

INVESTOR PRESENTATION



SOMEK
GRUPPO

PROFILE OF THE GROUP

- THE HUB OF ITALIAN CONSTRUCTION QUALITY, specializing in...
- COMPLEX TURNKEY PROJECTS in the context of...
- 3 BUSINESS UNITS WORKING IN SINERGY

40+
YEARS OF
HISTORY

40
PLANTS AND OFFICES
AROUND THE WORLD

927
EMPLOYEES
AS AT 31 DEC. 2022

329 €M
2022 REVENUES
7.1% EBITDA
MARGIN

934 €M
ORDER BACKLOG
AS AT 31 DEC. 2022

360+ €M
2023E REVENUES
8%+ 2023E
EBITDA MARGIN

NAVAL ARCHITECTURE AND BUILDING FAÇADES

PROFESSIONAL KITCHENS

MESTIERI: PERSONALIZED INTERIORS

194 €m 2022 revenues
59% of total

NAVAL ARCHITECTURE AND BUILDING FAÇADES

SOMEC'S CORE BUSINESS RIGHT FROM THE START, ITS GROWTH ENGINE



NAVAL SEGMENT

Business

- Envelopes, glazing and architectural solutions for **large cruise ships** (Somec Spa)
- Multi-year contracts for the **construction of new ships**
- Maintenance and refurbishment of existing vessels (**refitting**)
- Undisputed **global leadership**

Clients

- All the world's **cruise shipyards**
- The world's major **shipowners**

Macro-trends

- Increase in **number of cruise passengers** (38.7m expected in 2027, +22% vs. 2022)
- Fleet modernization prompted by **luxury and sustainability**



Costa Smeralda (Costa Crociere, Carnival Group)



Enchanted Princess (Princess Cruises)

BUILDING FAÇADES SEGMENT

Business

- Curtainwalls and glazed envelopes for civil engineering in **the United States** (Fabbrica)
- Landing in **Europe** in 2022 (Bluesteel), with focus on UK and Switzerland
- Focus on high-quality projects in **terms of technology and design content**
- **High degree of diversification**: corporate, commercial, residential, third sector sites

Clients

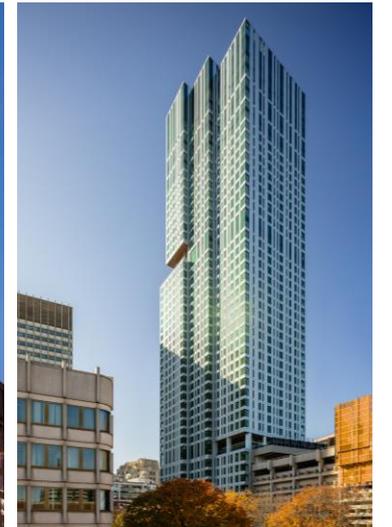
- **Public and private** clients
- Real estate **developers**
- **General contractors**

Macro-trends

- **Innovation** aimed at improving efficiency of materials, energy consumption and aesthetics
- Renovation of the existing building base, thanks in part to impetus provided by **environmental regulations**



2050 M Street North West – Washington D.C.



The Sudbury – Boston (MA)

66 €m 2022 revenues
20% of total

PROFESSIONAL KITCHENS

DIVERSIFICATION WITH HIGH POTENTIAL



Business

- Design of **integrated, bespoke systems** for professional kitchens, which harmoniously combine high-end **aesthetics** and **superior performance** levels.
- Realization of turnkey projects for catering and hospitality, conforming to **high efficiency and durability** standards

Products

- Large-scale bespoke facilities for **catering and hospitality**
- Monoblocs and cooking suites catering to the specific needs of **chefs**
- Products of excellence for **cooking** and the **cold chain**
- Systems integrated with the on-board systems of **cruise ships**

Clients

- **Restaurants** and restaurant chains
- **Hotel** chains
- All the world's **cruise** shipyards
- The world's major **shipowners**

Macro-trends

- **New food consumption trends** (e.g. new places, more variety)
- Search for **efficiency** (e.g. energy savings), **effectiveness** (e.g. reduced times) and **safety** in food preparation
- **Digitization and interconnection**



70 €m 2022 revenues
21% of total

MESTIERI: BESPOKE INTERIORS

THE BUSINESS UNIT WITH HIGH GROWTH AND PROFITABILITY



Profile

- A unique manufacturing group, made up of companies representing the excellence of Italian know-how for the creation of complete, prestigious, custom-made interiors

Business model

- Purchase of majority equity interests in companies that have unique skills and abilities as regards the transformation of materials
- Partnerships with artisan firms to further develop and finalise proposed projects
- Development of commercial synergies, promoted by Mestieri Srl and/or individual subsidiaries, for the purpose of networking, exponentially multiplying opportunities

Subsidiaries

- BUDRI[®] marble
- SKILLMAX wood & contracts
- CEO LIN metal-based architecture
- MTSI onboard interiors
- lamparredo metal decorations
- [new acquisitions coming soon]

Clients

- High-end retail chains
- Luxury hotel chains
- Restaurants
- Owners of apartments and private villas
- Shipyards building superyachts
- Cruise ship owners

Macro-trends

- Increase in UNHWI and related needs worldwide:
 - housing (luxury residences)
 - tourism (luxury hotels and accommodation)
 - shopping (stores and retail travel)
 - leisure (superyachts)



THE GROUP'S HISTORY

45 YEARS OF EVOLUTION: GROWTH, RESILIENCE AND DIVERSIFICATION



1978 – 2012

**IN THE BEGINNING:
FROM BUILDING
FAÇADES IN ITALY
TO CRUISE SHIPS**



- 1978 - **Foundation** of the company in the province of Treviso by the Sossai brothers
- Initial specialization in external envelopes and building façades **in Italy**
- Subsequent expansion into marine glazing: **glazed envelopes for cruise ships**
- 2008-2009 - Company crisis linked to the credit crunch
- Transition to a group of local entrepreneurs
- New Management team (G.C. Corazza, A. Zanchetta) and start of the **turnaround**
- 2010 - Venezia S.p.A., since 2005 operating in naval refitting through Navaltech, sole shareholder

2013 – 2017

**REBIRTH: FOCUS ON
MARINE GLAZING AND
PROFESSIONAL
KITCHENS**



- 2013-2014 – Venezia S.p.A. fully owned by **O. Marchetto, G.C. Corazza and A. Zanchetta**
- 2014 – **Total focus on marine glazing**, more profitable and attractive
- 2016 - Entry of Venezia in the **European refitting market** for cruise ships (Seatech)
- 2016 - Entry of Venezia in the **cruise ship catering areas** market (Oxin)
- 2017 - Entry of Venezia into the market of **professional ovens** for catering (Inoxtrend)
- Corporate reorganization: Inoxtrend, Oxin, Seatech and Navaltech merged into Somec

2018 – 2020

**THE NEW FRONTIER:
BUILDING FAÇADES IN
THE USA
SEASCAPE / LANDSCAPE**



- 2018 – **Landing on the Italian Stock Exchange**
- Debut in **civil glazing in the USA** (Fabbrica)
- 2020 - Start-up of **production in the USA** of glazed envelopes (Fabbrica Works)
- 2018 - Entry in the market of **kitchen and refrigeration equipment** (Primax)
- 2020 - Acquisitions in the **pizza ovens** (Pizza Group) and **kitchens** (Gico - Grandi Impianti Cucine) sectors
- 2019 - Entry in **interior furnishings** for communal areas on board **cruise ships** (TSI - Total Solution Interiors)
- 2020 - Acquisition of know-how in **interior creation** (Skillmax)

Since 2021

**SOMEK TODAY:
SYNERGISTIC
DIVERSIFICATION AND
THE MESTIERI
PROJECT**



- 2021 - Reorganization into three divisions: birth of the Somec Group
- 2022 - Controlling interest in Fabbrica raised to 70.8%
- Debut in **European civil glazing** (Bluesteel)
- 2022 - Establishment of Pizza Group USA to strengthen US business
- 2022 - Foundation of Mestieri Srl
- Acquisitions in **marble** (Budri) and **metal furnishings and decorations** (Lamp Arredo)
- 2023 - Strengthening of position in **metal works** (Ceolin)

