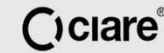
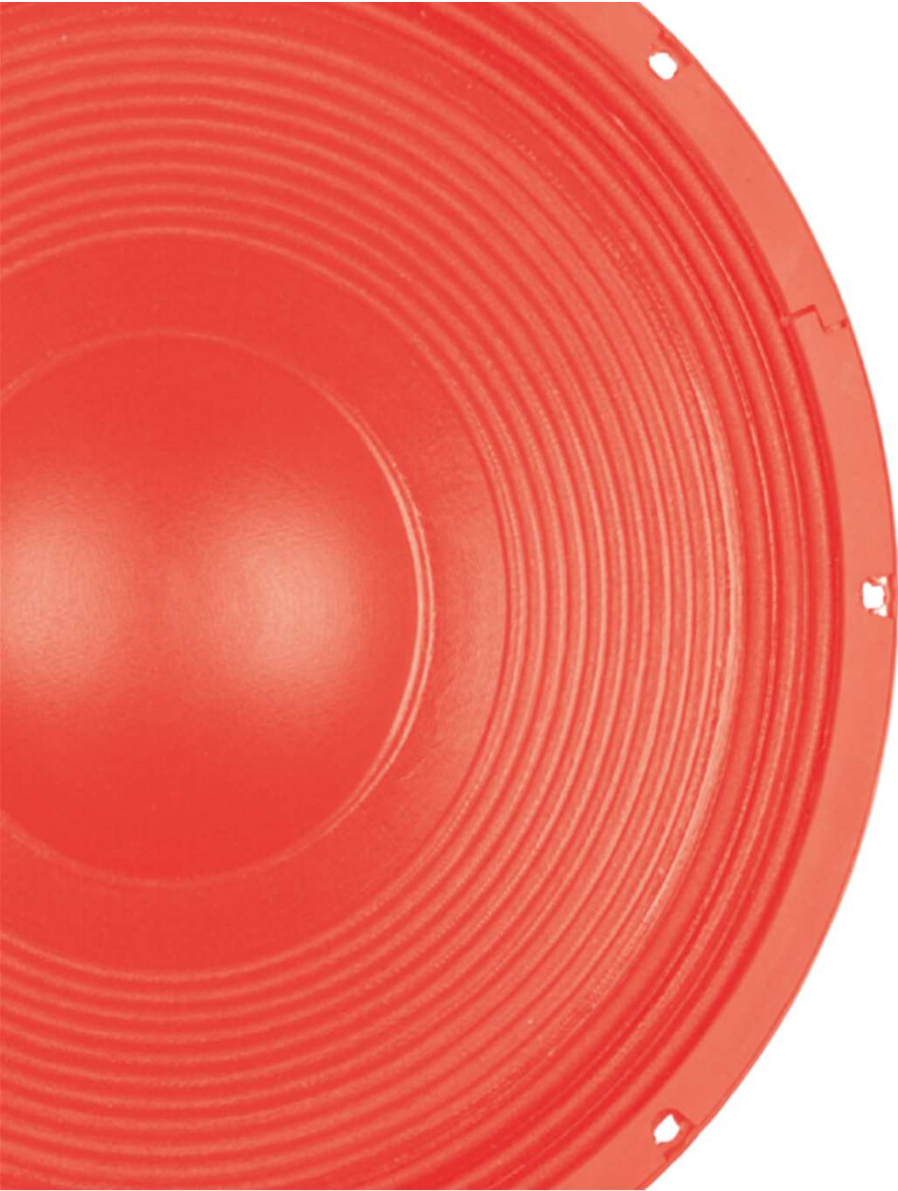


# B&C GROUP

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## INVESTOR PRESENTATION



# AGENDA



COMPANY OVERVIEW

p. 3



PRODUCTS & BUSINESS MODEL

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REFERENCE MARKET

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KEY FINANCIALS

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GROWTH STRATEGY

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APPENDIX

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## 01. Company Overview

## COMPANY OVERVIEW

B&C Speakers is a worldwide leader in the design, production, distribution and marketing of **professional electro-acoustic transducers** with over 70 years of industry experience



Based in **Bagno a Ripoli (Florence)** with a 10,500 sqm factory building and a 3,000 sqm head office building



**344 employees**, of which **10% in the R&D Department** working in constant cooperation with top Pro Audio OEM manufacturers across the world



**Revenues FY 2023 € 94.0 M**, with a **CAGR 21-23 of 41%**  
**Adj. EBITDA FY 2023 € 22.8 M**, with an **Adj. EBITDA Margin of 24.3%**



Design and distribution of **loudspeaker components** under **4 brand names** (B&C Speakers, Eighteen Sound, Ciare and Eminence) and supply of **OEM components**



**Global presence** (80+ countries) thanks to **2 commercial subsidiaries**, **4 factories** and a **wide network of distributors**



Listed at **Milan Stock Exchange** since 2007 and at **Euronext Milan - STAR Segment** since 2013

## BRANDS OVERVIEW

B&C Speakers designs and distributes loudspeaker components under the brand names B&C Speakers, Eighteen Sound, Ciare, Eminence



Practical and performance oriented professional audio transducers.  
Manufactured in Italy.



Technology driven, leading edge professional audio transducers with creative and attractive product posture.  
Manufactured in Italy.

