



DISCLAIMER

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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;
- **Q2** stands for second quarter (April 1st – June 30th);
- **H1** stands for first half (January 1st – June 30th);
- **Reported** stands for official data including the consolidation of Capital Brands Holdings Inc. and its subsidiaries since January 1st (following the acquisition finalized on December 29th, 2020) and the consolidation of Eversys since April 1st (following the acquisition finalized on May 3rd, 2021).



AGENDA

- DE' LONGHI IN A NUTSHELL
- H1-2021 RESULTS
- THE MARKETING PLAN:
AMBASSADOR GLOBAL CAMPAIGN

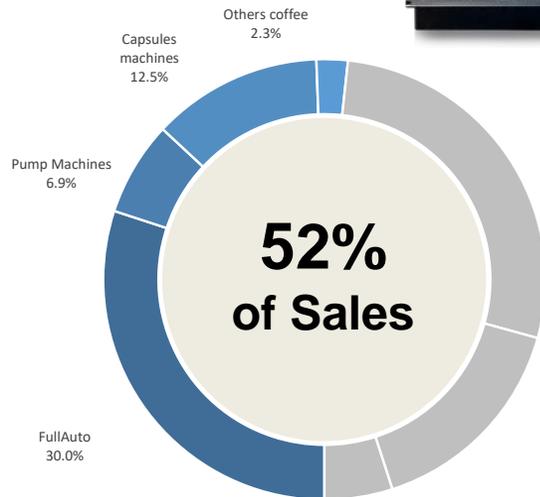




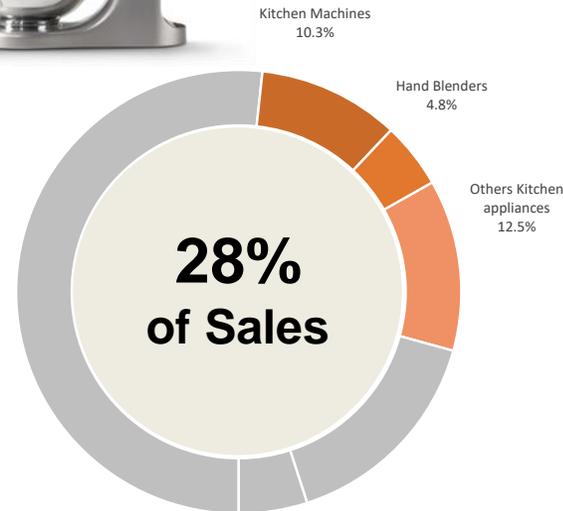
DE' LONGHI IN A NUTSHELL

PRODUCT CATEGORIES

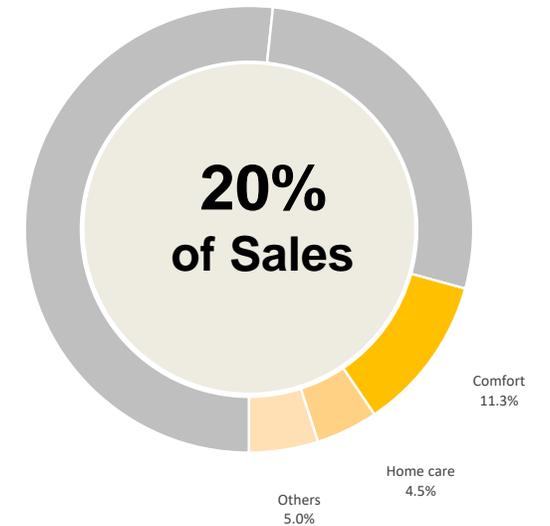
Coffee Makers



Cooking & Food Preparation



Home Care & Comfort



Source: internal data, 2020

GROUP'S BUSINESS PILLARS

CONTINUOUS INNOVATION

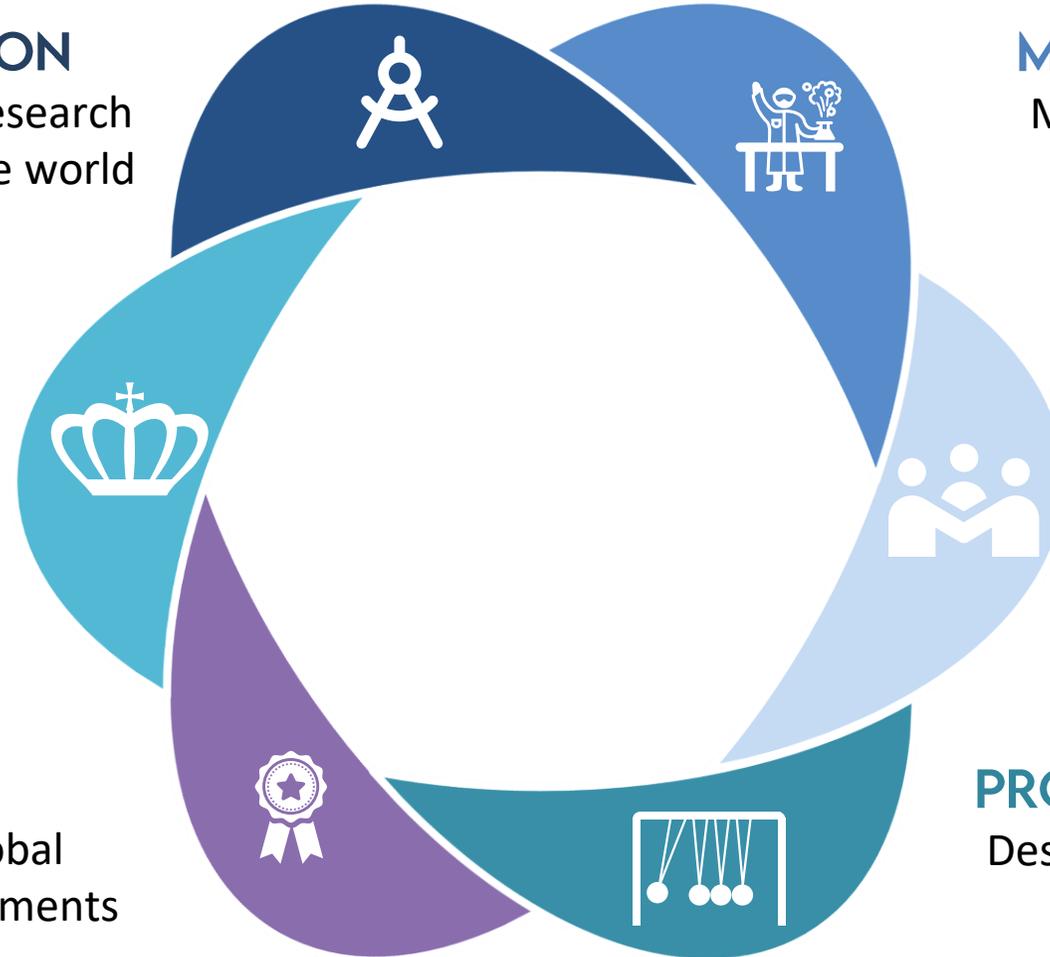
The Group has several product research and development hubs across the world

