

Q3 & 9M 2022 Results

Milan, October 26th, 2022



Disclaimer

The following applies to this document, the oral presentation of the information in this document by Amplifon S.p.A. (the “Company”) or any person on behalf of the Company, and any question-and-answer session that follows the oral presentation (collectively, the “Information”). In accessing the Information, you agree to be bound by the following terms and conditions.

The Information is confidential and may not be reproduced, redistributed, published or passed on to any other person, directly or indirectly, in whole or in part, for any purpose.

The Information contains forward-looking statements. All statements other than statements of historical fact included in the Information are forward-looking statements. Forward-looking statements give the Company’s current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “estimate,” “plan,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the Company’s actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which it will operate in the future.

No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the Information or the opinions contained therein. The Information has not been independently verified and will not be updated. The Information, including but not limited to forward-looking statements, applies only as of the date of this document and is not intended to give any assurances as to future results. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to the Information, including any financial data or forward-looking statements, and will not publicly release any revisions it may make to the Information that may result from any change in the Company’s expectations, any change in events, conditions or circumstances on which these forward-looking statements are based, or other events or circumstances arising after the date of this document.

This Information does not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein.

Income statement data reported herein

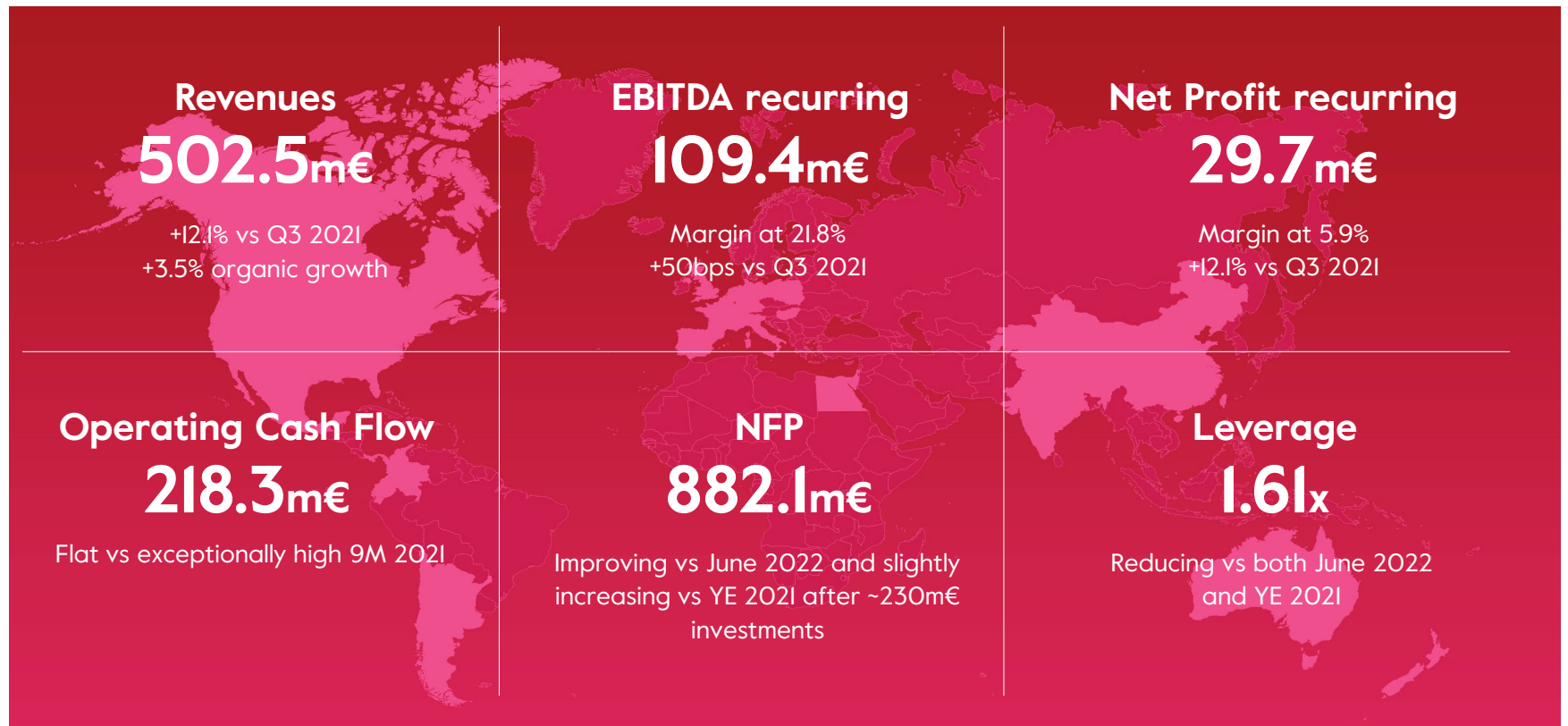
In light of the wind-down of Elite, completed and effective in Q4 2021, and treated as discontinued operations following IFRS 5 application, Elite P&L is excluded from Q3 and 9M 2021 comparative period (which has been fully restated) with the result of discontinued operations reported in “Net Results from discontinued operations”.

