

FERVI GROUP

Machinery and Tools for MRO

CORPORATE PRESENTATION

Agenda

Corporate Presentation

1. COMPANY PROFILE
2. MARKET
3. STRATEGY AND KSF
4. MANAGEMENT TEAM
5. REFERENCE



COMPANY PROFILE

FERVI GROUP

Machinery and Tools for MRO

The Smart Group

The sector

FERVI GROUP

Machinery and Tools for MRO



We are the leading company in the MRO market

The Fervi Group operates in the professional equipment supply sector, mainly for mechanical workshops, car workshops, carpentry and construction and everything revolves around the so-called “MRO” (*maintenance, repair and operations*) sector, i.e. the supply of equipment to maintenance and repair professionals and for craft production (prototyping, sampling, limited series) plus the advanced DIY (“Do-it-yourself”) sector.

The Smart Company

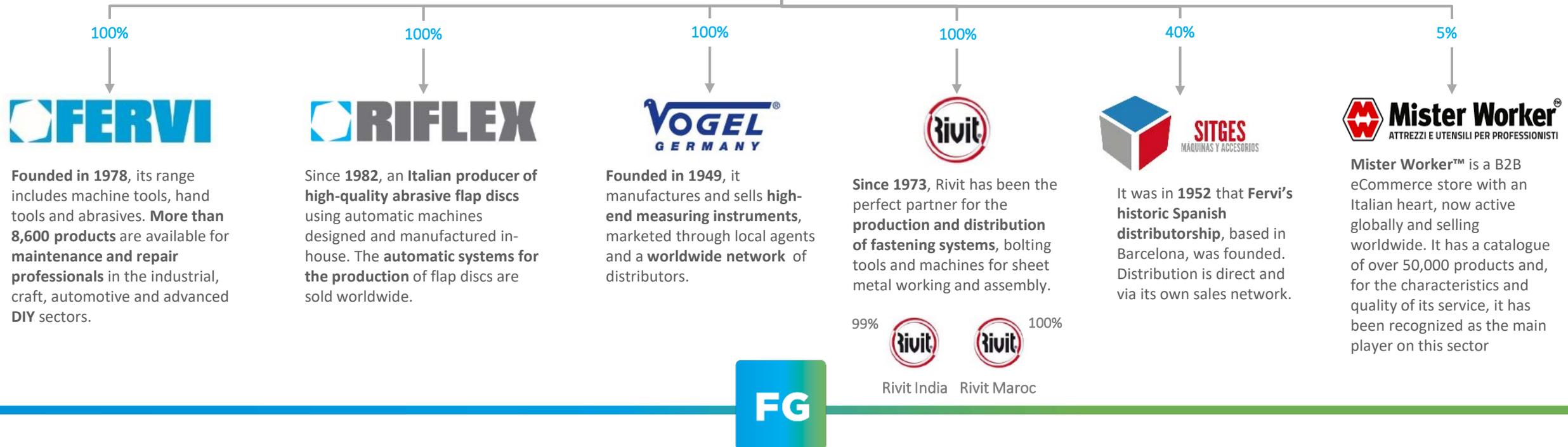
Group structure

FERVI GROUP

Machinery and Tools for MRO

FERVI GROUP

Machinery and Tools for MRO



THE EVOLUTION GOES ON

FERVI GROUP

Machinery and Tools for MRO

MILESTONE

2011

The corporate ownership changes: the goal is to consolidate and develop the growth path with an ambitious project, enhance the experience of the founders, renew the corporate image, build a young and dynamic work team to create an innovative model of excellence for the Italian and international market.

2018



Fervi celebrates its first 40 years. On March 27, 2018 Fervi completed the stock exchange listing process and on June the company purchases a 40% share of **Sitges Maquinas y Accesorios**, the long-standing Spanish partner.



2019



The Fervi Group acquired 100% control of **Vogel Germany GmbH**. The Group expands its offer with over 5,000 references of high-end measuring instruments.

