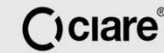
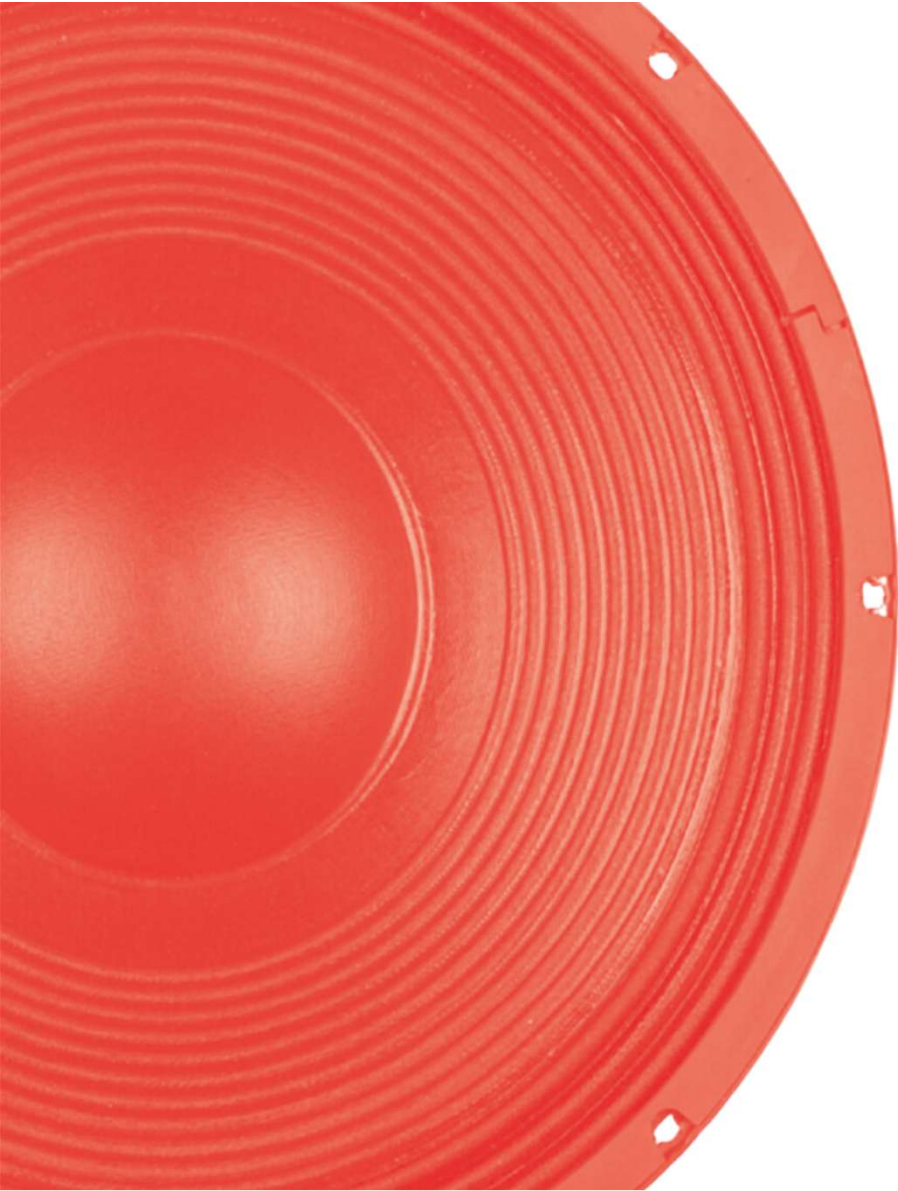


B&C GROUP



INVESTOR PRESENTATION



AGENDA



COMPANY OVERVIEW

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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

