

# HI 2021 Results

Milan, July 29<sup>th</sup>, 2021



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## Income statement data reported herein

In light of the relevant impact of the Covid-19 pandemic on 2020 financials, this presentation also reports 2019 income statement data for greater comparability purpose. In addition, in light of today’s Board of Directors’ resolution to cease the Elite business, selected P&L data for both Q2 and H1 2021 as well as for comparative years are also restated without Elite contribution. The following commentary is, therefore, also based on these figures.

### *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.*

# Q2 2021: Outstanding quarter driven by ~+20% revenue growth and excellent profitability expansion vs. Q2 2019

## Guidance upgraded. Strategic decision to exit the wholesale business

- Outstanding top-line growth, well above market
  - At +109.2% at constant FX vs Q2 2020, with organic growth at +102.9%
  - At +19.8% at constant FX vs Q2 2019, with organic growth at +15.1%
  - Very strong growth across all Regions with Americas standing-out
- Excellent profitability improvement
  - EBITDA recurring at €136.1 million, up +104.9% vs Q2 2020 and +26.5% vs Q2 2019, with margin at 26.3%, up 180bps vs Q2 2019, even after significant re-investments in the business
  - Net Profit recurring at €55.3 million, ~7.5x vs Q2 2020 and +36.3% vs Q2 2019
- Strong cash flow generation vs HI 2020
  - Operating cash flow at €155.4 million, +65.5% vs HI 2020 and +55.6% vs HI 2019
  - Free cash flow at €118.8 million, +64.8% vs HI 2020 and +105.3% vs HI 2019
- Net Financial Position at €620.5 million, further improving vs. December 2020 and leverage at 1.23x, even after €42.9 million net cash-out for M&A, €49.4 million for dividend payment and €13.3 million for share buy-back
- Game-changing M&A activity subsequent to the closing of the quarter
  - Bay Audio acquisition in the core Australian market, building another Company stronghold
  - Second Joint Venture in the fast-growing & high-potential Chinese market
- Strategic decision to exit the wholesale business ceasing the operations of Elite Hearing LLC (“Elite”) in the US
  - Perfectly in line with Group’s consumer-centric strategy aimed at delivering a superior proposition directly to end-customer
  - Wind-down expected to be completed by end of 2021

# Wind-down of Elite

Exiting the low-growth, low-margin and no longer strategic wholesale business to focus on end-consumer

## Elite at-a-glance

- Part of Amplifon since 2002
- Supports ~740 members with ~1,900 locations
- Serves different businesses in hearing care, including private practices audiologists and hearing instrument specialist, ENTs, hospitals, etc.
- Leverages agreements with 5 manufacturers
- 15 employees

## Strategic rationale

- Perfectly in line with Group's consumer-centric strategy aimed at delivering a superior proposition directly to end-customer
- Low-growth and low-margin business
  - Pressure on independents in the US, further increased post Covid-19 pandemic, as the market will continue to consolidate
  - Low added value business with limited opportunity to build further differentiation
- Allows to devote all focus, resources and investments to the two high-growth and high-potential strategic business units: Miracle-Ear and AHHC

**Transforming the US business** to focus on end-consumer, leveraging its unique assets and brands in the **two fastest growing channels**, retail and managed care



# Wind-down of Elite

## Elite's lower growth and profitability business is dilutive to Amplifon's strong financial profile

- In the last years Elite has been dilutive to Amplifon's fast-growing and profitable business
  - In 2020 Elite accounted for 3.4% and 1.4% of Group's consolidated sales and EBITDA, respectively
- The wind-down will be treated as discontinued operations as of effective date of discontinuation
  - Exclusion of Elite P&L from 2021 and restatement of 2019 and 2020 comparison years
  - Result of discontinued operations to be reported in *Net Result from discontinued operations*<sup>1</sup>
- Indicative total negative impact for the wind-down<sup>2</sup> is expected in the region of ~€10 million, of which vast majority is represented by non-monetary costs
- The wind-down is currently expected to be effective and completed by end of 2021