NAVAL
ARCHITECTURE
AND BUILDING
FAÇADES

PROFESSIONAL
KITCHENS

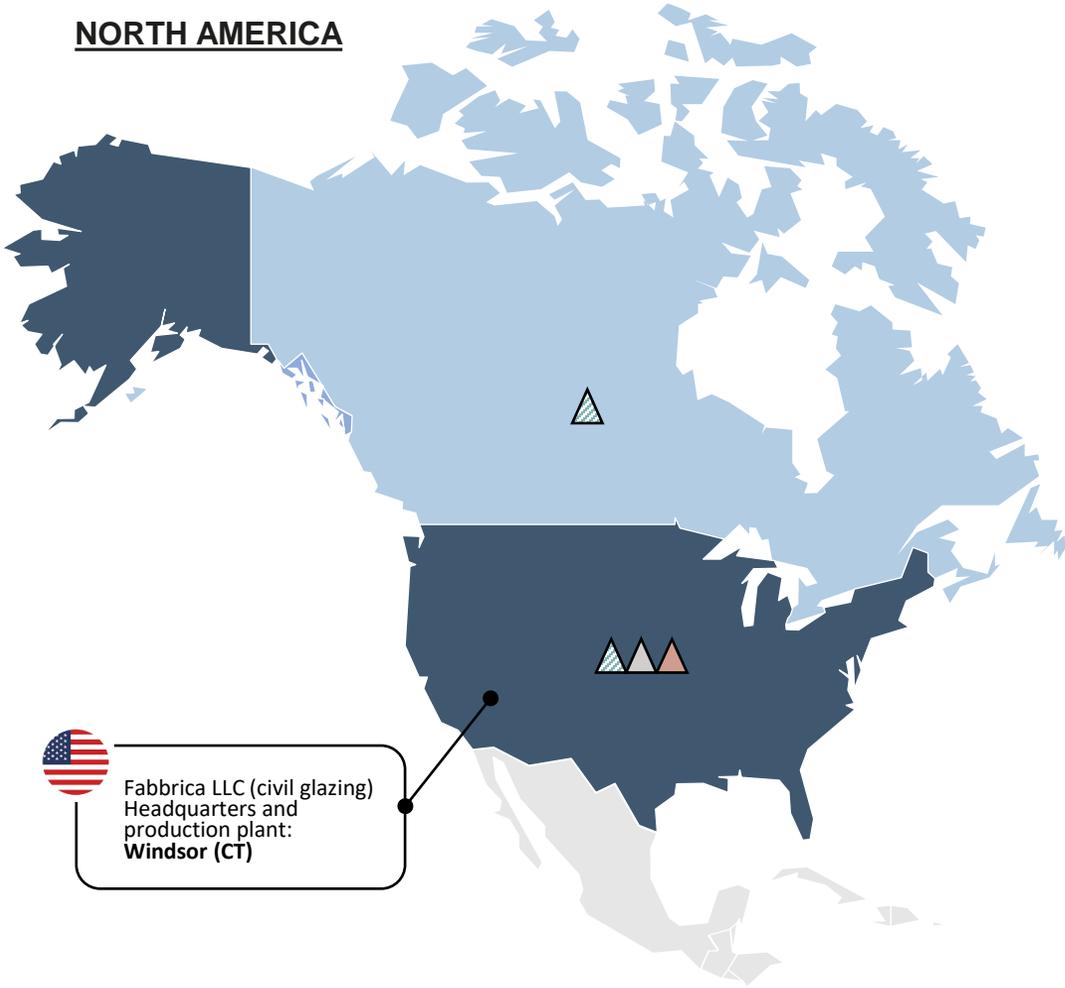
MESTIERI:
BESPOKE
INTERIORS

PRODUCTION UNITS AND SALES OFFICES WORLDWIDE

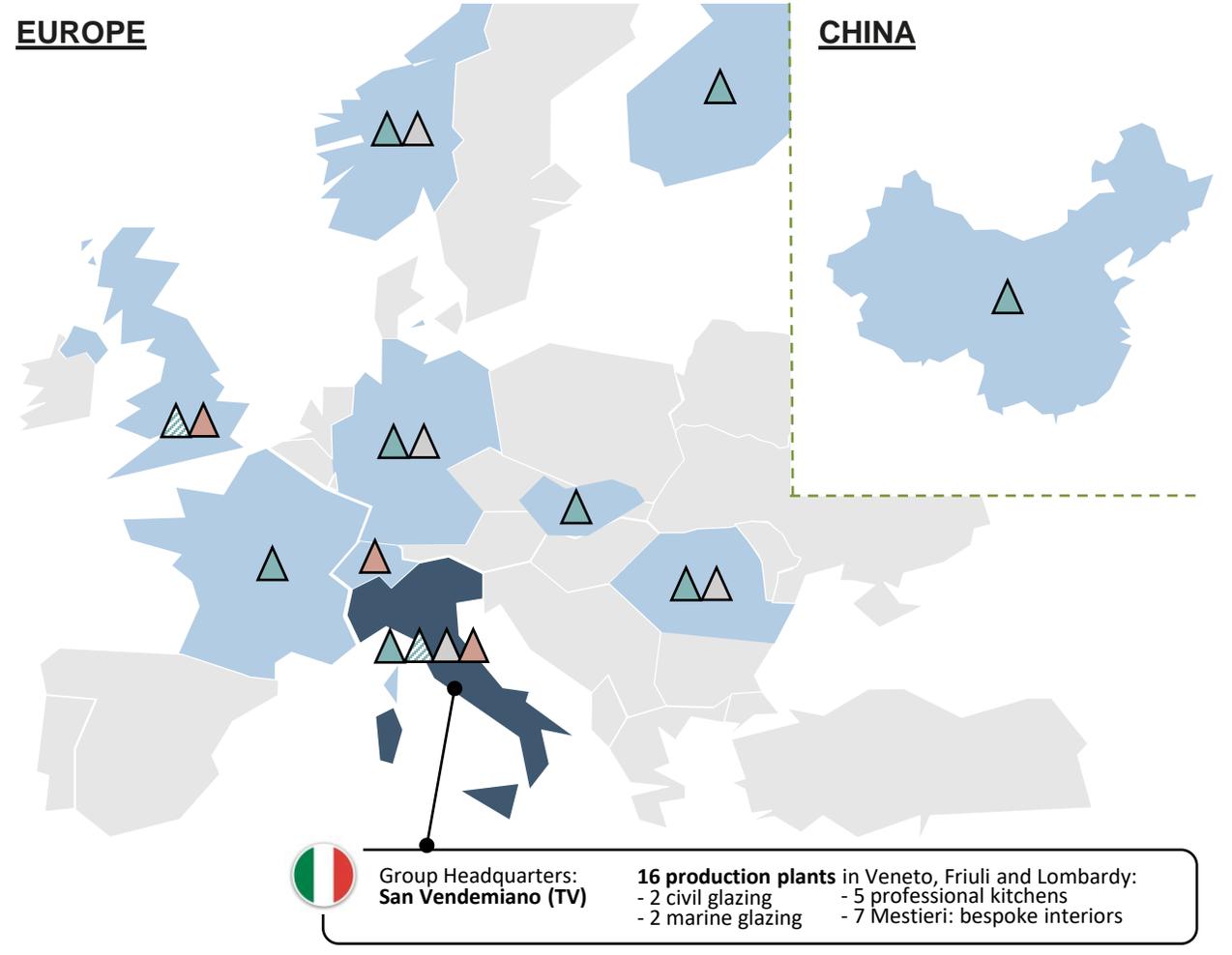


23 BRANCHES, 17 PRODUCTION PLANTS, 12 COUNTRIES, 3 CONTINENTS

NORTH AMERICA



EUROPE



■ Production + administrative and/or commercial sites
■ Commercial and/or administrative site

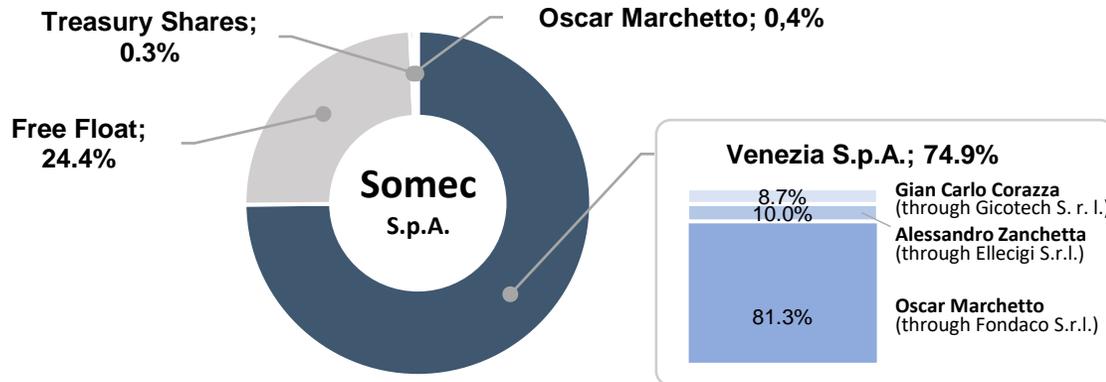
▲ Naval architecture & Building façades
▲ Professional kitchens
▲ Mestieri: Bespoke interiors

SHAREHOLDING STRUCTURE AND GOVERNANCE



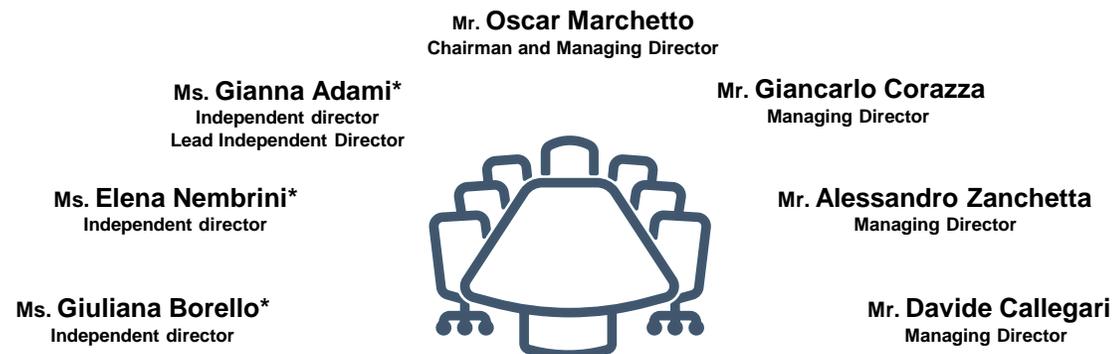
THE ENTREPRENEUR'S STRATEGIC VISION CROSSED WITH MANAGERS' TECHNICAL ABILITIES

OWNERSHIP STRUCTURE



BOARD COMPOSITION

RENEWED ON 4 MAY 2023



(*) Committee Members (Remuneration and Appointments; Control, Risk and Sustainability; Related Parties)

TOP MANAGEMENT



Oscar Marchetto
Chairman and Chief Executive Officer

- Born in 1964, long-term entrepreneur and global ambassador of Italian excellence in the construction sector
- Somec shareholder since 2013, majority shareholder since 2014. Since then he has served as chairman and managing director
- Co-founder of Nice (early 1990s), co-founder of Fabbrica (2016)



Gian Carlo Corazza
Chief Executive Officer

- Born in 1963, with Somec since 2008 initially as CEO and COO
- Twenty years of experience in *marine glazing*, with over 100 naval projects completed
- Co-founder and CEO of Navaltech (now Somec Group) and Tecnomontaggi S.r.l.



