

# **FERVI GROUP**

Machinery and Tools for MRO

**CORPORATE PRESENTATION**

# Agenda

## Corporate Presentation

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1. COMPANY PROFILE
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### 3. STRATEGY & TEAM

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2. CONTACT INFORMATION



# COMPANY PROFILE

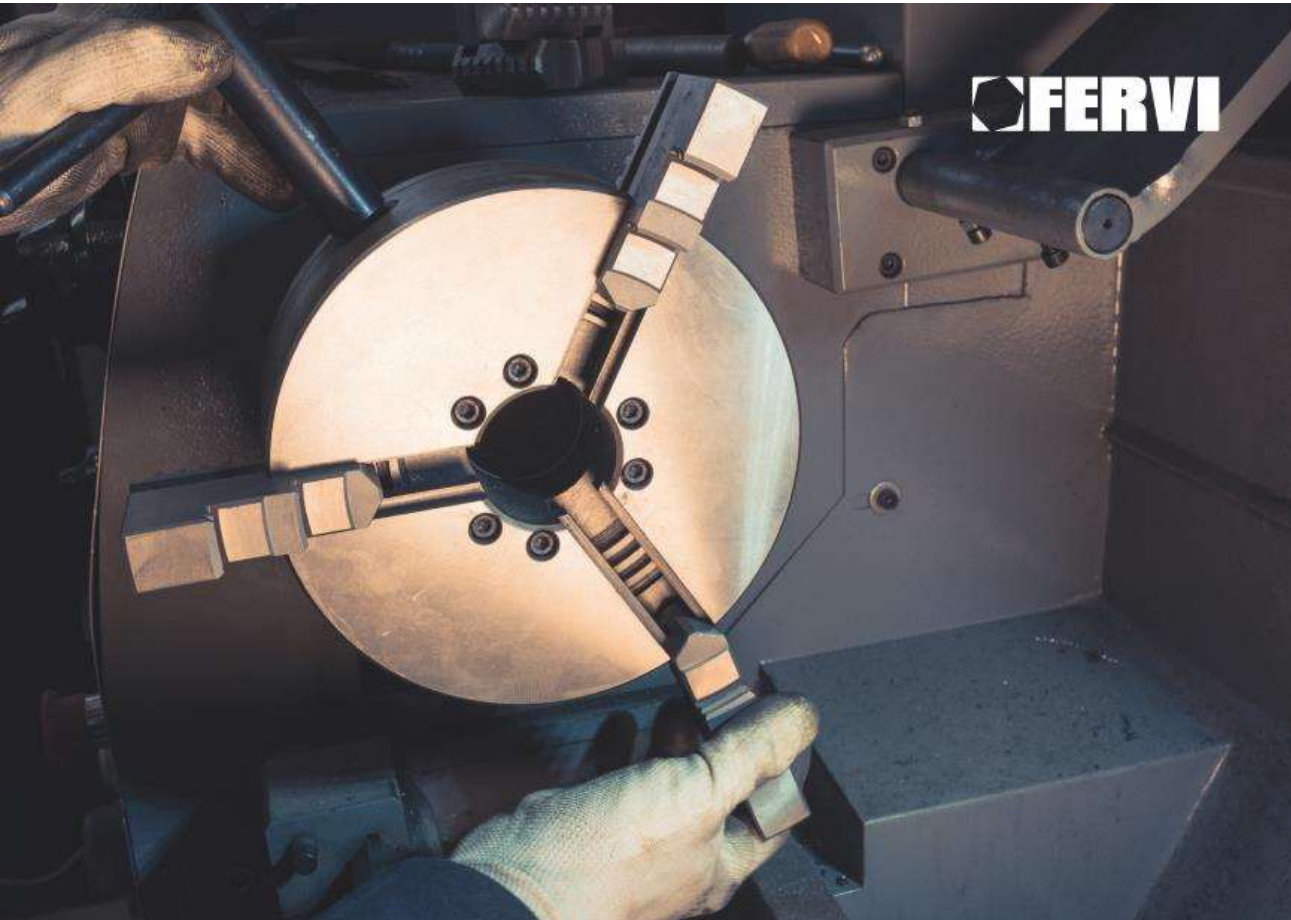
**FERVI GROUP**

Machinery and Tools for MRO



# The Smart Group

## The sector



## We are the leading company in the MRO market

The Fervi Group operates in the professional equipment supply sector, mainly for mechanical workshops, car workshops, carpentry and construction and everything revolves around the so-called “MRO” (*maintenance, repair and operations*) sector, i.e. the supply of equipment to maintenance and repair professionals and for craft production (prototyping, sampling, limited series) plus in the advanced DIY (“Do-it-yourself”) sector.

# The Smart Company

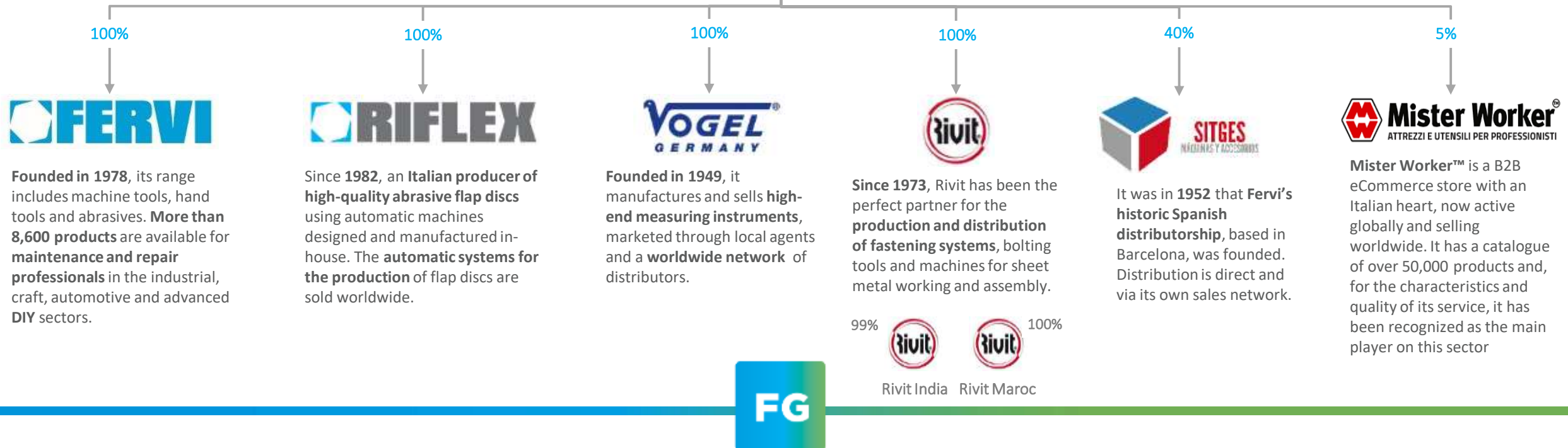
## Group structure

**FERVI GROUP**

Machinery and Tools for MRO

# FERVI GROUP

Machinery and Tools for MRO



# THE EVOLUTION GOES ON

## MILESTONE

### 2011

The corporate ownership changes: the goal is to consolidate and develop the growth path with an ambitious project, enhance the experience of the founders, renew the corporate image, build a young and dynamic work team to create an innovative model of excellence for the Italian and international market.

2018



Fervi celebrates its first 40 years. On March 27, 2018 Fervi completed the stock exchange listing process and on June the company purchases a 40% share of **Sitges Maquinas y Accesorios**, the long-standing Spanish partner.



2019



The Fervi Group acquired 100% control of **Vogel Germany GmbH**. The Group expands its offer with over 5,000 references of high-end measuring instruments.

2021  **Mister Worker**  
ATTREZZI E UTENSILI PER PROFESSIONISTI

FERVI acquires 5.4% of **Esales Srl (Mister Worker)** and signs a distribution agreement for all the group's products.

