

# INVESTOR PRESENTATION

# FINANCIALS

2022



# INDEX

---

**COMPANY OVERVIEW AND MARKET  
REFERENCE (3-12)**

---

**PRODUCTS & BUSINESS MODEL  
(13-17)**

---

**FINANCIALS (18-25)**

# COMPANY OVERVIEW

## MARKET LEADERS

B&C Speakers is a **worldwide leader** in the design, production, distribution and marketing of professional electro-acoustic transducers.

Designs and distributes loudspeaker components under the **brand names "B&C Speakers", "Eighteen Sound" and "Ciare"**, and supplies branded and non-branded OEM components to relevant portions of the audio transducer market.

## INTERNATIONAL DISTRIBUTION

**B&C products are sold directly to OEM manufacturers** around the globe, as well as through a network of distributors, with representation in **more than 80 countries**.

B&C has two **direct-to-market distribution** subsidiaries; in the **United States** (B&C NA) **and Italy** (Sound & Vision). Starting in 2021, Sound&Vision began operating as European master distributor for all Groups brands.

B&C Speakers has been listed on the Borsa Italiana's equity market since 2007, in the STAR segment since 2013.

# 100% MADE IN ITALY

Used in both large event sound reinforcement systems and fixed installation systems such as stadiums, theatres, cinemas and more

The **R&D Department**, with **10% of B&C's 180 employees**, is in constant cooperation with top Pro Audio OEM manufacturers across the world

**5 production buildings have been merged into a single**, state of the art factory in **Bagno a Ripoli** (Florence) of more than 10,500 sqm. Additionally, B&C owns a factory of over 5,000 sqm in **Reggio Emilia**, Italy, dedicated to the manufacturing of Eighteen Sound and Ciare products



# ARCHITETTURA SONORA

ARCHI-  
TETTURA  
SONORA



Division of the B&C Speakers Group, Architettura Sonora is a **revolutionary designer of unique, high-performance audio solutions and outdoor acoustic experiences**, with an increasing imprint in the indoor world. AS, as we call it, has quickly become a **pioneer in the industry**

All products are **manufactured “in-house”**, guaranteeing quality and versatility. Each piece is individually and meticulously produced by skilled craftsmen, **distinguished by sound quality, innovation**, and tactile features that are rarely associated with speaker design



# REFERENCE MARKET

B&C components are typically applied in the **Professional Loudspeaker Market**, also known as "PRO". Within this market, B&C primarily serves the **TOURING&RENTAL** and **PORTABLE SOUND** (Including Musical Instrument Amplifiers) market segments.

