

1H 2019 Results

somtec

disclaimer

This document has been prepared by SOMEK S.p.A. (the 'Company') solely for the purposes of this presentation. This document may not be reproduced or distributed in whole or in part by any other person with any way than the Company. The Company takes no responsibility for the use of this document by any person and for any purposes. The information contained in this document has not been subject to independent verification and no representation, warranty or undertaking, express or implied, is made as to the accuracy, completeness or correctness of the information or opinions contained herein. This presentation may contain forward-looking information and statements about the Company. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding plans, performance. In any case, investors and holders of the Company are cautioned that forward-looking information and statements are subject to various risk and uncertainties many of which are difficult to predict and subject to an independent evaluation by the Company; that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking statements. No representation, warranty or undertaking is made by the Company in order to the implementation of these forward-looking statements. These risks and uncertainties include, but are not limited to, those contained in this presentation. Except as required by applicable law, the Company does not undertake any obligation to update any forward-looking information or statements. Neither the Company, its shareholders, its advisors or representatives nor any other person shall have any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection with this document. This document does not constitute an offer to sell or an invitation or solicitation of an offer to subscribe for or purchase any securities, and this shall not form the basis for or be used for any such offer or invitation or other contract or engagement in any jurisdiction. Under all circumstances the user of this document shall solely remain responsible for his/her own assumptions, analyses and conclusions.

where sky and sea meet. and beyond.

Somec group brings together highly experienced companies specializing in engineering, design, and manufacturing of **turnkey projects, marine or land-based**: glass envelopes and façades, special architectural projects, public areas interiors, professional cooking equipment.



where sky and sea meet. and beyond.

shareholding & management



Oscar Marchetto
Chairman and CEO
of Somec

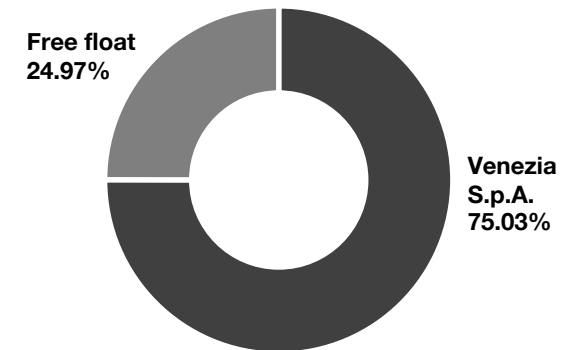


Gian Carlo Corazza
Chief Operating Officer
of Somec

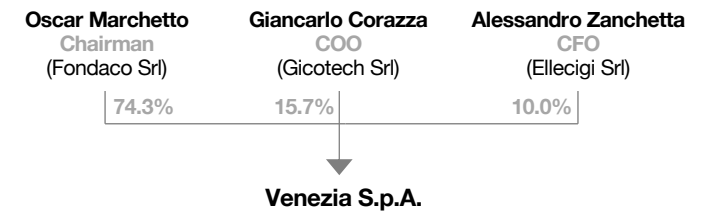


Alessandro Zanchetta
Chief Financial Officer
of Somec

shareholding structure of Somec SpA



shareholding structure of Venezia SpA



where sky and sea meet. and beyond.

share information

share data

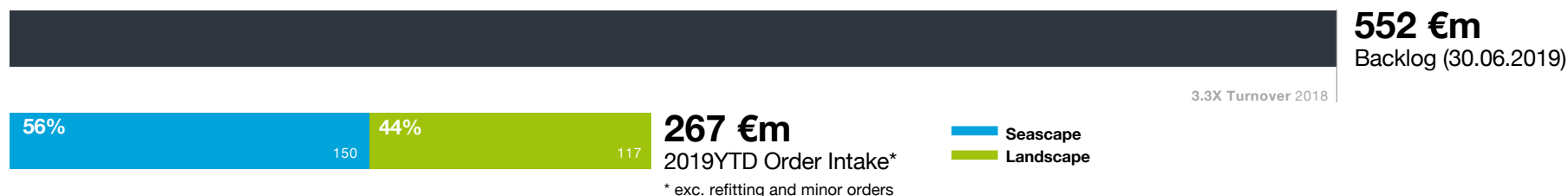
ISIN:	IT0005329815
IPO Value	€ 18.00
Value at 20 Sept. 2019	€ 21.40
N° of share	6,900,000
Capital raised on IPO	€ 31 mln
Market cap at 20 Sept. 2019	€ 147.7 mln

