

- Q1 2023 RESULTS PRESENTATION
- May 15th, 2023

Executive Summary



Executive Summary

Key Q1 2023 trends

Q1 2023 Sales growth +28% YoY driven by the contribution of 2022 acquisitions

Q1 2023 organic Sales decline 9% YoY on lower volumes linked to client de-stocking, in line with recent sector trends

Q1 Adj. EBITDA growth despite volume effect, thanks to the price hikes implemented in the quarter, with 230 BPS of margin recovery vs. Q4 2022

NFP increase on the back of NWC absorption, but well below June 2023 covenants on leverage ratio

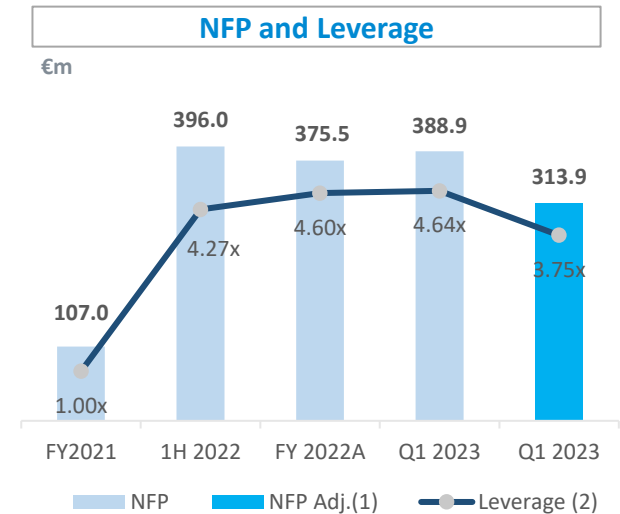
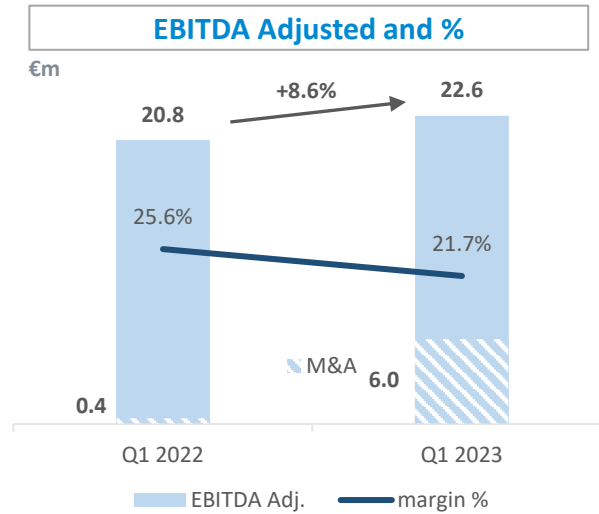
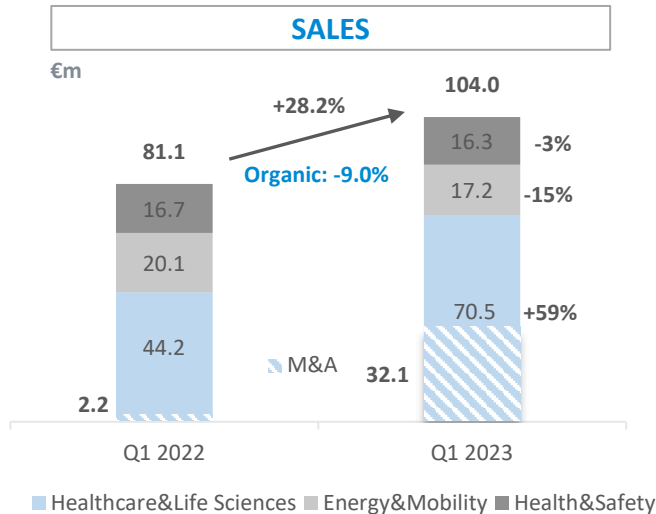
Special projects and M&A synergies on track, first impact expected in Q2 2023, full speed by 2025

FY 2023 guidance confirmed



GVS – Q1 2023 Results At-a-Glance

Sales and EBITDA growth driven by M&A, NWC impact on debt



- € 22.9m YoY sales increase driven by the contribution of the new 2022 acquisitions (STT and Haemotronic), positively impacting the Healthcare Liquid sub-division
- Lower performance by Mobility and Safety division, negatively impacted by client de-stocking
- Excluding M&A, -9% organic sales decrease

