

## GPI: IN 2019 REVENUES +18.3%, ADJUSTED EBITDA EQUAL TO 14.4%

- Revenue: EUR 241.0 million, +18.3% (2018: EUR 203.7 million)
  - *Software*: EUR 91.8 million, +1.2% (2018: EUR 90.7 million)
  - *Care*: EUR 119.1 million, +35.0% (2018: EUR 88.2 million)
- Foreign revenue: EUR 19.9 million, +16.4% (2018: EUR 17.1 million)
- Recurring Fees: EUR 155 million, 64.3% of revenues (2018: EUR 138 million)
- Adjusted EBITDA: EUR 32.2 million, 14.4% of adjusted revenues
- Net Profit: EUR 9.8 million, +3.1% (2018: EUR 9.5 million)
- NFP: EUR 82.8 million (2018: EUR 69.2 million including the IFRS16 effect)
- Approved Strategic Industrial Plan 2020-2024

### GPI VIRTUAL INVESTOR DAY

The Company will meet with the Financial Community on 16 April 2020 at 11:30, through an Audio Webcast system. The Company's top managers will explain the guidelines of the Strategic Business Plan 2020-2024 and the main economic and financial targets to 2024

Trento, 27 March 2020

The Board of Directors of GPI (GPI:IM), a company listed on the MTA market and a leader in Information Systems and Services for Healthcare and Social Services, has today approved the Draft Financial Statements and the Consolidated Financial Statements for the financial year ended 31 December 2019, prepared in accordance with IAS/IFRS accounting standards.

**Fausto Manzana**, Chairman and Chief Executive Officer of the GPI Group: *“The results of the 2019 financial year are an important step in the process of our Group's growth and industrial development. The Company is growing at an excellent pace: compared to 2018, revenues in Italy have grown by more than 18%, those generated abroad by more than 16%, margins are growing and the financial stability remains solid. What 2020 has in store for us, and I am referring to the Covid-19 emergency, naturally presents us with a challenge. The situation is delicate and complex. But GPI rests on very solid foundations and taking care of health is our mission, as it always has been. At this stage of the healthcare emergency, we put our technologies and expertise at the disposal of the national health system, developing innovative solutions to contain the impact of the epidemic: the software for the management of the massive use of the nasopharyngeal swab, the technology to monitor infected patients within health facilities and the system to regulate access to pharmacies, supermarkets and sampling centres, thus avoiding crowds and waiting times. I look to the future with calm confidence, knowing that the Company has a great potential to express within the Healthcare market that has never before proved to be so essential for the sustainability of economic systems worldwide”*

## MAIN CONSOLIDATED RESULTS AS AT 31 DECEMBER 2019

PRESS RELEASE

### REVENUES

Revenues amounted to **EUR 241.0 million**, up **+18.3%** compared to EUR 203.7 million in 2018, with an important boost provided by organic growth. The CAGR of total revenues in the period 2016-2019 increased by 21%.

### REVENUES BY STRATEGIC BUSINESS AREA

The GPI Group achieves 87% of revenues from 2 main Strategic Business Areas (SBA):

- *Software*: software solutions and services for the management of administrative-accounting processes, treatment processes in Hospital and in the Territory and socio-welfare processes of public and private structures;
- *Care*: auxiliary services of an administrative nature, such as booking of medical services (CUP), contact & call centre, front-end/counter, secretarial, cultural intermediation for foreign citizens and others. Socio-welfare services, telemedicine, 3D prosthetics, services to support chronicity management.

Revenue by Business Area (EUR mln)	2019	%	2018	%	Change %
SOFTWARE	91.8	38%	90.7	45%	1.2%
CARE	119.1	49%	88.2	43%	35.0%
OTHER	30.0	12%	24.8	12%	21.2%
REVENUE AND OTHER INCOME	<b>240.9</b>	<b>100%</b>	<b>203.7</b>	<b>100%</b>	<b>18.3%</b>

The **Software** SBA is the area that mainly employs technology drivers (Big Data analytics, Machine Learning, Cloud technology) to supplement innovative solutions that affect all GPI's SBAs, recording revenues of **EUR 91.8 mln (38% of the total)**, in line with EUR 90.7 mln in 2018 (45% of the total).

