

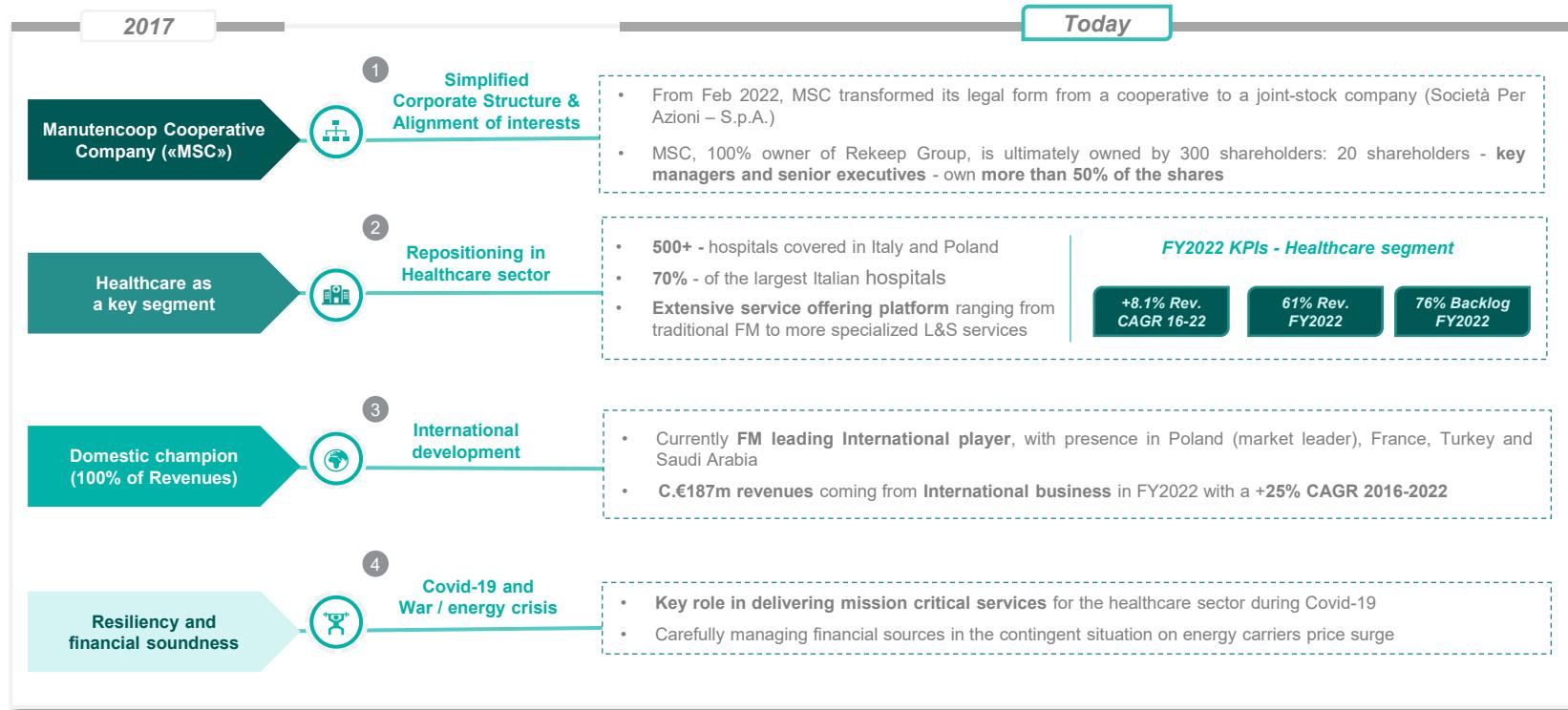


Company Profile

*Morgan Stanley Leveraged Finance
Conference*

11 May 2023

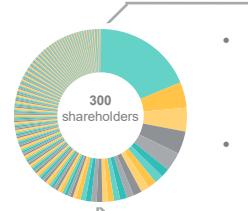
Rekeep Group: transformation journey since 2017



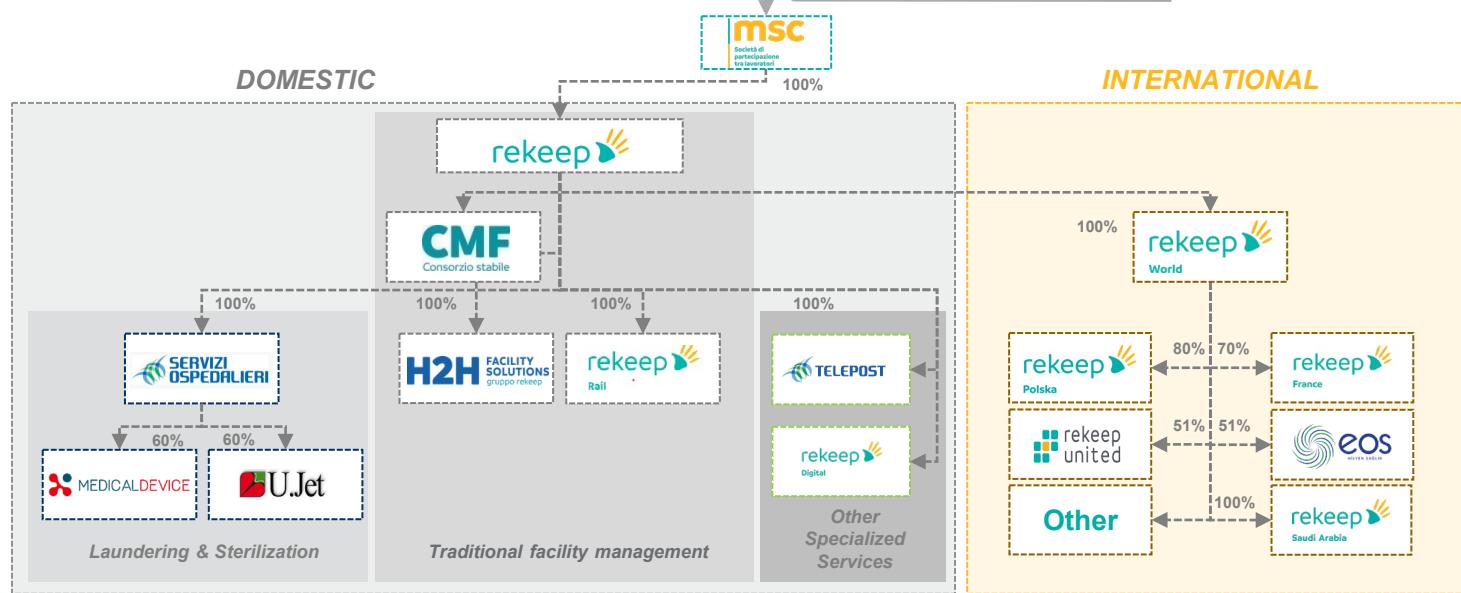
Simplified organizational structure

① Simplified Corporate Structure & Alignment of interests

- Effective from February 1st, 2022, MSC, holding company of Rekeep Group has transformed its legal form from a cooperative to a joint-stock company (Società Per Azioni – S.p.A.) and, as such, has changed its company name to **MSC Società di Partecipazione tra Lavoratori S.p.A**
- MSC, 100% owner of Rekeep Group, is ultimately owned by 300 shareholders, mainly managers and employees of the Group



