



# GVS SPA

22.03.2022

# Agenda

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1

**YTD Dec 2021 Outlook**

2

**Company Presentation**

**Appendix: Additional Materials**

# YTD Dec 2021 GVS Performance Highlights

**Sales: 338 M€ +9% on 2020, adjusted by the disposable mask contribution due to Covid 19 in 2021 and 2020**

- Q4 2021 stronger than Q3 and in line with expectations with the only exception of the E&M trend which reflect the production difficulties of GVS's customers with some postponement of POs already in the book.
- H&S come back over 20M€ in the last quarter thanks to the RPB contribution.

**Adjusted EBITDA: 108 M€, 32% of Adjusted EBITDA Margin**

- 4Q 2021 Adj EBITDA Margin at 27,4%, coming back to a positive trend due to the partial recovery of the industrial structure efficiency, but penalized from the slow down of the E&M division.

**NFP: 107 M€ of Net Financial Position.**

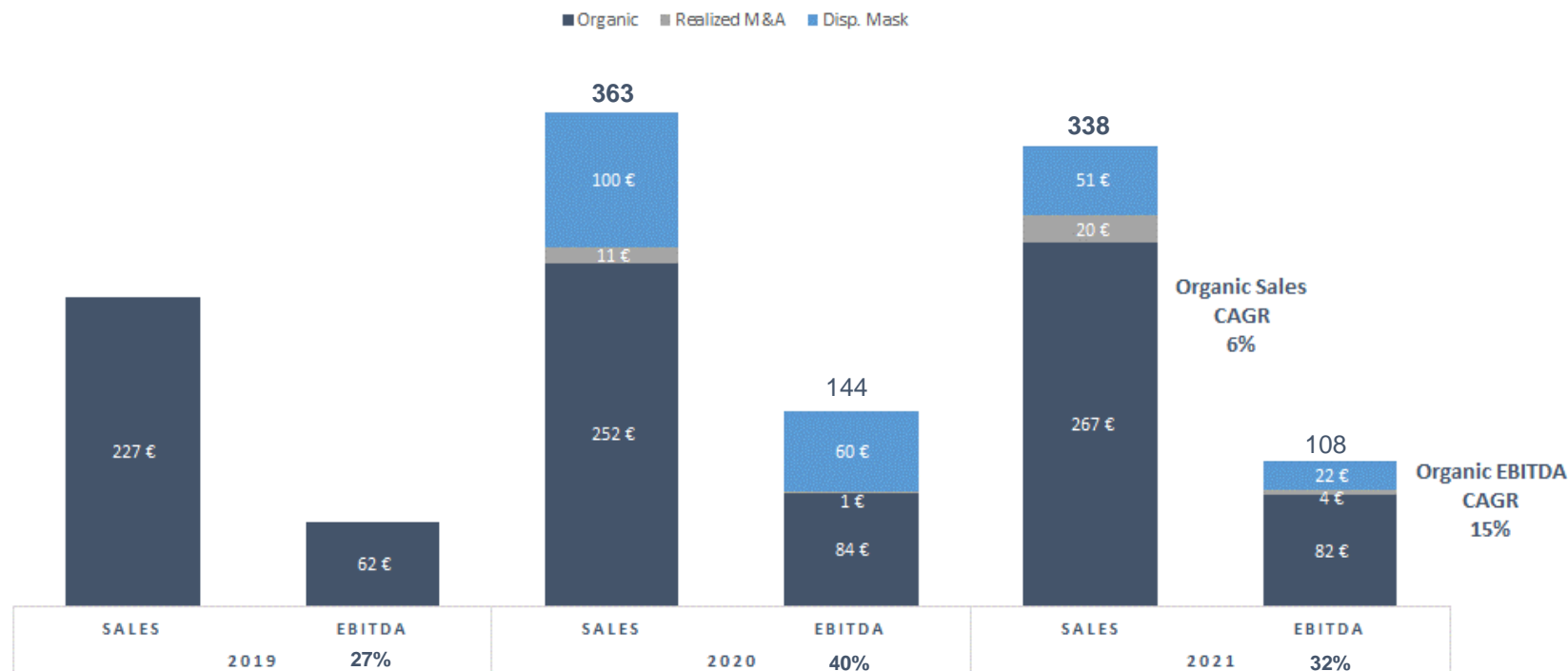
- 92 M€ of net operative cash generation.
- RPB Acquisition in August 2021 for 148 M€ (129,2 cash + 18,9 of definitive earn out).
- Right of Use about 11 M€.

**Leverage KPI: Debt/Equity 0,4 e NFP/EBITDA 1 (Just four months of RPB)**

- The two key financial KPI are solid and coherent with expectations.

# YTD Dec 2021 Adj Sales – net of Disposable Mask contribution

## EXTRAORDINARY IMPACT DISPOSABLE MASKS E M&A 2021 VS 2019



- +12% Sales CAGR 2019-2021, excluding the disposable masks turnover from the total to neutralize the Covid 19 impact, half part is organic and half part is due to the realized M&A addition in the last two years.
- +18% Adjusted EBITDA CAGR 2019-2021, excluding the disposable mask profit and the over-absorption of fixed costs in the last two years, +15% of organic EBITDA growth due to the low level of contribution of Puerto Rico acquisition in 2020 and the 4 months of RPB acquisition in 2021.
- Disposable mask will remain as normal business in the GVS portfolio, but with a level of consumption and values no more linked with the Covid19 pandemia.

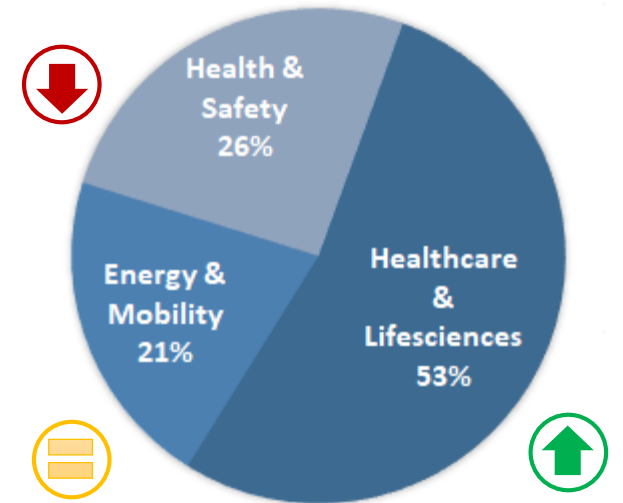
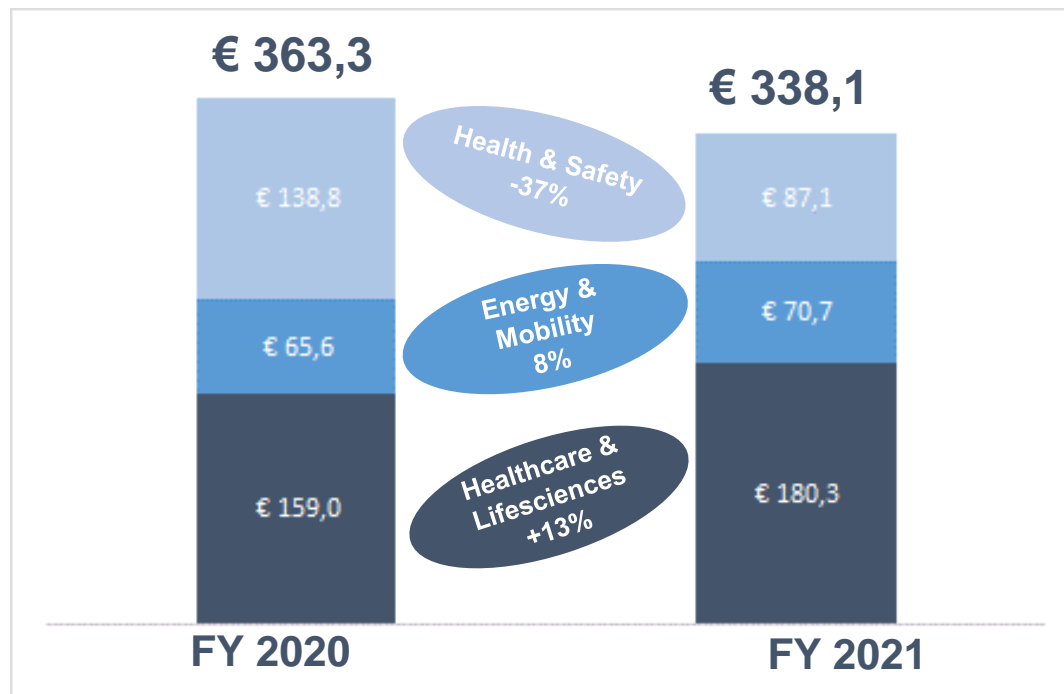
# YTD Dec 2021 Evolution of Sales

**TOTAL SALES YTD Dec 2021: 338,1 M€ -7% vs 2020**

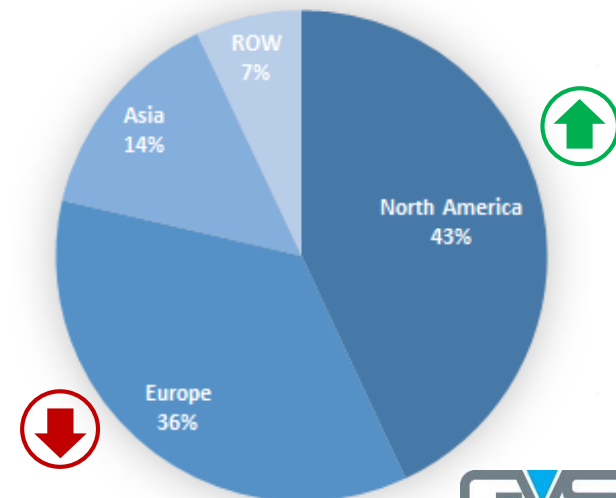
The Healthcare & Lifesciences division confirms the positive trend of growth compared with the previous year.

