

FINANCIAL PRESENTATION

Sabaf | 21st January 2026

8th Italian Mid Cap Conference
MEDIOBANCA



SABAF: THERE'S LIFE INSIDE

www.sabafgroup.com

SABAF
GROUP



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COMPANY PROFILE

Sabaf Group: product range evolution in 4 Business Units

SINCE 1950

GAS

- Standard Burners
- Special Burners
- Professional Burners
- Oven and Grill Burners
- Gas Valves
- Gas Oven Thermostats
- Microswitches & Accessories



SINCE 2018

ELECTRONICS

- Cooker Hoods
- Ovens
- Cookers and hobs
- Vitroceramic hobs control cards
- Refrigerators/freezers
- Other products



SINCE 2000, further expansion since 2019

HINGES

- Ovens
- Dishwashers
- Washing machines
- Refrigerators
- Special applications
- Small compartments
- Catering appliances



SINCE 2022

INDUCTION

Components for induction cookers and hobs



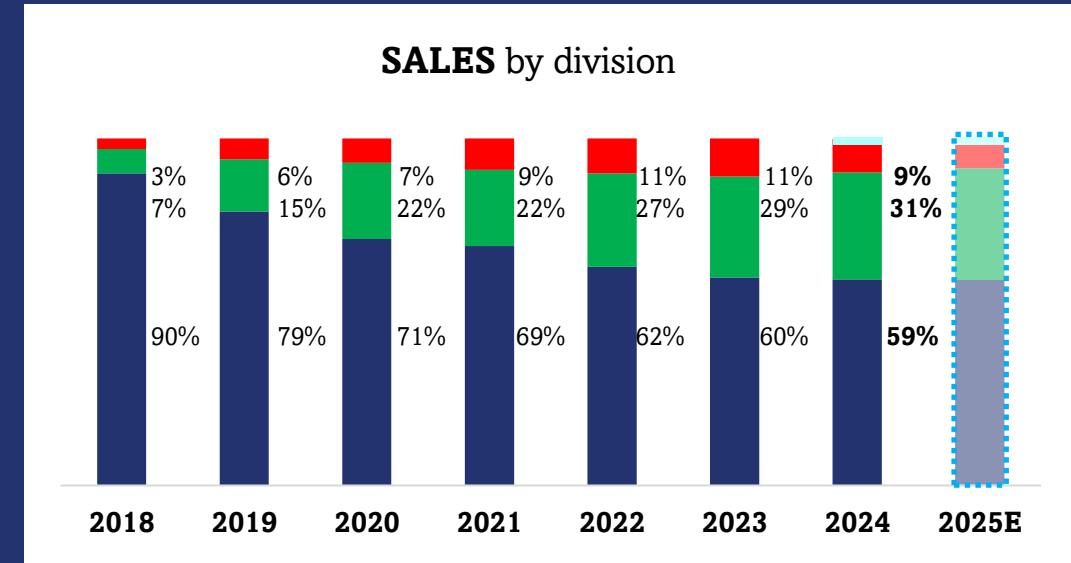
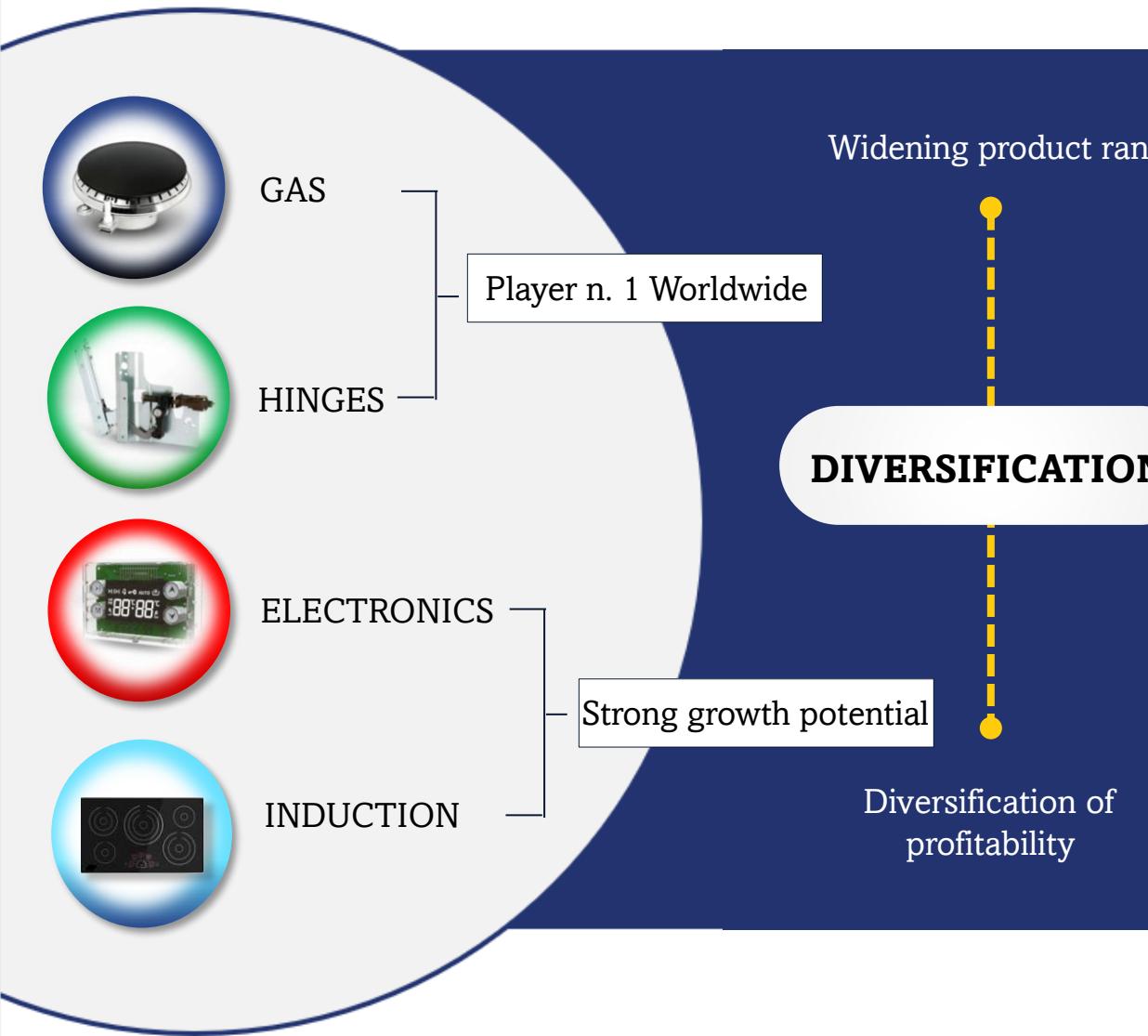
- Inductor
- Power board
- Cooling system
- Touch control
- User interface

