PRESS RELEASE

Rekeep S.p.A.: The Board of Directors approves the Interim Report on Operations at 30 September 2024.

Consolidated highlights for the third quarter of 2024 (compared to the third quarter of 2023):

- **Revenue**: **€896 million** (up by 3.0% compared to €870.2 million at 30 September 2023);
- **Adjusted[1] EBITDA[2]**: **€88 million** (compared to proforma Adjusted EBITDA[3] of €77.7 million at 30 September 2023);
- **Adjusted[1] EBIT*: €53.1 million*** (compared to proforma Adjusted EBIT[3] of €41.9 million at 30 September 2023);
- **Net result: a loss of €15.5 million** (compared to a profit of €0.4 million at 30 September 2023) due to the effect of the recognition, in the income statement, concerning the increase of €19.1 million in the fair value of the Put Option granted to the minority shareholder of Rekeep Polska as a result of the subsidiary having gained in value[4];
- **Net Financial Indebtedness**: **€536.6 million** (compared to €461.0 million at 31 December 2023) as a result of both the same increase in the value of the Put Option held by the minority shareholder of Rekeep Polska, and an increase in net working operating capital.

- **Tendered and renewed existing contracts**: **€259 million** (compared to €567 million at 30 September 2023);
- **Total backlog of tendered and renewed existing contracts**: **€2.7 billion** (compared to €3.1 billion at 31 December 2023).

Zola Predosa (Bologna), 14 November 2024 – The Board of Directors of **Rekeep S.p.A.** ("**Rekeep**"), parent company of the leading Italian group operating in the Integrated Facility Management sector, met today under the chairmanship of Claudio Levorato, and examined and approved the **Interim Report on Operations at 30 September 2024.**

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[1] Adjusted EBIT and EBITDA: values net of "non-recurring" income components, or costs for operations that are not repeated frequently in the normal course of business.

[2] EBITDA is defined as operating income before accruals to the provisions for risks, the reversal of provisions and amortization/depreciation, write-downs and write-backs of assets. EBITDA is used by the management to monitor and assess the Company's performance and is not an accounting measure under IFRS. Accordingly, EBITDA should not be considered as an alternative to assess the Group's performance. In view of the fact that EBITDA is not regulated by accounting principles, our determination of EBITDA may differ from the determination made by other companies and may therefore not be comparable to the latter.

[3] Proforma Adjusted EBITDA and Adjusted EBIT: values net of "non-recurring" income components or costs for operations that are not repeated frequently in the normal course of business and net of the non-recurring positive effect on the results at 30 September 2023, in the amount of €18.2 million, attributable to the recognition of the tax credit granted under Decree Law no. 21 of 2022 (Conversion Law no. 51 of 20 May 2022, as supplemented; hereinafter also referred to as the "energy and gas tax credit") as partial compensation for higher costs for electricity and natural gas incurred during the first half of 2023.

[4] Specifically, on 10 June 2024 the parties signed an amendment to the agreements with the minority shareholder of subsidiary Rekeep Polska, which provides for, among other things, a postponement of the exercise date of the Put Option, set between 31 December 2027 and 31 December 2028 (with a possible postponement by an additional period of three years), compared to the date initially planned (between 30 October 2024 and 30 October 2025),

Introduction

The Rekeep Group's performance at 30 September 2024 was mainly attributable to the return to normalized values compared to the results at 30 September 2023, which had been positively impacted by the non-recurring effect of the energy and gas credit, on the one hand, and, on the other hand, to the Group's excellent performance on international markets, particularly in Poland.

Rekeep Group main Consolidated Results at 30 September 2024

At 30 September 2024, **Revenue** for the Rekeep Group stood at **€896 million**, showing an increase of 3.0% compared to €870.2 million at 30 September 2023, mainly thanks to the good performance achieved by the Group on International Markets, which more than offset the decline in prices of energy. Of particular note was the growth of 33% in the turnover of subsidiary Rekeep Polska during the third quarter of 2024 compared to the same period in 2023.

Adjusted[1] EBITDA[2] amounted to **€88 million** at 30 September 2024 compared to a proforma Adjusted value[3] of €77.7 million at 30 September 2023, also thanks to the positive contribution given by subsidiary Rekeep Polska. On the contrary, after considering the positive impact, amounting to €18.2 million, attributable to the recognition of the tax credit granted under Decree Law no. 21 of 2022 (Conversion Law no. 51 of 20 May 2022, as supplemented; hereinafter also referred to as the "energy and gas tax credit"), Adjusted[1] EBITDA[2] recorded at 30 September 2023 was equal to €95.9 million.

Adjusted[1] EBIT stood at **€53.1 million** at 30 September 2024, for the same reasons, compared to a proforma Adjusted value[3] of €41.9 million achieved at 30 September 2023. After considering the positive impact of the energy and gas tax credit, Adjusted[1] EBIT recorded at 30 September 2023 was equal to €60.1 million.

