

Teleborsa: distribution and commercial use strictly prohibited



- **FY 2023 RESULTS PRESENTATION**
- **March 26th, 2023**



Executive Summary

FY 2023 key trends and figures

FY 2023 Sales +9.6% YoY to €424.7m, driven by Healthcare and Safety divisions

FY 2023 Adjusted EBITDA at €95.1m, +20.3% vs. previous year, supported by profitability recovery actions

22.4% Adjusted EBITDA margin in FY 2023 vs. 20.4% in FY 2022

23.3% Adjusted EBITDA margin in Q4 2023 vs. 19.4% in Q4 2022

€252.1m Adjusted NFP⁽¹⁾ as of December 2023, improving by €48.3m in FY2023, on the back of operating result and NWC reduction

December 2023 Leverage Ratio⁽²⁾ at 2.65x

(1) Adjusted NFP calculated considering the €76.5m subordinated shareholder loan and related interests as equity (not financial liability)

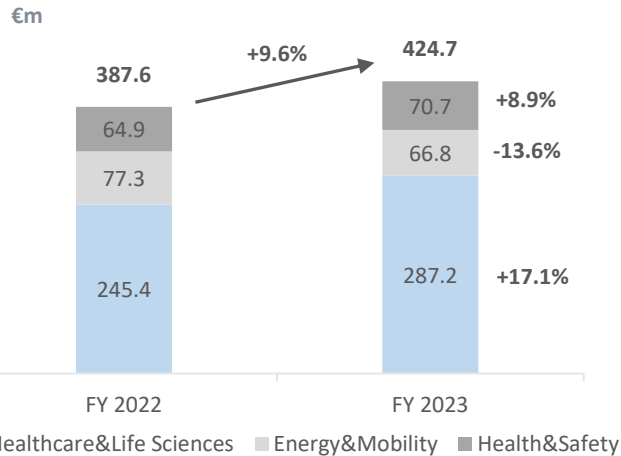
(2) Leverage ratio calculated as Adjusted NFP / L12M Adjusted EBITDA