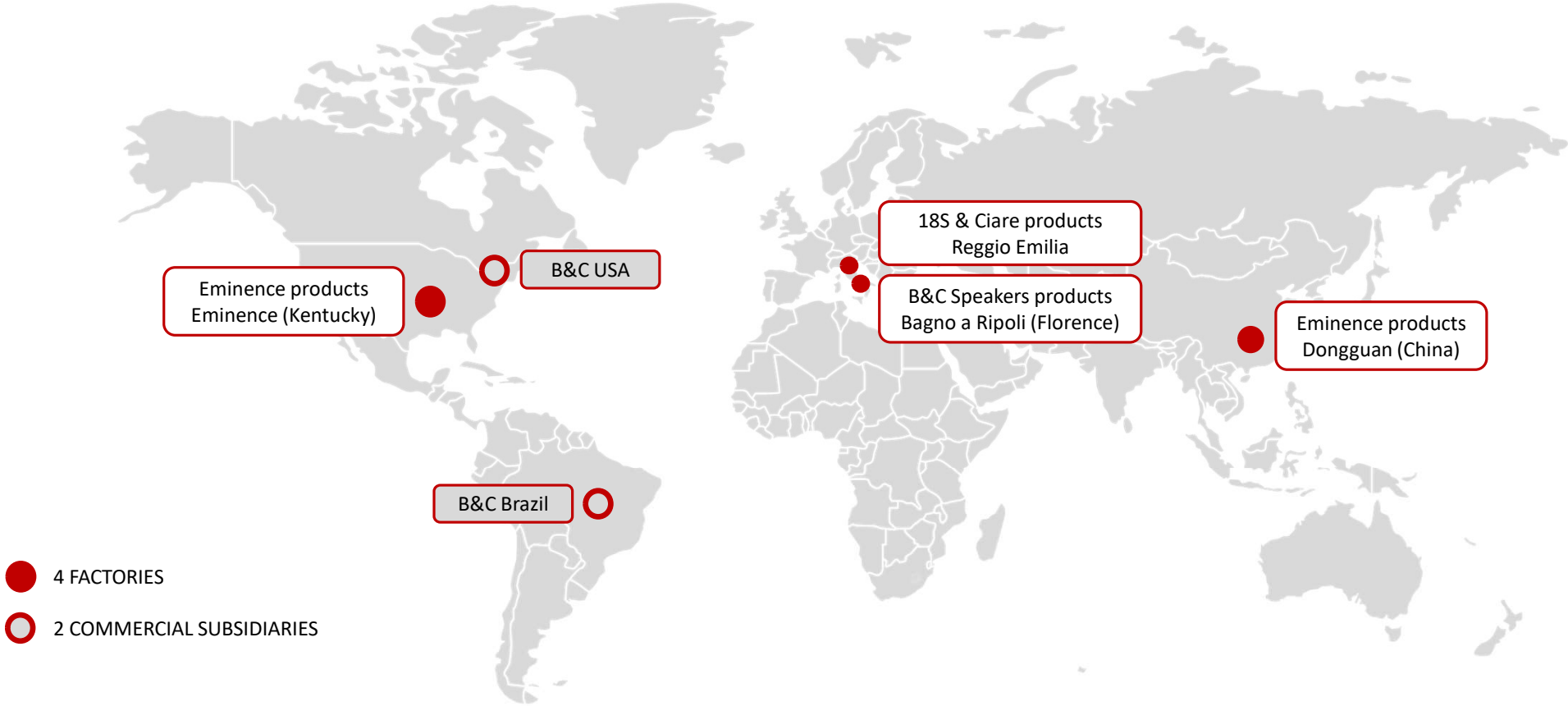


Historic Italian brand focused on car audio, home hi-fi and professional audio transducers aimed at more value-oriented solutions.  
Manufactured in Italy.



Historic American brand focused on value-oriented instrument amplifier and portable audio transducers.  
Manufactured in both USA and China

# PRODUCTION OVERVIEW



# HISTORY

1946

**Foundation** by Roberto Coppini and Fernando Borrani

1970s

Introduction of a new segment with the **production of acoustic transducers**

1988

Start of the **distribution outside Italy**

1993 - 1998

Roberto Coppini acquired the totality of the company's shares

2007

**Listing** on Milan Stock Exchange

2011

End of the construction of the **new state-of-the-art facility** in Bagno a Ripoli (Florence)

