



**Global supplier of control systems  
and control cables**

## **INVESTOR PRESENTATION**

*October 2024*



# COFLE GROUP

## Key Highlights

### KEY POINTS

1

#### Growth



2

#### Global Presence



3

#### Innovation

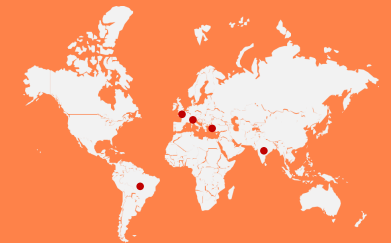


### DESCRIPTION

- **Secular trends** driving increased total addressable market
- Global Farm Tractors Market Forecast to 2031 estimated growing with +8,9% CAGR 2023-2031<sup>1</sup>



- We are where our customers (**Tier 1 players**) are
- Presence in Europe, Turkey, Brasil and India
- Intercompany Supply Chain allows an efficient raw materials supplying with a global coverage

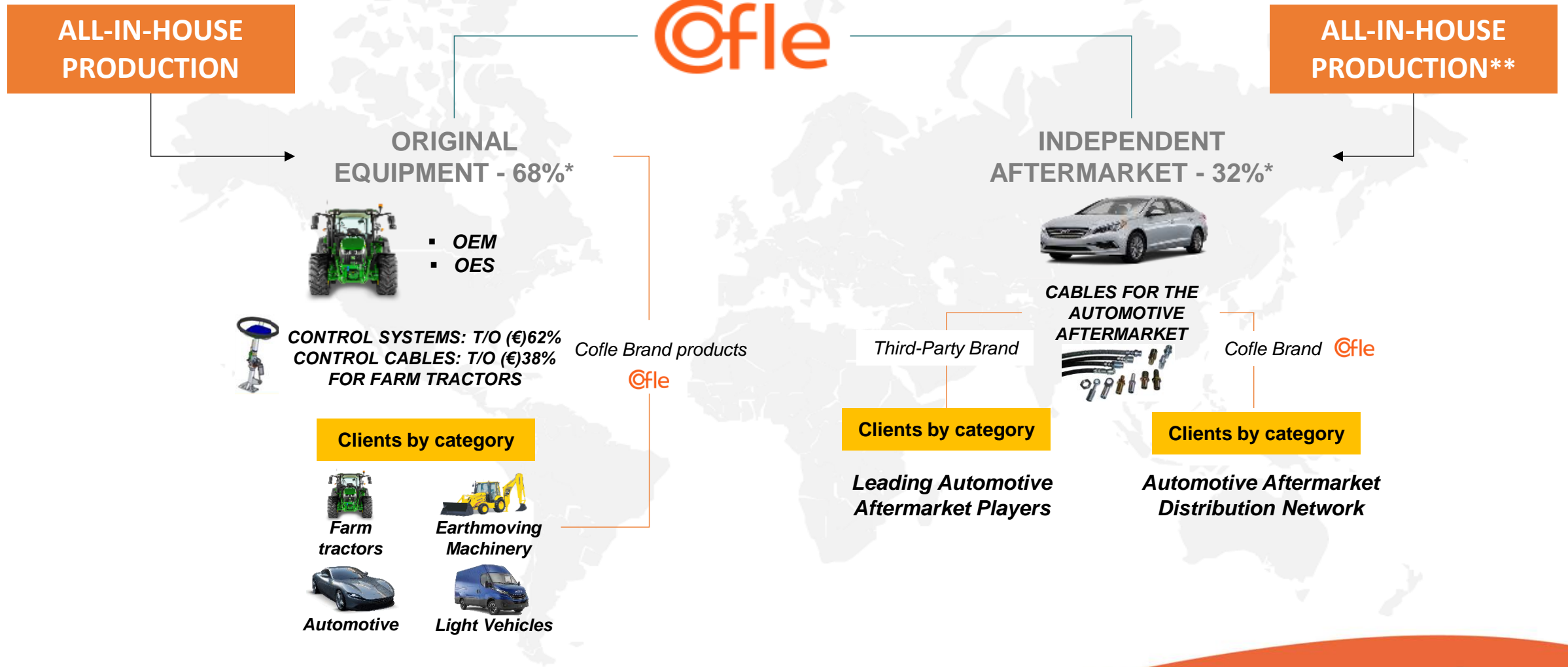


- Development of **innovative electronic products** that represent an upgrade of the control system for farm tractors and a machinery connectivity for a better use of fertilizers and weedkiller
- The global precision farming market size at 10,5 \$ bn in 2023 (vs 9,47 \$ bn in 2022) and is expected to expand with +12,8% CAGR 2024-2030<sup>2</sup>



# COFLE GROUP: Snapshot

One global player, two divisions: OE and IAM





# KEY MILESTONES

## Group history since foundation

- **Evolution from the initial workshop setting to a more industrial one**
- At that time, about 15 people worked for the Group, which, among its many products, included clutch and brake cables for the historic cars of those years, such as the Autobianchi A112 and the unforgettable Fiat Giardinetta

- Significant boost in the Aftermarket industry - Cofle clearly part of this trend
- Set up of production activities in Turkey
- Strong commercial growth and new warehouse in Pozzo D'Adda (1996), **conceived and used exclusively for stocking and selling spare cables: starting point for the later creation of the OEM division**

- **The Group aims at expanding further its products offerings, breaking into underpenetrated markets and seizing on M&A opportunities**
- November 11<sup>th</sup>: Listing

- **Opening of new OE Logistics Plant in Trezzo sull'Adda**

EURONEXT GROWTH



- **Bruno Barbieri founds Cofle**, introducing an innovative way in manufacturing Control Cables for the Automotive Industry
- **First production line for Original Equipment Cables (OEM) for the most important Italian brands**

- **Production of cables for the Aftermarket division**

- Founder Bruno Barbieri decides to leave Cofle's management to his son Walter
- **Established presence in Turkey, China, Brasil, India**

- **Opening of COFLE FRANCE, Beauvais**
- **ITG Turkey launched**

# COFLE GROUP TODAY



## PRODUCTION PLANT

6 in 4 countries



## COMMERCIAL DEPARTMENT

1 (France)



## WAREHOUSE

5 in 4 countries  
(Italy/Turkey/Brasil/India)



## PRODUCTION CAPACITY

> 10 mln units of production capacity per year over approx. 17.000 sqm plants worldwide



## ENGINEERING CENTER

2  
(Italy/Turkey)



## R&D CENTER

2  
(Italy/Turkey)



## EMPLOYEES

550+

### ITALY – HQ & Plant



- Plant description**
- Leased
  - 5.000 sqm
  - production capacity: 2,5 mln units

### ITALY – OE Logistic Plant



- Plant description**
- Cofle's real estate property
  - 3.500 sqm
  - Logistic services

### ITALY – IAM Logistic Plant



- Plant description**
- Leased
  - 5,800 sqm
  - Logistic services

### TURKEY – TK 1 OE Plant



- Plant Description**
- Leased
  - 2.000 sqm
  - Production capacity: 1,1 mln units

**ALL-IN-HOUSE PRODUCTION**  
Pricing power thanks to all production In-House and the delivery capacity

### TURKEY – TK 2 OE Plant



- Plant Description**
- Leased
  - 2.000 sqm
  - Production capacity: 1,15 mln units

### BRASIL – OE Plant



- Plant description**
- Leased
  - 2.000 sqm
  - Production capacity: 0,45 mln units

### COFLE FRANCE Commercial Department



- Plant description**
- Leased
  - Comm. departments IAM and OE
  - 3 Team Managers

### INDIA – IAM Plant



- Plant description**
- Leased
  - 1.800 sqm
  - Production capacity: 2,5 mln units