ICONIC BRANDS

The Group comprises a portfolio of iconic brands

SECTOR LEADER

The Brands has become global leaders in their respective segments



MADE BY DE'LONGHI

Manufacturing excellence

PROXIMITY TO CUSTOMERS

Widespread geographic distribution

PRODUCTS EXCELLENCE

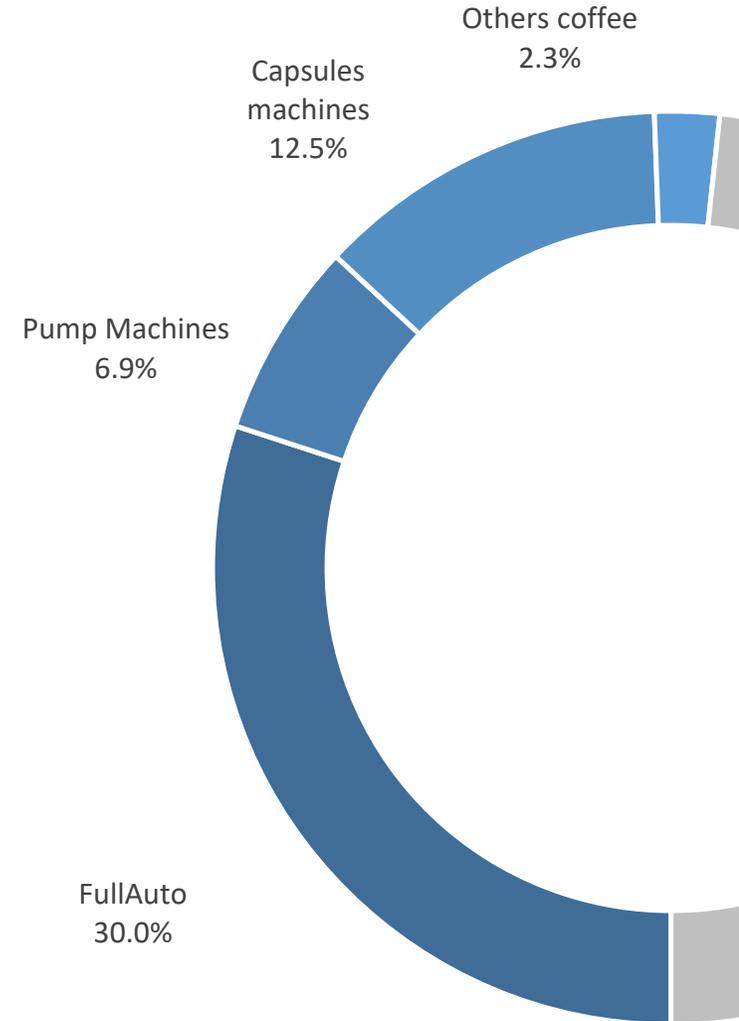
Design and quality among the key success factors

DE' LONGHI REVENUES BY PRODUCT FAMILY (FY2020)

COFFEE MAKERS

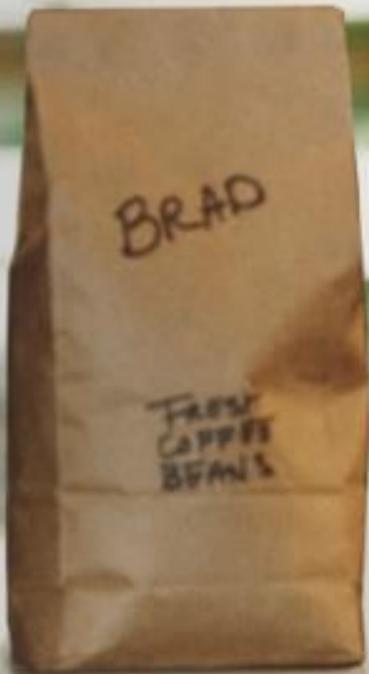
52%
of Total Sales

CAGR 2010-2020:
11.6 %



*Source: Independent research institute, value sales leader from Jan to Dec 2020 in 46 countries

