



**Global supplier of control systems
and control cables**







INVESTOR PRESENTATION

April 2024



COFLE GROUP

Key Highlights

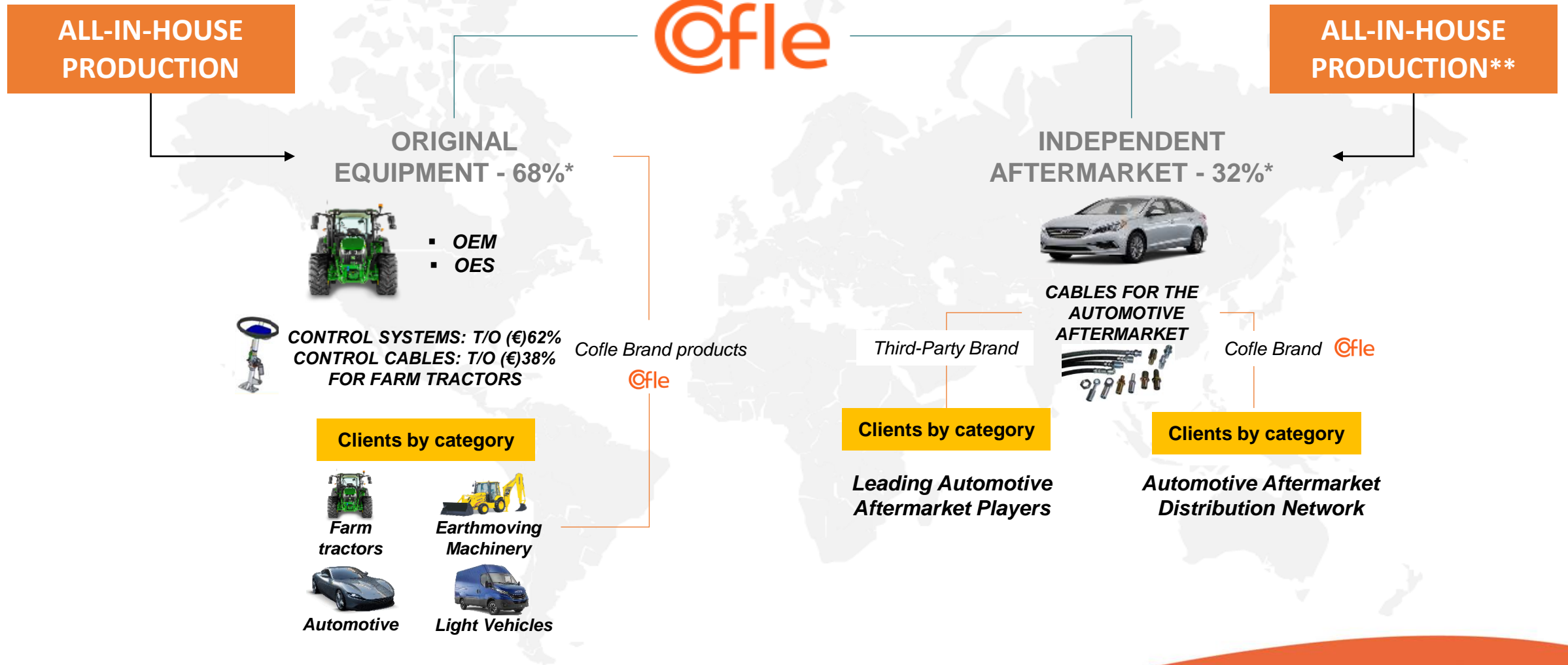
| KEY POINTS | DESCRIPTION |
|--|---|
| <p>1</p> <p>Growth</p>  | <ul style="list-style-type: none">• Secular trends driving increased total addressable market• Global Farm Tractors Market Forecast to 2030 estimated growing with +5,1% CAGR 2023-2030¹  |
| <p>2</p> <p>Global Presence</p>  | <ul style="list-style-type: none">• We are where our customers (Tier 1 players) are• Presence in Europe, Turkey, Brasil and India• Intercompany Supply Chain allows an efficient raw materials supplying with a global coverage  |
| <p>3</p> <p>Innovation</p>  | <ul style="list-style-type: none">• Development of innovative electronic products that represent an upgrade of the control system for farm tractors and a machinery connectivity for a better use of fertilizers and weedkiller• The global precision farming market size at 10,5 \$ bn in 2023 (vs 9,47 \$ bn in 2022) and is expected to expand with +12,8% CAGR 2024-2030²  |

¹Sources: ¹Farm Tractor Market: Global Industry Analysis and Forecast (2024-2030)

²Grand View Research - Precision Farming Market Size, Share & Trends Analysis Report By Offering, By Application, By Region, And Segment Forecasts, 2024 - 2030

COFLE GROUP: Snapshot

One global player, two divisions: OE and IAM



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**

- **Opening of new OE Logistics Plant in Trezzo sull'Adda**

EURONEXT GROWTH



- **Bruno Barbieri founds Cofle**, introducing an innovative way in manufacturing Control Cables for the Automotive Industry
- **First production line for Original Equipment Cables (OEM) for the most important Italian brands**

- **Production of cables for the Aftermarket division**

- Founder Bruno Barbieri decides to leave Cofle's management to his son Walter
- **Established presence in Turkey, China, Brasil, India**

- **Opening of COFLE FRANCE, Beauvais**
- **ITG Turkey launched**

COFLE GROUP TODAY



PRODUCTION PLANT

6 in 4 countries



COMMERCIAL DEPARTMENT

1 (France)



WAREHOUSE

5 in 4 countries
(Italy/Turkey/Brasil/India)



PRODUCTION CAPACITY

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



ENGINEERING CENTER

2
(Italy/Turkey)



R&D CENTER

2
(Italy/Turkey)



EMPLOYEES

550+

ITALY – HQ & Plant



- Plant description**
- Leased
 - 5.000 sqm
 - production capacity: 2,5 mln units



- Plant description**
- Cofle's real estate property
 - 3.500 sqm
 - Logistic services

ITALY – IAM Logistic Plant



- Plant description**
- Leased
 - 5,800 sqm
 - Logistic services

TURKEY – TK 1 OE Plant



- Plant Description**
- Leased
 - 2.000 sqm
 - Production capacity: 1,1 mln units

ALL-IN-HOUSE PRODUCTION
Pricing power thanks to all production In-House and the delivery capacity

TURKEY – TK 2 OE Plant



- Plant Description**
- Leased
 - 2.000 sqm
 - Production capacity: 1,15 mln units

BRASIL – OE Plant



- Plant description**
- Leased
 - 2.000 sqm
 - Production capacity: 0,45 mln units

COFLE FRANCE Commercial Department



- Plant description**
- Leased
 - Comm. departments IAM and OE
 - 3 Team Managers

INDIA – IAM Plant



- Plant description**
- Leased
 - 1.800 sqm
 - Production capacity: 2,5 mln units

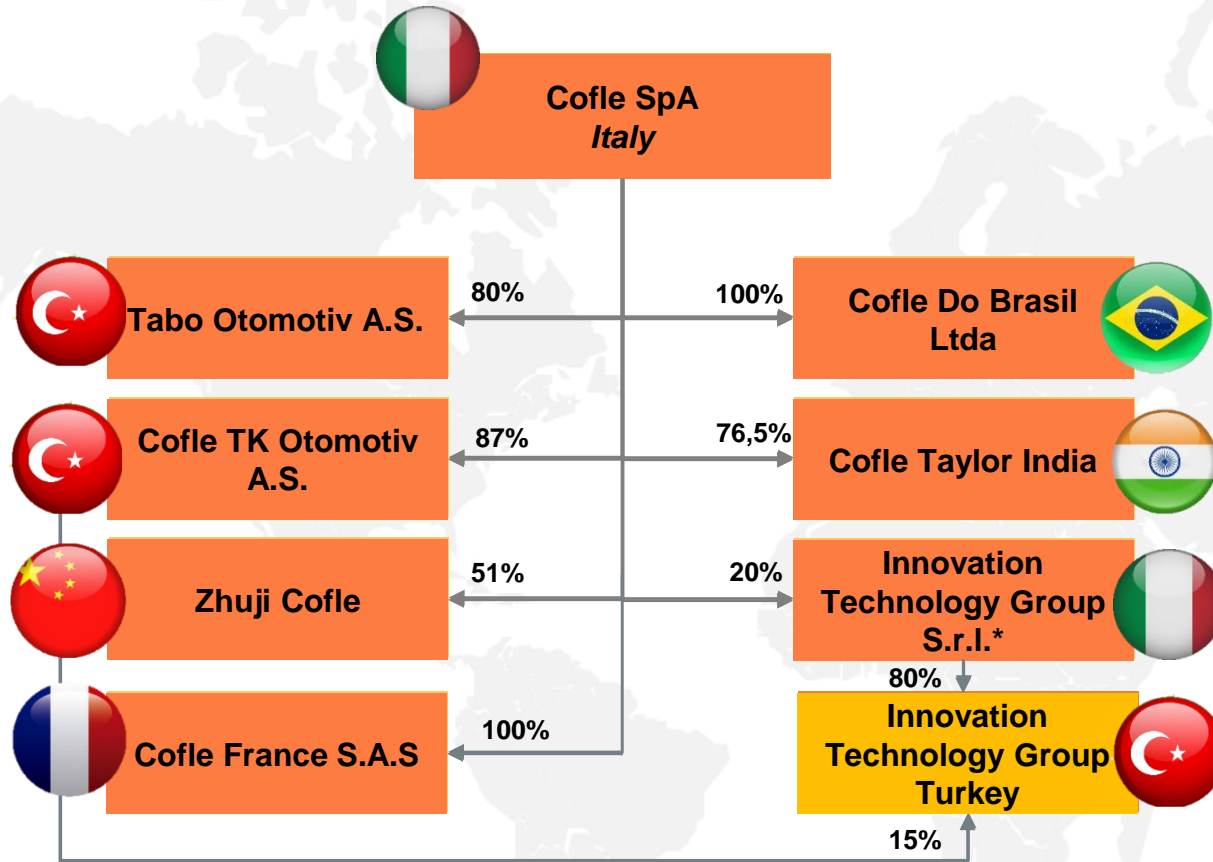
TURKEY – IAM 2 Plant



- Plant Description**
- Leased
 - 4.000 sqm
 - Production capacity: 3,0 mln units