Statement

In compliance with Article 154 bis of the “Uniform Financial Services Act” (Legislative Decree 58/1998), the Financial Reporting Officer, Gabriele Galli, declares that the accounting information reported in this presentation corresponds to the underlying documentary reports, books of account and accounting entries.

Figures in the tables may reflect minimal differences exclusively due to rounding.

Q3 2022: Strong organic growth and outstanding profitability expansion despite still exceptional comps



Q3 2022 Financial highlights

Double-digit revenue growth, underpinned by share gains in core markets, and significant profitability step-up despite exceptional comps and temporary adverse factors

| Data in €m | Q3 2022 | Q3 2021 | Δ 22/21 |
|-----------------|--------------|--------------|---------------|
| REVENUES | 502.5 | 448.1 | +12.1% |
| Organic growth | | | +3.5% |
| Acquisitions | | | +5.0% |
| FX | | | +3.6% |
| EBITDA Rec. | 109.4 | 95.5 | +14.6% |
| Margin % | 21.8% | 21.3% | +50bps |

- Double-digit top-line growth (+8.5% at constant FX)
 - Strong organic growth at +3.5% vs Q3 2021, above market with share gains in core markets
 - Remarkable comparison base (+19.2% in Q3 2021 vs Q3 2019)
 - Anticipated contraction of the French market, second largest worldwide, due to the hearing healthcare reform anniversary
 - Markets in Asia Pacific still affected by Covid pandemic in July to mid-August
 - Intense heat wave across Europe in July to mid-August
 - M&A contribution at +5.0%, primarily for Bay Audio
 - FX tailwind at +3.6% driven by USD and AUD appreciation vs Euro
- EBITDA recurring at €109.4 million, with margin at 21.8%, up 50bps vs Q3 2021
 - Outstanding profitability expansion thanks to timely and effective cost management, even after significant re-investments in strategic initiatives

9M 2022 Financial highlights

Strong nine-months results across the board

| Data in €m | 9M 2022 | 9M 2021 | Δ 22/21 |
|-----------------|--------------|--------------|---------------|
| REVENUES | 1,539.7 | 1,379.9 | +11.6% |
| Organic growth | | | +4.1% |
| Acquisitions | | | +4.9% |
| FX | | | +2.6% |
| EBITDA Rec. | 369.5 | 326.2 | +13.3% |
| Margin % | 24.0% | 23.6% | +40bps |

- Double-digit revenue growth (+9.0% at constant FX vs 9M 2021)
 - Organic growth at +4.1%, above market
 - Remarkable comparison base (~+17.6% in 9M 2021 vs 9M 2019)
 - M&A contribution at +4.9%, primarily for Bay Audio
 - FX tailwind at +2.6% primarily driven by USD appreciation vs Euro
- EBITDA recurring at €369.5 million, with margin at 24.0%, up 40bps vs 9M 2021
 - Vigilant cost management and outstanding operating leverage
 - Significant re-investments in strategic initiatives

Financial results by Region

EMEA: positive organic growth, despite anticipated French exceptionally high comps and temporary heat wave impact, and continued excellent profitability expansion

| Data in €m | Q3 2022 | Q3 2021 | Δ 22/21 |
|-----------------|--------------|--------------|---------------|
| REVENUES | 314.6 | 310.2 | +1.4% |
| Organic growth | | | +0.2% |
| Acquisitions | | | +0.7% |
| FX | | | +0.5% |
| EBITDA Rec. | 82.0 | 79.1 | +3.7% |
| Margin % | 26.1% | 25.5% | +60bps |

| Data in €m | 9M 2022 | 9M 2021 | Δ 22/21 |
|-----------------|--------------|--------------|---------------|
| REVENUES | 1,019.3 | 984.1 | +3.6% |
| Organic growth | | | +2.4% |
| Acquisitions | | | +0.7% |
| FX | | | +0.5% |
| EBITDA Rec. | 291.9 | 274.4 | +6.4% |
| Margin % | 28.6% | 27.9% | +70bps |

