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approves the separate and consolidated
financial statements as at 31 December
2020

Testo del comunicato

Vedi allegato.



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The Board of Directors of Servizi Italia approves the separate and consolidated financial statements as at 31 December 2020

Guaranteed continuity of essential services and the highest level of safety for all employees.

Growing in fourth-quarter margins in all operating segments in Italy.

Solid performance and organic growth in Brazil and Turkey.

- Consolidated **Revenues** equal to **Euro 240.2 million** (Euro 262.4 million in 2019)
- Consolidated **EBITDA** equal to **Euro 57.9 million** (Euro 68.4 million in 2019)
- Consolidated **EBIT** equal to **Euro 3.9 million** (Euro 13.9 million in 2019)
- Consolidated **Net Profit** equal to **Euro 2.9 million** (Euro 9.5 million in 2019)
- **Net financial position** equal to Euro 129.6 million (Euro 127.4 million as at 31 December 2019)

Castellina di Soragna (PR), Italy, 15 March 2021

The Board of Directors of Servizi Italia, a company listed on the STAR segment of the Italian Stock Exchange and leading operator in the outsourcing of hospital services in Italy, Brazil, Turkey, India, Albania, Marocco – today approved the Separate and Consolidated Financial Statements as at 31 December 2020.

*“2020 – as stated by the **President of the Executive Committee, Roberto Olivi** – has been influenced by the epidemiological crisis and the effects of the measures taken to contain it in all the countries in which the Group operates, facing the current social and economic context with increasingly adaptability. Performances in the period have been characterized by a gradual recovery, thanks in part to the good performance in Brazil and Turkey, even if negatively offset by exchange rates trends and by the measures implemented by Group management for containing operating and structural costs. We are witnessing the continuation of an exhausting context of general uncertainty and crisis in demand, mainly due to the effects of the pandemic, which – after a recovery in the ordinariness of healthcare services – may be affected, also in 2021, by elements of uncertainty similar to those recorded in a lockdown context. Management, also in the light of recent strategic decisions, has demonstrated a well-defined focus on pursuing growth objectives both in Italy and abroad, pursuing the goal of confirming its position as market leader while preserving the Group's financial solidity. We are confident to be able to effectively manage the temporary effects of the crisis with the continuous search for optimizations and efficiencies in production operations and in the service supply chain in order to improve business marginality and profitability levels, while continuing to support and protect all the stakeholders.”*

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CONSOLIDATED RESULTS AS AT 31 DECEMBER 2020

The **consolidated turnover** of the Servizi Italia Group amounted to **Euro 240.2 million** in 2020, registering a decrease of 8.5% compared to 2019, with the following sector trends:

- **Wash-hire services** - which accounts for 75.4% of Group's revenues and includes all activities relating to the washing, hire, collection and reconditioning of textile and mattress products - generated **revenues in 2020** equal to **Euro 181.0 million** (Euro 194.8 million in 2019), supported by the excellent organic growth in Brazil and Turkey, however offset by a negative exchange rate variation (-5.4%) and by the acquisitions made during 2019, which have been contributing for the whole 2020 (+1.6%).
- **Textile sterilization services** - which accounts for 7.5% of Group's 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 2020** equal to **Euro 18.0 million**, down by 10.1% compared to 2019 (Euro 20.0 million), owing to the termination of some contracts related to Friuli Venezia Giulia and Lombardia areas and the contraction of some supplies to foreign countries together with the reduction in volumes as a result of the Covid-19 pandemic. The line also benefits from the positive effect given by the growth in disposable supplies.
- **Surgical instrument sterilization services** - which represents 17.1% of total revenues and includes all activities related to the rental, sterilization, collection and reconditioning of surgical instruments - generated **revenues in 2020** equal to **Euro 41.1 million**, down by 13.5% compared to Euro 47.5 million in 2019 mainly due to the decrease in surgeries related to the coronavirus emergency, positively offset by a gradual recovery in the third (+18.1%) and fourth (+10.5%) quarter of 2020 compared to the loss recorded in the first (-11.4%) and second (-19.2%) quarter.