Use of Primary Proceeds

Support the external growth through
acquisitions

where sky and sea meet. and beyond.

key highlights



€m - ITA GAAP

FY 2018

168.9 €m **+50%**
Turnover vs 2017PF
2018

17.9 €m **+79%**
EBITDA vs 2017PF
2018

7.8 €m **+328%**
Net Profit vs 2017PF
2018

4,6%
Net Profit margin
2018

1H 2019

123.2 €m **+58%**
Turnover vs 1H18
1H 19

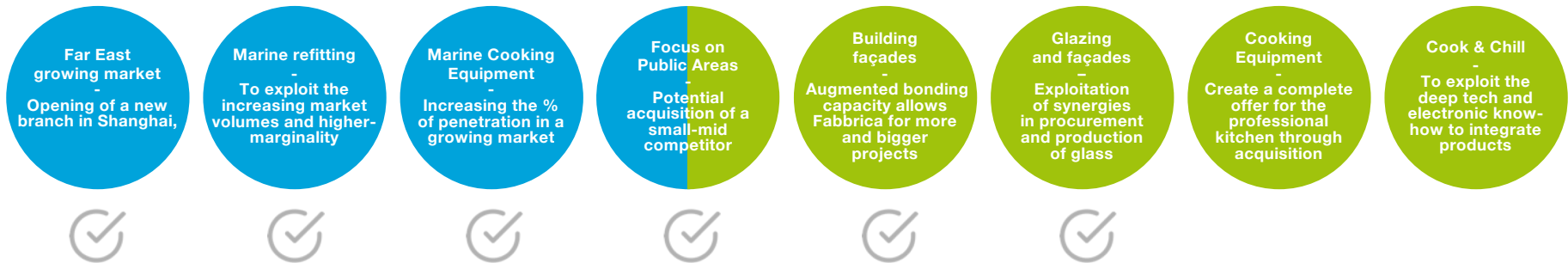
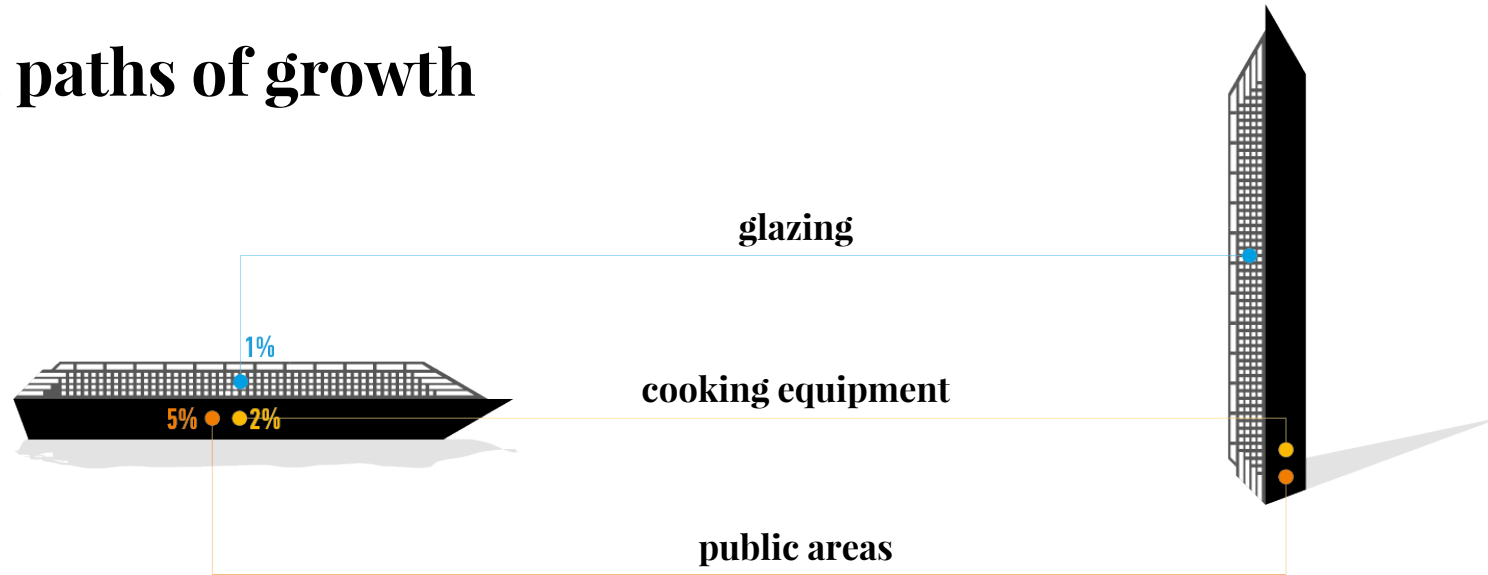
10.8 €m **+38%**
EBITDA vs 1H18
1H 2019

