Group Presentation

XII Banca IMI Italian Stock Market Opportunities Conference

Milan - October 2, 2019

Forward looking statement

This presentation may contain forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein.
Forward-looking statements may include, in particular, statements about future events, future financial performance, plans, strategies, expectations, prospects, competitive environment, regulation, supply and demand.

Esprinet has based these forward-looking statements on its view and assumptions with respect to future events and financial performance.
Actual financial performance could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated.

Given these uncertainties, readers should not put undue reliance on any forward-looking statements.
The information contained in this presentation is subject to change without notice and Esprinet does not undertake any duty to update the forward-looking statements, and the estimates and the assumptions associated with them, except to the extent required by applicable laws and regulations.

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AGENDA

- BUSINESS UPDATE
- FINANCIALS
- Q&A SESSION

BUSINESS UPDATE

Q2 in a nutshell

Sales	842 M€	*+11% on Q2 2018*
EBIT	7.2 M€[1]	*+30% on Q2 2018*
Net profit	4.6 M€	*+67% on Q2 2018*
Net financial debt	183.1 M€	*90.0 M€ excluding IFRS 16*

NOTES

[1] *6.2 M€ (+12%) excluding effects of IFRS 16 «Leases».*

Key Updates for Q3

Profit & Loss

- Sales in Q3 up strongly.
- Gross Profit as of August still under pressure.
- Positive outlook into Q4.

P&L

Balance Sheet

- Debt refinanced.
- WACC down to 8%.
- Buy back in progress.

BS

Key projects

- Working Capital optimization gaining traction.
- Key strategic projects (Customer Satisfaction, ROCE focus) in full motion.

Strategy

Working Capital Dynamics

Inventory

Average levels of inventory progressively declining.

Spain has been burdened by above average levels of stock with a major PC vendor. Stabilization is expected by end of 2019.

Payables

First changes in vendor payment terms achieved on one relevant low-ROCE business

Ongoing negotiations to achieve faster payment of credit notes from vendors

Receivables

First changes in one key retailer payment terms achieved.

Ongoing negotiations to achieve further improvements effective January 2020

Outlook / Delivery

2019	2020
We reiterate the target for a FY 2019E EBIT in the range 38-42 M€, with a strong growth compared to FY 2018. Progressive improvements in working capital management expected during 2019 compared to prior year.	Moderate top-line growth in future years as focus keeps being ROCE performance. Improvements in GP % as result of mix and efforts on customer satisfaction. Further improvements in working capital management. 2020 ROCE steadily above Weighted Average Cost of Capital (~8%).

Investment Highlights

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A new attractiveness of the market

1

- A sizable and growing 14.6 B€ addressable market[1].
- IT distribution gaining share on total IT spending [from 39.5% to 53.0%[1]].
- Strong asset protection mechanisms and very low SG&A on sales for distributors.

Strong positioning

2

- Strong leadership in southern Europe: 24.4% share against 17.5% of #2.
- Growing share from 23% to 24.4%.
- 20+ years of profitability

Value creation driven

3

- Customer satisfaction to drive profitability growth.
- Leveraging size on existing low ROCE businesses.
- Solid track record of growth in the higher profitability segment of Advanced Solutions.

Strong investor focus

4

- Historical stable flow of profitability even in market downturns.
- Strong working capital discipline to enable a 25% pay-out dividend policy.
- ROCE as the guiding ‘mantra’ to create value.

NOTES

[1] *See Annexes*

Final remarks

Q3 took off in line with budgeted EBIT targets mainly due to very solid top-line performance

Working capital optimization negotiations gaining traction

Key strategic projects fully operational

Debt refinanced

FY 2019 operating profitability targets confirmed

Upcoming events

Date	Event	Venue
October 23, 2019	Star Conference London	London (UK)
November 13, 2019	Board of Directors: Q3 2019 Results	Vimercate (IT)
November 13, 2019	Press release	
November 14, 2019	Q3 2019 Earnings Call & Webcast	

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FINANCIALS

Profit & Loss

(euro/mln)	H1 2019 [1]		H1 2018		Var. %	FY 2018 adj. [2]	
Sales	1.717,5	100,00%	1.538,2	100,00%	*12%*	3.571,2	100,00%
Cost of sales	(1.636,4)	-95,28%	(1.461,2)	-95,00%	*12%*	(3.400,5)	-95,22%
Gross Profit	**81,1**	**4,72%**	**77,0**	**5,00%**	***5%***	**170,7**	**4,78%**
Operating costs	(68,6)	-3,99%	(66,0)	-4,29%	*4%*	(129,7)	-3,63%
EBIT	**12,5**	**0,73%**	**10,9**	**0,71%**	***14%***	**41,0**	**1,15%**
D&A	2,3	0,13%	2,3	0,15%	*6%*	4,7	0,13%
EBITDA	**14,8**	**0,86%**	**13,3**	**0,86%**	***13%***	**45,7**	**1,28%**
Finance costs - net	(2,4)	-0,14%	(2,4)	-0,16%	*0%*	(4,5)	-0,13%
Profit before income taxes	**10,1**	**0,59%**	**8,6**	**0,56%**	***18%***	**36,4**	**1,02%**
Income taxes	(2,6)	-0,15%	(2,3)	-0,15%	*10%*	(9,4)	-0,26%
Net income	**7,5**	**0,44%**	**6,2**	**0,40%**	***21%***	**27,0**	**0,76%**
Tax rate	*26%*		*27%*			*26%*	

H1 2019

- Reported net sales at 1,717.5 M€ increased +12% compared to the prior-year half (+179.3 M€).
- Gross profit up +5% at 81.1 M€.
- Operating costs growing at a lower growth rate than sales (+4%).
- EBIT at 12.5 M€ increased +14% compared to the prior-year half.
- EBIT % improved 2bps from prior-year half.
- PBT negatively affected by exchange losses of 0.7 M€ whereas interest espenses were rather stable.
- Net income of 7.5 M€ increased +21%.