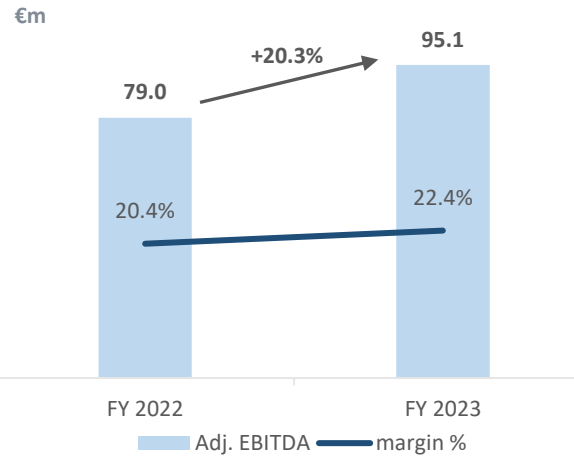
GVS – FY 2023 Results At-a-Glance

Continuous sales growth, profitability recovery and NFP reduction

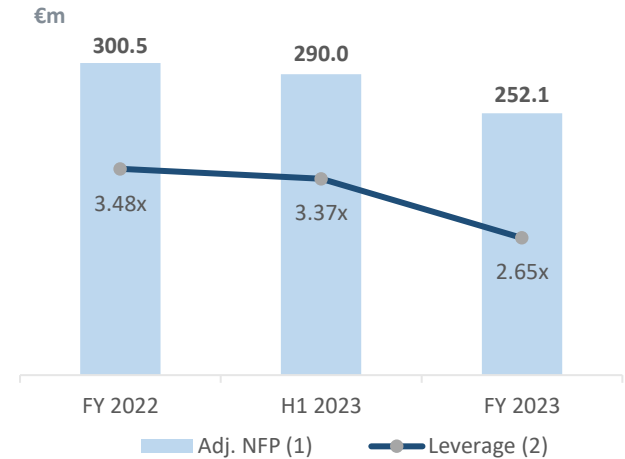
SALES



Adjusted EBITDA and %



Adjusted NFP and Leverage



- +9.6% sales growth, driven by Healthcare (+17.1%, including M&A contribution) and Safety divisions (+8.9%)
- Significant Adj. EBITDA growth (+20.3% YoY), coupled with 200 bps of margin accretion thanks to profitability recovery actions
- Q4 2023 Adj. EBITDA margin at 23.3%
- Strong acceleration in Company's deleverage, with NFP improving by €48.3m, of which €31.3 in Q4 2023, supported by NWC reduction
- Leverage ratio at 2.65x

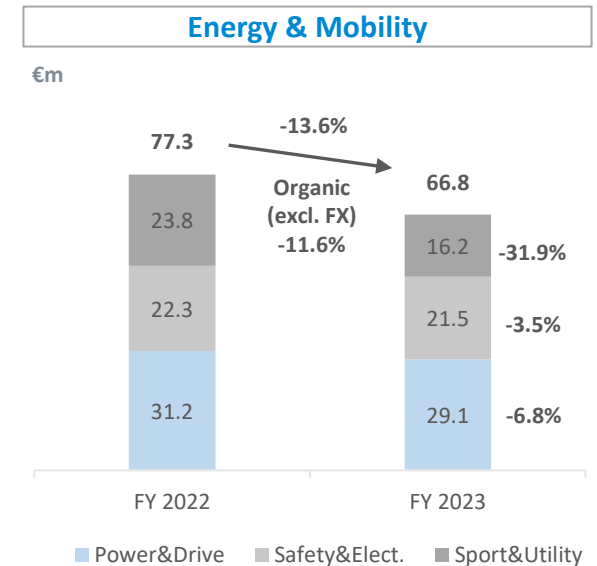
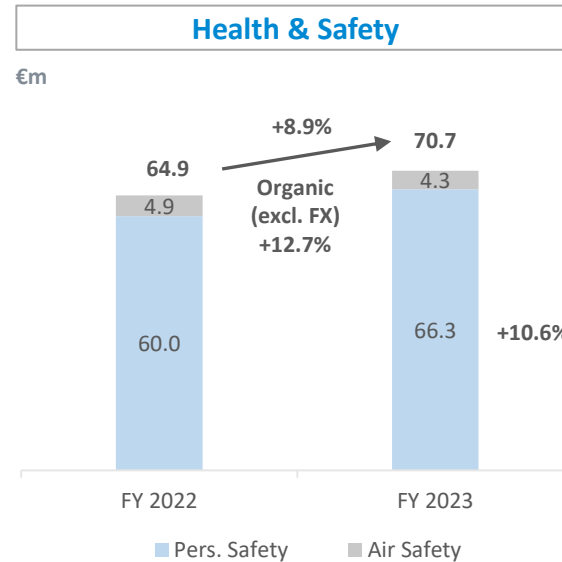
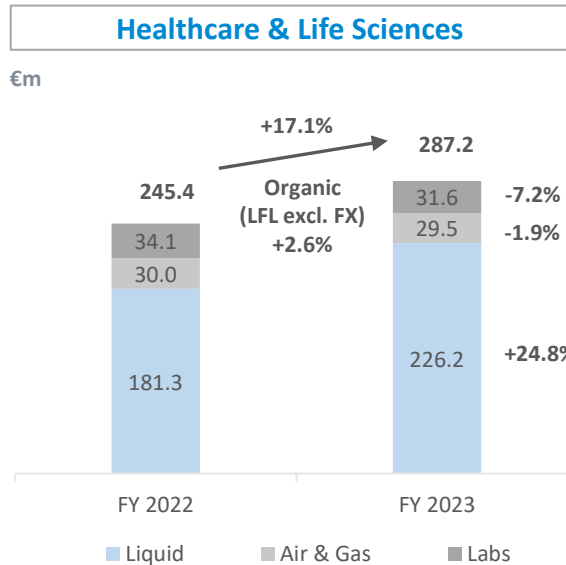
(1) Adjusted NFP calculated considering the €76.5m subordinated shareholder loan and related interests as equity (not financial liability)

