



THE **SPAC**



# Investor Presentation

*June 29<sup>th</sup> 2020*

franchiumbertomarmi

# Today's presenting team



**Alberto Franchi**  
Chairman and CEO

- Started working in FUM family business in 1988
- FUM Chairman and CEO since 1990



**Bernarda Franchi**  
Deputy Chairman and CEO

- In FUM since 1991
- CEO of Franchi Umberto Marmi since 1991
- 1987 – 1991: Manager with Franchi Umberto & Figli
- 1981 – 1987: Employed by Borghini P. & Franchi Umberto



**Carlo Varni**  
Commercial Director

- In FUM since 1991
- Started to work in the Commercial Department in 1998
- Since 2008, in charge of the commercialisation of slabs



**Marco Nannini**  
CFO

- In FUM since 2018
- 2016-2018 Senior Controller at Erton
- 2014-2016 Senior Controller at Pro Art
- 2011-2014 Investment controller at Magneti Marelli

# A leading player in the segment of luxury marble

**€65m**

2019 Revenues

**13%**

Revenues  
CAGR' 17A-'19A

**€27m**

2019 Adj. EBITDA<sup>(1)</sup>

**41%**

2019 Adj. EBITDA  
margin<sup>(2)</sup>

**€17m**

Net income

**26%**

Net income  
margin<sup>(2)</sup>

**€6m**

2019 Net cash

## Company's overview

- ♦ Founded in 1971 and headquartered in Avenza di Carrara (Massa-Carrara), Franchi Umberto Marmi S.p.A. ("FUM" or the "Company") is engaged in **cutting, shaping and finishing ornamental and building Carrara marble**
- ♦ The Company's product offering includes **Carrara marble slabs and blocks** for the high-end segment of the market
- ♦ FUM is a well-known and recognized player around the world, with **38% of revenues generated in Italy and 55% of revenues generated outside EMEA**, of which c. 31% in Asia and c. 20% in North America
- ♦ FUM owns **headquarters of 47,000m<sup>2</sup>**, with **5 modern warehouses** used as showrooms as well as **3 separate spaces** close to the HQ to **display FUM products**, and a **pavilion used as a meeting and exhibition room**
- ♦ The Company can leverage on privileged access to over **30 quarries in the Apuana district** and direct procurement of high quality marble, allowing its clients to take advantage of the most valuable materials
- ♦ FUM is controlled by **Alberto Franchi S.s. (15.0%)**, **Bernarda Franchi S.s. (15.0%)** and **Holding Franchi S.p.A. (70.0%)**

## Headquarter with dedicated showrooms

### Apuo-Versilian district



### Carrara Headquarter



### 5 dedicated showrooms



### Example of marble quality sold

#### Calacatta



#### Gioia



#### Statuario

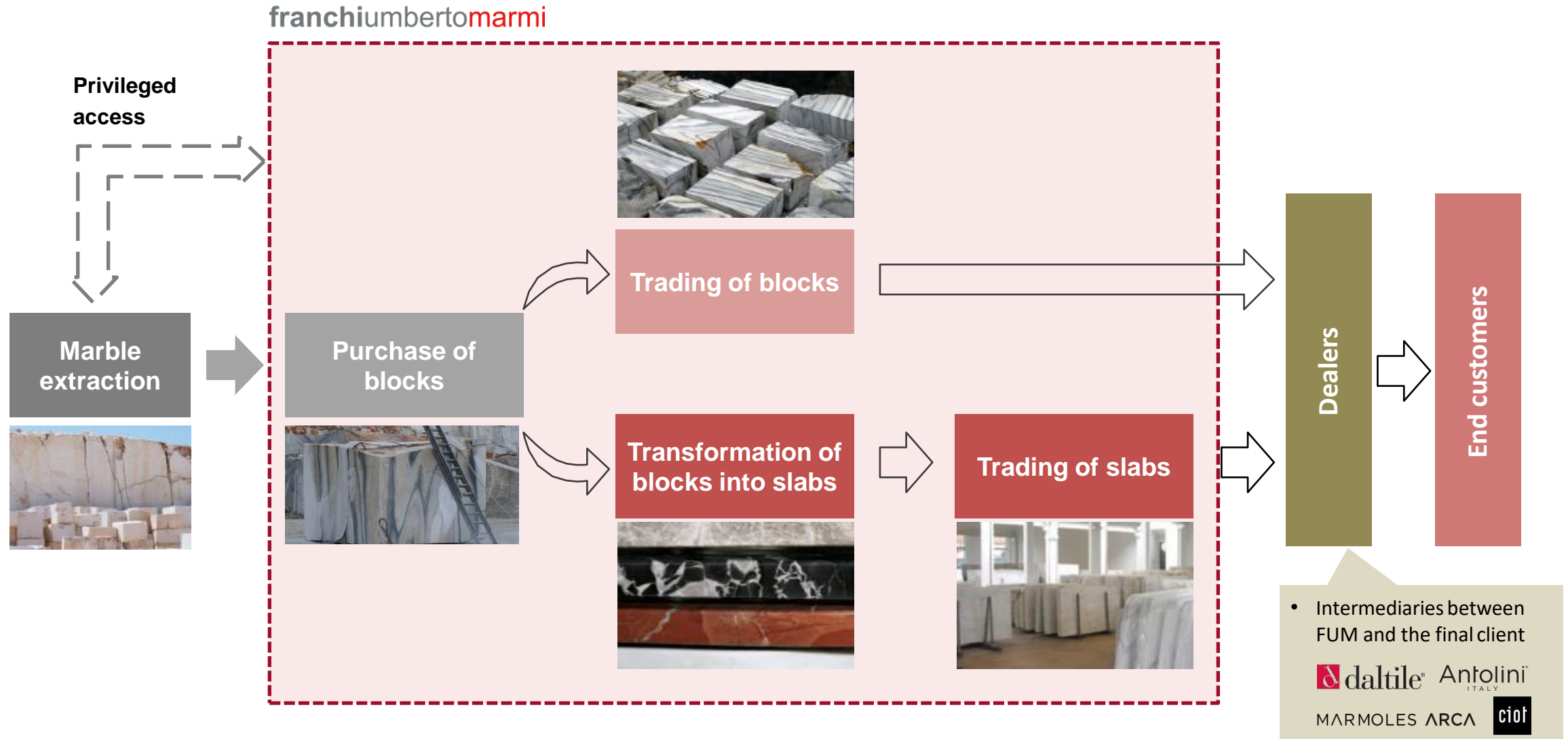


Note: all figures have been adjusted for IFRS15. FY17 - FY18 are carve-out financials that reflect the accounting effect from the de-merger which took place on 11 October 2018.

(1) Adjusted Ebitda is calculated as profit for the year, before income taxes, financial charges and income, gain/losses on exchange, depreciation and amortisation, gain on disposal of building and IPO Costs.

(2) Margin calculated on Value of Production (Revenues + Other Income, excluded gain on disposal of Buildings).

# FUM is uniquely positioned in the value chain



# FUM's key investment highlights

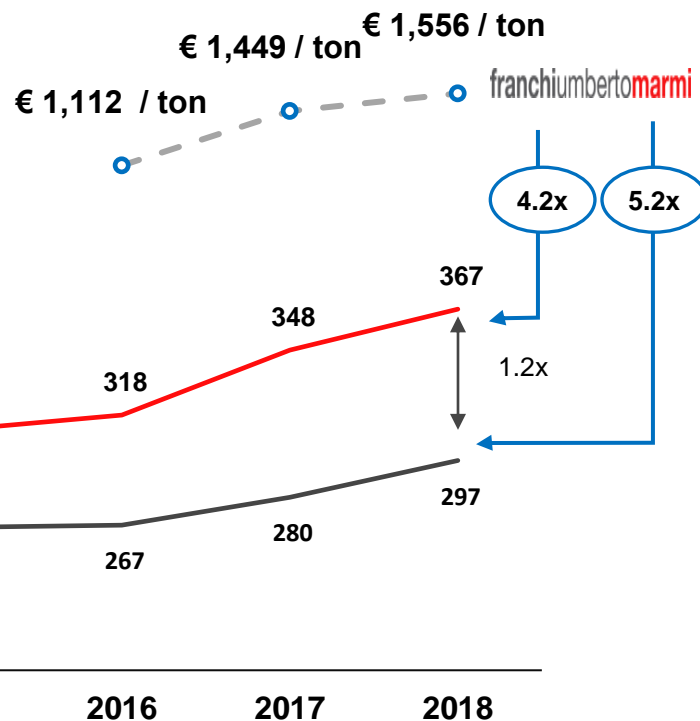
---

franchiumbertomarmi






- 1 **High-end positioning** in **growing segment** of **luxury marble**
- 2 **Global presence** with focus on high-growth markets
- 3 **Privileged access** to over 30 quarries and **direct procurement**
- 4 **Prompt availability** of product transformed with an **advanced technological approach**
- 5 Superior financial profile with **attractive growth** and **margins**
- 6 Well defined **growth strategy**

# 1 High-end positioning in growing segment of luxury marble

FUM is consistently at premium within the Carrara marble  
(raw marble average selling price in € / ton)



Representative FUM quality marble portfolio

Quality	Sample	Pricing positioning	Weighted-avg price of blocks (€/ton) <sup>(1)</sup>	Weighted-avg price of slabs (€/m <sup>2</sup> ) <sup>(1)</sup>	% of 2019 FUM revenues
Calacatta		High-end	3,887	456	35%
Informe Calacatta		High-end	1,307	116	12%
Statuario		High-end	5,309	537	15%
Bianco Carrara		High-end	694	35	5%
Gioia Venato		High-end	443	44	5%

**Total: 72%**

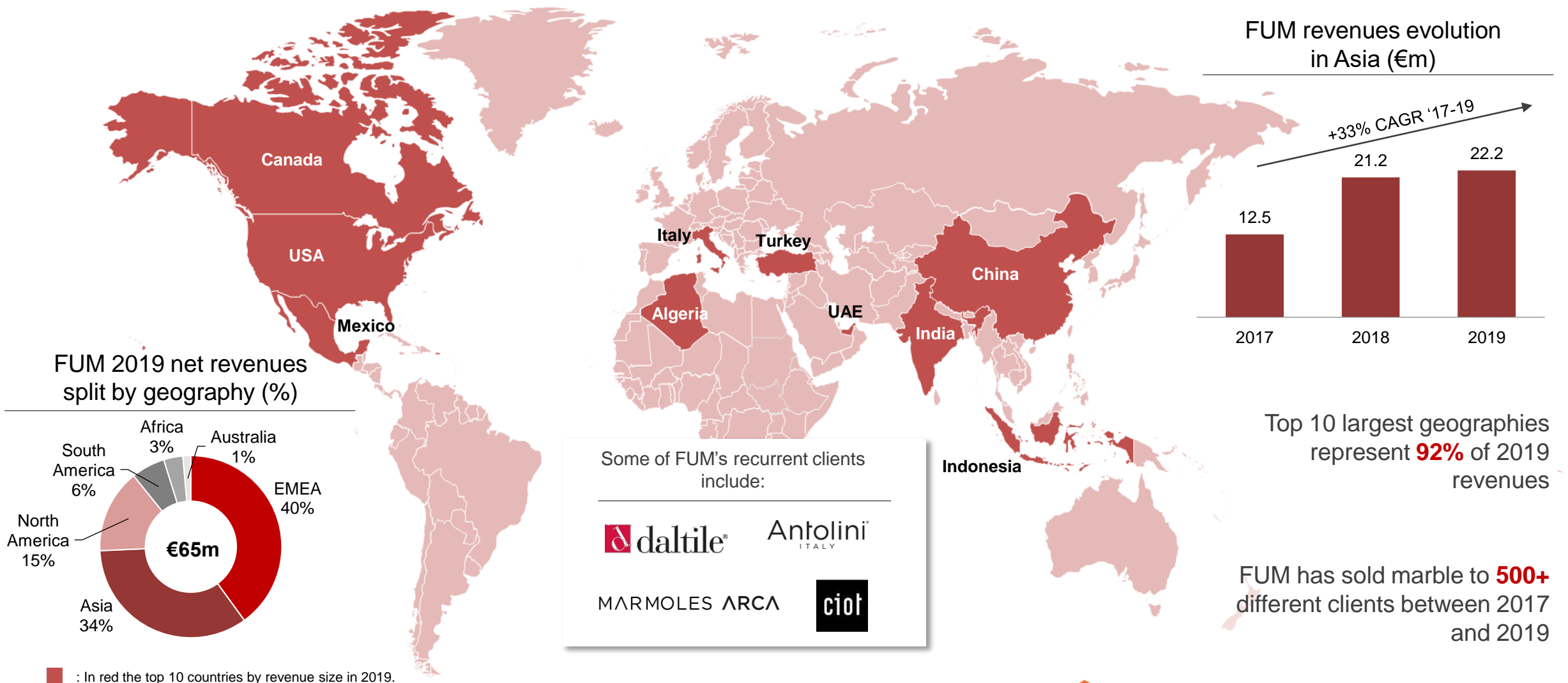
Source: "Rapporto marmo e pietre nel mondo", april 2020; "The Preservation of Stone Monuments in the Mediterranean Basin" by Lorenzo Lazzarini.

