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Rekeep S.p.A

Presentation at JPMorgan European High Yield & Leveraged Finance Conference

September 6th, 2018

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Half year results of Rekeep Group are subject to a limited auditors' review
All CMF pro-forma figures are unaudited

Index and Presenters

Rekeep speakers

Giuliano Di Bernardo

Chairman and CEO

Luca Buglione

Director – M&A, IR, Strategic Finance

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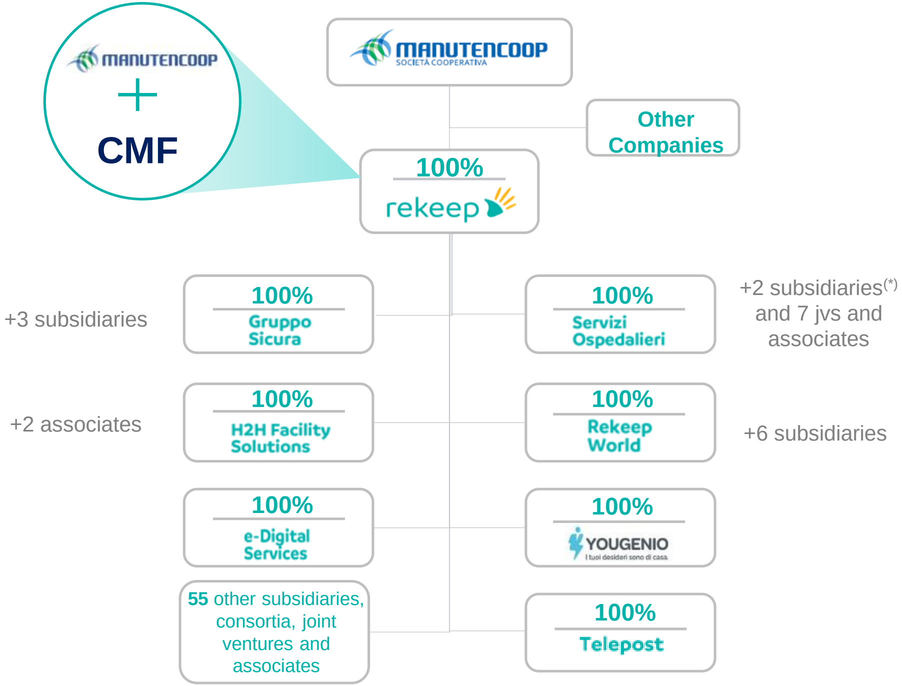
New corporate structure and Rebranding

Merger

On June the 29th, CMF is merged by incorporation into MFM (effective starting from July the 1st)

Rebranding

On July the 2nd, MFM becomes officially Rekeep, thus completing the new corporate structure and rebranding process



(*) 60% of Medical Device was acquired by Servizi Ospedalieri on July the 3rd

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Company Profile

Rekeep – Key highlights

One-stop-shop and mission critical services	**Six core services** ✓ Cleaning ✓ Technical services ✓ Landscaping ✓ Property management ✓ Logistics ✓ Laundering & Sterilization
Market leading position with national presence	**#1** Player in the **Facility Management** industry **#1** Player in the **Sterilization** industry **#2** Player in the **Laundering** industry
Contract-based business with multi-year backlog	**3.0x** Revenue **backlog** **90+%** Revenue from **existing contracted customers** each year **98%** **Renewal rate** on top 30 customers[1]
Strong financial profile	**€926m** Revenues LTM Q2 2018 **€98m** Normalized EBITDA LTM Q2 2018 **70%** Steady-state cash conversion[2]

Source: Company information

[1] Calculated by taking the average revewal rates of our top 30 customers in each of the last seven years, 2010-2017, excluding Telecom Italia, FCA and Pirelli ; [2] Cash Conversion = (Norm. EBITDA – Capex)/(Norm.EBITDA)

…with strong coverage and positioning in each customer segment

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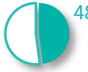
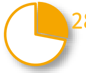
	Healthcare Customers	Public Customers	Private Customers
LTM Q2 '18 Revenues (% on total)	*Revenues - €443m* 	*Revenues - €259m* 	*Revenues - €223mm* 
Clients	✓ **Public and private hospitals**, nursing and retirement homes	✓ Regional, provincial and municipal **governments**, **schools**, **universities** and other public institutions	✓ **Large / medium companies** in TLC, financial services, retail, industrial, services and logistic industries
Contract Length	✓ FM healthcare: c.4-5 yrs ✓ Laundering: c.5-6 yrs ✓ Sterilization: c.7-8 yrs ***Backlog*** ✓€1,943m	✓ c.3 – 4 yrs ***Backlog*** ✓€530m	✓ 1 to 3 yrs (often containing automatic renewal clauses) ***Backlog*** ✓€201m
Market Coverage	✓ 140+ hospitals served[1]: ❑ c.24% of Italian hospitals ❑ c.90% of the largest hospitals in Italy	✓ The Group serves[2]: ❑ c.130 municipalities ❑ 17 provinces ❑ 5 regions ❑ 27 government entities	✓ Executed the largest outsourcings in Italy acquiring more than 1,500 people
Key Success Factors	✓ Complex and bundled services ✓ Service quality guarantee ✓ Reduction of risk hazard ✓ Investments financing innovations (PFIs) ✓ Complex tenders	✓ Large multi-service contracts ✓ Costs efficiencies ✓ Investments financing innovations (PFIs) ✓ Complex projects	✓ Expertise in large FM outsourcing (personnel, assets) ✓ Costs efficiencies ✓ Guarantee service delivery ✓ Large customers / multi-site operations (banks, retail chains)

Source: Company information, Ministry of Health
[1] Management estimates; [2] Management estimates

Key Credit Highlights

Key Credit Highlights

1 Industry with consistent growth and positive secular outsourcing trend

2 Leading position in a highly fragmented industry

3 Broadest service offering with a focus on the highly profitable healthcare segment

4 Nationwide presence in growing reference market

5 Diversified and long-standing customer base

6 Highly visible, recurring and diversified revenue base

7 Highly variable cost structure and asset-light financial profile

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Results at H1 2018

Key Quarter Highlights

Revenues

- Confirmed revenues growth, particularly in facility management, with a 5.1% increase compared to Q2 of the previous year
- Decline in Private sector finally halted