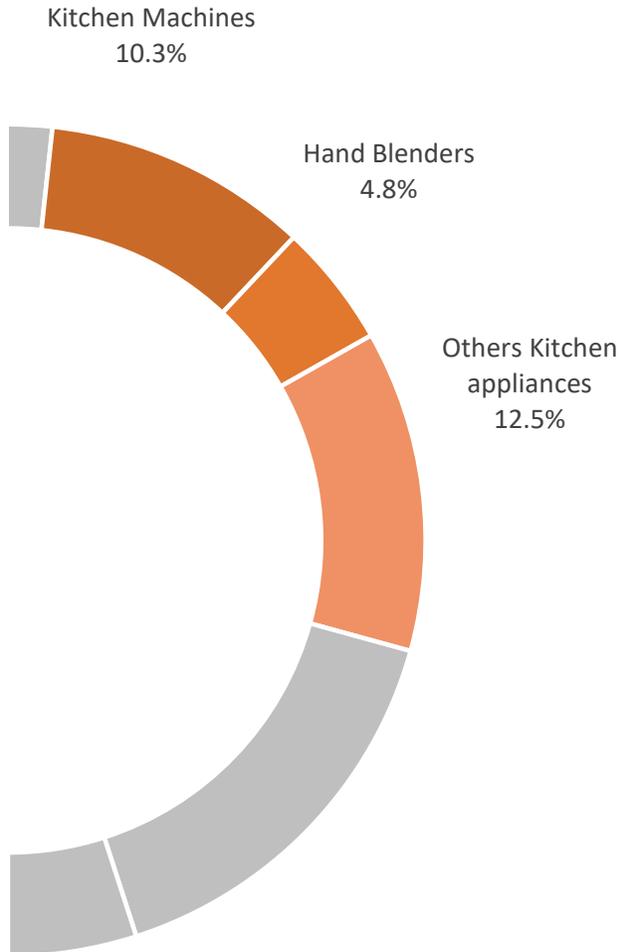
the espresso story is just at the beginning all across the world



coffee is not
just a beverage.
it's a complete
sensory experience.



DE' LONGHI REVENUES BY PRODUCT FAMILY (FY2020)



KENWOOD

N.1
IN KITCHEN MACHINES
in Europe*



BRAUN

N.1
IN HAND BLENDER
Braun **



KENWOOD

N.1
IN FOOD PREPARAT.
in Europe*

**COOKING
& FOOD
PREP.**

28%
of Total Sales

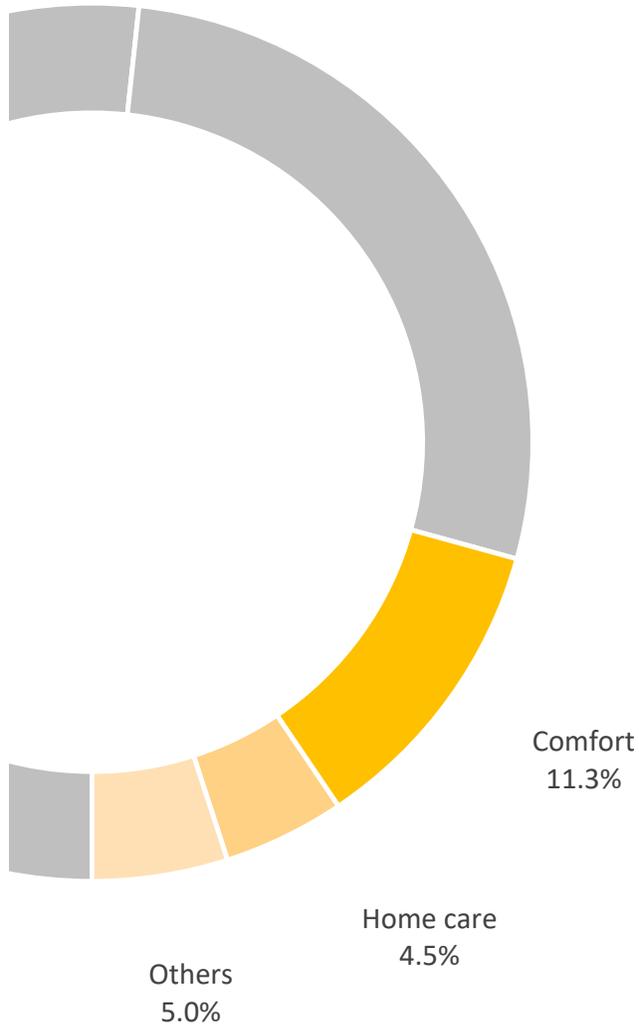
**CAGR 2010-2020:
3.1%**

*Source: Independent research institute, value sales leader from Jan to Dec 2020 in 46 countries

The Group is among the leaders in the sector, thanks to the strong awareness of **Kenwood**, **Braun** and **Nutribullet** brands.



DE' LONGHI REVENUES BY PRODUCT FAMILY (FY2020)