(1) FY19 figures take into account revenues from the top 10 countries by revenue size (top 10 countries represented 92% of FY19 revenue).



## 2 Global presence focused on high-growth markets

FUM has built an extensive network of clients



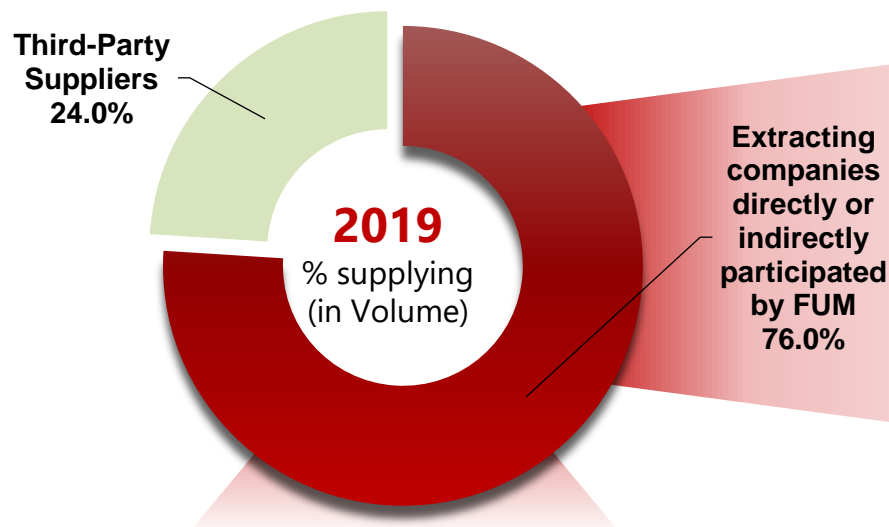
Note: Company's financials statements 2017, 2018, 2019 are IAS/IFRS. FY18 and FY17 are carve-out financials that reflect the accounting effect from the de-merger which took place on 11 October 2018.

### 3 Privileged access to over 30 quarries and direct procurement

#### FUM differentiating characteristics from competitors

- 1 FUM enjoys privileged supply through **long-term preferential contracts** and **retains full optionality** to acquire and trade quality marble, depending on market demand

- 2 Pre-emption rights in contracts allow FUM to selectively buy marble **ahead of competitors** and maintain **large availability of high-end product** with **fast delivery to clients**



#### Privileged marble supply

- **10-year contracts** (renewable for additional 5/10 years, without excluding rolling renewals)
- **Right to buy** a pre-determined percentage of annual production
- **Pre-emption right** on remaining unsold lots
- **Right to refuse** the lot of marble made available by the supplier

*On the basis of Article 38 of the Regional Law of 2015, the terms of expiry of the quarries authorizations or concessions can be increased up to a maximum total of twenty-five years, with the commitment to process at least 50 percent of the material in the local production system*

*In the event that the Agreements with suppliers should not be renewed upon expiry or should they be terminated in the meanwhile for reasons not attributable to the Issuer, FUM has option agreements to purchase the shareholdings held by Carrara Real Estate in NPA Srl, MPA Srl, MC Srl and by A.Franchi and B.Franchi in Bettogli Marmi Srl*



## 4 Prompt availability of product...

### FUM headquarters



The Company owns headquarters of **47,000m<sup>2</sup>**, with **5 modern warehouses** used as showrooms

Around the headquarters, **3 separate spaces** have been created to display FUM products, and a **pavilion** to be used as a meeting room and exhibition room

### Prospect showroom



The Company plans to expand its showroom by 2020, reaching an area of **over 12,000m<sup>2</sup>**, thus becoming the largest commercial space dedicated to Carrara Marble in Italy

### Showroom in Carrara



Part of FUM's success is a result of Management's ability to pursue innovative marketing strategies for the sector

FUM was a regional pioneer in the **use of showrooms** and the **participation to international fairs**

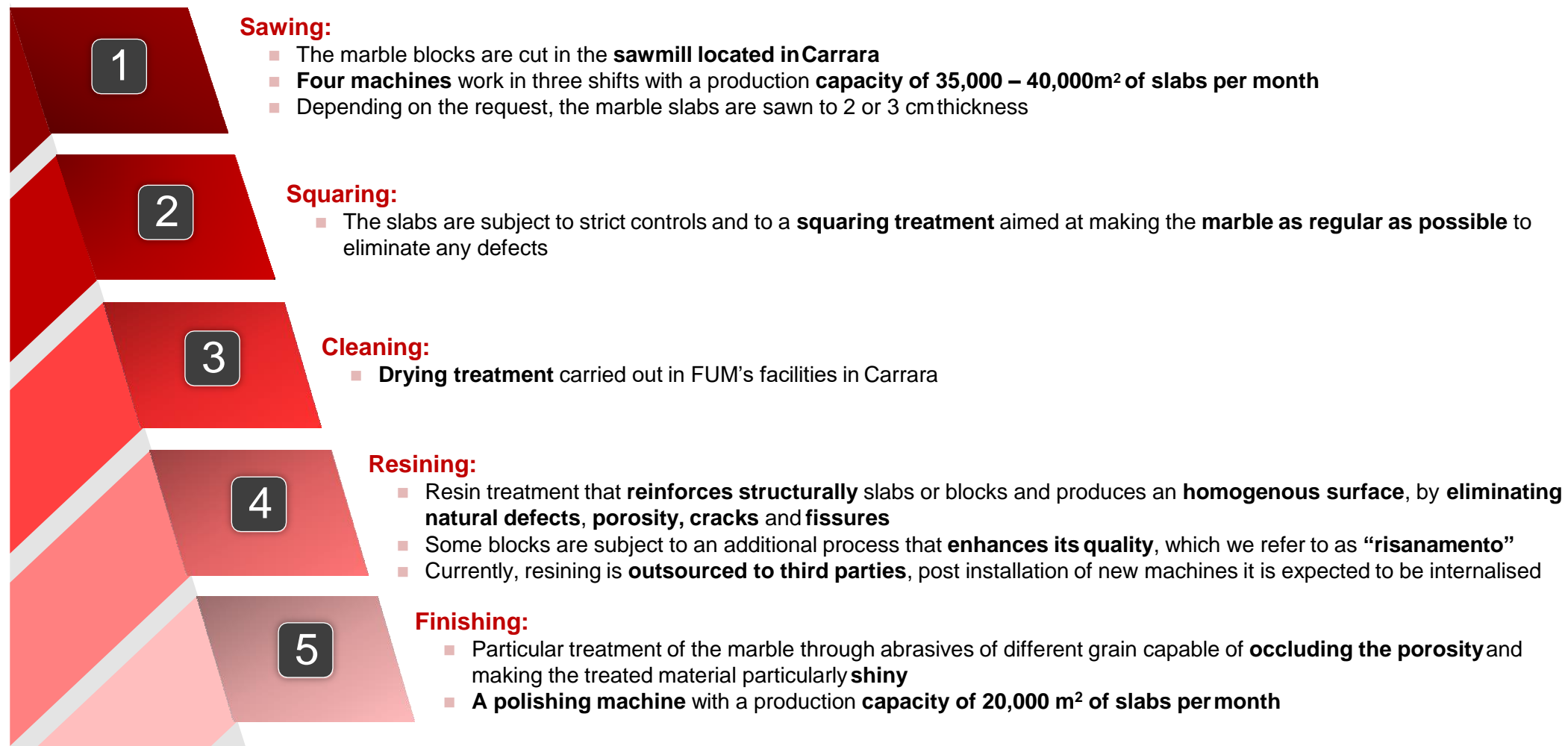
### Product premium positioning



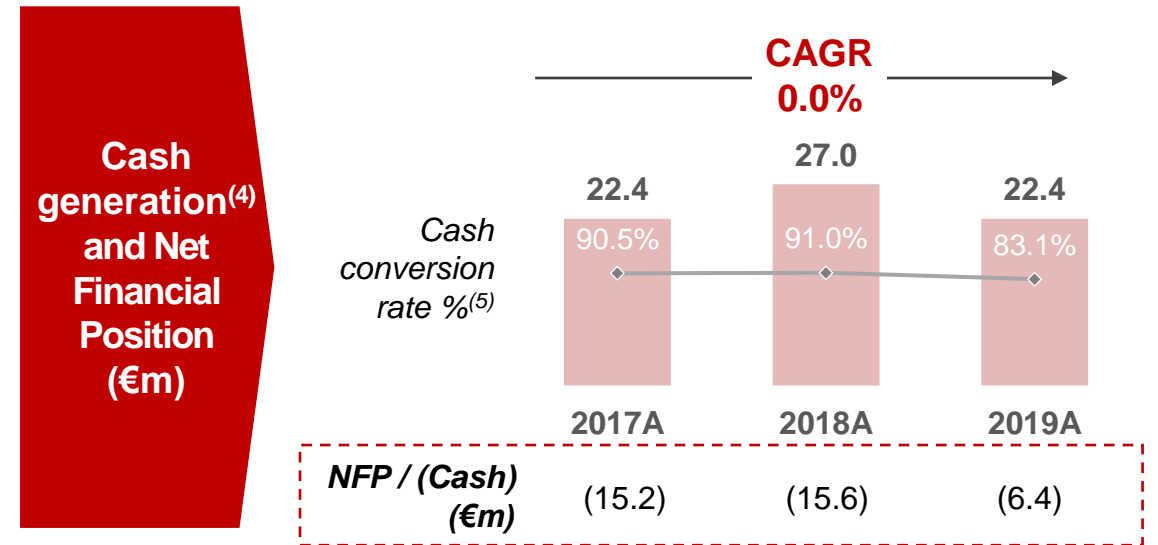
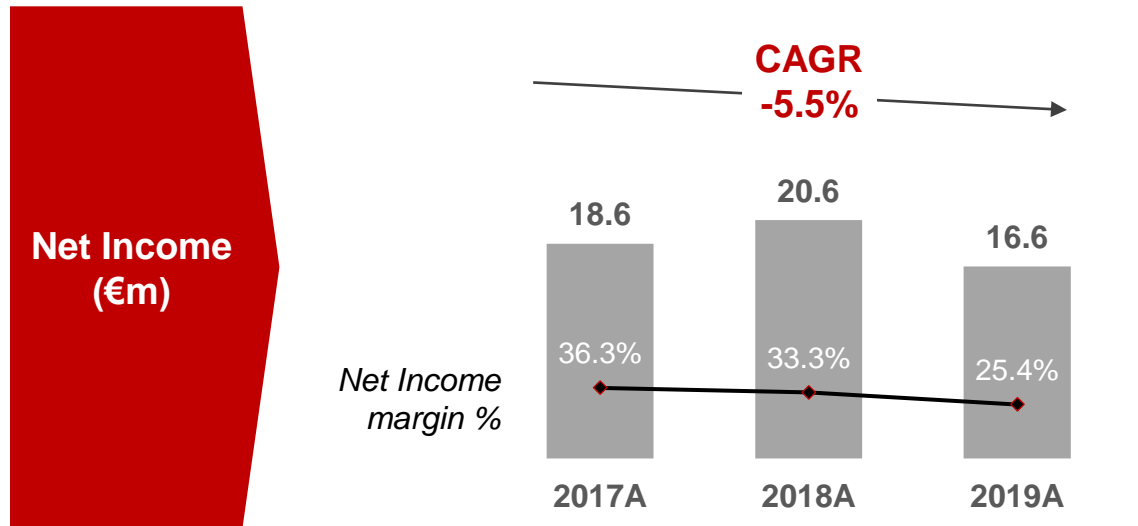
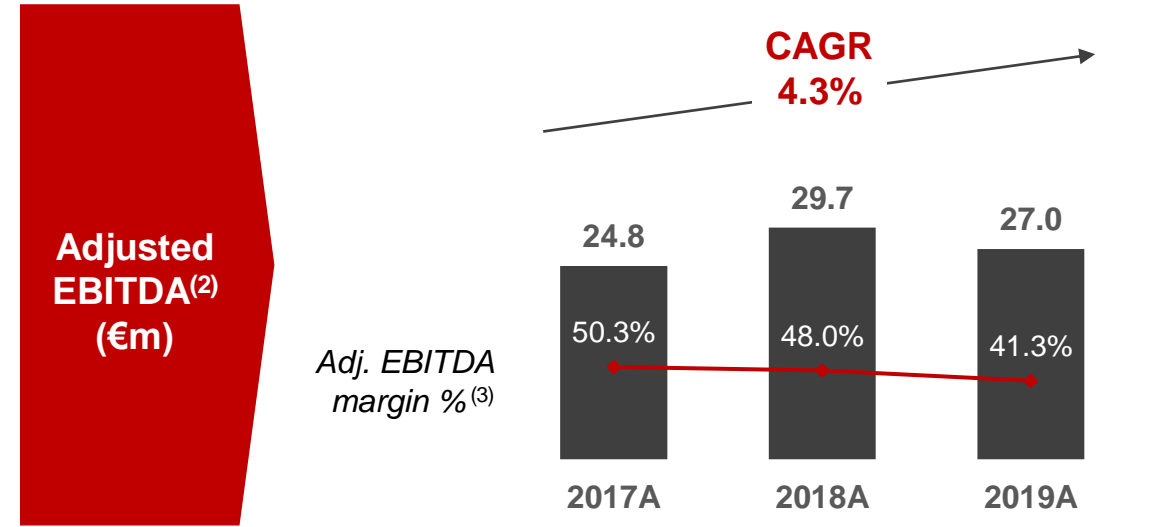
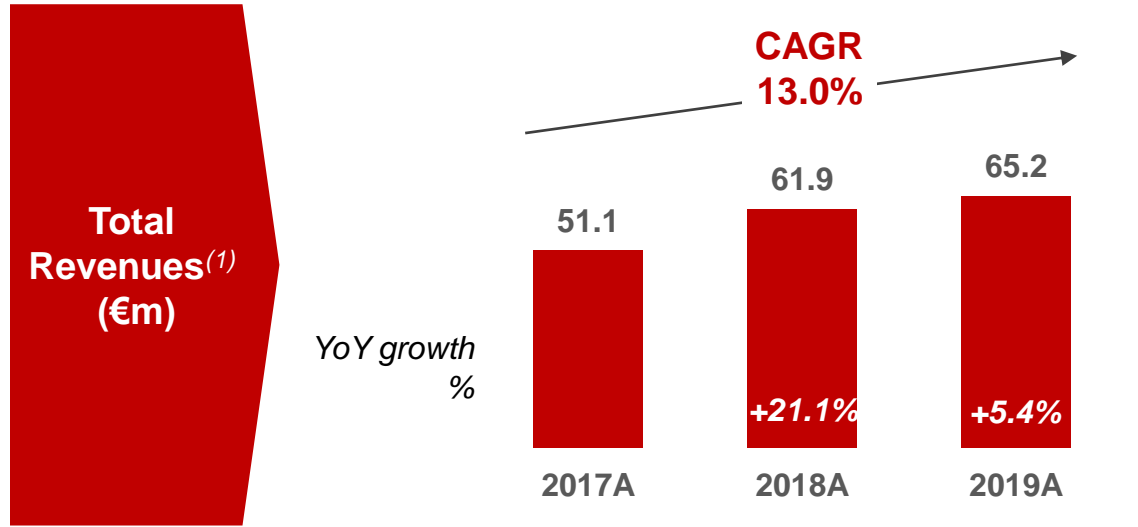
First player to drastically change the way the product is presented, as **a piece of luxury clothing** or a **jewel**