Backlog & Pipeline

- Company devotes its effort to carry-on a robust pipeline, while the fulfillment of MIES2 still ongoing
- Commercial activity delivering a strong increase in new contracts

EBITDA / EBITDA Margin

- Reported quarterly Normalized EBITDA €21.5m, increased by €1.2m vs. Q2 2017, leading to a €98.4m LTM with a 10.6% margin,
- +5.9% increase in EBITDA mainly driven by facility management segment
- The Company still committed on cost reduction initiatives to off-set price pressure

Capex

- Capex confirmed stable compared to last year at 3.2% on revenues, in line with expectations
- Specific development Capex mainly in L&S newly acquired contracts

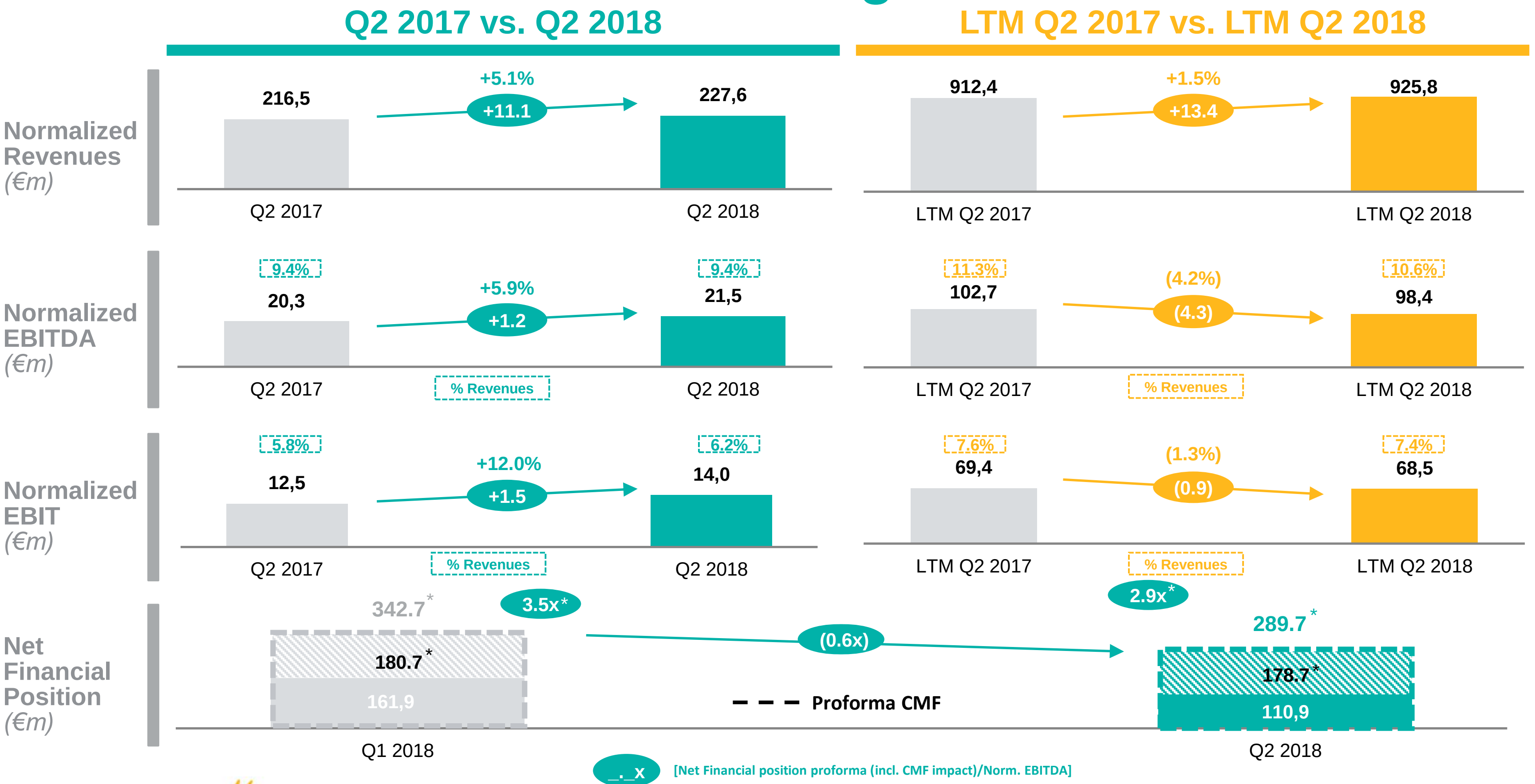
NWC

- NWC management has pushed at the lower historical level of NWOC on Revenues achieved (3.1%)

Net Financial Profile and Cash Position

- NWC management and cost reduction have delivered a robust decrease in Net Debt with a leverage below 3 times EBITDA
- The Company is still committed on liquidity level and continuing the deleverage as a priority