Sabaf Group: evolution

5 acquisitions in the last 8 years
3 greenfield plants in the last 3 years

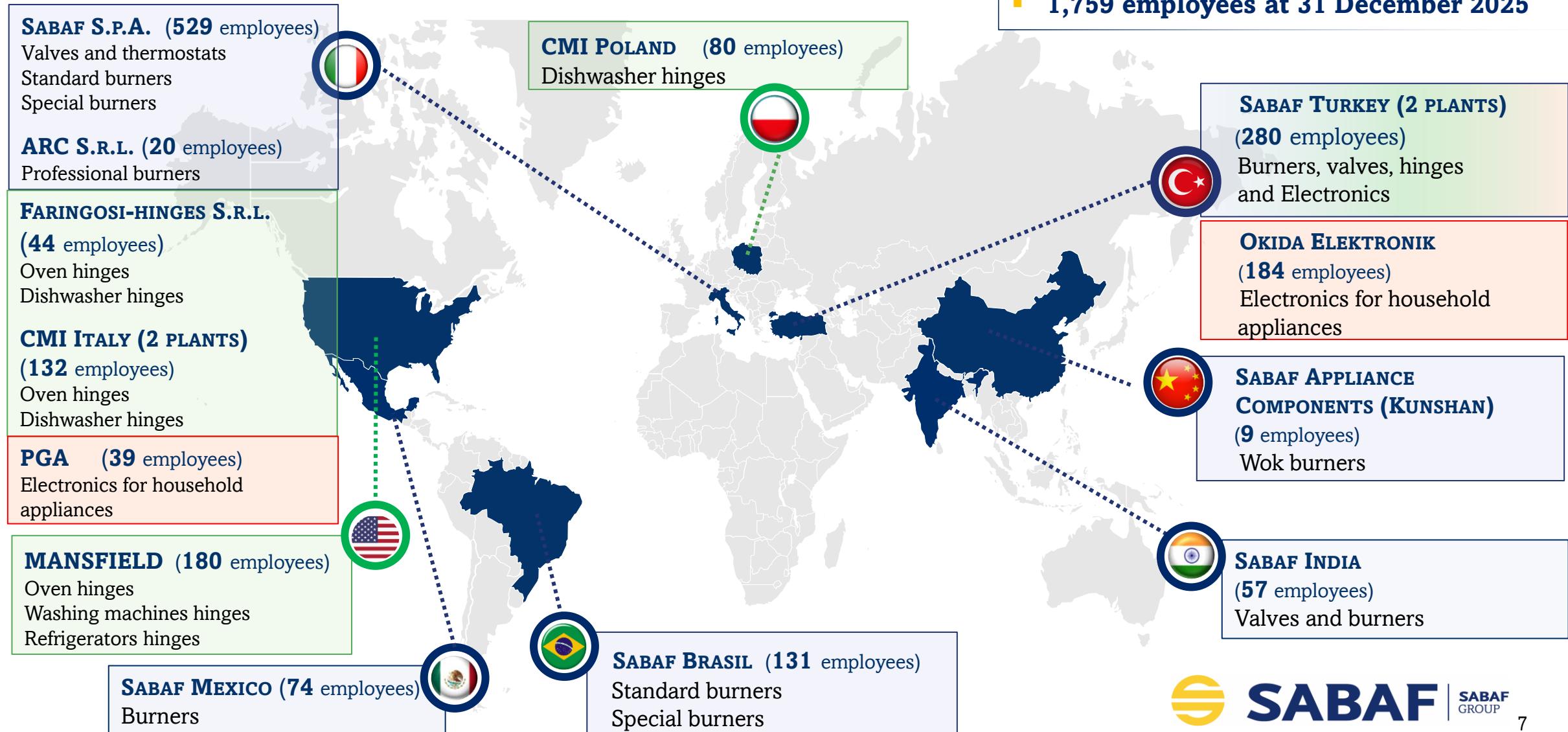


Sabaf Group: leading producer of components for household appliances and company evolution in 4 Business Units



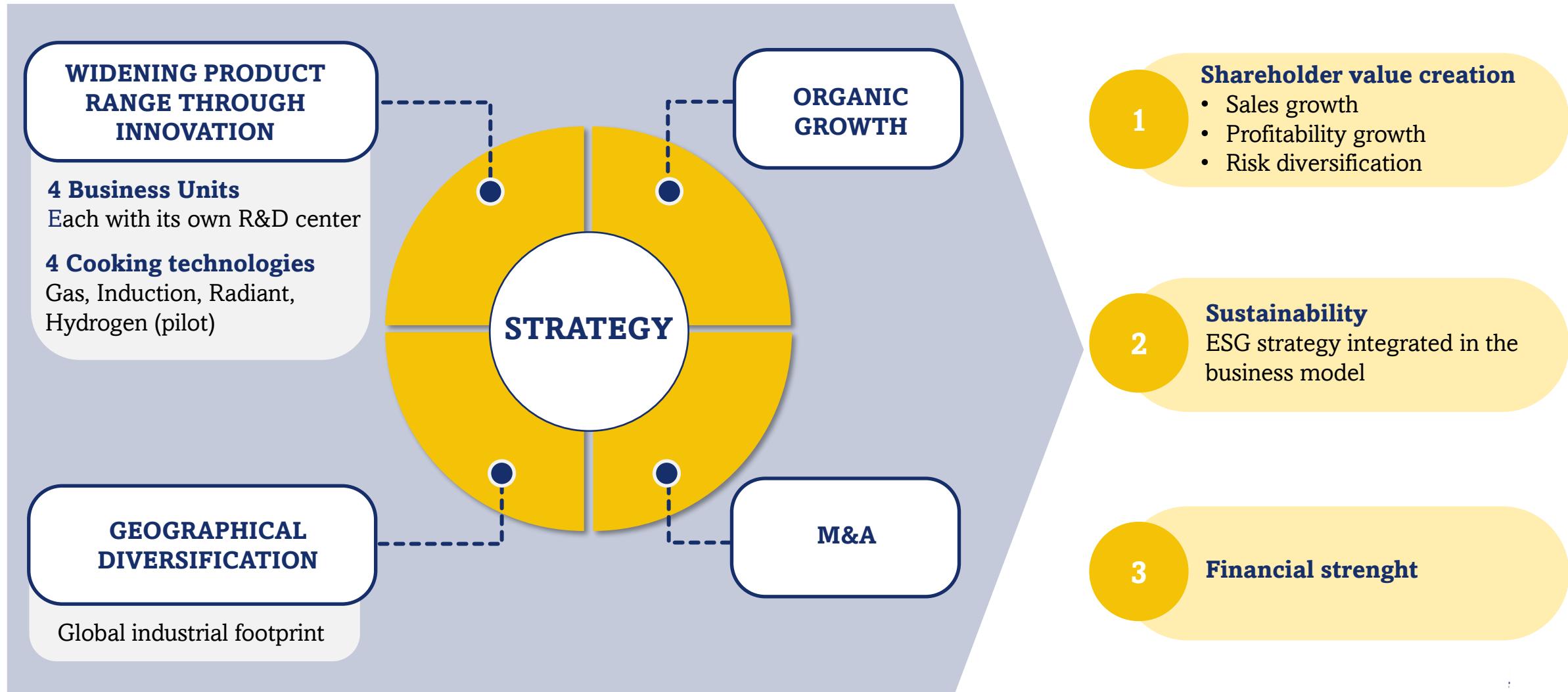
Sabaf Group: industrial footprint

- **2018:** 7 production plants
- **2024:** 15 production plants
(6 in Italy and 9 abroad)
- **1,759 employees at 31 December 2025**