For what concerns geographical distribution, **revenues generated from foreign markets** amounted to **Euro 32.8 million** (of which Euro 25.8 million relating to Brazil and Euro 7.0 million relating to Turkey) covering the 13.7% of Group's turnover (15.2% in 2019). In 2020, revenues coming from the Brazilian area were characterized by particularly positive organic growth in local currency (+7.8% compared to 2019), but also strongly impacted by a negative translation effect (-27.1%, for a net negative change in revenues for the year of 19.3%), due to the depreciation of the Brazilian Real against the Euro. Revenues in Turkish area were also characterized by particularly positive organic growth in local currency (up by 13.7%), which was in turn impacted by a negative translation effect (down 23.9%, for a net negative change in revenues for the year of 10.3%).



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Consolidated EBITDA decreased from Euro 68.4 million in 2019 to **Euro 57.9 million** as at 31 December 2020. Despite the sharp decline in revenues compared to the previous year (-8.5%), the reduction in the EBITDA margin was moderate (-2.0%), from 26.1% to 24.1% (24.5% at constant exchange rates). This figure reflects the positive performance particularly in the areas of Brazil and Turkey and the measures taken to contain operating and structural costs. There was an increase in the ratio of raw material costs to revenues (up 1.2%), primarily linked to the purchase and consumption of disposable equipment and personal protective equipment (PPE) linked to the Covid-19 emergency, and an increase in the ratio of service costs (up 0.9%), although down by 5.8% in absolute terms, primarily due to greater recourse to outsourcing of core services such as external laundries and wardrobe services in support of Covid-19 emergency. Payroll costs as a percentage of revenues fell slightly (down 0.1%), but in absolute terms were down by 8.8% compared to the previous year, due to less use of temporary staff and greater use of vacations, leave and redundancy pay in response to the epidemic. Costs for the period were also affected by one-off items amounting to Euro 0.8 million, including redundancy incentives and estimates regarding dismantling costs coming from the closure of Podenzano (PC, Italy) plant. It should also be noticed the partial release of the provision related to onerous contracts amounting to Euro 1.6 million accrued during 2019. The excellent results of operating margins at an international level are confirmed also in 2020 both in Brazil (EBITDA margin 33.3%), up compared to the figure for 31 December 2019 (32.7%) and in Turkey (EBITDA margin 30.3%).

Consolidated operating income (**EBIT**) decreased from Euro 13.9 million during 2019 (EBIT margin 5.3%) to **Euro 3.9 million** during the same period in 2020 (EBIT margin 1.6% or 2.0% at constant exchange rates), mainly as a result of the dynamics already described commenting the change in revenues and EBITDA. EBIT also includes provisions for Euro 0.1 million relating to the write-down of assets pertaining to Podenzano plant in view of the planned cessation of operations at the production site, as well as provisions of Euro 0.5 million in relation to the adjustment of the provision for risks for onerous contracts in accordance with IAS 37.

Financial management benefited from capital gains equal to Euro 0.9 million coming from the partial sale of shares in Asolo Hospital Service S.p.A. and Euro 0.3 million coming from the partial sale of shares in Pro.ge.ni. S.p.A., as well as dividends received from other companies for a total of Euro 0.8 million. Exchange rate losses of Euro 0.6 million were recorded, mainly related to the depreciation of the Brazilian Real and the Turkish Lira against the Euro. It should also be noted that the results for 2020 were negatively impacted by the valuation of certain joint ventures using the equity method, whose results had been affected by the Covid-19 emergency and the high exchange rate losses due to the



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depreciation of the reference currencies (in particular the Albanian Lek and the Indian Rupee) against the Euro.

Taxes for the period are positive, Euro 1.8 million, mainly due to the recognition in the income statement of deferred tax assets on the tax loss for the period generated by Servizi Italia S.p.A. due to the cumulative effect of the tax benefits deriving, in the Italian area, from the deduction from corporate income of the so-called "super and hyper depreciation" on investments made in previous years, as provided for by the 2017 Budget Law (L. 232/2016).

The **Servizi Italia Group's** consolidated financial statements as at 31 December 2020 closed with a **net income** of **Euro 2.9 million**, compared to Euro 9.5 million in the previous year.

The change in **net financial debt**, which passed from Euro 127.4 million as at 31 December 2019 to **Euro 129.6 million** as at 31 December 2020 includes, among other things, the payment of dividends by the Parent Company in the amount of Euro 4.3 million as well as the outlay related to the acquisition of minority interests in the Brazilian companies Maxlav Lavanderia Especializada S.A. and Vida Lavanderia Especializada S.A equal to Euro 3.5 million.

