

2021 RESULTS PRESENTATION

March 2022



CHERVON 2021 RESULTS PRESENTATION

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2 Business Review / 业务回顾

3 Future Strategy / 未来战略

4 Q&A / 问答



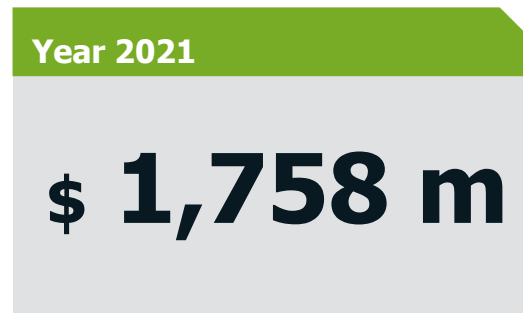
01 FINANCIAL HIGHLIGHTS

2021 Financial Performance - Sales

2021 财务表现-营收



+ 46%



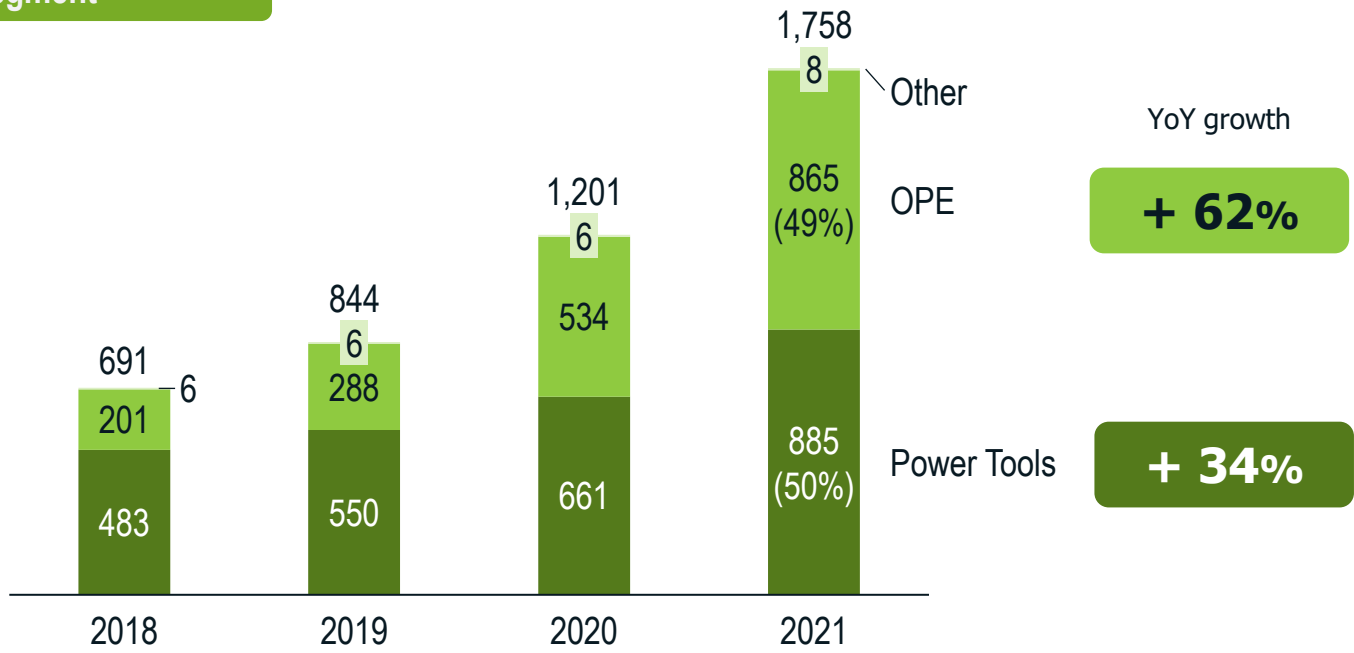
2021 Financial Performance - Sales

2021 财务表现-营收

Breakdown

by Product Segment

(in MUSD)



