



Servizi
Italia

SERVIZI ITALIA S.P.A.

COMPANY PROFILE FOR INVESTORS

MAY 2024

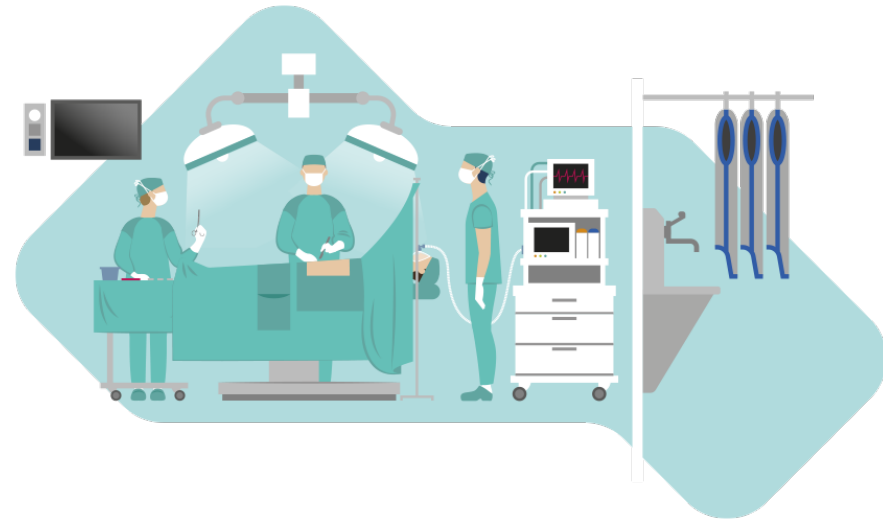
BUSINESS OVERVIEW



WASH-HIRE SERVICES: *we provide the bed linen and we provide the workwear*

Laundry business: supply, rental and washing of textile material in healthcare industry, including **homecare** and health residences.

Minor current presence in other industries (i.e. specific, high-quality service for national and international hotels, restaurants and catering).



STERILIZATION OF TEXTILES: *by sanitizing the textiles we protect people*

Sterilization of textile (mainly Reusable Technical Textile) for O.T. coverings and beds and surgical gowns.

Supply of **procedural kits and surgical drapes.**

Supply of accessory parts made of **disposable material.**



STERILIZATION OF MEDICAL DEVICES: *by sterilizing surgical equipment we reduce infection risks*

Sterilization of surgical instruments and procedural kits and related activities.

Full management of CSSDs for reprocessing and sterilization services for medical devices in O.T.

Validation and systematic control of sterilization processes, equipment calibration and validation.

BUSINESS OVERVIEW

WASH-HIRE
75.4%
217.0 mln Eur

TEXTILE STERILIZATION
6.4%
18.4 mln Eur

MD STERILIZATION
18.2%
52.5 mln Eur

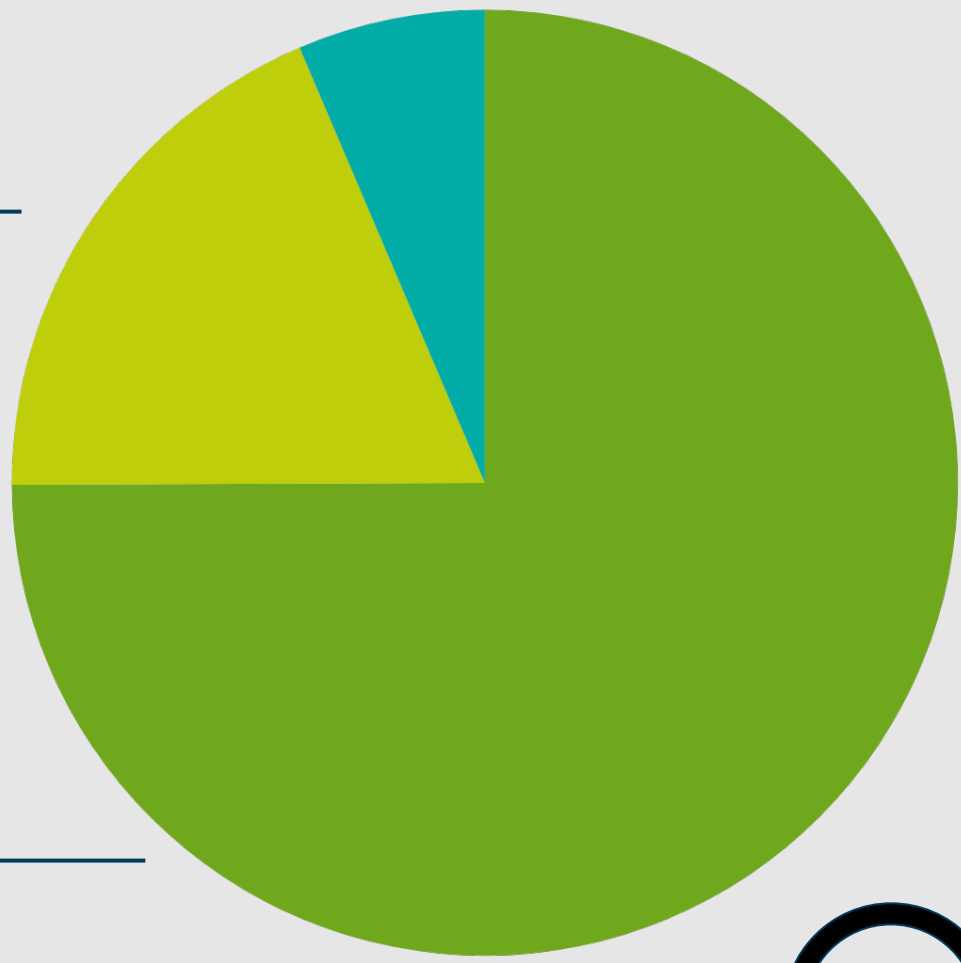


FOCUS ON: 1Q2024 CONSOLIDATED REVENUES

TEXTILE STERILIZATION
6.3%
4.7 mln Eur

MD STERILIZATION
18.7%
13.7 mln Eur

WASH-HIRE
74.9%
55.0 mln Eur



GROUP EVOLUTION



NEW PERSPECTIVES

Start of sterilization activities.
2007: IPO at Milan Stock Exchange.
Presentation to the international financial community.

INTERNATIONAL DEVELOPMENT

2012: During the three-year period, laundry activities started in Brazil, Turkey and India.
At the same time, sterilization activities also started in Albania and Turkey.

HEALTHCARE STRATEGY

Focus on historic business: consolidating the leadership in public and private healthcare sector.

Diversification of services in Brazil: starting of sterilization activities in the State of Sao Paulo

THE EARLY DAYS

1986: Foundation of Servizi Italia, active in laundry sector.

2002: Coopservice acquires 100% of SI share capital.