GROUP STRUCTURE & GOVERNANCE



ITG shareholders: Walter Barbieri (15%), Valfin srl (17%), 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



Total Workforce as of 31/12/2023

| Company | Employees |
|--------------------|-----------|
| Cofle S.p.A. | 148 |
| Tabo Otomotiv | 176 |
| Cofle TK Otomotiv | 218 |
| Cofle Zhuji | 1 |
| Cofle Do Brasil | 16 |
| Cofle Taylor India | 21 |
| Cofle France | 3 |

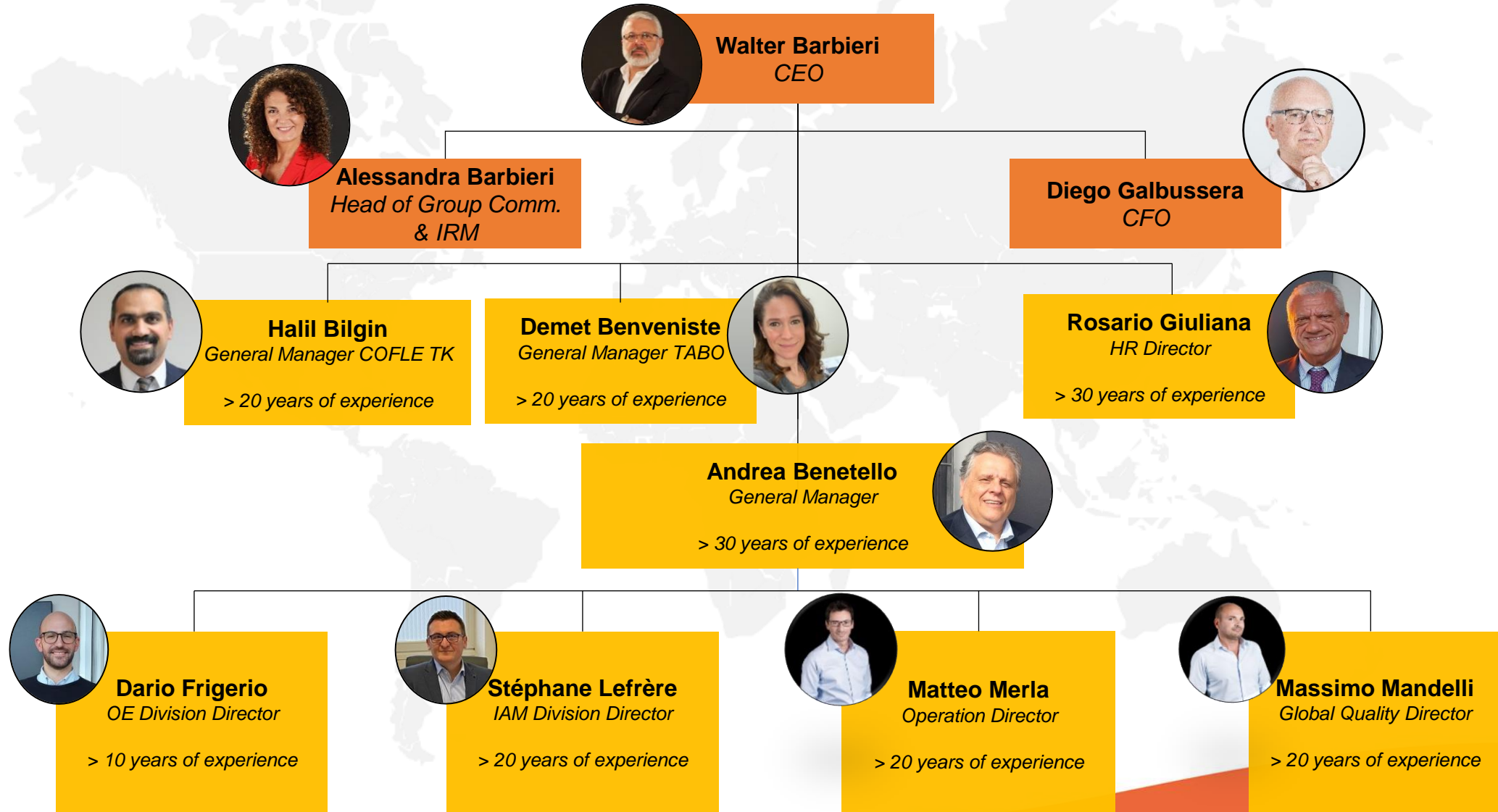
Total Employees

583 as of 31/12/2023



ORGANIZATION CHART

Experienced multinational Management Team

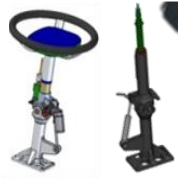


OE DIVISION

All-In-House production

Off-Road Applications

Steering Columns
Fix Hub and
Anti-Dumping
System



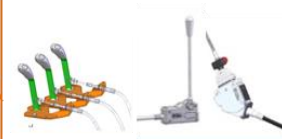
Cables for all
applications



Gearshift Towers with
Electronics Knobs



Joysticks for Front Loader
(with push buttons
command)



Spool Valve
command

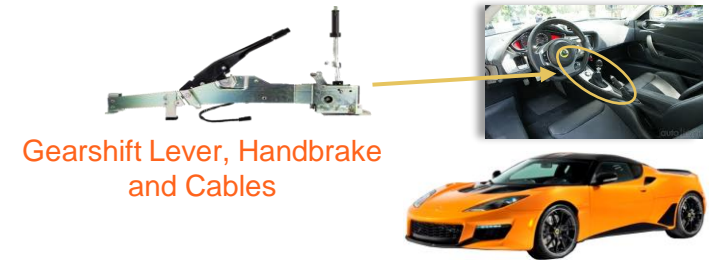
P.T.O.
Systems
Control



Brake Levers
Mother Regulation



Premium Luxury Brands Applications



Gearshift Lever, Handbrake
and Cables



Gear Unlock DCT System cables



Front and Rear Bonnet
Cables

IAM DIVISION

All-In-House production

Control Cables



Brake Cables



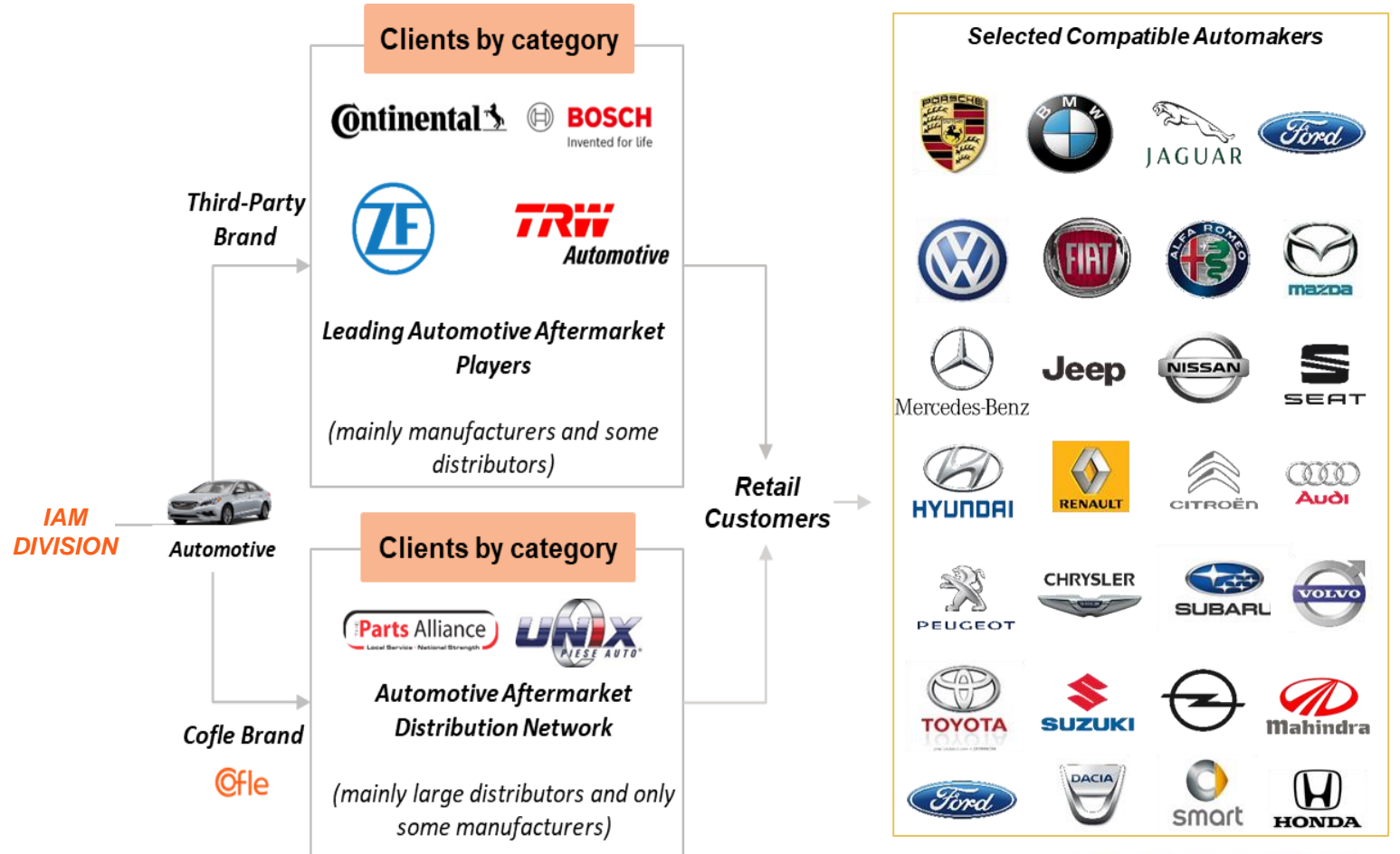
Brake Hoses



Epb Systems



Epb Puller Cables



NAVIGATING MARKET TRENDS

Overview of Key Sector Trends

- **Aftermarket (AM) Trends:** observing decline in control/pull cables and an increase in demand for gear shift cables and electronic parking brakes (EPB), as well as brake hoses
- **Original Equipment (OE) Trends:** Observing a gradual decrease in mechanical controls in favor of intelligent electronic systems, reflecting broader industry shifts towards automation and connectivity (especially EU and USA)



