



**esprinet<sup>®</sup>**  
enabling your tech experience

## H1 2022 Results Presentation

September 13, 2022

# Forward Looking Statement



This presentation may contain forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein. Forward-looking statements may include, in particular, statements about future events, future financial performance, plans, strategies, expectations, prospects, competitive environment, regulation, supply and demand. Esprinet has based these forward-looking statements on its view and assumptions with respect to future events and financial performance. Actual financial performance could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated. Given these uncertainties, readers should not put undue reliance on any forward-looking statements. The information contained in this presentation is subject to change without notice and Esprinet does not undertake any duty to update the forward-looking statements, and the estimates and the assumptions associated with them, except to the extent required by applicable laws and regulations.

# H1 2022 Performance



Despite the persistence of a difficult macro environment, the Group's business model is solid and resilient

## SALES

2,178.6 M€

-3% compared to H1 2021

- **Sales by quarter**
  - Q1 2022: 1,139.4 M€ (-2% vs Q1 2021)
  - Q2 2022: 1,039.2 M€ (-3% vs Q2 2021)
- **Sales by geography**
  - Italy: 1,298.0 M€ (-7% vs H1 2021)
  - Spain: 807 M€ (+4% vs H1 2021)
  - Portugal: 49 M€ (+21% vs H1 2021)

## EBITDA Adj

37.9 M€

-9% compared to H1 2021

- **Gross profit: 114.8 M€, 5.27% on sales**, compared to 5.24% of H1 2021.
- **EBITDA Adjusted: 37.9 M€, 1.74% on sales**, compared to 1.87% of H1 2021.
- **Net Income: 18.0 M€, 0.83% on sales**, compared to 0.99% of H1 2021.

## ROCE

12.9%

15.2% in Q1 2022

- **Cash Cycle** closes at **17 days**, +9 days compared to H1 21 and +4 days compared to Q1 22.
- **Net Financial Position** as of June 30, 2022 negative for 256.9 M€, down compared to June 30, 2021 (negative for 104.9 M€).

# Introducing the «five pillars», our lines of business



## SCREENS

### Categories:

- PCs
- Tablets
- Smartphones

## DEVICES

### Categories:

- Printing
- Monitors
- Components
- Accessories
- White goods
- Gaming
- Other CE products



## SOLUTIONS

### Categories:

- Servers
- Storage
- Networking
- Cybersecurity
- Software
- Cloud
- AutoID
- Videosurveillance
- Energy & Cabling

## SERVICES

### Categories:

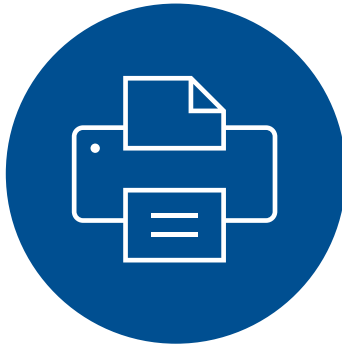
- Renting fees
- Logistic services
- Marketing services
- Maintenance
- Digital solutions



## OWN BRANDS

### Brands:

- Nilox
- Celly



# P&L H1 & Q2 2022 of the «five pillars»

	Revenues				EBITDA Adj.				EBITDA Margin Adj.		
	H1 2022	H1 2021	Delta	Δ %	H1 2022	H1 2021	Delta	Δ %	H1 2022	H1 2021	Delta
Screens	1,288.5	1,400.0	-111.5	-8.0%	12.1	13.3	-1.2	-9.0%	0.94%	0.95%	-0.01%
Devices	471.3	445.3	26.0	5.8%	10.3	7.9	2.4	30.8%	2.19%	1.77%	0.42%
Solutions	385.9	348.7	37.2	10.7%	13.2	11.1	2.1	19.3%	3.43%	3.18%	0.25%
Services	5.3	4.8	0.5	10.3%	3.1	3.7	-0.7	-17.8%	58.03%	77.83%	-19.80%
Own Brands	27.6	38.0	-10.4	-27.2%	-0.8	5.7	-6.5	-114.2%	-2.92%	14.97%	-17.89%
<b>Total</b>	<b>2,178.6</b>	<b>2,236.8</b>	<b>-58.2</b>	<b>-2.6%</b>	<b>37.9</b>	<b>41.7</b>	<b>-3.8</b>	<b>-9.1%</b>	<b>1.74%</b>	<b>1.86%</b>	<b>-0.12%</b>

	Revenues				EBITDA Adj.				EBITDA Margin Adj.		
	Q2 2022	Q2 2021	Delta	Δ %	Q2 2022	Q2 2021	Delta	Δ %	Q2 2022	Q2 2021	Delta
Screens	592.2	645.4	-53.2	-8.2%	4.7	5.8	-1.1	-19.3%	0.79%	0.90%	-0.11%
Devices	228.5	224.6	3.9	1.7%	5.6	4.5	1.0	23.2%	2.44%	2.02%	0.42%
Solutions	197.9	172.5	25.4	14.7%	6.2	5.1	1.1	21.2%	3.11%	2.94%	0.17%
Services	2.9	1.9	1.0	51.1%	1.5	1.5	0.0	1.3%	52.09%	77.70%	-25.61%
Own Brands	17.7	26.4	-8.7	-33.1%	0.3	4.5	-4.2	-93.7%	1.63%	17.16%	-15.53%
<b>Total</b>	<b>1,039.2</b>	<b>1,070.8</b>	<b>-31.6</b>	<b>-3.0%</b>	<b>18.2</b>	<b>21.4</b>	<b>-3.2</b>	<b>-15.0%</b>	<b>1.75%</b>	<b>2.00%</b>	<b>-0.25%</b>

## NOTE

1) All values in € / millions.

2) The costs attributed to each pillar are the direct sales & marketing costs, some categories of general and administrative expenses directly attributable to each business line (i.e. credit insurance costs, warehousing cost) and, for the remaining G&A costs, a distribution proportional to the weight of the business line on the total revenues has been applied. Results not subject to audit.

**The EBITDA Adj. reduction** of Euro 3.8 million in H1 2022 against the previous year **is mostly due to a Euro 6.5 million reduction in the Own Brands EBITDA Adj.** and secondarily from a reduction in the Screens EBITDA Adj. mostly deriving from lower sales in line with the slowdown of the market demand for PCs.

1. Reduction of the Screens pillar (-8%), albeit to a lesser extent than the market (-12%), mainly due to lower PCs and Smartphones sales in the consumer area, as a consequence of the progressive realignment of market demand to values more in line with the pre-pandemic results.
2. The Devices and Solutions pillars recorded significant growth in terms of sales and profitability. The Solutions became the business line to generate the most EBITDA Adj. in value, surpassing the Screens line which is running with triple volume of sales still recording Euro 1 million less EBITDA Adj. than the Solutions line of business.
3. During the second quarter of 2021, the Own Brands pillar benefited from some promotional projects not replicated in Q2 2022 in the market, and therefore also by the Esprinet Group. The Own Brands line of business suffered in Q1 2022 as well against Q1 2021 because of a worse mix with lower gross profit margins, lower sales and higher promotional activities.

**We highlight as well the following facts:**

1. The high-margin pillars (all except the Screens), in line with the Group's strategy, increased their weight on sales to 43% in Q2 2022 from 40% in Q2 2021 and 39% in Q1 2022.
2. The weight of reseller sales in the first half of 2022 rose to 63% against 59% in 2021 and 55% in 2020, progressively reducing the weight of the channel with greater pressure on discounts.
3. Total Gross profit margin stood at 5.27% compared to 5.24% of H1 2021 coming from increased volumes of high gross profit margin business lines and despite the growth in transport costs and the higher volume of Own Brands sales in 2021.
4. The incidence on revenues of the total EBITDA Adj. goes to 1.74% compared to 1.87% in the same period of 2021, due to the increase in the weight of operating costs.



# H1 2022 Sales evolution

H1 2022: 2,178.6 M€ (-3% vs 2,236.8 M€ in H1 2021)  
Gaining share on higher profitability business lines & customer segments



## BY GEOGRAPHY

Esprinet		Market <sup>(*)</sup>
1,298 M€ Italy	-7% ▼	-4% ▼
807 M€ Spain	4% ▲	1% ▲
49 M€ Portugal	21% ▲	8% ▲
25 M€ Other (+17%)		



## BY PRODUCT CATEGORY

Esprinet		Market <sup>(*)</sup>
1,289 M€ Screens	-8% ▼	-12% ▼
471 M€ Devices	6% ▲	3% ▲
391 M€ Solutions & Services	11% ▲	10% ▲
28 M€ Own Brands	-27% ▼	(**)



## BY CUSTOMER TYPE

Esprinet		Market <sup>(*)</sup>
846 M€ Retailers & E-tailers	-11% ▼	-12% ▼
1,454 M€ IT Resellers	6% ▲	6% ▲
-121 M€ IFRS15 and other adjustments		

(\*) Source: Context

(\*\*) Market data not available



# Q2 & H1 2022 P&L evolution

Solid cost control during H1 & Q2, Gross Profit furtherly growing in Q2 vs Q1  
but tough y-o-y comparison in Q2 because of extraordinarily strong Q2 2021 high-margin Own Brands sales