- Adj. EBITDA up 8.6% YoY, driven by M&A contribution and price increase
- STT and Haemotronic reported €6.0m EBITDA in Q1 2023

- Q1 2023 Net Debt increase to €389m, mostly driven by NWC absorption
- Pro-forma leverage ratio at 3.75x, well below the 4.25x covenant at June 2023

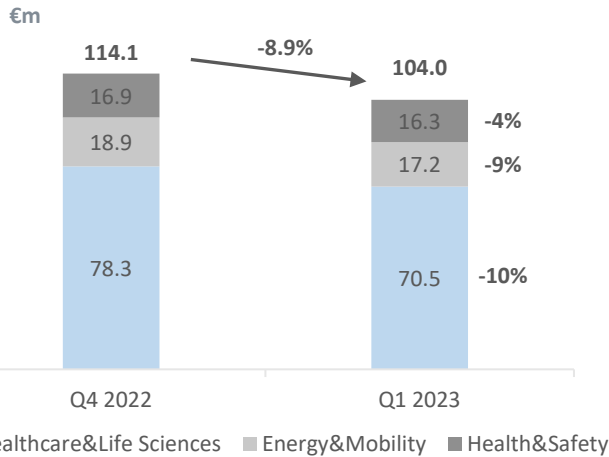
(1) NFP adjusted does not include the €75m shareholder loan as financial debt
 (2) Leverage ratio calculated as NFP/L12M Pro forma EBITDA. i.e. including full contribution of 2022 acquisitions



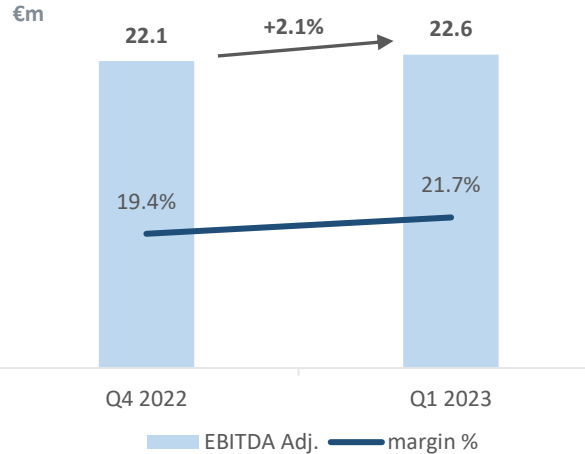
GVS – Q1 2023 vs. Q4 2022 Performance

Revenues hit by client de-stocking, margin expansion driven by pricing

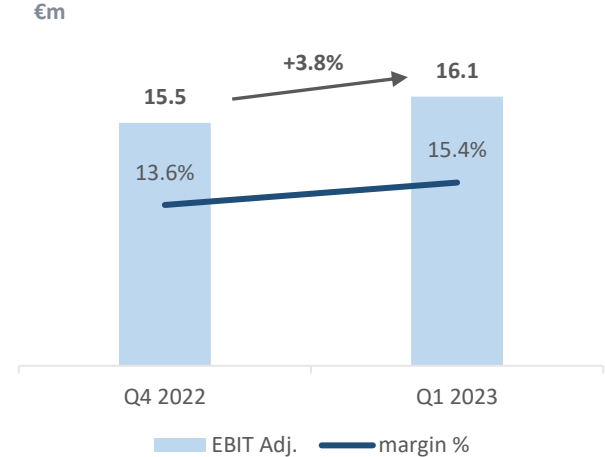
SALES



EBITDA Adjusted and %



EBIT Adjusted and %



- Q1 sales decrease 8.9% or € 10.1m vs. Q4 2022 driven by client de-stocking, affecting in particular the Healthcare (-9.9%) and Mobility (-9.0%) divisions
- Safety division reported a more resilient performance (-3.9%) on the back of a de-stocking mostly completed in the last part of FY 2022

- Profitability increase vs. Q4 2022, with Adj. EBITDA up 2.1% to €22.6m and Adj. EBIT up 3.8% to €16.1m despite the decrease in sales, mainly supported by the implementation of the price hikes announced in Q4 2022
- 230 bps of margin expansion, with EBITDA margin reaching 21.7%, confirming the ongoing recovery trend of profitability

