



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







INVESTOR PRESENTATION

December 2024



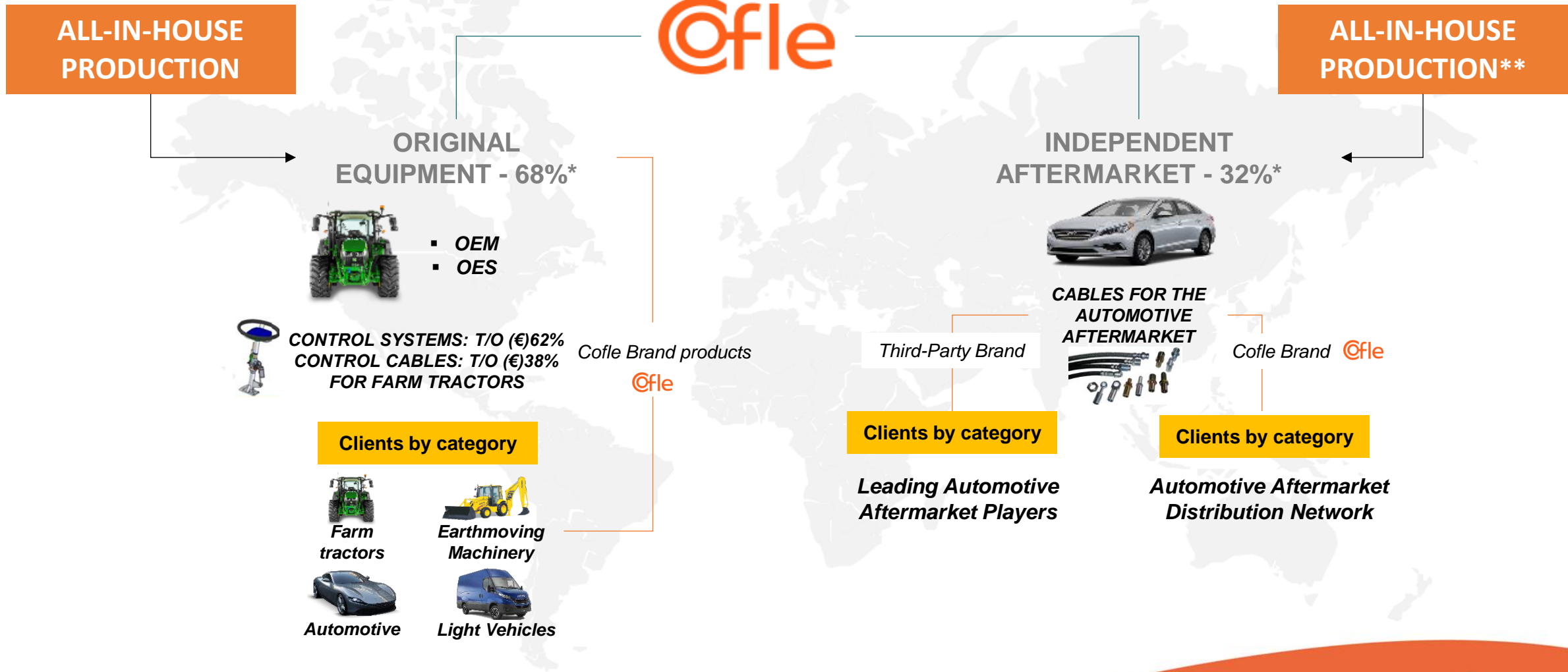
COFLE GROUP

Key Highlights

KEY POINTS		DESCRIPTION
1	<div>Growth</div> <div></div>	<div><ul style="list-style-type: none">• Secular trends driving increased total addressable market• Global Farm Tractors Market Forecast to 2031 estimated growing with +8,9% CAGR 2023-2031¹</div> <div><div><div>73,7 (\$bn)</div>2023</div><div></div><div><div>145,4 (\$bn)</div>2031E</div></div> <div>Farm Tractors Market size</div>
2	<div>Global Presence</div> <div></div>	<div><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</div> <div></div>
3	<div>Innovation</div> <div></div>	<div><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</div> <div></div>