5.2 €m **+58%**
Net Profit vs 1H18
1H 2019

4,2%
Net Profit margin
1H 2019

where sky and sea meet. and beyond.

main paths of growth



building façades

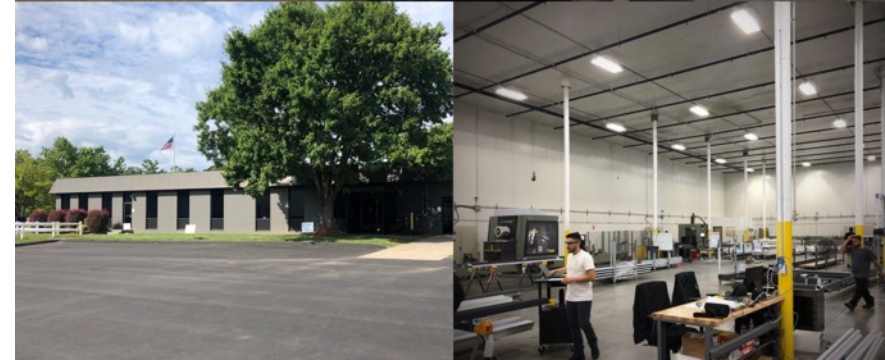
Fabbrica LLC has already outpaced 2019 goals

The set up of a new plant (12.000 sqm) already operating has increased production capacity threefold

The façades boutique: Fabbrica fits for the highly specialized design challenge and high-end projects

Design in partnership with Squadra Srl is a value-accretive plus for the market

Exploitation of synergies in design, procurement and production of glass between Marine Glazing and Building Façades



TSI and marine public areas

Change in scope of consolidation (TSI acquisition) will drive 2H19 growth of economics

Refitting activity is growing faster, the higher incidence in the Seascope product portfolio can lead to higher marginality

TSI has acquired a new order for a **new building** in less than 3 months after the acquisition



seascope complete product portfolio

The enlargement of the marine products portfolio offers the client a complete scope of solutions with a single reference

Refitting is taking advantage in product portfolio enlargement, **a single reference to offer prompt solutions**

The international expansion plan launched in 2018 is completed: the outcome of the inauguration of the new branch in China, on February 2019, came in just a few months with the first order in September 2019



where sky and sea meet. and beyond.

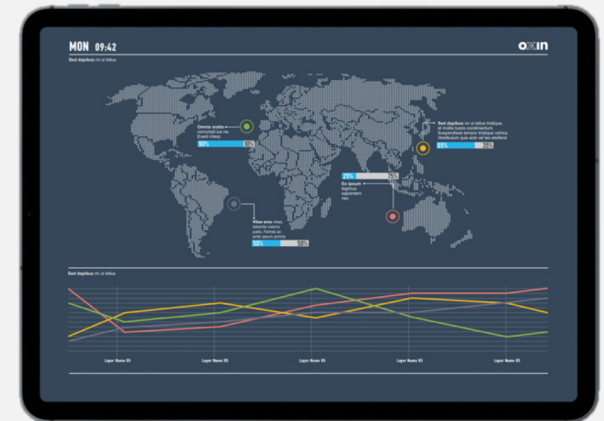
R&D / Innovation

IQgalley Smart sustainable cooking energy management

A tailored wireless system developed to support marine catering efficiency and energy saving, providing relevant functions such as automation, control, monitoring and reporting of cooking equipment operations.

