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- Q1 2024 RESULTS PRESENTATION
- May 14th, 2024



Executive Summary

Q1 2024 key trends and figures

Q1 2024 Sales growing +1.9% excluding FX at €103.9m, signaling a gradual volume recovery

€24.3m adjusted EBITDA, +7.7% vs. previous year, with 23.4% margin vs. 21.7% in Q1 2023

Adjusted Net Income excl. FX gains/losses⁽¹⁾ growing +7.7% YoY, reaching 9.5% margin at €9.9m

€254.2m Adjusted NFP⁽²⁾ as of March 2024, on track with de-leverage targets, with Leverage Ratio⁽³⁾ at 2.63x

(1) Excluding FX impact on financial charges and related tax effects

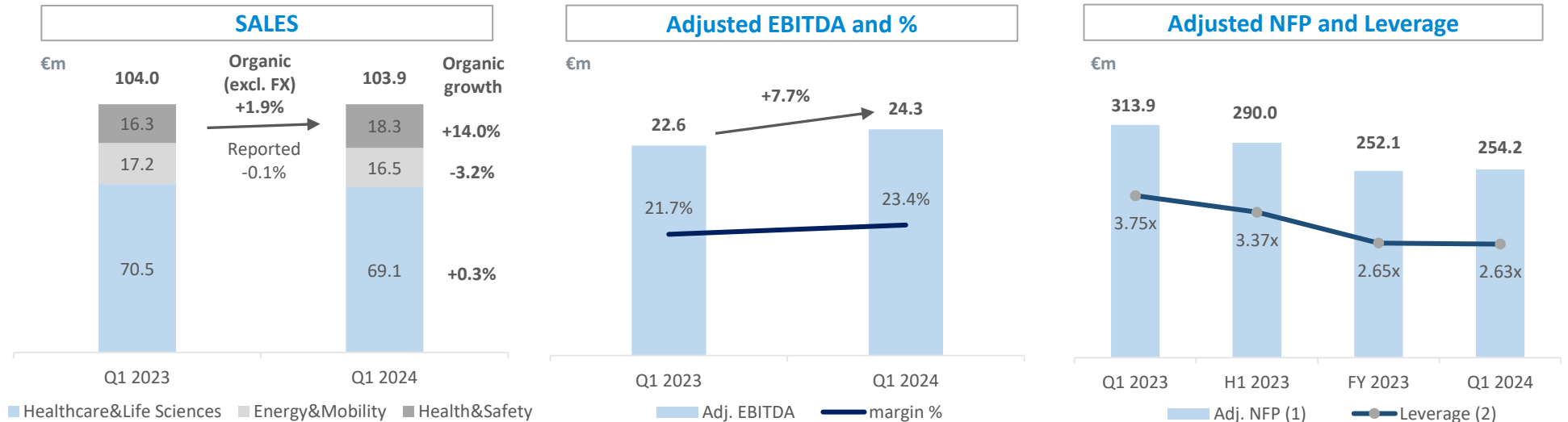
(2) Adjusted NFP calculated considering the €75.0m subordinated shareholder loan and related interests as equity (not financial liability)

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



Q1 2024 Results At-a-Glance

Organic growth led by Safety division, profitability recovery on track



- Q1 2024 sales growing +1.9% excluding FX, with strong performance by Health & Safety division
- Adj. EBITDA growing +7.7% YoY to €24.3m, with 170 bps of margin accretion thanks to profitability recovery actions
- Stable Adjusted NFP, on track with de-leverage targets, with leverage ratio at 2.63x

(1) Adjusted NFP calculated considering the €75.0m subordinated shareholder loan and related interests as equity (not financial liability)