NOTES

[1] *Excluding effects of IFRS 16 'Leases'.*

[2] *Net of non-recurring items.*

Balance Sheet Highlights

(euro/mln)	IAS 17 30.06.19	IAS 17 31.12.18	post IFRS16 30.06.19
Net operating working capital	338,8	10,4	339,8
Goodwill	91,0	90,6	91,0
Other fixed assets	29,5	27,9	122,7
Other current assets/liabilities	(7,2)	(12,7)	(8,3)
Other non-current assets/liabilities	(15,9)	(14,4)	(15,9)
Net invested capital	**436,2**	**101,9**	**529,3**
Long-term financial liabilities	45,3	12,8	45,3
Short-term financial liabilities (1)	165,7	138,3	178,3
Lease liabilities	-	-	93,0
Debts for investments in subsidiaries	0,1	1,1	0,1
Cash and cash equivalents	(121,0)	(381,3)	(121,0)
Other	(0,1)	(11,9)	(12,7)
Net financial debt	**90,0**	**(241,0)**	**183,1**
Net equity	**346,2**	**342,9**	**346,2**
Total sources	**436,2**	**101,9**	**529,3**

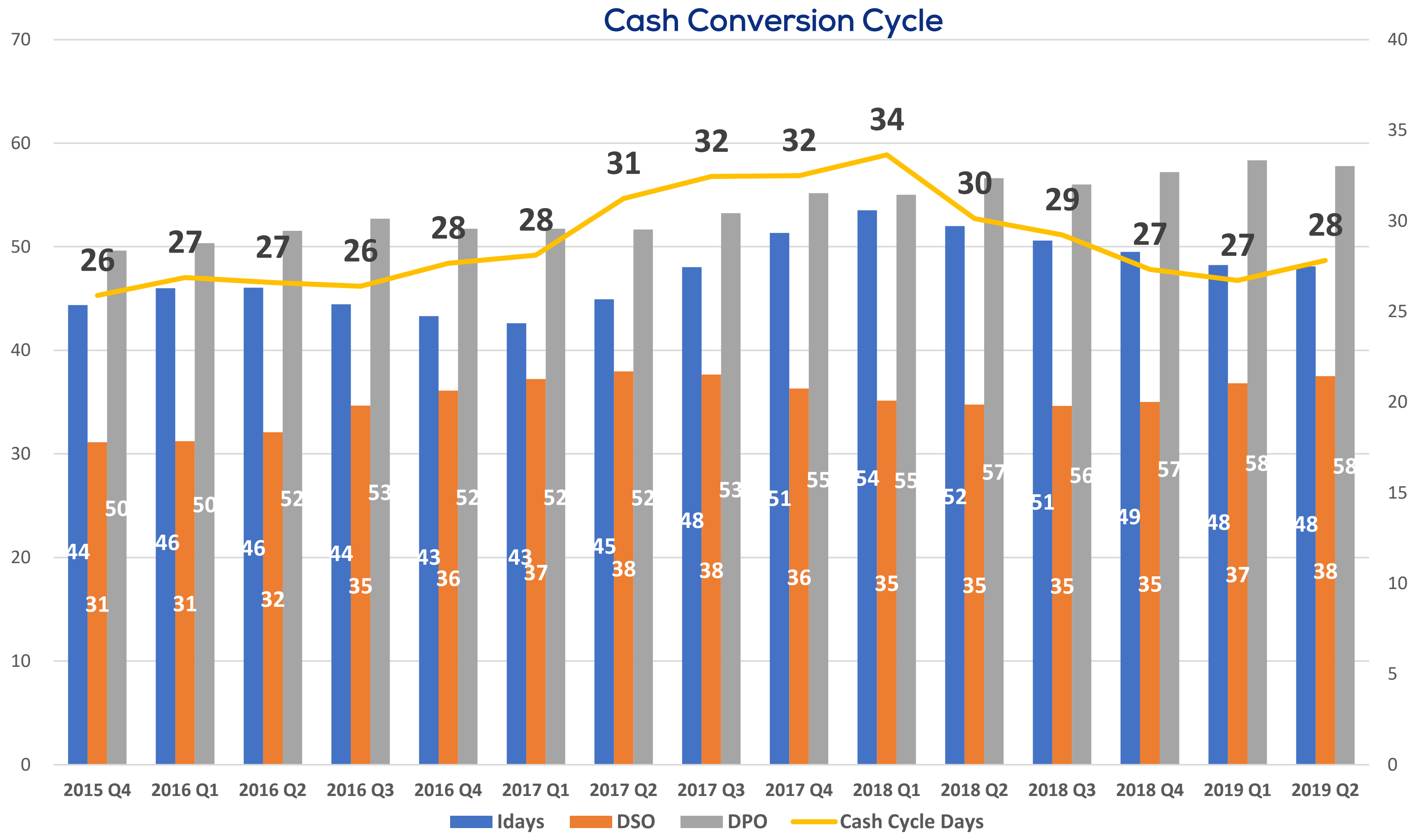
BS at June 30, 2019

- At June 30, 2019 the Group's net equity was 346,2 M€.
- At the same date the Group had 91.0 M€ of goodwill resulting in a Net tangible equity of 255.2 M€.
- Net financial debt evolution from December 31, 2018 is deemed to be not significant due to working capital strong volatility as measured at each end-period.
- The first adoption of the new IFRS 16 Leases led to the initial recognition of lease liabilities of 97.3 M€ which decreased to 93.0 M€ at June 30, 2019 due to rentals paid in H1.
- The vast majority of 97.3 M€ comes from the actualization of rent expenses to be paid along contractual agreement lifetime on warehouse and premises by Esprinet S.p.A. and Esprinet Iberica (96%).

NOTES

(1) *Includes 72,1 M€ at December 31, 2018 and 57.8 M€ at June 30, 2019 reclassified from long-term debt due to covenant breach on Syndicated Senior Term Loan.*

Working Capital Metrics



- Cash conversion cycle sequentially stable at 28 days:
  Idays = 48
  DSO = 38
  DPO = (58)
  Tot = 28
- Compared to Q2 2018 metrics Idays decreased -4 days, DSO increased +3 days and DPO improved +1 days.