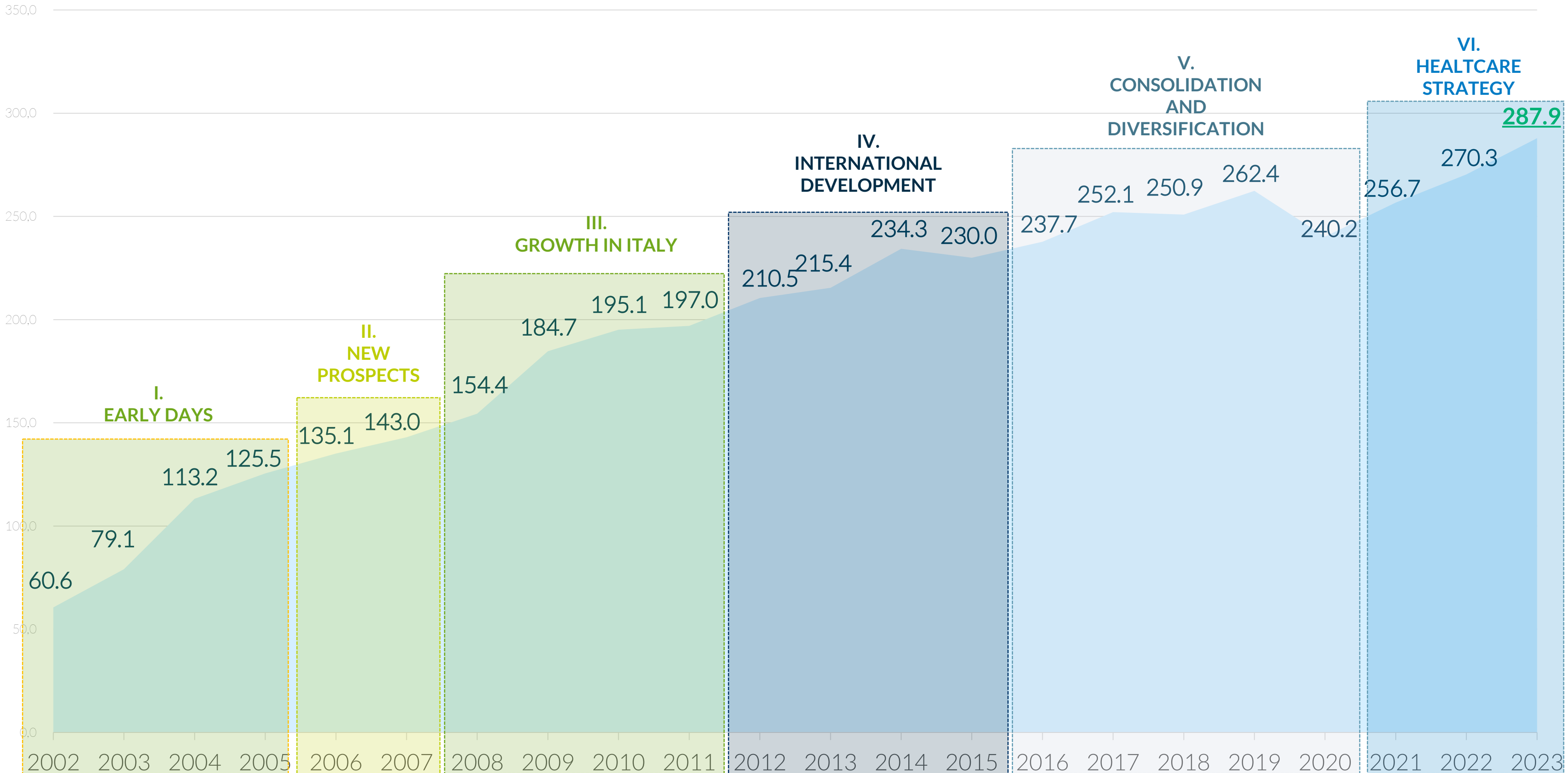
GROWTH IN ITALY

Acquisitions in Italy in laundry industry.
Development of sterilization business.
STAR qualification at Italian Stock Exchange.

CONSOLIDATION AND DIVERSIFICATION

Consolidation of presence in foreign markets with extension of sterilization activities in Brazil and Morocco.
Diversification of business: mainly clinical engineering, homecare and nursing homes laundry services and Hotel&Restaurants laundry services.

DEVELOPMENT PATH



GLOBAL PRESENCE

6 countries

Over 20 laundry plants

Over 50 CSSDs

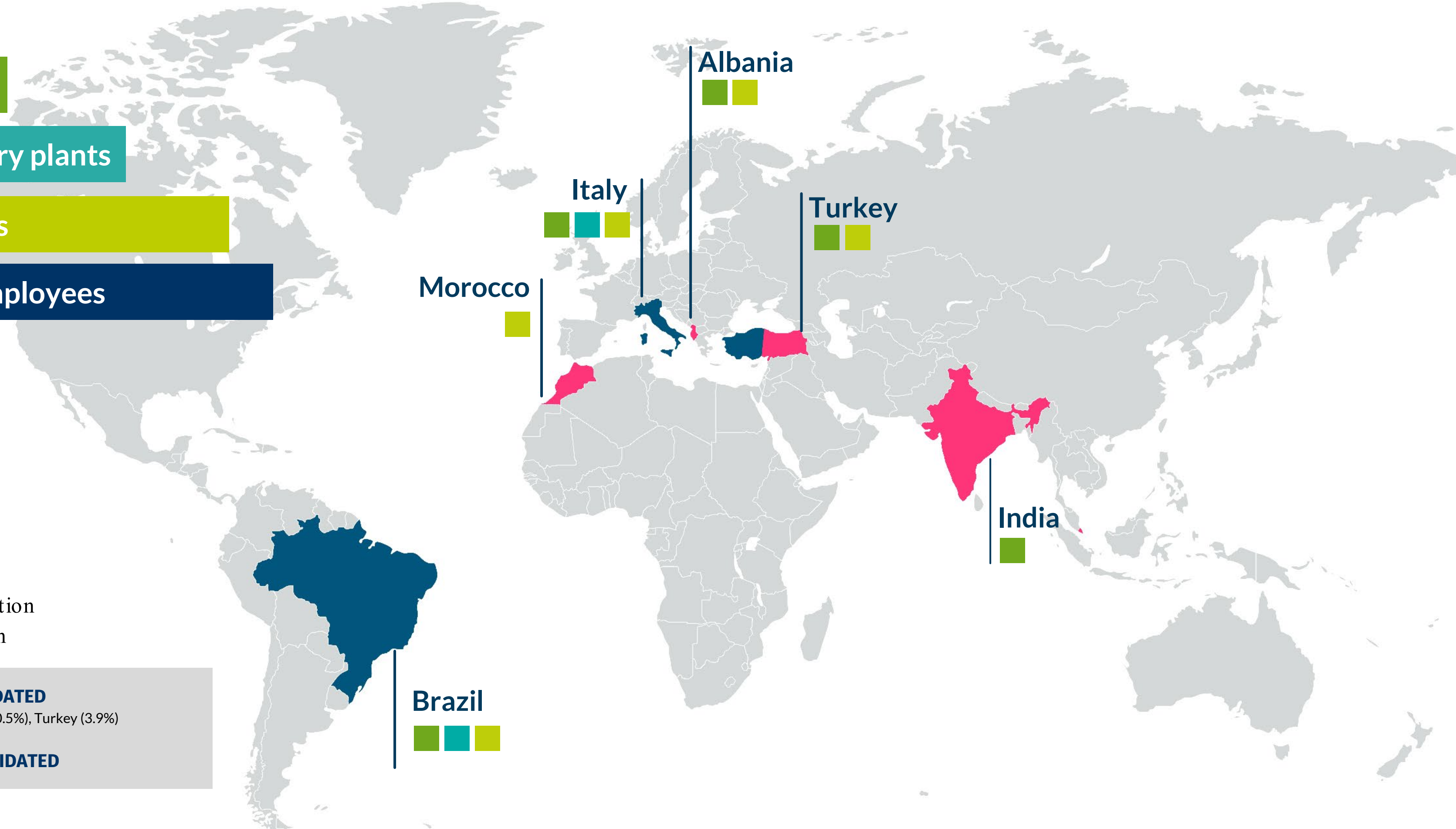
Over 3,600 employees

- Wash-hire
- Textile sterilization
- MD sterilization

FULLY CONSOLIDATED
Italy (85.6%), Brazil (10.5%), Turkey (3.9%)

EQUITY CONSOLIDATED

*2023 Consolidated Revenues



STRENGTHS

1

Essential services

- Our services offered are essential, of first necessity and of public utility.
- A sustainable, crucial service which guarantees continuity even in emergency contexts, focusing on end users.

2

Solutions provider

- Multi-service approach with a wide range of customized services and a wide production network.

3

Value creation

- Optimization of costs and services for specific commercial synergies.
- Future focus on high added-value services.

4

Customer satisfaction

- Rationalization and control of costs, as well social sustainability.

5

Investment capacity

- High barriers on entry due to know-how and investments needed.
- Possibility and interest in establishing long-term relationships and projects.