2013

**Translisting** on Euronext Milan - STAR Segment

2017

**Acquisition** of the 100% share capital of **Eighteen Sound and Ciare**

2023

**Acquisition** of the 100% share capital of **Eminence**

# GOVERNANCE & SHAREHOLDERS

## Top Management



**Roberta Pecci**  
*President*



**Lorenzo Coppini**  
*CEO*



**Francesco Spapperi**  
*CFO*

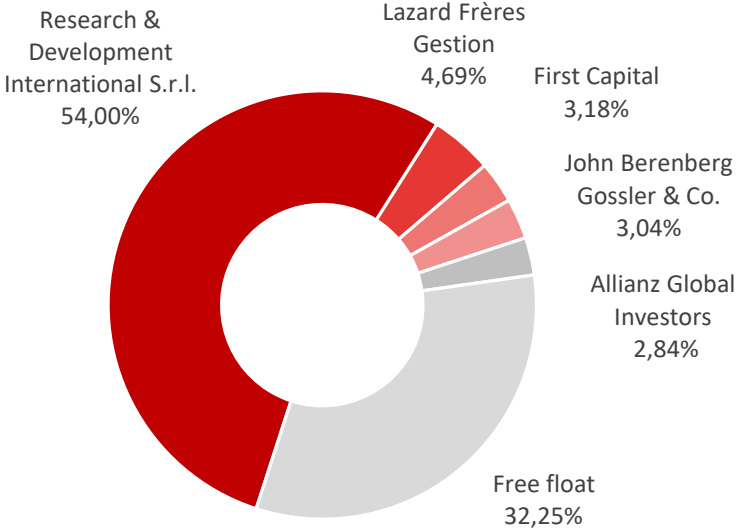


**Alessandro Pancani**  
*CTO*



**Ron Tizzard**  
*CMO*

## Shareholders



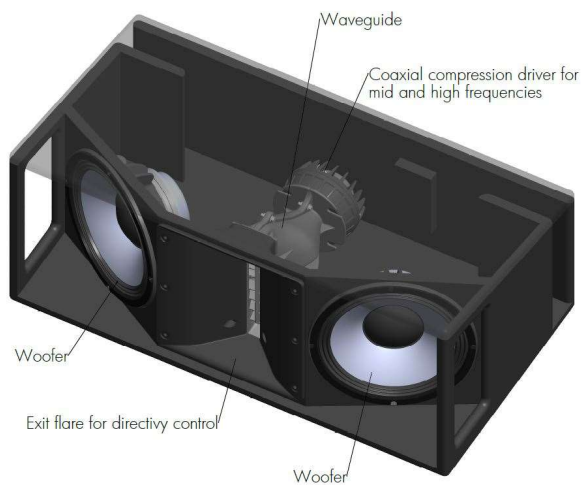
Updated as of May 2024 (dividend payment)



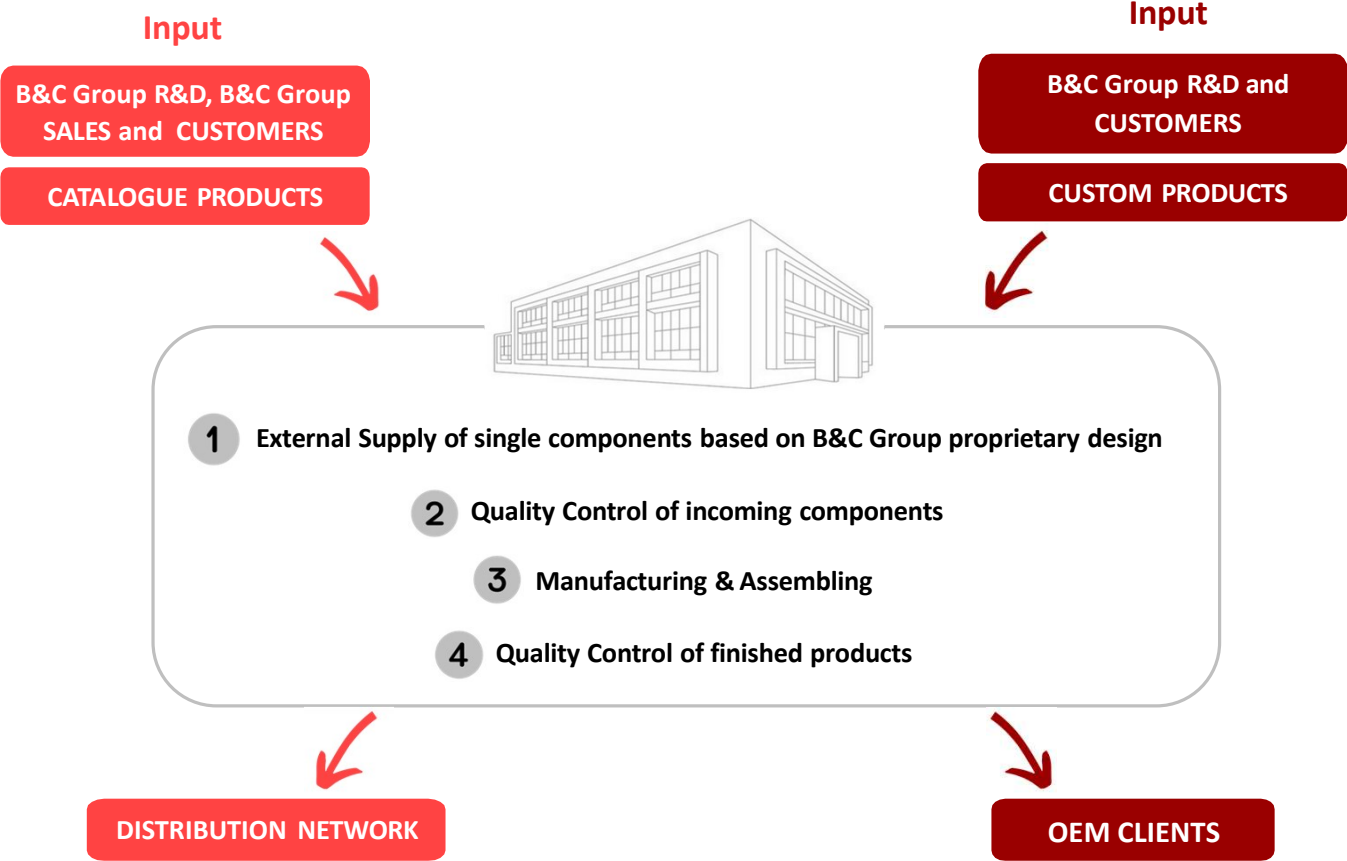
## 02. Products & Business Model

## WHAT WE DO

The B&C Group designs, produces and distributes **professional electro-acoustic transducers**, the key components of a speaker box.



