LU-VE GROUP
leadership with passion

2022 H1 results

7th September 2022

H1-22: growth and higher profitability

Economics

- Growth in volumes (+14%), selling prices (+25%), and adjusted EBITDA (+61%)

Financials

- Leverage at 2x EBITDA despite the substantial increase of safety stock of raw material (+ € 36.4 M) and M&A (+ € 12.6 M)
- Robust LTM net cash generation adjusted: € 30.7 M (vs. € 30.9 M as of June 2021 and € 25.5 M as of June 2019)

Strategy

- ✓ New strong business opportunities in electrification (HP)
- ✓ Strategic M&A accretive in value since day one (7.35x EBITDA for acquisition, 12.5x EBITDA for divestiture)
- ✓ Increase in production capacity through capex and asset deal (ACC)

Secular trends drive sustained growth Improving profitability

- Consolidated sales [1]: € 318.4 M, +39.9% (+ 37.0% LFL, +39.0%% at constant FX) mainly thank to prices (+25%)
- EBITDA adjusted : **13.4%** on sales, vs. 11.6% in H1-21
- Net financial debt [2]: € 155.4 M (€ 116.8 M as of June 2021) due to M&A (+ € 12.6 M) and increase in safety stock (€ 36.4 M)
- Net cash generation (LTM - adjusted) [3] : + € 30.7 M (vs. € 21.2 M as of December 2021)
- Order book as of June 22: € 200.8 M, + 37.3% vs. June 2021 (+24% LFL)

€ Millions	H1 2021		H1 2022		Growth
Total sales [1]	227,6	100,0%	318,4	100,0%	+39,9%
EBITDA adjusted (excl. NRI) [2]	26,5	11,6%	42,8	13,4%	61,5%
Net income	9,7	4,3%	33,3	10,5%	242,7%
Net financial debt [3]	(116,8)		(155,4)		33,0%
Net cash generation (12 months adj.) [4]	30,9		30,7		-0,6%

Notes

(1) Total sales include sales of products and other sales

(2) NRI = € 0,7 M, M&A transaction costs

(3) Including put&call on minorities and IFRS 16 adoption

(4) See page 15 for details

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Net sales breakdown by product shows new market opportunities

Products € 000	H1 2021	%	H1 2022	%	Δ %
Heat Exchangers	114,7	50,4%	166,3	52,2%	45,0%
Air Cooled Equipment	86,4	38,0%	114,9	36,1%	32,9%
Close Control /Data Center	15,3	6,7%	18,9	5,9%	23,2%
Glass Doors	8,1	3,5%	11,1	3,5%	37,5%
Total sales of products	**224,5**	**98,6%**	**311,2**	**97,7%**	**38,6%**
Other revenues	3,1	1,4%	7,2	2,3%	130,6%
Total sales	**227,6**	**100,0%**	**318,4**	**100,0%**	**39,9%**

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Net sales breakdown by application shows increasing diversification

Applications € 000	H1 2021	%	H1 2022	%	Δ %
Refrigeration	136,9	60,1%	164,3	51,6%	20,0%
Air Conditioning	38,7	17,0%	67,1	21,1%	73,2%
Special Applications	33,3	14,6%	46,7	14,7%	40,3%
Industrial cooling	15,6	6,9%	33,1	10,4%	111,9%
Total sales of products	**224,5**	**98,6%**	**311,2**	**97,7%**	**38,6%**
Other revenues	3,1	1,4%	7,2	2,3%	130,6%
Total sales	**227,6**	**100,0%**	**318,4**	**100,0%**	**39,9%**

Further steps in geographical diversification

- Increase of sales + 39.9% (+37% LFL) mainly thanks to price increase (+25%) and volume/mix (+14%)
- On a constant currency basis, the growth of sales is 39.0%
- Growth was driven mainly by secular trends:
    - electrification (heat pumps)
    - digitalization (data centers)
    - food safety (food retailers and logistic centers)
    - green tech (natural refrigerants)
- Geographical diversification remains the focus:
    - Italy is the main market, followed by Germany, Finland, Czech Republic, and France
    - Accelerated growth in America (+90.7%) and Asia (+51.5%)
- Costumer diversification confirmed: largest single customer less than 6%

Profit & Loss: strong organic growth and operational excellence

Consolidated Profit & Loss Reclassified *(000 Euro)*	H1 2021	Delta %	H1 2022	Delta %	Delta %
Sales and operating income	**227.639**	*100,0%*	**318.387**	*100,0%*	**39,9%**
Purchases of materials	(141.630)	*-62,2%*	(207.038)	*-65,0%*	
Inventory increase (decrease)	24.816	*10,9%*	36.890	*11,6%*	
Services	(29.375)	*-12,9%*	(41.163)	*-12,9%*	
Labour cost	(53.222)	*-23,4%*	(62.843)	*-19,7%*	
Other operating costs	(1.721)	*-0,8%*	(2.113)	*-0,7%*	
Total operating costs	**(201.132)**	*-88,4%*	**(276.267)**	*-86,8%*	**37,4%**
EBITDA	**26.507**	***11,6%***	**42.120**	***13,2%***	**58,9%**
Depreciation	(14.419)	*-6,3%*	(15.632)	*-4,9%*	
Gain (loss) of non current assets	12	*0,0%*	(44)	*0,0%*	
EBIT	**12.100**	***5,3%***	**26.444**	***8,3%***	**118,5%**
Capital gains			9.473	*3,0%*	
Net financial income (costs)	186	*0,1%*	4.168	*1,3%*	
EBT	**12.286**	***5,4%***	**40.085**	***12,6%***	**226,3%**
Income taxes	(2.570)	*-1,1%*	(6.791)	*-2,1%*	
Net income	**9.716**	***4,3%***	**33.294**	***10,5%***	**242,7%**
Minority interest	423		603		
Group net income	**9.293**	***4,1%***	**32.691**	***10,3%***	**251,8%**

- See EBITDA bridge analysis
- Depreciation increased due to capex
- Capital gain on divestiture of Tecnair equal to € 9.3 M net of taxes (1.4% thanks to PEX)
- Financial income (mainly derivatives fair value completely related to interest rate coverage) greatly exceeded interest expense
- Adjusted tax rate in line with normal group expectations
- See net income bridge analysis