6

Long term contracts

- 4-year average for wash-hire contracts (volume based or fixed monthly fee)
- 6-year average for MD sterilization (volume based or fixed monthly fee)



BUSINESS GROWTH STRATEGY



E Environment

- Reduction of energy consumption and emissions
- Increase of production and purchase of energy from renewable sources
- Solutions for reducing water withdrawals
- Transition to a circular economy

S Social

- Focus on work-life balance for employees
- Employees training and skills enhancement
- Gender equality
- New Diversity, Equity, Inclusion activities

G Governance

- Integrity and Ethics
- Prevention of corruption
- Diversity policy for BoD and strategic holdings

ITALY



12 laundry plants

25 CSSDs

Revenues of Euro 248.9 mln*

Market overview**

- Italian Wash-hire Healthcare market turnover: Euro 761 mln (2024P)
 - **Highest International quality standards**
 - SI's customers are main Public hospitals and Healthcare Institutions
- **Outsourcing rate is high in laundry market but still low in sterilization of surgical instruments**
- **Undisputed market leader** in all the segments
- **Well positioned** in the areas of the Country
- Servizi Italia manages **more than 80,000 hospitalizations/day** and about **580,000 interventions/year**
- **Full range of services** and customizations
- Constant search and identification of **growing and diversification strategies** in order to keep and to improve margins

Servizi Italia's healthcare market share in Italy

26.6%



21.5%



50.4%



29.1%

Total



Goals

- **LEADERSHIP CONSOLIDATION**
- **SUSTAINABLE GROWTH**
- **COSTS AND CAPEX OPTIMIZATION**
- **MARGINS INCREASE**
- **SERVICE DIVERSIFICATION**

BRAZIL



Market
overview

- Wash-hire potential market is estimated in **Reais 840 mln**
 - **Over 700,000 Kg/day** of potential linen only in Sao Paulo
 - **~1,000 healthcare facilities** totaling over 92,500 beds
- **New potential outsourcing:** only 45% of wash-hire is currently outsourced and no sterilization service provider is present with an external central of sterilization

- **Significant player:** second player in Sao Paulo and second in Brazil
- Recognized in the market as **high quality provider**
- Well positioned in both **private and public** areas
- Leader in identifying **new solutions** for the clients
- **Deep market knowledge** acquired trough the years
- **Rental model** improved successfully



Goals

- **MARKET CONSOLIDATION IN SÃO PAULO**
- **START OF STERILIZATION BUSINESS**
- **ORGANIZATION AND MANAGEMENT EFFICIENCIES**
- **IDENTIFY FURTHER M&A DEVELOPMENT**

3 laundry plants

Fully consolidated

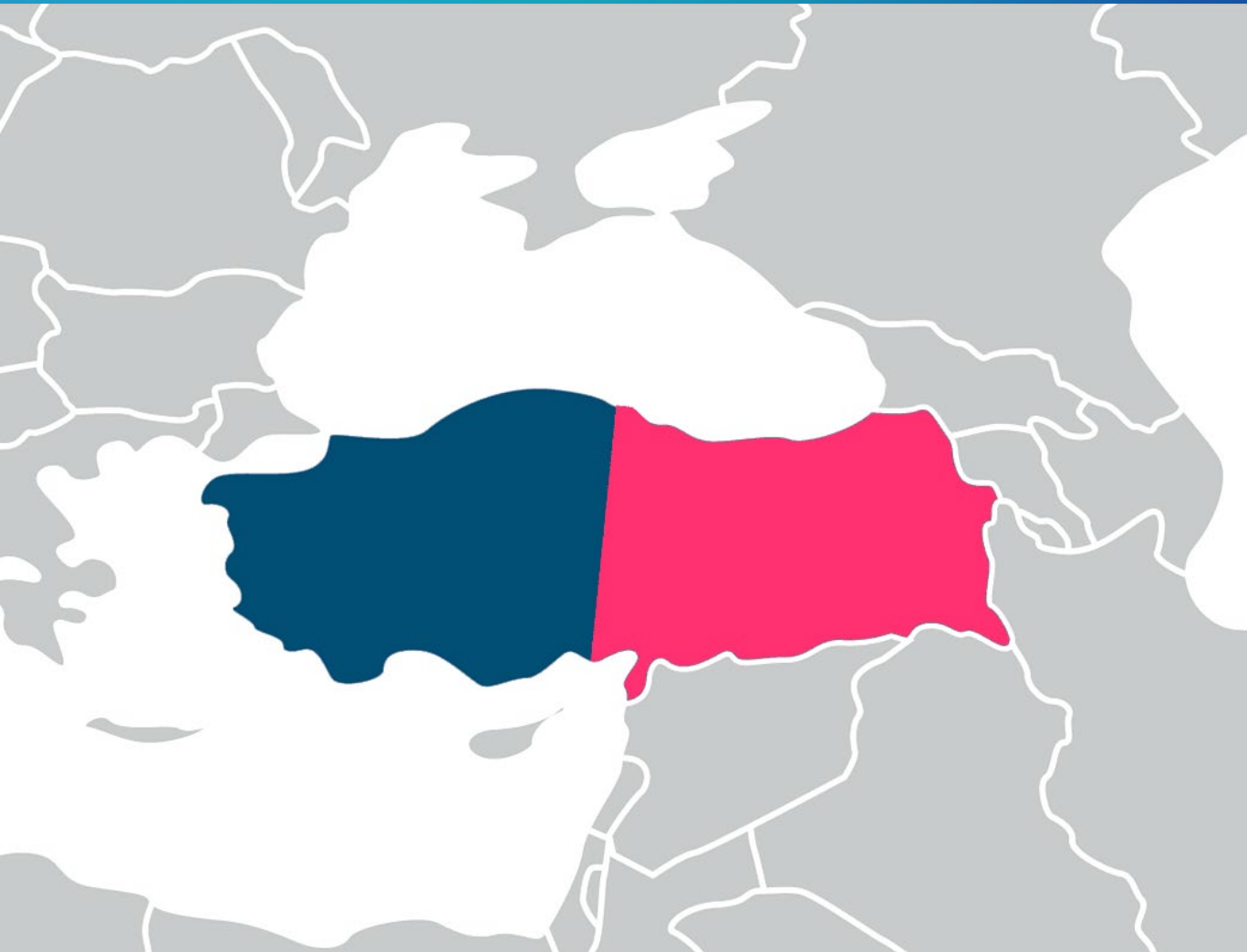
Revenues of Euro 32.3 mln*

1 CSSD



*2023 consolidated revenues equal to 163.8 mln BRL.

TURKEY



Market overview

- About 6,000,000 surgical intervention/year
 - Construction of new PPP hospitals, increasing the nr of beds up to about 290,000 over the next few years
 - ~1,455 healthcare facilities totaling over 245,000 beds
- Low outsourcing rate in both laundry and sterilization businesses

- **Main player** of both laundry (Ankateks/Ergulteks) and sterilization (SAS) markets
- Recognized by the market as **high quality provider**
- **Achieved multiple high-complexity PPP contracts**, requiring International standards and with long term duration
- **Good margins and volumes market**



Goals

- **GROWTH IN THE WHOLE COUNTRY**
- **ACHIEVEMENT OF NEW PPPs**
- **BE THE REFERENCE SERVICE PROVIDER**
- **IMPROVE LOCAL STANDARDS**
- **MANAGEMENT EFFICIENCY**

