



Servizi
Italia

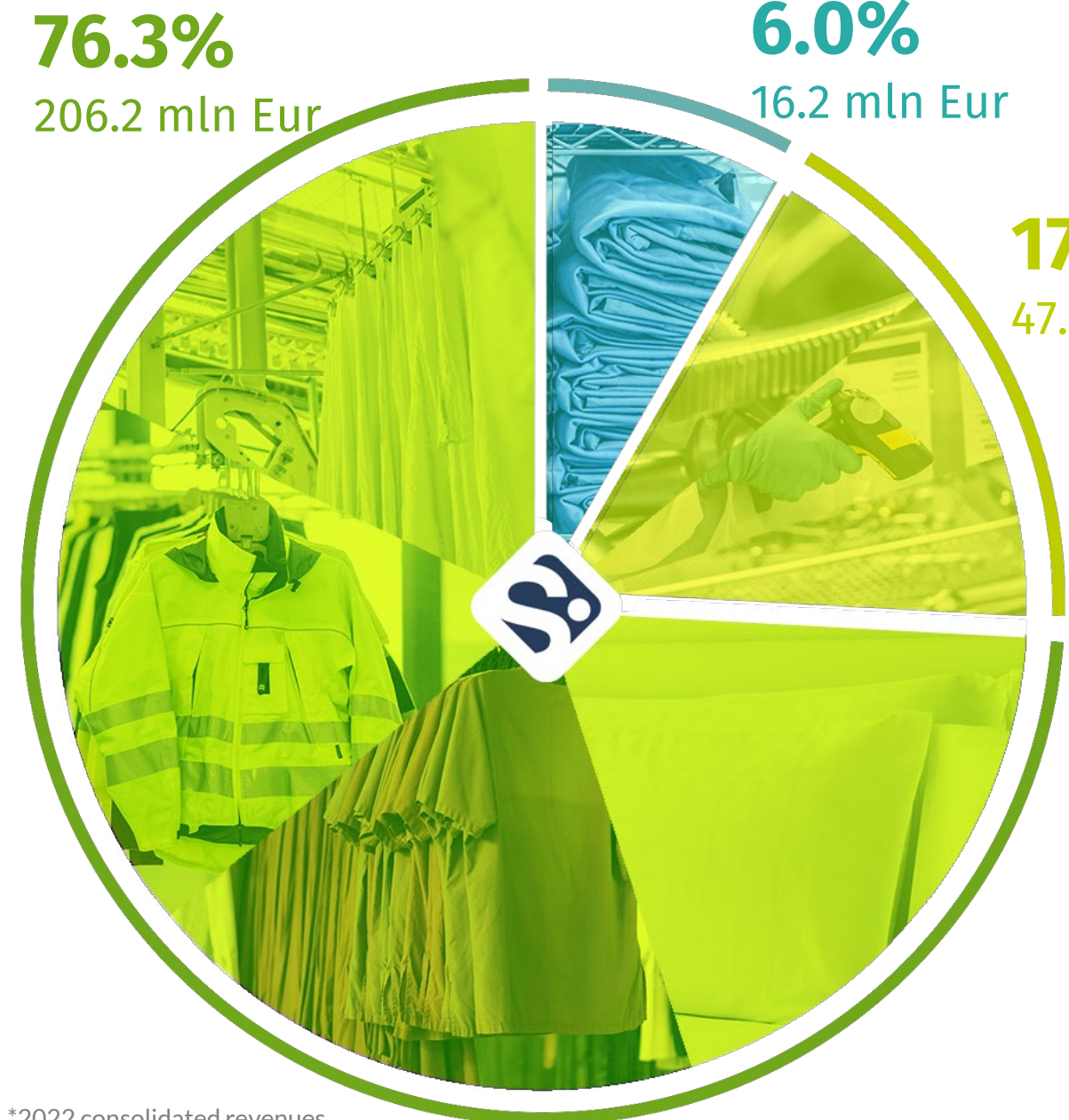


Servizi Italia S.p.A.

*Starconference,
Milan
March 22, 2023*

www.servizitaliagroup.com

BUSINESS OVERVIEW/1



WASH-HIRE SERVICES

Laundry business: washing and rental of textile material in healthcare industry.

Minor current presence in other industries.



SURGICAL INSTRUMENTS STERILIZATION

Sterilization of surgical instruments and kits and related activities.

Design, Installation, Renovation and Management of CSSDs.

Validation and control of sterilization processes.



TEXTILE STERILIZATION

Sterilization of textile (cotton fabrics and Reusable Technical Fabric) for beds and surgical gowns.

Supply of disposable material.

BUSINESS OVERVIEW/2 – Wash-hire services

76.3%

206.2 mln Eur

6.0%

16.2 mln Eur

17.7%

47,9 mln
Eur



WASH-HIRE

HEALTHCARE

Washing and rental of flat linen (sheets, covers, blankets), tailored linen (gowns, uniforms for healthcare staff), mattresses and pillows.

HEMOCARE AND HEALTH RESIDENCES

Supply, rental and washing of textile devices. A guarantee of quality, hygiene, safety and traceability.

HOTEL AND RESTAURANTS

Specific, high-quality service for national and international hotels, restaurants and catering.

BUSINESS OVERVIEW/3 – Textile and Medical Devices Sterilization

76.3%
206.2 mln Eur

6.0%
16.2 mln Eur

17.7%
47.9 mln
Eur



TEXTILE
STERILIZATION

SUPPLY OF NON WOVEN TEXTILE AND TEXTILE STERILIZATION

Reusable textile sterilization for O.T. beds and surgical gowns. Supply of procedural kits and surgical drapes. Supply of accessory parts made of disposable material.

SURGICAL INSTRUMENTS
STERILIZATION

STERILIZATION AND RENTAL OF MEDICAL DEVICES

Management of sterilization units providing sanitizing, packing and sterilization services for surgical equipment and accessories for O.T.

CLINICAL ENGINEERING

Services for the validation and systematic control of sterilization processes, equipment calibration and validation of surgical equipment sanitizing systems.

GROUP EVOLUTION

1986 - 2002 The early days

1986: **Foundation of Servizi Italia**, active in laundry sector.

2002: **Coopservice acquires 100%** of SI share capital.

Transformation into a multi-service company.

2006 - 2007 New perspectives

Start of **sterilization** activities.

2007: **IPO** at Milan Stock Exchange.

Presentation to the international financial community.

2012: Acquisition of the first **laundry** in **Brazil** (other transactions in 2013 and 2015).

2014: Start of **sterilization** business in **Turkey**.