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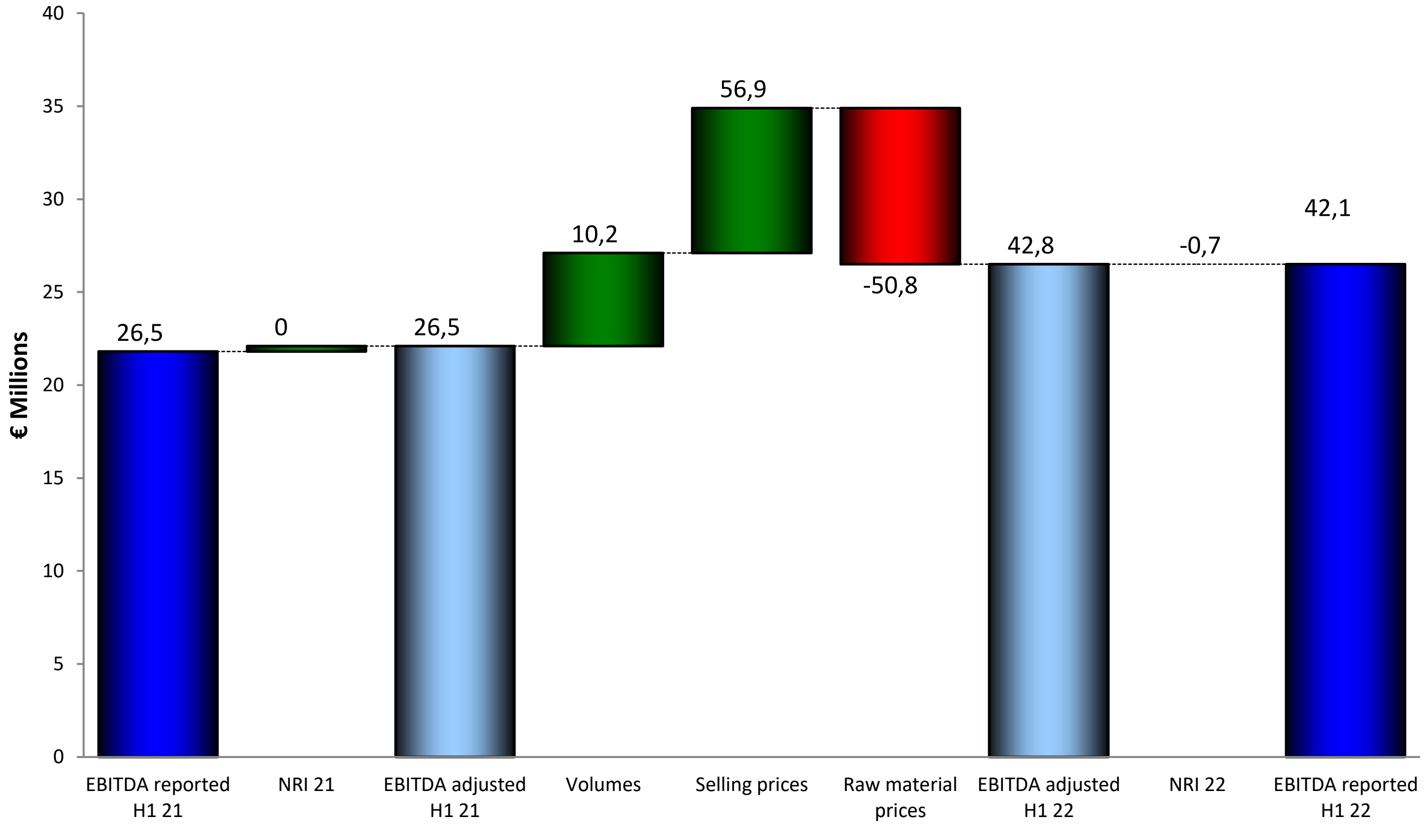
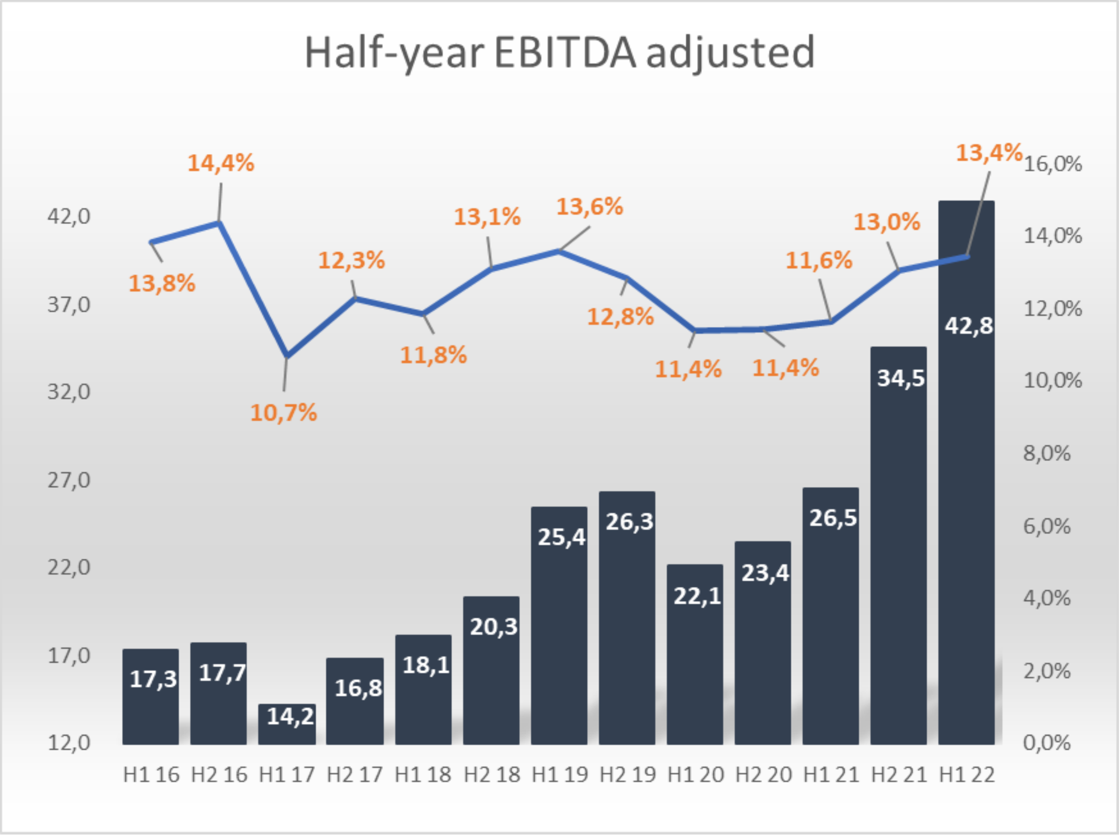
EBITDA adjusted: +61.5 % vs. H1 2021 due to scale and pricing power



(1) Due to rounding, numbers presented throughout this chart may not add up precisely to the totals provided
(2) Source: management analysis of consolidated results as of 30/6/2022

Resilient business model and improving profitability



- Improving trend of EBITDA from H1 17 to H2 19
- Since H2 2019, dilutive effect on margin percentage due to lower profitability of AL AIR (≈ 125bps)
- In 2020 impact of Covid and lockdown
- In H1-20, volumes decreased by 10.4% LFL due to lockdown
- In 2021, volumes increased by 14.7%
- In H1-22, volumes increased by 14.0%
- Effect on metal inflation margin 60 bps (90 bps in 2021)

1) All data in € million
2) H1 2016 proforma to include Spirotech which has been acquired in October 2016
3) ZHT is consolidated since H2 2018
4) AL Air is consolidated since 1st of May 2019
5) Refrion consolidated since 1st of April 2022 – Tecnair deconsolidated since 1St of April 2022