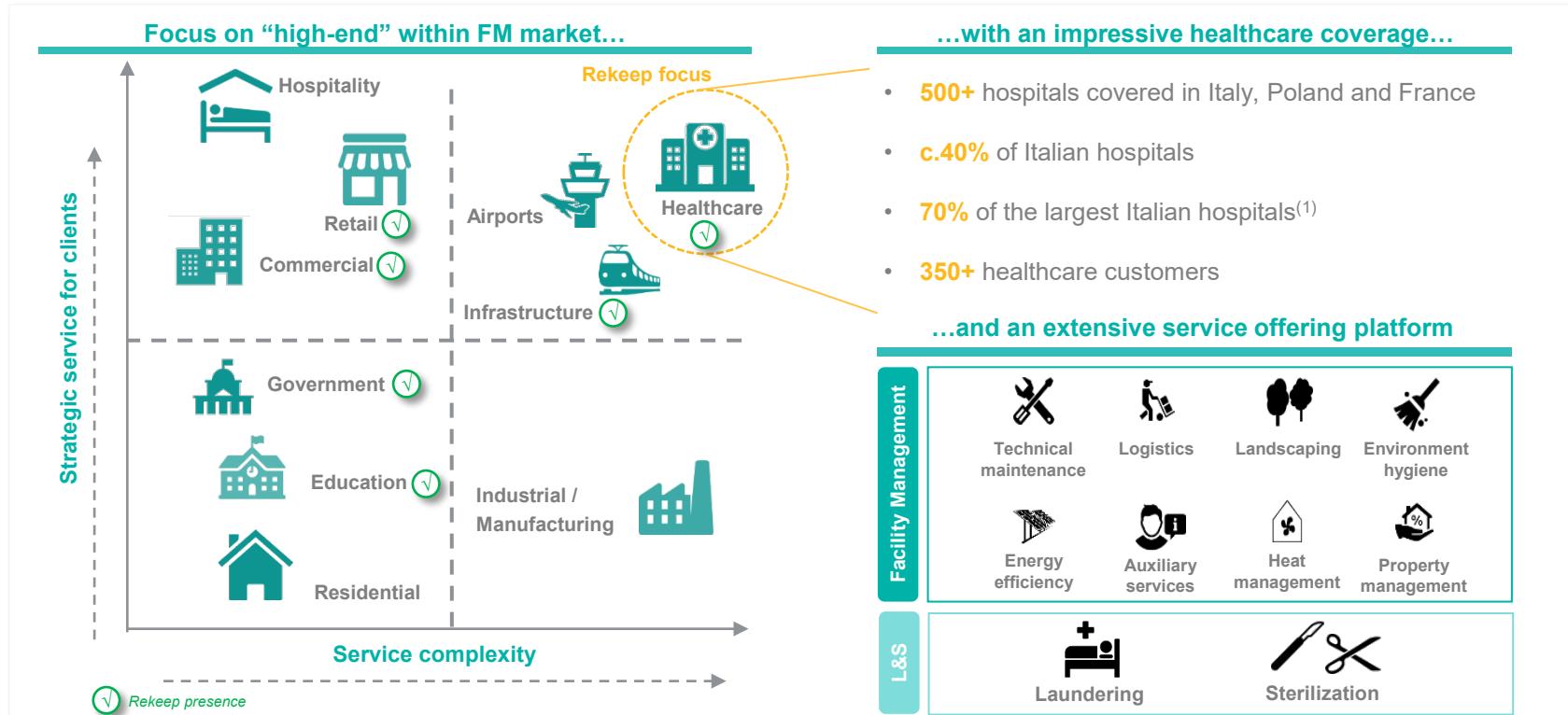
- A vast majority of Managers now involved as investors in shareholding of the Company (166 white collars of the Group)
- 20 shareholders - key managers and senior executives - own more than 50% of the shares



Mission critical service provider with a clear focus on the healthcare sector

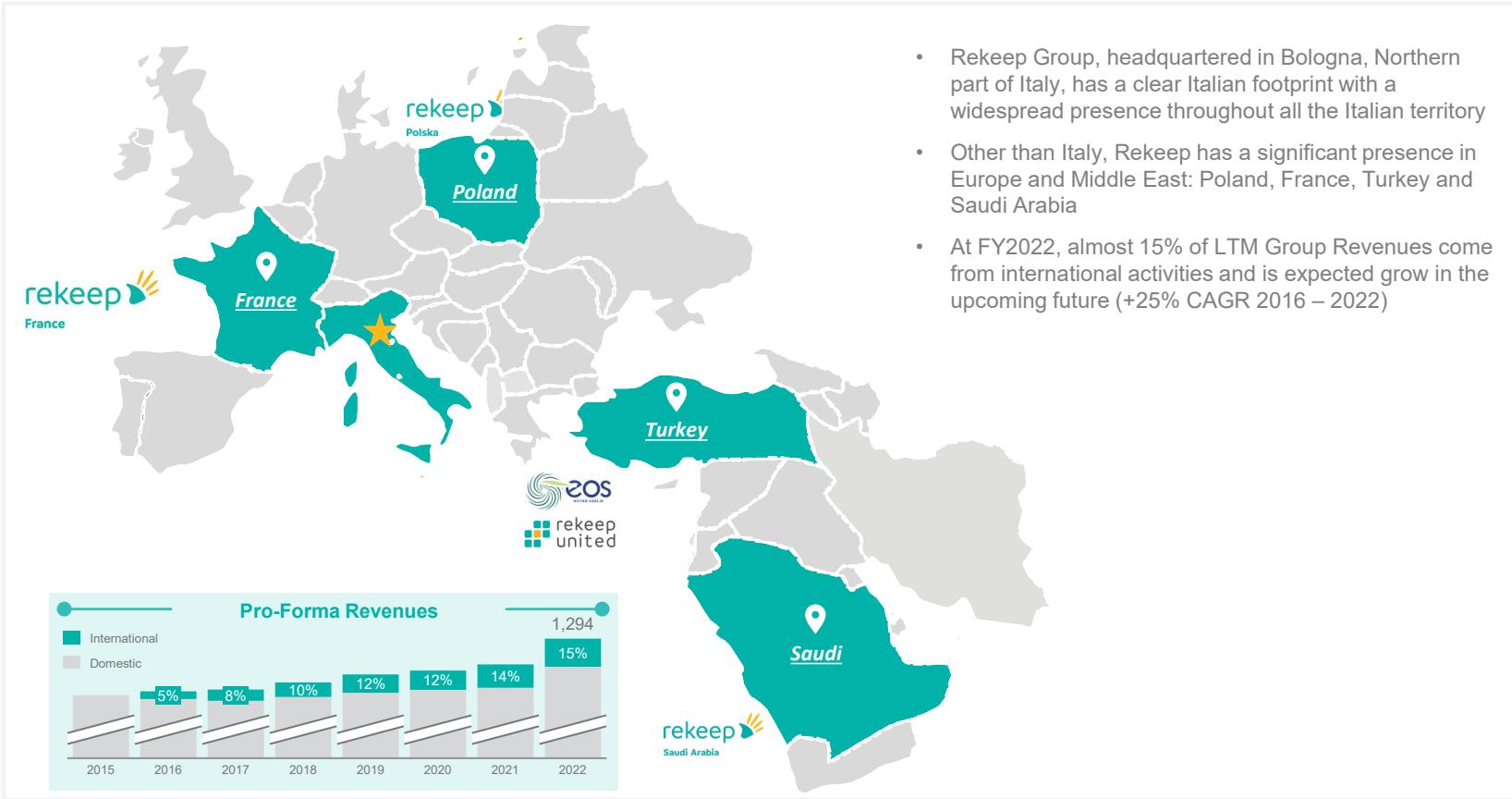
Rekeep is an integrated facility management operator providing healthcare coverage

② Repositioning in Healthcare sector



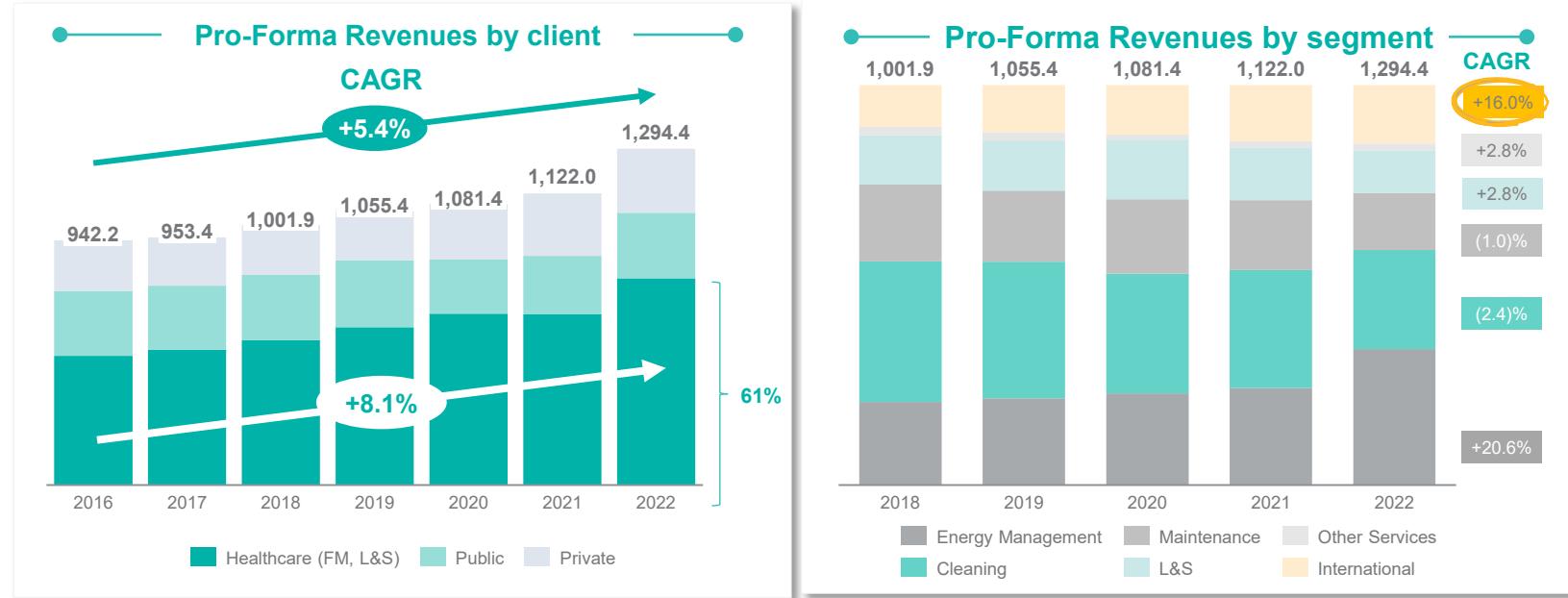
Rekeep Group international presence

3 International development



Revenues historical trend by market segment

4 Resiliency to Covid-19 and War / energy crisis



- Despite recent economic downturns, the Group has shown an overall constant growth, with a **CAGR of +5.4%** during 2016 - 2022
- Specifically, **Healthcare** exposure delivered a superior growth, with a **CAGR of +8.1%** during 2016 - 2022 (vs 7.6% in LTM Q3 2022), as well as **International business** showing a strong increase with a Pro-Forma **CAGR of +16.0%** in the period 2018 – 2022 (vs 5.3% Domestic revenues growth in the same period)