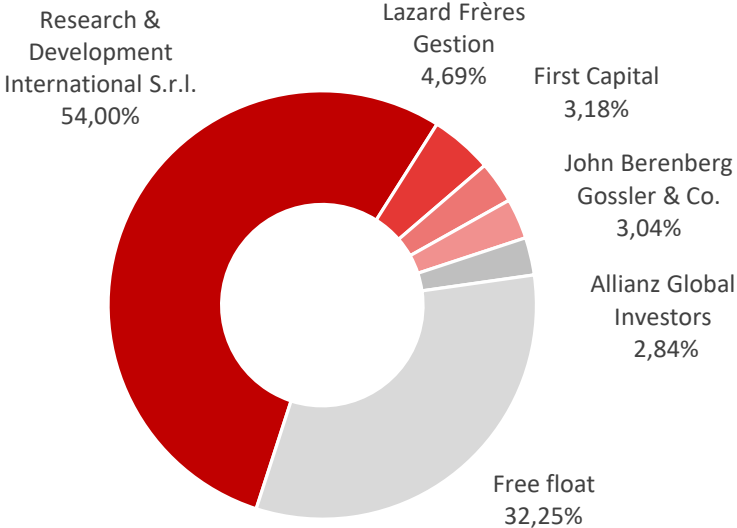
Acquisition of the 100% share capital of **Eminence**

GOVERNANCE & SHAREHOLDERS

Top Management

 Roberta Pecci <i>President</i>	 Lorenzo Coppini <i>CEO</i>	 Francesco Spapperi <i>CFO</i>
 Alessandro Pancani <i>CTO</i>	 Ron Tizzard <i>CMO</i>	

Shareholders



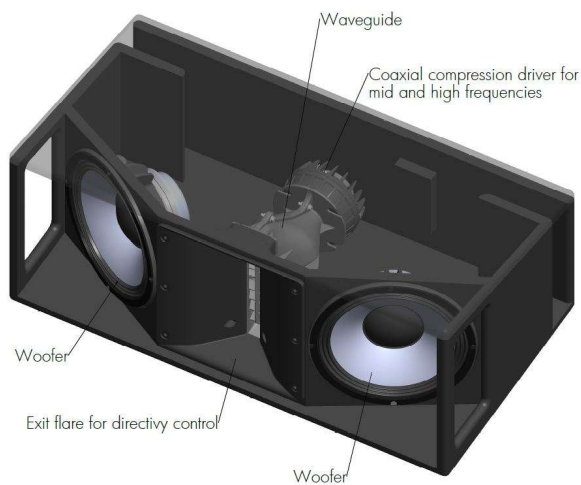
Updated as of May 2024 (dividend payment)