FUM has identified additional marketing initiatives such as **partnerships with stone sculptors** to extol Carrara marble or a **new exhibition corner** at the most important Italian dealers' showrooms

## 4 ...transformed with an advanced technological approach



# 5 Superior financial profile with attractive growth and margins

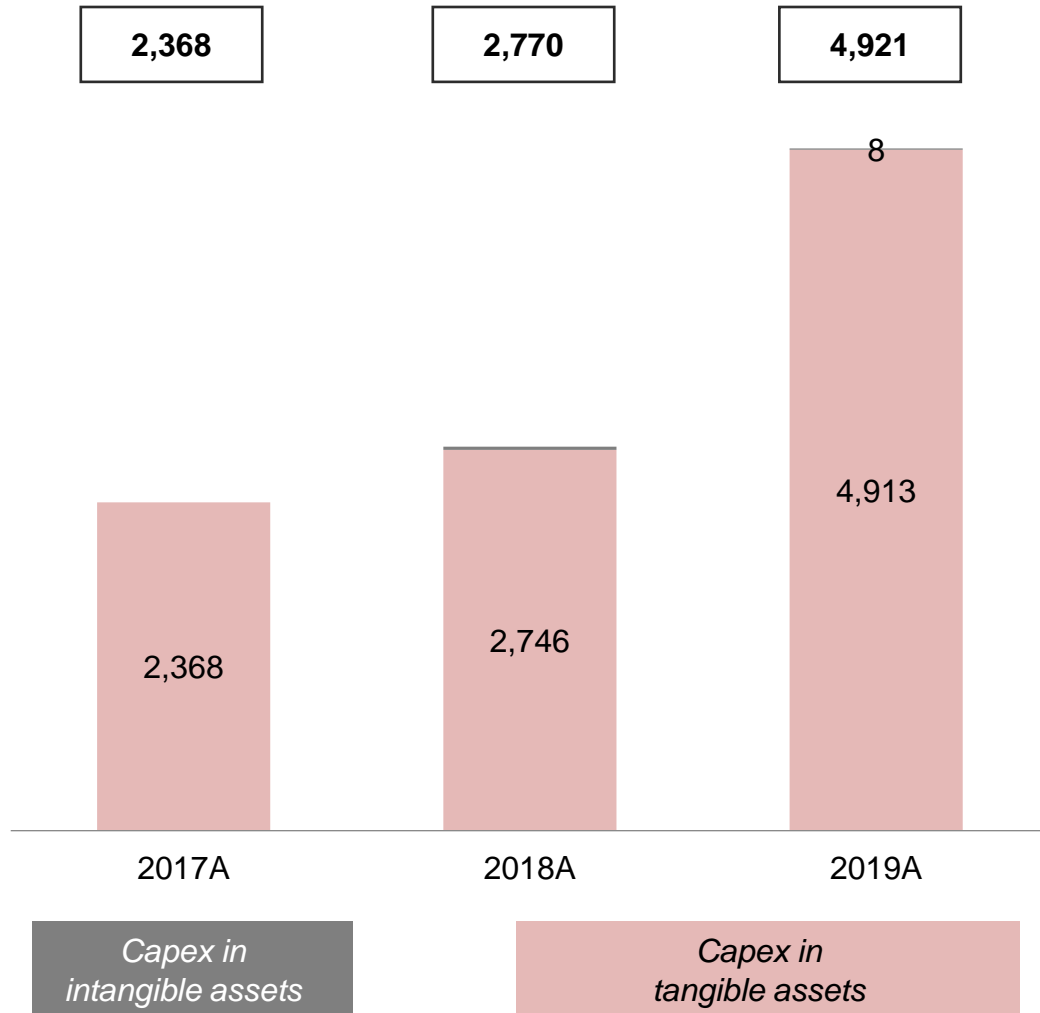


Note: Company's financials statements 2017, 2018, 2019 are IAS/IFRS. FY18 and FY17 are carve-out financials that reflect the accounting effect from the de-merger which took place on 11 October 2018.

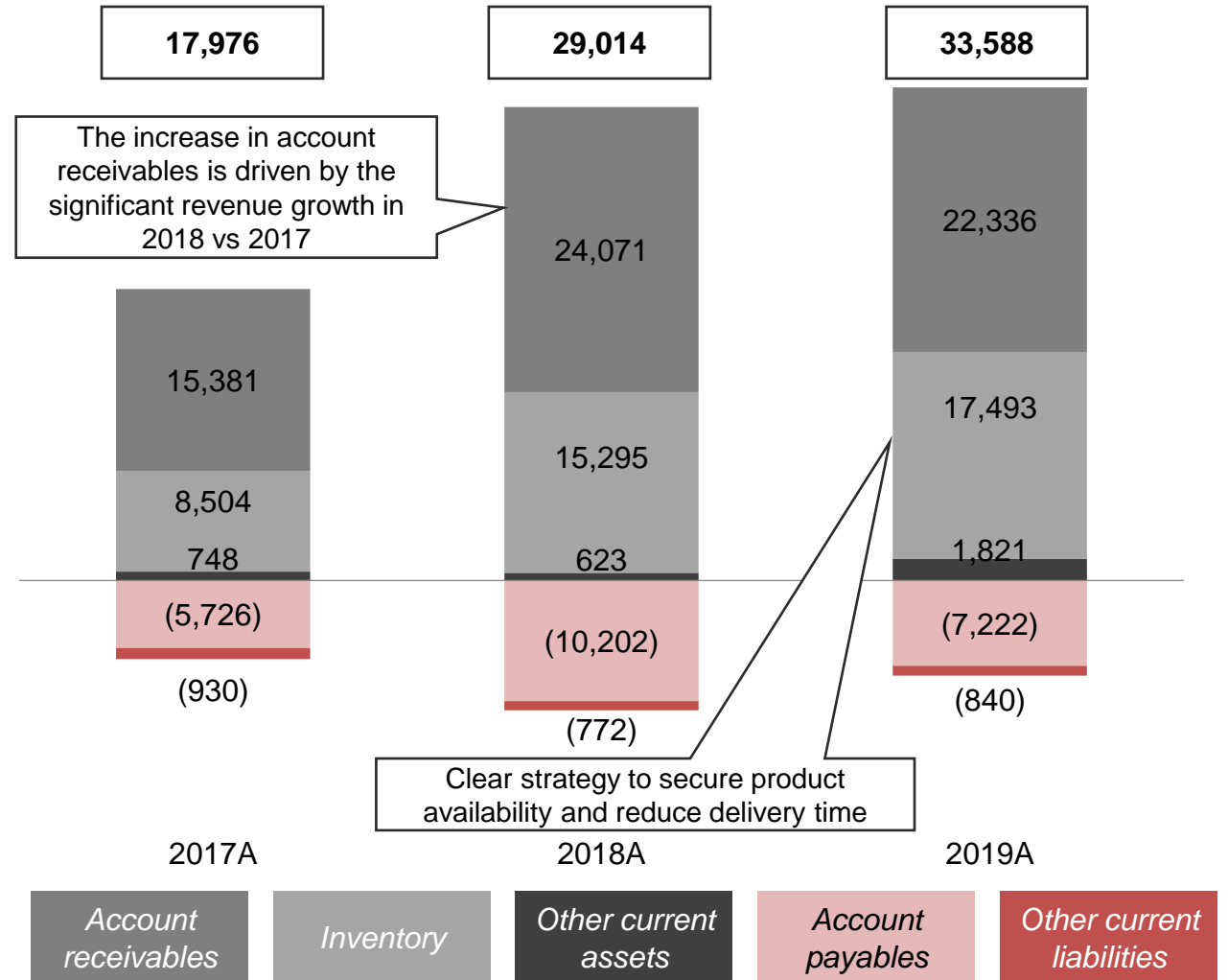
(1) Defined as the sum of Net revenues + Other Income + Extraordinary Income for gain on disposal of building.  
 (2) Adjusted Ebitda is calculated as profit for the year before income taxes, financial charges and income, gain/losses on exchange, depreciation and amortisation, gain on disposal of building and IPO Costs. (3) Adj. Ebitda Margin is calculated as Adjusted Ebitda on Total Revenues, excluded gain of disposal of building. (4) Cash generation defined as Adjusted EBITDA - Capex (both tangible and intangible); (5) Cash conversion rate defined as (Cash generation/Adjusted EBITDA).