### 2022 ESG CERTIFICATION

In January 2022, FERV I is certified ESG with rating A



1978

**Veprug Srl (current Fervi)** was founded and expanded as a wholesaler in the area of **Modena**.

2015 

Expansion of the made in Italy: The Fervi Group acquired **Ri-Flex Abrasives** expanding its offer with a wide range of high quality abrasive products.

2021  **Rivit** FASTENERS & TOOLS

On september, FERV I acquired the 100% control of **Rivit Srl**. Over 45.000 references for expanding the Group offer.

### 2021 FERVI GROUP

CEO & President **Roberto Tunioli** presents the **FERVI GROUP** brand to all the employee. Under **FERVI GROUP** the commercial brands continue to operate on the market belong.

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2023

### 2023 ESG AA-

New step -ahead on ESG Certification: Rating **AA-** achieved





# KEY FIGURES

**FERVI GROUP**

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# FERVI GROUP

At a glance

## ANNUAL TURNOVER



**57,3 mil €**  
of which ca. **30% abroad**

## NUMBER OF EMPLOYEES



**163**

## NUMBER OF LOCATIONS



**9**

## PRODUCT REFERENCE



**60.000**

## INTERNATIONAL



over **50**

## CUSTOMERS



**>8.000**

# FERVI GROUP

Machinery and Tools for MRO

FERVI

RIFLEX

VOGEL  
GERMANY

SITRES

rivit



***A single address,  
personalized solutions.***



# FERVI CERTIFICATIONS

The Smart Company

## A QUALITY THAT STEMS FROM RESPONSIBILITY

FerviGroup's sense of social and business responsibility is the basis of every initiative and activity undertaken by the members of the Fervi Group and by those involved in it.

**FERVI GROUP**

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towards  
**CUSTOMERS**



towards  
**ENVIRONMENT**



towards  
**EMPLOYEES**



towards  
**PARTNERS**



**CERTIFICATION**

ESG-SDGs Rating:2022©  
ESG RATING: AA-

N.0072/2021  
FERVI S.P.A.

# ESSENCE

## ESG ATTITUDE

# ESG



## ENVIRONMENTAL

- ✓ Fervi Group has obtained ISO 14001 certification for its entire environmental management system. This certification was issued by an independent third party.
- ✓ It implements a recycling system.
- ✓ It adopts measures to reduce water consumption.
- ✓ It uses low-energy instruments.
- ✓ It monitors and adopts measures to optimise logistics.
- ✓ All products offered by Fervi Group are subjected to numerous quality checks and tests before being put on the market. The quality and safety of such products is approved and certified by an independent accredited body. The company has obtained ISO 9001 certification for its Quality Management System.
- ✓ The Group has obtained ISO 45001 certification on its health and safety management system.



## SOCIAL

- ✓ Fervi is focused on gender equality and the representation of women.
- ✓ It adopts the necessary personal data protection procedures.
- ✓ It implements talent development policies.
- ✓ It operates in compliance with the provisions of Leg. Dec. 81/08 on safety at work.
- ✓ It collaborates with universities and research bodies.
- ✓ Policies for safeguarding corporate information are adopted: An internal regulation is in place on the use of computers, the internal network and professional secrecy and data confidentiality.
- ✓ The Group collaborates with major Italian universities on research projects for sports competitions.



## GOVERNANCE

- ✓ Corporate governance is focused on decision-making transparency and sharing by applying international best practice.
- ✓ The company's board of directors is made up of 5 directors, 2 of whom are independent.
- ✓ The company has adopted the "Organisation, Management and Control Model" pursuant to Legislative Decree 231/2001 and has appointed a supervisory committee consisting of one person.
- ✓ The managing director's remuneration is partly variable, in line with company policy.