2021  **Mister Worker**
ATTREZZI E UTENSILI PER PROFESSIONISTI

FERVI acquires 5.4% of **Esales Srl (Mister Worker)** and signs a distribution agreement for all the group's products.

2022 ESG CERTIFICATION

In January 2022, FERVI is certified ESG with rating A



2022

1978

Veprug Srl (current Fervi) was founded and expanded as a wholesaler in the area of Modena.

2015 

Expansion of the made in Italy: The Fervi Group acquired **Ri-Flex Abrasives** expanding its offer with a wide range of high quality abrasive products.

2021  **Rivit** // FASTENERS & TOOLS

On September, FERVI acquired the 100% shares of **Rivit Srl**. Over 45.000 references for expanding the Group offer.

2021 FERVI GROUP

CEO & President **Roberto Tunioli** presents the **FERVI GROUP** brand to all the employee. Under **FERVI GROUP** the commercial brands continue to operate on the market belong.

FERVI GROUP

Machinery and Tools for MRO



FERVI GROUP

At a glance

ANNUAL TURNOVER



Ca.30mil @30.06.2022
of which ca. 30% abroad

NUMBER OF EMPLOYEES



170

NUMBER OF LOCATIONS



9

PRODUCT REFERENCE



>60.000

INTERNATIONAL



over 60

CUSTOMERS



>10.000

FERVI GROUP

Machinery and Tools for MRO

FERVI

RIFLEX

VOGEL
GERMANY

SITGES

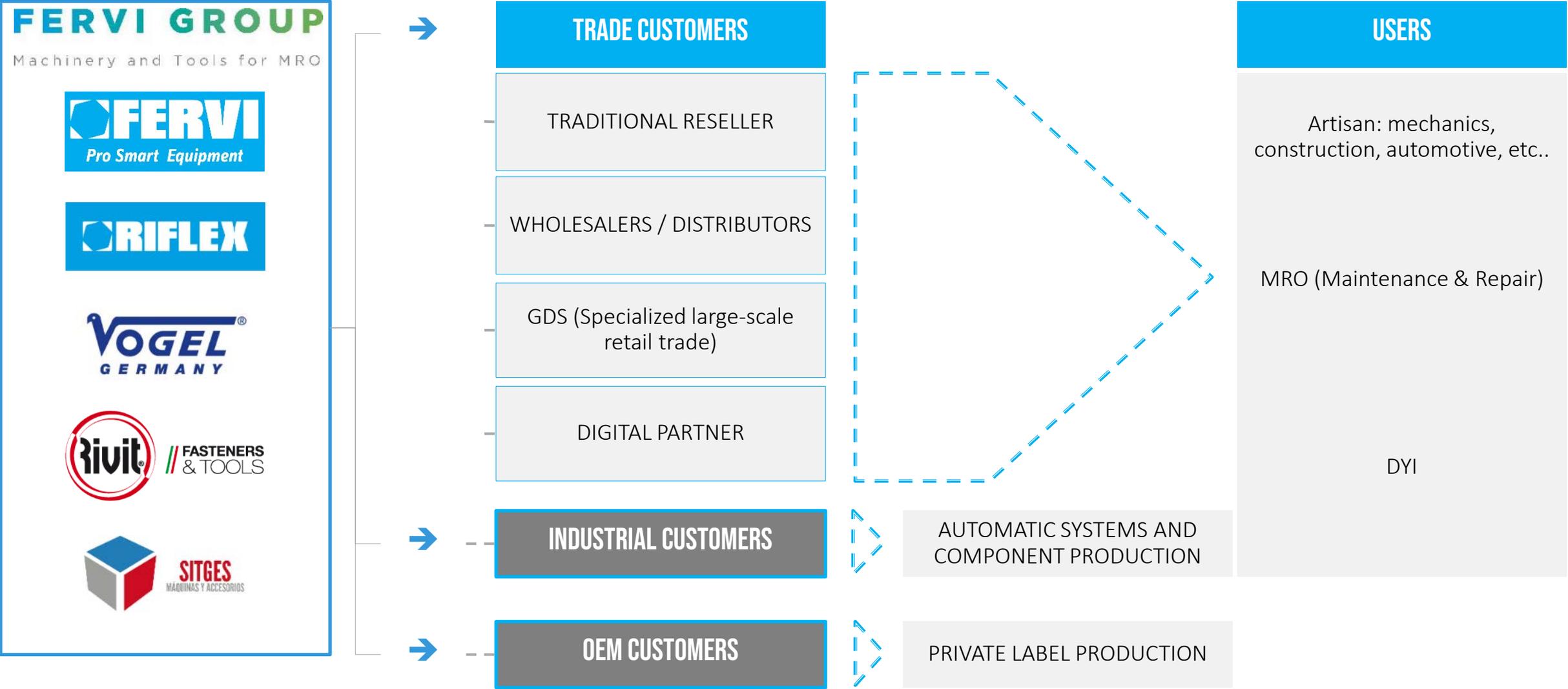
rivit



*A single address,
personalized solutions.*

FG

GO-TO-MARKET MODEL



MARKET

Competitive context & Overview

FERVI GROUP

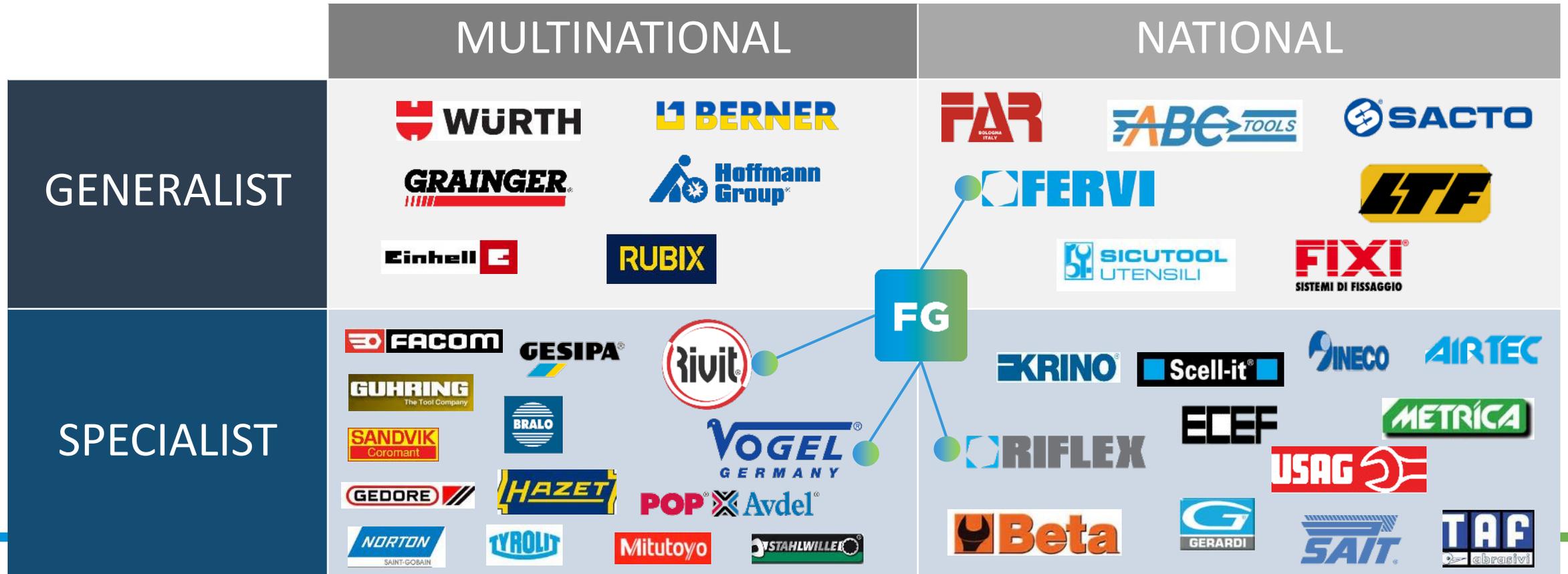
Machinery and Tools for MRO

COMPETITIVE ENVIRONMENT

Market Matrix: FERVI GROUP positioning

The sector in which the Group operates is characterized by the presence of:

- large multinational groups with both vertical (specialist) and horizontal (generalist/cataloguist) business model
- numerous producers and importers in national and international private labels, both specialized and generalist, of heterogeneous dimensions.