Net Result at 30 September 2024 then posted **a loss of €15.5 million** compared to a net profit of €0.4 million at 30 September 2023, mainly due to the effect of the recognition, in the income statement, concerning the increase, equal to €19.1million, in the fair value of the Put Option granted to the minority shareholder of Rekeep Polska as a result of the subsidiary gaining in value. On 10 June 2024, the existing agreements were, in fact, amended in relation to the expiry of the Put&Call Option on the minority interest held by the other shareholder, equal to 20% of the subsidiary's share capital. The new agreements set the related exercise period between 31 December 2027 and 31 December 2028, with the parties being allowed to renew the agreement for an additional period of 3 years. It should be noted that the period to exercise the option was previously set between 30 October 2024 and 30 October 2025. The postponement of the exercise of the Put&Call option will, among other things, allow for further strengthening the partnership with the minority shareholder.

Net Financial Indebtedness at 30 September 2024 amounted to **€536.6 million**, compared to €461.0 million at 31 December 2023. This change was attributable to both, in this case too, an increase in the value of the Put Option held by the minority shareholder of Rekeep Polska, and an increase in net working operating capital.

Business highlights

As at 30 September 2024, **the Rekeep Group won tendered contracts and renewed existing contracts generating new orders for a long-term overall amount of about €259 million** compared to €567 million at 30 September 2023. In particular, the value of the contracts awarded in the healthcare sector was equal to about 72% of total.

The Rekeep Group's **total backlog of tendered and renewed existing contracts** at 30 September 2024 was equal to **€2.7 billion** compared to €3.1 billion at 31 December 2023.

Significant events at 30 September 2024

On **9 September 2024**, Marco Baroni joined Rekeep S.p.A. as the manager responsible for the Finance, Planning & Control Department.

Rekeep S.p.A.

Rekeep S.p.A. is the leading Italian operator and one of the main European players in the Integrated Facility Management sector, i.e., it manages and provides integrated services targeted at properties, the environment and in support of healthcare services. From plant management to cleaning, from green care to maintenance and energy retrofit of buildings, to specialist work for clinics and hospitals (laundering and sterilization), Rekeep provides a wide range of ancillary services to the core business of large private groups, public entities and healthcare facilities. Building on its know-how in the energy field, it has also been operating for years in the area of energy retrofit of properties, providing its customers with solutions for reducing emissions and consumption. Rekeep's headquarter is located in Zola Predosa (Bologna), operating offices in Poland, France, Turkey and Middle East and employs about 26,000 people in Italy and abroad.

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The following tables present the consolidated Statement of Financial Position, the consolidated Statement of Income and the consolidated Statement of Cash Flows at 30 September 2024 (as well as details regarding the Net Financial Indebtedness).

Consolidated statement of financial position of the Rekeep Group at 30 September 2024:

(in thousands of Euro)	**September 30, 2024**	**December 31, 2023**
Assets		
Non-current assets		
Property, plant and equipments	123.632	117.543
Property, plant and equipments under lease	46.887	44.555
Goodwill	406.550	406.700
Other intangible assets	15.814	17.731
Investments accounted for under the equity method	11.375	11.758
Other investments	5.996	5.996
Non-current financial assets	8.088	6.929
Other non-current assets	3.885	4.607
Deferred tax assets	17.110	16.472
Total non-current assets	**639.337**	**632.291**
Current assets		
Inventories	13.294	13.373
Trade receivables and advances to suppliers	549.268	513.771
Current taxes receivables	0	6.589
Other current assets	36.036	31.681
Current financial assets	5.665	15.545
Cash and cash equivalents	28.905	76.812
Total current assets	**633.168**	**657.771**
Assets classified as held for sale	0	0
Total assets classified as held for sale	**0**	**0**
Total assets	**1.272.505**	**1.290.062**

(in thousands of Euro)	**September 30, 2024**	**December 31, 2023**
Shareholders' equity and Liabilities		
Share capital	109.150	109.150
Reserves	6.692	7.769
Retained earnings	(60.467)	(48.212)
Profit attributable to equity holders of the Parent	(16.163)	(13.221)
Equity attributable to equity holders of the Parent	*39.212*	*55.486*
Share capital and reserves attributable to non-controlling interests	6.411	5.825
Profit attributable to non-controlling interests	708	690
Equity attributable to non-controlling interests	*7.119*	*6.515*
Total shareholders' equity	**46.331**	**62.001**
Non-current liabilities		
Employee termination indemnity	10.765	10.419
Provisions for risks and charges, non-current	29.231	31.692
Long-term financial debt	446.115	398.218
Deferred tax liabilities	14.747	14.619
Other non-current liabilities	36.687	85

Total non-current liabilities	**537.545**	**455.033**
Current liabilities		
Provisions for risks and charges, current	21.217	22.707
Trade payables and contractual liabilities	414.200	422.958
Current tax payables	979	142
Other current liabilities	127.161	172.095
Bank borrowings, including current portion of long-term debt, and other financial liabilities	125.072	155.126
Total current liabilities	**688.629**	**773.028**
Liabilities directly associated with assets classified as held for sale	0	0
Total liabilities directly associated with assets classified as held for sale	**0**	**0**
Total shareholders' equity and Liabilities	**1.272.505**	**1.290.062**