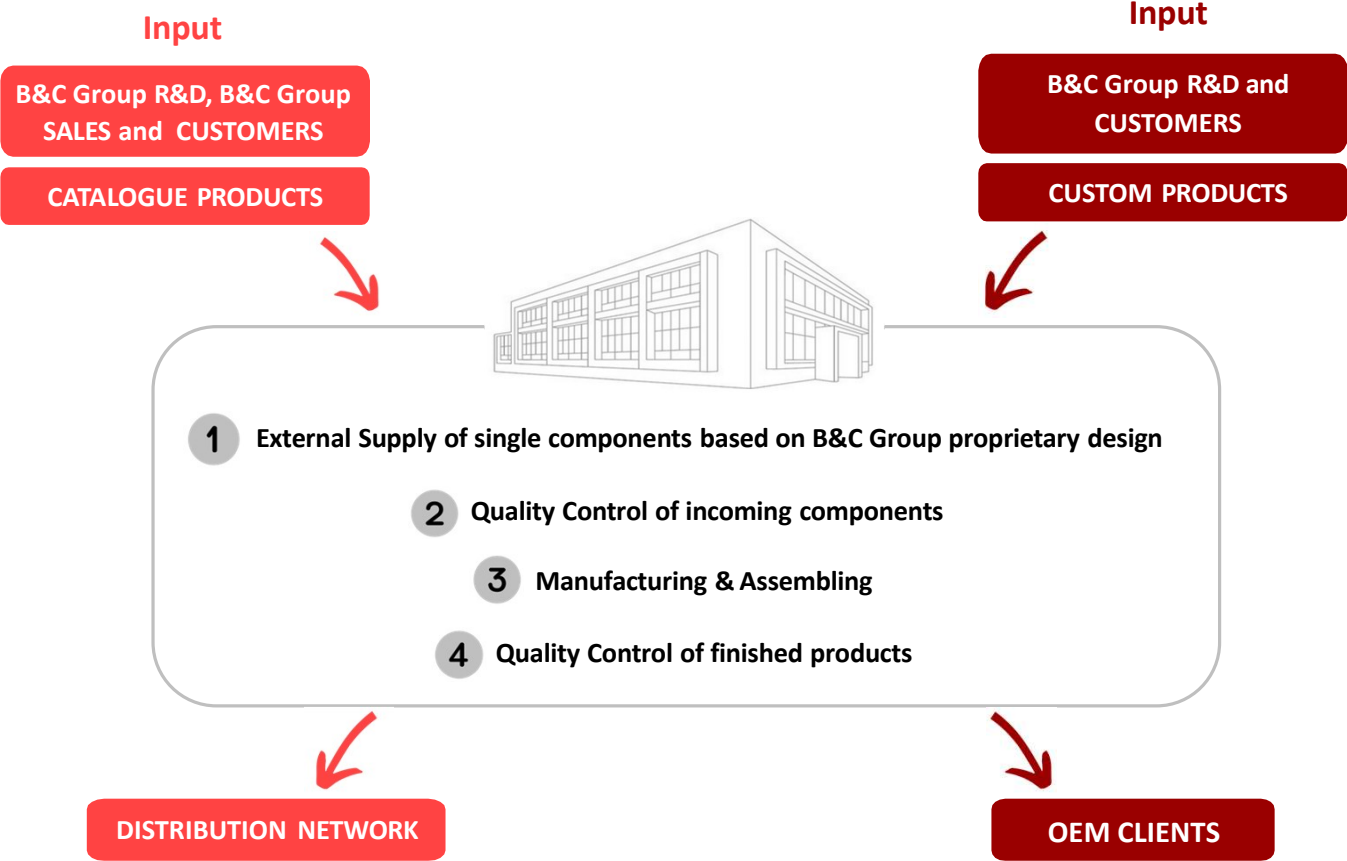
02. Products & Business Model

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

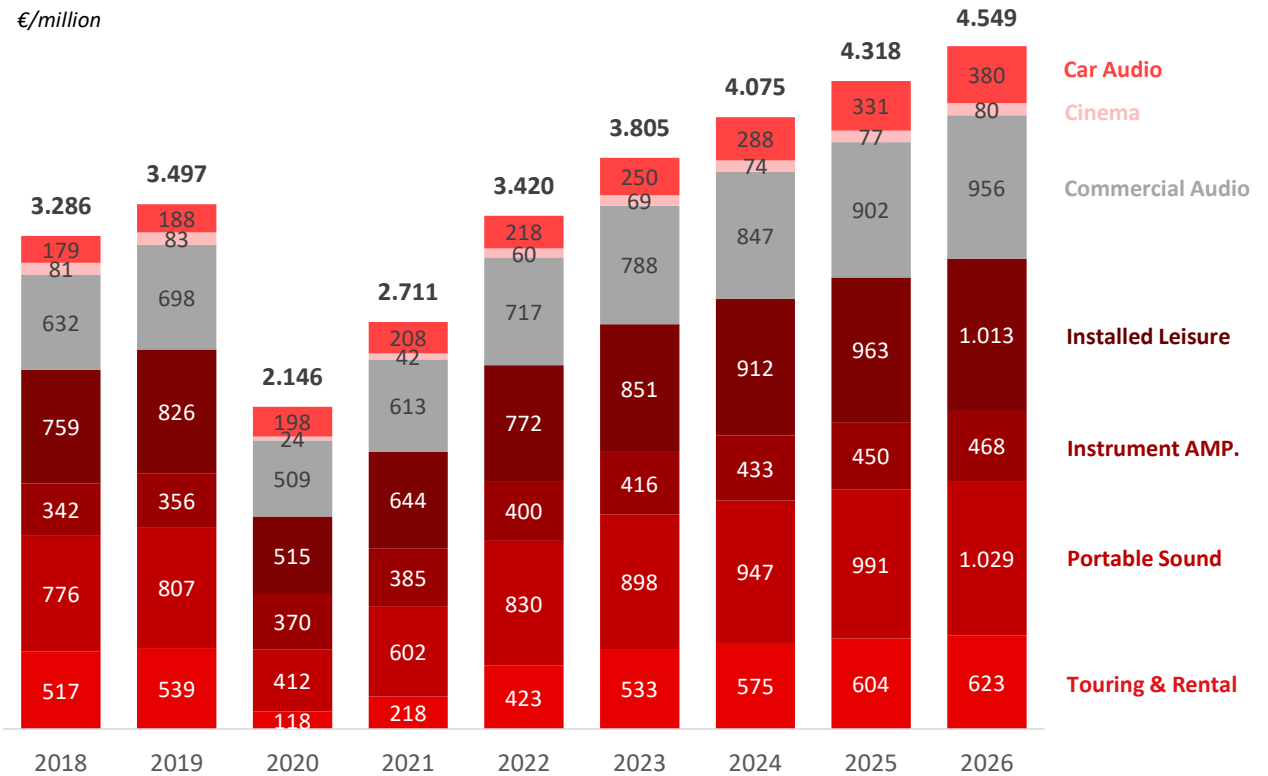
Expected addressable market in 2026

€ 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



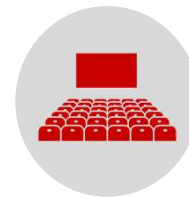
Instrument AMP.