### Elite key financial data

Data in USD m	FY 2019	FY 2020	HI 2019	HI 2021
REVENUES	78.2	59.7	38.8	33.4
Growth vs 2019		-23.7%		-13.9%
EBITDA	13.4	5.9	5.9	2.4
Margin %	17.1%	9.8%	15.2%	7.1%

1. Line in-between *Net Result from continuing operations* and *Net Result after discontinued operations*

2. Including transaction costs, restructuring charges as well as non-monetary costs related to goodwill or other BS items



# Q2 2021 Financial highlights

A tremendous quarter with top-line performance boosted by a >+15% organic growth vs Q2 2019 and strong profitability step-up

Data in €m	Q2 2021	Q2 2020	Q2 2019	Δ 21/20	Δ 21/19
REVENUES	518.6	250.4	440.1	+107.1%	+17.8%
Organic growth				+103.0%	+15.1%
Acquisitions				+6.3%	+4.8%
FX				-2.2%	-2.1%
EBITDA Rec.	136.1	66.4	107.6	+104.9%	+26.5%
<b>Margin %</b>	<b>26.3%</b>	<b>26.5%</b>	<b>24.5%</b>	<b>-30bps</b>	<b>+180bps</b>

## Pro-forma figures without Elite

Data in €m	Q2 2021	Q2 2020	Q2 2019	Δ 21/20	Δ 21/19
REVENUES	503.3	242.1	422.7	+107.9%	+19.1%
Organic growth				+103.0%	+15.9%
Acquisitions				+6.5%	+5.0%
FX				-1.6%	-1.8%
EBITDA Rec.	134.8	66.0	104.6	+104.3%	+28.8%
<b>Margin %</b>	<b>26.8%</b>	<b>27.3%</b>	<b>24.8%</b>	<b>-50bps</b>	<b>+200bps</b>

- Revenues at constant FX over 2x vs Q2 2020, heavily impacted by Covid-19 pandemic, and +19.9% vs Q2 2019
  - Excellent organic growth at 103.0% vs Q2 2020 and +15.1% vs Q2 2019, well above market
  - M&A contribution at +6.3% vs Q2 2020, primarily for PJC Hearing acquisition in the US
  - Currency headwind at -2.2% vs Q2 2020 for Euro appreciation vs USD and Latam currencies
- EBITDA recurring at €136.1 million, with margin at 26.3%, up 180bps vs Q2 2019
  - Structural efficiencies enhancements derived by measures implemented for the Covid-19 pandemic
  - Margin contraction vs 2020 is not meaningful due to significant extraordinary incomes related to Covid-19
- Significant re-investments in the business
  - Strong marketing investments (~+20% vs Q2 2019)
  - Several strategic initiatives ongoing
- Excluding Elite for both Q2 2021 and comparison periods
  - Revenues at constant FX up +20.9% vs Q2 2019, fueled by an impressive organic growth at +15.9% vs Q2 2019
  - EBITDA recurring at €134.8 million, with margin at 26.8%, up 200bps vs Q2 2019 and 50bps higher than EBITDA Rec. including Elite



# HI 2021 Financial highlights

## Excellent half-year results across the board

Data in €m	HI 2021	HI 2020	HI 2019	Δ 21/20	Δ 21/19
REVENUES	959.5	613.9	832.0	+56.3%	+15.3%
Organic growth				+53.3%	+11.9%
Acquisitions				+4.7%	+5.2%
FX				-1.7%	-1.8%
EBITDA Rec.	232.7	131.3	186.6	+77.2%	+24.7%
<b>Margin %</b>	<b>24.3%</b>	<b>21.4%</b>	<b>22.4%</b>	<b>+290bps</b>	<b>+180bps</b>

- Revenues at constant FX up +58.0% vs HI 2020 and +17.1% vs HI 2019
  - Very strong organic growth at +53.3% vs HI 2020 and +11.9% vs HI 2019, well above market
  - M&A contribution at +4.7% vs HI 2020, primarily for PJC Hearing
  - Currency headwind at -1.7% vs HI 2020 for Euro appreciation vs USD and Latam currencies
- EBITDA recurring at €232.7 million, with margin at 24.3%, up 180bps vs HI 2019
- Significant re-investments in the business
  - Strong marketing investments (~+20% vs HI 2019)
  - Several strategic initiatives ongoing

