



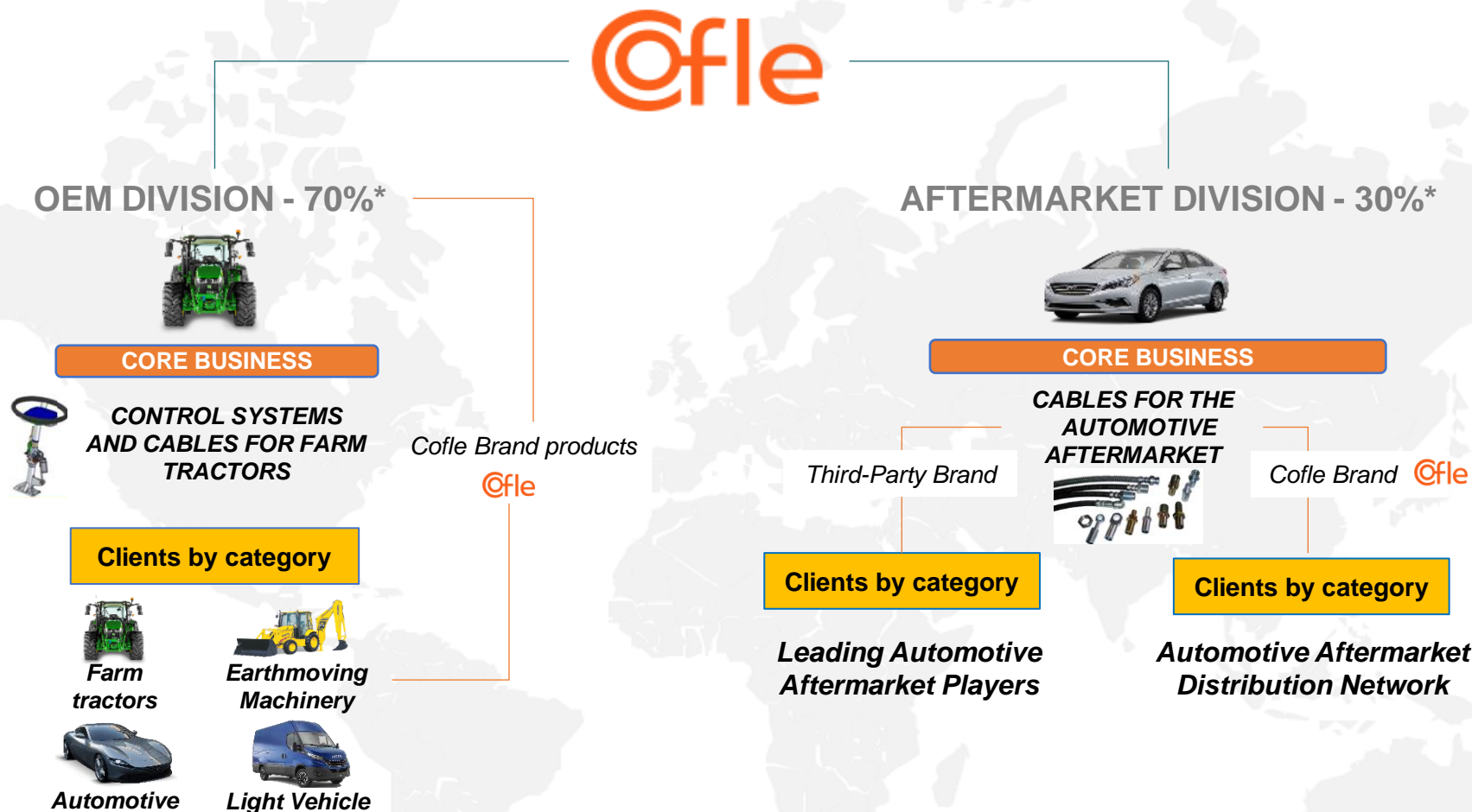
INVESTOR PRESENTATION

May 2023

COFLE GROUP: Snapshot



One global player, two divisions: OEM and Aftermarket (AM)



Cofle is a multinational company operating as Original Equipment Manufacturer (OEM) for the top worldwide manufacturers of agricultural & earthmoving machineries, luxury automotive and light commercial vehicles

The Aftermarket (AM) division is specialized in the production of automotive aftermarket parts on a global scale

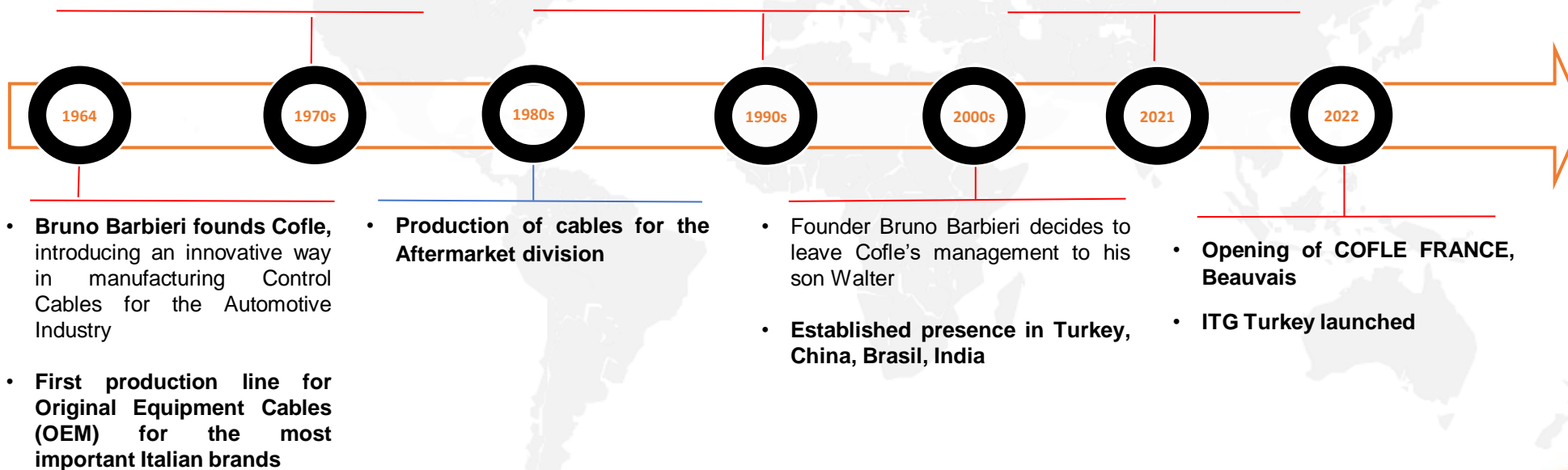
* Sales' Breakdown by division in 2022

Source: Top Management Cofle S.p.A.

KEY MILESTONES

Group history since foundation

- Evolution from the initial workshop setting to a more industrial one
- At that time, about 15 people worked for the Group, which, among its many products, included clutch and brake cables for the historic cars of those years, such as the Autobianchi A112 and the unforgettable Fiat Giardinetta
- Significant boost in the Aftermarket industry - Cofle clearly part of this trend
- Set up of production activities in Turkey
- Strong commercial growth and new warehouse in Pozzo D'Adda (1996), conceived and used exclusively for stocking and selling spare cables: starting point for the later creation of the OEM division
- The Group aims at expanding further its products offerings, breaking into underpenetrated markets and seizing on M&A opportunities
- November 11th: Listing **EURONEXT GROWTH**



COFLE GROUP TODAY



PRODUCTION PLANT

6 in 4 countries



REPRESENTATIVE OFFICE

2 (Usa)