The Energy & Mobility division slowed down at the end of the year due to the supply chain difficulties in the market, but keeping a positive growth on a Full Year consideration.

The Health & Safety division reflects the transition in a post Covid 19 scenario and the addition of RPB drives to a positive trend in the last quarter: adjusted Q4 2021 sales, excluding the contribution from disposable mask, are 86% higher than the average of the last seven quarters.

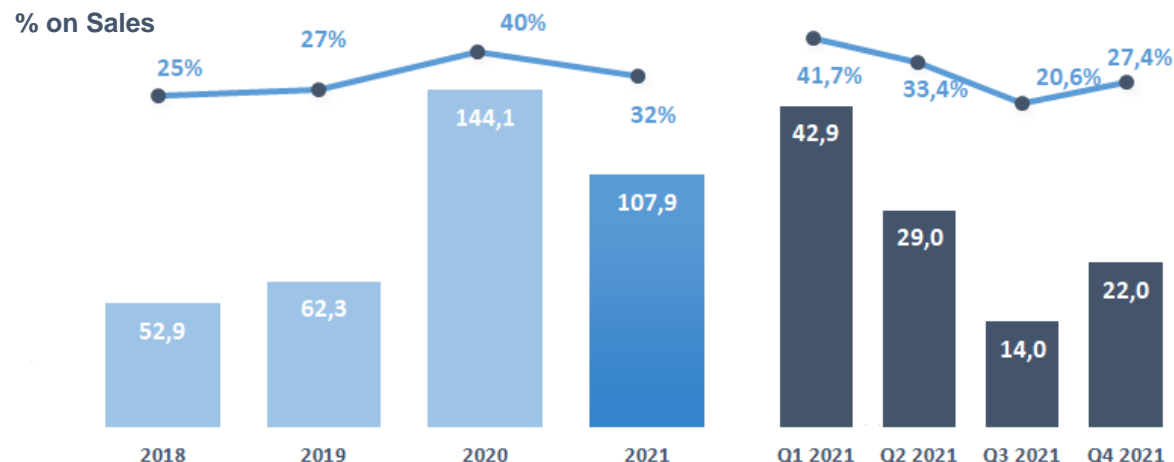


YTD Dec 2021

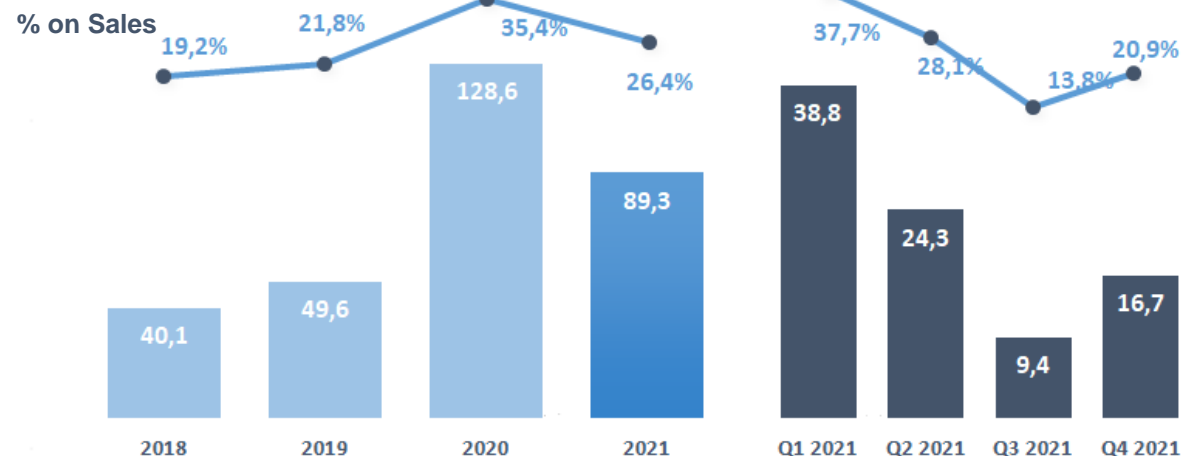


# Key Financial Highlights — EBITDA and EBIT

## ADJUSTED EBITDA<sup>1</sup> (€M)



## ADJUSTED EBIT<sup>2</sup> (€M)



**Note:** margins calculated on revenues from contracts with customers excluding other income. Please refer to Appendix for further details on adjustments

1. Adjusted for non recurring costs / income;

2. Adjusted for non recurring costs / income and PPA related amortization.

## KEY COMMENTS

### Adjusted EBITDA:

- FY 2021 adjusted EBITDA reduced vs the FY 2020, due to:
  - the reduction of disposable masks in the mix of product sold;
  - the increase of finish products inventories, with av. cost valorization;
  - The increase of the commercial structure cost and the delay in the direct people cost absorption linked to the disposable mask production.
- The quarterly EBITDA trend reflects the progressive reduction of disposable mask sales in Q1 and Q2 and the start of the industrial cost reduction and the contribution of the new RPB acquisition in Q4.
- Adjustment for a residual cost for the IPO, the expenses related to the RPB acquisition and the GVS China sale of the building facility due to the moving in the new location (Government Agreement) plus accruals for UK and China relocation.

### Adjusted EBIT:

- EBIT has been adjusted for PPA related amortization, increased by the RPB addition, other than non-recurring income and costs already adjusted in the EBITDA.
- FY 2021 adjusted EBIT margin at 26,4% vs 35,4% in FY 2020.

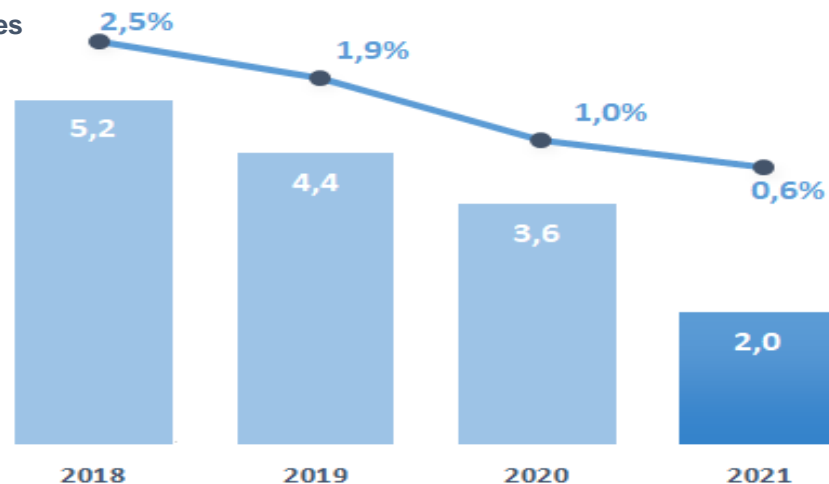
**Q4 trend in the right direction for both EBITDA and EBIT margin.**



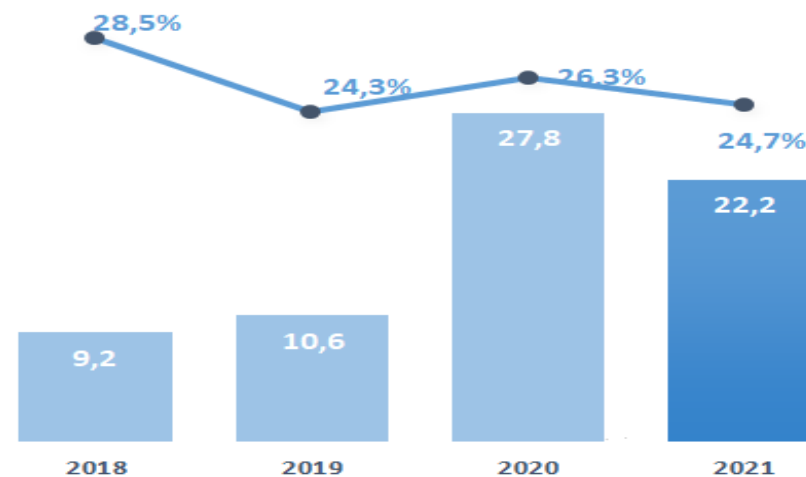
# Key Financial Highlights — Net Income, Fin. Exp. & Taxes