### Pro-forma figures without Elite

Data in €m	HI 2021	HI 2020	HI 2019	Δ 21/20	Δ 21/19
REVENUES	931.8	590.6	797.7	+57.8%	+16.8%
Organic growth				+54.3%	+13.1%
Acquisitions				+4.9%	+5.5%
FX				-1.4%	-1.8%
EBITDA Rec.	230.7	128.6	181.3	+79.4%	+27.3%
<b>Margin %</b>	<b>24.8%</b>	<b>21.8%</b>	<b>22.7%</b>	<b>+300bps</b>	<b>+200bps</b>

- Excluding Elite for both HI 2021 and comparison periods
  - Revenues at constant FX up +18.6% vs HI 2019, fueled by a strong organic growth at +13.1% vs HI 2019
  - EBITDA recurring at €230.7 million, with margin at 24.8%, up 200bps vs HI 2019 and 50bps higher than EBITDA Rec. including Elite



# Financial results by Region

EMEA: excellent top-line performance, fostered by strong organic growth and outstanding profitability

Data in €m	Q2 2021	Q2 2020	Q2 2019	Δ 21/20	Δ 21/19
REVENUES	362.9	179.2	323.4	+102.5%	+12.2%
Organic growth				+99.4%	+9.5%
Acquisitions				+3.3%	+2.6%
FX				-0.2%	+0.1%
EBITDA Rec.	112.5	52.3	85.4	+114.9%	+31.7%
<b>Margin %</b>	<b>31.0%</b>	<b>29.2%</b>	<b>26.4%</b>	<b>+180bps</b>	<b>+460bps</b>

- Revenues at constant FX up +102.7% vs Q2 2020 and +12.1% vs Q2 2019
  - Strong organic growth at +99.4% vs Q2 2020 and +9.5% vs Q2 2019, well above market
  - M&A contribution at +3.3% vs Q2 2020
- Excellent organic performance vs Q2 2019 in France, Spain, Portugal and Belgium
- Outstanding profitability expansion delivering an EBITDA at €112.5 million, with margin at 31%, up 460bps vs Q2 2019
  - Higher efficiency for measures implemented for Covid, synergies related to GAES integration and operating leverage

Data in €m	HI 2021	HI 2020	HI 2019	Δ 21/20	Δ 21/19
REVENUES	674.0	437.5	607.1	+54.1%	+11.0%
Organic growth				+52.5%	+8.2%
Acquisitions				+1.8%	+2.7%
FX				-0.2%	+0.1%
EBITDA Rec.	195.3	102.9	147.3	+89.9%	+32.6%
<b>Margin %</b>	<b>29.0%</b>	<b>23.5%</b>	<b>24.3%</b>	<b>+550bps</b>	<b>+470bps</b>

- Revenues at constant FX up +54.3% vs HI 2020 and +10.9% vs HI 2019
  - Strong organic growth at +52.5% vs HI 2020 and +8.2% vs HI 2019
  - M&A contribution at +1.8% vs HI 2020
- Outstanding profitability expansion delivering an EBITDA at €195.3 million, with margin at 29%, up 470bps vs HI 2019
  - Higher efficiency for measures implemented for Covid, synergies related to GAES integration and operating leverage





# Financial results by Region

AMERICAS Q2 2021: impressive revenue growth, boosted by ~+40% organic growth vs Q2 2019 and by PJC Hearing recent acquisition

Data in €m	Q2 2021	Q2 2020	Q2 2019	Δ 21/20	Δ 21/19
REVENUES	95.1	40.2	68.8	+136.3%	+38.3%
Organic growth				+134.3%	+39.1%
Acquisitions				+23.0%	+13.6%
FX				-21.0%	-14.4%
EBITDA Rec.	23.5	10.8	16.4	+117.3%	+43.3%
<b>Margin %</b>	<b>24.7%</b>	<b>26.9%</b>	<b>23.9%</b>	<b>-220bps</b>	<b>+90bps</b>

