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FY 2022 Results Presentation

March 14th, 2023

Forward Looking Statement

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FY 2022
RESULTS

The Year of Overtaking

2022 RESULTS VALIDATE THE SUCCESSFUL TRANSFORMATION FROM AN ITALIAN VOLUME DISTRIBUTOR INTO AN INTERNATIONAL VALUE-ADDED TECH-ENABLER

INTERNATIONAL

45% OF TOTAL PROFITABILITY
OUTSIDE OF ITALY

Our Group was born in 2000 as a result of the merger of three Italian distributors mainly active in the sale of PCs and printers.

Over the years the Group has expanded geographically and is now active **in four countries and two continents**.

The sales from non-Italian markets, Spain in particular, has risen to around **40% of the Group's total** but even more important is that **the EBITDA generated** in these geographies was equal to around **45% of the total.**

VALUE ADDED ORIENTED

42% OF TOTAL PROFITABILITY
FROM *SOLUTIONS & SERVICES*

In 2022, for the first time in the Group's history, **the EBITDA generated by Solutions was higher than that generated by Screens**, which also represent 58% of the Group's sales against 19% for Solutions.

Adding **the EBITDA generated by Solutions and by Services**, we obtain a value approximately **24% higher than that generated by Screens**, with an incidence now equal to **over 42% of the Group's overall profitability**.

BUSINESS MORE THAN CONSUMER

62% OF TOTAL SALES
FROM *IT RESELLERS*

In the year that has just ended, thanks to the strong focus on activities in the Solutions segment (data center products, software, Cloud, Cybersecurity for medium and large enterprises) **the weight of sales to IT Resellers rose to 62%** and that to retailers dropped to 38%.

In 2020 the weight of sales to retailers and therefore indirectly the weight of sales driven by household consumption had been around 50%.

2022 Results at a Glance

OUR ONGOING FOCUS ON HIGH MARGIN PRODUCT LINES AND CUSTOMER SEGMENTS STRENGTHENS OUR POSITIONING IN KEY MARKETS

Sales

Full year sales stable at 4,684.2 M€ (-0% compared to 2021)
Q4 2022 sales stable at 1,466.5 M€ (-1% compared to Q4 2021)

	FY 2022			Q4 2022		
By Country(1)	**Esprinet**		**Market**(2)	**Esprinet**		**Market**
Italy	2,752 M€	-4%	0%	840 M€	-4%	-1%
Spain	1,750 M€	+4%	+4%	561 M€	0%	+6%
Portugal	126 M€	+18%	+10%	52 M€	+39%	+8%
By Product Category	**Esprinet**		**Market**	**Esprinet**		**Market**
Screens	2,722 M€	-6%	-6%	827 M€	-8%	-3%
Devices	1,004 M€	+3%	0%	310 M€	-5%	-7%
Solutions & Services	900 M€	+19%	+16%	313 M€	+30%	+17%
Own Brands	58 M€	-10%	(3)	16 M€	+13%	(3)
By Customer Type	**Esprinet**		**Market**	**Esprinet**		**Market**
Retailers & E-tailers	1,837 M€	-16%	-9%	560 M€	-28%	-7%
IT Resellers	3,059 M€	+16%	+9%	919 M€	+28%	+8%
IFRS15 and other adjustments	*212 M€*			*13 M€*		

(1) *Other Countries: 56 M€ (+34%) in FY 2022; 13 M€ (+31%) in Q4 2022*
(2) *For all market data, source: Context*
(3) *Market data not available*

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2022 Results at a Glance

FURTHER IMPROVEMENT IN PROFITABILITY SURPASSING THE RECORD RESULTS OF THE PREVIOUS YEAR

Gross Profit

Full year Gross Profit at **244.3 M€** (+5% compared to 2021), **5.22% on sales**, compared to 4.96% of 2021.
Q4 Gross Profit at **76.4 M€** (+14% compared to Q4 2021), **5.21% on sales**, compared to 4.53% of 2021.

EBITDA Adj.

Full year EBITDA Adj. at **90.7 M€** (+5% compared to 2021); **1.94% on sales** (1.84% on sales in 2021).
Q4 2022 EBITDA Adj. at **36.3 M€** (+29% compared to Q4 2021); **2.48% on sales** (1.91% on sales in 2021).