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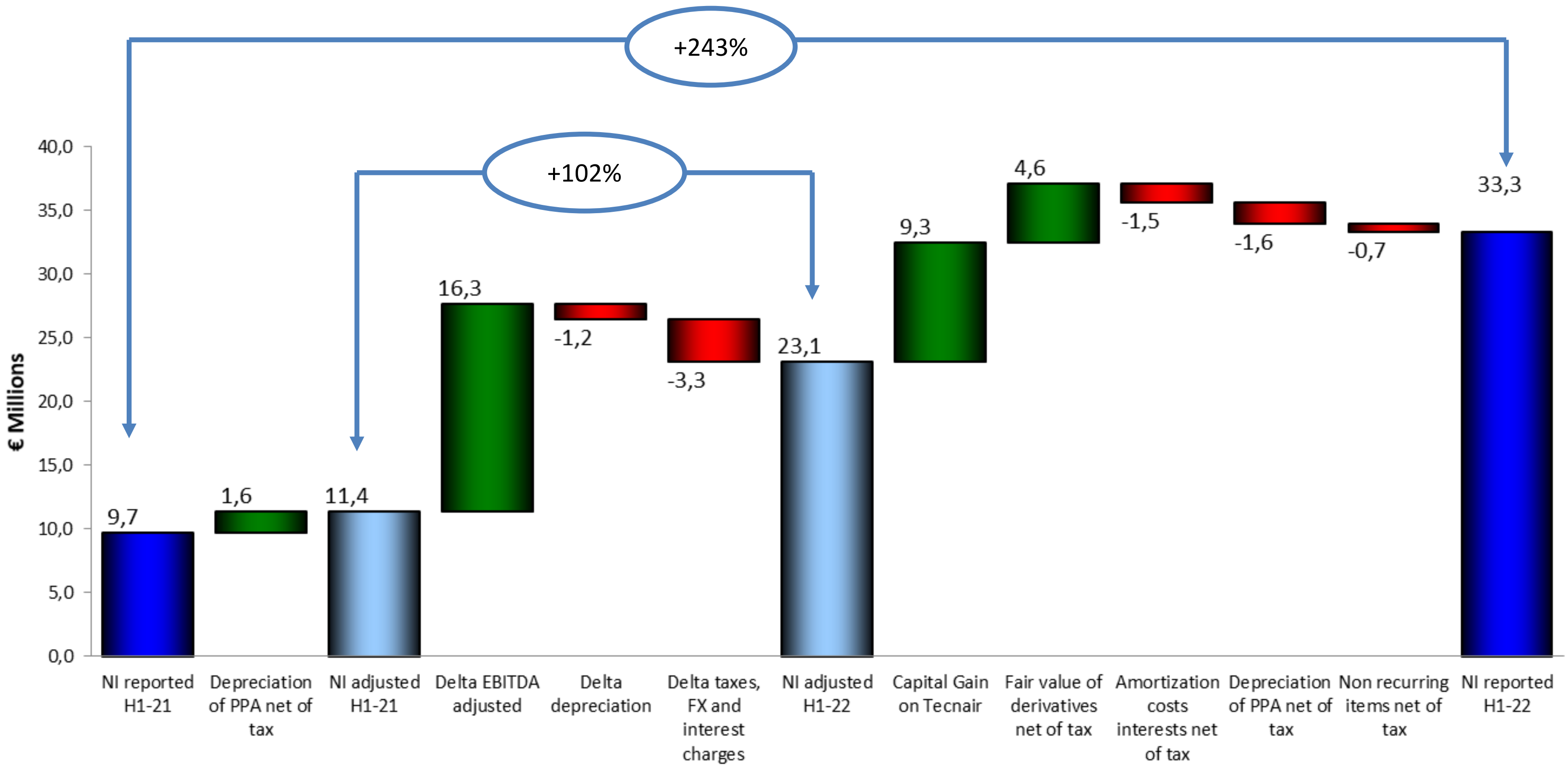
Metal Price Impact on Profitability

Sale contract	Main application	Metal influence on product price	Metal fluctuation management
Frame contracts	Mainly in the Components SBU	Mechanical price adjustment through formulas linked to the metal publicly available quotation **Impact** ○	• Price adjusted through formulas linked to metal publicly available quotation (average last quarter / half a year) • Profitability protection through systematic physical hedging (short order-to-delivery cycle) **Impact** ◔
Predetermined delivery date	Project driven orders *(mainly cooling system SBU: industrial application, power gen etc.)*	Technology and design are the main elements of the solution offered Lower impact by metal price **Impact** ◔	• Pricing locked-in at order intake • Profitability protection through systematic physical hedging (long order- to-delivery cycle) **Impact** ◔
Standard products	Products sold by catalogs with zero or limited customization	Higher impact of metal prices **Impact** ◑	• Pricing managed through price lists, thus leading to some delay • Competitive pressure may impact on the delay of price adjustment • Hedging based on forecasted volumes rather than orders **Impact** ◑

(1) Impact: high ● *Low* ○

Adjusted Net Income +102% vs. H1 2021



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(2) Source: management analysis of consolidated results as of 30/6/2022

Recurring profitability shows strong resilience and improving margins

€ Millions	30-giu-21	30-giu-22
EBITDA reported	26,5	42,1
Non recurring items	-	0,7
EBITDA adjusted	**26,5**	**42,8**
EBITDA margin %	*11,6%*	*13,4%*
EBIT reported	12,1	26,4
Depreciation on PPA	2,2	2,0
Non recurring items	-	0,7
EBIT adjusted	**14,3**	**29,2**
EBIT margin %	*6,3%*	*9,2%*
Net Income reported	9,7	33,3
Depreciation on PPA net of tax	1,6	1,6
Non recurring items net of tax	-	0,7
Fair value of derivatives net of tax	-	- 4,6
Amortization costs of interest	-	1,5
Capital gain on Tecnair net of tax		- 9,3
Net income adjusted	**11,3**	**23,1**
Net Income margin %	*5,0%*	*7,3%*

(1) Due to rounding, numbers presented throughout this chart may not add up precisely to the totals provided
(2) Please note that in the financial statements of the Group, there is no adjustment of EBIT and Net Income in relation to Purchase Price Allocation ("PPA")
(3) Source: management analysis of consolidated results as of 30/6/2022