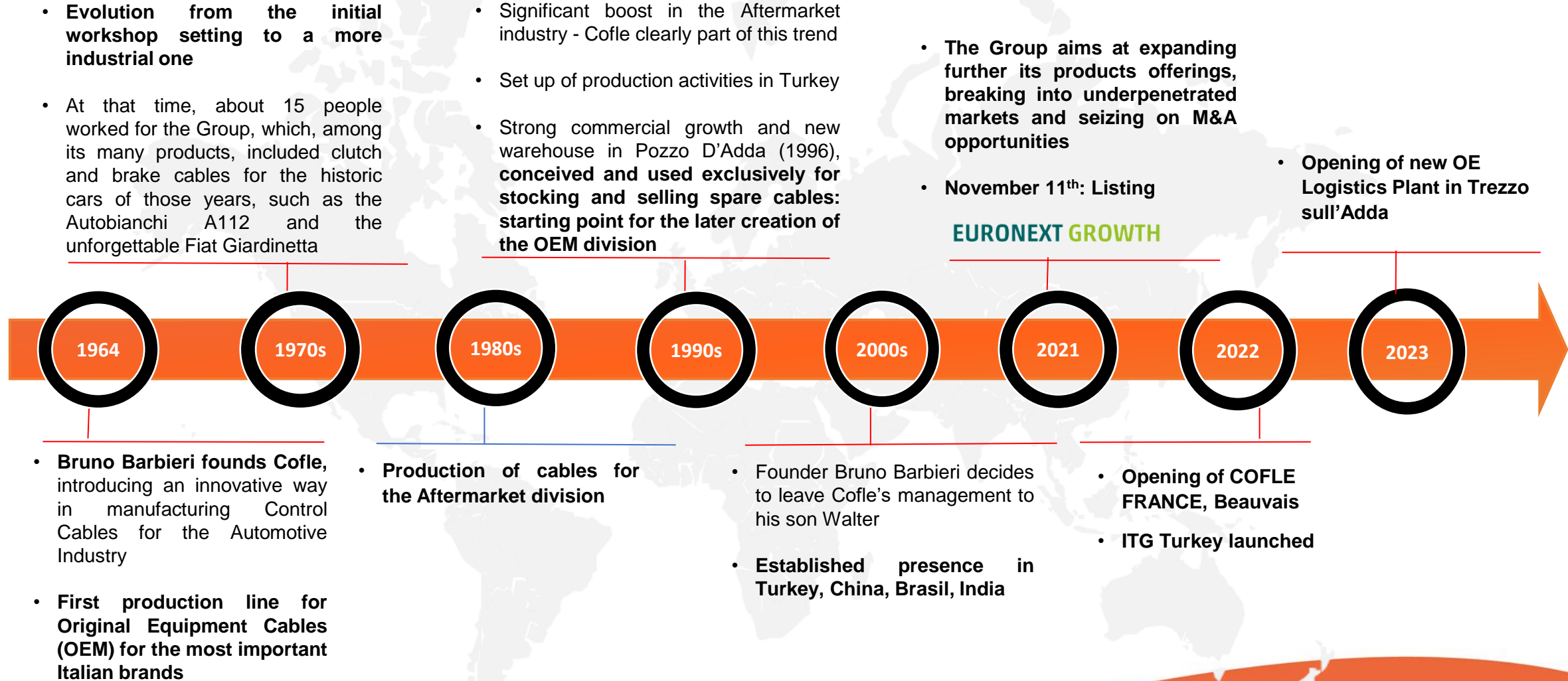
COFLE GROUP: Snapshot

One global player, two divisions: OE and IAM



KEY MILESTONES

Group history since foundation



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

ITALY – OE Logistic Plant



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

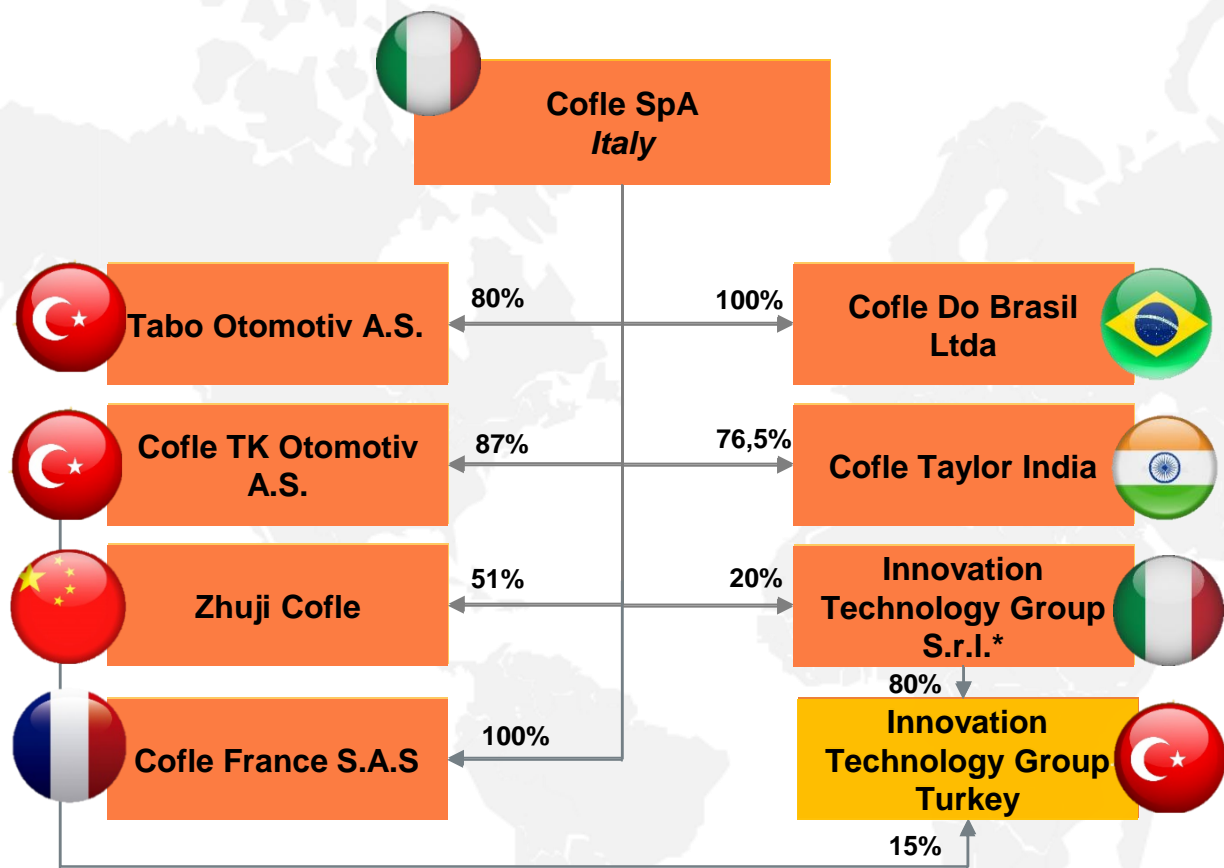


Plant Description

- 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
VP and Director
Alessandra Barbieri
Director
Marco Facchin Assi
Director
Andrea Costantini
Independent Director
Enrico Mambelli

Statutory Auditors

Chairman
Giuseppe Rota
Auditor
Arturo Carcassola
Auditor
Ugo Palumbo
Supplementary Auditor
Nicola Coletto
Supplementary Auditor
Silvia Bolognini

Audit Firm

Total Workforce as of 30/06/2024	
Company	Employees
Cofle S.p.A.	157
Tabo Otomotiv	174
Cofle TK Otomotiv	201
Cofle Zhuji	1
Cofle Do Brasil	16
Cofle Taylor India	20
Cofle France	3

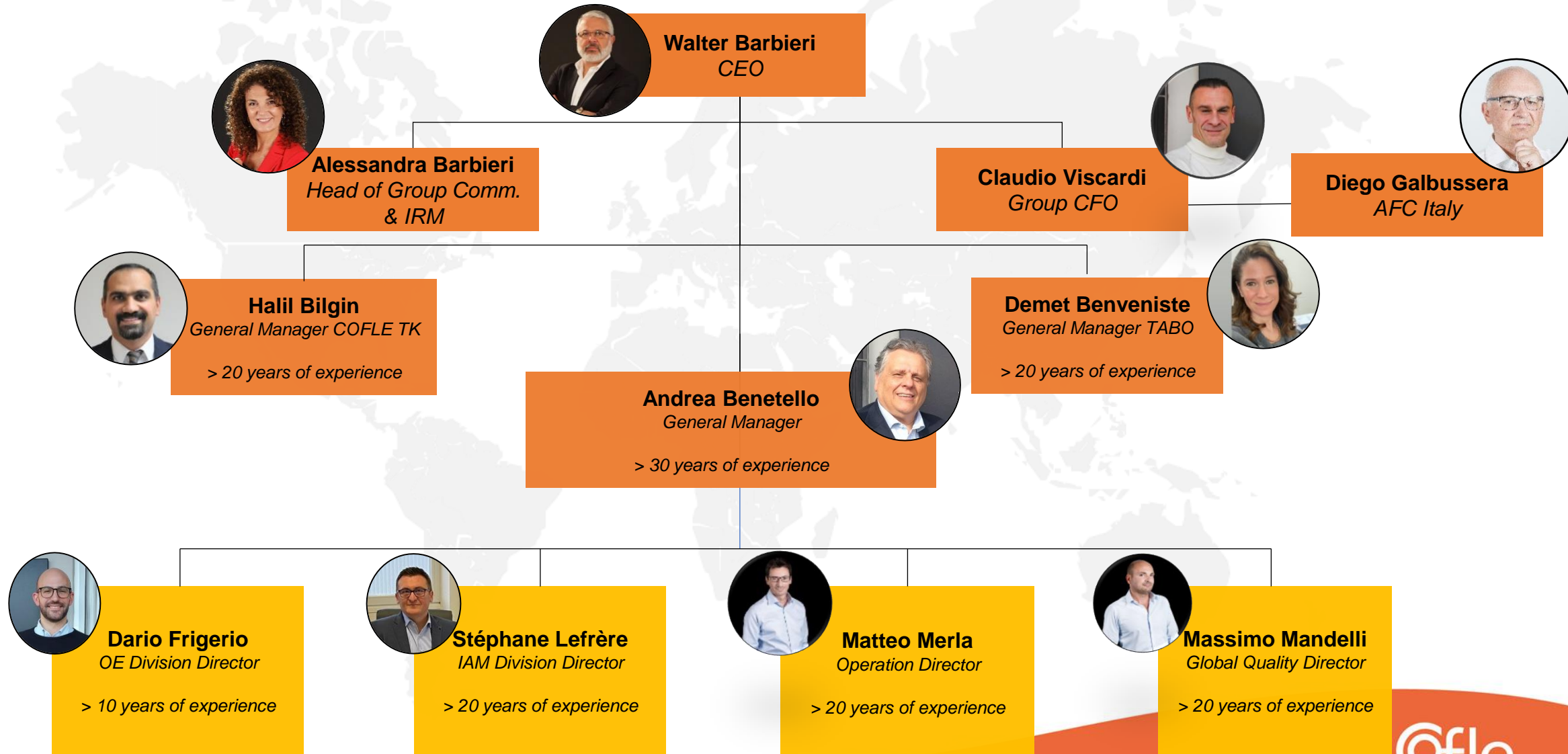
Total Employees

572 as of 30/06/2024



ORGANIZATION CHART

Experienced multinational Management Team

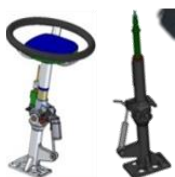


OE DIVISION

All-In-House production

Off-Road Applications

Steering Columns
Fix Hub and
Anti-Dumping
System



Cables for all
applications



Gearshift Towers with
Electronics Knobs



P.T.O.
Systems
Control



Joysticks for Front Loader
(with push buttons
command)