Real integrated facility management services provider

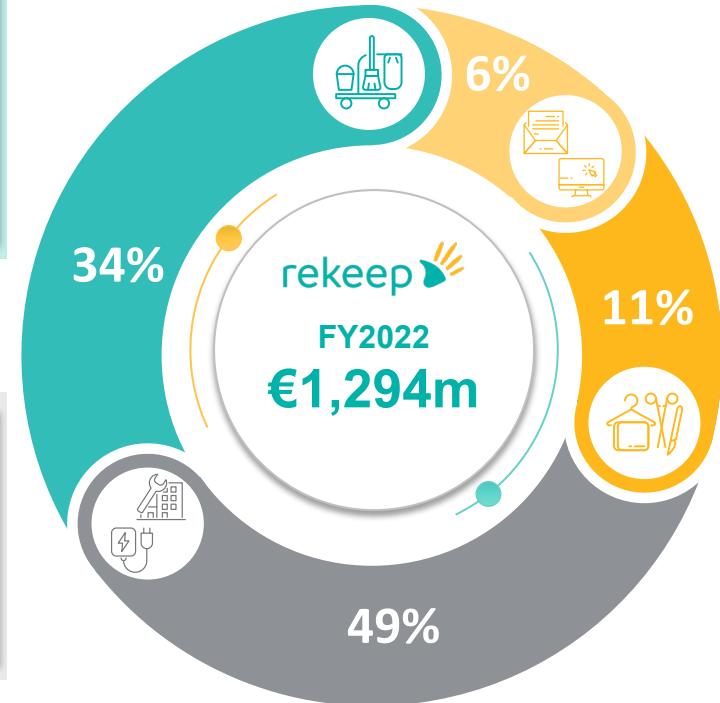
The Group offers a broad range of facility services with a tangible and recognized know-how

Hygiene

- Hospital Cleaning
- Healthcare Cleaning
- Commercial cleaning
- Internal and external cleaning of buildings

Energy Mgmt.

- Energy efficiency
- HVAC
- Technical Maintenance
- Landscaping Maintenance



Data in €m

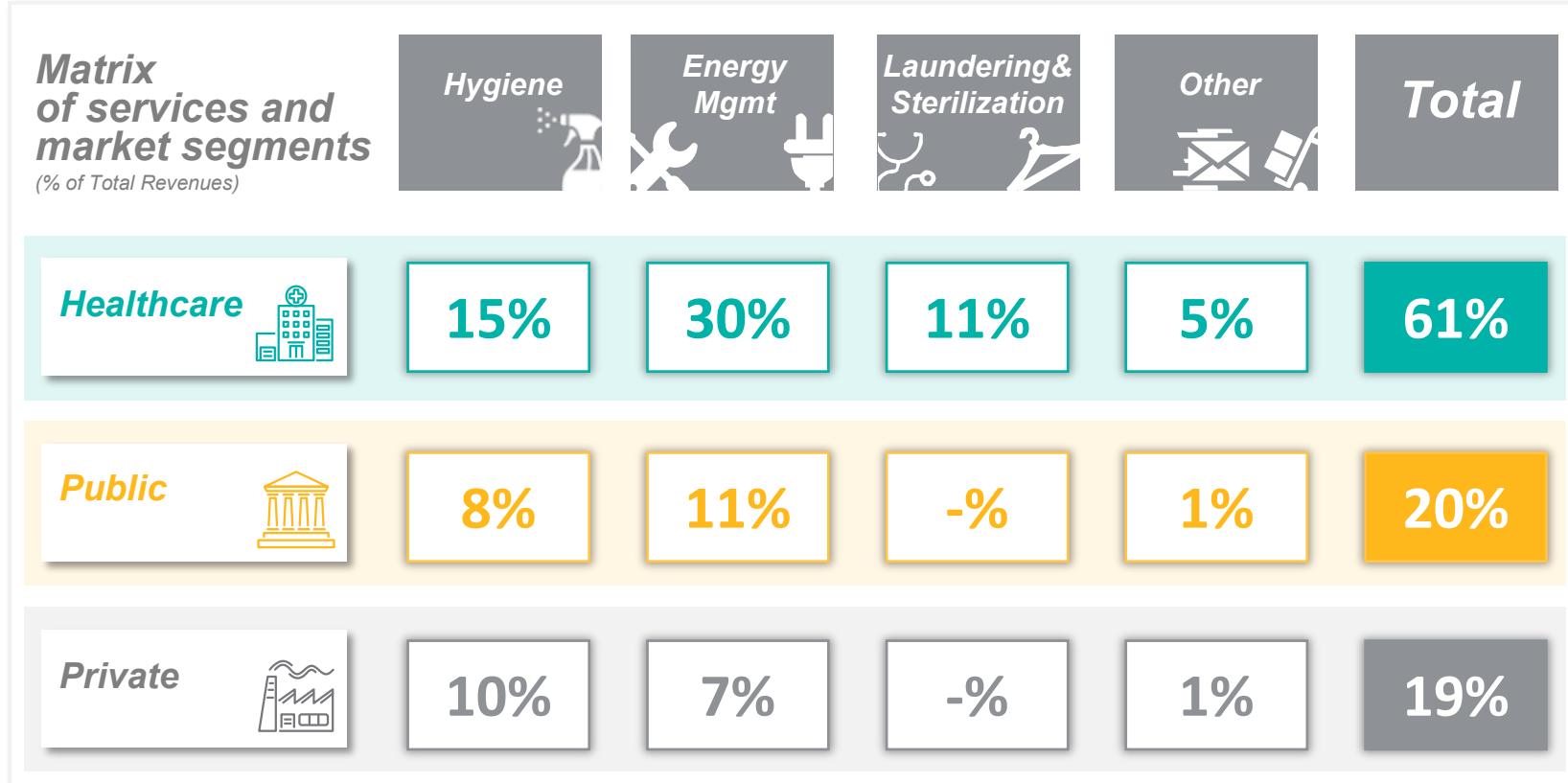
Other Services

- Hospital Catering
- IT Service solutions
- Document service (Telepost)