3 months and LTM KPIs at a glance



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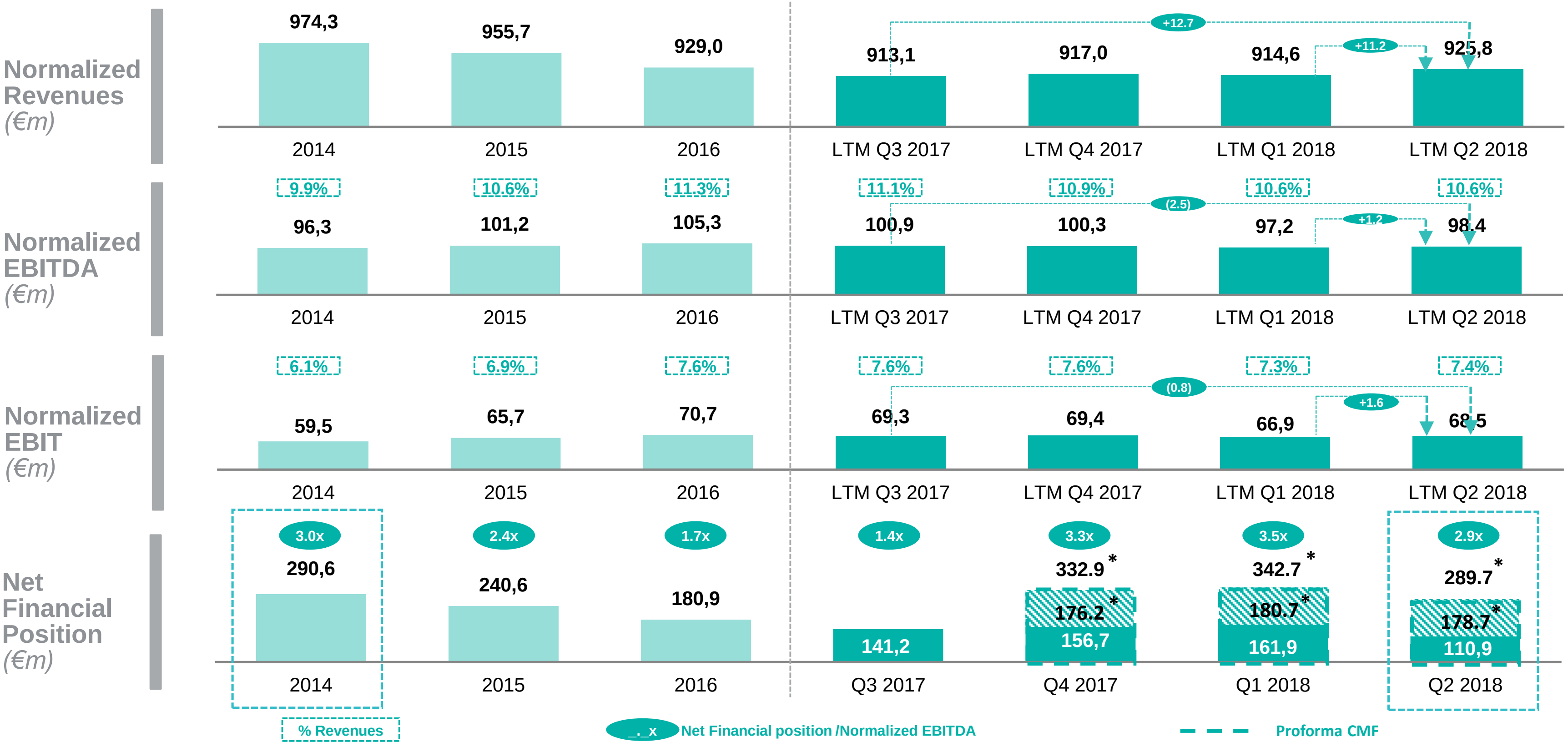
(*) Data not audited. Information provided for illustrative purpose only

Long Term Performance



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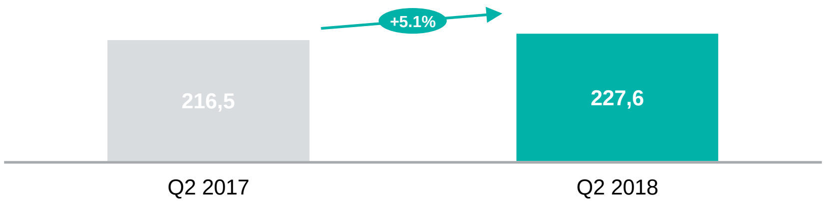
(*) Data not audited. Information provided for illustrative purpose only

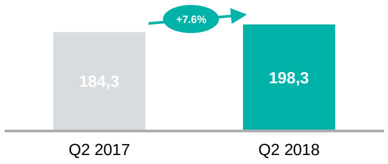
Normalized Revenues

Normalized Revenues, €m

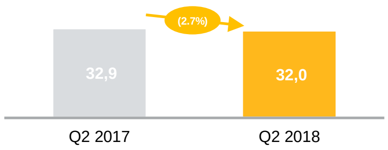


Normalized Revenues by segment, €m

Facility Management



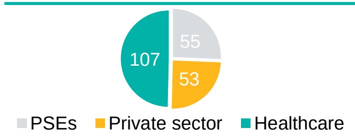
Laundering&Sterilization



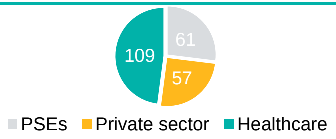
(*) Gross of intra-group eliminations ≈ €3m per annum

Normalized Revenues by client, €m

Q2 2017



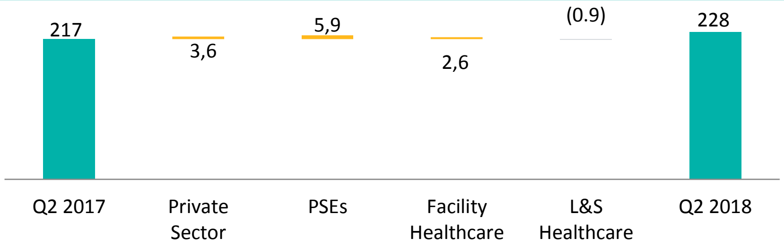
Q2 2018



Considerations

- Higher normalized revenues in Q2 2018 (+5.1%) mainly driven by a robust increase in facility management sector
- FM Revenues increase in Q2 2018 by €14m (+7.6%) has been slightly offset by the decrease in L&S by €0.9m (-2.7%) mainly due to contract loss at the end of 2017

Normalized Revenues bridge by client, €m



- **PSEs** increase is driven by the start-up of some new contracts
- **Facility Healthcare** increase in the view of the MIES2 development
- **Private** sector increase mainly due to Sicura Group
- **L&S Healthcare** decline is due to price-pressure related to some contracts renewal