# CORE COMPETENCE

The method

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# COMPETENCE

## THE FERVI GROUP METHOD

### ANALYSIS

of customer feedback and taking suitable action

### LISTENING

to customer needs and feedback  
After sales

### DISTRIBUTION & SALES

Synergy process with our partners  
Logistics, excellence

### SCOUTING

for new products and companies  
on the market

### CONTROL

Careful check of quality and standards  
compliance

### CERTIFICATION

Risk analysis, production  
of technical documentation  
and EC brand

### BRANDING

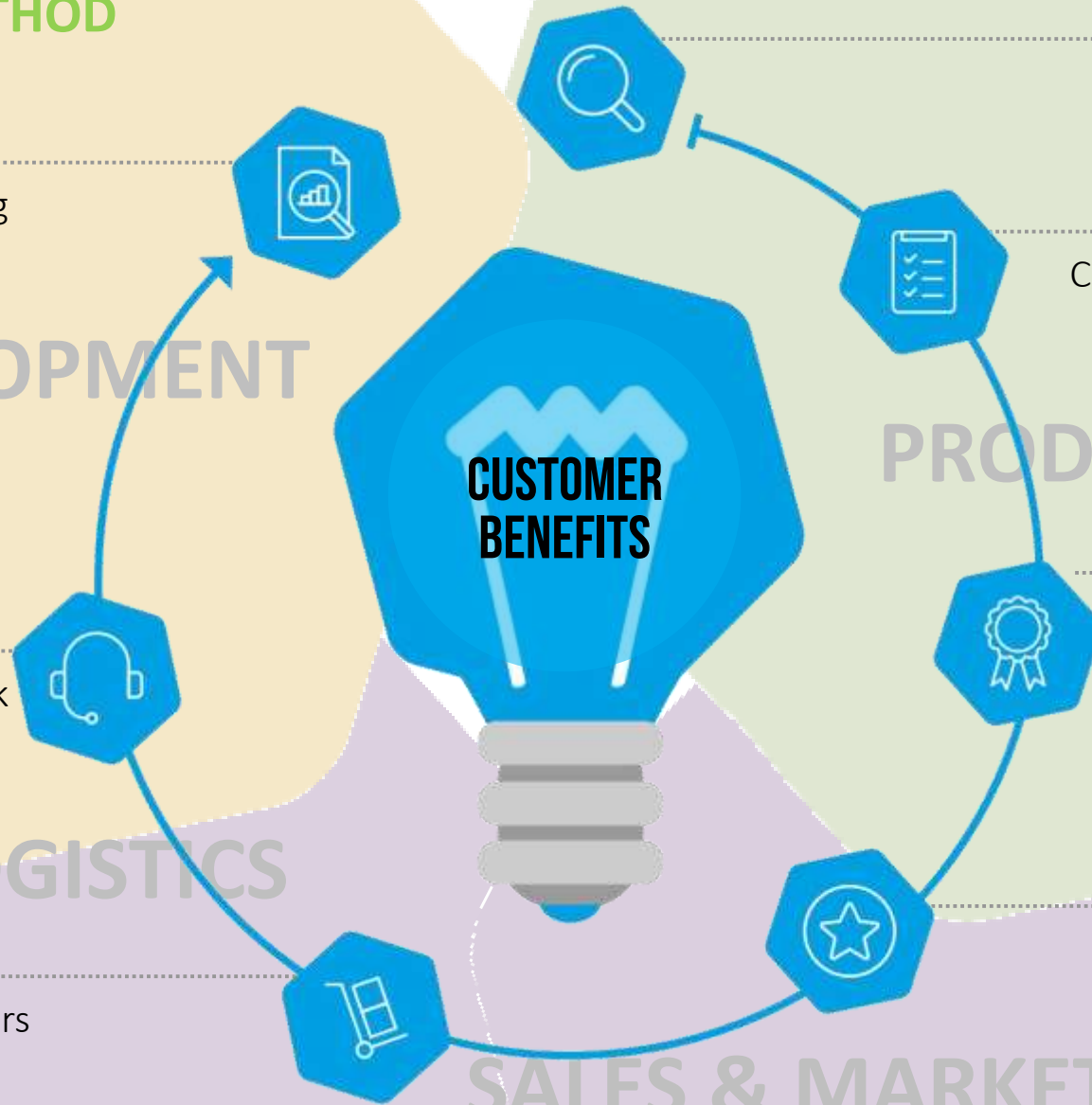
FERVI brand marking

DEVELOPMENT

PRODUCT MARKETING

LOGISTICS

SALES & MARKETING



# PRODUCT PORTFOLIO

We keep the world working!