# BUSINESS MODEL



# RANGE OF PRODUCTS



**LOW-FREQUENCY DRIVERS**  
*58% of revenues*



**HIGH-FREQUENCY DRIVERS**  
*27% of revenues*



**COAXIALS COMPONENTS**  
*13% of revenues*

## OTHER PRODUCTS



**TWEETERS**



**TRIAXIALS**



**HORNS**



**CROSSOVERS**

## PRIMARY RANGE OF PRODUCTS



### LOW-FREQUENCY DRIVERS

*58% of revenues*

B&C, the first to launch the HPL series in 1998, is today a leader in the development of neodymium woofers for the Pro audio market with four new series. In addition to having optimized frequency response curves, B&C newer woofers maximize power handling, excursion, and heat dissipation.



### HIGH-FREQUENCY DRIVERS

*27% of revenues*

The use of Neodymium magnets in B&C high frequency drivers has not only allowed to dramatically reduce the size and weight, but also to improve performance and overall value. Unique design internally made for diaphragms



### COAXIALS COMPONENTS

*13% of revenues*

Coaxial loudspeakers combine the features of the best cone loudspeakers and compression drivers into a one-piece, point source solution. Their format enables electro-acoustical designers to build very compact and versatile systems.

# ARCHITETTURA SONORA



**B&C GROUP**



**Architettura Sonora** is a division of B&C Speakers Group



**Revolutionary designer** of unique, high-performance **audio solutions and outdoor acoustic experiences**, with an increasing imprint in the indoor world



**Pioneer in the industry**



All **products are manufactured by skilled craftsmen “in-house”**, guaranteeing quality and versatility



Characterized by **sound quality, innovation and tactile features**, rarely associated with speaker design



# RESEARCH & DEVELOPMENT

The R&D Department allows the Company to offer products that stands out for their **efficiency, high-power handling and reliability**, combining **technological innovation** with the **tradition of a consolidated experience** in the sector.

**42**  
Dedicated  
Employees

**40%**  
of Indirect  
Personnel  
cost

**5**  
Patents





03. Reference Market

# REFERENCE MARKET

Addressable market in 2024

**€ 4,075 million**

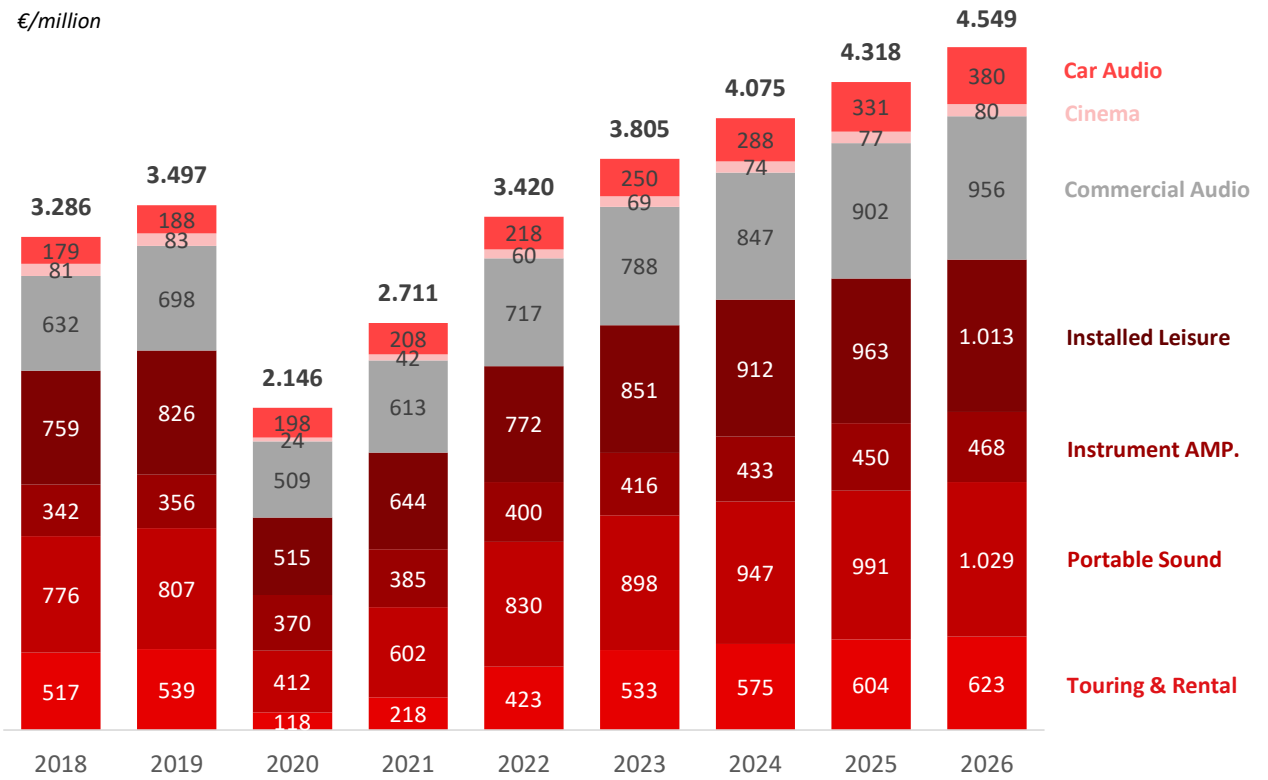
Expected addressable market in 2026

**€ 4,549 million**

Expected CAGR 2018-2026

**4.37%**

thanks to an **increased demand** for high-quality, lighter and more high-performance audio, video, and lighting systems