KEY INVESTMENT HIGHLIGHTS

A company ready to ride secular trends for a long-term journey

Global Growth Scenario

1 OE: Exceptionally sound path to growth on a global scale

2 OE: Competitive advantage

3 IAM: Only at an early stage of international scalability

4 Global Supply Chain

Excellent Positioning

5 State of Art Credentials OE

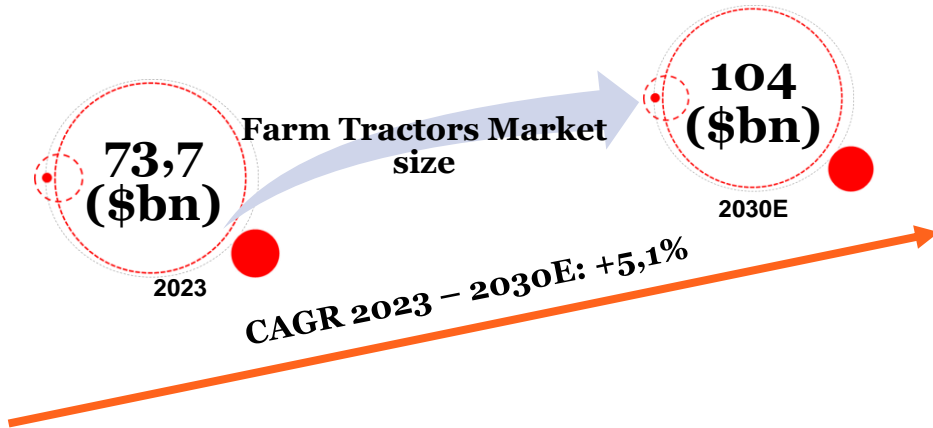
6 State of Art Credentials IAM

7 Focus on innovation to anticipate next future trends

1 OE

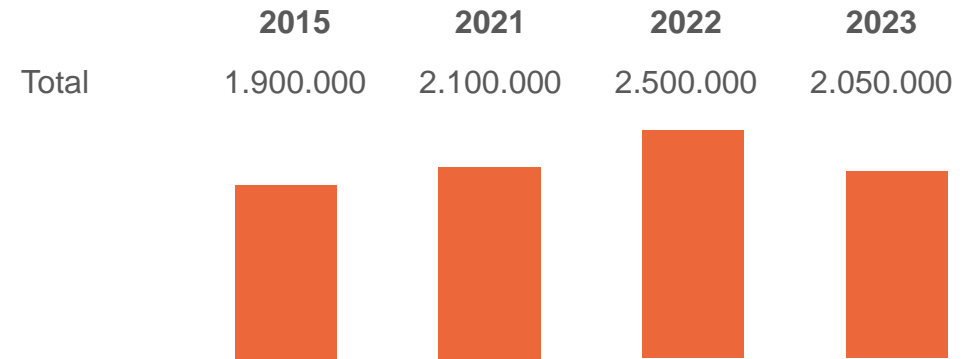
Exceptionally sound path to growth on a global scale catching the wave of a secular trend in population dynamics and food demand

Global Farm Tractors Market Forecast to 2030



Source: Farm Tractor Market: Global Industry Analysis and Forecast (2024-2030)

Global Farm Tractors Market Production



Source: Machinery World: Tractors: the global market is slowing down, yet the trend remains positive (2024)

Market Drivers

- 1 Global area harvested to cereals expected to increase by 14 Mha in the coming decade (between the base period 2020 and 2030)
- 2 Technological upgrade of farm tractors especially in developing countries, and introduction of mechatronic innovation in developed countries
- 3 PRECISION FARMING (CAGR 2024-2030 +12,8%): 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

OE: COMPETITIVE ADVANTAGE

The main competitive advantage for OE division is represented by its high level of verticalization which allows the company to increase its operating margins with respect to the competitors in the industry



LASER CUTTING



3D BENDING MACHINES



PRESSES



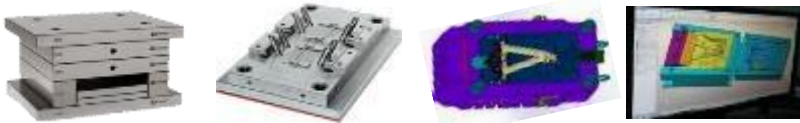
MANUAL WELDING



ROBOTIC WELDING



CUTTING AND BENDING TOOLS



Mould design and production made in Cofle Turkey

Die casting moulds:

- Mould flow analysis
- Structural analysis
- Process optimization

Plastic injection moulds:

- Structural analysis and aesthetic analysis
- Process optimization

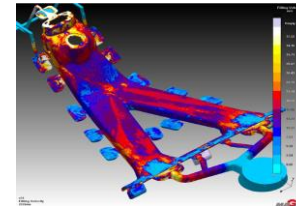


Die casting products

Die casting products are made internally in Cofle TK by using presses from 50 to 400 tons.

Parts are made by Zama, standard Aluminum alloys and special Aluminum alloys such as SILAFONT.

We also have an internal workshop for fine machining of the die casting parts and for their heat treatments.



Plastic welding

Water tank with electric pump

Plastic products

Plastic parts are made internally by using compounds such as PA, POM, PEHD, and techno-polymers like PA66 + GF or PA + CF, ABS, PP, PC.

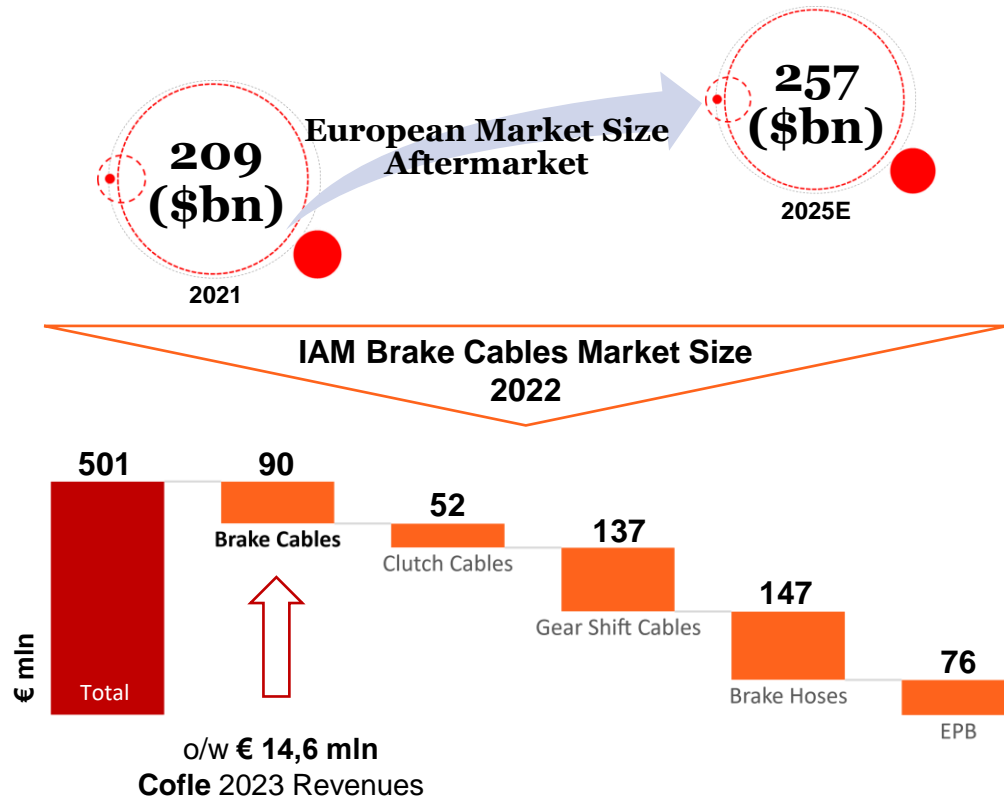
The raw material is purchased from the best brands on the market