(M/€)	Q2 2022	Q2 2021	Var. %	H1 2022	H1 2021	Var. %
Sales from contracts with customers	1,039.2	1,070.8	-3%	2,178.6	2,236.8	-3%
Gross Profit	57.2	61.2	-6%	114.8	117.3	-2%
Gross Profit %	5.50%	5.71%		5.27%	5.24%	
SG&A	39.0	39.7	-2%	76.8	75.6	2%
SG&A %	3.75%	3.71%		3.53%	3.38%	
<b>EBITDA adj.</b>	<b>18.2</b>	<b>21.4</b>	<b>-15%</b>	<b>37.9</b>	<b>41.7</b>	<b>-9%</b>
EBITDA adj. %	1.75%	2.00%		1.74%	1.87%	
<b>EBIT adj.</b>	<b>13.8</b>	<b>17.5</b>	<b>-21%</b>	<b>29.5</b>	<b>34.1</b>	<b>-14%</b>
EBIT adj. %	1.33%	1.64%		1.35%	1.52%	
<b>EBIT</b>	<b>13.5</b>	<b>17.5</b>	<b>-23%</b>	<b>29.1</b>	<b>34.1</b>	<b>-15%</b>
EBIT %	1.29%	1.64%		1.33%	1.52%	
IFRS 16 interest expenses on leases	0.8	0.8	0%	1.6	1.6	0%
Other financial (income) expenses	0.6	0.7	-14%	1.3	1.3	0%
Foreign exchange (gains) losses	1.0	-0.2	<100%	1.4	0.9	56%
<b>Profit before income taxes</b>	<b>11.0</b>	<b>16.3</b>	<b>-33%</b>	<b>24.8</b>	<b>30.1</b>	<b>-18%</b>
Profit before income taxes %	1.06%	1.52%		1.14%	1.35%	
Income taxes	3.1	4.4		6.8	8.3	
<b>Net Income</b>	<b>8.0</b>	<b>11.8</b>	<b>-33%</b>	<b>18.0</b>	<b>22.1</b>	<b>-18%</b>
Net Income %	0.77%	1.11%		0.83%	0.99%	

- The gross profit margin increased both because of a better product and customer mix as well as because of better margin on most product lines, despite the growth in **transport costs (+0.12 bps)** the main area where we recorded an impact from inflation;
- SG&A:** down in Q2 vs previous year thanks to solid cost control and the reduction of variable costs in absolute terms due to lower sales. The increase from H1 2021 to H1 2022 in the weight of SG&A on sales of 15 bps for 10 bps is linked to lower sales and 5 bps are mostly linked to the increase in the headcount to follow-up on the expansion of the higher margin business lines (Devices, Solutions, Services & Own Brands).
- Increasing net financial expenses** due to a greater impact of the Profit / Losses linked to EUR / USD exchange rate; the impact of the higher interest rates not visible as most of the debt is at fixed interest rates
- Tax rate essentially unchanged.**

# H1 2022 Balance sheet summary

On the balance sheet, the key area of attention is the level of inventory vs. payables

(M/€)	30/06/2022	30/06/2021	31/03/2022
Fixed Assets	140.2	139.3	139.9
Operating Net Working Capital	405.3	232.2	257.7
Other current asset (liabilities)	5.7	8.2	5.7
Other non-current asset (liabilities)	(23.1)	(21.6)	(23.2)
<b>Net Invested Capital [pre IFRS16]</b>	<b>528.1</b>	<b>358.1</b>	<b>380.2</b>
RoU Assets [IFRS16]	107.7	111.5	105.8
<b>Net Invested Capital</b>	<b>635.8</b>	<b>469.6</b>	<b>485.9</b>
Cash	(41.9)	(180.6)	(188.8)
Short-term debt	56.3	43.4	44.5
Medium/long-term debt <sup>(1)</sup>	141.2	136.2	136.5
Financial assets	(11.5)	(9.6)	(13.5)
<b>Net financial debt [pre IFRS16]</b>	<b>144.1</b>	<b>(10.6)</b>	<b>(21.3)</b>
<b>Net Equity [pre IFRS16]</b>	<b>384.0</b>	<b>368.7</b>	<b>401.5</b>
<b>Funding sources [pre IFRS16]</b>	<b>528.1</b>	<b>358.1</b>	<b>380.2</b>
Lease liabilities [IFRS16]	112.8	115.5	110.6
<b>Net financial debt</b>	<b>256.9</b>	<b>104.9</b>	<b>89.2</b>
<b>Net Equity</b>	<b>378.9</b>	<b>364.7</b>	<b>396.7</b>
<b>Funding sources</b>	<b>635.8</b>	<b>469.6</b>	<b>485.9</b>

<sup>(1)</sup> Including the amount due within 1 year

<sup>(2)</sup> Net financial debt pre IFRS 16

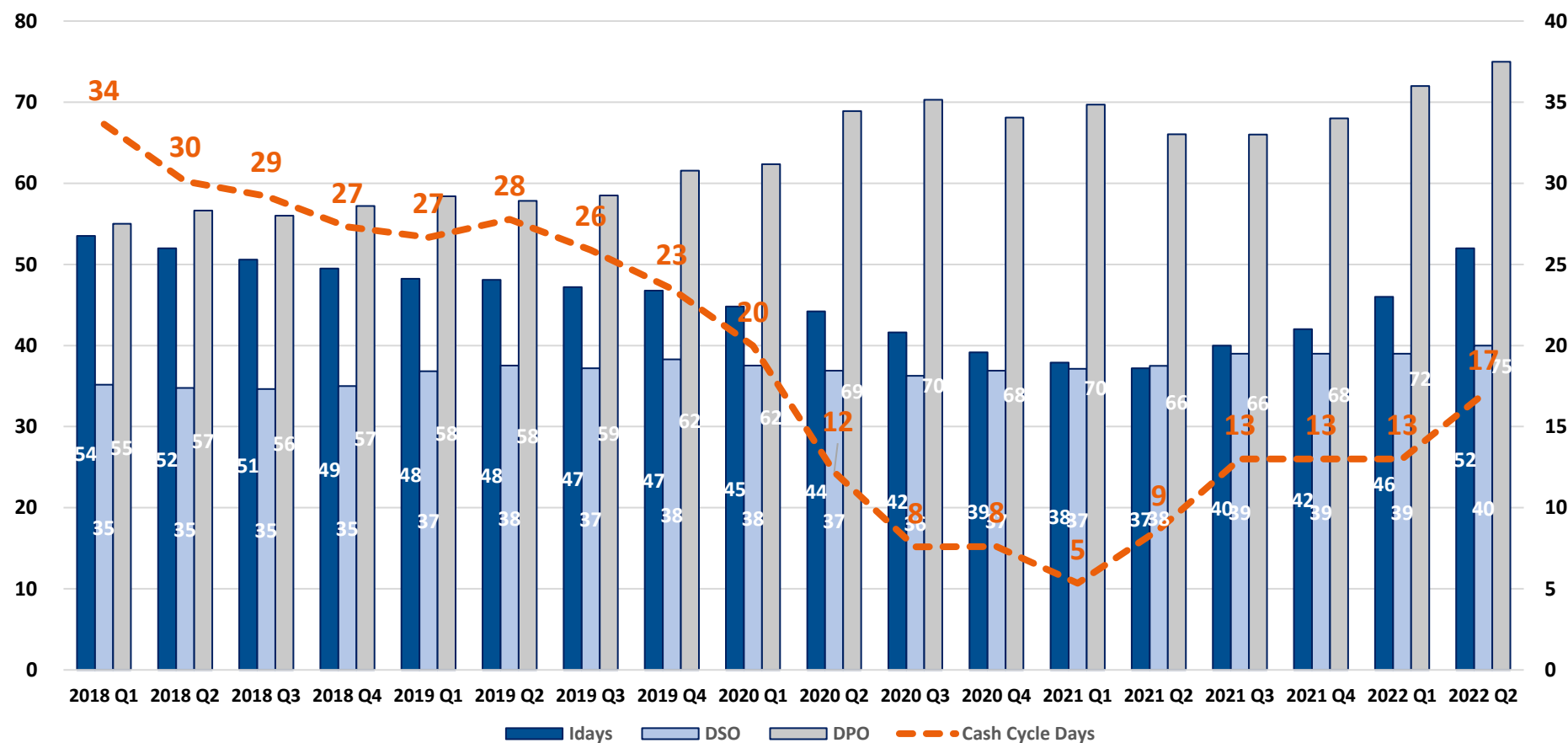
- Net Invested Capital as of June 30, 2022 stands at 635.8 M€ and is covered by:
  - Shareholders' equity, including non-controlling interests for 378.9 M€ (364.7 M€ as of June 30, 2021);
  - Cash negative for 256.9 M€ (negative for 104.9 M€ as of June 30, 2021).
- Operating Net Working capital impact:

(M/€)	30/06/2022	30/06/2021	31/03/2022
Inventory	781.0	539.1	718.9
Trade receivables	506.4	478.6	521.2
Trade payables	882.1	785.5	982.3
<b>Operating Net Working Capital</b>	<b>405.3</b>	<b>232.2</b>	<b>257.7</b>

The growth in the level of inventories was only partially offset by the further payment extensions granted by suppliers.