Brake Levers
Mother Regulation



Spool Valve
command



Premium Luxury Brands Applications

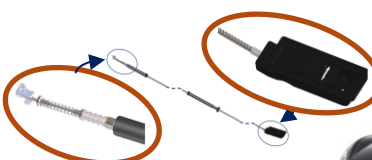
Gearshift Lever, Handbrake
and Cables



Gear Unlock DCT System cables



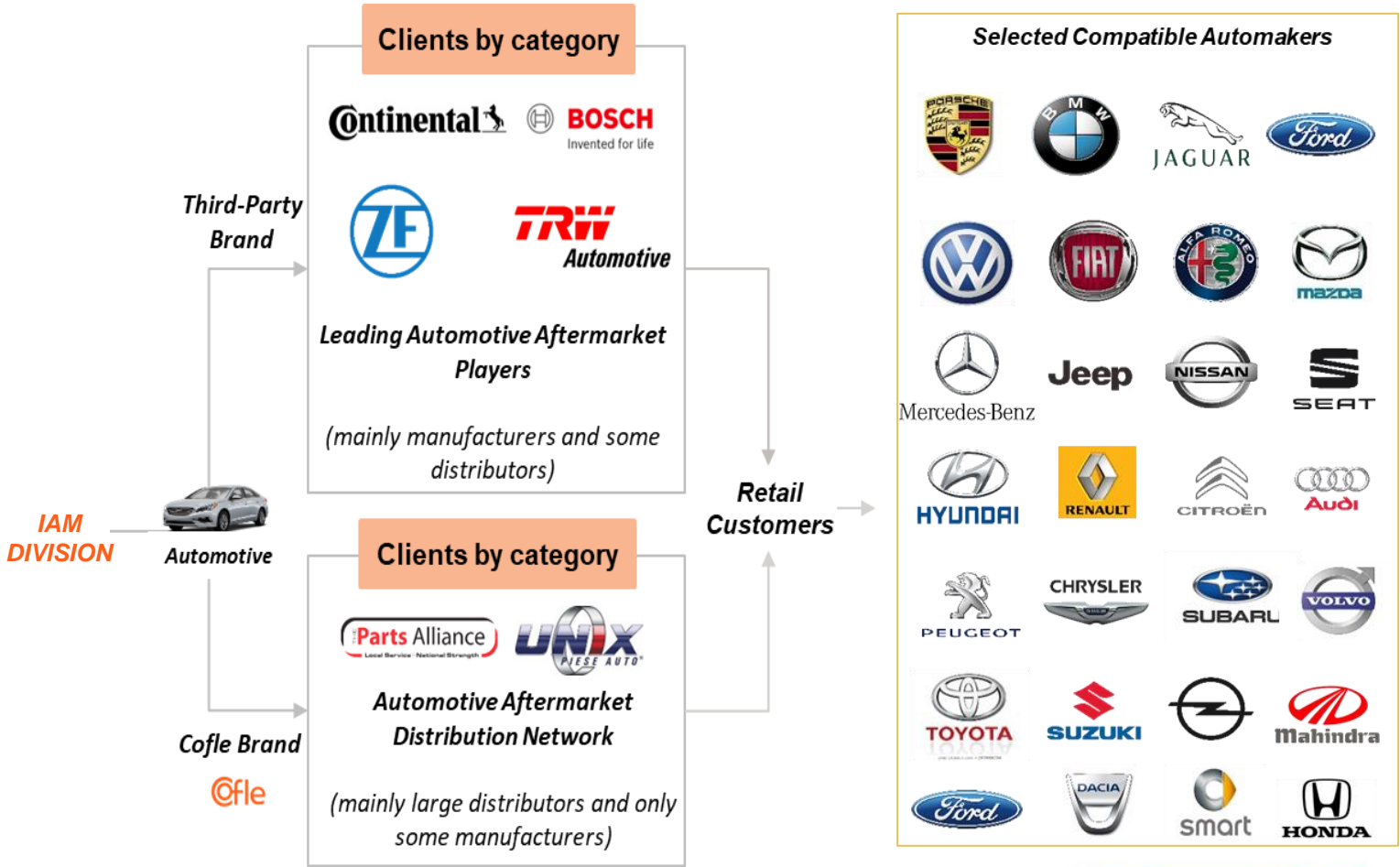
Front and Rear Bonnet
Cables



IAM DIVISION

All-In-House production

Control Cables



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

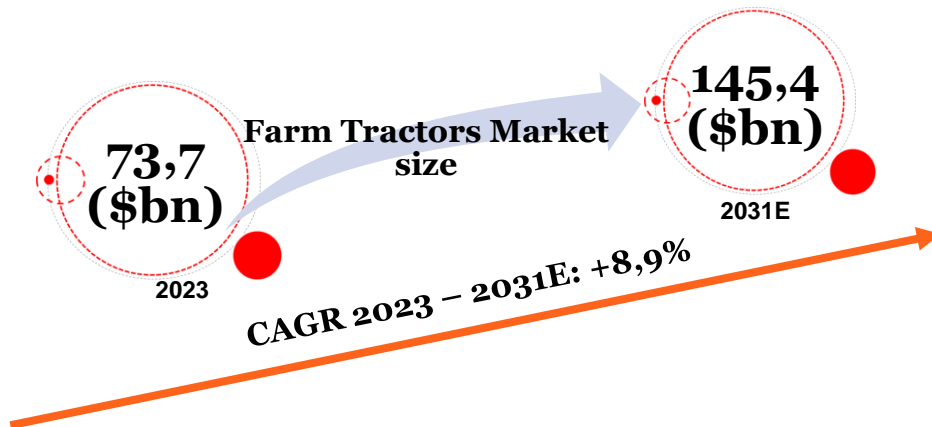
5 State of Art Credentials OE

6 State of Art Credentials IAM

7 Focus on innovation to anticipate next future trends

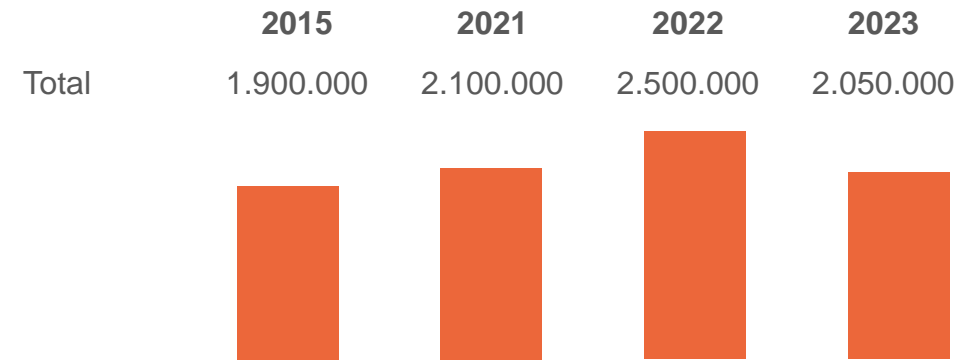
Exceptionally sound path to growth on a global scale catching the wave of a secular trend in population dynamics and food demand

Global Farm Tractors Market Forecast to 2031



Sources: Farm Tractor Market: Banca Profilo Equity Research elaborations of Company Data based on HNY Research