SERVIZI ITALIA S.P.A. RESULTS AS AT 31 DECEMBER 2020

In 2020 Servizi Italia S.p.A. achieved total **revenues** equal to **Euro 195.6 million**, down by 8.1% compared to 2019 turnover (Euro 212.8 million).

EBITDA 2020 amounted to **Euro 43.2 million**, compared to Euro 52.6 million in 2019, down by 4.4% in absolute terms (Ebitda margin -2.6%).

Operating profit (EBIT) 2020 amounted to **Euro -0.4 million**, compared to Euro 8.7 million in 2019.

Equity as at 31 December 2020 totalled **Euro 121.1 million** compared to Euro 139.0 million as at 31 December 2019.

The **net financial position** is equal to **Euro 117.0 million**, compared to Euro 113.3 million as at 31 December 2019.

ALLOCATION OF NET INCOME

The Board of Directors will propose the Shareholders' Meeting to allocate Euro 1.4 million as Reserve for valuation of equity investments using the equity method and carry forward the residual net income for the year. It also proposes to allocate Euro 0.3 million from the Reserve for valuation of equity investments using the equity method as retained earnings, as the restriction on non-distributability no longer applies.

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Information on Covid-19

Concerning evolution and impact of Covid-19 epidemic, the indications provided by the Group on the occasion of the publication of the Interim Management Report as at 30 September 2020, to which reference should be made, continue to apply. All Group's activities, while operating in strict compliance with regulations in force, have been influenced during 2020 by the evolution of the contingent epidemiological situation.

In view of the fact that services provided by the Group are to be considered essential, crucial and of public utility and therefore defensive with respect to the current epidemiological situation, the Group has implemented risk & project management and project control activities in order to (i) avoid the spread of contagion and protect the health and safety of its personnel and the environment, (ii) ensure business continuity, (iii) mitigate any possible negative impact on economic results coming from a drop in demand for certain types of services; (iv) have an updated mapping of risks, related impacts and mitigation actions in the different areas of Company organization; (v) promptly started monitoring the effects of the epidemic on its results and related analyses, both current and forecast, are still ongoing.

Moreover, management did not detect a worsening of the liquidity risk for the Group that, in the emergency phase, was able to manage its financial needs with the sole use of self-liquidating and short-term lines without resorting to new medium/long-term finance at worse conditions.

EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 3 February 2021, in line with the actions taken for redistributing volumes in order to achieve greater saturation of the production capacity of the sites in the north-west area, the production at Podenzano (PC) plant ceased.

On 26 February 2021, the Parent Company announced to have signed the closing for the sale to AlSCO Italia S.r.l. of the workwear business unit (the "Business Unit"), whose preliminarily had been disclosed to the market on 28 January 2021, signing date. The agreement was effective from 1 March 2021 and provides for:

- the transfer by Servizi Italia to AlSCO Italia S.r.l. of the Business Unit, which includes in particular the customer portfolio of the workwear sector, the Barbariga (BS) plant and related property, the contractual relationships with the employees of the workwear sector and the related debts, the plant, machinery, equipment and other operating assets relating to the workwear sector, the workwear linen and textile products and the commercial goodwill of the Business;
- the execution of a non-competition agreement defined by the parties for a period of four years.



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The payment of the price, defined on the basis of the valuation of the components of the Business and envisaged as a minimum of Euro 9.0 million, has been divided as follows: (i) Euro 7.978 million already collected; (ii) the remaining part within 30 days from the date of execution of the closing.

As at 12 March 2021, the Company has purchased a total of 1,675,760 treasury shares, equal to 5.27% of the share capital, on the regulated market managed by Borsa Italiana S.p.A.

BUSINESS OUTLOOK

The Group's activities are influenced by the general economic conditions and the epidemiological situation of the countries in which it operates. The Group re-adapted its strategy on the basis of the new medium/long-term guidelines, integrating it with the new post-Covid-19 corporate strategy, aligning objectives and targets to the new context. For 2021 as well, a climate of uncertainty remains regarding the possible effects of both the worsening of the pandemic crisis and the governmental measures to contain the contagion and those to support the economy that will be implemented in the meantime in the countries in which the Group operates.