2014: Start of greenfield **laundry** business in **India**.

2015: Achievement of a **sterilization** tender in **Albania**.

2015: Expansion in **Turkey** in laundry industry, through the acquisition of Ankateks.

2012 - 2015 International development

2008 - 2011 Growth in Italy

Acquisitions in Italy in laundry industry.

Development of **sterilization** business.

STAR qualification at Borsa Italiana.

Consolidation of the existing markets: Acquisitions in laundry industry in Italy (2016) and Albania (2018).

Expansion plans in Brazil.

Diversification in new business lines: Acquisition of **Steritek** (2017), start of **non-healthcare laundry** business (hotel and workwear) and acquisition of Wash Service and remaining 50% of Ekolav for entering **homecare & nursing homes** market (2019).

New Markets: Sterilization activity in **Morocco** (2017).

2016 - 2019 Consolidation and diversification

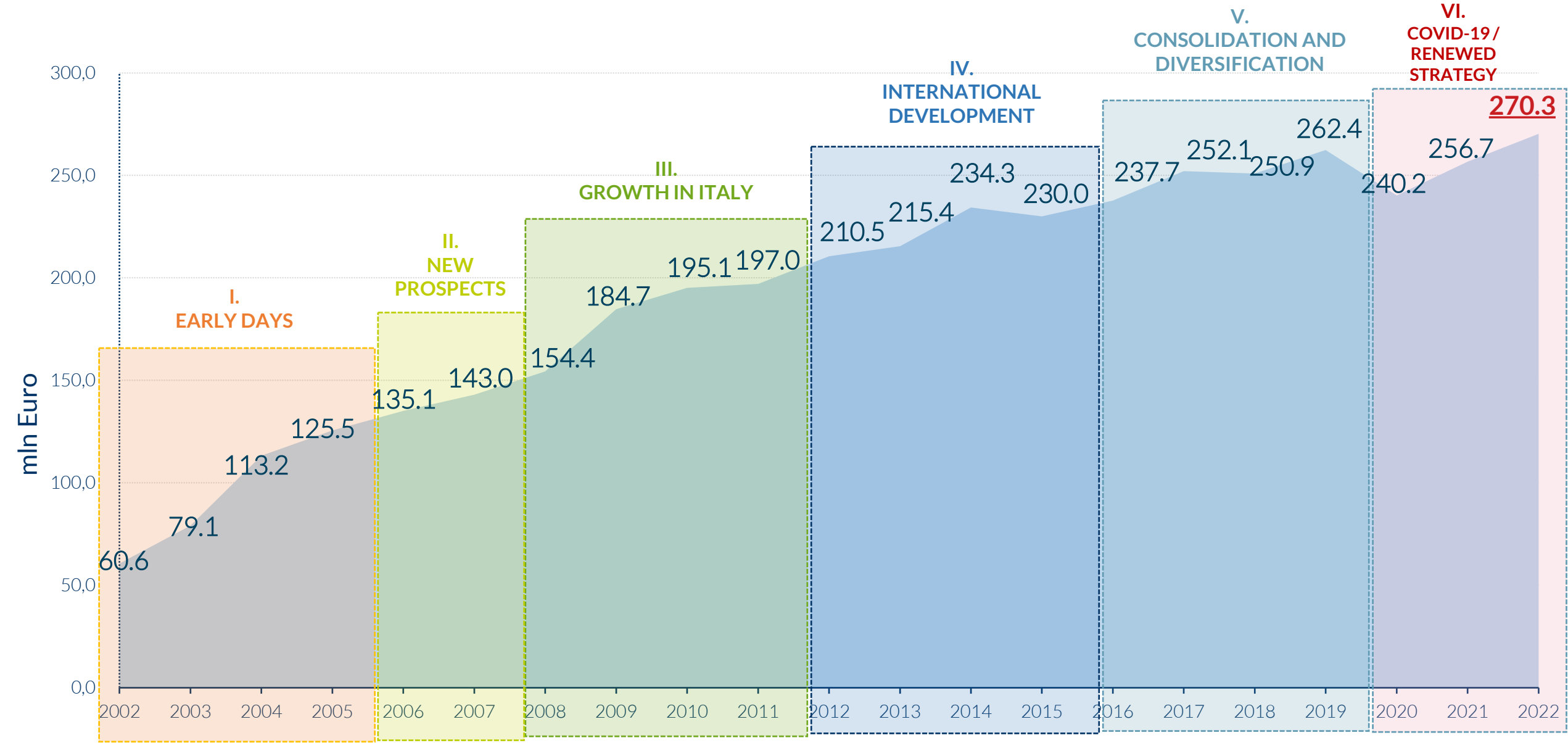
2020 Covid-19 pandemic

2021-2022 Renewed strategy

Focus on historic business: concentrating resources on consolidating the leadership in public and private healthcare sector.