Source: Company's elaboration on Future Source

**B&C GROUP**



# ADDRESSABLE LOUDSPEAKER MARKETS



## CAR AUDIO



### After Market

Installed by car owner

€ 288 Million



## PROFESSIONAL



### Touring & Rental

€ 575 Million



### Installed Leisure

€ 912 Million



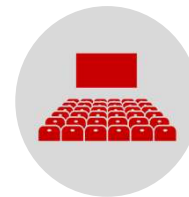
### Instrument AMP.

€ 433 Million



### Portable Sound

€ 947 Million



## CINEMA



### Movie Theatre

€ 74 Million



## COMMERCIAL AUDIO



### Malls



### Hotels



### Exhibitions



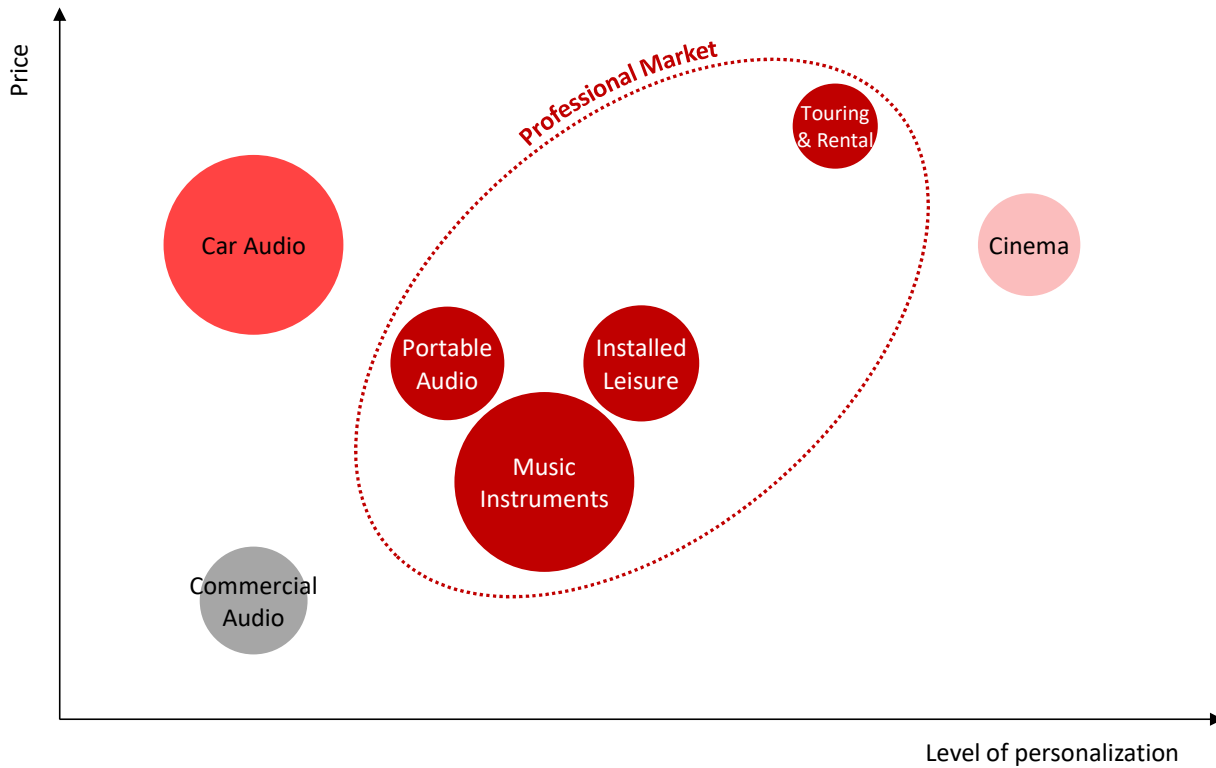
### Transportation

€ 847 Million

Loudspeakers' incidence corresponds to **100%** of the addressable market value

Loudspeakers' incidence corresponds to **10%** of the addressable market value

# MARKET POSITIONING



## CAR AUDIO

- **Brand driven market** with major expression in the Americas

## PROFESSIONAL

- **Touring & Rental and Installed Leisure**
  - **Expected to steadily grow** in the incoming years
- **Portable Audio**
  - Demand of higher performance products
- **Strong evolution in emerging markets** as China and India
- **Music instruments**
  - Huge market with **high brand loyalty**

## CINEMA

- Grown steadily thanks to the **increase in sound integration**

## COMMERCIAL AUDIO

- **Growing market** thanks to increase in sound integration



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## FINANCIALS HIGHLIGHTS H1 2024