In addition to what has been described above regarding the effects of the Covid-19 viral epidemic, it should be noted that the Italian market for industrial laundries is experiencing a structural contraction related to certain critical issues specific to the healthcare services sector, such as the awarding of contracts with downward economic offers, whose effects have affected the Parent Company, with the failure to reconfirm contracts in portfolio and the awarding of contracts already in portfolio at lower prices than in the past.

Against this general backdrop, whilst maintaining forecasts of an overall positive operating margin in the foreseeable future, management will be affected in the medium term by a reduction in turnover in the domestic wash-hire sector and a reduction in operating margins which, in part, may be offset by the further development of higher-margin sectors and by targets concerning:

- modification of both commercial and operational strategy, according to the market context of the countries in which the Group operates;
- re-engineering and reorganization of the organizational model, thanks to the support of technologies and digitization of processes that allow the efficiency of operational activities and business support;

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- recourse to the institutes and instruments provided by law for personnel management, in dialogue with the trade unions and workers' representatives at company level, with the aim of seeking shared solutions to respond to epidemiological and market situation.

Moreover, the Group, as a whole will be able to benefit from the effects of the internationalization strategy by consolidating the positive results achieved in the countries where it operates, particularly in Brazil and Turkey.

The Group has a solid financial position which, despite the period of crisis, allowed to face the current situation with a wide recourse to self-liquidating and short-term lines without resorting to new medium/long-term finance at worse conditions in terms of onerousness, which would have led to a future burden on financial management, maintaining good creditworthiness with banking institutions.

Following the above considerations, the Group remains confident to be able to effectively manage both the effects of the current epidemiological crisis together and its future objectives.

OTHER BOARD OF DIRECTORS' RESOLUTIONS

As of today, the Board of Directors also examined and approved: (i) the Report on Corporate Governance and Ownership Structure for 2020; (ii) the Report on the remuneration policy and remuneration paid, as provided for by art. 123-ter of Legislative Decree no. 58/98 ("TUF"); (iii) the Consolidated Non-financial Report: 2020 Sustainability Report, drawn up pursuant to Legislative Decree 254/16.

PUBLICATION OF THE DOCUMENTATION

The 2020 Annual Financial Report, the Reports of the Board of Statutory Auditors and Independent Auditors, the 2020 Annual Report on Corporate Governance and Ownership Structure, the 2020 Report on Remuneration Policy and Remuneration Paid and the Consolidated Non-Financial Statement "2020 Sustainability Report" are going to be available to the public from 29 March 2021 at Company's registered office, on Company's website www.servizitaliagroup.com, as well as on the authorized storage mechanism eMarket Storage at www.emarkestorage.com.

Declaration of the Executive Responsible for the preparation of the accounting documents

The Executive Responsible for the preparation of the corporate accounting documents, Angelo Minotta, declares in accordance with Article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records, and accounting entries.



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Alternative performance indicators

The present document uses an “alternative performance indicator” not provided by the IFRS accounting standards. Here is the calculation method used and the composition of these ratios, in line with the guidelines of the European Securities and Market Authority (ESMA). The Group management has defined: (i) EBITDA as the difference between the value of sales and services and operating costs before depreciation, amortisation, write-downs, impairment, and provisions; (ii) net financial debt as the sum of amounts Due to banks and other lenders net of Cash and cash equivalents and Current financial receivables.

With reference to the data set out in this press release, it should be noted that these are data for which the audit work has not been completed.

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.

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In Attachment:

- Consolidated Statement of Financial Position as at 31/12/2020
- Consolidated Income Statement as at 31/12/2020
- Consolidated Statement of Comprehensive Income as at 31/12/2020
- Consolidated Statement of Cash Flow as at 31/12/2020
- Consolidated Net Financial Position as at 31/12/2020

- Servizi Italia S.p.A. Statement of Financial Position as at 31/12/2020
- Servizi Italia S.p.A. Income Statement as at 31/12/2020
- Servizi Italia S.p.A. Statement of Comprehensive Income as at 31/12/2020
- Servizi Italia S.p.A. Statement of Cash Flows as at 31/12/2020