Why investing in Sabaf

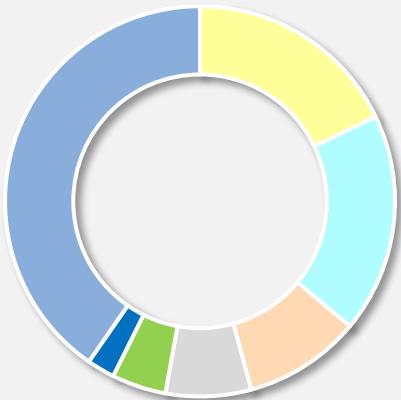
Strategy for value creation



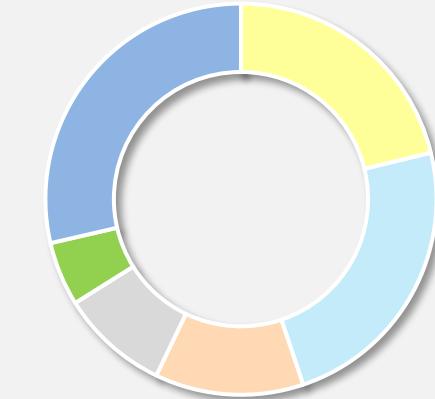
Sabaf Group

Main shareholders

% OF SHARE CAPITAL



% OF VOTING RIGHTS



Pietro Iotti, Sabaf CEO,
owns 2.24% of voting rights

LATEST STRATEGIC MOVES

Latest strategic moves

2022

SABAFT INDIA

2023

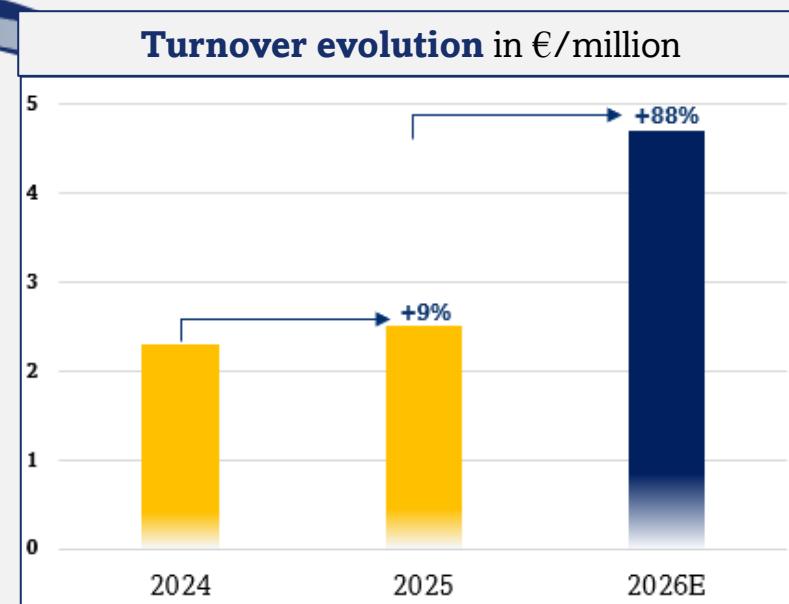
SABAFT MEXICO

2023

MANSFIELD ACQUISITION

Sabaf India

Sales start	2Q 2023
Investment	€ 6.4 mln
Division	<u>Gas</u> : production of valves and burners for the domestic market
Production capacity	€ 6 mln (scalable)



Market characterized by:

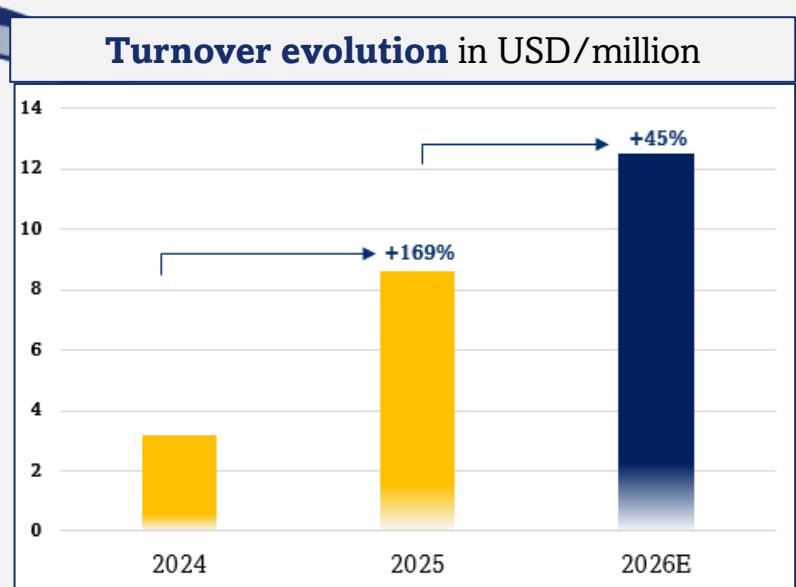
- **strong growth**
- **customization**
- **competitive price requests**

During 2025 the **entire production process of valves** was complete



Sabaf Mexico

Sales start	1H 2024
Investment	€ 14 mln
Division	Gas: production of burners for NA market
Production capacity	€ 13 mln (scalable)



May 2024

start of sales to **Mabe**

July 2024

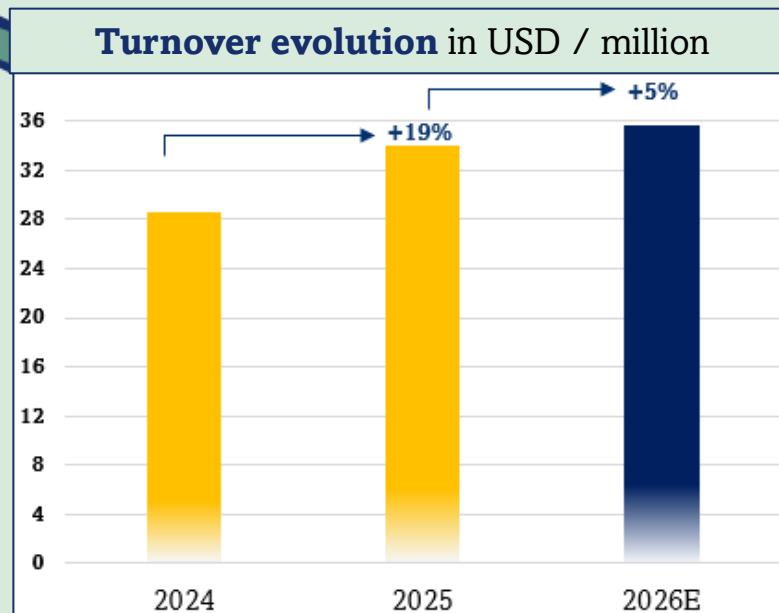
start of sales to **Whirlpool**

**Fast production
ramp-up**



Acquisition	July 2023
Share acquired	51% of share capital
Enterprise value	USD 21 mln
Division	<u>Hinges</u>