(2) Leverage ratio calculated as Adjusted NFP / L12M Adjusted Pro forma EBITDA. i.e. including full contribution of 2022 acquisitions



Focus on Sales – FY 2023 Performance by Division

Healthcare and Safety leading organic growth, despite de-stocking



- Healthcare sales up +17.1% (+2.6% organic ex-FX on a LFL basis), driven by the Liquid segment growth (+24.8%, +4.1% organic LFL), partially offset by weaker Air & Gas (-1.9%, +0.2% organic) and Labs (-7.2%, -5.1% organic) performance
- Safety division sales close +8.9% vs. FY 2022 (+12.7% organic), on the back of solid order trend across the year
- Mobility division (-13.6%, -11.6% organic) still impacted by client de-stocking

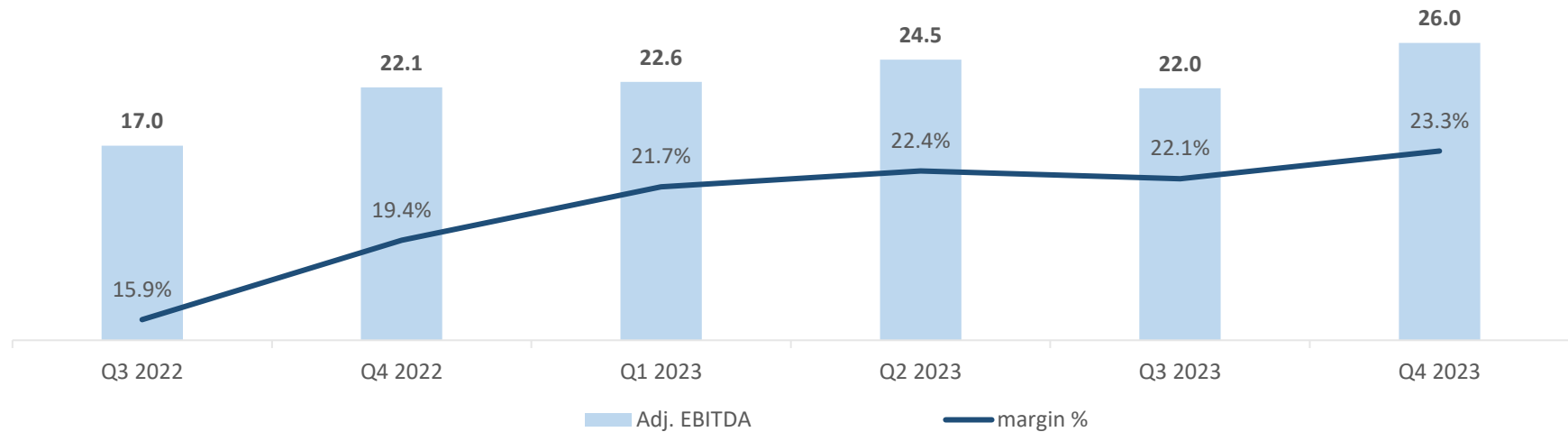


Focus on Profitability – EBITDA evolution by quarter

Q-on-Q profitability recovery continues

ADJ. EBITDA – Q3 2022 – Q4 2023 QUARTERLY EVOLUTION

€m



- Continuous EBITDA recovery from Q3 2022 lows both in absolute terms and margin
- Margin accretion driven by pricing and industrial efficiencies
- **Recovery trend set to continue in 2024**