Cash Conversion Cycle

Closes at **26 days**, +13 days compared to Q4 2021 and +5 days compared to 9M 2022.

Net Financial Position

Negative for Euro 83.0 million, a strong improvement over 30 September 2022 (when it was negative by Euro 382.5 million) but worse December 2021 results (positive by Euro 227.2 million).

ROCE

Closes at **13.3%**, compared to 11.0% in Q3 2022.
Essentially due to the increasing Average Net Invested Capital, in turn mainly due to the increase in Average Net Working Capital.

P&L FY 2022 & Q4 2022 of the *Five Pillars*

	Revenues				EBITDA Adj.				EBITDA Margin Adj.		
	2022	2021	Delta	Δ %	2022	2021	Delta	Δ %	2022	2021	Delta
Screens	2,722.2	2,893.4	-171.2	-6%	30.9	29.3	1.6	5%	1.14%	1.01%	0.12%
Devices	1,003.5	978.4	25.1	3%	22.9	21.2	1.7	8%	2.28%	2.17%	0.12%
Solutions	882.8	741.8	141.0	19%	31.9	24.9	7.0	28%	3.61%	3.36%	0.26%
Services	17.3	12.4	4.9	40%	6.4	6.3	0.1	2%	36.99%	50.81%	-13.81%
Own Brands	58.4	64.9	-6.5	-10%	-1.4	4.4	-5.8	-132%	-2.40%	6.78%	-9.18%
Total	**4,684.2**	**4,690.9**	**-6.7**	**0%**	**90.7**	**86.1**	**4.6**	**5%**	**1.94%**	**1.84%**	**0.10%**

	Revenues				EBITDA Adj.				EBITDA Margin Adj.		
	Q4 2022	Q4 2021	Delta	Δ %	Q4 2022	Q4 2021	Delta	Δ %	Q4 2022	Q4 2021	Delta
Screens	826.6	898.6	-72.0	-8%	14.0	12.0	2.0	17%	1.69%	1.34%	0.36%
Devices	310.5	326.0	-15.5	-5%	6.5	9.2	-2.7	-29%	2.09%	2.82%	-0.73%
Solutions	306.3	237.2	69.1	29%	14.2	8.2	6.0	73%	4.64%	3.46%	1.18%
Services	6.9	4.1	2.8	68%	1.7	0.8	0.9	113%	24.64%	19.51%	5.13%
Own Brands	16.2	14.3	1.9	13%	-0.1	-2.0	1.9	95%	-0.62%	-13.99%	13.37%
Total	**1,466.5**	**1,480.2**	**-13.7**	**-1%**	**36.3**	**28.2**	**8.1**	**29%**	**2.48%**	**1.91%**	**0.57%**

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 V-Valley *Solutions division*

SOLUTIONS & SERVICES SALES EXCEEDED EURO 1 BILLION(*) WITH A STRONG 4.2% EBITDA MARGIN

YoY REVENUE GROWTH OF 19% (TWICE 2018 VOLUMES). THE SINGLE HIGHEST CONTRIBUTOR IN TERMS OF EBITDA ADJ.

2015 | 2022

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	2015	2016	2017	2018	2019	2020	2021	2022
	324 mln	409 mln	496 mln	556 mln	561 mln	598 mln	874 mln	1,050 mln
Server, Storage & Networking	181.3	220.5	215.8	287.7	279.3	257.8	288.1	346.5
Software	80.1	83.7	106.9	104.0	113.8	127.9	141.0	131.9
Cybersecurity	21.9	32.3	53.7	63.3	61.0	77.4	113.8	147.8
Cloud	0.1	6.7	7.7	13.9	19.6	49.8	140.9	179.7
Professional Services	17.4	18.5	28.7	28.9	31.5	34.8	34.0	51.8
Industrial Solutions	23.1	47.3	82.8	57.7	55.7	49.7	156.1	192.3

(*) Euro 900 million after the application of IFRS 15

Q4 & FY 2022 P&L Evolution

Customers mix and their satisfaction, growth of high-margin business lines drive the increase in gross profit, despite the impact of inflation on costs