Q1 2023 Performance vs. Q1 2022

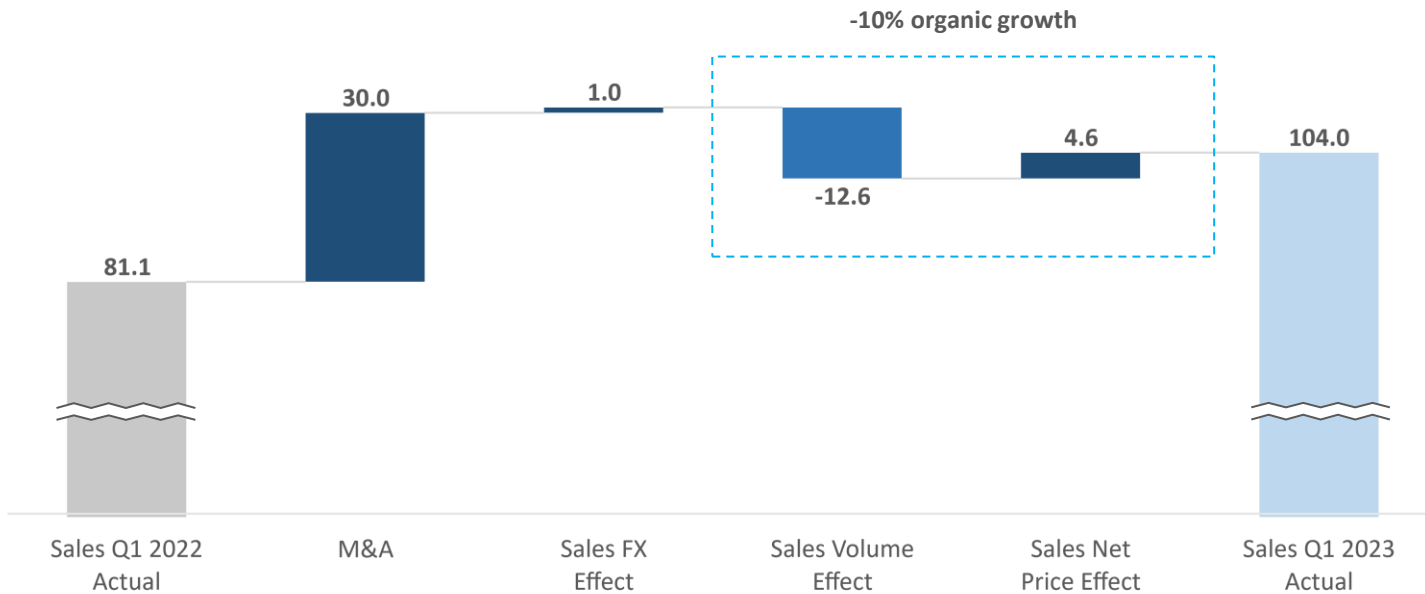


Q1 2023 vs. Q1 2022 – Sales

M&A as main driver of growth, prices and FX mitigate the volumes drop

SALES – Q1 2022 TO Q1 2023 BRIDGE

€m



- M&A (STT and Haemotronic) is the main driver for the sales growth YoY
- Volume drop in line with Q4 2022 comparison (-€11.7m)
- Positive impact of Price hikes (+€3.3m, on top of €1.1m lower discounts) and FX partially compensate the volumes drop