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

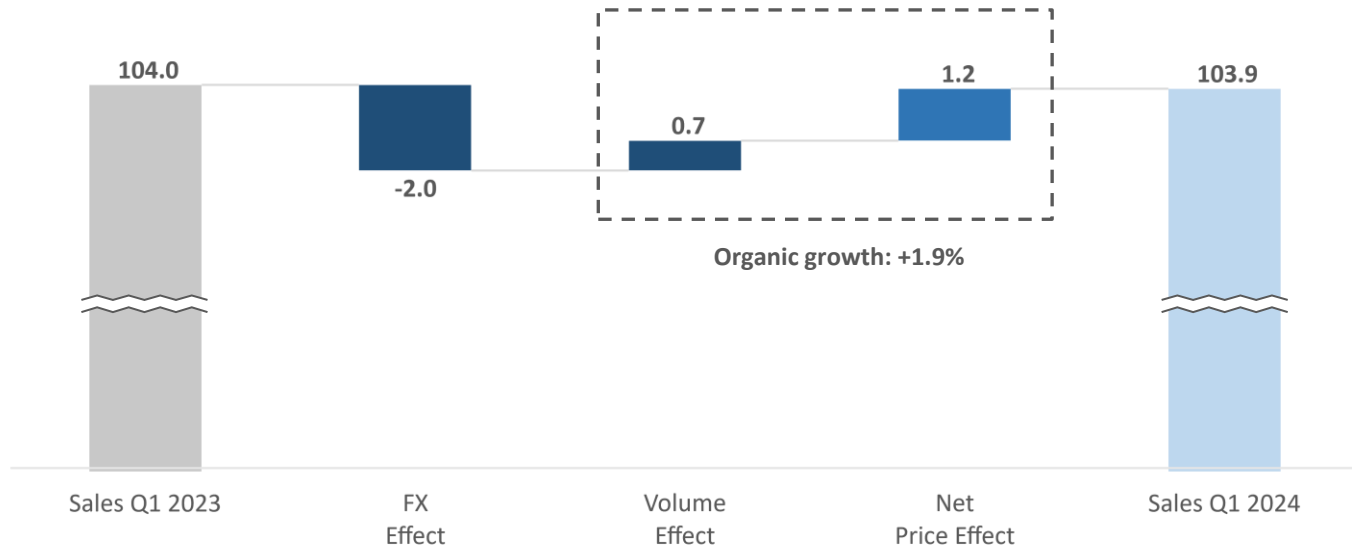


Sales – Q1 2024 vs. Q1 2023

+1.9% YoY organic growth, supported by volume recovery and pricing

SALES – Q1 2023 TO Q1 2024 BRIDGE

€m

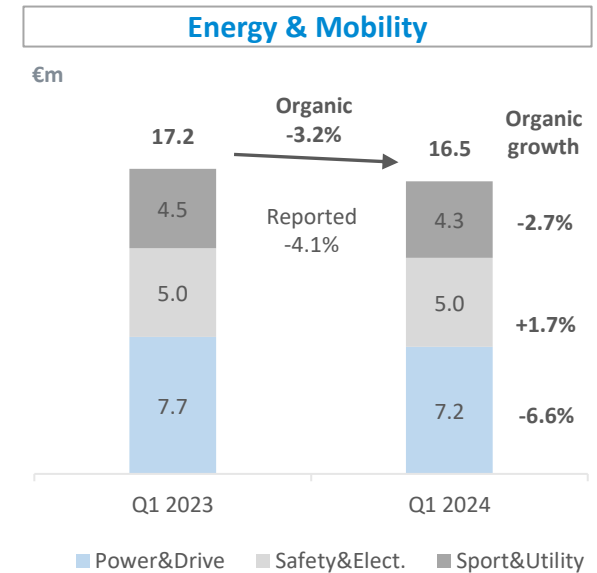
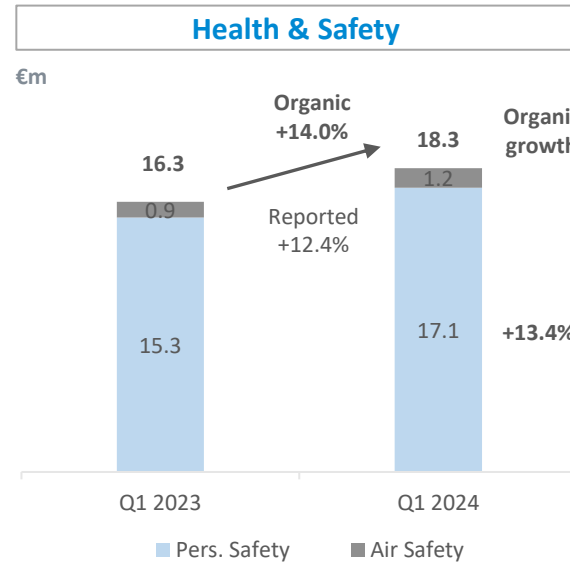
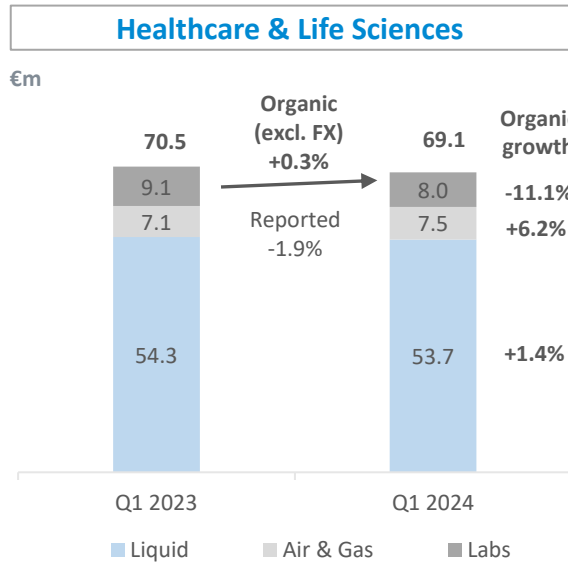