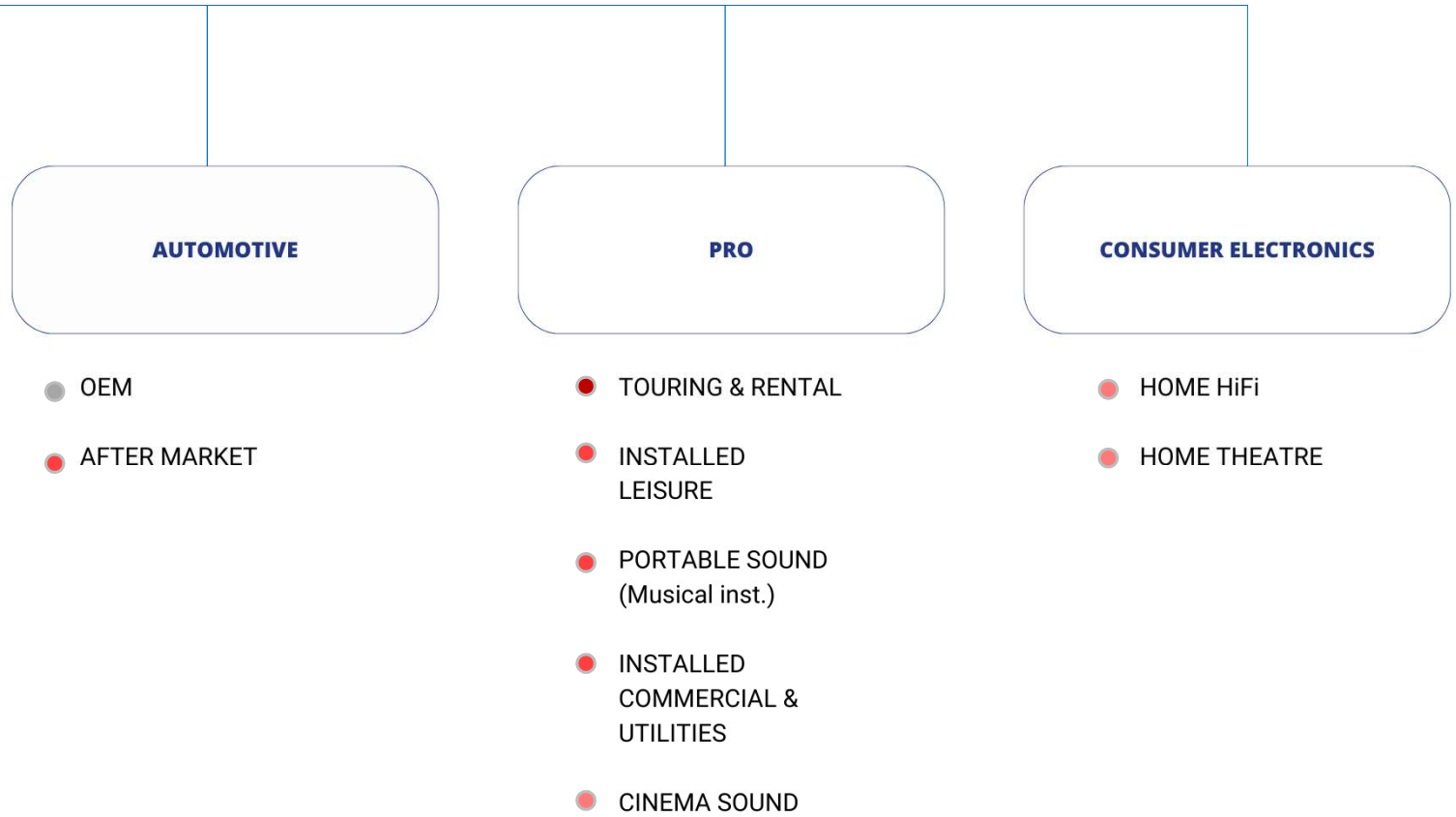
Some B&C transducers are also applied in the Automotive After Market, Cinema Systems, Installed Commercial Systems, Installed Leisure Systems, Hi-Fi, and Home Theatre markets.

Pre-COVID, the Pro audio market segment was expected to reach \$2.5 billion with a 4% CAGR 2021-2027 due to higher consumer spending on events.

**Pandemic caused a 2-year correction**, but full recovery expected by 2023 (\$2.7 billion).

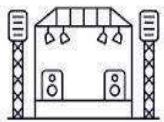
**Market to grow at a 6% CAGR in the medium term** due to increased demand for high-quality, lighter and more high-performance audio, video, and lighting systems.

# LOUDSPEAKERS MARKET



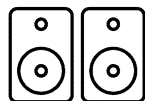
Legend: Colour describe our actual presence in the market from 0 (grey) to 5 (Full Red)

# PRO AUDIO SEGMENTATION



## Touring & Rental

Touring & Concert  
Theatre Rental  
Events eg.  
Sports events  
Award  
Fashion shows



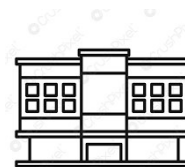
## Portable Sound

Mobile DJ  
Weddings  
Small events



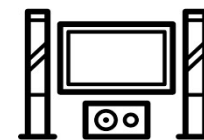
## Installed Leisure

Night club/Bars  
Zoos  
Theme parks  
Libraries  
Museums  
Stadiums

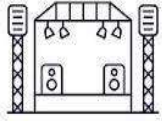


## Installed Commercial & Utilities

Shopping centre  
Hotels  
Hospitals  
Service stations  
Exhibitions  
Transportation  
Malls  
Corporate



## Cinema Sound

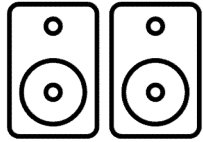


# TOURING & RENTAL SEGMENT

400-450 market  
value

9

- During Covid was the most negatively impacted market due to pandemic restrictions
- Market has been recovered the pre covid value and is expected to growth in the incoming years.
- The growth is driven by willingness of consumers to spend on shared esperiences. Research consistently tells us that concerts are a top priority for discretionary spending, and one of the last experiences fans will cut back on
- Our core market that for us value at least 40% of our sales