The first step in a **group platform** to the serve cruise market and offer to the end-user even more comfort onboard

R&D and Engineering Dept. has grown to 22% on total headcounts, with a new **focus on electronics**





1H 2019 results

somec

where sky and sea meet. and beyond.

1H 2019 Key Messages

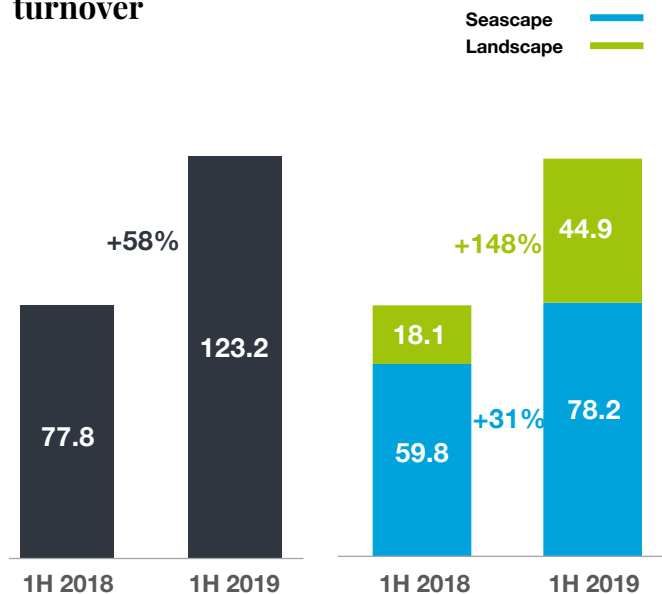
- Backlog record at 552 €m +121€m from the beginning of the year
- H1 2019 overall results above expectations: improvement in **order intake** +267 €m 31.12.18 -YTD
- *Seascope* strategy deployment lead to increase turnover by 31% from organic growth; growth in all the segments: Marine Glazing +27%, Marine Cooking Equipment +39% and Marine Refitting +32%
- Landscape – Building Façades +148% generating order intake growth +117 €m 31.12.18 - YTD
- Landscape – Professional Cooking Equipment +152%
- EBITDA up by 38.2%; slight drop in EBITDA margin 8.7% from 1H18 10.0% due to turnover mix and non-recurring set up costs
- Net profit at 5.2 €m up by 58%, with Net profit margin stable at 4.2%
- NFP (debt) at 25.8 €m, up by 20.3 €m due to TSI payment, Fabbrica LLC Investment and earn-out

where sky and sea meet. and beyond.