The supply chain issues are almost completely resolved and the resulting sudden and extraordinary flow of incoming goods for purchases planned months ago in times of shortage, combined with the slowdown in demand especially for consumer PCs led to an unexpected increase of the working capital. New & old purchase orders have been cancelled, vendors are providing additional funding with special payment terms and they are increasing the promotional activities to reduce the excess of stock tentatively before year-end.

# Working Capital Metrics 4-qtr average



Working capital worsening (+4 days) compared to the previous quarter due to:

- increase in inventory days (+6 days);
- only partially offset by the increase in payment terms to suppliers (+3 days).

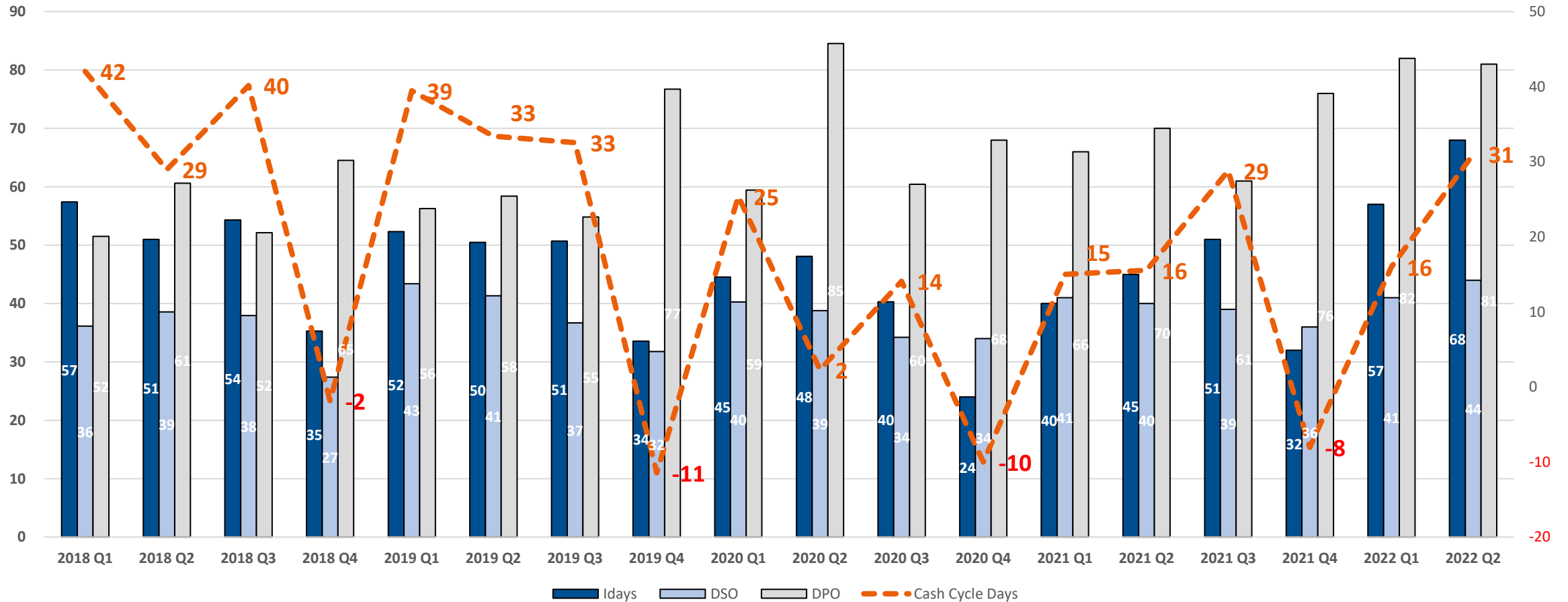
Cash Conversion Cycle still remains below the target (18 days) even if the pressure driven by the glut in inventory will probably lead to at least one quarter of unsatisfactory results

Idays (Inventory Days): 4-qtr average of (quarter-end Inventory / quarterly Sales \* 90)

DSO (Days of Sales Outstanding): 4-qtr average of (quarter-end Trade Receivables / quarterly Sales \* 90)

DPO (Days of Purchases Outstanding): 4-qtr average of (quarter-end Trade Payables / quarterly Cost of Sales \* 90)

# Working Capital Metrics quarter-end

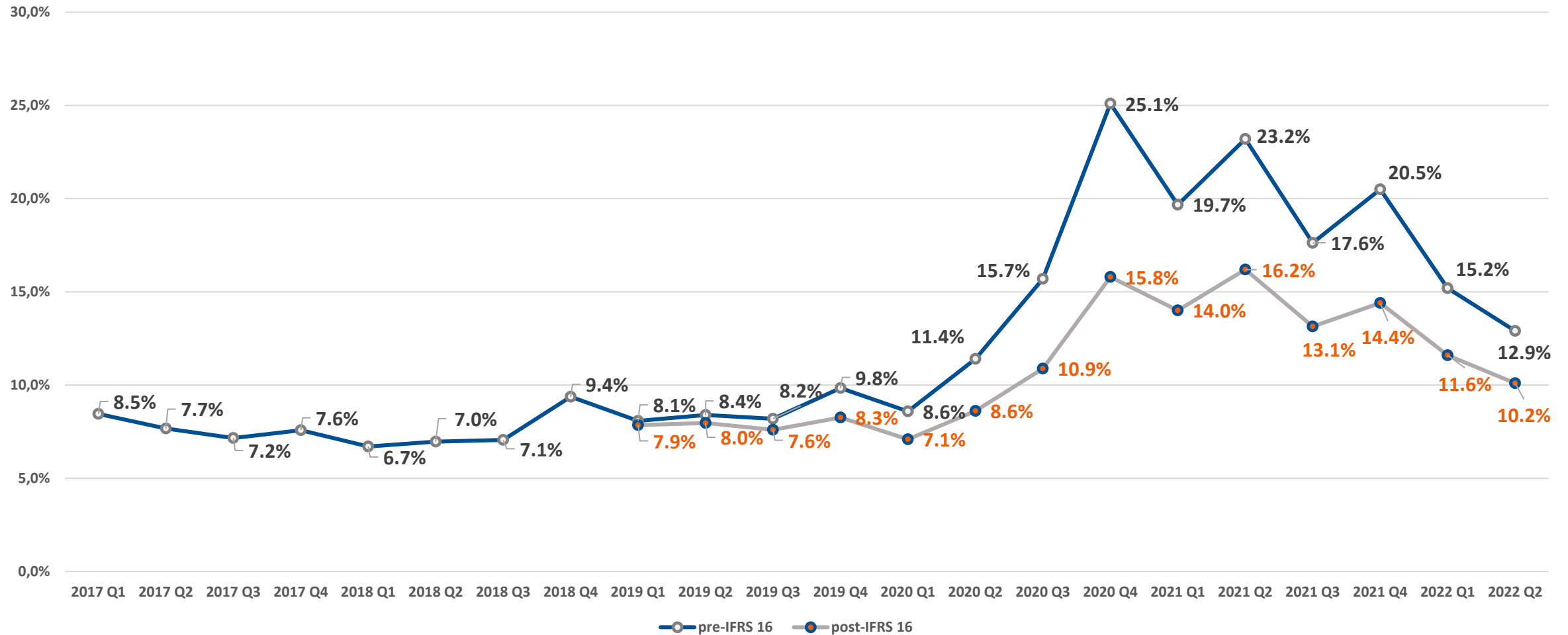


Idays (Inventory Days):  $\text{quarter-end Inventory} / \text{quarterly Sales} * 90$

DSO (Days of Sales Outstanding):  $\text{quarter-end Trade Receivables} / \text{quarterly Sales} * 90$

DPO (Days of Purchases Outstanding):  $\text{quarter-end Trade Payables} / \text{quarterly Cost of Sales} * 90$

# ROCE Evolution Up To Q2 2022



Average Capital Employed last 5 quarters: equal to the average of “Loans” at the closing date of the period and at the four previous quarterly closing dates

NOPAT Adj last 4 quarters: equal to the sum of the EBIT of the last four quarters less adjusted taxes.

ROCE: NOPAT Adj last 4 quarters / Average Capital Employed last 5 quarters

# Outlook 2022





## Supply

**Improvement of supply chain**, with some exceptions in the Solutions segment and in printing solutions whose arrival lead-times are still unpredictable.

The Industry is now facing an **oversupply in consumer products due to the slowdown in consumer demand** and is focused on inventory reduction.

We expect Vendors and Retailers to increase promotional pressure, therefore somehow offsetting the inflation.

The health situation in China continues to be monitored where zero-COVID policy is likely to remain for the remainder of this year.

Risks of a resurgent COVID-19 pandemic have declined but remain a key factor.

## Consumer Demand

Normalization after pandemic disruption and impact of geopolitical factors - worse now than in Q1: **the consumption of goods is exposed to the rotation of demand towards outdoor spending (travel, restaurants), the reduction of real income and the deterioration of confidence.**

On a positive note, **the high savings rates and the accumulation of excess savings can reduce the impact on consumption in the short term.**

As mentioned above, the oversupply due to the slowdown in demand will have a positive impact on prices partially offsetting inflation.

## Inflation and geopolitical risk

The spike in inflation in advanced economies has led to a **reduction in household purchasing power** and forced central banks to raise interest rates.

