NOCIVELLI ABP

Full Year 2022/2023 Results

26th September 2023

AGENDA

1. COMPANY AT A GLANCE
2. FINANCIAL HIGHLIGHTS FY ‘22/’23
3. STRATEGIC ACHIEVEMENTS & UPDATES
4. Q&A
5. APPENDIX

SAFE HARBOUR

*This presentation may contain forward looking objectives and statements about **ABP Nocivelli** ("**Nocivelli**" or "the Company") financial situation, operating results, business activities and expansion strategy.*

*These objectives and statements are based on assumptions that are dependent upon significant risk and uncertainty factors that may prove to be inexact. The information is valid only at the time of writing and **Nocivelli** does not assume any obligation to update or revise the objectives on the basis of new information or future or other events, subject to applicable regulations.*

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*Additional information on the factors that could have an impact on **Nocivelli** financial results is contained in the documents filed by the Group and available on the Group's website at www.abpnocivelli.com*

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LEADER IN SUPPLYING PA WITH ENERGY SERVICES

Nocivelli is specialised in **supplying public administrations with energy services** thanks to a solid know-how gained over the last 60 years, which includes the promotion of PPP projects (involving the building of hospitals and the supply of energy and facility management services).

Listed on Euronext Growth Milan in 2021, Nocivelli is an **ESCo - Energy Service Company**

Core activities:

- **Supply** of technical and commercial services necessary for the implementation of **interventions of energy efficiency**
- **Financing** of the improvement intervention of energy efficiency
- **Project Financing**: proposals for interventions aimed to the energy efficiency of plants or buildings public

A STORY OF ACHIEVEMENTS SINCE 1963

1963

Nocivelli set up in the province of Brescia (Lombardy) initially involved in the trade of oil products and lubricants (distribution of oil for heating).

1988

Business diversification.
The company enters new businesses switching to natural gas in heating systems. Realisation of technological, mechanical and electrical systems, in the construction of civil and industrial buildings and in facility management.

2000

Entry into the public concession market.
Winning the concession for the construction and management of a part of the Brescia hospital "Spedali Civili di Brescia", marking the ingress in the hospital field.

2010 - 2015

Renovation and expansion of the Brescia hospital "Spedali Civili". This focus on "PPPs" enabled the company to achieve noteworthy know-how in the sector and a competitive edge on its competitors.

2016

Acquisition of RPP S.r.l. "Run Power Plants" - Involved in the design, construction supply, installation and maintenance of LED lighting.

RUN RPP POWER PLANTS

2021

IPO AIM Italia – Now Euronext Growth Milan.
Award for the supply of diagnostic systems for the Alessandria hospital in RTI*.

2022

Awarded Consip tenders in RTI* for facility management services for Public Sector properties in Liguria, Piedmont and Valle d'Aosta.
Achievement of "SUPPLIER" qualification from Terna with a plafond of Euro 25 million.

2023

May

Awarded tender in RTI* for energy efficiency and seismic upgrading of a school building in Vobarno (BS).

June

Awarded tender in RTI* (Euro 21.8mln) for plant engineering works concerning healthcare facilities and community houses in Lombardy.

Awarded tender in RTI* (Euro 7mln) for construction and plant works aimed at health care facilities and community houses in several provinces of Lombardy (NRRP).

**RTI (Raggruppamento Temporaneo di Imprese – Temporary Consortium)*

KEY FACTORS FOR SUCCESS

Integrated Offer

Know-how

Certifications

Long-lasting experience

Solid BS and financial growth

High visibility with over 800 m backlog

BUSINESS UNITS

1 SERVICES

Technological and facility management services focused on energy and heating solutions

- **Energy**: supply of goods and services aimed at maintaining the "comfort conditions" of buildings, while focusing on the optimised use of resources
- **Heat**: management of the entire cycle of technological systems, energy supply, ordinary maintenance, day-by-day management and upgrades in compliance with the safety and energy-efficiency law
- **Facility management**: design, implementation and management of all the ancillary functions needed by the clients to run their infrastructures

2 CONSTRUCTION

Construction and management of public and private buildings, particularly hospitals

- **Civil** and **industrial** utility systems, including traditional and innovative systems, such as electrical, thermomechanical and sanitary systems, as well as heating and ventilation systems;
- **Building works**, including the renovation and expansion of hospitals, as well as civil and industrial buildings.