BRAUN
Ironing



DeLonghi
portable
air conditioning
and treatment



DeLonghi
portable
heaters

COMFORT
% HOME
CARE

20%
of Total Sales

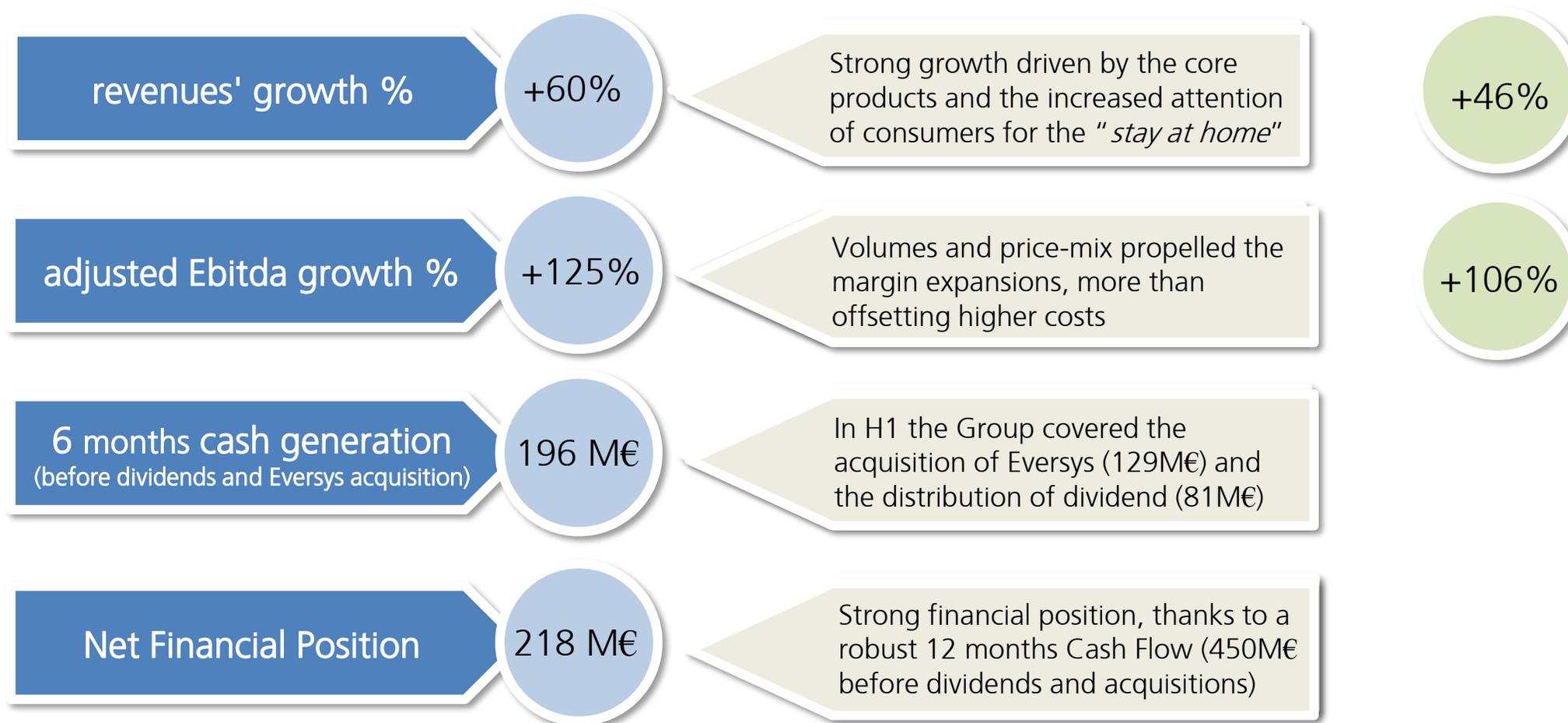
CAGR 2010-2020:
2.8 %

H1-2021 RESULTS