## Pro-forma figures without Elite

Data in €m	Q2 2021	Q2 2020	Q2 2019	Δ 21/20	Δ 21/19
REVENUES	79.8	31.9	51.4	+150.1%	+55.3%
Organic growth				+143.0%	+54.2%
Acquisitions				+29.0%	+18.2%
FX				-21.9%	-17.1%
EBITDA Rec.	22.2	10.3	13.4	+115.1%	+65.1%
<b>Margin %</b>	<b>27.8%</b>	<b>32.4%</b>	<b>26.2%</b>	<b>-460bps</b>	<b>+170bps</b>

- Outstanding revenue growth at constant FX of ~+160% vs Q2 2020 and +52.7% vs Q2 2019
  - Stellar organic growth at over +130% vs Q2 2020 and +39.1% vs Q1 2019
  - M&A contribution at 23% vs Q2 2020 related to PJC Hearing
  - Significant FX headwind at -21% vs Q2 2020
- Impressive and well-above market performance in the US
  - Excellent organic growth of Miracle-Ear, further boosted by the contribution of PJC Hearing consolidation and its organic performance
  - Strong performance of AHHC, whilst negative for Elite
- Strong performance in Canada and outstanding growth in Latam, despite significant FX headwind
- EBITDA at €23.5 million, with margin at 24.7%, up 90bps vs Q2 2019, despite challenging basis and after significant investments in the business
- Excluding Elite for both Q2 2021 and comparison periods
  - Revenues at constant FX up +72.4% vs Q2 2019, fueled by an impressive organic growth at +54.2% vs Q2 2019
  - EBITDA recurring at €22.2 million, with margin at 27.8%, up 170bps vs Q2 2019 and 310bps higher than EBITDA Rec. including Elite



# Financial results by Region

AMERICAS HI 2021: excellent performance, strongly accelerating throughout the period

Data in €m	HI 2021	HI 2020	HI 2019	Δ 21/20	Δ 21/19
REVENUES	172.3	104.6	131.9	+64.7%	+30.6%
Organic growth				+61.2%	+28.6%
Acquisitions				+18.6%	+15.1%
FX				-15.1%	-13.1%
EBITDA Rec.	39.9	22.7	29.1	+75.6%	+36.8%
<b>Margin %</b>	<b>23.1%</b>	<b>21.7%</b>	<b>22.1%</b>	<b>+140bps</b>	<b>+100bps</b>

## Pro-forma figures without Elite

Data in €m	HI 2021	HI 2020	HI 2019	Δ 21/20	Δ 21/19
REVENUES	144.6	81.3	97.5	+77.9%	+48.2%
Organic growth				+70.2%	+43.6%
Acquisitions				+24.0%	+20.5%
FX				-16.3%	-15.9%
EBITDA Rec.	37.9	20.0	23.9	+89.7%	+58.6%
<b>Margin %</b>	<b>26.2%</b>	<b>24.6%</b>	<b>24.5%</b>	<b>+160bps</b>	<b>+170bps</b>

- Outstanding revenue growth at constant FX of +79.8% vs HI 2020 and +43.7% vs HI 2019
  - Excellent organic growth at +61.2% vs HI 2020 and +28.6% vs HI 2019
  - M&A contribution at 18.6% vs HI 2020 related to PJC Hearing
  - Significant currency headwind at -15.1% vs HI 2020
- Excellent performance in North America
  - Outstanding and well above market performance in the US
    - Excellent organic growth of Miracle-Ear, further boosted by the contribution of PJC Hearing
  - Double-digit growth both in Canada and Latam vs HI 2019, the latter despite strong FX headwind
- EBITDA at €39.9 million, with margin at 23.1%, up 100bps vs HI 2019
- Excluding Elite for both HI 2021 and comparison periods
  - Revenues at constant FX up +64.1% vs HI 2019, fueled by an outstanding organic growth at +43.6% vs HI 2019
  - EBITDA recurring at €37.9 million, with margin at 26.2%, up 170bps vs HI 2019 and 310bps higher than EBITDA Rec. including Elite