(M/€)	Q4 2022	Q4 2021	Var. %	2022	2021	Var. %
Sales from contracts with customers	1,466.5	1,480.1	-1%	4,684.2	4,690.9	0%
Gross Profit	76.4	67.1	14%	244.3	232.9	5%
Gross Profit %	*5.21%*	*4.53%*		*5.22%*	*4.96%*	
SG&A	40.1	38.8	3%	153.6	146.8	5%
SG&A %	*2.73%*	*2.62%*		*3.28%*	*3.13%*	
EBITDA adj.	**36.3**	**28.3**	**29%**	**90.7**	**86.1**	**5%**
EBITDA adj. %	*2.48%*	*1.91%*		*1.94%*	*1.84%*	
EBIT adj.	**31.9**	**24.1**	**32%**	**73.4**	**69.8**	**5%**
EBIT adj. %	*2.17%*	*1.63%*		*1.57%*	*1.49%*	
EBIT	**31.5**	**23.5**	**34%**	**70.7**	**68.4**	**3%**
EBIT %	*2.14%*	*1.59%*		*1.51%*	*1.46%*	
IFRS 16 interest expenses on leases	0.8	0.8	1%	3.3	3.2	2%
Other financial (income) expenses	1.3	0.8	59%	3.4	2.7	25%
Foreign exchange (gains) losses	-1.6	0.4	>100%	1.1	1.7	-38%
Profit before income taxes	**30.9**	**21.5**	**44%**	**62.9**	**60.8**	**3%**
Profit before income taxes %	*2.11%*	*1.45%*		*1.34%*	*1.30%*	
Income taxes	6.9	6.0		15.5	16.7	
Net Income	**24.0**	**15.5**	**55%**	**47.3**	**44.1**	**7%**
Net Income %	*1.64%*	*1.05%*		*1.01%*	*0.94%*	

- Thanks to the greater incidence of high profit margin product categories, which increased their incidence on sales to 42% from 38% in 2021, **the total gross profit margin grew**. The improvement in the percentage margin is particularly significant as it is obtained **despite the higher cost of transport to customers** (embedded in as reported gross profit and confirmed at 12 bps) due to increased fuel costs, **and the growth in the cost of programmes for the assignment of receivables without recourse** as a result of the dizzying growth in interest rates ordered by the European Central Bank
- **SG&A**: the incidence on sales grew 15 bps in 2022 against 2021, as a result of inflationary phenomena that had a heavy impact on **the utility costs and the cost of personnel indemnities** accrued both in Italy and in Spain to compensate for the non-renewal and/or adjustment of national collective labour agreements. Additional components of the increase in operating costs are attributable to **investment in new personnel, the cost of running warehouses launched in 2021, and costs related to the recovery of mobility and promotional and communication activities** due to the elimination of Covid -19 restrictions.
- **Increased net financial expenses** due to the greater absorption of working capital during the year.
- **Tax rate** down mainly due to the greater weight of activity in the Iberian Peninsula, subject to a lower tax rate.

FY 2022 BS Summary

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

(M/€)	31/12/2022	31/12/2021	30/09/2022
Fixed Assets	151.6	137.7	141.5
Operating Net Working Capital	261.6	(75.8)	540.9
Other current asset (liabilities)	(3.2)	12.1	2.5
Other non-current asset (liabilities)	(24.6)	(22.6)	(23.0)
Net Invested Capital *[pre IFRS16]*	**385.4**	**51.4**	**661.9**
RoU Assets *[IFRS16]*	106.9	107.5	105.5
Net Invested Capital	**492.3**	**158.9**	**767.3**
Cash	(172.2)	(491.5)	(65.4)
Short-term debt	37.1	18.3	217.1
Medium/long-term debt(1)	119.2	146.9	135.3
Financial assets	(13.5)	(13.0)	(15.3)
Net financial debt *[pre IFRS16]*	**(29.4)**	**(339.3)**	**271.7**
Net Equity *[pre IFRS16]*	**414.7**	**390.7**	**390.2**
Funding sources *[pre IFRS16]*	**385.4**	**51.4**	**661.9**
Lease liabilities *[IFRS16]*	112.4	112.1	110.8
Net financial debt	**83.0**	**(227.2)**	**382.5**
Net Equity	**409.2**	**386.1**	**384.9**
Funding sources	**492.3**	**158.9**	**767.3**