The **Care** SBA represents the strategic area in which the GPI Group is the leader in Italy. Total revenues amounted to **EUR 119.1 mln (49% of the total)**, **+35%** compared to EUR 88.2 mln in 2018 (43% of the total). At present, almost 50% of the Italian population turns to GPI for their booking and contact needs with Health Facilities.

The other SBAs (**Automation, ICT, Pay**) contribute positively to the results recording total revenues of **EUR 30.0 mln**, **+21%** compared to EUR 24.8 mln in 2018.

### REVENUE FROM RECURRING FEES

The analysis of revenues by type shows that a significant share of revenues is generated by **recurring fees, equal to EUR 155 mln (64.3% of revenues) in 2019**. This is related to the Software business area, where revenues from recurring fees represent about 50% of the total, as well as to business areas for healthcare administrative services - Care (95%).

### REVENUES BY GEOGRAPHIC AREA

Revenues are mainly generated in Italy, where there is a **+18.5%** increase. The 2019 financial year also recorded a significant increase in revenues generated **Abroad**, amounting to **EUR 19.9 mln (8.3% of the total and +16.4%** compared to EUR 17.1 mln in 2018).

REVENUES BY GEOGRAPHICAL AREA (MLN EURO)	2019	%	2018	%	Change %
ITALY	221.1	91.7%	186.6	91.6%	<b>18.5%</b>
ABROAD	19.9	8.3%	17.1	8.5%	<b>16.4%</b>
NET REVENUES	<b>241.0</b>	<b>100.0%</b>	<b>203.7</b>	<b>100.0%</b>	

#### ADJUSTED REVENUES

Adjusted revenues reflect the value of total revenues net of amounts provisionally earned by the Company, but pertaining to the principal companies in temporary business groupings. Adjusted revenues in 2019 were equal to EUR 223.3 mln, up 15.8% from EUR 192.9 mln in 2018.

#### ADJUSTED GROSS OPERATING MARGIN (EBITDA)

It is important to emphasise that the dynamism of the last three years in terms of expanding the scope of consolidation, once again in 2019 required a significant commitment of the commercial, manufacturing and administrative structures aimed at optimising the integration process of the new acquisitions. The table below shows the adjusted EBITDA contribution of the business areas.

ADJUSTED EBITDA BY SBA (mln Euro)	2019	% on adjusted revenues	2018	% on adjusted revenues
SOFTWARE	21.9	24.2%	22.3	24.7%
CARE	6.6	6.4%	3.7	4.7%
OTHER AREAS	3.7	12.3%	2.6	10.5%
CONSOLIDATED	<b>32.2</b>	<b>14.43%</b>	<b>28.6</b>	<b>14.80%</b>

Adjusted EBITDA, calculated before extraordinary and non-recurring expenses, is equal to EUR 32.2 mln. Adjusted EBITDA was 14.43% of adjusted revenues.

It should be noted that the 2019 Adjusted EBITDA benefits due from the application of the new IFRS 16 accounting standard by EUR 2.4 mln.

The 2018 EBITDA amounted to EUR 28.6 mln adjusted by extraordinary and non-recurring costs of EUR 1.9 mln incurred for the listing on the MTA market.

#### NET OPERATING PROFIT (EBIT)

Net operating profit (EBIT) was EUR 15.1 mln, up 14.2% from EUR 13.2 mln in 2018, after amortisation of EUR 16.1 mln (+20% compared to EUR 2018) reflecting the Group's energetic investment policy as well as the application of the IFRS 16 accounting standard.

#### PRE-TAX PROFIT (EBT)

The pre-tax profit (EBT) was EUR 12.8 mln, in line with EUR 12.8 mln in 2018. The impact of financial management is notably reduced, in light of the positive adjustment of the debts for the purchase of equity investments and the adjustment, also positive, of the fair value connected with the management of treasury shares to offset the acquisition price. As regards financial expenses, interest on loans and bonds increased slightly compared to the previous financial year (EUR 2.6 mln compared to EUR 2.1 mln).

## NET RESULT

The net result was EUR 9.8 mln, up 3.1% from 9.5 mln in 2018, after taxes of EUR 3.0 mln (EUR 3.3 mln in 2018). The effect of tax management is significantly reduced, which was 23.7% compared to 26% in 2018.