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



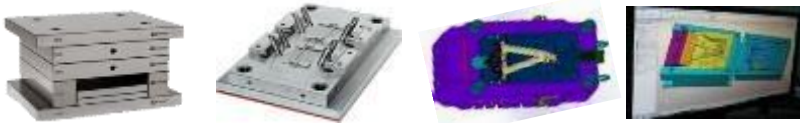
MANUAL WELDING



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

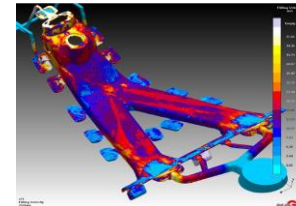


Die casting products

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

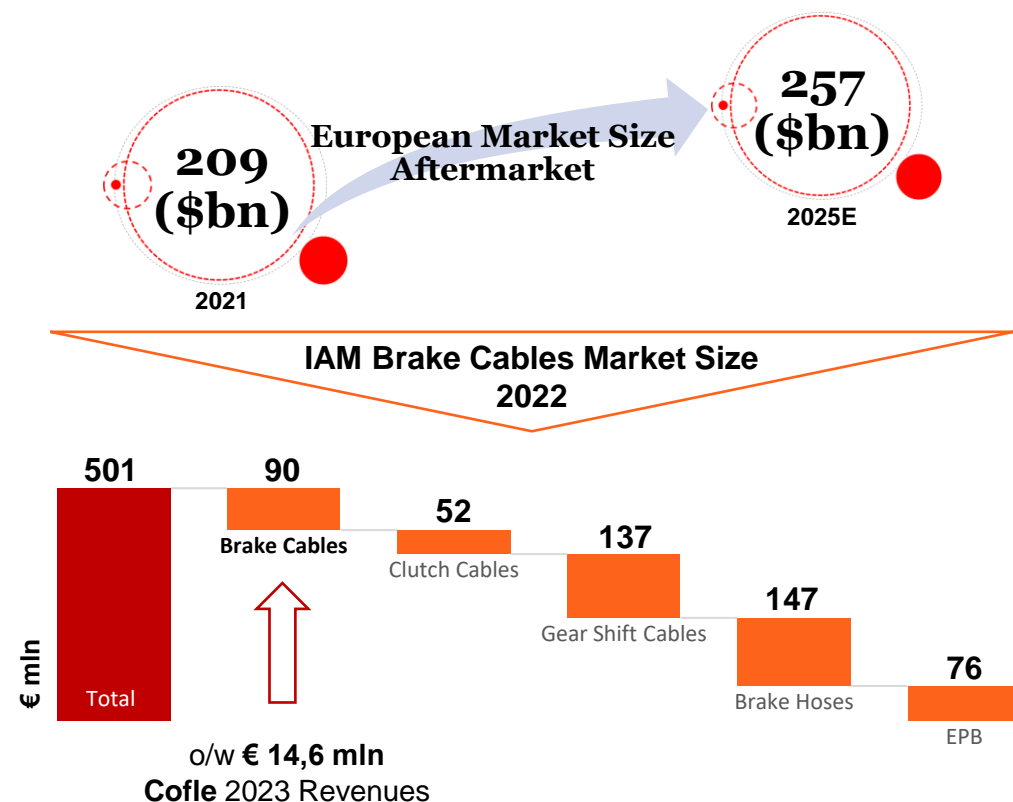
Plastic parts are made internally by using compounds such as PA, POM, PEHD, and techno-polymers like PA66 + GF or PA + CF, ABS, PP, PC.

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

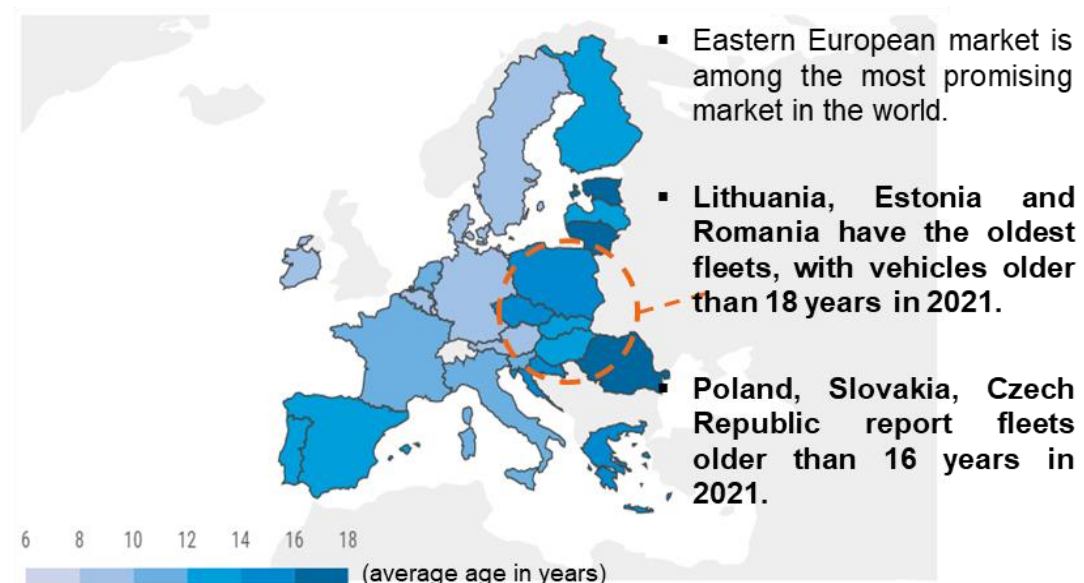
SEE OUR VIDEOS HERE

<https://www.youtube.com/watch?v=IJkYo01qZac>

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);

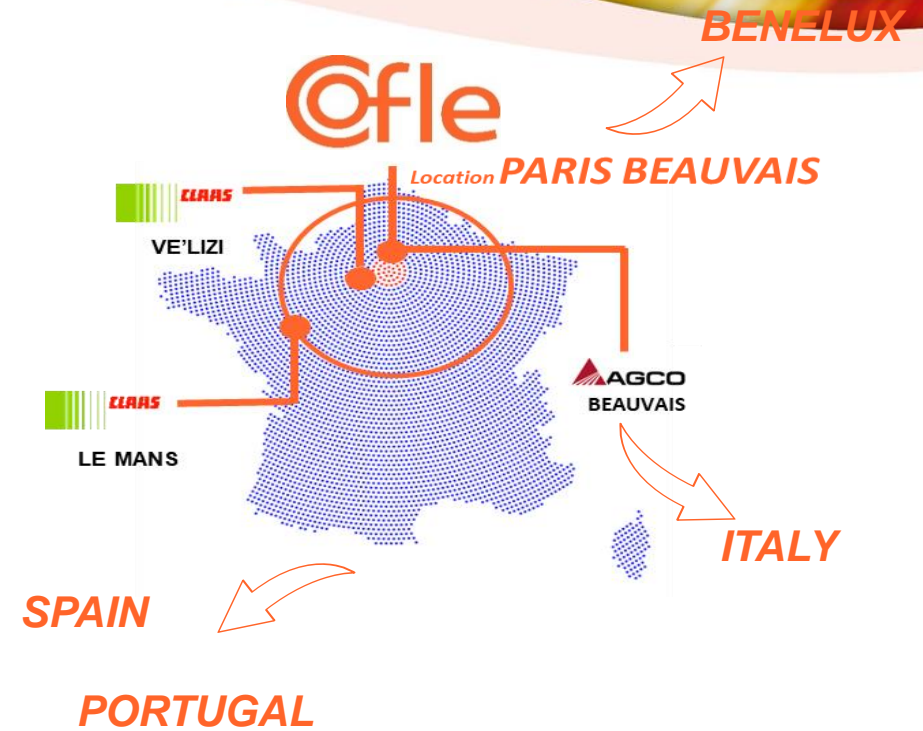
The Boston Consulting Group, «At the crossroads: The European Aftermarket in 2030», (2021), IHS, Euromonitor, Bloomberg, «Support the definition of the commercial strategy of Cofle's Aftermarket division» (2023), Roland Berger

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



Cofle, active in France since 1980, now views it as strategic for future growth. Its presence in Paris Beauvais allows close monitoring of the agricultural sector's industrial hub—with clients like **AGCO** and **CLAS**—and offers expansion for **OE** and **IAM** divisions. Investments in staff and infrastructure enable opportunities in nearby markets. Recently, the subsidiary secured **two key agreements**: one with Europe's second-largest spare parts distributor to resell Cofle's products internationally, and another with a distributor that's part of a large automotive group.

STATE OF ART CREDENTIALS - OE

A highly prestigious and diversified customer base all over the world

Agriculture



Construction & Industrial



Automotive



New client

- 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: the Electronic Parking Brake (EPB) complete range has been launched in September 2024, coinciding with the Frankfurt Fair.