(1) Including the amount due within 1 year

(2) Net financial debt pre IFRS 16

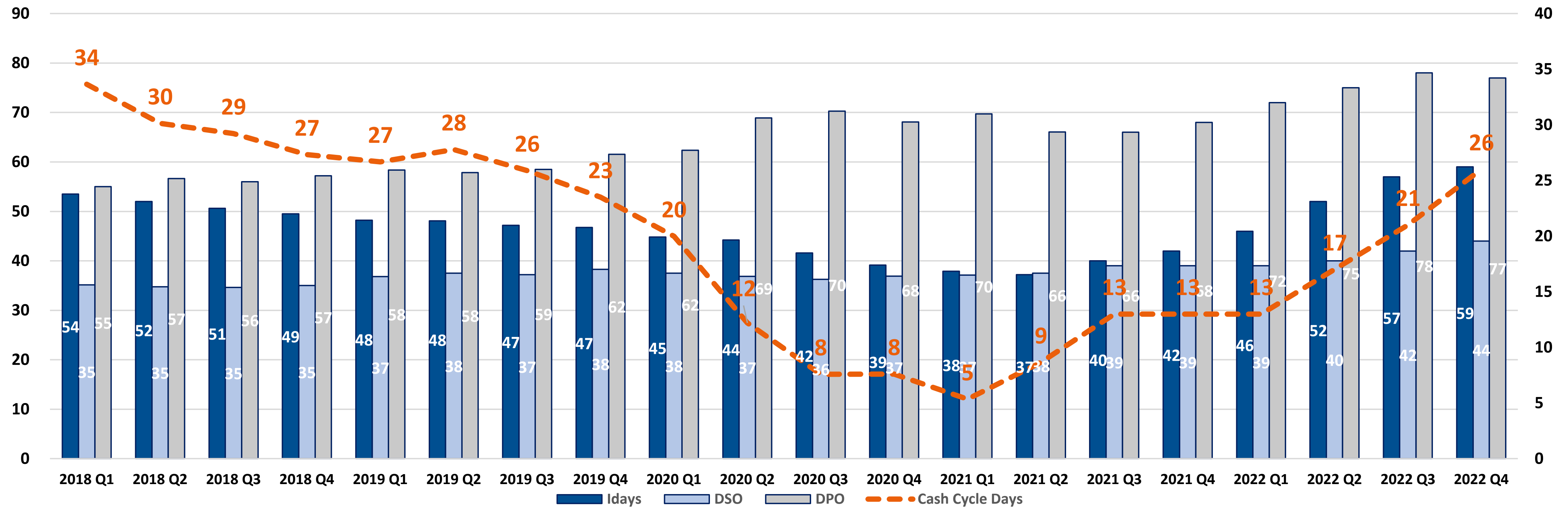
- Net Invested Capital as of December 31, 2022 stands at 492.3 M€ and is covered by:
  - Shareholders' equity, including non-controlling interests for 409.2 M€ (386.1 M€ as of December 31, 2021);
  - Cash negative for 83.0 M€ (positive for 227.2 M€ as of December 31, 2021).
- Operating Net Working Capital impact:

(M/€)	31/12/2022	31/12/2021	30/09/2022
Inventory	672.7	529.5	794.0
Trade receivables	701.1	585.5	549.8
Trade payables	1,112.2	1,190.9	802.9
Operating Net Working Capital	**261.6**	**(75.8)**	**540.9**

After signs of recovery in Q3 2022 and especially after a stellar October (sales +13% Y-o-Y), in November and December, retail customers significantly scaled down their shelf replenishment plans, slowing down the stock reduction plan, in particular for Screens, which are not yet at the normal average levels.

The Group has launched further activities aimed at fully reabsorbing these excess stocks, continuing in parallel with the constant request for support from its community of suppliers.