- +1.9% organic growth (excl. FX) vs. Q1 2023, supported by a gradual volume recovery from de-stocking and pricing



Sales – Q1 2024 Performance by Division

Safety division strong order momentum leading the organic growth



- Stable Healthcare sales (+0.3% organic excluding FX, -1.9% reported), with solid growth by Air & Gas (+5.1% and +6.2% organic), +1.4% organic growth for Liquid (-1.1% reported), and weak performance of Labs (-12.6%, -11.1% organic)
- Safety division organic sales up +14.0% YoY (+12.4% reported), on the back of strong order momentum
- Mobility division (-4.1%, -3.2% organic) gradually recovering from client de-stocking

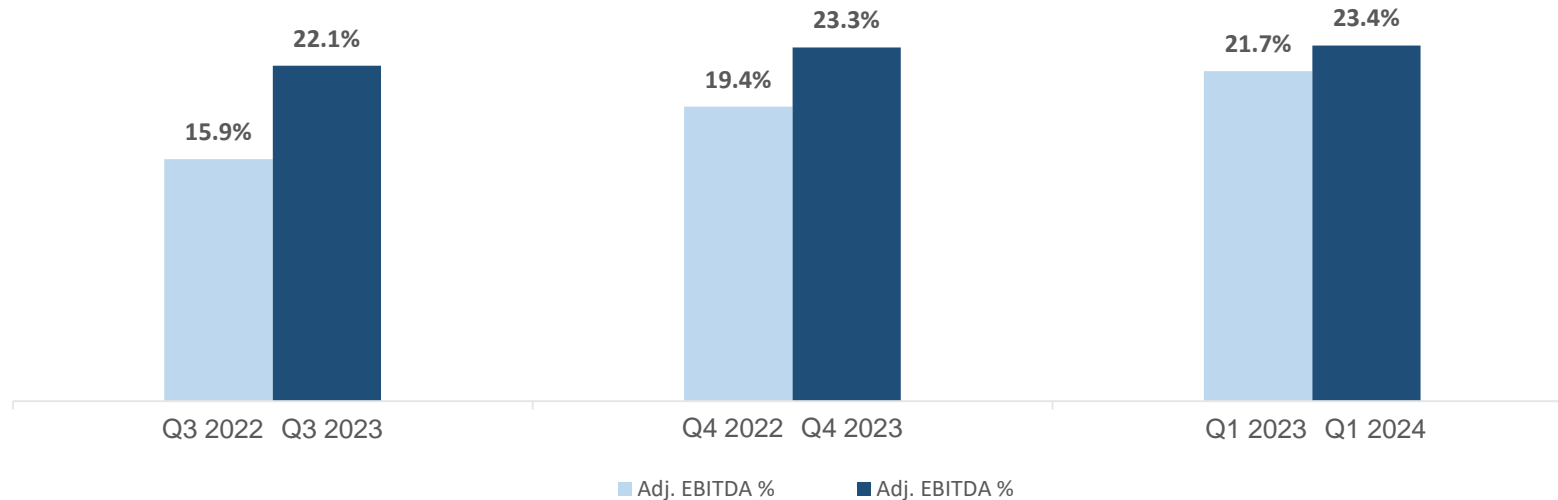


Adj. EBITDA Margin – Q-on-Q Evolution

Q-on-Q profitability recovery continues

ADJ. EBITDA MARGIN – Q3 2022 – Q1 2024 QUARTERLY EVOLUTION

€m



- Continuous Q-on-Q EBITDA % recovery from Q3 2022 lows
- Margin accretion driven by pricing and industrial efficiencies
- **Recovery trend set to continue in FY2024**