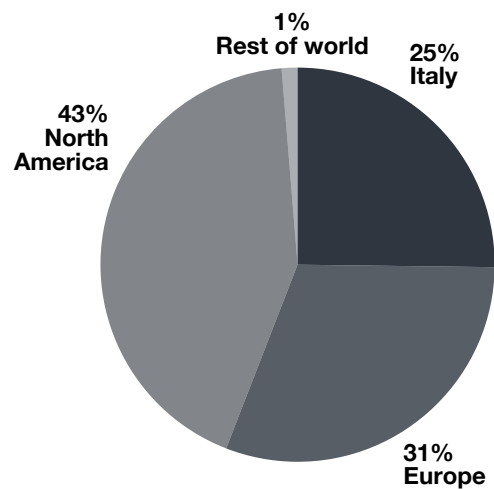
key figures 1H19

€m - ITA GAAP

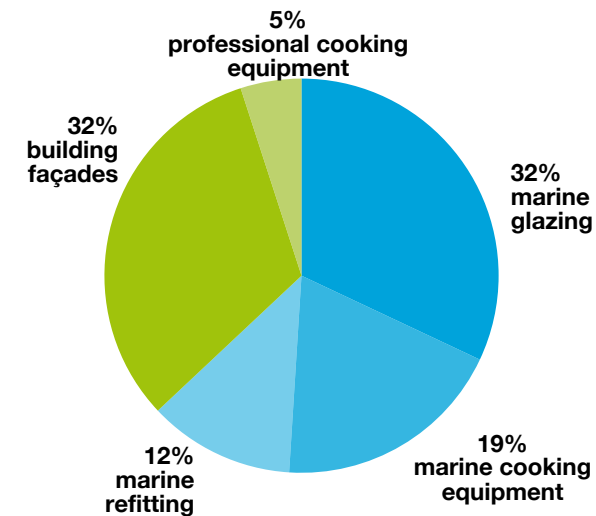
turnover



1H 2019 turnover
breakdown
by geographic area*



1H 2019 turnover
breakdown
by business activities



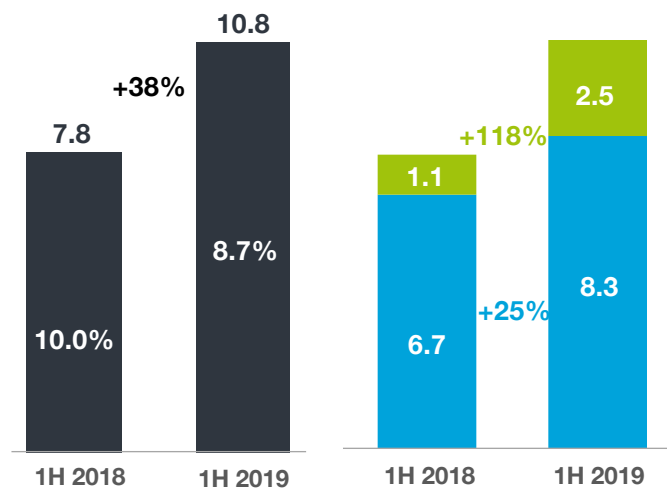
where sky and sea meet. and beyond.

from EBITDA to Net Profit

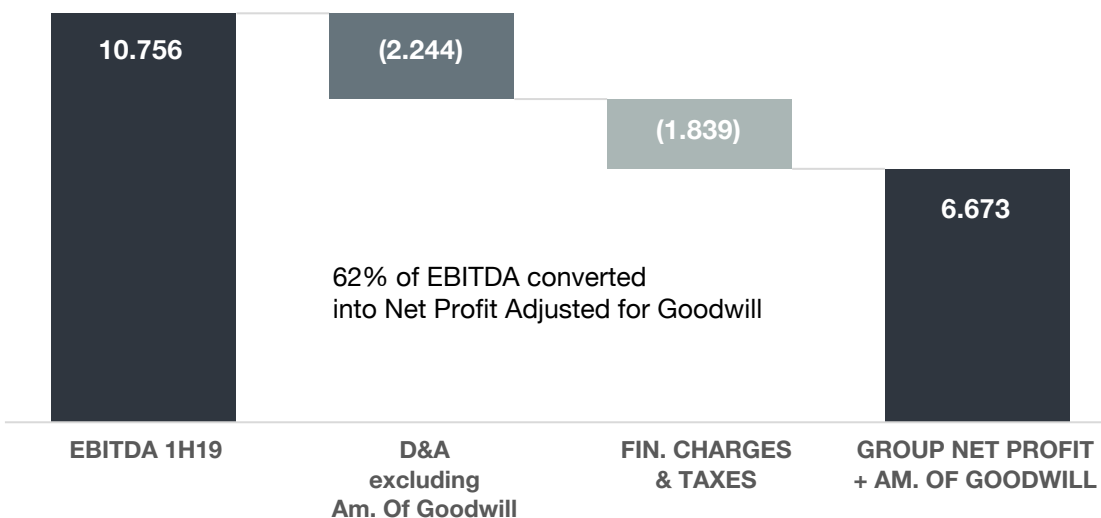
€m - ITA GAAP

EBITDA €m and margin %

Seascope
Landscape



Bridge from EBITDA to
Group Net Profit 1H19 €m



where sky and sea meet. and beyond.