COMPETITIVE ENVIRONMENT

FERVI GROUP's Italian Competitive arena

| Company | Head Quarter | Revenues 2021 | EBITDA Margin 2021 | Machinery | Machinery Accessories | Cutting Tools | Measure | Hardware | General Tools | Abrasives | Fixing |
|---|---|---------------|--------------------|-----------|-----------------------|---------------|---------|----------|---------------|-----------|--------|
| FERVI GROUP <small>Machinery and Tools for MRO</small> |  | €39.0 mn | 14.8% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
|  |  | €21.2 mn | 9.8% | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
|  |  | €21.9 mn | 10.6% | ✓ | ✓ | | ✓ | | ✓ | | |
|  |  | €135 mn* | 3.5%* | | | ✓ | ✓ | ✓ | ✓ | | |
|  |  | €12.8 mn* | 2.7%* | | | ✓ | ✓ | ✓ | ✓ | ✓ | |
|  |  | €19.2 mn* | 5.1%* | | | ✓ | | | ✓ | | |
|  |  | €13.9 mn* | 11.8%* | | | | | | | ✓ | |
|  |  | €64.9 mn* | 9.4%* | | | | | | | ✓ | |
|  |  | €161.5 mn* | 14.0%* | | | ✓ | ✓ | ✓ | ✓ | ✓ | |
|  |  | €0.63 mn* | -0.3%* | | | | | ✓ | | | |
|  |  | €8.8 mn* | 6.3%* | | | | | | | | ✓ |
|  |  | €15 mn* | 9.3%* | | | | | | | | ✓ |
|  |  | €10.3 mn* | 9.7%* | | | | ✓ | | | | |

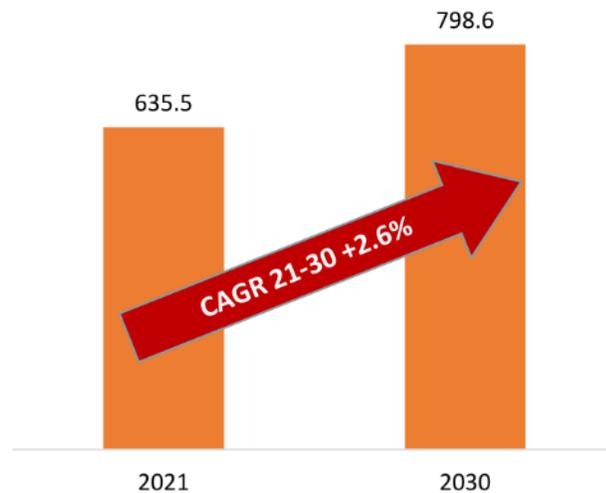
* Data available at FY20

Overview MRO

WW MRO INDUSTRY

MRO items are products and materials purchased by companies that are not directly employed in their manufacturing process. These products are mostly used to keep business operations running. The MRO industry includes spare parts, equipment, and consumables, used by a company to manufacture end-products. According to Precedence Research, the global MRO distribution market size reached \$635.5bn in 2021 and is expected to grow over \$798.6bn by 2030, showing a CAGR 2021-2030 of 2.6%.