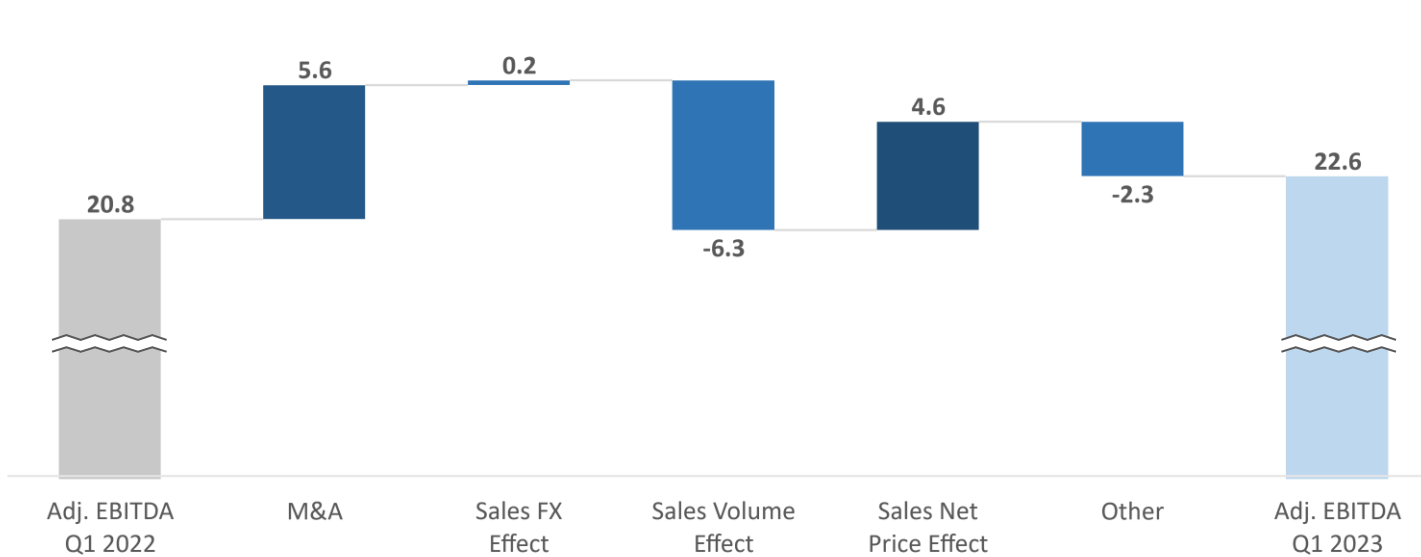


Q1 2023 vs. Q1 2022 – EBITDA

Price hike almost compensate the lower volumes

EBITDA – Q1 2022 TO Q1 2023 BRIDGE

€m



- EBITDA growth driven by M&A contribution
- Price increase effect almost compensates the loss of volumes
- “Other” item mostly relates to production cost inflation