# PORTABLE SOUND SEGMENT

800-850 market  
value

10

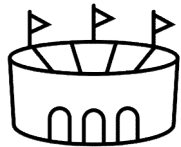
- During the last decade, the quality and performance **level of Portable Sound and Musical Instrument Amplifier products has improved significantly.**
- After a race to the bottom on selling prices at the turn of this century, **the market is now demanding much higher performance products.** Low cost solutions are just not getting the job done, so many OEM companies are moving up market, and taking their consumers with them.
- **The market is now seeing this evolution happen in emerging markets like China and India,** where local made components are just not high performance enough to allow local OEM manufacturers to compete with European or North American alternatives.
- **B&C is in an excellent position** to be competitive in the mid to high end of this market segment, especially in areas where association with the B&C brand can benefit newer OEM companies

# INSTALLED SEGMENT

Leisure, Commercial & Utilities

1500 market value

With return of spectators sports stadiums are experiencing recovery. The upcoming year's slate of major sporting events can significantly increase pro audio sales. Olympics and Football World Cup can provide a major boost in sales



The impact of the pandemic was more negative for theatres, performing arts centers and music venues/nightclubs. Although there remains challenges, venue owners continue to upgrade solutions to attract better events and charge a premium

Houses of worship continue growing, especially in US that is by far the most important market



Installed Commercial demonstrated the most resilience during pandemic due to PA installations (transport, government buildings, high education). Continued positivity is expected in all that segment



# CINEMA

60 market value

12

- Cinema market **was hit more than other market** by covid restrictions
- The covid heritage accelerate the growth of content streaming site
- Despite that challenges Cinema sector will set to bounce back, but it takes more than 4/5 years to full recovery
- Consumers will be looking for an improved experience that is not suitable at home, this is one of the most driver for cinema industry through the incoming years

# PRODUCTS & BUSINESS MODEL

---



# PRIMARY RANGE OF PRODUCTS

B&C's products require higher technology, light weight, reliability, and consistently manufactured transducers, which B&C's competitors cannot provide.



## LOW FREQUENCY DRIVERS OR CONE DRIVERS 58%

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%

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



## HIGH FREQUENCY HORNS 2%

The range includes constant directivity models, known for their great consistency in angular coverage, and exponential models that optimize acoustical load and sound energy transfer. Standardized diameters give designers the freedom to choose the best driver/ horn combination for each project



## COAXIAL COMPONENTS 13% COMBINED LOW/HIGH FREQUENCY DRIVERS

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

# BUSINESS OVERVIEW

# NEW OPPORTUNITIES

## CAR AUDIO MARKET

Since 2021, B&C Group is increasing its presence in the fast growing Car Audio After Market segment, especially in US & Central America.

Car Audio



INVESTMENT

## INVESTMENT

Potential investment for automatic production lines thanks to PNRR resources. LOOKING for new production buildings, especially in China and US to stay closest to our customers and reduce time to market

## Hi-Fi

We are strengthening our position in the Hi-Fi market by developing dedicated products and establishing solid partnerships with the most prestigious brands .