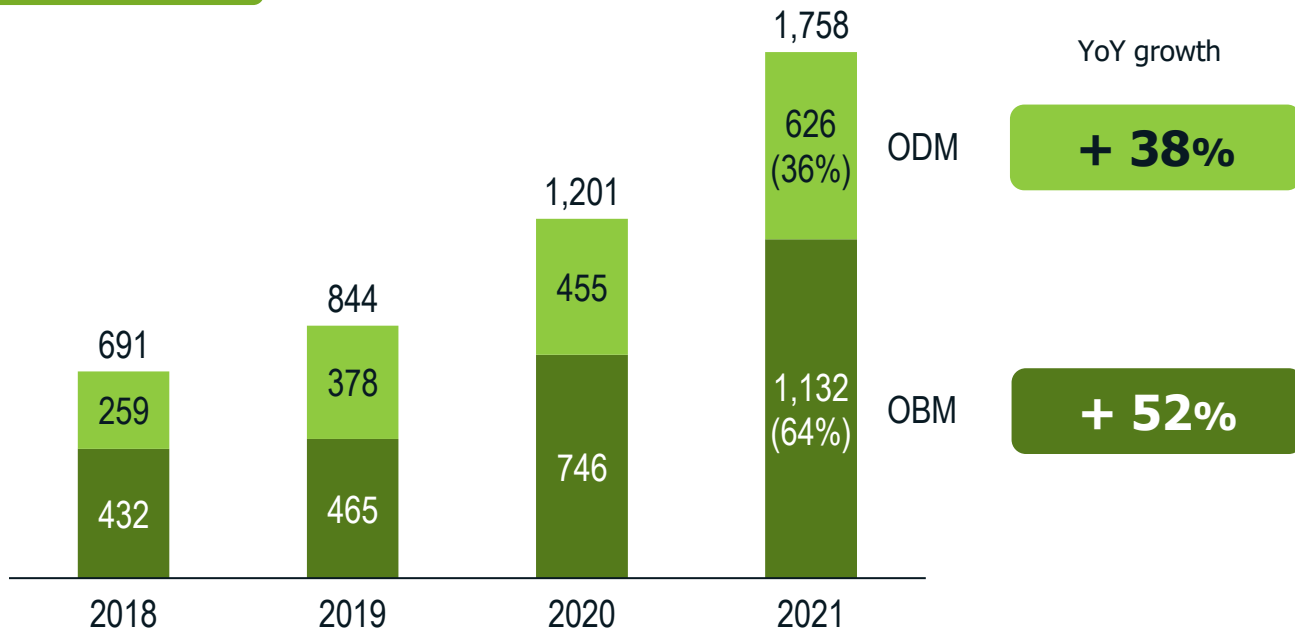
2021 Financial Performance - Sales

2021 财务表现-营收

Breakdown

by Business Model

(in MUSD)