5 laundry plants

8 CSSDs

Laundry Fully consolidated

Sterilization Equity consolidated

Revenues of Euro 11.0 mln*



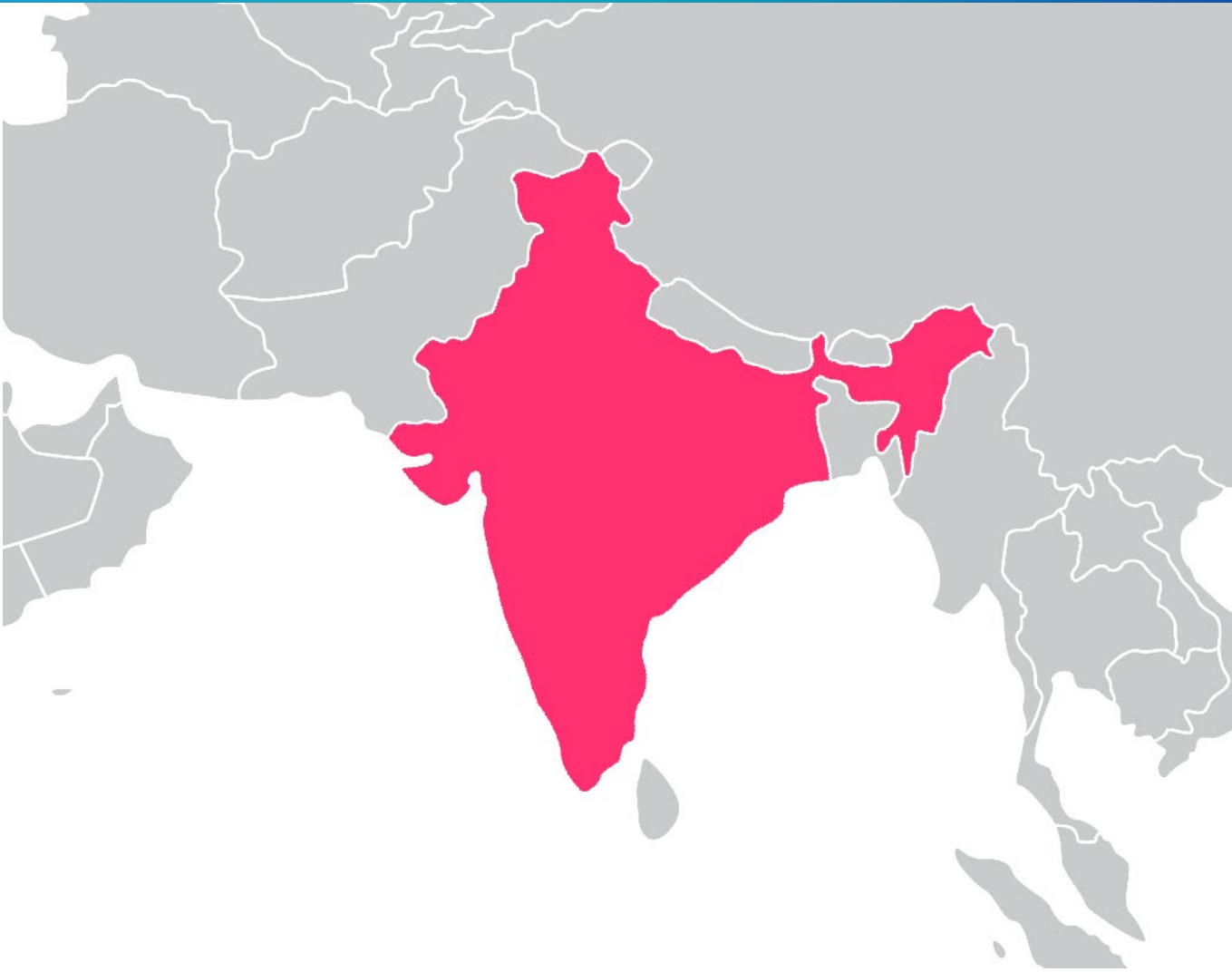
Laundry business



Sterilization business

*Sum of (i) 2023 consolidated revenues of Ankateks (laundry) equal to 7.0 mln EUR or 229.6 mln TRY (included in SI consolidated revenues) and (ii) 100% of 2023 revenues of SAS (sterilization) equal to 4.0 mln EUR or 129.6 mln TRY (not included in consolidated revenues of SI group).

INDIA



Market
overview

- The Indian market has started to **outsource wash-hire activities**
 - **About 90,000 beds only in Delhi NCR**, totaling about kg 200,000,000 of linen
 - **Over 195,000 healthcare facilities throughout India**
- **Low outsourcing rate**

- Business developed greenfield and first volumes started in Oct-2015
- **Main player** in healthcare laundry business in India
- **Technologically advanced** laundry plant (Delhi area)
- Recognized by the market as **high quality provider**
- **Volumes steadily increasing**
- **High capacity plant** (45 tons/day, not fully reached)

1 laundry plant

Equity consolidated

Revenues of Euro 4.0 mln*



SHUBHRAM



Goals

- **FULLY USE EXISTING PLANT CAPACITY**
- **INCREASE LOCAL QUALITY STANDARDS**
- **INCREASE OF AVERAGE PRICES**
- **CONTRACTS WITH FLAGSHIP HOSPITALS**

*100% of 2023 revenues of Shubhram (not included in consolidated revenues of SI group). Revenues equal to 362.2 mln INR.

ALBANIA



Market overview

- Total value of contract awarded include **all public and private hospitals of Albania**
- More than **60,000 surgical intervention/year**

- **Unique player** in healthcare sterilization business
- Recognized by the market as **high quality provider**
- **Good margins and volumes** market
- Laundry market still fragmented

1 laundry plant

20 CSSDs and sub-CSSDs

Equity consolidated

Revenues of Euro 13.6 mln*



Goals

- **COMPLETE THE DEVELOPMENT OF STERILIZATION ACTIVITIES**
- **IMPROVEMENT OF THE STANDARDS**



*Sum of 100% 2023 SaniService revenues (not included in consolidated revenues of SI group). Equal to 1,485 mln ALL.

CONSOLIDATED ECONOMIC RESULTS

| Servizi Italia P&L Consolidated ('000 Euro) | FY 2022 | FY 2023 | 1Q 2023 | 1Q 2024 |
|--|---------|---------|---------|---------|
| Revenues | 270.313 | 287.915 | 72.555 | 73.408 |
| Var. % | | 6,5% | | 1,2% |
| EBITDA | 59.687 | 71.400 | 18.015 | 18.972 |
| % | 22,1% | 24,8% | 24,8% | 25,8% |
| EBIT | 2.928 | 15.000 | 3.605 | 5.012 |
| % | 1,1% | 5,2% | 5,0% | 6,8% |
| Net income | 3.429 | 5.331 | 2.311 | 2.412 |
| % | 1,3% | 1,9% | 3,2% | 3,3% |

ECONOMIC AND FINANCIAL HIGHLIGHTS:

+ A significant **growth** in terms of revenues in 2023 (+8,1% organic compared to FY2022) supported both by **robust growth in wash-hire in Italy (+4.9%)** and by a **rapid recovery deriving from the price adjustment in the Turkey area (+67.7% at constant exchange rates)**. The Italy area as well benefits from the excellent performance in terms of revenues for the growth related to the inflation adjustments accrued and subscribed in the course of 2022 and in 2023.