MEC is a **leading North American manufacturer of hinges** for household appliances (mainly ovens, washing machines and refrigerators), designed and manufactured to meet the high-quality levels and demanding standards required by the US market



- Smooth transition from previous ownership to the management
- Visible synergies**, for which implementation is ongoing, even thanks to very positive relationships with local management
- Ongoing automation** in order to improve productivity

MEC is delivering strong results with growing profitability
Despite market weakness, profitability is steadily improving and **strategic opportunities are emerging**, supported by the US manufacturing footprint

Further growth expected in **2026** : relevant additional sales from new projects with major multinational groups

FINANCIAL PERFORMANCE

Context analysis and Sabaf positioning

COMPETITIVE LANDSCAPE

Progressive intensification of competition at a global level

- Greater **penetration of Turkish and Chinese players in the European market** through M&A deals and takeovers of European companies (i.e. Candy, Whirlpool Europe, Gorenje, Teka)
- **Strengthening of Chinese exports** to Europe and Western markets, also following the reallocation of trade flows after the introduction of U.S. tariffs
- Competition on finished product prices

REFERENCE MARKET

Western **customers** facing a period of **difficulty**

- European demand in the home appliances market remains about 11% below 2019 levels
- Efforts in passing cost increases downstream

Sabaf Group Response

- **Diversification** of the product range
- Manufacturing and commercial **internationalization** across markets
- Strong focus on **innovation** and development of new projects
- **Direct manufacturing presence in the USA** (MEC in Ohio)
- **Actions on costs**
- **Flexibility** to respond to rapid changes
- Search for **external growth opportunities**, including in sectors other than home appliances, targeting higher margins

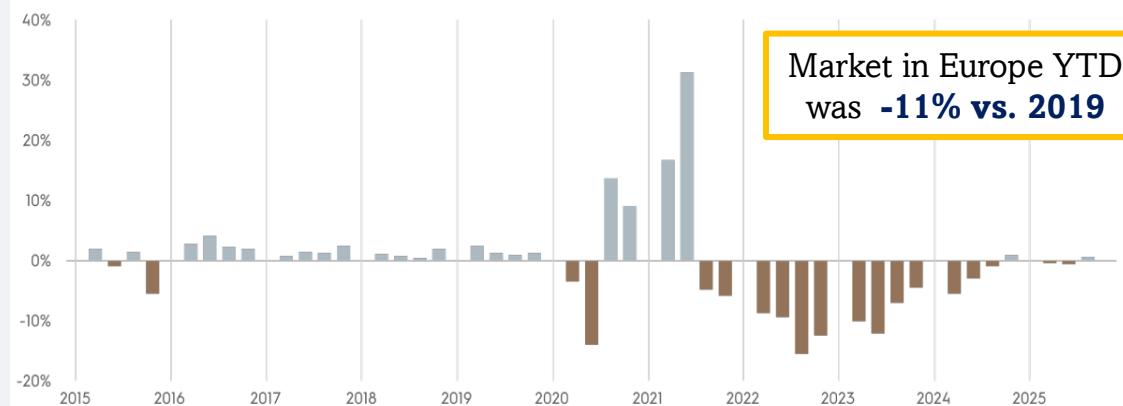
2025 | Market trends

Europe

- Slightly weaker market, with increased competitive pressure
- Consumers shifted to lower price points driven by geopolitical and economic uncertainty

Quarterly industry shipments in Europe

Quarterly unit comparison y-o-y



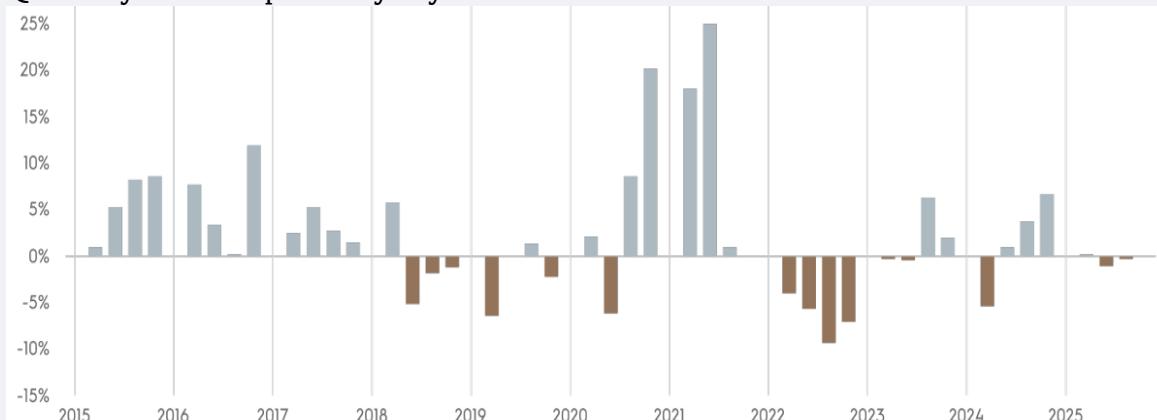
Source: Electrolux 3Q 2025 presentation

North America

- Inflation concerns related to tariffs, weighed on consumer confidence
- High promotional activity
- Preference for lower price points

Quarterly industry shipments in U.S.