SEE OUR VIDEOS HERE

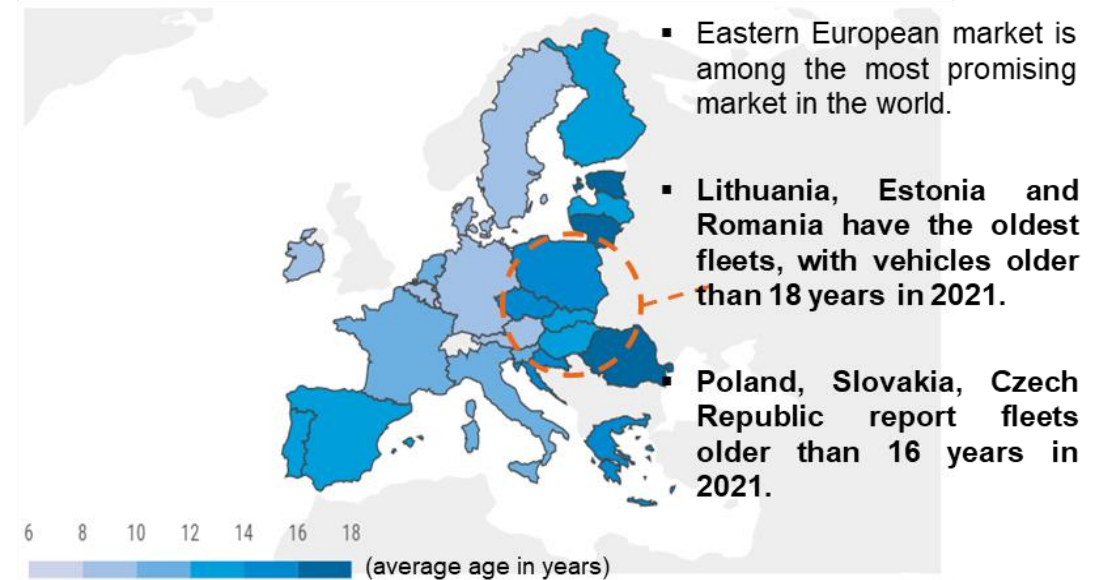
<https://www.youtube.com/watch?v=IjkYo01qZac>

3 IAM

Planning growth in the European underpenetrated automotive Aftermarket



Average Age of the EU vehicle fleet



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

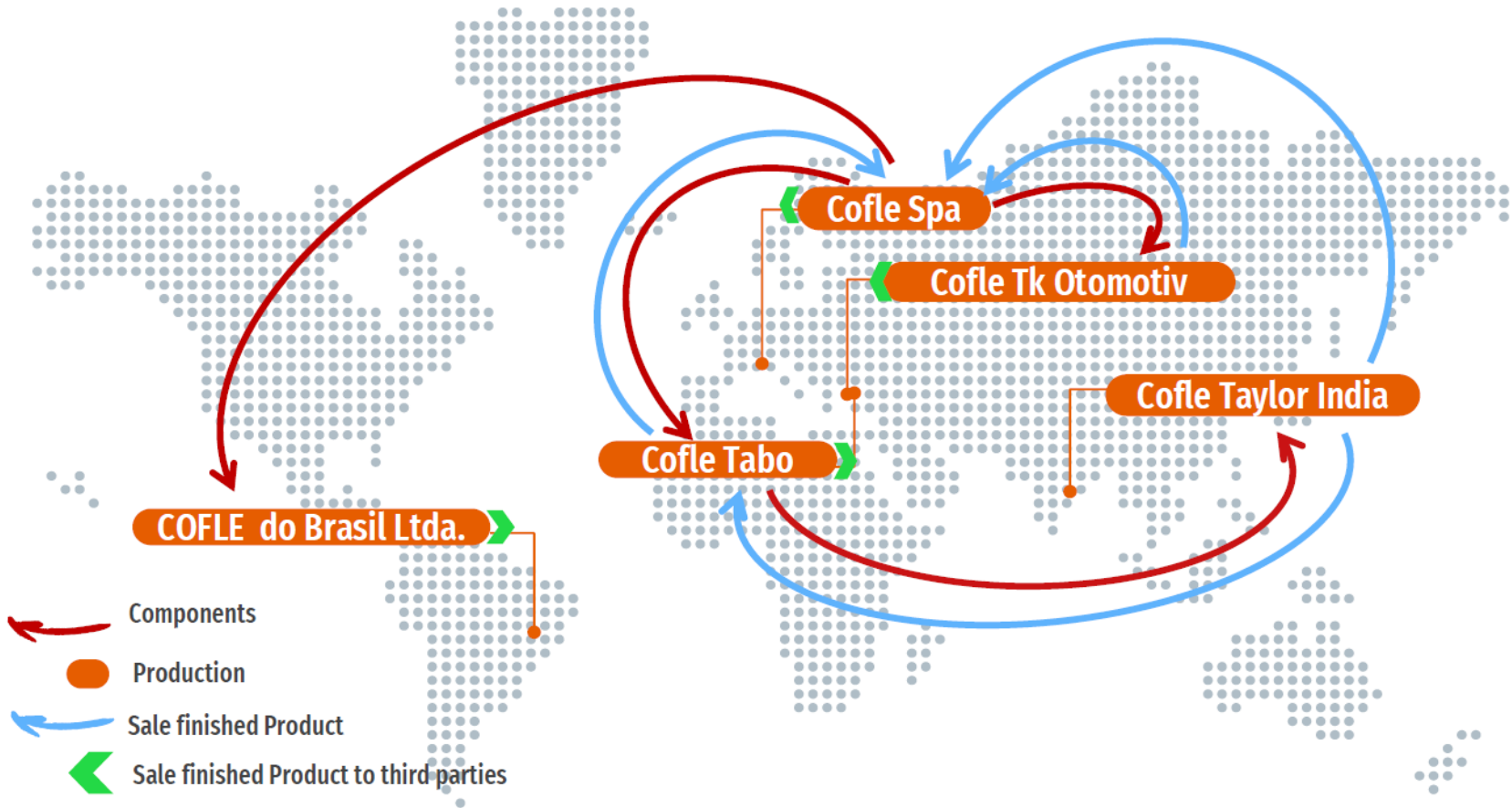
Sources: Acea Auto, «Average age of the EU motor vehicle fleet, by vehicle type» (2021);

The Boston Consulting Group, «At the crossroads: The European Aftermarket in 2030», (2021), IHS, Euromonitor, Bloomberg, «Support the definition of the commercial strategy of Cofle's Aftermarket division» (2023), Roland Berger

4

GLOBAL SUPPLY CHAIN

Strategically positioned to boost long term expansion
Integrated facilities and platforms in the key areas of the world



1

Global integrated facilities to meet 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

STATE OF ART CREDENTIALS - OE

A highly prestigious and diversified customer base all over the world

Agriculture



Construction & Industrial



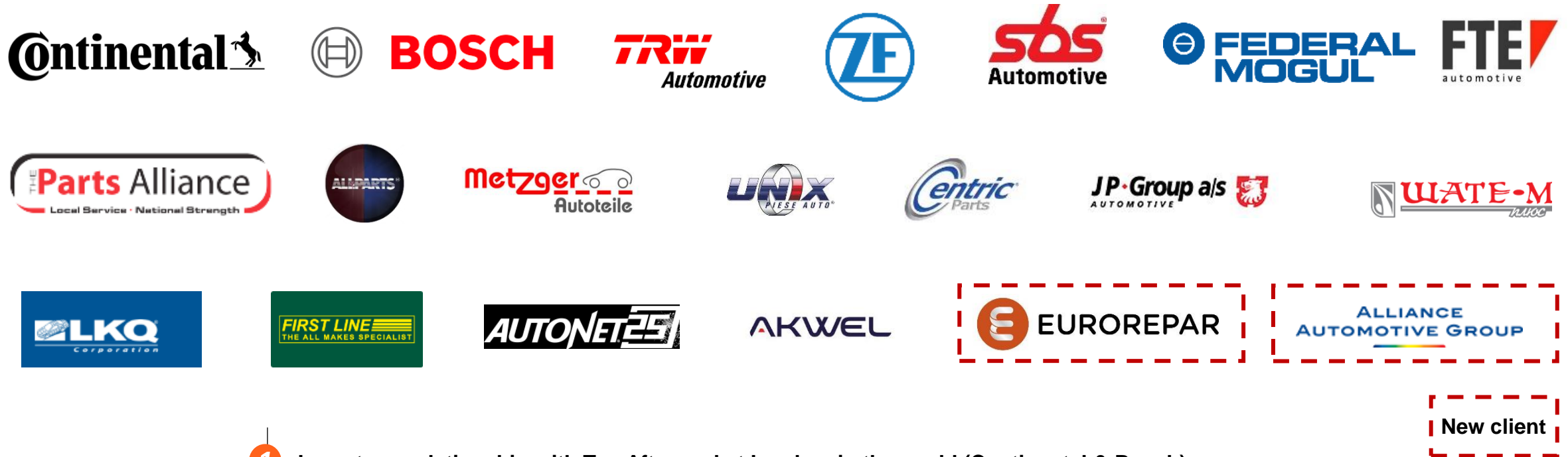
Automotive



- 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
- 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)
- 4 Prototyping of seat supports with an international reality, leader in compaction technologies and in the production of machinery for the compaction of soil, asphalt, and waste.

STATE OF ART CREDENTIALS - IAM

From Top Aftermarket Manufacturers to Top Aftermarket distributors



- 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)
- 3 Launching EPB Range: Set to launch an Electronic Parking Brake (EPB) range by September 2024, coinciding with the Frankfurt Fair. The 1st and 2nd series of EPB must be “ready on the shelf.”