Innovation to anticipate next future trends

Commitment to launching disruptive solutions to stand out



2

R&D CENTER



28

PEOPLE EMPLOYED IN R&D ACTIVITES



2

ENGINEERING CENTER



8

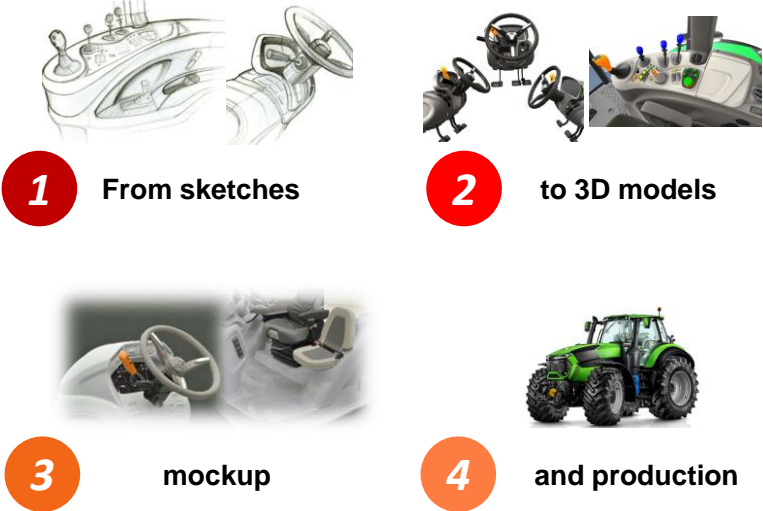
REGISTERED PATENTS IN THE LAST 5 YEARS ACROSS 5 COUNTRIES



1

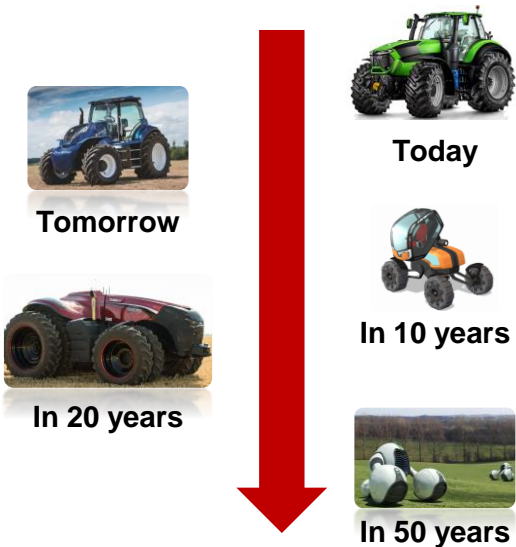
DEDICATED OEM INNOVATION HUB

HOW WE INNOVATE IN COFLE



READY FOR NEXT AGRICULTURE CHAPTER

- Automation
- Precision Farming
- Artificial Intelligence



UPDATE

IAM NEW PRODUCTS UPDATE

All-In-House production to maintain high margins

ELECTRONIC PARKING BRAKE (EPB)



The **new complete range of EPBs** for the Independent Aftermarket, which has been officially presented at the **Automechanika fair in Frankfurt**, marks an important step for Cofle, which continues to invest in advanced technologies to offer cutting-edge solutions in the automotive aftermarket sector.

Thanks to this innovation, for which Cofle has already **filed patents**, and considering the expected increase in demand over the coming years, Cofle estimates a revenue growth of approximately **10 million euros for the Aftermarket division over the next 5 years**.

Aiming to capture at least **10% of the market share**, the **EPB** represents a highly promising diversification opportunity for Cofle, also supported by positive feedback from key customers.

This new technology is now applied to many car models, including those with small to medium engine capacities, making it a crucial item in the **Aftermarket sector**.

SEE OUR VIDEOS HERE

[EPB Electronic Parking Brakes](#)
[IAM - YouTube](#)

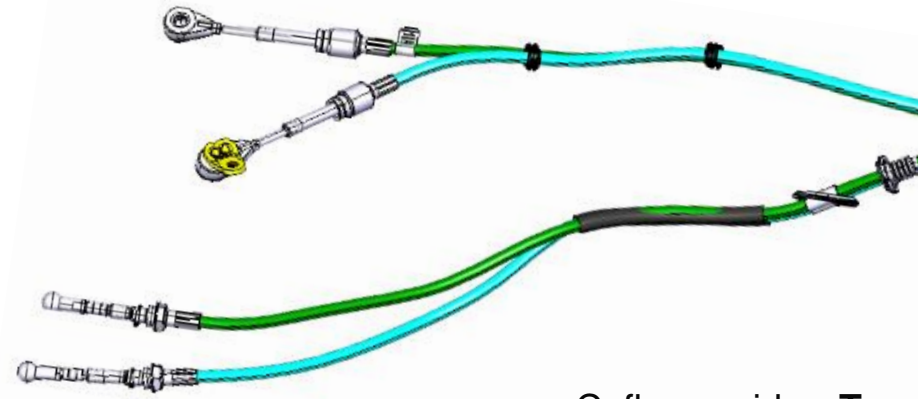


This system is widely used in the automotive industry to simplify the search and identification of spare parts, improving the efficiency of operations in mechanical workshops and spare parts distribution companies



OE NEW PROJECTS UPDATE

INEOS **GRENADIER**



Cofle technology is
aboard the new off-road
Ineos Grenadier

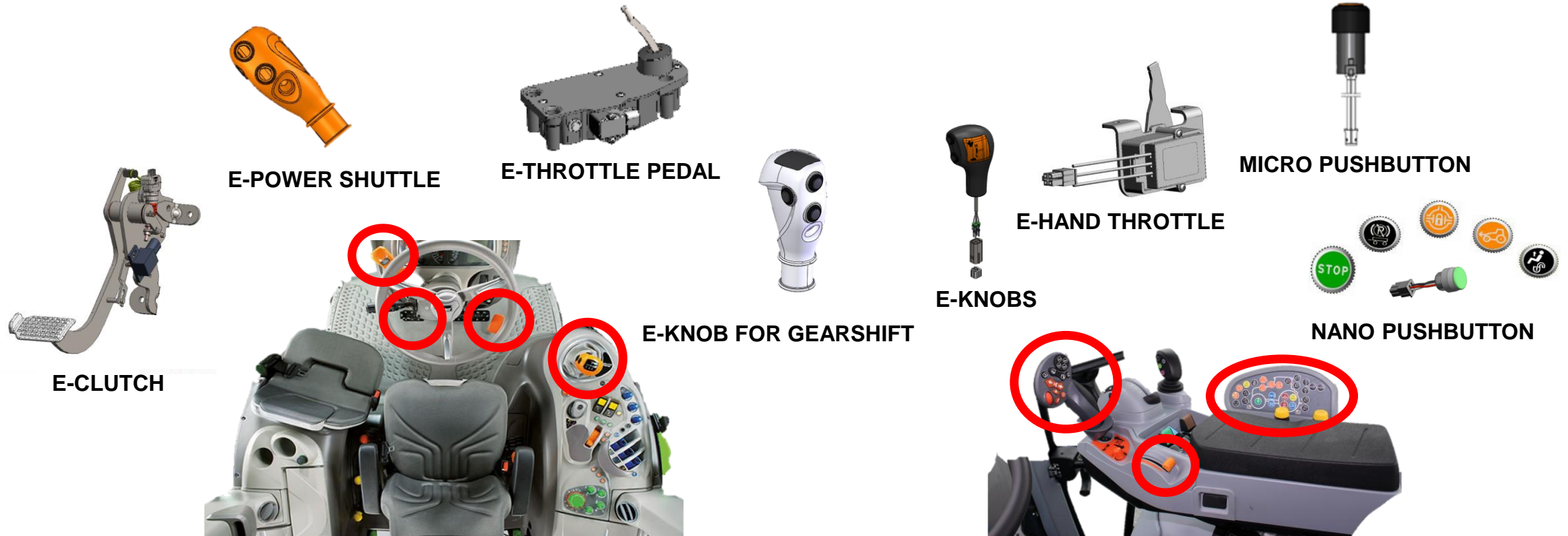


Cofle provides **Transfer Case Manual Shifter and Cables**, which enables the unlocking of the differential to vary power distribution to each individual wheel, as well as the engagement and disengagement of low gears

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.