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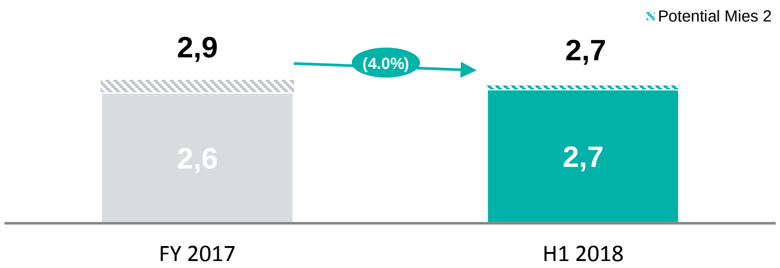
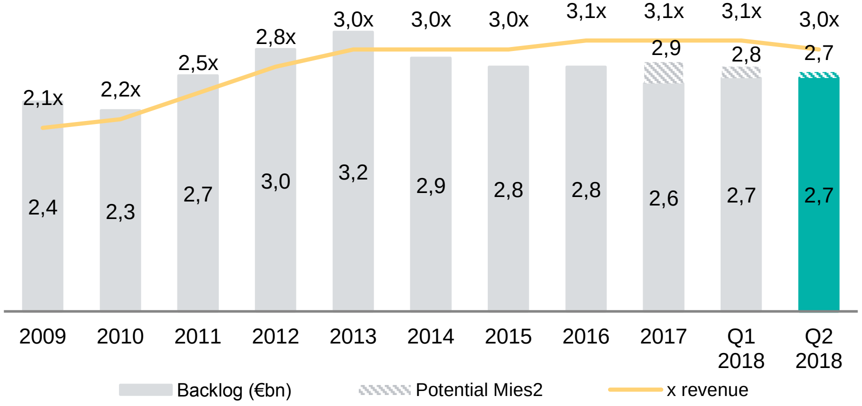
Backlog

Backlog, €bn



Revenue visibility from backlog

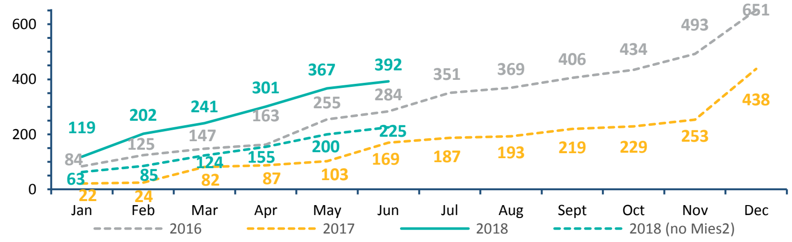


- Coverage of future revenues is in line with previous years, 3 times LTM revenues
- Rekeep increased formally its backlog by new signed contracts related to Mies2 (€185m), with remaining potential of €66m(*) in negotiation, and to be added to backlog once every single customer signs the specific underlying contracts
- As today, approximately 74%(*) of the total Mies2 FA has been saturated

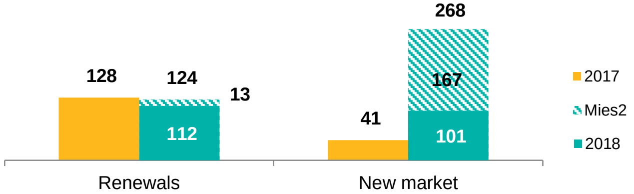
(*) Total Plafond Mies2 = €251m. €185m already acquired during December 2017 – June 2018 i.e included in BCKLG. €251m - €185m = €66m.

Commercial Activity

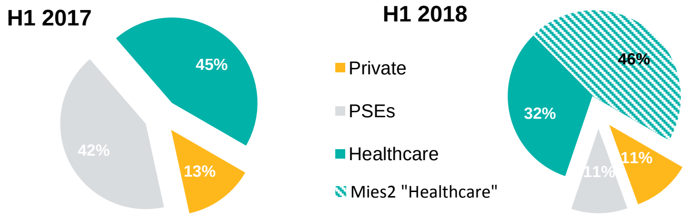
Value of contracts signed H1 2018 , €m



Breakdown of signed contracts YTD, €m



Signed contracts by Client, €m



Sales activity

- Awarded pluriannual volumes more than double, reaching €392m in H1 2018 vs €169m in H1 2017
- This increase is pushed by «New Market» acquisitions of €268m including €167m from Consip Mies2 Framework Agreement in 2018
- The acquisition trend confirms the consistent Group development in healthcare market, in which Rekeep Group can rely on a consolidated expertise and know-how

Sales activity in Q2 2018

Client	Service	Annual Value	Duration	Acquisition type
ASST del Garda	Energy (Mies2)	€6.7m	5 years	New Market/Portfolio
ASP Caltanissetta	Energy (Mies2)	€5.2m	5 years	New Market
Trenitalia DPO Piemonte	Cleaning	€3.2m	3 years	New Market
Carrefour	Cleaning	€5.7m	2 years	Portfolio

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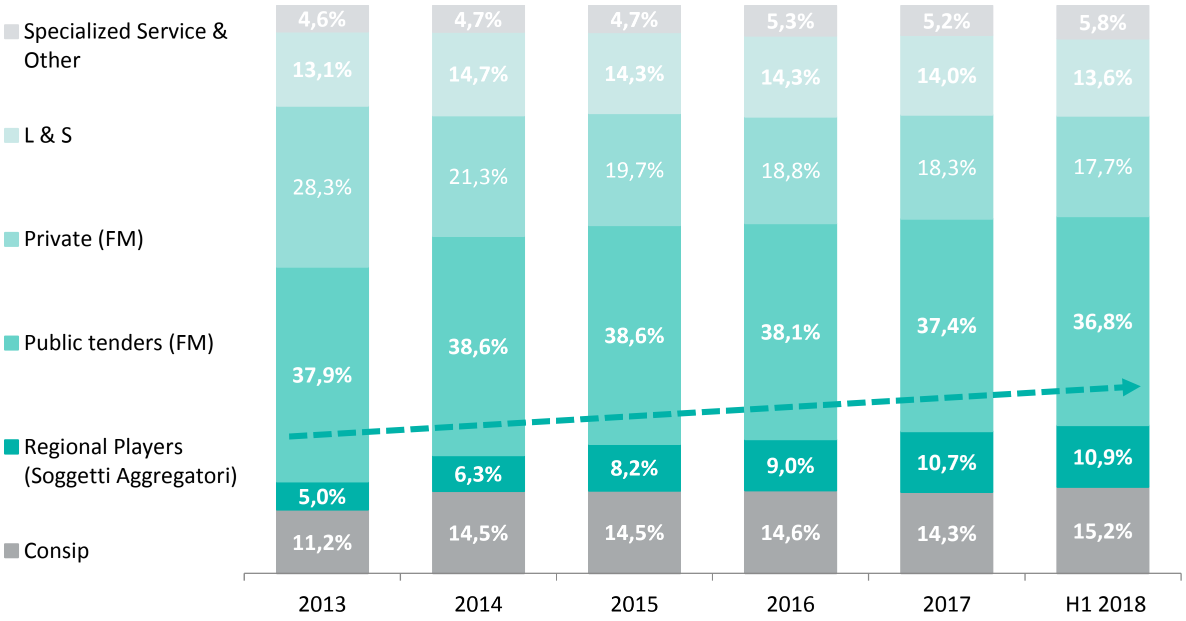
Revenues Breakdown

