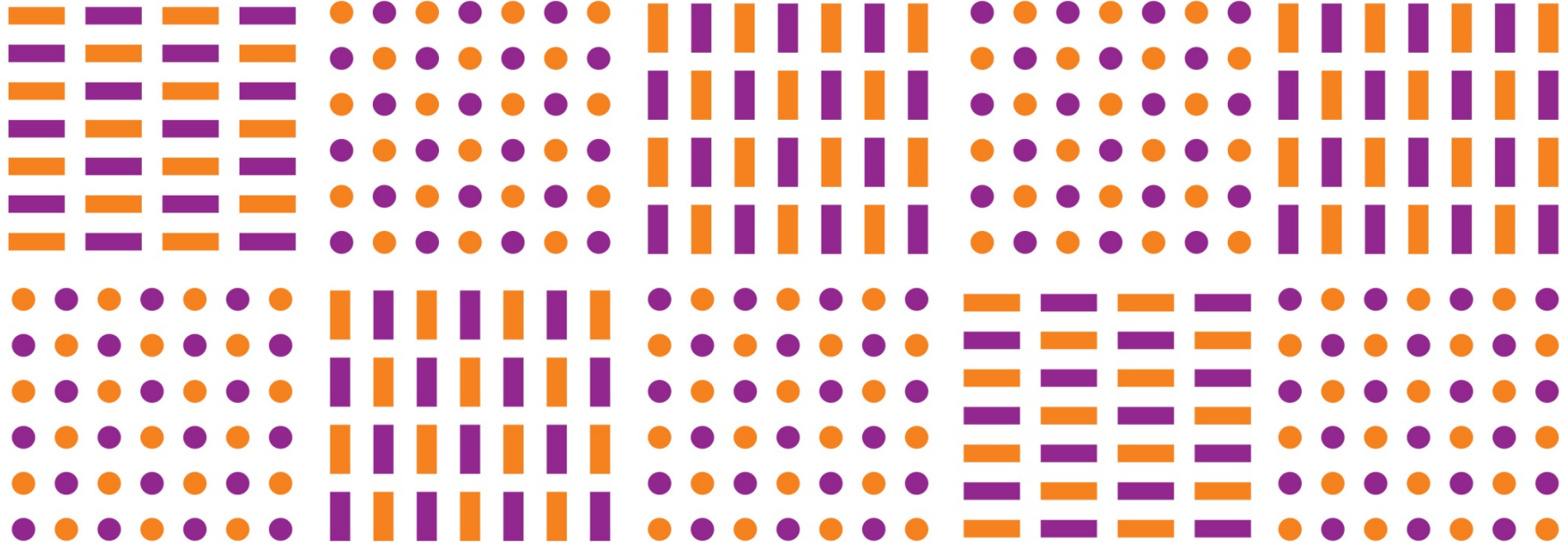


# Investor Presentation

November 2019



# corporate video

# Healthcare

**Healthcare** is taking on an unrelenting **evolution**.

- **ageing and chronicity**
- **urbanization**
- **doctors' and economic resources' shortage**
- **technological innovation**

**120 B€ Healthcare public expenditure in Italy: 20% squander; 40% inefficient care coordination.**



**Innovation is Paramount!**

# GPI

## The Healthcare Partner

Being the **leading partner** in the route to **innovation for care**, therapy and preventive models to ensure health and well-being, that is our **VISION**

Partnering up with the Healthcare Institutions to **ensure the continuous improvement of internal processes**, so that they can provide accurate and efficient care pathways through bespoke **software, services and technologies**, that is our **MISSION**



### 30 years'

experience and growth

FY2018: 204 M€ Revenue, EBITDA > 14%, 10 M€ Net Profit,  
> 4,300 Professionals , > 1.900 Clients



### Italy

1st company in the Healthcare Booking Services.

3rd company in the SW for Health- and Social-care.

Sole player to work in synergy in these two fields.