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(thousands of Euros)</i>	31 December 2020	31 December 2019
ASSETS		
Non-current assets		
Property, plant and equipment	168,821	175,575
Intangible assets	5,238	5,901
Goodwill	65,639	71,025
Equity-accounted investments	24,582	25,372
Equity investments in other companies	3,018	3,677
Financial receivables	5,663	6,577
Deferred tax assets	8,091	4,960
Other assets	4,342	5,821
Total non-current assets	285,394	298,908
Current assets		
Inventories	7,996	6,882
Trade receivables	62,974	72,126
Current tax receivables	2,019	2,085
Financial receivables	6,521	8,310
Other assets	9,752	9,604
Cash and cash equivalents	4,441	7,141
Total current assets	93,703	106,148
TOTAL ASSETS	379,097	405,056
SHAREHOLDERS' EQUITY AND LIABILITIES		
Group shareholders' equity		
Share capital	30,259	30,935
Other reserves and retained earnings	83,331	94,728
Profit (loss) for the year	2,761	8,990
Total shareholders' equity attributable to shareholders of the parent company	116,351	134,653
Total shareholders' equity attributable to non-controlling interests	2,235	3,604
TOTAL SHAREHOLDERS' EQUITY	118,586	138,257
LIABILITIES		
Non-current liabilities		
Due to banks and other lenders	56,262	68,558
Deferred taxes liabilities	2,500	2,408
Employee benefits	9,582	10,321
Provisions for risks and charges	4,804	4,429
Other financial liabilities	2,905	3,877
Total non-current liabilities	76,053	89,593
Current liabilities		
Due to banks and other lenders	84,307	74,301
Trade payables	76,934	72,364
Current tax payables	124	191
Employee benefits	67	-
Other financial liabilities	3,353	9,269
Provisions for risks and charges	1,523	1,453
Other payables	18,150	19,628
Total current liabilities	184,458	177,206
TOTAL LIABILITIES	260,511	266,799
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	379,097	405,056

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CONSOLIDATED INCOME STATEMENT

<i>(thousands of Euros)</i>	31 December 2020	31 December 2019
Sales revenues	240,160	262,403
Other income	5,467	5,140
Raw materials and consumables	(27,607)	(27,137)
Costs for services	(75,974)	(80,639)
Personnel expense	(81,627)	(89,539)
Other costs	(2,481)	(1,841)
Depreciation/amortisation, impairment and provisions	(54,065)	(54,538)
Operating profit	3,873	13,849
Financial income	2,292	2,213
Financial expenses	(5,409)	(7,264)
Income/(expense) from equity investments	2,105	698
Share of profit/(loss) of equity-accounted investments	(1,663)	480
Profit before tax	1,198	9,976
Current and deferred taxes	1,756	(462)
Profit (loss) for the year	2,954	9,514
of which: Attributable to shareholders of the parent company	2,761	8,990
Attributable to non-controlling interests	193	524
Basic earnings per share (in Euros)	0.09	0.29
Diluted earnings per share (in Euros)	0.09	0.29

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(thousands of Euros)</i>	31 December 2020	31 December 2019
Profit (loss) for the year	2,954	9,514
<i>Other comprehensive income that will not be reclassified to the Income Statement</i>		
Actuarial gains (losses) on defined benefit plans	(229)	(262)
Income taxes on other comprehensive income	55	63
<i>Other comprehensive income that may be reclassified to the Income Statement</i>		
Gains (losses) from translation of foreign financial statements	(15,565)	(2,030)
Share of comprehensive income of the investments measured using the equity method	(377)	(882)
Income taxes on other comprehensive income		
Total other comprehensive income after taxes	(16,116)	(3,111)
Total comprehensive income for the period	(13,162)	6,403
of which: Attributable to shareholders of the parent company	(13,081)	6,001
Attributable to non-controlling interests	(81)	402

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CONSOLIDATED STATEMENT OF CASH FLOW