## NET WORKING CAPITAL

Net working capital amounted to EUR 91.3 mln; the increase from EUR 75.6 mln in 2018 is attributable to the growth of revenues and significant orders received in the last months of the financial year. The level of trade payables is correspondingly increased (EUR 37.8 mln compared to EUR 32.2 mln in 2018). The inventory amount shows an increase connected above all to the implementation activity of the automated warehouses (EUR 4.8 regarding EUR 3.9 mln in 2018).

## SHAREHOLDERS' EQUITY

Shareholders' equity amounted to EUR 72.1 mln; the change compared to 2018 (EUR 68.6 mln) contributed to the disbursement of the 2018 dividends and the Profit generated during the financial year. The Group is financing its Net Invested Capital with 47% of own funds.

## NET FINANCIAL POSITION

The net financial position was EUR 82.8 mln, an increase of EUR 13.6 mln compared to 31/12/2018 (EUR 69.2 mln including EUR 7.7 mln due to the IFRS16 effect) compared to M&A investments and technical (tangible and intangible) investments in excess of EUR 15 mln (in addition to an increase for the financial year of EUR 4.2 mln due to the IFRS 16 effect). The net financial position as at 30 June 2019 was EUR 80.8 mln and it is noted that in December the Company issued a EUR 30 mln bond subscribed by various investors and *Cassa Depositi e Prestiti* as the anchor investor.

## EMPLOYEES

The number of employees of the GPI Group as at 31 December 2019 was 5,345 (4,377 as at 31 December 2018), distributed among the numerous offices throughout Italy and mainly at subsidiaries in Austria, Germany, Spain, France and Poland.

## MAIN RESULTS OF THE PARENT COMPANY GPI SPA AS AT 31 DECEMBER 2019

The parent company GPI S.p.A. reported total revenues of EUR 174.8 mln (+51% compared to EUR 115.8 mln in 2018), adjusted EBITDA of EUR 21.6 mln (EUR 13.3 mln in 2018) and a net result of EUR 14.0 mln (EUR 7.7 mln in 2018).

## PROPOSED ALLOCATION OF THE NET PROFIT FOR THE FINANCIAL YEAR

Adopting a prudential approach, to support the Group's financial strength and to contain any future economic-financial impact to the global economic scenario related to COVID-19, as well as maintain the resources necessary for R&D and M&A investments, the Board of Directors has decided not to distribute dividends on the 2019 profits. Therefore, the Board of Directors has resolved to propose to the Shareholders' Meeting to allocate the profit for the financial year of EUR 13,826,946.71 to the extraordinary reserve.

## NON-FINANCIAL STATEMENT

PRESS RELEASE

The Board of Directors approved the consolidated non-financial statement (CNFS) for the financial year 2019. This is in compliance with Legislative Decree No. 254/16, which provides for the disclosure of information on the policies applied and the results achieved in the matters of prevention of corruption, protection of human rights, personnel management and the effects of activities from a social and environmental perspective.

The CNFS deals with the most relevant topics for the Group and its stake-shareholders, defined through a materiality analysis conducted with the contribution of management. Particular emphasis was given to the commitment to the application of ethical principles in the conduct of business activities and to the provision of quality services to the public. What emerges is a context of continuous development of the Company that has seen the growth of employment and the maintenance of the focus on continuous innovation of products and services.

The scope of the data and information set out in the CNFS of GPI S.p.A. includes the Italian and foreign companies belonging to the Group as at 31/12/2019, fully consolidated (except for justified exclusions), and covers the three-year period 2017-2019.

## SIGNIFICANT EVENTS FOLLOWING THE END OF THE FINANCIAL YEAR AND BUSINESS OUTLOOK

The health emergency from Covid-19 that the World Health Organization (WHO) declared a pandemic is a situation as unexpected as it is complicated for GPI as well. At the moment, the health emergency is certainly among the main priorities that the Group is managing in consideration of two fundamental aspects:

- the protection of the health of all the people who work within the Group and all the partners with whom we cooperate;
- the management of the economic/financial implications related to the business and the work dimension of our personnel.