Group Revenues Breakdown

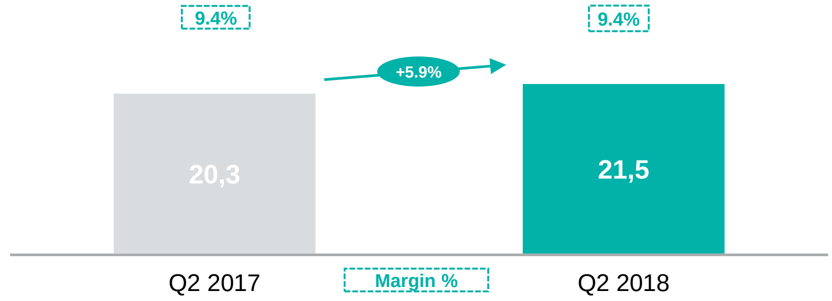


- The chart shows the historical evolution of The Group revenues breakdown by Contract/Purchasing Entities
- Since 2013 the percentage of revenues with CONSIP and Soggetti Aggregatori has grown from 16% to 26% of the total revenues, of which
  - Soggetti Aggregatori from 5% to 11%
  - Consip from 11% to 15%
- As of today the weight of Soggetti Aggregatori and Consip accounts for approximately 26% with **a slow but constantly increasing trend** consistent with market evolution

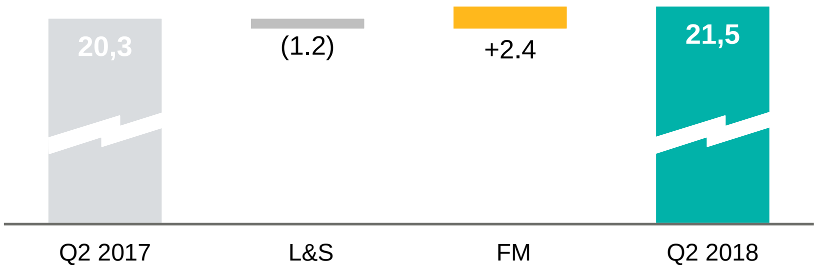
- **Rekeep revenues breakdown is aligned with Framework Agreements evolution (Consip and Soggetti Aggregatori), consistently with the market trend**

Normalized EBITDA

Normalized EBITDA, €m



Bridge Normalized EBITDA, €m



- Normalized EBITDA faces an increase to €21.5m on the second quarter
- Normalized EBITDA Q2 2018 vs Q2 2017 increases by €1.2m - mainly in Facility Management sector – and is due to:
  - Rekeep: higher efficiency achieved by the cost saving plan
  - Telepost: performance improvement due to a change in mix of services
  - Gruppo Sicura: ongoing cost saving activity
  - Negative impact from the L&S partially offsets the performance, and is mainly due to pricing pressure on renewals and a contract loss in laundering

Q2 2017 adjustments are +€0.4m vs +€2.0m in Q2 2018

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Industrial Capex

H1 2018

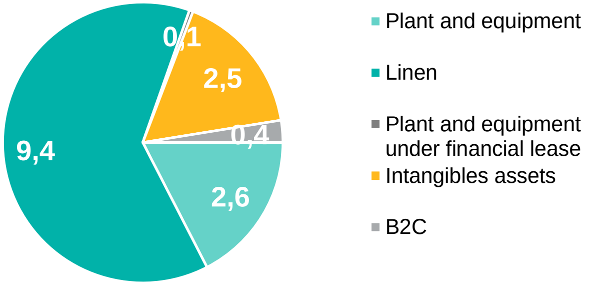
€15.0m

H1 2017

€16.6m

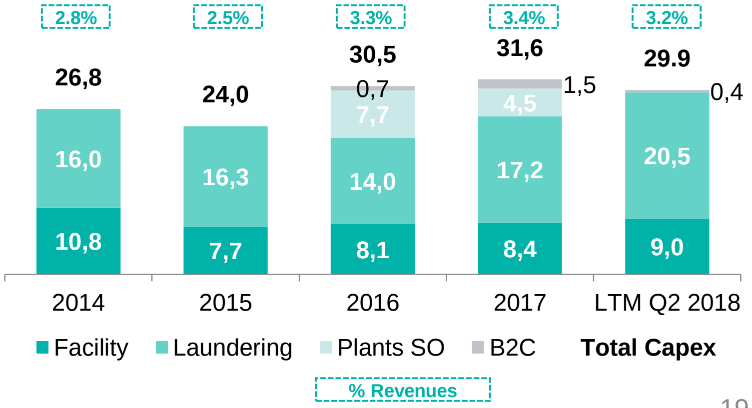
- LTM Q2 Capex accounted for a 3.2% on Revenues. Net of the one-off effects in 2017 (€4.5m Q1 2017 plants SO), capex increase by +€3.9m vs Q2 2017, mainly due to investment in laundering +€3.3m related to:
  - ✓ **Renewal of larger contracts**, mainly USL Bologna: capex Q1 2018 €1.3m [total capex €2.5m; total contract value €25.9m; 6 years];
  - ✓ **Development of new clients**, of which KOS CARE [total capex €0.6m; total contract value €4.6m; 3.5 years] and Campus Biomedico [total capex €0.6m; total contract value €2.7m; 3 years]
  - ✓ Higher investments for new equipment €0.6m
- L&S Capex are still the main item (~70%) of total Capex H1 2018