# FIT FOR YOU

**FERVI GROUP**

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# WE KEEP THE WORLD WORKING

**FERVI GROUP**

Machinery and Tools for MRO

## THE SOLUTION FOR EVERY NEED



### BUSINESS CUSTOMERS

The Group's offer includes machine tools, hand tools and abrasives. More than 60.000 references available to maintenance and repair professionals in the industrial, artisan and automotive sectors

- 9 Product Groups
- 52 Product Families
- 60.000+ References Fervi, Vogel Germany, Riflex and Rivit (including more than 3.000 spare-parts)
- **Automatic Machines** for flap discs manufacturing
- **Raw materials** for the manufacturing preocess





# BUSINESS MODEL

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# GO-TO-MARKET MODEL

## FERVI GROUP

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### TRADE CUSTOMERS

TRADITIONAL RESELLER

WHOLESALERS / DISTRIBUTORS

GDS (Specialized large-scale retail trade)

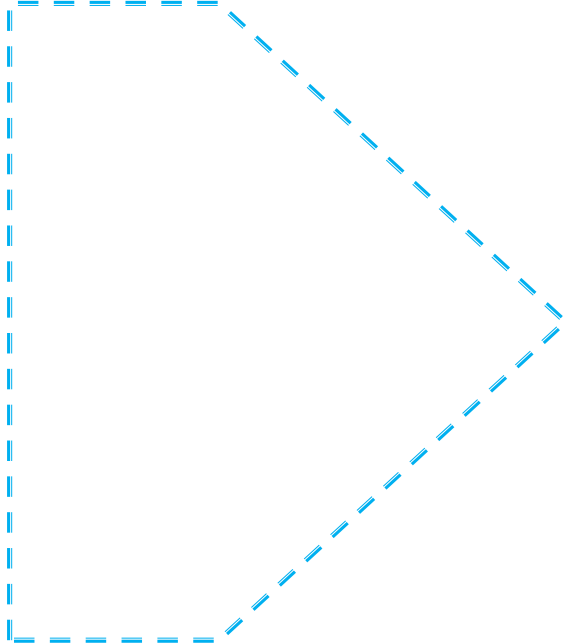
DIGITAL PARTNER



### INDUSTRIAL CUSTOMERS



### OEM CUSTOMERS



AUTOMATIC SYSTEMS AND COMPONENT PRODUCTION



PRIVATE LABEL PRODUCTION

### USERS

Artisan: mechanics, construction, automotive, etc..

MRO (Maintenance & Repair)