Idays (Inventory Days): 4-qtr average of (quarter-end Inventory / quarterly Sales * 90)
DSO (Days of Sales Outstanding): 4-qtr average of (quarter-end Trade Receivables / quarterly Sales * 90)
DPO (Days of Purchases Outstanding): 4-qtr average of (quarter-end Trade Payables / quarterly Cost of Sales * 90)

Return on Capital Employed

(euro/mln)

TTM [1] Net Operating Profit After Tax (NOPAT)	TTM ended March 31		TTM ended June 30		TTM ended December 31	
	2018	2019	2018	2019	2017	2018
EBIT	**37,3**	**41,9**	**37,3**	**42,5**	**36,7**	**41,0**
Income taxes on EBIT [2]	-9,5	-10,7	-9,5	-10,9	-9,4	-10,5
NOPAT	**27,8**	**31,2**	**27,8**	**31,7**	**27,3**	**30,5**
Net operating working capital (5-qtr end average)	307,1	288,3	294,6	278,6	250,1	227,0
Net fixed assets (5-qtr end average)	104,3	95,0	101,4	100,7	108,0	96,2
Total average Invested Capital	**411,3**	**383,3**	**396,0**	**379,3**	**358,0**	**323,2**
ROCE	**6,7%**	**8,1%**	**7,0%**	**8,3%**	**7,6%**	**9,4%**

- ROCE was 8.3% in Q2 2019.
- Company's WACC-Weighted Average Cost of Capital is estimated at approximately 8%[3].

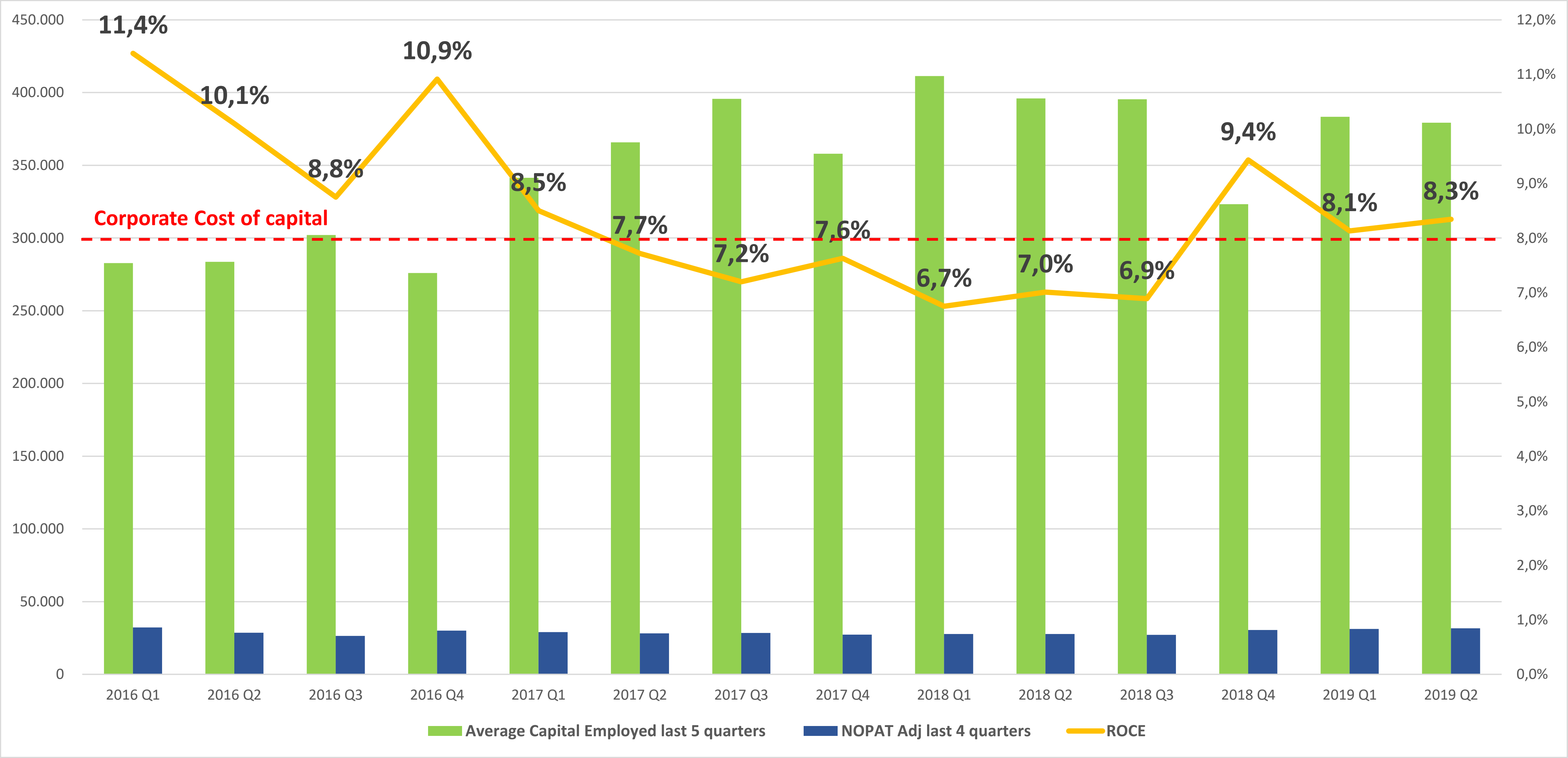
NOTES

[1] *Trailing Twelve Months is abbreviated as TTM.*

[2] *Net of non-recurring items; excluding effects of IFRS 16; income taxes on EBIT are calculated using FY 2018 effective tax rate of ~26%.*

[3] *Down from 8.5% due to downward revision of risk-free rate to 1.75% (based on Banca IMI update of average BTP 10y yield).*

Return on Capital Employed



Debt Structure

- The parent company Esprinet S.p.A. signed on September 30, 2019 a new 3-year RCF-Revolving Credit Facility of up to 152.5 million euro with a pool of domestic and international banks.
- The facility is unsecured and is subject to certain financial covenants that are common for this kind of financing.
- Initial requested amount of 125.0 million euro has been eventually over-subscribed as proof of the positive attitude of the banking system.
- The signing of the RCF followed the total repayment for 72.5 million euro of the pre-existing Term Loan Facility (being the currrent 65.0 million euro revolving line unused).
- Syndicated banks are the same participating to the prior facility with the addition of two new banks and the leaving of Banca Popolare di Sondrio which opted for a bilateral 4-year term loan of 15.0 million euro that is going to be signed in the next few days.
- Thanks to the new RCF, combined with the other existing “committed” facilities (56.4 million euro of amortising term loans, 100.0 million euro of trade receivables securitization program) and the commercial banking facilities, Esprinet Group has strongly strengthened its financial structure which is deemed to be adequate to support future business prospects.