Alessandro Zanchetta
Chief Executive Officer and Group Finance Director

- Born in 1969, CFO of Somec since 2008
- Graduated in business economics at Ca' Foscari University of Venice
- Previous experience in Permasteelisa (2001-2008), CK Retail Europe (1999-2001) and Stefanel (1995-1999)



Davide Callegari
Chief Executive Officer

- Born in 1974, with Somec since 2018 initially as Director of Operations
- Graduated in business economics at Ca' Foscari University of Venice
- Previous experience in Nice (2005-2018), OM Spa (2002-2005) and Zoppas Industries (1999-2002)



Alberto De Gobbi
Chairman and CEO of Fabbrica LLC

- Born in 1962, co-founder of Fabbrica LLC in 2016
- Surveyor diploma obtained at Palladio Institute of Treviso
- Previous experience in Permasteelisa (1990-2015) and Frizerga USA (1985-1990)



Claudio Daniele
COO and Chief Financial Officer of Fabbrica LLC

- Born in 1967, co-founder of Fabbrica LLC in 2016
- Graduated in business and economics at University of Trento
- Previous experience in Permasteelisa (1999-2015), Luxottica USA (1997-1999) and Deloitte



Diego Frattarolo
Head of Human Resources, ICT and General Services

- Born in 1969, with Somec since 2020
- Graduated in business economics at Ca' Foscari University of Venice
- Previous experience at Banca Finint (2008-2019) and ZML Industries (2003 - 2008)

STRENGTHS AND STRATEGY



WHERE THE COMPETITIVE EDGE LIES AND THE STRATEGIC APPROACH TO REINFORCING IT



1

GLOBAL LEADERSHIP IN MARINE GLAZING, with an estimated market share of 80%
protected by high entry barriers: accreditation with large clients, reputation, ability to innovate, large backlog

2

DIVERSIFICATION IN BUILDING SECTOR, in related and synergistic areas, including
glazing and food service equipment: businesses with varying cycles, with few or no backlog-related risks

3



**high potential for creating value thanks to the unique
business model and countless growth opportunities**

4

LARGE ROOM FOR GROWTH thanks to sectoral macro-trends and the
fragmentation of target markets: energy saving & sustainability, urbanization, greater
concentration of wealth, new lifestyles and consumption

5

FULL INTERNALIZATION of production processes
unlike most competitors who, acting as contractors, outsource works

6

QUALITY AND REPUTATION OF TOP MANAGEMENT

Marine and civil glazing managed by managers known to the whole sector. Entrepreneurs and founders of
artisan firms still involved and co-invested in the Mestieri project

7

LOW CAPITAL-INTENSIVE BUSINESS, requiring modest investments, positive
impact on depreciation and cash flows

8

STRONG CASH GENERATION: historically 60-70% of EBITDA is converted into cash
available for new acquisitions and shareholder remuneration



*"Thanks to the ability to
generate cash
and to a sound and prudent use of
leverage,
Somec is continuing to
grow organically and through
acquisitions
in all its business divisions,
focusing on
commercial and production
synergies as an accelerator of
development"*



IPO (2018)

- No. of shares allocated: **1,780,000**, or **25.8%** of the share capital, of which:
 - **1,200,000 newly issued, 21.6 €m** raised
 - **580,000 sold** by Venezia S.p.A., greenshoe included
- IPO price: **18 € per share**, total consideration of **32.0 €m**
- Stock market: **AIM**, today Euronext Growth Milan
- Global coordinator: **Intermonte Sim**
- Initial market cap: **124.2 €m**
- Rationale of the IPO:
 - funding the **acquisition of 50.8% of Fabbrica**
 - gaining visibility, thus attracting new talents
- First day of trading: **14 May 2018**

SHARE PRICE EVOLUTION

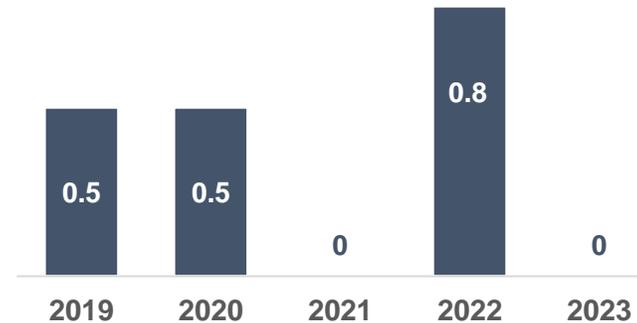


TRANSLISTING (2020)

- Deal: **translisting**, with the publication of a Prospectus, without any share sale
- Stock market: MTA, today **Euronext Milan**
- Sponsor and Specialist: **Intermonte Sim**
- Rationale:
 - reinforcing visibility and trading volumes
 - gaining access to a broader investor base
- Market cap: **104.9 €m**
- First day of trading: **4 August 2020**

DIVIDEND HISTORY

€ per share



Share capital: **6,900,000 €m**
 No. ordinary shares: **6,900,000**
 Special shares / Loyalty shares: **no**
 Treasury shares: **22,900**

ISIN: **IT0005329815**
 Stock market: **Euronext Milan**
 Ticker: **EXM: SOM**
 Bloomberg: **SOM:IM**
 Minimum lot: **1**

Specialist: **Intermonte Sim**
 Analyst coverage: **Intermonte Sim, Stifel**

Next step: the admission to Euronext STAR Milan
 subject to compliance to all regulatory requirements

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*All data contained in this document are **consolidated data**.*

*The adjustments incorporated in the **Adjusted Ebit** and in the **Adjusted consolidated net result**, amounting respectively to 2.7 and 2.1 million euros, regard the significant provisions for write-downs of trade receivables relating to two foreign customers registered in FY 2022.*

*The Group's **Net Financial Position ex-IFRS16** corresponds to the net debt including current and non-current active derivatives and excluding current and non-current leasing liabilities recorded in accordance with the provisions of IFRS 16.*

FY 2022 RESULTS AND FY 2023 GUIDANCE

TOPICS ON THE AGENDA



2022, the year of **evolution**: from the reorganization into **3 BUs** to the 36 €m invested in **acquisitions**, to launch **Mestieri** and strengthen the grip on the promising business of **civil façades** in the US and Europe



Oscar Marchetto
Chairman and CEO

Revenues at 329 €m (+27%) and **backlog at 934 €m**, both all-time highs, with a **stable Ebitda at 23.2 €m**, weighed down by the increase in raw materials and energy prices. Profitability recovering in 2H (8.0%), as expected.

Effect of acquisitions on **adj. Ebit (5.6 €m)**, **Adj. Consolidated net result (1.6 €m)** and **Net financial position (54.2 €m ex-IFRS 16)**



Alessandro Zanchetta
Group CFO

Growth expected in 2023 thanks to the **successful strategy** and **effective managerial action**, even in a deteriorating context.

Expected **revenues over 360 €m**, Ebitda not less than **30 €m** (Ebitda margin over 8%) and **Net financial position ex-IFRS 16 below 40 €m**

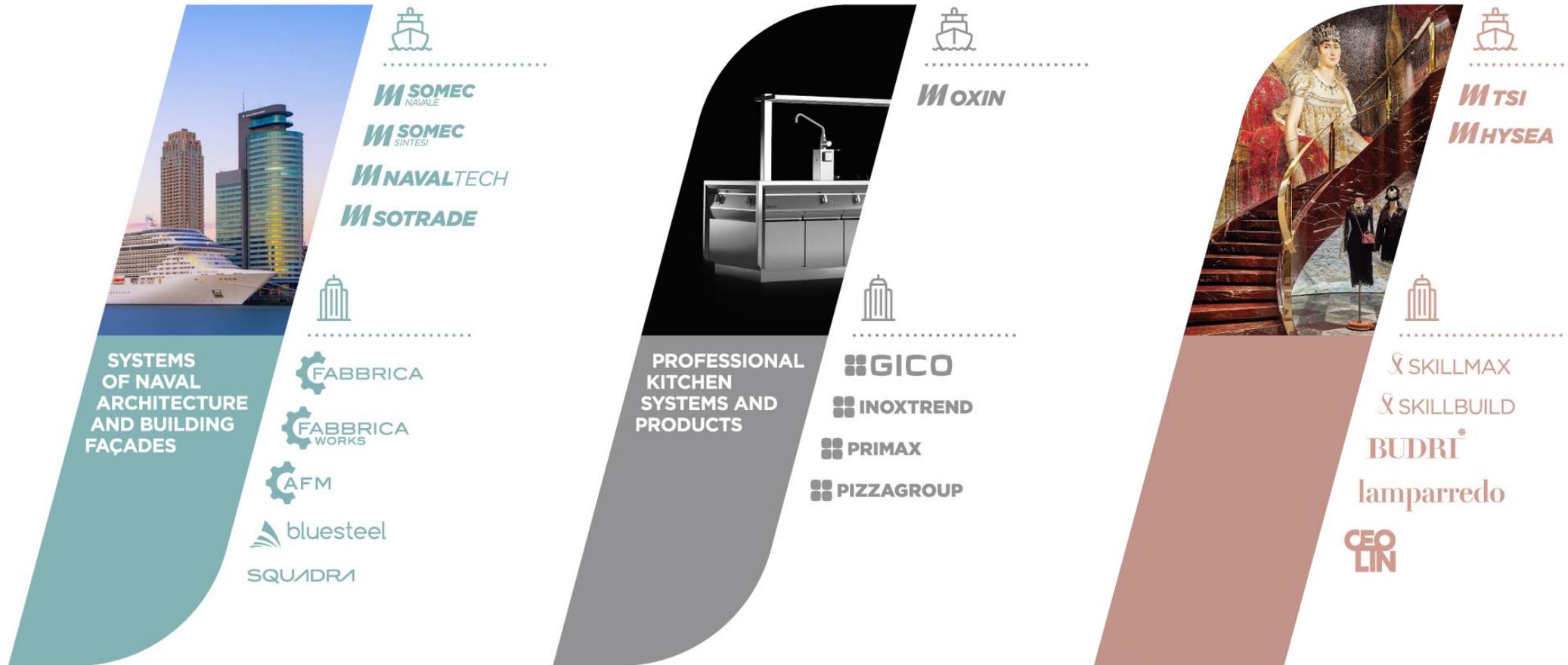


Oscar Marchetto
Chairman and CEO

THE REORGANIZATION INTO THREE DIVISIONS



WITH THE LAUNCH OF «MESTIERI», THE GROUP ENTERED A NEW EVOLUTION PHASE



From a company specializing in glazing for cruise ships to a diversified and synergistic industrial group, world ambassador of Italian construction excellence in the naval and civil fields

