



DRIVING HUMAN AUDIO EXPERIENCE



DRIVING HUMAN AUDIO EXPERIENCE

CORPORATE PRESENTATION
FINAL YEAR 2022 ROADSHOW

13-04-2023



CREATORS OF THE WORLD'S FINEST AUDIO TECHNOLOGY.

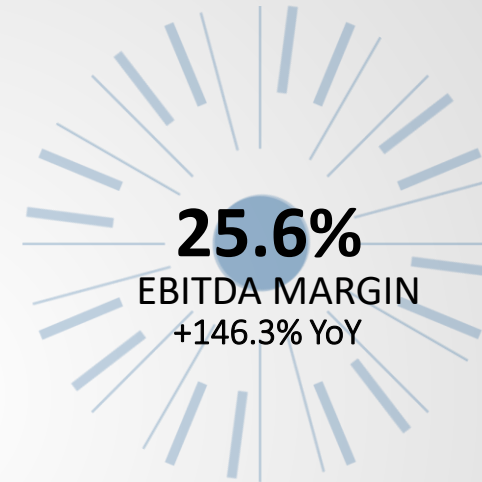


POWERSOFT AT THE GLANCE

Powersoft is a global leader in **audio amplification technologies**, advanced signal processing, and **unique transducer systems** for the pro-audio sector.

Powersoft specializes in the **design, production, and marketing of landmark products** for customers and players of the professional audio market.

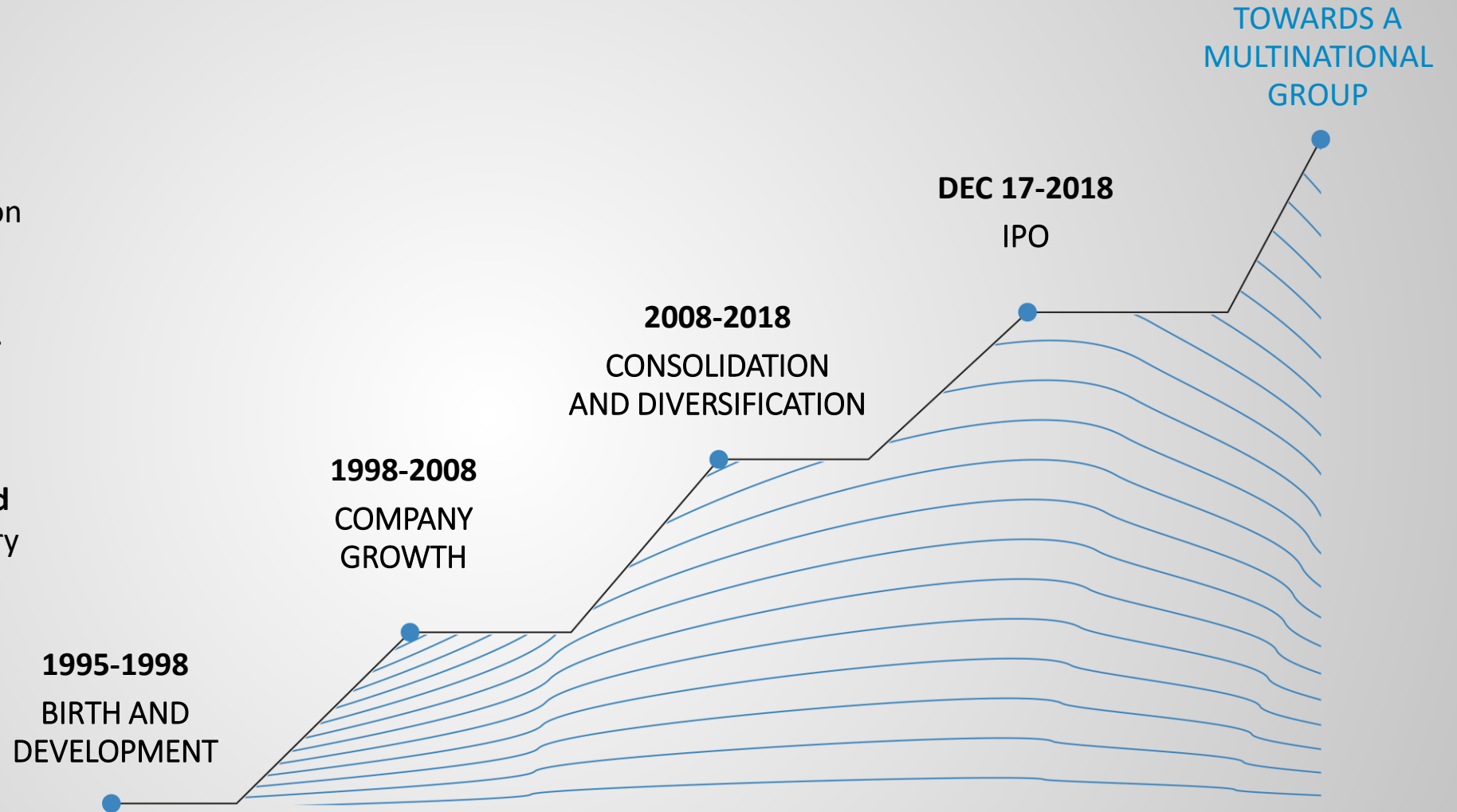
** 4 production plants are in outsourcing*



A HISTORY OF CONSISTENT GROWTH

Specialized in design, production and marketing of high-end **patented technologies** for professional audio applications.

Pioneer in switch-mode technology, **worldwide credited** as a standard setter and industry innovator.



THE ITALIAN EXCELLENCE AT THE TOP OF HIGH-END PROFESSIONAL AUDIO MARKET

AT THE TOP OF THE PYRAMID

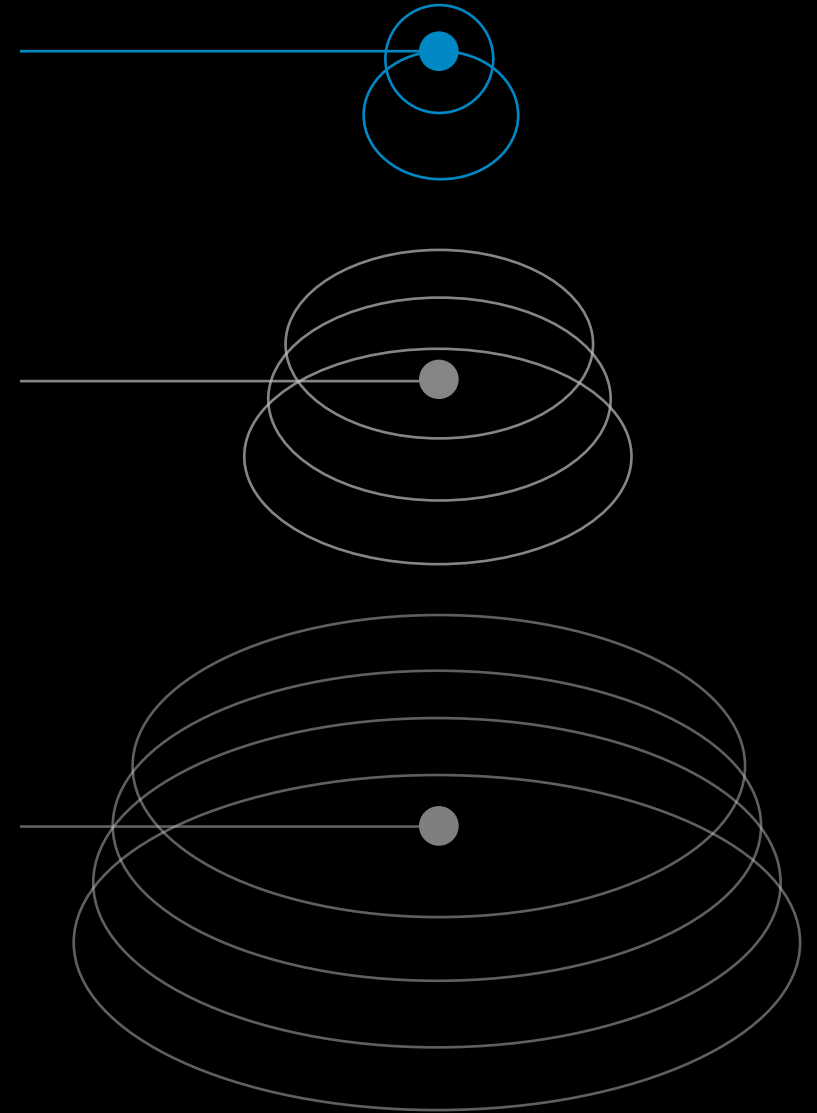
- A pioneer in the **high-end professional audio market**.
- Globally recognized **market setter of cutting-edge products**.
- Serving a diversified range of clients, both **professional customers** and **manufacturers**.
- **28 years as a forefront player in the market**, set to face future challenges and to exploit new opportunities.