Hi-Fi market development



MOSAIC

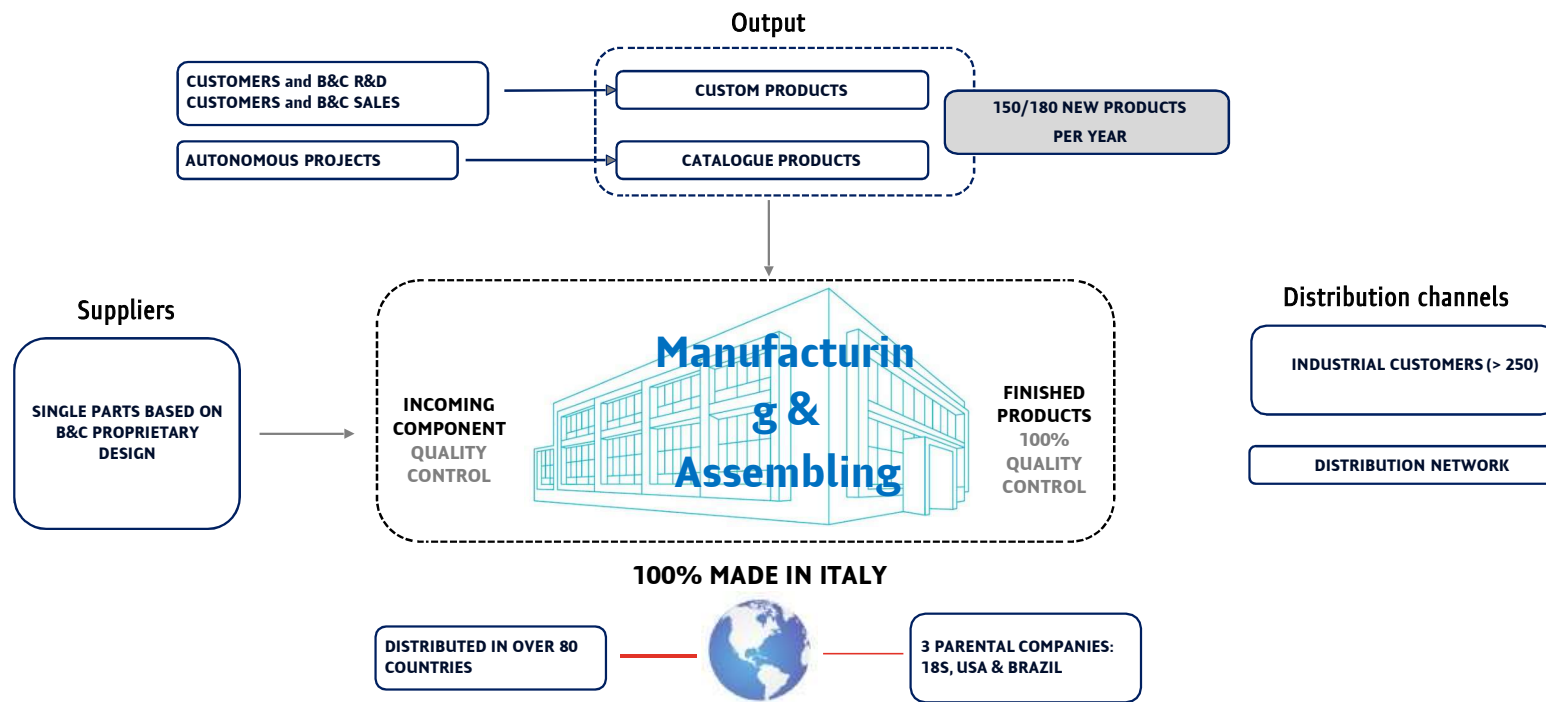


## NEW TRANSDUCER

Mosaic, a patented new transducer aimed to have multiple applications through all market segment



# BUSINESS MODEL

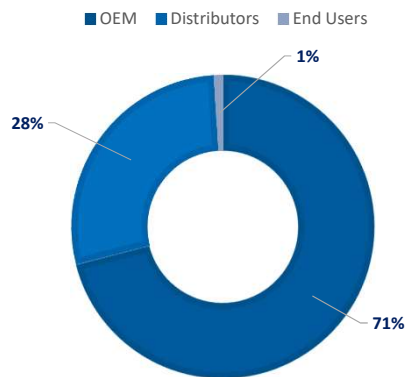


# CLIENTS

B&C's clients are professional audio system producers like Bose, Yamaha, Martin Audio, Nexo, D&B Audiotechnic, QSC Audio, L-Acoustics, Yorkville Sound, Turbosound, Meyer Sound, Electro Voice, etc

Around 80% of the Company sales are of custom-made products, sold directly to these OEMs (Original Equipment Manufacturers). Whereas, the remaining share are catalogue products, that are sold by way of a wide network of distributors, with representation in more than 80 countries around the world.