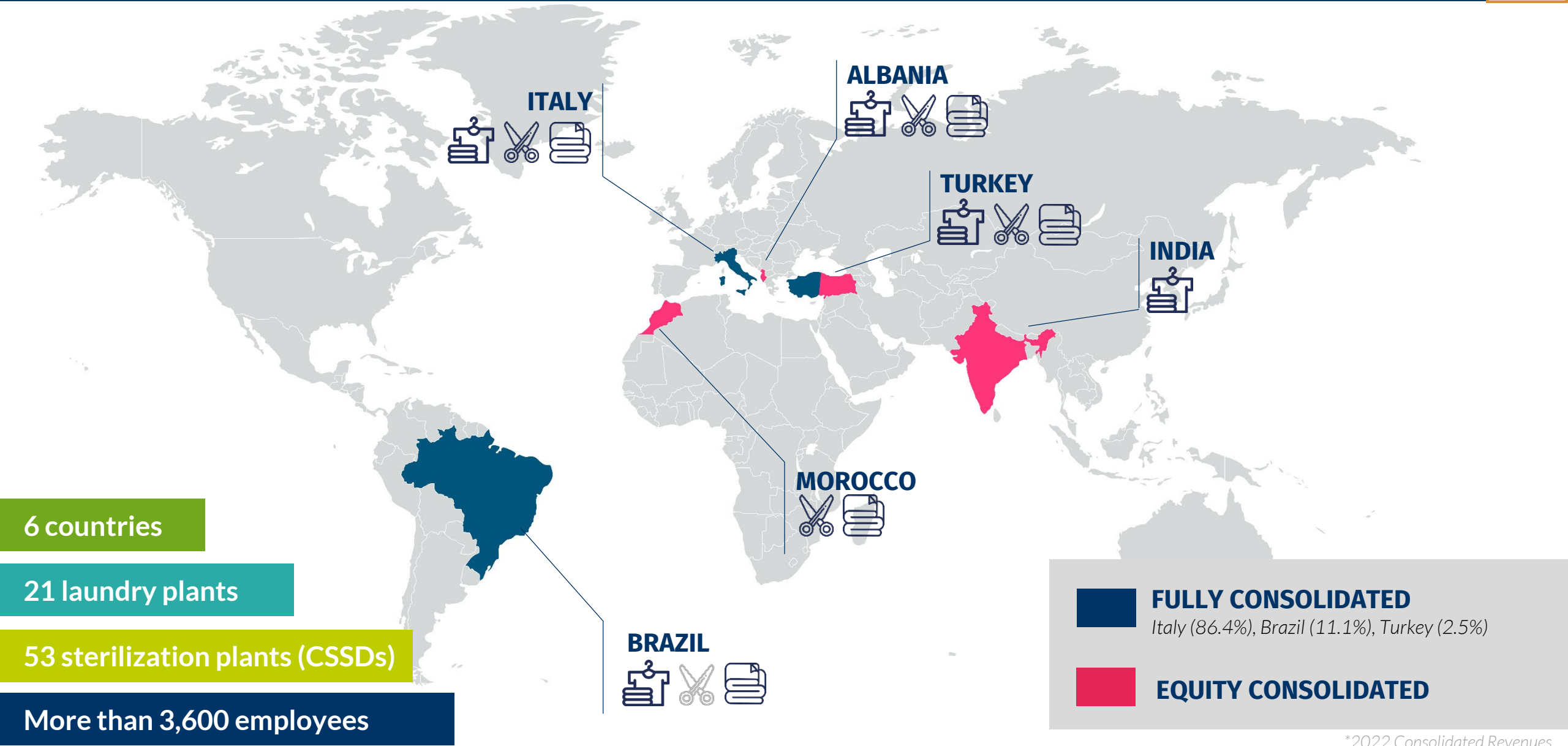
Diversification of services in Brazil: starting of sterilization activities in the State of Sao Paulo.

DEVELOPMENT PATH



*Consolidated revenues

GLOBAL PRESENCE



6 countries

21 laundry plants

53 sterilization plants (CSSDs)

More than 3,600 employees

FULLY CONSOLIDATED
Italy (86.4%), Brazil (11.1%), Turkey (2.5%)

EQUITY CONSOLIDATED

*2022 Consolidated Revenues

STRENGTHS

ESSENTIAL SERVICES

- ✓ Services provided are to be considered essential, of first necessity and public utility and therefore defensive with respect to the epidemiological situation.
- ✓ A sustainable business that, even in the presence of a temporary emergency context, guarantees the continuity of essential services and therefore the well-being of the end users, employees and related induced activities.

MIX PRODUCT/SERVICE

- ✓ Multi-service approach by offering a mix of customized services
- ✓ High barriers on entry due to know-how and investments needed

POSITIONED FOR CREATING VALUE

- ✓ Costs optimization
- ✓ Commercial synergies
- ✓ Future focus on high value-added services

MEET CUSTOMER NEEDS

- ✓ Rationalization and control of healthcare costs
- ✓ Social sustainability
- ✓ Financial benefits for hospitals

LONG TERM CONTRACTS



4-year average contracts

volume based OR monthly fixed fee



6-year average contracts

volume based OR monthly fixed fee



BUSINESS GROWTH STRATEGY





Servizi Italia's approach is aimed at guaranteeing a high level of service to patients and citizens, as beneficiaries of assistance and health services.

EFFICIENCY RESEARCH

Services are based on a process of industrial production subjected to frequent analysis, in order to production efficiency goals

ESSENTIAL SERVICE

Investing in research of solutions to carry on services deemed as essential for customers and society.

ORGANIZATIONAL SOLIDITY AND RELIABILITY

Servizi Italia is a deep-rooted company, with a wide production network

PRODUCT/PROCESS INNOVATION

Backed by a strong cooperation with research centers and international university centers.

SAFETY AND TRANSPARENCY

Guaranteed by the traceability of products and the quality system certification process

INTERNATIONALIZATION

Being a multinational company for organization, culture, modes of presence and respect in global markets

INTEGRITY, ETHICS AND PROFESSIONALISM

Promotion of business ethics, prevention of corruption and protection of reputation.
Enhance skills and talents, attracting the best resources

ITALY



11 laundry plants

24 sterilization plants (CSSDs)

Revenues of Euro 233.5 mln*

Market overview**

- Italian Wash-hire Healthcare market turnover: Euro 749 mln (2022P)
- **Highest International quality standards**
- SI's customers are main Public hospitals and Healthcare Institutions
- **Outsourcing rate is high in laundry market but still low in sterilization area**
- **Undisputed market leader** in all the segments
- **Well positioned** in the areas of the Country
- Servizi Italia manages **more than 60,000 beds** and about **500,000 interventions/year**
- **Full range of services** and customizations
- Constant search and identification of **growing and diversification strategies** in order to keep and to improve margins

Servizi Italia's healthcare market share in Italy



Goals

- **LEADERSHIP CONSOLIDATION**
- **SUSTAINABLE GROWTH**
- **COSTS AND CAPEX OPTIMIZATION**
- **MARGINS INCREASE**
- **SERVICE DIVERSIFICATION**

*2022 consolidated revenues

** For more details: Cerved DATABANK, Lavanderie Industriali, Ed. 2022

BRAZIL



3 laundry plants

Fully consolidated

Revenues of Euro 30.0 mln*

First CSSD to be opened in Q1 2023

Market overview

- Wash-hire potential market is estimated in Reais 840 mln
 - Over 700,000 Kg/day of potential linen only in Sao Paulo
 - ~1,000 healthcare facilities totaling over 92,500 beds
- **New potential outsourcing:** only 45% of wash-hire is currently outsourced and no sterilization service provider is present

- **Primary player:** first player in Sao Paulo, second in Brazil
- Recognized in the market as **high quality provider**
- Well positioned in both **private and public** areas
- Leader in identifying **new solutions** for the clients
- **Deep market knowledge** of local team and partners
- **Rental model** improved successfully