Q1 2023 Performance vs. Q4 2022

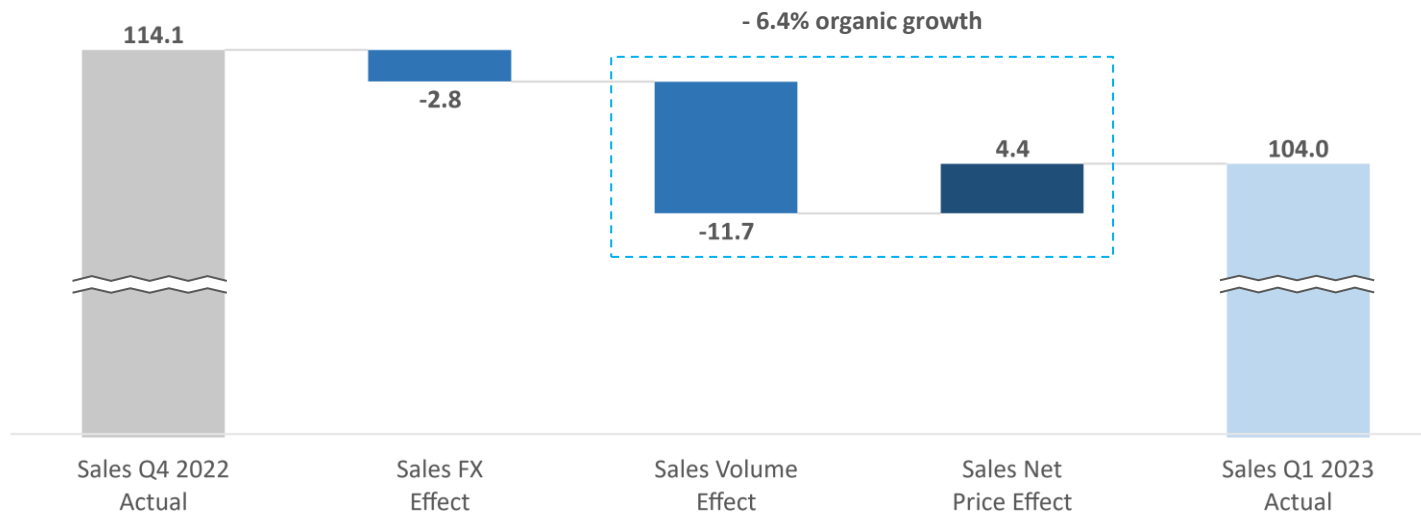


Q1 2023 vs. Q4 2022 – Sales

Price hike partially compensated the volumes decrease and FX

SALES – Q4 2022 TO Q1 2023 BRIDGE

€m



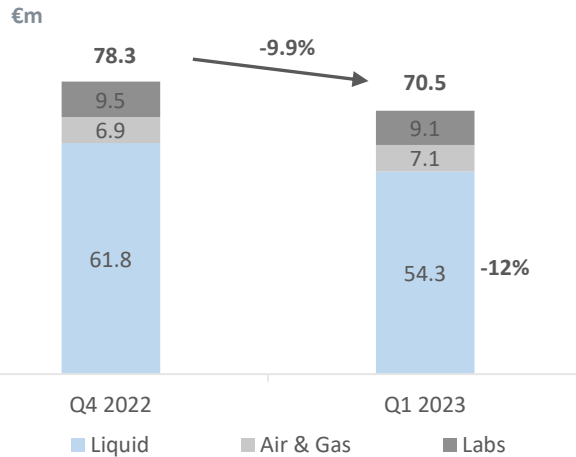
- Negative FX impact (€2.8m) on the back of EUR appreciation vs. USD
- Significant decrease in volumes (-€11.7m) mostly driven by client de-stocking
- Positive impact from the implementation of the planned price hikes (+€3.3m), on top of €1.1m lower discounts



Q1 2023 vs. Q4 2022 – Sales by Division

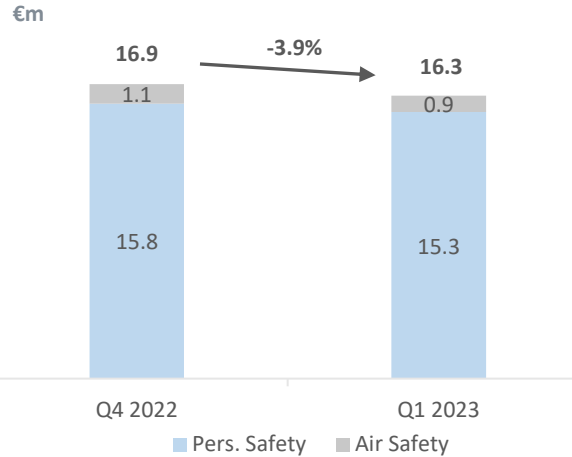
Volumes impacted by client de-stocking, in line with recent sector trend

Healthcare & Life Sciences



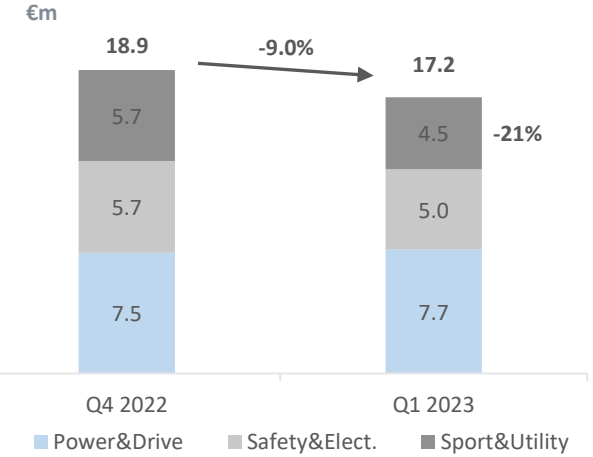
- Decrease in sales volume driven by ongoing de-stocking by healthcare clients, in line with the current sector trend
- Volume decrease mostly affected the Liquid subdivision (-12.2%), with lower impact on Labs (-4.2%) and moderate growth on Air&Gas sales (+2.9%)

Health & Safety



- Slight decrease for the Health and Safety division (-3.9% vs. Q4 2022), just partially hit by the final tail of the client de-stocking started in 2022 (consumption of the huge stock of disposable masks)
- Increasing contribution by RPB products sale (+4% vs. Q4 2022)