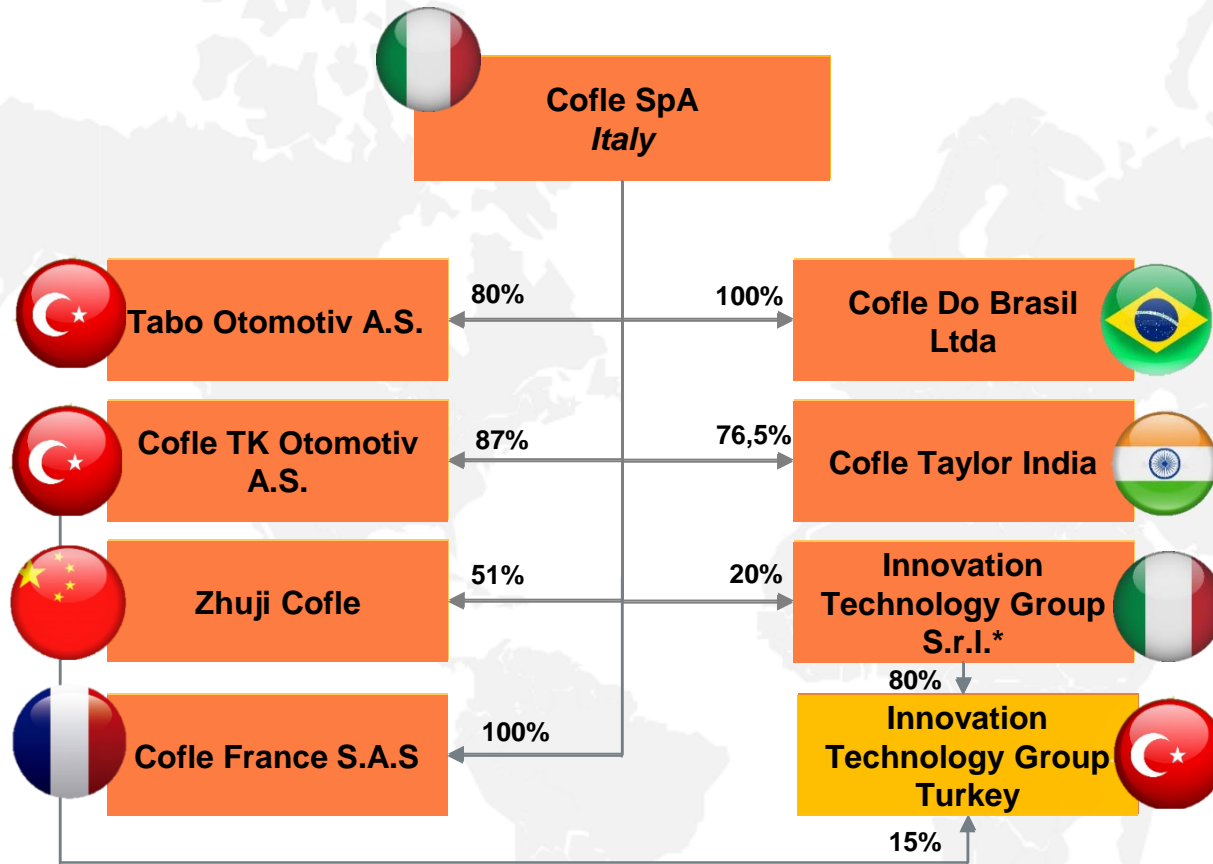
### TURKEY – IAM 2 Plant



- Plant Description**
- Leased
  - 4.000 sqm
  - Production capacity: 3,0 mln units



# GROUP STRUCTURE & GOVERNANCE



ITG shareholders: Walter Barbieri (15%), Valfin srl (17%), Pierangelo Margutti (~24%), Alessandro Plebani (~24%)  
 ITG Turkey minority shareholders: local partner (5%)  
 Cofle Taylor India Minority Shareholders - local industrial partner  
 Cofle Zhuji Minority Shareholders – local industrial partner  
 Tabo Otomotiv AS & Cofle TK Otomotiv AS: local industrial partners and local managers

## Board of Directors

Chairman & CEO  
**Walter Barbieri**  
 VP and Director  
**Alessandra Barbieri**  
 Director  
**Marco Facchin Assi**  
 Director  
**Andrea Costantini**  
 Independent Director  
**Enrico Mambelli**

## Statutory Auditors

Chairman  
**Giuseppe Rota**  
 Auditor  
**Arturo Carcassola**  
 Auditor  
**Ugo Palumbo**  
 Supplementary Auditor  
**Nicola Coletto**  
 Supplementary Auditor  
**Silvia Bolognini**

## Audit Firm



## Total Workforce as of 30/06/2024

Company	Employees
Cofle S.p.A.	157
Tabo Otomotiv	174
Cofle TK Otomotiv	201
Cofle Zhuji	1
Cofle Do Brasil	16
Cofle Taylor India	20
Cofle France	3

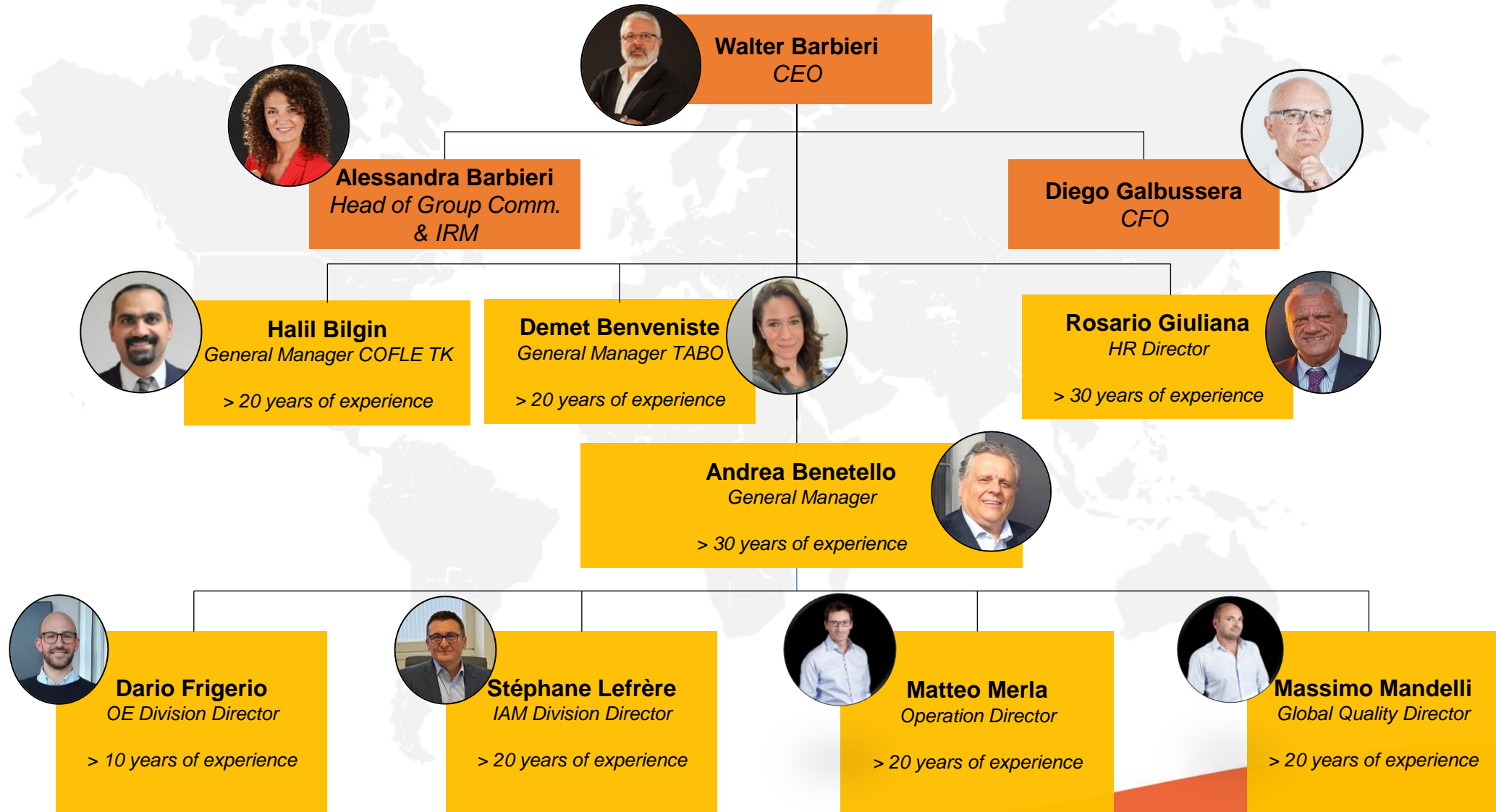
## Total Employees

572 as of 30/06/2024



# ORGANIZATION CHART

Experienced multinational Management Team



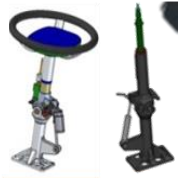


# OE DIVISION

All-In-House production

## Off-Road Applications

Steering Columns  
Fix Hub and  
Anti-Dumping  
System



P.T.O.  
Systems  
Control



Brake Levers  
Mother Regulation



Cables for all  
applications



Gearshift Towers with  
Electronics Knobs

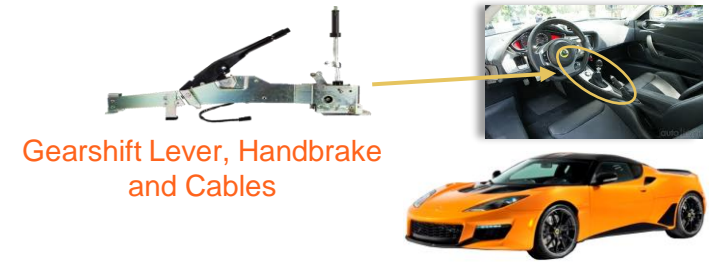


Joysticks for Front Loader  
(with push buttons  
command)