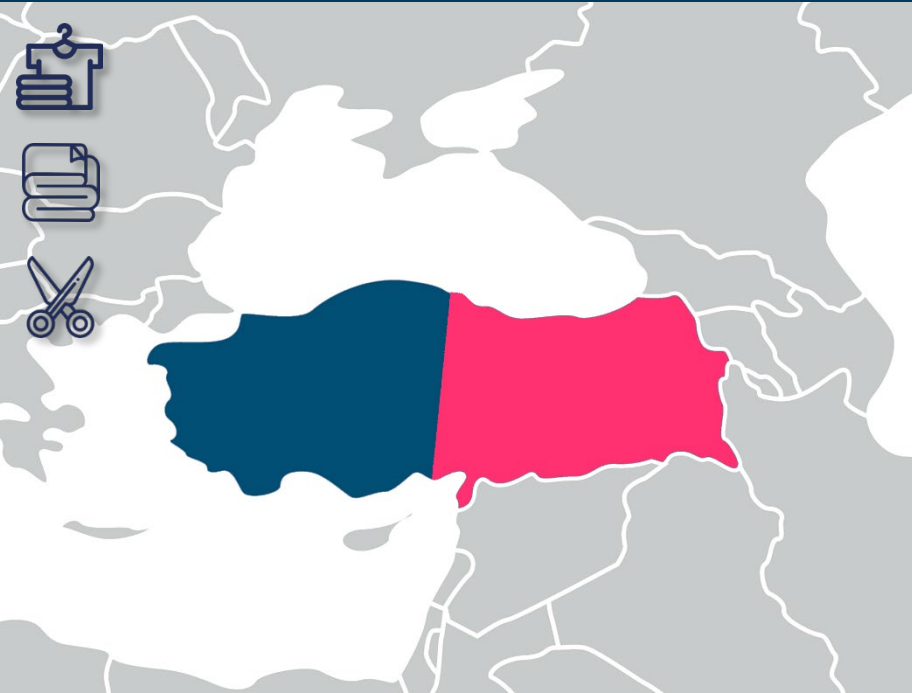


- **MARKET CONSOLIDATION IN SÃO PAULO**
- **START OF STERILIZATION BUSINESS**
- **ORGANIZATION AND MANAGEMENT EFFICIENCIES**
- **IDENTIFY FURTHER M&A DEVELOPMENT**

Goals



*2022 consolidated revenues equal to 163.8 mln BRL.



Market overview

- About 6,000,000 surgical intervention/year
 - Construction of **new PPP hospitals**, increasing the nr of beds up to about 250,000 over the next few years
 - ~1,400 **healthcare facilities** totaling over **195,000 beds**
- **Low outsourcing rate** in both laundry and sterilization businesses
- **Main player** of both laundry (Ankateks/Ergulteks) and sterilization (SAS) markets
- Recognized by the market as **high quality provider**
- **Achieved multiple high-complexity PPP contracts**, requiring International standards and with long term duration
- **Good margins and volumes market**

5 laundry plants

7 CSSDs

Laundry Fully consolidated

Sterilization Equity consolidated

Revenues of Euro 10.0 mln*



Goals

- **GROWTH IN THE WHOLE COUNTRY**
- **ACHIEVEMENT OF NEW PPPs**
- **BE THE REFERENCE SERVICE PROVIDER**
- **IMPROVE LOCAL STANDARDS**
- **MANAGEMENT EFFICIENCY**



Laundry business



Sterilization business

*Sum of (i) 2022 consolidated revenues of Ankateks (laundry) equal to 6.9 mln EUR or 136.9 mln TRY (included in SI consolidated revenues) and (ii) 100% of 2022 revenues of SAS (sterilization) equal to 3.1 mln EUR or 63.0 mln TRY (not included in consolidated revenues of SI group).

INDIA



Market
overview

- The Indian market has recently started to **outsource wash-hire activities**
 - **About 90,000 beds only in Delhi NCR**, totaling about kg 200,000,000 of linen
 - **Over 195,000 healthcare facilities throughout India**
- **Low outsourcing rate**

1 laundry plant


Equity consolidated

Revenues of Euro 3.9 mln*



SHUBHRAM

- Business developed greenfield and first volumes started in Oct-2015
- **Main player** in healthcare laundry business in India
- **Technologically advanced** laundry plant (Delhi area)
- Recognized by the market as **high quality provider**
- **Volumes steadily increasing**
- **High capacity plant** (45 tons/day, not fully reached)



- **FULLY USE EXISTING PLANT CAPACITY**
- **INCREASE LOCAL QUALITY STANDARDS**
- **INCREASE OF AVERAGE PRICES**
- **CONTRACTS WITH FLAGSHIP HOSPITALS**

Goals

*100% of revenues of Shubhram (not included in consolidated revenues of SI group). Revenues equal to 325.7 mln INR.

ALBANIA



Market
overview

- Total value of contract awarded include **all public and private hospitals of Albania**
- More than **70,000 surgical intervention/year**

- **Unique player** in healthcare sterilization business
- Recognized by the market as **high quality provider**
- **Good margins and volumes market**
- Laundry market still fragmented

1 laundry plant

20 CSSDs and sub-CSSDs

Equity consolidated

Revenues of Euro 12.8 mln*

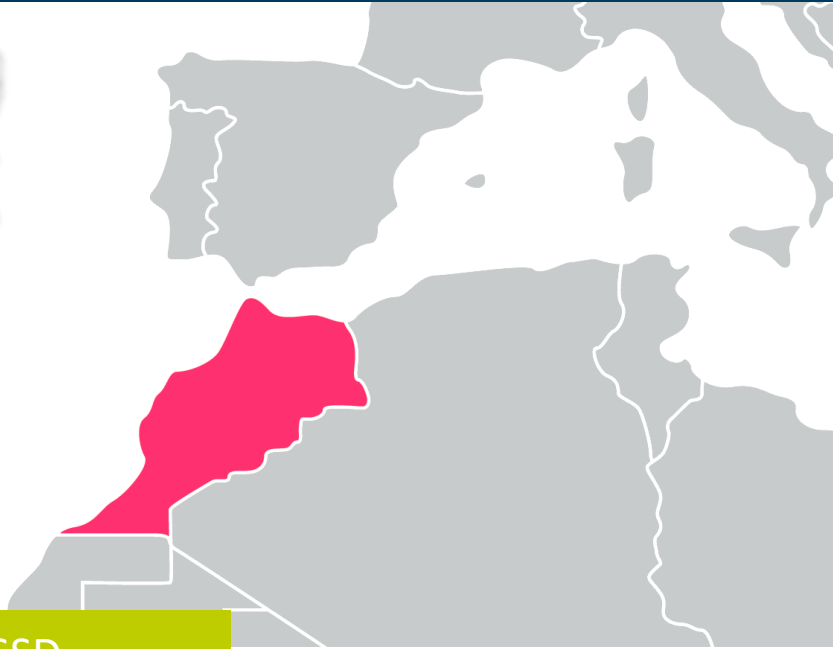


Goals

- **COMPLETE THE DEVELOPMENT OF STERILIZATION ACTIVITIES**
- **IMPROVEMENT OF THE STANDARDS**



MOROCCO



Market
overview

- Market with more than 315,000 surgical intervention/year
- Around 3,000 healthcare facilities totaling over 21,000 beds
- Primary Healthcare destination in Africa
- Sterilization industry still almost fully insourced