7 FOCUS ON R&D

Innovation to anticipate next future trends

Commitment to launching disruptive solutions to stand out



2

R&D CENTER



28

PEOPLE EMPLOYED IN R&D ACTIVITIES



2

ENGINEERING CENTER



8

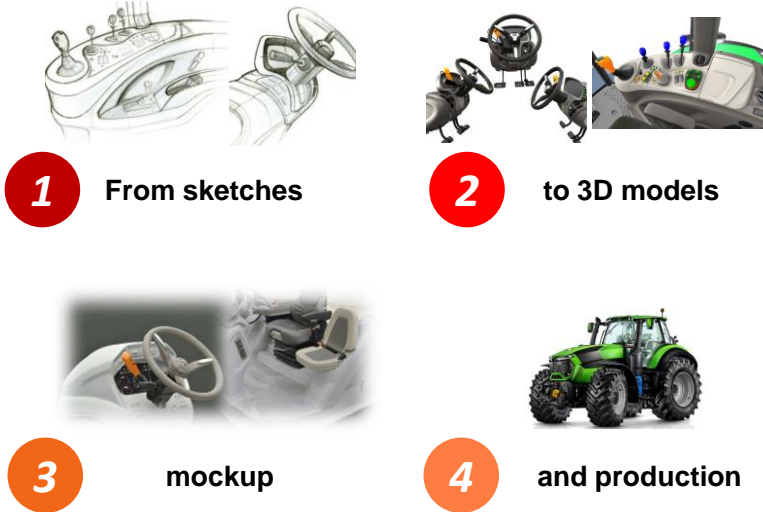
REGISTERED PATENTS IN THE LAST 5 YEARS ACROSS 5 COUNTRIES



1

DEDICATED OEM INNOVATION HUB

HOW WE INNOVATE IN COFLE



READY FOR NEXT AGRICULTURE CHAPTER

- Automation
- Precision Farming
- Artificial Intelligence



Tomorrow



In 20 years



Today



In 10 years



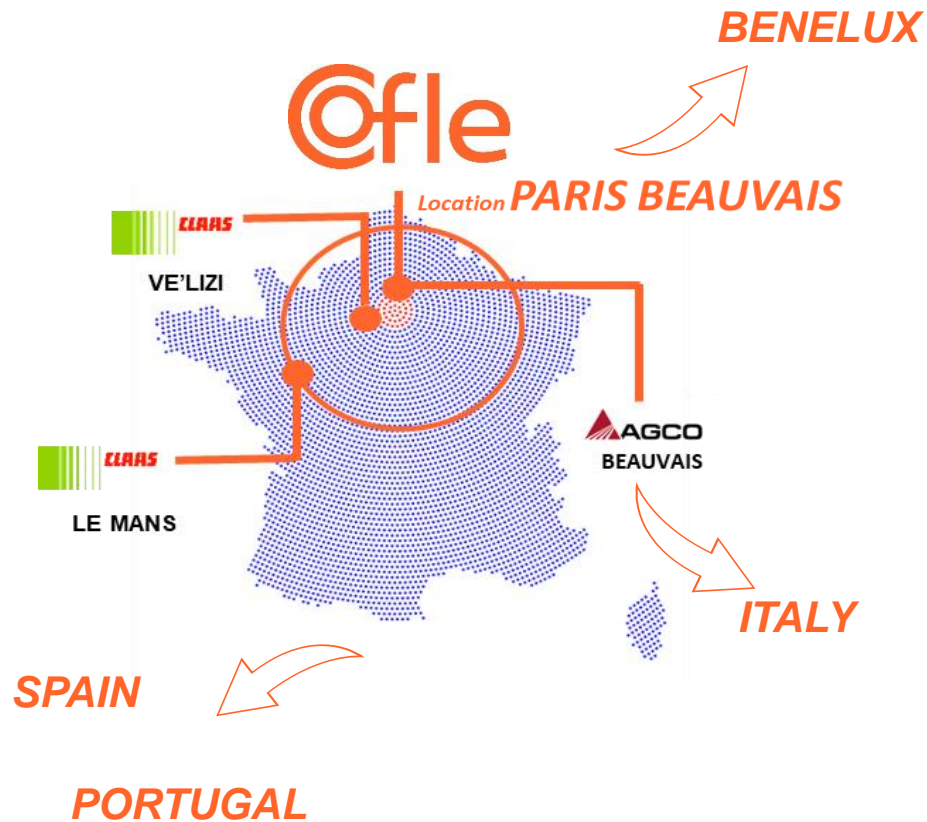
In 50 years



UPDATE

UPDATE

French market and presence close to customers



Cofle has been operating in the **French market** since 1980. Today, the French market represents a **strategic point for future growth**.

Commercial presence in Paris Beauvais allows Cofle to closely monitor the **industrial hub of the agricultural sector** (with important customers such as AGCO and CLAAS) as well as offering the **opportunity for commercial expansion for both the OE and IAM divisions**

Cofle France's investments in staff and structure allow it to seize opportunities also in nearby markets (Benelux, Spain, Portugal and Italy as well)

The French subsidiary has recently entered into **two significant commercial agreements**.

The first one has been forged with the **second-largest European spare parts distribution group**, which will resell Cofle's products through its international platform. The second agreement has been signed with a **spare parts distributor** that is part of a large industrial group in the automotive sector.

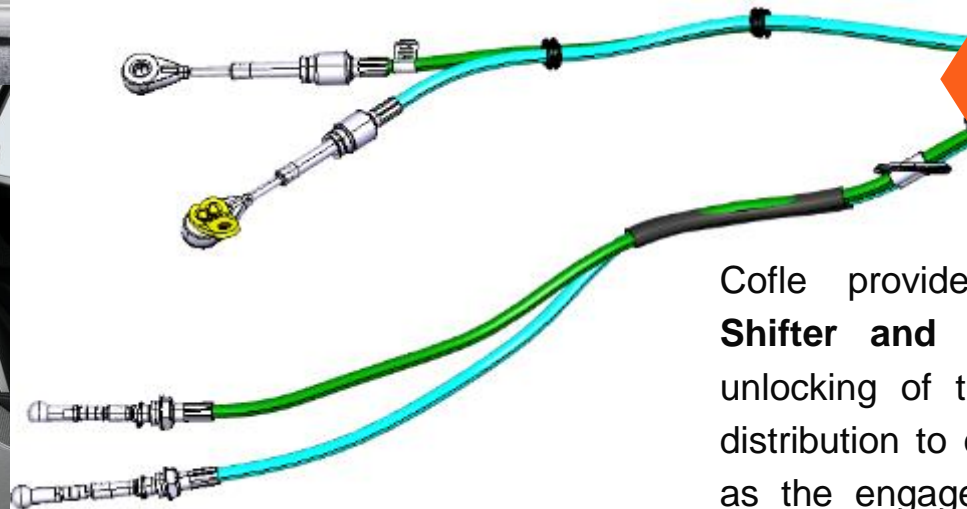
OE NEW PROJECTS UPDATE

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 2023/2024 is equal to **5,2 million euros (o/w 1,6 mln euros in 2023 and 3,5 mln euros in 2024)**



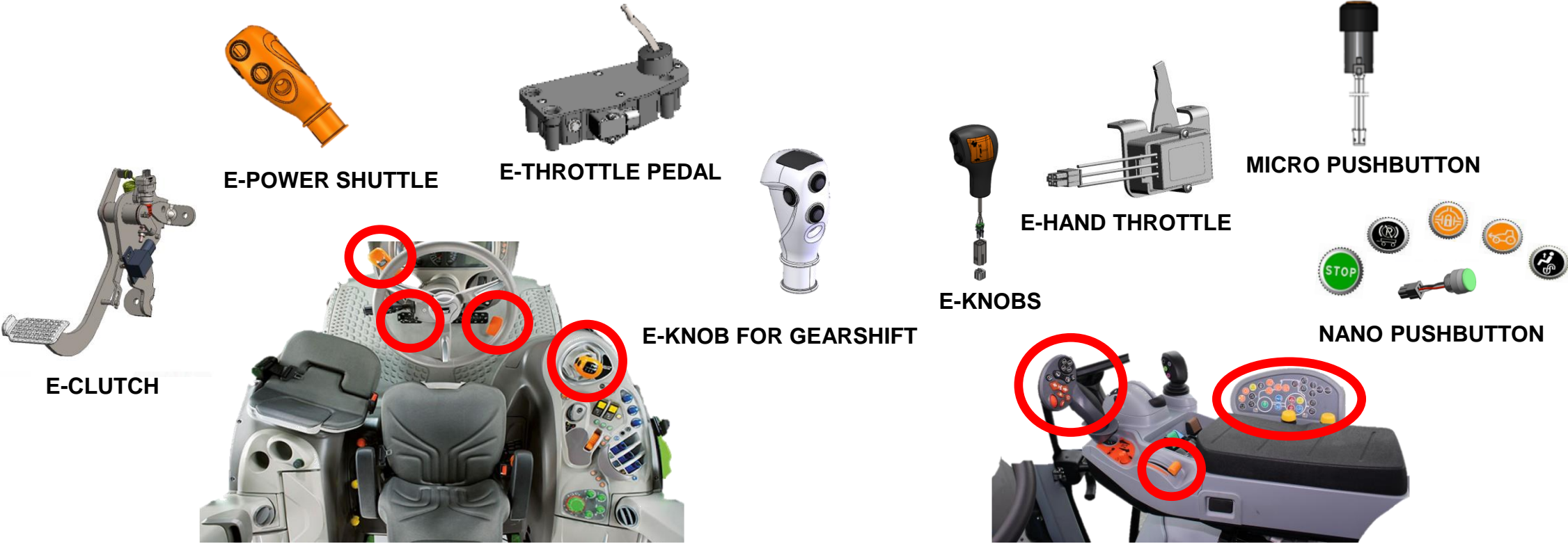
Cofle technology is aboard the new off-road Ineos Grenadier

Cofle provides **Transfer Case Manual Shifter and Cables**, which enables the unlocking of the differential to vary power distribution to each individual wheel, as well as the engagement and disengagement of low gears

OE NEW PROJECTS UPDATE

Some examples of our mechatronic applications

Development of **innovative electronic products** that represent an upgrade of the control system to ride precision farming wave



OE NEW PROJECTS UPDATE

Off Road Products – Some examples of mechatronic & electronic applications

In the Turkish plant, a new production department has recently been added for the manufacturing of electronic components

The new department will be responsible for assembling PCBs and electronic boards designed in-house and produced using 'pick to place' machinery

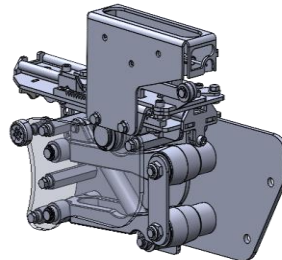
The new area will be dedicated to the assembly of sensors, switches, and mechatronic systems such as manipulators and armrests