Spool Valve  
command

## Premium Luxury Brands Applications



Gearshift Lever, Handbrake  
and Cables



Gear Unlock DCT System cables



Front and Rear Bonnet  
Cables



# IAM DIVISION

All-In-House production

## Control Cables



Brake Cables



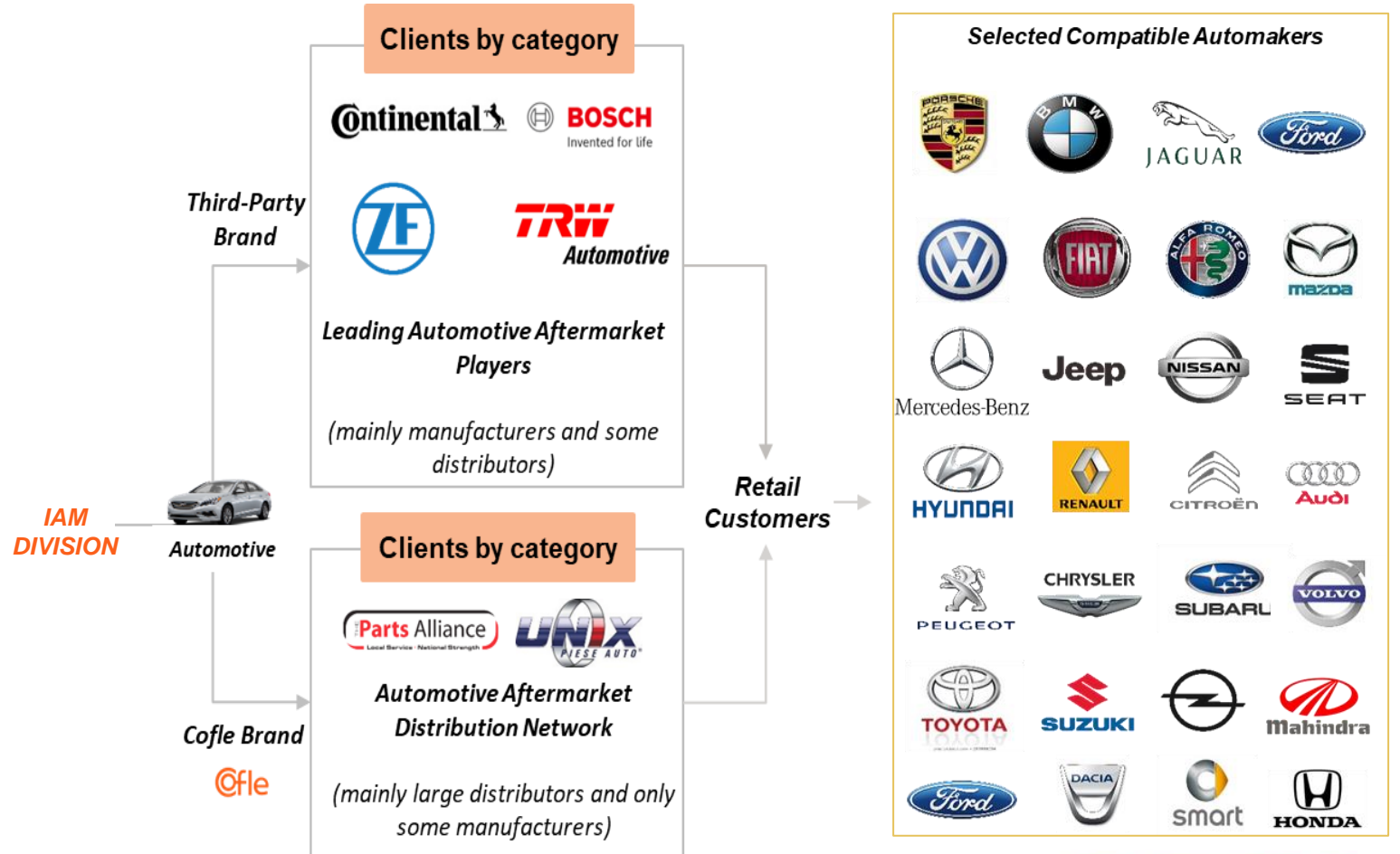
Brake Hoses



Epb Systems



Epb Puller Cables



# NAVIGATING MARKET TRENDS

## Overview of Key Sector Trends

- **Aftermarket (AM) Trends:** observing decline in control/pull cables and an increase in demand for gear shift cables and electronic parking brakes (EPB), as well as brake hoses
- **Original Equipment (OE) Trends:** Observing a gradual decrease in mechanical controls in favor of intelligent electronic systems, reflecting broader industry shifts towards automation and connectivity (especially EU and USA)



# KEY INVESTMENT HIGHLIGHTS

A company ready to ride secular trends for a long-term journey

## Global Growth Scenario

**1** OE: Exceptionally sound path to growth on a global scale

**2** OE: Competitive advantage

**3** IAM: Only at an early stage of international scalability

**4** Global Supply Chain

## Excellent Positioning

**5** State of Art Credentials OE

**6** State of Art Credentials IAM

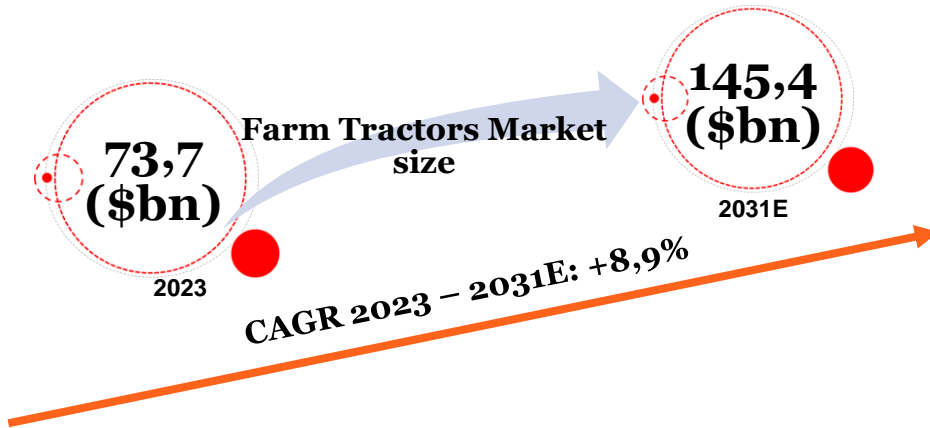
**7** Focus on innovation to anticipate next future trends



# 1 OE

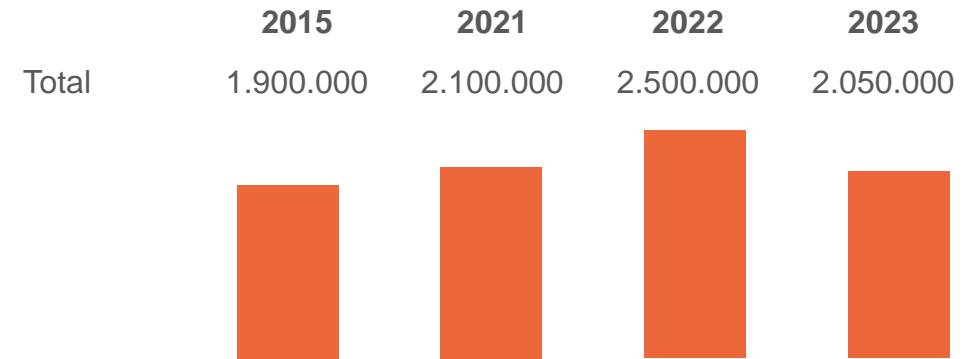
Exceptionally sound path to growth on a global scale catching the wave of a secular trend in population dynamics and food demand

## Global Farm Tractors Market Forecast to 2031



Sources: Farm Tractor Market: Banca Profilo Equity Research elaborations of Company Data based on HNY Research

## Global Farm Tractors Market Production



Source: Machinery World: Tractors: the global market is slowing down, yet the trend remains positive (2024)

## Market Drivers

- 1 Global area harvested to cereals expected to increase by 14 Mha in the coming decade (between the base period 2020 and 2030)
- 2 Technological upgrade of farm tractors especially in developing countries, and introduction of mechatronic innovation in developed countries
- 3 PRECISION FARMING (CAGR 2024-2030 +12,8%): Environmental-friendly farm tractors upgrades imposed by regulation and policy trends all over the world
- 4 Farming support by governments to increase domestic agri production as strategic policy adopted worldwide

# OE: COMPETITIVE ADVANTAGE

The main competitive advantage for OE division is represented by its high level of verticalization which allows the company to increase its operating margins with respect to the competitors in the industry



LASER CUTTING



3D BENDING MACHINES



PRESSES



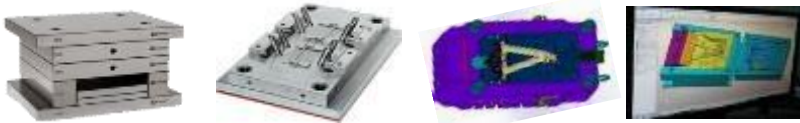
MANUAL WELDING



ROBOTIC WELDING



CUTTING AND BENDING TOOLS



## Mould design and production made in Cofle Turkey

### Die casting moulds:

- Mould flow analysis
- Structural analysis
- Process optimization

### Plastic injection moulds:

- Structural analysis and aesthetic analysis
- Process optimization

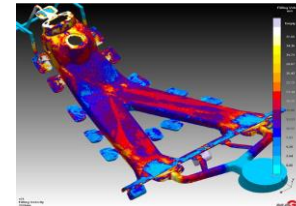


## Die casting products

Die casting products are made internally in Cofle TK by using presses from 50 to 400 tons.