Capex Breakdown H1 2018, €m



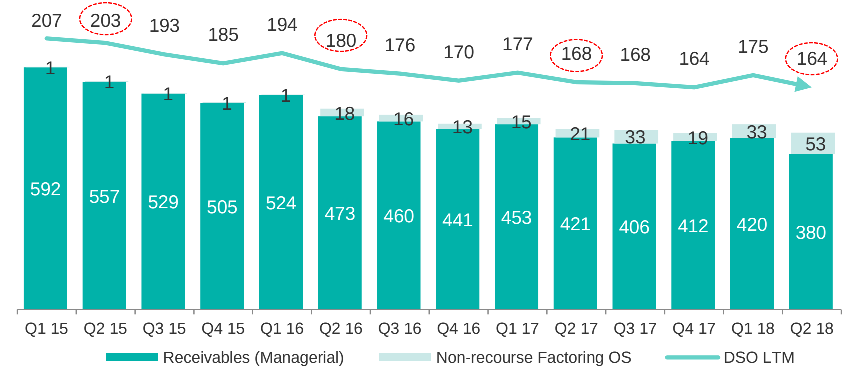
Capex for intangible assets are mainly represented by ICT development

Capex overview, €m

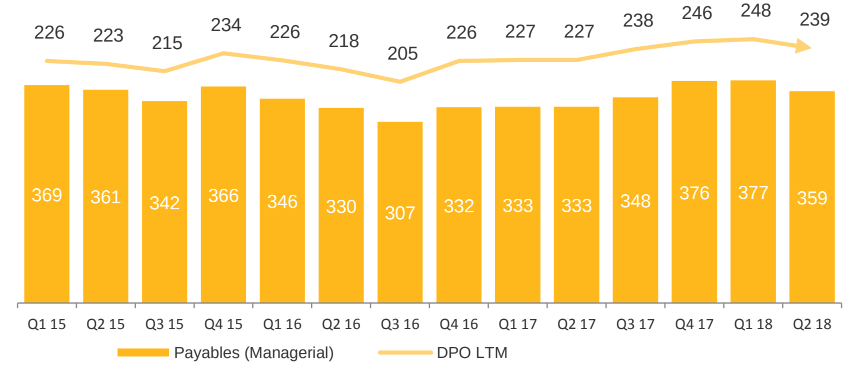


DSOs & DPOs

Gross Receivables and DSO



Payables and DPO



- DSOs are in line with Q4 2017, after an increase registered in Q1 2018, due to the seasonality effect
- However, the evolution confirms the decreasing trend, in line with previous years (-4 days compared with Q2 2017 and -16 days compared with Q2 2016)
- DPOs decrease reflects the improvement achieved in DSOs

In the upper chart, on top of gross receivables, the amount of factoring outstanding receivables for each quarter is separately depicted, which is taken into consideration to calculate DSOs.

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Net Working Operating Capital

NWOC

H1 2018
€29.1m
H1 2017
€92.8m

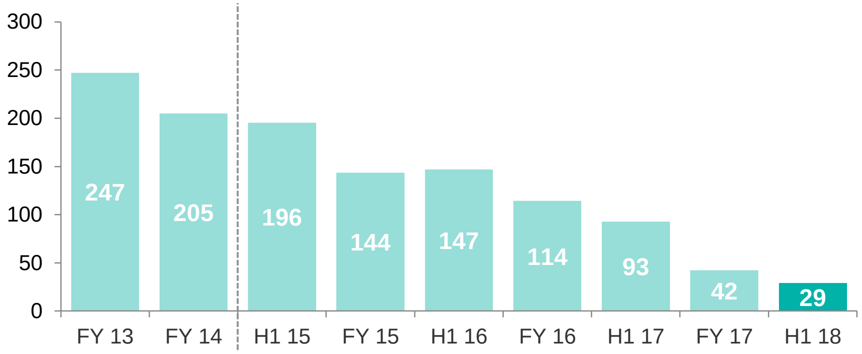
NWOC / Revenues

H1 2018
3.1%*
H1 2017
10.2%

- The continuous effort on the Working Capital management delivered a historical low level of NWOC% on Revenues to 3.1%
- NWOC decrease by €64m vs H1 2017 is mainly due to following elements:
    - Joint effect of lower DSOs and higher DPOs
    - Increase in non-recourse factoring

NB: stock values before FY 2014 are not comparable due to the 2015 introduction of VAT new fiscal regime (Split payment e Reverse charge)

Net Working Operating Capital, €m

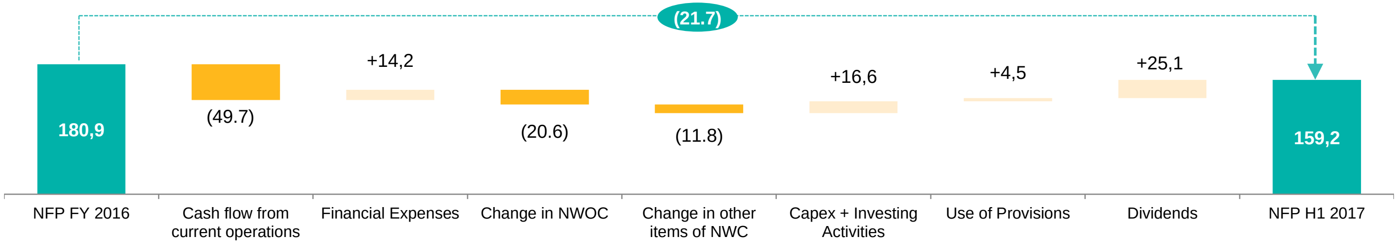


Introduction of «Split Payment» and «Reverse Charge»