DYI

# MARKET

## Competitive context & Overview

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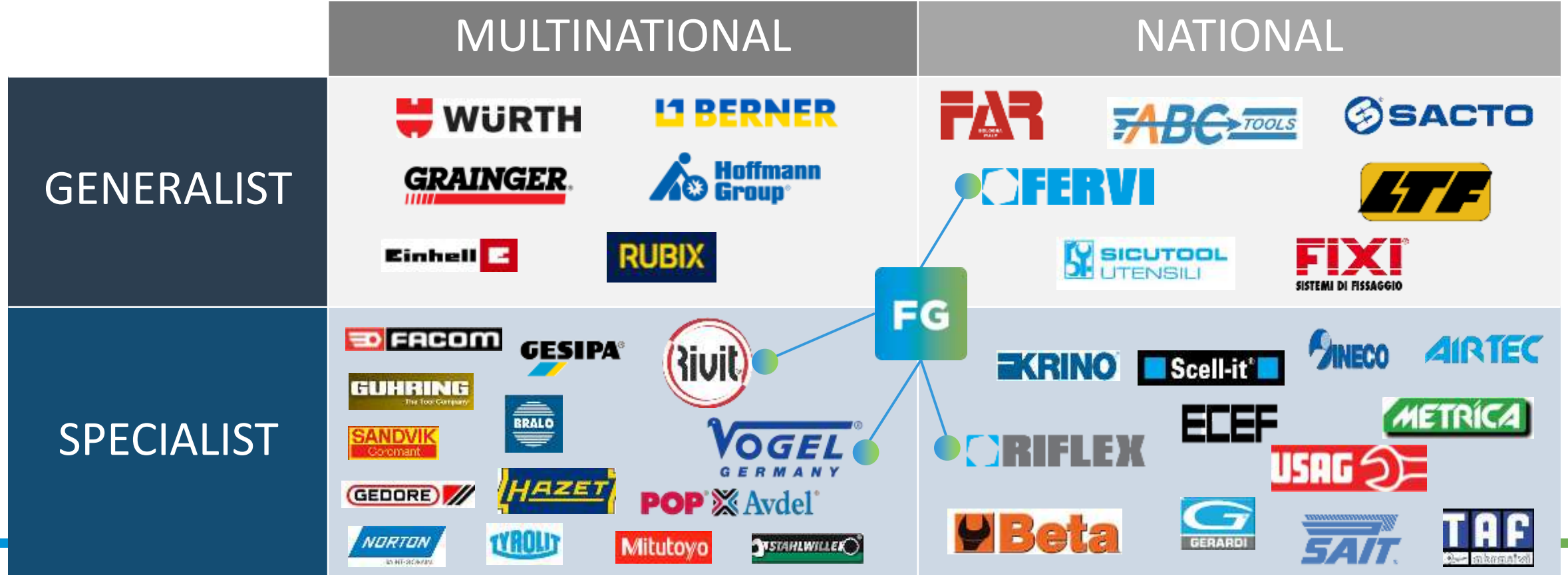


# COMPETITIVE ENVIRONMENT

## Market Matrix: FERVI GROUP positioning

The sector in which the Group operates is characterized by the presence of:

- large multinational groups with both vertical (specialist) and horizontal (generalist/cataloguist) business model
- numerous producers and importers in national and international private labels, both specialized and generalist, of heterogeneous dimensions.

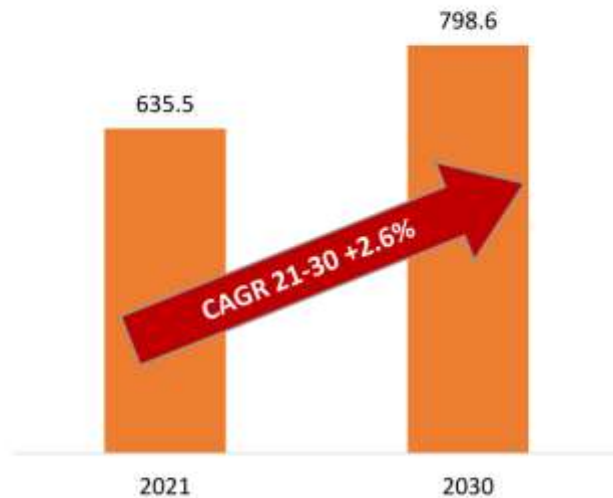


## Overview

### WW MRO INDUSTRY

MRO items are products and materials purchased by companies that are not directly employed in their manufacturing process. These products are mostly used to keep business operations running. The MRO industry includes spare parts, equipment, and consumables, used by a company to manufacture end-products. According to Precedence Research, the global MRO distribution market size reached \$635.5bn in 2021 and is expected to grow over \$798.6bn by 2030, showing a CAGR 2021-2030 of 2.6%.

MRO Industrial revenue trend 2021-2030 (\$bn)



### The EUROPEAN MRO Market

According to Grand View Research, in 2021, the European MRO distribution market reached \$202.9bn and is expected to grow at a CAGR 2021-2030 of 2.8%, driven by the increasing demand for repair, maintenance, and service operations in manufacturing and industrial activities mainly in North Europe. Moreover, the positive GDP growth forecast is expected to increase the industrial output and consequently the MRO operations. Looking at Italian MRO market, the Industry reached €18.1bn in 2021 and is projected to reach €18.6bn in 2025.