Working Capital Metrics 4-qtr average



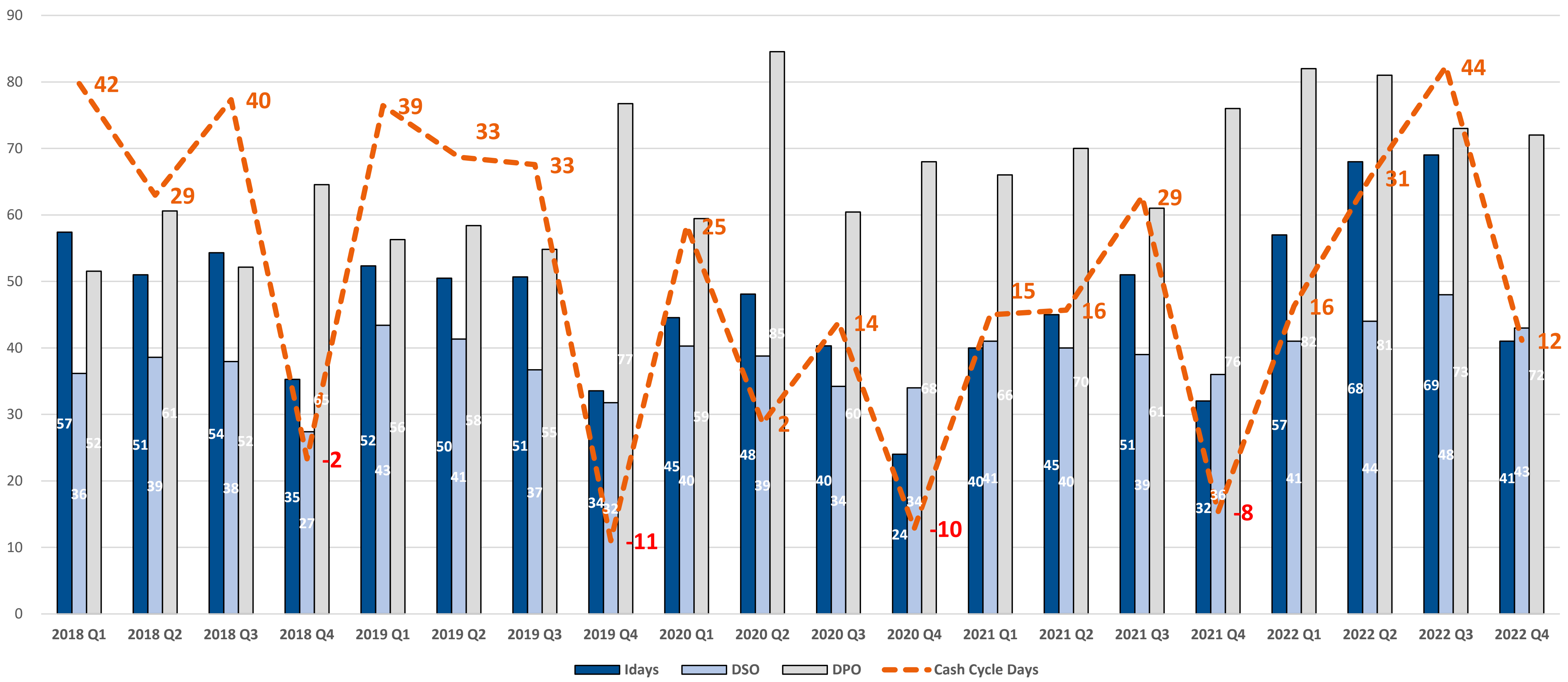
Working capital worsening (+5 days) compared to the previous quarter due to:

- increase in inventory days (+2 days);
- increase in DSO (+2 days);
- decrease in DPO (-1 days).