- Revenues up +1.4% at current FX and ~+1% at constant FX vs Q3 2021
 - Positive organic growth
 - Remarkable comparison base, the highest growth level reported in 2021 (+14.6% in Q3 2021 vs Q3 2019)
 - Anticipated contraction of the French market by around high-single digit, in line with the Company's full-year expectations
 - Intense heat wave affecting traffic in July to mid-August
 - M&A contribution at +0.7%
 - Negative performance in France due to the anticipated market contraction
 - Positive organic growth in other core markets
 - Outstanding profitability expansion delivering an EBITDA at €82.0 million, with margin at 26.1%, up 60bps
 - Timely and effective cost management and strong operational efficiency
-
- Revenues at constant FX up +3.1%
 - Organic growth at +2.4%
 - M&A contribution at +0.7%
 - Outstanding profitability expansion delivering an EBITDA at €291.9 million, with margin at 28.6%, up 70bps

Financial results by Region

AMERICAS: another outstanding and well-above market performance, boosted by a double-digit organic growth vs an exceptionally challenging Q3 2021

| Data in €m | Q3 2022 | Q3 2021 | Δ 22/21 |
|-----------------|--------------|--------------|---------------|
| REVENUES | 101.3 | 79.7 | +27.1% |
| Organic growth | | | +11.8% |
| Acquisitions | | | +2.5% |
| FX | | | +12.8% |
| EBITDA Rec. | 24.9 | 20.1 | +23.9% |
| Margin % | 24.6% | 25.2% | -60bps |

- Excellent revenue growth at +27.1% at current FX and +14.3% at constant FX
 - Outstanding organic growth at ~+12% despite remarkable comparison base (+46% in Q3 2021 vs Q3 2019)
 - M&A contribution at +2.5%
 - FX tailwind at +12.8% for USD strong appreciation vs Euro
- Another excellent and well-above market performance in the US driven by Miracle-Ear, further boosted by the Direct Retail
- Excellent organic growth in Latam
- EBITDA at €24.9 million, margin at 24.6% after strong re-investments in the business

| Data in €m | 9M 2022 | 9M 2021 | Δ 22/21 |
|-----------------|--------------|--------------|---------------|
| REVENUES | 282.0 | 224.3 | +25.8% |
| Organic growth | | | +12.6% |
| Acquisitions | | | +2.7% |
| FX | | | +10.5% |
| EBITDA Rec. | 73.5 | 58.0 | +26.7% |
| Margin % | 26.0% | 25.9% | +10bps |

- Revenues at constant FX up +15.2%
 - Excellent and above market organic growth at +12.6%
 - M&A contribution at +2.7%
- EBITDA at €73.5 million, with margin at 26.0%, up 10bps

Financial results by Region

APAC: excellent revenue performance, fueled by a ~+10% organic growth, accelerating throughout the quarter, and Bay Audio contribution

| Data in €m | Q3 2022 | Q3 2021 | Δ 22/21 |
|-----------------|--------------|--------------|---------------|
| REVENUES | 86.5 | 58.2 | +48.5% |
| Organic growth | | | +9.9% |
| Acquisitions | | | +30.7% |
| FX | | | +7.9% |
| EBITDA Rec. | 22.8 | 15.7 | +45.1% |
| Margin % | 26.4% | 27.0% | -60bps |

| Data in €m | 9M 2022 | 9M 2021 | Δ 22/21 |
|-----------------|--------------|--------------|----------------|
| REVENUES | 238.0 | 171.5 | +38.8% |
| Organic growth | | | +2.3% |
| Acquisitions | | | +31.6% |
| FX | | | +4.9% |
| EBITDA Rec. | 62.7 | 49.4 | +26.9% |
| Margin % | 26.3% | 28.8% | -250bps |