PRO AUDIO
Loudspeaker, Amplifiers, Mixer,
DSP Transducer & others

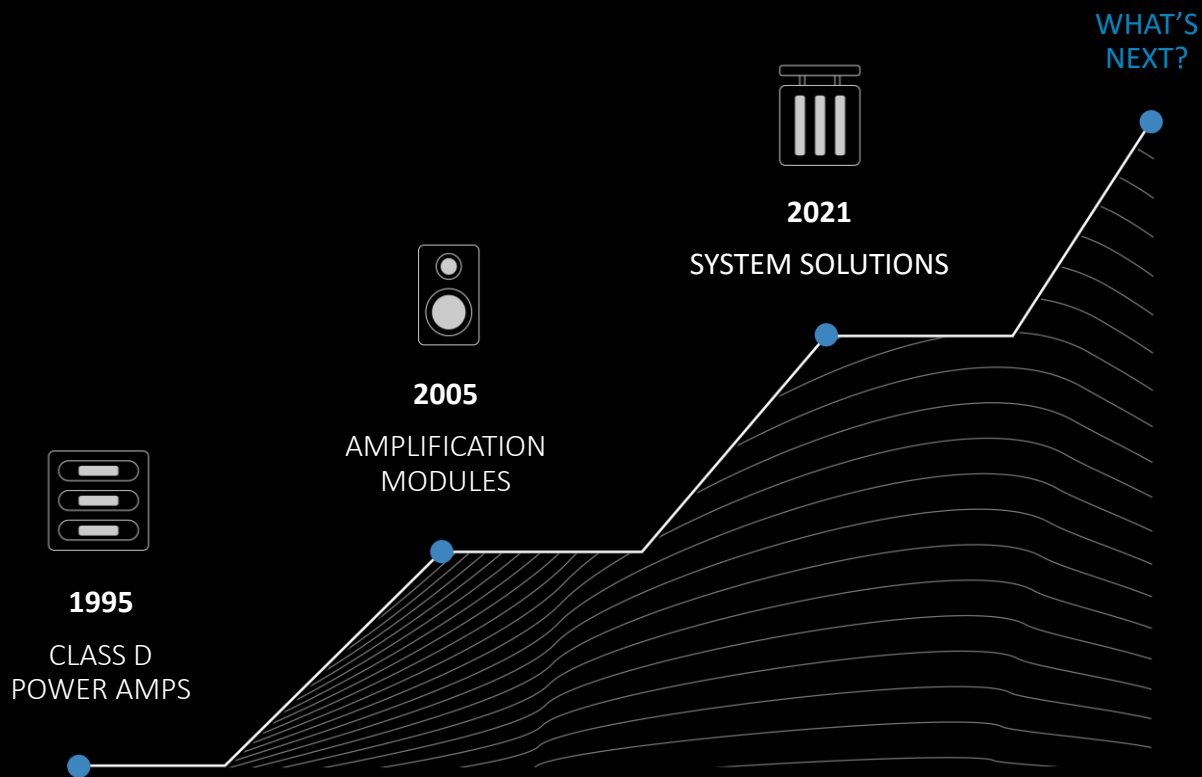


MID MARKER (SEMI-PRO)
Portable sound, Headset,
microphones,
Mixer Console & others

MASS MARKET (CONSUMER)
TV Speaker System, Headset, inear
audio set & others



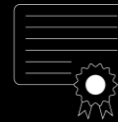
REDEFINING THE PRO AUDIO INDUSTRY BY SETTING NEW BENCHMARKS SINCE THE BEGINNING



IMMERSIVE SOUND



44



INTERNATIONAL
PATENTS

40



R&D PERSONNEL
(31% OF EMPLOYEES)

3.1M



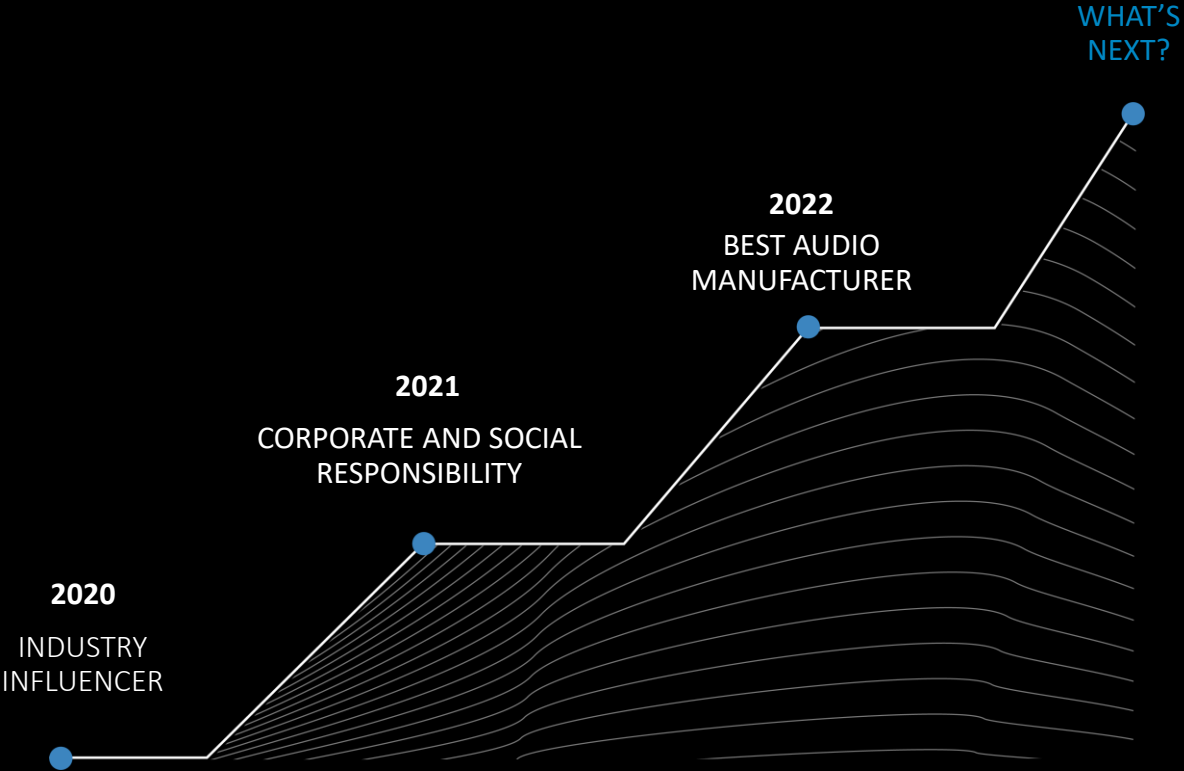
~ 7% OF REVENUES
INVESTED IN R&D



Powersoft's own growth accelerator to support new projects and innovative technologies.