## NET FINANCIAL EXPENSES EXCL. FX GAINS/LOSSES (€M)

% on Sales

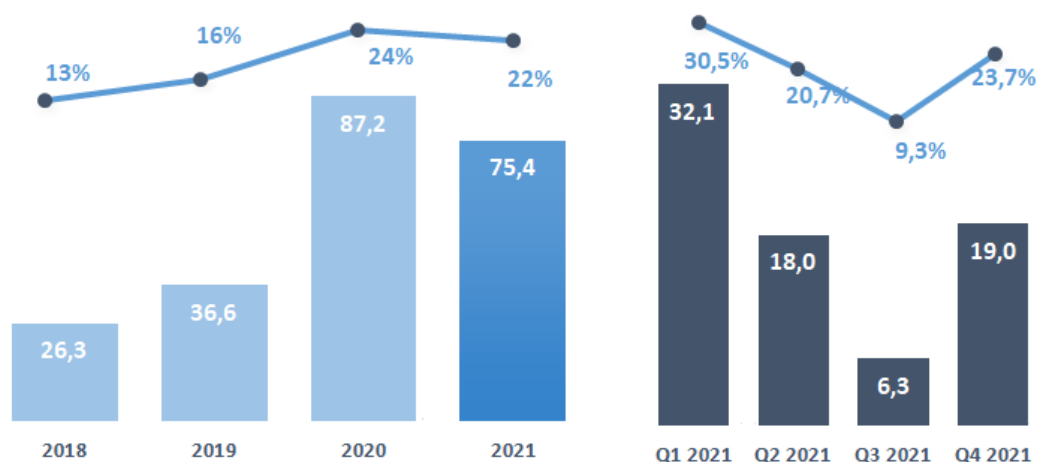


## TAXES (€M)



## ADJUSTED GROUP NET INCOME<sup>1</sup> (€M)

% on Sales



## KEY COMMENTS

- Net Financial expenses at 2 M€ in 2021 registering a strong reduction compared to 2020, even considering the new Debt related to the RPB acquisition, due to the progressive reduction of the average financial cost.
- The tax rate (calculated as percentage of EBT) shows a trend of reduction vs 2020 absorbing all the risk accruals considered at the end of the year.
- FY 2021 Adjusted Group Net Income margin at 22% vs 24% of 2020.
- Q4 reflects a strong level of adjusted net profit, well comparable with Q2 result, essentially due to exchange rate difference in the P&L.

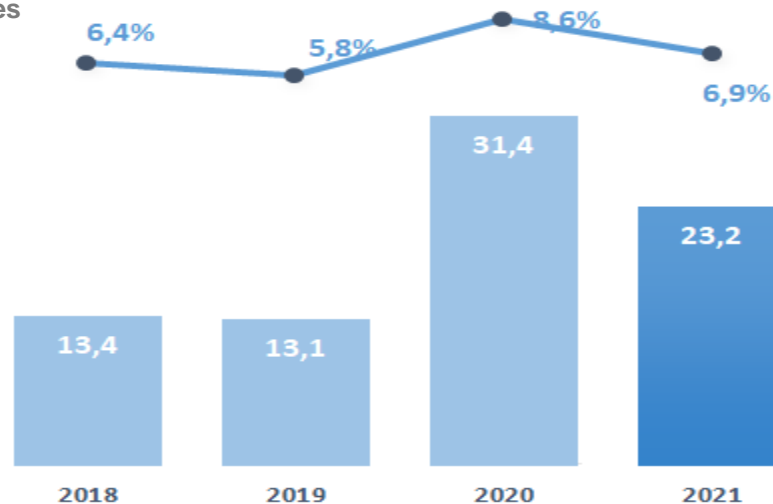
**Note:** margins calculated on revenues from contracts with customers excluding other income. Please refer to Appendix for further details on adjustments

1. Adjusted for non-recurring costs / income and relative fiscal impact, PPA related amortization and related fiscal impact and alignment of tax rates due to fiscal reforms.

# Key Financial Highlights — CapEx, TWC and R&D

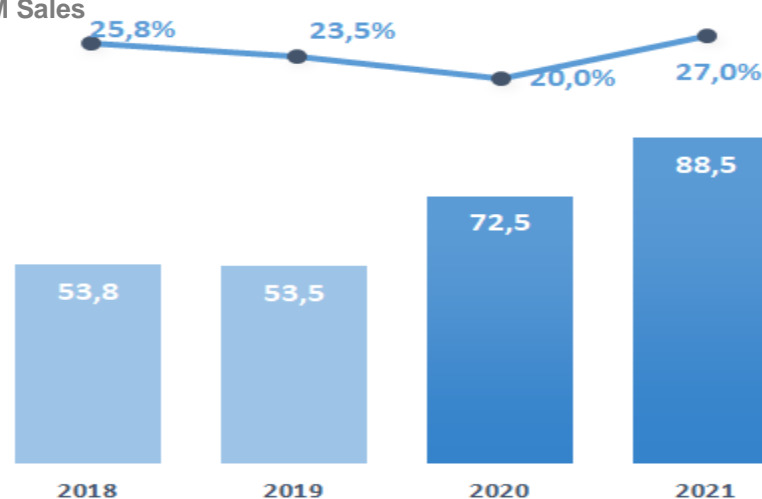
## CAPEX<sup>1</sup> (€M)

% on Sales



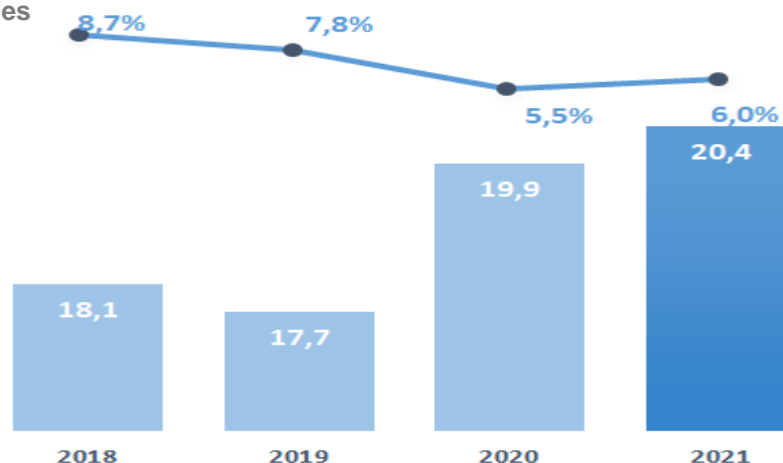
## TRADE WORKING CAPITAL (€M)

% on LTM Sales



## R&D<sup>2</sup> (€M)

% on Sales



## KEY COMMENTS

- About 23 M€ as Capex, net of extraordinary activities, related to the new production lines and maintenance, with a trend in line with the normal ongoing activity of the Group and expectations (about 6/7% of turnover).
- TWC is increasing in value on year end 2020, also considering it net of the last acquisition contribution (about 13 M€), with a consequent increase of the incidence on LTM sales due to the Q3 slow down and the inventory management strategy to face the supply chain risks arise in the second half of 2021.
- R&D expenses are increasing YoY about 3% quite stable in terms of incidence on turnover.

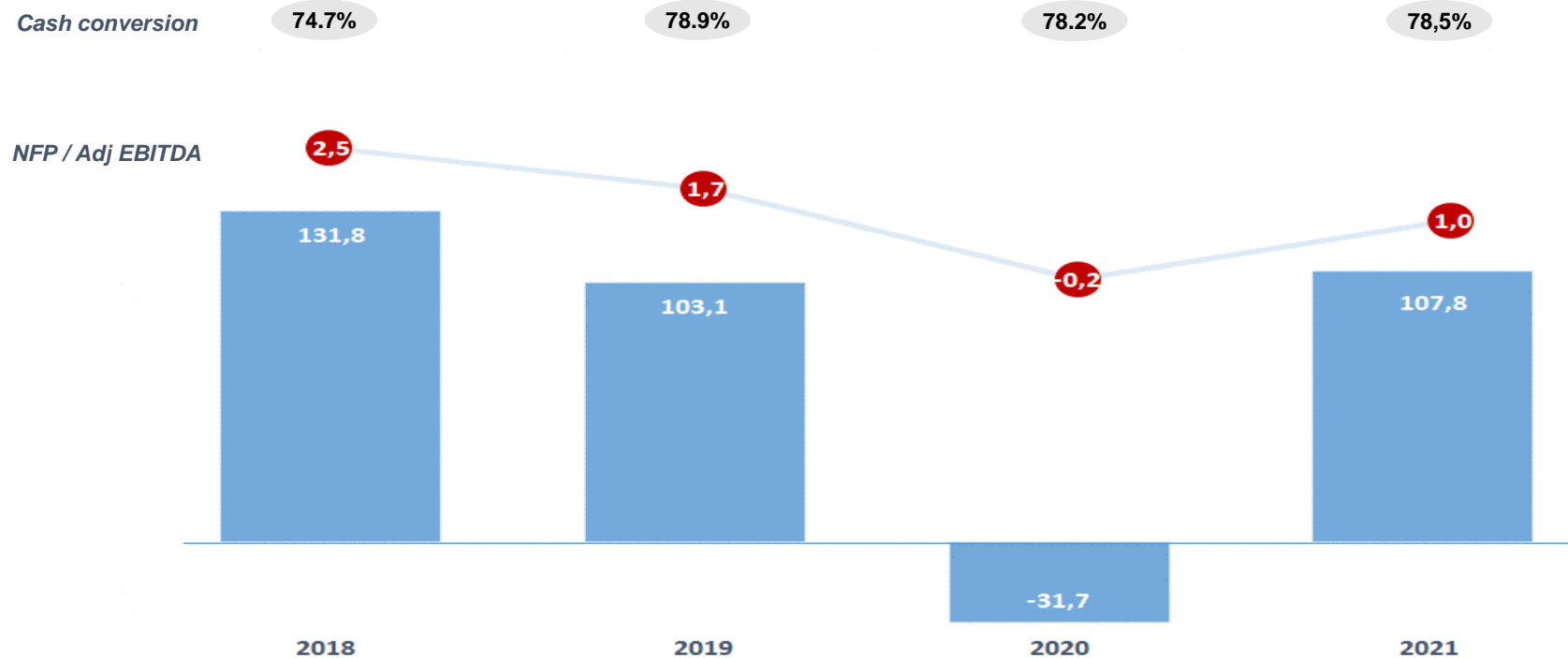
Note: Capex and R&D % of revenues calculated on revenues from contracts with customers excluding other income