3 PETROLEUM PRODUCTS

- Residual activity, once used to be its core business. The company stores and sells petroleum products for heating and traction

PPPs SPONSORED BY PRIVATE COMPANIES

PPP
Public-private partnership

- Public bodies and private companies cooperate **to fund**, **design**, **build** and **manage** public infrastructure or services with a long-term view
- The company's interest is aligned to the PA' through **long-term agreements** (average length 25Y)
- Revenue stream usually guaranteed by a steady fee or royalties

Public Tenders

- PA backs all the funding needed, **bearing the risks**. The tender winner only takes on operating risks. Timeframe of a contract: usually between 2 to 9 years
- PA entirely defines the subject matter - call for tenders and contract **terms are not negotiable**

Turnover by client

90%
PA

10%
Private hospitals

- Public entities (municipalities and provinces)
- Public hospitals and nursing homes; Private hospitals and nursing homes
- Private companies

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STEADY AND ROBUST REVENUES GROWTH

REVENUES

73.9M

+43.1%
YOY GROWTH

10 - YEARS BACKLOG

800M

New contracts and extension of existing contracts until **2033**

3 - YEARS BACKLOG

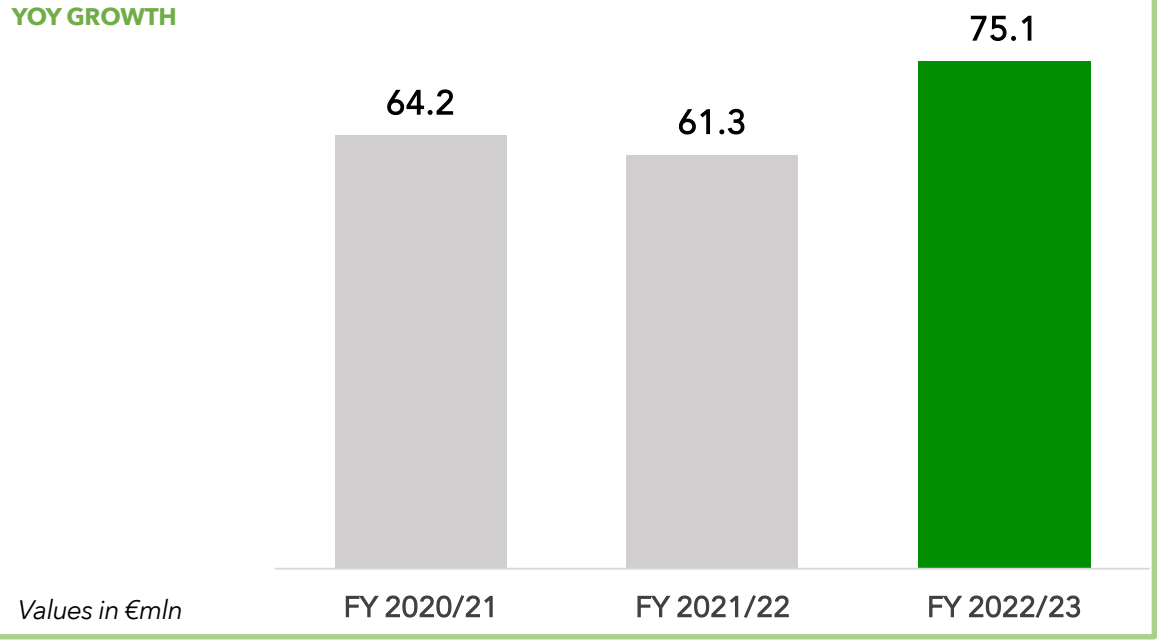
300M

Infrastructure projects and service with delivery scheduled over the **next three fiscal years.**