Energy & Mobility



- Energy & Mobility decrease vs. Q4 2022 (-9.0%) also impacted by client de-stocking, in particular affecting recreational vehicles in the US market (Sports&Utility -21%)
- More resilient performance by subdivisions exposed to automotive sector, with Power&Drive up 2.7%, while Safety&Electronics (-12.4%) was negatively impacted by production delays

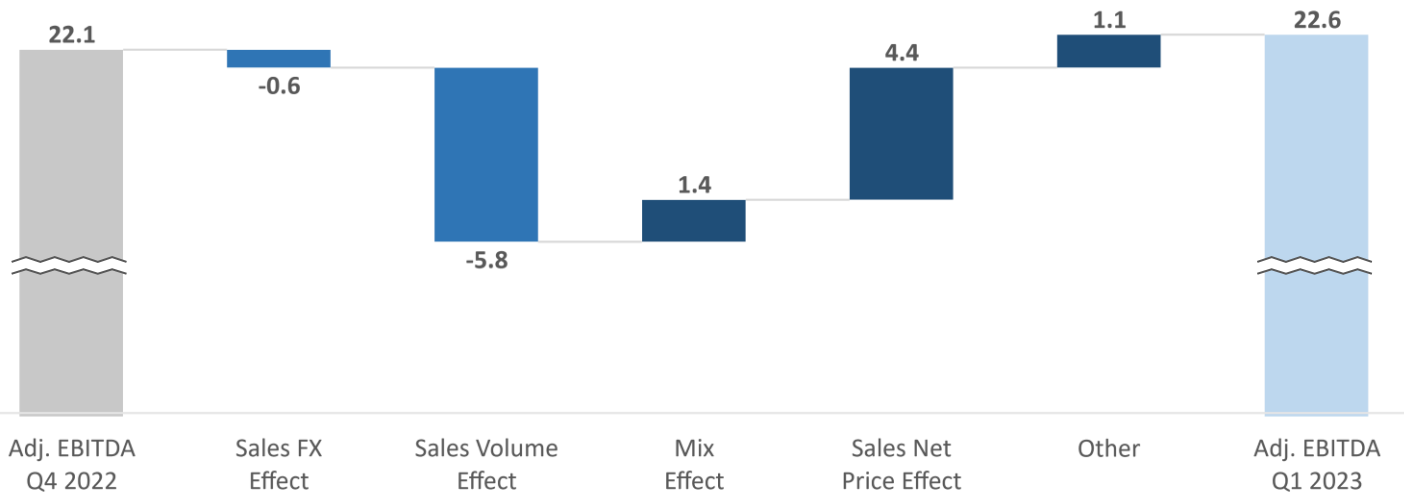


Q1 2023 vs. Q4 2022 – EBITDA

Price impact and positive mix supported profitability, despite volumes

EBITDA – Q4 2022 TO Q1 2023 BRIDGE

€m



- Limited FX impact on EBITDA, given the relevant amount of USD denominated costs
- Full price increase impact on profitability, almost compensating the volumes drop
- Positive Mix contribution, i.e. Porto Rico (-3%) and Haemotronic (-2%)