## 5 Superior financial profile with attractive growth and margins (cont'd)

### Capex (€k)

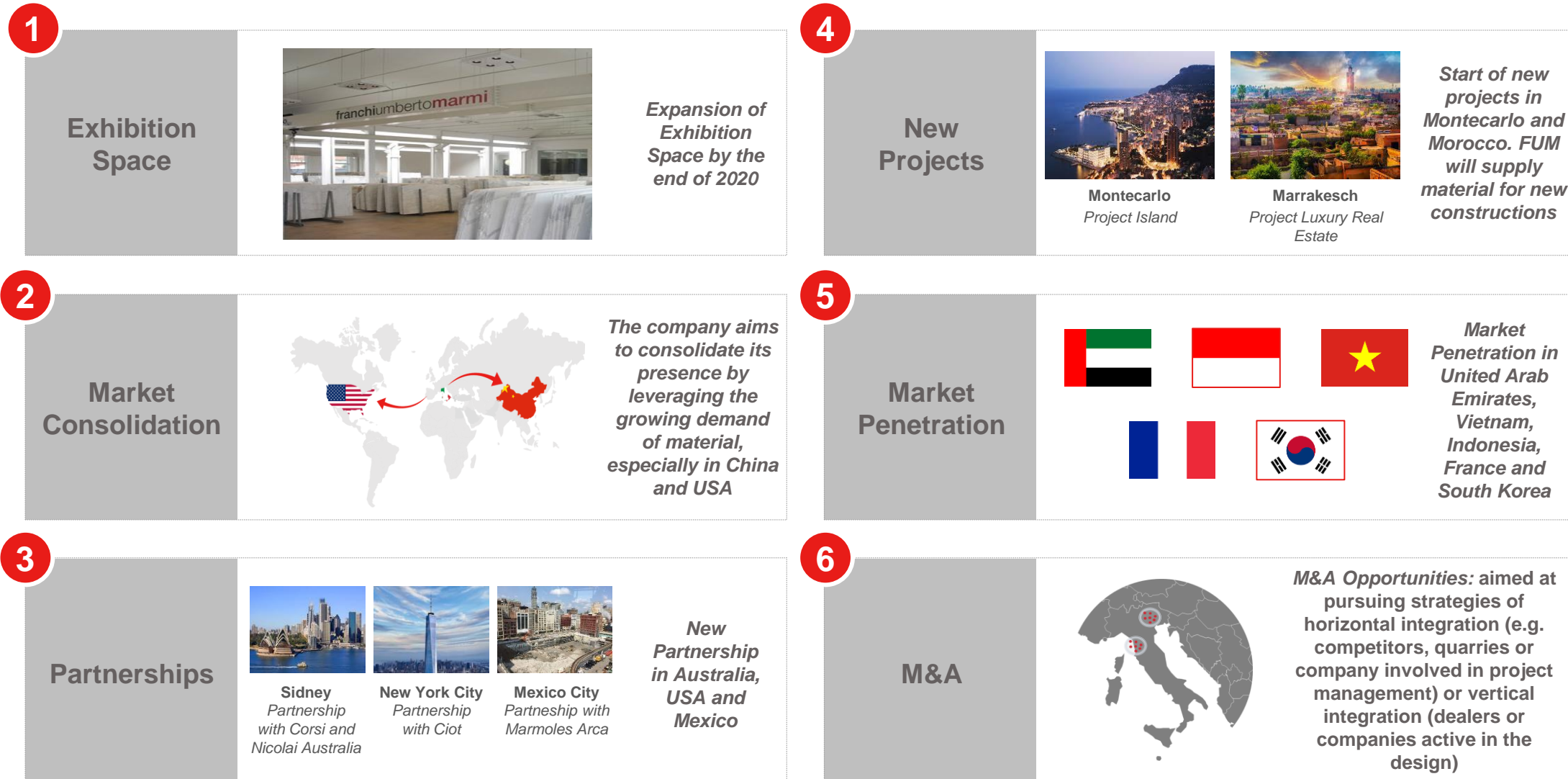


### Net Working Capital (€k)



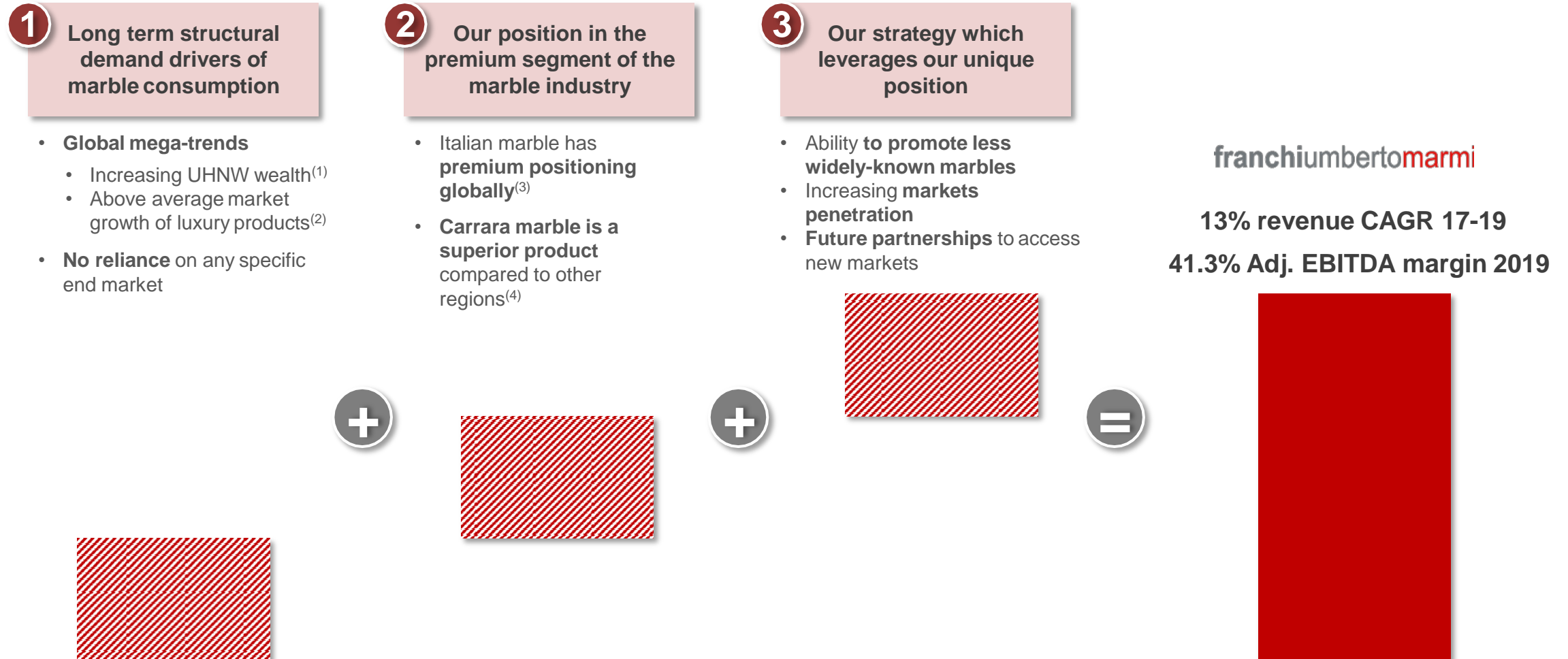
Note: all figures have been adjusted for IFRS15. FY18, FY17 are carve-out financials that reflect the accounting effect from the de-merger which took place on 11 October 2018.

## 6 Well defined growth strategy





# Key building blocks of FUM success



(1) Source: World Ultra Wealth Report 2019, Wealth-X.

(2) According to the press release «Luxury segment in good health: 5% growth in 2018» published by Altagamma (15 November 2018), the global luxury market grew by 5% in 2018, compared to a FUM revenue growth of 26%.

(3) According to «XXX Rapporto Marmo e Pietre nel Mondo 2019 e 2020», by Carlo Montani, Italy is the country with the highest average selling price of special processed stone exports.

(4) According to «Il distretto lapideo apuano nei mercati internazionali», the raw marble average selling price (€/ton) from Carrara was 1.2x higher than that from Italy.



# Transaction overview

## franchiumberto**marmi**

Equity Value FUM: €290m

€m

Adjusted EBITDA 2019	27.0
Net Profit 2019	16.6
Implied EV / 2019 adj. EBITDA multiple	10.5x
Implied P / E multiple	17.5x
Enterprise Value	284
2019 adj. NFP	(6)
Equity Value	290

- **Acquisition of Franchi Umberto Marmi shares** by TheSpac: €59.4m, net of redemptions

- **55%-75% dividend payout ratio approved by the Company's BoD**
- Pre merger (in June 2020), FUM's Shareholders distributed a **dividend** of €0.18 p.s. and have committed to distribute €0.23 p.s. to the TheSpac shareholders after the merger become effective

- **Merger** by incorporation of FUM into TheSpac

- **The resulting company** will be renamed **FUM**

- **Promote Shares** mechanism substantially revised to improve market appeal

- **Listing on AIM Italia market** as a result of the merger of Franchi Umberto Marmi into TheSpac

- **Listing process on MTA (possibly STAR segment)** to be set up possibly within 6 months since the merger becomes effective <sup>(2)</sup>



Equity Value THESPAC: €59.4m<sup>(1)</sup>

(1) €60m net of 1% of the tied-sums that will be used to support the costs necessary for the business combination

(2) FUM Shareholders, in the 6 months following the date on which the merger becomes effective (the "Effective Date"), may, at their discretion, propose to the Shareholders' Meeting the listing project on MTA. Starting from the sixth month following the Effective Date, FUM Shareholders, in the event that during 30 consecutive stock exchange trading days, certain share prices occur, have committed themselves to convene the post-merger shareholders' meeting for the MTA.

# Financial instruments

1

## WARRANT INCENTIVE

### Incentive to TheSpac shareholders **approving combination**

- Warrants assignment follows the details below:
  - At IPO, shareholders received **2 warrants every 10 shares**, now listed on the Italian Stock Exchange
  - At the merger **3 cashless warrants every 10 shares** will be assigned to TheSpac shareholders

2

## SPECIAL SHARES: REVISED MILESTONES

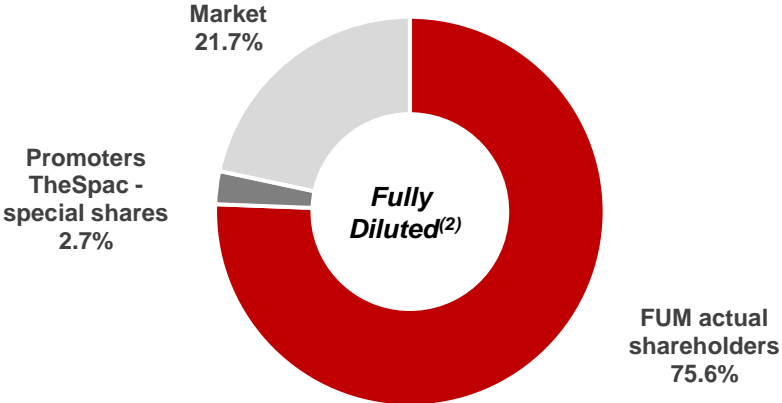
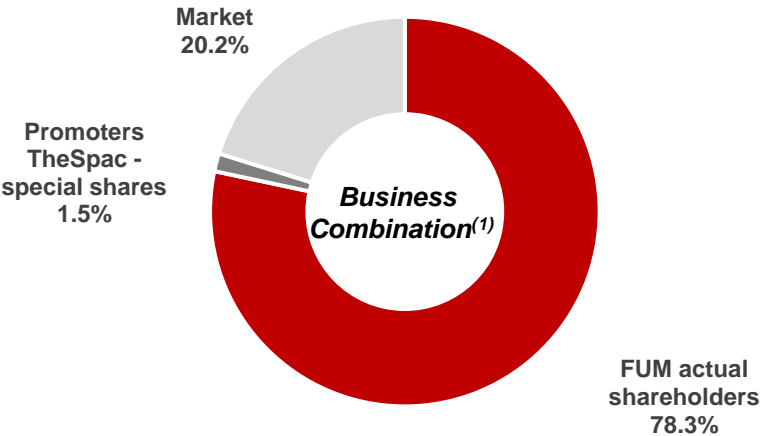
### Trigger prices and weights have been revised to **further improve market appeal**

- **211,000 special shares**, reserved to Promoters of TheSpac, will be convertible as follows:
  - 126,600 special shares (**60% of total**) **with a conversion ratio of 1:6**, of which
    - a) 35% of total special shares at the Business Combination
    - b) 5% of total special shares if the price reaches € 11.0 (originally 25%)
    - c) 10% of total special shares if the price reaches € 12.0 (originally 20%)
    - d) 10% of total special shares if the price reaches € 13.0 (originally 20%)
- Residual 84,400 promote shares (**40% of total**) will be converted into Ordinary shares **with a conversion ratio of 1:1**, on the first of the following dates: after 48 months since the Business Combination or the date on which the special shares referred to subparagraph (d) are converted into Ordinary Shares.