2022: CHALLENGES AND (SEIZED) OPPORTUNITIES



THE RAPID DETERIORATION OF THE MACRO SCENARIO IMPACTS PROFITABILITY BUT OPENS NEW WAYS

MARKET CONTEXT

- **March – Outbreak of war in Ukraine,** Western sanctions on Russia
- **1H – Large increases in the prices of steel, aluminium and glass,** affecting up to 35% of the cost of naval orders
- **FY - Sudden rise in interest rates** decided by central banks to fight inflation
- **1H - Bankruptcy of two foreign customers,** shipyards active in Germany and Croatia: an event that has never happened in the history of Somec
- **FY – Rising energy costs**

EFFECTS ON SOMEC

- ➔ **None:** no direct or indirect business relationships with customers in Russia, Ukraine and Belarus
- ➔ **Downward revision of the whole-life margins of ongoing orders (1H22)**
- ➔ **None:** loan agreement with a pool of banks, up to 60 €m, subscribed in March 2022 at pre-crisis conditions
- ➔ ● **2.7 €m write-down of trade receivables** in the Income statement
● No risk deriving from large shipyards
- ➔ 0.9 €m negative impact on 2022 Ebitda ed Ebit

UNDERTAKEN ACTIONS

- Careful monitoring** of the geopolitical, macroeconomic and currency context
- **Renegotiation of naval soft backlog**
 - **Focus on the less affected American market**
 - **Acceleration for refitting**
- Use of credit lines for a 36 €m acquisition campaign (*)** in order to diversify and strengthen the business. Main focus on:
- **Building façades** (Fabbrica, Bluesteel)
 - **interiors** (Lamp Arredo, Budri. Ceolin since 2023)
- Focus on large, solid and often state-controlled naval customers confirmed**
- Evaluation of energy self-production projects**

(*) – including the price of the equity interests acquired, the valuation of earn-out and put-and-call clauses, as well as the net debt of the companies that joined the consolidation scope.

36 €M INVESTED ON 4 STRATEGIC ACQUISITIONS



THE ACQUISITION CAMPAIGN IS PROCEEDING QUICKLY TO STRENGTHEN CIVIL GLAZING AND INTERIORS

				
Profile	<ul style="list-style-type: none"> Specialist in hi-tech, design-driven building façades US, Canada 2021 revenues of 93.7 \$m, already fully consolidated 	<ul style="list-style-type: none"> Treviso-based company, active abroad in engineered systems of façades and windows 80% abroad (UK, Switzerland,DK) 2020 revenues of 5.2 €m, Ebitda of 0.2 €m 	<ul style="list-style-type: none"> Modena-based company, one of the world's centers of excellence as regards marble processing International customers 2021 revenues of 11.3 €m, Ebitda of 1.3 €m 	<ul style="list-style-type: none"> Treviso-based company, specialized in metal furniture and ornamental elements Italy, now developing foreign markets 2021 revenues of 6.3 €m, Ebit and Net result of 0.4 €m
Transaction	<ul style="list-style-type: none"> Purchase of 20% for 18.1 \$m, thus increasing the controlling stake to 70.9% 	<ul style="list-style-type: none"> Purchase of 60% at 3 €m, of which 1 €m through a capital increase. Call&put options on minorities 	<ul style="list-style-type: none"> Purchase of 65%. Enterprise value 16.6 €m. Call&put options on minorities 	<ul style="list-style-type: none"> Purchase of 60% at 1.85 €. Call&put options on minorities
BU	<ul style="list-style-type: none"> Naval architecture & building façades 	<ul style="list-style-type: none"> Naval architecture & building faç. 	<ul style="list-style-type: none"> Mestieri – Bespoke interiors 	<ul style="list-style-type: none"> Mestieri – Bespoke interiors
Rationale	<ul style="list-style-type: none"> Strengthening the presence in North America in the wake of favorable legislation Retaining strategic managers (*) 	<ul style="list-style-type: none"> Increasing turnover and market share in civil glazing in Europe, by leveraging on Fabbrica's experience in the US 	<ul style="list-style-type: none"> Expanding the solution range for high-end custom construction projects 	<ul style="list-style-type: none"> Expanding the offer in the creation of high-end furnishings and interiors for hotels, museums, shops and residences

Precisely in the most turbulent periods, Somec accelerates the external growth strategy that is embedded in its DNA

(*) As part of the agreement, a further 5% of Fabbrica was sold by the minority shareholder, 2.0 Partners, to some of Fabbrica's current managers.

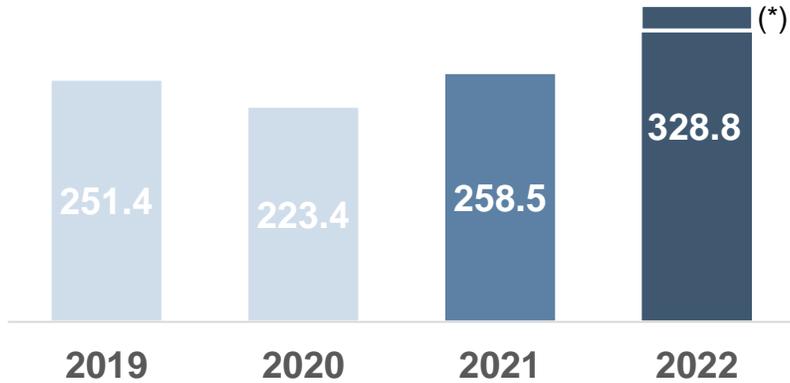
REVENUES



NEW RECORD SET THANKS TO THE CONTRIBUTION OF ALL BUS

TOTAL REVENUES

€m - IAS/IFRS



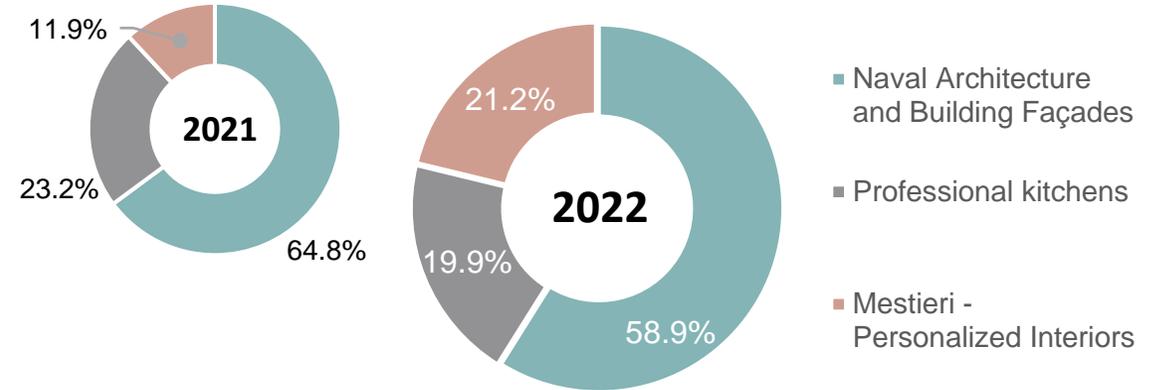
2022 Total growth:
+27.2%

Organic growth:
+16.9%

(*) Acquisitions:
+10.3%

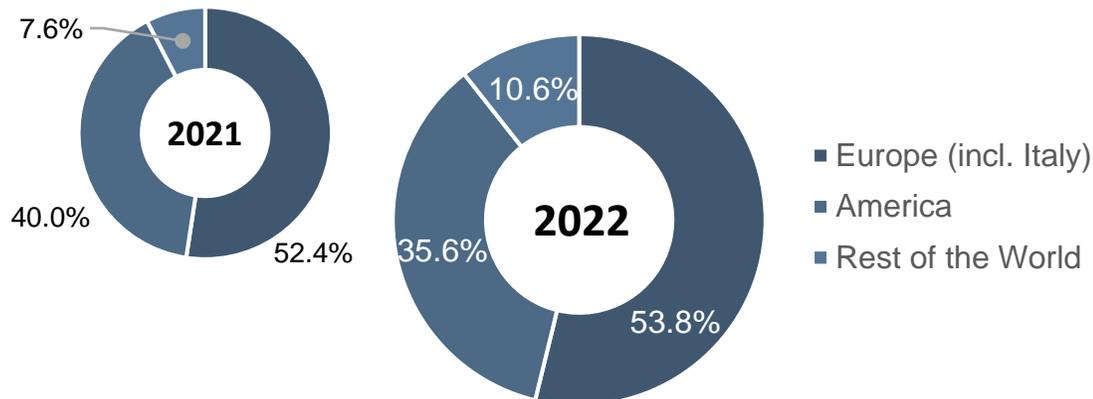
REVENUE BREAKDOWN BY BU

€m - IAS/IFRS



REVENUE BREAKDOWN BY GEOGRAPHY

€m - IAS/IFRS



- **Organic growth: +43.8 €m contribution:**
 - new naval and civil orders
 - strong recovery of refitting
 - successful launch of Mestieri project
- **Acquisitions: +26.5 €m contribution:**
 - 11.9 €m from Bluesteel (consolidated for 12 months), 13.2 €m from Budri (6 months), 1.4 €m from Lamp Arredo (2 months)
 - No effect on revenues from the acquisition of 20% stake in Fabbrica, whose turnover is already fully included in consolidated revenues
- **Favorable currency effect, equal to +3.1%**