Health of workers GPI strictly respects the provisions of the current legislation on health safety. Solutions have been applied that are designed to create barriers to the spread of the virus (e.g., minimum distances between work stations, work shifts to reduce crowding, disinfection measures, restrictions on the use of the common areas, etc.); at the same time, initiatives have been taken to review the organisation of work which, in addition to contributing to safety aspects, guarantee that our associates will continue to be productive. Smart working is one of the choices taken that contributes to the management of the emergency, while also featuring a work/life balance dimension.

Revenues - To date, customer orders are confirmed, no cancellations have been received; at the same time, there is an increase in customer requests for new services (e.g., telemedicine and related organisational solutions for remote patient management) as well as IT support services for Emergency Management. The management of bookings has slowed down, some LHS (Local Health Services) have temporarily suspended new booking activities. At the same time, cancellation and re-booking activities involve the management of greater volumes of activity with a positive net effect. Again, as regards the Care SBA, there are numerous requests for the activation of information services in support of the emergency that will lead to a significant increase in revenues that will most likely be of a structural nature. Some software deliveries that were scheduled for this emergency period may be postponed. In addition, a potential slowdown in deliveries related to the orders of the robotics market is expected due to momentary logistical difficulties.

Financial - The existence of electronic invoicing and increased resources for the entire health supply chain lead to the assumption of quicker collection times from the Public Administration.

The activity carried out by the Company in the Healthcare sector and the great dynamism demonstrated in recent years constitute a solid foundation of support. In light of the current situation, whose evolution over time is difficult to predict, two main scenarios have been considered. If the emergency ends in the short term, the Company's operation will continue positively, through the growth of the internal and international market, as well as through M&A transactions. The year 2020 will therefore close with an increase in terms of revenues and EBITDA. Should the Covid-19 emergency persist for a long time, the Company will review its business and development plans, assessing both the negative effects as well as new opportunities.

### STRATEGIC INDUSTRIAL PLAN 2020-2024 AND GPI VIRTUAL INVESTOR DAY

The Board of Directors also approved the Strategic Business Plan 2020 -2024. The Company will meet with the Financial Community on 16 April 2020 at 11:30, through an Audio Webcast system. The Company's top managers will explain the guidelines of the Strategic Business Plan 2020-2024 and the main economic and financial targets to 2024.

### BOND ISSUES AND MATURING ISSUES

In December 2019 the Company issued the Loan "GPI S.P.A. - 3.5% 2019-2025", quoted on ExtraMOT-Professional segment, of an amount equal to EUR 30,000 thousand of nominal value, which was fully subscribed and paid in 2019. The 2019-2025 Bonds bear interest at a nominal annual gross fixed rate of 3.5%. Interest payments (so-called coupon detachment) take place on a half-yearly basis, in arrears. The 2019-2025 Loan was issued at par as from 20 December 2019 and dividend collection rights began on the same date. The maturity for 2019-2025 Bonds was fixed as at 20 December 2025; the reimbursement will take place at par and, therefore, at 100% of the nominal value.

There are no issues maturing in the 18 months following 31/12/2019.

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The Board of Directors has resolved to confer on Computershare S.p.A. - with offices in via Mascheroni 19, 20145-Milan - the task of representing shareholders pursuant to Article 135-undecies of Legislative Decree No. 58 of 24 February 1998, and Article 106 of Decree-Law No. 18 of 17 March 2020, as "Designated representative"

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The Board of Directors also resolved to submit to the next Shareholders' Meeting, convened in ordinary form for 28 April 2020, at 11:30 am, in a single call:

1. The Report on remuneration policy and remuneration paid;
2. After the revocation of the authorisation resolution to purchase treasury shares adopted by the ordinary Shareholders' Meeting of 30 April 2019, the renewal of the authorisation to purchase and dispose of treasury shares for a period of 18 months from the resolution.

The shares can be purchased in order to:

- (a) pursue investment transactions and establish a securities warehouse;

- (b) support the liquidity of GPI ordinary shares so as to facilitate the smooth conduct of trading and avoid abnormal price movements, as well as to regularise the performance of trading and prices, in the face of fleeting distortionary phenomena linked to excessive volatility or a low liquidity of trading;
- (c) use treasury shares to service share incentive plans reserved for the directors and employees of the Company and/or of the directly or indirectly controlled companies, either through the granting of options to purchase, or through the free allocation of shares (so-called stock option and stock grant plans);
- (d) acquire treasury shares to be used for capital transactions or other transactions in relation to which it is necessary or even simply appropriate to proceed with the purchase, exchange or transfer of share packages to be realised through the transfer, exchange, conferment or other form of disposal and/or use, including pursuant to acquisitions and/or commercial agreements with strategic partners.