VALUE OF PRODUCTION

75.1M

+22.4%
YOY GROWTH



Values in €mln

KEEPING STRONG MARGINALITY AT ALL LEVELS

Values in €mln

EBITDA

15.3M

+9.6%
YOY GROWTH

EBIT

13.4M

+8.7%
YOY GROWTH

NET INCOME

10.6M

+10.9%
YOY GROWTH

EBITDA MARGIN

20.4%

EBIT MARGIN

17.9%

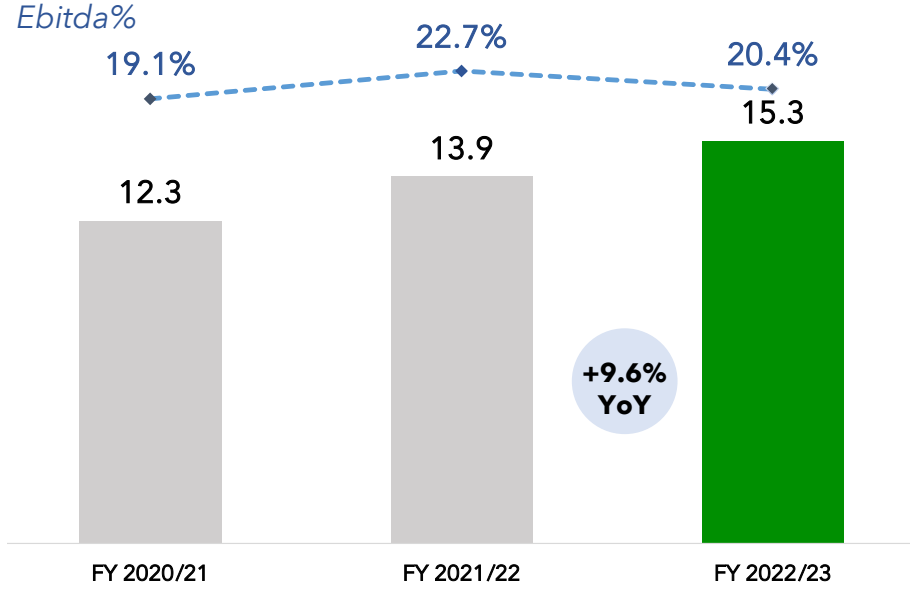
NET INCOME MARGIN

14.1%

SUSTAINABLE PROFITABILITY

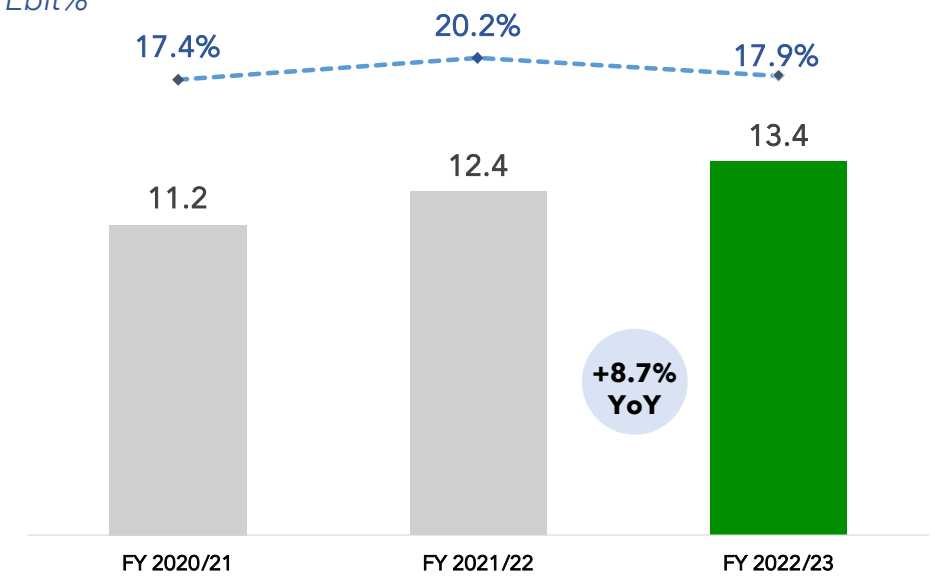
EBITDA (€mln)

