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PRESS RELEASE

GVS CONFIRMS ORGANIC REVENUE GROWTH IN THE FIRST HALF 2024 AND REVISES THE FULL YEAR ADJUSTED EBITDA MARGIN GUIDANCE UPWARDS

CONSOLIDATED REVENUES OF 214.8 MILLION EURO, +1.6% AT CONSTANT EXCHANGE RATES COMPARED TO H1 2023

ADJUSTED EBITDA OF 52 MILLION EURO, UP 10.6% YEAR-ON-YEAR

CONSTANT INCREASE IN PROFITABILITY, WITH ADJUSTED EBITDA MARGIN STANDING AT 24.2% IN THE FIRST HALF AND 25% IN THE SECOND QUARTER 2024, COMPARED TO 22.1% AND 22.4% IN THE SAME PERIODS OF 2023

ADJUSTED NET PROFIT¹ OF EURO 22.5 MILLION, UP 12,3% COMPARED TO THE PREVIOUS YEAR

ADJUSTED NET FINANCIAL DEBT OF EURO 241.6 MILLION AND ADJUSTED LEVERAGE RATIO OF 2.42x, IMPROVING VERSUS 2.65x IN DECEMBER 2023

FY 2024 ADJUSTED EBITDA MARGIN EXPECTED TO INCREASE BETWEEN 150 AND 250 BASIS POINTS COMPARED TO 2023 – REVISED UPWARDS COMPARED TO THE PREVIOUS 100-200 BASIS POINTS GUIDANCE

Zola Predosa (BO), 8 August 2024 - The Board of Directors of GVS S.p.A. (the "Company" or the "Group"), a leading provider of advanced filtration solutions for highly critical applications, met today in Zola Predosa (BO) and approved the preliminary H1 2024 results, which have been prepared in accordance with IFRS international accounting standards.

¹ Net of exchange rate gains and losses and related tax impact

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ANALYSIS OF THE GROUP'S ECONOMIC PERFORMANCE

In the first half of 2024, GVS achieved **consolidated revenues of 214.8 million euro**, up 1.6% year-on-year at constant exchange rates and up 0.7% at current exchange rates. The positive performance is highlighted of the Health & Safety division, which recorded an increase in turnover of +9.7% at constant exchange rates and +9.4% at current rates (37.6 million in H1 2024), driven by favourable sector dynamics and the realisation of business synergies with the RPB group.

The Healthcare & Lifesciences division, which accounts for 67.3% of the total, reported revenues of 144.7 million euro, up 1% at constant exchange rates (-0.1% at actual exchange rates) compared to the same period last year, with growth in the Healthcare Air & Gas business (+6.0% at constant exchange rates, +5.5% at actual exchange rates) at 15.5 million euro and a stable performance in the Laboratory business at 16.3 million euro (+0.5% at constant exchange rates and -0.2% at current exchange rates), significantly recovering from the weak Q1 performance. Revenues of the Healthcare Liquid segment were 112.9 million euro, up 0.5% at constant exchange rates (-0.9% at current exchange rates).

The Energy & Mobility division revenues recorded a 4.1% decrease at constant exchange rates (4.6% at current exchange rates) compared to the same period of the previous year, reaching 32.5 million euro and still impacted by client de-stocking, even if with lower intensity compared to FY 2023.

Adjusted EBITDA was equal to 52 million euro, up 10.6% compared to the first six months of 2023, with a margin on revenue of 24.2%, a significant improvement on the margin recorded in the first six months of 2023 of 22.1%. The positive performance is highlighted of the second quarter 2024, which recorded an adjusted EBITDA margin of 25%. The period result is supported by the contribution of the profitability recovery actions implemented by the Group.

Adjusted EBIT with a margin on revenue of 17.5% amounted to 37.7 million euro (+11.6%) compared to 33.8 million euro in the same period of the previous year and is in line with the growth seen at Adjusted EBITDA level.