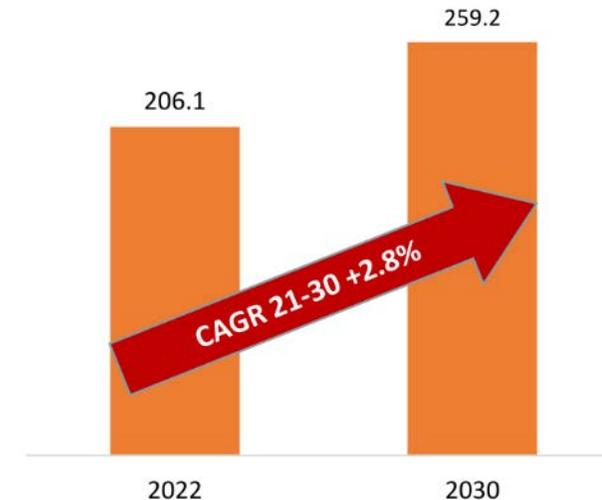
MRO Industrial revenue trend 2021-2030 (\$bn)



The EUROPEAN MRO Market

According to Grand View Research, in 2021, the European MRO distribution market reached \$202.9bn and is expected to grow at a CAGR 2021-2030 of 2.8%, driven by the increasing demand for repair, maintenance, and service operations in manufacturing and industrial activities mainly in North Europe. Moreover, the positive GDP growth forecast is expected to increase the industrial output and consequently the MRO operations. Looking at Italian MRO market, the Industry reached €18.1bn in 2021 and is projected to reach €18.6bn in 2025.

MRO European Industrial revenue trend 2022-2030 (\$bn)



MARKET

Overview MRO

Maintenance, Repairs, and Operations market – growth rate by region (2018-2024)



Source: Mordor Intelligence

Asia Pacific (APAC ■) is estimated to be the fastest-growing market during the 2022-2027 period, as this Region is still considered a manufacturing hub for spare parts that are supplied to different countries.

In 2019 **North America** and **Europe** together **made up** approximately **86%** of the entire **DIY market** with market shares of 58% and 28% respectively. Asia Pacific had a 10% share followed by Latin America and Africa/Middle East, both with 2%.

In terms of **per capita expenditure** in 2019, the highest expenditure occurred in North America with 720 Euro per year, followed by **Europe with 237 Euro** per year and Africa with 79 Euro. Lower levels of per capita expenditure were recorded in Latin America and Asia (30 Euro per year).

The market growth drivers

- Process optimization to reduce inefficiencies;
- Higher global demand of electronical products;
- Higher MRO process externalization;
- Higher distribution channels diversification (i.e. e-commerce platforms).

Overview DIY MARKET

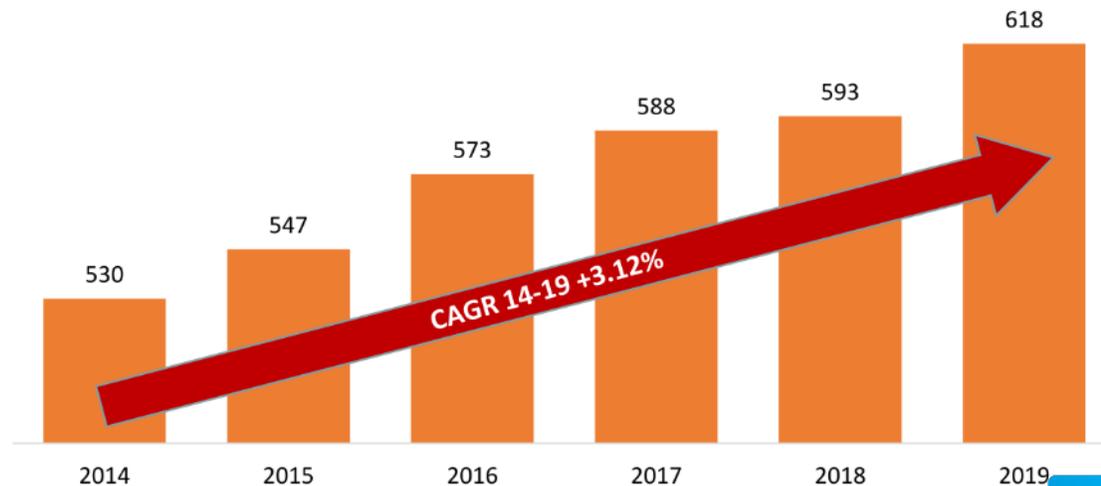
UP TO 2019

Historically, the DIY global sales volume increased from \$530bn in 2014 to \$618bn in 2019, with a **CAGR 2014-2019** of **+3,12%**