1. Exclude investments in financial assets and M&A; 2 Includes R&D expenses included in income statement and capitalized costs



# Key Financial Highlights — Net Financial Position

## NET FIN. INDEBTEDNESS (€M) AND CASH CONVERSION<sup>1</sup>



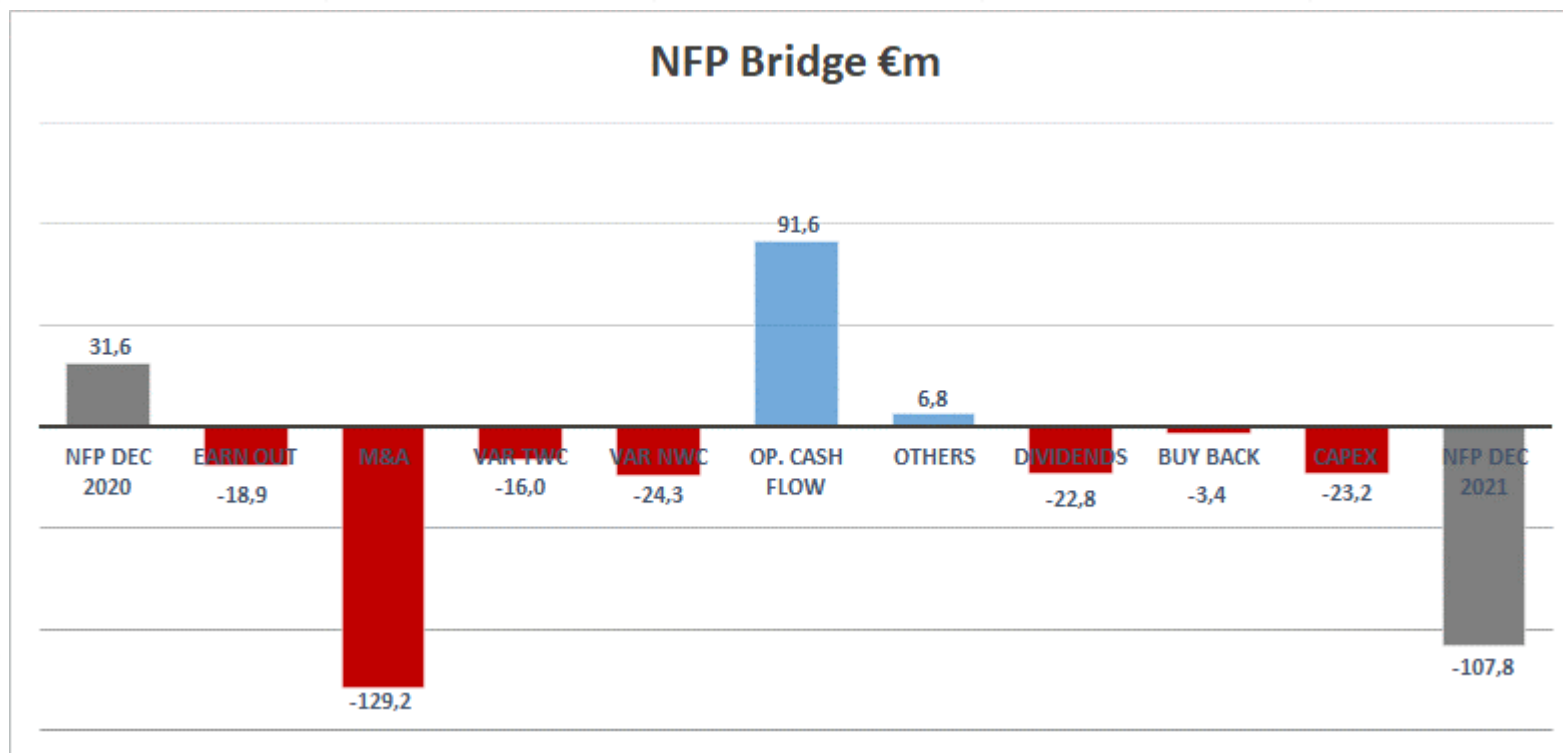
## KEY COMMENTS

NFP increased up to 107,8M€ due to the last RPB acquisition Leverage on 1x level  
Final Cash Conversion confirmed the 78% result of the last three years.

1. Cash conversion calculates as (Adjusted EBITDA- Ordinary Capex)/Adjusted EBITDA). Capex exclude M&A investments.

# Key Financial Highlights — Net Financial Position

## NET FIN. INDEBTEDNESS (€M) BRIDGE 2021 VS 2020



## KEY COMMENTS

NFP has increased due to the last RPB acquisition up to 107,8M€:

- RPB Acquisition **129,2M€** cash + **18,9 M€** as definitive earn-out.
- Operative Cash flow generation about **92 M€** in the period with higher absorption from NWC for taxes and short term inventories policies (net of the RPB impact).
- About **26 M€** of Equity cash out due to the dividends and buyback payments

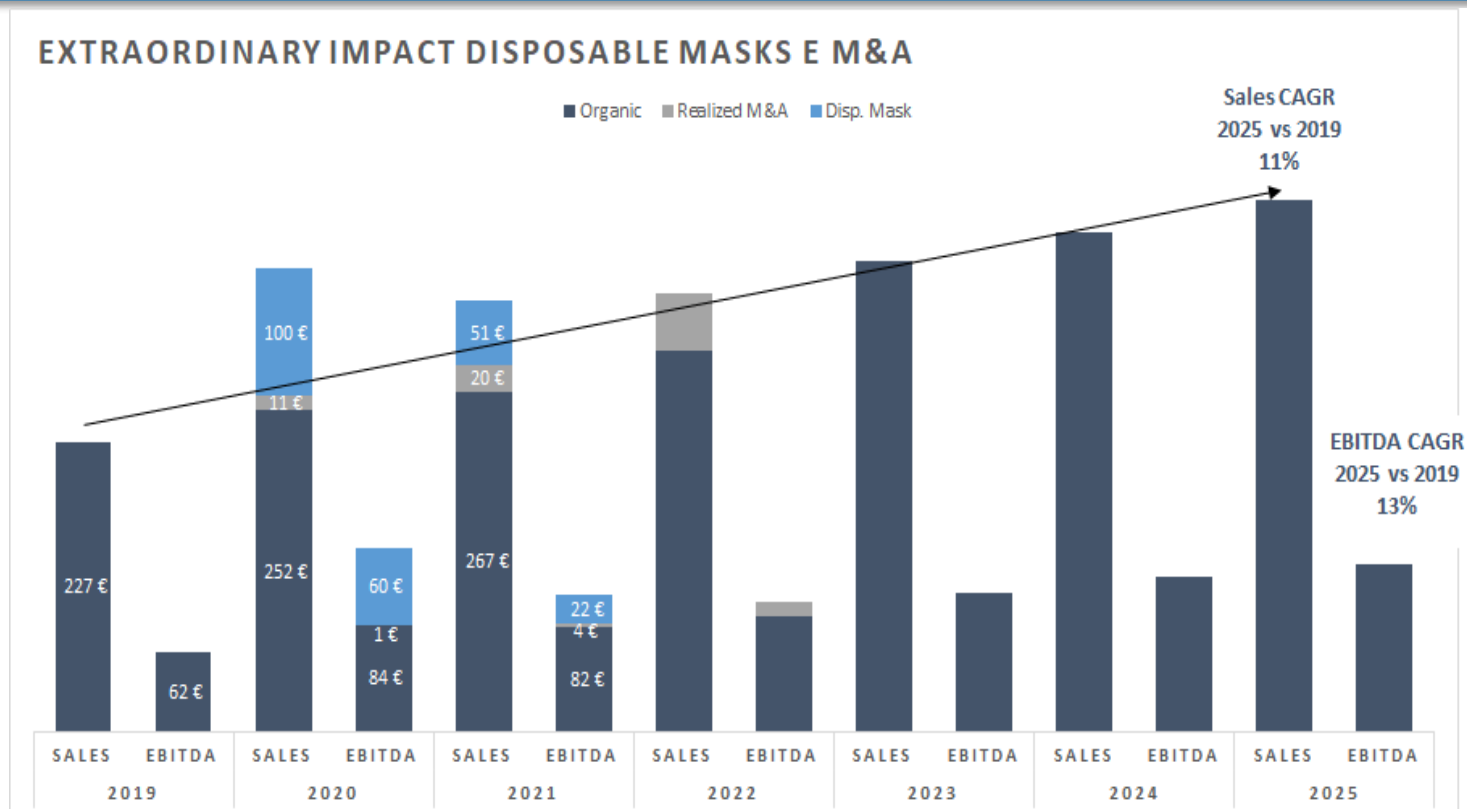
1. Cash conversion calculates as (Adjusted EBITDA- Ordinary Capex)/Adjusted EBITDA). Capex exclude M&A investments.