MRO European Industrial revenue trend 2022-2030 (\$bn)



# MARKET

## Overview MRO

Maintenance, Repairs, and Operations market – growth rate by region (2018-2024)



Source: Mordor Intelligence

Asia Pacific (APAC) is estimated to be the fastest-growing market during the 2022-2027 period, as this Region is still considered a manufacturing hub for spare parts that are supplied to different countries.

In 2019 **North America** and **Europe** together **made up** approximately **86%** of the entire **DIY market** with market shares of 58% and 28% respectively. Asia Pacific had a 10% share followed by Latin America and Africa/Middle East, both with 2%.

In terms of **per capita expenditure** in 2019, the highest expenditure occurred in North America with 720 Euro per year, followed by **Europe with 237 Euro** per year and Africa with 79 Euro. Lower levels of per capita expenditure were recorded in Latin America and Asia (30 Euro per year).

## The market growth drivers

- Process optimization to reduce inefficiencies;
- Higher global demand of electronical products;
- Higher MRO process externalization;
- Higher distribution channels diversification (i.e. e-commerce platforms).



## Overview DIY MARKET

### UP TO 2019

Historically, the DIY global sales volume increased from \$530bn in 2014 to \$618bn in 2019, with a **CAGR 2014-2019** of **+3,12%**

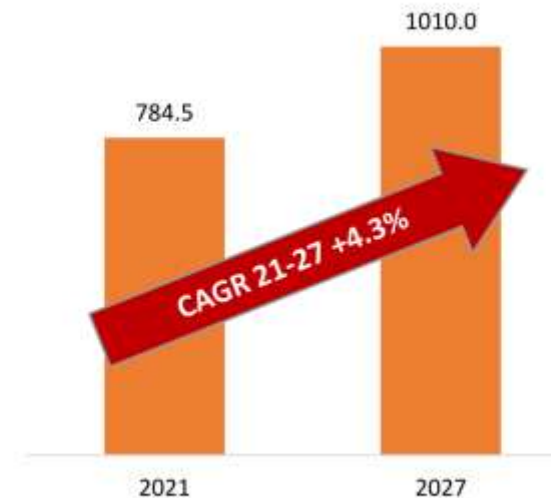
### FROM TO 2019

Do-it-yourself (DIY) has observed a notable growth during the COVID-19 pandemic, mainly driven by the improvement in home space and gardening during the lockdown. Estimated to growth at a **CAGR 2021-2027** of **over 4.3%**

Historical global DIY sales volume (2014-2019)




DIY Market Revenue Trend 2021-2027 (\$bn)



Source: KT&Partners' elaborations on Fervi Company presentation data

# STRATEGY & KEY FACTORS



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## Plans and growth strategy

### Strategic Management

#### External growth

Possibility of growth through a process of **consolidation of market shares** both nationally and internationally.

Two main types of Target:

- **Commercial add on:** commercial companies in target countries (Italy, Iberian Peninsula, Eastern Europe, Benelux, UK)
- **Product add on:** companies manufacturing products that can be integrated with the Fervi offer (as happened in 2015 with the acquisition of Riflex and in 2019 with Vogel) with the aim of introducing new Product Groups and / or Product Categories

#### Organic growth

**Expansion of catalogue references through scouting and product marketing** with the aim of:

- introducing new product categories;
- expanding the range both in depth and in proximity.

The Fervi catalogue launched in 2020 includes **over 8.500** references, the goal is to significantly **expand** the offer in the coming years.

**Strengthening of the internal and external sales force**, with the introduction of new area managers - both for Italy and abroad - to support the sales management, the integration of the inside sales department with new resources and the expansion of the sales network external.

**Constant updating of the Commercial Policy** with a cluster-oriented approach to ensure adequate segmentation of customer needs and requirements.