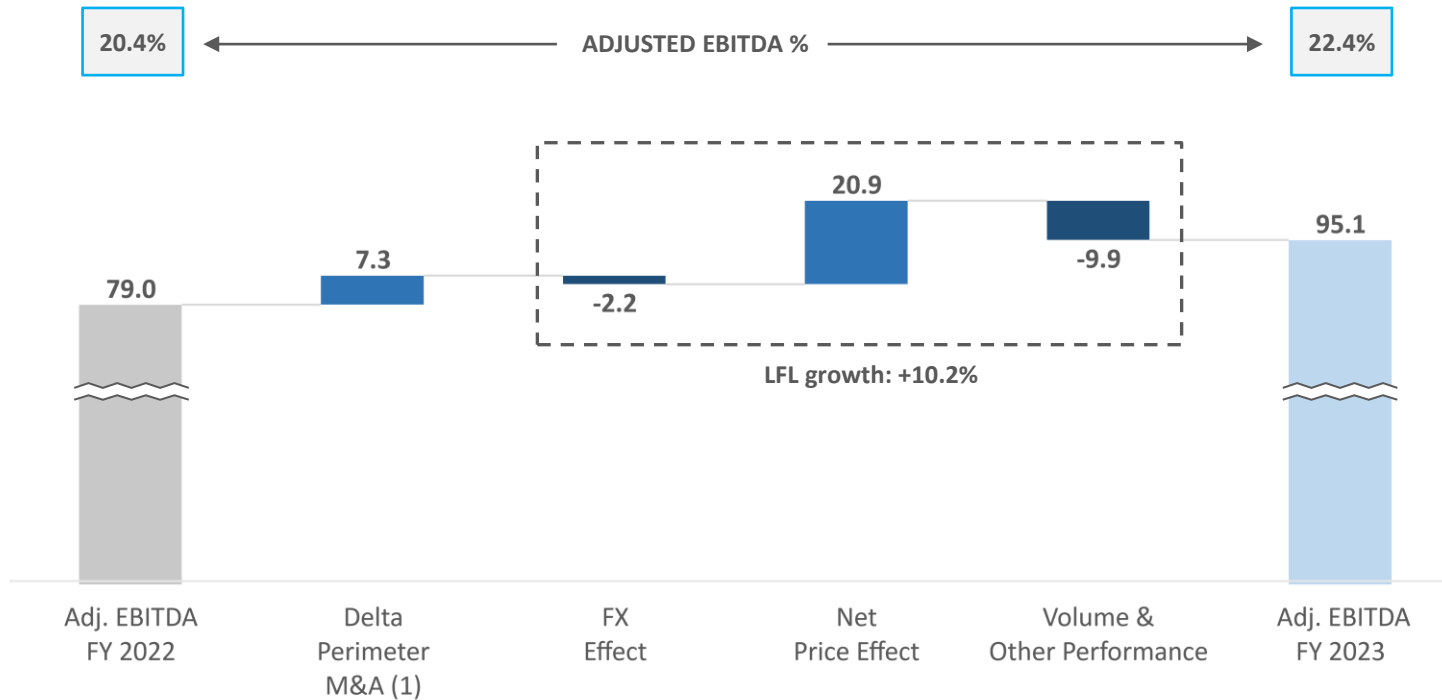


Focus on Profitability – EBITDA FY 2023 vs. FY 2022

+10.2% like-for-like growth driven by pricing

ADJ. EBITDA – FY 2022 TO FY 2023 BRIDGE

€m



- FY 2023 Adj. EBITDA growing +20.3% vs. FY 2022 actual figures and +10.2% on like-for-like basis
- Net price effect more than offsetting volume decline and FX

(1) Delta perimeter includes the FY2022 EBITDA of STT and Haemotronic not included in GVS FY 2022 statutory accounts and based on management accounts