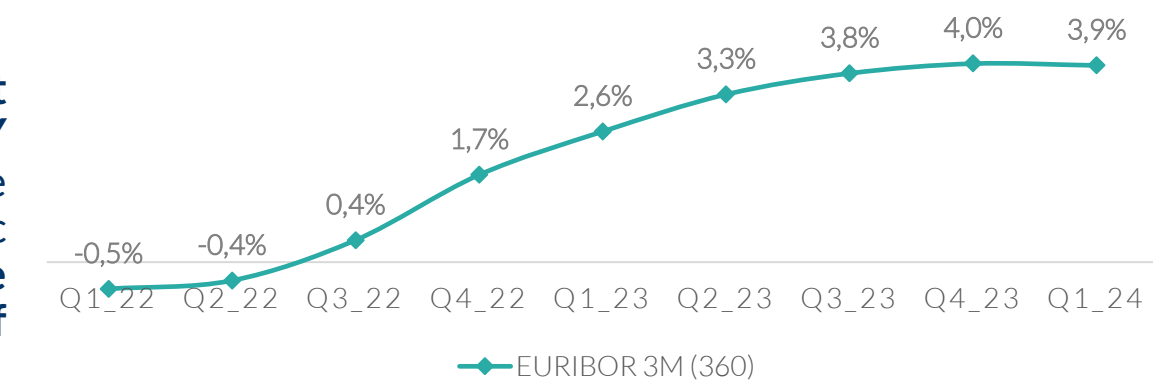
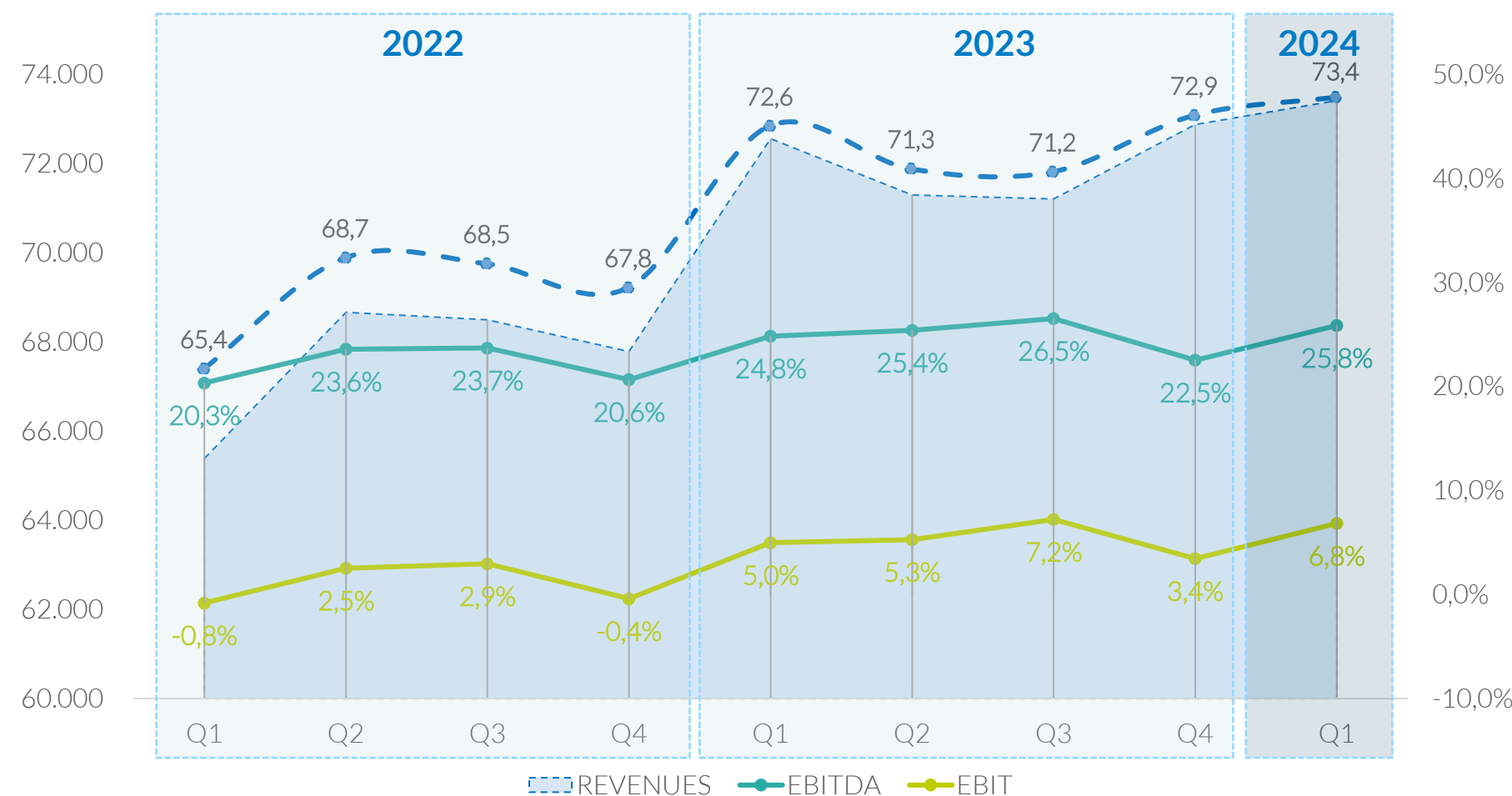
+ **Surgical instruments sterilization** registered a significant increase for 9,6% YoY mainly due to higher operating activities recorded in the period in the Italy area and to the inflation adjustments accrued and subscribed in the course of 2022 and in 2023.

+ **Improved Net financial position YoY for Eur 2,3 mln** despite the tough energetic price context and the **continue increasing of interest rates**.

+ EBITDA margin (24.8%) and EBIT margin (5.2%) **record great performance in FY2023 and in Q1 2024 respectively 25,8% and 6,8%**.

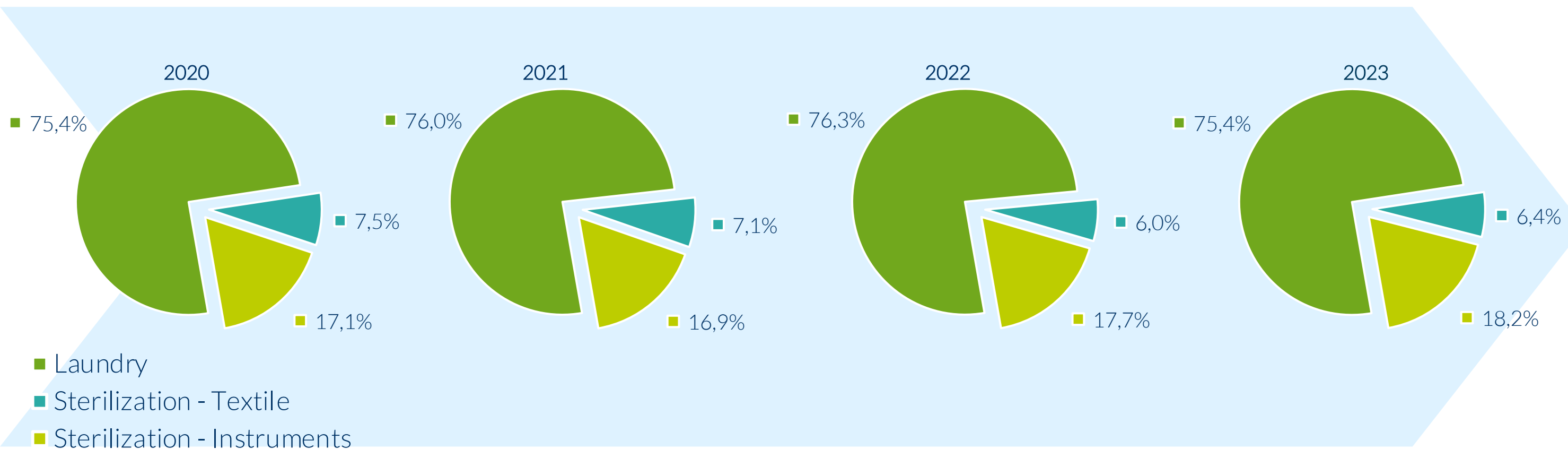
- Brazil suffered for the increase of energy and **wood prices**. **Start-up phase** of new clients in wash-hire and **start-up costs** for the new sterilizations business

- Turkey it's been impacted during 2022 by a huge increase of the inflation (**Hyperinflated economy**). We suffered the not aligned recovery of revenues trough the period compared to the fast increase of the costs of raw material and energy.