Client Breakdown on Revenues



# FINANCIALS



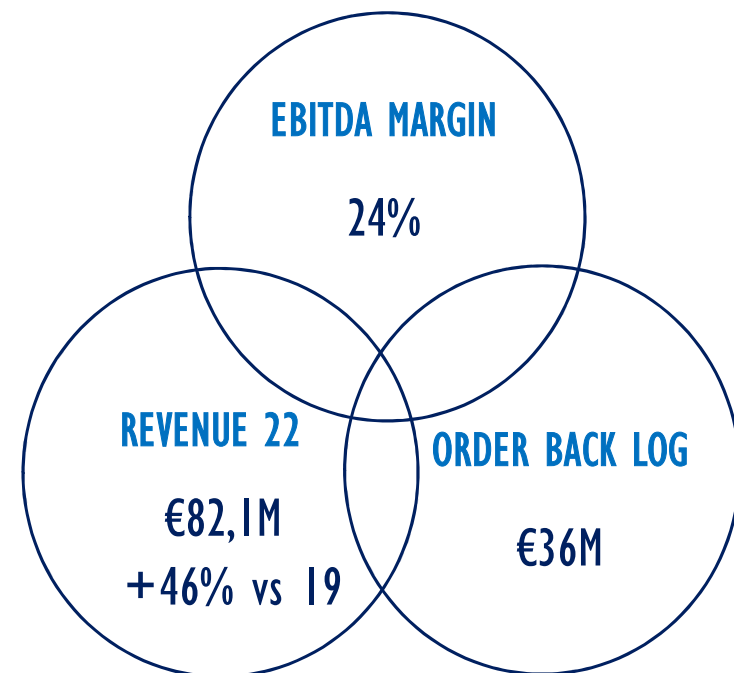
# B&C SPEAKERS

2022 has represented the best in term of production and in terms of turnover in the whole B&C group history.

Number of goods produced (and sold) during the period are greater by 21% in respect to 2019.

Group order back log gives us a good perspective for the whole 2023 where we expect to reach an annual overall turnover of more than 90M€.

Group marginality is growing as well despite different problems to be managed (supply chain consistency, freight costs, energy costs).