Total funding sources

(euro/mln)	*pro-forma* [1] 30.09.19
Syndicated RCF	152,5
Current portion of long-term financial debt	15,4
Long-term financial debt	56,0
T/R Securitisation program[2]	100,0
Subtot "committed" facilities	**323,9**
Uncommitted short-term financial debt	462,9
Total credit facilities	**786,8**
Shareholders' equity[3]	346,2
Total funding sources	**1.133,0**

- Participating banks within the pool are the following:

  Global Coordinator and Arranger: Banca IMI S.p.A., UniCredit S.p.A., Banca Nazionale del Lavoro S.p.A..

  Arranger: Intesa Sanpaolo S.p.A., Banco BPM S.p.A., Caixabank S.A., Banca Monte dei Paschi di Siena S.p.A., Crédit Agricole Italia S.p.A.

  Manager: UBI Banca S.p.A., Credito Valtellinese S.p.A.

- Other 'uncommited' funding sources come from 'non-recourse' T/R Factoring programs currently in place in Italy and Spain for a potential of ~700.0 M€.

NOTES

(1) *Includes 15.0 M€ of term loan from BPS which has not been signed yet.*

(2) *The SPV has assumed a commitment to buy trade receivables from Esprinet SpA and V-Valley along the entire life of the program expiring on July 2021*

(3) *As of June 30, 2019*

Term Loan Facilities

(euro/mln)

Lender	Borrower	Initial amount	30.09.19 Short-term portion	Long-term portion	Oustanding Nominal amount	Maturity
Bank 1	Esprinet SpA	10,0	2,5	3,8	6,3	dec-21
Bank 2	Esprinet SpA	10,0	2,5	3,8	6,3	mar-22
BPS	Esprinet SpA	15,0	-	15,0	15,0	oct-24
Subtot		**35,0**	**5,0**	**22,6**	**27,6**	
Bank 4	Vinzeo	3,5	0,9	-	0,9	dec-19
Bank 5	Vinzeo	5,0	-	5,0	5,0	mar-23
Bank 6	Vinzeo	3,0	0,8	2,3	3,0	mar-23
Bank 7	Vinzeo	5,0	1,0	3,8	4,8	mar-24
Subtot		**16,5**	**2,6**	**11,0**	**13,6**	
Bank 8	Esprinet Iberica	10,0	2,0	7,1	9,0	feb-24
Bank 9	Esprinet Iberica	5,0	0,8	3,7	4,5	feb-24
Bank 10	Esprinet Iberica	9,0	3,0	4,5	7,5	feb-22
Bank 11	Esprinet Iberica	10,0	2,0	7,1	9,0	feb-24
Subtot		**34,0**	**7,7**	**22,3**	**30,1**	
Total		85,5	15,4	56,0	71,4	

- The majority of the term loans are not subject to any financial covenant.
- The only exceptions are 2 term lonas received by Spanish local banks which account for ~25% of total oustanding amount.

Share repurchase activity

Timetable

- Start: July 12, 2019
- End: March 31, 2020

- No. 1,150,000 own shares already in portfolio at the inception of the Share Buy-Back Program are dedicated to serve the assignment of ‘Performance Stock Grant’ within the 2019-22 Long Term Incentive Plan for executive directors and employees approved by AGM on May 4, 2018

Share repurchases(1)

- Number of shares repurchased: 832,508 (1.59% of total)
- Amount repurchased: 2.537 M€
- Average price per share: 3.05 €

Remainder of the program

- Number of shares: 637,709 (1.22%) out of a total authorization from AGM of 2.81% (which will lead to 5% of total own shares portfolio or 2,620,217)

NOTES

(1) *As of September 30, 2019*

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Q & A

Thank you

GRAZIE • GRACIAS • DANKE • MERCI • 감사 • 謝謝 • 感謝

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ANNEXES

Market trend

Overall Market performance

Region	Q1 2019 vs. Q1 2018	Q2 2019 vs. Q2 2018	H1 2019 vs. H1 2018
EUROPE	5,4%	3,8%	4,6%
ITALY	4,3%	8,7%	6,4%
SPAIN	11,5%	8,4%	9,9%
PORTUGAL	11,4%	8,6%	10,0%

Italy

- Advanced Solutions slightly negative and Accessories down more than 8%. Consumer Electronics up +44% and all other lines of business up mid-single digit.

Spain

- Printing almost flat and Accessories down -3.7%.
- All other lines of business up double digit with Phones at +18% and Advanced Solutions up 13%.

Esprinet Group performance

Both the Italian and Spanish operations of the Group grew more than the market and achieved a market share growth of 1.5% and 1.2% respectively in Italy and Spain.

Italy outgrew the market in PCs, Phones and Accessories and lost 0.4% of share in Advanced Solutions and 1.9% in Consumer Electronics.

Spain outgrew the market in all business lines with the exception of Phones where the policy of walking away from unprofitable businesses led to a market share loss of 7.7%.

Italy slightly lost share in the Business Reseller customer segment whilst grew its share in Spain.

Italy significantly outperformed the market in the Consumer customer segment both in Italy and Spain.

Market conditions are still competitive given the pressure on many vendors which are struggling with commoditized products and restructuring activities.