Parts are made by Zama, standard Aluminum alloys and special Aluminum alloys such as SILAFONT.

We also have an internal workshop for fine machining of the die casting parts and for their heat treatments.



Plastic welding

Water tank with electric pump

## Plastic products

Plastic parts are made internally by using compounds such as PA, POM, PEHD, and techno-polymers like PA66 + GF or PA + CF, ABS, PP, PC.

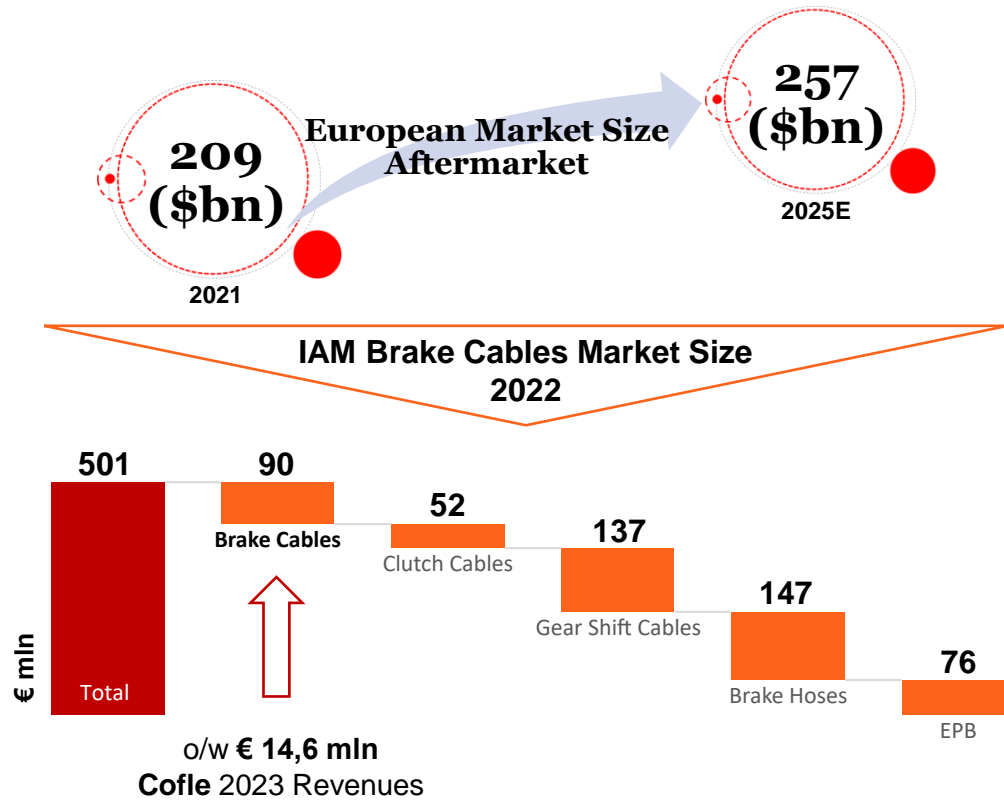
The raw material is purchased from the best brands on the market

SEE OUR VIDEOS HERE

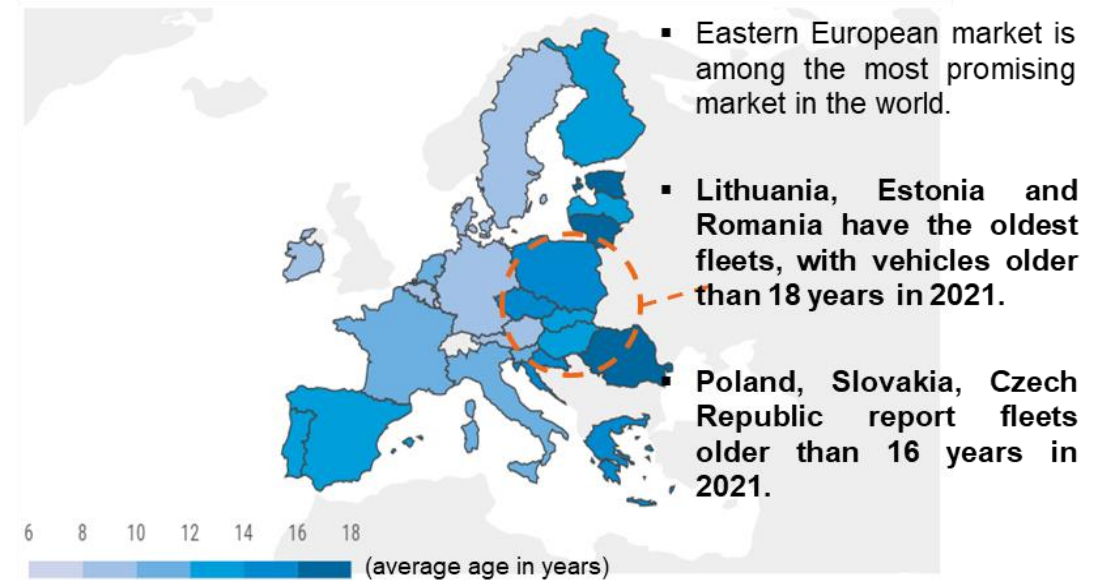
<https://www.youtube.com/watch?v=IjkYo01qZac>

# 3 IAM

## Planning growth in the European underpenetrated automotive Aftermarket



### Average Age of the EU vehicle fleet



- 1 Leveraging on Italian and Turkish production plant capacity to serve the most mature western European customers
- 2 Leveraging on Italian and Indian production plant capacity to serve the most promising high-growth Eastern European market and increase market share

Sources: Acea Auto, «Average age of the EU motor vehicle fleet, by vehicle type» (2021);

The Boston Consulting Group, «At the crossroads: The European Aftermarket in 2030», (2021), IHS, Euromonitor, Bloomberg, «Support the definition of the commercial strategy of Cofle's Aftermarket division» (2023), Roland Berger



# 4

# GLOBAL SUPPLY CHAIN

Strategically positioned to boost long term expansion  
 Integrated facilities and platforms in the key areas of the world



- 1 Global integrated facilities** to meet multinational customers' needs centered on shifting from overstretched supply chain to **locally based suppliers**
- 2 Key competitive advantage** by leveraging on **established local presence** especially in **Turkey and India** to lower production costs and boost market share



Cofle, active in France since 1980, now views it as strategic for future growth. Its presence in Paris Beauvais allows close monitoring of the agricultural sector's industrial hub—with clients like **AGCO** and **CLAAAS**—and offers expansion for **OE** and **IAM** divisions. Investments in staff and infrastructure enable opportunities in nearby markets. Recently, the subsidiary secured **two key agreements**: one with Europe's second-largest spare parts distributor to resell Cofle's products internationally, and another with a distributor that's part of a large automotive group.

# STATE OF ART CREDENTIALS - OE

A highly prestigious and diversified customer base all over the world

## Agriculture



## Construction & Industrial



## Automotive



- 1 Long term relationship with Top Market Leaders in the world, ranging from CNH to AGCO and John Deere as undisputed proof of leadership. It usually takes at least 2 years to be included in the supplier list
- 2 Traditional niche share of revenues coming from luxury automotive brands (Ferrari & Maserati)
- 3 Traditional niche share of revenues coming from commercial light vehicles brands (IVECO)
- 4 Prototyping of seat supports with an international reality, leader in compaction technologies and in the production of machinery for the compaction of soil, asphalt, and waste.

# STATE OF ART CREDENTIALS - IAM

From Top Aftermarket Manufacturers to Top Aftermarket distributors



- 1 Long term relationship with Top Aftermarket Leaders in the world (Continental & Bosch)
- 2 Long term relationship with Top Aftermarket Distributors in the world (Federal Mogul & Unix)
- 3 Launching EPB Range: the Electronic Parking Brake (EPB) complete range has been launched in September 2024, coinciding with the Frankfurt Fair.