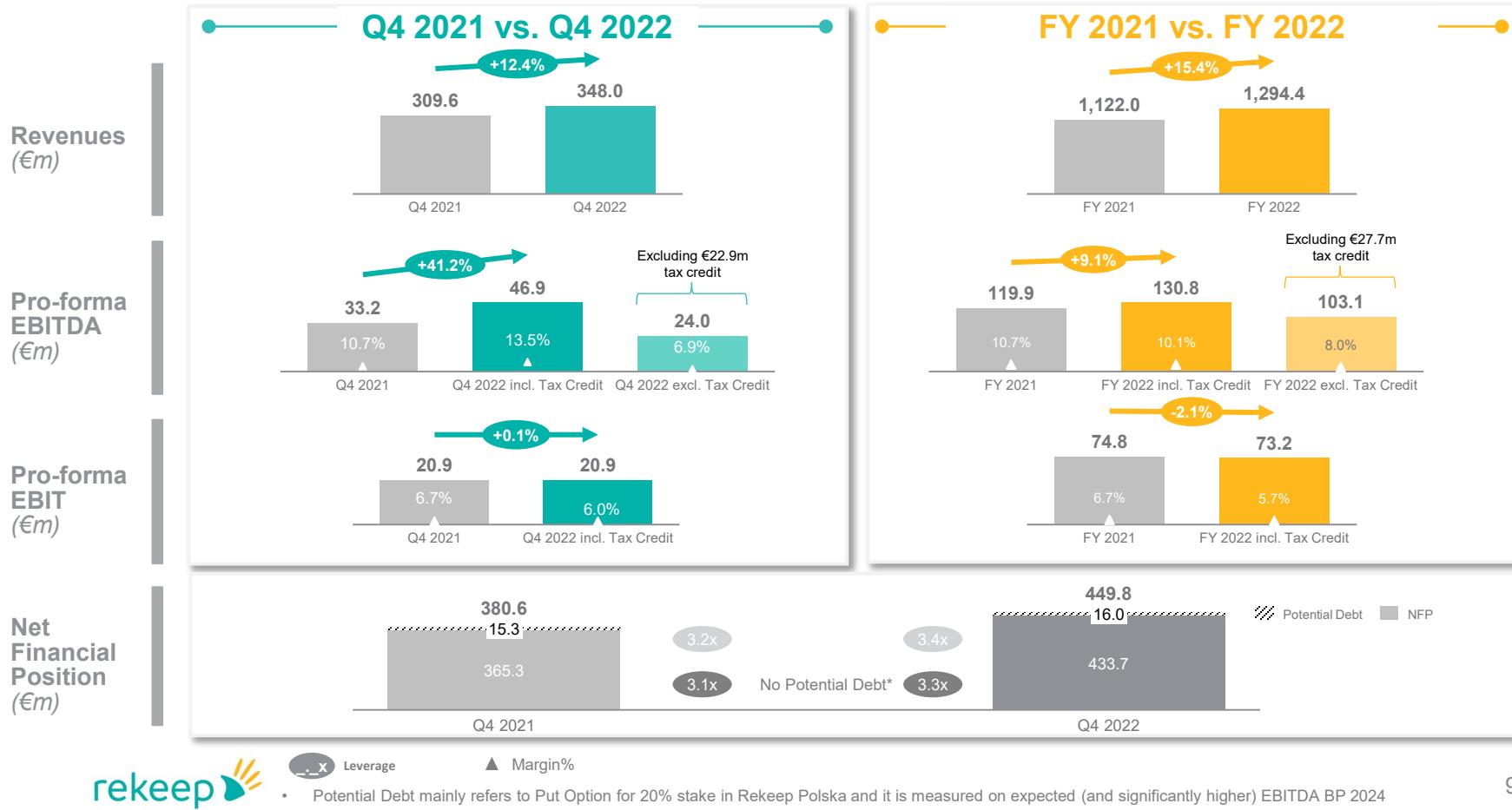
L&S

- Hospital linen and surgical instruments sterilisation and laundering
- Disposable surgical procedure kits for op. rooms

Real integrated facility management services provider



3 months and FY KPIs at a glance

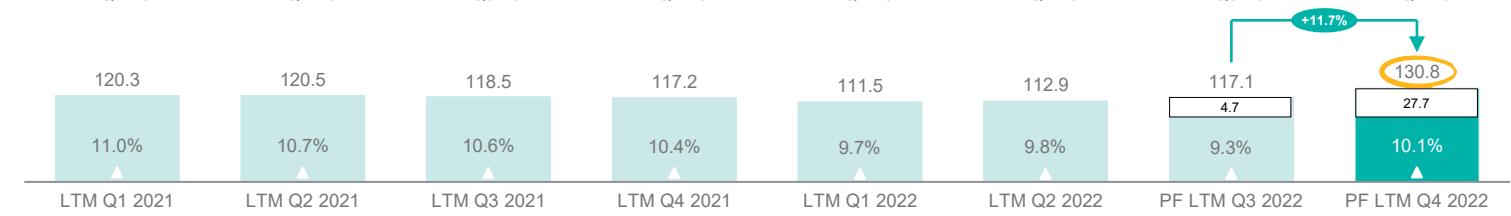


LTM Performance

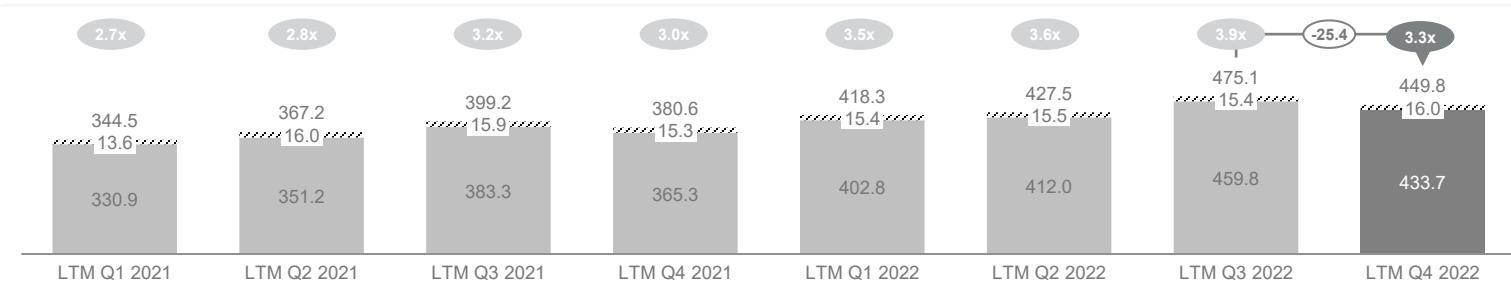
Pro-Forma Revenues (€m)



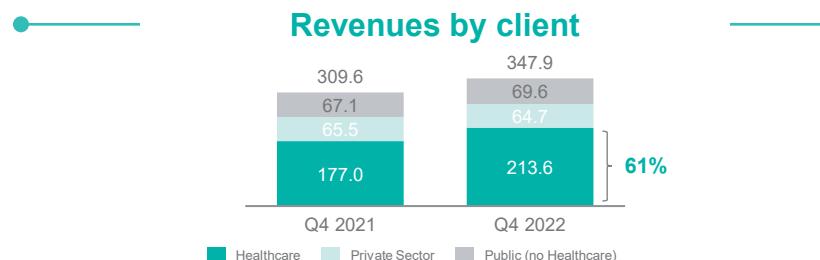
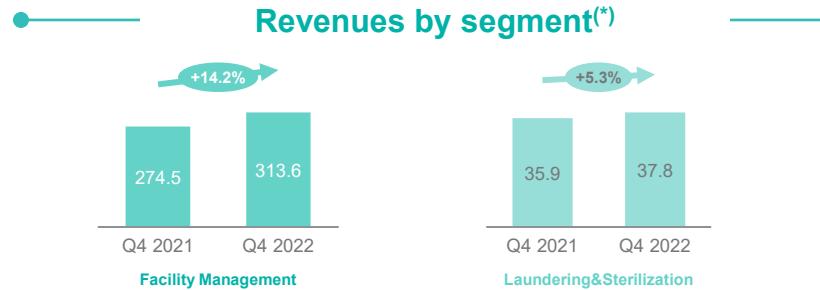
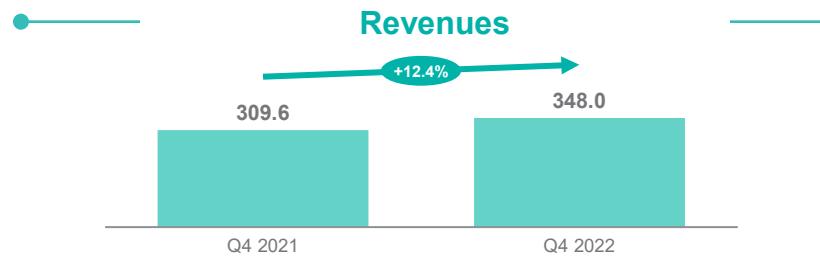
Pro-Forma EBITDA (€m)



Net Financial Position (€m)



Revenues, YoY



Comments

- Q4 2022 Revenues growth is sustained with a +12.4% increase landing at €348.0m
- The trend in volumes in Q4 2022 is driven by:
 - + FM segment registers a solid increase +14.2% vs Q4 2021, mainly due to the increase in volumes generated energy contract
 - + A good performance for International business, especially from Polish and French activities
- L&S volume increase (+5.3% QOQ) back on sustainable path after the resumption of routine operations and lower contribution of extra-ordinary activities related to Covid19, and positively supported by the inception of one key large Hospital
- **Healthcare confirms being almost 2/3 of volumes (61%) in Q4 2022**

Net Financial Expenses, Taxes, Net Result

Net Financial Expenses, €m Taxes, €m Net Result, €m



Recurring FY2022 Net Financial expenses decrease by approx. €2.7m vs FY2021 mainly due to lower coupon expenses and lower other financial interest discount