Revenues

**€ 51.2 million**

+6% vs H1 2023

EBITDA

**€ 11.5 million**

EBITDA Margin **22.4%**

EBIT

**€ 10.2 million**

EBIT Margin **19.9%**

Net Profit

**€ 11.7 million**

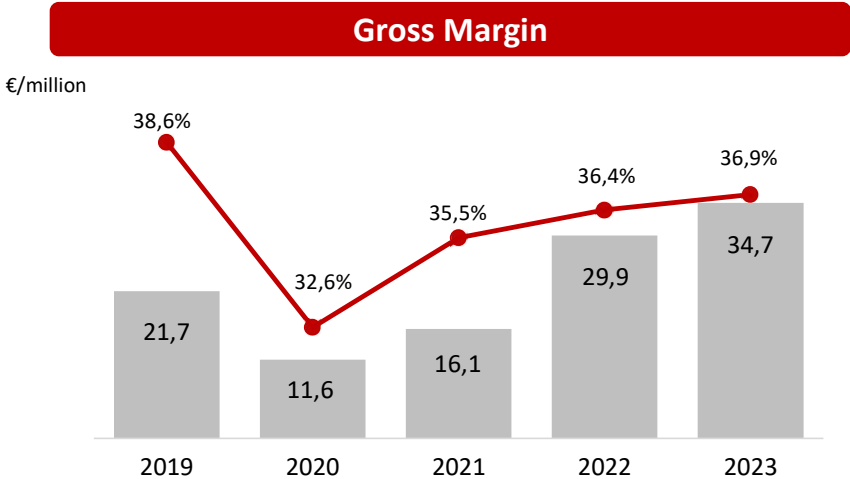
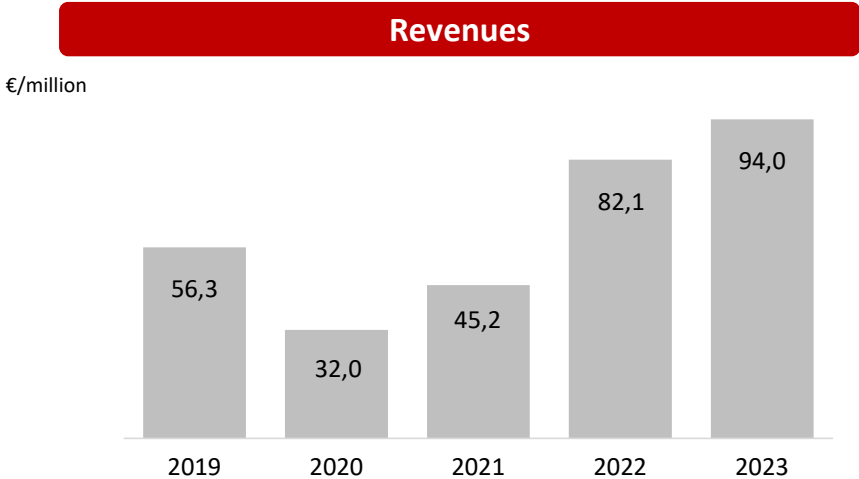
+45% vs H1 2023

Net Financial Position

**€ -1.8**

Cash negative

# P&L TRACK RECORD: REVENUES & GROSS MARGIN

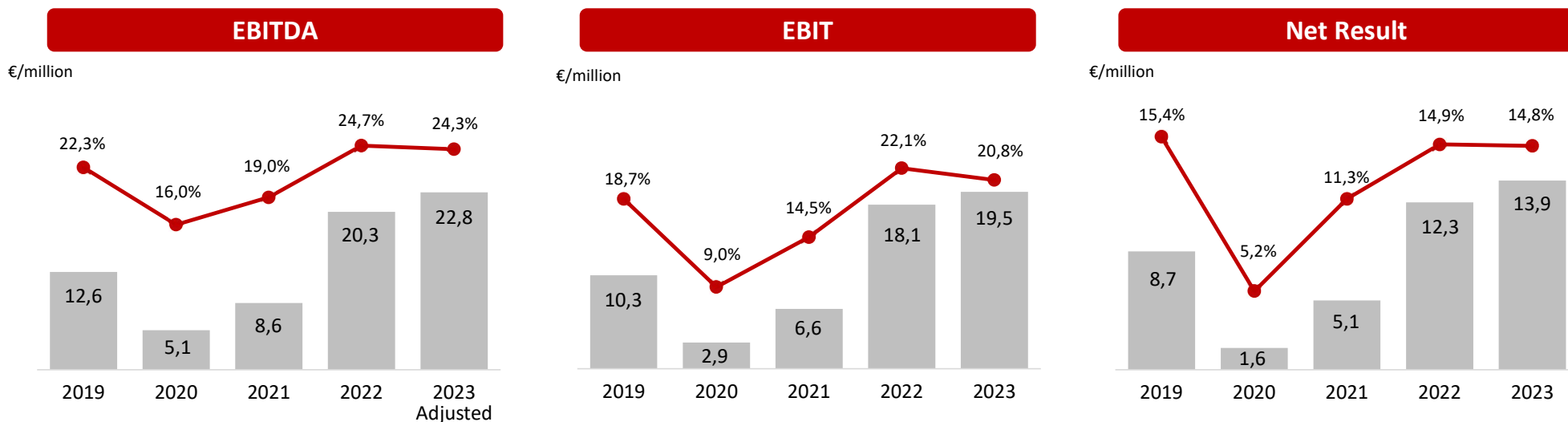


In FY2023 the **Group Revenues** reached the record figure of **€ 94.0 million** with an increase of **+14.5%** compared to 2022.

**Revenues growth** was enabled by a **+6.5% increase in volumes** vs 2022, while the remainder was attributable to a **better sales mix**.