IT SOUNDS LIKE A WELL RECOGNIZED AUDIO TRACK



17



PRODUCT AWARDS

4



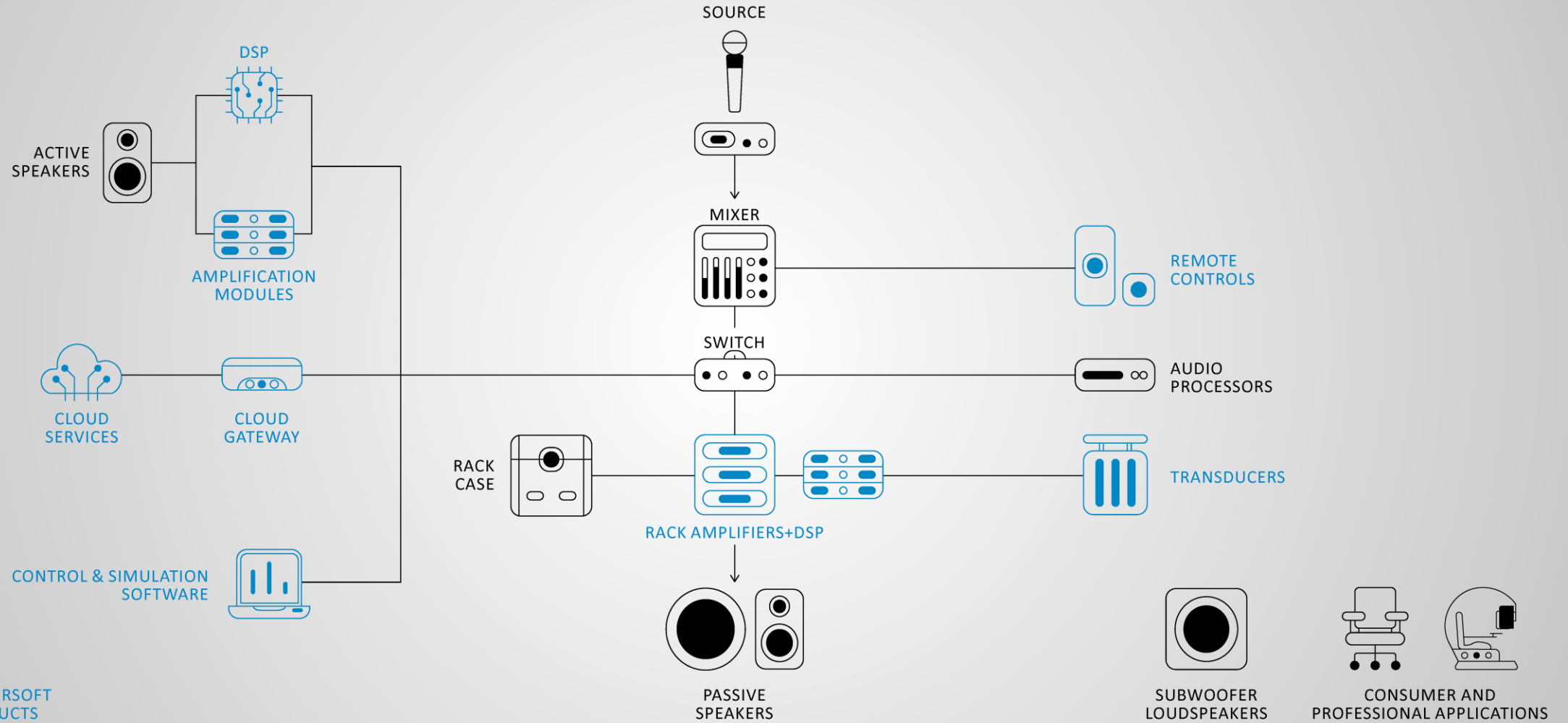
CORPORATE RECOGNITION



Powersoft's Trademark to identify environmentally friendly products



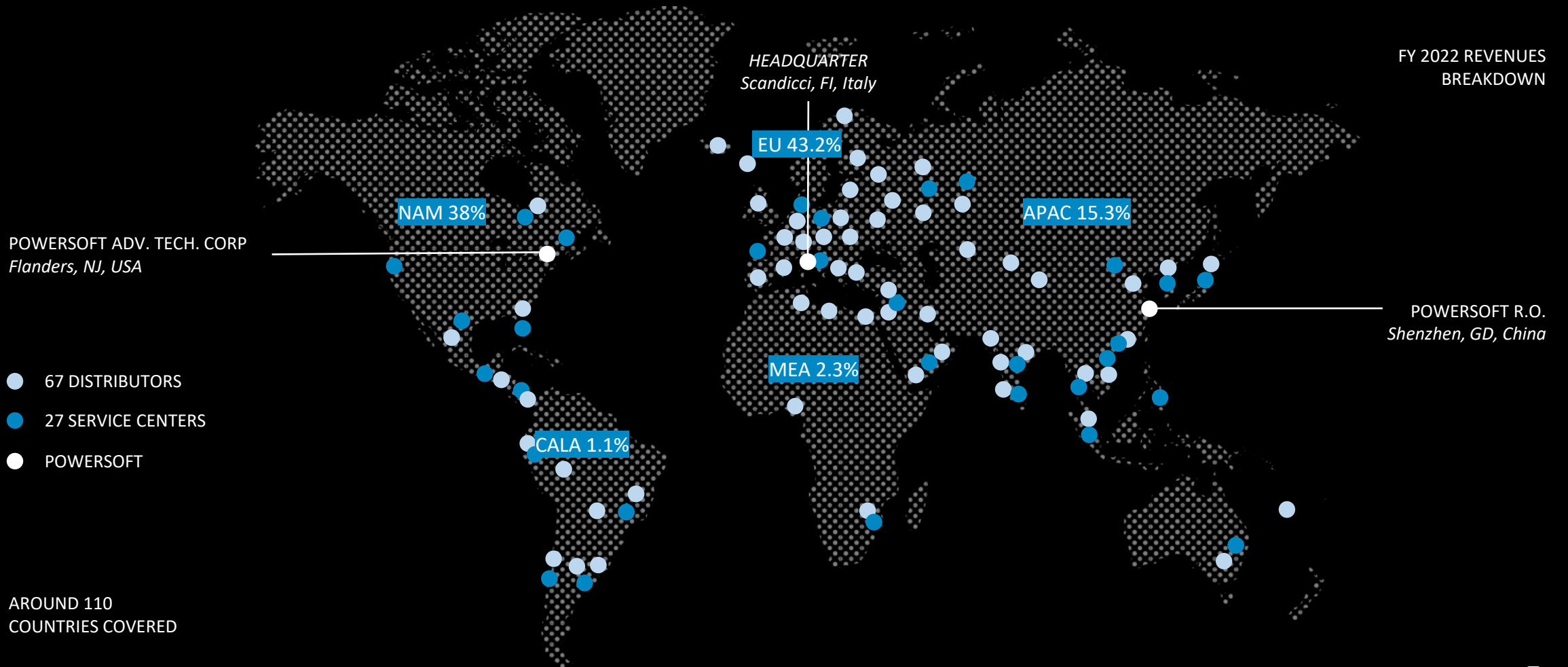
AT THE HEART OF THE PRO AUDIO SYSTEM



POWERSOFT
PRODUCTS



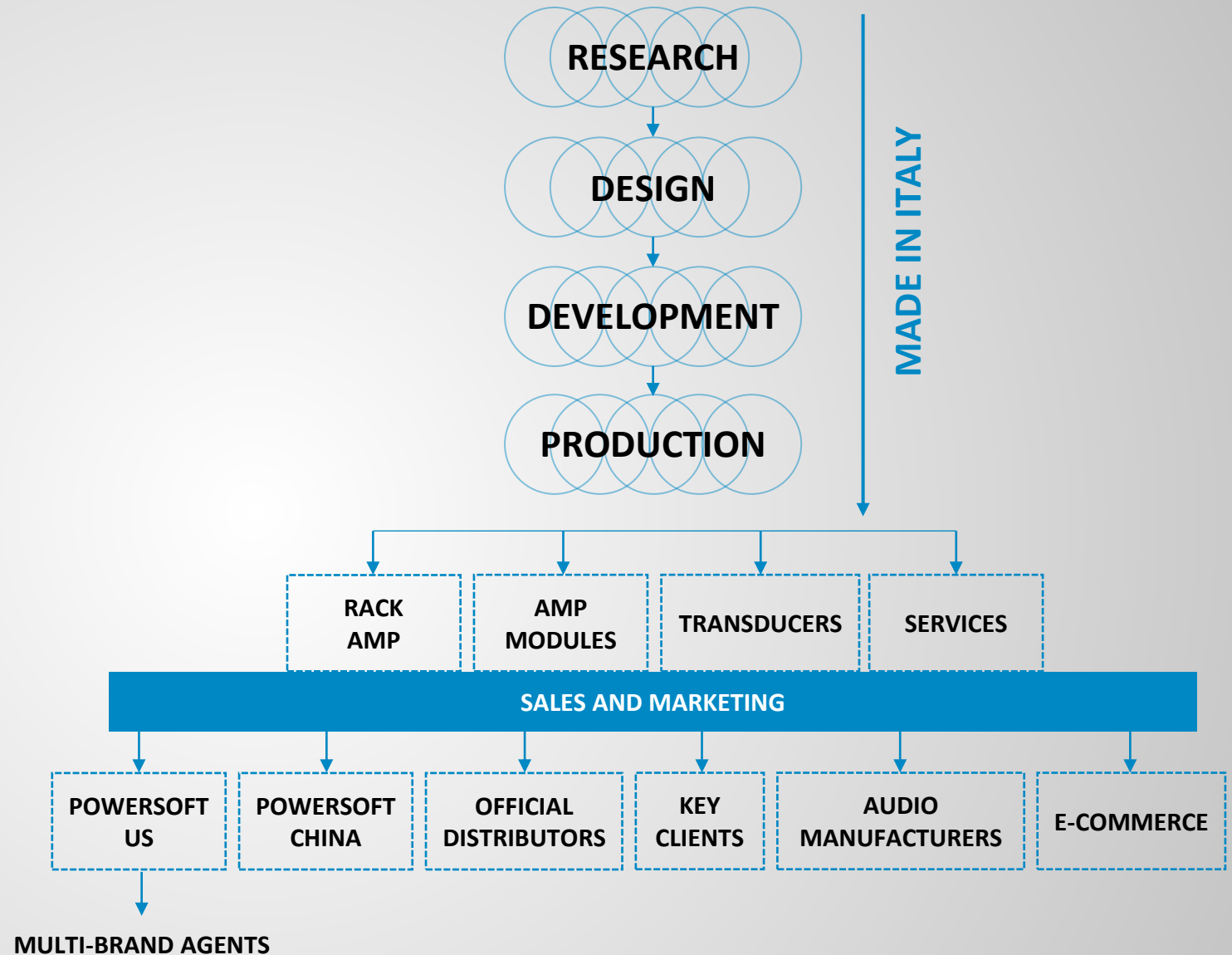
STRONG INTERNATIONAL PRESENCE

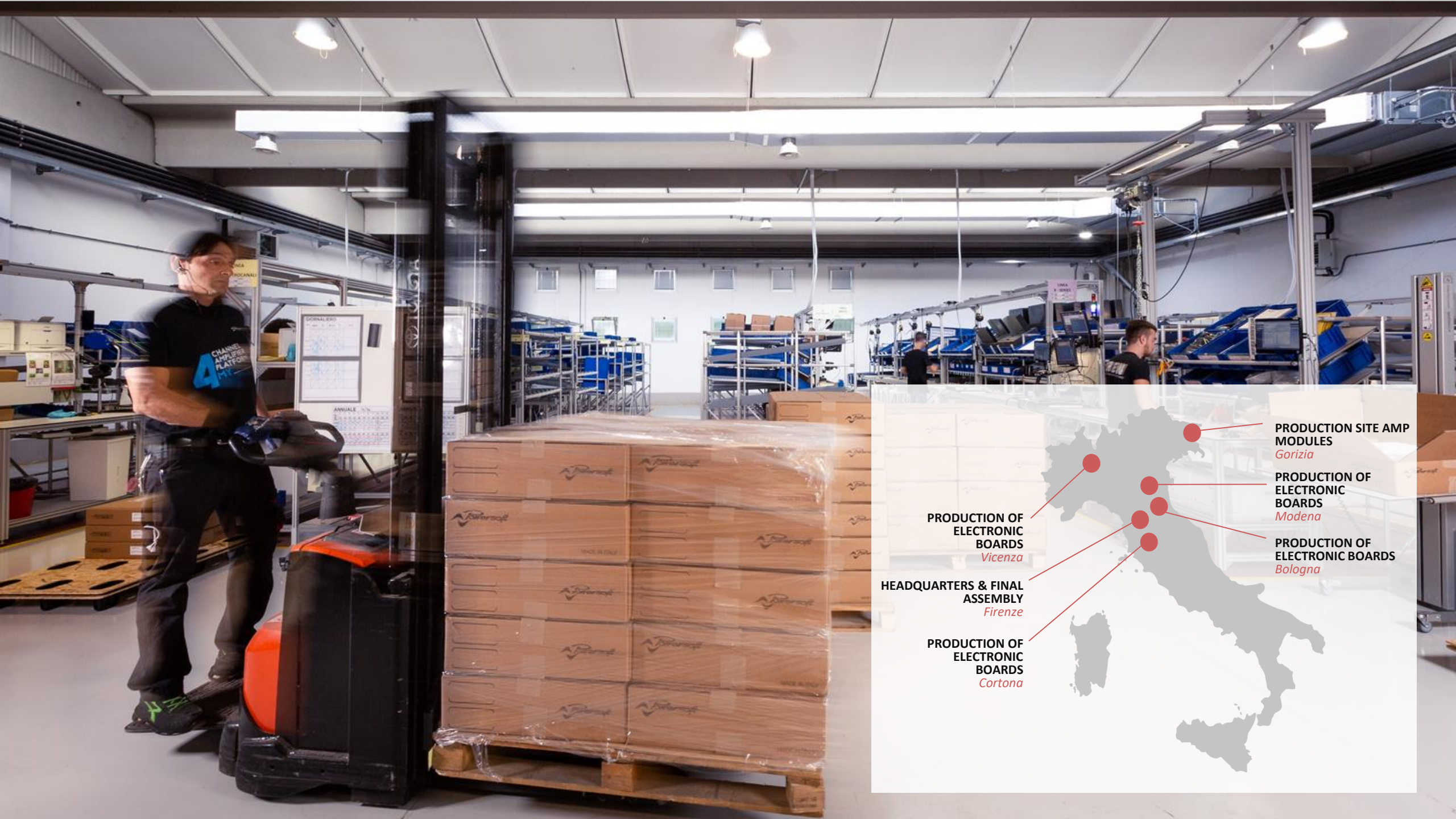


DIVERSIFIED AND EFFICIENT BUSINESS MODEL

CORE STRENGTHS

- **R&D Dept.** with a **strong focus on Innovation** and **product design** to address market requirements
- **Purch. Dept.** with **high-level technical capabilities** and **smart supply chain management skills** to overcome shortage of components