# FOCUS ON R&D

Innovation to anticipate next future trends

Commitment to launching disruptive solutions to stand out



2

R&D CENTER



28

PEOPLE EMPLOYED IN R&D ACTIVITES



2

ENGINEERING CENTER



8

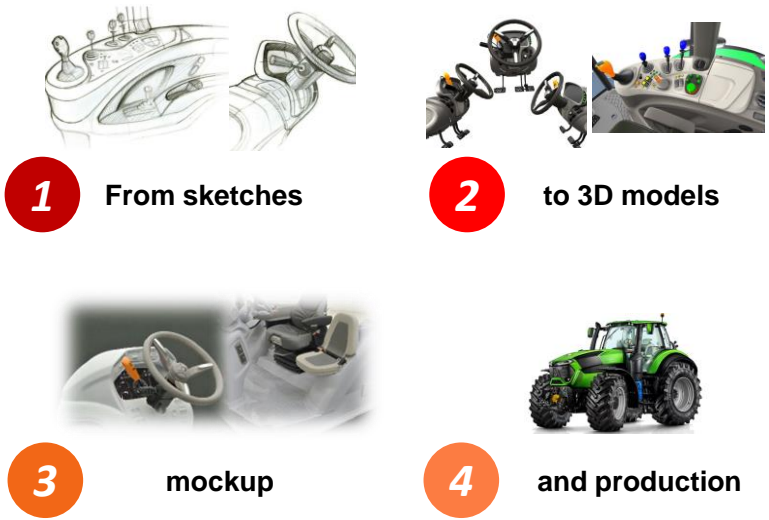
REGISTERED PATENTS IN THE LAST 5 YEARS ACROSS 5 COUNTRIES



1

DEDICATED OEM INNOVATION HUB

## HOW WE INNOVATE IN COFLE



## READY FOR NEXT AGRICULTURE CHAPTER

- Automation
- Precision Farming
- Artificial Intelligence



# UPDATE

---

# IAM NEW PRODUCTS UPDATE

All-In-House production to maintain high margins

## ELECTRONIC PARKING BRAKE (EPB)



The **new complete range of EPBs** for the Independent Aftermarket, which has been officially presented at the **Automechanika fair in Frankfurt**, marks an important step for Cofle, which continues to invest in advanced technologies to offer cutting-edge solutions in the automotive aftermarket sector.

Thanks to this innovation, for which Cofle has already **filed patents**, and considering the expected increase in demand over the coming years, Cofle estimates a revenue growth of approximately **10 million euros for the Aftermarket division over the next 5 years**.

Aiming to capture at least **10% of the market share**, the **EPB** represents a highly promising diversification opportunity for Cofle, also supported by positive feedback from key customers.

This new technology is now applied to many car models, including those with small to medium engine capacities, making it a crucial item in the **Aftermarket sector**.

SEE OUR VIDEOS HERE

[EPB Electronic Parking Brakes IAM - YouTube](#)

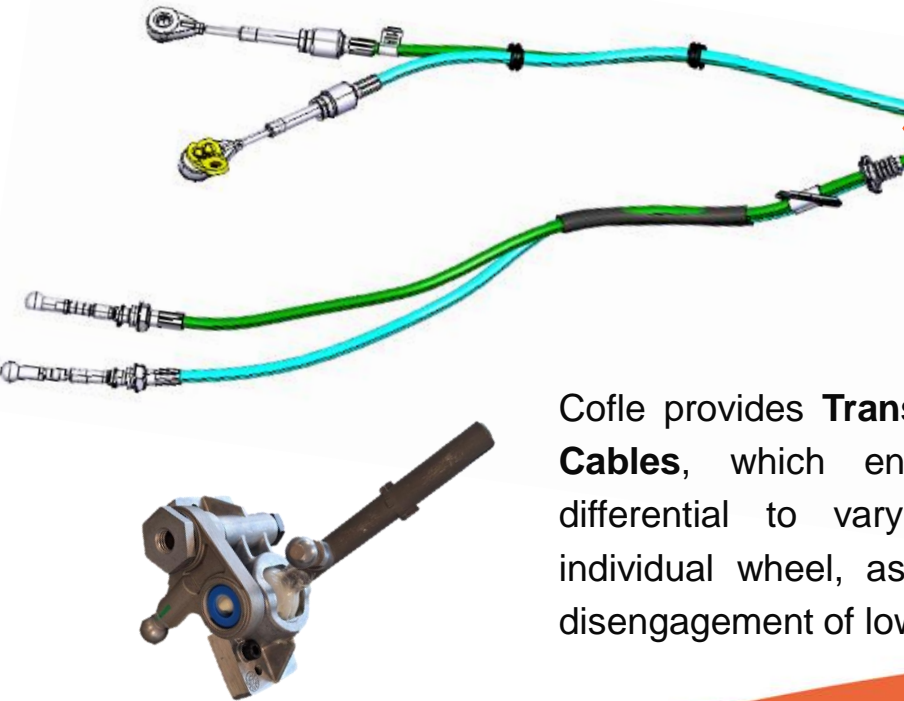


*This system is widely used in the automotive industry to simplify the search and identification of spare parts, improving the efficiency of operations in mechanical workshops and spare parts distribution companies*



# OE NEW PROJECTS UPDATE

INEOS **GRENA**DIER



Cofle technology is aboard the new off-road Ineos Grenadier

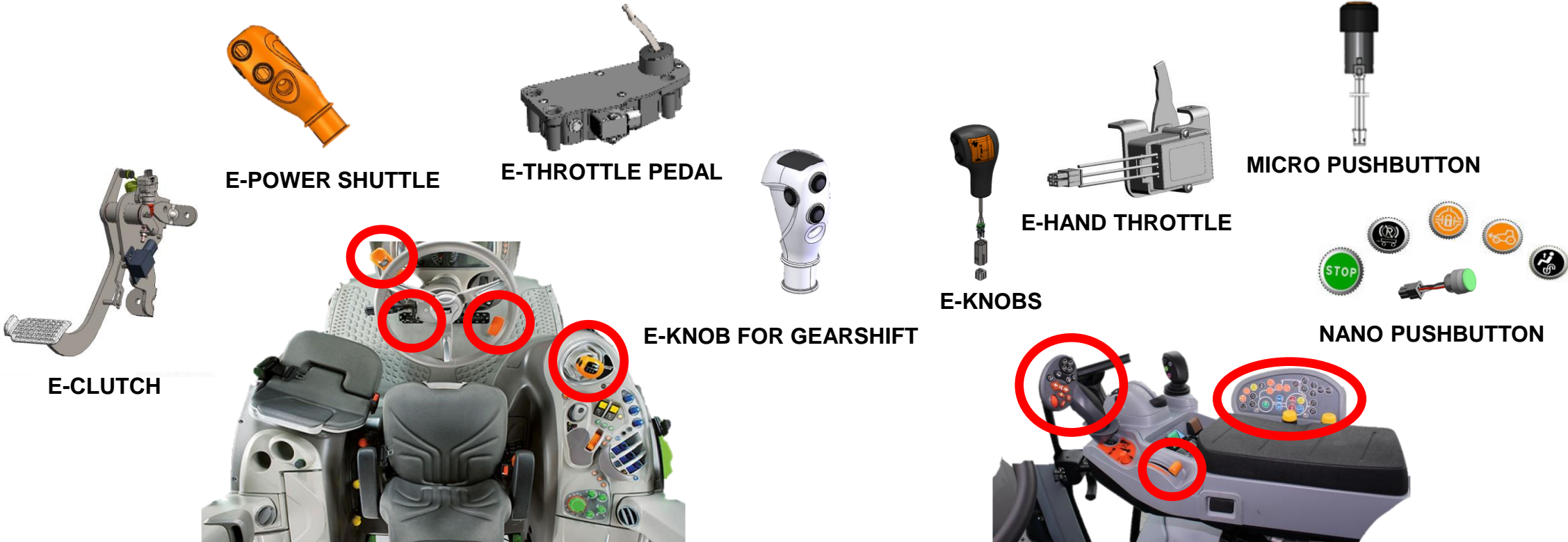
Cofle provides **Transfer Case Manual Shifter and Cables**, which enables the unlocking of the differential to vary power distribution to each individual wheel, as well as the engagement and disengagement of low gears



# OE NEW PROJECTS UPDATE

Some examples of our mechatronic applications

Development of innovative electronic products that represent an upgrade of the control system to ride precision farming wave



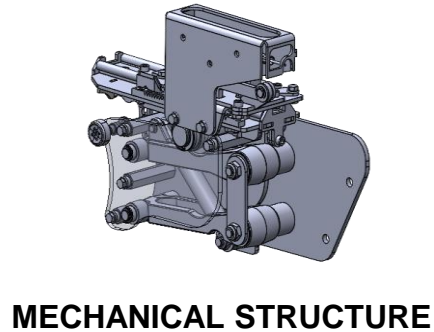
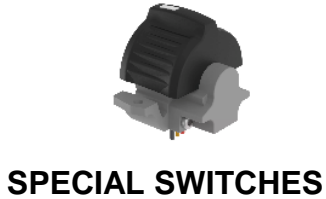
# OE NEW PROJECTS UPDATE

Off Road Products – Some examples of mechatronic & electronic applications

In the Turkish plant, a new production department has recently been added for the manufacturing of electronic components.

The new department will be responsible for assembling PCBs and electronic boards designed in-house and produced using 'pick to place' machinery.