- First and unique operator offering sterilization services and CSSD management in the Country
- Constitution of Centre Marocain de Sterilisation
- Direct financial and quality benefits for the local Healthcare
- Cooperation with local universities for starting sterilization courses

2 CSSD

Equity consolidated

Revenues of Euro 1.0 mln*



Goals

- CONSOLIDATION OF THE MARKET
- SUPPLY OF STERILIZATION-RELATED SERVICES
- SERVICE DIVERSIFICATION

* 100% of 2021 Servizi Italia Marocco revenues (not included in consolidated revenues of SI Group). Equal to 10,8 mln MAD.

CONSOLIDATED ECONOMICS RESULTS

Servizi Italia P&L Consolidated ('000 Euro)	FY 2021	FY 2022	FY 2022 Adj.*
Revenues	256.694	270.313	272.655
Var. %		5,3%	6,2%
EBITDA	64.884	59.687	62.029
%	25,3%	22,1%	22,7%
EBIT	9.770	2.928	5.270
%	3,8%	1,1%	1,9%
Net income	7.237	3.429	5.118
%	2,8%	1,3%	1,9%

ECONOMIC AND FINANCIAL HIGHLIGHTS IN 2022:



A significant **growth in Wash Hire** in terms of **revenues in 2022** (+6,6% organic compared to 2021) mainly sustained by tenders awarded in the North-East of Italy and the increase in turnover registered by Wash Service S.r.l.).



Surgical instruments sterilization registered a double-digit growth in 2022 compared to 2021 (+10.6%) mainly due to new orders in the North-East of Italy and the growth recorded in the period by Steritek S.p.A. The growth is driven by the recovery of surgical activities that occurred in 2022 compared to the previous year, with high margins: EBITDA% of 27,1% and EBIT% of 16.9% as at 12.31.2022.



Textile Sterilization shows in the **2022** a decrease in terms of revenues for 2.1 mln/Eur (-11.3%) but an increase of 1.5% adjusted. (EBIT margin adjusted increases from 7.5% in 2021 up to 9.0% in 2022).



Adjusted EBITDA margin (22.7%) and adjusted EBIT margin (1.9%) **record the highest earnings performance in FY2022**



Improved Net financial position for 6,7 mln despite the tough energetic price context.



Laundry business is the operative segment that more than the others it's been impacted by the energetic cost. We estimate that **wash-hire alone absorbs about 87% of the energy price increases recorded in the period.**



A significant increase in gas and electricity prices for all 2022 (+3.3% impact on revenues that means Euro 8.9 mln)



Textile sterilization it's been significantly impacted by the **one-off effect Medical Device Payback** required by the regions for Euro 2.3 mln.



Brazil suffered for the increase of energy and **wood prices**. **Start-up phase** of new clients in wash-hire and **start-up costs** for the new sterilizations business

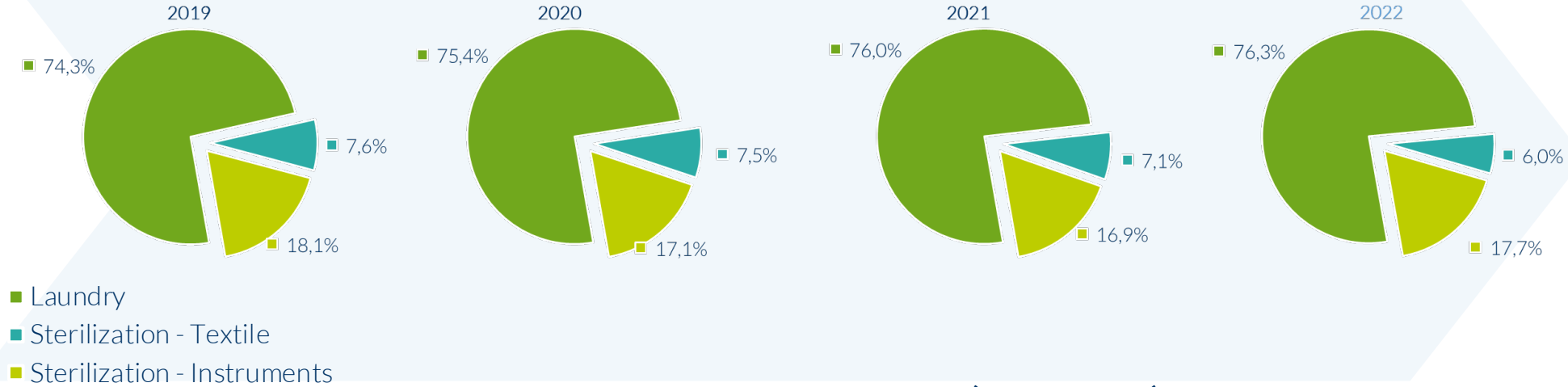


Turkey it's been impacted during 2022 by a huge increase of the inflation (**Hyperinflated economy**). We suffered the not aligned recovery of revenues trough the period compared to the fast increase of the costs of raw material and energy. We estimate a **recovery in 2023.**