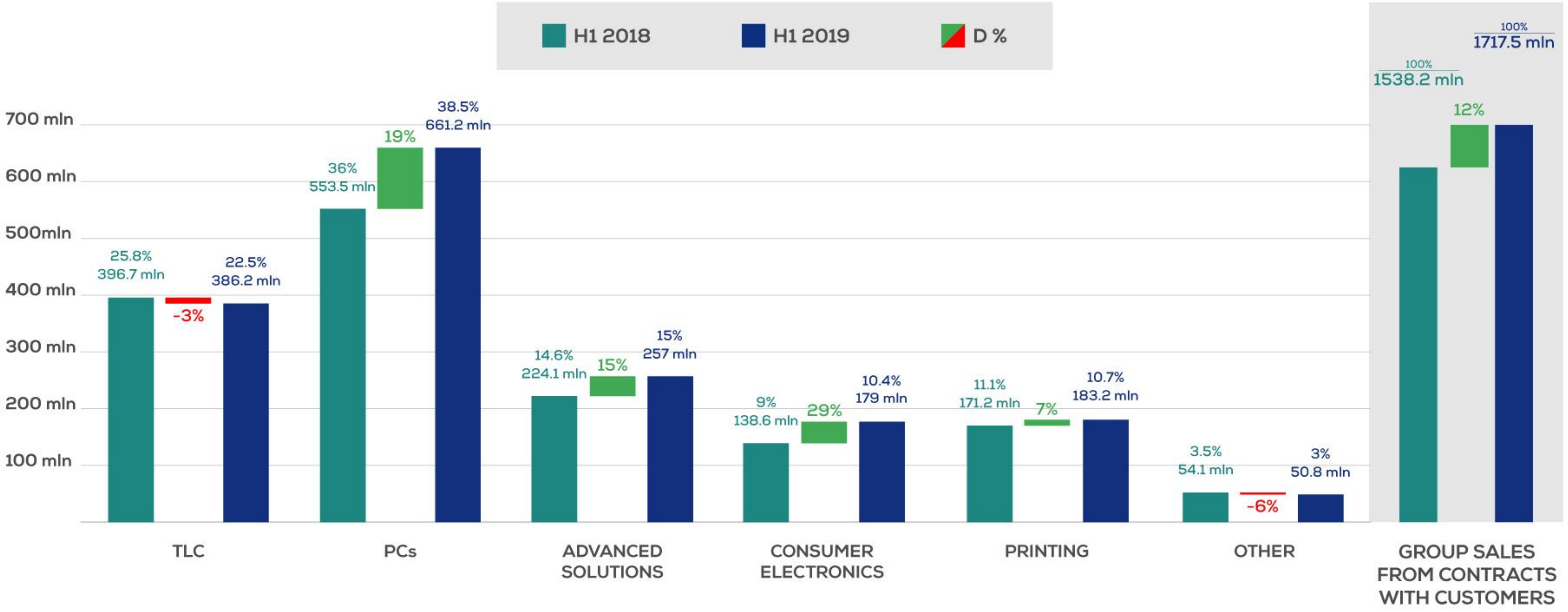
Opportunities of further market consolidation appear possible also at distribution level and not only at reseller and vendor level.