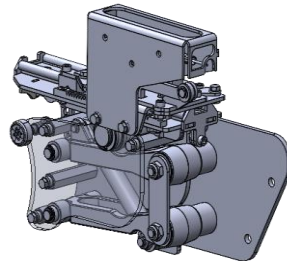
The new area will be dedicated to the assembly of sensors, switches, and mechatronic systems such as manipulators and armrests



SPECIAL SWITCHES



ELECTRICAL WIRE ASSEMBLY



MECHANICAL STRUCTURE



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



KNOBS AND PCB



HALL EFFECT SENSOR



PLASTIC ESTHETICAL TREAMS

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 (2023 vs. 2022). Total 47,5% [-29 tCO₂e issued]
- - 15,2% total energy consumption per revenues (2023 vs. 2022)
- 97% Raw materials used by recycling (Aluminium and Zamak) [-230 tCO₂e issued]
- 65% of recyclable plastic packaging
- Only 4,4% dangerous waste generated per revenues in 2023
- 98,1% of the total waste is destined for recovery
- - 12,3% tCO₂e of total greenhouse gas emissions (scope 1, 2, and 3 -2023 vs. 2022)

SEE OUR VIDEOS HERE

[Cofle ESG \(youtube.com\)](https://www.youtube.com/CofleESG)



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
- **4.360** training hours in 2023
- Selection and evaluation of suppliers with environmental, ethical and social criteria
- **90%** of suppliers from Cofle SpA have certifications
- **0%** Rate of injuries with serious consequences
- 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

- **Corporate Code of Ethics**
- Adoption of "**Organizational, Management, and Compliance 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

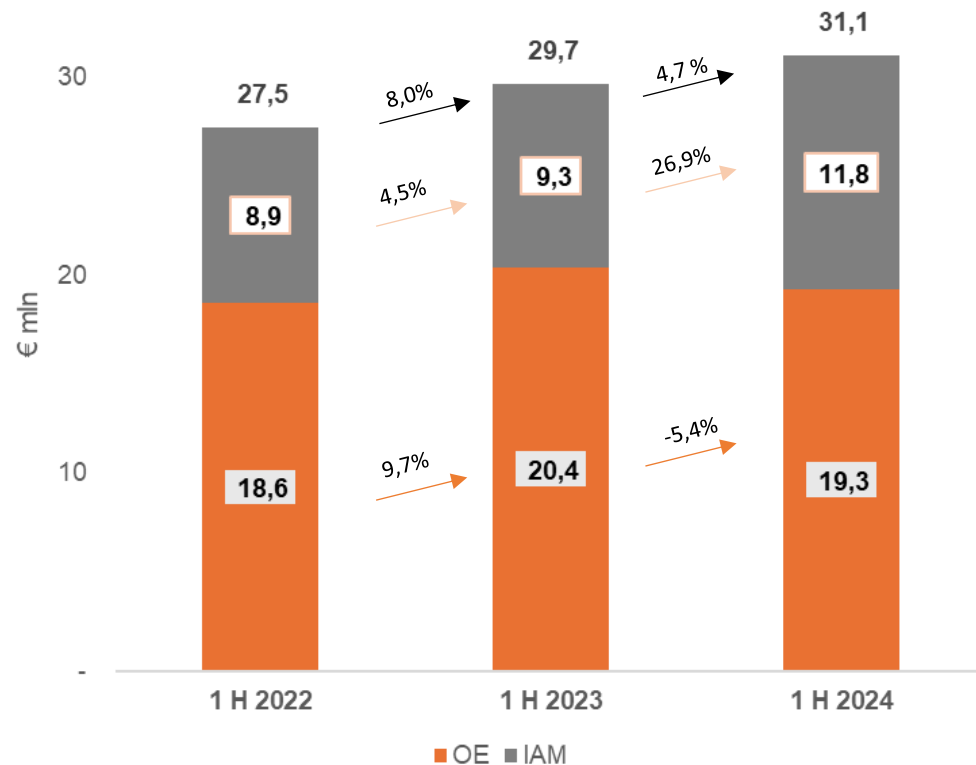
2024






FINANCIAL HIGHLIGHTS

GROUP SALES BY DIVISION – HY 2024

Sales Breakdown by division
(HY 2022 – 2024)

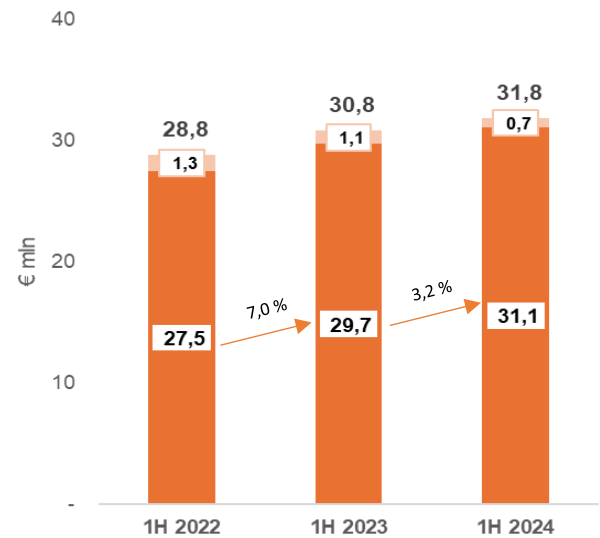


Market Diversification

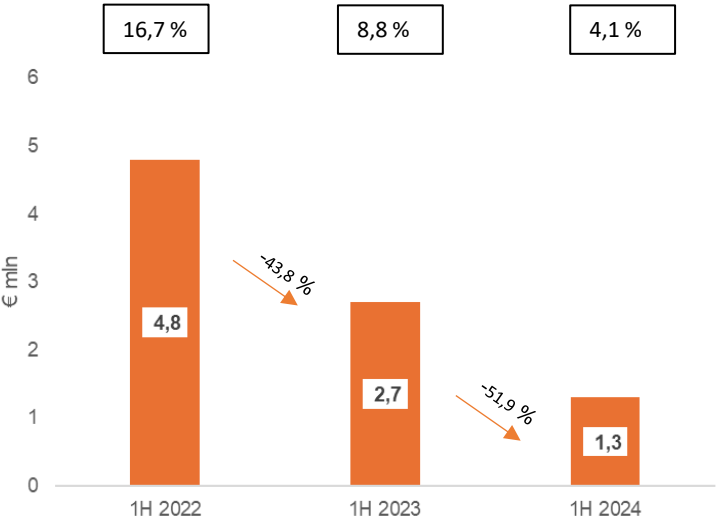
OE Division	1H 23	1H 24	Delta
 AG	18,8	17,3	-1,5
 Automotive	0,8	1,2	0,4
 Sport Cars	0,3	0,4	0,1
Others	0,5	0,4	-0,1
IAM Division	1H 23	1H 24	Delta
Brake Cables	6,8	8,2	1,4
Gearshift Cables	0,7	1,2	0,5
Clutch Cables	0,9	1,1	0,2
Others	0,9	1,3	0,4

FINANCIAL HIGHLIGHTS

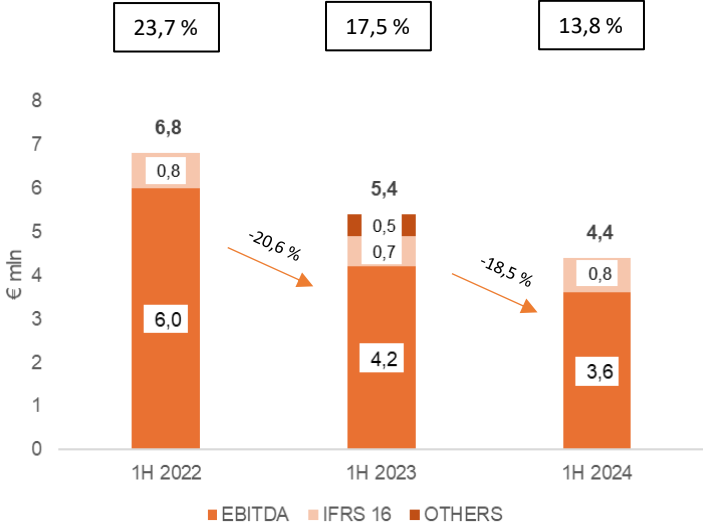
Cofle Total Revenues & Sales



EBIT and EBIT Margin *

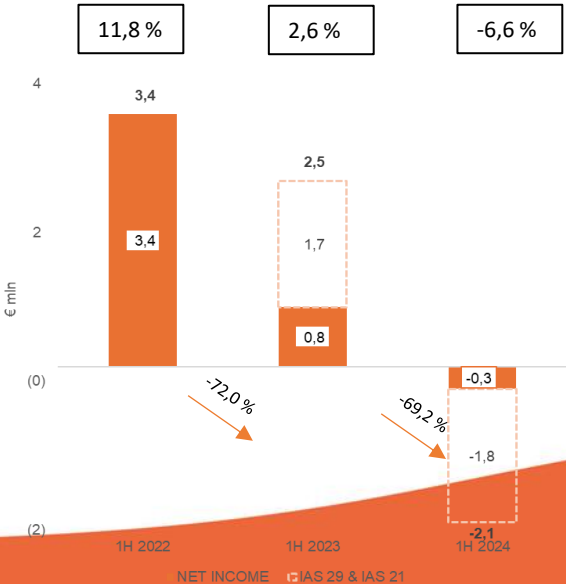


EBITDA IFRS 16 Adj. and EBITDA Margin



- Main Events 1H 2024:**
- + € 0,9 M labour costs in Turkey
 - OE Agri Tech Market worldwide slowdown