WHAREHOUSE

4 in 4 countries



ENGINEERING CENTER

2



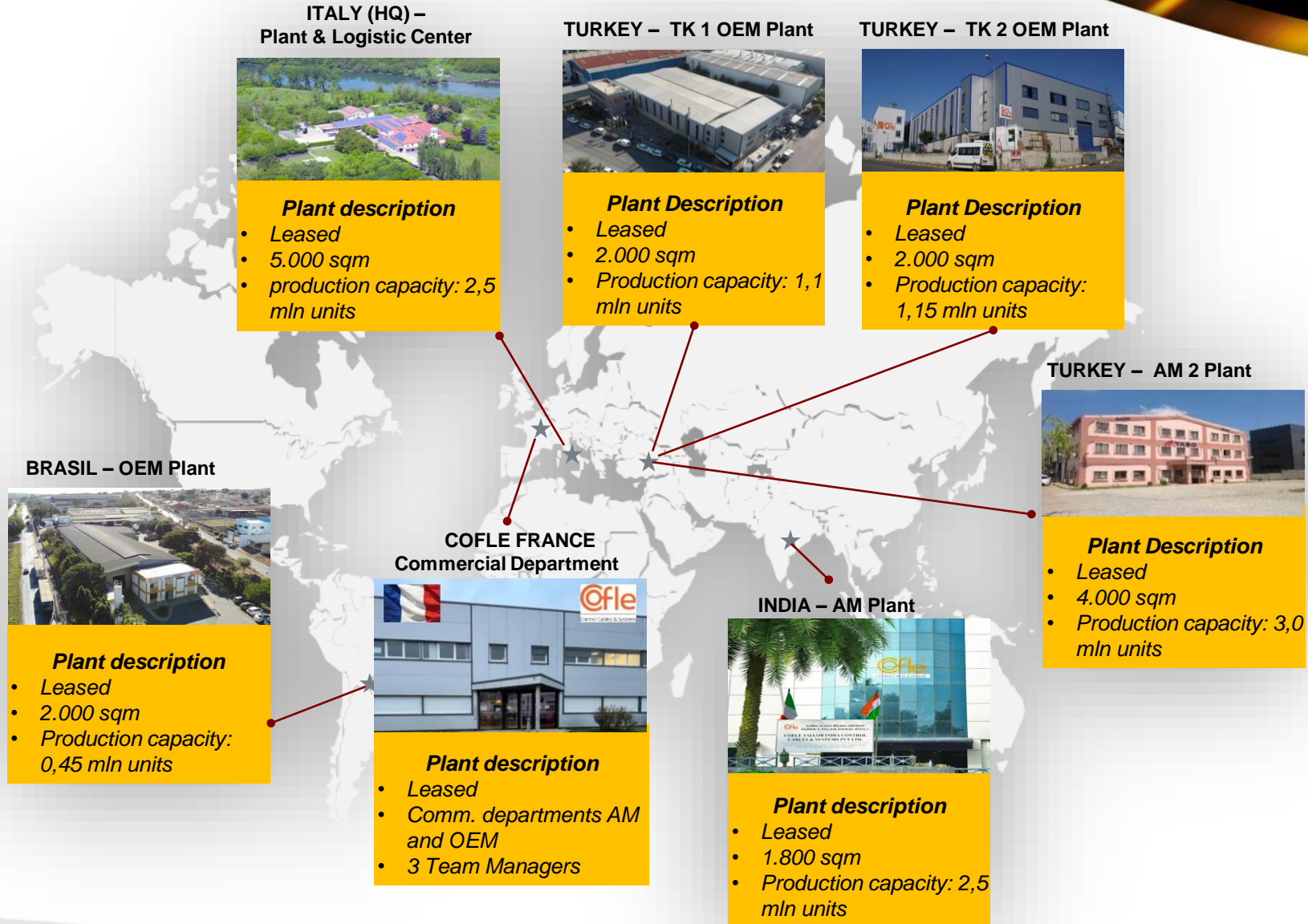
R&D CENTER

2



EMPLOYEES

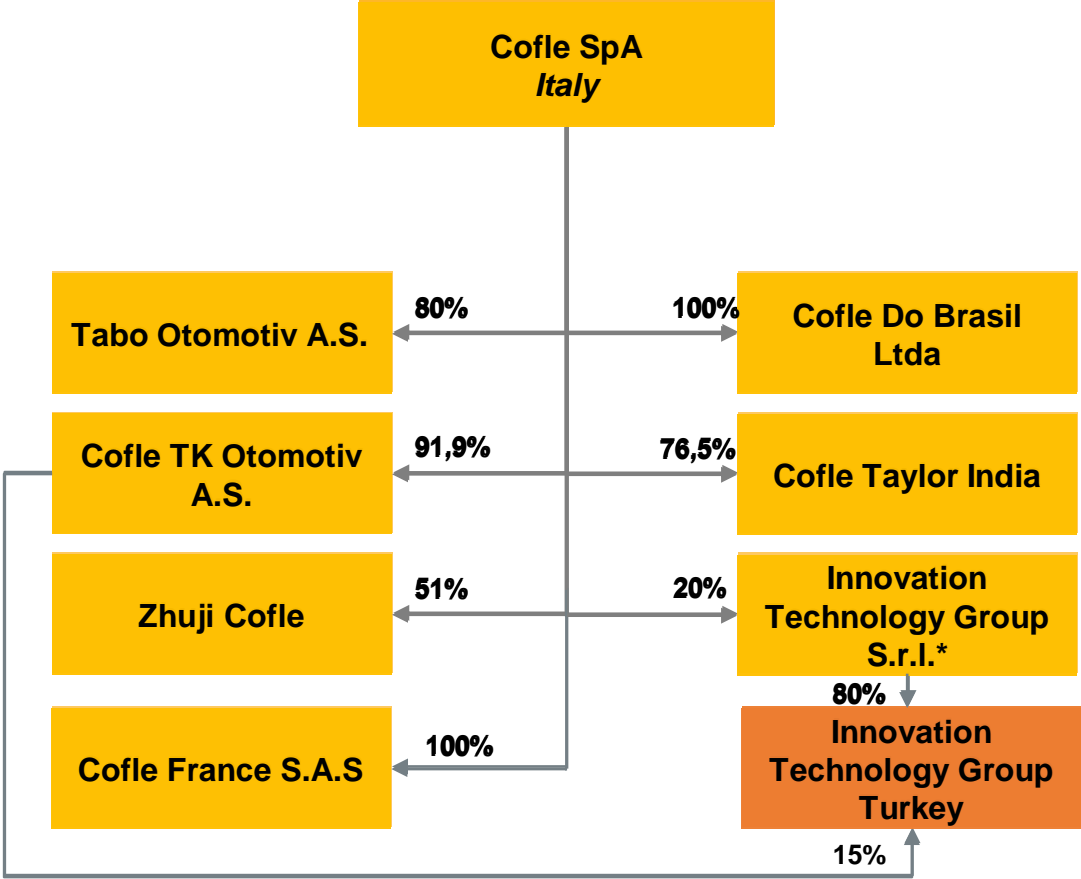
550+



> 10 mln units of production capacity over approx. 17.000 sqm plants worldwide

Source: Top Management Cofle S.p.A.

CORPORATE GOVERNANCE



ITG shareholders: Walter Barbieri (32%) Pierangelo Margutti (~24%), Alessandro Plebani (~24%)
ITG Turkey minority shareholders: local partner (5%)
Cofle Taylor India Minority Shareholders - local industrial partner
Cofle Zhuji Minority Shareholders – local industrial partner
Tabo Otomotiv AS & Cofle TK Otomotiv AS: local industrial partners and local managers