- **Internal «Lean» Production** Large production capacity potential to address time to market requirements
- **Diversified sales network** to better enter each market segment







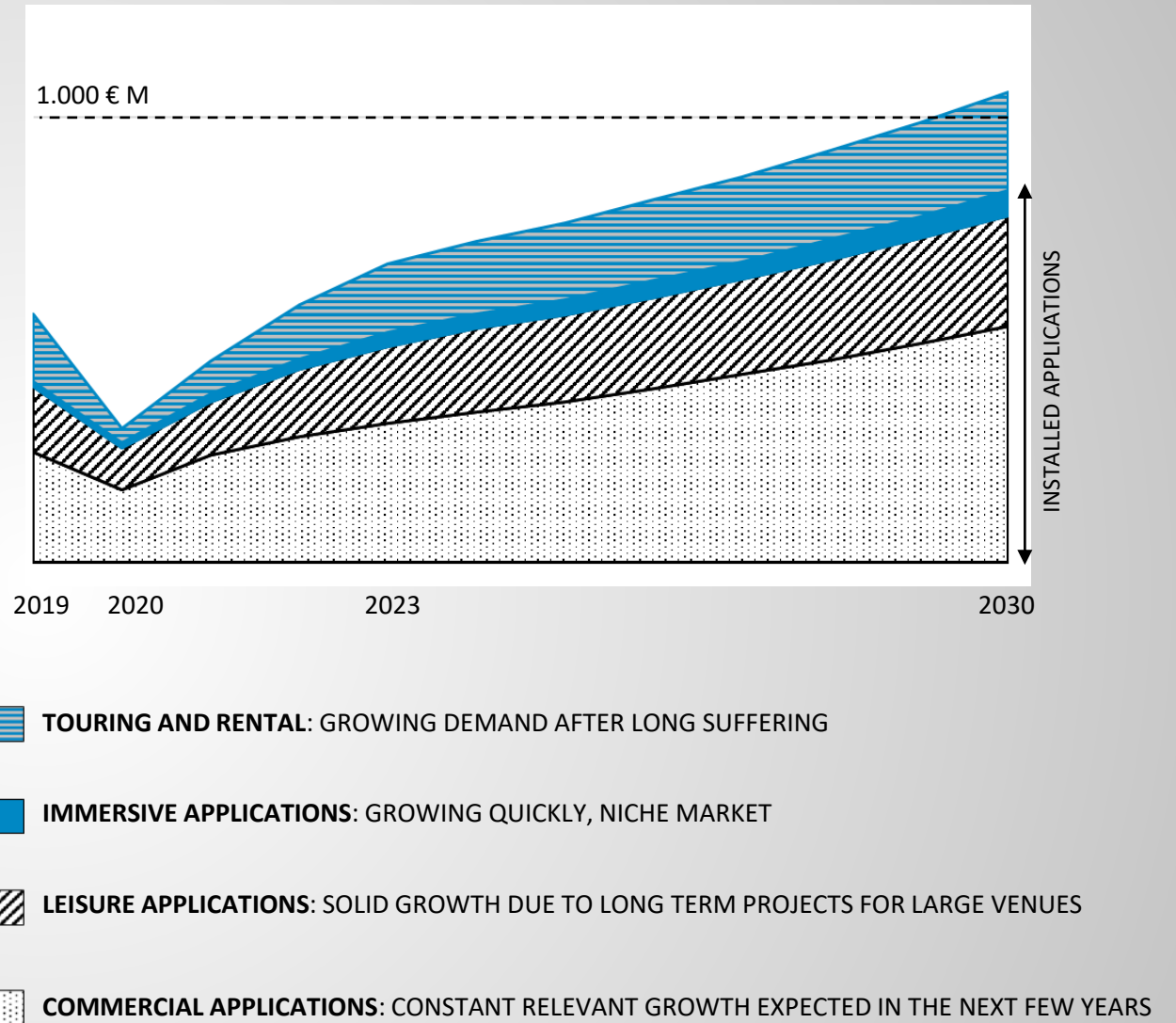
MARKET TREND AND STRATEGY



INCREASING FOCUS ON GROWING SEGMENTS

REFERENCE MARKET FOR TARGET APPLICATIONS
STEADILY GROWING IN NEXT 7Y EXPECTING TO
EXCEED 1 BILLION EUROS BY 2030

- **Powersoft outperforming** vs market average in the past 3 years
- Company **stronger focus on installed business** allows **optimistic forecast** considering relevant market size and growth
- **Business opportunities** in immersive applications confirm brand strength and growing awareness in leisure installed vertical markets