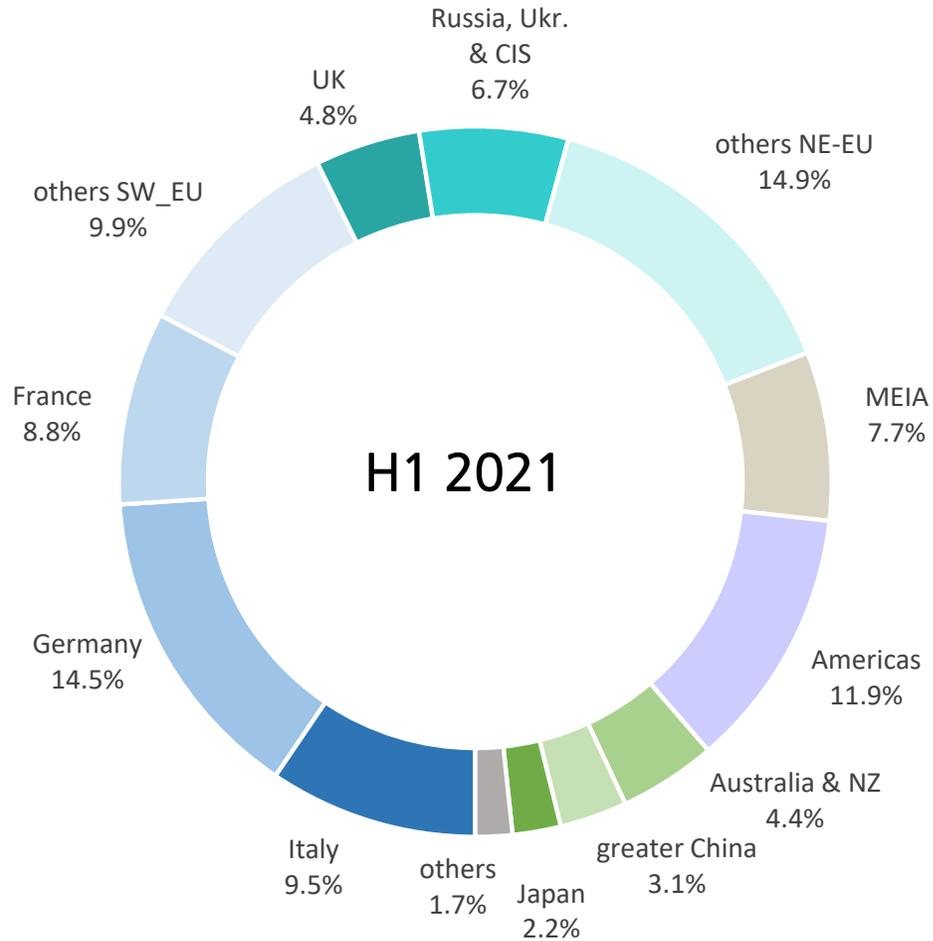


HIGHLIGHTS

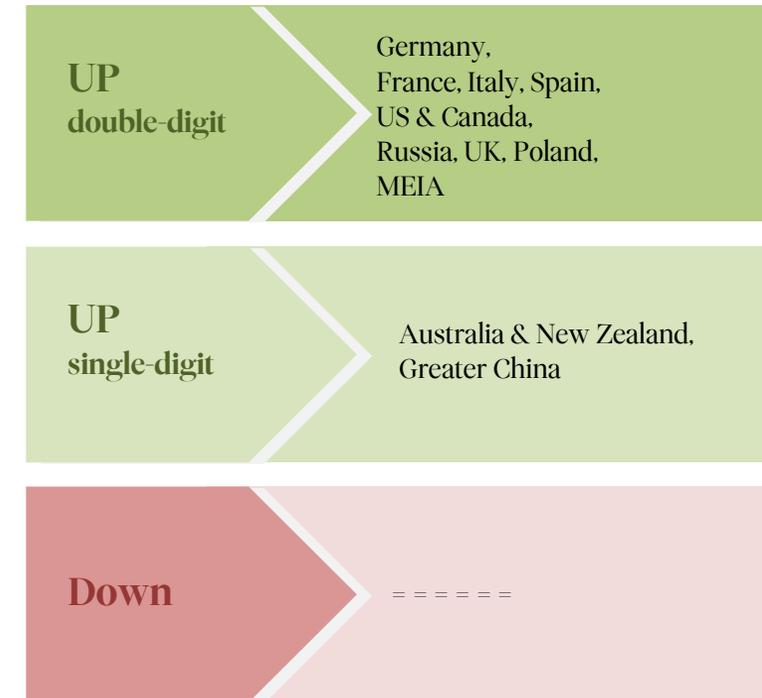
Like for like



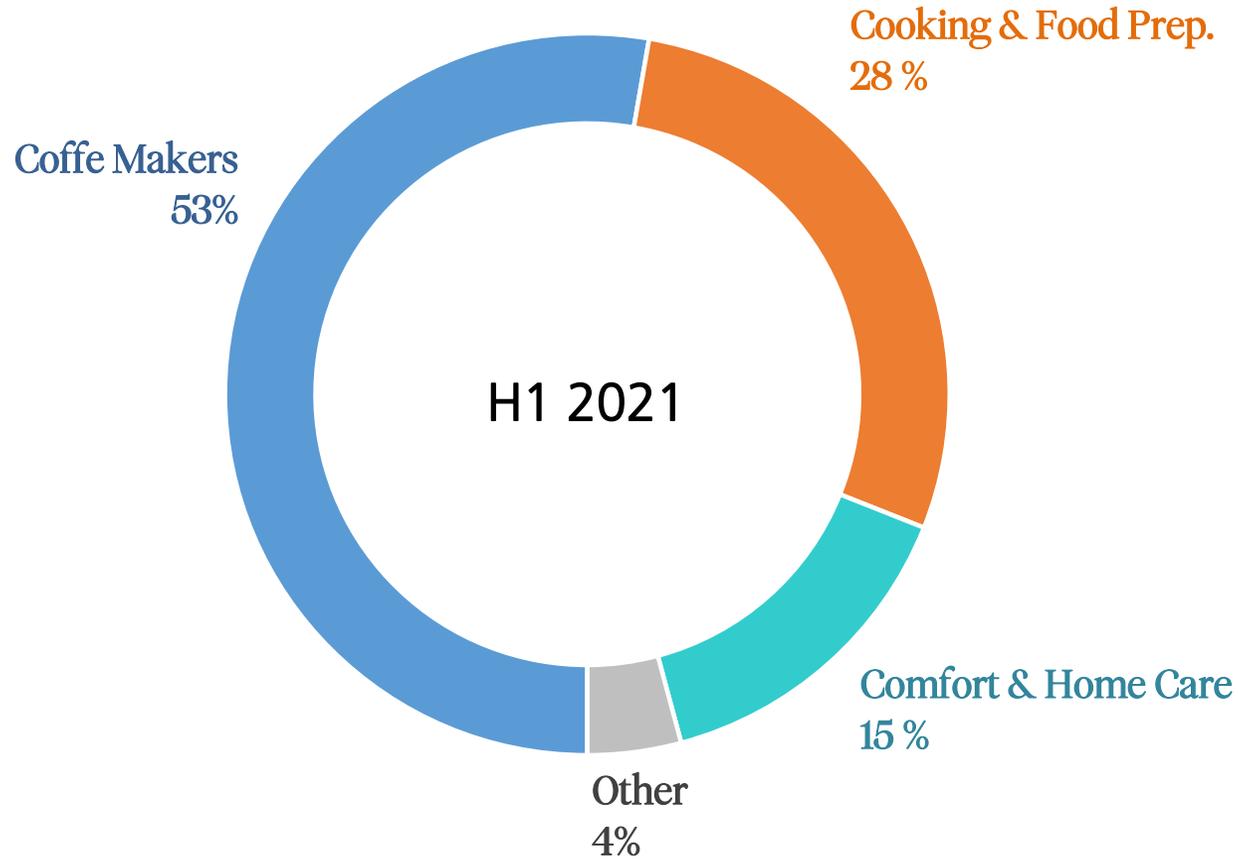
REVENUES BY MARKET *(at constant perimeter)*