Quarterly unit comparison y-o-y

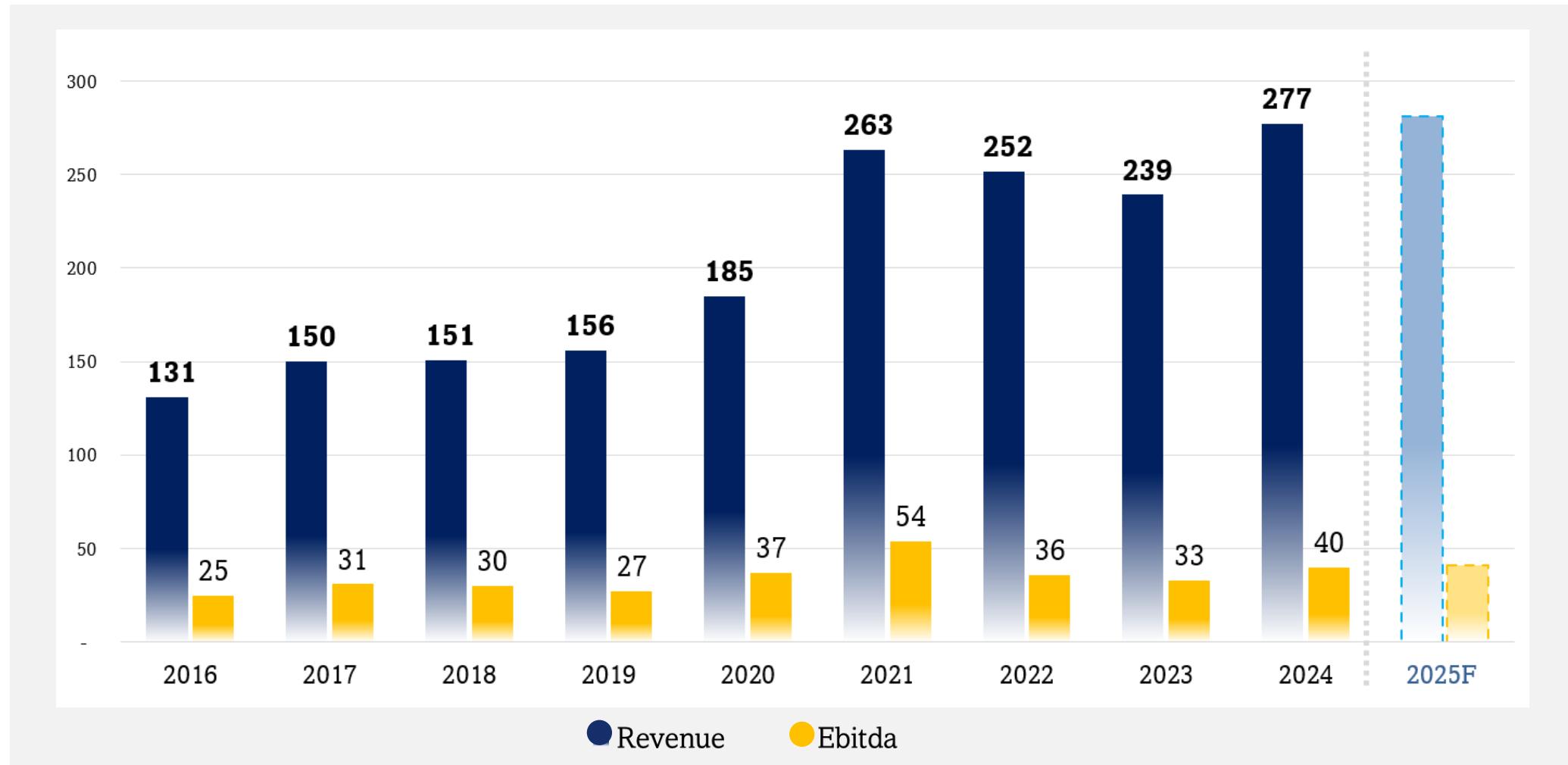


Source: Electrolux 3Q 2025 presentation

- **Latin America: slightly positive**, gradual slowdown in growth rates
- **Asia**: slightly down compared to 2024
- **Middle East** and **Africa** affected by the **geopolitical** picture

Yearly adjusted¹ revenues and EBITDA

Mln €



¹Adjusted income statement: results exclude the impact of the application of IAS 29 (Financial Reporting in Hyperinflationary Economies) This representation allows a better understanding of the Group's performance and of its comparison with previous periods.

Adjusted income statement¹ – 9 months 2025

€ x 000

	9 MONTHS 2025		9 MONTH 2024		Δ % 9M 25 - 9M 24	
Revenue	213,823	100%	212,312	100%	+0.7%	+1.6% at constant exchange rates
Other income	7,921	3.7%	7,653	3.6%		
Total operating revenue and income	221,744		219,965			
Consumption	(98,177)	(45.9%)	(99,076)	(46.7%)		
Personnel costs	(54,351)	(25.4%)	(51,364)	(24.2%)		
Other operating costs	(37,890)	(17.7%)	(37,380)	(17.6%)		
EBITDA	31,326	14.7%	32,145	15.1%	-2.5%	
Depreciation	(15,241)	(7.1%)	(14,273)	(6.7%)		
Gain/losses on fixed assets	118	0.1%	90	0.0%		
Write-downs/write-backs of non-current assets	(106)	(0.0%)	(8)	(0.0%)		
EBIT	16,097	7.5%	17,954	8.5%	-10.3%	
Non financial expense	(6,187)	(2.9%)	(1,294)	(0.6%)		
Exchange rate gains and losses	1,965	0.9%	584	0.3%		
EBT	11,875	5.6%	17,244	8.1%	-31.1%	
Income taxes	(1,402)	(0.7%)	(3,960)	(1.9%)		
NET PROFIT FOR THE PERIOD	10,473	4.9%	13,284	6.3%	-21.2%	
Minority interests	1,271	0.6%	727	0.3%		
PROFIT ATTRIBUTABLE TO THE GROUP	9,202	4.3%	12,557	5.9%	-26.7%	

In view of the positive performance of MEC, **the value of the put option** granted to the minority shareholders for the 49% stake **was adjusted** as at 30 September 2025.

The related financial liability (now €14 mln) increased by €2.6 mln, resulting from the net effect of

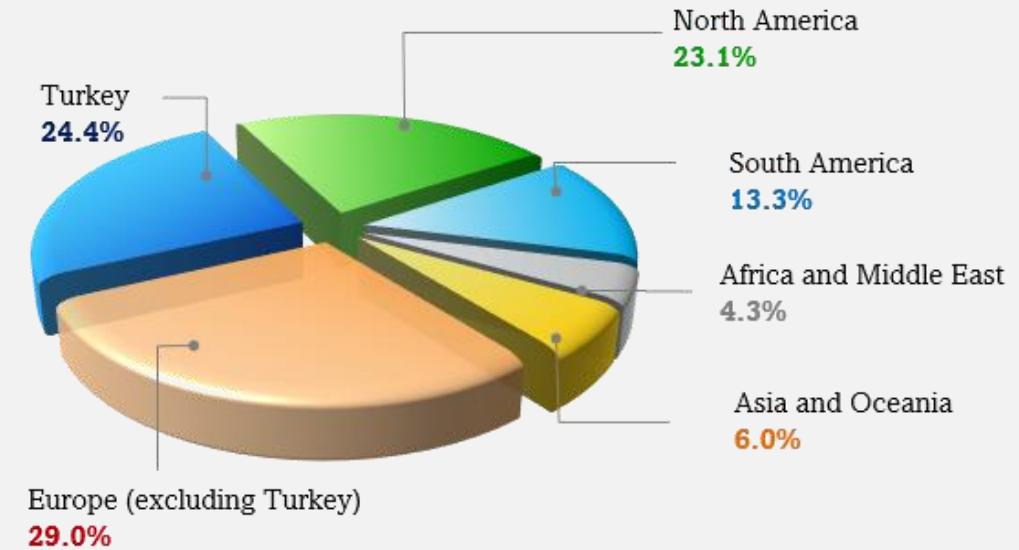
- financial expenses (€4.1 mln)
- foreign exchange gains (€1.5 mln)

¹Adjusted income statement: results exclude the impact of the application of IAS 29 (Financial Reporting in Hyperinflationary Economies) This representation allows a better understanding of the Group's performance and of its comparison with previous periods.