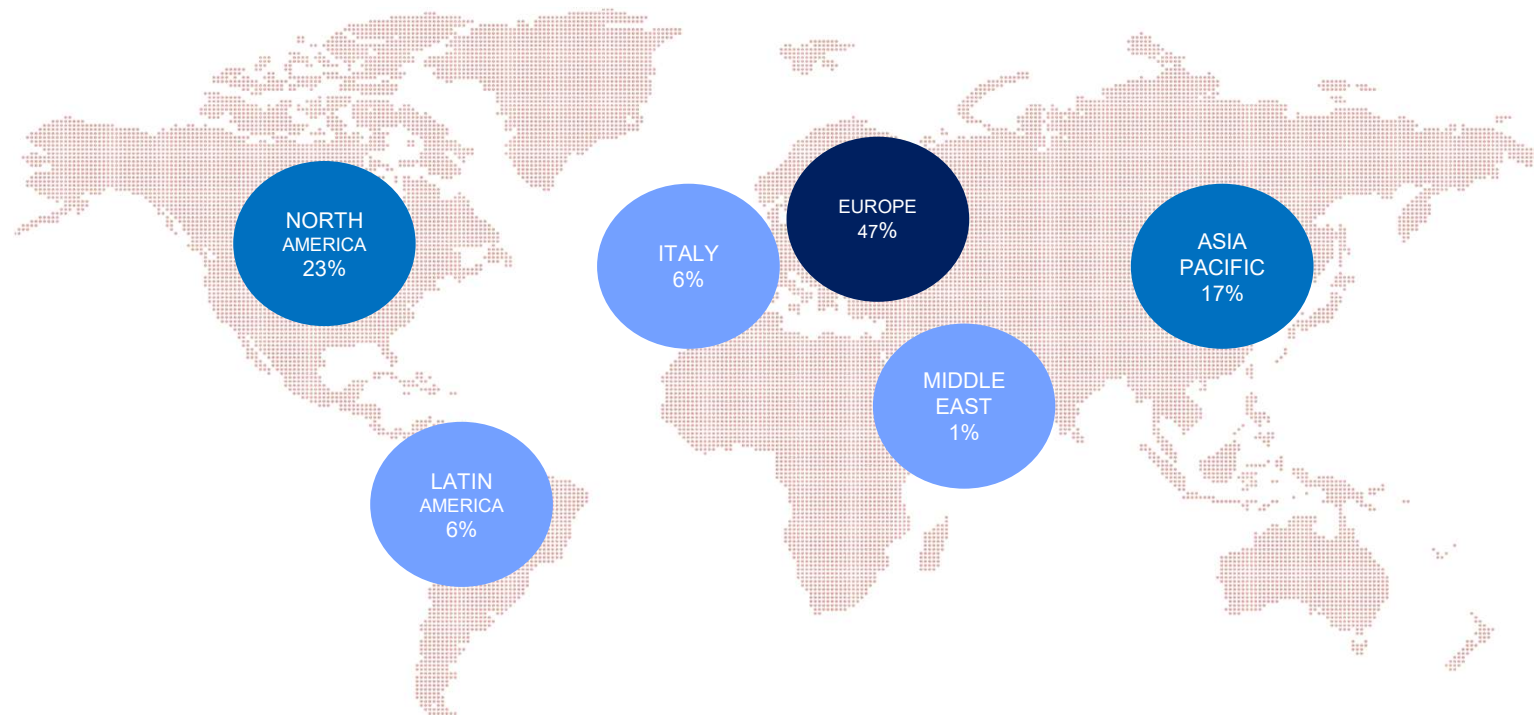




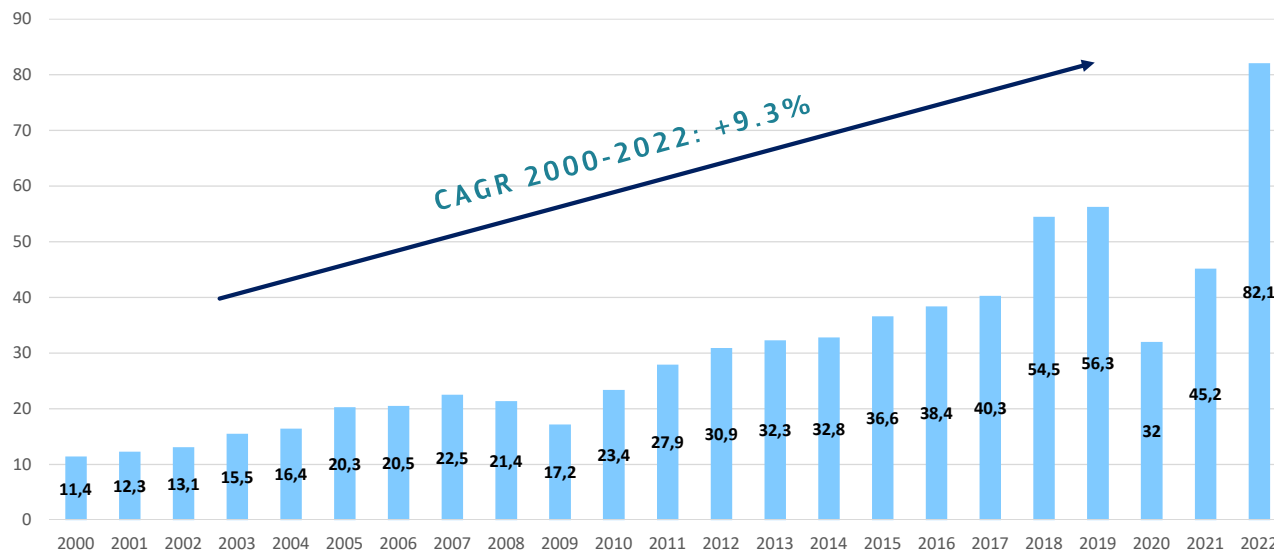
# GROWTH PROSPECTIVES

- **B&C enjoyed continued growth** with a record level of orders already confirmed for the end of current year.
- The view for 2023, is very positive, **additional growth in term of volumes to be estimated at double digit.**
- In order to fuel such additional growth B&C is looking for **new opportunities in term of facilities** as well as for new suppliers for the most important components.