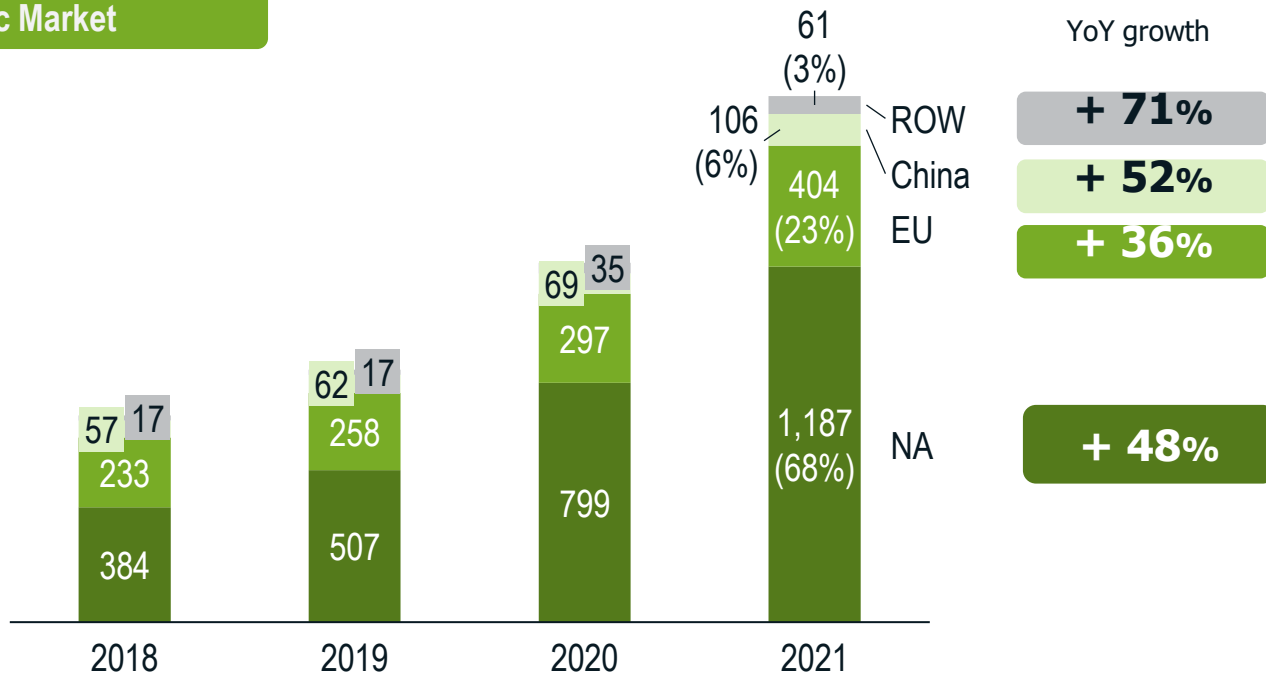
2021 Financial Performance - Sales

2021 财务表现-营收

Breakdown

by Geographic Market

(in MUSD)



2021 Financial Performance - Profitability

2021 财务表现- 利润

	Year 2020	Year 2021	YoY growth
Gross Profit	\$ 369 m	\$ 495 m	+ 34%
GP%	30.7%	28.1%	
EBIT	\$ 70 m	\$ 188 m	+ 168%
EBIT %	5.8%	10.7%	
Net Profit	\$ 48 m	\$ 150 m	+ 209%
NP%	4.0%	8.5%	

Non HKFRS measure- Adjusted net profit

利润可比分析

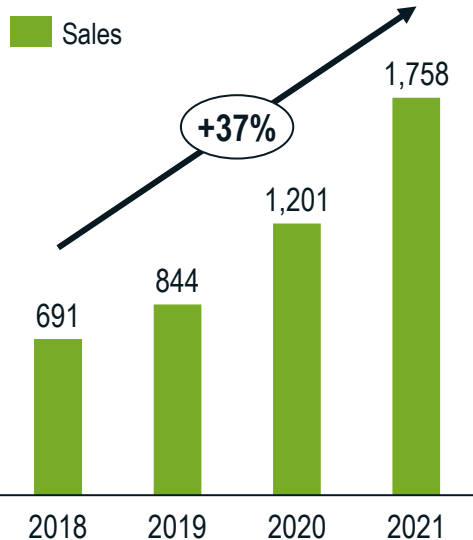
	Year 2020	Year 2021	
Net Profit	\$ 48.4 m	\$ 149.7 m	+ 209%
NP%	4.0%	8.5%	
Adjustment			
Listing expenses	+ 0.3 m	+ 7.9 m	
Equity Settled share-based payment	+ 21.1 m	/	
Gain/Loss on disposal of associates	+ 0.1 m	+ 0.7 m	
Gain/Loss on disposal of subsidiary	/	- 22.0m	
Net unrealized gains on convertible bonds	/	- 19.2m	
Tax effect	- 0.03 m	+ 8.0 m	
Net Profit	\$ 69.8 m	\$ 125.0 m	+ 79%
NP%	5.8%	7.1%	