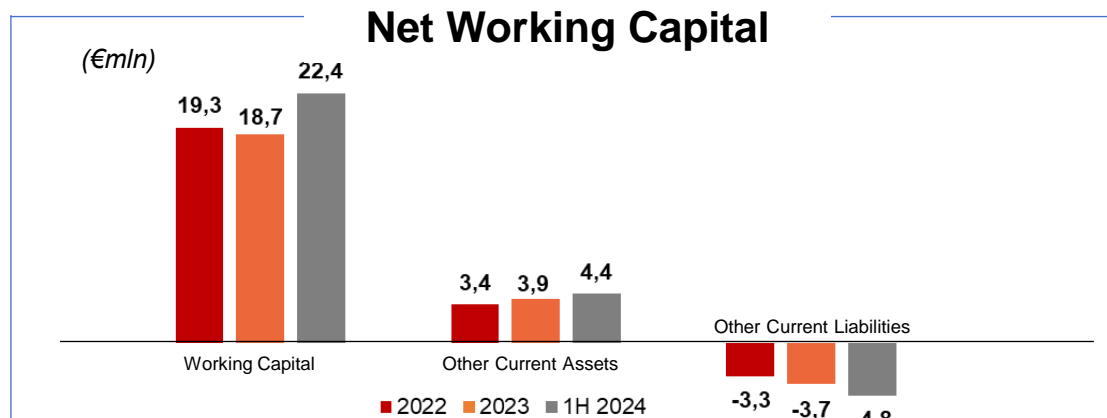
Net Income and Net Income Margin



€ 1,8 M hyperinflation effects on Turkish subsidiaries (no cash item)

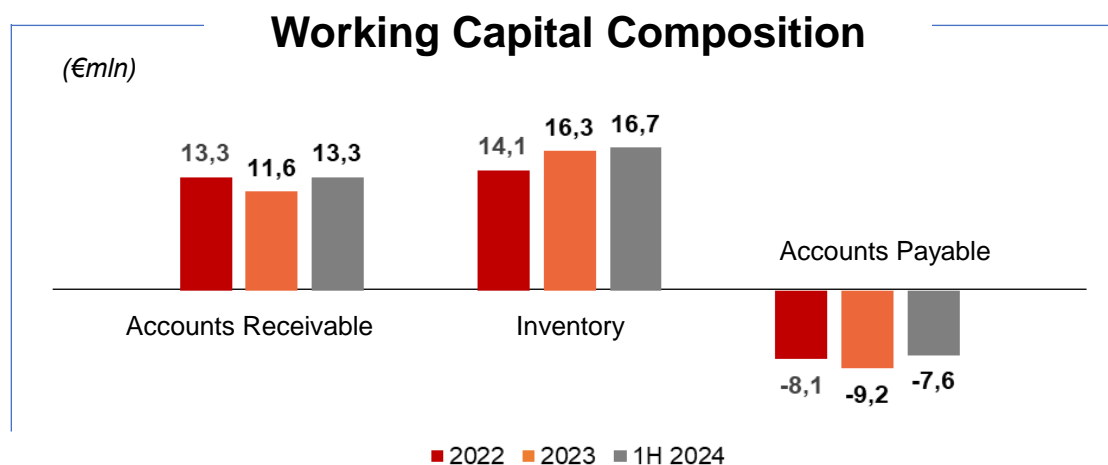
CONSOLIDATED NET WORKING CAPITAL

Net Working Capital Analysis



(€mln)