# GEOGRAPHICAL REVENUE BREAKDOWN

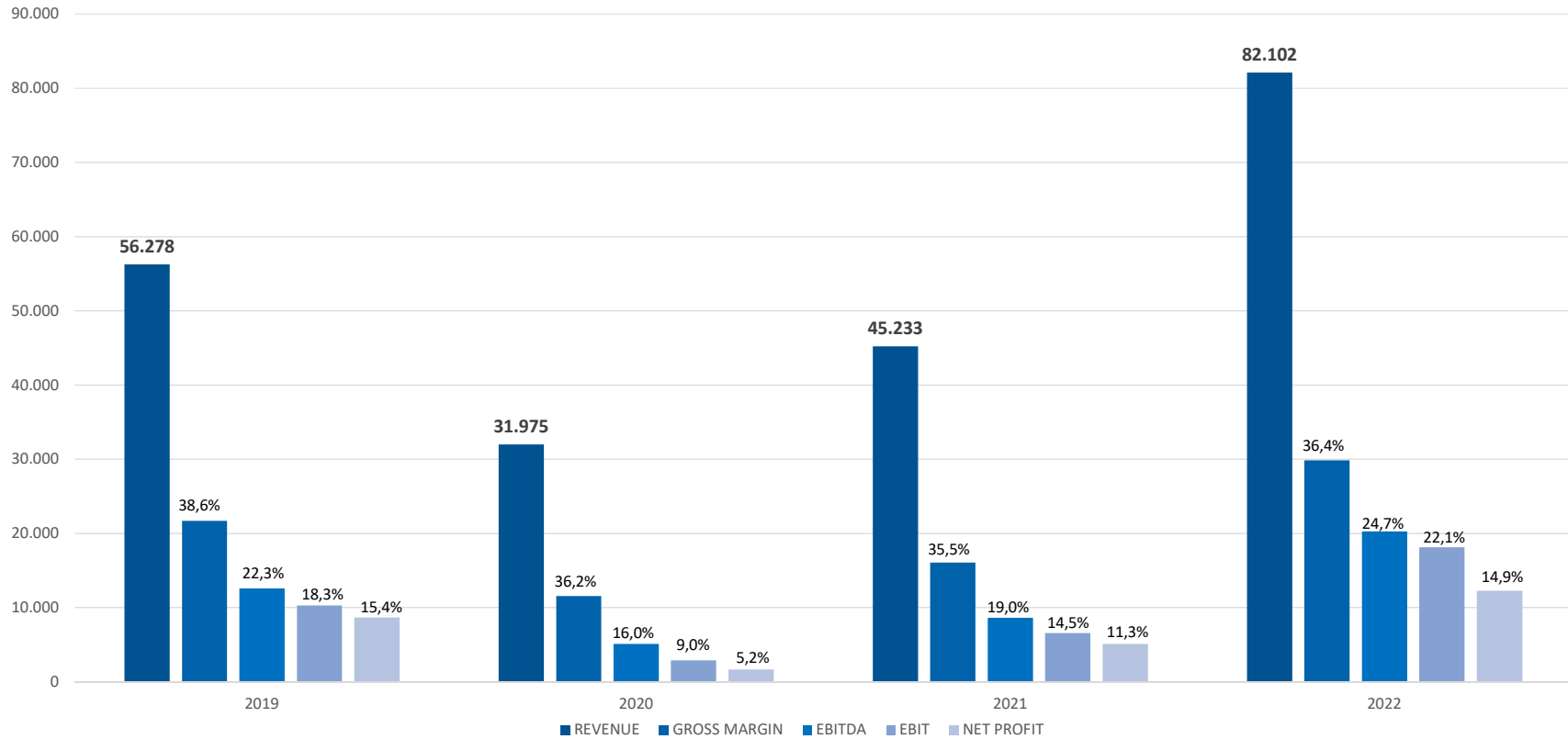


# TOP LINE EVOLUTION

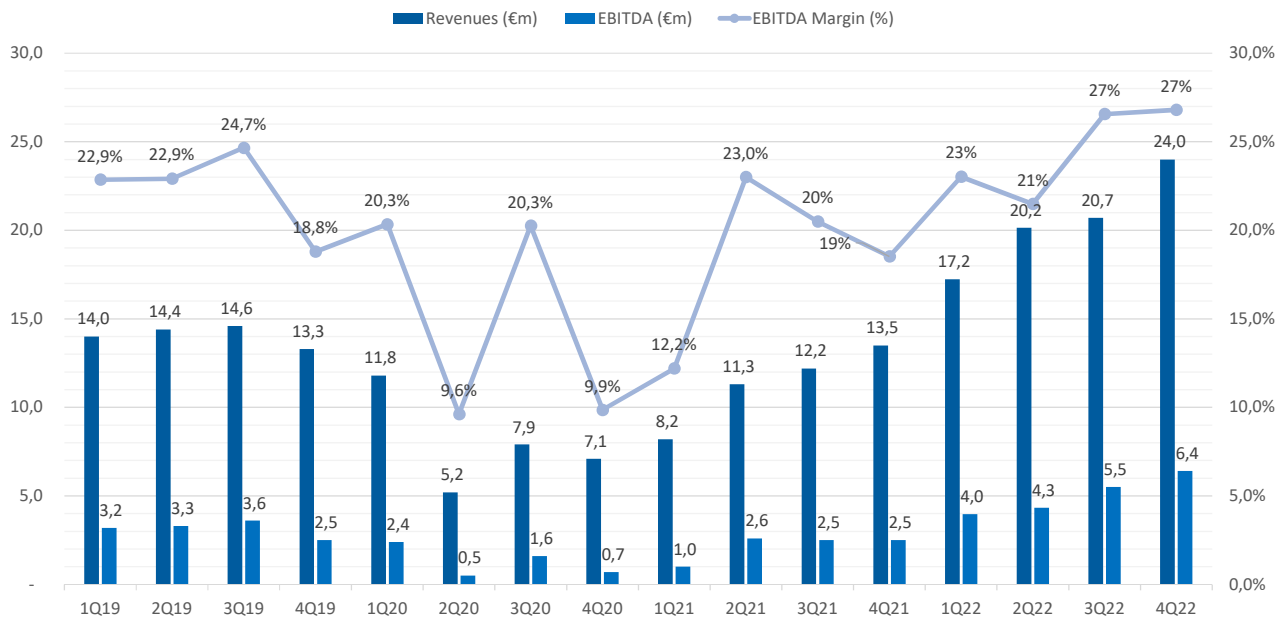


- In respect to 2019 turnover we could consider that **volumes will be greater by 21%** at year end, the rest of the growth is driven by price effects
- 2022 shows record Group revenues at 82M€
- 1Q 2023 will reach **double digit growth** respect to 1Q 2022

# P&L — CONSOLIDATED



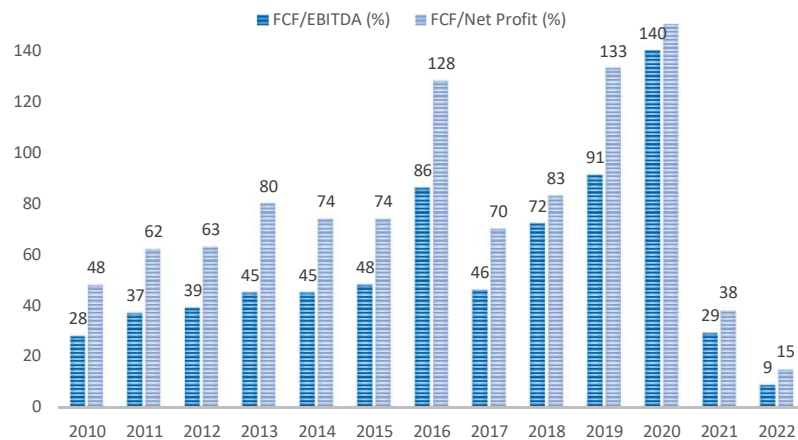
# QUARTER ECONOMICS



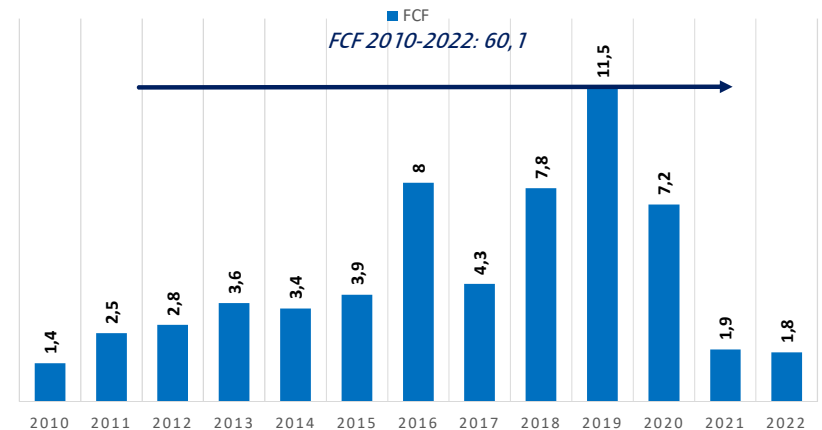
- 2022 has shown **two quarters in a row as the best ones ever for B&C Group**
- Second part of **2023 is expected even better** thanks to the additional work force implemented by B&C to cope with the massive customer's request

# STRONG CASH GENERATION AND ATTRACTIVE DIVIDEND POLICY

Cash Flow Conversion Ratio



FCF produce per year (€m)



B&C is focused on keeping a generous as usual dividend ratio to shareholders, the usual pay-out of 65% of Net result is the base for 2022

# CONTACTS



**Investors Relations** Lorenzo Coppini-CEO  
Francesco Spapperi-CFO Davide Norelli-  
Controller



Via Poggiomoro, 1 – Vallina 50012  
Bagno a Ripoli (FI) Italy Phone: +39  
055 6572303



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

# 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.



THANK YOU