



SPAFID CONNECT

Informazione Regolamentata n. 0868-61-2020	Data/Ora Ricezione 28 Aprile 2020 13:03:08	MTA - Star
--	---	------------

Societa' : SERVIZI ITALIA S.P.A.

Identificativo : 131421

Informazione
Regolamentata

Nome utilizzatore : SERVIZITAN03 - Manti

Tipologia : REGEM

Data/Ora Ricezione : 28 Aprile 2020 13:03:08

Data/Ora Inizio : 28 Aprile 2020 13:03:09

Diffusione presunta

Oggetto : The Shareholders' Meeting approves the 2019 Financial Statements, the distribution of a dividend and appoints the Board of Statutory Auditors

Testo del comunicato

Vedi allegato.

PRESS RELEASE

28 April 2020

The Shareholders' Meeting of Servizi Italia approves the 2019 Financial Statements, the distribution of a Euro 0.14 dividend per share and appoints the Board of Statutory Auditors.

- Approved the Financial Statement as at 31 December 2019
- Approved the distribution of a dividend equal to Euro 0.14 per share
- Authorized the plan for the purchase and disposal of treasury shares
- Appointed the Board of Statutory Auditors for the financial years 2020 – 2021 – 2022
- Appointed a Director to integrate the Board of Directors

Castellina di Soragna (PR), Italy, 28 April 2020

The Shareholders' Meeting of Servizi Italia, listed on the STAR segment of the Italian Stock Exchange and leader in the sector of integrated services for the rental, washing and sterilization of textiles and surgical instruments for hospitals, met today at Company headquarters under the chairmanship of Roberto Olivi.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

The **consolidated turnover** of the Servizi Italia Group amounted to **Euro 262.4 million** in 2019, up by 4.6% compared to 2018, with the following sector trends:

- **Wash-hire services** - which accounts for 74.3% of total revenues and includes all activities relating to the washing, hire, collection and reconditioning of textile and mattress products - generated **revenues in 2019** equal to **Euro 194.8 million**, up compared to Euro 182.8 million in 2018, thanks to the growth in foreign sales (+9.3% in Brazil and +19.4% in Turkey), in addition to the acquisitions of Wash Service S.r.l., of Ekolav S.r.l. and of the business unit related to Lavanderia Bolognini M&S S.r.l.;
- **Textile sterilization services** - which accounts for 7.6% of total revenues and includes all activities relating to sterilization of sterile sets and the supply of disposable items used in surgical procedures for setting up the operating field and dressing the medical team - recorded **revenues in 2019** equal to **Euro 20.0 million**, down by 7.1% compared to Euro 21.6 million in 2018, mainly due to the termination of contracts in the Friuli Venezia Giulia and Emilia Romagna areas together with the contraction of some supplies to foreign countries;

PRESS RELEASE

28 April 2020

- **Surgical instrument sterilization services** - which represents 18.1% of total revenues and includes all activities related to the rental, sterilization, collection and reconditioning of surgical instruments - generated **revenues in 2019** equal to **Euro 47.5 million**, up by 2.1% compared to Euro 46.7 million in 2018. The new sector of "turn-key" supplies, global service and project financing for healthcare, focused on O.T. design and construction, contributed to the growth

For what concerns geographical distribution, **revenues generated from foreign markets** amounted to Euro 39.8 million (of which Euro 31.9 million relating to the Brazil and Euro 7.9 million relating to Turkey) covering the 15.2% of consolidated turnover (14.7% in 2018). In 2019, both revenues from Brazil and Turkey have been characterized by a particularly positive organic growth in local currency compared to 2018 (+12.0% in Brazil and +33% in Turkey), just partly impacted by negative translation effects (-2.7% in Brazil for a net growth of revenues in the year equal to +9.3% and -13.6% in Turkish area for a net growth of revenues in the year of +19.4%).

Consolidated EBITDA amounted to **Euro 68.4 million**, up compared to Euro 64.4 million in 2018. EBITDA 2019 benefits from the accounting effect of the application of the new accounting standard IFRS16. In addition, from one side, the results benefit from the positive operating performance of the fully consolidated foreign perimeter (Brazil and Turkey) and, on the other side, are impacted by higher than expected start-up costs, related to the start up of wash-hire activities in the hotel sector (where a diversification process was started from the end of 2018), especially with reference to transport, logistics and warehouse management costs (+0.3%). In 2019 the Group also recorded a decrease in the incidence of raw material costs, offset by a 0.5% increase in the cost of energy supply services.