Board of Directors

Chairman & CEO
Walter Barbieri

Director
Alessandra Barbieri

Director
Silvio Benedetti

Independent Director
Enrico Mambelli

Director
Sergio Buoncristiano

Statutory Auditors

Chairman
Giuseppe Rota

Auditor
Arturo Carcassola

Auditor
Ugo Palumbo

Supplementary Auditor
Pietro Longaretti

Supplementary Auditor
Luca Perico

Audit Firm

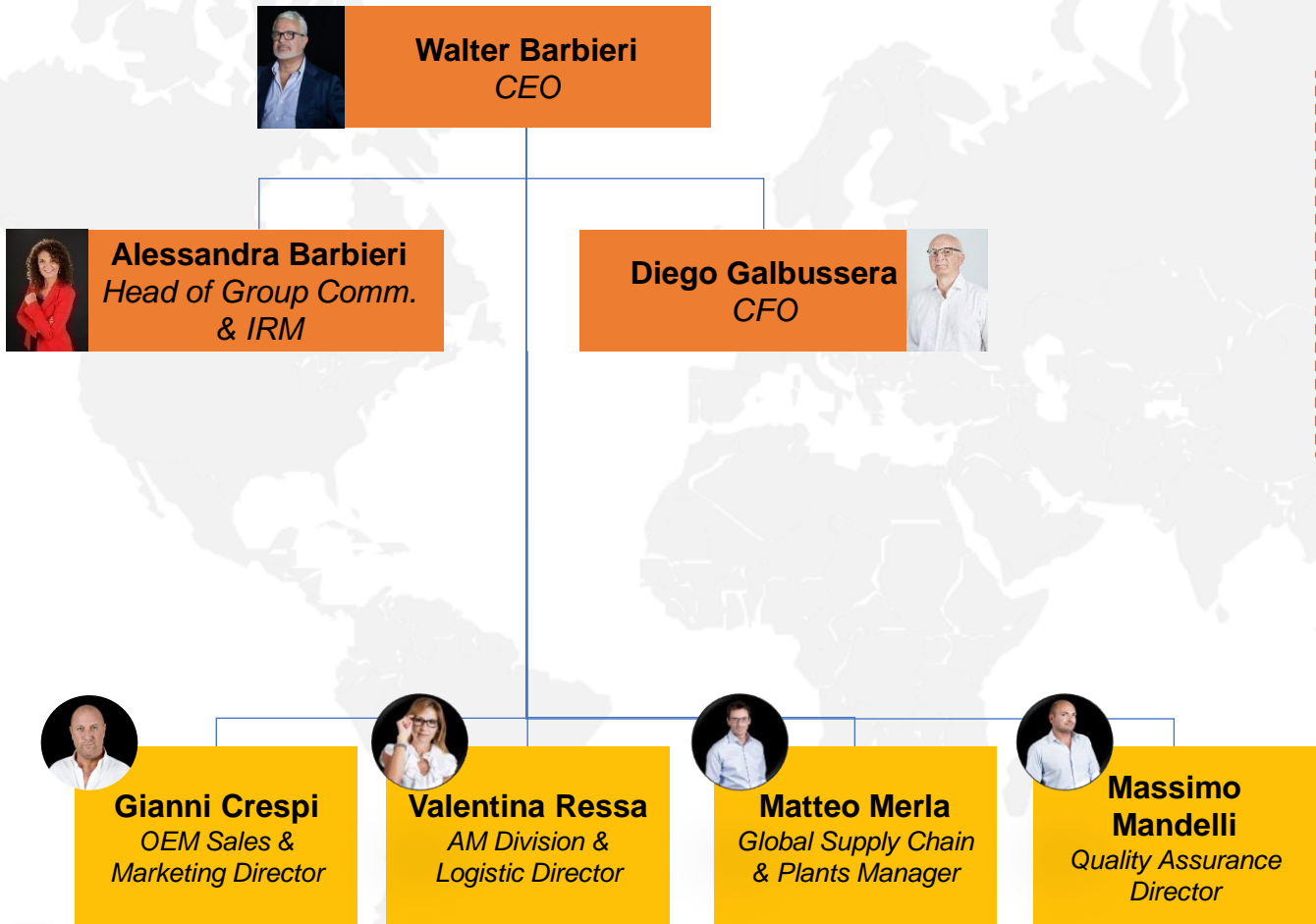


Source: Top Management Cofle S.p.A., Cerved

ORGANIZATION CHART



- Experienced multinational management team



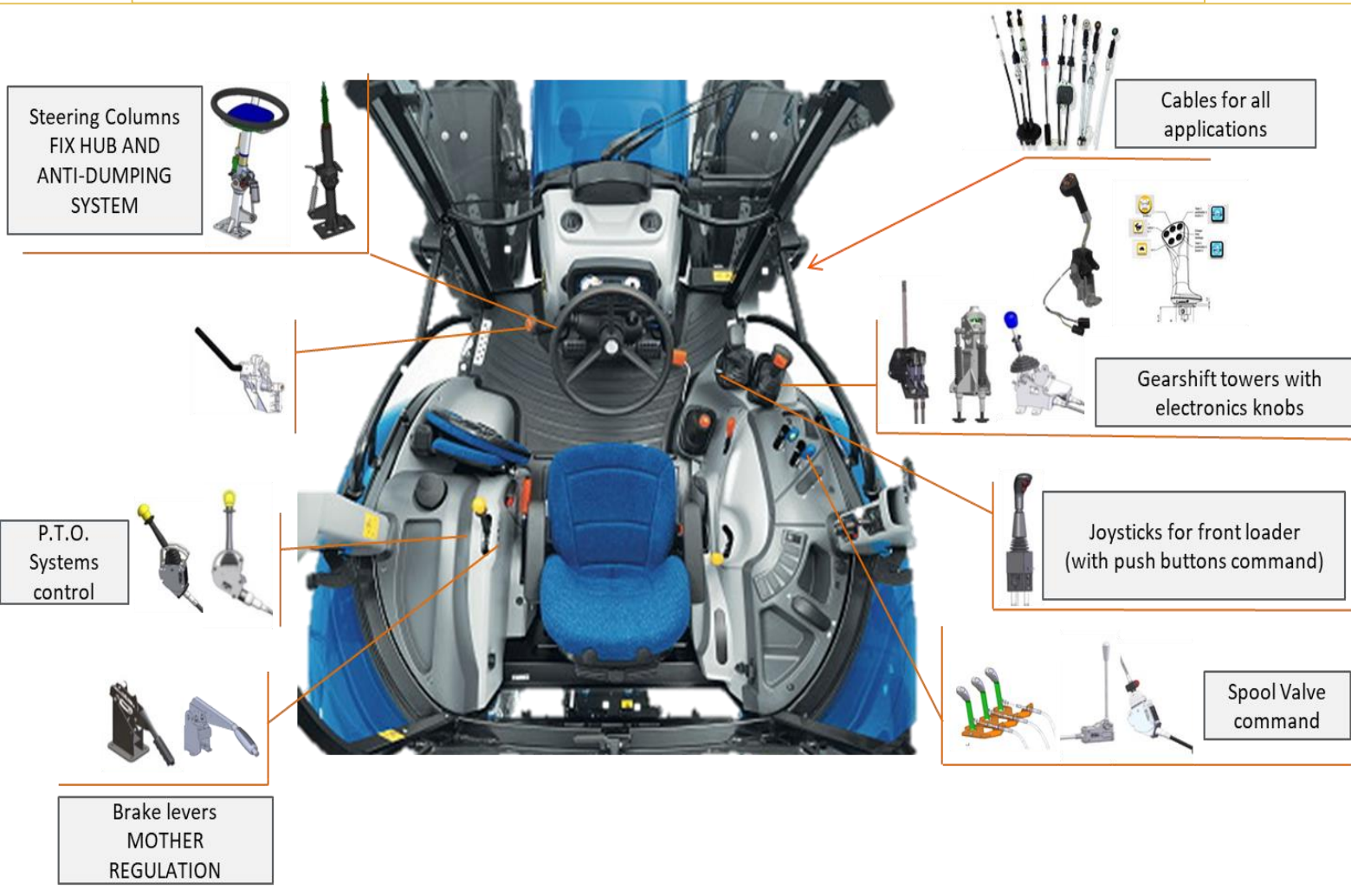
Total Workforce as of 31/12/2022	
Company	Employees
Cofle Italy	148
Tabo Otomotiv	190
Cofle TK	191
Cofle Zhuji	1
Cofle Do Brasil	15
Cofle Taylor India	27

Total Employees 572 as of 31/12/2022

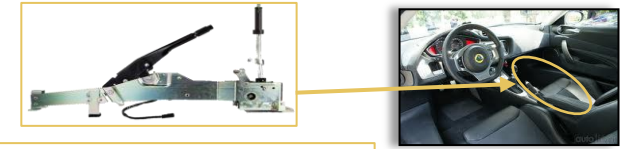
Source: Top Management Cofle S.p.A.

OEM BUSINESS “at a glance”

- Off-Road Applications



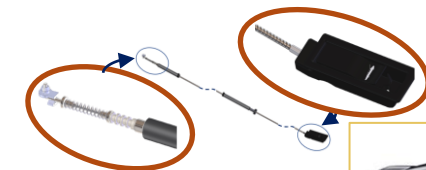
- Premium Luxury Brands Applications



*Gearshift lever,
handbrake and
cables*



Gear Unlock DCT System cables



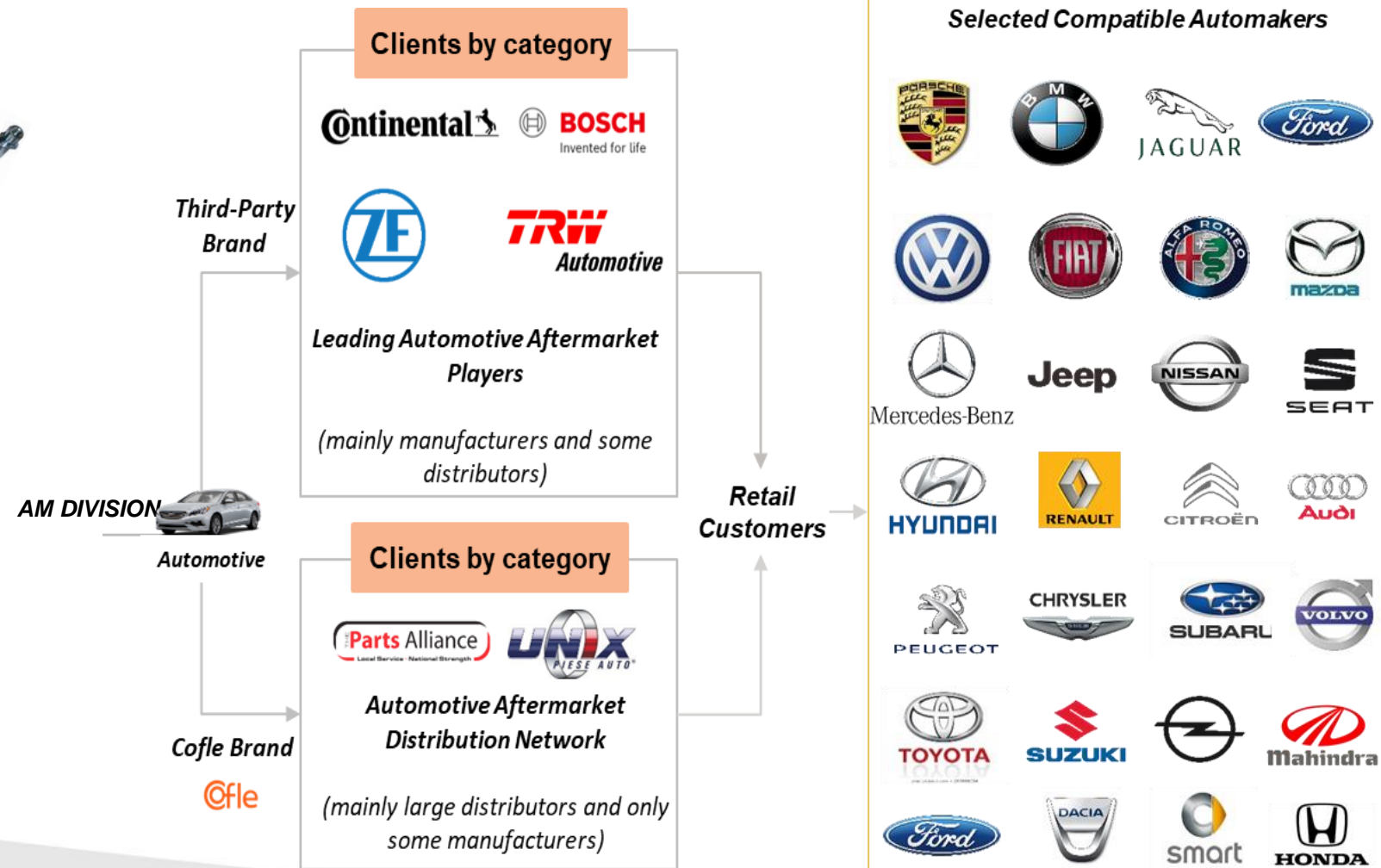
*Front and rear
bonnet cables*



Aftermarket (AM) Business “at a glance”