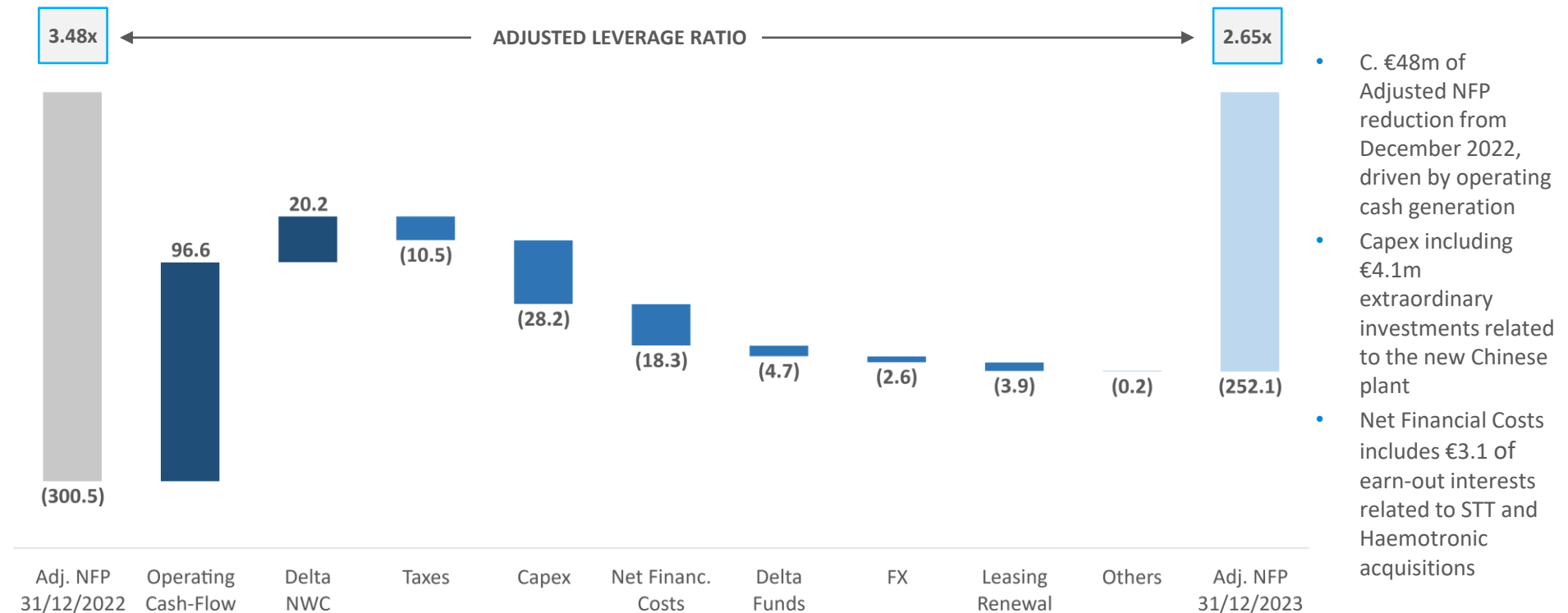


Focus on Debt – NFP Adjusted FY 2023 vs. FY 2022

Deleverage driven by operating cash generation

NET FINANCIAL POSITION ADJUSTED – FY 2022 TO FY 2023 BRIDGE

€m





2024 Outlook and Guidance

De-stocking still impacting 1H 2024 sales, profitability recovery on track

CURRENT TRADING AND 2024 OUTLOOK

Stable revenues expected in Q1 2024 vs. Q1 2023, due to a residual impact of de-stocking on client orders in Healthcare and Mobility

Profitability recovery to continue, supported by efficiency actions in progress

Gradual recovery of sales volumes growth expected in 2H 2024

FY 2024 GUIDANCE

SALES

Low-to-mid single digit growth vs. FY 2023

EBITDA %

100-200 bps of margin accretion vs. FY 2023

Leverage Ratio (x)