FY2022 Net Result is positive at €27.5m

Industrial Capex

Q4 2022

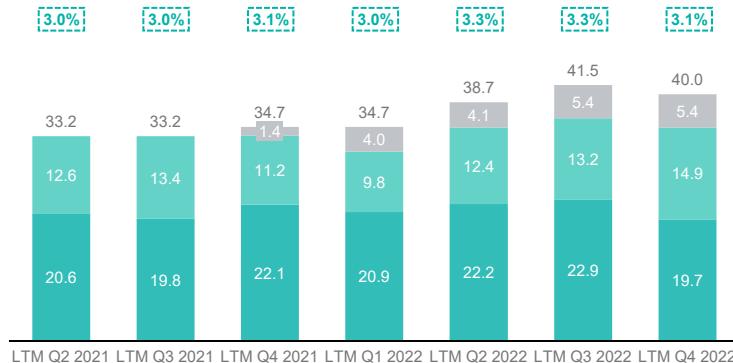
€10.2m

Q4 2021

€11.8m

- Q4 2022 Capex at €10.2m (*), while LTM Q4-2022 amounted to €40.0m
- FM Capex are driven by IT software investments and international business investments, especially related to a key investment for catering in Poland (€5.4m in FY 2022)
- L&S investments mainly refer to the purchase of linen (both current and new contracts)
- FY2022 recurring Capex stood at 3.1% as sustainable level for the business

LTM Capex overview, €m



Capex by quarter, €m



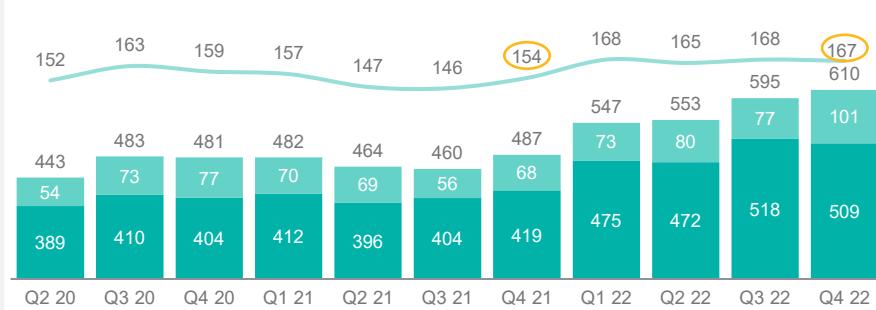
% on LTM Revenues

Laundry Facility Catering

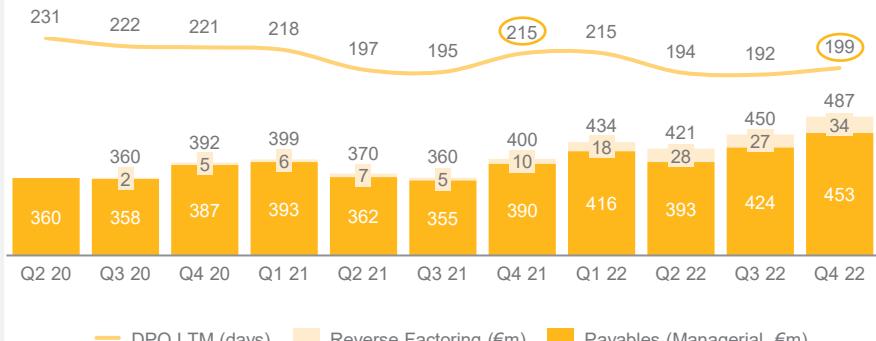
Laundry Facility Catering

DSOs & DPOs

Gross Receivables and DSO



Payables and DPO



Comments

- Visible increase in DSO on the year, mainly related to the contingent situation on energy raw materials price surge which has impacted the Group and its invoicing contractual terms to customers since Q3 2021:

- ✓ DSOs at 167 days with an increase (+13 days) DSO vs Q4 2021
- ✓ Volume effect due to the increase in prices for energy raw materials
- ✓ Level of Non-Recourse factoring reaching €101.5m at Q4 2022 (+€34m), quite in line with the increase of receivables stock / volumes, being 7.8% on LTM Revenues

- DPOs at 199 days with a decrease -16 days vs. Q4 2021, is mainly due to advanced payment of certain energy suppliers - and partially funded through Reverse Factoring vs the previous year (+€24m vs Q4 2021)

- In the upper chart, on top of gross receivables, the amount of factoring outstanding receivables is separately depicted, which is taken into consideration to calculate DSOs
- In the lower chart, on top of payables, the amount of reverse factoring is separately depicted and it's not taken in consideration to calculate DPOs

Net Operating Working Capital

NOWC

Q4 2022

€68.5m

(o/w €22.8m related to Poland)

Q4 2021

€42.6m

(o/w €21.9m related to Poland)

- NOWC increased vs Q4 2021 (€68.5m vs €42.6m) mainly due to the effect of the increase of volumes mainly generated by the increase in energy management volumes
- **Q4 2022 NOWC decreased vs Q3 2022 (-€38.7m)** due to the combined effect of (i) NOWC seasonal declining trend in Q4, (ii) declining energy price, (iii) billing cycle reduction (at Q4 2022 close to +90% of customers invoiced on a monthly basis)
- Excluding Rekeep Polska, NOWC is 4.0% of Domestic Revenues

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

NOWC / LTM Revenues

Q4 2022

5.3%

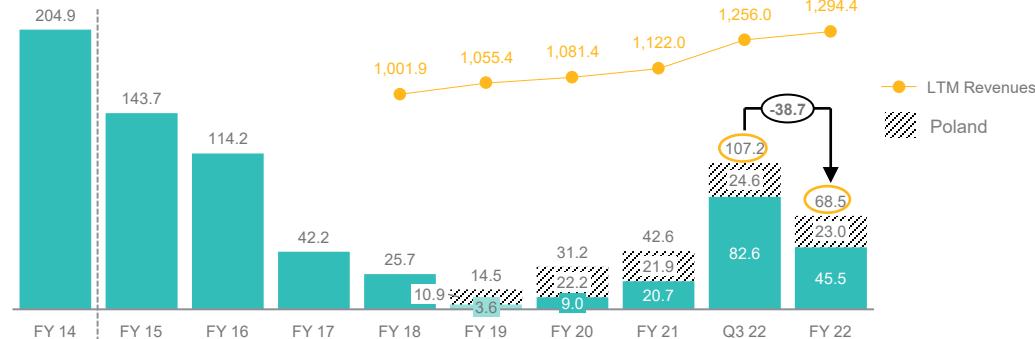
(4.0% excl. Poland)

Q4 2021

3.8%

(2.1% excl. Poland)

Net Operating Working Capital Trend, €m



Introduction of «Split Payment» and «Reverse Charge»

Focus on Liquidity and Credit Facilities

Data as of December 2022

Reference LTM EBITDA

Cash on Balance Sheet

Short Term Financial Assets

SSN @ 2026 - 7.25% Coupon

Other on SSN (Amortized Cost, Accrued Interest)

ssRCF (€75m)

Total Senior Secured NFP

Recourse Factoring

Reverse factoring

Term Loans & Bank Overdrafts

Financial Leasing

Other Financial Debt

IFRS Adjustments

Net Financial Position w/o Potential Debt

Potential Debt

Net Financial Position

No-Recourse Factoring

As of 31 Dec 2022, Cash on Balance does not include approx. €25m cash collateralized for financial guarantees for Gas purchase, requested in November and expected to be released/revised in H12023 following gas price decreasing trend.

As of 23-mar, €4.5m has been already released

Amount
(€m)

x
Pro-Forma
EBITDA

Liquidity Available

130,8

(84,2)

(7,0)

370,0

6,2

-

284,9

2,2x

11,8

33,8

16,1

21,3

38,1

27,7

433,7

3,3x

16,0

449,8

3,4x

101,5

(84,2)

(7,0)

(75,0)

(198,5) *

Includes 20% put option for the remaining stake in Poland (est. in 2025).