- Control Cables for the Automotive Aftermarket Business

- Cofle Brand and Third-Party Brand products



KEY INVESTMENT HIGHLIGHTS

Key factors behind the success of an Italian multinational company

Global Growth
Scenario

1

OEM: Exceptionally sound path to growth on a global scale

2

AM: Only at an early stage of international scalability

3

Strategically positioned to boost long term expansion

Top
Positioning

4

Top Credentials OEM

5

Top Credentials AM

6

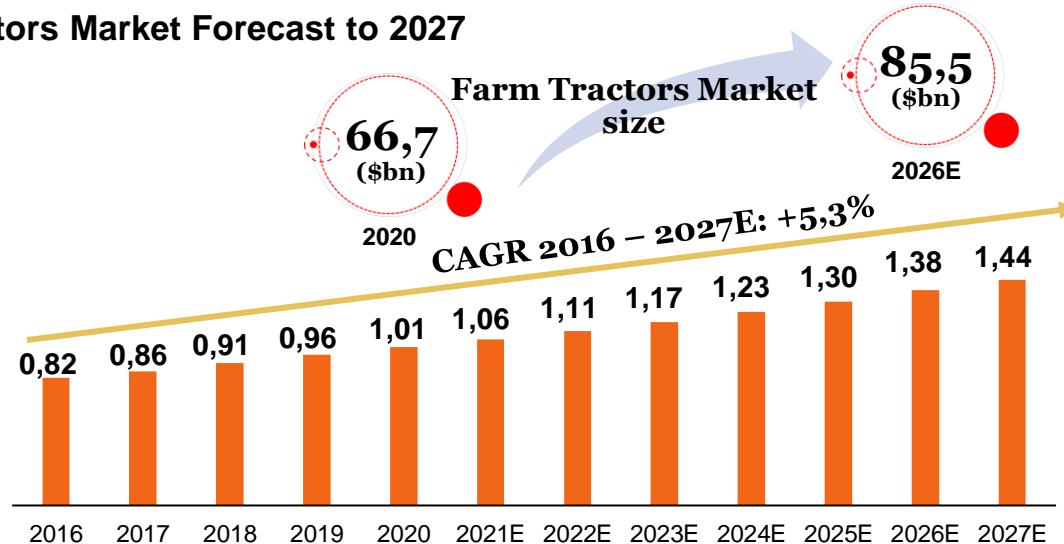
Focus on innovation to anticipate next future trends

Exceptionally sound path to growth on a global scale

Catching the wave of a secular trend in population dynamics and food demand

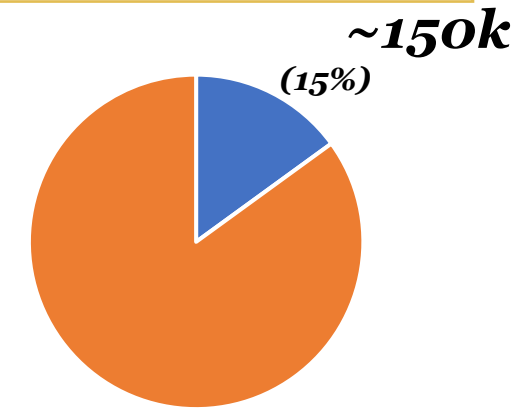
Global Farm Tractors Market Forecast to 2027

(Units in mln)



Source: 2016-2027E Global and Regional Farm Tractors Industry Production, Sales and Consumption Status and Prospects Professional Market Research Report - Publisher: Farm Tractors Market Research Group of HNY Research, 2021
Global Industry Analyst: Farm Tractors – Global Market Trajectory & Analytics (2021)

Farm tractors installing Cofle's systems in 2020 worldwide



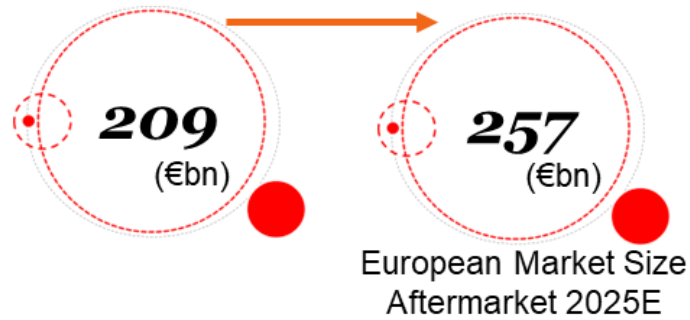
Global Farm Tractors 2020: 1,01 mln

Market Drivers

- 1 Global area harvested to cereals expected to increase by 14 Mha in the coming decade (between the base period 2018-2020 and 2030)
- 2 Technological upgrade of farm tractors especially in developing countries, and introduction of mechatronic innovation in developed countries
- 3 Environmental-friendly farm tractors upgrades imposed by regulation and policy trends all over the world
- 4 Farming support by governments to increase domestic agri production as strategic policy adopted worldwide

Only at an early stage of international scalability

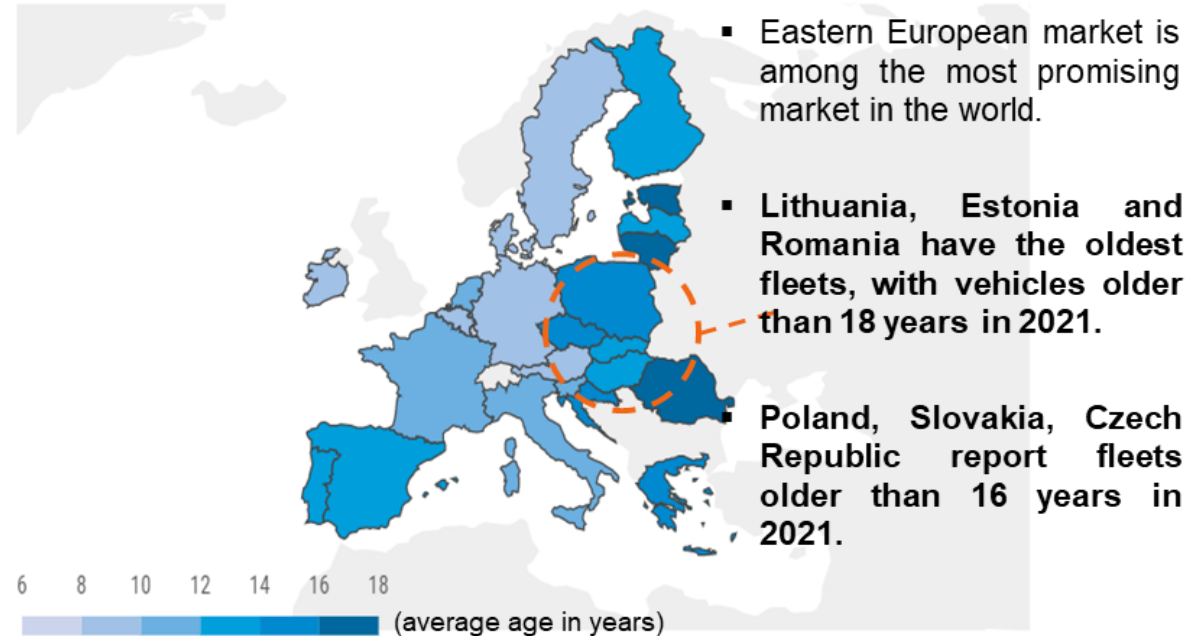
Planning growth in the European underpenetrated automotive Aftermarket



Fast – growing european automotive aftermarket expected in the next decade triggered by:

- mandatory EV adoption by the end of 2035
- expected insufficient EV charging network
- expected exponential growth in used car during the transition

Average Age of the EU vehicle fleet



- 1** Leveraging on Italian and Turkish production plant capacity to serve the more mature western European customers
- 2** Leveraging on Italian and Indian production plant capacity to serve the promising high-growth Eastern European market and acquire market share

Source: Acea Auto, «Average age of the EU motor vehicle fleet, by vehicle type» (2021);

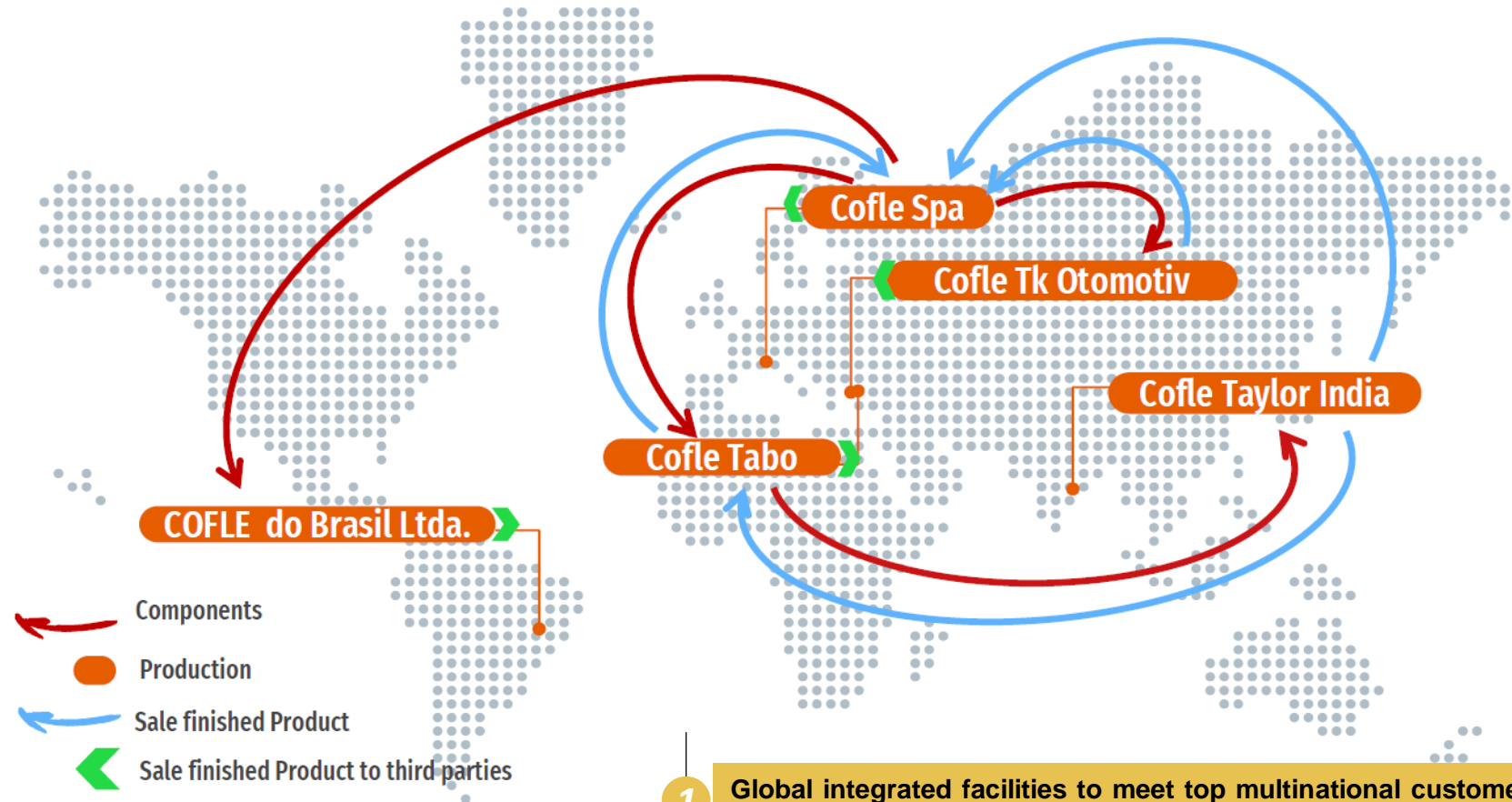
The Boston Consulting Group, «At the crossroads: The European Aftermarket in 2030», (2021)