Great track record 稳定向好的长期记录



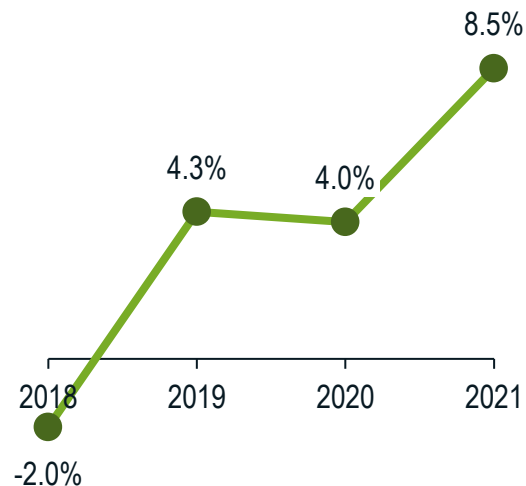
Continued revenue growth

Revenue breakdown (in \$ million)



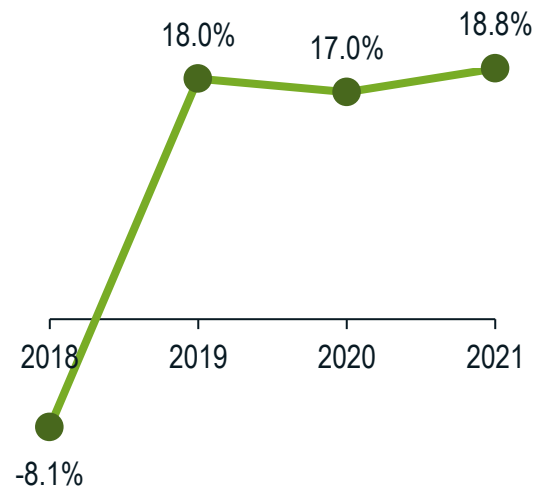
Improved profitability

Net Profit (%)



Strong Return on Equity

Return on Equity (%)



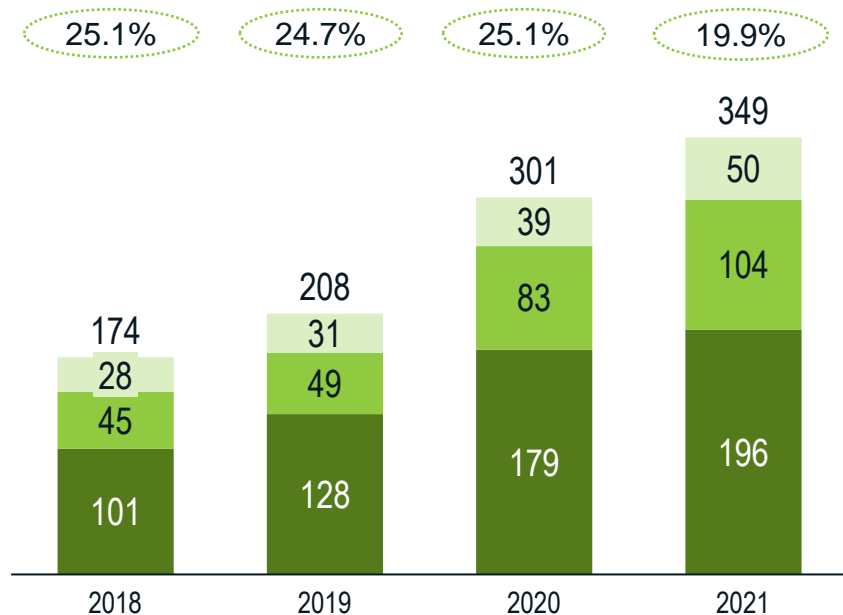
Achieving operating efficiency

运营效率提升

Breakdown of operating expenses

(US\$mm)