Consolidated income statement of the Rekeep Group at 30 September 2024:

(in thousands of Euro)	For the period ended September 30	
	2024	**2023**
Revenues		
Revenue from contract with customers	891.591	867.004
Other revenue	4.413	3.193
Total revenues	**896.004**	**870.197**
Operating costs		
Costs of raw materials and consumables	(187.046)	(178.935)
Change in inventories of finished and semi-finished products	291	(48)
Costs for services and use of third party assets	(238.150)	(233.794)
Personnel costs	(379.187)	(360.684)
Other operating costs	(7.525)	(7.160)
Lower costs for internal work capitalised	1.314	453
Amortization, depreciation, write-downs and write-backs of assets	(33.194)	(30.766)
Accrual of provisions for risks and charges	(1.743)	(11.248)
Total operating costs	**(845.240)**	**(822.182)**
Operating Income	**50.764**	**48.015**
Financial income and expenses		
Share of net profit of associates	335	102
Dividend and net income/(loss) from sale of investments	255	312
Financial income	3.028	1.310
Financial expences	(59.203)	(39.630)
Gains /(losses) on exchange rate	326	304
Profit (loss) before taxes from continuing operations	**(4.495)**	**10.413**
Income taxes	(10.960)	(9.998)
Net profit (loss)	**(15.455)**	**415**
Net profit (loss) attributable to non controlling interests	(708)	(745)
Net profit (loss) attributable to equity holders of the Parent	**(16.163)**	**(330)**

Consolidated statement of cash flows of the Rekeep Group at 30 September 2024

(in thousands of Euro)	For the period ended September 30	
	2024	**2023**
Net profit (loss) from continuing operations	(15.455)	415
Income taxes for the period	10.960	9.998
Profit (loss) before taxes from continuing operations	**(4.495)**	**10.413**
Amortization, depreciation, write-downs and (write-backs) of assets	33.194	30.766
Accrual (reversal) of provisions for risks and charges	1.743	11.248
Employee termination indemnity provision	1.201	1.240
Payments of employee termination indemnity	(1.279)	(1.332)
Utilization of provisions	(5.411)	(6.542)
Share of net profit of associates	(335)	(377)
Financial charges (income) for the period	55.570	37.850
Operating cash flows before movements in Working Capital	**80.188**	**83.266**
Decrease (increase) of inventories	79	(1.091)
Decrease (increase) of trade receivables and advances to suppliers	(36.155)	(5.715)
Decrease (increase) of other current assets	(3.768)	16.227
Increase (decrease) of trade payables and advances from customers	(8.363)	(74.134)
Increase (decrease) of other current liabilities	(10.671)	5.393
Change in Working Capital	**(58.878)**	**(59.320)**
Net interests received (paid) in the period	(34.772)	(40.295)
Income taxes paid in the period	(3.935)	(4.292)
Net cash flow from operating activities	**(17.397)**	**(20.642)**
Purchase of intangible assets, net of sales	(2.498)	(3.155)
Purchase of property, plant and equipment	(33.618)	(28.614)
Proceeds from sales of property, plant and equipment	3.845	1.980
Disposal (acquisition) of investments	164	(198)
Decrase (increase) of financial assets	10.421	2.812
Net cash used in business combination	0	(1.975)
Net cash flow from (used in) investing activities	**(21.686)**	**(29.150)**
Payments of liabilities for leasing	(3.617)	(2.768)
Proceeds from non-current borrowings	12.000	60.000
Repayment of non-current borrowings	(36.314)	(12.120)
Proceeds from/(repayment of) current borrowings	9.669	13.655
Other change in financial debt	8.989	(30.731)
Dividends paid	(147)	(48)
(Acquisition)/sale of minority interests in subsidiaries	43	(801)
Translation differences	597	(1.201)
Net cash flow from/(used in) financing activities	**(8.778)**	**25.986**
Changes in cash and cash equivalents	**(47.862)**	**(23.806)**
Cash and cash equivalents at the beginning of the year	76.812	84.243
Changes in cash and cash equivalents	(47.862)	(23.806)
Differences on cash and cash equivalents in foreign currencies	(45)	(4)

Cash and cash equivalents at the end of the period	**28.905**	**60.433**
Details of cash and cash equivalents		
Cash and bank current accounts	28.905	60.433
Total cash and cash equivalents	**28.905**	**60.433**

(in thousands of Euro)	**September 30, 2024**	**December 31, 2023**
Long-term financial debt	446.115	398.218
Bank borrowings, including current portion of long-term debt, and other financial liabilities	125.072	155.126
Gross financial indebtedness	**571.187**	**553.344**
Cash and cash equivalents	(28.905)	(76.812)
Current financial assets	(5.665)	(15.545)
Net financial indebtedness	**536.617**	**460.987**