# Financial results by Region

## APAC: excellent performance across major markets and accelerating in Q2

Data in €m	Q2 2021	Q2 2020	Q2 2019	Δ 21/20	Δ 21/19
REVENUES	60.6	31.0	46.6	+95.6%	+30.0%
Organic growth				+82.8%	+21.6%
Acquisitions				+1.5%	+6.5%
FX				+11.3%	+1.9%
EBITDA Rec.	17.8	12.5	13.3	+41.7%	+33.6%
<b>Margin %</b>	<b>29.3%</b>	<b>40.5%</b>	<b>28.5%</b>	<b>-1120bps</b>	<b>+80bps</b>

Data in €m	HI 2021	HI 2020	HI 2019	Δ 21/20	Δ 21/19
REVENUES	113.2	71.8	91.0	+57.7%	+24.4%
Organic growth				+46.9%	+15.1%
Acquisitions				+2.4%	+8.0%
FX				+8.4%	+1.3%
EBITDA Rec.	33.7	22.7	27.3	+48.6%	+23.5%
<b>Margin %</b>	<b>29.7%</b>	<b>31.5%</b>	<b>30.0%</b>	<b>-180bps</b>	<b>-30bps</b>

- Excellent revenue growth at constant FX of +84.3% vs Q2 2020 and +28.1% vs Q2 2019
  - Outstanding organic growth at +82.8% vs Q2 2020 and +21.6% vs Q2 2019
  - M&A contribution at +1.5% vs Q2 2020 related to Attune
  - Currency tailwind at +11.3% vs Q2 2020
- Excellent performance across major markets
  - Double-digit organic growth vs Q2 2019 in Australia, New Zealand and China
  - India still severely impacted by Covid-19
- EBITDA at €17.8 million, with margin at 29.3%, up 80bps vs Q2 2019
  - Margin contraction vs 2020 is not meaningful due to significant extraordinary incomes related to Covid-19
- Strong revenue growth at constant FX of +49.3% vs HI 2020 and +23.1% vs HI 2019
  - Very strong organic growth at +46.9% vs HI 2020 and +15.1% vs HI 2019
  - M&A contribution at +2.4% vs HI 2020 related to Attune
  - Currency tailwind, increasing in the period, at +8.4% vs HI 2020
- EBITDA at €33.7 million, with margin at 29.7%, up +23.5% vs HI 2020, with margin slightly contracting by 30 bps
  - Continued strong investments in marketing, primarily in Australia related to Amplifon brand and APE roll-out (~2x vs HI 2019)



# Bay Audio: building another Company stronghold in Australia

Second largest ever acquisition, perfectly in line with Amplifon's growth model & M&A strategy

## Bay Audio at-a-glance

- Leading private independent hearing care retailer in the core Australian retail market (10<sup>th</sup> market WW)
- **Customer-centric strategy** focused in delivering the highest quality service to its customers
- Network of >100 points of sale across the East Coast
  - Stores located in **high traffic premiere & urban** shopping malls
  - Recognized **premium positioning**
  - Wide customer base, including **younger customers** vs industry average
- **High growth** and **profitable** financial business profile

## Strategic rationale

- **Further strengthens Amplifon's position** in the core Australian market
- **Perfectly complements** Amplifon's current presence, creating an **ideal platform**, with Amplifon and Attune, to offer the highest quality of hearing care in the country
- Ideal combination thanks to Bay Audio's **innovative retail model, strong brand**, recognized **premium positioning** and **high-growth and profitable** business profile
- **~AUD 8 million (~€5 million) of annual synergies** at EBITDA level expected to be delivered by 2023

## Key financial data



**~100 million**  
revenue in 2021<sup>1</sup> (AUD),  
despite Covid-19 impact



**>30 million**  
Recurring EBITDA<sup>2</sup>  
in 2021<sup>1</sup> (AUD)



**~+30%**  
Expected revenue  
growth in 2022<sup>3</sup>

1. Year-end at May 31<sup>st</sup> 2021  
2. EBITDA of around AUD 34 million. Recurring EBITDA excludes extraordinary incomes primarily related to the impact of Covid-19 pandemic  
3. Year-end May 31<sup>st</sup>, 2022