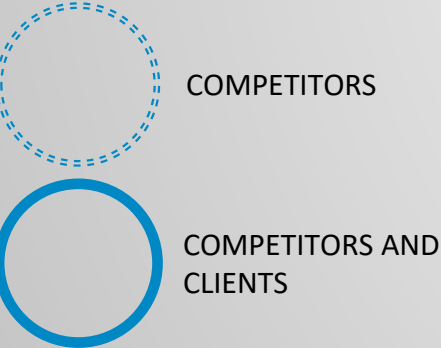


**Data is related to reference market for rack amplifiers and transducers (modules excluded)
Data source: Powersoft elaboration based on primary research panels*

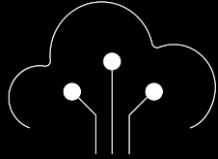


A MARKET WITH ROOM FOR GROWTH AND CONSOLIDATION

Main market players for company size and level of vertical integration of products and offered services

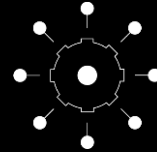


THREE PILLARS STRATEGY TO KEEP GOING AND KEEP GROWING



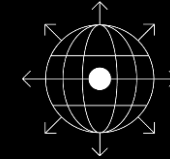
FOCUS ON INNOVATION AND NEW TECHNOLOGIES

- **Top level R&D** laboratory
- **Innovative SME** (certified in the Italian Innovators public register)
- Powersoft's **Ideofarm growth accelerator** to support new projects and innovative technologies
- **Environmentally friendly products**
Small sizes, huge power, super efficiency



FROM PRODUCT COMPANY TO SOLUTION PROVIDER

- Focus on **proprietary solutions designed** for specific target applications
- Launch of **cloud-native / IOT products** to start offering custom-related services
- **Development of software** based services to exploit **upselling/cross-selling potential**



MOVING TOWARDS A MULTINATIONAL GROUP

- **Boost presence** in US, Canada and Latin America market
- **Expansion of the China office** with new professionals to strengthen local presence
- **Partnerships** with strategic players to enter new markets
- **New office in Japan** and increasing APAC presence





STRONG EQUITY STORY BACKED BY SOLID FINANCIALS



2022 FY BEST EVER GROUP RESULTS

KEY FACTS

Group's strategy of repositioning **from Product Company to Solution Provider is bearing fruits.**

All the main economic-financial aggregates in strong growth with an acceleration in the second part of the year and return to pre-pandemic levels:

- Consolidated **Revenues** at **€ 48.8 M** ($\approx +44.9\%$)
- **EBITDA** at **€ 12.4 M** ($\approx +146.3\%$), sound EBITDA margin above 25.6% from 15% of last year (+1,057 bps)
- **Net Profit** at **€ 6.3 M** (+180.5%)
- **Positive NFP** of € 24.3 M thanks to **strong operating cash flow generation**

Strong operating cash flow generation allows both ordinary and extraordinary **dividends distribution: € 0.82 cumulated for a 15.7% Yield** (€ 5.2 price pre-announcement).

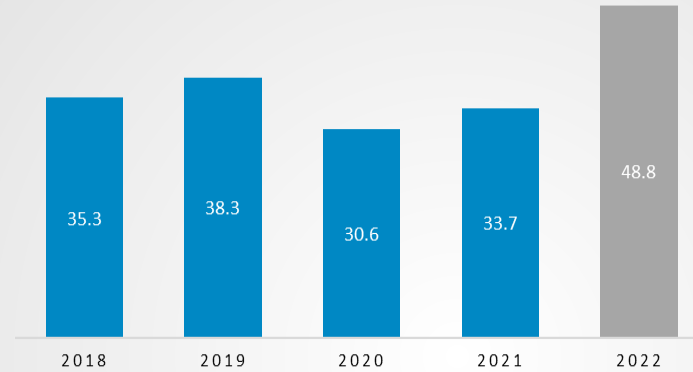
Bright outlook thanks to a double-digit **order book growth.**



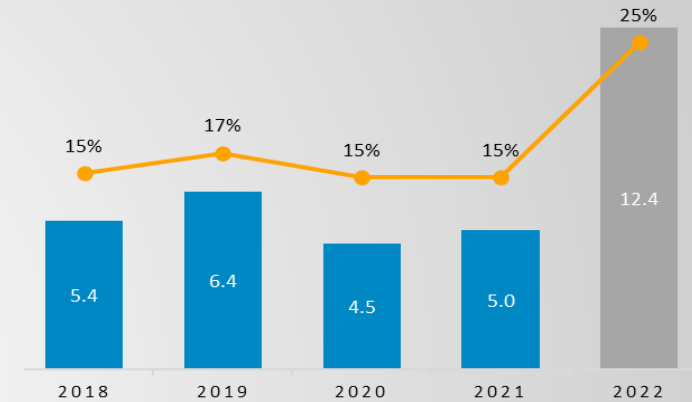
FINANCIAL HIGHLIGHTS

A solid equity story and sound financials, which allows the company to face, with flexibility and speed, the changing commercial and industrial needs, and growth goals