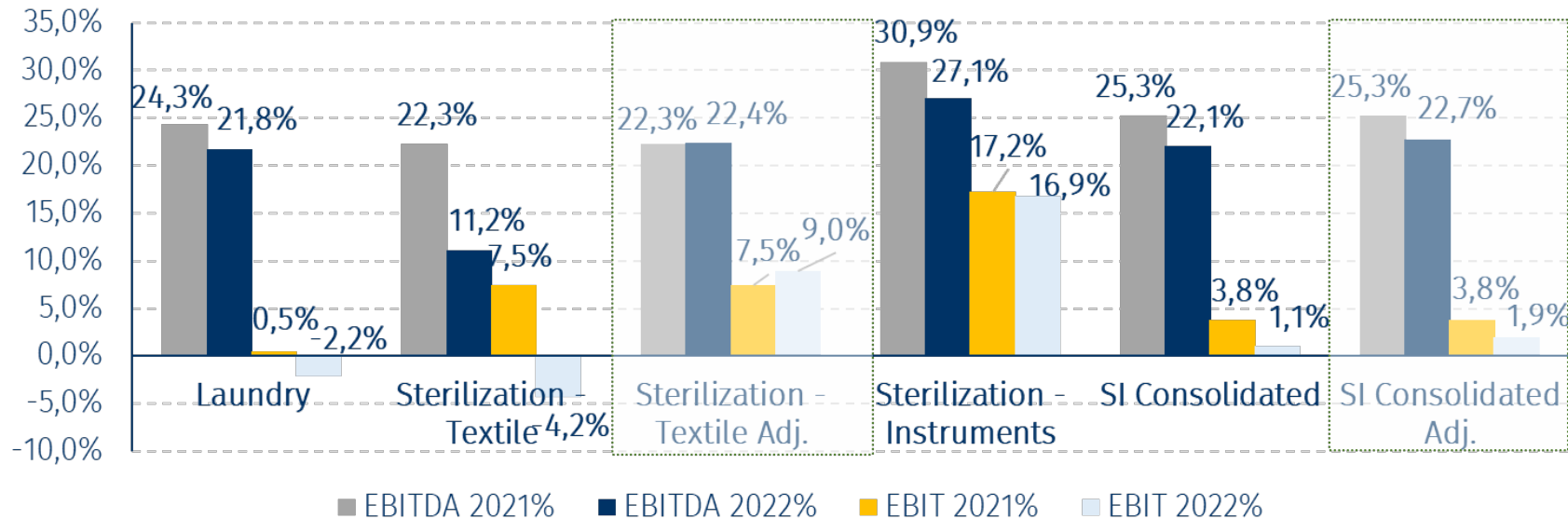
* The adjusted figures do not take into account lower revenues in the amount of Euro 2,3 million related to the allocation made at year-end by Servizi Italia S.p.A. in relation to the estimate for the request for the repayment afferent to the Medical Device Payback required by the regions under the "Aiuti-bis" Decree and the respective tax effect in the amount of Euro 0.65 million. For more information, see the section "Significant events and transactions" and "Information on ongoing proceedings."

ECONOMICS RESULTS – Sector breakdown

SALES BREAKDOWN PER BUSINESS LINE



PROFITABILITY PER BUSINESS LINE (2022-2021)



Surgical instr. sterilization was growing faster than laundry. Good signs from Steril C in 2022 and 2023

In emerging markets, laundry is still a growing business, with very interesting margins

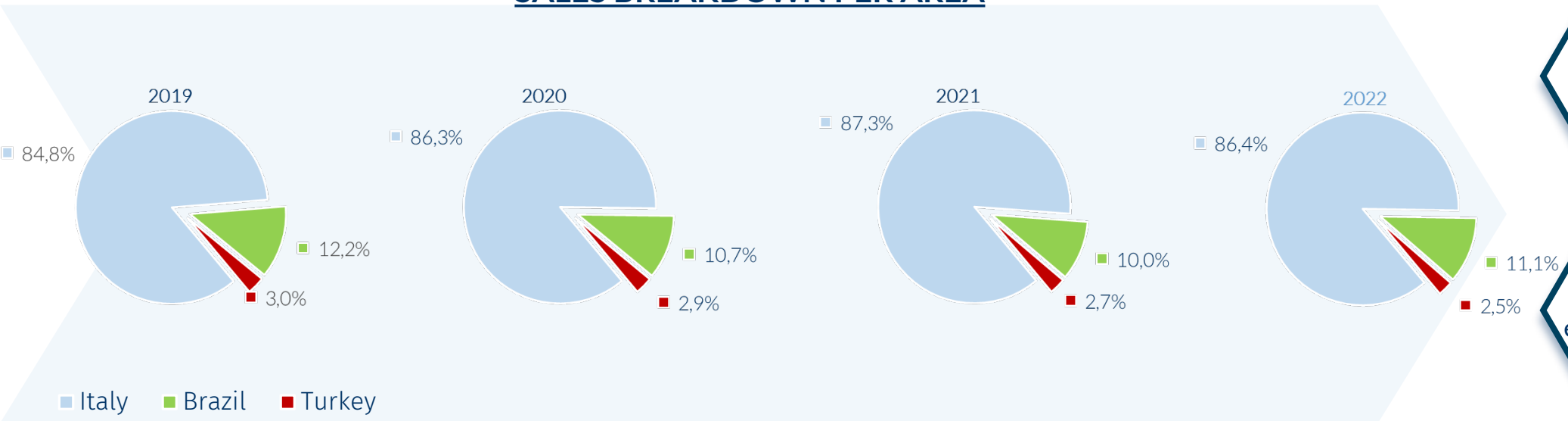
Higher margins of sterilization businesses vs Laundry

Future results are expected to be supported by abroad laundry businesses and service diversification and develop of sterilization in Italy

In 2022, energetic prices impacted significantly the business especially on wash-hire.

ECONOMICS RESULTS – Geographic breakdown

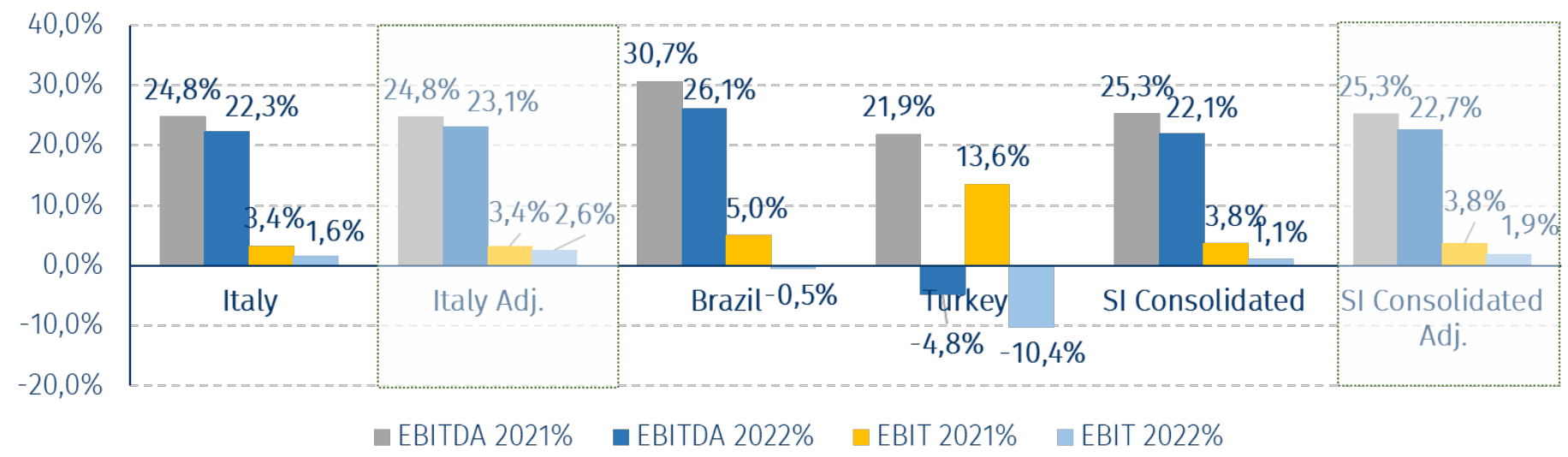
SALES BREAKDOWN PER AREA



Servizi Italia aims at increasing market share in the country manned

Brazilian and Turkish market is affected by energy prices impact and high inflation in 2022