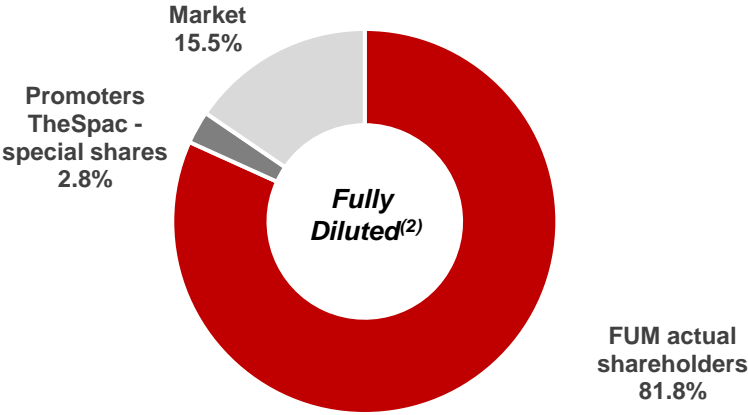
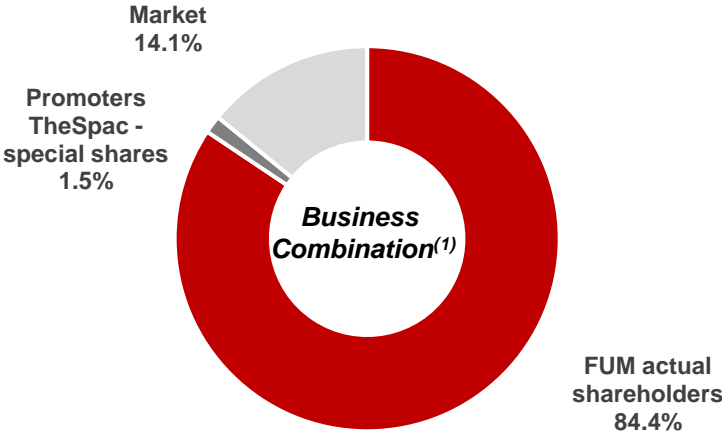
Within 48  
months from  
the Business  
Combination

# Shareholders and dilution

Best case scenario - 0% of redemptions



Worst case scenario - 30% of redemptions

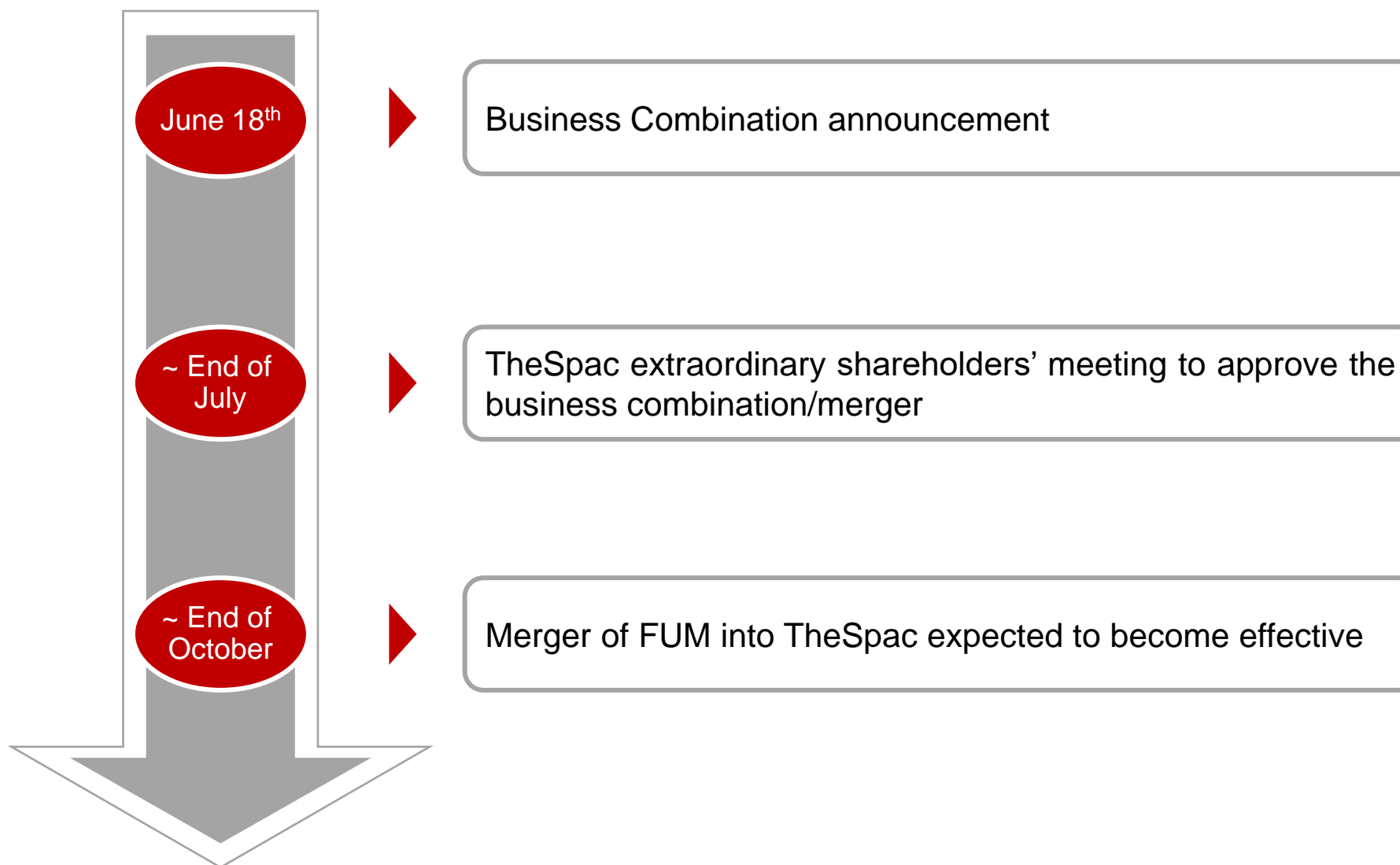


(1) Share price assumed at €9.9
















(2) Share price assumed at €13.5 with every warrants converted

# Timeline

---



# Transaction working team

Emittente				Target		
 <p><b>TheSpac S.p.A.</b> Via del Bravo, n. 14 54033 CARRARA (MS)  Tel.: 02 7788751 C.F.: 10283160967 Email: info@thespacspa.it</p>				 <p><b>Franchi Umberto Marmi S.p.A.</b> Via del Bravo, n. 14 54033 CARRARA (MS)  Tel.: 05857007 C.F.: 00554800458 Email: fragroup@tin.it</p>		
Nomad	Financial Advisor	Financial Advisor	Financial Advisor	Legal TheSpac	Legal FUM	Legal Banks
						
Auditor TheSpac	Auditor FUM	KPI consultant	Tax advisor	PR consultant		
				 		

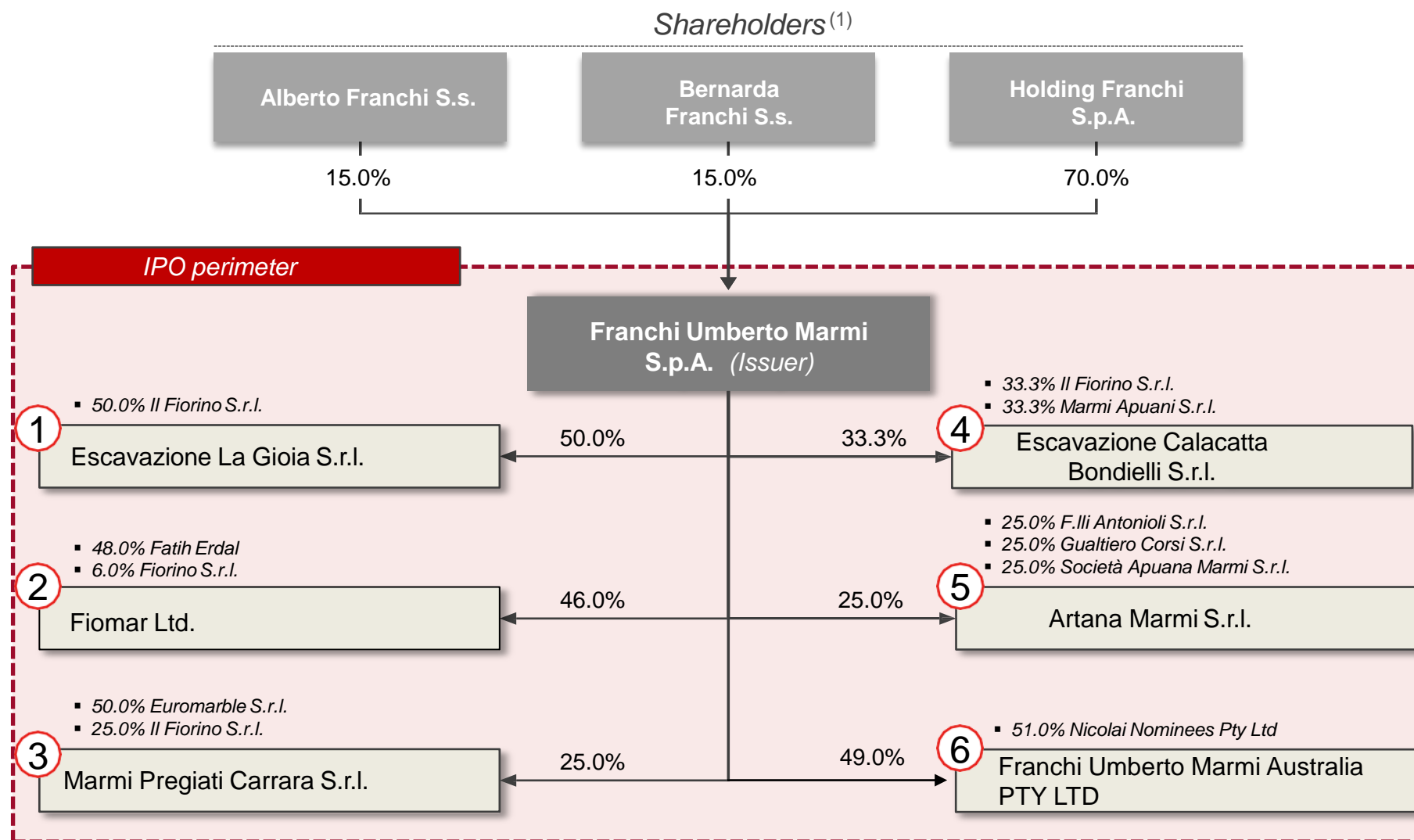


**franchiumbertomarmi**

*Appendix*



# Shareholding structure and IPO perimeter

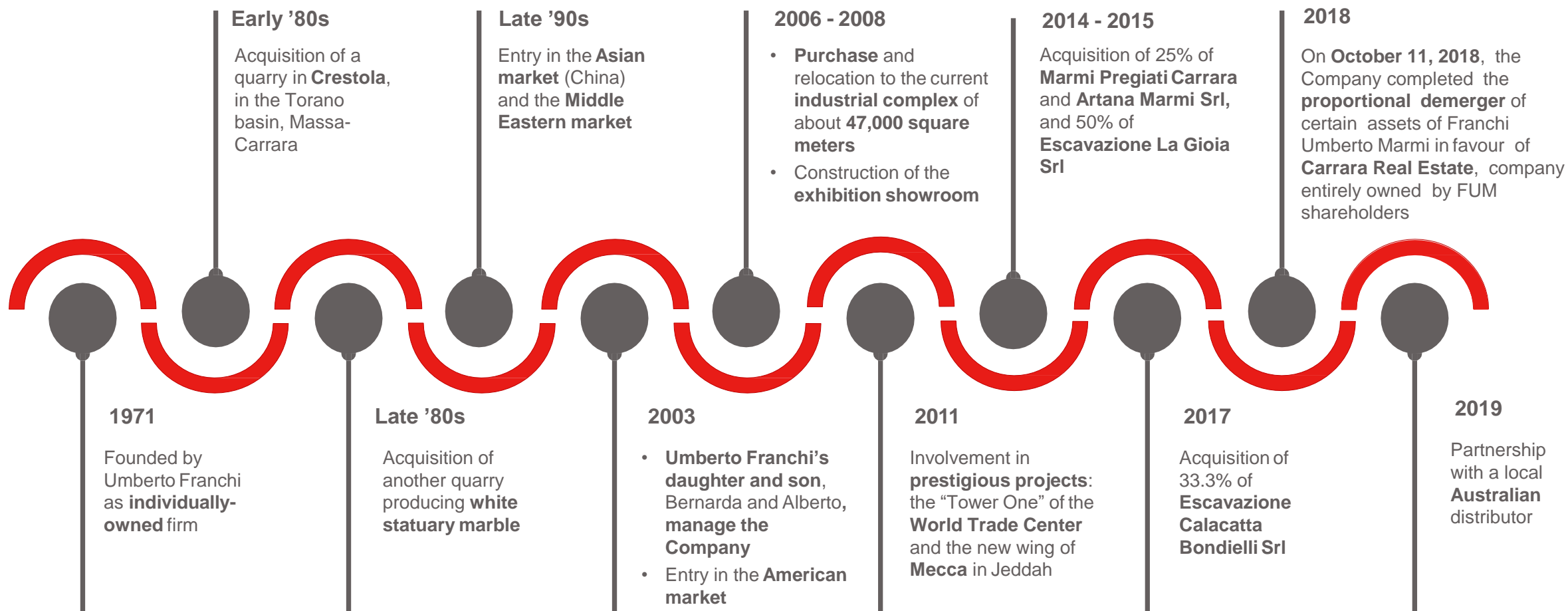


① ② ③ ④ ⑤ ⑥  
***Subsidiaries included in the IPO perimeter are not subject to consolidation procedure***

Source: Company information

(1) Shareholding structure as a result of the corporate reorganization that will be completed within the Significant Event

# The evolution of FUM



# Carrara marble is an iconic material with globally recognised heritage

- Extracted in the **Apuan Alps**, Carrara Marble is part of the **crystalline marbles**, formed by regional metamorphism phenomena linked to the Caledonian and Alpine orogenesis
- Carrara marble is characteristically **homogenous**, and its fine grain and natural texture allow for an **extraordinary polished finish**
- Its **unparalleled whiteness**, with slight blue and grey tones, **sets Carrara Marble apart** – material of choice of many artists (i.e. Michelangelo, Antonio Canova, etc.)