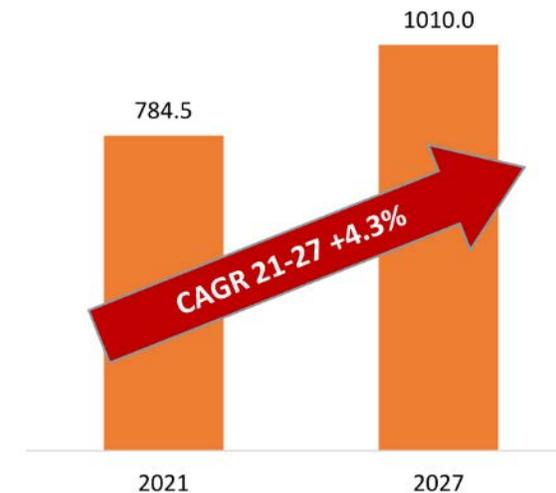
FROM TO 2019

Do-it-yourself (DIY) has observed a notable growth during the COVID-19 pandemic, mainly driven by the improvement in home space and gardening during the lockdown. Estimated to growth at a **CAGR 2021-2027** of **over 4.3%**

Historical global DIY sales volume (2014-2019)



DIY Market Revenue Trend 2021-2027 (\$bn)



Source: KT&Partners' elaborations on Fervi Company presentation data

STRATEGY & KEY FACTORS



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Plans and growth strategy

Strategic Management

External growth

Possibility of growth through a process of **consolidation of market shares** both nationally and internationally.

Two main types of Target:

- **Commercial add on:** commercial companies in target countries (Italy, Iberian Peninsula, Eastern Europe, Benelux, UK)
- **Product add on:** companies manufacturing products that can be integrated with the Fervi offer (as happened in 2015 with the acquisition of Riflex in 2019 with Vogel and 2021 with Rivit) with the aim of introducing new Product Groups and / or Product Categories

Organic growth

Expansion of catalogue references through scouting and product marketing with the aim of:

- introducing new product categories;
- expanding the range both in depth and in proximity.

The Fervi offer in 2011 catalogue include ca. 2.800 references, the current offer of the Group includes **over 65.000** references.

Strengthening of the internal and external sales force, with the introduction of new area managers - both for Italy and abroad - to support the sales management, the integration of the inside sales department with new resources and the expansion of the sales network external.

Constant updating of the Commercial Policy with a cluster-oriented approach to ensure adequate segmentation of customer needs and requirements.

Continuous **Evolution of the Sales Model** with medium-term projects for multi-channel coverage of the reference market.

Relationship development with Digital e GDS

Development of commercial relationships with the so-called «**Digital Partners**», primary objective in the medium-long term growth strategy by not carrying out direct sales of ecommerce products.

The targets are:

- large marketplaces (i.e. **Amazon**);
- **Specialized** marketplaces (in Italy and abroad);
- Digital retailers who have developed their own e-commerce platforms and / or have their own virtual stores on Amazon, E-Bay and other Market Places.

Offering a **selection of products** available in the Group's offer through the **GDS (Large-scale Specialized Distribution)** to take advantage of:

- distribution capacities
- customer attraction
- spreading the notoriety of the FERVI brand

SUCCESS KEY FACTORS

The basic factors for a substantial and positive development

7 factors for a success strategy:

1 MANAGEMENT TEAM

with extensive experience in both growth through M&A transactions, including cross-border, and in management and control

2 CONSOLIDATED MARKET PRESENCE & REPUTATION

Fervi 43 years (founded in 1978), Riflex 39 years (1982), Vogel Germany Gmbh 71 years (1949), Rivit 49 years (1973) and Sitges 69 years (1952)