EBIT amounted to **Euro 13.9 million**, compared to Euro 14.4 million in 2018. In addition to what already described about changes in EBITDA, EBIT 2019, compared to 2018, net of the positive effect related to the application of IFRS 16, includes higher costs for the provision made in relation to IAS 37 onerous contracts, for Euro 2.6 million, and a revision of the estimated useful life of certain assets (such as packed linen, hotel linen and mattresses), for an overall impact of lower depreciation and amortization equal to Euro 5.2 million.

Profit before taxes went from Euro 12.7 million in 2018 to Euro 10.0 million in 2019, down by 1.3% in terms of incidence on revenues. Financial management shew almost stable financial income. Excluding the higher interest expense resulting from the application of IFRS16, financial expenses increased compared to the same period of the previous year mainly due to an increase in interest rates on the Turkish financial market and the debt adjustment (for Euro 1.4 million) representing the put option for the minority shareholders of the Brazilian companies Maxlav Lavanderia Especializada S.A. and Vida

PRESS RELEASE

28 April 2020

Lavanderias Especializada S.A. (whose right to sell may be exercised by the third quarter of 2020). There is also income from equity investments equal to Euro 0.5 thousand for the remeasurement at fair value of the investment in Ekolav S.r.l. held before the date of acquisition of control, as this is a business combination operation carried out in stages, in accordance with IFRS 3.

The consolidated financial statements of the **Servizi Italia Group** as at 31 December 2019 closed with a **net profit** equal to **Euro 9.5 million**, with an incidence on revenues which dropped from 4.8% in 2018 to 3.6% in 2019.

Net financial debt as at 31 December 2019 amounted to **Euro 127.4 million** (including the effects of applying IFRS 16), up compared to Euro 116.3 million as at 1 January 2019 (Euro 82.2 million as at 31 December 2018).

SERVIZI ITALIA S.P.A. FINANCIAL RESULTS AS AT 31 DECEMBER 2019

In 2019 Servizi Italia S.p.A. registered revenues equal to **Euro 212.8 million**, in line with the turnover of 2018 (Euro 212.5 million).

EBITDA 2019 amounted to **Euro 52.6 million**, compared to Euro 53.3 million in 2018, down by 0.3% in absolute terms.

EBIT 2019 amounted to **Euro 8.7 million**, compared to Euro 10.5 million in 2018.

Equity as at 31 December 2019 totalled **Euro 139.0 million**, compared to Euro 139.6 million as at 31 December 2018.

Net financial debt amounted to **Euro 113.3 million** (including the effects of applying IFRS 16), compared to Euro 111.2 million as at 1 January 2019 (Euro 79.3 million as at 31 December 2018).

DIVIDEND

Considering the separate financial statements for the year ended 31 December 2019 as a whole and individual entries as well, the Shareholders' Meeting resolved to allocate the net profit for the year, amounting to Euro 8,019,702, in accordance with the proposal made by the Board of Directors in the notes to the separate financial statements, as follows:

- a maximum amount of Euro 4,453,323 to be distributed to Shareholders, corresponding to an ordinary unit dividend, gross of withholding taxes, of Euro 0.14 for every share in circulation, excluding treasury shares in portfolio;

PRESS RELEASE

28 April 2020

- Euro 1,012,644 as Valuation Reserve for Equity Investment using the equity method;
- to carry forward the residual profit for the year.

The Shareholders' Meeting also resolved to allocate Euro 239,097 of the Valuation Reserve for Equity Investment using the equity method to retain earnings due to fail of indistribution constraints.

The dividend will be payable from 13 May 2020, with detachment of coupon n. 14 on 11 May 2020 and record date on 12 May 2020.

RENEWAL OF AUTHORIZATION TO BUY BACK AND DISPOSE OF TREASURY SHARES

The Shareholders' Meeting, after revoking the authorisation to buy back and dispose of treasury shares approved on 30 May 2019 for the part not used, renewed the authorisation to buy back and dispose of treasury shares, as proposed by the Board of Directors. The resolution authorizes the purchase of a maximum of 6,361,890 ordinary shares with a nominal value of Euro 1.00 each, corresponding to the fifth part of the Company's share capital (taking into account the shares already held by the Company from time to time) for a period of 18 months from today's date, while the duration of the authorization relating to the disposal of treasury shares has no time limit. For further details on authorisation, as well as on purchase methods and price limits, reference should be made to the Directors' Report, available at Company's registered office, on Company's website www.servizitaliagroup.com and on eMarket STORAGE storage mechanism (www.emarketstorage.com).

As of today, the Company holds 1,240,941 treasury shares, equal to 3.9% of the share capital.