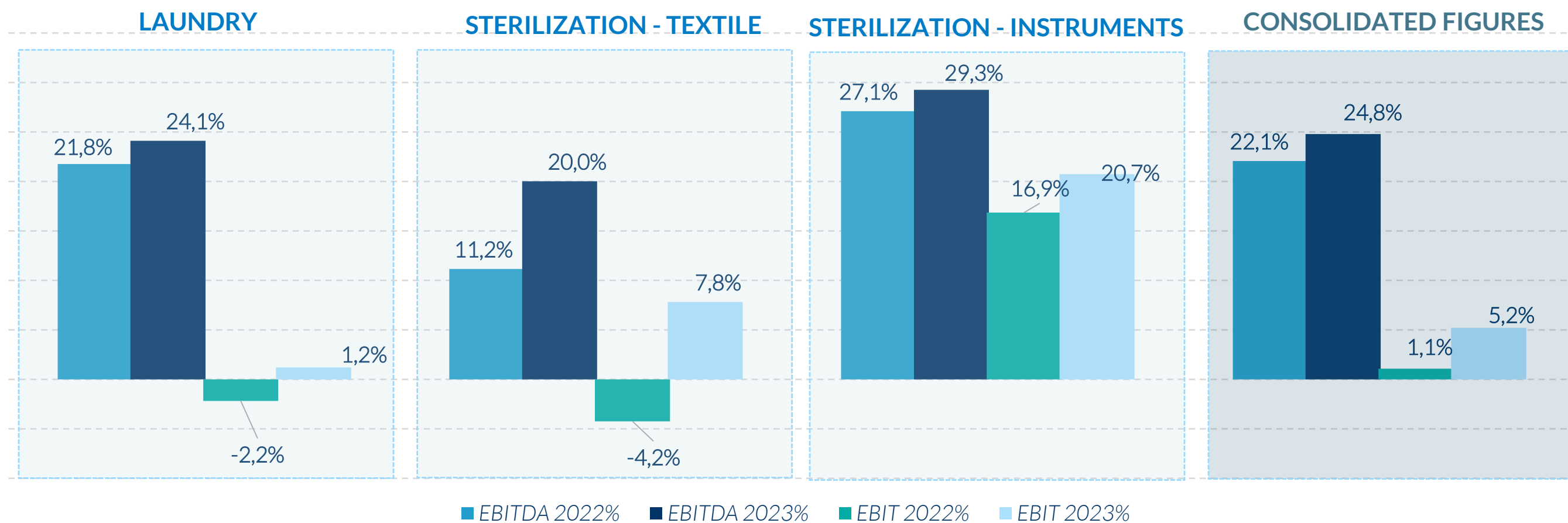


ECONOMIC RESULTS – Sector breakdown

SALES BREAKDOWN PER BUSINESS LINE



PROFITABILITY PER BUSINESS LINE (2023-2022)



Surgical instr. sterilization was growing faster than laundry. Good signs from Steril C

In emerging markets, laundry is still a growing business, with very interesting margins

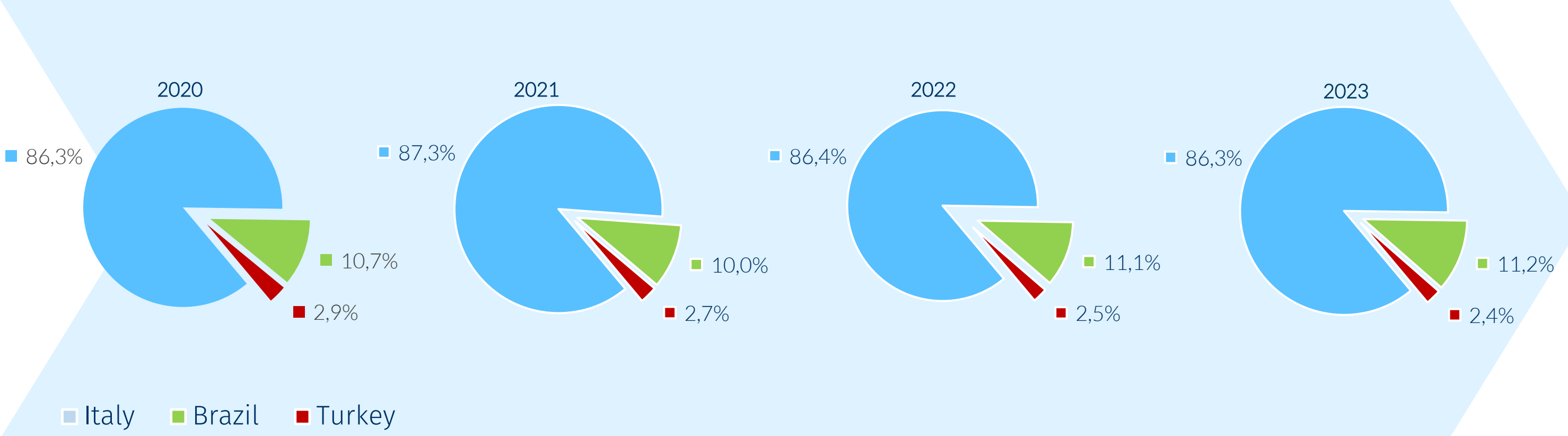
Higher margins of sterilization businesses vs Laundry

2023 shows a growth in profitability due to decrease of energetic prices and a good performance in the operation.

Future results are expected to be supported by abroad laundry businesses and service diversification and develop of sterilization in Italy

ECONOMIC RESULTS – Geographic breakdown

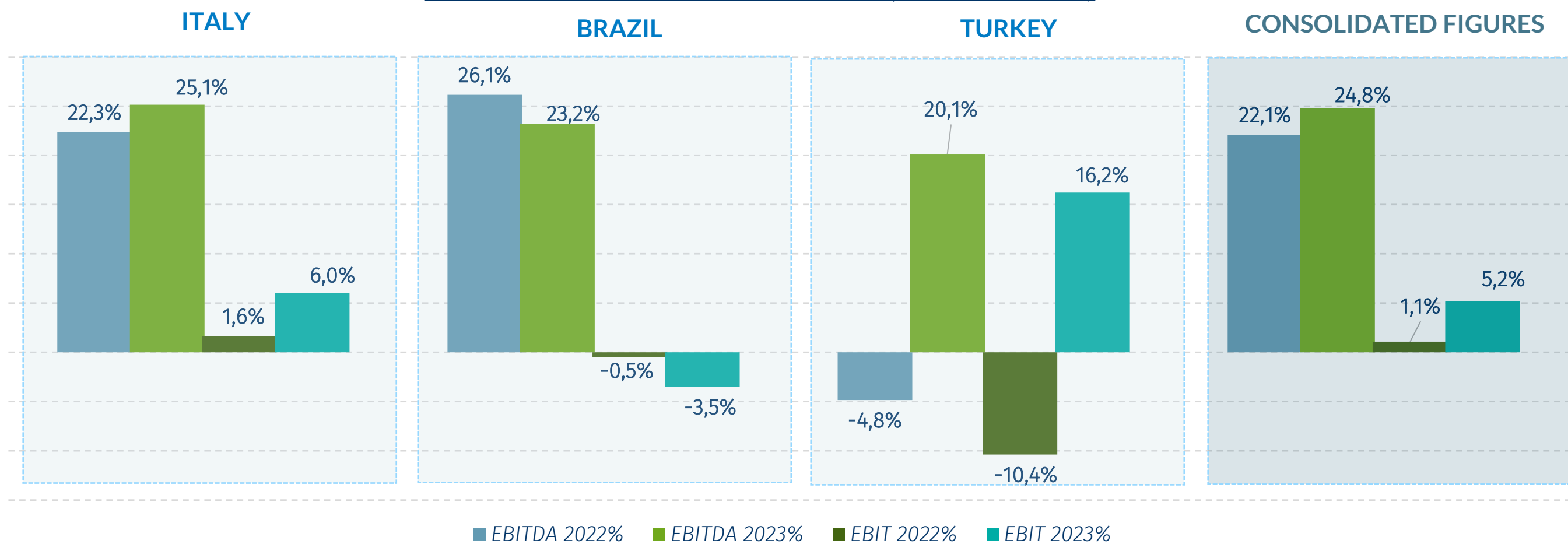
SALES BREAKDOWN PER AREA



Servizi Italia aims at increasing market share in the country manned

Brazilian area is in a changing phase while Turkish market is recovering from the Hyperinflation context.