**Consensus is trending to a slowdown of business and household demand** towards the end of 2022.

The war in Ukraine and economic sanctions against Russia are causing continued uncertainty in the food and energy markets, leading to further complications as the winter season approaches. **The possibility of gas rationing during the winter months also makes business confidence and investment somehow worse.**

On a positive note, **strong labour markets and high levels of savings are still supporting the continuation of the Eurozone recovery.**

## Business and Government Demand

Driven by ongoing digitalization and by projects generally supported thanks to investments in local recovery and resilience plans, **the demand for new technologies by private companies and public administrations continues to drive the channel and remains solidly growing.**

In fact, corporate IT spending is more stable, especially with operational budgets, but IT budgets will not continue to grow with inflation. While there are no signs of significant cuts to IT budgets or strategies, companies will explore ways to keep projects within existing budget constraints, which already include planned increases driven by digital transformation. Security spending should also be maintained, even in the event of a recession, as many organizations will increase their investments to protect their data from cyber threats.



## July and August

**Distribution business:** The Group had a significant growth in sales and profitability, both in percentage and in value, during the months of July and August against the same period of 2021, and at the date of publication of this report the month of September shows sales results in good progress compared to September 2021.

**Renting:** in Italy and Spain, the recruiting of resellers is proceeding. The value of signed contracts and pending signature is now close to Euro 1 million with a trend in significant acceleration

## Advanced Solutions

The Group continues to be **focused on increasing the revenue weight of this business line with higher added value** (to 20% from 18% in the first half of 2021 and from 19% in Q1 2022);

In June, the **integration of Vinzeo in Esprinet Iberica** was announced. The merger is in line with the Group's Strategic Plan, which includes an evolution of the historic transactional distribution model towards a greater focus and distinction of volume and value technology distribution activities.

## Strengthening of the financial structure

Esprinet S.p.A has signed with a pool of Italian banks:

- an unsecured 3-year amortizing loan agreement for a maximum amount of **Euro 155.0 million, aimed at supporting the potential voluntary public tender offer on all the shares of Cellularline;**
- a 3-year unsecured RCF-Revolving Credit Facility for an amount of **Euro 180.0 million, aimed at supporting the Group's working capital and business development needs.**

## M&A activity

Voluntary public tender offer launched on all the shares of Cellularline:  
**Consob approved the offer document.**

The acceptance period to the Offer will start on September 19, 2022 and will end on October 14, 2022.

# Group Strategic Priorities



## **ORGANIC GROWTH**

From volume to value add distribution



## **PROFITABILITY IMPROVEMENT**

Customer satisfaction, Advanced Solutions and Own brands, Renting and Services to vendors and resellers



## **GROWTH THROUGH M&A**

Expansion in other areas of Western Europe in the Advanced Solutions and in the high margin niches



Growth and innovation delivered through a **SUSTAINABLE AND INTEGRATED APPROACH TO BUSINESS**

**EBITDA Adj. > 93 M€**

Guidance  
2022

- The Group remains vigilant in light of the current conditions of great uncertainty in the backdrop, characterized by the persistence of the volatility of the energy market and by geopolitical conflicts at an international level: inflation and geopolitical risks make the outlook challenging;
- In this market scenario marked by a reduction in purchasing power and consumer confidence indices, the Group continues to closely monitor the evolution of real and potential impacts on short-term outlook;
- On the other hand, IT investments, supported by local recovery and resilience plans, will remain a key element of the digital transformation agenda of organizations, especially in Southern Europe, because they will allow them to increase their stability and competitiveness in an uncertain environment.
- The Group remains also attentive regarding the risks of a resurgent COVID-19 pandemic in China and its potential impact on the supply chain;
- Despite the well-known national and international economic situation, the Group is starting what is the most important part of the year with confidence, strengthened by its strategy and the operational flexibility that has always distinguished it, together with a solid balance sheet and very positive July and August results;
- The Group is working to swiftly take all the necessary actions to support further commercial development and to preserve profitability. These drivers will be complemented by robust cost control through the Group's annual performance plans to partially offset the impact of inflation;
- Based on the above assumptions, the guidance for the year 2022 is still confirmed at an EBITDA Adj. level exceeding Euro 93 million.

2022



## REVENUE

Growth low single digit



## EBITDA Adj.

> 93 million euros



## CASH CONVERSION CYCLE

< 18 Days



## ROCE

High double digit



## DIVIDENDS

Pay out ratio 50%

# Q&A Session



# Upcoming Events



EVENT	DATE
<b><i>Le eccellenze del Made in Italy</i></b> organized by Intermonte	<b>September 29/30, 2022</b>
<b>IT Value-Added-Reseller (VAR) Day</b> organized by Kepler Cheuvreux	<b>October 5, 2022</b>
<b>Italian Excellences Mid Corporate Conference</b> organized by Intesa Sanpaolo	<b>October 11, 2022</b>
<b>Board of Directors</b> Approval of the Additional Financial Information as at September 30, 2022	<b>November 10, 2022</b>

# Thank you

GRAZIE • GRACIAS • OBRIGADO • DANKE • MERCI • 감사 • 謝謝 • 感謝





# Annex



# The Company & The Industry





# #1 Tech Enabler In Southern Europe



Esprinet Group is an enabler of the tech ecosystem with a profound calling to social and environmental sustainability.

To promote tech democracy and guide people and firms towards digitalisation, Esprinet offers European clients its expertise in advisory and cybersecurity, as well as a selection of products and services to buy or rent through an extensive network of professional resellers.

+20 years in business,  
3 geographies:  
Italy, Spain & Portugal

Strong SMB and  
mid-market focus  
31k customers

Working to provide  
the best customer  
satisfaction

The most complete  
Tech product range  
with 650 brands



## Euronext Milan listed

Esprinet S.p.a, listed on  
the Italian Stock  
Exchange in 2001



## 2021 Sales 4.7 B€

Esprinet S.p.a, undisputed market  
leader with a strong track record  
as a consolidator



## Consistent Growth

Historical stable flow of profitability:  
516 M€ of cumulated Net Profit and  
162 M€ of cumulated dividends  
since 2001