REMUNERATION REPORT PURSUANT TO ART. 123 LEGISLATIVE DECREE 58/98

With reference to the Report on the remuneration policy and remuneration paid drafted by the Board of Directors pursuant to art. 123-ter of Legislative Decree no. 58 of 24 February 1998, the Shareholders' Meeting approved the remuneration policy of Servizi Italia S.p.A. illustrated in the first section and expressed a favourable opinion on the second section.

CONSOLIDATED NON-FINANCIAL STATEMENT REPORT: 2019 SUSTAINABILITY REPORT

The *Consolidated non-Financial Report: 2019 Sustainability Report* has been presented to the Shareholders' Meeting. The report has been drafted in accordance with the terms and procedures set out in Legislative Decree no. 254/2016 and the GRI Standard Guidelines and accompanied by the report

PRESS RELEASE

28 April 2020

of the Independent Auditors, pursuant to Article 3, paragraph 10, of Legislative Decree no. 254 of 30 December 2016 and Article 5 of CONSOB Regulation no. 20267/2018.

APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS FOR YEARS 2020 – 2021 – 2022

The Shareholders' Meeting has appointed and determine the remuneration of the following members of the Board of Statutory Auditors, who will remain in office until the Shareholders' Meeting called to approve the financial statements as at 31 December 2022:

- Roberto Cassader (Chairman)*
- Gianfranco Milanese (Statutory Auditor)^o
- Benedetta Pinna (Statutory Auditor)^o
- Elena Iotti (Acting Auditor)^o
- Davide Barbieri (Acting Auditor)*

All the Statutory Auditors appointed have declared to meet the independence requirements set forth by law and by the Corporate Governance Code.

The relevant curricula are available on Company's website www.servizitaliagroup.com, Corporate Governance - Corporate Bodies section.

It should be noted that, according to the information made available to the Company, none of the appointed Statutory Auditors holds shares in the Company.

BOARD OF DIRECTORS' INTEGRATION

The Shareholders' Meeting resolved to integrate the Board of Directors by appointing the candidate proposed by the majority Shareholder Aurum S.p.A., Eng. Giovanni Manti - Manager with strategic responsibilities of the Company - who will remain in office until the expiry of the current Board of Directors and, therefore, until the Shareholders' Meeting called to approve the financial statements as

* Candidate of the minority list presented by the Shareholders Mediolanum International Funds Limited, manager of the fund Challenge Funds - Challenge Italian Equity and Mediolanum Gestione Fondi SGR S.p.A. manager of the fund Mediolanum Flessibile Futuro Italia, owners of a total of 811,000 shares equal to 2.5495% of the share capital. It should be noted that the aforesaid list obtained favourable votes equal to 7,699158% of the present and voting capital.

^o Candidate on the list presented by the majority shareholder Aurum S.p.A., holder of 17,601,424 shares equal to 55.3339% of the share capital. It should be noted that the aforesaid list obtained favourable votes equal to 85,438306% of the present and voting capital.

PRESS RELEASE

28 April 2020

at 31 December 2020. The curriculum vitae of Giovanni Manti is available on Company's website www.servizitaliagroup.com, Corporate Governance - Corporate Bodies section. It should be noted that the appointed Director does not hold any shares of the Company.

DEPOSIT OF THE DOCUMENTATION

The summary voting report, the minutes of the Shareholders' Meeting and the updated Articles of Association will be made available to the public in accordance with the terms and conditions provided for by current legislation.

The Manager responsible for preparing the Company's financial reports, Ilaria Eugeni, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

This press release is disclosed using eMarket SDIR system and it is now available on Company's website (www.servizitaliagroup.com) as well as on eMarket STORAGE system (www.emarketstorage.com).

Servizi Italia S.p.A., a company based in Castellina di Soragna (PR) and listed on the STAR segment of the MTA of Borsa Italiana S.p.A., has been a leader in Italy in the field of integrated rental, washing and sterilization services for textile materials and medical devices in the healthcare sector for over thirty years. The company, which together with its Italian and foreign subsidiaries forms the Servizi Italia Group, has also expanded its services to the industrial, community and hotel sectors. The Group has a highly technological production platform, articulated in over 50 production plants in 7 countries and counts about 3,700 employees and collaborators: these are the numbers with which Servizi Italia contributes daily to the health and safety of professionals, patients and workers, respecting ethics and the environment in which it operates.

For further information:

Investor Relations
Servizi Italia
Giovanni Manti, Luigi Innocenti
Tel: +39 0524598511
investor@servizitaliagroup.com

Media Relations
iCorporate
Arturo Salerni, Ilaria Mastrogregori
Tel. + 02 4678 749
servizitalia@icorporate.it

Fine Comunicato n.0868-61

Numero di Pagine: 8