<i>(thousands of Euros)</i>	31 December 2020	31 December 2019
<i>Cash flow generated (absorbed) by operations</i>		
Profit (loss) before tax	1,198	9,976
Payment of current taxes	(557)	(1,544)
Depreciations	53,013	51,349
Impairment and provisions	1,051	3,189
Gains/losses on equity investments	(441)	(1,177)
Gains/losses on disposal	(719)	(482)
Interest income and expense accrued	3,117	5,051
Interest income collected	890	919
Interest expense paid	(2,432)	(3,096)
Interest paid on leasing liabilities	(2,163)	(2,234)
Provisions for employee benefits	(221)	(63)
	52,736	61,888
(Increase)/decrease in inventories	(1,597)	(667)
(Increase)/decrease in trade receivables	1,760	2,793
Increase/(decrease) in trade payables	9,110	(1,574)
Increase/(decrease) in other assets and liabilities	(7,654)	(1,182)
Settlement of employee benefits	(669)	(809)
Cash flow generated (absorbed) by operations	53,686	60,449
<i>Net cash flow generated (absorbed) from investment activities in:</i>		
Intangible assets	(911)	(1,527)
Property, plant and equipment	(54,252)	(52,144)
Dividends received	903	230
Acquisitions	(418)	(1,940)
Equity investments	1,960	(2,133)
Net cash flow generated (absorbed) by investment activities	(52,718)	(57,514)
<i>Cash flow generated (absorbed) from financing activities in:</i>		
Financial receivables	2,947	908
Dividends paid	(4,738)	(5,152)
Net (purchase)/sales of treasury shares	(1,645)	(1,555)
Share capital increase	-	515
Other changes in equity	-	-
Current liabilities to banks and other lenders	16,222	8,040
Non-current liabilities to banks and other lenders	(11,066)	(2,358)
Repayments on leasing liabilities	(3,601)	(3,088)
Cash flow generated (absorbed) from financing activities	(1,881)	(2,690)
(Increase)/decrease in cash and cash equivalents	(913)	245
Opening cash and cash equivalents	7,141	7,003
Effect of exchange rate fluctuations	1,787	107
Closing cash and cash equivalents	4,441	7,141

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CONSOLIDATED NET FINANCIAL POSITION

<i>(thosands of Euros)</i>	As at 31 December 2020	As at 31 December 2019
Cash and cash equivalents in hand	22	44
Cash at bank	4,419	7,097
Cash and cash equivalents	4,441	7,141
Current financial receivables	6,521	8,310
Current liabilities to banks and other lenders	(84,307)	(74,301)
<i>of which financial liabilities from IFRS 16</i>	(3,441)	(3,707)
Current net financial debt	(77,786)	(65,991)
Non-current liabilities to banks and other lenders	(56,262)	(68,558)
<i>of which financial liabilities from IFRS 16</i>	(29,502)	(32,552)
Non-current net financial debt	(56,262)	(68,558)
Net financial debt	(129,607)	(127,408)

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SERVIZI ITALIA S.P.A. STATEMENT OF FINANCIAL POSITION

(Euro)	31 December 2020	31 December 2019
ASSETS		
Non-current assets		
Property, plant and equipment	134,466,554	131,263,731
Intangible assets	3,844,465	3,974,693
Goodwill	44,575,158	44,575,157
Equity-accounted investments	48,709,122	57,532,230
Equity investments in associates, joint ventures companies and other companies	28,817,629	30,344,594
Financial receivables	5,663,382	6,726,223
Deferred tax assets	7,110,159	3,919,046
Other assets	2,817,693	3,529,413
Total non-current assets	276,004,162	281,865,087
Current assets		
Inventories	6,358,455	5,027,385
Trade receivables	55,300,409	61,159,715
Current tax receivables	1,902,975	1,899,376
Financial receivables	8,015,167	9,190,279
Other assets	7,389,608	6,319,444
Cash and cash equivalents	996,458	2,162,045
Total current assets	79,963,072	85,758,244
TOTAL ASSETS	355,967,234	367,623,331
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	30,258,991	30,935,240
Other reserves and retained earnings	88,256,340	100,071,225
Profit (loss) for the year	2,586,270	8,019,702
TOTAL SHAREHOLDERS' EQUITY	121,101,601	139,026,167
LIABILITIES		
Non-current liabilities		
Due to banks and other lenders	50,856,910	62,276,691
Deferred tax liabilities	2,025,881	1,892,728
Employee benefits	8,316,752	9,167,248
Provisions for risks and charges	978,532	1,115,342
Other financial liabilities	696,075	1,189,425
Total non-current liabilities	62,874,150	75,641,434
Current liabilities		
Due to banks and other lenders	75,190,178	62,387,994
Trade payables	76,839,609	67,909,475
Current tax payables	-	-
Employee benefits	66,602	-
Other financial liabilities	3,272,044	4,668,681
Provisions for risks and charges	1,523,187	1,452,816
Other payables	15,099,863	16,536,764
Total current liabilities	171,991,483	152,955,730
TOTAL LIABILITIES	234,865,633	228,597,164
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	355,967,234	367,623,331