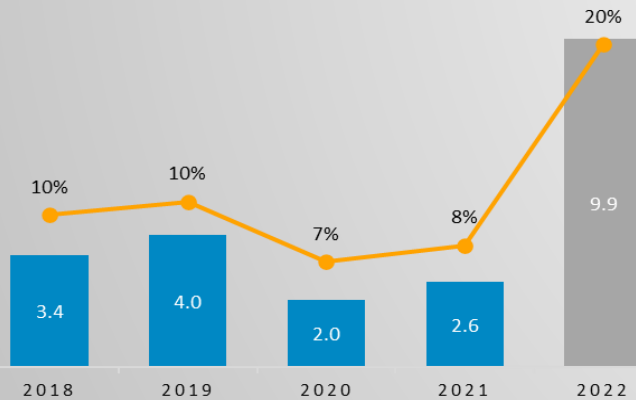
REVENUES €/M



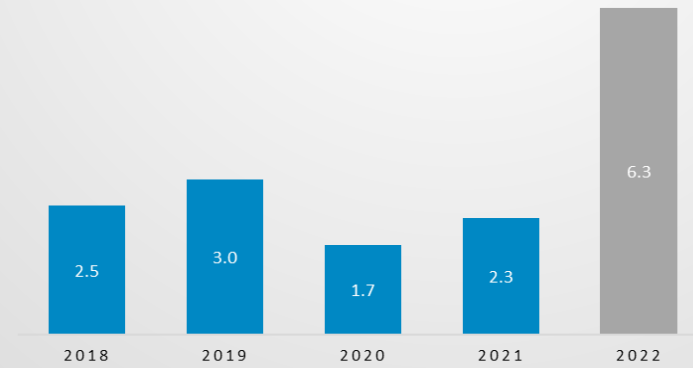
EBITDA €/M – EBITDA MARGIN %



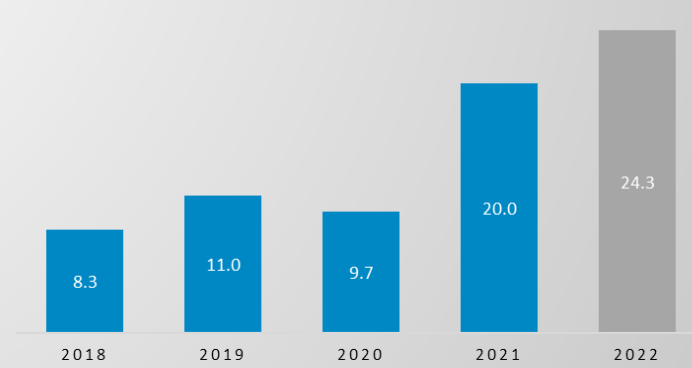
EBIT €/M – EBIT MARGIN %



NET PROFIT €/M

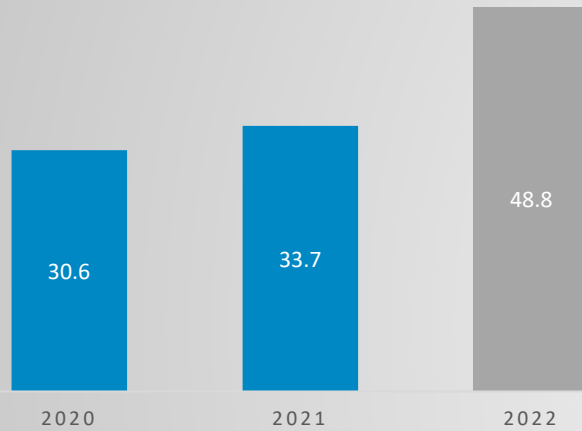


NFP (CASH) €/M

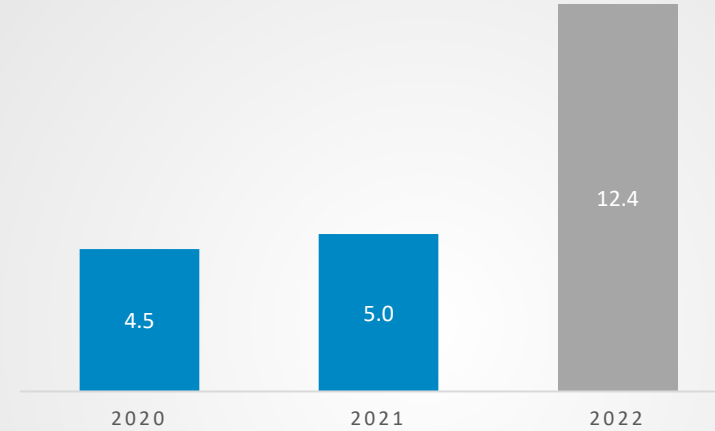


RESULTS WELL ABOVE PRE-PANDEMIC LEVELS

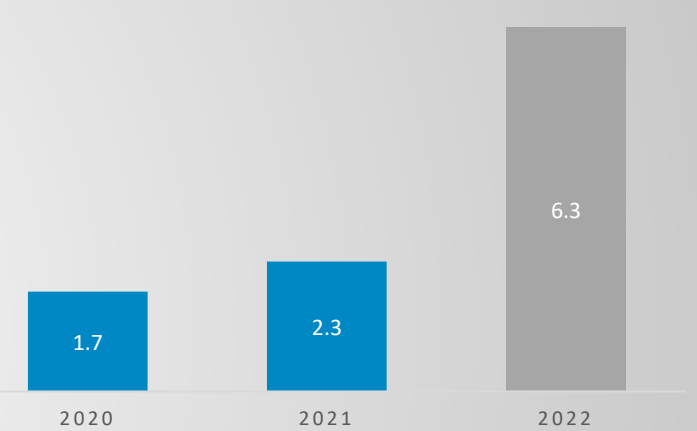
TOTAL REVENUES €/M



EBITDA €/M



NET PROFIT €/M



- **Sales Revenues at € 48.8 M, +44.9% YoY**
- **Growth in all geographies:** North America (NAM) +83.2%, Europe +34.3% & APAC +8.0% YoY
- **Wide visibility of the backlog**

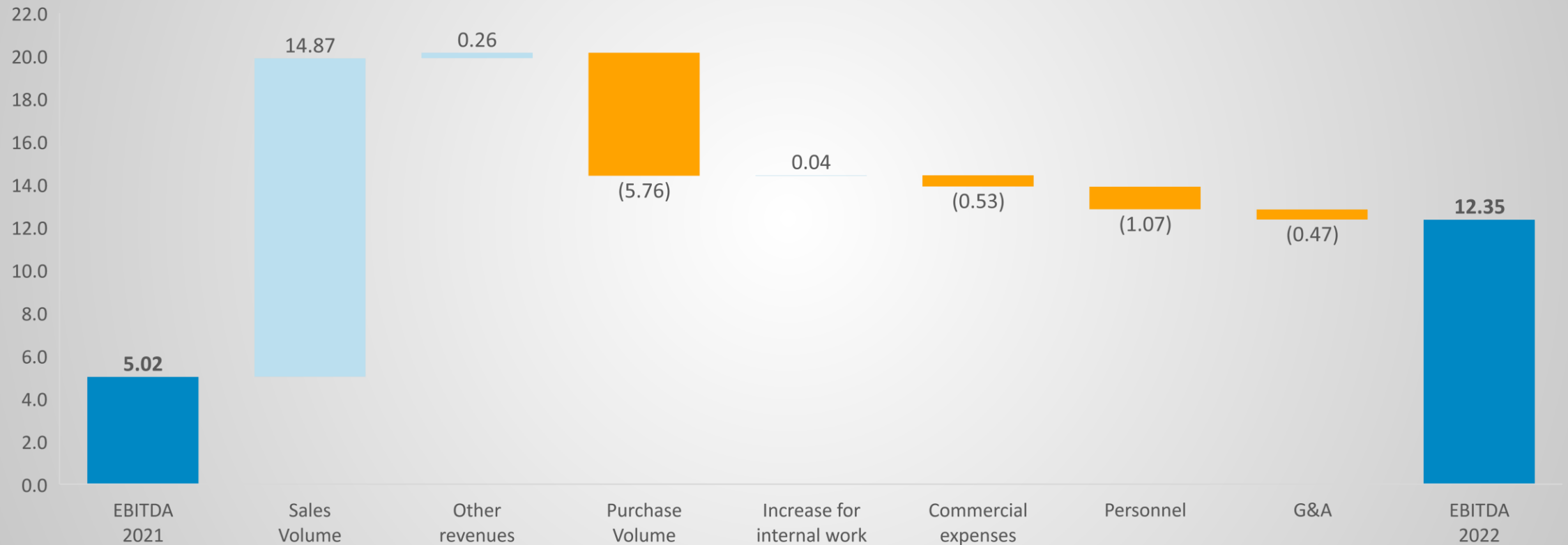
- **EBITDA at € 12.4 M, +146.3% YoY & EBITDA margin at 25.6%**
- **The cost of goods** up YoY due mainly to the increase in volumes sold, but with a lower incidence on sales due to:
 - Products Mix Effect
 - Increase of Price List
- **Expenses related to the commercial dept.** increased as a sign of recovery in the business of reference and investments in marketing aimed at increasing sales volumes

- **Increase in operating margin** and less than proportional increase in D&A and provisions recorded during the year
- **Net Profit at € 6.3 M, +180.5% vs € 2.3 M** in FY 2021 with an incidence on turnover of 13.2%



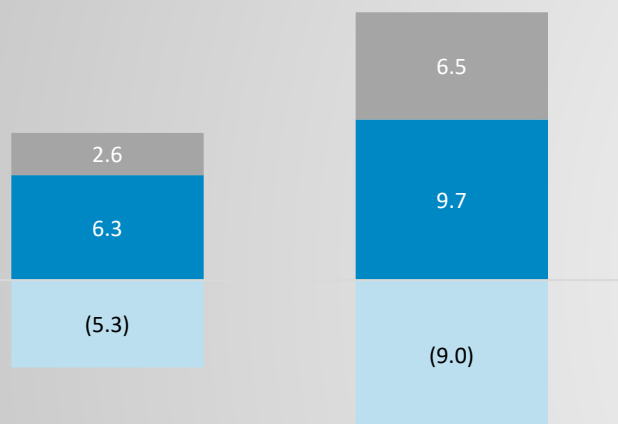
CONSOLIDATED EBITDA – EVOLUTION 2021 - 2022