Adjusted net financial expenses, net of foreign exchange gains of 3 million euro recorded in the first six months of 2024 and exchange losses of 4.6 million euro in 2023, increased in the period under review, from 7.3 million euro for the period ended 30 June 2023 to 7.7 million euro for the period ended 30 June 2024, mainly due to the increase in market interest rates, to which some of the existing loans are linked.

Adjusted net profit, net of foreign exchange gains and losses and the related tax impact, amounted to 22.5 million euro, up 12.3% compared to the previous year.

Adjusted net financial debt at 30 June 2024 was 241.6 million euro. The decrease compared to 31 December 2023, totalling 10.6 million euro, is mainly due to the cash generated from current operations (54.4 million euro) net of the liquidity absorbed by changes in working capital (1.7 million euro) and of the cash used for net investments in tangible and intangible fixed assets for the period

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(totalling 19.2 million euro), net financial expenses (9.4 million euro), tax payments (7.2 million euro) and the signing/renewal of leasing contracts (4.9 million euro).

Adjusted net financial debt is calculated by excluding from financial payables the amount of 77.6 million euro equal to the shareholders' loan received by GVS Group Srl (75 million euro) and relative interest, in line with the provisions of the definition of net financial debt in the loan agreements in place, in relation to the method of calculating financial covenants.

BUSINESS OUTLOOK

GVS continues on its path of improving its economic and financial performance, which began in the fourth quarter of 2022.

The Company recorded revenue growth in the first half of 2024 compared to the first half of 2023 and expects a further recovery in sales volume growth in the second half of 2024. In particular, a high-single digit sales growth is expected in the third quarter of 2024 compared to the third quarter of 2023.

In terms of profitability, as seen in the first half of 2024, GVS will continue its improvement process, thanks to the contribution of measures taken to recover margins.

Following the results achieved in the first six months of 2024, the Company confirms, in respect to turnover and adjusted leverage ratio, the guidance communicated when approving the results for FY 2023, while revises the full year adjusted EBITDA margin guidance upwards, and therefore expects to achieve the following results in FY 2024:

- a low-to-mid single-digit growth in consolidated turnover compared to financial year 2023;
- an increase in the adjusted EBITDA margin of between 150 and 250 basis points compared to 2023, revised upwards compared to the previous 100-200 basis points guidance;
- an adjusted leverage ratio expected to be around 2x as at 31 December 2024.

DECLARATION PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2, T.U.F.

The Manager responsible for preparing the company's financial reports, Emanuele Stanco, declares, pursuant to Article 154-bis, second paragraph of Legislative Decree 58/98, that the accounting information contained in this press release corresponds to the results in the Company's documents, books and accounting records.

The Half-Year Financial Report prepared pursuant to art. 154 - ter of the Testo Unico della Finanza (TUF) will be approved by the Board of Directors of GVS on 10 September 2024 and will be published in compliance with the legal deadlines.

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CONFERENCE CALL

Financial results for H1 2024 will be presented on 8 August 2024 at 16:30 pm CET during a webinar/conference call held by the Group's Senior Management.

The event can be followed in webinar or telephone mode by registering at the link below:

[CLICK HERE TO REGISTER FOR THE CONFERENCE CALL & WEBINAR](#)

The presentation given by the Senior Management will be available before the beginning of the conference call on the authorised storage mechanism eMarket Storage, managed by Teleborsa Srl, as well as on the Company's website www.gvs.com (in the section Investor Relations/Financial Presentations).

This press release is available on the regulated information dissemination system eMarket SDIR, managed by Teleborsa Srl, as well as on the Company's website www.gvs.com (in the Investor/Press releases section).

Contacts

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DISCLAIMER

This press release contains forward-looking statements concerning future events and operating, economic and financial results of GVS. These forecasts have by their very nature a component of risk and uncertainty, as they depend on the occurrence of future events and developments. Actual results may deviate even significantly from those announced in relation to a multitude of external factors not necessarily under GVS's control.

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