Historically inspired the most renowned artists and architects



**David (Michelangelo)**  
- Florence



**Gruppo del Laocoonte**  
- Vatican City



**The Floating Mosque**  
- Jeddah



**L.O.V.E.**  
- Milan

FUM has supplied marble for **flagship architectural projects**

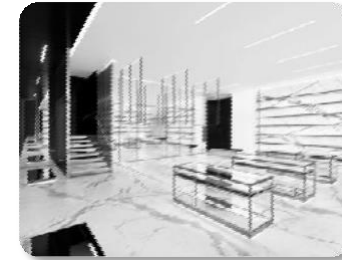
**Exedra Boscolo Hotel**  
- Nice



**Ebury square**  
- London



**World Trade Center**  
- New York



**Yves Saint Laurent**  
- Beverly Hills | Sao Paulo



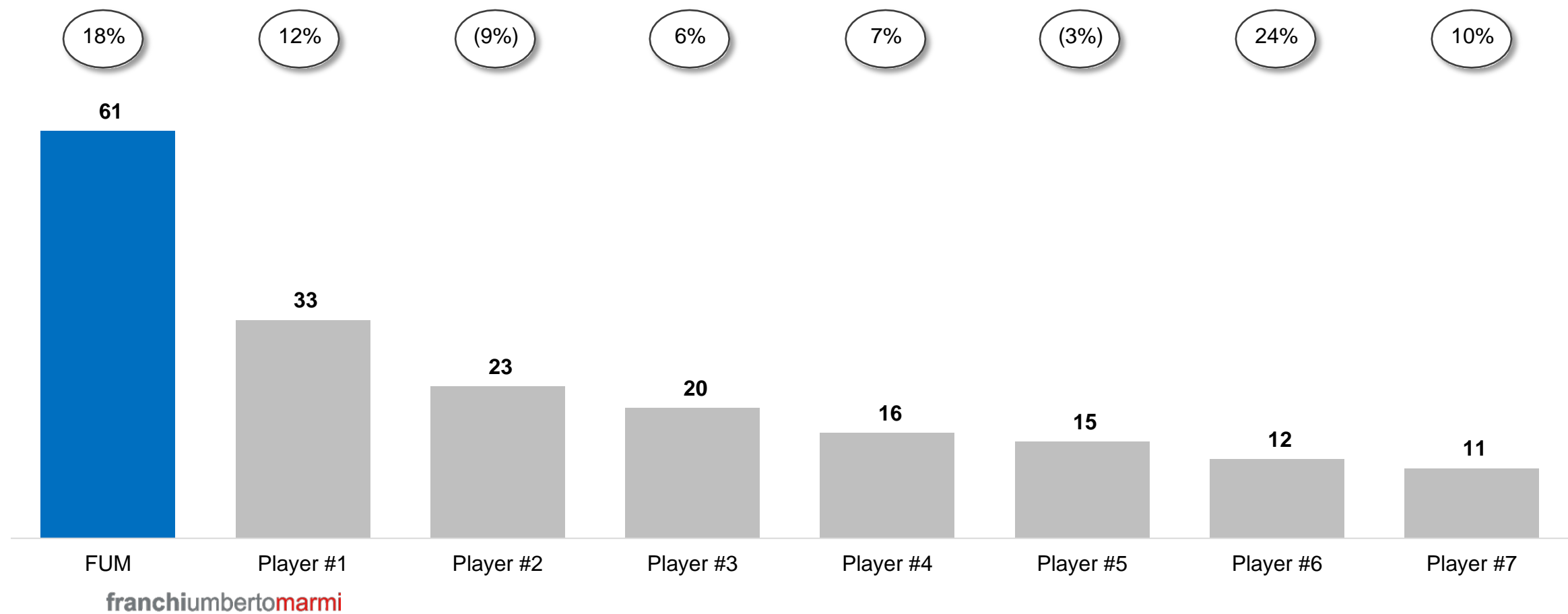
**220 Central Park South**  
- New York



**Park Avenue 1010**  
- New York

# FUM is the largest company in a fast growing district

FUM benchmarking analysis (selected Carrara marble companies 2018 revenues in €m)



Source: Company elaborations based on publicly available financials of selected Carrara marble district companies. Note: FUM is the largest company in terms of revenues. The above companies have been selected as they operate in the region with an exclusive focus on Carrara marble.  
(1) Defined as Total Revenues - Other Income - gain on disposal of building.

○ : CAGR 2016-18

# FUM's logistics

## Extraction



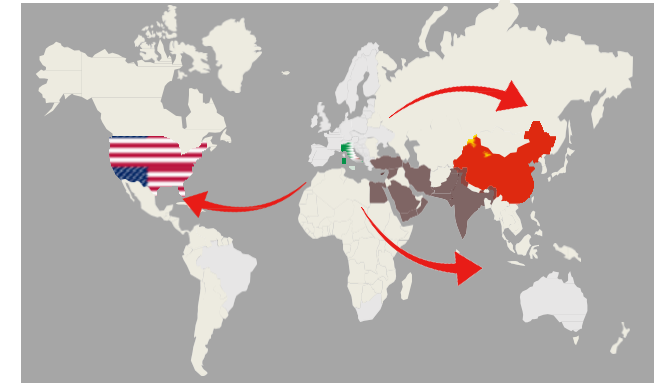
Material is transferred to the warehouse of the Issuer by trucks or containers

## Stocking



Blocks and slabs are stored in the warehouse until the day of the shipment

## Delivery



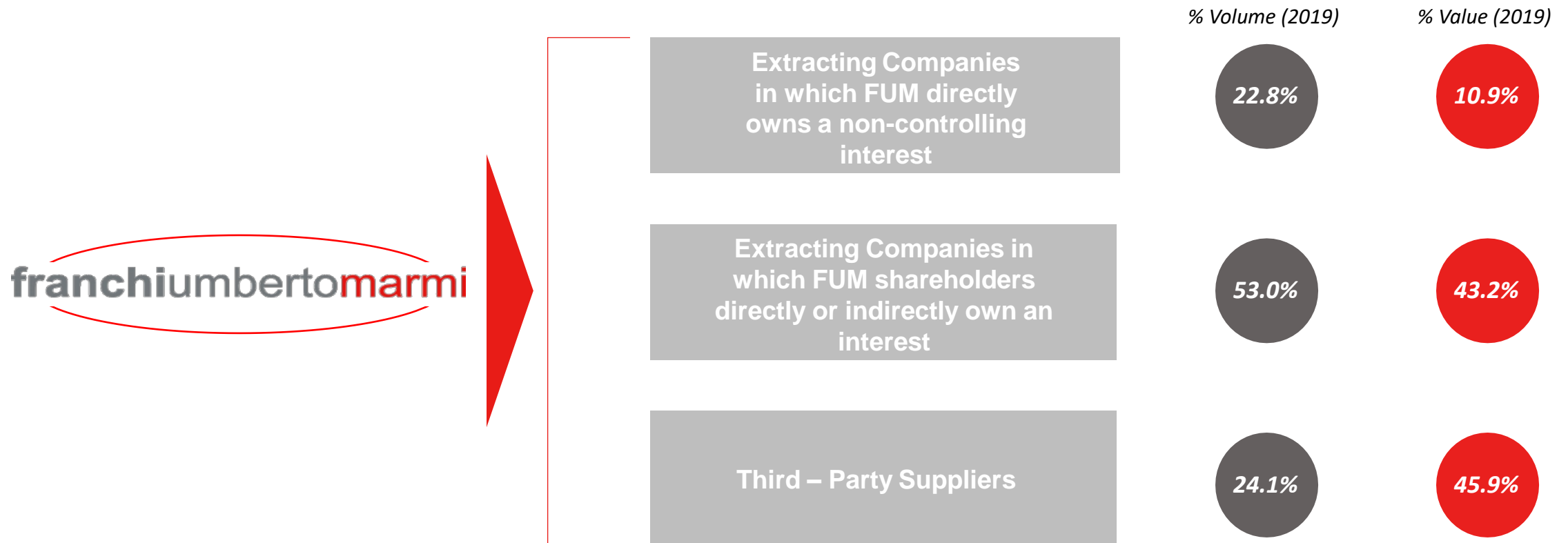
The shipment of the product to the customer is carried out through trusted and long-lasting relationship third party shippers

- Delivery to Italian customers is mainly made EXW (ex-work or *franco fabbrica*) with customer's own vehicles
- Shipments to international customers are mainly made by couriers selected by the Company according to the formula FOB (Free On Board or *franco a bordo*) or C&F (Cost and Freight or *costo e nolo*), where the transport costs are borne by the Company until delivery at, respectively, the port of embarkation or the port of destination, and the risks associated with ownership of the goods are in both cases borne by the Company until loading on the designated ship of the port of departure agreed in the contract of sale



# Supplying process

- FUM purchases the blocks of marble from several suppliers in order to ensure (i) continuity in the supplying and (ii) a wide variety of product portfolio
- FUM's suppliers are divided into 3 main categories: (i) Extracting Companies in which FUM directly owns a non-controlling interest, (ii) Extracting Companies in which FUM shareholders directly or indirectly own an interest, and (iii) Third-party suppliers





# Regulatory framework

- FUM is not involved in the extraction business. Nevertheless, given the nature of its activities, FUM is dependent on marble supply from local quarries
- Every quarry, from a regulatory point of view, qualifies as (i) **property (bene estimato)**, and / or (ii) **in concession** from the municipality (for a period of maximum 25 years)
- For the excavation, it is necessary the **authorisation** (from the municipality)
- The procedure and the contents of the authorisation are regulated by articles 16 and 17 of the Regional law number 35/2015

1

## Property / Concession

The excavation areas can be divided into two categories:

### Property (Bene Estimato)

Areas designated to excavation and similar activities **comparable with private property**

**Quarries can be rented to third parties**

### Concession

Areas which are property of the municipality and that are **temporarily** given in concession for the excavation

The policy of authorisation establishes that the duration of the authorisation relates to the size of the excavation site and **cannot exceed 25 years**

Concession holder pays a **fee to the municipality based on the** average market price of the excavated marble

**Multiple quarries are characterized by a combination of areas owned and under concession**

2

## Authorisation

### Requirements

The excavation is subject to **approval from the municipality**

The **request for authorisation** contains information relating to the possession of **technical eligibility requirements** envisaged by the legislation in force

### Content

The **request for authorisation** is complemented by a plan including:

- (i) **analysis of characteristics** of the area
- (ii) **technical relation** with contents of the project
- (iii) **excavation project**

# Additional information on quarries regulation

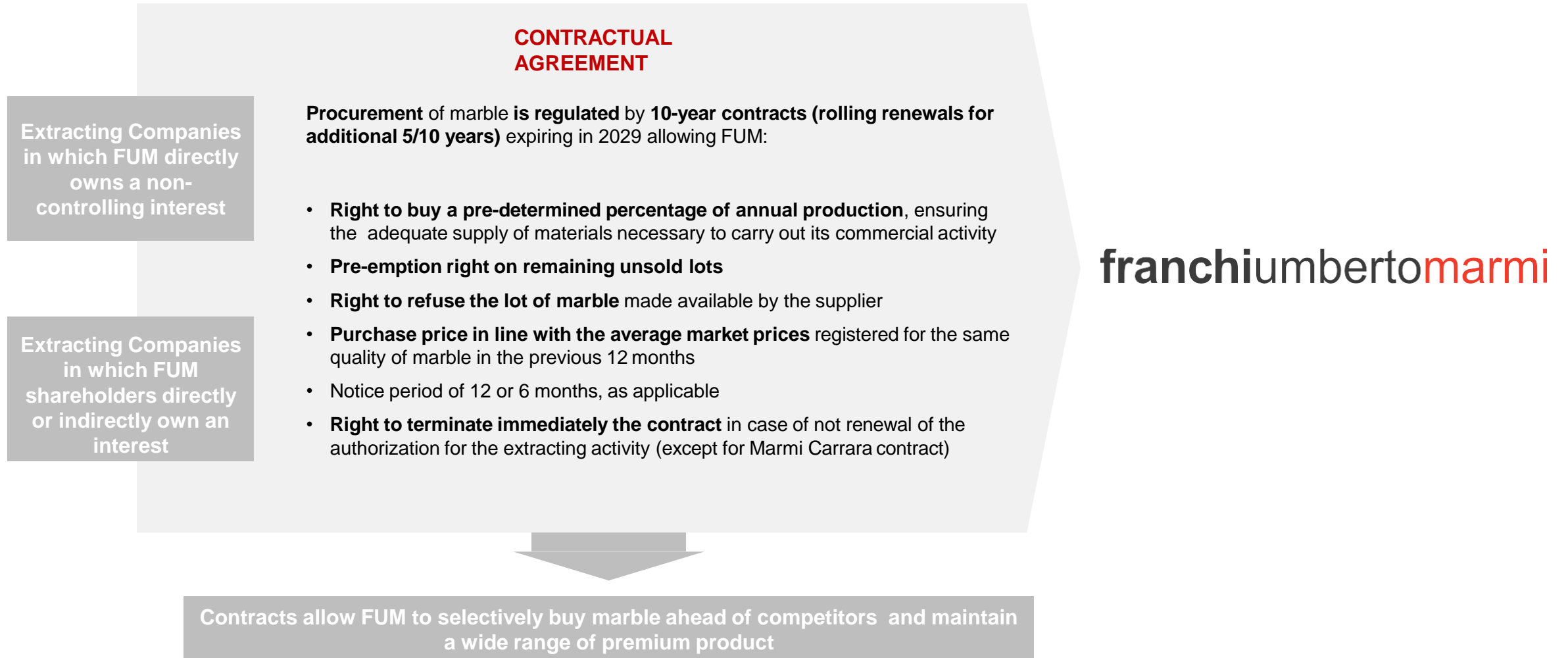
## • Renewal of authorizations and concessions