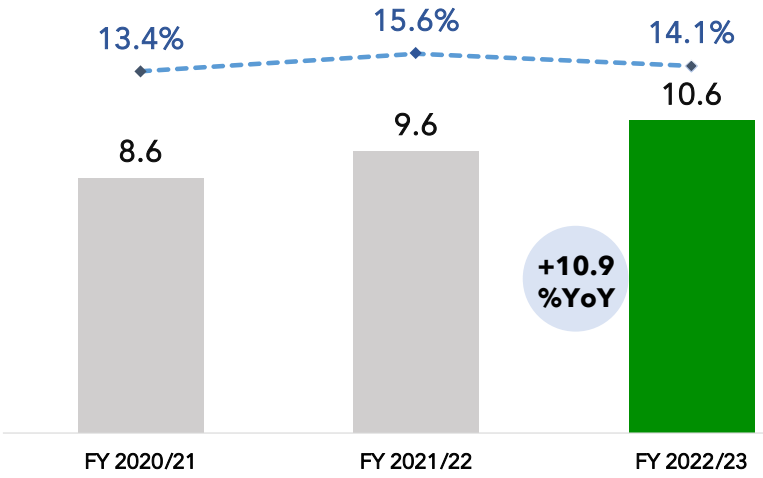
Ebitda%



EBIT (€mln)

Ebit%



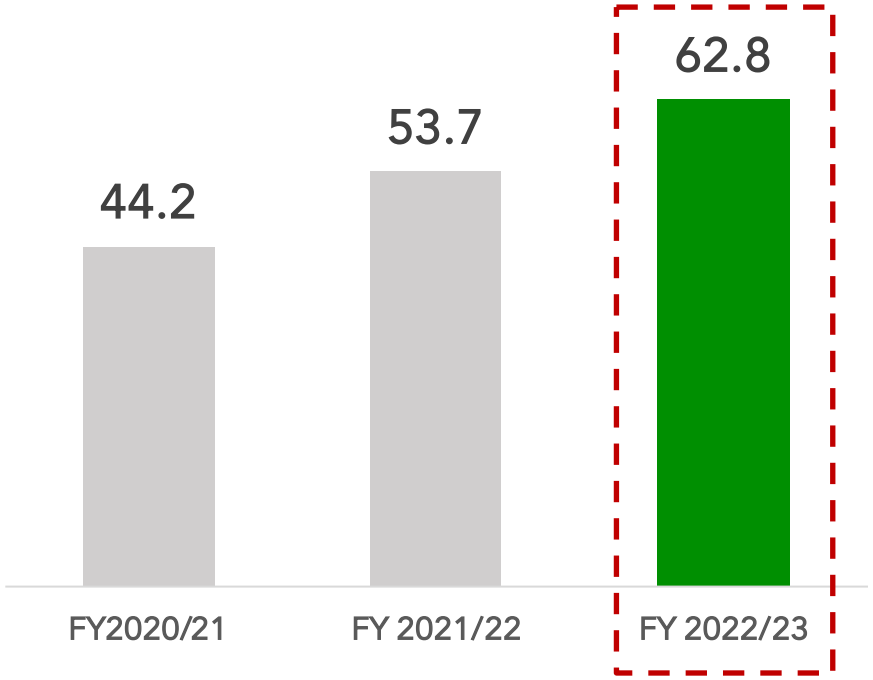


Net income(€mln)