## 1,700 people

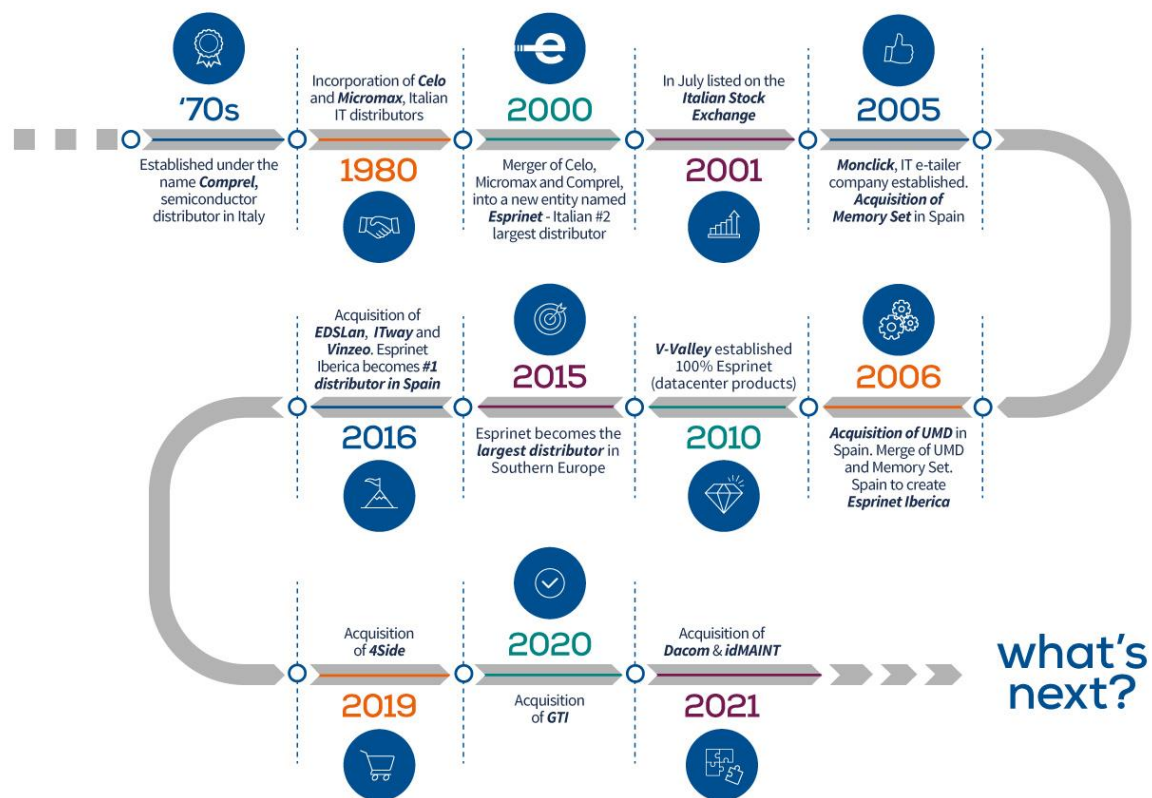
54% female  
46% male






## Strong Capabilities

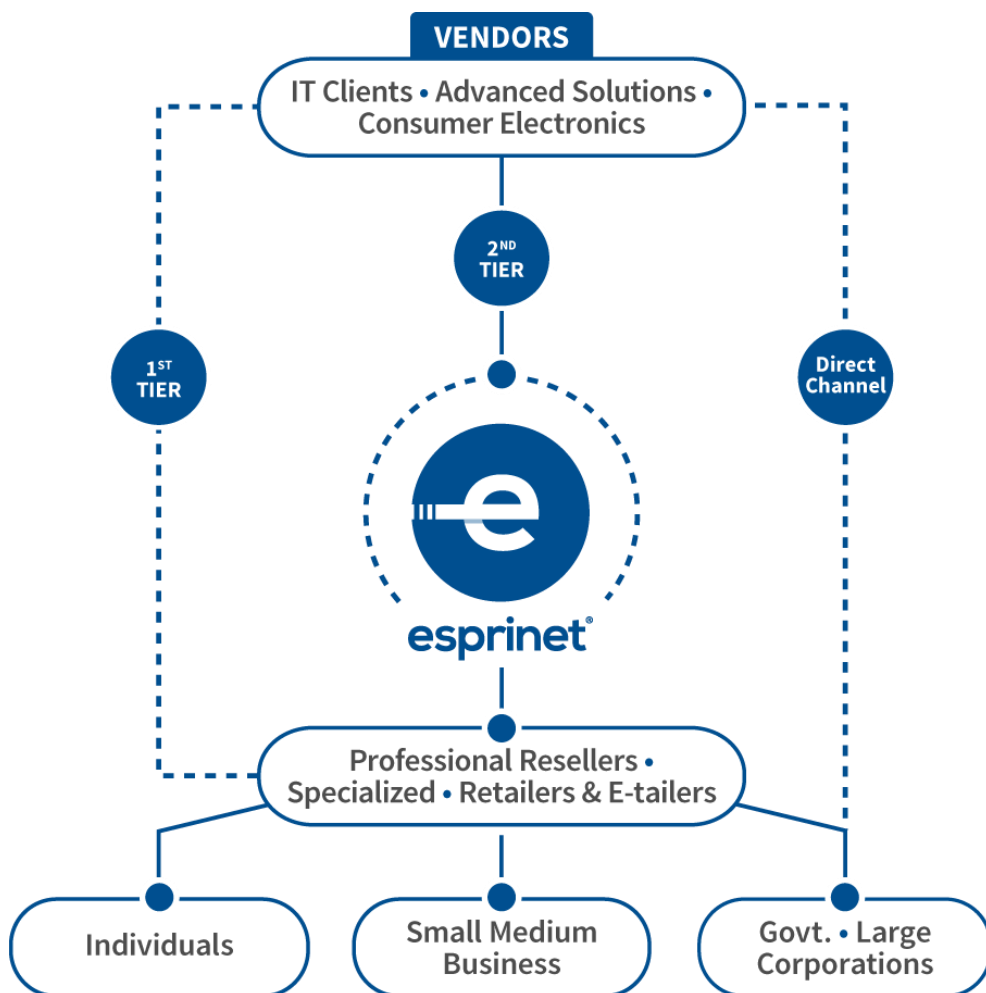
130,000 SKUs available  
Highly efficient logistics  
processes and systems  
With +174,000 sqm of warehouses

# History



COMPANY	SALES 2021 (M/€)	SHARE			
<b>Esprinet</b>	<b>4,691</b>	<b>25.2%</b>	•	•	•
Tech Data	3,510	18.8%	•	•	•
Ingram Micro	2,470	13.2%	•	•	•
Computer Gross	1,780	9.5%	•		
Arrow ECS	1,018	5.5%	•	•	
Attiva	653	3.5%	•		
MCR	590	3.2%		•	
Datamatic	490	2.6%	•		
Exclusive Networks	263	1.4%	•		
CPCDI	252	1.4%			•
Inforpor	217	1.2%		•	
Depau	208	1.1%		•	
Brevi	197	1.1%	•		
JP Sa Couto (Also)	189	1.0%			•
DMI Computer	165	0.9%		•	
Globomatik	163	0.9%		•	
Ticnova	123	0.7%		•	
Infortisa	122	0.7%		•	
Others	1,550	8.3%	•	•	•
<b>Total (*)</b>	<b>18,650</b>	<b>100%</b>			

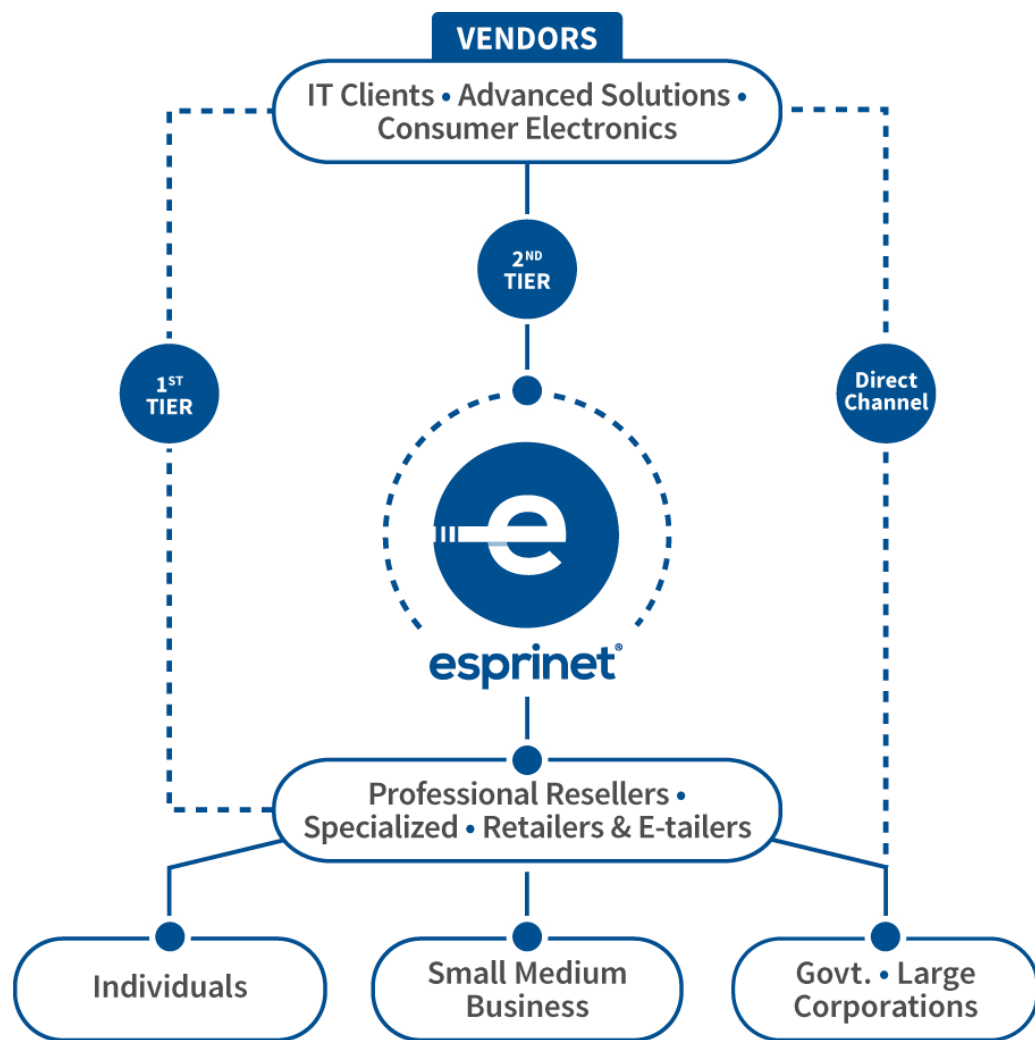
(\*) Based on Company estimates on Context data: conversion from Context panel sales to total distri sales assuming Context Panel represents around 90% of total consolidated distri sales, Adjustment applied to Context panel gross sales of 6.5% (from gross revenue to net revenue),