As % of revenue



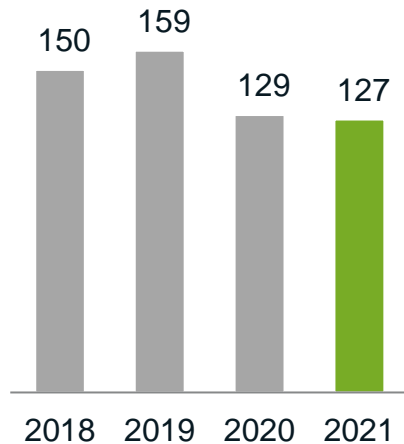
As % of revenue	2018	2019	2020	2021
R&D	4.0%	3.7%	3.2%	2.9%
R&D investment	27.7	31.4	38.9	50.2
YoY growth rate		+13%	+24%	+29%
Administrative	6.6%	5.8%	6.9%	5.9%
Selling and distribution	14.5%	15.2%	15.0%	11.1%

Achieving operating efficiency

运营效率提升

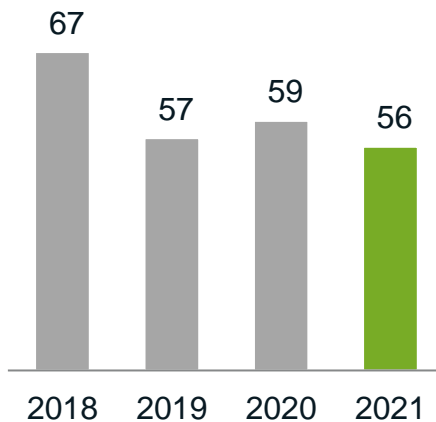
Turnover days of

Inventory



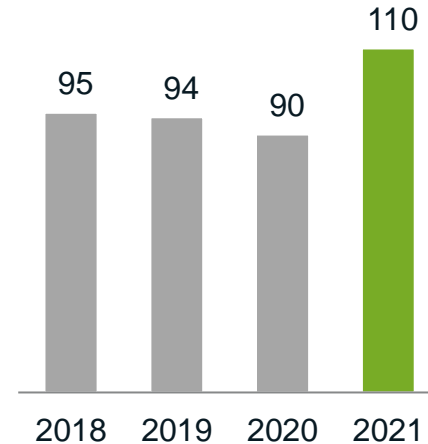
Turnover days of

Trade and bills receivables



Turnover days of

Trade and bills payables

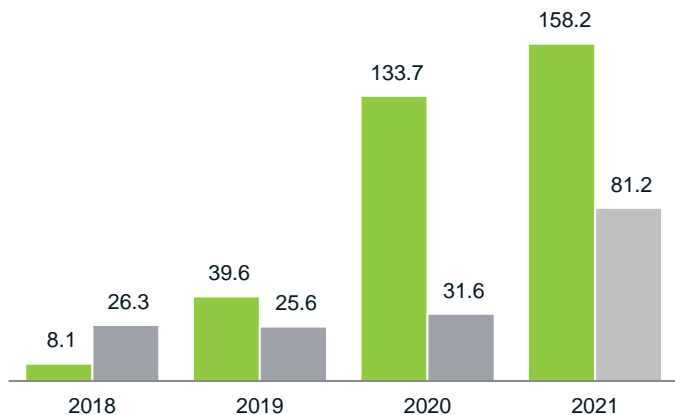


Cash flow analysis

现金流分析

Cash generated from operations vs CAPEX

(US\$mm)

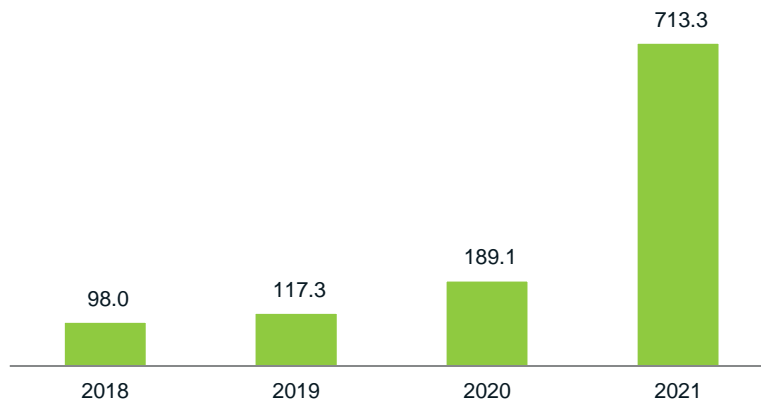


■ Net cash generated from operating activities

■ Capital expenditures

Healthy cash balance ⁽¹⁾

(US\$mm)