- The recent introduction of art. 38 of the Tuscany Regional Law No. 35/2015 provided a clear framework for the authorizations and concessions renewal process:
- According to the article, extraction companies which are owners of the existing authorizations and concessions, **can apply for a further extension for a maximum of 25 years (which expire within 7 or 25 years from October 2016)** subject to:
  - (i) the **obligation to process at least 50% of the material extracted in the local production system** (FUM related extraction companies already meet this requirement), and
- The application should **contain the business plan**, as well as the **procedures to verify compliance with the commitments undertaken for the entire period of the extension**

## • Extraction contribution and concession fee

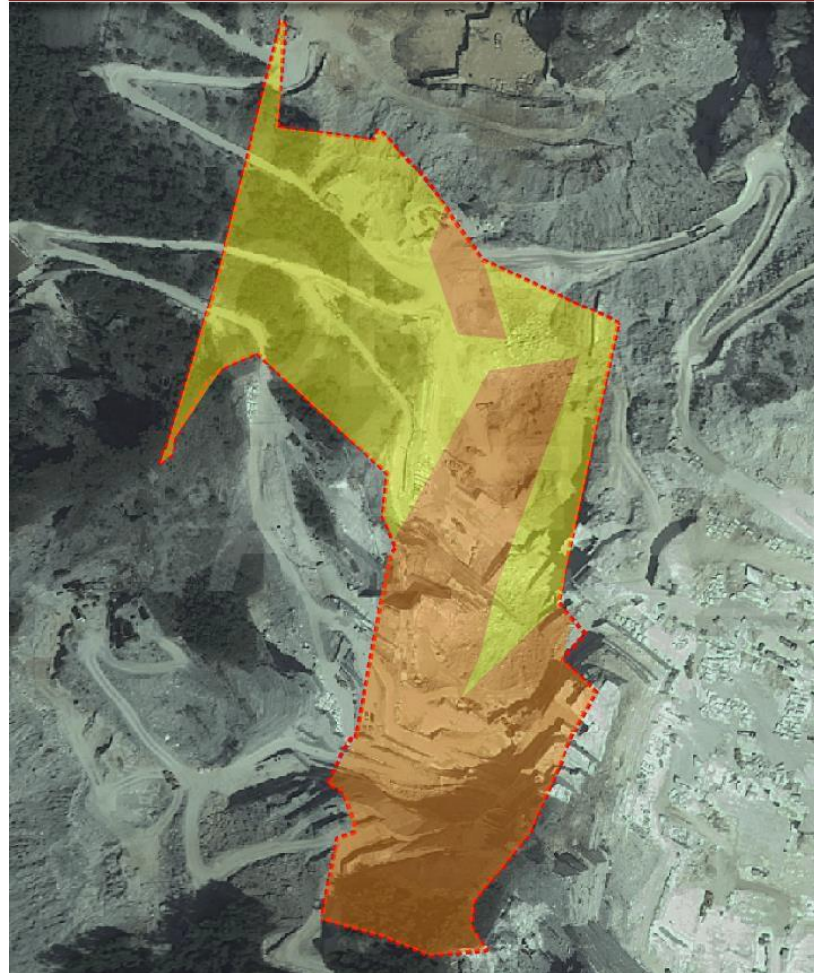
- The holder of an authorisation pays the municipality a contribution **equal to 10% of the average market value of the material** for the extraction of cutting materials
- For derivatives of cutting materials, the contribution paid may exceed **the limit of 10.5% of the market value and in any case cannot exceed €4.2 per ton**
- In addition to the above-mentioned contributions, a **concession fee** is required by the municipality and determined through a tender process
- The concession fee is determined based on the following:
  - (i) the average market value of the type of materials and
  - (ii) the estimate of the quantity of material extracted for the duration of the concession
- The fee may be revised in accordance with the procedures defined by the municipality
- The total amount due for the extracting contribution of cutting materials and the concession fee is **set within the limit of 15% of the market value** of the materials



# Contractual Agreements with Suppliers



# Most of the quarries are a mix of property and concession

Example of Gioia Pianello quarry



-  : Excavation area in property (bene estimato).
-  : Excavation area in concession.

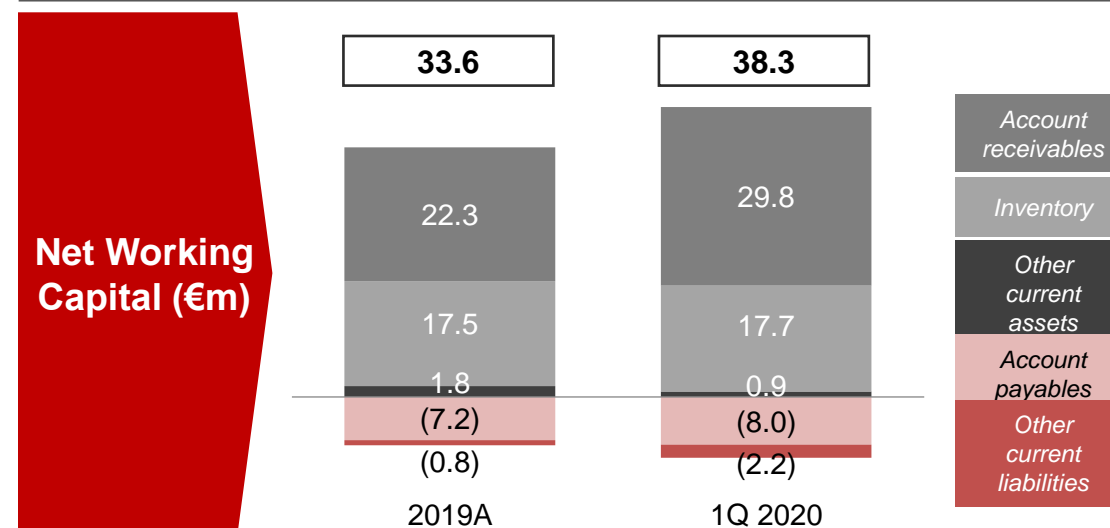
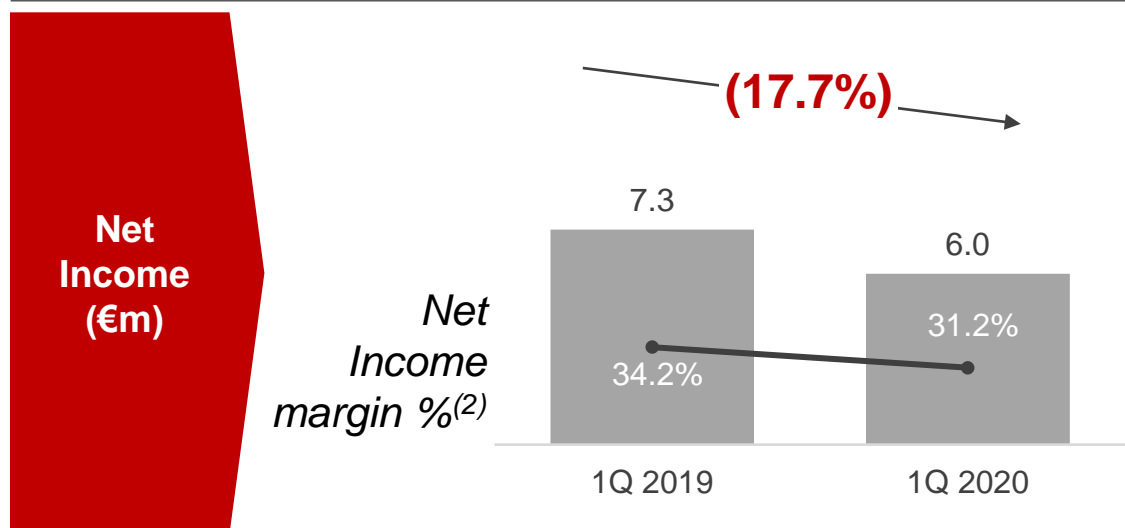
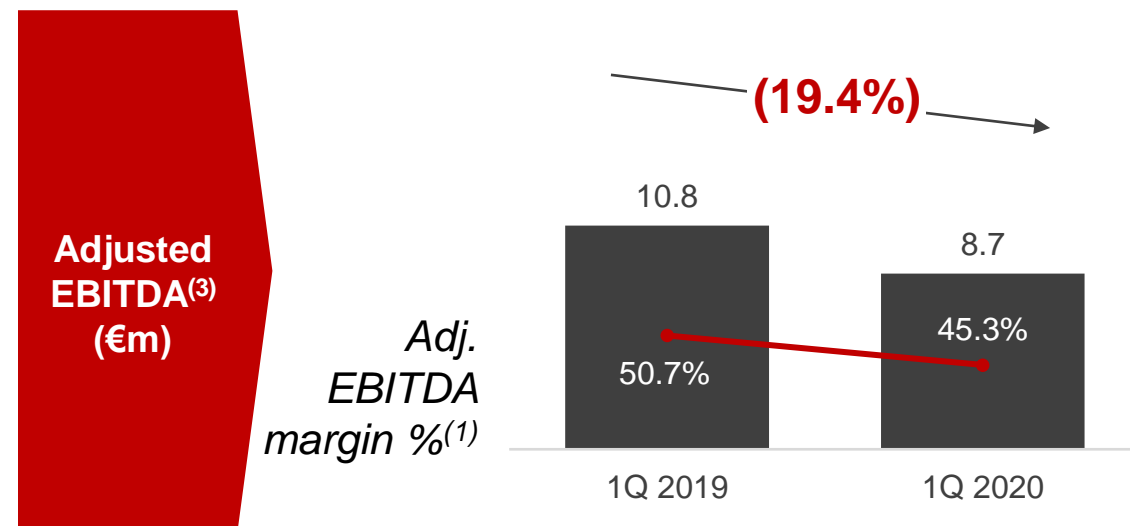
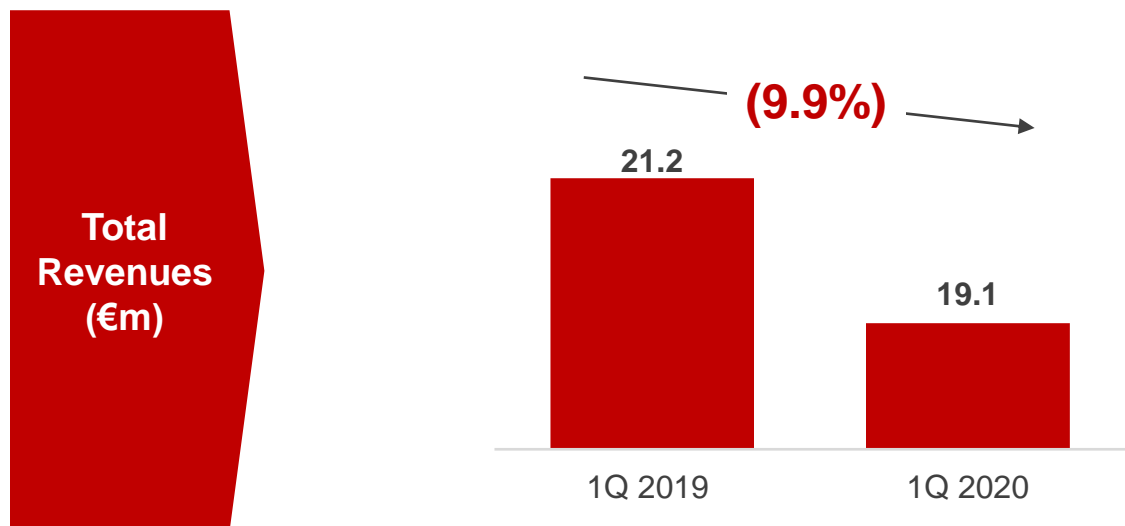
Source: Company information