In the region of 2.0x

Appendix – Support Material



FY 2023 Results – Financial Statements

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

| € m | FY 2022 | of which non-recurring | FY 2022 Adjusted | % | FY 2023 | of which non-recurring | FY 2023 Adjusted | % |
|--|---------------------|---------------------------|---------------------|---------------|-----------------------|---------------------------|-----------------------|---------------|
| Revenues from sales and services | 387.6 | - | 387.6 | 100.0% | 424.7 | - | 424.7 | 100.0% |
| Other revenues and proceeds | 4.4 | - | 4.4 | 1.15% | 7.6 | 1.7 | 5.9 | 1.39% |
| Total revenues | 392.0 | - | 392.0 | 100.0% | 432.4 | 1.7 | 430.6 | 100.0% |
| Cost of raw materials, purchases and variations in inventories | (141.2) | (6.7) | (134.5) | -34.7% | (144.2) | - | (144.2) | -34.0% |
| Cost of labour | (123.5) | (2.9) | (120.6) | -31.1% | (131.8) | (1.4) | (130.4) | -30.7% |
| Services | (54.6) | (2.0) | (52.6) | -13.6% | (56.7) | (0.3) | (56.5) | -13.3% |
| Other operating costs | (5.3) | - | (5.3) | -1.4% | (6.9) | (2.3) | (4.5) | -1.1% |
| EBITDA | 67.4 | (11.6) | 79.0 | 20.4% | 92.8 | (2.3) | 95.1 | 22.4% |
| Provisions and writedowns | (0.5) | - | (0.5) | -0.1% | (0.6) | - | (0.6) | -0.1% |
| Amortisation and depreciation | (38.0) | (14.2) | (23.8) | -6.1% | (44.1) | (17.1) | (27.0) | -6.4% |
| EBIT | 29.0 | (25.8) | 54.8 | 14.1% | 48.0 | (19.4) | 67.4 | 15.9% |
| Financial proceeds | 15.1 ⁽¹⁾ | - | 15.1 ⁽¹⁾ | 3.9% | 3.3 ⁽²⁾ | - | 3.3 ⁽²⁾ | 0.8% |
| Financial charges | (9.5) | (2.6) | (6.9) | -1.8% | (33.1) ⁽²⁾ | (3.1) | (30.0) ⁽²⁾ | -7.1% |
| Pre-tax results | 34.6 | (28.4) | 63.0 | 16.3% | 18.3 | (22.5) | 40.8 | 9.6% |
| Income tax | (10.5) | 6.0 | (16.5) | -4.3% | (4.7) | 4.7 | (9.4) | -2.2% |
| Net profit | 24.1 | (22.4) | 46.5 | 12.0% | 13.6 | (17.8) | 31.4 | 7.4% |

(1) FY 2022 financial proceeds include €14.4m of FX gains

(2) FY 2023 financial charges include €10.7m of FX losses



FY 2023 Results – Financial Statements

Reclassified Balance Sheet - FY 2022 – FY 2023

| €m | FY 2022 | FY 2023 |
|---|----------------|----------------|
| Net intangible fixed assets | 494.8 | 471.7 |
| Net usage rights | 23.0 | 20.2 |
| Net tangible fixed assets | 120.4 | 122.9 |
| Financial fixed assets | 3.6 | 3.5 |
| Other fixed assets | 12.0 | 10.7 |
| Fixed capital (A) | 653.8 | 629.0 |
| Net trade receivables | 72.9 | 54.1 |
| Inventories | 106.9 | 84.8 |
| Payables to suppliers | (57.9) | (38.5) |
| Net commercial working capital (B) | 121.9 | 100.5 |
| Other current assets | 19.4 | 21.2 |
| Other current liabilities | (32.1) | (40.5) |
| Total current assets/liabilities (C) | (12.7) | (19.3) |
| Net working capital (D)= (B) + (C) | 109.3 | 81.2 |
| Other non-current liabilities (E) | (46.1) | (35.4) |
| Employee termination indemnity and end of service indemnity (F) | (4.6) | (3.1) |
| Provisions for risks and charges (G) | (9.2) | (8.5) |
| Net invested capital (H) = (A+D+E+F+G) | 703.1 | 663.2 |
| Shareholders' equity | (327.7) | (334.5) |
| Consolidated shareholders' equity (I) | (327.7) | (334.5) |
| Short-term financial indebtedness)/Liquidity | (306.6) | 60.5 |
| (Net medium/long term financial indebtedness) | (68.9) | (389.2) |
| Net financial indebtedness (L) | (375.5) | (328.7) |
| Own funds and net financial indebtedness (M) = (I+L) | (703.1) | (663.2) |