Note: (1) Includes pledged deposits and cash and cash equivalents

2021 Dividend Plan

年度派息计划

20%

Basic earnings per share	0.357	USD
Dividend Proposal	0.0715	USD
	0.5577	HKD

02 BUSINESS REVIEW

+
REVENUE

46.4 %



Continued to strengthen the market position of our brands, by keep investing in the brands and introducing innovative products



EGO



SKIL



FLEX



DEVON



XTRON



POWER BEYOND BELIEF.®

**CREATE THE FIRST HIGH VOLTAGE
PLATFORM FOR OPE,
LEADING THE INDUSTRIAL
TRANSFORMATION**

#1
**BATTERY
POWERED
PLATFORM**








A person is shown from the waist down, wearing a grey t-shirt, olive green pants, and brown boots. They are holding a black and green cordless leaf blower, which is blowing a large amount of brown leaves into the air. The background features a two-story house with grey siding and a dark roof, set against a clear blue sky. The overall scene is outdoors on a grassy lawn during autumn.

9,000,000+
BATTERY PLATFORM



#1 RATED Z6 HAS ARRIVED



Battery Riding Mowers		
All Ratings	Buying Guide	Videos
86	Ego ZT4204L Tested Price: US\$5,500 ✓ RECOMMENDED	 ☆
80	Bad Boy ZT4204L Tested Price: US\$5,000 ✓ RECOMMENDED	 ☆
77	Exmark ZT4204L Tested Price: US\$4,500 ✓ RECOMMENDED	 ☆
75	Ultima ZT42L Tested Price: US\$5,500 ✓ RECOMMENDED	 ☆
72	Bad Boy ZT4204L Tested Price: US\$4,200	 ☆

WE LAUNCHED THE EGO 42" Z6 ZERO TURN RIDING MOWER, THE INDUSTRY'S FIRST BATTERY POWER MOWER WITH INTERCHANGEABLE BATTERIES.