Balance Sheet: disciplined capital deployment

Consolidated Balance Sheet Reclassified *(000 Euro)*	30/06/2021	% net invested capital	31/12/2021	% net invested capital	30/06/2022	% net invested capital
Net intangible assets	92.476		90.517		102.801	
Net tangible assets	165.822		167.594		180.011	
Pre-paid taxes	7.388		6.509		7.919	
Financial assets	227		236		1.817	
Non current assets (A)	**265.913**	**97,7%**	**264.856**	**90,1%**	**292.548**	**80,8%**
Inventory	82.508		111.077		156.629	
A/receivable	78.977		74.131		107.679	
Other receivables and current assets	14.839		14.233		15.554	
Current assets (B)	**176.324**		**199.441**		**279.862**	
A/payable	113.501		114.358		143.440	
Other payable and current liabilities	31.690		30.773		40.526	
Current liabilities (C)	**145.191**		**145.131**		**183.966**	
Working capital (D=B-C)	**31.133**	**11,4%**	**54.310**	**18,5%**	**95.896**	**26,5%**
Personnel provisions	5.612		5.770		5.691	
Deferred taxes	14.053		13.909		14.216	
Risk provisions	5.112		5.541		6.261	
Long term liabilities (E)	**24.777**	**9,1%**	**25.220**	**8,6%**	**26.168**	**7,2%**
Net invested capital (A+D-E)	**272.269**	**100,0%**	**293.946**	**100,0%**	**362.276**	**100,0%**
Group net worth	151.468		167.501		202.483	
Minority interest	4.005		4.586		4.371	
Total group net worth	**155.473**	**57,1%**	**172.087**	**58,5%**	**206.854**	**57,1%**
M/L term net financial position	235.381		213.631		252.765	
Short term net financial position	(118.585)		(91.772)		(97.343)	
Net financial position	**116.796**	**42,9%**	**121.859**	**41,5%**	**155.422**	**42,9%**
Net worth and net financial position	**272.269**	**100,0%**	**293.946**	**100,0%**	**362.276**	**100,0%**

- Strong financial structure: D/E < 0.8x
- Strong liquidity position to cover future commitments
- Target NFP/EBITDA <≈ 2x
- Impact of IFRS 16 on NFA (€ 17.7M) and NFP (€ 16.2 M)
- Seasonal working capital needs
- In 2021 and H1-22, increase of safety stock to face uncertainty on supply chains

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Operating net working capital under strict control, but a temporary increase of safety stock

- **Tight control of** operating working capital
- Seasonality in operating working capital needs
- Temporary, expected increase of safety stock as of 31/12/21 (€ 14.2 M) and 30/6/22 due to uncertainty on supply chains
- Excess safety stock equal to € 36.4 M as of 30/6/2022
- On LFL basis NWC on sales = 20.3%

€ Millions	30/06/2021	Days	31/12/2021	Days	30/06/2022	Days
Stock	82,5	68	111,1	81	156,6	97
A/receivable	79,0	65	74,1	54	107,7	67
Working capital	161,5		185,2		264,3	
A/payable	113,5	119	114,4	110	143,4	115
Net working capital	48,0	40	70,9	52	120,9	75
% on net sales LTM	**11,0%**		**14,4%**		**20,7%**	

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Net cash flow: consistently strong cash generation

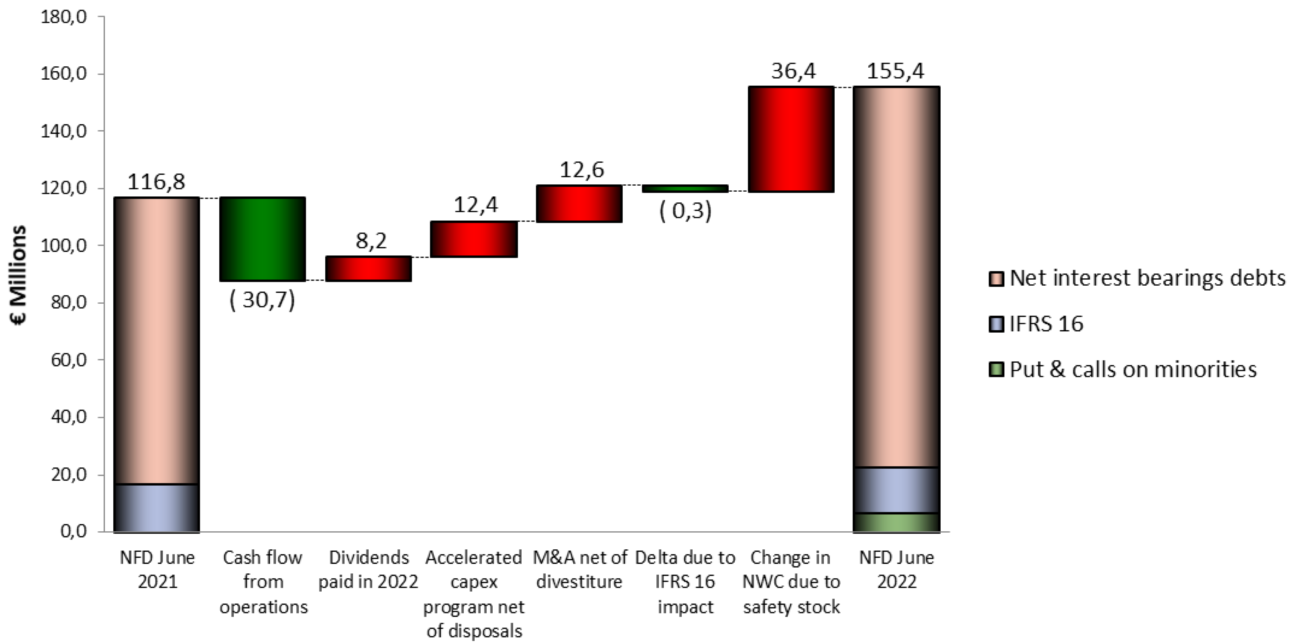
Net cash / (net debt)	€ m	
Net financial position as of June 2021	(116,8)	
Net financial position as of June 2022	(155,4)	
Delta in net financial position	(38,6)	(38,6)
+ Dividends paid in 2022		8,2
+ Accelerated capex program		12,4
+ M&A net		12,6
+ Delta in safety stock		36,4
+ Change of IFRS 16 impact		(0,3)
= Total normalized net cash flow		**30,7**

- Accelerated capex program above maintenance level
- As of June 2022, an increase of safety stock by € 36.4 M
- Extraordinary level in LTM up to December 2019 due to working capital reduction

LTM net cash generation adjusted 2013 - H1 22 (€ m)

(1) 2013 ITA GAAP – 2014-2021 IFRS

Net financial debt bridge analysis



- Strong cash generation on LTM
- M&A (Refrion) effect net of divestiture (Tecnair)
- Temporary investment in safety stock to face the uncertain in supply chain

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(2) Source: management analysis of consolidated results as of 30/6/2022

Investing for growth

Growth, expansion and acquisitions (2015-H1-22)

	Strategic targets identified since 2015	Actual results: 2015 – H1-22 LTM
Organic Growth Delivered	• Organic growth (5-6% p.a.), supported by megatrends • Consistently delivered high EBITDA margin • Accelerated CAPEX program • Strict control of working capital	2.7 times the size of the group: from € 212 M in 2015 to € 583 M in LTM June 2022 thanks to: • Total growth = +16.8% CAGR • Organic growth = +12.8% CAGR • Additional € 145 M turnover thanks to acquisitions (1) EBITDA growth = +17.9% CAGR - organic +13.7% CAGR Extraordinary capex = € 83 M (2015 – H1-22) Trade NWC ≈ 10-15% of sales, confirmed despite extraordinary NWC level as of June 22
Geographic Expansion Delivered	• Strong focus on emerging economies • Internationalization process • Greenfield/enlargement of existing plants	• New plant in Poland • New plant in China • New plant in the US • Doubled plant in India • Sales outside Italy: 80% (vs 73% in 2015)