FY 2023 Results – Financial Statements

Cash Flow Statement – FY 2022 – FY 2023

| €m | FY 2022 | FY 2023 |
|--|----------------|---------------|
| Profit before income tax | 34.6 | 18.3 |
| Depreciation and amortization | 38.0 | 44.1 |
| Capital losses / (capital gains) from sale of assets | 0.0 | 0.1 |
| Financial charges / (proceeds) | (5.7) | 29.7 |
| Other non-monetary movements | 6.8 | 4.4 |
| Cash flow generated operations before delta NWC | 73.7 | 96.6 |
| Changes in inventories | 3.1 | 14.6 |
| Changes in trade receivables | (11.9) | 19.2 |
| Changes in trade payables | 13.8 | (17.4) |
| Changes in other assets and liabilities | 9.1 | 3.8 |
| Risk and Employees funds utilisation | (1.9) | (4.7) |
| Income tax paid | (9.8) | (10.5) |
| Net cash flow by operations | 76.1 | 101.6 |
| Investments in tangible assets | (17.8) | (21.3) |
| Investments in intangible assets | (5.0) | (6.9) |
| Disposal of tangible assets | 0.1 | 0.4 |
| Investment in financial assets | (4.1) | (96.6) |
| Disposal of financial assets | 6.5 | 98.7 |
| Payment for purchase of businesses, net of cash on hand acquired | (236.0) | (1.1) |
| Net cash flow by investment | (256.4) | (26.8) |
| Proceeds from long-term borrowings | 232.5 | 75.0 |
| Repayment of long-term borrowings | (43.9) | (68.9) |
| Changes in short-term financial payables | - | 2.2 |
| Repayment of lease liabilities | (5.4) | (8.6) |
| Financial costs paid | (4.9) | (17.9) |
| Financial income received | 1.8 | 3.3 |
| Treasury shares | (1.4) | (0.1) |
| Net cash flow by financial assets | 178.8 | (14.9) |
| Total variation in cash on hand | (1.5) | 59.8 |
| Cash on hand at the start of the year | 136.9 | 135.2 |
| Total variation in cash on hand and conversion differences | (1.7) | 56.3 |
| Cash on hand at the end of the year | 135.2 | 191.5 |



Pursuant to art. 154-bis, paragraph 2, of the Italian Unified Financial Act of February 24, 1998, the executive in charge of preparing the corporate accounting documents at GVS S.p.A., Emanuele Stanco, declares that the accounting information contained herein correspond to document results, books and accounting records.

This presentation contains certain forward-looking statements that reflect the Company's management's current views with respect to future events and financial and operational performance of the Company and its subsidiaries. These forward-looking statements are based on GVS S.p.A.'s current expectations and projections about future events. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of GVS S.p.A. to control or estimate precisely, including changes in the regulatory environment, future market developments, fluctuations in the price, and other risks. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this presentation. GVS S.p.A. does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation.

This presentation does not constitute a recommendation regarding the securities of the Company. This presentation does not contain an offer to sell or a solicitation of any offer to buy any securities issued by GVS S.p.A. or any of its subsidiaries, in Italy pursuant to Section 1, let t) letter (t) of Legislative Decree no. 58 of February 24, 1998, or in any other country or state.

The information contained in this presentation does not purport to be comprehensive and has not been independently verified by any independent third party. The reader should consult any further disclosures GVS may make in documents it files with the Italian Securities and Exchange Commission and with the Italian Stock Exchange.