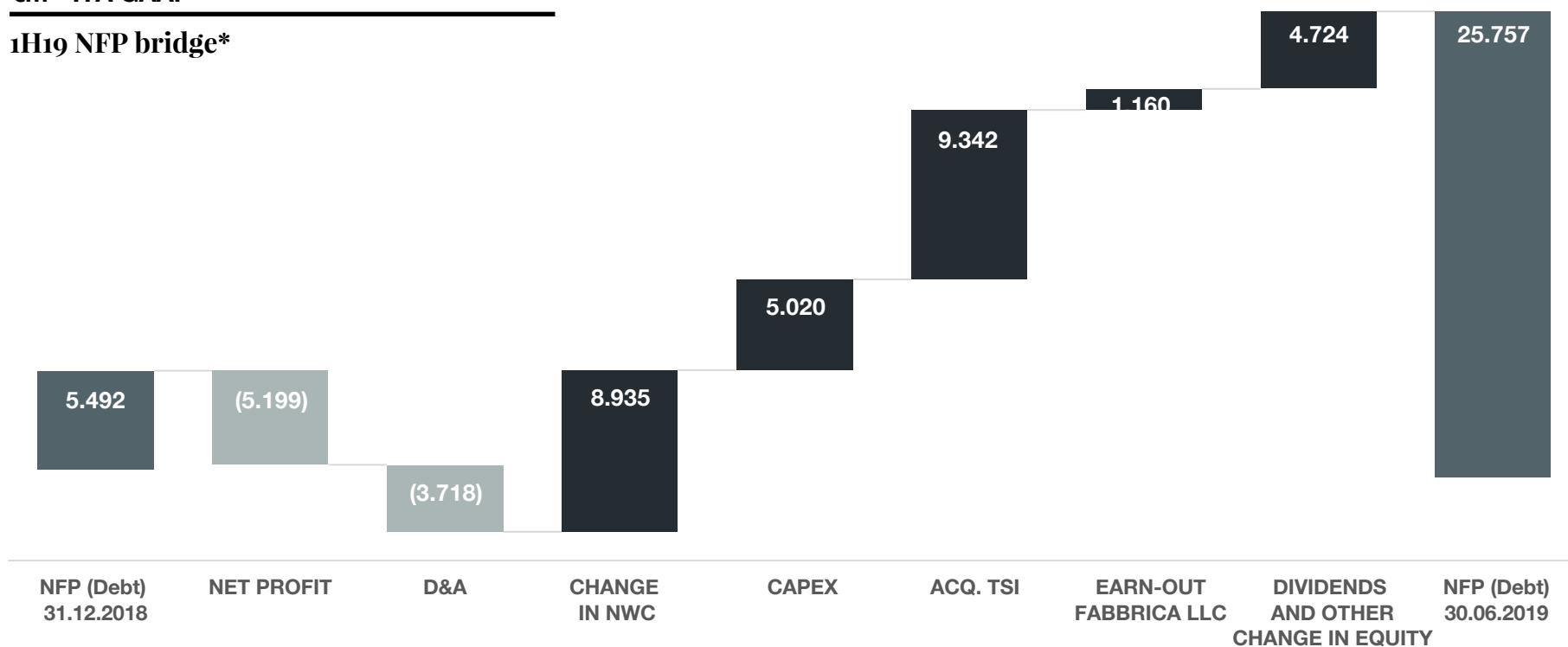
still investing for growth

Change in NWC: affected by TSI acquisition

CapEx: Building Façades expansion plan on track, resulting on 2.8 €m CapEx growth

€m - ITA GAAP

1H19 NFP bridge*



Income statement

€ m - ITA GAAP	FY2018	%	1H 2018	%	1H 2019	%	Growth %
Revenues	163.0	96.3%	74.0	95.1%	110.9	90.0%	
Variation of inventories	3.0	1.8%	0.1	0.1%	(0.1)	-0.1%	
Work in progress	1.6	0.9%	3.5	4.5%	11.5	9.4%	
Own work capitalised	0.3	0.2%	-	-	0.3	0.2%	
Other income	1.2	0.7%	0.1	0.2%	0.5	0.4%	
Turnover (Value of Production)	168.9	100.0%	77.8	100.0%	123.2	100.0%	58.2%
Consumables & Goods	(71.8)	-42.5%	(34.1)	-43.9%	(56.2)	-45.7%	
Services	(49.2)	-29.2%	(23.8)	-30.5%	(34.4)	-27.9%	
Leases & rentals	(3.0)	-1.8%	(1.1)	-1.5%	(2.4)	-2.0%	
Personnel	(26.3)	-15.6%	(10.8)	-13.9%	(19.1)	-15.5%	
Other Costs	(0.5)	-0.3%	(0.2)	-0.3%	(0.2)	-0.2%	
EBITDA	17.9	10.6%	7.8	10.0%	10.8	8.7%	38.2%
D&A (excl. Goodwill)	(3.7)		(1.7)		(2.2)		
EBITA	14.2	8.4%	6.1	7.7%	8.6	7.0%	
Amortization of Goodwill	(2.7)		(1.3)		(1.5)		
EBIT	11.5	6.8%	4.8	6.2%	7.0	5.7%	46.8%
Financial charges	(0.7)		(0.2)		(0.1)		
EBT	10.8	6.4%	4.6	5.9%	6.9	5.6%	50.9%
Taxes	(3)		(1.3)		(1.7)		
Net Profit	7.8	4.6%	3.3	4.2%	5.2	4.2%	58.0%
o/w Minorities	(2.1)		(0.7)		(0.9)		
o/w Group Net Profit	5.7	1.2%	2.6	3.4%	4.3	3.5%	63.2%