**Gross Margin** showed a slight improvement (+0.5%) thanks to a **greater efficiency of the operating structure** together with the **downsize of transportation costs**.

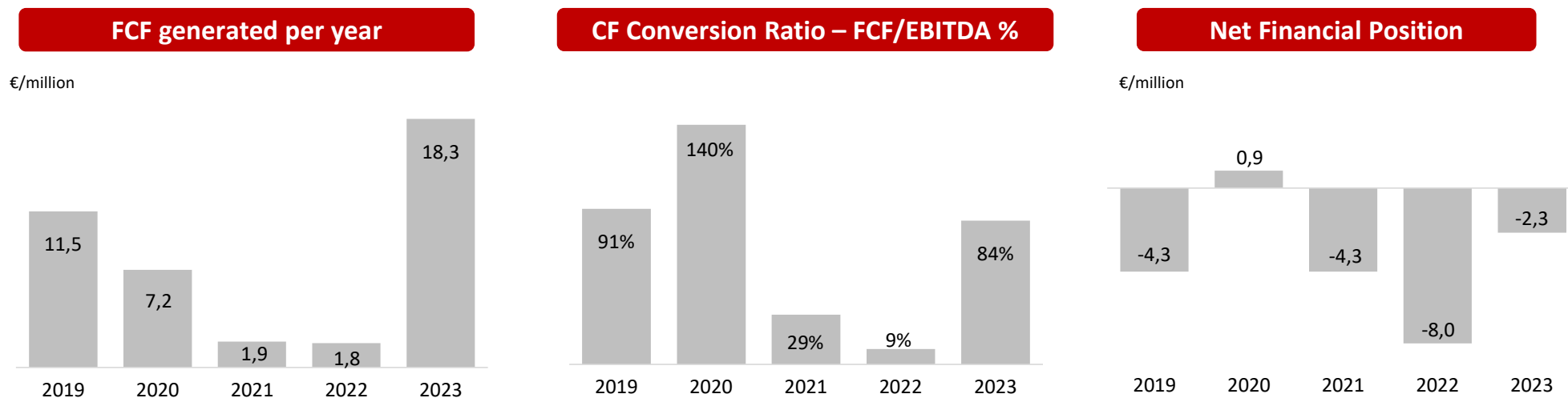
## P&L TRACK RECORD: EBITDA, EBIT & NET RESULT



In FY 2023, the **EBITDA**, equal to **€ 22.8 million**, is **adjusted** because it has been calculated net of extraordinary costs related to the **acquisition of Eminence** amounting to approximately € 1.0 million.

The **Group marginality** is **continuously growing despite the increasing complexities** to be managed related to the supply chain consistency, freight costs and energy costs.

## CASH FLOW GENERATION TRACK RECORD



In FY 2023, B&C Group recorded **the best Free Cash Flow result** in its history, equal to **€ 18.3M**. This result represents the sign of a full recovery after the pandemic which affected 2020 and 2021, directly, but also 2022.

The company's ability to produce **consistent cash flows** is reflected in the **FCF/EBITDA conversion ratio**, which shows a strong result over the years, always taking into consideration the impact of pandemic on 2021 and 2022.



05. Growth Strategy

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## GROWTH STRATEGY



**Consolidation of the technological leadership position** in Touring&Rental segment thanks to R&D



**Expansion of the Instrument AMP market globally** through the revamping of the Eminence brand



**Strengthening of the Portable market globally** with quality products at lower costs leveraging the notoriety of the Eminence brand and thanks to the industrial advantages of the Chinese factory



**Development of the American Car Audio market** through the sale of a complete kit that includes electronics



**Address the US infrastructure and defense market** with acoustic devices made in Kentucky facility



06. Appendix

## PROFIT&LOSS

<i>(values in thousands of Euros)</i>	<b>1st half 2024</b>	<b>1st half 2023</b>	<b>Variation</b>
Revenues	51,247	48,542	2,705
Cost of sales	(32,041)	(30,468)	(1,572)
<b>Gross Margin</b>	<b>19,207</b>	<b>18,073</b>	<b>1,133</b>
Other revenues	159	170	(11)
Cost of indirect Personnel	(3,428)	(2,490)	(938)
Commercial expenses	(640)	(479)	(161)
General and administrative expenses	(3,818)	(3,216)	(603)
<b>Ebitda</b>	<b>11,480</b>	<b>12,059</b>	<b>(579)</b>
Depreciation	(1,289)	(1,035)	(254)
Writedowns	0	0	0
<b>Ebit</b>	<b>10,191</b>	<b>11,024</b>	<b>(833)</b>
Financial costs	(659)	(981)	322
Financial income	994	785	209
<b>Ebt</b>	<b>10,526</b>	<b>10,828</b>	<b>(302)</b>
Income taxes	1,202	(2,715)	3,918
<b>Profit for the period</b>	<b>11,728</b>	<b>8,113</b>	<b>3,616</b>
Minority Interest	-	-	-
<b>Group Net Result</b>	<b>11,728</b>	<b>8,113</b>	<b>3,616</b>
Other comprehensive result	105	26	79
<b>Total comprehensive result</b>	<b>11,833</b>	<b>8,138</b>	<b>3,695</b>