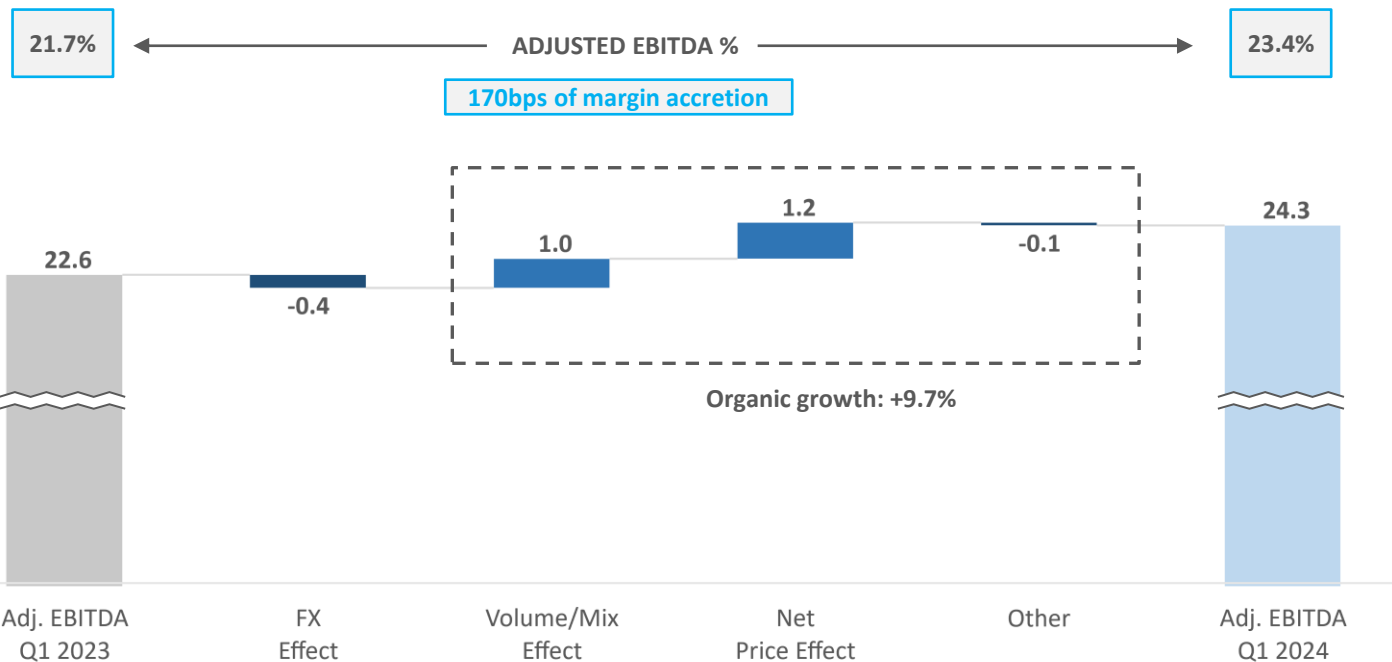


Adj. EBITDA – Q1 2024 vs. Q1 2023

+9.7% YoY organic growth excl. FX

ADJ. EBITDA – Q1 2023 TO Q1 2024 BRIDGE

€m



- Q1 2024 Adj. EBITDA growing +7.7% vs. Q1 2023 and +9.7% on excluding FX impact
- Positive contribution from both price and volume/mix