# Call option contracts

---

- The Issuer has executed four different option agreements, the first three of which seeking to establish the right to purchase the shareholdings held by Carrara Real Estate in M.P.A. Marmi Pregiati Apuani S.r.l., N.P.A. Nuovi Pregiati Apuani S.r.l. and Marmi Carrara S.r.l. –equal to, respectively, 50%, 50% and 25% of the share capital – and the fourth of which seeking to establish the right to purchase the shareholdings held by Alberto Franchi and Bernarda Franchi in Bettogli Marmi S.r.l., equal to, respectively, 33.333% and 16.666% of the share capital (the “Option Agreements”).
- Pursuant to the Option Agreements, FUM shall have the right to purchase the above mentioned shareholdings in the event that the Supply Agreements should not be renewed upon expiry or should they be meanwhile terminated for reasons not attributable to FUM (the “Significant Event”).
- In case the option right is exercised, which shall be notified within the 90th day following the date in which the Significant Event occurs, the Issuer is required to pay a price calculated on the basis of the following formula:
$$\text{NP} \times \text{Multiplier P/E}$$
- Wherein [NP] represents the average of the Net Profit over the last 3 years, as evidenced in the last 3 approved financial statements for each agreement, respectively by M.P.A. Marmi Pregiati Apuani S.r.l., N.P.A. Nuovi Pregiati Apuani S.r.l., Marmi Carrara S.r.l. and Bettogli Marmi S.r.l. as at the date of the Significant Event and the Multiplier shall be chosen among the lower of:
  - i. P/E = 17,5 (as indicated at the Business Combination with TheSpac);
  - ii. FUM’s capitalization ratio, being the average of the last 3 months before the date of the Significant Event, and the Net Profit indicated in FUM’s last financial statement approved before the Significant Event.
- Failure to exercise the option right before the above mentioned term shall imply the final forfeiture of said right, without the Issuer being able to make any additional claim

# 1Q 2020 trading update



Note: from the 1Q19 to the 1Q20 the Company distributed dividends to shareholders for 13.4M.

(1) Margin calculated on Value of Production; (2) Margin calculated on Value of Production; (3) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is adjusted for IPO costs; (4) Cash generation defined as Adjusted EBITDA - Capex (both tangible and intangible); (5) Cash conversion rate defined as (Cash generation/Adjusted EBITDA).



# Focus on Covid-19: impact on operations and financials

## Impact on operations

### Production

- The production plant in Carrara was shut down for c. 3 weeks, from the 25<sup>th</sup> of March to the 14<sup>th</sup> of April due to the lockdown phase
- The plant gradually returned to full capacity over the following 2 weeks

### Delivery

- Shipping slowed down during the lockdown phase due to a lower number of transports (ships) available
- FUM started to plan in advance the delivery phase with the transportation companies in order to avoid any significant delay

## Impact on 1Q 2020 (vs. 1Q 2019)

### Revenues

- During 1Q 2020, revenues decreased of c.10% Vs. 1Q 2019, the latter representing a very strong financial quarter even if compared to 1Q 2018

### Marginality

- Adjusted EBITDA margin shrank from c.51% in 1Q 2019 to c.45% in 1Q 2020, mainly related to the drop in revenues

### Capex

- In 1Q 2020, capex was c. €0.6m Vs. €1m in 1Q 2019, thus returning to a recurring capex level of c. €2 / 3m for year in 2020, post-high investments in full-year 2019

### NWC

- In 1Q 2020, NWC increased of c.€5m Vs. FY2019, due to an increase in account receivables mainly as a result of higher revenues generated in 1Q 2020 Vs. 4Q 2019 (c.€19m Vs. €12.5m)

# Focus on Covid-19: key initiatives implemented

In order to mitigate the impact of COVID-19 on revenues, costs, capex and liquidity / financing, FUM has implemented the following key initiatives on:

## Revenues

- Implementation of a new online channel to support the commercial operations during the lockdown phase with positive feedbacks by clients

## Costs

- Activation of Government social scheme, social safety nets (e.g. “cassa integrazione”) and other tools
- Due to a limited impact of COVID-19, no significant costs initiatives implemented

## Capex

- Slight slowdown of the investment plan implementation due to the lockdown phase
- No significant impact on the overall investment plan for the entire FY2020, which includes the expansion of (i) the main showroom in Carrara, (ii) the warehouses and (iii) the Australian subsidiary and the opening of the new showroom in the US

## Liquidity / Financing

- FUM has a very stable financial structure and no major liquidity or financing issues came out during the lockdown phase
- FUM granted payment extension for some dealers, especially in the US, to meet customers' requests
- The Company is in talks to grant access to a new credit line in order to mitigate the potential impact of a new lockdown and, as a consequence, of new liquidity limitations

# Dividend policy

## 2020 DIVIDEND POLICY

Pre merger FUM's Shareholders distributed in June a dividend equal to €5.5m (€0.18 per shares) and have committed to call a shareholders' meeting within 30 days after the merger to distribute an extraordinary dividend of €0.23 per shares to the TheSpac Shareholders.

The entire distribution counts for an equivalent pay-out ratio of 40% over the Net Profit 2019 results



*“The Company's Board of Directors has approved, subject to the listing, a **dividend policy** that provides the distribution of dividends for an amount **between 55% and 75% of the Issuer's net profit**. This distribution is subject to the compliance of the strategic investment plans (including any acquisition and aggregation transactions in general) and to the maintenance of the balance of the financial structure of the Issuer.*

*This policy will be implemented within the limits set by current legislation, will in any case remain subject, inter alia, to the operating and financial results of the Company and will be subject to approval from time to time by the shareholders' meeting of the Company.*

# Important information

---

Not for general release, publication or distribution in the United States, Australia, Canada or Japan.

THIS PRESENTATION AND ANY OTHER INFORMATION DISCUSSED AT THE PRESENTATION INCLUDING ORAL BRIEFING AND ANY QUESTION-AND-ANSWER SESSION IN CONNECTION THEREWITH (THE "PRESENTATION") IS STRICTLY CONFIDENTIAL AND IS BEING PROVIDED TO YOU SOLELY FOR YOUR INFORMATION. BY ATTENDING OR OTHERWISE ACCESSING THIS PRESENTATION, YOU WARRANT, REPRESENT, UNDERTAKE AND ACKNOWLEDGE TO FRANCHI UMBERTO MARMI S.P.A. AND THESPAC S.P.A. (THE "COMPANIES") THAT (A) YOU HAVE READ AND AGREE TO COMPLY WITH THE LIMITATIONS AND RESTRICTIONS SET OUT BELOW INCLUDING, WITHOUT LIMITATION, THE OBLIGATION TO KEEP THIS PRESENTATION AND ITS CONTENTS CONFIDENTIAL, (B) YOU ARE ABLE TO RECEIVE THIS PRESENTATION WITHOUT CONTRAVENTION OF ANY APPLICABLE LEGAL OR REGULATORY RESTRICTIONS. BY ATTENDING THIS PRESENTATION, YOU ARE AGREEING TO BE BOUND BY THE LIMITATIONS SET OUT BELOW. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE LAWS OF ANY SUCH OTHER JURISDICTION. THIS PRESENTATION, WHICH HAS BEEN PREPARED BY THE COMPANIES, IS PRELIMINARY IN NATURE AND IS SUBJECT TO UPDATING, REVISION AND AMENDMENT. THIS PRESENTATION MAY NOT BE REPRODUCED IN ANY FORM, FURTHER DISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON, OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF APPLICABLE LAWS.

This Presentation was prepared by the Companies for the sole purpose of a presentation made to you. The information contained in this Presentation has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed upon, the fairness, accuracy, completeness or correctness of the information or opinions contained in this Presentation.

None of the Companies, Banca IMI S.p.A. ("Banca IMI") and Mediobanca – Banca di Credito Finanziario S.p.A. ("Mediobanca" and, together with Banca IMI, the "Banks"), their respective affiliates, shareholders, directors, advisors, employees and representatives accepts any responsibility whatsoever for the contents of this Presentation, and no representation or warranty, express or implied, is made by any such person in relation to the contents of this Presentation. To the fullest extent permissible by law, such persons disclaim any and all responsibility or liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this presentation.

The Banks are acting exclusively for the Companies and no one else in connection with this matter and will not regard any other person as their client in relation to such matter and will not be responsible to anyone other than the Companies for providing the protections afforded to their respective clients or for giving advice in relation to any such matter or the contents of this presentation. The merit and suitability of an investment in the Companies should be independently evaluated and any person considering such an investment in the Companies is advised to obtain independent advice as to the legal, tax, accounting, financial, credit and other related advice prior to making an investment. In accepting attending the meeting where this presentation is made, or by reading the following presentation slides, the recipient acknowledges that it makes all trading and investment decisions in reliance on its own judgment and not in reliance on any of the Companies, the Banks or their respective affiliates, shareholders, directors, officers, advisors, employees or representatives.

This presentation contains statistics, data and other information relating to addressable markets, market shares, market positions and other industry data pertaining to the Companies' business and markets. Such information is based on the Companies' analysis of multiple sources. As far as the Companies are aware from such information, no facts have been omitted which would render the information provided inaccurate or misleading.

This Presentation may contain certain statements that are forward-looking. Forward-looking statements typically use terms such as "believes", "projects", "anticipates", "expects", "intends", "plans", "may", "will", "would", "could" or "should" or similar terminology.

# Important information (cont'd)

---

Any forward-looking statements in this presentation are based on the Companies' current expectations and, by their nature, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Companies' control, that could cause the Companies' actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements. These statements may refer in particular to the Companies' business strategies, its expansion and growth of operations, future events, trends or objectives and expectations, which are naturally subject to risks and contingencies. Any such factors, individually or in the aggregate, may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. The Companies, their affiliates, directors, advisors, employees and representatives, as well as the Banks expressly disclaim any liability whatsoever for such forward-looking statements. The Companies does not undertake to update or revise the forward-looking statements that may be presented in this Presentation to reflect new information, future events or for any other reason and any opinion expressed in this Presentation is subject to change without notice.

Some of the financial information contained in this Presentation are not directly extracted from the Companies' accounting systems or records and/or are not International Financial Reporting Standards ("IFRS") accounting measures. Such information has not been independently reviewed or verified by the Companies' auditors or by the Banks.

This Presentation does not constitute or form part of, and should not be construed as, an offer or invitation to sell or purchase, or any solicitation of any offer to purchase or subscribe for, any securities of the Companies. Neither this Presentation, nor any part of it, shall from the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The distribution of this Presentation in certain jurisdictions may be restricted by law and persons into whose possession this Presentation comes should make themselves aware of the existence of, and observe, any such restriction. This Presentation in Italy is addressed only to "qualified investors" within the meaning of article 100 (1)(a) of Legislative Decree No. 58 of February 1998, as amended, and article 34-ter (1)(b), of CONSOB Regulation no. 11971 of 14 May 1999.

Within the United Kingdom, this Presentation is intended for distribution only to persons who are Qualified Investors who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order or (iii) are persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons") and in such a case this Presentation must not be viewed, accessed, acted on or relied on in the United Kingdom, by persons who are not relevant persons and any investment or investment activity to which this Presentation relates is available only to relevant persons and will be engaged in only with relevant persons. This Presentation is an advertisement and is not a prospectus for the purposes of the Prospectus Rules of the FCA and this Presentation has not been approved by the FCA.

Neither this Presentation nor any copy of it may be taken or transmitted in the United States or distributed, directly or indirectly, in the United States as that term is defined in the U.S. Securities Act. Securities may not be offered, subscribed or sold in the United States absent registration under the U.S. Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements thereof and in compliance with the relevant state securities law. The securities of the Companies will not be offered for sale in the United States, and have not been and will not be registered under the U.S. Securities Act and the Companies does not intend to make a public offer of its securities in the United States. Neither this Presentation nor any copy of it may be taken or transmitted into Australia, Canada or Japan or to any person in any of those jurisdictions.

This Presentation is confidential and is for the benefit and internal use of the recipient for the purpose of considering the securities/transaction described herein, and no part of it may be reproduced distributed or transmitted.

This Presentation may not be acted on or relied on by persons who are not eligible to invest in securities offered. Any investment or investment activity to which this communication relates is available only to persons eligible to invest in securities and will be engaged in only with such persons.



The background of the entire image is a high-resolution, close-up photograph of a marble surface. It features a complex pattern of veins in various shades of grey, taupe, and off-white, creating a natural, organic texture. The veins are irregular and interwoven, typical of natural stone.

**franchiumberto**marmi

via Del Bravo 14 / 16  
Carrara (MS)  
t. +39 0585 70057  
[www.franchigroup.it](http://www.franchigroup.it)