PROFITABILITY PER AREA (2022-2021)



Equity consolidated businesses are not included in these results

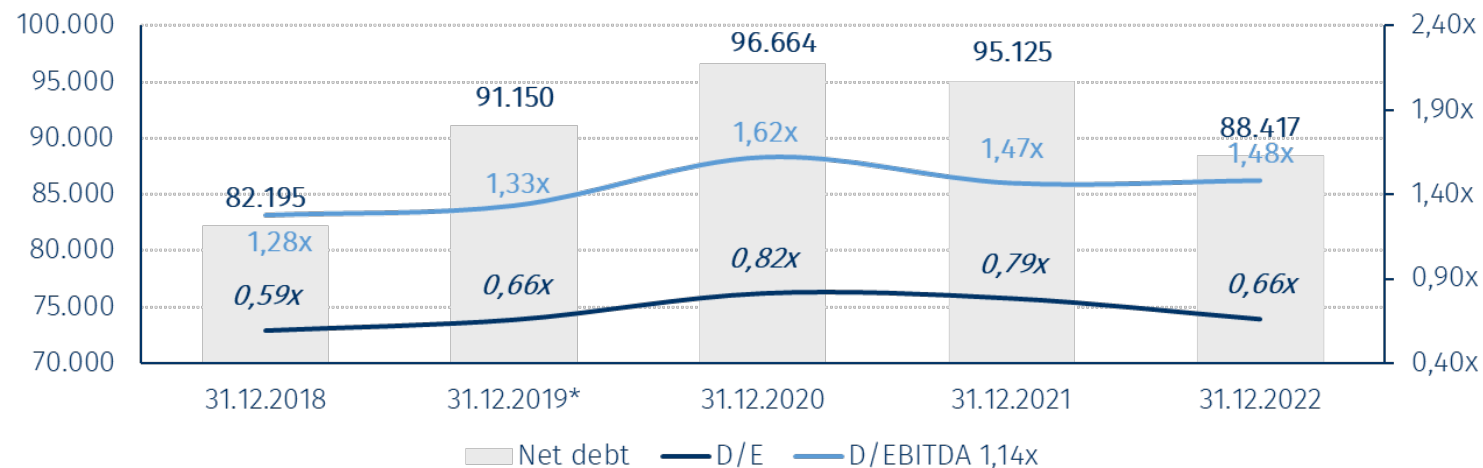
Expect to recover margins in Turkey from 2023 and in Brazil due to business diversification

CONSOLIDATED FINANCIAL RESULTS

Balance Sheet ('000 Euro)*	31.12.2019	31.12.2020	31.12.2021	31.12.2022
Operating Net Working Capital	6.644	-5.964	-2.138	-9.006
Other net current assets (liabilities)	-18.852	-11.446	-12.247	-7.264
Net Working Capital	-12.208	-17.410	-14.385	-16.269
Fixed assets - Medium/long term provis.	277.873	265.603	261.201	268.743
'- of which IFRS16	35.783	31.717	28.759	28.210
Invested Capital	265.665	248.193	246.816	252.474
Shareholders' Equity (B)	138.257	118.586	121.119	133.474
Net financial debt (A)	127.408	129.607	125.697	118.999
'- of which IFRS16	36.258	32.943	30.572	30.582
Invested Capital	265.665	248.193	246.816	252.474
Gearing (A/A+B)	0,48x	0,52x	0,51x	0,47x
Gearing (A/A+B) - Excl. IFRS16	0,40x	0,45x	0,44x	0,40x
D/E (A/B)	0,92x	1,09x	1,04x	0,89x
Debt/E (A/B) - Excl. IFRS16	0,66x	0,82x	0,79x	0,66x

*Starting from 1.1.2019, IFRS16 accounting principle was adopted.

NET DEBT HISTORICAL TREND PROFORMA*

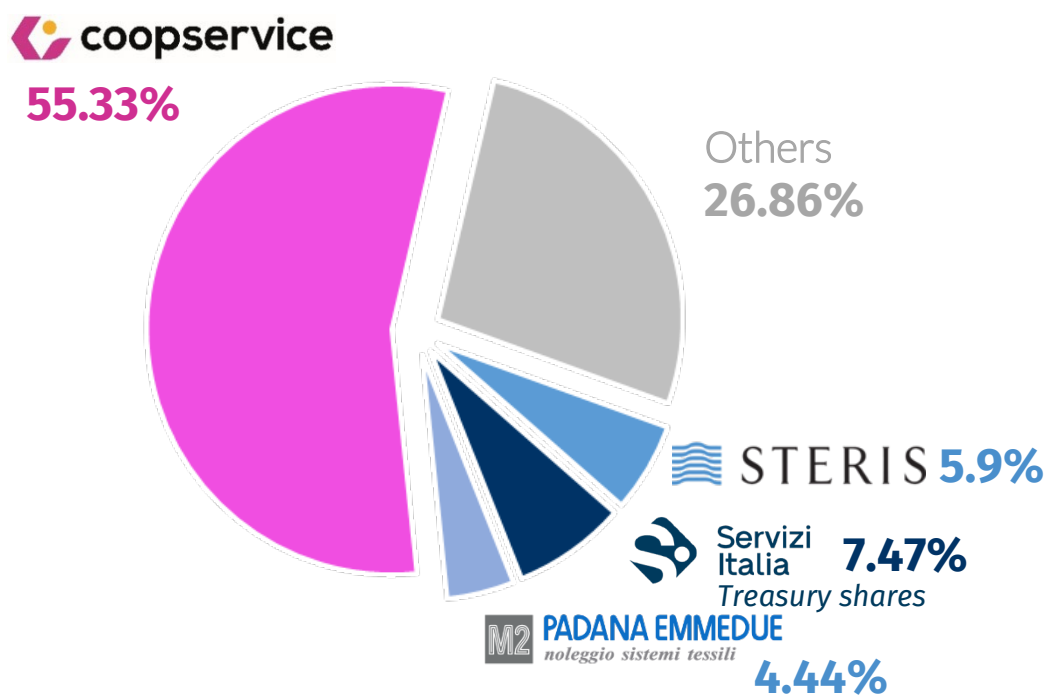


Operational investments and acquisitions of Servizi Italia are conducted with specific focus on keeping a balanced and healthy debt structure.