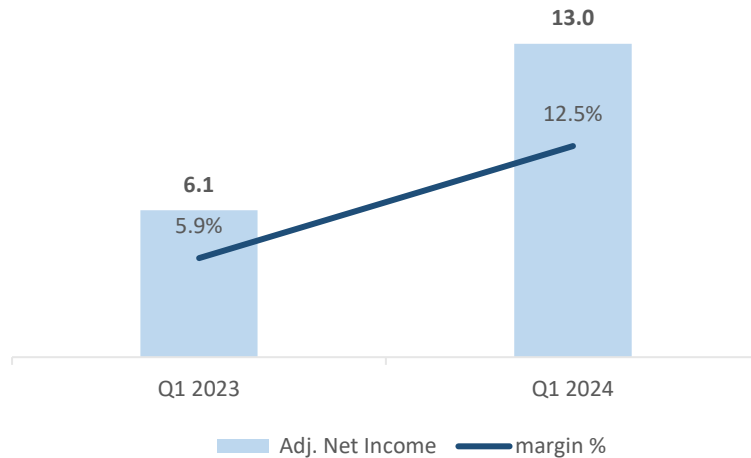


Adj. Net Income – Q1 2024 vs. Q1 2023

+7.7% YoY growth excl. FX impact

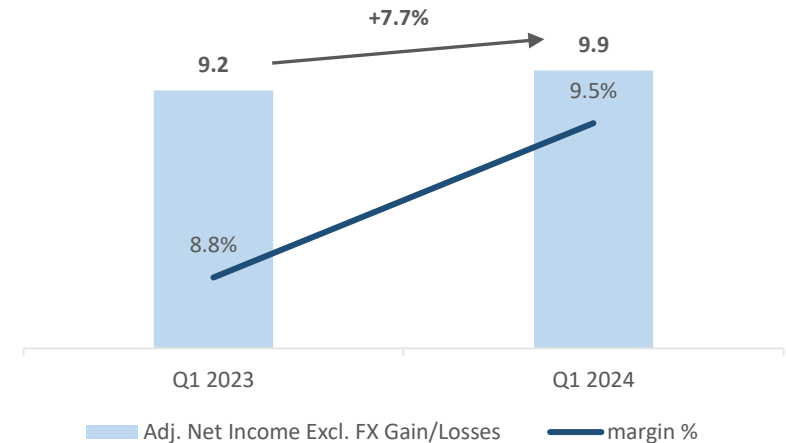
Adj. Net Income

€m



Adj. Net Income Excl. FX Gains/Losses

€m



- Adjusted Net Income is impacted by FX gains and losses, mostly non-cash items related to the mark-to-market of USD denominated intercompany loans
 - Q1 2023 Adjusted Net Income includes €4.0m of FX losses
 - Q1 2024 Adjusted Net Income includes €4.1m of FX gains⁽¹⁾
- Net Profitability, excl. FX impact on financial charges and related tax effects, growing in line with Adj. EBITDA

(1) EUR/USD exchange rate as of 31/12/2023: 1.1045. EUR/USD exchange rate as of 31/03/2024: 1.0811. Detailed calculation in appendix.