NWC 2022	NWC 2023	NWC 1H 2024
19,7	18,9	22,0

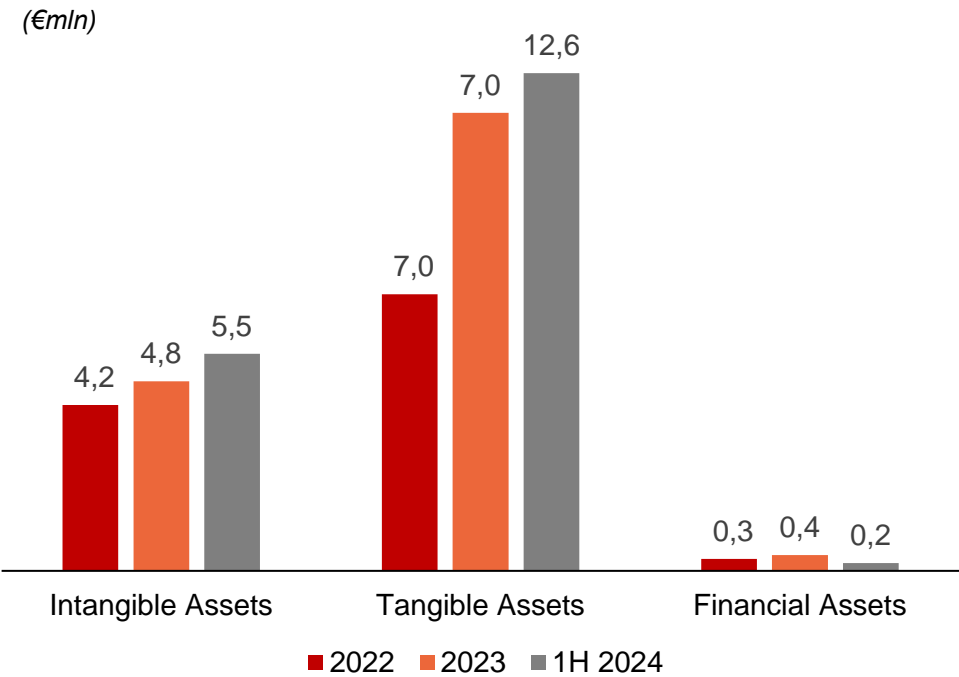


	2022	2023	1H 2024
DSO	~86	~75	~73
DIO	~140	~150	~167
DPO	~91	~85	~85

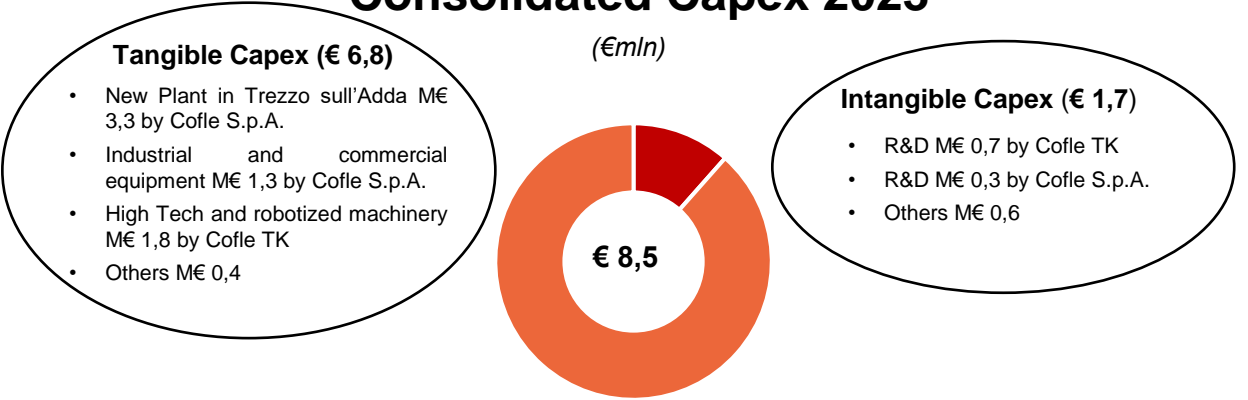
FIXED ASSETS AND CAPEX

Tangible, Intangible and Financial Assets

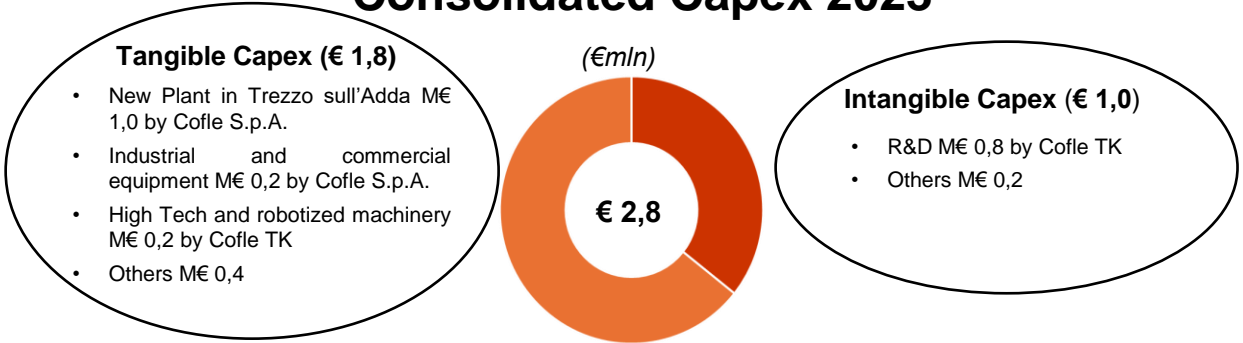
Fixed Assets



Consolidated Capex 2023



Consolidated Capex 2023



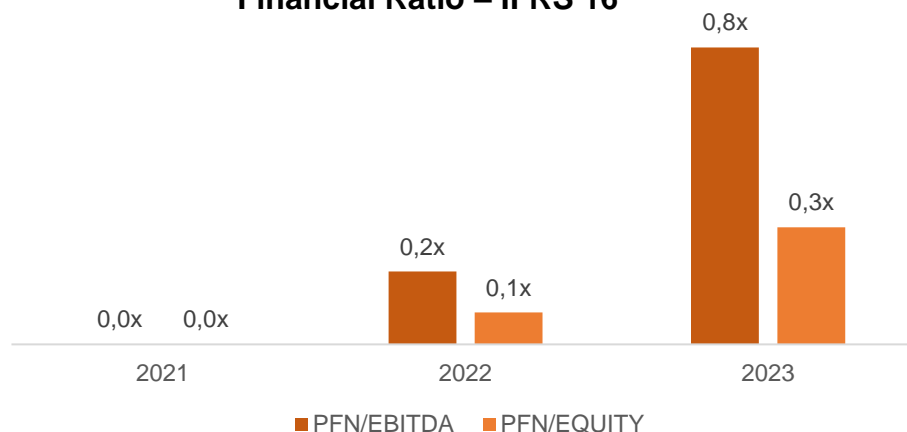
NET FINANCIAL POSITION FY 2021- 1H 2024

NFP IFRS 16 FY 2021- 1H 2024

NFP composition - debt (cash)

(€)	2021	2022	2023	1H 2024
Long Term Financial Debts	9.348.695	10.301.703	4.762.629	5.058.994
Short Term Financial Debts	1.299.154	4.269.010	12.962.758	14.333.351
Cash and Cash Equivalents	-15.493.769	-20.319.815	-18.182.799	-14.013.716
Other Current Financial Assets	-	-190.960	-100.000	-100.000
Shareholder Financial Receivable	429.900	-	-	-
Financial debts vs Parent Company	722.500	255.000	-	-
Other Financial Debts	58.870	4.883.811	5.531.045	4.980.922
Net Financial Position ITA GAAP ex Valdiporto	-3.634.650	-801.251	4.973.633	10.259.553
Valdiporto Financial Receivable*	-600.000	-	-	-
Net Financial Position ITA GAAP	-4.234.650	-801.251	4.973.633	10.259.553
Ifrs 16 Adjustment	4.266.000	3.475.000	4.679.734	4.211.018
Net Financial Position IFRS 16	31.350	2.673.749	9.653.367	14.470.571

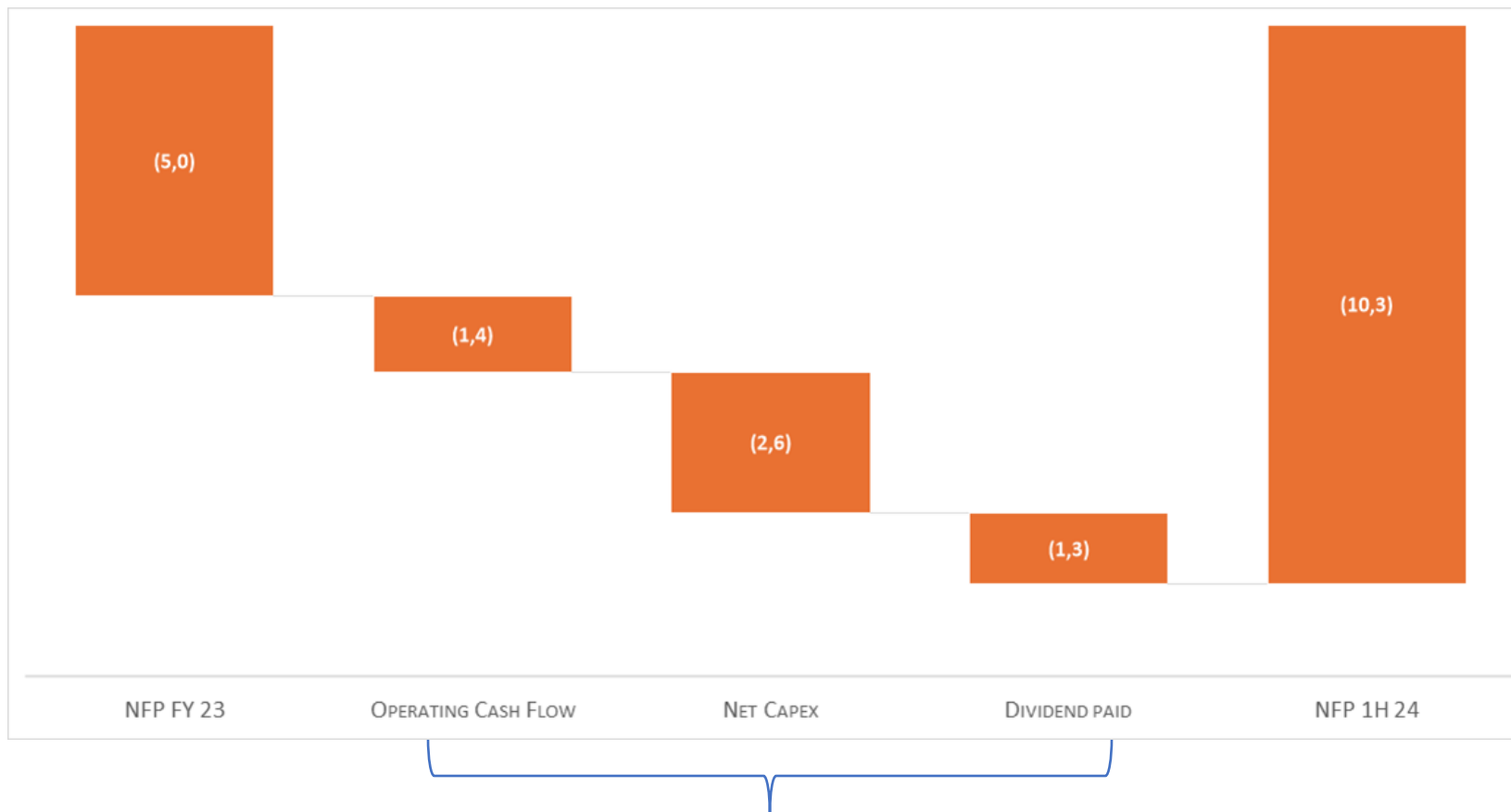
Financial Ratio – IFRS 16



- Other Financial Debts include € 4.411.301 related to a Basket Bond issued in November 2022. Interest rate 5,06%, period end October 2028
- At 30/06/2024, NFP is equal to € 10,26 M.

CASH FLOW

Net Financial Position Bridge FY23 to HY24



€ 5,3 M Cash Outflow



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