2022 NEW » FOR EU & AU

EGO POWER+
ZT4201E-L
Z6 ZTR RIDING MOWER

Z6 ZERO
EMISSION





**KEEP EXTENDING
PRODUCT LINES**



**IoT
EXECUTIONS
ON EGO
PROGRAM**



**WIFI AND
BLUETOOTH CONNECTED**

FLEX

this is performance

SINCE 1922



FLEX IT'S WHAT'S NEXT



FLEX 24V Lithium-ion range

FLEX



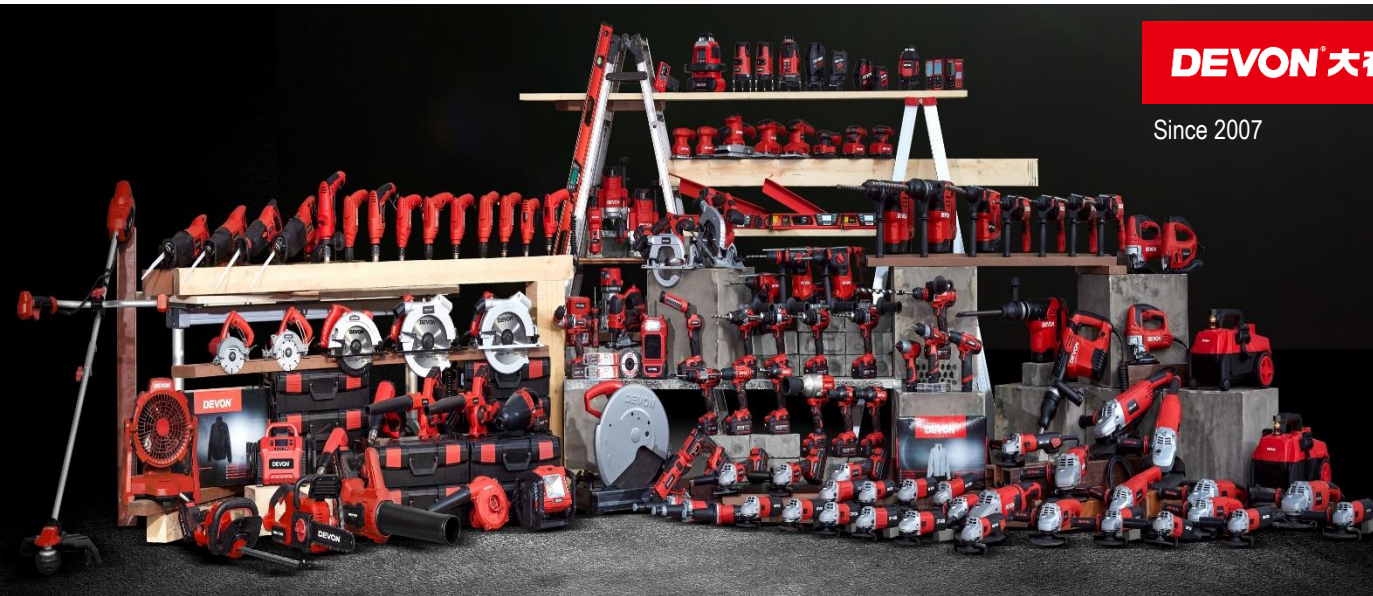
SKIL®

PWRCORE 12™

PWRCORE 20™

PWRCORE 40™





DEVON 大有

Since 2007

瓜强 XTRON
专业工具



Continued to build our Omni-channel sales and distribution network



E-commerce Channels

- Collaborated with **major e-commerce platforms** such as

amazon 京东 Tmall 天猫



Dealers * & Distributors

- Significant penetration of **professional distributor & dealer networks** on a **global scale**.

ACE
Hardware



Retailers

- Including **leading home centres, mass-market retailers** such as

LOWE'S

Kingfisher

Walmart

* Dealer is equivalent to 'local retailer' disclosed in the Company's prospectus dated December 17, 2021

CHERVON WON LOWE'S 2021 VENDOR PARTNER OF THE YEAR



10.12 Mooresville

Chervon won Lowe's 2021 Vendor Partner of the Year as the sole winner in Lowe's Hardline business category. Lowe's remarked that Chervon consistently brought solutions to a challenging supply chain environment to ensure Lowe's customers had the products they need to get the job done.

Toronto 11.4

Chervon also won Lowe's Canada Vendor Partner of the Year.

RETAILER BRANDED BAY





Dealers & Distributors

VENDOR OF THE YEAR @ ACE , 3 YEARS IN A ROLL





**DEALER
CHANNEL**



NA E-commerce growth

+100%

China

Digital Marketing and on-line sales





Green Products

Operating a gas-powered lawn mower for **1 HOUR** produces as much **POLLUTION** as driving a car **45 MILES**

ARC
LITHIUM
56V™



WEEE
WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT

**TECHNOLOGY DELIVERS THE POWER OF GAS,
BUT WITHOUT THE FUSS AND FUMES.**

AS QUIET AS A LULLABY.

EGO POWER+ Lawn Mowers are eight times quieter than gas models. In fact, they're so quiet you can hear the blade cutting the grass. That means you can work on your lawn at any hour without disturbing neighbors with the noise.

8X QUIETER THAN GAS



70db

EGO

EGO POWER+
MOWER

77db



CAR DRIVING
65 MPH

80db



DISHWASHER

88db



BLENDER

96db



GAS-POWERED
MOWER

Green Manufacturing

eco SAVING OIL POWER

35,000 L/YEAR



eco SOLAR POWER

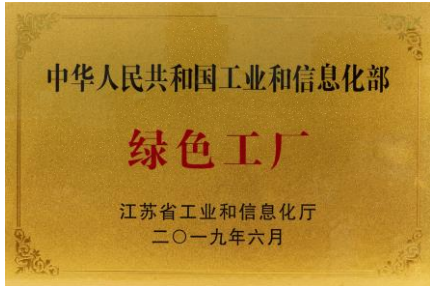
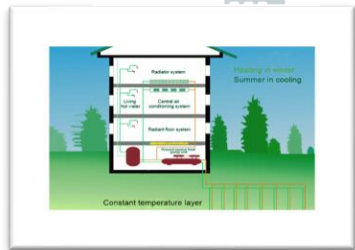
2 GWh / YEAR