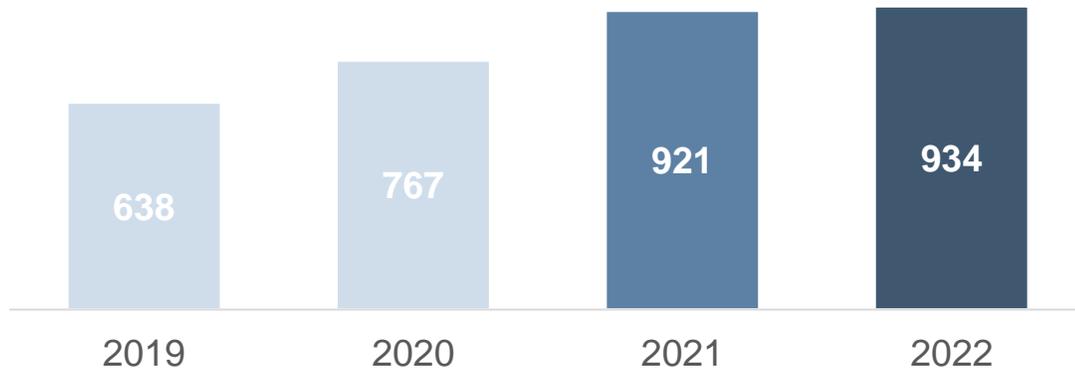
ORDER BACKLOG



NEW RECORD WHILE GOING TOWARDS AN EXPECTED SLOWDOWN IN THE GROWTH RATE

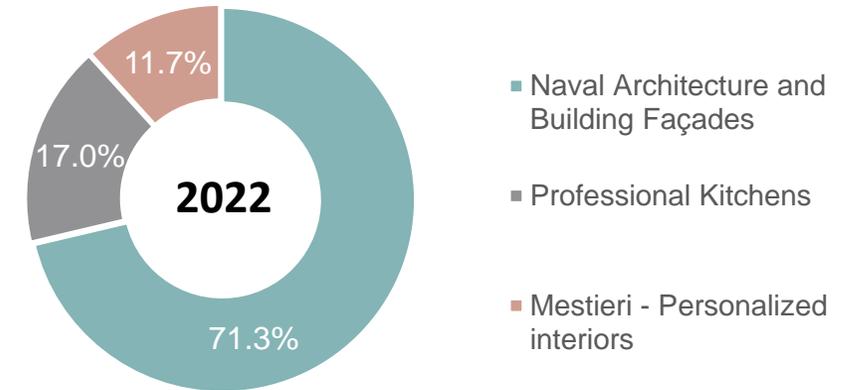
BACKLOG AS AT 31 DECEMBER

€m



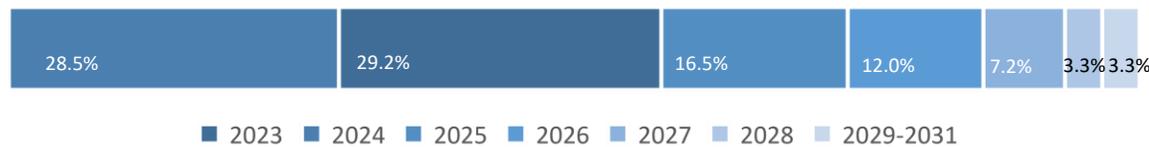
BACKLOG BREAKDOWN BY BU

€m



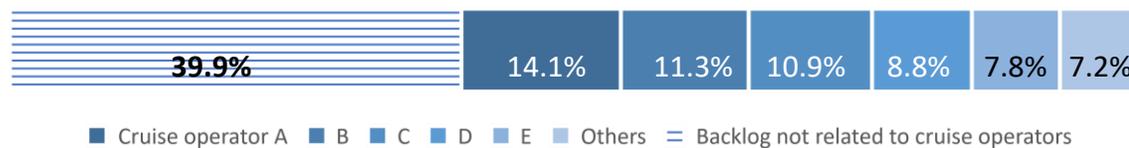
BACKLOG BREAKDOWN BY SCHEDULED YEAR

% of total



BACKLOG BREAKDOWN BY CRUISE OPERATOR

% of total



- **New orders for 250 €m** signed in 2022
- **Orders for 164 \$m** awarded to Fabbrica for **building façades in the United States**
- Order backlog destined to become an **increasingly less representative measure** of Somec's business performance in the future, in the light of:
 - expansion into non-backlog-related businesses
 - focus on refitting, operating through infra-annual orders

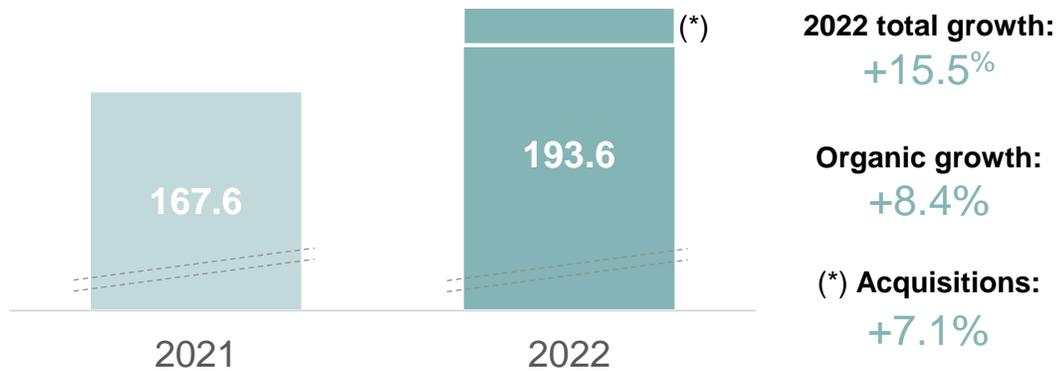
NAVAL ARCHITECTURE AND BUILDING FAÇADES



REVENUES UP BY 15.5% WHILE EBITDA DECREASED BY 36.4%

REVENUES OF THE BU

€m



- **Naval segment:**

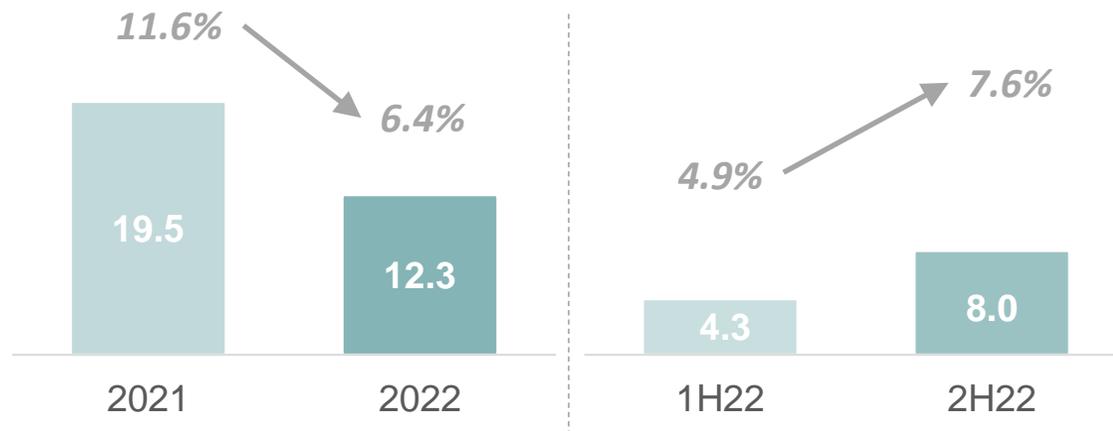
- Full post-Covid recovery of new building business
- Strong increase in refitting, especially at the end of 2022

- **Civil segment:**

- Strong organic growth in the US, driven by new orders awarded to Fabbrica
- Entry into the European market thanks to the acquisition of Bluesteel (11.9 €m revenue contribution in 2022)

EBITDA AND EBITDA MARGIN OF THE BU

€m



- **Profitability underpinned by US civil business** (Fabbrica)

- **H1 negatively impacted from revision of the whole-life margin of ongoing orders** caused by the sharp increase in the cost of raw materials and energy

- FY 2021 positively impacted by a 4.3 €m contribution from US Paycheck Protection Program, no longer received in 2022

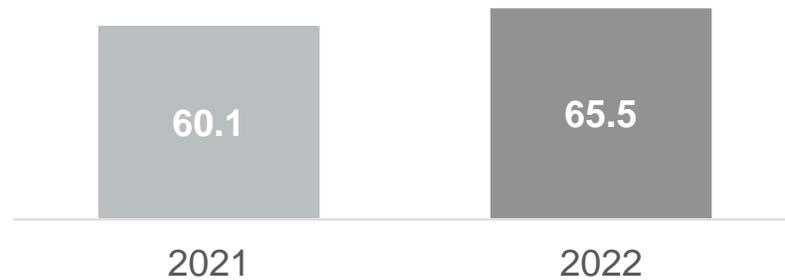
PROFESSIONAL KITCHENS



REVENUES INCREASED BY 9% WHILE EBITDA WAS DOWN BY 17.5%

REVENUES OF THE BU

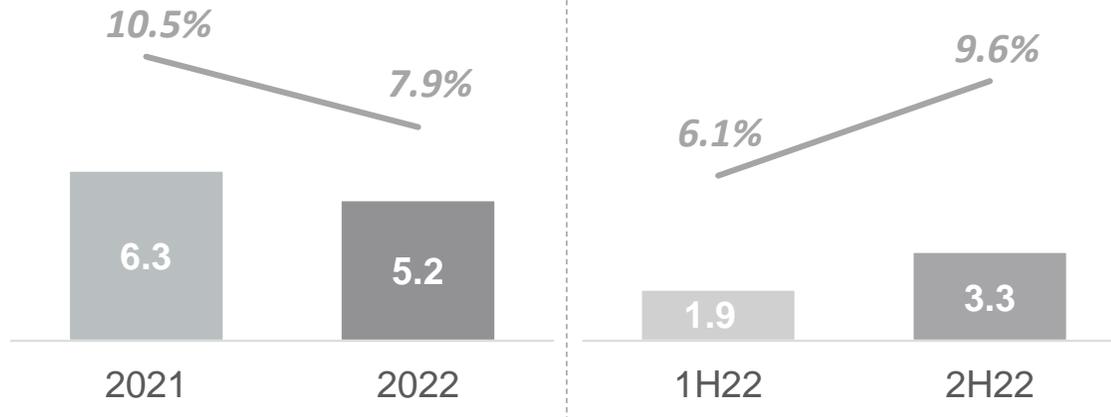
€m



- Entirely organic growth
- New naval orders obtained by Oxin
- 2H: revision of pricing in the civil sector, in response to the increase in raw material costs