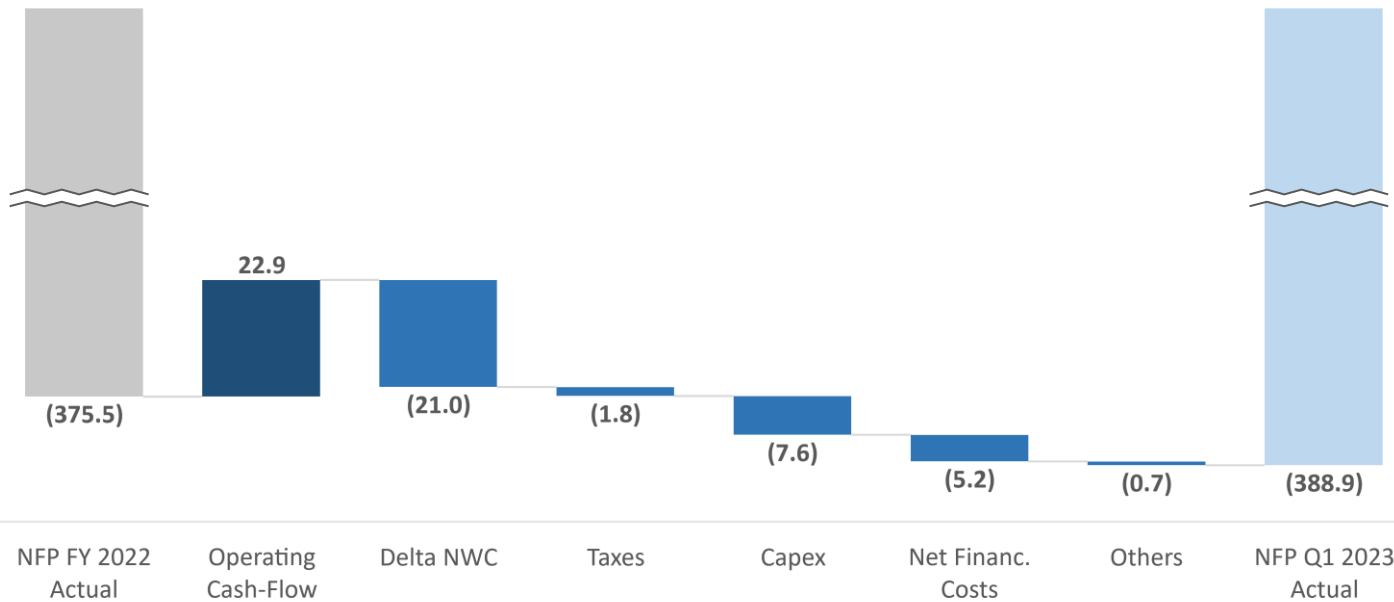


Q1 2023 vs. Q4 2022 – Net Debt

NFP increase driven by NWC absorption

NET FINANCIAL POSITION – FY 2022 TO Q1 2023 BRIDGE

€m



- Sound operating cash generation for the quarter of c. €23m
- Net debt increase of c.€ 19m vs. Dec 2022 is mostly linked to NWC absorption, in particular from payables (€12.3m) and inventories (€8.8m)
- Capex include c. €5m of ordinary capex and €2.5m related to the new Chinese plant
- Financial expenses in line with expectations

Strategic Update



2023 Outlook and Guidance Update

De-stocking expected to continue in 2Q 2023, Guidance confirmed

CURRENT TRADING AND 2023 OUTLOOK

Client de-stocking expected to continue throughout Q2 2023, with volume recovery expected for 2H 2023

Impact of macroeconomic environment (inflation trends, monetary policy, recessionary fears) to be carefully monitored

2023 GUIDANCE UPDATE

FY 2023 Sales €440-460m

CONFIRMED
WITHIN LOW-END OF THE RANGE

FY 2023 EBITDA Adjusted € 95-105m

CONFIRMED

FY 2023 NFP € 340-360m

CONFIRMED

NEXT STRATEGIC UPDATE

1H Results to be released on September 5th, 2023

Updated 2023-25 Business Plan to be presented on September 25th, 2023

Appendix – Support Material



Q1 2023 Results – Financial Statements

Q1 2022 and Q1 2023 P&L – Statutory Adjusted View

€ m	Q1 2022	of which non-recurring	Q1 2022 Adjusted	%	Q1 2023	of which non-recurring	Q1 2023 Adjusted	%
Revenues from sales and services	81.1		81.1	100.0%	104.0		104.0	100.0%
Other revenues and proceeds	0.5		0.5	0.66%	1.0	0.3	0.7	0.64%
Total revenues	81.6	-	81.6	100.0%	104.9	0.3	104.6	100.0%
Cost of raw materials, purchases and variations in inventories	(24.3)	(0.5)	(23.9)	-29.4%	(32.2)		(32.2)	-31.0%
Cost of labour	(27.6)	(1.1)	(26.6)	-32.8%	(33.9)	(0.3)	(33.7)	-32.4%
Services	(9.3)		(9.3)	-11.5%	(14.7)		(14.7)	-14.1%
Other operating costs	(1.1)		(1.1)	-1.4%	(1.5)		(1.5)	-1.4%
EBITDA	19.2	(1.5)	20.8	25.6%	22.6	0.1	22.6	21.7%
Provisions and writedowns	(0.0)		(0.0)	0.0%	(0.3)		(0.3)	-0.3%
Amortisation and depreciation	(7.3)	(2.3)	(5.0)	-6.2%	(10.2)	(4.0)	(6.2)	-5.9%
EBIT	11.9	(3.8)	15.7	19.4%	12.1	(4.0)	16.1	15.4%
Financial proceeds	6.5		6.5	8.0%	0.3		0.3	0.3%
Financial charges	(1.0)	(0.4)	(0.6)	-0.8%	(8.9)	(0.9)	(8.0)	-7.7%
Pre-tax results	17.3	(4.2)	21.6	26.6%	3.5	(4.9)	8.3	8.0%
Income tax	(4.3)	0.9	(5.2)	-6.5%	(0.9)	1.3	(2.2)	-2.2%
Net profit	13.0	(3.4)	16.4	20.2%	2.5	(3.5)	6.1	5.9%