## BALANCE SHEET

<i>(values in thousands of Euros)</i>	<b>30 june 2024</b>	<b>31 december 2023</b>
<b>Property, Plant &amp; Equipment</b>	<b>11,044</b>	<b>10,798</b>
Inventories	28,537	27,624
Trade receivables	25,450	18,150
Other receivables	3,692	5,288
Trade payables	(14,944)	(10,824)
Other payables	(3,685)	(4,489)
<b>Working Capital</b>	<b>39,051</b>	<b>35,748</b>
<b>Provisions</b>	<b>(888)</b>	<b>(2,581)</b>
<b>Net Invested Working Capital</b>	<b>49,206</b>	<b>43,965</b>
Cash and cash equivalents	10,368	14,613
Goodwill	2,318	2,318
Short-term securities	7,027	6,979
Other financial receivables	579	580
<b>Financial assets</b>	<b>20,292</b>	<b>24,489</b>
<b>Net Invested Non-Operating Capital</b>	<b>20,292</b>	<b>24,489</b>
<b>NET INVESTED CAPITAL</b>	<b>69,498</b>	<b>68,454</b>
Equity	50,296	46,210
Short-term financial borrowings	9,193	11,563
Long-term financial borrowings	10,009	10,681
<b>RAISED CAPITAL</b>	<b>69,498</b>	<b>68,454</b>

# CASH FLOW STATEMENT

(values in thousands of Euros)

	1st half 2024	1st half 2023
<b>A- Net current bank balances at the beginning of the period</b>	<b>11,905</b>	<b>5,350</b>
<b>B- Cash flow from operating activities</b>		
Profit/loss for the period (Including third parties Profit/loss)	11,833	8,138
Income tax expense	(1,202)	2,715
Amortization of intangibles assets	83	79
Depreciation of tangible assets	1,206	956
Depreciation and amortization	1,289	1,035
Goodwill writedown	0	0
Sale of property, plant and equipment	0	0
Finance cost	659	981
Interest income	(994)	(785)
Net change in provisions for risk and charges and other provision relating to personnel	16	16
Change in provigion for leaving indemnities	(1,709)	1
(increase) decrease in current trade and other current receivables	(5,348)	1,733
(increase) decrease in deferred tax assets and liabilities	(75)	(141)
(increase) decrease in inventory	(913)	(2,050)
Increase (decrease) in current trade and other payables	4,536	(2,505)
<b>Net cash from/(used in) operating activities</b>	<b>8,093</b>	<b>9,139</b>
Paid interest costs	(516)	(800)
Collected interest income	464	632
Taxes paid	(52)	(31)
<b>Total (B)</b>	<b>7,988</b>	<b>8,940</b>

## C- Cash flow from investing activities

(Investments) in non current tangible assets	(1,367)	(478)
Proceeds for sale of non current tangible assets	0	0
Net (investments) in non current intangible assets	(138)	(80)
Net (investments) in investment in associates	0	0
(increase) decrease in non current receivables	0	0
Net (investments) in non current securities	1	(5)
(Investments) in current securities	0	0
Proceeds from sale of current securities	200	0
<b>Total (C)</b>	<b>(1,304)</b>	<b>(563)</b>

## D- Cash flow from financing activities

(Outflow) from repayment of loans	(4,647)	(4,816)
Inflow from borrowing activities	2,500	277
(Outflow) from repayment of lease liabilities	(826)	(644)
Purchase of treasury shares	(66)	(42)
Dividend paid to shareholders	(7,681)	(6,503)
<b>Total (D)</b>	<b>(10,720)</b>	<b>(11,728)</b>

**E- Cash flow for the period (B+C+D)** **(4,037)** **(3,351)**

**F- Cash and cash equivalents at end of the period** **7,868** **1,999**

## ACQUISITION OF EMINENCE SPEAKERS



**OBJECTIVE:** to consolidate and expand the **business volume** achieved on the **Asian market** by the **Eminence brand** thanks to **several synergies** achievable at almost zero cost.



**PRODUCTION SYNERGIES**



**DISTRIBUTION CHANNELS SYNERGIES**



**COSTS SYNERGIES**



**OEM RELATIONSHIPS**



**TOTAL CONSIDERATION:** \$ 4,495,000 for the 2 transactions and it was financed by using **B&C own financial resources**.

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## SAFE HARBOUR STATEMENT

Certain statements in this slide show, including those addressing the Company's beliefs, plans, objectives, estimates or expectations of possible future results or events, are forward-looking statement.

They are based on the assumptions, beliefs and expectations of our management team as of the date this slide show was prepared.

Forward looking statements involve known or unknown risks, including general economic and business conditions, and conditions in the industry we operate. Forward-looking statements may also be affected if our assumptions turn out to be inaccurate.

Consequently, no forward-looking statement can be guaranteed, and actual future results, performance, or achievements may vary materially from those expressed or implied by such forward- looking statements.

For additional information concerning other factors that may affect the Company's current and future business, results of operations and financial condition, we suggest you review the Company's filings with Borsa Italiana. The Company undertakes no obligation to update the forward-looking statements to reflect events or circumstances that may arise after the date hereof.

## CONTACTS



### **Investors Relations**

Lorenzo Coppini - CEO

Francesco Spapperi - CFO

Davide Norelli - Controller



### **Office**

Via Poggiomoro, 1 – Vallina,  
Bagno a Ripoli (FI), 50012, Italy

Phone: +39 055 6572303



### **E-mail**

[investors@bcspeakers.com](mailto:investors@bcspeakers.com)