# VISIBILITY ON FUTURE PERFORMANCE

GVS will keep the focus on the operations and M&A activities.

The stand alone forecasts will confirm the historical trend of organic growth expected at ~ +11% up to 2025 (vs a +7% market average) with an higher trend in terms of EBITDA margin due continuous cost improvement and synergies from M&A.

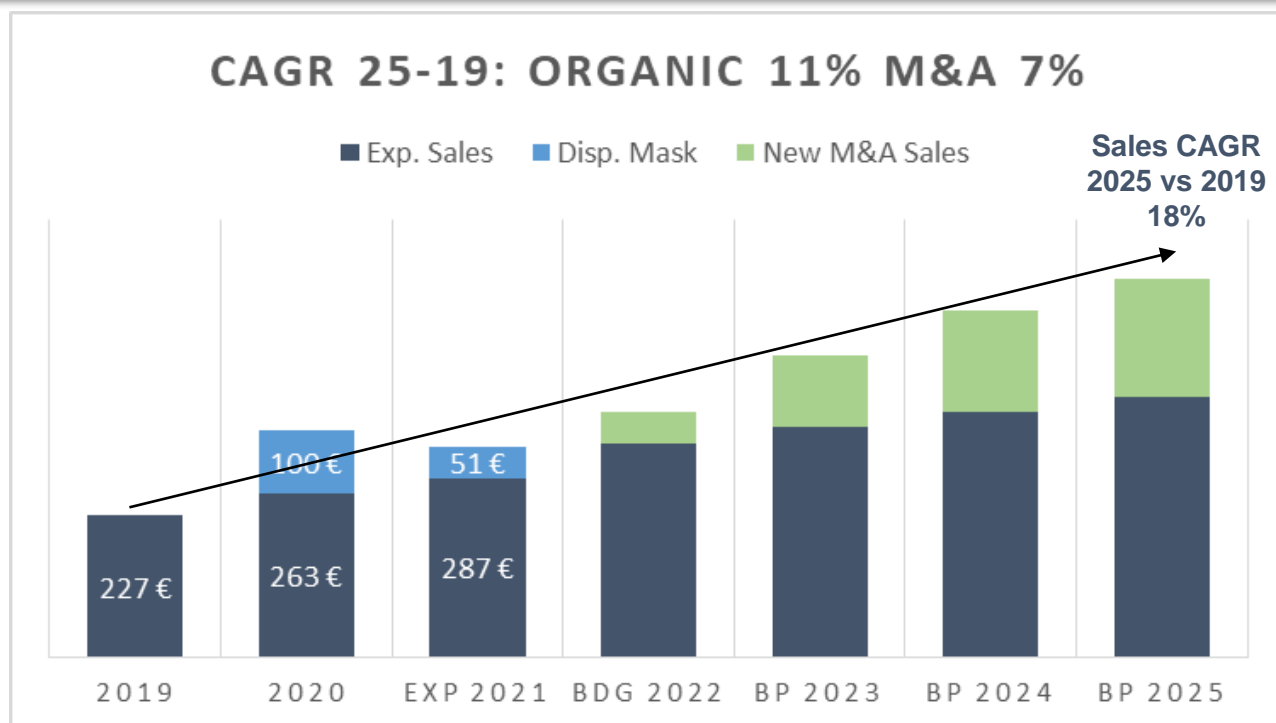
2022 will confirm the level reached in 2021, with a slight growth, even considering a full overcome of the excess of disposable mask consumptions due to the Covid19 impact in the last two years.



CAGR is considered on 2019 to neutralize the Covid19 impact on the trend.

# VISIBILITY ON FUTURE PERFORMANCE

- GVS will keep the focus on operations and M&A activities.
- The forecast including also new expected M&A contribution will increase to CAGR 2019-2025 up to ~ +18% reaching the top of the Peers market.
- 32% of Adjusted EBITDA margin represents the target that GVS aims to achieve after the recover of the usual dilution due to the new acquisitions and the implementation of all the expected synergies.
- The actual pipeline in terms of M&A targets is quite solid. To prevent the strong finance resources utilization and keep the focus on the Group's growth strategy, there is no proposal for dividend distribution in the allocation of the profit generated in 2021.



CAGR is considered on 2019 to neutralize the Covid19 impact on the trend.

# 2022 Geo-Political Risks

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**Business continuity is highly susceptible to tensions in the actual international geo-political scenario.**

**Tensions between countries generate geo-political risks that can create a detrimental outcome for businesses from a financial and operational perspective.**

**GVS is monitoring daily the scenario evolution to be ready to face all the future direct and indirect impacts of the Russian/Ukrainian conflict.**

**The GVS's financial exposure in the actual areas under tensions is marginal, about 0,3% of the total turnover.**

**The exposure of GVS Group in the actual critical areas is only a commercial exposure because there are no industrial or purchasing activities in both Russian and Ukrainian areas.**

# UPDATE ON GVS BUSINESS

**1 M&A** pushing in different geographic areas, with main focus on HC&LS.

**2 ESG** Focus: Stakeholders engagement & Carbon neutrality

**3** Launch of **new Products** for each Commercial Division

**4 Geographical Expansion** new commercial offices in Asia

**5** Improve **our lean philosophy and local for local approach**

**6 R&D** investment in new membrane development

**7** Stronger **Commercial Organization** for a better customer experience

**8 Puerto Rico & RPB** Integration process

**GVS  
YTD  
2022  
Focus**



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FILTER TECHNOLOGY

# COMPANY PRESENTATION



HEALTHCARE & LIFE SCIENCES

*THE ONLY WAY TO SAY FILTRATION*



ENERGY & MOBILITY



HEALTH & SAFETY

# BOARD OF DIRECTOR



**Grazia Valentini**  
Chairman



**Massimo Scagliarini**  
CEO



**Marco Scagliarini**  
VP Energy & Mobility



**Matteo Viola**  
COO



**Mario Saccone**  
CFO



**Nadia Buttignol**  
Independent  
Director



**Arabella Caporello**  
Independent  
Director



**Alessandro Nasi**  
Independent  
Director



**Michela Schizzi**  
Independent  
Director



# KEY PEOPLE



**Massimo Scagliarini**  
CEO  
*37 years in GVS*

- In GVS since 1985, started as Sales Manager and currently serves as CEO
- Holds a diploma in Accounting



**Mario Saccone**  
CFO  
*26 years in GVS*

- MBA from Profingest Management School, Bologna, Italy
- MSc in Economics from University Federico II, Naples



**Matteo Viola**  
COO  
*13 years in GVS*

- In GVS since 2008, started as controller and currently serves as COO
- MSc in Economics from University of Parma



**Marco Scagliarini**  
VP Energy & Mobility  
*37 years in GVS*

- Held several managerial position in GVS
- Currently CEO of GVS Real Estate



**Luca Zanini**  
VP Healthcare & Life Sciences  
*22 years in GVS*

- In GVS since 2000
- Previously a sales manager in Comar Condensatori and in SMS srl where he started his career



**Pierre Dizier**  
VP Health & Safety  
*8 years in GVS*

- MSC in International Business and Finance from Université de la Méditerranée (Marseille)
- 17 years experience in Personal Safety



**Luca Querzè**  
Research & Development VP  
*24 years in GVS*

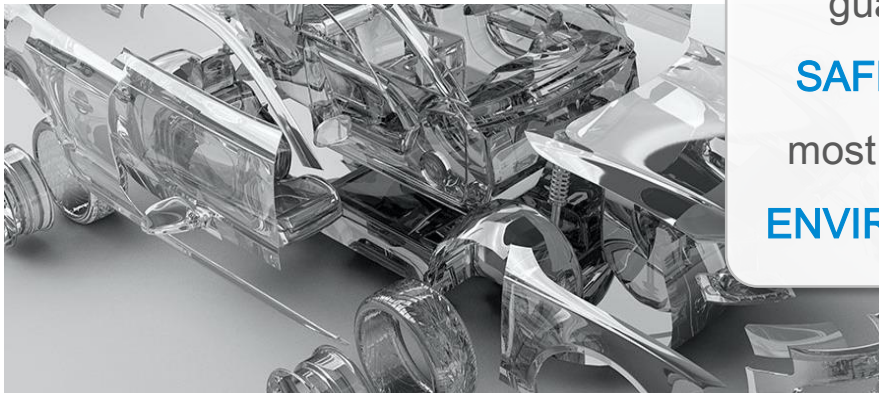
- In GVS since 1998 covering different managerial roles
- MSc Engineering from University of Bologna, MBA from Profingest, Bologna



**Paola Musuraca**  
Corporate HR Director  
*1 year in GVS*

- Master's degree in Management Engineering – Bologna University
- More than 10 years experience in HR development and management

# GVS provides advanced filtration solution for critical application in Highly-regulated end markets



Our  
**TECHNOLOGY**  
supports **LIFE** and  
guarantees  
**SAFETY** in the  
most **CRITICAL**  
**ENVIRONMENTS**