Q1 2023 Results – Financial Statements

Reclassified Balance Sheet - FY 2022 – Q1 2023

€m	FY2022	Q12023
Net intangible fixed assets	494.8	486.6
Net usage rights	23.0	21.8
Net tangible fixed assets	120.4	122.3
Financial fixed assets	3.6	3.6
Other fixed assets	12.0	12.4
Fixed capital (A)	653.8	646.8
Net trade receivables	72.9	71.8
Inventories	106.9	114.7
Payables to suppliers	(57.9)	(44.7)
Net commercial working capital (B)	121.9	141.8
Other current assets	19.4	22.2
Other current liabilities	(32.1)	(37.4)
Total current assets/liabilities (C)	(12.7)	(15.2)
Net working capital (D)= (B) + (C)	109.3	126.6
Other non-current liabilities (E)	(46.1)	(42.4)
Employee termination indemnity and end of service indemnity (F)	(4.6)	(4.6)
Provisions for risks and charges (G)	(9.2)	(9.2)
Net invested capital (H) = (A+D+E+F+G)	703.1	717.3
Shareholders' equity	(327.7)	(328.4)
Consolidated shareholders' equity (I)	(327.7)	(328.4)
Short-term financial indebtedness)/Liquidity	(306.6)	100.4
(Net medium/long term financial indebtedness)	(68.9)	(489.2)
Net financial indebtedness (L)	(375.5)	(388.9)
Own funds and net financial indebtedness (M) = (I+L)	(703.1)	(717.3)



Q1 2023 Results – Financial Statements

Cash Flow Statement - Q1 2022 – Q1 2023

€m	Q1 2022	Q1 2023
Pre-tax result	17.3	3.5
Amortisation, depreciation and writedowns	7.3	10.2
Capital losses / (capital gains) from sale of assets	(0.0)	0.0
Financial charges / (proceeds)	(5.5)	8.6
Other non-monetary variations	2.0	0.5
Cash flow generated operations before delta NWC	21.2	22.9
Variation in inventories	(3.7)	(8.8)
Variation in trade receivables	3.1	0.1
Variation in trade payables	(3.4)	(12.3)
Variation in other assets and liabilities	(1.2)	(0.2)
Taxes paid	(2.1)	(1.8)
Net cash flow by operations	14.0	(0.2)
Investments in tangible assets	(2.1)	(6.1)
Investments in intangible assets	(1.4)	(1.6)
Disposal of tangible assets	0.1	0.1
Investment in financial assets	(0.0)	(75.0)
Disinvestment in financial assets	6.5	2.3
Payment for purchase of businesses, net of cash on hand acquired	(70.3)	(0.0)
Net cash flow by investment	(67.4)	(80.3)
Opening of long-term financial payables	-	75.0
Repayment of long-term financial payables	(16.0)	(21.8)
Repayment of leasing liabilities	(0.7)	(1.7)
Financial charges paid	(1.0)	(3.2)
Financial proceeds collected	0.1	0.1
Treasury shares	(1.4)	-
Dividends paid	0.0	0.0
Net cash flow by financial assets	(18.9)	48.4
Total variation in cash on hand	(72.3)	(32.0)
Cash on hand at the start of the year	136.9	135.2
Conversion differences on cash on hand	2.0	(1.0)
Cash on hand at the end of the year	66.6	102.1

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