Acquisitions
Delivered
	• Possible targets
	  • North America
	  • Emerging economies
	  • Europe
	• Possible use of further leverage
		• Acquisition's value = € 122 (1)
		• Average EBITDA multiple paid @ 7,0x
		Fincoil, Zyklus Heat Transfer, Inc., SPIROTECH Heat Exchangers Pvt. Ltd., HELPMAN, REFRION Cool Generation

1) Based on final price for AL Air, including the transaction completed in Q1 2022

Secular trends driving increased total addressable market

Drivers and trends	What LUVE does
Acceleration of the transition to "**green capex**" by major customers to: • Adopt refrigerants with low GWP • Reduce energy consumption and noise level • Comply with EU regulations and with similar regulations introduced in the USA, China, and other countries	• LUVE was a **first mover in green technologies** applied to heat exchangers • Currently, ≈ 50% of sales are already based on refrigerants with low GWP to stem climate change • New **Eurovent** certification for CO^2 • ESG rating
• Electrification • Decarbonization	• Heat exchangers for **heat-pump** applications • Special application for **district heating**
Acceleration of digitalization	• Focus on data center market • Application of IoT to all range of products
The increasing value of food security, pharma storage and e-commerce	Focus on mobile applications and logistic centers
Major attention to comfort and indoor air quality in public and private buildings	Special solutions for indoor air quality optimization
Reassess international supply chains	LUVE production footprint provides clients with resilient supply without sacrificing competitiveness

LU-VE Group approach to ESG topics

Global Scenario

Paris Agreement **2015**

2019 ***Green Deal – Horizon, Kigali Amendment***

LU-VE

1985 ***LU-VE is established***

2017 ***Sustainability reporting***

2020 ***Sustainability strategy***

2021 ***EU Taxonomy Regulation***

“LU-VE is the embodiment of the principle that **companies are women, men and ideas.**
Grey matter for a greener world has been our commitment right from the beginning.
We have been the first in the sector to use “green” technology/solutions, LCC/LCA Life Cycle Costing/ Assessment, to

- maximize energy saving
- minimize refrigerant charge
- reduce noise level
- reduce footprint and weight”

Iginio Liberali, President of LU-VE Group

- The European Directive 2014/95/UE requires to produce a **Consolidated Non-financial Statement.**
- The Consolidated Non-financial Statement **reports** the commitments and the results achieved by the Group in the **ESG** field, responding to the expectations of **stakeholders**, who are involved in a systematic process of listening and dialogue.

- Integration of **sustainability** into the company **strategy**
- **Top management ESG awareness project**: it is aimed at involving all the key players in defining and developing the Group **sustainability strategy**

- European Commission introduced the Regulation (EU) 2020/852 - EU Taxonomy Regulation, a unified **classification** for **economic activities** considered **environmentally sustainable**
- LU-VE Group, according to EU Taxonomy, identifies ***eligible* activities** with respect to the "Climate Change Mitigation" objective

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Social impact of LU-VE Group solutions

LU-VE group commitment

FOOD SAFETY — 59%*

Today, some three billion people lack safe and healthy food. The development of sustainable and technologically advanced cold chains is essential for the processing, storage, preservation, distribution and, ultimately, the increased availability of safe food for ever larger segments of the population.

A proper cold chain ensures safe and properly stored food and reduces food waste.

ENERGY EFFICIENCY — 20%*

On average, air conditioning and cooling accounts for around 15% of electricity demand globally, with peaks of up to 50%. Mitigating the resulting environmental impacts involves improving energy efficiency standards by 50% by 2030.

Maximising the energy efficiency of factories, buildings and systems is crucial for protecting the planet, reducing environmental impact and improving businesses' competitiveness.

LU-VE group commitment

CLIMATE WELL-BEING — 15%*

The demand for air conditioning is growing internationally due to population growth, urbanisation rates and the demand for a better quality of life, especially in the warmer areas of the world.

Indoor climate comfort in buildings is an important element of people's health and well-being and quality of life

DIGITAL TRANSFORMATION — 6%*

The international digitalisation process also touches on cloud computing. This strong impetus implies an increasing focus on the energy consumption of data centres, which currently account for 1% of the world total in terms of environmental sustainability.

Operational and efficient data centres are a prerequisite for a country's digital transformation

* respect Group's total turnover in 2021

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Vision and Mission of LU-VE Group

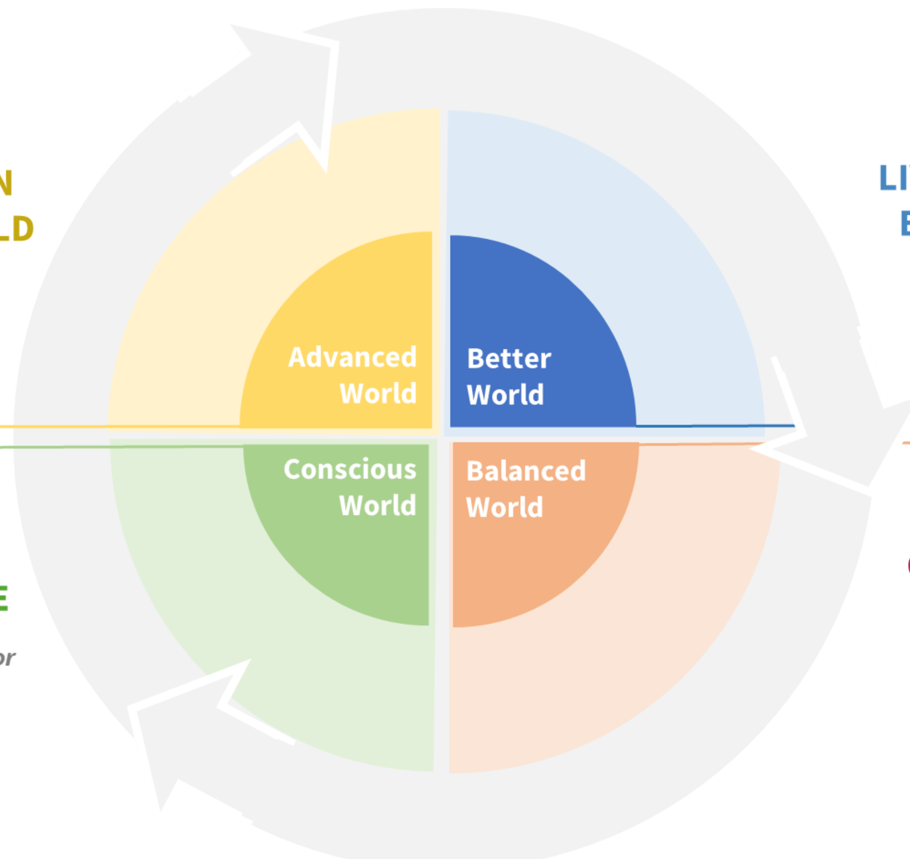
The Group's vision – updated in 2021 after an intense work at Group level - is that of an "advanced, better, balanced and conscious world", which is articulated as follows: **"Through innovative products, we want to improve our places, reducing inequalities and raising awareness of the need for sustainable development".**

IDEAS AND PASSION FOR A COOLER WORLD

Through innovative products

LIVE AND WORK IN BETTER PLACES

we want to improve our places,



STEWARDSHIP FOR A BETTER FUTURE

raising awareness of the need for sustainable development.