# GVS economic and production improvement over the last 40 years

2021 Turnover € 338M

\*51M disposable mask sells



1979 1984 1989 1994 1999 2004 2009 2012 2015 2018 2019 2020 2021



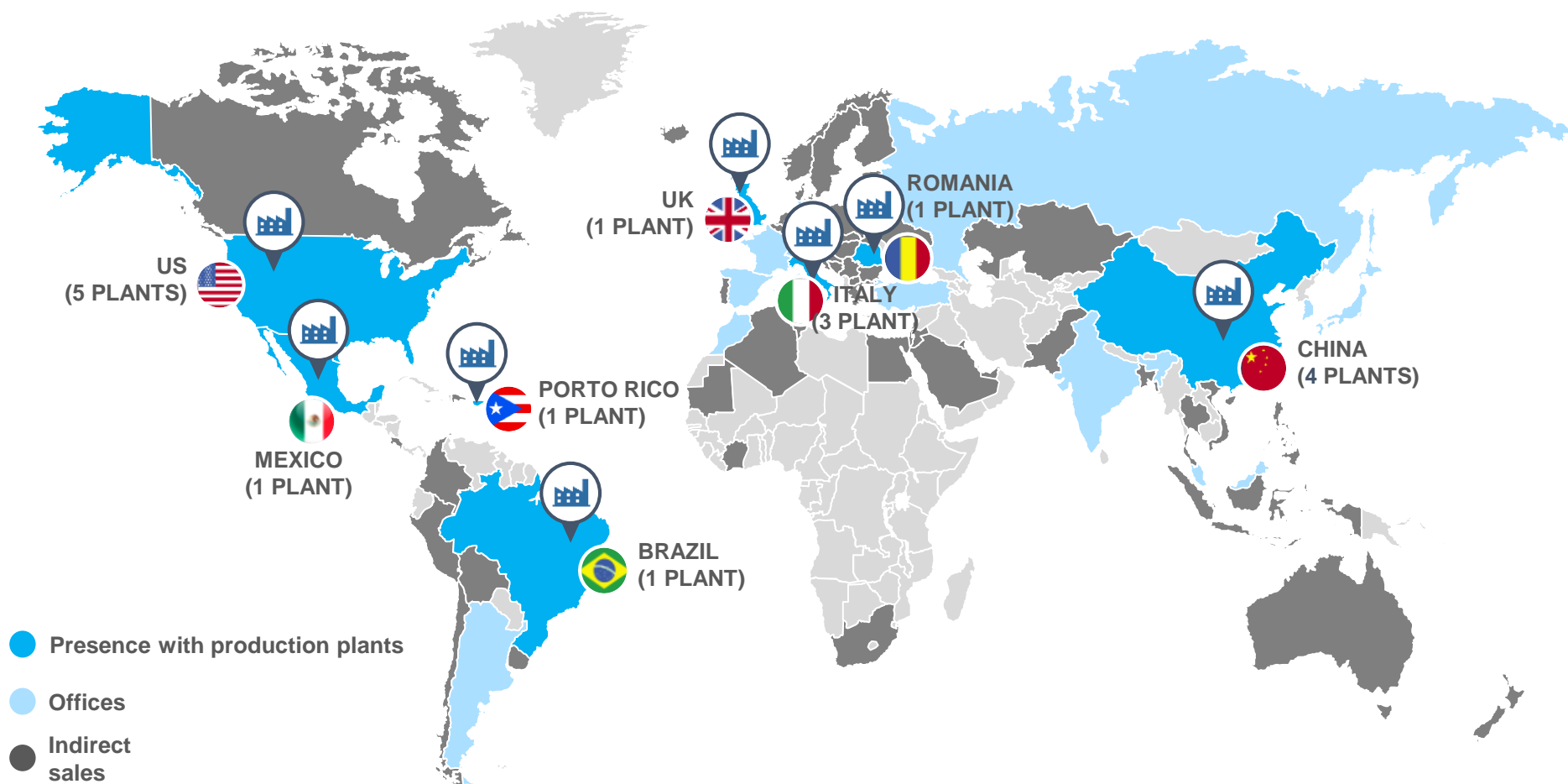


# The Head Office and 3 manufacturing facilities are based in Italy

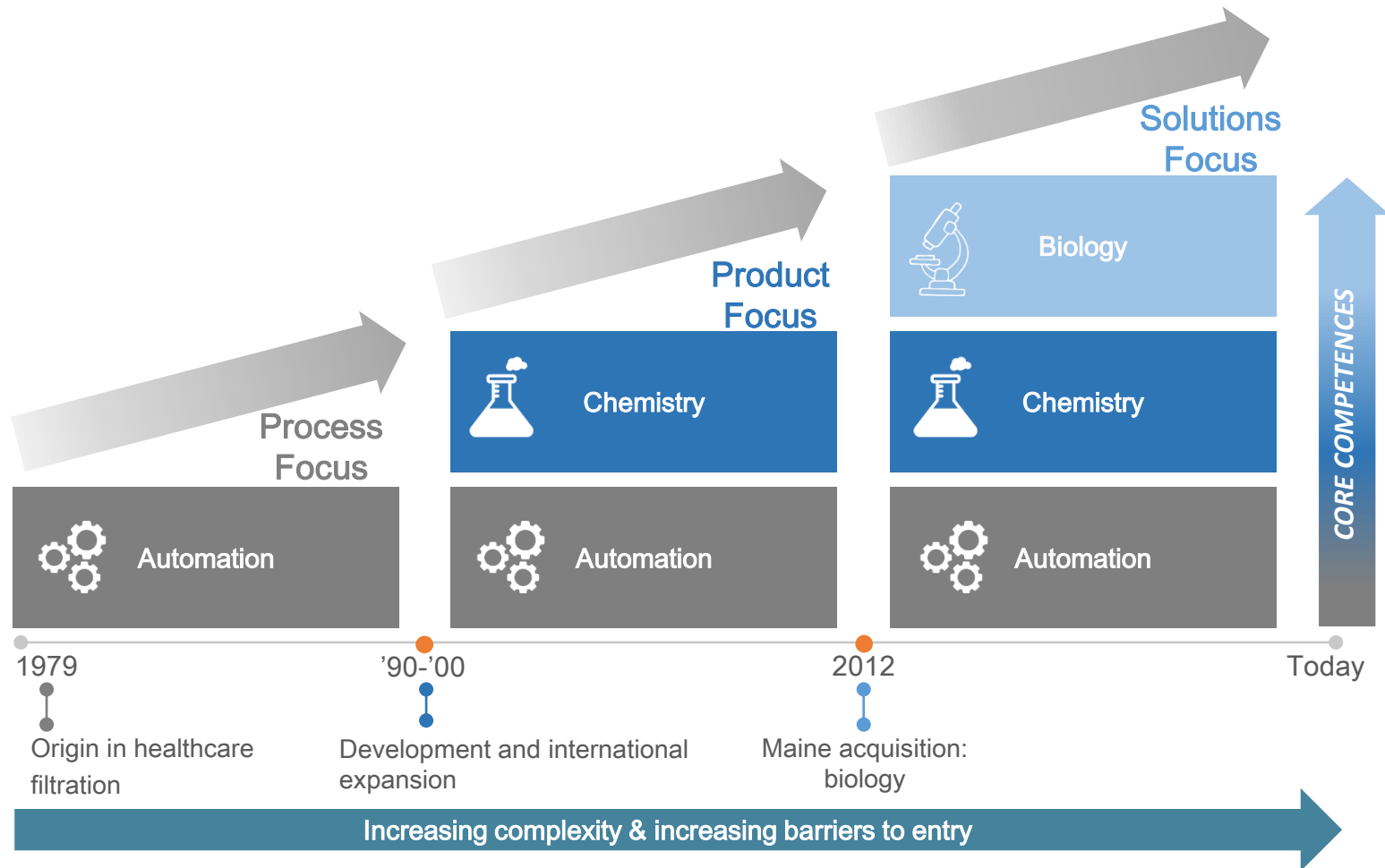
## REVENUES BREAKDOWN BY GEOGRAPHY - 2021