Q&A Session

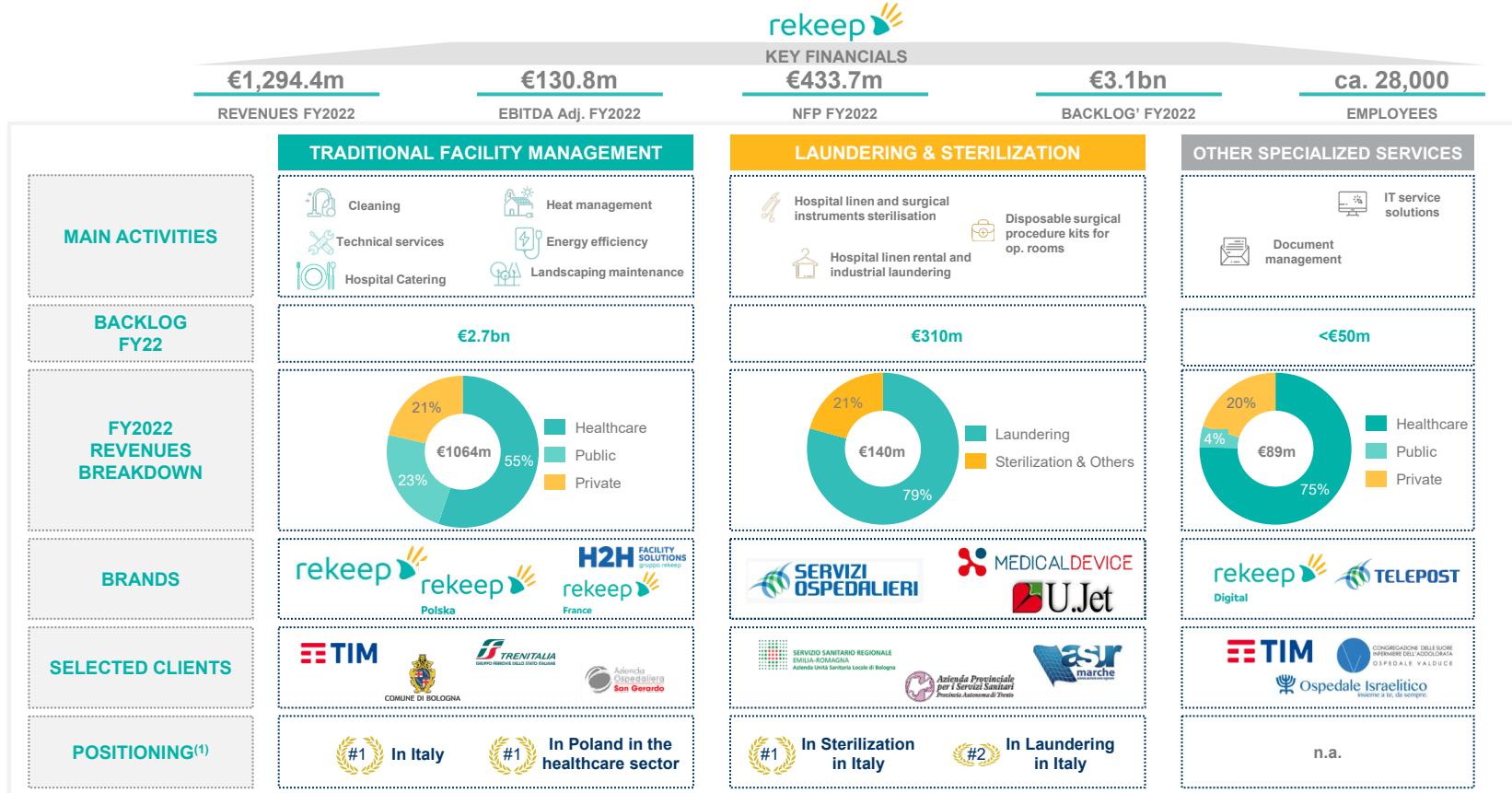




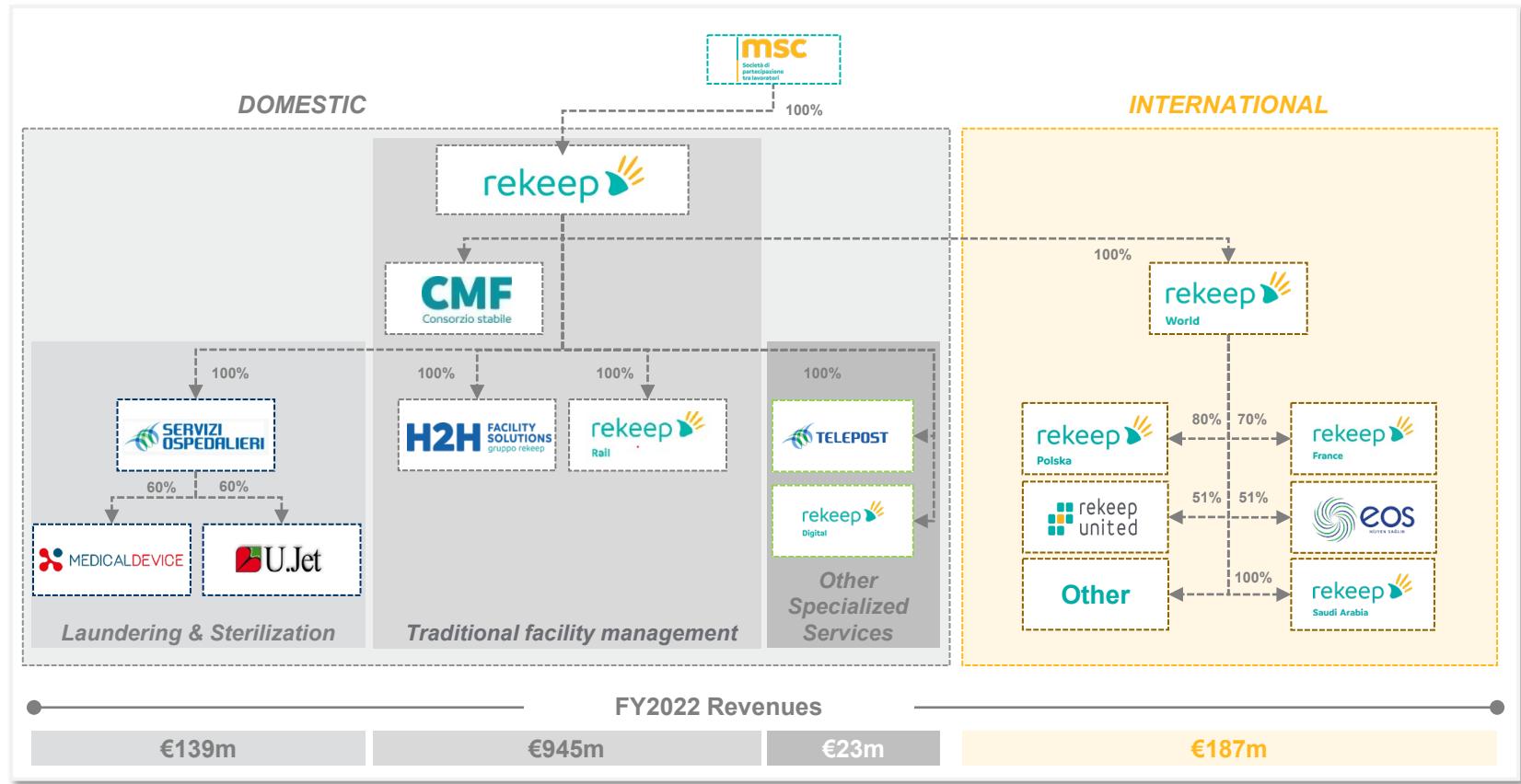
Annex



Rekeep Group at a glance



Simplified organizational structure



Methodology and data presentation

Data Presentation

- Since the acquisition of Polish Naprzod (then Rekeep Polska) in October 2019, International activities can be considered material and hence no longer as Start-up
- Adjusted EBITDA and Adjusted EBIT do not include non-recurring elements recorded in the consolidated Statement of Profit/Loss for the year
- On a Pro-Forma⁽¹⁾ basis, Revenues, EBITDA and EBIT :
 - i) Include International activities, following the acquisition of Polish company Rekeep Polska since November 2019 (for accounting purposes)
 - ii) Do not include Yougenio activities. Since September 2020, Yougenio has been de-consolidated from Group figures
 - iii) Do not take into account Sicura as it is no longer part of the Rekeep Group since February 2020
 - iv) Do not include the cost of personnel relating to the business unit "Personnel and payroll" (HR Business Unit) acquired from MSC

IFRS16

- Please note that all the figures shown in this presentation **take into account the impacts of the first-time adoption of the new IFRS 16**, mandatory since 2019. For this reason, the figures may sensibly differ from those presented in previous investors presentations
- The adoption of this Standard led Rekeep to adapt its key financial indicators:
 - ✓ EBITDA no longer includes operating lease costs, while EBIT and Net Profit for the period include the depreciation of the right of use asset and interest on lease liabilities
 - ✓ Net Financial Debt includes the financial liability for operating leases calculated as the present value of future lease payments

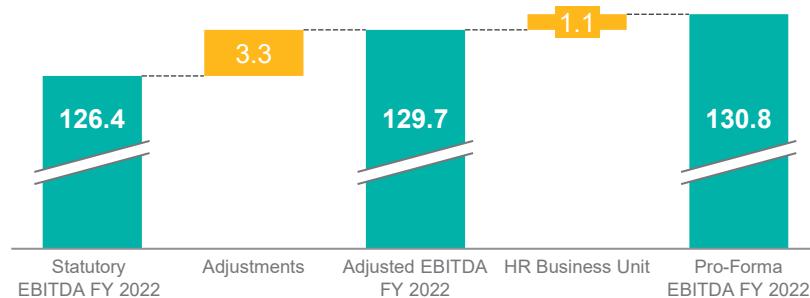
(1) *Pro-Forma Revenues, EBITDA and EBIT are not audited or reviewed or intended to comply with applicable accounting standards – they are provided for illustrative purposes only and does not purport to represent or project current or future results.*