SPECIAL SWITCHES



ELECTRICAL WIRE ASSEMBLY



MECHANICAL STRUCTURE



**COMPLEX ARMREST SUPPORT
«ALL IN HOUSE»**



KNOBS AND PCB



ALL EFFECT SENSOR

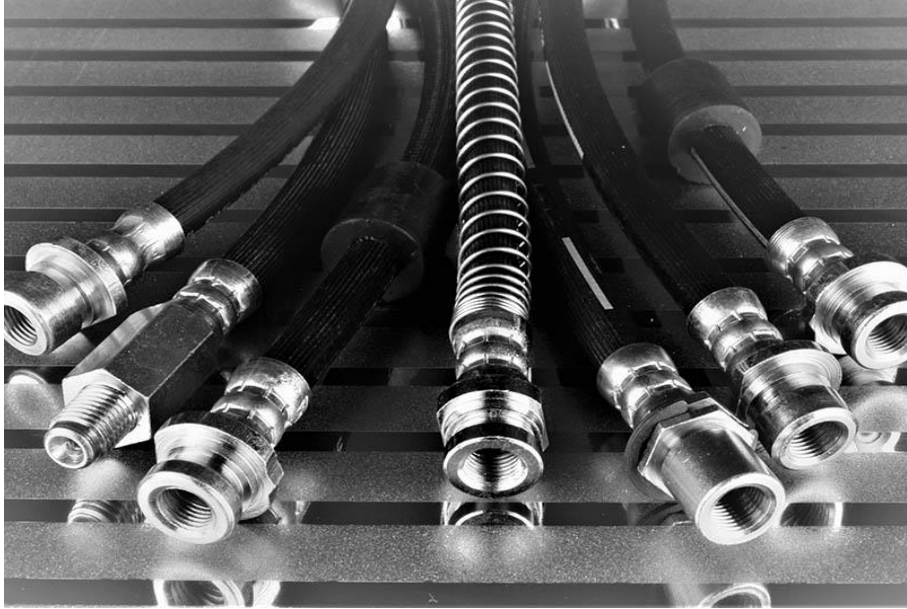


PLASTIC ESTHETICAL TREAMS

IAM NEW PRODUCTS UPDATE

All-In-House production to maintain high margins

BRAKE HOSES



This sector recorded **€ 0,712 M in 2023** with respect to € 0,585 M in 2022 with a **growth equal to + 21,7%**

ELECTRICAL PARKING BRAKE (EPB)



Electrical parking brake (EPB) is used to keep the vehicle motionless by applying the brakes of the vehicle. **Electrical parking brake system** is used to keep the vehicle stable while leaving it for parking, and it is also helpful in **emergency situations** when brakes fail to operate. Electrical parking brake (**EPB**) provides **safety to the driver** and is highly reliable as it resists the backward movement of the vehicle over a slope. Moreover, it also **reduces the chances of backward crashing**, which boosts the growth of the electrical parking brake market in the coming years



This system is widely used in the automotive industry to simplify the search and identification of spare parts, improving the efficiency of operations in mechanical workshops and spare parts distribution companies



NEW LOGISTICS CENTER IN ITALY

Warehouse A

Warehouse B



Around **3.500 sq.m.** just in proximity of Autostrada A4, a few minutes from the Headquarters, between Milano and Bergamo.

Fully operational from **April 2024**
It hosts the **OE Logistic Division**



ESG

ENVIRONMENTAL

- + 2,8% electricity from renewable sources (2022 vs. 2021)
Total 47,5% [-29 tCO2e issued]
- - 3,6 % total energy consumption per revenues (2022 vs. 2021)
- 97% Raw materials used by recycling (Aluminium and Zamak) [-230 tCO2e issued]
- 98,7% of the total waste is destined for recovery
- - 1.336 tCO2e of total greenhouse gas emissions (scope 1, 2, and 3)
- - 49,2% of packaging used [-857 tCO2e issued]
- Only 2% dangerous waste generated per revenues in 2022



Sustainable Development Goals

ENVIRONMENTAL

7 AFFORDABLE AND CLEAN ENERGY



- Installation of solar panels at the Pozzo d'Adda plant
- Installation of electric vehicle charging stations powered by renewable energy sources

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- Study of new packaging to replace the use of plastic for all AM clients
- Replacement of single-use wooden boxes with reusable plastic boxes (66%)

13 CLIMATE ACTION



- Purchase of GO certificates to increase the share of electricity from renewable sources
- Scope 3 greenhouse gas emission inventory and redefinition of reporting perimeter

2024





ESG

SOCIAL

- **100%** of employees on permanent contracts
- **43%** of hires are under the age of 30
- **+5,7%** growth of employees (2022 vs 2021)
- **+19.7%** average training hours per employee (21.9) (2022 vs 2021)
- Selection and evaluation of suppliers with environmental, ethical and social criteria
- **90%** of suppliers from Cofle SpA have certifications
- **- 24.7%** reduction in the accident severity index
- Projects for the sustainability of the territory

Sustainable Development Goals

SOCIAL

3 GOOD HEALTH AND WELL-BEING



- Pursuing of the prevention project with free medical visits for employees in collaboration with LILT (Italian League for the Fight against Cancer)

5 GENDER EQUALITY



- Increase in the percentage of female presence in the company (with the opening of the new logistics hub)

2024



ESG

GOVERNANCE

- **5.3%** increase in Economic Value Generated (2022 vs 2020)
- **Investments** in Research and Development; 8 Patents
- **Corporate Code of Ethics**
- Adoption of "**Organizational, Management, and Control Model**" pursuant to Legislative Decree No. 231/2001*
- **Integrated Quality and Environment Management System** in compliance with UNI EN ISO 9001 and 14001 standards
- **Internal Dealing** procedure
- Procedure for **Inside information** and the Insider Registry
- Procedure for **Related Party Transactions**

*Model 231 is a fundamental tool for establishing guidelines and procedures aimed at preventing the commission of certain crimes, as well as for promoting a corporate culture based on ethics and compliance with current regulations

Sustainable Development Goals

GOVERNANCE

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



- Study and inclusion of ESG goals in the remuneration systems of Managers

17 PARTNERSHIPS
FOR THE GOALS



- Gradual expansion of the sustainability reporting scope to fully cover the Group consolidation

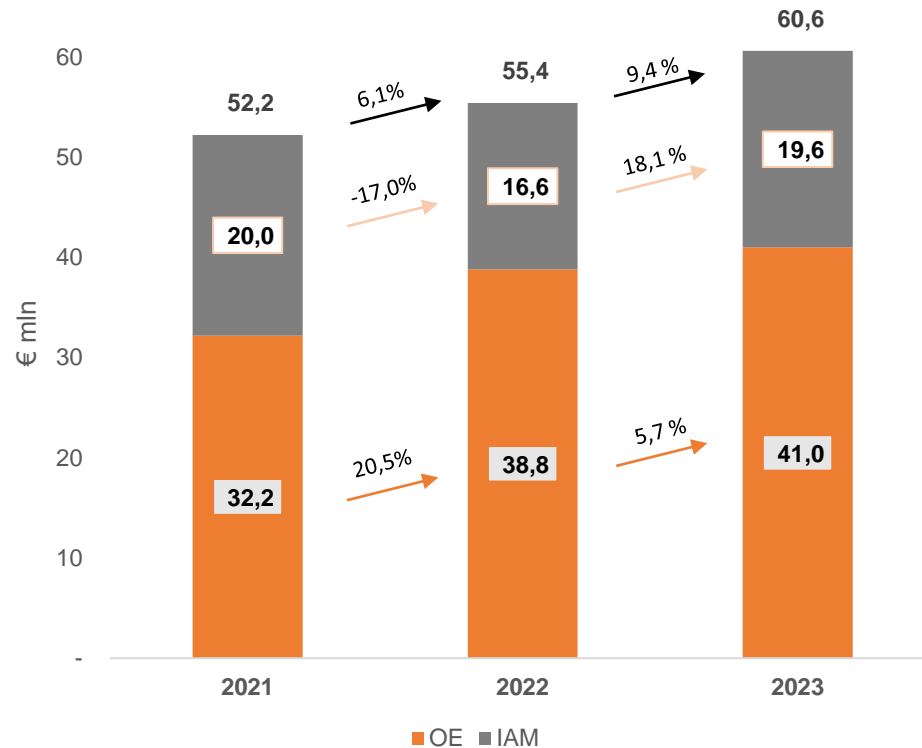
2024



FINANCIAL HIGHLIGHTS

GROUP SALES BY DIVISION – FY 2023

Sales Breakdown by division
(FY 2021 – 2023)