EBITDA AND EBITDA MARGIN OF THE BU

€m



- Profitability hit by the increase in the cost of raw materials and semi-finished products, in particular steel as well as technical and electronic components...
- ... mitigated in 2H by repricing actions
- Significant costs in 1H related to Pizza Group promotional activities

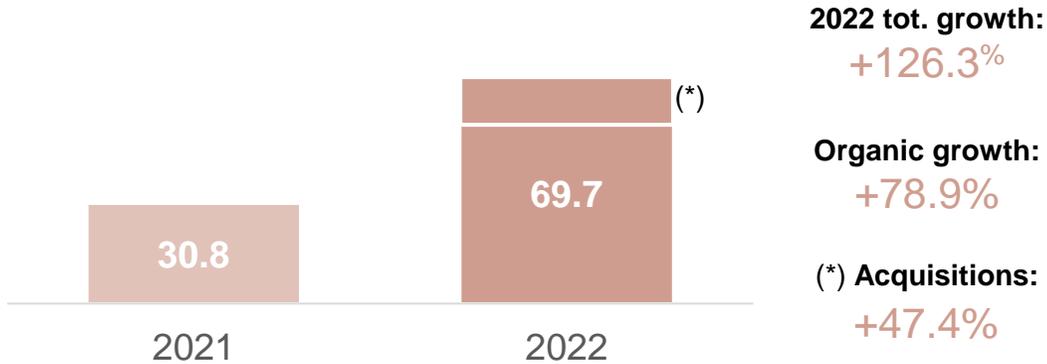
MESTIERI – BESPOKE INTERIORS



REVENUES MORE THAN DOUBLED (+126.3%), EBITDA INCREASED BY 8.3 €M

REVENUES OF THE BU

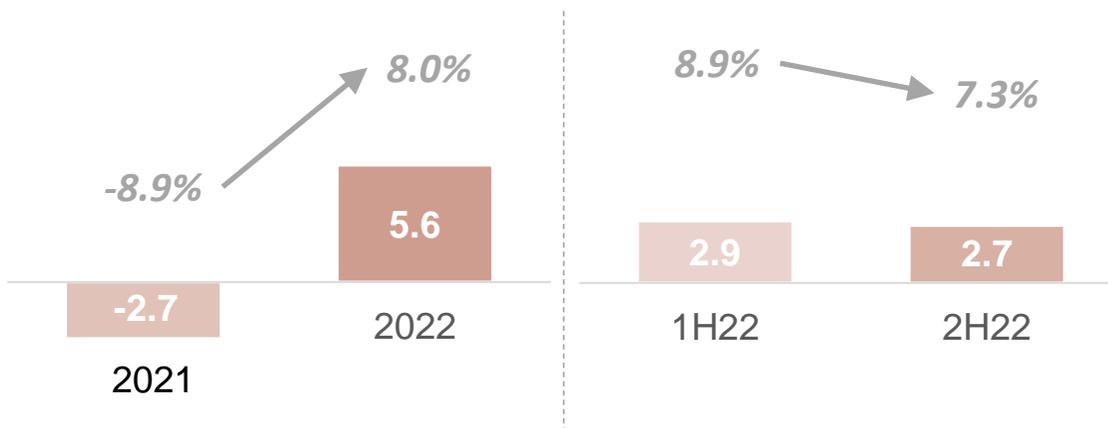
€m



- Strong business deployment 1 year after the launch of the project
- Significant order from Azamara Cruises, the most important ever in the history of TSI (naval interiors),
- Contribution of the newly acquired Budri (marble) and Lamp Arredo (metal processing) for a total of 14.6 €m

EBITDA AND EBITDA MARGIN OF THE BU

€m



- Improvement of the mix thanks to the post-Covid recovery of highly profitable ship refitting activities, from which TSI benefited
- 1H: support from Azamara Cruises order, completed in the semester
- 2H: positive contribution from Budri and Lamp Arredo

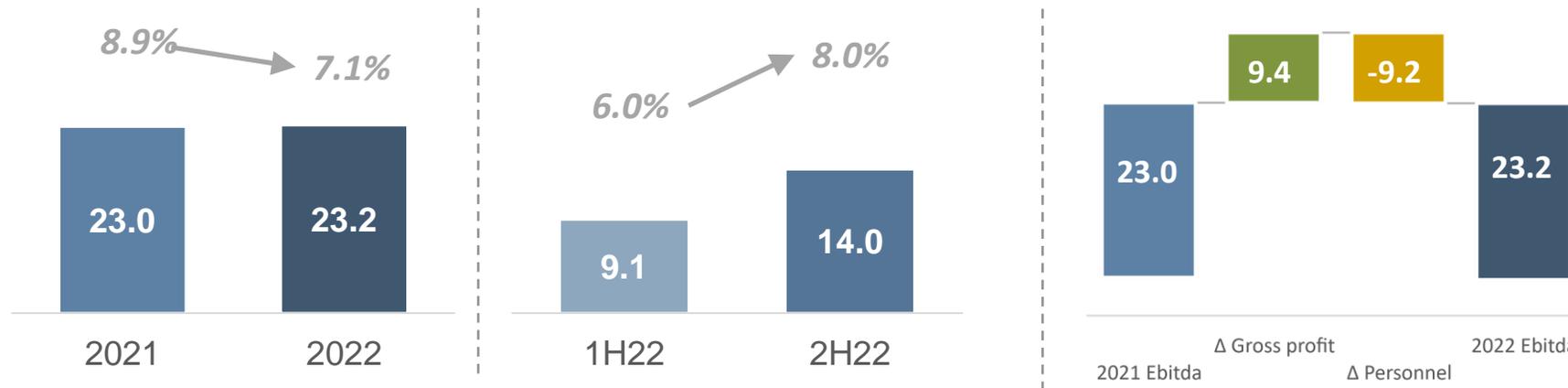
OPERATING PROFITABILITY



EBITDA WAS FLAT, MARGIN RECOVERED IN 2H. EFFECT OF ACQUISITIONS ON ADJ. EBIT

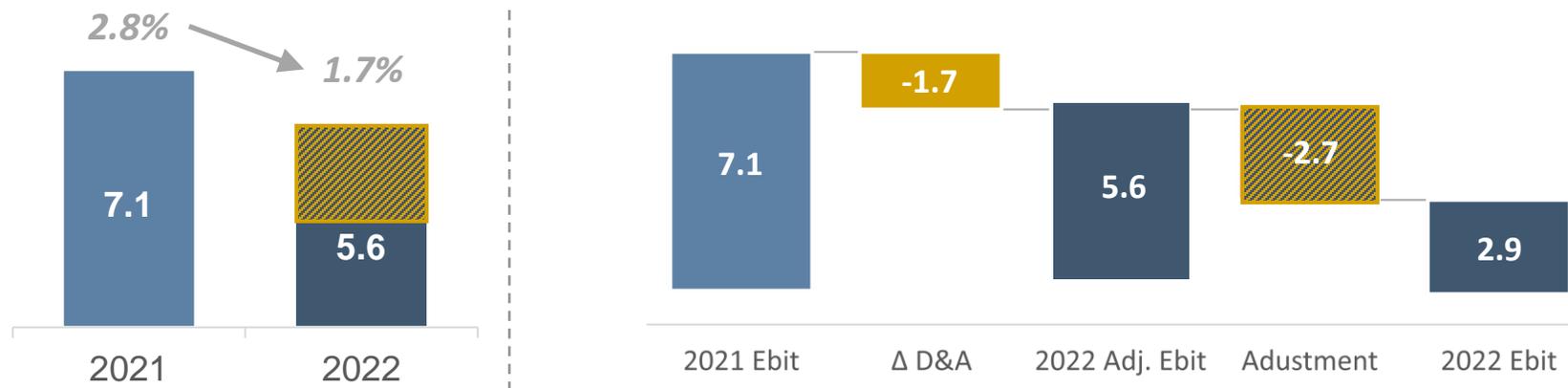
EBITDA AND EBITDA MARGIN OF THE GROUP

€m



ADJ. EBIT AND. ADJ. EBIT MARGIN OF THE GROUP

€m



Extraordinary write-downs of trade receivables related to two foreign customers

- **1H impacted by the revision of the whole-life margins of ongoing contracts**, in turn caused by the increase in prices of raw materials and energy
- **No more Covid-related contributions** (Paycheck Protection Program) to Fabbrica (vs. 4.3 €m in 2021)
- **Robust improvement in the Ebitda margin in 2H**, as expected and anticipated to the market, thanks to:
 - lower incidence of backlog-related business, thanks to diversification
 - pricing review
 - focus on high-margin activities
 - Containment of structural costs
- **D&A on the rise**, driven by external growth