Exchange rate:

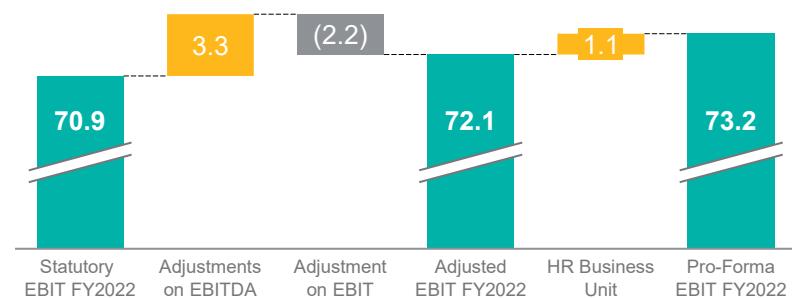
- for P&L: average exchange rate Q4 2022 YTD
- For BS: exchange rate as of 31 December 2022

Adjustments to EBITDA and EBIT

Bridge to EBITDA, €m



Bridge to EBIT, €m



Adjustments on EBITDA, €m

Extraordinary legal fees related to litigations 0.7

Re-organizations / Lay-off / Bonus 2.6

Total Adjustments on EBITDA 3.3

Adjustments on EBIT, €m

Adjustments on EBIT (2.2)

Total Adjustments on EBIT 1.1

Pro-Forma on EBITDA and EBIT, €m

HR Business Unit 1.1

Total Pro-Forma on EBITDA and EBIT 1.1

Definitions

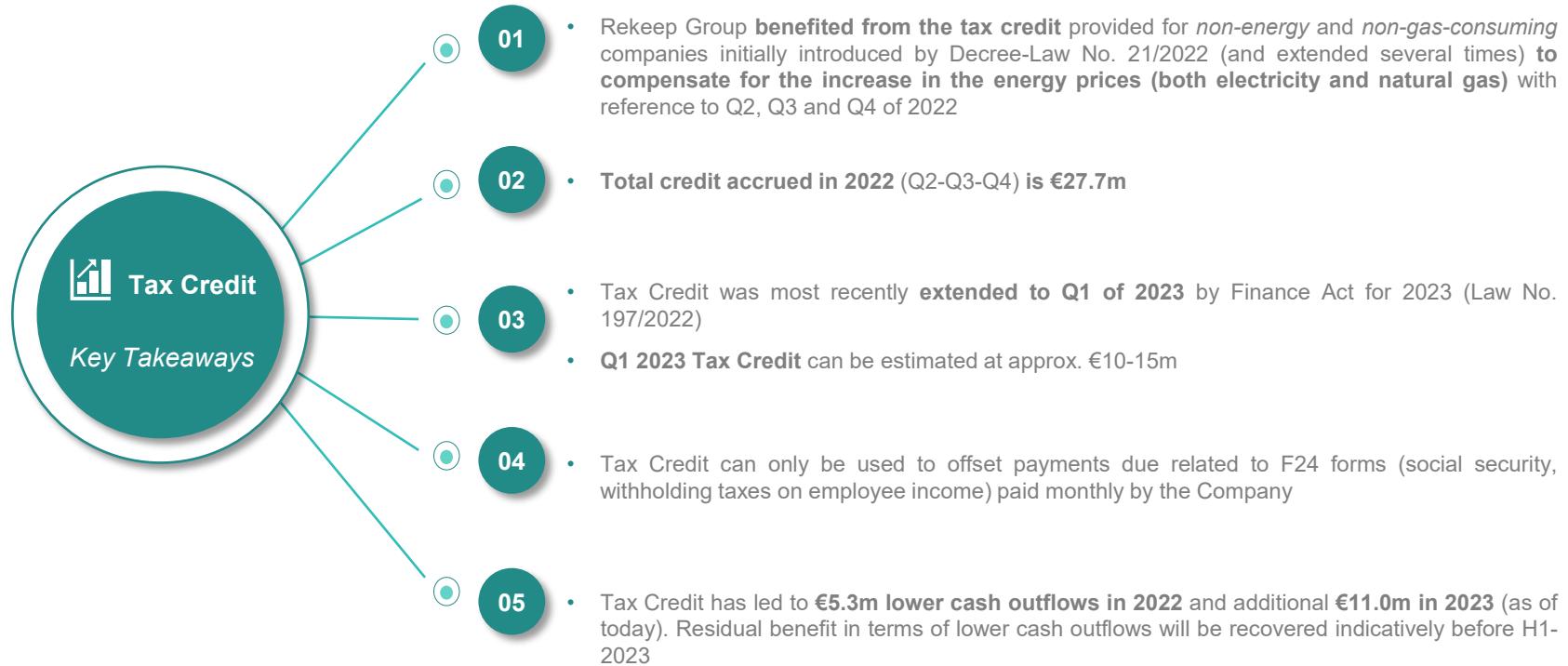
More definitions

- (1) **“Gross Debt”** is defined as the sum of debts for principal referring to: i) Senior Secured Notes; ii) Long-term bank debts; iii) Current bank overdraft, advance payments and hot money; iv) Obligations arising from assignments of trade receivables with recourse; v) Financial lease obligations
- (2) **“NFP Net financial indebtedness (PFN - Posizione Finanziaria Netta)”** - Consolidated Net Financial Position represents the balance of Long-term debt, Derivatives, Bank borrowings (including current portion of long-term debt) and other financial liabilities, net of the amount of receivables and other current financial assets and Cash and Cash equivalents
- (3) **“NFP without Potential Debt”** means Consolidated Net Financial Position, net of Potential Debt (i.e. Put Options and Earn-out related to M&A transactions)
- (4) **“Collections on behalf of factoring counterparties”** refers to the balances of bank accounts into which customers make payments on the trade receivables that have been sold to factoring counterparties

ANNEX

STATEMENT OF CASH FLOW (Statutory) (€/000)	31 Dec 2022	31 Dec 2021
CASH at the beginning of the period	99.512	90.464
Cash flow from current operations	80.841	29.301
Use of provisions for risks and charges and for employee termination indemnity	(4.976)	(4.539)
Change in NWOC	(21.588)	(11.595)
Industrial Capex, net of disposals	(49.822)	(33.843)
Financial Capex	(33.495)	(2.603)
Other changes	(40.088)	(23.043)
Change in net financial liabilities	53.858	55.370
CASH at the end of the period	84.243	99.512

Tax Credit – Legislative Decree No. 21/2022

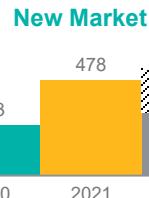


Commercial Activity

Value of contracts signed FY 2022, €m (multi-annual value)

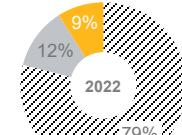


Breakdown of signed contracts FY 2022, €m



■ Canceled Tender

Signed contracts by Client FY 2022, %



Healthcare

Public (non HC)

Private

Sales activity

- Commercial performance lower than in FY 2021. FY 2022 contracts value is impacted by the potential court validation of one tender formally awarded in Q1 2022.
- FY 2022 commercial activity was mostly driven by:
 - ✓ **Renewals**: intense performance (€448m vs. €419m and €415m), with main benefit from Healthcare, International and Private.
 - ✓ **New market** In FY 2022 €315m of new business acquired thanks to important new contracts signed with Healthcare clients
 - ✓ **2 New Healthcare contracts** acquisition in **France** for the Group

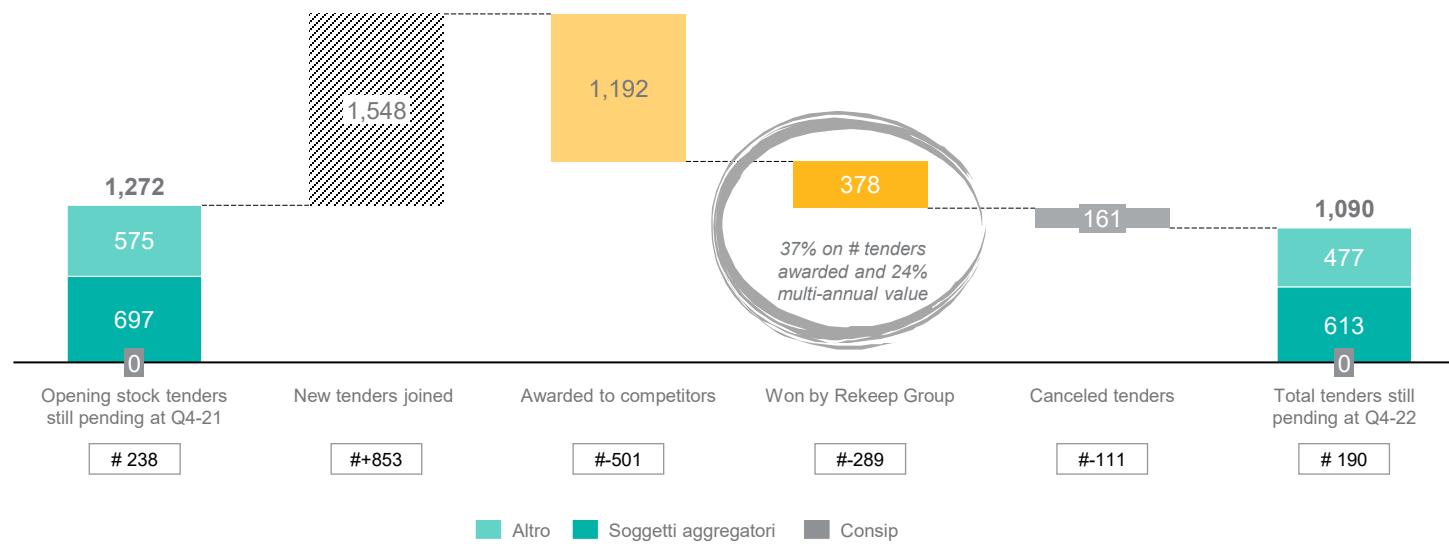
Reaffirmed Group strategy in repositioning as Healthcare FM providers with more than **70%** of signed contracts (both Renewals and New market) in Healthcare segment

