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Informazione
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Diffusione presunta

Oggetto : The Shareholders' Meeting of Servizi Italia S.p.A. approves the financial statements as at 31 Dec. 2022 and appoints the Board of Statutory Auditors

<p><i>Testo del comunicato</i></p>

Vedi allegato.



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The Shareholders' Meeting of Servizi Italia S.p.A. approves the financial statements as at 31 December 2022 and appoints the Board of Statutory Auditors for the years 2023 – 2024 - 2025

- Approved financial statements for the year ended 31 December 2022
- Authorized the plan for the purchase and disposal of treasury shares
- Appointed the Board of Statutory Auditors for the years 2023 - 2024 - 2025

Castellina di Soragna (PR), Italy, 20 April 2023

The Shareholders' Meeting of Servizi Italia S.p.A. (the “**Company**”), listed on Euronext 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's headquarter under the chairmanship of Roberto Olivi.

The Shareholders' Meeting examined and approved the Annual Financial Report 2022 of Servizi Italia S.p.A., taking note of the Consolidated Financial Statements as at 31 December 2022 and the Consolidated Non-Financial Statement: Sustainability Report 2022.

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

The **consolidated turnover** of the Servizi Italia Group amounted to **Euro 270.3 million** in 2022, up by 5.3% - or 6.0% at constant exchange rates and 6.2% adjusted – compared to 2021, with the following sector trends:

- **Wash-hire services** - which accounts for 76.3% of Group's revenues and includes all activities relating to the washing, hire, collection and reconditioning of textile and mattress products - generated **revenues in 2022** equal to **Euro 206.2 million** up by 5.7% or 6.6% at constant exchange rates (Euro 195.1 million in 2021), sustained by a significant growth in Italian wash-hire sector coming from both tenders awarded in the North-East of Italy and the increase in turnover registered by Wash Service S.r.l. in the North-West area.
- **Textile sterilization services** - which accounts for 6.0% 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 2022** equal to **Euro 16.2 million**, with a decrease of 11.3% attributable to the allocation related to the payback requests on medical devices for Euro 2.3 million, only partially offset by the increase related to higher supplies of disposables in central Italy. The organic change in the operating segment, excluding the impact of the payback mentioned above, shows a growth of 1.5% in 2022.

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- **Surgical instrument sterilization services** - which represents 17.7% of total revenues and includes all activities related to the rental, sterilization, collection and reconditioning of surgical instruments – generated **revenues in 2022** equal to **Euro 47.9 million**, with an increase of 10.6% equal to Euro 4.6 million, mainly due to new orders in the North-East of Italy and the growth recorded in the period by Steritek S.p.A. In general, it should be noted that growth is driven by the recovery of surgical activities that occurred in 2022 compared to the previous year.
- For what concerns geographical distribution, **revenues generated from foreign markets** amounted to **Euro 36.8 million** (of which Euro 30.0 million relating to Brazil and Euro 6.8 million relating to Turkey) covering the 13.6% of Group's turnover (12.7% in 2021). During 2022, revenues in Brazil show a positive period change of 16.7% driven by the appreciation of the Brazilian Real against the Euro (exchange rate var. effect +17.2%) albeit characterized by a slight decrease in local currency (-0.5%). The Turkey area recorded growth in local currency of 86.1% offset, however, by a negative exchange rate effect of 88.1% (depreciation of the Turkish Lira against the Euro) leading to a negative change (-2.0%) of turnover in Euro.

Consolidated EBITDA decreased from Euro 64.9 million as at 31 December 2021 to Euro 59.7 million in the same period of 2022, passing from 25.3% to 22.1% of revenues (22.7% adjusted) showing an absolute decrease of 8.0% (-4.4% adjusted). It should be noted that fiscal year 2021 was positively impacted by the capital gain related to the sale of the workwear business, equal to Euro 1.5 million, as well as premiums on certain strategic supplies underlying the start-up of tenders in the North-East of Italy (Euro 1.2 million). In fiscal year 2022 there was the excellent performance of the surgical instrument sterilization line and the significant recovery in sales recorded by the wash-hire segment. The contraction in Ebitda margin is mainly affected by the growth in service costs (+3.7%) which is mainly related to the increases recorded by utilities such as gas (+2.8% on Ebitda margin) and electricity (+0.5% on Ebitda margin). On the other hand, it should be noted that energy price increases have a different specific weight on the operating segments, in fact, wash-hire alone absorbs about 87% of the energy price increases recorded in the period. The incidence of raw material costs is substantially in line with fiscal year 2021 showing a relative growth of 0.1% however there is a 6.6% increase in absolute value, mainly related to the continuation of the dynamics of price increases in chemical products, packaging and PPE as well as the increase in the price of wood used as fuel for machinery in the Brazil area. Personnel costs are down as a percentage of sales (-0.5%) compared to fiscal year 2021, although up in absolute value (+3.7%) as a result of the increase in volumes handled. Decreased operating margin results were recorded in the period in the Brazilian area (EBITDA margin going from 30.7% to 26.1%) partly due to the start-up phase of the sterilization plant in São Paulo, while a significant decrease was recorded in Turkey (EBITDA margin going from 21.9% to -4.8%) mainly due to the price increases recorded in the period, in different proportions in the respective countries. In fact, it should be noted that the sharp decline in margins in the Turkey area is mainly attributable to the sudden rise in inflation recorded during 2022, which directly impacted operating costs.