Continuous **Evolution of the Sales Model** with medium-term projects for multi-channel coverage of the reference market.

#### Relationship development with Digital e GDS

**Development of commercial relationships** with the so-called «**Digital Partners**», primary objective in the medium-long term growth strategy by not carrying out direct sales of ecommerce products.

The targets are:

- large marketplaces (i.e. **Amazon**);
- **Specialized** marketplaces (in Italy and abroad);
- Digital retailers who have developed their own e-commerce platforms and / or have their own virtual stores on Amazon, E-Bay and other Market Places.

Offering a **selection of products** available in the Group's offer through the **GDS (Large-scale Specialized Distribution)** to take advantage of:

- distribution capacities
- customer attraction
- spreading the notoriety of the FERVI brand

# SUCCESS KEY FACTORS

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The basic factors for a substantial and positive development

**7 factors** for a success strategy:

## **3** CONSTANT CASH FLOW

that allow the procurement of material with the subsequent availability for sale and for scouting and R&D activities

## **6** WEALTH OF EXPERIENCE

in the research and introduction of new products: scouting of commercial products by Fervi and production R&D for Reflex

## **2** CONSOLIDATED MARKET PRESENCE & REPUTATION

FERVI with 43 years (founded in 1978), Reflex with 39 years (founded in 1982), Vogel Germany GmbH with 71 years (founded in 1949) and Sitges with 69 years (founded in 1952)

## **1** MANAGEMENT TEAM

with extensive experience in both growth through M&A transactions, including cross-border, and in management and control

## **5** WIDESPREAD SALES NETWORK

widespread presence in Italy; more than 4,500 active resellers. Growing presence on the overseas market

## **4** COMPETITIVE POSITIONING

Extremely broad competitive positioning “equipment for maintenance and repair professionals (MRO)”

## **7** COMPLIANCE CONTROL

Strict control of product regulatory compliance (certifications from accredited and independent bodies)





# MANAGEMENT TEAM

TEAM

Together

Everyone

Achieves

More

**FERVI GROUP**

Machinery and Tools for MRO

# MANAGEMENT TEAM

## The Smart Group

**Our team - one entity.** A huge and consolidated experience both in growth through M&A transactions, including cross-borders, and in management and control. Years of experience on different markets that consolidate the medium-long term vision guaranteeing effective and valuable strategic approaches.



# MANAGEMENT TEAM

## The Smart Group

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**ROBERTO TUNIOLE**

President

After almost two decades leading Datalogic Spa, he was awarded for his entrepreneurial drive in the field of technological innovation and international development. In 2011 he acquired the majority of the capital of Fervi, holding the role of Chairman of the Board from that point. He also carries out his professional activity as an independent director in local companies



**ROBERTO MEGNA**

Vicepresident

In 1986 he becomes a partner of PriceWaterhouseCoopers where he worked until 2009 as partner responsible for the Bologna office. He has had a well-established and diversified career in Italy and abroad at both Italian companies and multinational groups. He is currently the Deputy Chairman and shareholder of Fervi.



**GUIDO GRECO**

CEO

In 2012 he was appointed by the new owners of Fervi as Head of Administration, Finance and Control, contributing to the Company's shift to a management-based approach to the various operating areas thanks to a managerial model. In January 2015, he was appointed General Manager with the objective of consolidating the Group's growth as part of the strategic guidelines until becoming CEO of the Group in 2023.



A close-up photograph of a man in a dark blue suit jacket, white shirt, and dark tie. He is holding a white coffee cup with both hands. A colorful pocket square is visible in his jacket. The background is a soft, out-of-focus light blue.

# REFERENCES

**FERVI GROUP**

Machinery and Tools for MRO



# Customers



## WE KEEP THE WORLD WORKING!

It's our storytelling to help and satisfy our customer in what they need and research for their business. We are a solid, reliable and competitive Group, a key point in the European scenario.

We apologize for not mentioning thousands of others V.I.C. (Very Important Companies).



# THANKS FOR YOUR ATTENTION!



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