€ 433 Million



Portable Sound

€ 947 Million



CINEMA



Movie Theatre

€ 74 Million



COMMERCIAL AUDIO



Malls



Hotels



Exhibitions



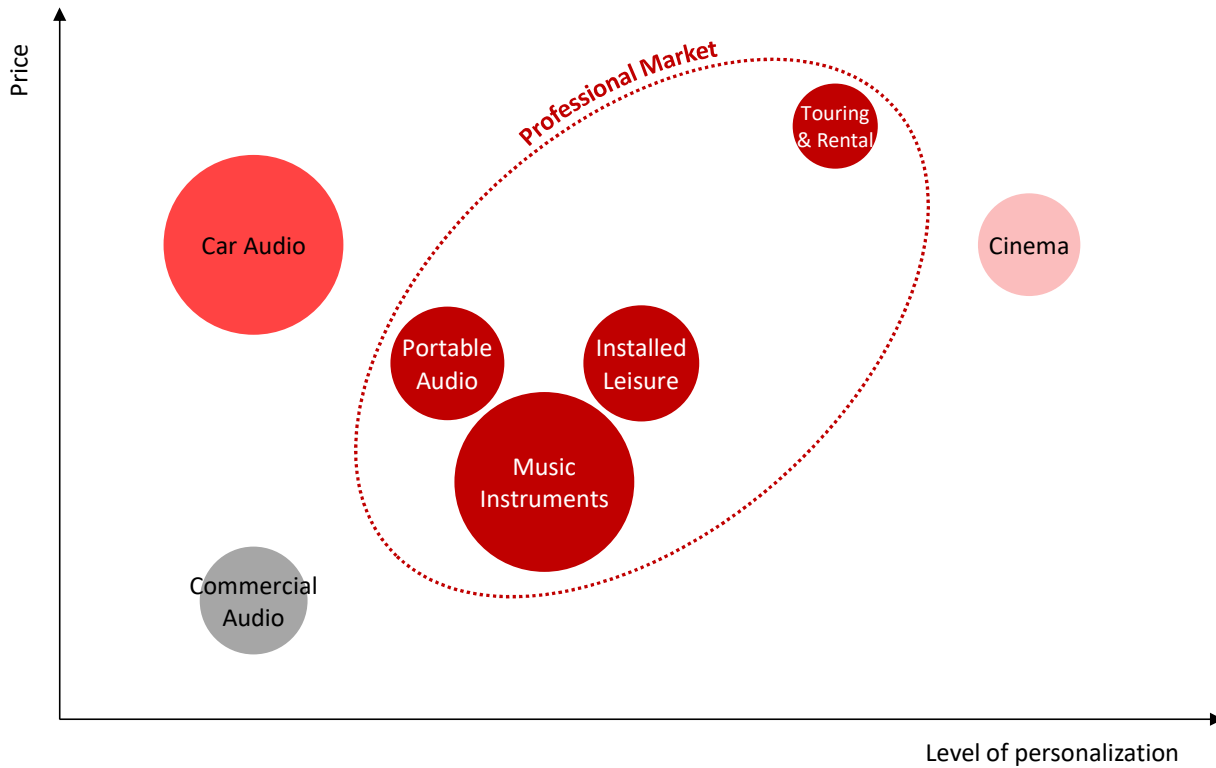
Transportation

€ 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



04. Key Financials

FINANCIALS HIGHLIGHTS 9M 2024

Revenues

€ 76.6 million

+7,6% vs 9M 2023

EBITDA

€ 17.7 million

EBITDA Margin **23.1%**

EBIT

€ 15.7 million

EBIT Margin **20.5%**

Net Profit

€ 15.8 million

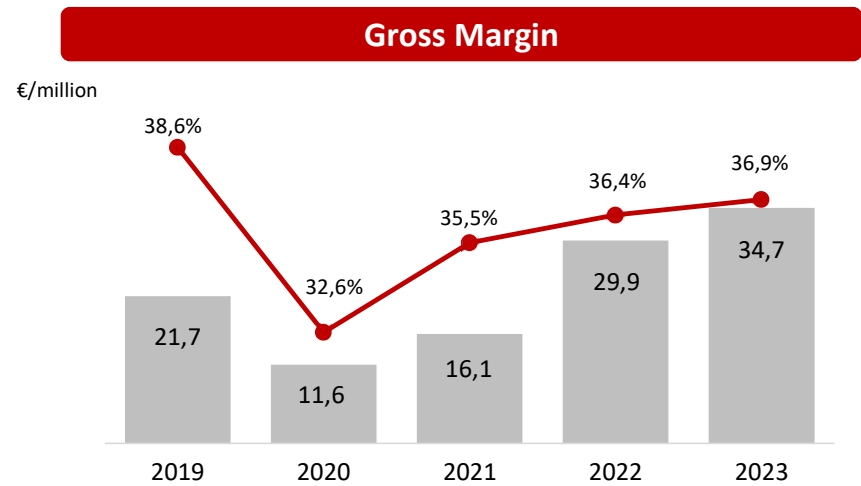
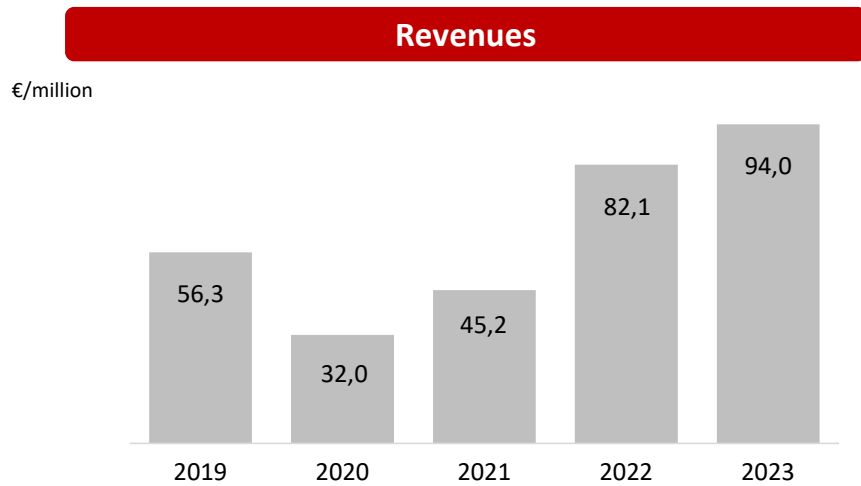
+35% vs 9M 2023