MORE OPPORTUNITIES FOR ALL

reducing inequalities,

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LU-VE Group and the Sustainable Development Goals

The Group has formalised its respect for the Sustainable Development Goals by defining the link between the **priorities listed in the materiality matrix** and the related impacts for achieving the goals.

EU Taxonomy

"A Taxonomy is a classification tool to help investors and companies **make informed investment decisions on environmentally friendly economic activities**."

Source: Using the Taxonomy, EU Technical Expert Group On Sustainable Finance, 2019

"The EU Taxonomy is a list of economic activities with performance criteria for their contribution to six environmental objectives:

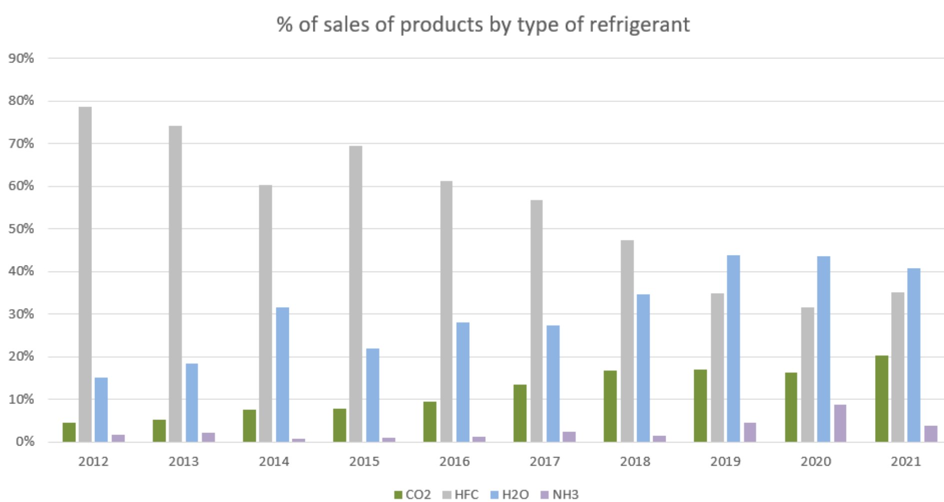
I. **climate change mitigation;**
II. climate change adaptation;
III. sustainable use and protection of water and marine resources;
IV. transition to a circular economy;
V. pollution prevention and control;
VI. protection and restoration of biodiversity and ecosystems."

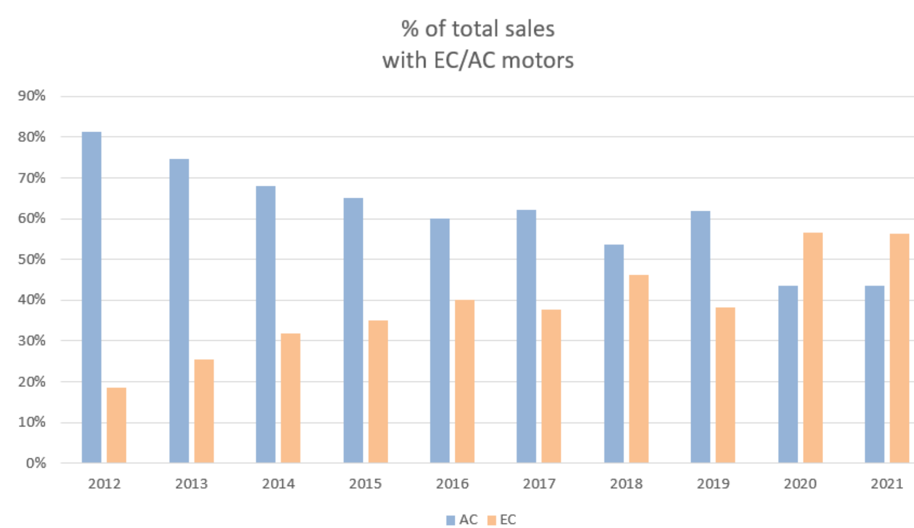
Based on 2021 reporting, the table shows the KPI of the **LU-VE Group's activities <u>eligible to the EU Taxonomy</u>**, because of its contribution to the «Climate Change Mitigation» objective

KPI	Eligible
Turnover	47.3%
CAPEX	39.2%
OPEX	49.5%

Helping customers reach their sustainability goals
First mover in green tech

Over the last 10 years, LU-VE Group's technological leadership has been strengthened thanks to the development fluids and energy-efficient motors



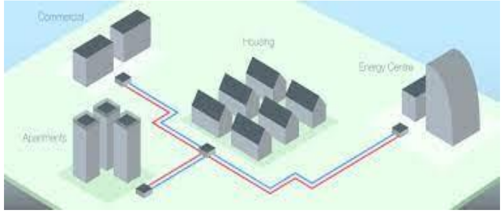


Ideas and passion for a cooler world: heat pumps and district heating

Heat pumps are a decisive element in the path to decarbonization and sustainability :

- The development of new exchange matrices with high efficiency and low refrigerant charge (propane) is a further step forward in terms of overall sustainability.
- Heat pumps are a growth segment for LU-VE Group and an advantageous solution in terms of optimizing energy consumption.

District heating is ambitious project for decarbonization with highly customized units with high capacity based on natural refrigerants (co^2, ammonia and glycolated water).



Future developments and closing remarks

Strategy	• New wave of extraordinary capex program in progress to increase production capacity (including ACC project completion) • US: the second stage of plant expansion in progress • New projects under review based on growing demand
Markets	• Strong demand continued in the first half of 2022: order book at the end of June 208,8 +37,3% (+24% LFL) • Question mark for H2 due to macroeconomic environment • M/L term growth sustained by secular trends
M&A	• Integration of Refrion in progress • New projects on opportunistic way
Russia	Limited direct exposure to the Russian market (4% of sales in H1 2022, 4% of order book, and 5% of net invested capital) – Cashflow neutral
Financials	• Margin improvement due to volumes, but cost inflation • Focus on deleverage: target NFD/EBITDA adj < 2.0x

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M&A

Refrion (2022)

Main financial terms

- Acquisition completed on 30th of March 2022
- Acquisition of 75%, plus put&call on the remaining 25% within 5 years
- Cash out at closing equal to € 8.1 M
- EBITDA multiple = **7,35x** average 2020/2021 adjusted EBITDA

- **Financial highlights 2021:**
  - Sales = € 26 M
  - EBITDA = € 2,7 M

Strategic rationale

- Refrion specializes in the production and marketing of air heat exchangers with **adiabatic technology,** which enables reductions to be made in energy consumption, water consumption, and noise emissions
- Technology of heat exchangers with **oval tubes**
- Limited customer **overlapping**
- Heat exchangers for **nuclear plants**
- One of the largest **climatic test chambers** in Europe