3 CONSISTANT CASH FLOW

that allow the procurement of material with the subsequent availability for sale and for scouting and R&D activities

4 COMPETITIVE POSITIONING

Extremely broad competitive positioning “equipment for maintenance and repair professionals (MRO)”

5 WIDESPREAD SALES NETWORK

widespread presence in Italy; more than 4,500 active resellers. Growing presence on the overseas market

6 WEALTH OF EXPERIENCE

in the research and introduction of new products: scouting of commercial products by Fervi and production R&D for Riflex, Rivit and Vogel Germany

7 COMPLIANCE CONTROL

Strict control of product regulatory compliance (certifications from accredited and independent bodies)



MANAGEMENT TEAM

T E A M

T o g e t h e r
E v e r y o n e

A c h i e v e s

M o r e

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MANAGEMENT TEAM

FERVI The Smart Company

FERVI GROUP

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Our team - one entity. A huge and consolidated experience both in growth through M&A transactions, including cross-borders, and in management and control. Years of experience on different markets that consolidate the medium-long term vision guaranteeing effective and valuable strategic approaches.



MANAGEMENT TEAM

FERVI The Smart Company

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Machinery and Tools for MRO



ROBERTO TUNIOLI

President e CEO

After almost two decades leading Datalogic Spa, he was awarded for his entrepreneurial drive in the field of technological innovation and international development. In 2011 he acquired the majority of the capital of Fervi, holding the role of Chairman of the Board from that point. He also carries out his professional activity as an independent director in local companies



ROBERTO MEGNA

Vice-president

In 1986 he becomes a partner of PriceWaterhouseCoopers where he worked until 2009 as partner responsible for the Bologna office. He has had a well-established and diversified career in Italy and abroad at both Italian companies and multinational groups. He is currently the Deputy Chairman and shareholder of Fervi.



GUIDO GRECO

Board member and Rivit CEO

After an extensive experience in the M&A practice of PwC, in 2012 he was appointed by the new owners of Fervi as Head of AFC, contributing to the Company's shift to a management-based approach. In January 2015, he was appointed General Manager with the objective of consolidating the Group's growth as part of the strategic guidelines shared with the owners. From January 2022 is the CEO of the recently acquired Rivit.



MANAGEMENT TEAM

FERVI The Smart Company

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GUGLIELMO PIAZZI

General Manager - Riflex

Guglielmo Piazzi is the General Manager of Riflex. In 2015, he joined the Group with the role of general manager and managing director of Riflex. Previously, Mr. Piazzi covered numerous operating and managing roles at Datalogic, coordinating different team dedicated to developing of automatic identification technology. He is graduated in electrical engineering and he held masters at ISTUD and Stanford University.



MARCELLO PETRUCCI

General Manager - Fervi

Marcello Petrucci is the Managing Director of Fervi. He held the roles of Commercial Director and Marketing Worldwide from 2008 to 2021 in Datalogic, Gewiss, and Caprari. Marcello Petrucci is graduated in Engineering with a Master in Business Administration.



STEPHAN REX

General Manager - Vogel Germany

Stephan Rex is the Managing Director of Vogel Germany since 2019. With 17 years in different job functions mainly as product manager and sales manager, he built up a custom division of coil wound product for Wurth Elektronik in Europe with a full responsibility of sales and marketing activities. He is graduated in electronic engineering and he held a master of science in engineering.



A close-up photograph of a man in a dark suit, white shirt, and tie, holding a white coffee cup. The image is partially obscured by a dark grey overlay on the left side where the text is located. The man's face is partially visible at the top, and he has a beard. The background is a plain, light-colored wall.

REFERENCES

FERVI GROUP

Machinery and Tools for MRO

Customers



WE KEEP THE WORLD WORKING!

It's our storytelling to help and satisfy our customer in what they need and research for their business. We are a solid, reliable and competitive Group, a key point in the European scenario.

We apologize for not mentioning thousands of others V.I.C. (Very Important Companies).



THANKS FOR YOUR ATTENTION!



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