Source: Context, September 2019

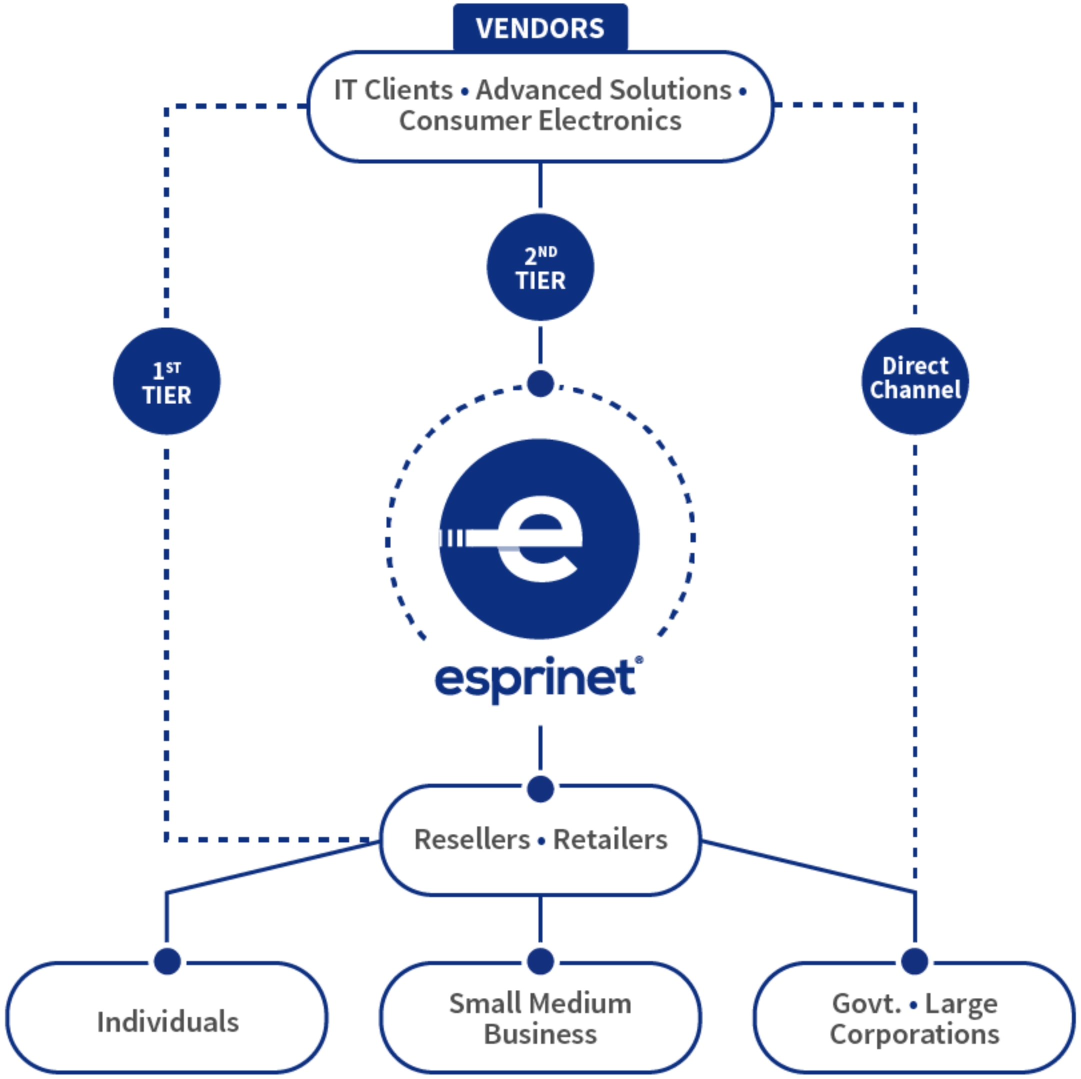
Gross Profit Trend

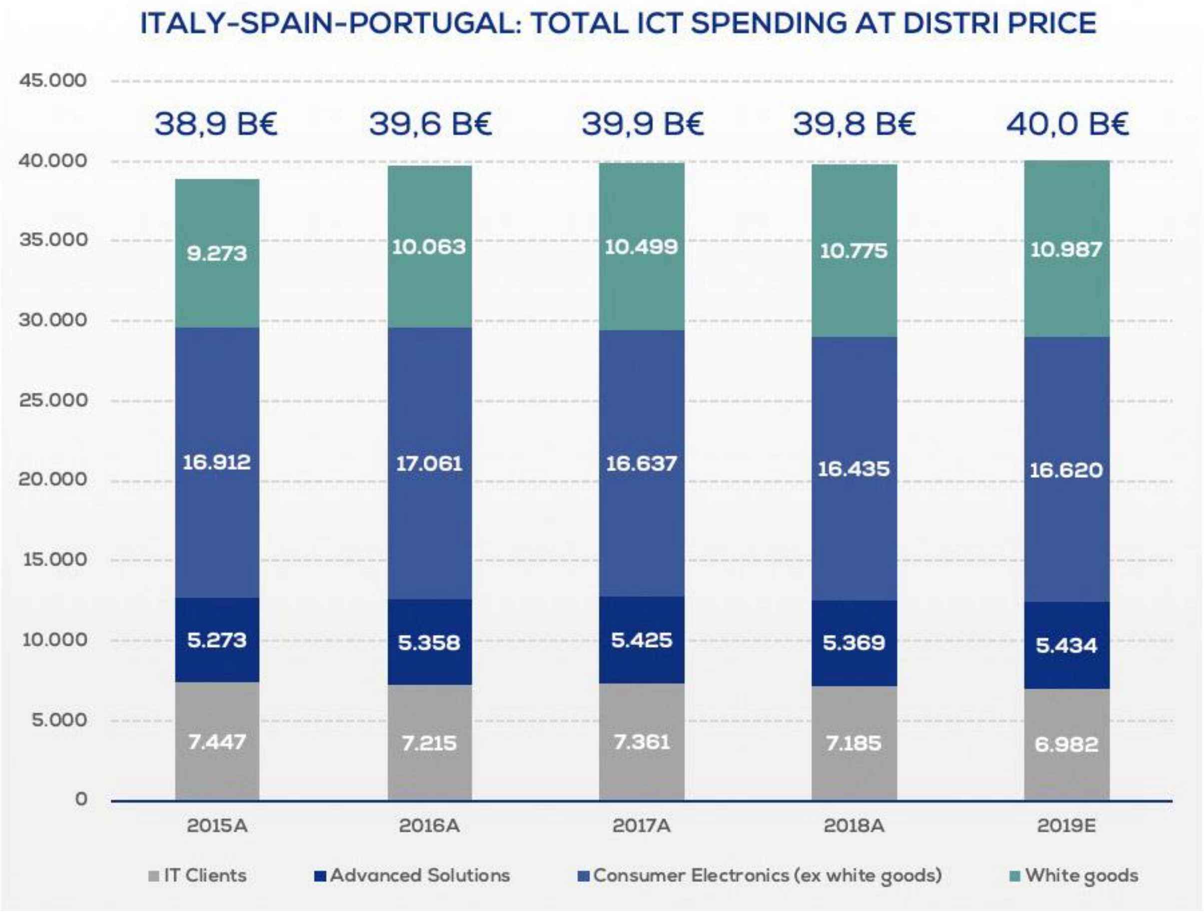
PCs & Phones	PCs and Smartphones collectively grew in terms of Gross Profit during both H1 and Q2 2019.
Advanced Solutions	Advanced Solutions Gross Profit % in Q2 2019 was substantially stable sequentially compared to Q1 2019 and was down compared to Q2 2018 mostly on mix and pressure on HPE margins driven by change in vendor T&Cs not yet passed-through to customers.
Printing	Printing Gross Profit during Q2 was up sequentially against Q1 2019 driven by a better mix of supplies vs printing devices but was still down compared to Q2 2018 also influenced by very poor HP Inc. supplies margins.
Consumer Electronics & Others	Consumer Electronics and Accessories Gross Profit % were down sequentially and compared to Q2 2018 driven by big deals at low profitability.