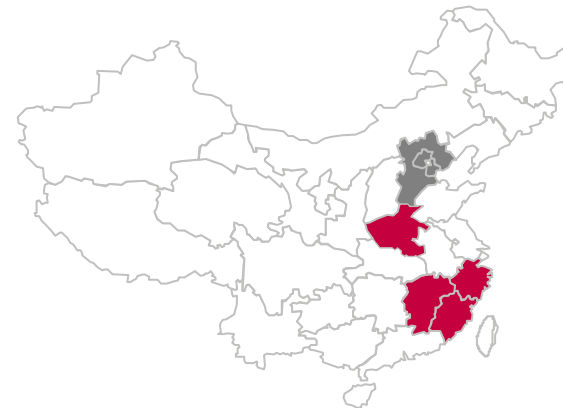
# Sound Bridge: second Joint Venture in China

Continued expansion in the fast-growing and high-potential Chinese market

## Key highlights

- JV 51% owned by Amplifon and 49% by local partners
- 45 PoS primarily in the Zhejiang region and south-east China
- High quality stores and professional service
- ~€5 million sales in 2021

## Current presence



- Beijing JV (55 PoS in Beijing, Tianjing and Hebei)
- Sound Bridge JV (45 PoS in Zhejiang, Fujian, Henan and Jiangxi)

**~100 points of sale and expected combined turnover run rate for 2021 of around €15 million**



# Q2 2021 Financial results

Impressive growth and profitability expansion, further increasing carving-out Elite

Data in €m (unless specified)	Q2 2021		Q2 2020	Q2 2019		Δ Rec 21/20	Δ Rec 21/19
	Recurring	Reported		Recurring	Reported		
<b>REVENUES</b>	518.6	518.6	250.4	440.1	440.1	+107.1%	+17.8%
<b>EBITDA</b>	136.1	134.3	66.4	107.6	103.2	+104.9%	+26.5%
<i>Margin %</i>	26.3%	25.9%	26.5%	24.5%	23.5%	--	--
ORDINARY D&A	(43.2)	(43.2)	(39.5)	(37.3)	(37.3)	-9.4%	-16.0%
PPA AMORTIZATION	(10.7)	(10.7)	(9.9)	(9.3)	(9.4)	-7.6%	-14.7%
<b>EBIT</b>	82.3	80.4	17.0	61.1	56.6	+382.9%	+34.7%
<i>Margin %</i>	15.9%	15.5%	6.8%	13.9%	12.9%	--	--
NET FIN. EXPENSES	(6.7)	(6.7)	(6.8)	(6.2)	(6.2)	+1.1%	-7.1%
<b>PBT</b>	75.6	73.7	10.3	54.8	50.4	+635.0%	+37.8%
TAXES	(20.3)	(19.8)	(2.9)	(14.3)	(13.6)	-600.9%	-42.1%
<i>% on PBT</i>	26.8%	26.9%	28.2%	26.0%	27.1%	--	--
<b>NET PROFIT</b>	55.3	53.9	7.4	40.6	36.8	+643.8%	+36.3%
<i>Margin %</i>	10.7%	10.4%	3.0%	9.2%	8.4%	--	--
<b>EPS Reported (€)</b>	--	0.239	0.033	--	0.166	--	--
<b>EPS Adjusted<sup>3</sup> (€)</b>	0.281	--	0.068	0.217	--	+312.8%	+29.3%

## Pro-forma figures without Elite

Data in €m (unless specified)	Q2 2021		Q2 2020	Q2 2019		Δ Rec 21/20	Δ Rec 21/19
	Recurring	Reported		Recurring	Reported		
<b>REVENUES</b>	503.3	503.3	242.1	422.7	422.7	+107.9%	+19.1%
<b>EBITDA</b>	134.8	132.9	66.0	104.6	100.3	+104.3%	+28.8%
<i>Margin %</i>	26.8%	26.4%	27.3%	24.8%	23.7%	--	--