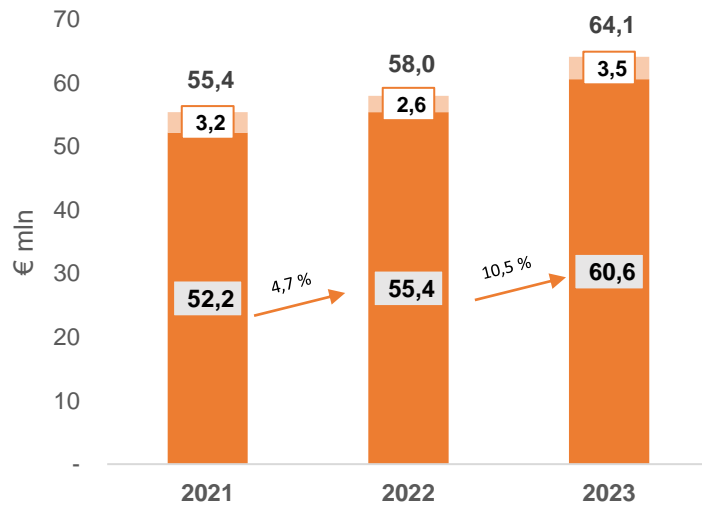


Market Diversification

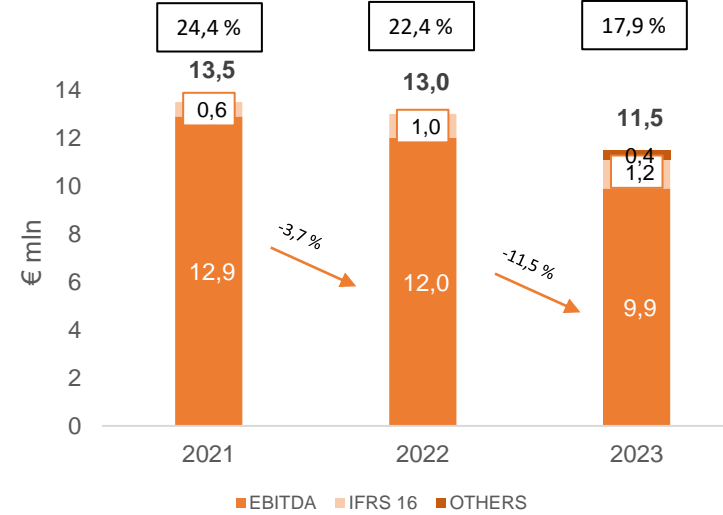
| OE Division | 2022 | 2023 | Delta |
|--|-------------|-------------|--------------|
|  AG | 37,3 | 38,3 | 1,0 |
|  Automotive | 0,4 | 1,6 | 1,2 |
|  Sport Cars | 0,5 | 0,6 | 0,1 |
| Others | 0,6 | 0,5 | -0,1 |
| IAM Division | 2022 | 2023 | Delta |
| Brake Cables | 12,2 | 14,6 | 2,4 |
| Gearshift Cables | 1,1 | 1,6 | 0,5 |
| Clutch Cables | 2,1 | 2,2 | 0,1 |
| Others | 1,2 | 1,2 | 0 |

FINANCIAL HIGHLIGHTS

Cofle Total Revenues & Sales



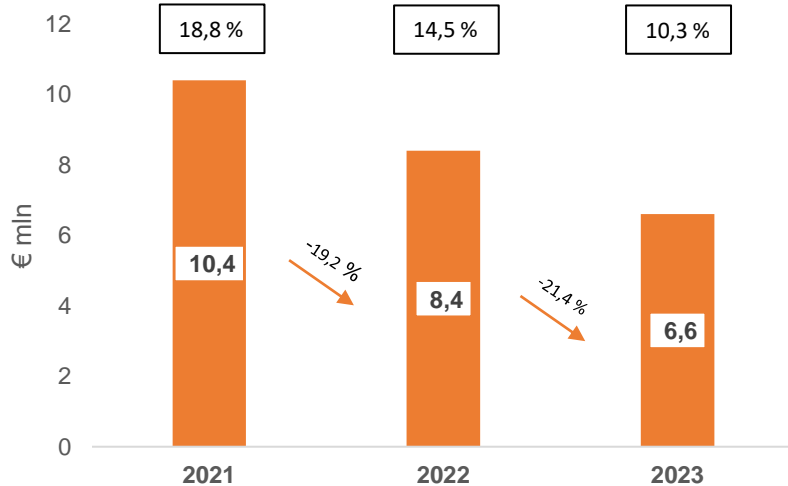
EBITDA IFRS 16 Adj. and EBITDA Margin



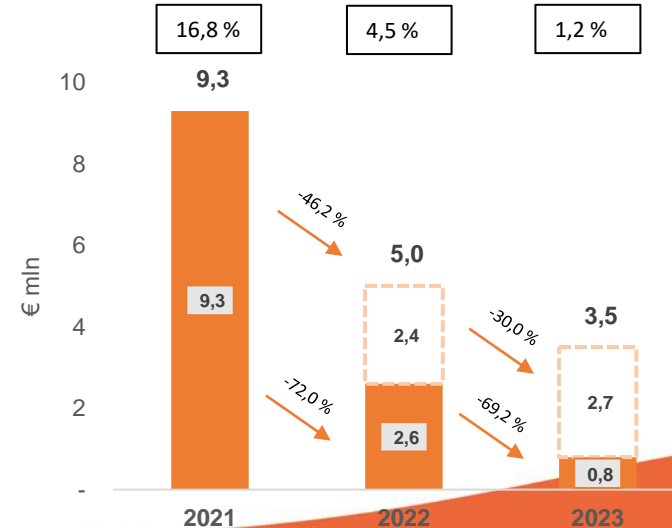
Main Events FY 2023:

- + € 2 M labour costs in Turkey
- + € 0,2 M strategic consulting (one-off item)
- + € 0,5 M write-down and dilution of the Turkish subsidiary's share (non-cash item)

EBIT and EBIT Margin *



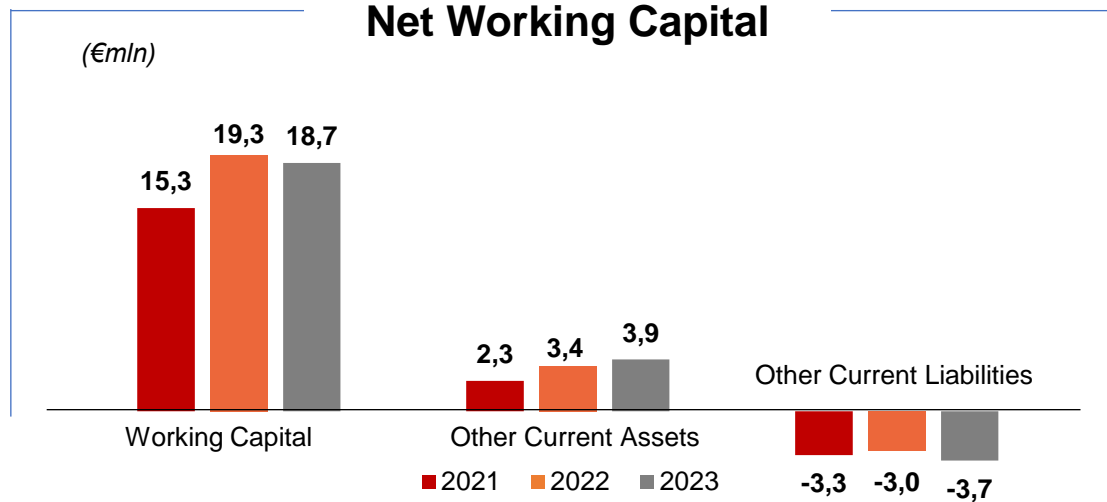
Net Income and Net Income Margin



€ 2,7 M hyperinflation effects on Turkish subsidiaries (non-cash items)

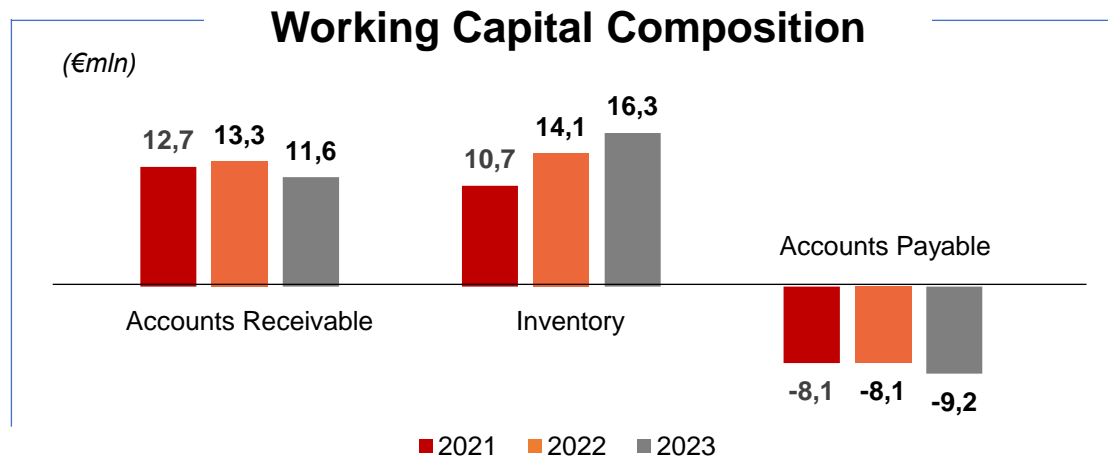
CONSOLIDATED NET WORKING CAPITAL

Net Working Capital Analysis



(€mln)

| NWC 2021 | NWC 2022 | NWC 2023 |
|----------|----------|----------|
| 14,4 | 19,7 | 18,9 |



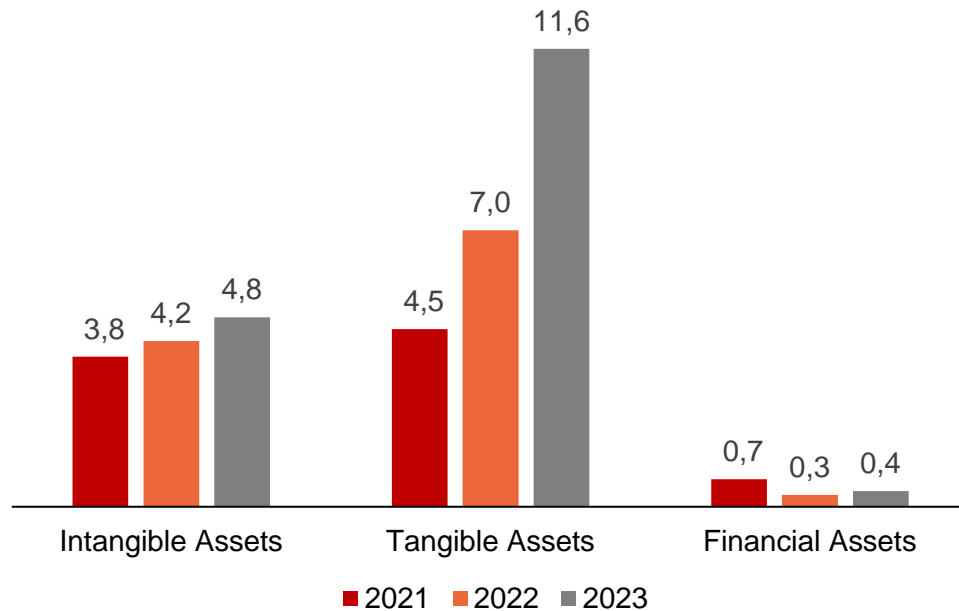
| | 2021 | 2022 | 2023 |
|-----|------|------|------|
| DSO | ~83 | ~86 | ~75 |
| DIO | ~120 | ~140 | ~150 |
| DPO | ~88 | ~91 | ~85 |