PROFITABILITY PER AREA (2023-2022)



Equity consolidated businesses are not included in these results

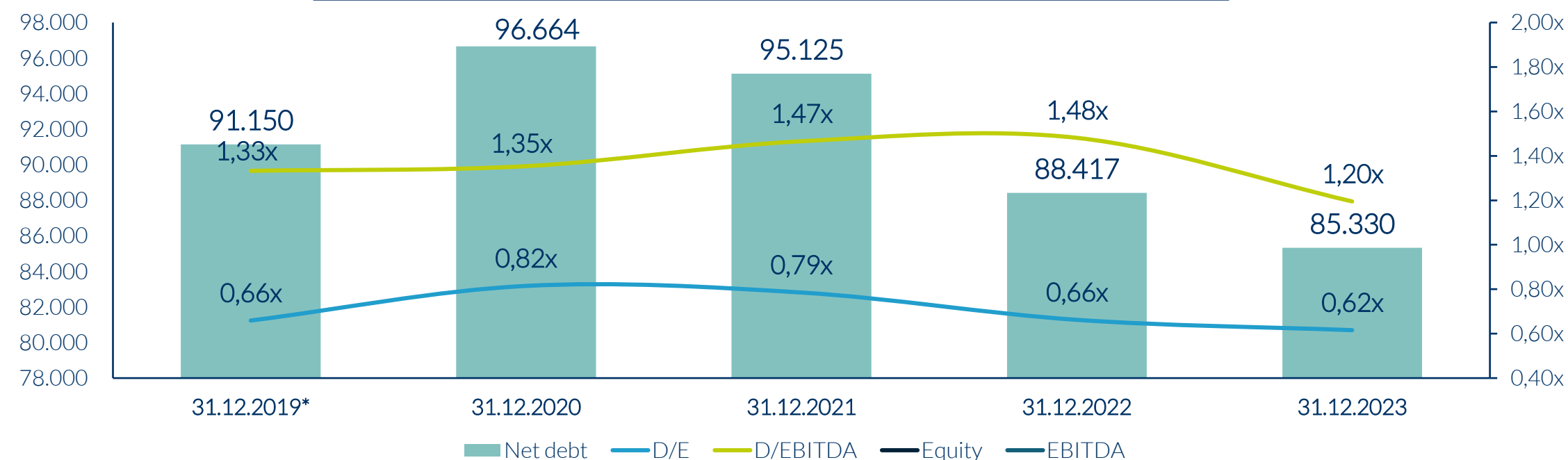
Expect to continue the margins increase in Turkey and the recovery in Brazil due through the diversification

CONSOLIDATED FINANCIAL RESULTS

| Balance Sheet ('000 Euro)* | 31.12.2019 | 31.12.2020 | 31.12.2021 | 31.12.2022 | 31.12.2023 |
|---|----------------|----------------|----------------|----------------|----------------|
| Operating Net Working Capital | 6.644 | -5.964 | -2.138 | -9.006 | -3.246 |
| Other net current assets (liabilities) | -18.852 | -11.446 | -12.247 | -7.264 | -11.195 |
| Net Working Capital | -12.208 | -17.410 | -14.385 | -16.269 | -14.441 |
| Fixed assets - Medium/long term provis. | 277.873 | 265.603 | 261.201 | 268.743 | 269.683 |
| <i>'- of which IFRS16</i> | <i>35.783</i> | <i>31.717</i> | <i>28.759</i> | <i>28.210</i> | <i>28.246</i> |
| Invested Capital | 265.665 | 248.193 | 246.816 | 252.474 | 255.243 |
| Shareholders' Equity (B) | 138.257 | 118.586 | 121.119 | 133.474 | 138.542 |
| Net financial debt (A) | 127.408 | 129.607 | 125.697 | 118.999 | 116.700 |
| <i>'- of which IFRS16</i> | <i>36.258</i> | <i>32.943</i> | <i>30.572</i> | <i>30.582</i> | <i>31.370</i> |
| Invested Capital | 265.665 | 248.193 | 246.816 | 252.474 | 255.243 |
| <i>Gearing (A/A+B)</i> | <i>0,48x</i> | <i>0,52x</i> | <i>0,51x</i> | <i>0,47x</i> | <i>0,46x</i> |
| <i>Gearing (A/A+B) - Excl. IFRS16</i> | <i>0,40x</i> | <i>0,45x</i> | <i>0,44x</i> | <i>0,40x</i> | <i>0,38x</i> |
| <i>D/E (A/B)</i> | <i>0,92x</i> | <i>1,09x</i> | <i>1,04x</i> | <i>0,89x</i> | <i>0,84x</i> |
| <i>Debt/E (A/B) - Excl. IFRS16</i> | <i>0,66x</i> | <i>0,82x</i> | <i>0,79x</i> | <i>0,66x</i> | <i>0,62x</i> |

*Starting from 1.1.2019, IFRS16 accounting principle was adopted.

NET DEBT HISTORICAL TREND PROFORMA*



Operational investments and acquisitions of Servizi Italia are conducted with specific focus on keeping a balanced and healthy debt structure.

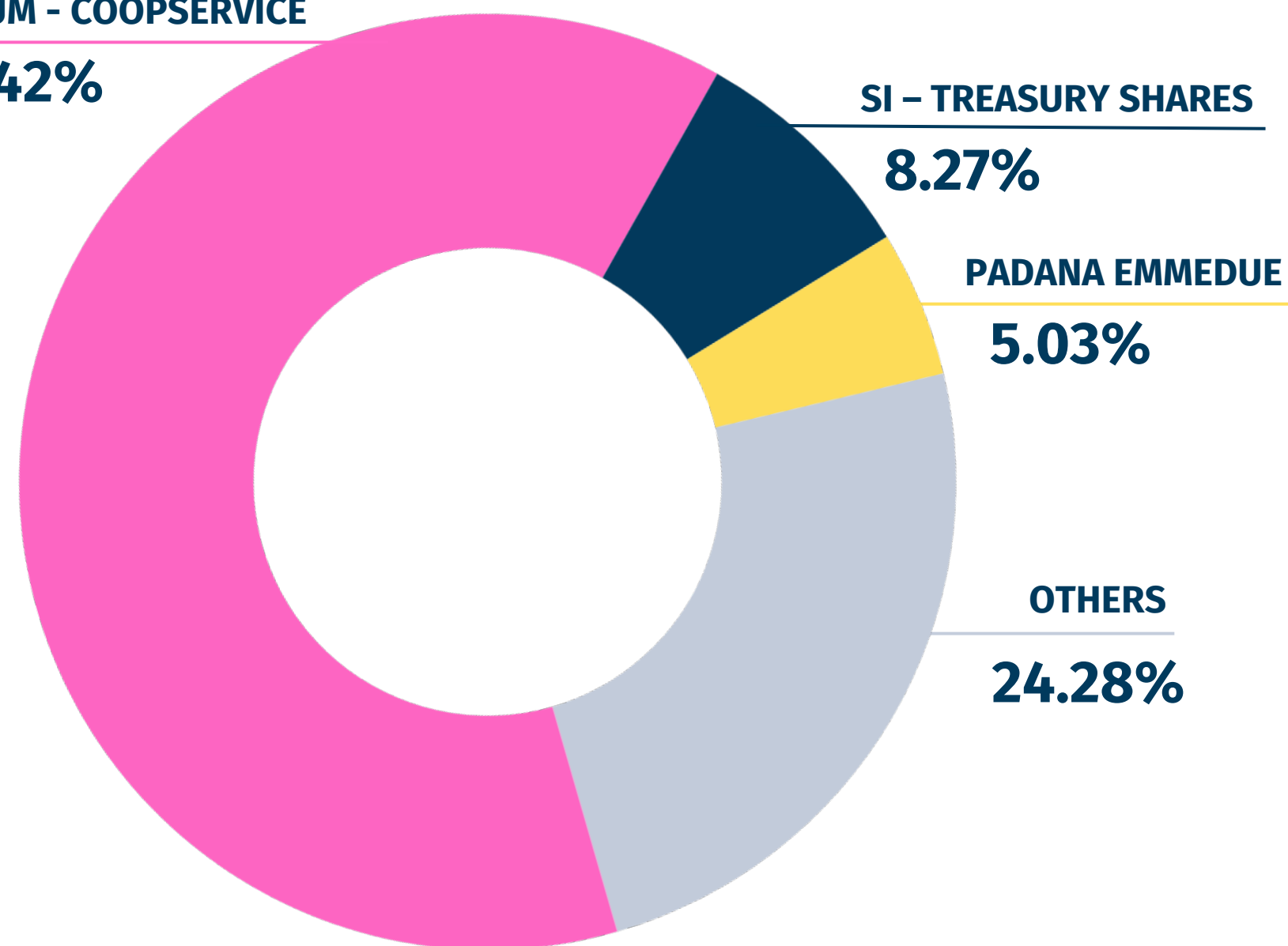
*Net debt proforma without IFRS16 effect (started from 01.01.2019)