The new area will be dedicated to the assembly of sensors, switches, and mechatronic systems such as manipulators and armrests





# NEW LOGISTICS CENTER IN ITALY

Warehouse A

Warehouse B



Around **3.500 sq.m.** just in proximity of Autostrada A4, a few minutes from the Headquarters, between Milano and Bergamo.

Fully operational from **April 2024**  
It hosts the **OE Logistic Division**





# ESG

## ENVIRONMENTAL

- + 2,8% electricity from renewable sources (2023 vs. 2022). Total 47,5% [-29 tCO<sub>2</sub>e issued]
- - 15,2% total energy consumption per revenues (2023 vs. 2022)
- 97% Raw materials used by recycling (Aluminium and Zamak) [-230 tCO<sub>2</sub>e issued]
- 65% of recyclable plastic packaging
- Only 4,4% dangerous waste generated per revenues in 2023
- 98,1% of the total waste is destined for recovery
- - 12,3% tCO<sub>2</sub>e of total greenhouse gas emissions (scope 1, 2, and 3 -2023 vs. 2022)

SEE OUR VIDEOS HERE

[Cofle ESG \(youtube.com\)](https://www.youtube.com)





# Sustainable Development Goals

ENVIRONMENTAL

7 AFFORDABLE AND CLEAN ENERGY



- Installation of solar panels at the Pozzo d'Adda plant
- Installation of electric vehicle charging stations powered by renewable energy sources

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- Study of new packaging to replace the use of plastic for all AM clients
- Replacement of single-use wooden boxes with reusable plastic boxes (66%)

13 CLIMATE ACTION



- Purchase of GO certificates to increase the share of electricity from renewable sources
- Scope 3 greenhouse gas emission inventory and redefinition of reporting perimeter

# 2024





# ESG

## SOCIAL

- **100%** of employees on permanent contracts
- **4.360** training hours in 2023
- Selection and evaluation of suppliers with environmental, ethical and social criteria
- **90%** of suppliers from Cofle SpA have certifications
- **0%** Rate of injuries with serious consequences
- Projects for the sustainability of the territory

# Sustainable Development Goals

SOCIAL

3 GOOD HEALTH AND WELL-BEING



- Pursuing of the prevention project with free medical visits for employees in collaboration with LILT (Italian League for the Fight against Cancer)

5 GENDER EQUALITY



- Increase in the percentage of female presence in the company (with the opening of the new logistics hub)

2024









# Sustainable Development Goals

GOVERNANCE

**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



- Study and inclusion of ESG goals in the remuneration systems of Managers

**17** PARTNERSHIPS  
FOR THE GOALS



- Gradual expansion of the sustainability reporting scope to fully cover the Group consolidation

2024

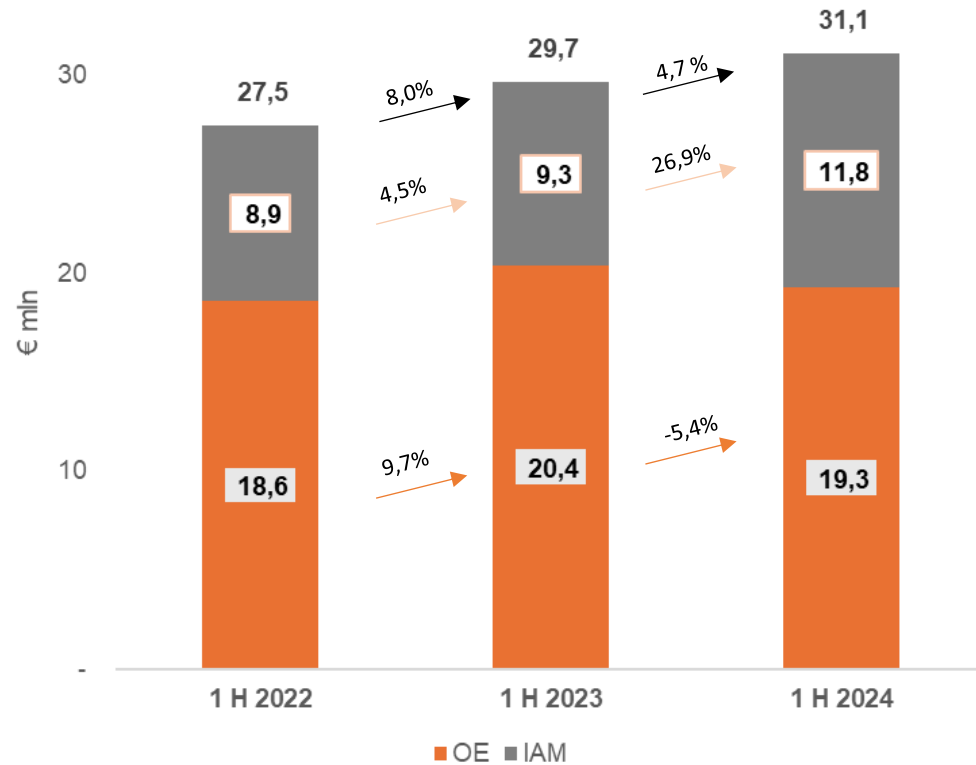


# FINANCIAL HIGHLIGHTS




---

# GROUP SALES BY DIVISION – HY 2024

Sales Breakdown by division  
(HY 2022 – 2024)

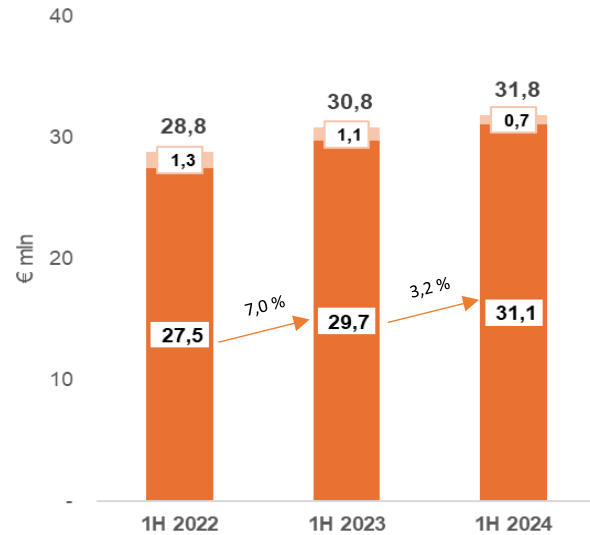


Market Diversification

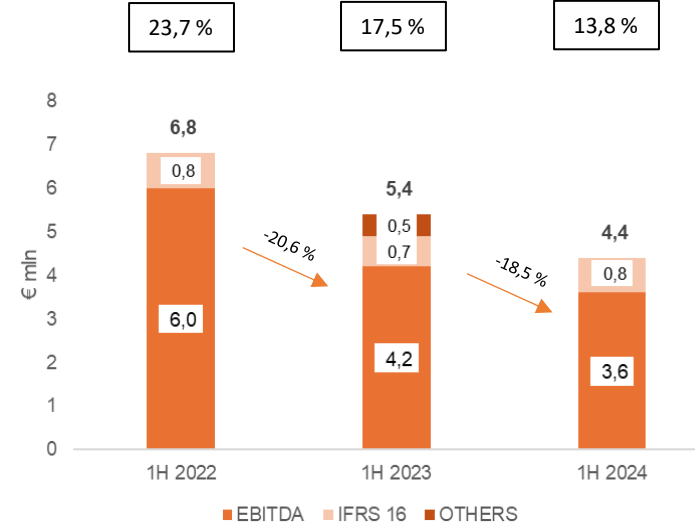
OE Division	1H 23	1H 24	Delta
 AG	18,8	17,3	-1,5
 Automotive	0,8	1,2	0,4
 Sport Cars	0,3	0,4	0,1
Others	0,5	0,4	-0,1
IAM Division	1H 23	1H 24	Delta
Brake Cables	6,8	8,2	1,4
Gearshift Cables	0,7	1,2	0,5
Clutch Cables	0,9	1,1	0,2
Others	0,9	1,3	0,4

# FINANCIAL HIGHLIGHTS

### Cofle Total Revenues & Sales



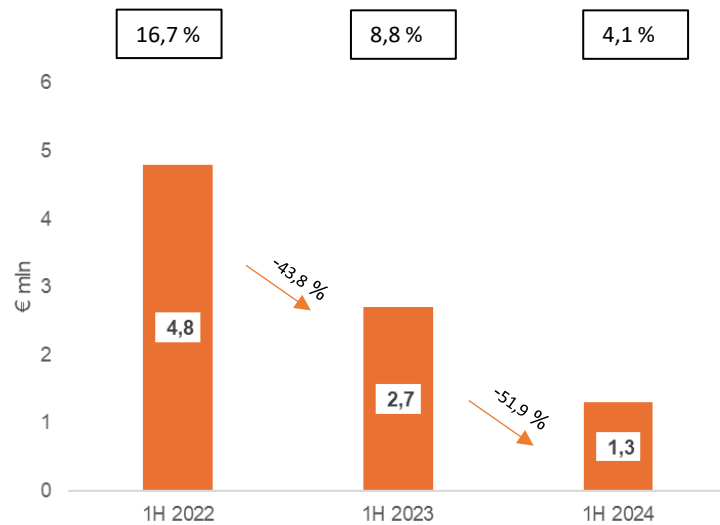
### EBITDA IFRS 16 Adj. and EBITDA Margin