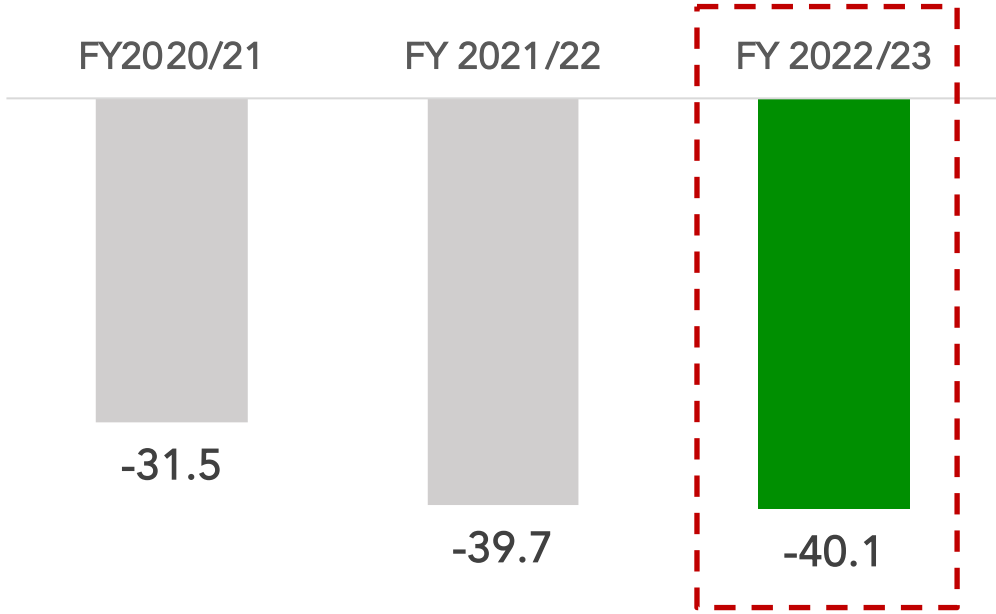
Net income%

CAPABILITY TO MAINTAIN A POSITIVE CASH GENERATION

Shareholders' Equity €mln



Net financial position (cash) €mln



Slight increasing of net financial position to **Euro 40.1 million as of 30 June 2023** confirming solidity with absence of debt.

The cash will be utilized starting from the next year to **participate in significant tenders** within the scope of the NRRP (National Recovery and Resilience Plan).

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A YEAR OF SUCCESSFUL ACHIEVEMENTS

Partner with competitors being a **strategic suppliers** for long-term, low-risk and inflation-hedged contracts

May 2023

Tender award for Euro 1.5 mln

Won a tender worth Euro 5 million as part of a temporary consortium with the company Pavoni SpA for the **energy efficiency and seismic upgrading of the building** of the headquarters of the comprehensive institute of Vobarno (BS).

The installation works that will be carried out by **Nocivelli** have a value of around **Euro 1.5 million** which completion is expected by the end of **June 2024**.

June 2023

Awards for works worth Euro 30 mln

1. Secured a tender with **four lots of a tender in RTI** with the company Pavoni S.p.A, for **plant engineering works** for the construction and/or adaptation of **healthcare facilities and community houses** in the provinces of Brescia, Lecco and Mantua. The total value of the contract is Euro 70 million. The works pertaining to Nocivelli is approx. **Euro 21.8 million**.

2. **Awarded a tender in RTI* (Euro 7mln)** with the company Pavoni S.p.A. for construction and plant works aimed at health care facilities and community houses in several provinces of Lombardy (NRRP). The works will be carried out over the next 3 years.

**RTI (Raggruppamento Temporaneo di Imprese – Temporary Consortium)*

FUTURE OUTLOOK

1 **Nocivelli** is one of **the key player able to address the execution** of one big issue that Italy has today, which is to find a way to appropriately use the NRRP resources on projects that improve the environmental impact, by **efficiently improving** the energy performance of public places and buildings.

2 **Nocivelli** today **backlog is 800 million at 2033,** of which around €300 million relates to contracts for infrastructure projects and service delivery scheduled over the next three fiscal years. The backlog confirms the resilience of the business model and ensures long-term value generation, with constant levels of liquidity. With a positive **cash generation,** the company will be able **to seize the growth opportunities,** awarding also of larger orders and scopes of work.

3 **Nocivelli** is continuing to **undertake the process aimed at acquiring the status of "Supplier**" to some major state-owned investee companies involved in energy upgrading to participate in tender procedures that open extremely interesting prospects for the future. Nocivelli as a certified supplier will be not only act as provider of energy efficiency services but also **as a partner for the whole supply chain**, capable of proposing valuable financial transactions that can attract the NRRP funds that have not yet been allocated, particularly in the Healthcare sector.

4 **Nocivelli** as a leading player in the Public Private Partnership (PPP) **will be able to benefit from the streamlining the new procurement code simplification,** since it supplies some of the main Italian utilities by working on the upgrade of their electrical grid.

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Q&A

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APPENDIX 1: PROFIT & LOSS

PROFIT & LOSS **Reclassified statement (€/m)**	**FY 2021-2022** **30.06.2022**	**FY 2022-2023** **30.06.2023**	***% change*** ***FY'21/22-22/23***
Sales	51.7	73.9	*43.1%*
Other revenues and change in WIP	9.7	1.2	*-88.1%*
Value of production	**61.3**	**75.1**	***22.4%***
EBITDA	**13.9**	**15.3**	***9.6%***
EBITDA margin	***22.7%***	***20.4%***	***-2.3bp***
D&A and other	(1.6)	(1.8)	*16.9%*
EBIT	**12.4**	**13.4**	***8.7%***
EBIT margin	***20.2%***	***17.9%***	***-2.3bp***
Financial income/charges and write off	0.4	0.5	*19.7%*
Profit Before Taxes	**12.8**	**13.9**	***9.1%***
Taxes	(3.2)	(3.3)	*3.7%*
Net income	**9.6**	**10.6**	***10.9%***
Net income margin	***15.6%***	***14.1%***	***-1.4bp***