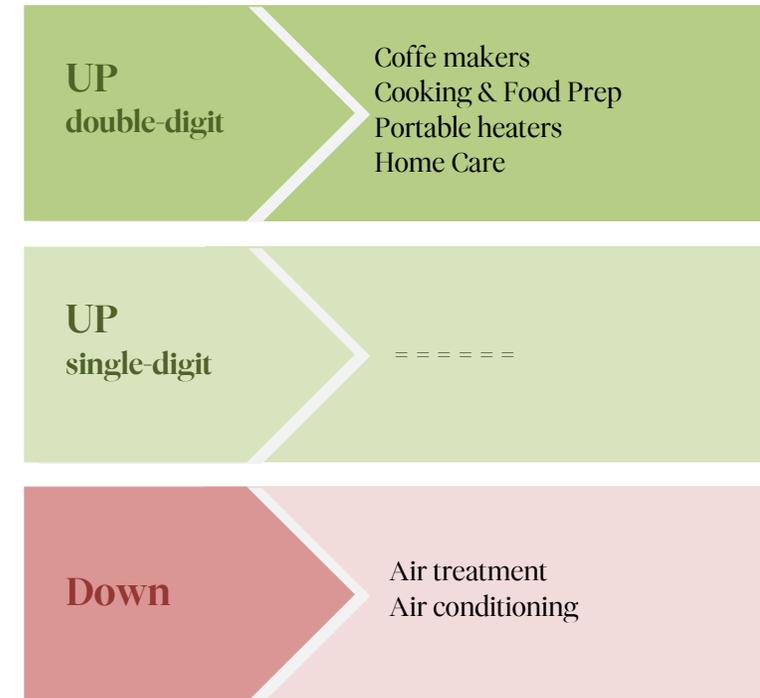
Main Ups & Downs *(at constant FX)*



REVENUES BY PRODUCT LINE (at constant perimeter)



Main Ups & Downs (at constant FX)



FY 2021 GUIDANCE

Massimo Garavaglia, Group C.E.O.:

"For what has been said, we believe we can continue to look with positivity at the evolution of the business in the near future. For this 2021 we now see the Group's revenues (including Capital Brands) grow at constant exchange rates at a rate in the upper end of the range previously communicated (28% - 33%) and an adjusted Ebitda improving versus last year, both in value and as a percentage of revenues. Furthermore, the consolidation of Eversys will bring about 2 percentage points of additional revenue growth and an adjusted Ebitda, as a percentage of revenues, in line with the rest of the Group."

new
FY 2021
guidance

Revenues growing at constant
exch.rates rate in the upper end
of the range 28% - 33%
(including Capital Brands), adding
2% of revenues including Eversys

+

Adjusted Ebitda improving as a
percentage of revenues vs LY
(including
Capital Brands and Eversys)





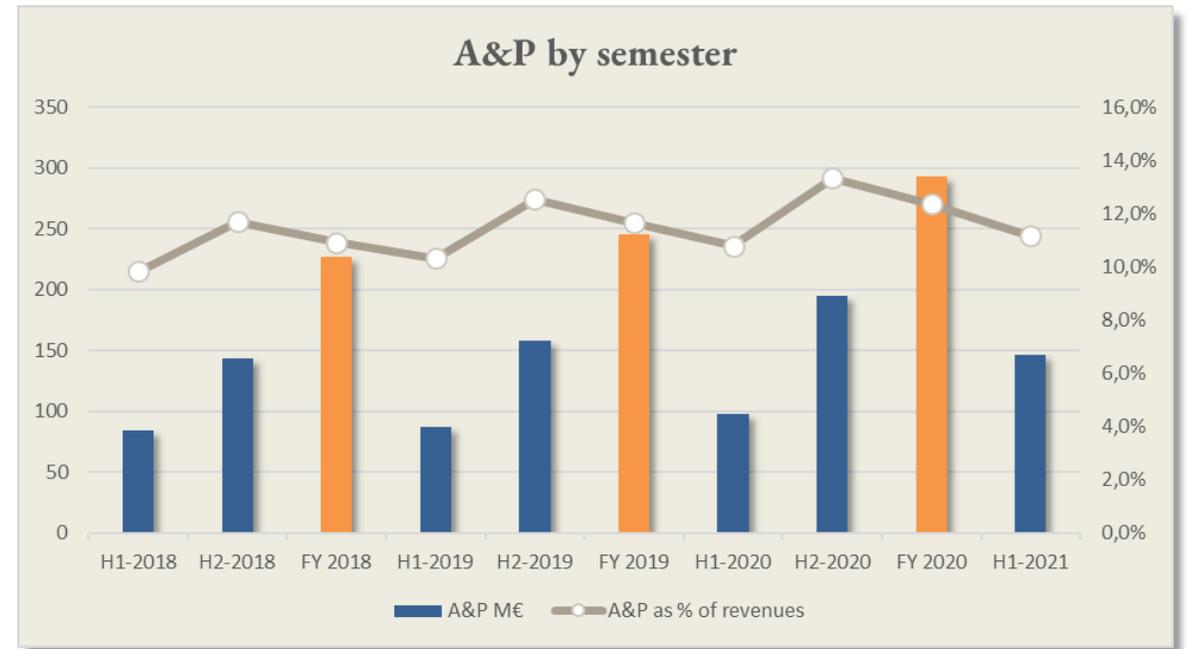
MARKETING PLAN

MEDIA INVESTMENTS

BRANDS AND PERFORMANCE OF THE GROUP HAVE BEEN BENEFITING FROM THE INVESTMENTS IN MEDIA AND COMMUNICATION OVER THE LAST YEARS

Investments in Advertisement & Promotions (A&P)

	TOTAL	A&P/REV
2019	245M€	11.7% OF SALES
2020	293M€	12.4% OF SALES
2021		≈ +100 BPS



STRONG INVESTMENTS IN NEW MARKETING INITIATIVES



DeLonghi

All Senses Matter
When it Comes to That
Perfect Cup of Coffee

Visit our Virtual Coffee Lounge to
join us on this route of coffee discovery

Coffee Lounge
by DeLonghi

100
yrs

IN 2021 WE ARE PLANNING AND EXECUTING MANY MARKETING INITIATIVES TO SUPPORT OUR BRANDS AND THE UPCOMING DEVELOPMENTS OF THE BUSINESS

CAN YOUR MIXER HANDLE
ANYTHING
YOU THROW AT IT?