Strategically positioned to boost long term expansion



Integrated facilities and platforms in the key areas of the world



- 1 Global integrated facilities to meet top multinational customers' needs centered on shifting from overstretched supply chain to locally based suppliers
- 2 Key competitive advantage by leveraging on established local presence especially in Turkey and India to lower production costs and boost market share

Top Credentials – OEM

A highly prestigious and diversified customer base all over the world



- 1 Long term relationship with Top Market Leaders in the world, ranging from CNH to AGCO and John Deere as undisputed proof of leadership: it usually takes at least 2 years to be included in the supplier list of top players
- 2 Traditional niche share of revenues coming from luxury automotive brands (Ferrari & Maserati)
- 3 Traditional niche share of revenues coming from commercial light vehicles brands (IVECO)

Top Credentials – AM

From Top Aftermarket Manufacturers to Top Aftermarket distributors

Continental 



BOSCH

TRW
Automotive



sbs
Automotive

FTE
automotive

**FEDERAL
MOGUL**

Parts Alliance
Local Service · National Strength



UNIX
PIESE AUTO

Centric
Parts

JP-Group a/s
AUTOMOTIVE

WATE-M
WUC

FIRST LINE
THE ALL MAKES SPECIALIST

LKQ
Corporation

AUTONET25

AKWEL

Metzger
Autoteile

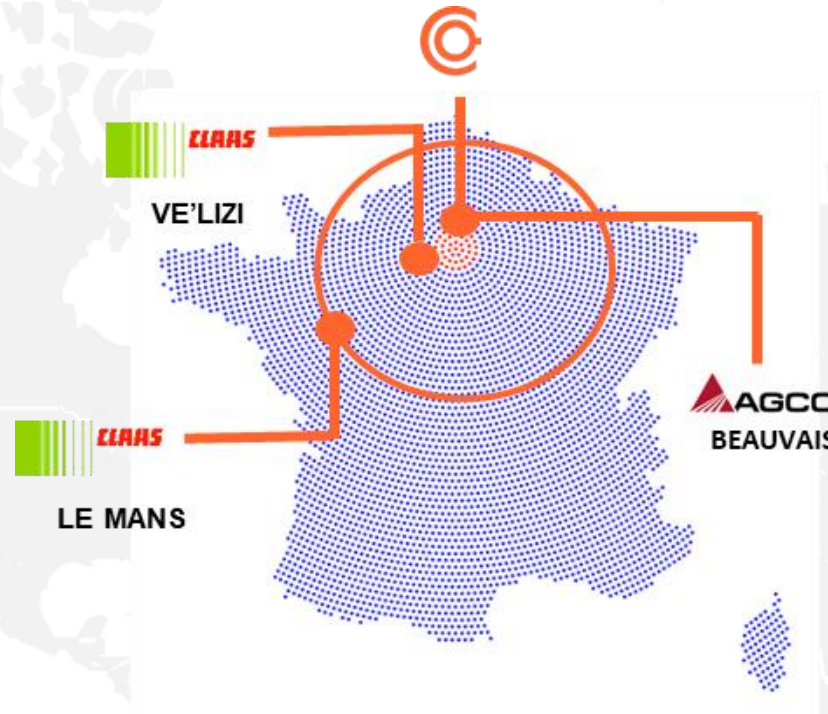
**ALLIANCE
AUTOMOTIVE GROUP**

- 1 Long term relationship with Top Aftermarket Leaders in the world (Continental & Bosch)
- 2 Long term relationship with Top Aftermarket Distributors in the world (Federal Mogul, Unix)

UPDATE

UPDATE

COFLE FRANCE S.A.S. BUREAU COMMERCIAL



Location **PARIS BEAUVAIS**

The investment's objective is to be directly present in the **French market**, an area in which Cofle Group is already present, and to intensify commercial activities in **Spain, Portugal, Maghreb and Benelux**, areas that present important potential in terms of prospects for our sector.

OEM NEW PROJECTS UPDATE



INEOS GRENADIER



Cofle technology is
aboard the new off-road
Ineos Grenadier



The agreement provides that, following the excellent results obtained in the first test phase and the second and final phase of testing in February 2022, the total value of production for Cofle in the two-year period 2022/2023 is equal to **3,8 million euros.**

OEM NEW PROJECTS UPDATE

OFF ROAD PRODUCTS

SOME EXAMPLES OF MECHATRONICS APPLICATIONS

Development of **innovative electronic products** that represent an upgrade of the control system, based on two specific projects for two customers



OEM NEW PROJECTS UPDATE

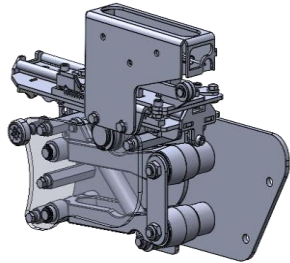
OFF ROAD PRODUCTS



SPECIAL SWITCHES



ELECTRICAL WIRE ASSEMBLY



MECHANICAL STRUCTUR



COMPLEX ARMREST SUPPORT «ALL IN HOUSE»