STOCK EXCHANGE – Main details

SHAREHOLDING STRUCTURE AS AT 17 MAY 2024

AURUM - COOPSERVICE

62.42%

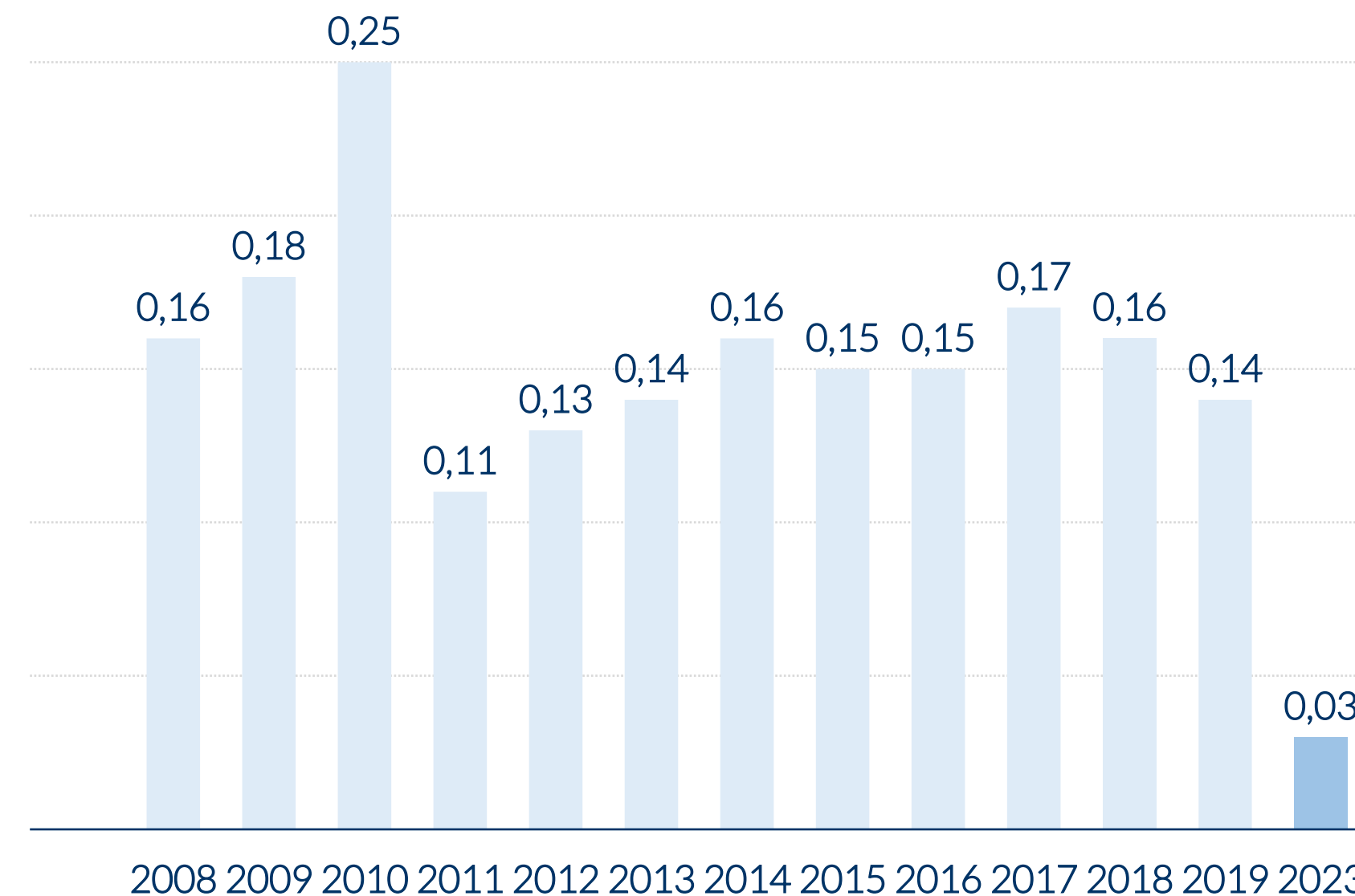


Details on shares as at 15/05/2024

| | |
|------------------------|--------|
| Share Capital ('000) | 31,809 |
| Share Price (Euro) | 1.855 |
| Market Cap ('000 Euro) | 59,005 |

ANALYST COVERAGE

| | Reccomend. | TP (Euro) | Date |
|-----------------|------------|-----------|------------|
| Intermonte SIM | Outperform | 2.45 | 17/05/2024 |
| MidCap Partners | Buy | 2.10 | 16/05/2024 |



The Shareholders' meeting proposed to **disburse a dividend** of Euro 0,03 per share for the fiscal year closed as at 31 December 2023.

DISCLAIMER

This presentation has been drafted by Servizi Italia S.p.A. ("**Servizi Italia**" or the "**Company**") and must be read in conjunction with its oral presentation.

The information contained in this presentation does not purport to be comprehensive. Neither Servizi Italia S.p.A. nor any of its officers, employees, advisers or agents accepts any responsibility for/or makes any representation or warranty, express or implied, as to the truthfulness, accuracy or completeness of the information contained in this presentation or any other information relating to Servizi Italia S.p.A., its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, transmitted or otherwise made available.

The information contained in this presentation must be treated as highly confidential and cannot be distributed without the expressed written consent of Servizi Italia S.p.A.

This document is confidential and is being provided to you solely for your information and may not be reproduced, further distributed to any other person or published, in whole or in part, for any purpose. Neither this document nor any part or copy of it may be taken or transmitted into the United States (US) or distributed, directly or indirectly, in the US or to any "US person", as that term is defined in the US Securities Act of 1933, as amended (the "Securities Act"). Neither this document nor any part or copy of it may be taken or transmitted into Australia, Canada or Japan or to any resident thereof, or distributed directly or indirectly in Australia, Canada or Japan or to any resident thereof. Any failure to comply with this restriction may constitute a violation of US, Australian, Canadian or Japanese securities laws. The distribution of this document in other jurisdictions may be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This document does not constitute or form part of any offer to sell or issue or invitation to purchase or subscribe for, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision.

No reliance may be placed for any purposes whatsoever on the information or opinions contained in this document or any other material discussed at the presentation, or on its completeness, accuracy or fairness.

The information in this document and any other material discussed at the presentation are provided as at the date of this presentation and is subject to completion and change without notice.

By attending the presentation, you agree to be bound by the foregoing terms and any provided personal details will be treated according to terms and conditions indicated in the Potential Investors Privacy Policy available on Company's website, Privacy section.



Fully paid-up share capital: Euro 31,809,451
Founded: 1986
Tax ID Number and Parma Business Registry Code: 08531760158
Market: Euronext STAR Milan | Sector: Industrial
ISIN code for ordinary shares: IT 0003814537
Reuters: SRI.MI --- Bloomberg: SRI IM
Specialist: Intermonte SIM

Investor Relations Manager: Pietro Giliotti
Email: investor@si-servizitalia.com
www.servizitaliagroup.com | ir.servizitaliagroup.com