KENWOOD
CAN

NEW MARKET INITIATIVES: BRAUN 100 YEARS

PRINT AD



SOCIAL MEDIA



ON LINE

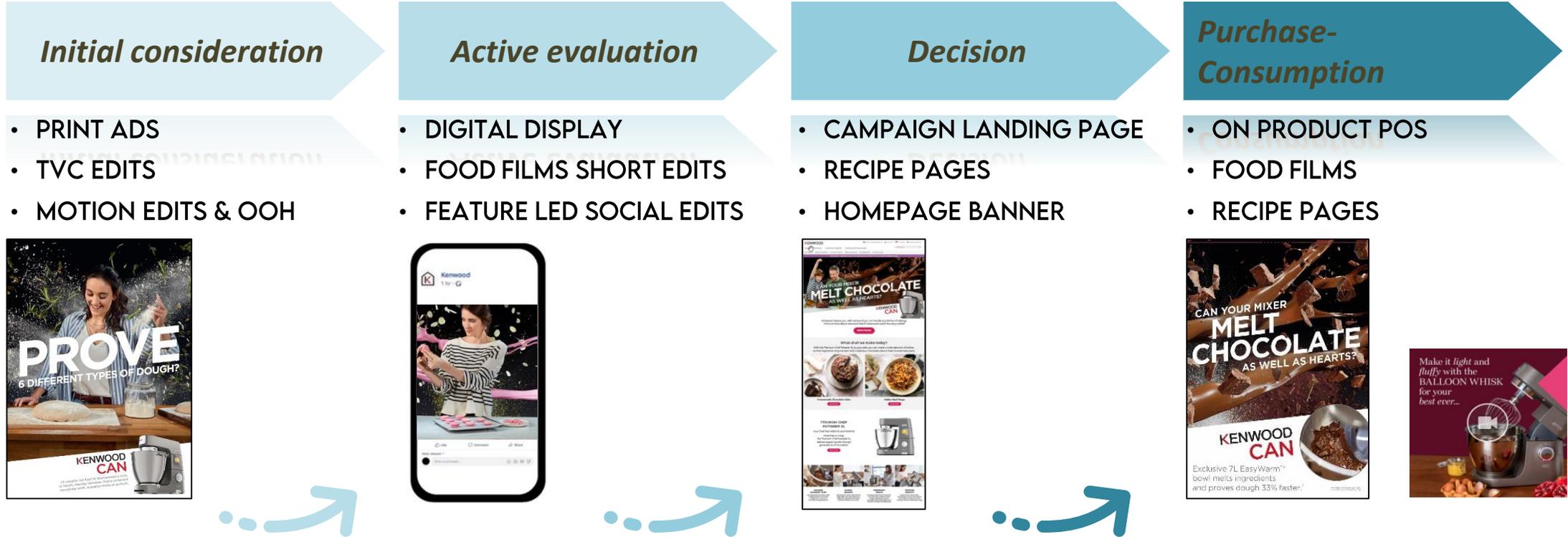


IN STORE



GREAT PLANS & ACTIVITIES ALL AROUND THE WORLD AND THROUGH ALL MEDIA TOUCHPOINT

NEW MARKET INITIATIVES: KENWOOD



The Consumer Journey: examples of Campaign Assets



SCOPRI DI PIÙ SU

KENWOOD  **CLUB**

NEW MARKET INITIATIVES: AMBASSADOR CAMPAIGN



THE
GOAL

Being the Global Leader
and Authority in Coffee:



TO INCREASE PENETRATION



TO POSITION DE' LONGHI AS
THE PREMIUM BRAND



TO BUILD A LOYAL
COMMUNITY OF CONSUMERS

GLOBAL CAMPAIGN: AN AWARD WINNING TEAM



Brad Pitt



Damien Chazelle
Director



Linus Sandgren
Director of Photography



Justin Hurwitz
Music Composer



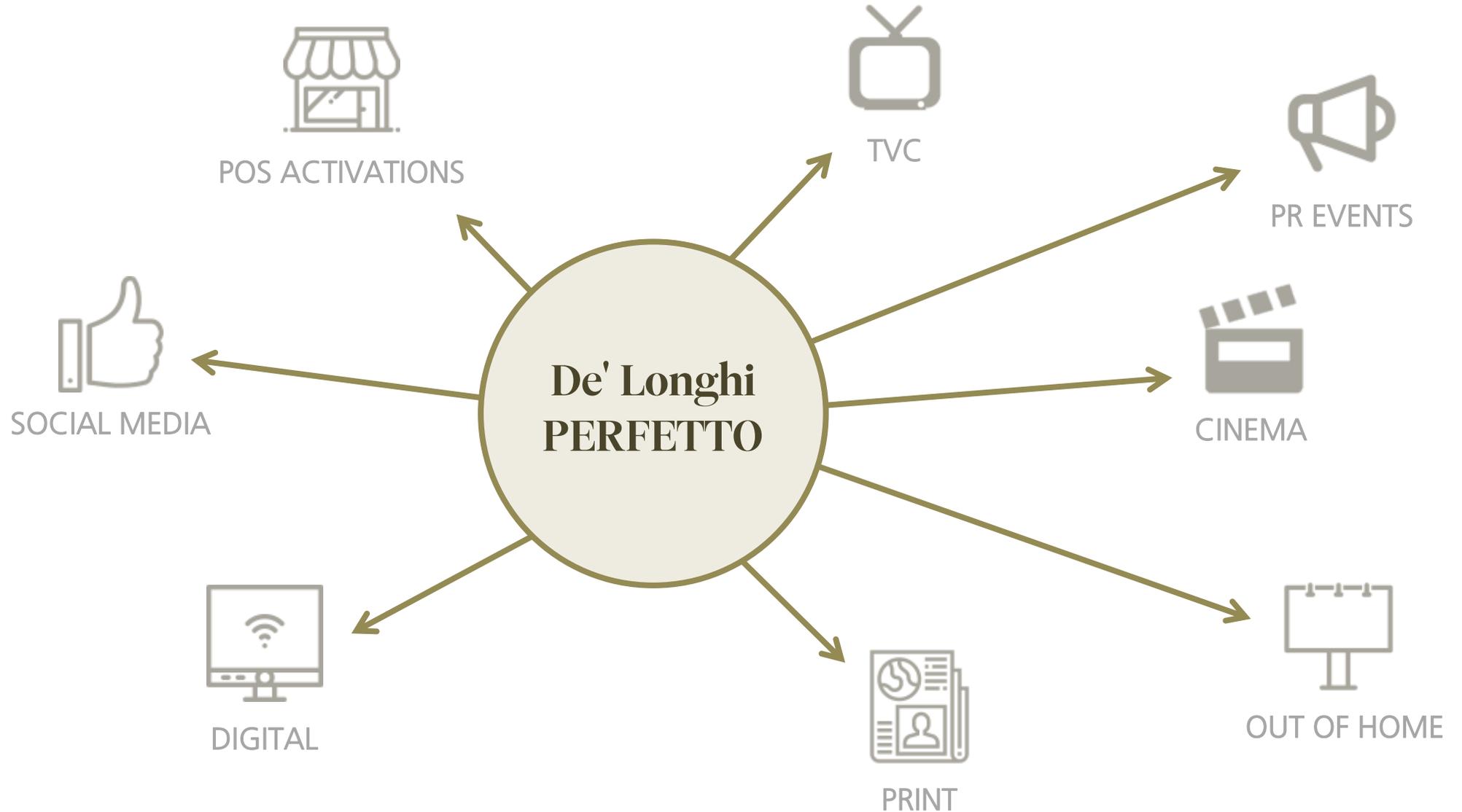
Lachlan Bailey
Photographer

YouTube IT perfetto de longhi

#delonghcoffee
Perfetto from bean to cup | Brad Pitt x De'Longhi Global Campaign

Perfetto, from bean to cup:
the campaign video

GLOBAL CAMPAIGN: FULLY FLEDGED MARKETING PLAN



GLOBAL CAMPAIGN: PREMIUM LOCATIONS





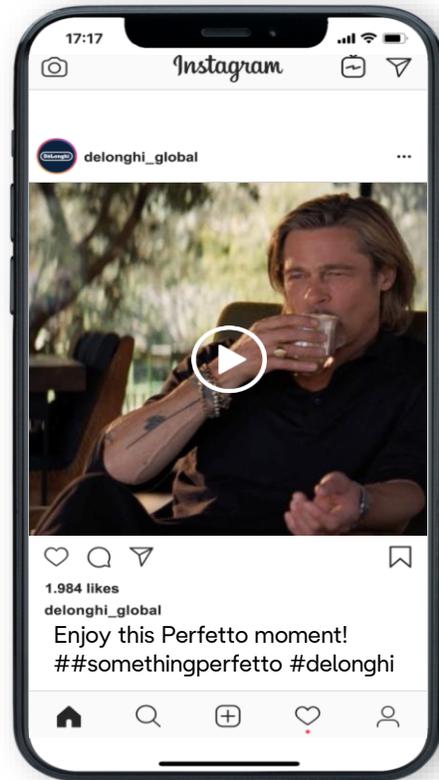
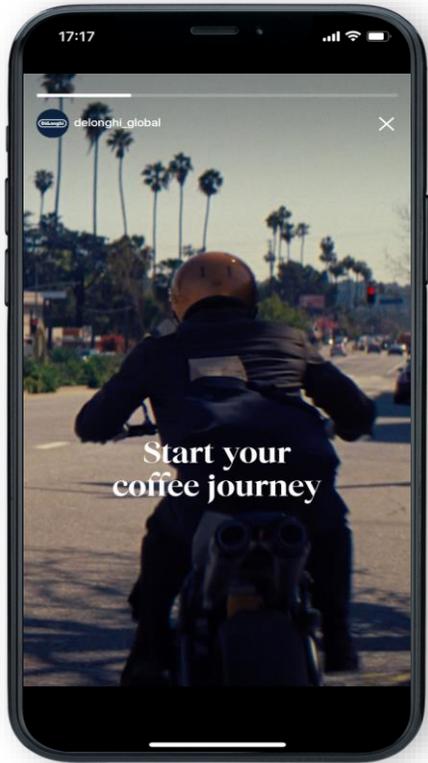
Perfetto,
from bean to cup.

DeLonghi

DeLonghi



GLOBAL CAMPAIGN: SOCIAL MEDIA STRATEGY



- **Create** a Social Media system to ensure marketing leadership
- **Define** a global framework with local customization
- **Launch** De'Longhi Official Instagram, Facebook LinkedIn global channels
- **Hire** the best experts in the social media
- **Track and Analyze** data to adjust the strategy and execution

GLOBAL CAMPAIGN: KEY TAKEAWAYS



- First ever De' Longhi Global campaign launched at the same time everywhere
- Massive media investment
- Best in class partners and execution
- Significant upgrade of all marketing infrastructure and touch points: physical and digital
- Clear KPIs in place and tracking systems

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