Net Financial Position

€ -1.1

Cash negative

P&L TRACK RECORD: REVENUES & GROSS MARGIN

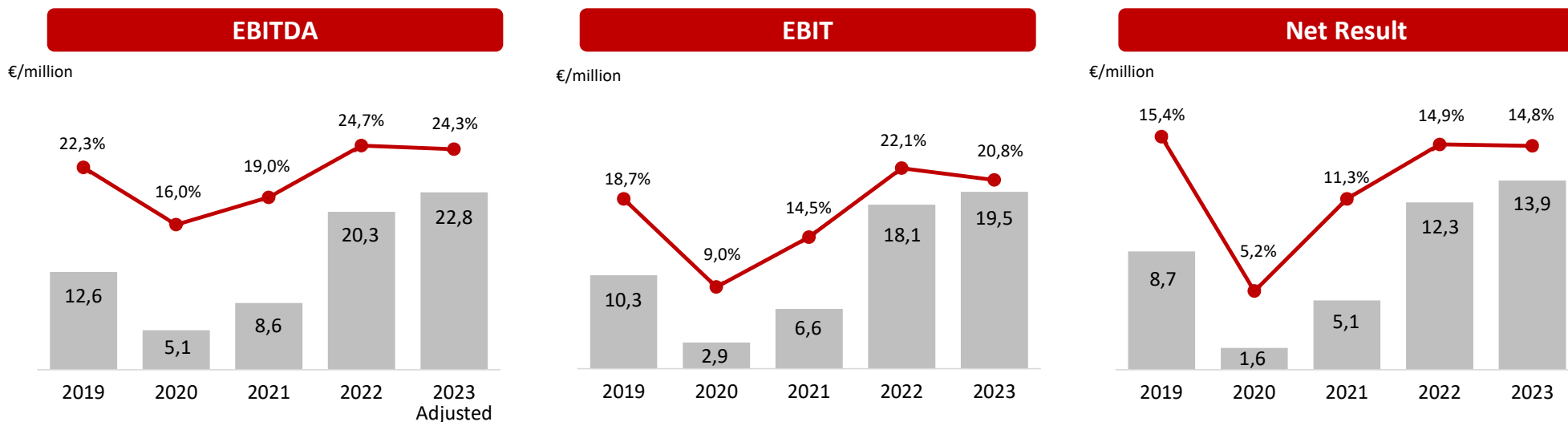


In FY2023 the **Group Revenues** reached the record figure of **€ 94.0 million** with an increase of **+14.5%** compared to 2022.

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**.

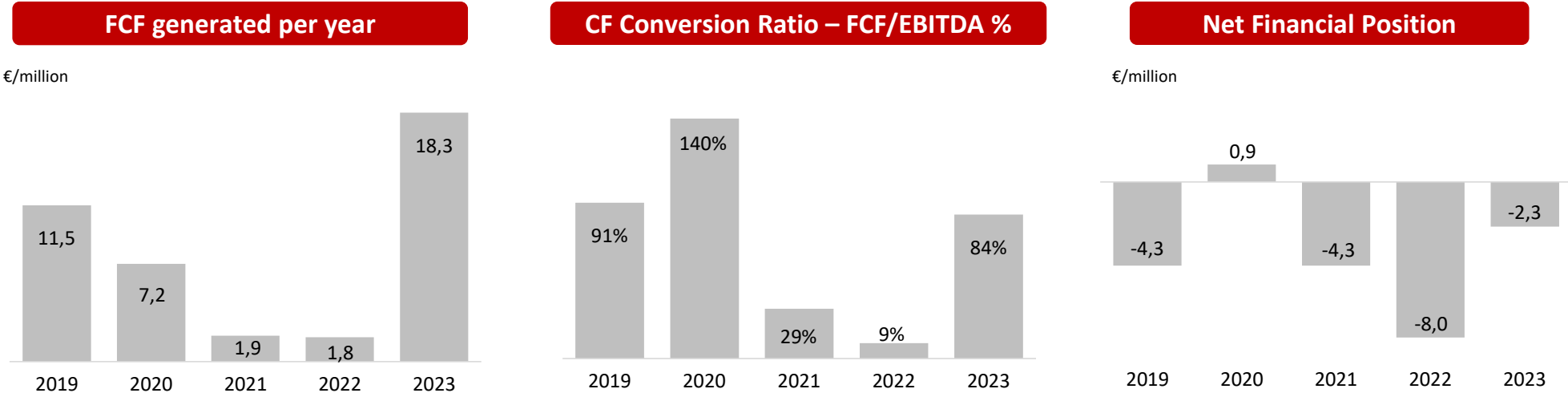
P&L TRACK RECORD: EBITDA, EBIT & NET RESULT