# GVS has 17 production facilities, in several worldwide locations

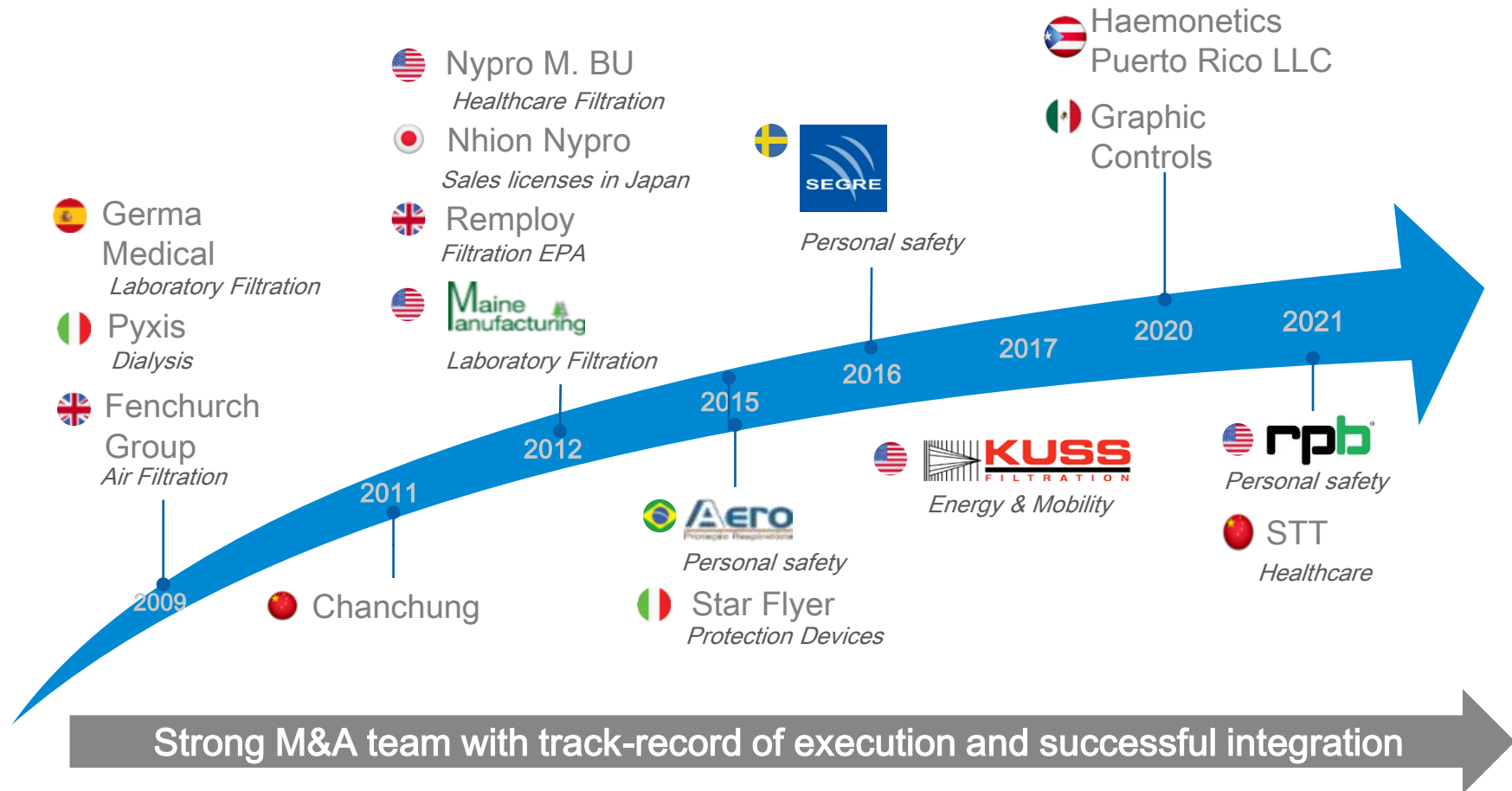


# GVS evolved from a small healthcare components supplier into a global diversified filtration group



# 16 M&A TRANSACTIONS SINCE 2009

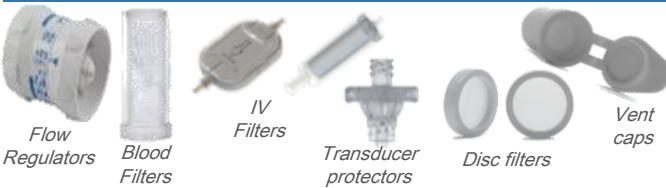
Adding capabilities and strengthening presence across China, the UK and North America



# Divisions and Products Line

## Healthcare & Life Sciences

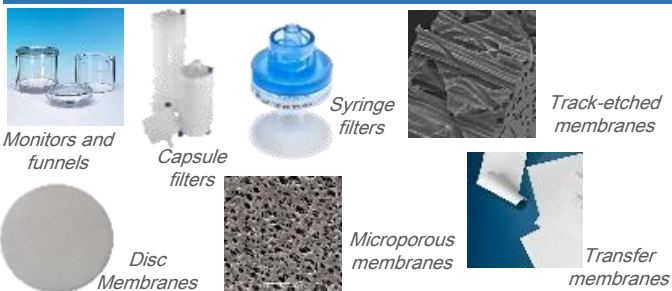
### ➤ Healthcare & Liquid



### ➤ Healthcare Air & Gas



### ➤ Laboratory



## Health & Safety

### ➤ Personal Safety



### ➤ Air Safety



## Energy & Mobility

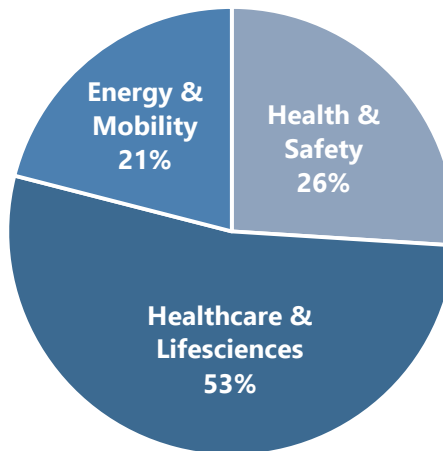
### ➤ Powertrain & Drivetrain






















































### ➤ Safety & Eletronics



### ➤ Sports & Utility



# Diversified blue-chip client base

Division		2021A Revenues Breakdown <sup>1</sup> (%)	Illustrative example of companies requiring filtration solutions <sup>2</sup>	
End Markets	Healthcare & Life Sciences	Healthcare Air & Gas	14%	    
		Healthcare Liquid	30%	    
		Laboratory	9%	      
	Health & Safety	Personal Safety	24%	    
		Air Safety	2%	     
	Energy & Mobility	Powertrain & Drivetrain	9%	       
		Safety & Electronics	6%	    
		Sport & Utility	6%	    
				    

Over 4,600 customers, long-tenured relationship with top clients

1. Excluding €3.2m other income not attributable to single categories; 2. Most of them are GVS clients.



# GVS's divisions differentiate for an integrated and highly synergistic business model

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Healthcare  
& Life Sciences



Healthcare  
& Safety



Energy  
& Mobility



Sales and Distribution

Similar stringent approval processes

Common Manufacturing processes and technologies

High quality standards required

Shared R&D activities

# Our success is based on strong focus on innovation and customer satisfaction

7

R&D centers with  
chemical and biological  
know-how



~6%

Of sales  
in R&D



53

Patents for proprietary  
products



104

Highly skilled R&D  
professionals



~80

External quality audits  
p.a.



## International quality certificates and awards



## Preferred Supplier



# QUALITY CERTIFICATION

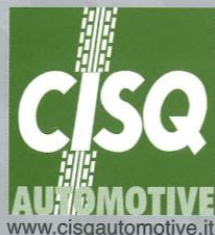
GVS has obtained several Quality Certification,  
from several Certification Body

Kiwa Cermet Italia S.p.A.  
Società con socio unico,  
soggetta all'attività di  
direzione e coordinamento di  
Kiwa Italia Holding Srl  
Via Cadriano, 23  
40057 Granarolo dell'Emilia  
(BO)  
Tel +39.051.459.3.111  
Fax +39.051.763.382  
E-mail: [info@kiwacermet.it](mailto:info@kiwacermet.it)  
[www.kiwacermet.it](http://www.kiwacermet.it)

**CERMET**



CISQ AUTOMOTIVE  
Consorzio di Organismi di  
Certificazione Italiani dei  
sistemi di gestione aziendale  
accreditato IATF



# AN ESG-COMPLIANT ORGANIZATION



## ENVIRONMENTAL

1

- UNI EN ISO 14001 certification for Environmental Management System (EMS)
- Group environmental policy with annual objectives
- Local for local production strategy to reduce transportation-related pollution
- Constant effort in reducing the use of polluting materials
- Sustainable packaging



## SOCIAL

2

- Support of a range local charitable and non-profit organizations
- Christmas donations
- Collaboration with Schools and Universities
- Occupational Health and Safety certification



**Save the Children**



**Fondazione Ricerca  
Fibrosi Cistica - Onlus**  
*italian cystic fibrosis research foundation*



## GOVERNANCE

3






- Ethics Code
- Board of Statutory auditors with 3 members guaranteeing protection of shareholders' rights
- Supervisory board overseeing and controlling the governance system
- Internal approval procedure with segregation of duty

# AN ESG-COMPLIANT ORGANIZATION

“ The ability to do business in an innovative and sustainable way, to facilitate the ecological transition and to enhance the value of people, are one of the pillars of GVS Group's strategy. ”



# STRATEGIC GOALS SETTING

STRATEGIC PILLAR		COMMITMENT	TARGET
    	INNOVATIVE AND SUSTAINABLE BUSINESS	INNOVATE TO PROMOTE SAFETY AND WELL-BEING	IMPROVE THE PROTECTION LEVEL OF OUR PPE AND PROMOTE AWARENESS AND BEST PRACTISES IN ALL WORK ENVIRONMENTS
		WE BRING INNOVATION IN HEALTHCARE USING SCIENCE	DEVELOP AND DELIVER HEALTHCARE DEVICE AND COMPONENTS THAT COMBINE THE SAFETY OF SINGLE-USE WITH RESPONSIBLE CONSUMPTION OF NATURAL RESOURCES. DESIGN AND DEVELOP POLYMERIC MEMBRANES OBTAINED BY MORE ENVIRONMENTAL FRIENDLY SOLVENT.
		WE BRIDGE RELIABILITY WITH TOMORROW'S TECHNOLOGY FOR A SUSTAINABLE FUTURE	DEVELOP EFFICIENT MEMBRANES AND SEPARATORS THAT SAVE ENERGY CONSUMPTION IN THE CUSTOMER'S APPLICATION
	FACILITATE THE ECOLOGICAL TRANSITION	CARBON NEUTRALITY BY 2040	REDUCE BY 30% THE GHG INTENSITY BY 2030, WITH RESPECT TO 2020 LEVEL
	ENHANCE THE VALUE OF PEOPLE	SAFE AND HEALTHY WORKPLACE	ALL PLANT 45001 CERTIFIED
		INCLUSIVE WORKPLACE	NO DISCRIMINATION FOR DIVERSITY IN HIRING, REMUNERATION AND CAREER PATHS