Values in € mln

APPENDIX 2: BALANCE SHEET

BALANCE SHEET Reclassified statement (€/m)	FY 2021-2022 30.06.2022	H1 2022-2023 31.12.2022	FY 2022-2023 30.06.2023
Intangible Fixed assets	6.5	7.1	7.8
Tangible Fixed Assets	0.8	0.3	0.3
Financial Fixed assets	1.1	1.1	0.8
Fixed assets	**8.4**	**8.5**	**8.9**
Inventories	12.5	11.7	12.1
Trade Receivables	11.9	12.7	14.1
Trade Payables	-6.1	-6.7	-4.0
Accruals	-10.5	-9.2	-9.0
Trade Working Capital	***7.8***	***8.5***	***13.2***
Other assets	2.9	2.6	5.1
Other Liabilities	-3.6	-5.4	-2.7
Net Working Capital	**7.1**	**5.7**	**15.5**
Severance indemnity fund	-1.4	-1.5	-1.6
Other risk and provision funds	-0.1	0.1	-0.1
NET CAPITAL EMPLOYED	**14.0**	**12.9**	**22.8**
Share Capital	1.1	1.1	1.1
Reserves	43.0	51.1	51.1
Net profit (loss)	9.6	5.9	10.6
Shareholders' Equity	**53.7**	**58.1**	**62.8**
Cash and equivalents	-40.2	-45.2	-40.1
Financial short-term debt	0.5	0.0	0.0
Financial m/l term debt	0.0	0.0	0.0
Net financial debt (cash)	**-39.7**	**-45.2**	**-40.1**
NET INVESTED CAPITAL	**14.0**	**12.9**	**22.8**

Values in €

APPENDIX 3: CASH FLOW

CASH FLOW Reclassified statement (€/m)	FY 30.06.2022	FY 30.06.2023
Operating cash flow before change in NWC+/-	14.0	15.4
+/-Change in NWC	0.7	-8.7
-Interest, taxes, other	-3.6	-2.8
Operating cash flow	*11.1*	*3.9*
-Capex	-3.6	-3.0
-Other	0.7	0.8
Investing activity	*-2.9*	*-2.2*
Financing/capital increase	-0.9	-1.8
Financing activity	*-0.9*	*-1.8*
Total Change in cash & cash equivalents	**7.2**	**-0.2**
Net debt	-0.5	0.0
Net Cash Flow	**6.7**	**-0.2**
Bank/cash beginning of period	***33.0***	***40.2***
Net Cash Flow	6.7	-0.2
Bank/cash end of period	**39.7**	**40.1**