# HI 2021 Financial results

Delivering excellent results in all P&L line items both vs HI 2020 and HI 2019

Data in €m (unless specified)	HI 2021		HI 2020	HI 2019		Δ Rec 21/20	Δ Rec 21/19
	Recurring	Reported		Recurring	Reported		
<b>REVENUES</b>	959.5	959.5	613.9	832.0	832.0	+56.3%	+15.3%
<b>EBITDA</b>	232.7	228.4	131.3	186.6	180.8	+77.2%	+24.7%
<i>Margin %</i>	24.3%	23.8%	21.4%	22.4%	21.7%	--	--
ORDINARY D&A	(85.6)	(85.6)	(80.2)	(72.7)	(72.7)	-6.8%	-17.9%
PPA AMORTIZATION	(21.2)	(21.2)	(19.6)	(18.5)	(18.6)	-8.4%	-14.5%
<b>EBIT</b>	125.8	121.6	31.5	95.4	89.5	+299.2%	+32.0%
<i>Margin %</i>	13.1%	12.7%	5.1%	11.5%	10.8%	--	--
NET FIN. EXPENSES	(14.0)	(14.0)	(13.7)	(12.8)	(12.8)	-1.9%	-9.3%
<b>PBT</b>	111.8	107.5	17.8	82.6	76.7	+528.9%	+35.5%
TAXES	(31.5)	(30.4)	(5.3)	(23.2)	(22.2)	-491.5%	-35.7%
<i>% on PBT</i>	28.1%	28.2%	29.9%	28.1%	28.9%	--	--
<b>NET PROFIT</b>	80.3	77.1	12.6	59.4	54.5	+538.7%	+35.3%
<i>Margin %</i>	8.4%	8.0%	2.0%	7.1%	6.5%	--	--
EPS Reported (€)	--	0.343	0.056	--	0.247	--	--
EPS Adjusted <sup>3</sup> (€)	0.428	--	0.121	0.330	--	+254.1%	+29.7%

## Pro-forma figures without Elite

Data in €m (unless specified)	HI 2021		HI 2020	HI 2019		Δ Rec 21/20	Δ Rec 21/19
	Recurring	Reported		Recurring	Reported		
<b>REVENUES</b>	931.8	931.8	590.6	797.7	797.7	+57.8%	+16.8%
<b>EBITDA</b>	230.7	226.4	128.6	181.3	175.5	+79.4%	+27.3%
<i>Margin %</i>	24.8%	24.3%	21.8%	22.7%	22.0%	--	--



# HI 2021 Financial results

Outstanding cash generation, leading to a reduction in NFP also after strong M&A cash-out, share buy-back & dividends

Data in €m	HI 2021 <sup>1</sup>	HI 2020 <sup>2</sup>	Δ
<b>Operating cash flow before repayment of lease liabilities</b>	<b>201.2</b>	<b>121.6</b>	<b>79.7</b>
Repayment of lease liabilities	(45.9)	(27.7)	(18.2)
<b>Operating cash flow</b>	<b>155.4</b>	<b>93.9</b>	<b>61.5</b>
Capex (net)	(36.6)	(21.8)	(14.8)
<b>Free cash flow</b>	<b>118.8</b>	<b>72.1</b>	<b>46.7</b>
Acquisitions (net)	(42.9)	(41.8)	(1.1)
<b>Cash provided by (used in) operating and investing activities</b>	<b>75.9</b>	<b>30.3</b>	<b>45.6</b>
Cash provided by (used) financing activities	(62.7)	(7.7)	(55.0)
<b>Net cash flow for the period</b>	<b>13.2</b>	<b>22.6</b>	<b>(9.4)</b>

<b>Net financial position (opening date)</b>	<b>(633.7)</b>	<b>(786.7)</b>	<b>153.0</b>
Change in net financial position	13.2	22.6	(9.4)
Effect of FX & discontinued operation on financial position	(0.1)	(1.2)	1.1
<b>Net financial position (closing date)</b>	<b>(620.5)</b>	<b>(765.3)</b>	<b>144.8</b>