eco REDUCTION OF CO₂

839

TONS/YEAR

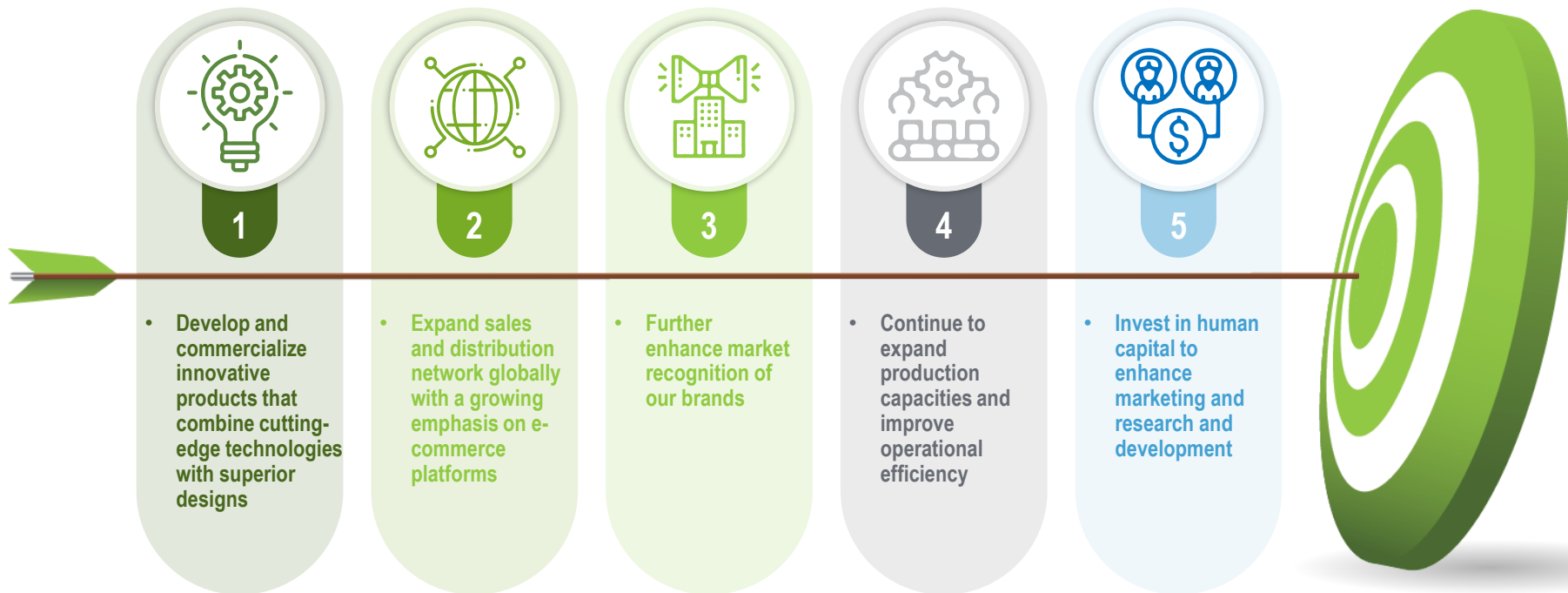


CHERVON is recognized as NATIONAL GREEN FACTORY

03 BUSINESS STRATEGY

Our key strategies

We are committed to driving sustainable long-term growth and strengthening our market position as a global leader in electric power tool and OPE products through the following strategies:



Q&A

Better Tools. Better World.
造好工具，助世界一臂之力！
CHERVON[®]