KNOBS AND PCB



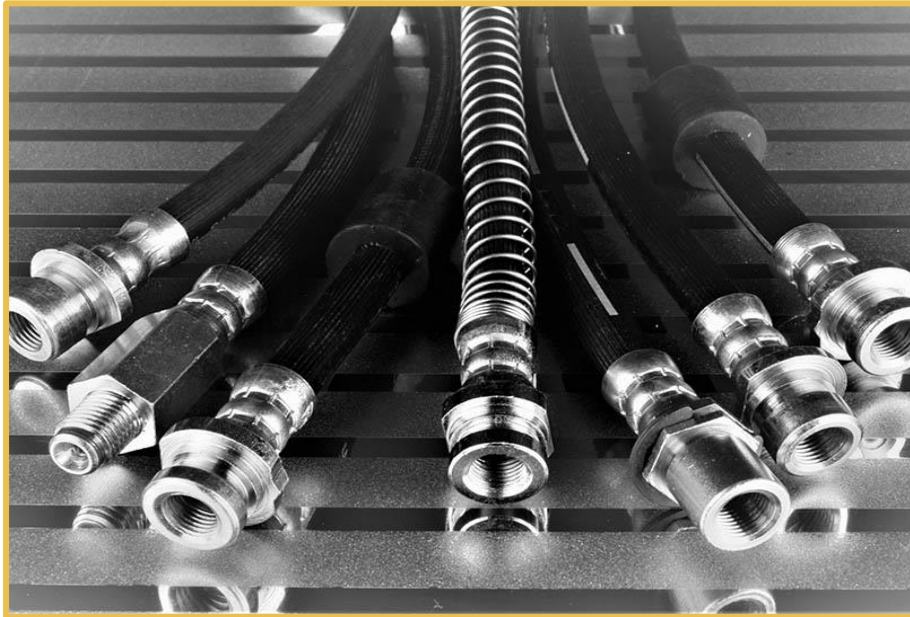
ALL EFFECT SENSOR



PLASTIC ESTHETICAL TREAMS

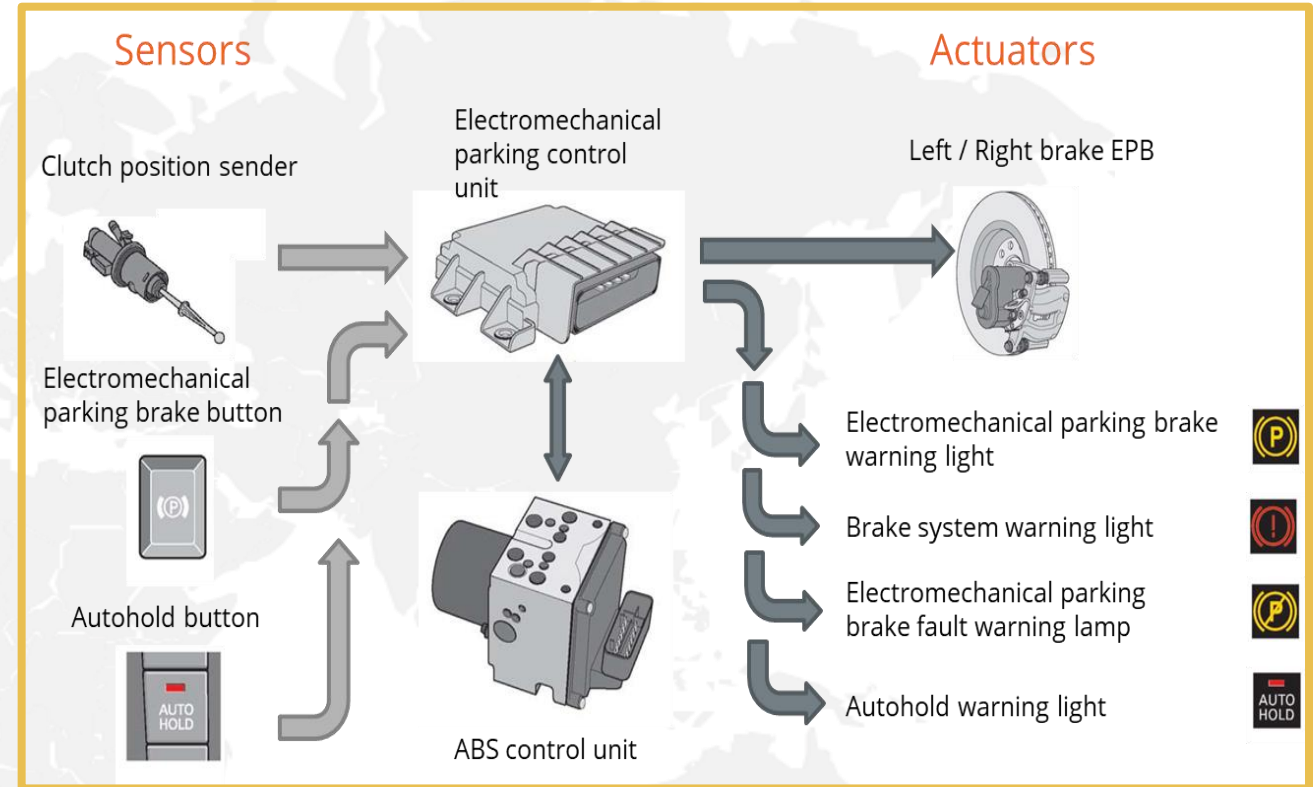
AM NEW PRODUCTS UPDATE

BRAKE HOSES



In 2021 there was a big increase in the selling of the new brake hoses: € 416 thousands.
Full Year 2022: € 585 thousands

EPB PROJECT



OEM NEW LOGISTIC PLANT



Around **3.500 sq.m.** just in proximity of Autostrada A4, a few minutes from the Headquarters.
Operational from **11/2023**. It will host the **OEM Logistic Division**

OEM



M&A: acquisition of target to extract value through product synergies.

FOCUS: Manufacturers for the OEM market of the following products: Electronic sensors; Control units; Joysticks.

Target must have the know-how for production

Target size between € 3 and 20 mln

2 target companies identified

Aftermarket



M&A: acquisition of target specialized in aftermarket distribution (market share acquisition) and/or target specialized in complementary products to expand the already extremely wide product catalog

FOCUS: Both a manufacturer and a reseller for the AM market of the following products: brake and clutch cables; brake hoses; brake pads; brake shoes.

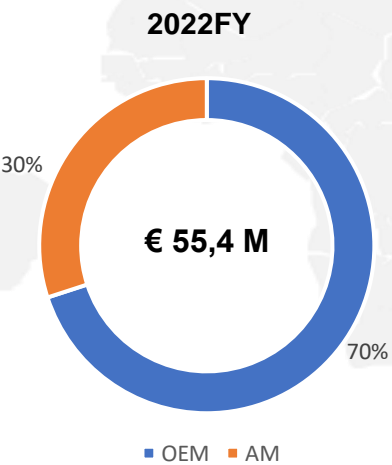
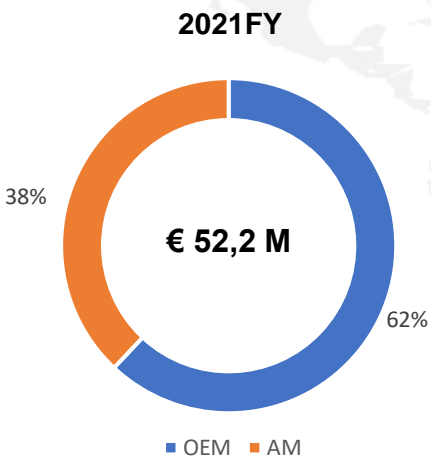
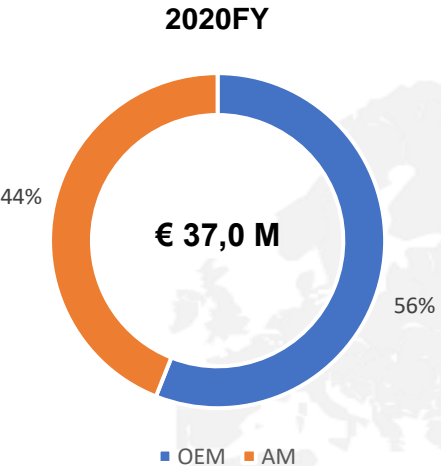
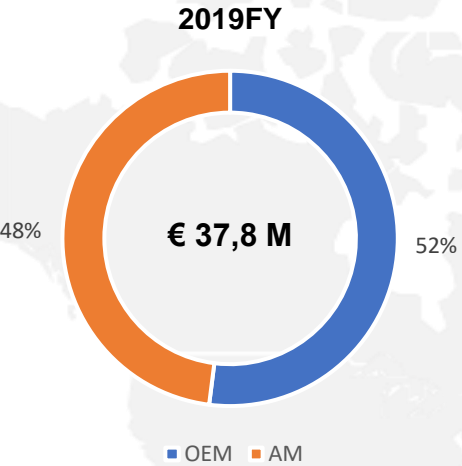
Target size between € 2 and 15 mln

2 target companies identified

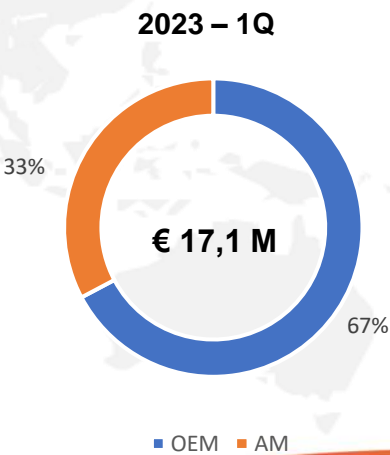
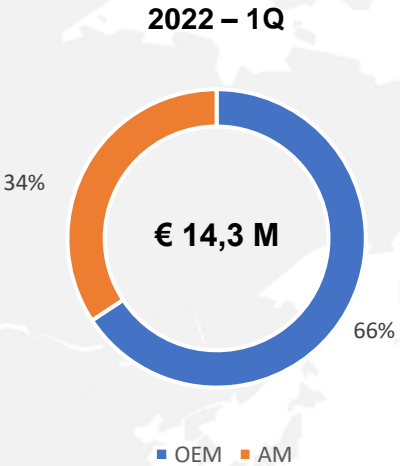
FINANCIAL HIGHLIGHTS