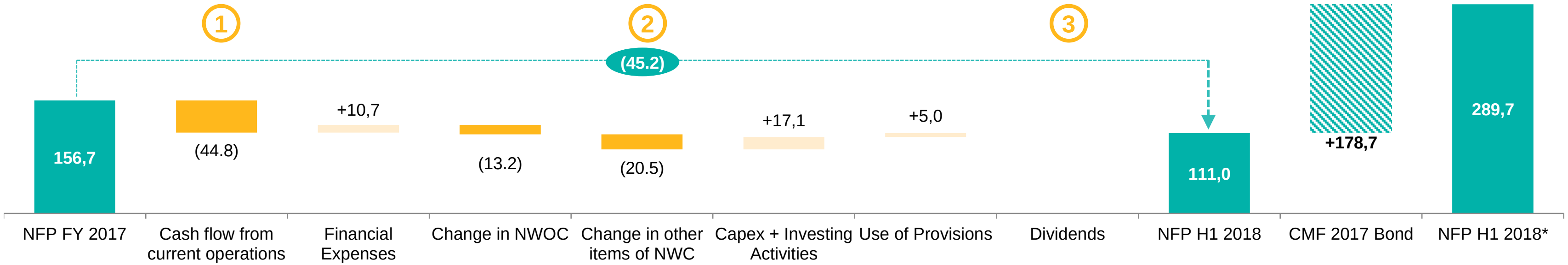
** NWOC = €29.1m; Revenues LTM = €925.8;. NWOC / Rev = €29.1m / €925.8m*

…Focus on NFP changes H1 2017 vs H1 2018 (€m)

H1 2017



H1 2018



**Net Financial Indebtedness CMF Group does not include the amount of CMF Shareholder's Funding.*

1. Lower cash flow from current operations H1 2018 vs H1 2017 mainly due to decrease in EBITDA [including impact from startup costs and adjustments]
2. Increased efficiency in net working capital management
3. No dividend distribution in H1 2018

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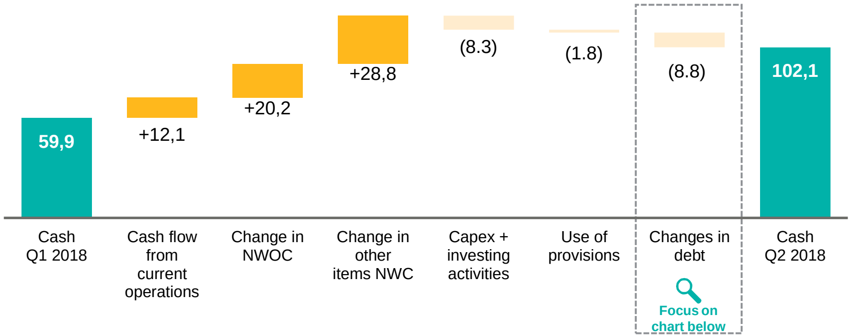
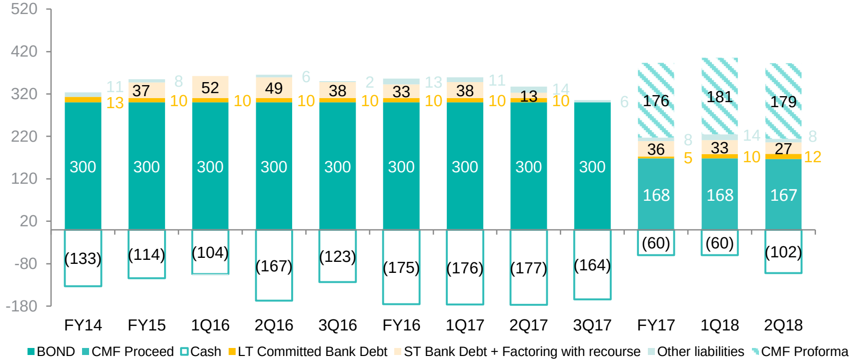
...Focus on Credit Facilities

Changes in Cash Q2 2018, €m



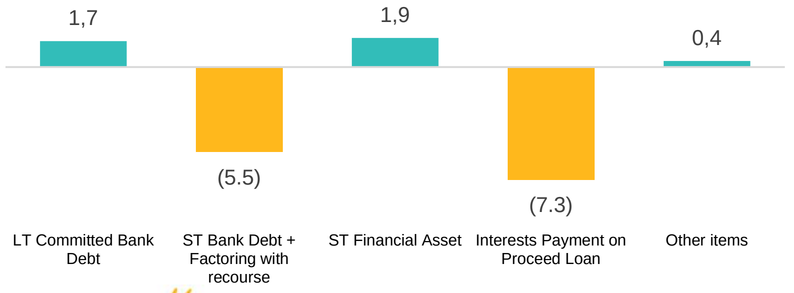
Debt Breakdown, €m



Detail of Changes in debt Q2 2018, €m

Δ in Debt

€(8.8m)



Long term facilities at 30Jun18 (€m)

Description	Plafond	Utilization	Utilization %	Maturity	Avaliability from 30Jun18
RCF	50.0	-	0.0%	Dec21	50.0
ARTIGIANCASSA (BNP PARIBAS)	1.7	(1.7)	100%	Mar26	-
CCFS	10.0	(10.0)	100%	Apr23	-
Long term facilities	**61.7**	**(11.7)**	**19%**		**50.0**

NR Factoring (Pro Soluto) at 30Jun18 (€m)

Description	Plafond	Utilization	Utilization %	Maturity	Avaliability from 30Jun18
NR Factoring (Pro Soluto) BFF (*)	100.0	(33.0)	33%	Feb19	67.0
NR Factoring (Pro Soluto) IFIS	25.0	(19.3)	77%	-	5.7
Total Pro Soluto	**125.0**	**(52.4)**	**42%**		**72.6**

(*) Plafond per annum

Short term facilities at 30Jun18 (€m)

Description	Plafond	Utilization	Utilization %
Recourse Factoring (Pro Solvendo)	30.0	(22.1)	74%
Hot Money	11.0	-	0%
Advances on invoices	6.0	(5.1)	85%
Total short term	**47.0**	**(27.2)**	**58%**

Cash & Cash equivalents	**102.1**

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Litigation Update

Recent Development/Updates

- **Consip Healthcare and Army Barracks -** The Council of State (Consiglio di Stato) on April 5, 2018, suspended the decision of the Lazio Administrative Tribunal ("TAR") issued on March 2, 2018, which had rejected Company's appeal against Consip's resolution to exclude the Company from the tenders for "barrack cleaning" and "public hospital cleaning"

- **FM4 Investigation –** Administrative procedure ongoing. Hearing held on 24 April 2018. The ICA has postponed the FM4 investigation deadline until December 31st, 2018.