Sales Breakdown: H1 2019 vs H1 2018



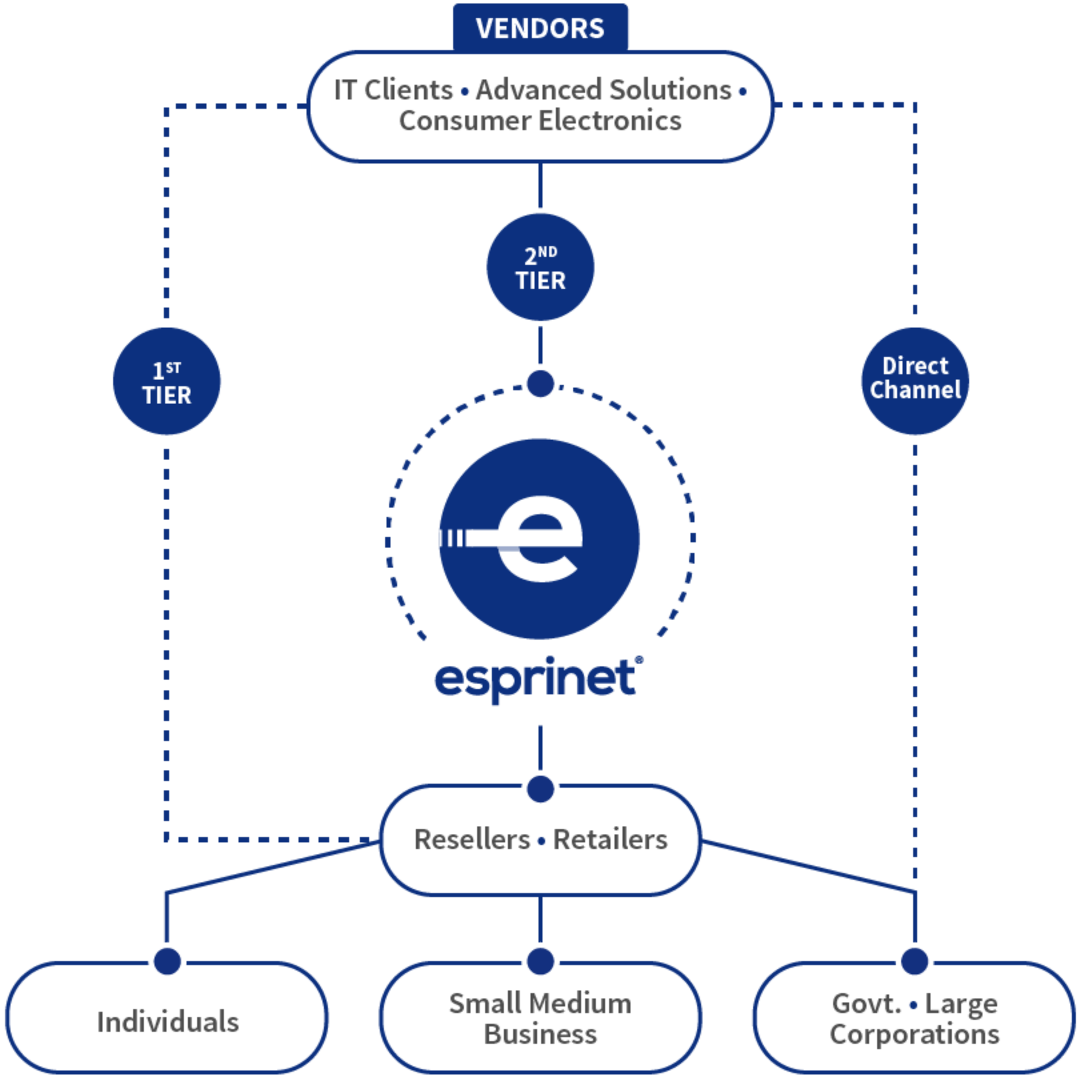
Size Of Addressable End User Market

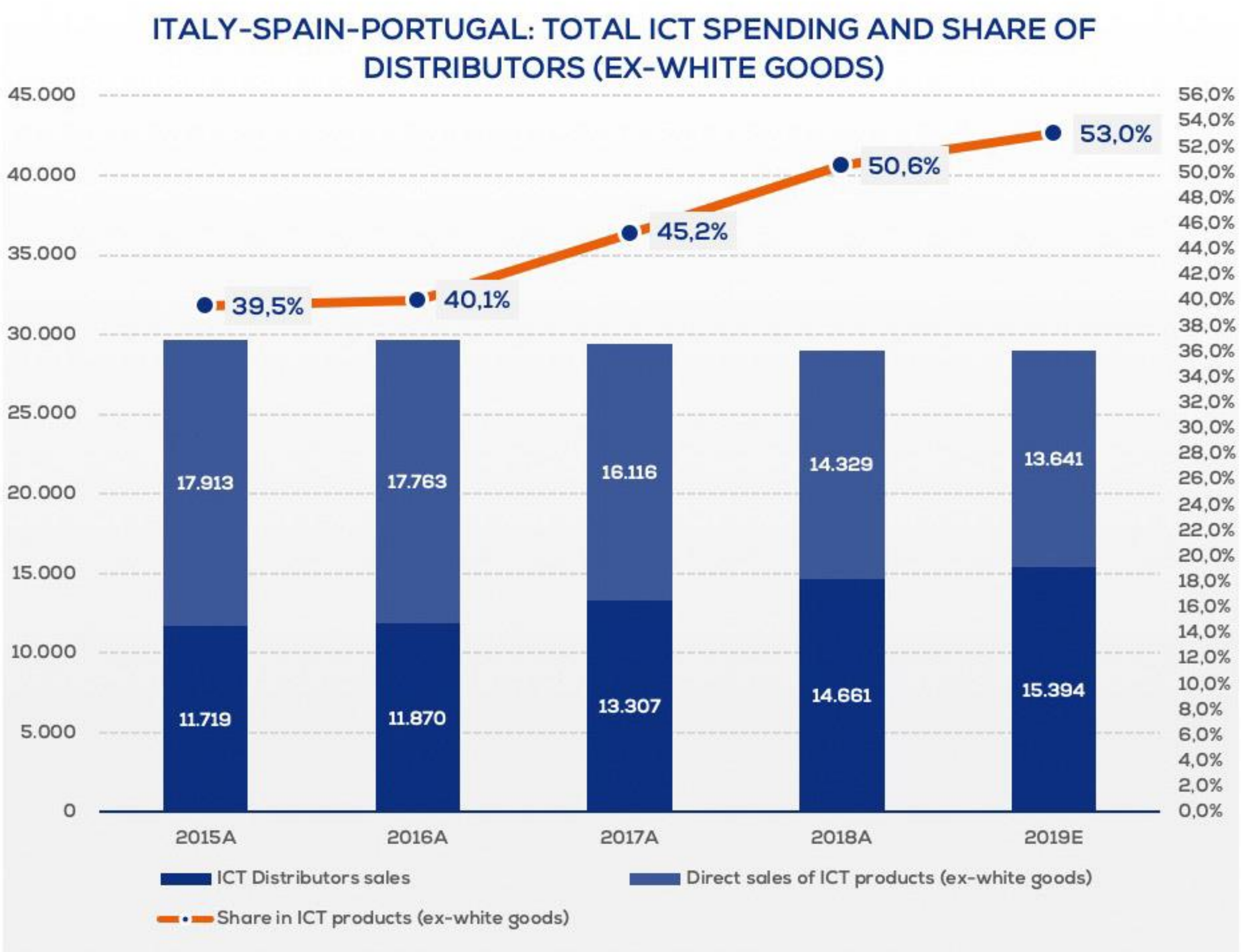




EITO figures for IT Clients - Advanced Solutions & Smartphones - EUROMONITOR for other Consumer electronics
End-user consumption converted to distri price assuming average 15% margin for resellers/retailers
Conversion from Context panel sales to Total distri sales assuming Context Panel represents 95% of total consolidated distri sales
2019 end user market estimates by EITO & Euromonitor as of May 2019
2019 distri sales estimated using a flat growth of 5%