GROUP'S TOP LINE & BREAKDOWN BY DIVISION

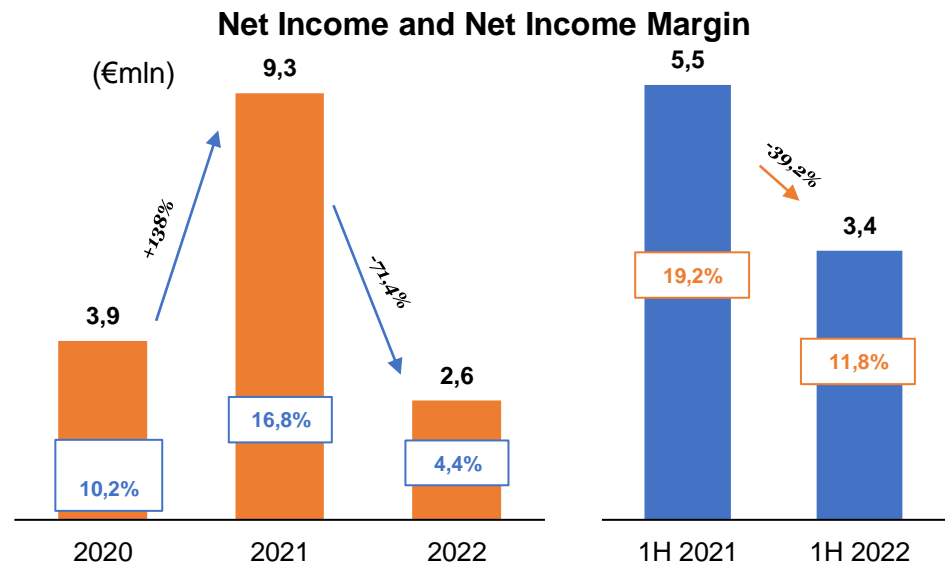
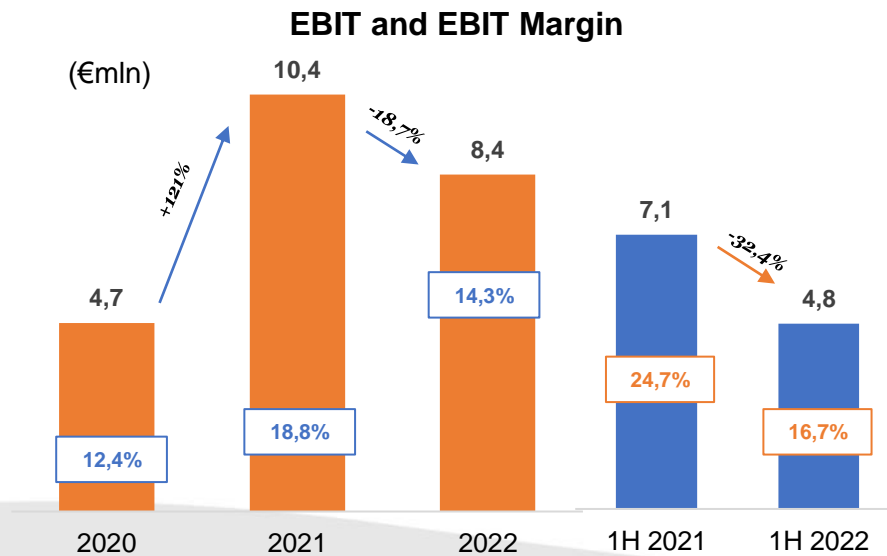
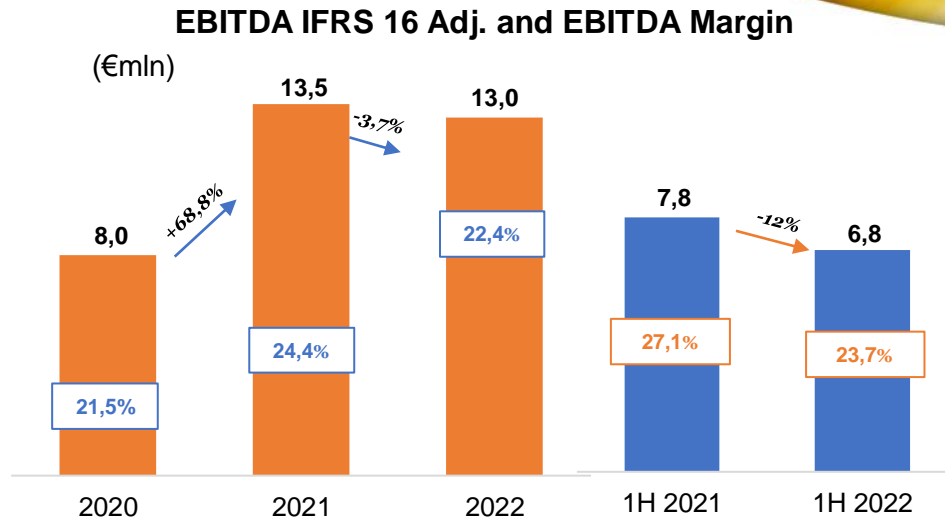
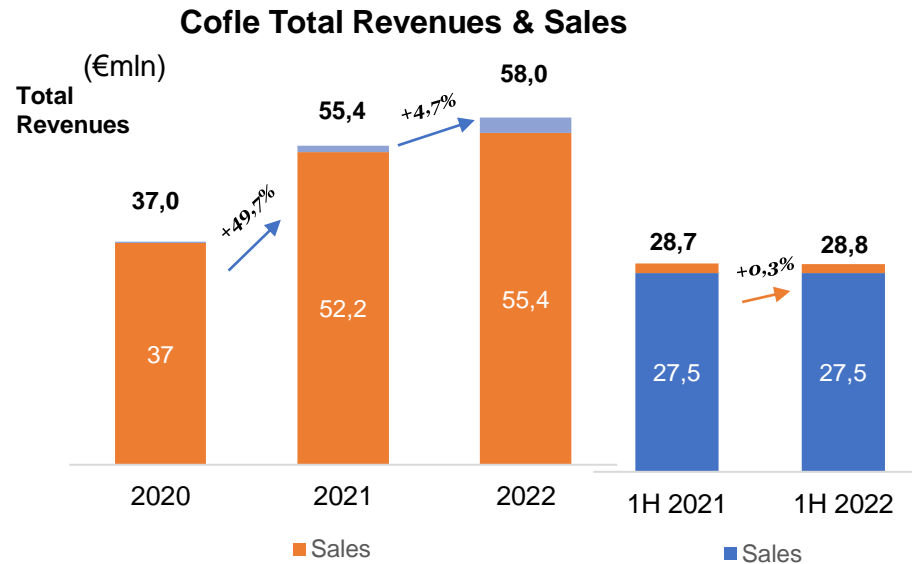
Cofle FY Sales' Breakdown by division



Cofle 1Q Sales' Breakdown by division



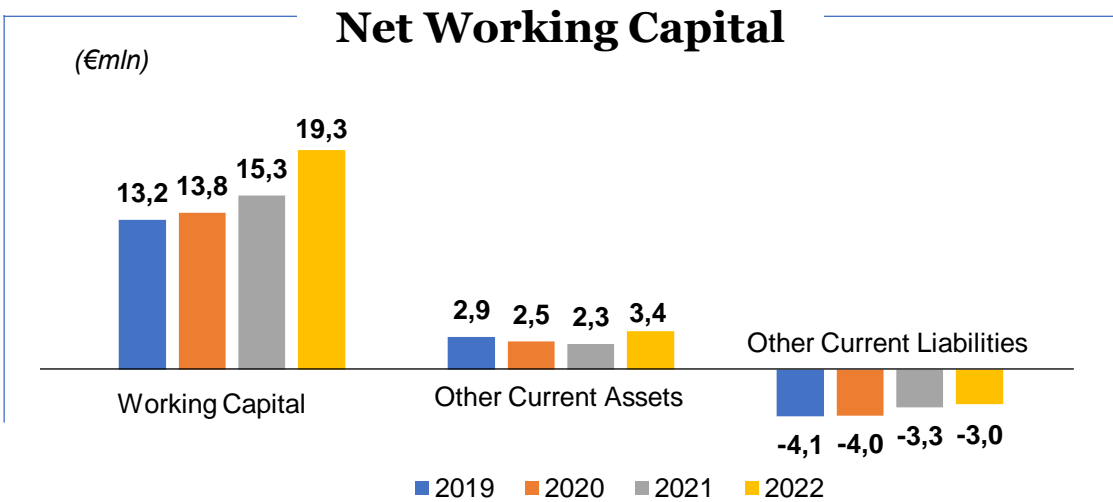
FINANCIAL HIGHLIGHTS



Source: Cofle's management accounts 2019/2020/2021/2022, Annual report 2019/2020/2021/2022, Press Release 31/03/2022 FY 2021, Press Release 29/03/2023

CONSOLIDATED NET WORKING CAPITAL

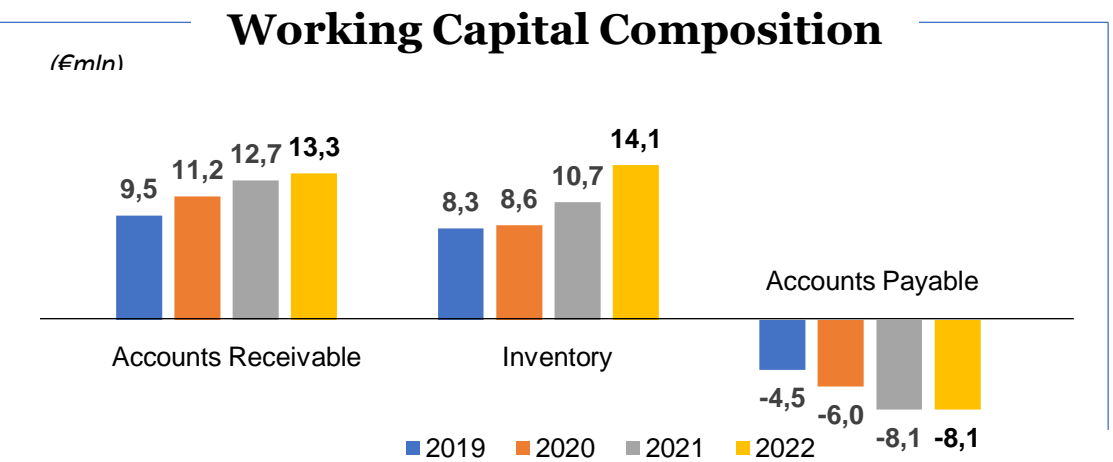
Net Working Capital Analysis



(€mln)

NWC 2019	NWC 2020	NWC 2021	NWC 2022
12,0	12,3	14,4	19,6

- NWC increase in 2022 is mainly due to:
- a growing exposure towards OEM clients (with higher DSO comparing to AM clients);
 - an increase in inventory in order to avoid supply issues.