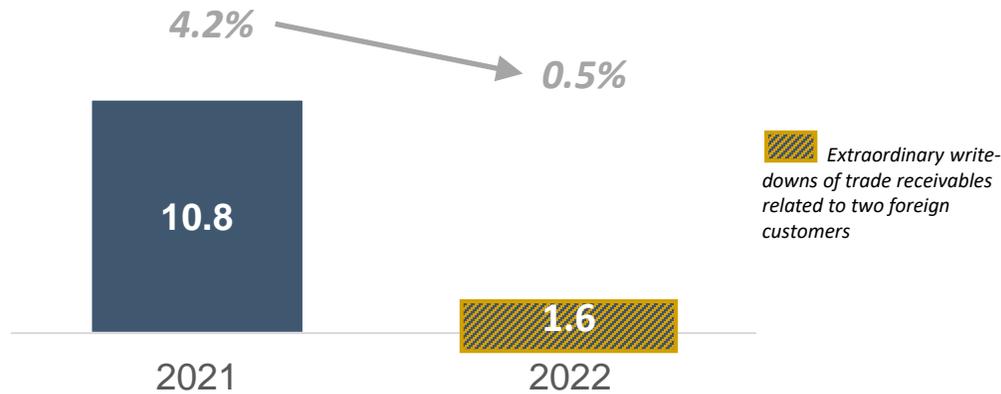
NET PROFITABILITY AND CASH GENERATION



POSITIVE NET RESULT BEFORE EXTRAORDINARY WRITE-DOWNS, ROBUST CASH FLOW

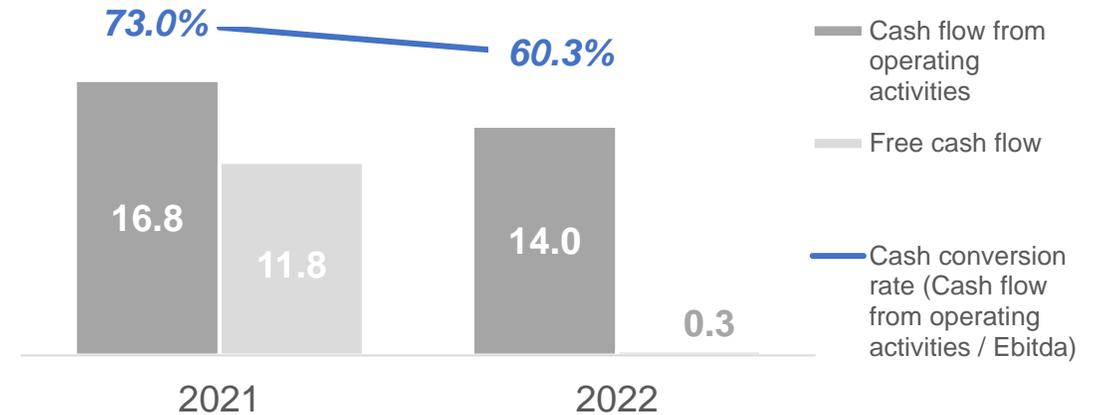
ADJ. CONS. NET RESULT AND ADJ. CONS. NET MARGIN

€m



CASH GENERATION

€m



- Greater impacts from financial and fiscal management :
 - **Financial charges of 2 €m** linked to the increase in gross debt generated by acquisitions
 - **Income taxes of 1.4 €m** (0.5 €m in 2021)
- **Ineffective comparison with 2021**, which had benefited from:
 - Paycheck Protection Program contribution to Fabbrica
 - re-measurement of the fair value of the put option held by TSI's minority shareholders

- **Robust cash generation from operating activities** (14.0 €m, albeit down by 16.7% compared to 2021)...
- **...completely absorbed by acquisition disbursements**
- **Cash conversion at 60.3%**, in line with historical performance although down compared to 2021

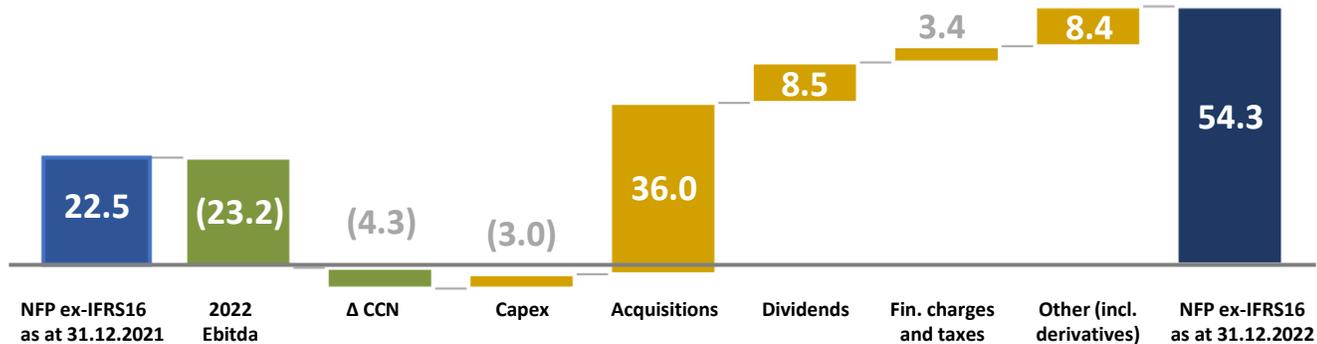
NET FINANCIAL POSITION



RELEVERAGE BROUGHT ABOUT BY INTENSE M&A CAMPAIGN AND DIVIDEND PAYOUT

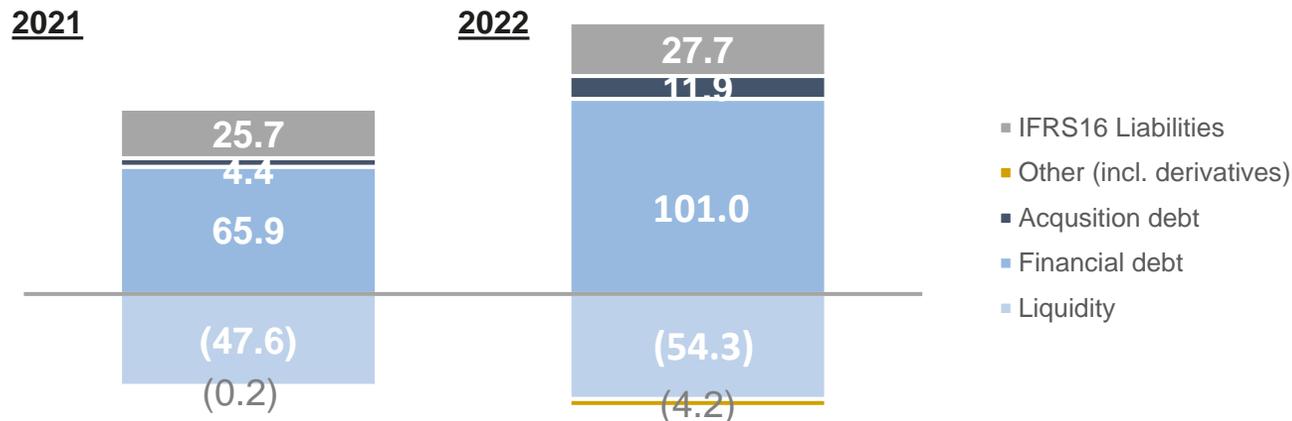
EVOLUTION OF NET FINANCIAL POSITION ex-IFRS16

€m



COMPOSITION OF NET FINANCIAL POSITION

€m



- **Impact of acquisitions of 36 €m**, including:
 - disbursement for the purchase of the stake
 - fair value of earn-out and put and call clauses (€11.9 in the Balance Sheet)
 - net debt of new subsidiaries
- **Capex for 3 €m**, confirming the low capital intensive nature of the business
- **Significant dividend payout in 2022**: 5.5 €m to Somec S.p.A. shareholders, 3 €m to Fabbrica minorities
- **Leverage ratio** (NFP ex-IFRS16 / Ebitda) **from 0.98x** at 2021 year end **to 2.34x** at 2022 year end

THE STRATEGY IN 2023



REVENUE GROWTH AND MARGIN RECOVERY THANKS TO WELL-IDENTIFIED MANAGERIAL ACTIONS

THE CONTEXT

- **Permanent geopolitical instability** due to ongoing conflict in Ukraine
- **Uncertain macroeconomic environment**, including inflation, restrictive monetary policies, bank failures and recession risks
- **Slow but steady decline in commodity and energy prices**, which would accelerate in the event of a recession



Naval architecture and building façades

- **Recovery of productivity and profitability of order backlog**
- **Focus on naval refitting**, a high-margin business
- **Renegotiation of the soft backlog**, with positive medium-term effects

Professional kitchens

- **Price uplift** aimed at normalizing profitability

Mestieri – Bespoke interiors

- **Consolidation of acquired companies**, including Gino Ceolin
- **Commercial synergies between subsidiaries** that are part of the Mestieri project
- **Monitoring of new opportunities**, to be evaluated with the usual disciplined approach to leverage



SOMECS STRENGTHS

- **Positive trends and macro-trends** for the Group's business areas
- **Solidity of the existing order backlog**
- **Benefits deriving from business and geographical diversification strategy**, in terms of growth and risk mitigation
- **Low-capital-intensive business**, generating cash without requiring large capex investments

GUIDANCE FOR FY 2023



FOR THE FIRST TIME EVER, SOMEK RELEASES GUIDANCE FOR THE CURRENT FISCAL YEAR

FY 2022 RESULTS

● Revenues	328.8 €m	➔
● Ebitda	23.2 €m	➔
<i>Ebitda margin</i>	7.1%	
● Net financial position (pre-IFRS 16)	54.3 €m	➔
● Dividend	No	➔