The authorisation request also includes permission to carry out repeated and subsequent purchase and sale transactions (or other acts of disposal) of treasury shares on a rotating basis, including for fractions of the maximum authorised quantity, so that the amount of shares of the proposed purchase that are owned by the Company do not exceed the limits provided for by law and the authorisation of the Shareholders' Meeting.

All the above in accordance with Article 5 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 and, where applicable, in accordance with accepted market practices by the supervisory authorities, in force from time to time, pursuant to and for the effects of Article 13 of the aforementioned Regulation.

The authorisation request involves the right to purchase, in one or more transactions and in an amount that is freely determinable – from time to time - by resolution of the Board of Directors, a maximum number of ordinary shares of the Company, not to exceed the limit of 2.5% of the share capital, taking into account the treasury shares already held in the portfolio, or held by subsidiaries, and in any event within the limits of distributable profits and available reserves as recorded at the time of the purchases.

It is also expected that purchases will be made at a price, including purchase charges, no lower than the over 15% minimum and no higher in the over 15% maximum compared to the official price of GPI ordinary shares registered by Borsa Italiana S.p.A. in the stock exchange session prior to the one in which the purchase is made.

The duration of the authorisation to purchase is requested for the maximum term provided by applicable law, currently established by Article 2357, paragraph 2, of the Italian Civil Code, as 18 months from the date of the approval resolution, while there is no time limit for the sale, disposal and use of the treasury shares in the portfolio.

To date, the Company holds 113,894 treasury shares, equal to 0.72% of the share capital.

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The Board of Directors has assessed that the directors Edda Delon and Paolo De Santis possess the independence requirements in compliance with the provisions contained in the Corporate Governance Code and in Legislative Decree No. 58 of 24 February 1998, and all the members of the Board of Statutory Auditors possess the independence requirements in compliance with the provisions contained in the Corporate Governance Code.

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## DOCUMENTATION OF 2020 SHAREHOLDERS' MEETING

PRESS RELEASE

It is hereby announced that the explanatory reports on the topics:

1. Approval of the Financial Statements as at 31 December 2019 and presentation of the Group Consolidated Financial Statements as at 31 December 2019,
2. Allocation of the profit of the financial year, on the agenda of the Shareholders' Meeting convened on 28 April 2020, in a single call, are available at the registered office in Trento, via Ragazzi del '99, 13 and at Borsa Italiana, to anyone who requests them.

These reports can also be consulted at the internet address [www.gpi.it](http://www.gpi.it) (section *Investors/Events and presentations/meetings/2020*) as well as at the 1INFO authorised storage facility, at [www.1info.it](http://www.1info.it).

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*The manager responsible for preparing the accounting and corporate documents, Federica Fiamingo, declares, pursuant to paragraph 2, of Article 154-bis of the Consolidated Finance Law (TUF), that the accounting information contained in this report corresponds to the company's accounting results, books and records.*

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## WARRANT EXERCISE SUSPENSION

We inform the holders of GPI Warrants that, as a result of the convocation of the Shareholders' Meeting for the approval of the financial statements as at 31 December 2019, the exercise of the GPI Warrants will be suspended, in accordance with the Regulation of the above-mentioned GPI Warrants, from 28 March 2020 until the day (inclusive) of the Shareholders' Meeting (expected date 28 April 2020, in a single call), and in any case up to (but not including) the ex-dividend date for any dividends that may be approved by the Shareholders' Meeting.