1. Non-recurring cash-out of €3.7 million
2. Non-recurring cash-out of €0.8 million

- Operating cash flow up +65.5% vs HI 2020 and +55.6% vs HI 2019
- Free cash flow up +64.8% vs HI 2020 and +105.3% vs HI 2019





# HI 2021 Financial results

NFP further reducing and leverage at 1.23x

Data in €m	30/06/2021	31/12/2020
Cash	(472.5)	(545.0)
Short-term debt	121.2	75.4
Medium/long-term debt	971.8	1,103.3
<b>Net financial debt</b>	<b>620.5</b>	<b>633.7</b>
Lease liabilities	426.5	422.8
<b>Total financial debt &amp; lease liabilities</b>	<b>1,047.0</b>	<b>1,056.4</b>
<b>Total net equity</b>	<b>833.0</b>	<b>801.9</b>
Net debt/EBITDA <sup>1</sup>	1.23x	1.63x
Net debt/Equity	0.74x	0.80x

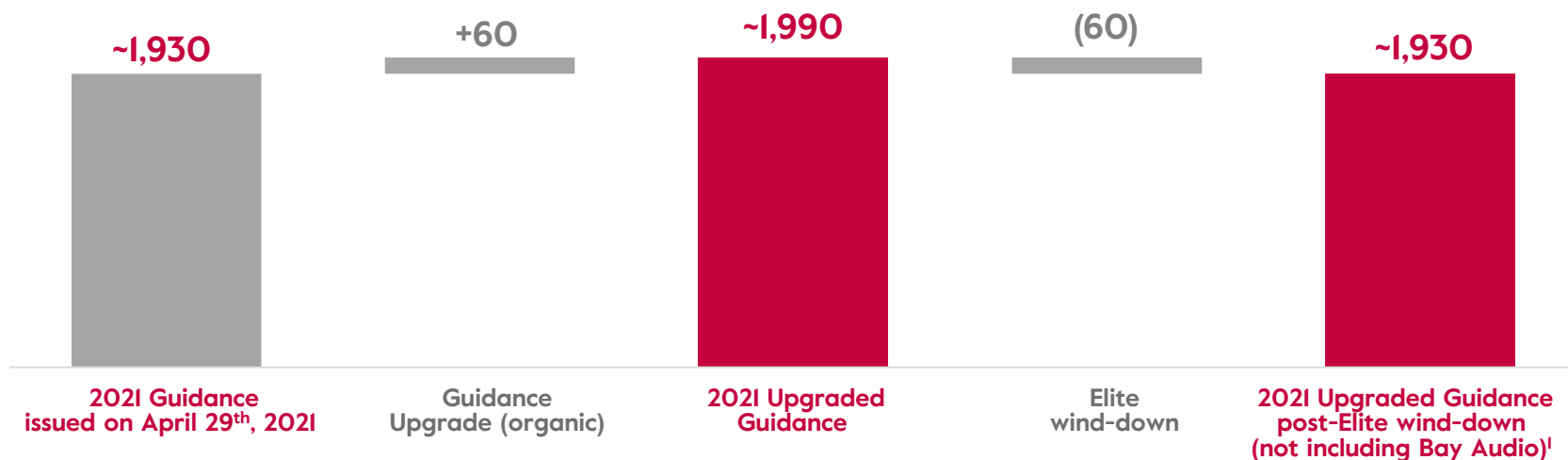
1. Refers to the EBITDA recorded in the last 4 quarters determined excluding the fair value of the share-based payments and based only on the recurring business



# 2021 Outlook

Upgrading our full-year 2021 guidance to reflect higher organic growth

Revenues, in € million



On a same consolidation basis, we expect to **exceed our previously issued 2021 revenue guidance** and achieve a **recurring EBITDA margin of ~24.8%**

I. Guidance excludes Elite contribution for the full year 2021 in light of the application of IFRS 5 for Discontinued Operations. This guidance assumes no further material impact from Covid-19 pandemic. Bay Audio is excluded in 2021 guidance as the closing of the deal is currently expected by Q4 2021. Note: Revenue guidance is based on the following main FX assumptions: €/USD at 1.20; €/AUD at 1.55

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