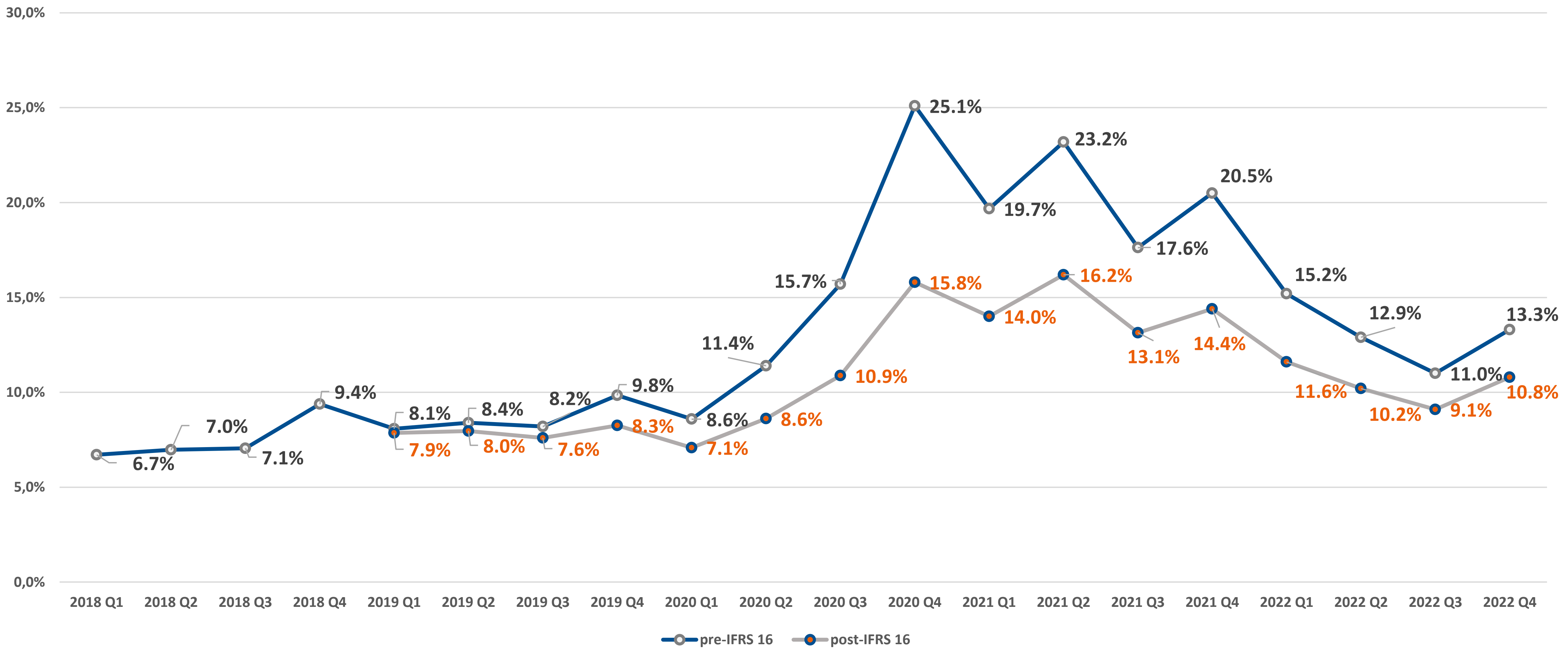
The Group has launched further activities aimed at fully reabsorbing these excess stocks, continuing in parallel with the constant request for support from its community of suppliers.

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



ROCE Evolution Up To Q4 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

Focus on ESG

CORPORATE OVERVIEW	**4.7 BILLION** euro in revenues	**LEADER IN SOUTHERN EUROPE** (Italy, Spain and Portugal)	**ESG CENTRIC STRATEGY**	**ESG OBJECTIVES** in the Remuneration Policy	
ENVIRONMENTAL PERFORMANCE	**CLIMATE NEUTRALITY** for the Group's direct and indirect energy emissions	**NEW LOGISTIC PROJECT ZEB** (Zero Emission Building)	**LEED PLATINUM CERTIFICATION** of the Vimercate and Madrid offices **LEED SILVER CERTIFICATION** of the Zaragoza office	Support for **OFFSETTING PROJECTS** in different areas of the world	
SOCIAL PERFORMANCE	**1.806 EMPLOYEES**	Certification renewal **GREAT PLACE TO WORK**	Certification renewal **TOP EMPLOYER**	Training **RESKILLING**	
INITIATIVES IN THE TERRITORY	**PRODUCT SHEETS** project	**ESPRINET4OTHERS** Corporate volunteering	**FOR-TE** project	**TOGETHER IS BETTER** Ukraine emergency	

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OUTLOOK 2023

2023 Looking Forward

Economic Outlook

The global economic outlook for 2023 is among the weakest in many years.