## GPI GROUP

GPI is the preferred Partner in the world of Healthcare and Social Services. With its cutting-edge social service/healthcare IT products and new hi-tech services for the healthcare sector, it is capable of meeting the transformation requirements and keeping pace with the drive towards innovation of its numerous public and private sector customers. The Group's significant growth has been driven by considerable investments in M&A and in R&D, carried out in partnership with the main university and research institutions throughout Italy with the goal of spreading scientific, technological, functional and process knowledge applied to the e-health, e-welfare and well-being sectors. The Group's offering combines specialised IT expertise and advisory and planning capabilities that enable it to operate in a range of business areas: IT Solutions, Healthcare Services, Logistics and Automation, Professional ICT Services and Payment Solutions. In recent years, the Group has grown through the acquisition of companies with contiguous or complementary businesses and business development in Italy and abroad.

The Company closed 2019 with consolidated revenues of more than EUR 237 mln and more than 5,300 employees.

GPI is listed on the MTA market of Borsa Italiana.

ISIN ordinary shares: IT0005221517 - ISIN "Warrant GPI SpA": IT0005221475

Press release available on [www.gpi.it](http://www.gpi.it) and [www.1info.it](http://www.1info.it)





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### PRESS RELEASE

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## RECLASSIFIED CONSOLIDATED INCOME STATEMENT

PRESS RELEASE

<b>CONSOLIDATED INCOME STATEMENT in thousands of Euro</b>	<b>31 December 2019</b>	<b>31 December 2018</b>
Revenue	236,961	201,856
Other income	3,959	1,811
<b>Total revenue and other income</b>	<b>240,920</b>	<b>203,667</b>
Raw materials and consumables	(10,445)	(7,122)
Service costs	(60,888)	(52,092)
Personnel expenses	(134,542)	(114,804)
Amortisation, depreciation and impairment losses	(16,140)	(13,427)
Other provisions	(1,004)	(82)
Other operating costs	(2,819)	(2,927)
<b>Operating profit / (loss)</b>	<b>15,082</b>	<b>13,212</b>
Financial income	1,875	2,261
Financial expense	(4,153)	(2,560)
<b>Net financial income</b>	<b>(2,278)</b>	<b>(299)</b>
Share of (profit) / loss of equity-accounted investees, net of tax	4	(97)
<b>Pre-tax profit</b>	<b>12,808</b>	<b>12,816</b>
Tax expense	(3,034)	(3,336)
<b>Profit / (loss) for the year</b>	<b>9,774</b>	<b>9,480</b>
<b>Profit / (loss) for the year attributable to:</b>		-
Owners of the parent	9,358	9,228
Non-controlling interests	416	252

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

PRESS RELEASE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, in thousands of Euro	31 December 2019	31 December 2018
<b>Assets</b>		
Goodwill	26,523	24,038
Other intangible assets	56,656	56,023
Property, plant and equipment	27,800	15,588
Equity-accounted investments for using the equity method	170	241
Non-current financial assets	1,199	2,092
Deferred tax assets	4,983	3,291
Contract costs	7,088	7,223
Other non-current assets	921	1,399
<b>Non-current assets</b>	<b>125,340</b>	<b>109,895</b>
Inventories	4,770	3,937
Contract assets	87,510	67,799
Trade and other receivables	43,227	41,005
Cash and cash equivalents	53,241	41,600
Current financial assets	27,639	24,459
Current tax assets	662	904
<b>Current assets</b>	<b>217,050</b>	<b>179,704</b>
<b>Total assets</b>	<b>342,390</b>	<b>289,599</b>
<b>Equity</b>		
Share capital	8,545	8,545
Share premium reserve	56,872	56,872
Other reserves and retained earnings / (losses carried forward), including profit / (loss) for the year	5,019	1,914
<b>Capital and reserves attributable to owners of the parent</b>	<b>70,435</b>	<b>67,331</b>
<b>Capital and reserves attributable to non-controlling interests</b>	<b>1,660</b>	<b>1,270</b>
<b>Total equity</b>	<b>72,095</b>	<b>68,601</b>
<b>Liabilities</b>		
Non-current financial liabilities	109,462	86,990
Non-current provisions for employee benefits	6,075	6,059
Non-current provisions for risks and charges	225	270
Deferred tax liabilities	9,493	11,196
Trade and other payables	6,357	15,584
<b>Non-current liabilities</b>	<b>131,612</b>	<b>120,099</b>
Contract liabilities	159	1,574
Trade and other payables	78,952	53,598
Current employee benefits	749	546
Current provisions for risks and charges	241	475
Current financial liabilities	54,207	40,565
Current tax liabilities	4,376	4,141
<b>Current liabilities</b>	<b>138,683</b>	<b>100,899</b>
<b>Total liabilities</b>	<b>270,295</b>	<b>220,998</b>
<b>Total equity and liabilities</b>	<b>342,390</b>	<b>289,599</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