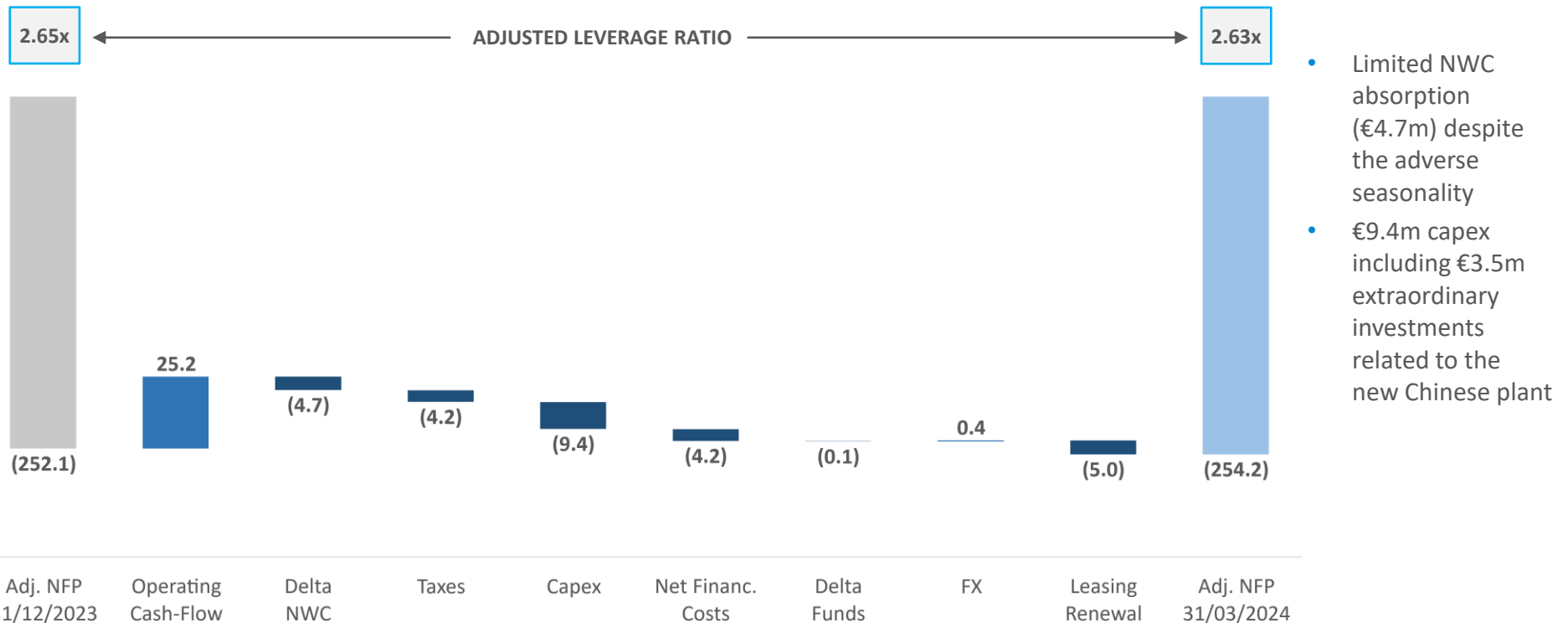


Adj. Net Financial Position – Q1 2024 vs. FY 2023

Limited NWC absorption despite seasonality

ADJUSTED NET FINANCIAL POSITION – FY 2023 TO Q1 2024 BRIDGE

€m





2024 Outlook and Guidance

Volume recovery to accelerate in Q3 2024, FY 2024 guidance confirmed

CURRENT TRADING AND 2024 OUTLOOK

Q2 2024: continue the Q1 gradual volume recovery trend across divisions

Q3 2024: significant volume acceleration vs. Q3 2023 expected

Profitability recovery on track, supported by efficiency actions in progress

FY 2024 GUIDANCE

SALES

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

Adj. EBITDA %

100-200 bps of margin accretion vs. FY 2023

Adj. Leverage Ratio (x)

In the region of 2.0x

Appendix – Support Material



Q1 2024 Results – Financial Statements

Q1 2023 and Q1 2024 P&L – Statutory Adjusted View

€ m	Q1 2023	of which non-recurring	Q1 2023 Adjusted	%	Q1 2024	of which non-recurring	Q1 2024 Adjusted	%
Revenues from sales and services	104.0	-	104.0	100.0%	103.9	-	103.9	100.0%
Other revenues and proceeds	1.0	0.3	0.7	0.64%	1.5	0.3	1.3	1.21%
Total revenues	104.9	0.3	104.6	100.6%	105.4	0.3	105.1	101.2%
Cost of raw materials, purchases and variations in inventories	(32.2)		(32.2)	-31.0%	(31.8)	-	(31.8)	-30.6%
Cost of labour	(33.9)	(0.3)	(33.7)	-32.4%	(33.5)	(0.0)	(33.5)	-32.3%
Services	(14.7)		(14.7)	-14.1%	(14.2)	-	(14.2)	-13.7%
Other operating costs	(1.5)	-	(1.5)	-1.4%	(1.6)	(0.3)	(1.3)	-1.3%
EBITDA	22.6	0.1	22.6	21.7%	24.3	(0.0)	24.3	23.4%
Provisions and writedowns	(0.3)	-	(0.3)	-0.3%	(0.2)	-	(0.2)	-0.2%
Amortisation and depreciation	(10.2)	(4.0)	(6.2)	-5.9%	(11.0)	(4.0)	(7.0)	-6.7%
EBIT	12.1	(4.0)	16.1	15.4%	13.1	(4.0)	17.2	16.5%
Financial proceeds	0.3	-	0.3	0.3%	5.1 ⁽²⁾	-	5.1 ⁽²⁾	4.9%
Financial charges	(8.9) ⁽¹⁾	(0.9)	(8.0) ⁽¹⁾	-7.7%	(5.7)	(0.8)	(4.9)	-4.8%
Pre-tax results	3.5	(4.9)	8.3	8.0%	12.5	(4.8)	17.3	16.7%
Income tax	(0.9)	1.3	(2.2)	-2.2%	(3.1)	1.3	(4.3)	-4.1%
Net profit	2.5	(3.5)	6.1	5.9%	9.4	(3.6)	13.0	12.5%