The economic fallout from Russia's invasion of Ukraine is expected to weigh on growth as businesses and consumers' demand is dampened by persistent inflation and the increasing impact of rising borrowing costs for businesses and consumers.

Despite the weak outlook going into 2023, there are some sources of optimism.

The Eurozone unexpectedly avoided recession in late 2022 and the labour market, private consumption and manufacturing have largely remained resilient going into 2023. The immediate risks of energy shortages and a deep recession have been significantly reduced.

Inflation begun a gradual downward trend and China's reopening following the end of its zero-COVID policy could support global growth later in 2023 following a likely period of COVID-19-related disruptions.

Tech Forecast

The Covid emergency now appears to have been fully overcome with a return to normality of supplies for all product lines, with very few modest exceptions.

The long-term demand for digital solutions distributed by the Group **is expected by all analysts to grow sharply** both as a result of constant product innovation as well as of the increased adoption of these technologies by large segments of the population and businesses following the pandemic shock .

An important factor accelerating demand is represented by the funds connected to the NextGenEU: Italy, Spain and Portugal are recipients of almost 55% of the total amount allocated by the European Union and over 20% is bound to be spent in digital innovation.

Since the variation in the demand for Information Technology is historically a multiple of the GDP growth rate, it becomes difficult to predict the short-term trend.

Many sector analysts are currently forecasting a low single digit increase in demand in the Group's reference markets.

Esprinet Specifics

In 2023, the Group will decisively continue the implementation of the strategic plan which focuses on the **expansion of the presence in the segments with the highest added value.**

Focus will be put specifically on **Solutions, hopefully in other geographies of Western Europe too by means of selective M&A, and Services**, with particular emphasis on operating leasing (Esprirent), finding value in less profitable lines such as smartphones and PCs (the so-called "Screens") only in the case of optimal management of working capital levels.

Despite the short-term uncertainty, the Group, with its proven ability to execute, excellent relationships with the ecosystem of its customers and suppliers, also attested by record results in terms of Customer Satisfaction, and a favorable long-term scenario, believes to be able to **achieve satisfactory economic results also in 2023** together with the desired strong improvement in the level of net working capital absorption, consequently guaranteeing excellent returns on invested capital.

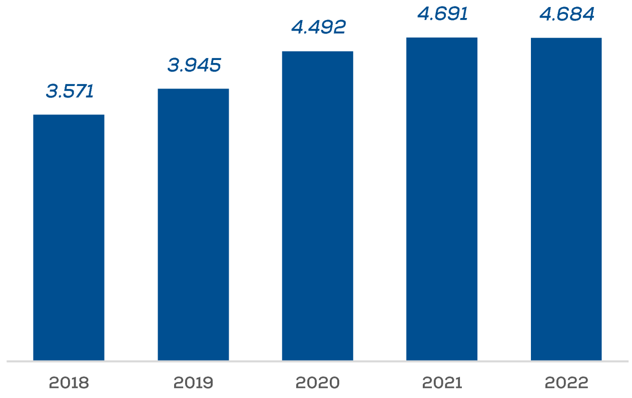
As usual, the Group will present the profitability guidance for the 2023 fiscal year during the presentation of the results for the first quarter expected in mid-May.