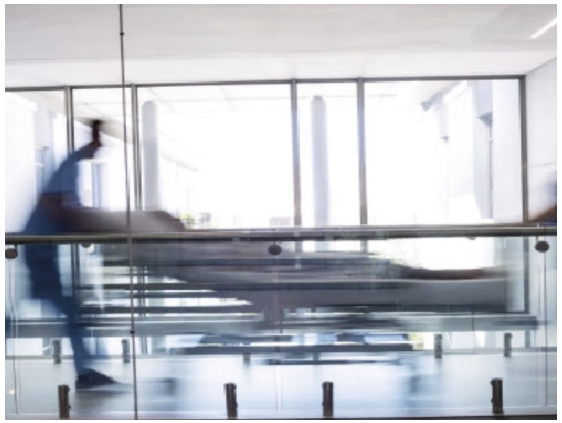
Values in €

KEY PLAYER IN ALL INDUSTRY'S SEGMENTS

BU SERVICES

SERVICES – FACILITY MANAGEMENT

ENGIE SPA
SIRAM SPA
REKEEP SPA
CPL SPA
EDISON SPA
MIECI SPA
APLONA SPA
ANTAS SPA



BU CONSTRUCTION/SERVICES

COMPETITOR/PARTNER PPP

CMB SPA
ITINERA SPA
WEBUILD SPA (EX SALINI IMPREGILO)
SALC SPA
RIZZANI DE ECCHER SPA
CONSORZIO SIS SPA

BU COSTRUCTIONS

CONSTRUCTION

GEMMO SPA
GIANNI BENVENUTO SPA
CARLO GAVAZZI SPA
ALPIQ ENERGIA ITALIA SPA

APPENDIX 4: "TRADITIONAL" PUBLIC TENDER, AND THE PPP

- *Given the typical size of the projects Novicelli usually bids as a part of a temporary consortium, ATI or RTI (respectively Associazione Temporanea d'Imprese or Raggruppamento Temporaneo d'Imprese). The entity is usually a "consortium-like joint-stock company" (società consortile), i.e. a consortium that operates with a mutualistic goal for the aggregated companies' sake and benefits from limited liability.*
- *In relation to PPPs, the bidding companies may have a stake in an SPV (usually a joint stock companyproportional to the expected contribution to the project. The SPV gathers all revenues from the project and is responsible for the execution of the work.*

- *ABP currently holds stakes in the following vehicles:*
  - ✓ *24% in Catalyst Brescia srl: the SPV was awarded a PPP project in 2002 for the renovation, expansion and management of the newly-built areas of Brescia hospital*
  - ✓ *("Spedali Civili"). The initial investment was ~EUR 35m, whereas the 19-year service concession has been yielding ~EUR 4/4.5m in revenues p.a.*
  - ✓ *8% in Futura srl: the SPV won a further concession involving the supply of services to Spedali Civili in Brescia.*
  - ✓ *48% in Cosmo Scarl: the consortium-like joint-stock company was established with A2A Calore e Servizi (an A2A subsidiary engaged in facility management services and in the management of district heating) to manage part of the services under the contract signed by Futura Srl;*
  - ✓ *34% in Tecnoenergia Nord Scarl: the consortium-like joint-stock company won a public tender to supply public administration buildings with energy services in Northern Italy (Aosta Valley, Piedmont and Liguria) in 2011.*
  - ✓ *34% in Tecnoenergia Sud Scarl: the consortium-like joint-stock company won a public tender to supply public administration buildings with energy services in Sicily in 2011. The contracts expired in 2019.*

APPENDIX 5: CERTIFICATIONS

"SOA certified", i.e. legally allowed to bid for public tenders (requirements checked every five years)

- *"General construction"*
  - ✓ *OG 11 "Technological systems", class VIII: supply, installation, management and maintenance of technological systems;*
  - ✓ *OG 1 "Civil and industrial construction", class V: building, maintenance and renovation of any kind of civilian buildings (including residential buildings, schools, offices, railway and underground stations, etc.), up to EUR 5.2m.*
- *"Specialised work"*
  - ✓ *OS 28 "Heating and cooling systems", class VIII: supply, installation, maintenance and renovation of heating and cooling systems, including accessory work, within buildings that fall under the "general construction" (OG) classification, without a budget cap;*
  - ✓ *OS 30 "Electrical, phone, radio and TV systems", class VIII: supply, installation, maintenance and renovation of any electrical and telecommunication system within buildings that fall under the "general construction" (OG) classification, without a budget cap;*
  - ✓ *OS 3 "Plumbing systems, kitchens and laundries", class VI: up to EUR 10.3m.*

The company is also compliant with:

- ✓ *ISO 9001:2015 certification concerning the quality management system, required for any SOA class above II (above EUR 516K).*
- ✓ *F-GAS certification, a certification required by the EU for all companies that deal with cooling, ventilation and heating systems;*
- ✓ *UNI CEI 11352:2014, which certifies the standards required to operate energy supply services as well as the purchase of energy*
- ✓ *OHSAS 18001:2007, concerning the adoption of health and safety protection systems in workplaces;*
- ✓ *ISO 14001:2015, concerning the environmental management system;*
- ✓ *SA 8000:2014, linked to corporate social responsibility (respect for human and labour rights as well as for health and safety systems);*
- ✓ *CEL ("Certificati di lavori di buona esecuzione"), released by the public administration that launches a tender. It certifies proper execution of works.*

THANK YOU FOR YOUR TIME

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