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Operating income (EBIT) decreased from Euro 9.8 million in 2021 (3.8% compared to turnover) to Euro 2.9 million in the same period 2022 (1.1% compared to turnover) or Euro 5.3 million adjusted (1.9% compared to turnover), mainly due to the dynamics already described in commenting the change in turnover and EBITDA albeit with a lower incidence of depreciation and amortization (-0.5%).

The **Servizi Italia Group's** consolidated financial statements as at 31 December 2022 closed with a **net income of Euro 3.4 million**, compared to Euro 7.2 million in the previous year.

The change in **net financial debt**, which passed from Euro 125.7 million as at 31 December 2021 to **Euro 119.0 million** as at 31 December 2022 includes, among other things: investments (primarily linen to be put into the production process) for approximately Euro 51.0 million as well as the payment of the fifth and final price installment for 90% of the company Wash Service S.r.l. (Euro 0.4 million), the payment of the last price installment to Area S.r.l. for Euro 0.2 million, purchase of treasury shares for Euro 0.5 million, financial contributions in jointly controlled companies for a total of Euro 2.9 million and receipts for the sale of equity investments for Euro 0.6 million.

SERVIZI ITALIA S.P.A. FINANCIAL RESULTS AS AT 31 DECEMBER 2021

In 2022 Servizi Italia S.p.A. achieved total **revenues** equal to **Euro 219.9 million**, up by 3.9% compared (or 5.0% adjusted) to 2021 turnover (Euro 211.7 million).

EBITDA 2022 amounted to **Euro 49.0 million**, with a relative incidence decreasing from 24.3% as at 31 December 2021 to 22.3% of revenues (or 23.1% adjusted).

Operating profit (EBIT) 2022 amounted to **Euro 3.4 million** (Euro 5.7 million adjusted), compared to Euro 6.5 million in 2021.

Equity as at 31 December 2022 totalled **Euro 126.4 million** compared to Euro 121.7 million as at 31 December 2021.

The **net financial position** as at 31 December 2021 is equal to **Euro 111.2 million**, compared to Euro 113.3 million as at 31 December 2021.

ALLOCATION OF NET INCOME

After examining the draft Financial Statements as of 31 December 2022 and considering the relative result for the year, the Shareholders' Meeting resolved to allocate Euro 447,181 as Reserve for valuation of equity investments using the equity method and carry forward the residual net income for the year.

AUTHORIZATION TO PURCHASE AND DISPOSE TREASURY SHARES

The Shareholders' Meeting resolved to authorize the purchase and disposal of treasury shares, as proposed by the Board of Directors. The resolution authorizes the purchase of up to 6,361,890 ordinary shares with a par value of EUR 1.00 each, corresponding to one-fifth of the Company's share capital

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(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 regarding the disposal of treasury shares has no time limit. For more details on the reasons for the authorization, as well as on the purchase procedures and price limits, please refer in full to the Directors' Explanatory Report, which is available at the Company's registered office, on the Company's website ir.servizitaliagroup.com and on the eMarket STORAGE mechanism at www.emarketstorage.com.

Please note that, as of today, the Company holds 2,377,351 ordinary Servizi Italia shares, representing 7.47% of the share capital.

REMUNERATION REPORT EX. ART. 123-TER OF LEGISLATIVE DECREEE 58/98

With reference to the Report on remuneration policy and compensation paid prepared by the Board of Directors pursuant to Article 123-ter of Legislative Decree No. 58 of February 24, 1998, the Shareholders' Meeting expressed its favorable opinion on the second section.

CONSOLIDATED NON-FINANCIAL STATEMENT: SUSTAINABILITY REPORT 2022

The Consolidated Non-financial Statement: Sustainability Report 2022, prepared in the terms and manner defined by Legislative Decree No. 254/2016 and the GRI Standard Guidelines and accompanied by the report of the independent auditor, pursuant to Article 3, Paragraph 10, of Legislative Decree No. 254 of December 30, 2016 and Article 5 of CONSOB Regulation No. 20267/2018, was presented to the Shareholders' Meeting.

APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS FOR THE YEARS 2023-2024-2025

The Shareholders' Meeting appointed the following members of the Board of Statutory Auditors, who will remain in office until the Shareholders' Meeting convened to approve the financial statements as of December 31, 2025, and also determined their remuneration.

- Antonino Girelli (Chairman)*
- Gianfranco Milanese (Standing Auditor) °
- Elena Iotti (Standing Auditor) °

- Lorenzo Keller (Alternate Auditor)*
- Valeria Gasparini (Alternate Auditor) °

* Candidate of the minority list submitted by Everest S.r.l., holder of 1,413,839 shares equal to 4.4447% of the share capital. It should be noted that the aforementioned list received favorable votes equal to 8.57% of the capital present and voting.

° Candidate of the list submitted 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 said list received favorable votes equal to 88.84% of the capital present and voting.



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All the appointed Statutory Auditors have declared that they meet the independence requirements of the law and the Corporate Governance Code.

Their *curriculum vitae* are available on the Company's website ir.servizitaliagroup.com, Corporate Governance - Corporate Bodies section.

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

DEPOSIT OF THE DOCUMENTATION

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

It is also advised that, as of today, all regulated information, as well as in general all information pertaining to investor relations, is now available on the appropriate website ir.servizitaliagroup.com.

The Manager responsible for preparing the Company's financial reports, Angelo Minotta, 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 (ir.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 Euronext STAR Milan, 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 6 countries and counts about 3,600 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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