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SERVIZI ITALIA S.P.A. INCOME STATEMENT

(Euro)	31 December 2020	31 December 2019
Sales revenues	195,573,894	212,811,478
Other income	6,129,111	5,514,745
Raw materials and consumables	(22,727,750)	(21,684,484)
Costs for services	(68,189,848)	(70,665,272)
Personnel expense	(66,159,456)	(72,118,786)
Other costs	(1,427,609)	(1,261,850)
Depreciation/amortisation, impairment, and provisions	(43,554,043)	(43,941,149)
Operating profit	(355,701)	8,654,682
Financial income	1,688,626	1,643,206
Financial expenses	(3,324,174)	(2,800,484)
Share of profit/loss of equity-accounted investments	2,158,765	928,144
Income/(expense) from equity investments in other companies	165,744	(842,896)
Profit before tax	333,260	7,582,652
Current and deferred taxes	2,253,010	437,050
Profit (loss) for the year	2,586,270	8,019,702

SERVIZI ITALIA S.P.A. STATEMENT OF COMPREHENSIVE INCOME

(Euro)	31 December 2020	31 December 2019
Profit (loss) for the year	2,586,270	8,019,702
<i>Other comprehensive income that will not be reclassified to the Income Statement</i>		
Actuarial gains (losses) on defined benefit plans	(228,913)	(261,954)
Share of comprehensive income of the investments measured using the equity method		
Income taxes on other comprehensive income	54,939	62,869
<i>Other comprehensive income that may be reclassified to the Income Statement</i>		
Share of comprehensive income of the investments measured using the equity method	(15,115,342)	(1,831,248)
Income taxes on other comprehensive income		
Total other comprehensive income after taxes	(15,289,316)	(2,030,333)
Total comprehensive income for the period	(12,703,046)	5,989,369

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SERVIZI ITALIA S.P.A. STATEMENT OF CASH FLOW

(Euro)	31 December 2020	31 December 2019
<i>Cash flow generated (absorbed) by operations</i>		
Profit (loss) before tax	333,260	7,582,652
Payment of current taxes	-	(535,627)
Depreciations	42,631,926	40,761,603
Impairment and provisions	922,117	3,179,547
Gains/(losses) on equity investments	(2,324,509)	(85,248)
Gains/(losses) on disposal	(687,766)	(235,428)
Interest income and expense accrued	1,635,549	1,157,277
Interest income collected	384,824	299,688
Interest expense paid	(895,234)	(959,823)
Interest paid on leasing liabilities	(1,633,897)	(1,686,930)
Provisions for employee benefits	(538,505)	(255,721)
	39,827,765	49,221,990
(Increase)/decrease in inventories	(1,331,070)	(121,666)
(Increase)/decrease in trade receivables	2,296,955	4,432,905
Increase/(decrease) in trade payables	12,131,067	595,020
Increase/(decrease) in other assets and liabilities	(5,027,264)	388,069
Settlement of employee benefits	(505,355)	(759,735)
Cash flow generated (absorbed) by operations	47,392,098	53,756,583
<i>Net cash flow generated (absorbed) from investment activities in:</i>		
Intangible assets	(801,901)	(1,327,085)
Property, plant and equipment	(44,061,239)	(39,650,799)
Dividends received	1,049,462	617,241
Sale of equity investments	1,959,458	-
Purchase of equity investments	(5,015,066)	(9,362,972)
Net cash flow generated (absorbed) by investment activities	(46,869,286)	(49,723,615)
<i>Cash flow generated (absorbed) from financing activities in:</i>		
Financial receivables	2,853,802	(76,354)
Net (purchase)/sales of treasury shares	(1,645,013)	(1,554,745)
Dividends paid	(4,279,591)	(5,008,083)
Share Capital increase	-	-
Current liabilities to banks and other lenders	15,457,618	5,645,957
Non-current liabilities to banks and other lenders	(11,419,781)	(65,168)
Repayments on leasing liabilities	(2,655,434)	(2,483,859)
Cash flow generated (absorbed) from financing activities	(1,688,399)	(3,542,252)
(Increase)/decrease in cash and cash equivalents	(1,165,587)	490,716
Opening cash and cash equivalents	2,162,045	1,671,329
Incorporated cash	-	-
Closing cash and cash equivalents	996,458	2,162,045

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