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

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

Economic trends - Group B&C Speakers

<i>(€ thousands)</i>	9 months 2024	<i>Incidence</i>	9 months 2023	<i>Incidence</i>
Revenues	76,630	100.0%	71,245	100.0%
Cost of sales	(47,365)	-61.8%	(44,678)	-62.7%
Gross margin	29,266	38.2%	26,567	37.3%
Other revenues	292	0.4%	327	0.5%
Cost of indirect labour	(5,096)	-6.6%	(3,661)	-5.1%
Commercial expenses	(907)	-1.2%	(696)	-1.0%
General and administrative expenses	(5,843)	-7.6%	(5,031)	-7.1%
Ebitda	17,712	23.1%	17,506	24.6%
Depreciation and Amortization	(1,965)	-2.6%	(1,573)	-2.2%
Writedowns	-	0.0%	0	0.0%
Earning before interest and taxes (Ebit)	15,747	20.5%	15,933	22.4%
Writedown of investments in non controlled associates	-	0.0%	-	0.0%
Financial costs	(1,224)	-1.6%	(1,334)	-1.9%
Financial income	1,396	1.8%	1,074	1.5%
Earning before taxes (Ebt)	15,919	20.8%	15,672	22.0%
Income taxes	(135)	-0.2%	(4,005)	-5.6%
Profit for the year	15,784	20.6%	11,668	16.4%
Minority interest	0	0.0%	0	0.0%
Group Net Result	15,784	20.6%	11,668	16.4%
Other comprehensive result	(126)	-0.2%	246	0.3%
Total Comprehensive result	15,658	20.4%	11,914	16.7%

BALANCE SHEET

Reclassified Balance sheet (€ thousands)	30 September 2024	31 December 2023	Change
Property, plant & Equipment	10,867	10,798	69
Inventories	30,870	27,624	3,246
Trade receivables	21,797	18,150	3,647
Other receivables	4,913	5,288	(374)
Trade payables	(11,725)	(10,824)	(901)
Other payables	(4,057)	(4,489)	432
Working capital	41,798	35,748	6,049
Provisions	(881)	(2,581)	1,699
Invested net working capital	51,783	43,965	7,818
Cash and cash equivalents	9,351	14,613	(5,262)
Investments in associates	-	-	-
Goodwill	2,318	2,318	-
Short term securities	7,274	6,979	295
Other financial receivables	577	580	(3)
Financial assets	19,520	24,489	(4,969)
Invested net non operating capital	19,520	24,489	(4,969)
NET INVESTED CAPITAL	71,303	68,454	2,849
Equity	53,612	46,210	7,402
Short-term financial borrowings	8,874	11,563	(2,689)
Long-term financial borrowing	8,817	10,681	(1,864)
RAISED CAPITAL	71,303	68,454	2,849

CASH FLOW STATEMENT

Consolidated statement of cash flows	9M	
	2024	2023
A- Net current bank balances at the beginning of the period	11.905	5.350
B- Cash flow from operating activities		
Profit/loss for the period (Including third parties Profit/loss)	15.658	11.914
Income tax expense	135	4.005
Depreciation and amortization	1.289	507
Finance cost	1.224	1.334
Interest income	(1.396)	(1.074)
Net change in provisions for risk and charges and other provision relating to personell	25	25
Change in provigion for leaving indemnities	(1.724)	45
(increase) decrease in current trade and other current receivables	(2.893)	1.991
(increase) decrease in deferred tax assets and liabilities	(98)	(138)
(increase) decrease in inventory	(3.246)	(994)
Increase (decrease) in current trade and other payables	353	(2.979)
Net cash from/(used in) operating activities	9.326	14.635
Paid interest costs	(1.030)	(1.262)
Collected interest income	619	1.074
Taxes paid	(52)	(2.752)
Total (B)	8.863	11.696

C- Cash flow from investing activities

(Investments) in non current tangible assets	(1.142)	281
Proceeds for sale of non current tangible assets	0	0
Net (investments) in non current intangible assets	(217)	(63)
Net (investments) in non current securities	3	(50)
Proceeds from sale of current securities	200	1.945
Total (C)	(1.156)	(461)

D Cash flow from financing activities

(Outflow) from repayment of loans	(5.767)	(5.768)
Inflow from borrowing activities	2.500	2.777
(Outflow) from repayment of lease liabilities	(1.238)	(966)
Purchase of treasury shares	(575)	2.116
Dividend paid to shareholders	(7.681)	(6.503)
Total (D)	(12.761)	(8.343)

E- Cash flow for the period (B+C+D)

(5.053) 2.891

F- Cash and cash equivalents at end of the period

6.852 8.241

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.

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.

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