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ACC (2022)

Main financial terms

- Transaction completed on 03th of August 2022
- Contracting of selected assets and employees of former ACC under receivership (based on Belluno – Italy)
- Total capex on the site up to € 9 M in 3 years
- Hiring a certain number of former blue collars of ACC, benefitting from subsidies from the Italian government

Strategic rationale

- Access to **modern industrial plant** at cheap conditions (40.000 mq)
- **Hiring skilled people** at reduced costs
- Opportunity of rationalization of **logistic activities** of the nearby plant of LU-VE

Tecnair LV (2022)

Main financial terms

- Transaction completed on 21st of March 2022
- Sale to Systemair of the entire participation (80%) in Tecnair LV
- **Transfer of all the employees**
- Cash-in at closing € 12.9 M
- EBITDA multiple = 12.5x 2021 adjusted EBITDA

- **Financial highlights 2021:**
  - Sales = € 12.0 M
  - EBITDA = € 1.2 M

Strategic rationale

- **Limited integration** with the LUVE Group
- Product range in **competition** with large customers of LUVE
- Technological developments toward **outdoor machines** for data centers
- Limited growth in the last years
- Strategic **long term supply** agreement of components with Systemair

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Acquisition of Alfa Laval Air Heat Exchanger Business: Overview (2019)

- On December 12th, 2018, Lu-Ve signed a binding contract to acquire 100% of Alfa Laval Air Heat Exchanger division ("AL Air") of Alfa Laval Group. The acquisition was completed on April 30th, 2019 (1)

- Purchase price paid at closing amounted to € 43.6m. An additional payment of € 7.5m was made on April 30th, 2020.
  - 6.5x Adj. EBITDA multiple over the period 2018-2019
  - Final price agreed on February 4th, 2020

- AL Air manufactures air-cooled products for industrial process cooling, refrigeration and HVAC applications

- In the two-year period 2018-19, AL Air reported ca. € 100m sales and an EBITDA margin of 8.0% with a Sales CAGR of 8.9% over the last 3-year period

- AL Air brings to Lu-Ve Group:
  - World class customers in Europe, US and India
  - 3 state-of-the-art manufacturing plants in Italy, Finland and India with ≈400 people
  - An ideal base to expand (i) market presence in the industrial cooling and refrigeration segment in Europe and (ii) production in India

1) Subject to 2018 EBITDA review and post closing adjustments

Acquisition of Alfa Laval Air Heat Exchanger Business: Rationale (2019)

- Becoming the third largest player in the world in the air-cooled products
- Strengthening market position in Europe in industrial cooling business unit, achieving a leading position
- Enlargement of product applications (engine cooling, power converter and process cooling)
- Limited customers overlapping
- Strong management team with international experience
- Expansion in the Indian market related to the cold chain infrastructure
- Opportunities of synergies as result of plant specialization, marketing efforts and costs rationalization

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ZHT acquisition (USA) (2018)

- On June 26, 2018, LUVE completed the acquisition of Zyklus Heat Transfer Inc (ZHT), based in Jacksonville (Texas)
- Luve acquired 100%
- ZHT is specialized on heat exchanger for the US market
- Mr. Zachary Riddleseperger – founder and 100% owner – remains as VP Operation
- Three years earn-out scheme based on EBITDA
- 2017 turnover: USD 10.3 M
- Average growth rate previous two years: 12%
- 2017 adjusted EBITDA: USD 1.7 M (16.5%)
- At December 2017 adjusted net financial debt was USD 3,4 M
- Price paid for 100%: USD 10 M
- 2017 EBITDA multiple paid: 7,9x

Il Sole 24 ORE

Sbarca negli Usa e acquista
la texana Zyklus Heat Transfer

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Spirotech acquisition (India) (2016)

- On September 18th 2016, Luve signed a binding contract to acquire 95% of Spirotech
- Spirotech is a leading and fast-growing Indian producer of heat exchanger for HVAC(1) industry, home appliances and transportation:
  - turnover of € 21 (2) millions with an average EBITDA margin > 20%
  - doubled the turnover during the last 5 years
  - world class customers in Europe, US and India
  - strong management team with international experience
  - state of the art manufacturing plant with expansion opportunities
- Ideal base to expand production in India, to benefit from long term trend in creation and expansion of cold chain in India and Asia
- Total consideration (3):
  - 7,3x FY16 EBITDA
- Strategic rationale of the acquisition:
  - Expansion of Spirotech customer basis thanks to LUVE sales network
  - Expansion in the Indian market with LUVE products related to the cold chain infrastructure
  - Transfer of customers/products from other Group European plants based on logistic and technological evaluation
  - Expansion in Middle East due do the logistic advantage

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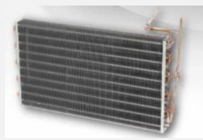
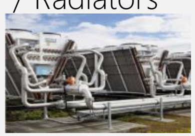
SHORT COMPANY PROFILE

Business Highlights

Business Unit	Products	% of Sales (1)	Applications	Type of Customer
Business Unit Components	Heat exchangers 	53%	• Refrigeration (food cold chain) • Commercial air conditioning and ventilation • Special applications (***whitegoods, "mobile applications"*** etc.)	OEM
	Glass doors for refrigerated display cabinets	4%	Refrigeration (food cold chain)	OEM
Business Unit Cooling Systems	Air-cooled equipment / Radiators 	37%	• Refrigeration (food cold chain) • Commercial air conditioning and ventilation • Industrial process cooling • Power Generation	Distributors / Installers / OEM / EPC / End users
	Data centers	6%	• Data centers	Contractors / End users

(1) *H1 - 2022 data*

History of the Group

Track record of profitable organic growth and acquisitions

* LU-VE was founded in October 1985
METALLUVE was later absorbed into LU-VE
LU-VE Changshu was substituted by LU-VE Tianmen

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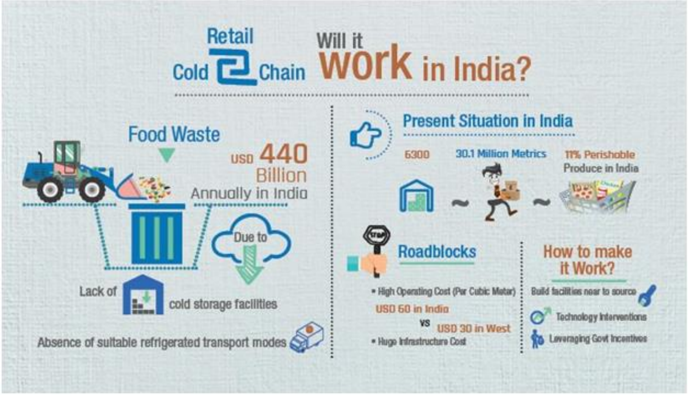
Strategy



Create competitive advantage through:

- Product focus and innovation
- Technology enhancements
- Production plants efficiency
- First mover in green tech