Revenues and Contract Acquisition



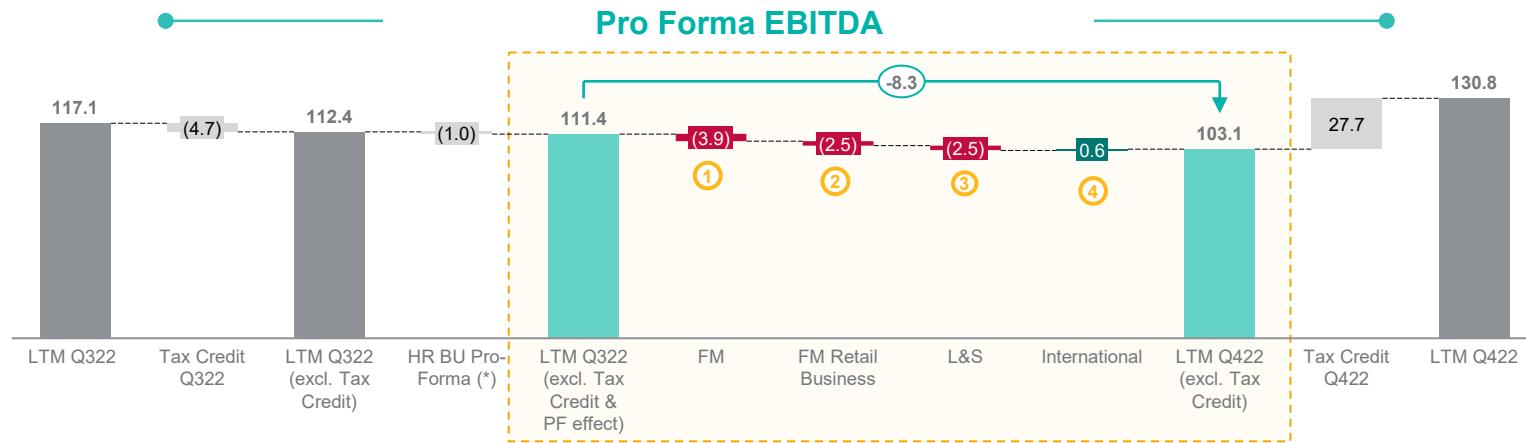
Tenders Pipeline – FY 2022

Tenders Pipeline Bridge by Stock tenders and New tenders, €m



- In FY 2022, Rekeep Group achieved an impressive win rate of 37% on # of tenders (289 out of 790) and 24% on value of tenders, including Poland contribution
- Total amount of tenders still pending (Pipeline) accounts for approx. €1.1bn

EBITDA Bridge – LTM Q32022 vs LTM Q42022

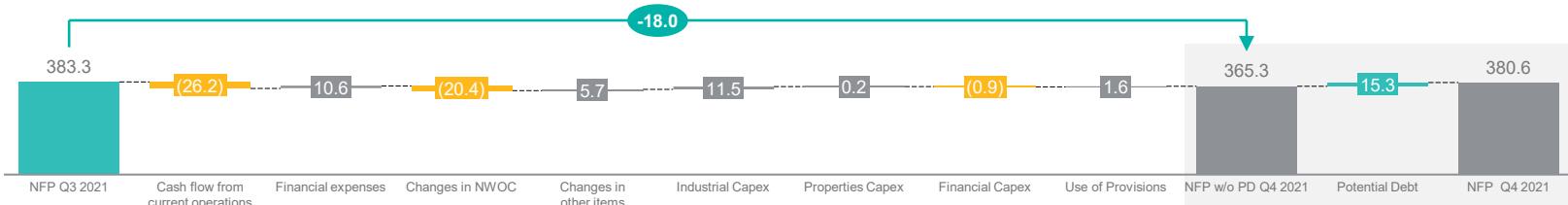


EBITDA

- ① FM - Mainly due to the combined effect of (i) lower customary supplier discounts (especially in the energy carriers supply) due to the extraordinary environment of high inflation, which are expected to be only partially carried over in 2023, (ii) general lack of Backlog domestic development in order to cover / replace exiting tenders
- ② FM Retail Business - negatively impacted by inflation trend
- ③ L&S - Attributable to a combined effect (i) increase in direct costs not fully passed-through to clients, including transports and energy costs, (ii) conclusion of a contract
- ④ International - Positive contribution by International business

Focus on NFP changes Q4 2022 vs Q4 2021 (€m)

Q4 2021



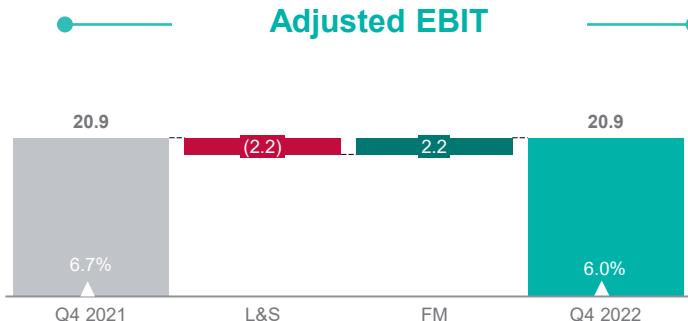
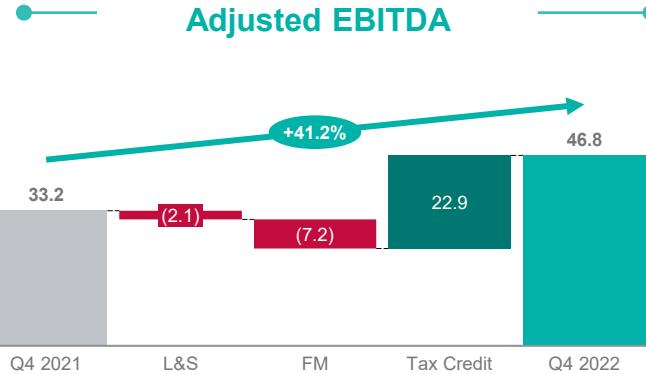
Q4 2022



Main changes in Q4 2022 vs Q4 2021

- ① Higher cash-flow from operations due to higher contribution from business operations
- ② The increase in Change in NWOC is mainly due to decrease in trade receivables and increase in trade payables vs Q3 2022
- ③ Includes the net effect of the undertaking of the Headquarter building
- ④ Higher Financial Capex due to amounts escrowed as collateral for gas supply contracts, in ongoing negotiations to be released
- ⑤ Put Option accounted for the future potential payment of 20% stake of R. Polska in 2025; measured on the basis of the expected (and significantly higher) EBITDA BP 2024

EBITDA and EBIT, YoY



Comments

- Quarterly Adjusted EBITDA registers a positive performance and lands at €46.9m, with an increase of +41.2% vs Q4 2021 mainly given by the support of the Tax Credit
- Excluding Tax Credit effect, the quarter result is defined by:
 - + A general good ongoing performance by International business
 - A suffering in the domestic Facility Management segment, impacted by a lack of new business development and impacted by inflationary pressure
 - For L&S, a slowdown in profitability due to an increase of energy and transportation costs, under discussions with the customers, and the conclusion of a single significant contract
- *Quarterly EBIT basically in line with previous year despite positive effect of Tax Credit, but twisted by specific non-linear annual provisions singularly occurred in the last quarter*

What's next

- ✓ Next call on Q1 2023 will be held on May 18th, 2023
- ✓ Rekeep Financial Calendar and Replay available on:
<https://www.rekeep.com/en/investors/financial-info/financial-calendar>