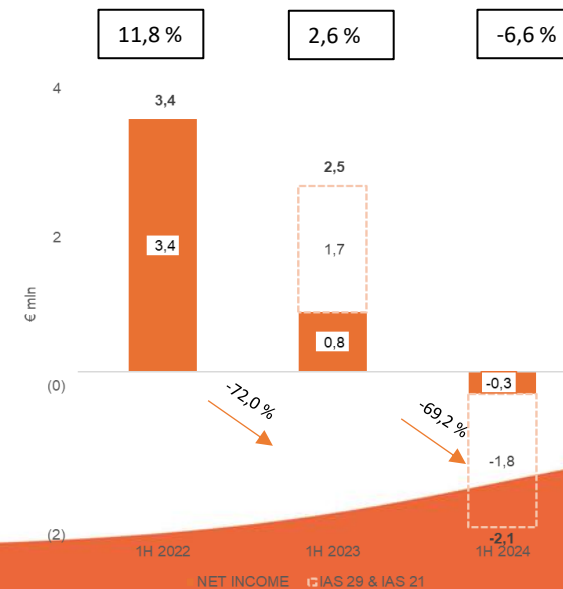
#### Main Events 1H 2024:

- + € 0,9 M labour costs in Turkey
- OE Agri Tech Market worldwide slowdown

### EBIT and EBIT Margin \*



### Net Income and Net Income Margin

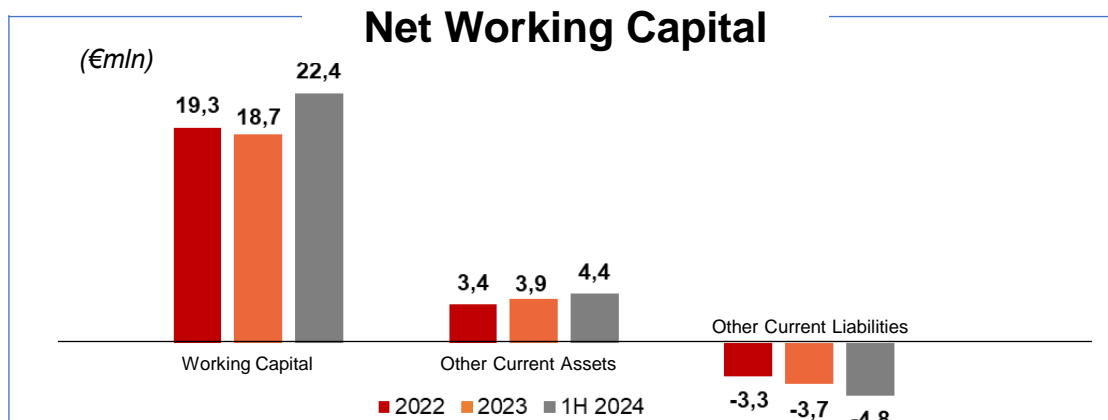


€ 1,8 M hyperinflation effects on Turkish subsidiaries (no cash item)



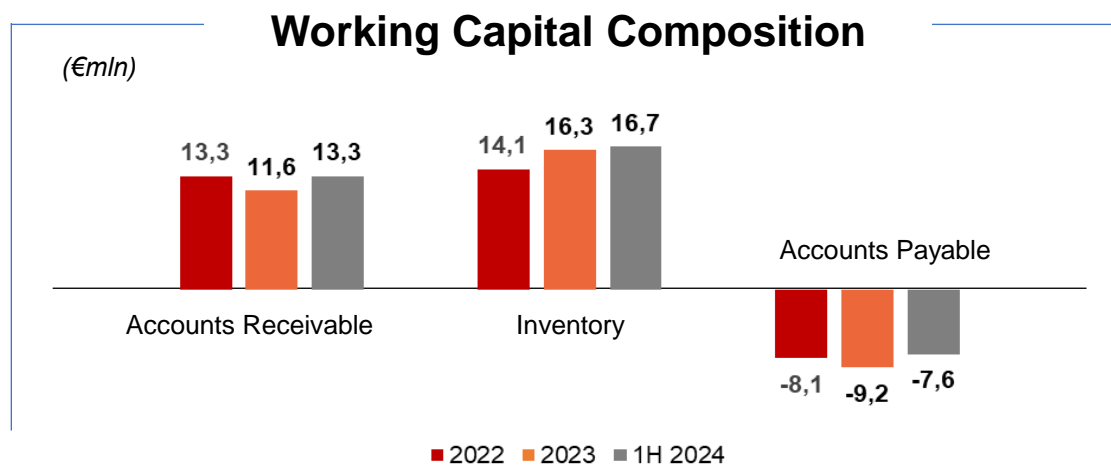
# CONSOLIDATED NET WORKING CAPITAL

## Net Working Capital Analysis



(€mln)