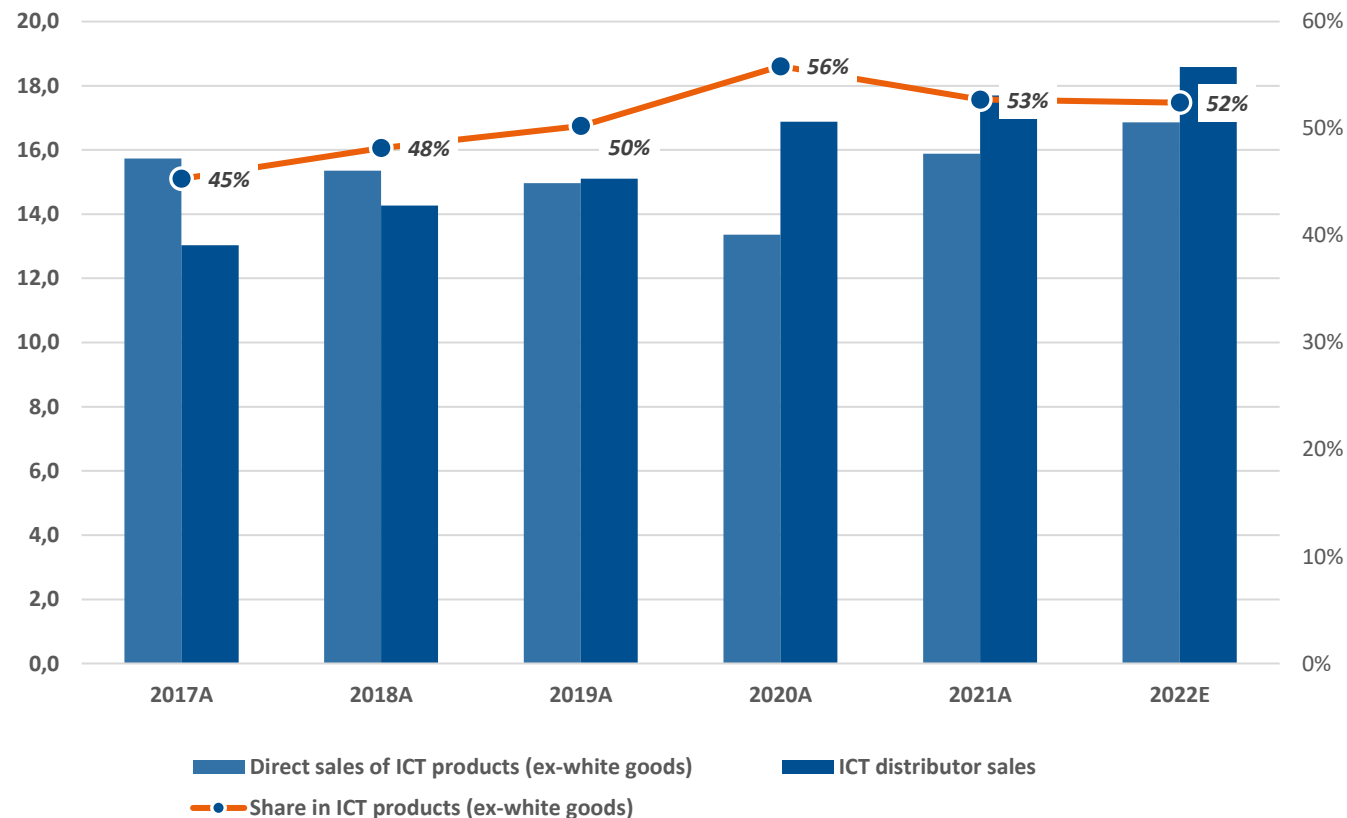
(B/€)	ADDRESSABLE MARKET				POTENTIAL GROWTH	
	IT clients	Advanced Solutions	Consumer Electronics	Total ICT	White Goods	Total ICT & White Goods
Total Market (A+B) <sup>(*)</sup>	10.4	6.0	17.2	33.6	12.5	46.1
A) Direct Channel & 1 <sup>st</sup> Tier	1.6	2.3	11.9	15.9	11.5	27.4
B) 2 <sup>nd</sup> Tier Distris (a+b+c)	8.8	3.6	5.3	17.7	1.0	18.6
2021 Weight Of Distris On Market <sup>(*)</sup>	84%	61%	31%	53%	8%	40%
2020 Weight Of Distris On Market	98%	65%	31%	56%	8%	43%
a) Professional Resellers	3.7	2.5	0.6	6.8	0.3	7.1
Weight On 2 <sup>nd</sup> Tier	42%	60%	11%	39%	29%	38%
b) Specialized	2.1	0.7	1.3	4.2	0.2	4.4
Weight On 2 <sup>nd</sup> Tier	24%	20%	25%	24%	21%	23%
c) Retailers & E-tailers	2.9	0.4	3.4	6.7	0.5	7.2
Weight On 2 <sup>nd</sup> Tier	33%	12%	64%	38%	50%	39%

(\*) Italy-Spain-Portugal 2021 end-user market data estimated at distributor price – Internal comments by Esprinet S,p,A, on data owned exclusively by GfK.

# The Evolution Of The Market



ITALY-SPAIN-PORTUGAL: TOTAL ICT SPENDING AND SHARE OF DISTRIBUTORS (EX-WHITE GOODS)



IDC figures for IT Clients - Advanced Solutions & Smartphones - Euromonitor for other Consumer electronics  
 End-user consumption converted to distri price assuming average 15% margin for resellers/retailers  
 Conversion from Context panel sales to Total distri sales assuming Context Panel represents around 90% of total consolidated distri sales with differences for product categories  
 Adjustment applied to Context panel gross sales of 6.5% (from gross revenue to net revenue)  
 2022 end user market estimates by IDC & Euromonitor as of December 2021  
 2022 distri sales estimated using a flat growth of 5%



## THE INDUSTRY

The pandemic has brought ICT to the forefront as a critical enabler of everyday life and business continuity fueled by continuous innovation

---

We are already witnessing the acceleration of digital processes and the analysis of digitization data confirms the progressive alignment of Italian and Spanish companies to European ones

---

Great expectations are linked to the benefits that the National Recovery and Resilience Plans should bring to the ICT Industry as well

---

Resilient industry thanks to the strategic role of distribution in the IT value chain. Tech wholesaling is the growing preferred go-to-market strategy of tech manufacturers that look to increase efficiency

---

The industry has developed in time a standard of risk-shielding techniques for key assets (credit insurance and stock protection) that provide low-risk balance sheets



## THE COMPANY

Esprinet is the undisputed market leader with a solid financial structure

---

Working capital discipline to provide funds for generous dividend policy and M&A flexibility

---

Diversification: 3 geographies (Italy, Spain and Portugal), complete Tech product range (IT clients, IT infrastructure, Consumer Electronics, Cloud and tech services), all possible customers (Resellers, VARs, System Integrators, Retailers, E-tailers)

---

Highly efficient logistics processes and systems, scalable with low cost sensitivity to volume upgrades

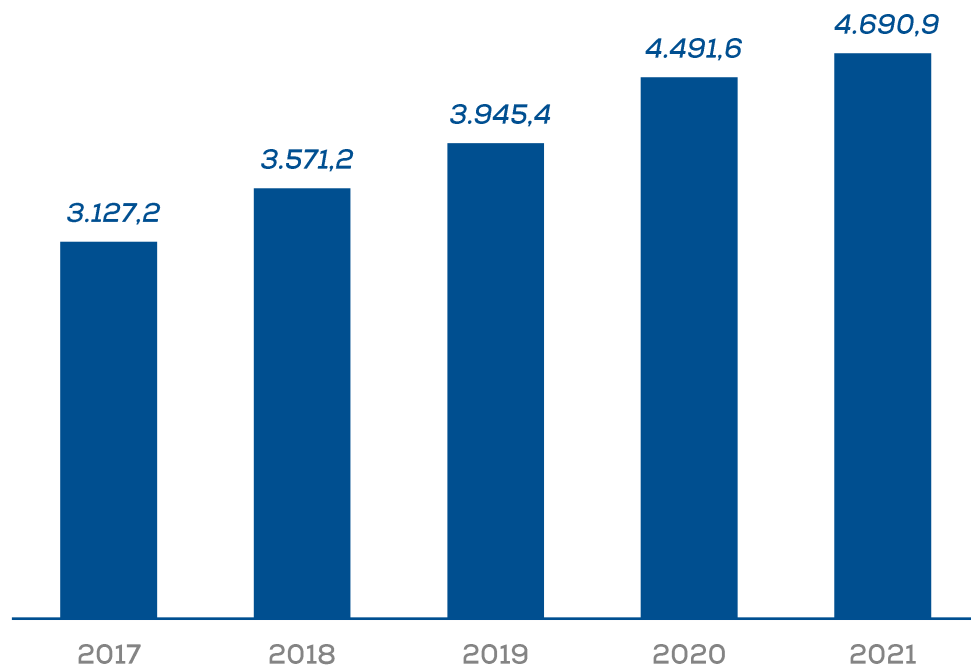
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ESG focus providing a push for innovation and green transition opportunities



# Five Years Summary

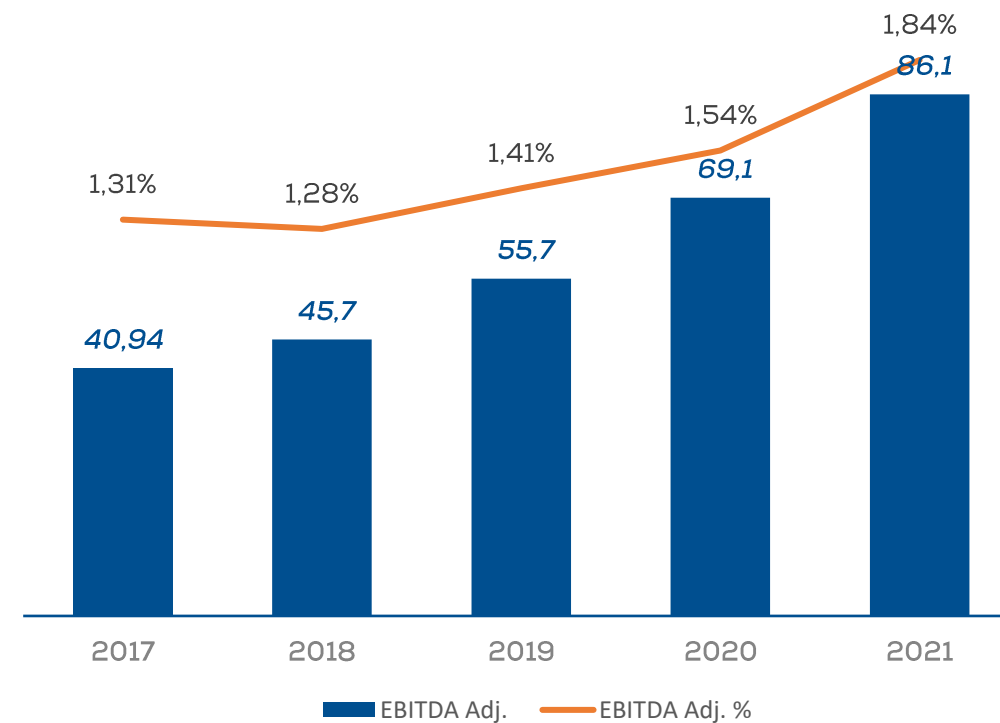
## REVENUE



CAGR Esprinet Group (\*)