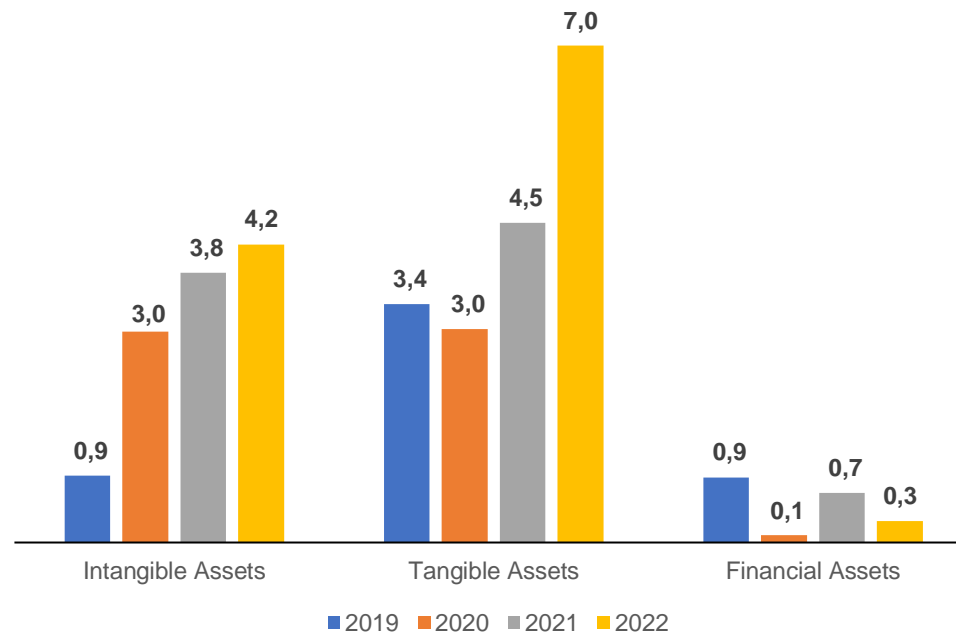


	2020	2021	2022
DSO	~110	~88	~88
DIO	~84	~106	~134
DPO	~102	~87	~80

FIXED ASSETS AND CAPEX

Tangible, Intangible and Financial Assets

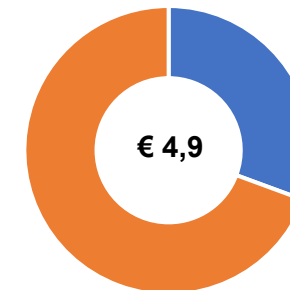
Fixed Assets



Consolidated Capex 2021

(€m)

Tangible Capex
(€ 3,4 – 69%)

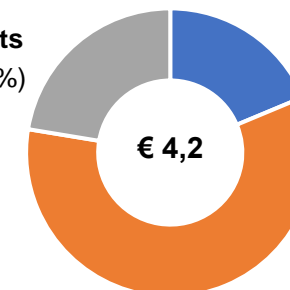


Intangible Capex
(€1,5 – 31%)

Consolidated Capex 2022

(€m)

Financial Investments
(€ 1,0 – 22%)



Intangible Capex
(€ 0,8 – 19%)

Tangible Capex
(€ 2,5 – 59%)

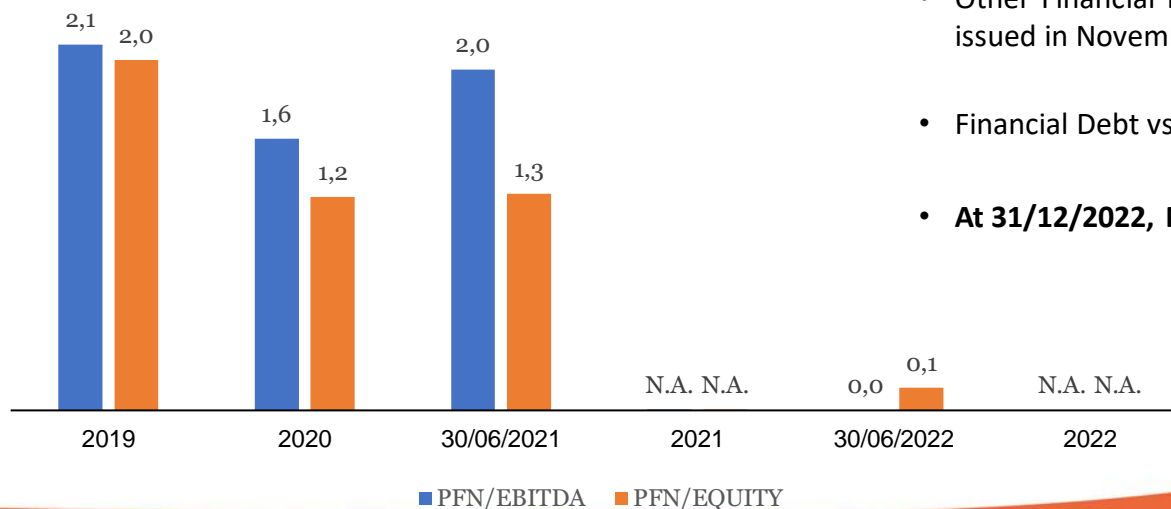
NET FINANCIAL POSITION 2019/2021/2022 – 1H 2021 / 1H 2022

NFP IFRS 16 2019/2021 & 1H 2021 / 1H 2022

Composition of Net Financial Position

(€)	2019	2020	1H 2021	2021	1H 2022	2022
Long Term Financial Debts	5.614.765	8.681.003	11.223.583	9.348.695	7.867.844	10.301.703
Short Term Financial Debts	3.911.922	2.912.042	838.937	1.299.154	4.621.425	4.269.010
Cash and Cash Equivalents	-1.208.245	-3.150.243	-1.644.199	-15.493.769	-13.509.892	-20.319.815
Other Current Financial Assets	-	-738.105	-	-	-	-190.960
Shareholder Financial Receivable	-	-418.500	-418.500	429.900	-	-
Financial debts vs Parent Company	-	1.232.500	977.500	722.500	413.000	255.000
Other Financial Debts	317.838	207.278	162.206	58.870	429.900	4.883.811
Net Financial Position ITA GAAP ex Valdiporto	8.636.280	8.725.975	11.139.527	-3.634.650	-177.723	-801.251
Valdiporto Financial Receivable*	-145.000	-840.000	-770.000	-600.000	-50.000	-
Net Financial Position ITA GAAP	8.491.280	7.885.975	10.369.527	-4.234.650	-227.723	-801.251
Ifrs 16 Adjustment	6.001.000	4.768.000	4.517.402	4.266.000	3.825.000	3.475.000
Net Financial Position IFRS 16	14.492.281	12.653.975	14.886.929	31.350	3.597.000	2.673.749

Financial Ratio – IFRS 16

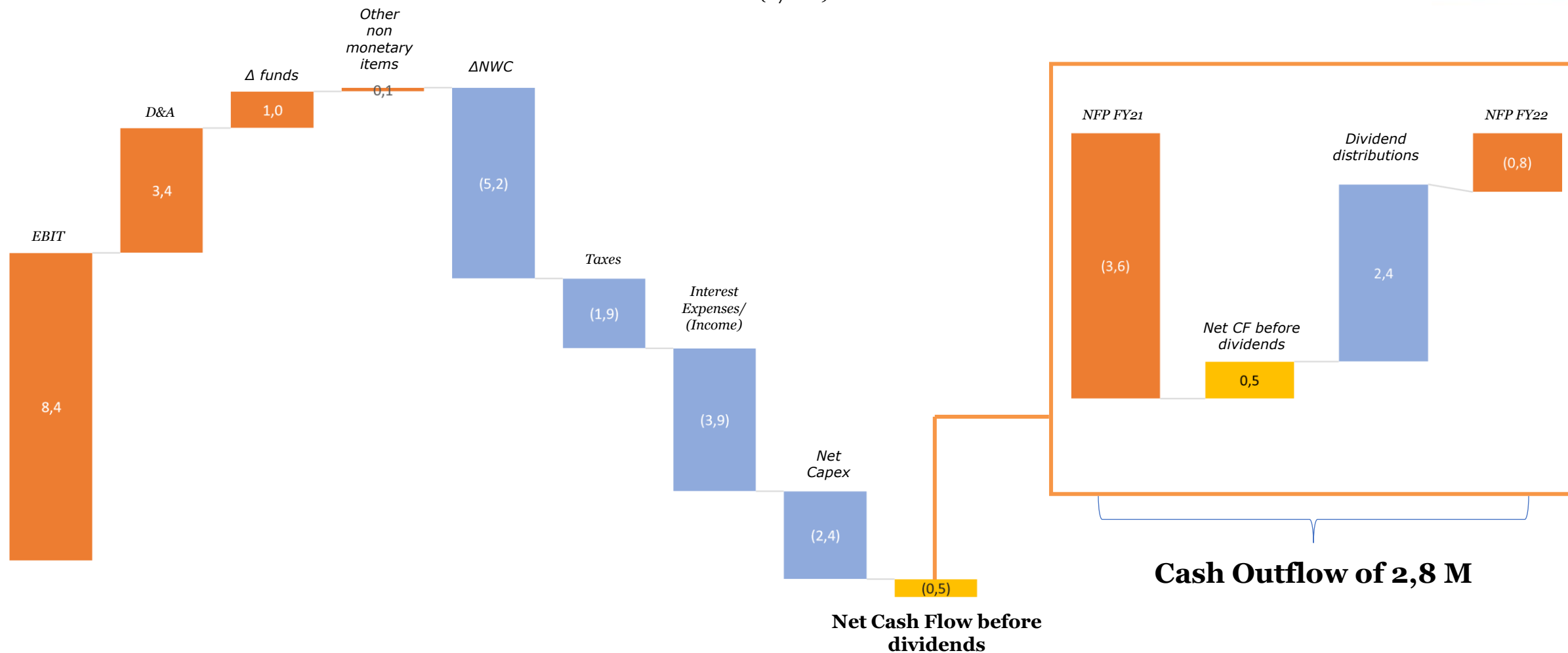


- Other Financial Debts include € 4.852.919 related to a Basket Bond issued in November 2022
- Financial Debt vs Parent Company in 2022 is equal to €255k
- **At 31/12/2022, NFP is equal to € 0,8 M cash surplus.**

CASH FLOW

Net Financial Position Bridge FY21 to FY22

(€/mln)





WWW.COFLE.COM

investor@cofle.it
info@cofle.it

Headquarters
Via del Ghezze 54
Trezzo sull'Adda (MI) Italy
+39 02920020201