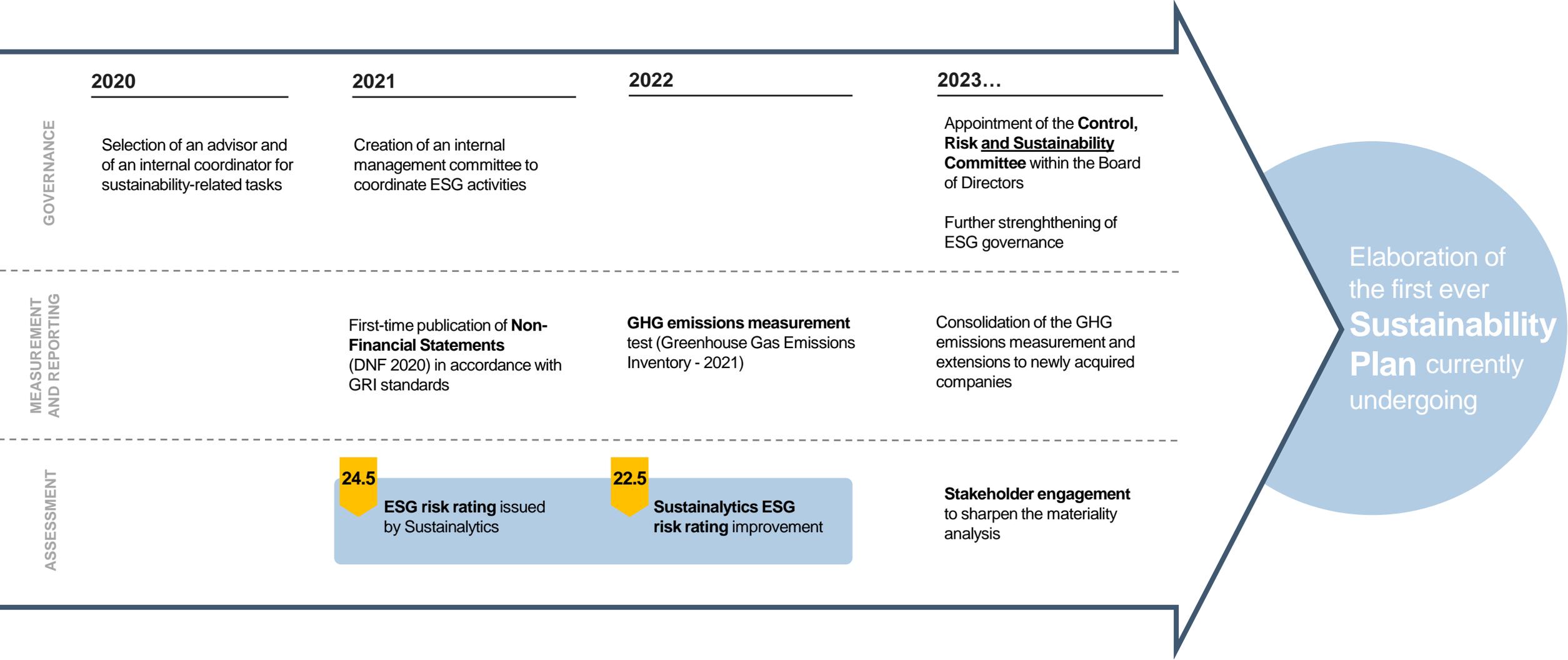
FY 2023 GUIDANCE

360+ €m	Mestieri close to 100 €m only 2 years since the launch of the project
30+ €m	Implicit Ebitda margin above 8%
<40 €m	Including the impact of Ceolin acquisition (effective January 2023)
Yes	Back to dividend payout in 2024, to be paid upon FY 2023 profits



OUR PATH TOWARDS SUSTAINABILITY

A SERIOUS APPROACH, BECOMING MORE AND MORE STRUCTURED



APPENDIX

Structure of the Group

Income Statement reclassified

Balance Sheet reclassified

Net Financial Position

Cash Flow Statement reclassified

STRUCTURE OF THE GROUP



SYSTEMS OF NAVAL ARCHITECTURE AND BUILDING FAÇADES

SOME C
NAVALE
France branch
PE

SOME C
NAVALE
Germany branch
PE

SOME C
NAVALE
Finland branch
PE

SOME C
NAVALE
Norway branch
PE

SOME C
NAVALE
Romania branch
PE

SOME C
SHANGHAI
100%

SOME C
SINTESI
100%

NAVALTECH
100%

SOTRADE
100%

Sotrade Italy
PE

Sotrade Finland
PE

3.0 PARTNERS
USA INC.

100%

FABBRICA

71%

AFM

100%

FABBRICA
WORKS

70%

SQUADRA

40%*

bluesteel
EXCELLENCE FOR ARCHITECTURE
60%

Bluesteel Group UK LTD
100%

Bluesteel Group USA INC.
100%

PROFESSIONAL KITCHEN SYSTEMS AND PRODUCTS

MOXIN
100%

MOXIN
Germany branch
PE

MOXIN
Romania branch
PE

MOXIN
Norway branch
PE

GICO
100%

INOXTREND
100%

PRIMAX
100%

PIZZAGROUP
100%

PIZZA GROUP USA LLC
100%

MESTIERI: DESIGN AND PRODUCTION OF BESPOKE INTERIORS

MESTIERI
SOME C GRUPPO
100%

MESTIERI USA INC.
60%**

BUDRI
65%

Budri London Ltd
100%

Budri Switzerland SA
100%

lamparredo
60%

CEO LIN
60%

TSI
80%

TSI LLC
100%

HYSEA
100%

SKILLMAX
60%

SKILLBUILD
100%

INCOME STATEMENT - RECLASSIFIED



<i>In Euro thousand</i>	2022	%	2021	%	Δ	Δ%
Revenue from contracts with customers	325,616	99.0%	250,550	96.9%	75,066	30.0%
Other revenues and income	3,228	1.0%	7,930	3.1%	(4,702)	-59.3%
Total revenues	328,844	100.0%	258,480	100.0%	70,364	27.2%
Materials, services and other costs	(249,774)	-76.0%	(188,841)	-73.1%	(60,933)	32.3%
Personell costs	(55,834)	-17.0%	(46,597)	-18.0%	(9,237)	19.8%
Operating costs	(305,608)	-92.9%	(235,438)	-91.1%	(70,170)	29.8%
EBITDA	23,236	7.1%	23,042	8.9%	194	0.8%
Depreciation and amortizations	(20,345)	-6.2%	(15,920)	-6.2%	(4,425)	27.8%
EBIT	2,891	0.9%	7,122	2.8%	(4,231)	-59.4%
Net financial income (costs)	(2,041)	-0.6%	4,081	1.6%	(6,122)	-150.0%
Net results from associate companies	87	0.0%	82	0.0%	5	6.1%
EBT	937	0.3%	11,285	4.4%	(10,348)	-91.7%
Income taxes	(1,394)	-0.4%	(507)	-0.2%	(887)	175.0%
Consolidated Net Result	(457)	-0.1%	10,778	4.2%	(11,235)	-104.2%
Non-controlling interests	1,295	0.4%	2,332	0.9%	(1,037)	-44.5%
Group Net Result	(1,752)	-0.5%	8,446	3.3%	(10,198)	-120.7%

BALANCE SHEET - RECLASSIFIED



<i>In Euro thousand</i>	31/12/2022	31/12/2021
Intangible assets	59,517	47,681
<i>of which Goodwill</i>	36,699	27,417
Tangible assets	20,893	14,135
Right-of-use assets	27,387	25,544
Investments in associates	351	213
Non-current financial assets	233	323
Other non-current assets and liabilities	(5,138)	(3,002)
Employee benefits	(5,130)	(4,256)
Net non-current assets	98,113	80,638
Trade receivables	84,152	75,860
Inventory and payments on account	26,213	13,756
Construction contracts and advance payments from customers	27,285	22,329
Liabilities for contract work in progress and customer advances	(43,215)	(35,224)
Trade payables	(79,324)	(53,427)
Provisions for risk and charges	(1,322)	(1,283)
Other current assets and liabilities	6,828	2,893
Net working capital	20,617	24,904
Net Invested capital	118,730	105,542
	-	-
Group equity	(31,993)	(47,268)
Non-controlling interest in equity	(4,817)	(10,066)
Net financial position	(81,920)	(48,208)
Sources of funding	(118,730)	(105,542)

NET FINANCIAL POSITION



<i>in Euro thousand</i>	31/12/2022	31/12/2021	Δ
A. Cash and cash equivalents	71	142	(71)
B. Bank deposits	54,273	47,503	6,770
C. Total liquidity (A+B)	54,344	47,645	6,699
D. Current financial assets	4,608	389	4,219
E. Current bank debt	(27,756)	(17,393)	(10,363)
F. Current portion of long-term debt	(14,881)	(13,612)	(1,269)
G. Other current financial liabilities	(740)	(2,062)	1,322
H. Current debt (E+F+G)	(43,377)	(33,067)	(10,310)
I. Current net financial position (C+D+H)	15,575	14,967	608
J. Non-current financial assets	2,383	-	2,383
K. Non-current bank debt	(61,094)	(34,936)	(26,158)
L. Bonds issued	-	-	-
M. Other non-current financial liabilities	(11,129)	(2,517)	(8,612)
N. Non-current financial position (J+K+L+M)	(69,840)	(37,453)	(32,387)
O. Net financial position (I+N) before IFRS 16	(54,265)	(22,486)	(31,779)
P. IFRS 16 – Lease - impact	(27,655)	(25,722)	(1,933)
Current portion	(4,757)	(3,917)	(840)
Non-current portion	(22,898)	(21,805)	(1,093)
Q. Net financial position (O+P IFRS16 impact)	(81,920)	(48,208)	(33,712)

CASH FLOW STATEMENT RECLASSIFIED



<i>In Euro thousand</i>	31/12/2022	31/12/2021
Cash flows from operating activities	13,967	16,819
Cash flows from investing activities	(13,681)	(5,032)
Free Cash Flow	286	11,787
Cash flows from financing activities	5,204	(7,627)
Net cash flow	5,490	4,160
Cash and cash equivalents at the beginning of the period	47,645	41,843
Effect of exchange rate changes on cash and cash equivalents	1,209	1,642
Cash and cash equivalents at the end of the period	54,344	47,645

FORTHCOMING EVENTS

12 May 2023

Midcap Annual Conference

organized by TP ICAP | Midcap Partners
Paris, Pavillon Gabriel

8 June 2023

Roadshow

organized by Stifel

26/27 June 2023

Mid&Small virtual conference

organized by Virgilio IR

26 September 2023

Board of Directors to approve 1H 2023 Results

San Vendemiano

[SOMECGRUPPO.COM](https://www.somecgruppo.com)

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