€/M



SOUND BALANCE SHEET

NET WORKING CAPITAL €/M



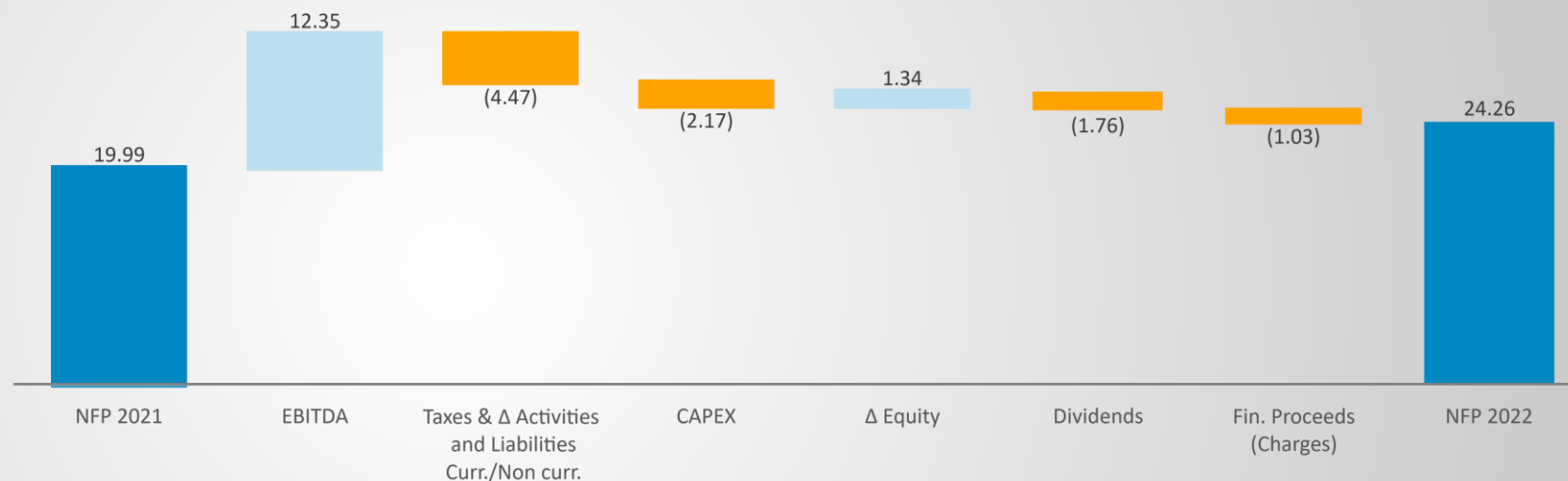
2021

2022

■ Inventory ■ Trade Receivables ■ Trade Payables

NWC up to € 4.6 M in FY 2022 mainly due to the increase of inventories

NET FINANCIAL POSITION €/M



NFP at € 24.3 M, compared to € 19.9 M at 31st Dec. 2021, and mainly composed of:

- Cash and Cash Equivalents for € 20.3 M
- Securities in Portfolio for € 5.2 M
- Negative Items for € 1.2 M



KEY TAKEAWAYS

- **Successful repositioning** from Product Company to Solution Provider
- **Faster growth and strong competitive positioning** thanks to **R&D investments** in product innovation and offering expansion
- **Improving market share** in US and in China by strengthening traditional sales channels and the **development of new ones**
- **Partnerships** with industry players and opportunities for long-term organic growth
- **Large install projects** and audio immersive venues: potential add on





APPENDIX



GOVERNANCE

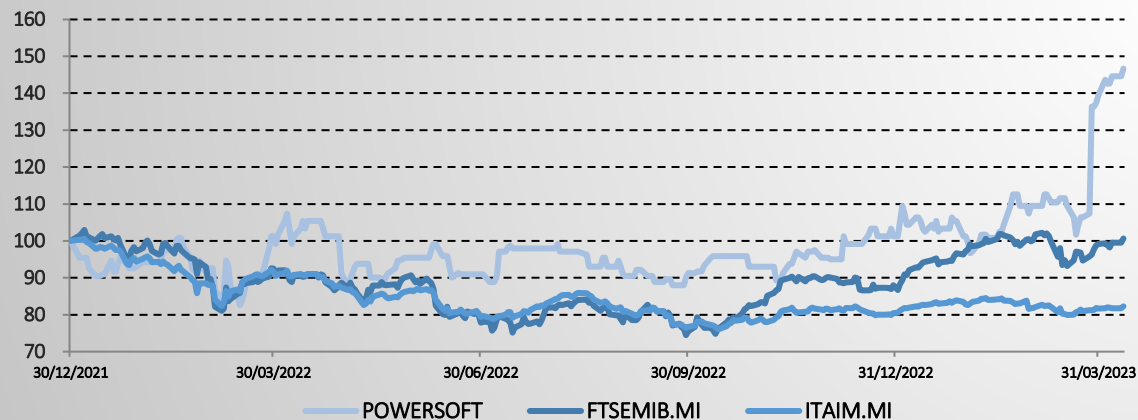
BOARD OF DIRECTORS



BOARD OF STATUTORY AUDITORS



STOCK FIGURES



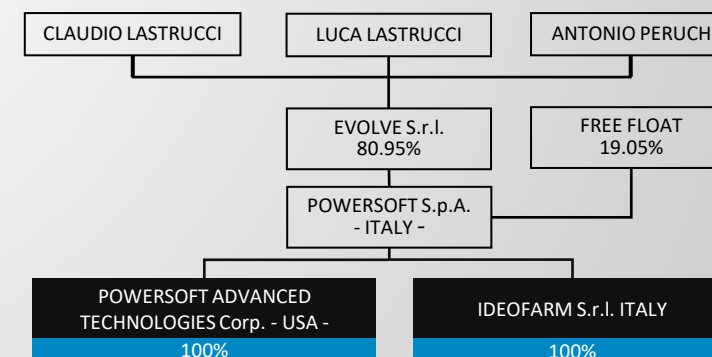
IPO: 17/12/2018
Shares: 11,709,992
Market: Euronext Growth Milan

Price (11/04/2023): € 7.10
Market Cap (11/04/2023): ≈€ 83 M
Average Daily Volume: ≈ 7.4 K

AUDIT FIRM



SHAREHOLDINGS AND GROUP ORGANIZATION CHART



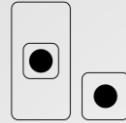
PRODUCTS AND SOLUTIONS



RACK
AMPLIFIER



OEM RACK
AMPLIFIER



REMOTE
CONTROL



ACTIVE
SPEAKER
AMPLIFIER



DSP SIGNAL
PROCESSING



BASS SHAKERS
TRANSDUCERS

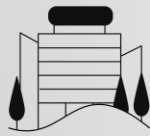


SECURITY
MULTIMEDIA
DEVICE

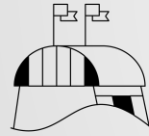


DIAGNOSTIC
AND PROGNOSTIC
SERVICES

VS MARKETS



CORPORATE



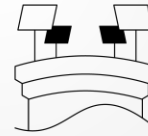
CONVENTION
& EXHIBITION
CENTERS



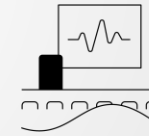
AIRPORTS



THEME PARKS



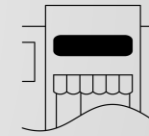
STADIUMS
& ARENAS



CONFERENCE
& BOARD ROOMS



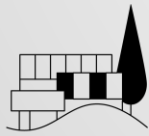
EMERGENCY AND
SECURITY



RETAIL



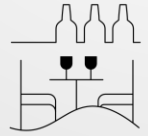
HOUSES OF
WORSHIP



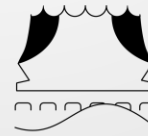
INDUSTRIAL



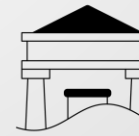
HOTELS &
RESORTS



BARS &
RESTAURANTS



THEATRES



MUSEUMS



MALL
MALLS &
SHOPPING
CENTERS



CRUISE SHIPS





BASE NIGHTCLUB
DUBAI, UAE

MUSIC CLUB SYSTEM

CHALLENGE:

Open-air nightclub with the requirement to complete the project in 23 days.

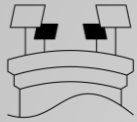
SOLUTION:

9x X4 DSP + ETH to save on power consumption and gain amplification output.

RESULT:

Powersoft provided the most cost-efficient power solution per channel, with much simpler configuration requirements than competing products.





PARC OLYMPIQUE LYONNAIS STADIUM
LYON, FR

STADIUM SYSTEM

CHALLENGE:

To serve the 59.000-seat stadium with a pristine and broadcast quality sound reinforcement system.

SOLUTION:

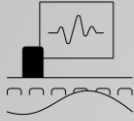
4x **Ottocanali 4K4** and 14x **Ottocanali 12K4** taking analogue feeds from Symetrix matrix router's Dante extension cards.

RESULT:

“When people come to this stadium, they get a real show, both visually and sonically. The result is a great installation for football fans which will resonate in the years to come.”