PRESS RELEASE

CONSOLIDATED STATEMENT OF CASH FLOWS, in thousands of Euro	31 December 2019	31 December 2018
<b>Cash flows from operating activities</b>		
Profit / (loss) for the year	9,774	9,480
Adjustments for:		-
- Depreciation of property, plant and equipment	4,159	2,039
- Amortisation of intangible assets	9,682	9,217
- Amortisation of contract costs	2,299	2,171
- Other provisions	1,004	82
- Net financial income	2,278	299
- Share of (profit) / loss of equity-accounted investees, net of tax	(4)	97
- Tax expense	3,034	3,336
Changes in working capital and other changes	(12,776)	(7,462)
Interest paid	(3,789)	(2,616)
Income taxes paid	(3,814)	(3,124)
<b>Net cash and cash equivalents generated by operating activities</b>	<b>11,847</b>	<b>13,520</b>
<b>Cash flows from investing activities</b>		
Interest collected	587	347
Acquisition of subsidiaries, net of liquidity acquired	(1,879)	(3,123)
Net investments in property, plant and equipment	(4,422)	(2,408)
Net investments in development costs and other intangible fixed assets	(9,031)	(9,060)
Proceeds from disposals of tangible and intangible assets and non-consolidated equity investments	-	-
Net change in other current and non-current financial assets	5,147	(1,516)
<b>Net cash and cash equivalents absorbed by investing activities</b>	<b>(9,598)</b>	<b>(15,760)</b>
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	(793)	(636)
Dividends paid	(5,243)	(4,742)
Amounts collected from assumption of bank loans	7,500	56,918
Repayments of bank loans	(24,838)	(18,595)
Receipts from the issue of bond loans	30,000	-
Repayments of bond loans	(3,000)	(11,750)
Lease payments	(353)	(575)
Lease payments - IFRS 16	(2,136)	-
Net change in other current and non-current financial liabilities	9,977	(11,460)
Acquisitions of non-controlling interests	(54)	-
Change in payables for the acquisition of equity investments	(1,668)	(5,257)
<b>Net cash and cash equivalents generated by financing activities</b>	<b>9,392</b>	<b>3,904</b>
<b>Net increase in cash and cash equivalents</b>	<b>11,641</b>	<b>1,663</b>
Initial cash and cash equivalents	41,600	39,936
<b>Cash and cash equivalents</b>	<b>53,241</b>	<b>41,600</b>

RECLASSIFIED INCOME STATEMENT GPI S.P.A.

PRESS RELEASE

<b>INCOME STATEMENT</b> in thousands of Euro	<b>31</b> <b>December</b> <b>2019</b>	<b>31</b> <b>December</b> <b>2018</b>
Revenue	168,939	112,874
Other income	5,850	2,918
<b>Total revenue and other income</b>	<b>174,789</b>	<b>115,792</b>
Raw materials and consumables	(9,280)	(6,212)
Service costs	(45,837)	(30,091)
Personnel expenses	(96,163)	(66,685)
Amortisation, depreciation and impairment losses	(8,262)	(4,519)
Other provisions	(940)	(32)
Other operating costs	(1,896)	(1,358)
<b>Operating profit / (loss)</b>	<b>12,411</b>	<b>6,894</b>
Financial income	6,486	2,291
Financial expense	(3,356)	(3,245)
<b>Net financial income</b>	<b>3,130</b>	<b>(954)</b>
Share of (profit) / loss of equity-accounted investees, net of tax	738	4,530
<b>Pre-tax profit</b>	<b>16,279</b>	<b>10,470</b>
Tax expense	(2,453)	(2,734)
<b>Profit / (loss) for the year</b>	<b>13,826</b>	<b>7,736</b>