NWC 2022	NWC 2023	NWC 1H 2024
19,7	18,9	22,0

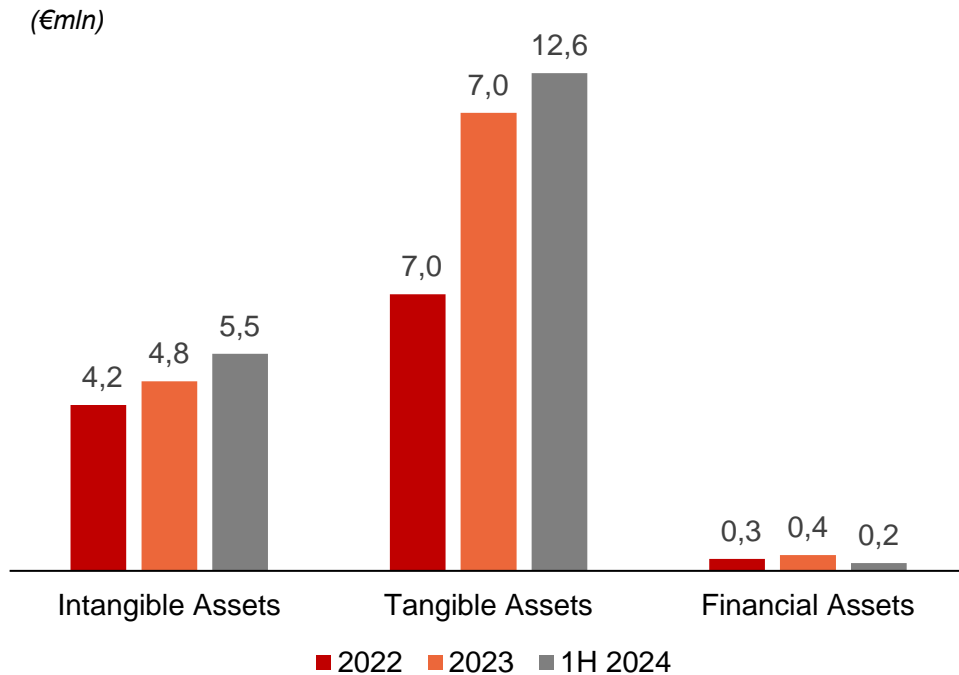


	2022	2023	1H 2024
DSO	~86	~75	~73
DIO	~140	~150	~167
DPO	~91	~85	~85

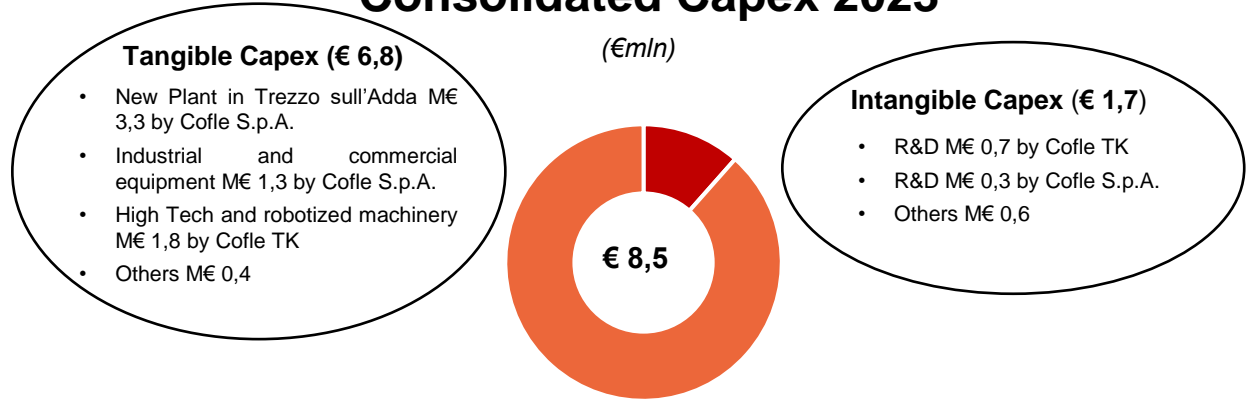
# FIXED ASSETS AND CAPEX

Tangible, Intangible and Financial Assets

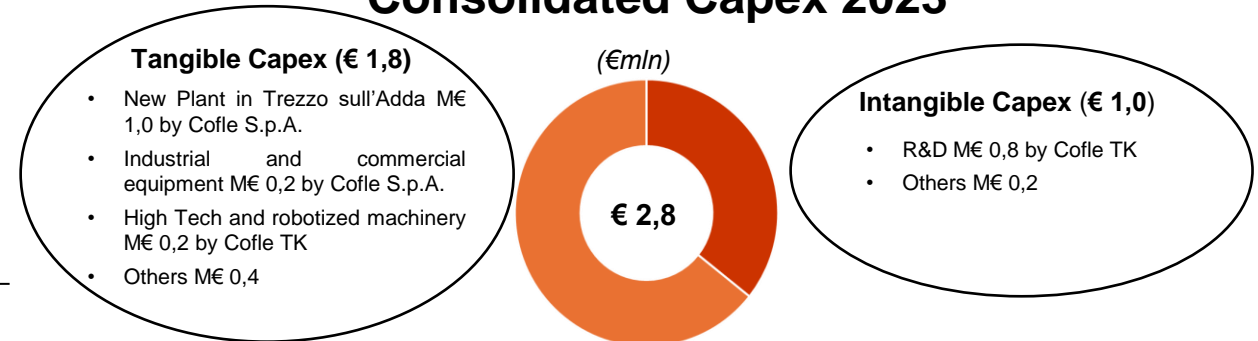
## Fixed Assets



## Consolidated Capex 2023



## Consolidated Capex 2023



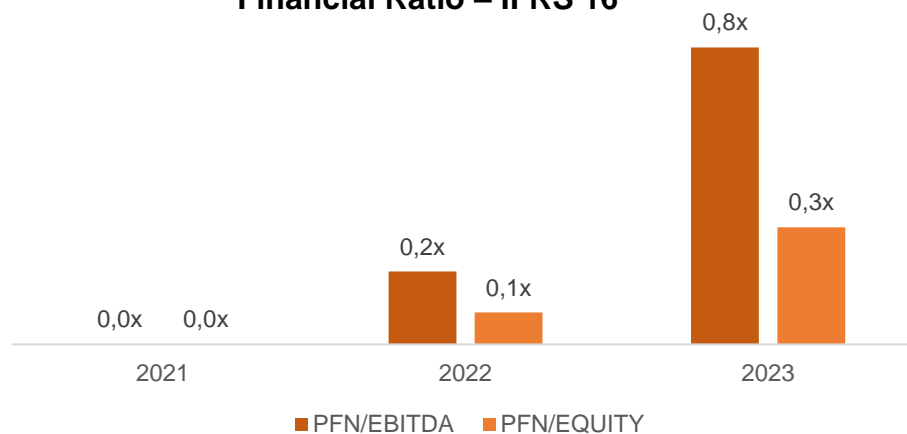
# NET FINANCIAL POSITION FY 2021- 1H 2024

NFP IFRS 16 FY 2021- 1H 2024

## NFP composition - debt (cash)

(€)	2021	2022	2023	1H 2024
Long Term Financial Debts	9.348.695	10.301.703	4.762.629	5.058.994
Short Term Financial Debts	1.299.154	4.269.010	12.962.758	14.333.351
Cash and Cash Equivalents	-15.493.769	-20.319.815	-18.182.799	-14.013.716
Other Current Financial Assets	-	-190.960	-100.000	-100.000
Shareholder Financial Receivable	429.900	-	-	-
Financial debts vs Parent Company	722.500	255.000	-	-
Other Financial Debts	58.870	4.883.811	5.531.045	4.980.922
<b>Net Financial Position ITA GAAP ex Valdiporto</b>	<b>-3.634.650</b>	<b>-801.251</b>	<b>4.973.633</b>	<b>10.259.553</b>
Valdiporto Financial Receivable*	-600.000	-	-	-
<b>Net Financial Position ITA GAAP</b>	<b>-4.234.650</b>	<b>-801.251</b>	<b>4.973.633</b>	<b>10.259.553</b>
Ifrs 16 Adjustment	4.266.000	3.475.000	4.679.734	4.211.018
<b>Net Financial Position IFRS 16</b>	<b>31.350</b>	<b>2.673.749</b>	<b>9.653.367</b>	<b>14.470.571</b>

## Financial Ratio – IFRS 16

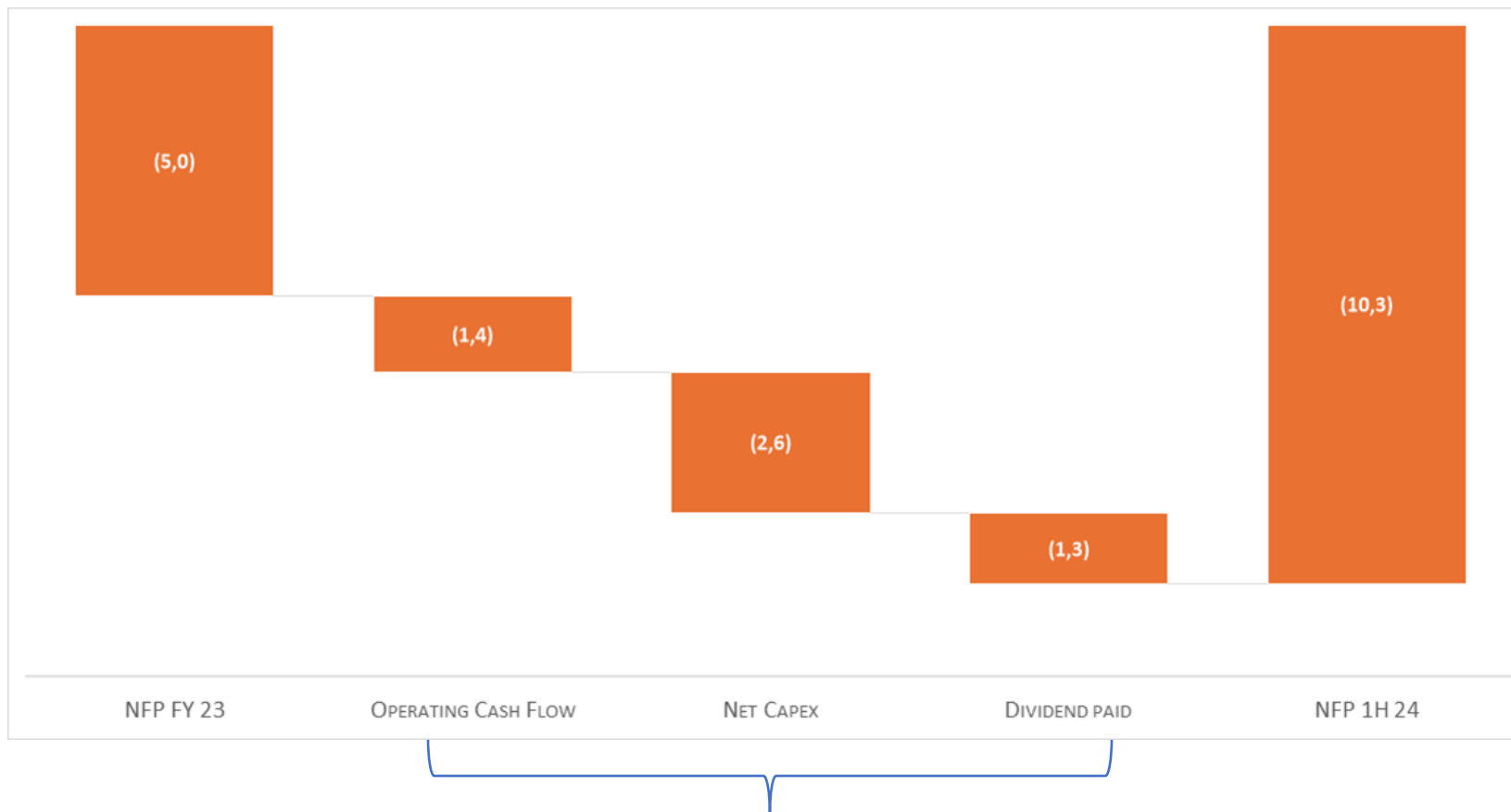


- Other Financial Debts include € 4.411.301 related to a Basket Bond issued in November 2022. Interest rate 5,06%, period end October 2028
- **At 30/06/2024, NFP is equal to € 10,26 M.**



# CASH FLOW

## Net Financial Position Bridge FY23 to HY24



**€ 5,3 M Cash Outflow**



**WWW.COFLE.COM**

investor@cofle.it  
info@cofle.it

Headquarters

Via del Ghezzo 54  
Trezzo sull'Adda (MI) Italy  
+39 02920020201

**cofle**