- Outstanding revenue growth at +48.5% at current FX and +40.6% at constant FX
 - Excellent organic growth at ~+10%, accelerating throughout the quarter
 - Strong M&A contribution at +30.7% primarily related to Bay Audio
 - FX tailwind at +7.9%
- Excellent organic performance in the Region, despite high Covid infections affecting traffic and staff primarily in Australia and New Zealand in the July to mid-August period
- EBITDA at €22.8 million, with margin at 26.4%
 - Continued re-investments in the business primarily in Australia
 - Improvement in profitability during the year
- Revenues at constant FX up +33.9%
 - Organic growth at +2.3%
 - Strong M&A contribution at +31.6%
- EBITDA at €62.7 million, with margin at 26.3%
 - Continued re-investments in the business primarily in Australia

Q3 2022 Financial results

Delivering strong results across the board, net profit recurring up over +12%

| Data in €m (unless specified) | Q3 2022 | | Q3 2021 | | Δ Rec |
|---------------------------------------------|-----------|----------|-----------|----------|--------|
| | Recurring | Reported | Recurring | Reported | 22/21 |
| REVENUES | 502.5 | 502.5 | 448.1 | 448.1 | +12.1% |
| EBITDA | 109.4 | 108.8 | 95.5 | 94.3 | +14.6% |
| <i>Margin %</i> | 21.8% | 21.6% | 21.3% | 21.0% | -- |
| ORDINARY D&A | (48.4) | (48.4) | (41.8) | (43.5) | -15.7% |
| PPA AMORTIZATION | (12.0) | (12.0) | (10.7) | (10.7) | -11.8% |
| EBIT | 49.1 | 48.4 | 42.9 | 40.1 | +14.3% |
| <i>Margin %</i> | 9.8% | 9.6% | 9.5% | 8.9% | -- |
| NET FIN. EXPENSES | (8.3) | (8.3) | (6.5) | (6.5) | -27.5% |
| PBT | 40.8 | 40.1 | 36.4 | 33.6 | +11.9% |
| TAXES | (11.1) | (10.9) | (9.9) | (9.1) | -11.5% |
| <i>% on PBT</i> | 27.1% | 27.1% | 27.2% | 27.2% | -- |
| NET PROFIT FROM CONTINUED OPERATIONS | 29.7 | 29.2 | 26.5 | 24.4 | +12.1% |
| <i>Margin %</i> | 5.9% | 5.8% | 5.9% | 5.5% | -- |
| NET PROFIT FROM DISC. OPERATIONS | -- | -- | -- | (0.8) | -- |
| NET PROFIT | 29.7 | 29.2 | 26.5 | 23.6 | +12.1% |
| <i>Margin %</i> | 5.9% | 5.8% | 5.9% | 5.3% | -- |
| EPS Reported (€) | -- | 0.130 | -- | 0.105 | -- |
| EPS Adjusted (€) | 0.172 | -- | 0.144 | -- | +19.4% |

9M 2022 Financial results

Excellent nine-months results, net profit recurring up ~+14%

| Data in €m (unless specified) | 9M 2022 | | 9M 2021 | | Δ Rec 22/21 |
|---------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| | Recurring | Reported | Recurring | Reported | |
| REVENUES | 1,539.7 | 1,539.7 | 1,379.9 | 1,379.9 | +11.6% |
| EBITDA | 369.5 | 363.8 | 326.2 | 320.7 | +13.3% |
| <i>Margin %</i> | <i>24.0%</i> | <i>23.6%</i> | <i>23.6%</i> | <i>23.2%</i> | -- |
| ORDINARY D&A | (143.1) | (143.1) | (127.5) | (129.2) | -12.3% |
| PPA AMORTIZATION | (35.2) | (35.2) | (31.9) | (31.9) | -10.3% |
| EBIT | 191.3 | 185.6 | 166.8 | 159.7 | +14.6% |
| <i>Margin %</i> | <i>12.4%</i> | <i>12.1%</i> | <i>12.1%</i> | <i>11.6%</i> | -- |
| NET FIN. EXPENSES | (25.6) | (25.6) | (20.8) | (20.8) | -22.8% |
| PBT | 165.7 | 160.0 | 146.0 | 138.8 | +13.5% |
| TAXES | (45.9) | (44.3) | (40.8) | (38.9) | -12.4% |
| <i>% on PBT</i> | <i>27.7%</i> | <i>27.7%</i> | <i>28.0%</i> | <i>28.0%</i> | -- |
| NET PROFIT FROM CONTINUED OPERATIONS | 119.8 | 115.7 | 105.2 | 99.9 | +13.9% |
| <i>Margin %</i> | <i>7.8%</i> | <i>7.5%</i> | <i>7.6%</i> | <i>7.2%</i> | -- |
| NET PROFIT FROM DISC. OPERATIONS | -- | -- | -- | 0.9 | -- |
| NET PROFIT | 119.6 | 115.5 | 105.1 | 100.7 | +13.7% |
| <i>Margin %</i> | <i>7.8%</i> | <i>7.5%</i> | <i>7.6%</i> | <i>7.3%</i> | -- |
| EPS Reported (€) | -- | 0.515 | -- | 0.448 | -- |
| EPS Adjusted (€) | 0.650 | -- | 0.564 | -- | +15.3% |