Next Steps

- The hearing on the merits of Company's appeal was held on June 28, 2018

- The proceedings are currently pending

- December 31, 2018

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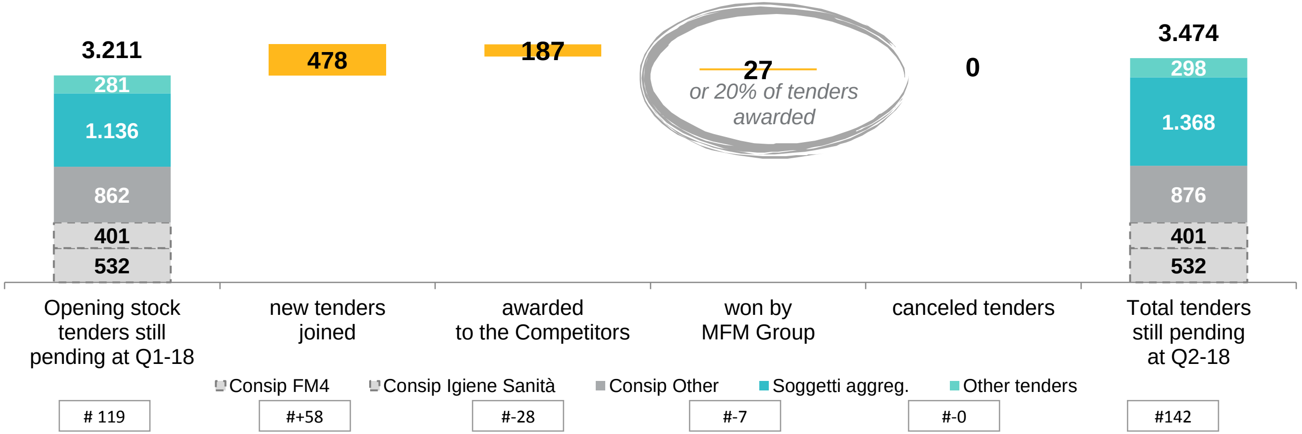
Q&A session

Annex

Tenders Pipeline

Tenders Pipeline Bridge by Stock tenders and New tenders

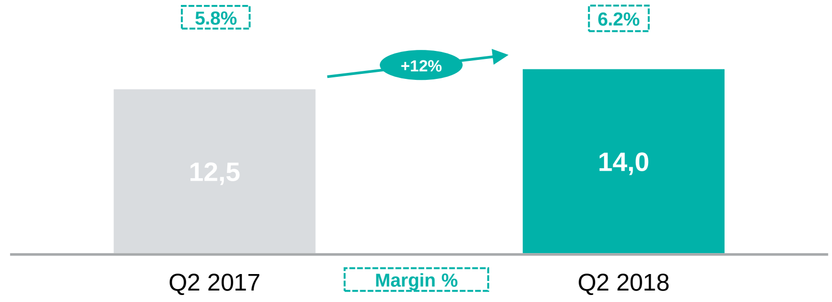


Description	Δ €m
Others	+249
Consip Other	+15
Consip Igiene Consip FM4	

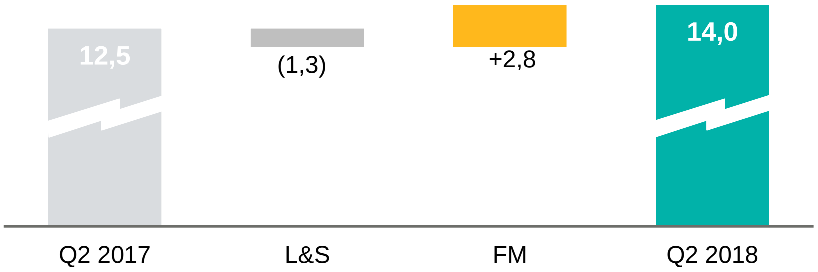
- Total amount of tenders still pending accounts for €3.5bn
- Despite the delay in awarding process of Consip tenders, the group is participating in an increasing number of tenders held by other central purchasing bodies (“Soggetti Aggregatori”)
- This allows to further defend the current portfolio and develop new business
- **Considering the tenders awarded by “Soggetti Aggregatori” in the last four months (April to July), Rekeep Group won 29% of the tenders (2 out of 7) which corresponds to 26% in terms of pluriannual value**

Normalized EBIT

Normalized EBIT, €m



Bridge Normalized EBIT, €m



- Normalized EBIT increases to €14m, up €1.5m quarterly
- The effect of EBITDA increase is substantially repeated on EBIT for both segments(FM, L&S)
- However, a further positive effect in Q2 is due to a quarterly decrease of bad debt provision in FM

Q2 2017 adjustments are -€1.4m vs +€2.0m in Q2 2018

Net Financial Expenses, Taxes, Net Profit

Net Financial Expenses, €m

H1 2018 MFM

€10.7m

H1 2018 Rekeep (CMF + MFM)

€19.7m

H1 2017 MFM

€14.2m

- Financial expenses in H1 2018 have been negatively affected by the refinancing, with a direct impact on Net Income

Taxes, €m

H1 2018 MFM

€8.5m *EBT €20.2m*

H1 2018 Rekeep (CMF + MFM)

€9.0m *EBT €11.1m*

H1 2017 MFM

€11.2m *EBT €27.0m*

Net Result, €m

H1 2018 MFM

€11.8m 2.5% of Revenues

H1 2018 Rekeep (CMF + MFM)

€2.1m 0.5% of Revenues

H1 2017 MFM

€15.7m 3.5 % of Revenues

- Net income H1 2017 MFM includes €6.2m of system charges
- Excluding system charges one-off in 2017, the net income would have been €9.5m (2.1% of Revenues)

What’s next

- ✓ Rekeep Financial Calendar and materials available on:

  https://www.rekeep.com/en/investors/financial-info/financial-calendar