Adjusted sales by market

€ x 000

	9 MONTHS 2025	9 MONTHS 2024	Δ
Europe (excluding Turkey)	61,981	60,489	+2.5%
Turkey	52,122	55,024	-5.3%
North America	49,404	45,414	+8.8%
South America	28,360	27,316	+3.8%
Africa and Middle East	9,180	12,037	-23.7%
Asia and Oceania	12,776	12,032	+6.2%
Total	213,823	212,312	+0.7%

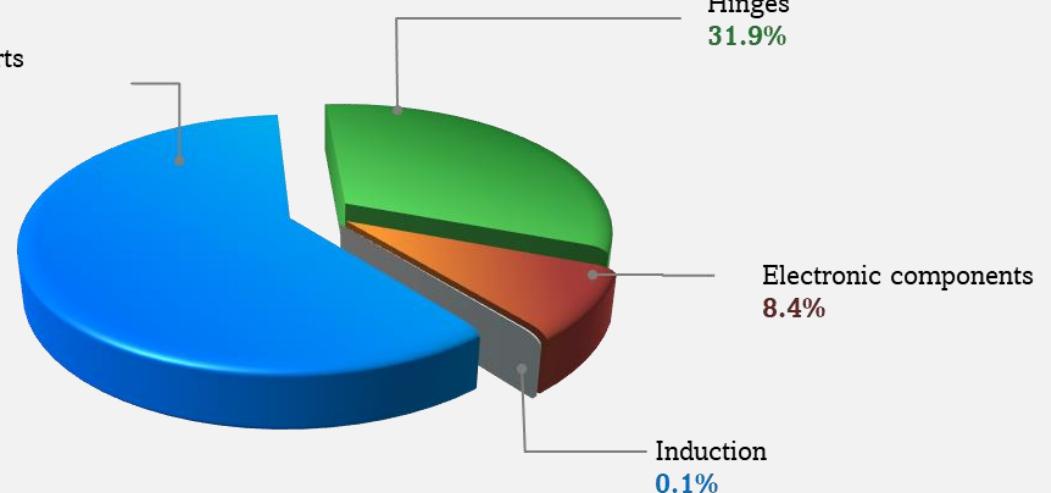


Adjusted sales by product

€ x 000

	9 MONTHS 2025	9 MONTHS 2024	Δ
Gas parts	127,545	126,107	+1.1%
Hinges	68,174	65,467	+4.1%
Electronic components	17,879	20,338	-12.1%
Induction	225	400	-43.8%
Total	213,823	212,312	+0.7%

Gas parts
59.6%



Balance Sheet - Reported

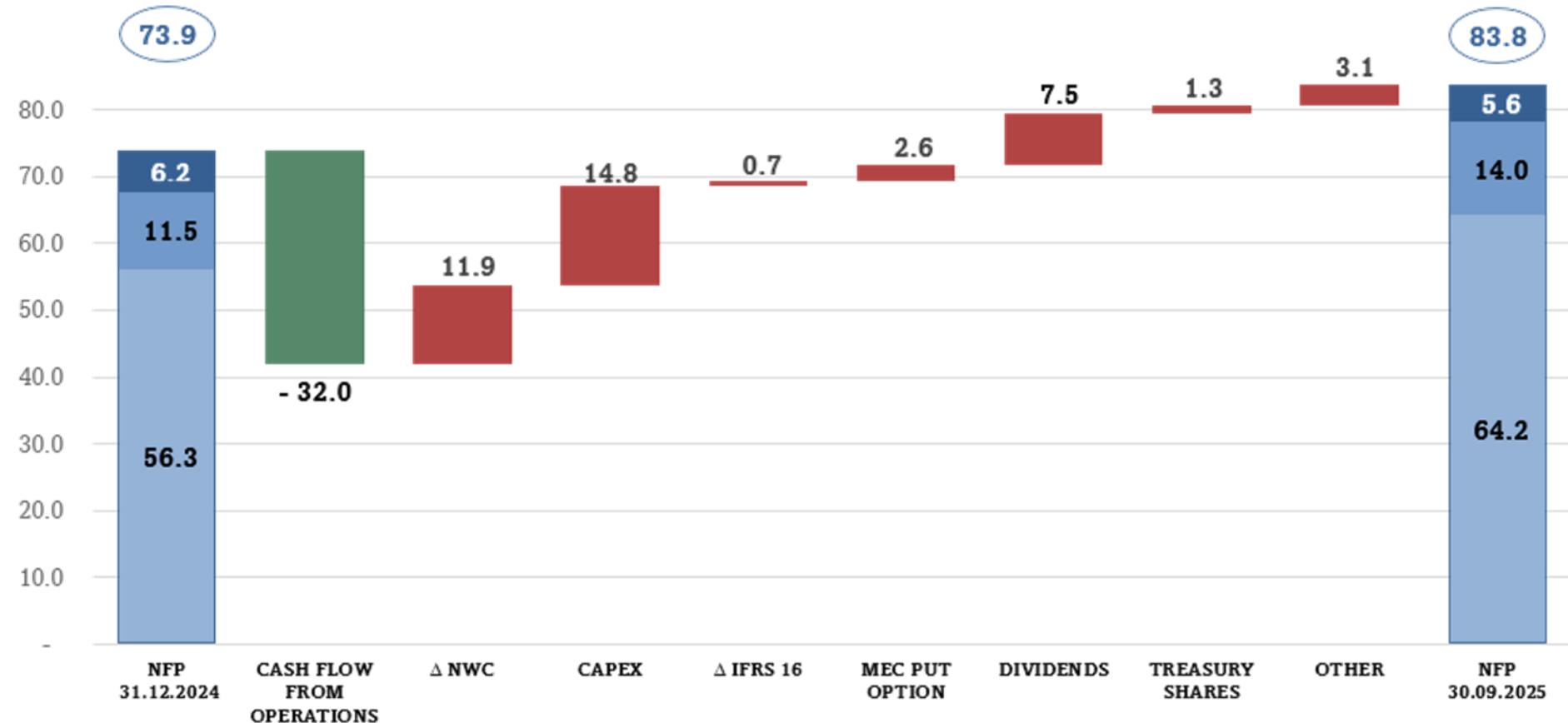
€ x 000	30/09/2025	31/12/2024	30/09/2024
Fixed assets	169,756	177,663	177,042
<i>Inventories</i>	64,800	63,132	65,023
<i>Trade receivables</i>	70,670	64,837	69,674
<i>Tax receivables</i>	9,580	9,909	8,689
<i>Other current receivables</i>	3,223	4,322	3,920
<i>Trade payables</i>	(43,730)	(41,681)	(46,382)
<i>Tax payables</i>	(6,023)	(4,794)	(4,390)
<i>Other payables</i>	(17,377)	(17,478)	(17,578)
Net working capital	81,143	78,247	78,956
Provisions for risks and severance indemnity	(8,461)	(8,285)	(8,918)
Capital Employed	242,438	247,625	247,080
Equity	158,630	173,744	170,092
Net debt	83,808	73,881	76,988
Sources of finance	242,438	247,625	247,080

At 30 September 2025, the impact of the **net working capital on revenue was 28.7%** compared to 27.7% at 30 September 2024 and 27.4% at the end of 2024

Net financial debt at 30 September 2025 was **€79.4 mln** (€73.9 mln at 31 December 2024) and includes

- €14 mln related to the recognition of the put option granted to MEC minorities
- and the financial liabilities of €5.6 mln recognised in accordance with IFRS 16

Change in consolidated net financial position



Financial net debt

MEC put option

IFRS16

Major new projects 2026

The Group continues its growth path and the **expansion of market share** through the development of **strategic projects** with key customers and **M&A opportunities**. These initiatives strengthen our competitive position and generate sustainable value.