9M 2022 Financial results

Solid cash generation vs exceptionally high 9M 2021

| Data in €m | 9M 2022 | 9M 2021 | Δ |
|----------------------------------------------------------------------|----------------|----------------|----------------|
| Operating cash flow before repayment of lease liabilities | 298.5 | 288.7 | 9.8 |
| Repayment of lease liabilities | (80.1) | (69.3) | (10.8) |
| Operating cash flow | 218.3 | 219.4 | (1.0) |
| Capex (net) | (75.4) | (58.4) | (16.9) |
| Free cash flow | 143.0 | 160.9 | (18.0) |
| Acquisitions (net) | (52.2) | (63.5) | 11.2 |
| Cash provided by (used in) operating and investing activities | 90.7 | 97.5 | (6.8) |
| Cash provided by (used) financing activities | (100.8) | (78.7) | (22.1) |
| Net cash flow for the period | (10.1) | 18.8 | (28.9) |
| Net financial position (opening date) | (871.2) | (633.7) | (237.5) |
| Change in net financial position | (10.1) | 18.8 | (28.9) |
| Effect of FX & discontinued operation on financial position | (0.8) | (2.0) | 1.2 |
| Net financial position (closing date) | (882.1) | (616.8) | (265.2) |

9M 2022 Financial results

Leverage at 1.61x, reducing vs both June 2022 and year-end 2021

| Data in €m | 30/09/2022 | 31/12/2021 |
|-----------------------------------------------------|----------------|----------------|
| Liquidity | (217.9) | (318.5) |
| Short-term debt | 196.9 | 165.9 |
| Medium/long-term debt | 903.0 | 1,023.8 |
| Net financial debt | 882.1 | 871.2 |
| Lease liabilities | 471.5 | 451.9 |
| Total financial debt & lease liabilities | 1,353.6 | 1,323.1 |
| Total net equity | 1,025.4 | 927.3 |
| Net debt/EBITDA ¹ | 1.61x | 1.68x |
| Net debt/Equity | 0.86x | 0.94x |

1. Refers to the EBITDA recorded in the last 4 quarters determined excluding the fair value of the share-based payments and based only on the recurring business

- Solid capital structure to sustain future growth opportunities

2022 Outlook

- Entering Q4 with a very strong 9M behind, despite an extremely challenging comparison base and a global macroeconomic environment characterized by further increasing volatility and uncertainty
- Looking into Q4
 - The global macroeconomic environment is not expected to improve
 - We expect to continue to grow organically faster than the market
 - M&A contribution related only to bolt-on acquisitions (Bay Audio was consolidated from October 1st, 2021)
- In light of the above, as we approach the end of the year, we expect
 - FY 2022 Revenues in the region of €2,150 million (~+10% vs. FY 2021)
 - FY 2022 Recurring EBITDA margin in the region of 25%
- We are also very confident of being ideally positioned to further strengthen our global market leadership in any possible scenario

2023 Financial Calendar

Upcoming corporate events

- **March 1st: FY 2022 Results**
- **April 21st: 2022: Shareholder's General Meeting**
- **May 2nd: Q1 2023 Results**
- **July 27th: Q2 & HI 2023 Results**
- **October 30th: Q3 & 9M 2023 Results**

Investor Relations & Sustainability key contacts

FRANCESCA RAMBAUDI
Investor Relations & Sustainability Sr Director
Tel: +39 02 5747 2261
francesca.rambaudi@amplifon.com

AMANDA HART GIRALDI
Investor Relations Manager
Tel: +39 02 5747 2317
amanda.giraldi@amplifon.com

FRANCESCO ROMEO
Sustainability Manager
Tel: +39 344 2723 416
Francesco.romeo@amplifon.com