FIXED ASSETS AND CAPEX

Tangible, Intangible and Financial Assets

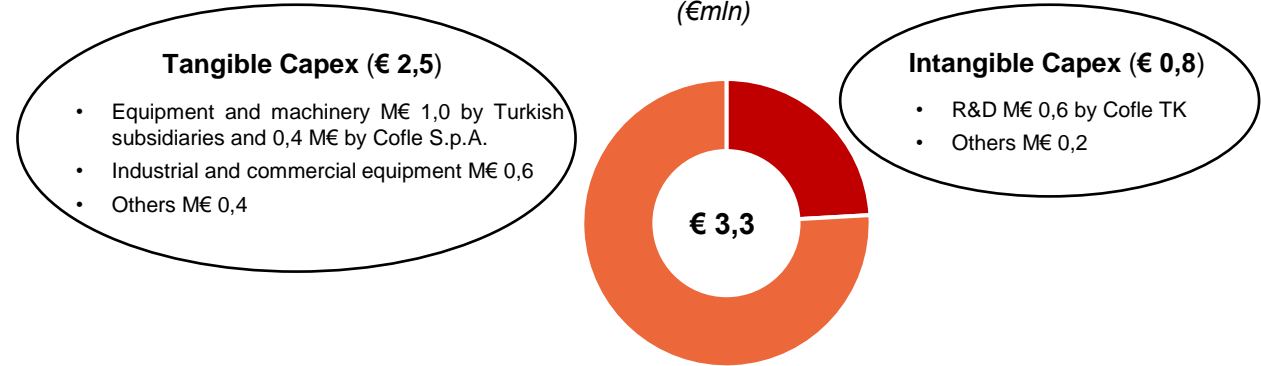
Fixed Assets

(€mln)



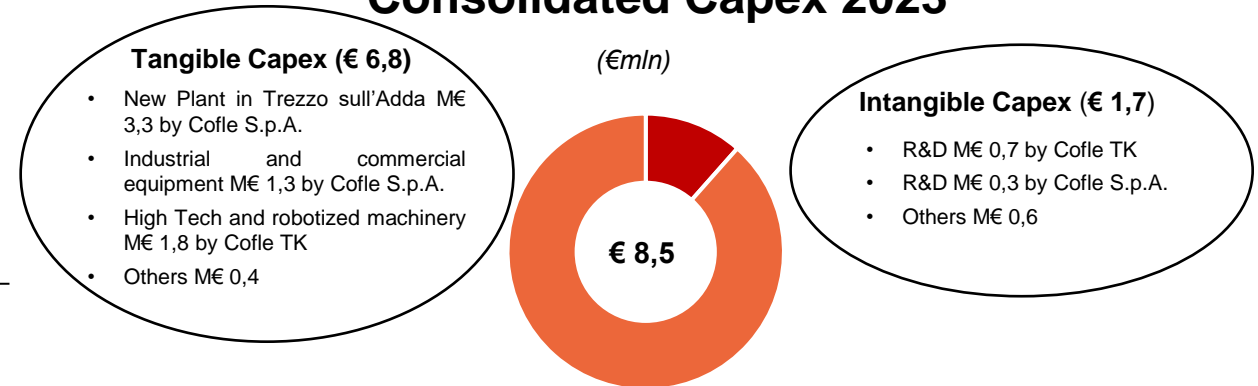
Consolidated Capex 2022

(€mln)



Consolidated Capex 2023

(€mln)



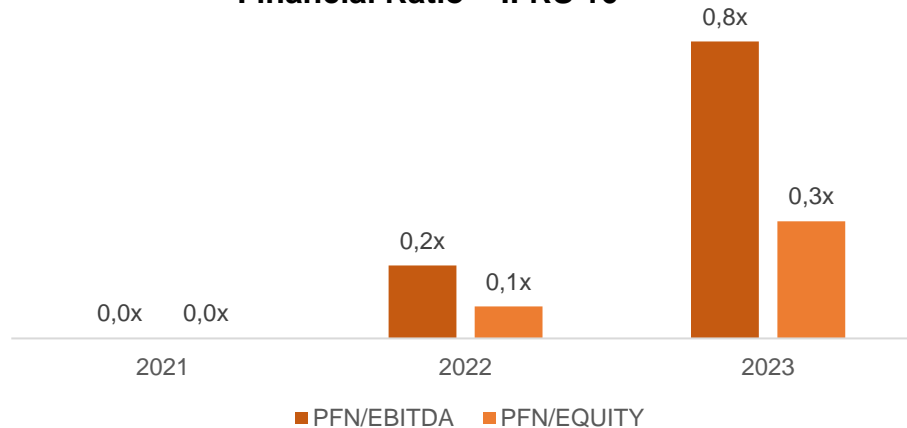
NET FINANCIAL POSITION FY 2021-2023

NFP IFRS 16 FY 2021-2023

NFP composition - debt (cash)

| (€) | 2021 | 1H 2022 | 2022 | 2023 |
|--|-------------------|------------------|------------------|------------------|
| Long Term Financial Debts | 9.348.695 | 7.867.844 | 10.301.703 | 4.762.629 |
| Short Term Financial Debts | 1.299.154 | 4.621.425 | 4.269.010 | 12.962.758 |
| Cash and Cash Equivalents | -15.493.769 | -13.509.892 | -20.319.815 | -18.182.799 |
| Other Current Financial Assets | - | - | -190.960 | -100.000 |
| Shareholder Financial Receivable | 429.900 | - | - | - |
| Financial debts vs Parent Company | 722.500 | 413.000 | 255.000 | - |
| Other Financial Debts | 58.870 | 429.900 | 4.883.811 | 5.531.045 |
| Net Financial Position ITA GAAP ex Valdiporto | -3.634.650 | -177.723 | -801.251 | 4.973.633 |
| Valdiporto Financial Receivable* | -600.000 | -50.000 | - | - |
| Net Financial Position ITA GAAP | -4.234.650 | -227.723 | -801.251 | 4.973.633 |
| Ifrs 16 Adjustment | 4.266.000 | 3.825.000 | 3.475.000 | 4.679.734 |
| Net Financial Position IFRS 16 | 31.350 | 3.597.000 | 2.673.749 | 9.653.367 |

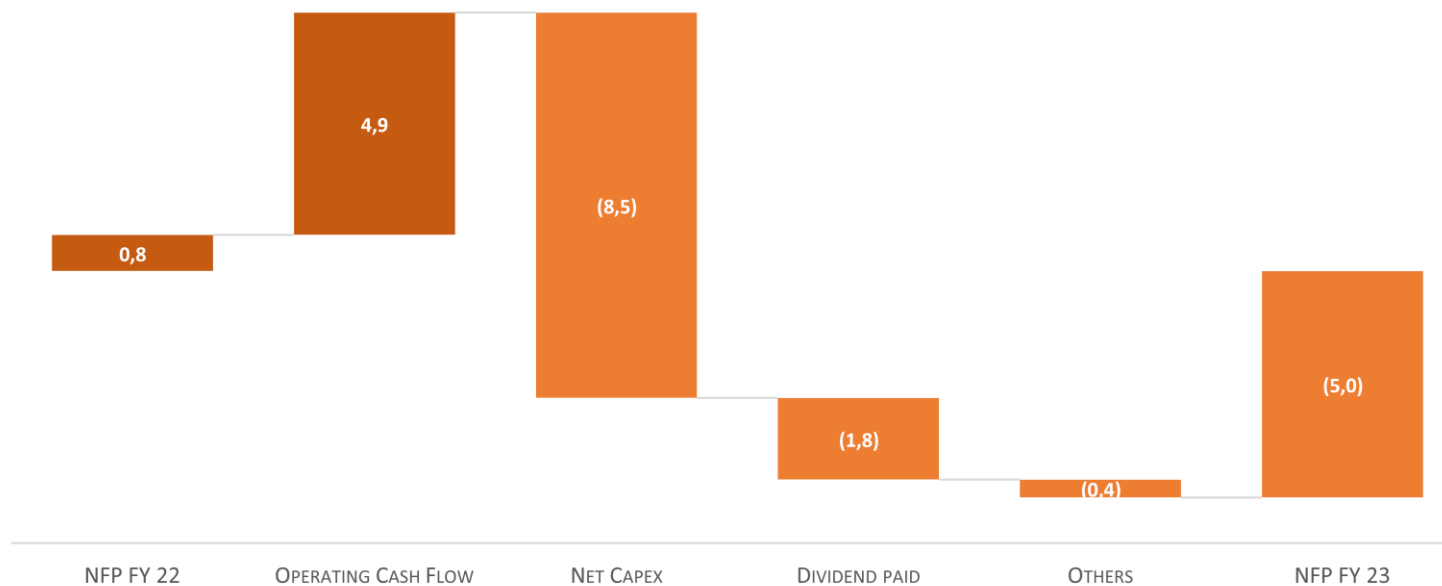
Financial Ratio – IFRS 16



- Other Financial Debts include € 4.891.899 related to a Basket Bond issued in November 2022. Interest rate 5,06%, period end October 2028
- **At 31/12/2023, NFP is equal to € 4,97 M.**

CASH FLOW

Net Financial Position Bridge FY22 to FY23



€ 5,8 M Cash Outflow



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