Reduce risk profile by:

- Widening product applications in uncorrelated sectors
- Increasing internationalization

Growth opportunities:

- Overall high single digit growth p.a. (excl. prices)
- Europe > GPD growth coupled with increase of market shares in USA > technological competitive advantage in a transitional period
- Developing countries (India, China, Africa) : building from scratch the food cold chain
- Disciplined M&A activity (industrial focus and valuation)

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Pillars of a Sustainable Competitive Advantage

Sources	LU-VE business model
Technological Advantage	• Patent and tech innovation • Leadership in R&D: laboratories / CFD / nanotechnologies / IOT
Cost advantage	• Market leadership: ca. 50% (1) of sales are in market segments where Lu-Ve is market leader • Production plants in LCC: Poland, India, China, Russia and Czech Republic • The highest level of capex in the sector to increase productivity, automation, product quality
Switching costs	• Co-design with clients • Long term customer cooperation: customers with more than 5 years of business relationship represent 65/70% of total sales • Lu-Ve supplies performance critical components, but with limited cost incidence vs customers machineries/installations total costs
Efficient scale	• One of the 3 largest worldwide producers of air heat exchangers • Leader in Europe in heat exchanger
Network effect	• Lu-Ve customers benefit from Lu-Ve experience in thousand of applications fields of air heat exchangers, helping them to identify specific solutions for their refrigeration/cooling problems

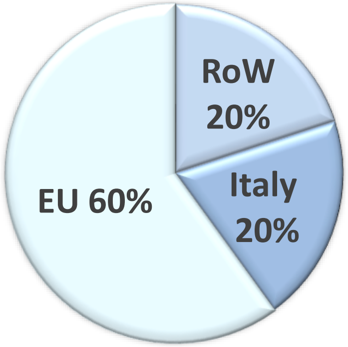
(1) Company's estimates

Organization: 19 production units

PRODUCTION UNITS

LU-VE COILS	LU-VE EXCHANGERS	ALFA LU-VE	AIA LU-VE	REFRION COOL GENERATION	TGD ThermoGlassDoor
Czech Republic Italy India Poland Russia USA	Italy Poland Russia China	**Italy** **Finland** **Poland** **India**	Sweden	Italy	Italy

- Over **906.000** sqm. total surface area (262,000 sqm. covered)
- Over **3,235** sqm. of R&D Laboratories, and a large climatic chamber
- Over 4500 employees
- LU-VE sells its products in more than 100 countries
- Diversified blue-chip customers



Breakdown of sales by geographical area
(June 2022)

32 SALES COMPANIES

- AUSTRIA – VIENNA
- BENELUX – BREDA-UCCLE
- CHINA – TIANMEN-CHANGZHOU
- CZECH REPUBLIC - NOVOSEDLY
- DENMARK - AARHUS
- FINLAND - VANTAA
- FRANCE - LYON
- GERMANY – STUTTGART
- INDIA – NEW DELHI\PUNE
- ITALIA
- NORWAY - OSLO
- POLAND – WARSAW/GLIWICE
- RUSSIA – MOSCOW / LIPETSK
- SOUTH KOREA -SEUL
- SPAIN – MADRID
- SWEDEN - ASARUM
- UK/EIRE – LONDON/FAREHAM HANTS
- THAILAND – BANGKOK
- VIETNAM – HCM CITY
- UAE – DUBAI
- USA – JACKSONVILLE

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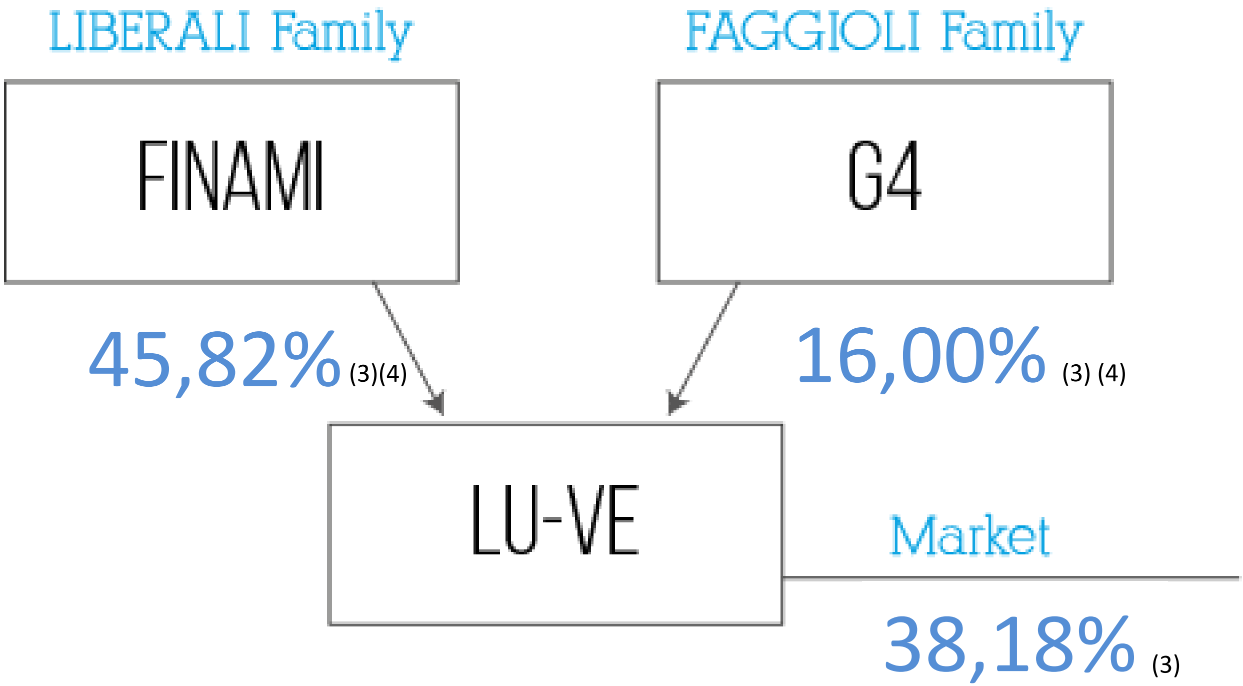
Shareholders structure (1) (2)



(1) Fully diluted – post warrant conversion at end of May 2017
(2) Updated as of July 31st, 2022
(3) Based on number of shares
(4) Thanks to the Loyalty Share Program (2 years ownership) as of September 7th, 2022, Finami owns 51.09% of voting rights and G4 owns 13,90% of voting rights
(5) Treasury shares as of July 31st, 2022, 0,13% of share capital

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Group structure: Management Team

IGINIO LIBERALI
PRESIDENT
LU-VE GROUP

PIERLUIGI FAGGIOLI
VICE PRESIDENT
LU-VE GROUP

MATTEO LIBERALI
MD – CEO

MICHELE FAGGIOLI
MD – COO

ELIGIO MACCHI
CFO

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“OUR BEST DAYS HAVE YET TO BE LIVED”

NAZIM HIKMET