Division	SOP	New projects No.	Customers No.	Expected Turnover (mainly additional) € x 000
Gas	2025 (Ramp up 2026)	9	9	5.701
	2026	13	14	5.457
	Total Gas	22	23	11.158
Hinges	2026	6	5	2.643
Electronics	2025 (Ramp up 2026)	7	7	1.285
	2026	6	6	918
	Total	13	13	2.203
Total Sabaf Group		41	41	16.004

SUSTAINABILITY

Solar power plant



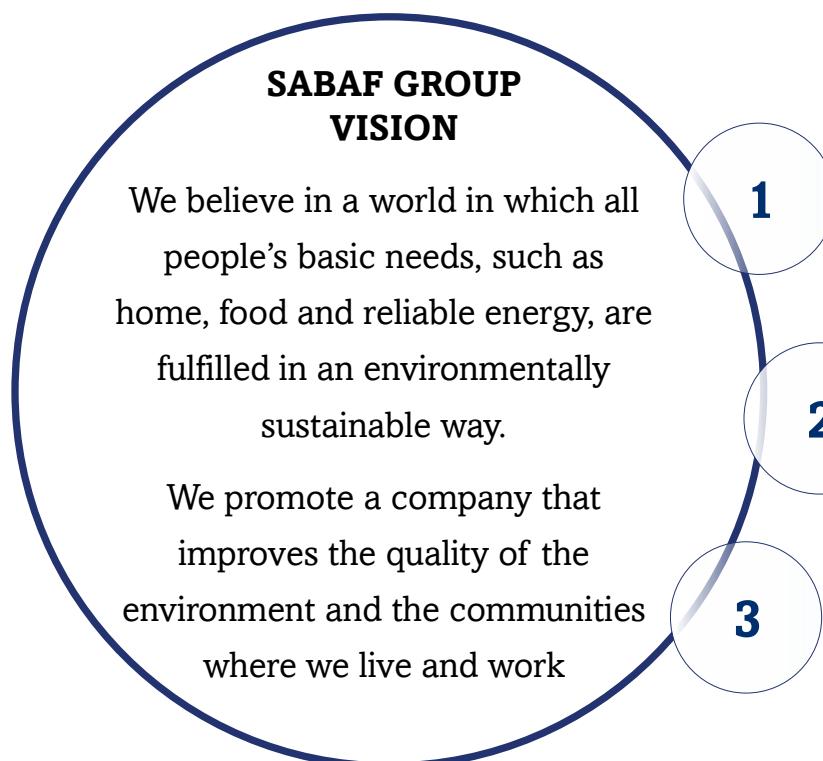
- Total CapEx: approximately **€2.4 mln**
- Will enable the production of electricity using solar photovoltaic technology, significantly contributing to the goal of **climate change mitigation**
- Allows **self-production** of an estimated amount equal to **10-15%** of the site's current energy consumption
- **Emissions reduction:** ~ **10-15%** (Scope 2 emissions from purchased and consumed electricity)
- **Saving:** ~ **€ 0.5 mln / year**
- The solar power plant was completed in **June 2025**

Sabaf: a sustainable business

Sustainability in the Business plan 2024 - 2026

“ Sabaf's strategy and governance model are aimed towards ensuring long-term sustainable growth.

For Sabaf, sustainability is primarily based on sharing values with its stakeholders; compliance with common values increases mutual trust and encourages knowledge development ”



Area	KPI	SDGs
Eco-efficiency and Emissions into the atmosphere	CO ₂ emissions/Revenue	
Development of resources and skills	Hours of training per capita	
Health and safety	Injuries indicator	

ESG Performance - Corporate Governance

Remuneration policy

LONG - TERM INCENTIVE PLAN

2024 - 2026

Linked to the economic-financial and sustainability objectives set out in the **2024-2026 Business plan**

Definition of **SUSTAINABILITY TARGETS**:

- With reference to the issues highlighted in the **materiality analysis**
- Fully in line with **best practices** and **Corporate Governance Code**

MATERIAL TOPIC

KPI

% ON LTI

Emissions into the atmosphere

Implementation of the ESG investment plan (1,500 t CO₂ reduction)

10%

Development of resources and skills

Hours of training per capita

5%

Health and safety of personnel

Indicator of injuries

5%

Impact of on LTI plan

20%



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Environmental impact of different cooking fuels 1/3



About 30% of people on our planet, i.e. 2.5 billion people, are still relies on **solid biomass fuels** for cooking (wood, charcoal, animal dung, crop residues)