Weight Of Distris On Addressed Market





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End-user consumption converted to distri price assuming average 15% margin for resellers/retailers
Conversion from Context panel sales to Total distri sales assuming Context Panel represents 95% of total consolidated distri sales
2019 end user market estimates by EITO & Euromonitor as of May 2019
2019 distri sales estimated using a flat growth of 5%

Profit & Loss – IFRS 16 Reconciliation

Q2 2019

IFRS 16: P&L impact

(euro/mln)	Q2 2019		adj.	post IFRS 16 «as reported» Q2 2019	
Sales	842,0	100,00%		842,0	100,00%
Cost of sales	(801,8)	-93,22%		(801,8)	-93,22%
Gross Profit	**40,3**	**4,78%**	-	**40,3**	**4,78%**
Operating costs	(34,0)	-4,04%	1,0	(33,0)	-3,92%
EBIT	**6,2**	**0,74%**	**1,0**	**7,2**	**0,86%**
D&A	1,1	0,14%	1,9	3,1	0,36%
EBITDA	**7,4**	**0,88%**	**2,9**	**10,3**	**1,22%**
Finance costs - net	(0,9)	-0,10%	(0,3)	(1,2)	-0,14%
Profit before income taxes	**5,4**	**0,64%**	**0,7**	**6,1**	**0,72%**
Income taxes	(1,2)	-0,14%	(0,2)	(1,4)	-0,17%
Net income	**4,2**	**0,49%**	**0,5**	**4,6**	**0,45%**
Tax rate	*23%*			*23%*	

- The adoption of IFRS 16, the new lease standard, determined an increase of EBIT of 1.0 M€ and a more significant increase of EBITDA from 7.4 M€ to 10.3 M€ (+40%).
- The effect on EBITDA was due to the total amount of rent expenses (2.9 M€) being replaced with depreciation and interest expenses which are reclassified below EBITDA line.
- The effect on Net income was an increase of 0.5 M€.

Profit & Loss

(euro/mln)	Q2 2019 [1]		Q2 2018		Var. %
Sales	842,0	100,00%	756,9	100,00%	*11%*
Cost of sales	(801,8)	-93,22%	(718,9)	-94,98%	*12%*
Gross Profit	**40,3**	**4,78%**	**38,0**	**5,02%**	***6%***
Operating costs	(34,0)	-4,04%	(32,4)	-4,28%	*5%*
EBIT	**6,2**	**0,74%**	**5,6**	**0,74%**	***12%***
D&A	1,1	0,14%	1,2	0,15%	*-2%*
EBITDA	**7,4**	**0,88%**	**6,7**	**0,89%**	***9%***
Finance costs - net	(0,9)	-0,10%	(1,7)	-0,22%	*-49%*
Profit before income taxes	**5,4**	**0,64%**	**3,9**	**0,51%**	***38%***
Income taxes	(1,2)	-0,14%	(1,1)	-0,15%	*9%*
Net income	**4,2**	**0,49%**	**2,8**	**0,37%**	***50%***
Tax rate	*23%*		*29%*		

Q2 2019

- Reported net sales at 842.0 M€ increased +11% compared to the prior-year Q2 (+85.1 M€).
- Gross profit up +6% at 40.3 M€.
- Operating costs grew at a lower rate than sales (+5%).
- EBIT at 6.2 M€ increased +12% compared to the prior-year Q2.
- EBIT % stable vs prior-year Q2.
- PBT at 5.4 M€ increased +38% compared to the prior-year Q2 mainly due to lower exchange losses of 0.7 M€ compared to Q2 2018.
- Net income of 4.2 increased +50%.

NOTES

[1] *Excluding effects of IFRS 16 ‘Leases’.*

Profit & Loss – IFRS 16 Reconciliation

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H1 2019

IFRS 16: P&L impact

(euro/mln)	H1 2019		adj.	post IFRS 16 «as reported» H1 2019	
Sales	1.717,5	100,00%		1.717,5	100,00%
Cost of sales	(1.636,4)	-95,28%		(1.636,4)	-95,28%
Gross Profit	**81,1**	**4,72%**	-	**81,1**	**4,72%**
Operating costs	(68,6)	-3,99%	1,5	(67,1)	-3,91%
EBIT	**12,5**	**0,73%**	**1,5**	**14,0**	**0,81%**
D&A	2,3	0,13%	4,3	6,7	0,39%
EBITDA	**14,8**	**0,86%**	**5,8**	**20,6**	**1,20%**
Finance costs - net	(2,4)	-0,14%	(1,4)	(3,7)	-0,22%
Profit before income taxes	**10,1**	**0,59%**	**0,1**	**10,2**	**0,60%**
Income taxes	(2,6)	-0,15%	(0,1)	(2,7)	-0,15%
Net income	**7,5**	**0,44%**	**0,0**	**7,6**	**0,44%**
Tax rate	*26%*			*26%*	

- The adoption of IFRS 16 Lease determined an increase of EBIT of 1.5 M€ and a more significant increase of EBITDA from 14.8 M€ to 20.6 M€ (+39%).
- The effect on EBITDA was due to the total amount of rent expenses (5.8 M€) being replaced with depreciation and interest expenses which are reclassified below EBITDA line.
- The effect on Net Income was negligible.

Cash Flow Generation

(euro/mln)		H1 2019	H1 2018
	Cash flow generated from operations	21,2	13,3
	Cash flow provided by (used in) changes in working capital	(338,2)	(152,4)
	Other cash flow provided by (used in) operating activities	(3,0)	(2,0)
	Cash flow provided by (used in) operating activities	**(320,0)**	**(141,1)**
(+/-)	Cash flow provided by (used in) investing activities	0,2	1,0
(+/-)	Dividends and other changes	(11,3)	(7,6)
(=)	Net (increase)/decrease in net financial debt	(331,1)	(147,6)
	Net financial debt (cash) at beginning of period	(241,0)	(123,1)
	Net financial debt (cash) at end of period	90,0	24,6

- Cash flow generated from operations was 21.2 M€ (+59%).
- Dividend distribution during Q2 of 6.9 M€.
- Net financial debt at quarter-end was 90,0 M€ (183.1 M€ when considering newly emerged lease labilities of 93.1 M€ due to IFRS 16.
- 'Apparent' working capital absorption, due to huge swing between year-end and end of June, and increase in financial debt compared to December 31, 2019 is not suggestive of real changes in average capital employed.