(1) Q1 2023 financial charges include €4.0m of FX losses

(2) Q1 2024 financial proceeds include €4.1m of FX gains



Q1 2024 Results – Financial Statements

Reclassified Balance Sheet - FY 2023 – Q1 2024

€m	FY 2023	Q1 2024
Net intangible fixed assets	471.7	473.9
Net usage rights	20.2	23.3
Net tangible fixed assets	122.9	127.2
Financial fixed assets	3.5	3.6
Other fixed assets	10.7	10.9
Fixed capital (A)	629.0	639.0
Net trade receivables	54.1	62.4
Inventories	84.8	85.8
Payables to suppliers	(38.5)	(44.4)
Net commercial working capital (B)	100.5	103.8
Other current assets	21.2	25.0
Other current liabilities	(40.5)	(41.5)
Total current assets/liabilities (C)	(19.3)	(16.5)
Net working capital (D)= (B) + (C)	81.2	87.3
Other non-current liabilities (E)	(35.4)	(36.6)
Employee termination indemnity and end of service indemnity (F)	(3.1)	(3.2)
Provisions for risks and charges (G)	(8.5)	(8.0)
Net invested capital (H) = (A+D+E+F+G)	663.2	678.4
Shareholders' equity	(334.5)	(347.1)
Consolidated shareholders' equity (I)	(334.5)	(347.1)
Short-term financial indebtedness)/Liquidity	60.5	40.0
(Net medium/long term financial indebtedness)	(389.2)	(371.2)
Net financial indebtedness (L)	(328.7)	(331.3)
Own funds and net financial indebtedness (M) = (I+L)	(663.2)	(678.4)



Q1 2024 Results – Financial Statements

Cash Flow Statement - Q1 2023 – Q1 2024

€m	Q1 2023	Q1 2024
Pre-tax result	3.5	12.5
Amortisation, depreciation and writedowns	10.2	11.0
Capital losses / (capital gains) from sale of assets	0.0	(0.0)
Financial charges / (proceeds)	8.6	0.6
Other non-monetary variations	0.5	1.1
Cash flow generated operations before delta NWC	22.9	25.2
Variation in inventories	(8.8)	(0.1)
Variation in trade receivables	0.1	(8.4)
Variation in trade payables	(12.3)	4.9
Variation in other assets and liabilities	0.1	(1.1)
Risk and Employees funds utilisation	(0.3)	(0.1)
Taxes paid	(1.8)	(4.2)
Net cash flow by operations	(0.2)	16.1
Investments in tangible assets	(6.1)	(7.5)
Investments in intangible assets	(1.6)	(1.9)
Disposal of tangible assets	0.1	0.0
Investment in financial assets	(75.0)	(75.7)
Disinvestment in financial assets	2.3	-
Payment for purchase of businesses, net of cash on hand acquired	(0.0)	0.0
Net cash flow by investment	(80.3)	(85.1)
Opening of long-term financial payables	75.0	0.0
Repayment of long-term financial payables	(21.8)	(23.1)
Repayment of leasing liabilities	(1.7)	(2.2)
Financial charges paid	(3.2)	(2.5)
Financial proceeds collected	0.1	1.0
Treasury shares	-	-
Net cash flow by financial assets	48.4	(26.8)
Total variation in cash on hand	(32.0)	(95.8)
Cash on hand at the start of the year	135.2	191.5
Total variation in cash on hand and conversion differences	(33.0)	(95.2)
Cash on hand at the end of the year	102.1	96.3



Intercompany Loans

Q1 2024 FX gains – detailed calculation

Main USD denominated financial receivables from subsidiaries	FY 2023 EUR m	FY 2023 USD m
GVS NA Holding Inc	136.2	150.5
GVS Technology (Suzhou) Co. Ltd.	36.7	40.5
GVS Filter technology de Mexico	19.7	21.7
Total	192.6	212.7
EUR/USD exchange rate as of 31/12/2023		1.1045
EUR/USD exchange rate as of 31/03/2024		1.0811
Delta (%)		-2.1%
	Q1 2024 EUR m	Q1 2024 USD m
Q1 2024 FX Gains	4.1	4.5



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