# Agenda

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**YTD Sep 2021 Outlook**

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**Company Overview**

**Appendix: Additional Materials**

# Key Financial Highlights — Income Statement

<b>FY 2021(€m)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Healthcare & Life Sciences	94,9	101,5	115,1	159,1	180,3
Growth %		6,9%	13,5%	38,2%	13,3%
Energy & Mobility	52,2	87,1	88,3	65,2	70,7
Growth %		66,7%	1,3%	-26,2%	8,5%
Health & Safety	17,7	20,3	24,0	139,0	87,1
Growth %		14,9%	18,2%	479,2%	-37,3%
Revenues from contracts with customers	164,8	208,9	227,4	363,3	338,1
Other Income	2,3	2,5	3,2	1,9	4,9
Total Revenues	167,2	211,4	230,6	365,2	343,1
Raw Materials	(46,7)	(62,3)	(67,9)	(88,6)	(96,1)
Personnel	(58,0)	(70,7)	(73,6)	(98,9)	(98,6)
Cost of Services	(24,6)	(22,9)	(23,4)	(36,2)	(36,7)
Other Costs	(4,2)	(2,9)	(3,5)	(3,2)	(5,4)
EBITDA	33,7	52,7	62,2	138,4	106,3
Margin (%)	20,4%	25,2%	27,4%	38,1%	31,4%
Non recurring costs (income)	4,1	0,2	0,1	5,7	1,6
Adjusted EBITDA	37,8	52,9	62,3	144,1	107,9
Margin (%)	23,0%	25,3%	27,4%	39,7%	31,9%
D&A and write-offs	(13,6)	(18,5)	(16,6)	(19,4)	(24,0)
o/w PPA related amortization	(2,5)	(5,6)	(3,9)	(3,9)	(5,4)
EBIT	20,1	34,2	45,7	119,0	82,3
Margin (%)	12,2%	16,4%	20,1%	32,8%	24,4%
Adjusted EBIT	26,7	40,1	49,6	128,6	89,3
Margin (%)	16,2%	19,2%	21,8%	35,4%	26,4%
Net Financial Expenses net of FX gains/(losses)	(3,5)	(5,2)	(4,4)	(3,6)	(2,6)
o/w Non recurring financial expenses					0,6
FX gains/(losses)	(8,3)	3,3	2,4	(9,5)	10,0
EBT	8,3	32,3	43,7	105,9	89,8
Margin (%)	5,0%	15,5%	19,2%	29,1%	26,5%
Taxes	(2,3)	(9,2)	(10,6)	(27,8)	(22,2)
o/w Non recurring inc./cost tax effect	(1,3)	(0,9)	(0,5)	(0,4)	0,2
Net Income	6,0	23,1	33,1	78,1	67,6
Margin (%)	3,6%	11,1%	14,6%	21,5%	20,0%
Adjusted Net Income	11,7	26,3	36,6	87,2	75,4
Margin (%)	7,1%	12,6%	16,1%	24,0%	22,3%

Note: margins calculated on revenues from contracts with customers excluding other income

# Key Financial Highlights — Adjustments Overview

FY 2021(€m)		2017	2018	2019	2020	2021
Non recurring costs (income)	EBITDA	33,7	52,7	62,2	138,4	106,3
	Capital gains from sale processes and leaseback	-	-	(0,8)		(3,6)
	Start-up costs	-	-	0,5		
	Write-off of tax receivables	-	-	0,1		
	Personnel reorganization costs	0,1	0,2	0,1	1,1	
	Provisions to restructuring fund	1,8	-	-		
	Valuation of inventory at fair value	1,3	-	-		1,5
	Transaction costs	0,9	-	-	0,3	2,7
	IPO costs				4,3	1,0
	Adjusted EBITDA	37,8	52,9	62,3	144,1	107,9
Margin (%)		23,0%	25,3%	27,4%	39,7%	31,9%
EBIT		20,1	34,2	45,7	119,0	82,3
Non recurring costs (income)		4,1	0,2	(0,1)	5,7	1,6
PPA related amortization		2,5	5,6	3,9	3,9	5,4
Adjusted EBIT		26,7	40,1	49,6	128,6	89,3
Margin (%)		16,2%	19,2%	21,8%	35,4%	24,6%
Group Net Income		6,0	23,1	33,1	78,1	67,6
Non recurring costs (income)		4,1	0,2	0,1	5,7	1,6
PPA related amortization		2,5	5,6	3,9	3,9	5,4
Non-recurring interest expenses (gains)		--	(2,3)	--		0,6
Fiscal impact of non-recurring interest expenses (gains)		(0,6)	0,5	(0,0)		
Fiscal impact of amortization of intangible assets recorded under the PPA method & non recurring		(1,3)	(0,9)	(0,5)	(0,4)	0,2
Alignment of tax rates due to fiscal reforms		0,9	--	--		
Adjusted Group Net Income		11,7	26,3	36,6	87,2	75,4
Margin (%)		7,1%	12,6%	16,1%	24,0%	20,7%

Note: margins calculated on revenues from contracts with customers excluding other income.

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# Key Financial Highlights — Balance Sheet

<i>FY 2021(€m)</i>	2017	2018	2019	2020	2021
Property Plant & Equipment	53,1	50,1	46,6	68,9	77,6
Intangible Assets	100,8	100,9	99,8	91,0	227,7
Right of use	5,5	5,9	10,3	8,4	10,4
Financial Fixed Assets	3,1	0,7	0,5	0,9	1,3
<b>Net Fixed Assets</b>	<b>162,5</b>	<b>157,6</b>	<b>157,3</b>	<b>169,2</b>	<b>317,1</b>
Inventories	30,1	33,0	31,5	46,0	72,4
Trade Receivables	37,0	39,4	35,2	52,1	53,0
Trade Payables	(16,1)	(18,5)	(13,2)	(25,6)	(23,8)
<b>Trade Working Capital</b>	<b>51</b>	<b>53,8</b>	<b>53,5</b>	<b>72,5</b>	<b>101,5</b>
Other Current Assets / (Liabilities)	(2,9)	(7,3)	(9,8)	(26,7)	(2,4)
<b>Net Working Capital</b>	<b>48,1</b>	<b>46,5</b>	<b>43,6</b>	<b>45,9</b>	<b>99,2</b>
Other Assets / (Liabilities)	4,2	2,7	0,6	1,4	(4,0)
Funds and Provisions	(5,1)	(4,0)	(4,2)	(5,5)	(9,0)
<b>Net Invested Capital</b>	<b>209,8</b>	<b>202,8</b>	<b>197,4</b>	<b>211,0</b>	<b>403,2</b>
Shareholders' Equity	58,0	71,0	94,2	242,7	295,3
Financial Debt	189,8	172,9	154,3	89,4	241,5
Lease Liabilities	5,6	6,3	10,9	9,0	11,5
(Cash & cash equivalents <sup>1</sup> )	(43,5)	(47,4)	(62,1)	(130,1)	(145,2)
<b>Net Financial Indebtedness</b>	<b>151,8</b>	<b>131,8</b>	<b>103,1</b>	<b>(31,7)</b>	<b>107,8</b>
<i>Net Financial Indebtedness / Adjusted LTM EBITDA</i>	<i>4x</i>	<i>2,5x</i>	<i>1,7x</i>	<i>-0,2x</i>	<i>1x</i>
<b>Total Sources</b>	<b>209,8</b>	<b>202,8</b>	<b>197,4</b>	<b>211,0</b>	<b>403,2</b>

<sup>1</sup> Includes also the item Current Financial Assets.

# Key Financial Highlights — Cash Flow Statement

<i>FY 2021(€m)</i>	<b>2020</b>	<b>2021</b>
Net Profit	78,1	67,6
D&A	19,4	24,0
Operative Cash Flow	97,5	91,6
Δ Trade Working Capital	(19,0)	(16,0)
Δ Other Current Liabilities	16,9	(24,3)
Operating Cash Flow	95,3	51,3
Capex	(31,4)	(23,2)
Free Cash Flow	63,9	28,1
M&A Invest.	(10,5)	(148,2)
Cash Flow net of extraordinary activities	53,4	(120,1)
Dividends	(1,7)	(22,7)
IPO	74,5	-
BuyBack	-	(3,4)
Others	8,5	6,8
Change in net debt	134,7	(139,4)
NFP Before of Period	(103,1)	31,6
NFP End of Period	31,6	(107,8)

# Basis of preparation of financials

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- Financial Overview slides present consolidated and division financial information of GVS S.p.A. and its reporting units
- The financial information has been prepared in accordance to IFRS
- Due to rounding, numbers expressed in millions throughout this section may differ from those expressed precisely to the totals
- EBITDA is defined as the sum of net income, taxes, net financial expenses, depreciation and amortization and net impairment losses on financial assets

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