* Net debt proforma without IFRS16 effect (started from 01.01.2019)

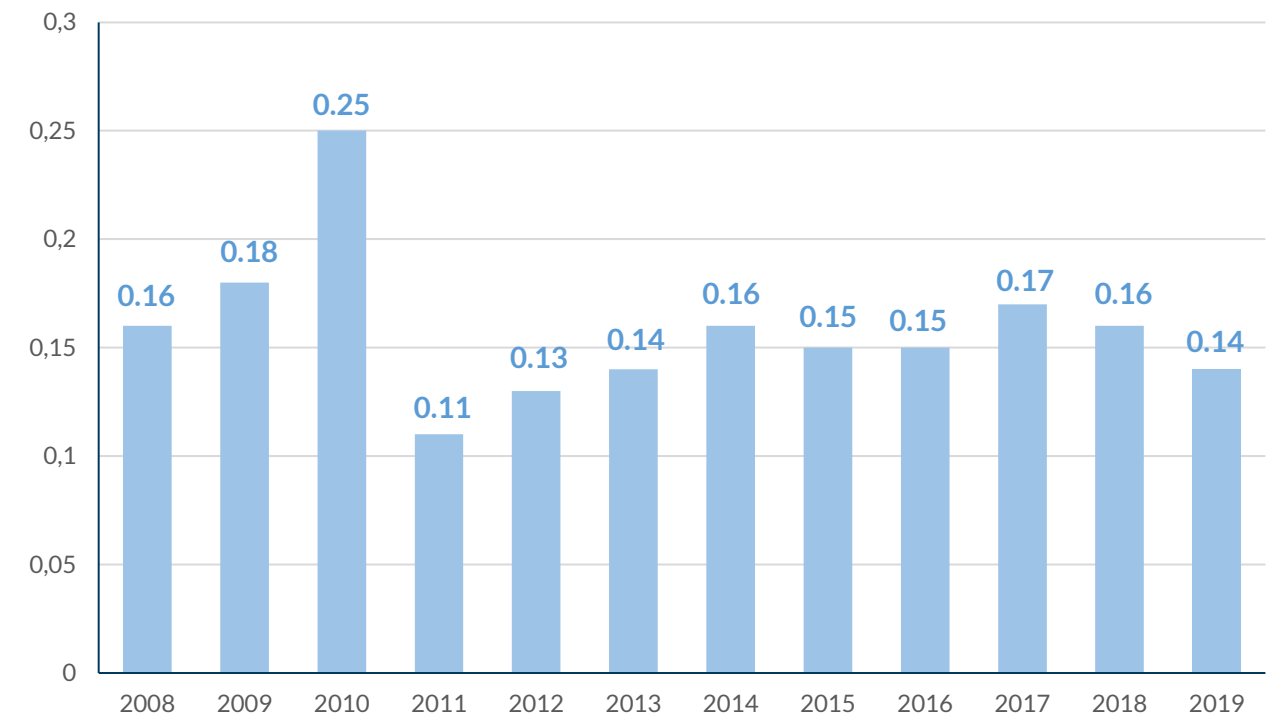
STOCK EXCHANGE – Main details

SHAREHOLDING STRUCTURE



Details on shares as at 17 March 2023	
Share Capital ('000)	31,809
Share Price (Euro)	1.245
Market Capitalization ('000 Euro)	39,602

Analyst Coverage	Reccomend.	TP (Euro)	Date
Intermonte SIM	Outperform	2.40	20/03/2023
MidCap Partners	Buy	3.10	15/03/2023



The Board proposed to the Shareholders meeting not to disburse the dividend for the fiscal year closed as at 31 December 2022.

DISCLAIMER

This presentation has been prepared by Servizi Italia S.p.A. ("Servizi Italia" or the "Company") and must be read in conjunction with its oral presentation.

The information contained in this presentation does not purport to be comprehensive. Neither Servizi Italia S.p.A. nor any of its officers, employees, advisers or agents accepts any responsibility for/or makes any representation or warranty, express or implied, as to the truthfulness, accuracy or completeness of the information contained in this presentation or any other information relating to Servizi Italia S.p.A., its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, transmitted or otherwise made available.

The information contained in this presentation must be treated as highly confidential and cannot be distributed without the expressed written consent of Servizi Italia S.p.A.

This document is confidential and is being provided to you solely for your information and may not be reproduced, further distributed to any other person or published, in whole or in part, for any purpose. Neither this document nor any part or copy of it may be taken or transmitted into the United States (US) or distributed, directly or indirectly, in the US or to any "US person", as that term is defined in the US Securities Act of 1933, as amended (the "Securities Act"). Neither this document nor any part or copy of it may be taken or transmitted into Australia, Canada or Japan or to any resident thereof, or distributed directly or indirectly in Australia, Canada or Japan or to any resident thereof. Any failure to comply with this restriction may constitute a violation of US, Australian, Canadian or Japanese securities laws. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This document does not constitute or form part of any offer to sell or issue or invitation to purchase or subscribe for, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision.

No reliance may be placed for any purposes whatsoever on the information or opinions contained in this document or any other material discussed at the presentation, or on its completeness, accuracy or fairness.

The information in this document and any other material discussed at the presentation are provided as at the date of this presentation and is subject to completion and change without notice.

By attending the presentation, you agree to be bound by the foregoing terms and any provided personal details will be treated according to terms and conditions indicated in the Potential Investors Privacy Policy available on Company's website, Privacy section.



Via S. Pietro, 59/b - 43019 Castellina di Soragna (PR) Italy
Tel.+39 0524 598511 - Fax+39 0524 598232
www.servizitaliagroup.com

Fully paid-up share capital: Euro 31,809,451

Founded: 1986

Tax ID Number and Parma Business Registry Code: 08531760158

Market: Euronext STAR Milan | Sector: Industrial

ISIN code for ordinary shares: IT 0003814537

Reuters: SRI.MI --- Bloomberg: SRI IM

Specialist: Intermonte SIM

Investor Relations Manager: Pietro Giliotti

Email: investor@si-servizitalia.com