## STATEMENT OF FINANCIAL POSITION GPI S.P.A.

PRESS RELEASE

In thousands of Euro	31 December 2019	31 December 2018
<b>Assets</b>		
Goodwill	5,645	5,645
Intangible assets	32,258	29,653
Property, plant and equipment	22,710	12,925
Equity-accounted investments for using the equity method	47,369	45,325
Non-current financial assets	2,207	3,125
Deferred tax assets	3,986	3,201
Contract costs	2,063	247
Other non-current assets	481	653
<b>Non-current assets</b>	<b>116,719</b>	<b>100,774</b>
Inventories	3,381	2,573
Contract assets	83,936	61,905
Trade and other receivables	32,986	38,117
Cash and cash equivalents	44,178	28,071
Current financial assets	31,584	24,040
Current tax assets	396	764
<b>Current assets</b>	<b>196,461</b>	<b>155,470</b>
<b>Total assets</b>	<b>313,180</b>	<b>256,244</b>
<b>Equity</b>		
Share capital	8,545	8,545
Share premium reserve	56,872	56,872
Other reserves and retained earnings / (losses carried forward), including profit / (loss) for the year	8,918	1,368
<b>Total equity</b>	<b>74,335</b>	<b>66,785</b>
<b>Liabilities</b>		
Non-current financial liabilities	107,424	86,499
Non-current employee benefits	4,071	4,371
Non-current provisions for risks and charges	170	170
Deferred tax liabilities	1,519	2,344
Other non-current liabilities	2,782	5,888
<b>Non-current liabilities</b>	<b>115,966</b>	<b>99,272</b>
Contract liabilities	103	1,083
Trade and other payables	61,803	45,105
Current employee benefits	646	528
Current provisions for risks and charges	201	469
Current financial liabilities	56,242	39,660
Current tax liabilities	3,884	3,342
<b>Current liabilities</b>	<b>122,879</b>	<b>90,187</b>
<b>Total liabilities</b>	<b>238,845</b>	<b>189,459</b>
<b>Total equity and liabilities</b>	<b>313,180</b>	<b>256,244</b>

## STATEMENT OF CASH FLOWS GPI S.P.A.

PRESS RELEASE

STATEMENT OF CASH FLOWS GPI S.P.A. in thousands of Euro	31 December 2019	31 December 2018
<b>Cash flows from operating activities</b>		
Profit / (loss) for the year	13,826	7,737
Adjustments for:		
- Depreciation of property, plant and equipment	2,959	1,381
- Amortisation of intangible assets	4,988	2,899
- Amortisation of contract costs	315	239
- Other provisions	940	32
- Net financial income	(3,130)	954
- Share of (profit) / loss of equity-accounted investees, net of tax	(738)	(4,530)
- Tax expense	2,453	2,734
Changes in working capital and other changes	(9,351)	(5,119)
Interest paid	(3,209)	(2,640)
Income taxes paid	(3,233)	(1,477)
<b>Net cash and cash equivalents generated by operating activities</b>	<b>5,819</b>	<b>2,210</b>
<b>Cash flows from investing activities</b>		
Interest collected	437	42
Dividends collected	1,160	1,044
Acquisition of subsidiaries, net of liquidity acquired	(1,805)	(1,563)
Net investments in property, plant and equipment	(2,901)	(1,618)
Net investments in development costs and other intangible fixed assets	(9,485)	(6,920)
Net change in other current and non-current financial assets	2,557	2,012
<b>Net cash and cash equivalents absorbed by investing activities</b>	<b>(10,038)</b>	<b>(7,002)</b>
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	(736)	(636)
Dividends paid	(5,223)	(4,742)
Amounts collected from assumption of bank loans	7,500	56,918
Repayments of bank loans	(17,565)	(18,595)
Receipts from the issue of bond loans	30,000	-
Repayments of bond loans	(3,000)	(11,750)
Lease payments	(353)	(575)
Lease payments - IFRS 16	(1,564)	-
Net change in other current and non-current financial liabilities	11,098	(10,661)
Change in payables for the acquisition of equity investments	170	(5,257)
<b>Net cash and cash equivalents generated by financing activities</b>	<b>20,326</b>	<b>4,702</b>
<b>Net increase in cash and cash equivalents</b>	<b>16,108</b>	<b>(90)</b>
Initial cash and cash equivalents	28,071	24,858
Cash from mergers	-	3,303