Final Remarks

THE GROUP HAS DELIVERED ON THE PROMISE OF EVOLUTION TOWARDS ADDED-VALUE DISTRIBUTION

A PRELUDE TO FURTHER FUTURE ACCELERATIONS IN THE DEVELOPMENT OF THIS NEW BUSINESS MODEL

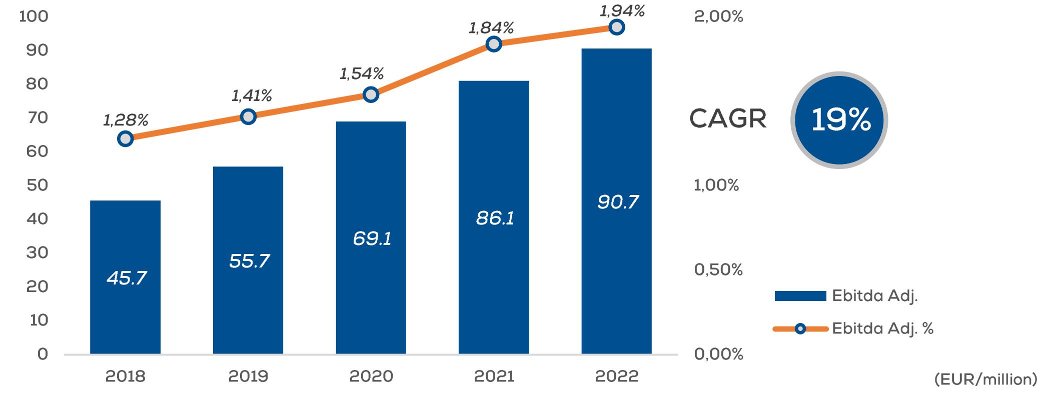
SALES



CAGR 7%

(EUR/million)

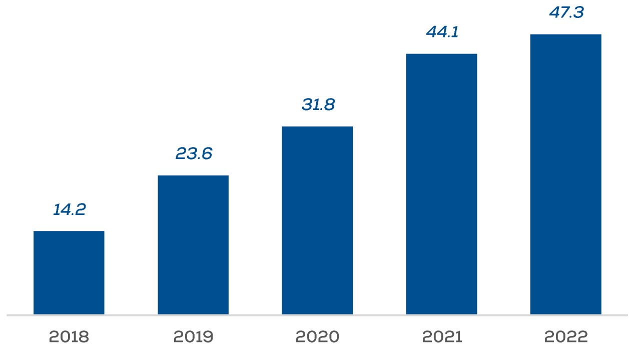
EBITDA ADJ.



CAGR 19%

(EUR/million)

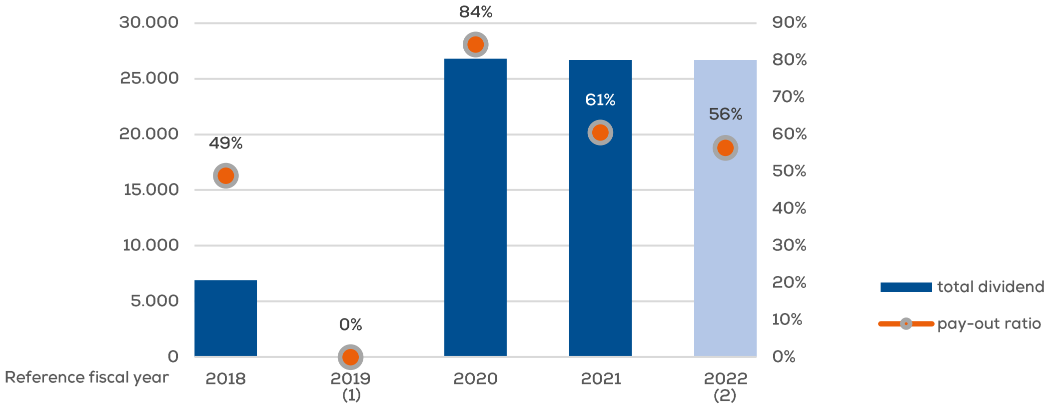
NET PROFIT



CAGR 35%

(EUR/million)

DIVIDENDS



(1) *Payment suspended in 2020 first year of the Covid 19 pandemic and recovered in 2021*

(2) *The Board of Directors resolved to propose to the Shareholders' Meeting the distribution of a dividend of Euro 0.54 per share, unchanged compared to the value paid in 2021 and 2022*

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Q&A

Upcoming Events

EVENT	DATE
Pan-European Small/Mid Cap CEO Conference organized by JP Morgan	**March 15, 2023**
Euronext STAR Conference 2023, organized by Borsa Italiana	**March 21, 2023**
Mid & Small in London organized by Virgilio IR	**April 18, 2023**
Ordinary Shareholders' Meeting Approval of the Financial Statements 2022 and presentation of the Consolidated Financial Statements 2022	**April 20, 2023**
Board of Directors Approval of the Additional Financial Information as at March 31st, 2023	**May 11, 2023**

Thank you

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

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