11%

## EBITDA ADJ.



CAGR Esprinet Group

20%

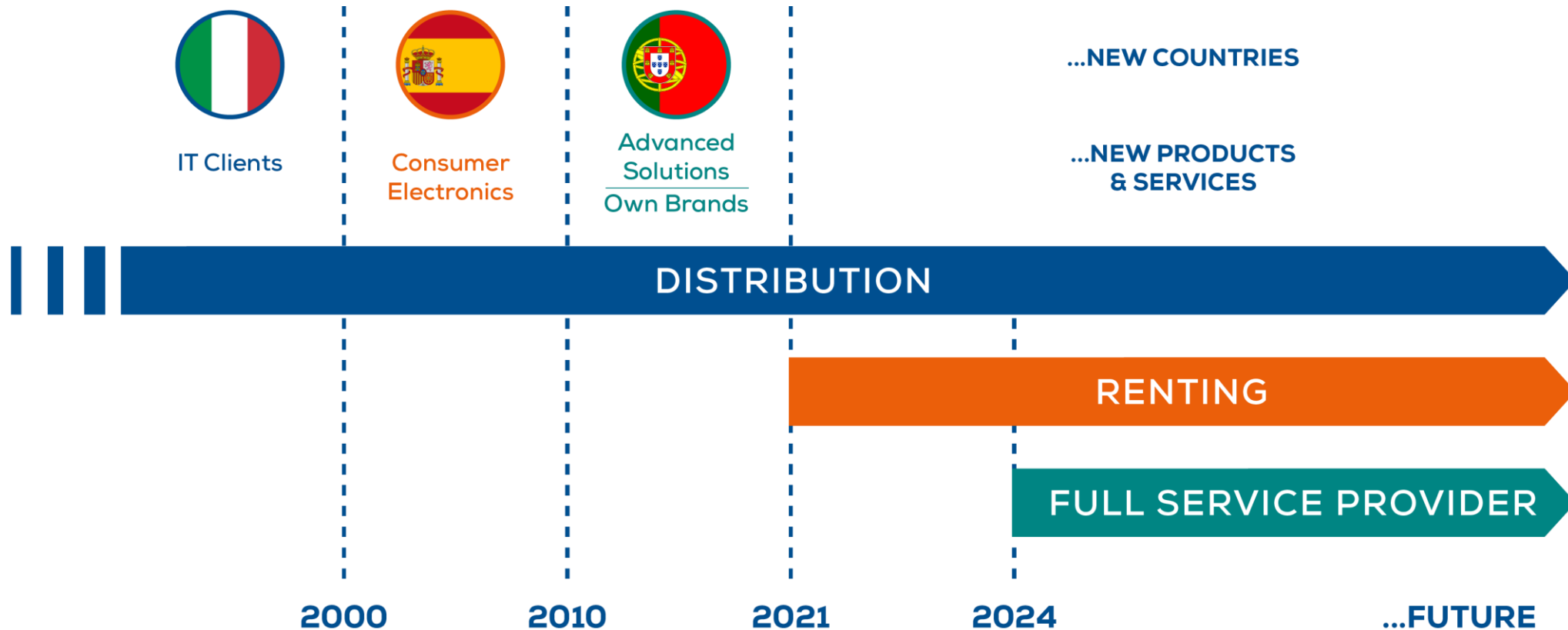
(\*) CAGR Total market 4%

# Strategy & Long Term Targets



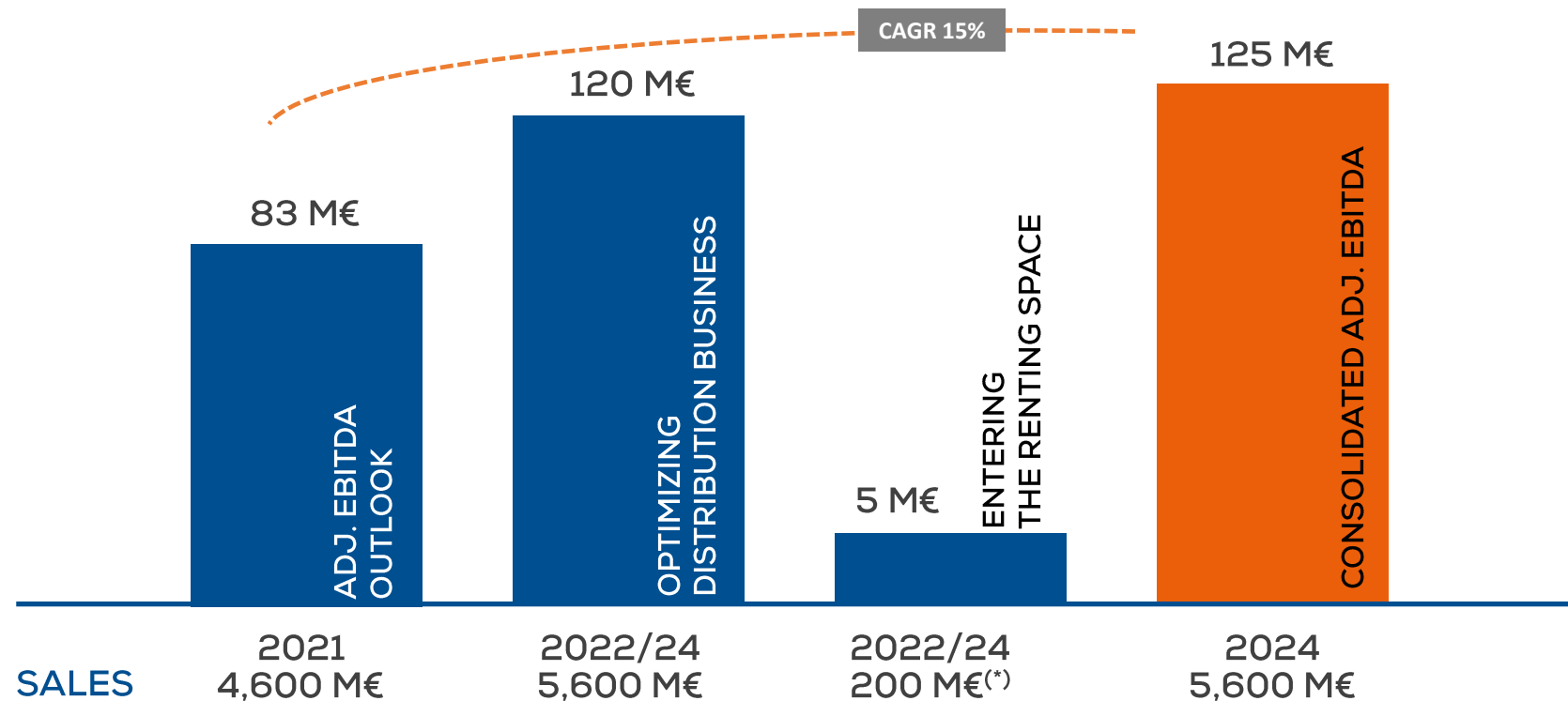
# The New Journey to Value

AFTER 20 YEARS FROM THE BIRTH OF ESPRINET, **THE GROUP LAUNCHES A STRUCTURAL CHANGE OF THE BUSINESS MODEL** WITH THE AIM IN THE NEXT DECADE OF ADDING TO THE DISTRIBUTION BUSINESS A NEW «**FULL SERVICE PROVIDER**» MODEL WITH SIGNIFICANTLY **HIGHER ADDED VALUE** THAN THE TRADITIONAL ONE



# Strategic Plan 2022/24: KPIs Evolution

2022-2024 SALES UP TO 5.6 B€ and ADJ. EBITDA UP TO 125 M€



- A **business model revolution** moving into a much higher margin space paving the way, giving the intrinsic structure of the rental program, to **future massive profitability improvements**
- **Target 2024: increase by roughly 50% our Adj. EBITDA to more than 125 M€ (CAGR 15%)**
- Capital employed optimization a prerequisite: **aiming at keeping the Cash Cycle below 18 days**
- **Solid cash generation and net financial position** to support a generous dividend policy and new acquisitions

<sup>(\*)</sup> Transacted volumes of FY 2024: revenues are booked as part of the 5.6 M€ expected in the same year