Balance sheet

€ m - ITA GAAP	31.12.18	%	30.06.19	%
Intangible Assets	8.5		9.7	
Goodwill	15.1		24.2	
Tangible Assets	7.5		9.7	
Financial Assets	1.7		0.2	
Employees' leaving entitlement	(3.7)		(3.8)	
Fixed Assets	29.1	69.3%	40.0	63.3%
Inventories	11.9		10.5	
Work in progress	22.5		32.1	
Trade Receivables	51.2		65.6	
Advance payments	(35.0)		(37.3)	
Trade Payables	(39.8)		(48.4)	
Other Assets / Liabilities	2.1		0.7	
Net Working Capital	12.8	30.7%	23.2	36.7%
Net Invested Capital	41.9	100.0%	63.1	100.0%
Group Equity	33.3	79.5%	34.1	54.0%
Minorities	3.1	7.4%	3.3	5.2%
Net Debt (Cash)	5.5	13.1%	25.8	40.8%
Total Funds	41.9	100.0%	63.1	100.0%

Net Financial Position

€ m - ITA GAAP	31.12.18	30.06.19
Cash and Cash equivalents	24.9	17.9
Current financial assets	1.3	0.8
Bank Debts within 12 months	(9.6)	(16.9)
Debts to other lender within 12 months	(0.1)	(1.4)
Other fin. debts	(0.7)	(1.2)
Current liabilities	(10.5)	(19.3)
Current Net Financial Position	15.6	(6.9)
Bank Debts over 12 months	(15.8)	(23.4)
Other current financial liabilities	(0.1)	(0.3)
Other payables	(0.9)	(1.4)
Payables to parents	(4.2)	-
Non Current Financial Position	(21.1)	(25.1)
Net Financial Position	(5.5)	(25.8)

Cash flow statement

€ m - ITA GAAP	30.06.18	30.06.19
Net Profit	3.3	5.2
Non-recurring D&A	2.9	3.7
Other Adjustments	1.2	1.1
Change in Net Working Capital	4.9	-11.4
Cash Flow from Operating Activities	12.3	-1.4
Cash Flow from Investing Activities	2.3	-13.8
Free cash flow	14.7	-15.2
Provision /(repayments) of loans	(10.2)	12.6
Capital Increase	20.5	0.1
Dividends and other changes in Equity	(2.8)	-4.6
Change in Cash and Cash Equivalents	22.2	-7.1
Net Debt (Cash) - Beginning of period	5.6	24.9
Net Debt (Cash) - End of period	27.8	17.9

where sky and sea meet. and beyond.

contacts

Investor Relations Office

Alessandro Zanchetta
Phone: +39 0438 471998
Email: ir@somecgroup.com

Global Coordinator & Specialist

Intermonte

Nominated Adviser

Mainfirst
Phone: +39 02 85465774
Email: nomad@mainfirst.com

A long-exposure photograph of the San Francisco skyline at dusk. The sky is a deep, dark blue with some lighter clouds. The city lights are visible, with the Transamerica Pyramid being the most prominent building on the left. In the foreground, the water of the bay is dark, and there are several horizontal light trails from boats moving across the frame. The word "thanks" is written in a white, serif font across the middle of the image.

thanks

SOMEC