- Nicolas Houel, Technical Manager at OL Images





HANAHOLMEN
ESPOO, FI

CULTURAL CENTRE

CHALLENGE:

To deliver a high-quality sound system for multi-purpose spaces with a dedicated platform for control and monitoring.

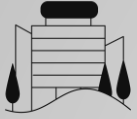
SOLUTION:

Quattrocanali DSP+D and **Duecanali DSP+D**

RESULT:

Customer satisfaction due to amplifier's ease of use and reliability.





CROSS CAMPUS
LOS ANGELES, USA

WORK SPACE SYSTEM

CHALLENGE:

A new system for Cross Campus co-working space, to be as networked and automated as possible, in such a way as not to require having a designated sound engineer present for the vast majority of events.

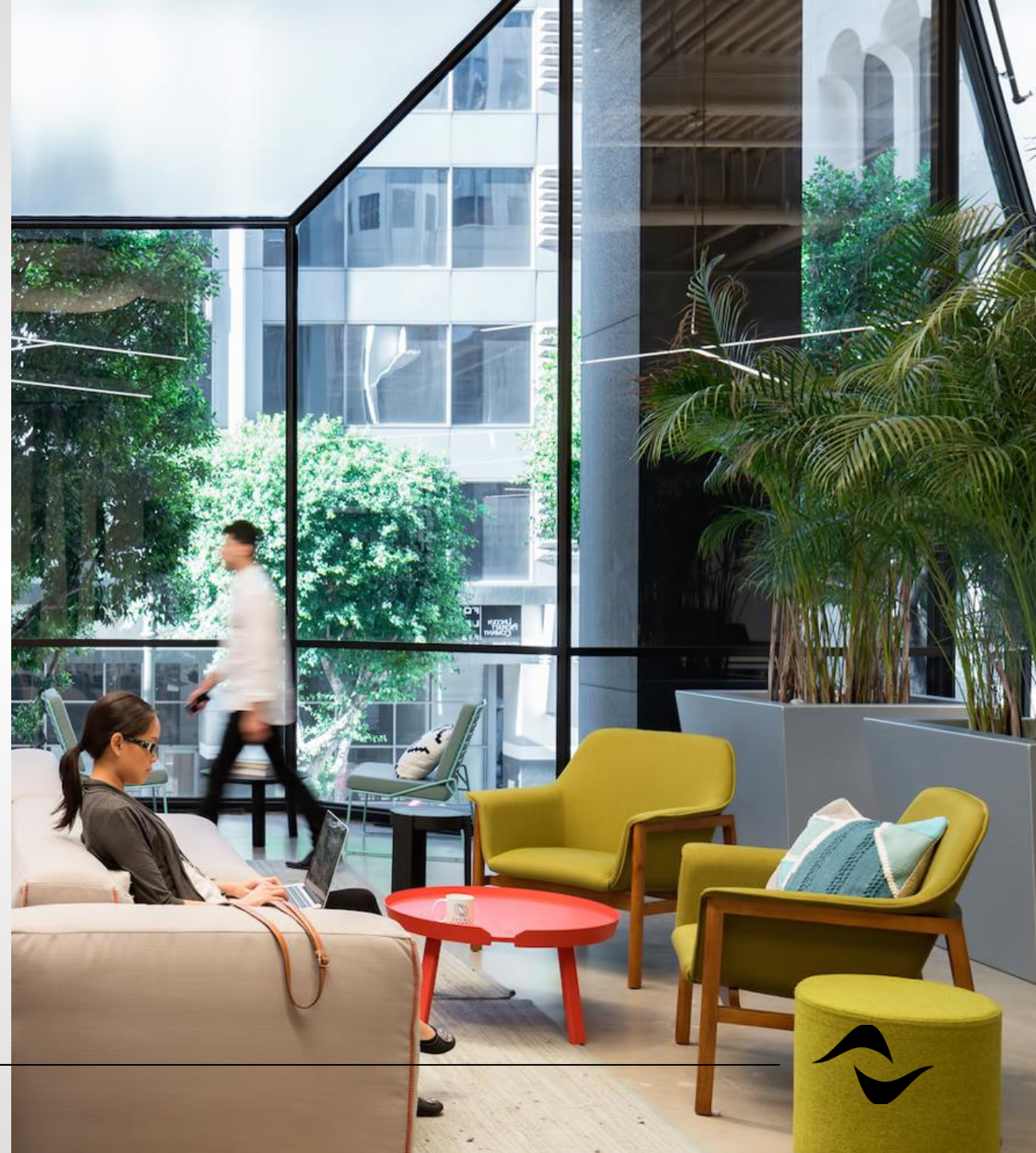
SOLUTION:

2x **Ottocanali DSP+D**, full system tuning with ArmoniaPlus, Dante connectivity and Symetrix integration.

RESULT:

“Powersoft is the only amp manufacturer that would have allowed me to provide the network and DSP functionality this job required while maintaining a healthy, great sounding system.”

- Matt Grossman, Hollywood Sound Systems





DIAGONAL MAR SHOPPING CENTRE
BARCELONA, ES

SHOPPING CENTRE SYSTEM

CHALLENGE:

A competitive Dante enabled solution for a combination of Hi and Lo-Z speakers distributed in different zones.

SOLUTION:

4x **Ottocanali DSP+D** and 2x **Quattrocanali DSP+D** with full Dante-Symetrix integration.

RESULT:

Flawless system performance and end customer satisfaction.





YARD HOUSE RESTAURANT DENVER, USA

RESTAURANT SYSTEM

CHALLENGE:

A reliable and efficient system for background music, night after night. To reduce rack space and installation costs.

SOLUTION:

5x **Quattrocanali** units to replace 12x 2-channel amplifiers mixing Lo-Z and 70-Volt distributed line loads.

RESULT:

Reliable and high-power system with zero service required. Saving on racks, cabling and operational costs.





UNIVERSITY OF NEVADA - MACKAY STADIUM
RENO – NV, USA

STADIUM SYSTEM

CHALLENGE:

To provide an amplification solution for the 30.000-seat arena, with low power consumption requirements and low heat dispersion, due to high summer temperatures.

SOLUTION:

4x **Ottocanali 8K4** to replace 12x 3RU pre-existing amplifiers.

RESULT:

"These amplifiers hit a lot harder than others on the market. The sound and clarity was amazing. One of the first comments came from one of the executives asking if we had installed subwoofers in the system, which of course, we hadn't."

- Nathan Barlow, Pro AV & Electronics





UNIVERSITY OF NEVADA - MACKAY STADIUM
RENO – NV, USA

HOTEL SYSTEM

CHALLENGE:

A reliable and efficient system to cover background music night after night, while providing sufficient power and headroom for volume boost in DJ nights and special events.

SOLUTION:

1x **Ottocanali 4K4** for the open-air lounge, and **1x M30D** and **1x 4K4 Ottocanali** and for the penthouse hi-fi sound system.

RESULT:

“The sound quality of Powersoft is second to none, but we also choose Powersoft because of the consistency and reliability”



DISCLAIMER

“This Presentation contains certain forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes," "expects," "predicts," "intends," "projects," "plans," "estimates," "aims," "foresees," "anticipates," "targets," and similar expressions. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of Powersoft S.p.A. (“**Powersoft**” or the “**Company**”) or cited from third party sources, are solely opinions and forecasts reflecting current views with respect to future events and plans, estimates, projections and expectations which are uncertain and subject to risks. Market data used in this Presentation not attributed to a specific source are estimates of the Company and have not been independently verified. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. If certain risks and uncertainties materialize, or if certain underlying assumptions prove incorrect, the Company may not be able to achieve its financial targets and strategic objectives. A multitude of factors which are in some cases beyond the Company’s control can cause actual events to differ significantly from any anticipated development. Forward-looking statements contained in this Presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No one undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Market data used in this Presentation not attributed to a specific source are estimates of the Company and have not been independently verified. Forward-looking statements speak only as of the date of this Presentation and are subject to change without notice. No representations or warranties, express or implied, are given as to the achievement or reasonableness of, and no reliance should be placed on, any forward-looking statements, including (but not limited to) any projections, estimates, forecasts or targets contained herein. Powersoft does not undertake to provide any additional information or to remedy any omissions in or from this Presentation. Powersoft does not intend, and does not assume any obligation, to update industry information or forward-looking statements set forth in this Presentation. This presentation does not constitute a recommendation regarding the securities of the Company.


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It should be noted that the audit of the Draft Financial Statements has not yet been finalised and that the Independent Auditors' Report will therefore be made available within the terms required by law. It should be also noted that Income Statement and Balance Sheet shown in this Presentation are reclassified and not subject to audit by the Independent Auditors.”





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