## THE ROCE DRIVEN STRATEGY

BEING CAPITAL EMPLOYED OPTIMIZATION A PREREQUISITE, **THE FOCUS IS ON PROFITABILITY IMPROVEMENT**



EVOLVING TO VALUE-ADD DISTRIBUTION	ENTERING THE RENTING SPACE
<ul style="list-style-type: none"><li>• Customer satisfaction: more differentiation and margins</li><li>• Product mix: focus on Advanced Solutions and own brands<ul style="list-style-type: none"><li>• Exploiting the Cloud: margins and recurring sales</li></ul></li><li>• Providing more marketing services to vendors &amp; resellers</li></ul>	<ul style="list-style-type: none"><li>• Leveraging a global cross-industry macro trend</li><li>• Getting a bigger portion of the value in the IT value chain<ul style="list-style-type: none"><li>• Drawing new competition boundaries</li><li>• Resilient model</li></ul></li></ul>
CAPITAL EMPLOYED CONTROL	
<ul style="list-style-type: none"><li>• Cash Conversion Cycle &lt; 18 gg days to provide financial flexibility to fund:<ul style="list-style-type: none"><li>• Generous dividend policy<ul style="list-style-type: none"><li>• Organic growth<ul style="list-style-type: none"><li>• M&amp;A</li></ul></li></ul></li></ul></li></ul>	





ESG





## CORPORATE OVERVIEW

**4.7** **BILLION**  
euro Sales  
(+4,4% vs 2020)

**LEADER IN  
SOUTHERN EUROPE**  
(Italy, Spain and Portugal)

New  
**ESG CENTRIC STRATEGY**

**ESG TARGET**  
in the Remuneration Policy



## ENVIRONMENTAL PERFORMANCE

**CLIMATE  
NEUTRALITY**  
for the Group direct  
and indirect energy  
emissions

**PACKAGING  
SUSTAINABILITY  
PROGRAM**  
100% recyclable  
packaging

**LEED PLATINUM CERTIFICATION**  
of the Vimercate and Madrid offices  
**LEED SILVER CERTIFICATION**  
of the Zaragoza offices

Participation in  
**COMPENSATION  
PROJECTS**  
in different geographies  
of the world



## SOCIAL PERFORMANCE

**1,720**  
**EMPLOYEES**

**GREAT PLACE TO WORK**  
certification renewal

New process of  
**PERFORMANCE DEVELOPMENT**

**RESKILL**  
training



## LOCAL INITIATIVES

Expansion  
**FOR-TE PROJECT**

**"ADOTTA UNA SCUOLA"**  
project against cyberbullying

**"COSTRUIAMO IL FUTURO"**  
award to support local entities

**"FOR-LAV"**  
project addressed to people  
with social difficulties



# Governance





# Our Vision, Mission & Values

## OUR VISION

**MAKE LIFE EASIER  
FOR PEOPLE AND  
FOR ORGANISATIONS**

We believe that technology enriches everyone's everyday life, which is why we strive to expand and facilitate its distribution and use.

## OUR MISSION

**BE THE KEY POINT OF  
CONTACT BETWEEN  
MANUFACTURES, RESELLERS  
AND TECHNOLOGY USERS**

We want to create value for these key stakeholders and for those who work with us through a strategy of constant, shared growth based on an innovative distribution model.

## OUR VALUES



RELIABILITY



BRAVERY



QUEST OF  
EXCELLENCE



CUSTOMER  
CENTRICITY



TEAMWORK



CREATIVITY



RESPONSIBILITY



LISTENING

# Board Of Directors



4 Men



5 Women

NAME	POSITION	EXECUTIVE	INDEPENDENT	CONTROL AND RISK COMM.	REMUNERATION AND NOMINATION COMM.	COMPETITIVENESS AND SUSTAINABILITY COMM. (*)	INDEPENDENT RELATED PARTY TRANSACTIONS COMM.
Maurizio Rota	Chairman						
Marco Monti	<u>Deputy Chairman</u>						
Alessandro Cattani	CEO	•				•	
Angelo Miglietta	<u>Director</u>		•	•	•		•
Renata Maria Ricotti	<u>Director</u>		•	•	•		•
Emanuela Prandelli	<u>Director</u>		•		•		
Angela <u>Sanarico</u>	<u>Director</u>		•	•			•
Chiara Mauri	<u>Director</u>		•			•	
Lorenza Morandini	<u>Director</u>		•			•	

(\*) Giovanni Testa, Chief Operating Officer of Esprinet, is the fourth member of the committee



## GENERAL MANAGEMENT



**Alessandro Cattani**  
*Chief Executive Officer*



**Giovanni Testa**  
*Chief Operating Officer*

## GROUP MANAGEMENT



**Pietro Aglianò**  
*Chief Administration & Risk Officer*



**Cesare Pedrazzini**  
*Chief Information Officer*



**Nunzio Punzi**  
*Group Supply Chain Director*



**Ettore Sorace**  
*HR Director*

## LOCAL MANAGEMENT



**Luca Casini**  
*Country Manager Business*



**Simona Ceriani**  
*Country Manager Consumer*



**José María García Sanz**  
*Country Manager Esprinet Iberica*



**Javier Bilbao-Goyoaga  
Barturen**  
*Country Manager Advanced  
Solutions Vinzeo & Esprinet Portugal*

## Code of Ethics

The Code of Ethics applies to all activities carried out by or in the name and on the behalf of Esprinet S.p.A. and its subsidiaries.

The Code of Ethics:

- establishes the guidelines of conduct and regulates the set of rights, duties and responsibilities that the Group expressly assumes with its stakeholders;
- defines the ethical criteria adopted for a correct balance between expectations and stakeholder interests;
- contains principles and guidelines for conduct in areas of potential ethical risk.

## Code of Conduct

The Esprinet Group wishes to establish trade relations with its vendors and business partners based on transparency, correctness and business ethics. The development of transparent and lasting relationships with vendors, attention to quality, safety and respect for the environment and compliance with existing regulations are objectives to be pursued with a view to consolidating the value created in favour of stakeholders.

Therefore, in connection with the Code of Ethics adopted by Esprinet S.p.A. and its subsidiaries, the Group has defined a Code of Conduct designed to guide relations throughout its supply chain.

## "231" Organisation Model

This document, entitled "Organisation and Management Model pursuant to "Legislative Decree 231/2001" (hereinafter called "the Model"), has been drawn up to implement the terms of ss. 6.1.a and 6.1.b, 6.2, 7.2 and 7.3 of Legislative Decree no. 231 of 08.06.2001 (hereinafter called "the Decree").

The Model is the management reference document which institutes a corporate prevention and control system designed to prevent the offences specified in the Decree from being committed.

The Ethical Code enclosed summarizes the values, correctness and loyalty by which the Esprinet Group is inspired and constitutes the base of our Organizational, Administrative and Control Models. The Code has been adopted by the company in order to prevent any occupational hazards or risks in view of the D. Lgs. 231/2001 law.

On April 15<sup>th</sup>, 2020 the companies Board of Directors accepted a new and updated version of the Organizational, Administrative and Control Models which substitutes the previous version approved on September 11<sup>th</sup>, 2018.

Esprinet Spa listed in the STAR Segment\* voluntarily adhere to and comply with strict requirements

- High transparency, disclosure requirements and liquidity (free float of minimum 35%)
- Corporate Governance in line with international standards

*\*The market segment of Borsa Italiana's equity market (MTA-Mercato Telematico Azionario). Dedicated to mid-size companies with a capitalization less than 1.0 euro/bln*

Major requirements for shares to qualify as STAR status

*Esprinet is fully compliant<sup>(1)</sup> with the Code of self-discipline (Corporate Governance Code).*

*<sup>(1)</sup> With minor exceptions which are explained as permitted by the Code in the "Corporate Governance" section of the society*

- Interim financial statements available to the public within 45 days from the end of first, third and fourth quarter
- Make the half-yearly report available to the public within 75 days of the end of the first half of the financial year
- Favourable auditor's report on their latest individual and consolidated annual financial statements
- Consolidated annual financial statements not challenged by Consob
- Bi-lingual publication on the websites
- Mandatory presence of a qualified investor relator and a "specialist"
- Adoption of the models provided for in art. 6 of Leg Decree 231/2001
- Application of Corporate Governance Code
- Additional requirements in the article 2.2.3 of Borsa Italiana guidelines





# Shareholders & Analyst Coverage

DECLARANT & DIRECT SHAREHOLDER	% ON ORDINARY CAPITAL	% ON VOTING CAPITAL
Giuseppe Calì	11.37%	11.37%
Axopa S.r.l. (Maurizio Rota and Alessandro Cattani)	9.89%	9.89%
Luigi Monti	5.44%	5.44%
Marco Monti	5.44%	5.44%
Stefano Monti	5.44%	5.44%
Mondrian Investment Partners Limited	5.05%	5.05%
Own shares	2.01%	2.01%
<b>Floating</b>	<b>55.36%</b>	<b>55.36%</b>

Italian Stock Exchange (PRT:IM)

Number of shares: 50.42 million

YTD Average volume of 195,596 shares per day <sup>(\*)</sup>



(\*) Period: January 1 – June 30, 2022

# Thank you

GRAZIE • GRACIAS • OBRIGADO • DANKE • MERCI • 감사 • 謝謝 • 感謝