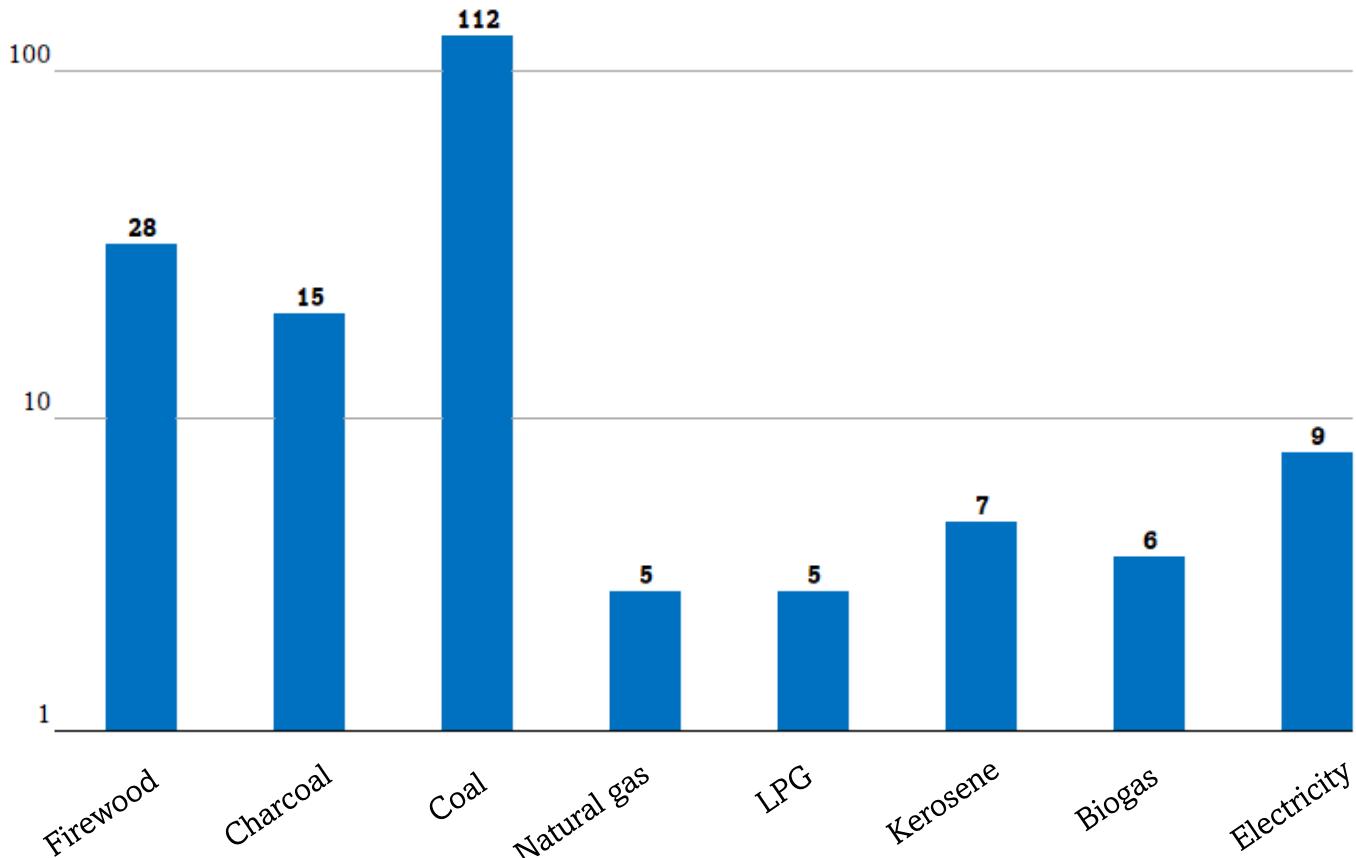
This population is mainly concentrated in Sub-Saharan Africa, where the unavailability of clean fuels affects 82% of the population, but significant percentages characterize also Central Asia, India, China, South-East Asia and Latin America

In addition to being **harmful to the environment**, the pollution produced by traditional fuels has important consequences on the **health** of users and families

5.5 billion people use fossil fuels (mainly natural gas and LPG) or electricity for cooking

Environmental impact of different cooking fuels 2/3

Environmental impact of different cooking fuels¹



The environmental impact was measured using a **scientific standard method** (the ReCiPE 2016), which is based on 3 impact categories:

- damage to human health
- damage to ecosystem quality
- damage to resource availability

The environmental impact **was highest in the case of coal** cooking appliances (112) and **lowest for LPG and methane** cooking appliances (5 and 5.2 respectively).

Electric cooking appliances, with an impact of 9, highlighted an environmental impact equal to **180% of** that deriving from **gas** hobs

Cooking through a gas hob instead of using firewood as cooking fuel, **reduces the environmental impact by 80%**

¹ <https://www.itjfs.com/index.php/itjfs/article/view/2170>

Environmental impact of different cooking fuels 3/3

From the perspective of sustainable development, **the reduction of the environmental impact** resulting from cooking food will necessarily have to go through a **dual strategy**

Promote access to **energy sources with lower impact** for the population that still uses solid fuels

Favor electric cooking only where and when **the energy production mix** is characterized by a predominant component of **green energy**

An induction hob causes lower CO₂ emissions than a gas hob only if the electricity is produced with a % of **renewable sources** (and/or nuclear energy) **higher than 70%**

The Sabaf Group pursue a **business development path consistent with the ecological transition plans**:

- Sabaf is investing to promote diffusion of gas cooking appliances in emerging countries, replacing traditional cooking methods with much higher environmental impact
- At the same time, Sabaf is investing to enter the sector of induction cooking, the most efficient form of electric cooking, which is constantly growing in the European market, although such trend has slowed down in the last 3 years

A possible revolution - Hydrogen burners

The Sabaf Group actively takes part in research projects aimed at evaluating the feasibility of replacing natural gas (methane) with hydrogen as a source for gas cooking appliances

Hy4Heat project, promoted by the British government, concluded in 2022 with positive results

Pilot project in collaboration with the Colombian client Industrias Haceb → **European Union Sustainability certification LCBA** (Low Carbon and Circular Economy Business Action)

Burners operating with 100% hydrogen: laboratory tests and prototypes have confirmed the technical feasibility of these products

The possibility to use hydrogen on a large scale as a fuel has still to overcome important technological challenges, both in terms of its production and distribution

A possible solution in a relatively short time is the use of a **mix of methane and hydrogen**, through the **existing distribution network**



ATTACHMENTS

Income statement reconciliation reported – adjusted¹ - 9 months 2025

	€ x 000	YoY			Δ % 6M25 - 6M24
		9 MONTHS 2025	9 MONTHS 2024		
Revenue	212,302	100.0%	213,875	100.0%	-0.7%
Hyperinflation - Turkey	1,521		(1,563)		
Adjusted revenue	213,823	100.0%	212,312	100.0%	+0.7%
EBITDA	30,425	14.3%	32,901	15.4%	-7.5%
Hyperinflation - Turkey	901		(756)		
Adjusted EBITDA	31,326	14.7%	32,145	15.1%	-2.5%
EBIT	11,896	5.6%	16,118	7.5%	-26.2%
Hyperinflation - Turkey	4,201		1,836		
Adjusted EBIT	16,097	7.5%	17,954	8.5%	-10.3%
Net result	7,377	3.5%	9,560	4.5%	-22.8%
Hyperinflation - Turkey	1,825		2,997		
Adjusted Net result	9,202	4.3%	12,557	5.9%	-26.7%
Reported results					
Adjusted results					

¹Adjusted income statement: results exclude the impact of the application of IAS 29 (Financial Reporting in Hyperinflationary Economies) This representation allows a better understanding of the Group's performance and of its comparison with previous periods.

DISCLAIMER

Certain information included in this document is forward looking and is subject to important risks and uncertainties that could cause actual results to differ materially.

The Company's business is in the domestic appliance industry and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting this business. Forward-looking statements with regard to the Group's business involve a number of important factors that are subject to change, including: the many interrelated factors that affect consumer confidence and worldwide demand for durable goods; general economic conditions in the Group's markets; actions of competitors; commodity prices; interest rates and currency exchange rates; political and civil unrest; and other risks and uncertainties.

Pursuant to Article 154/2, paragraph 2 of the Italian Consolidated Finance Act (Testo Unico della Finanza), the company's Financial Reporting Officer Gianluca Beschi declares that the financial disclosure contained in this financial presentation corresponds to the company's records, books and accounting entries.

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