### Worldwide

We offer SW, Technology and Services in more than 60 countries.

6 branches: Austria, Germany, Poland, Russia, Spain, USA



### The Business

We combine expertise and design skills to deliver SW solutions, administrative and social health services, drug logistics automation systems, desktop management and system-level services and e-Payment & Collection solutions.



### Quality of Life

Our competencies implement solutions and services that help improve the quality of life.

## THE PATIENT AT THE CENTRE

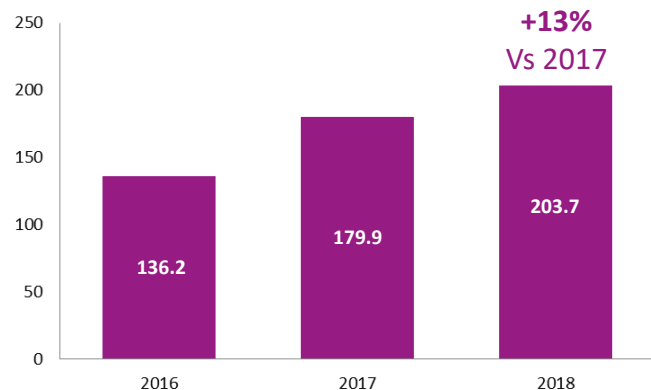


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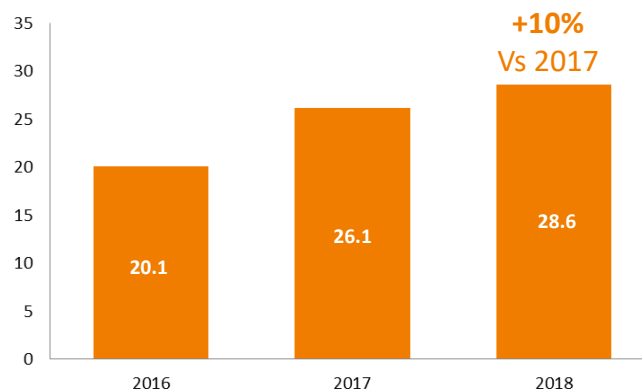


# GPI in figures

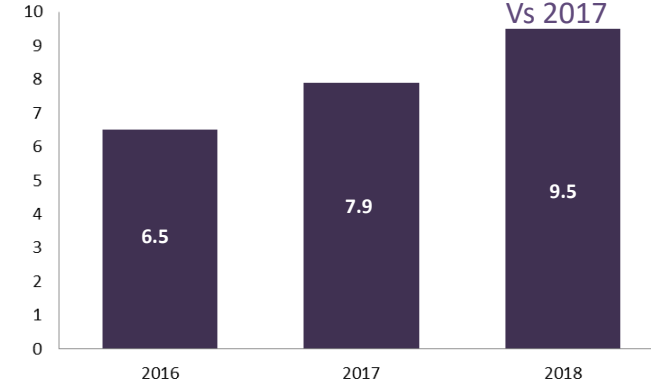
## REVENUE M€



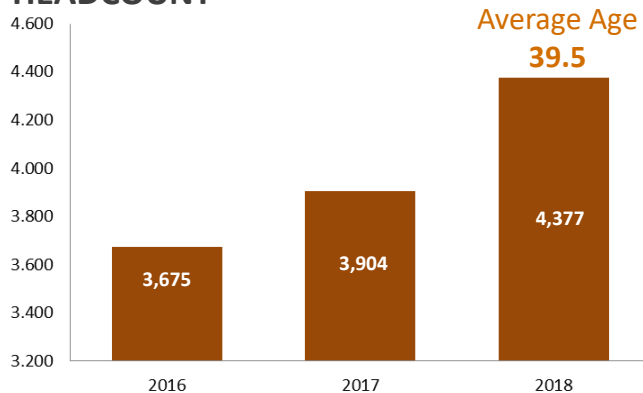
## adj. EBITDA M€



## NET PROFIT M€



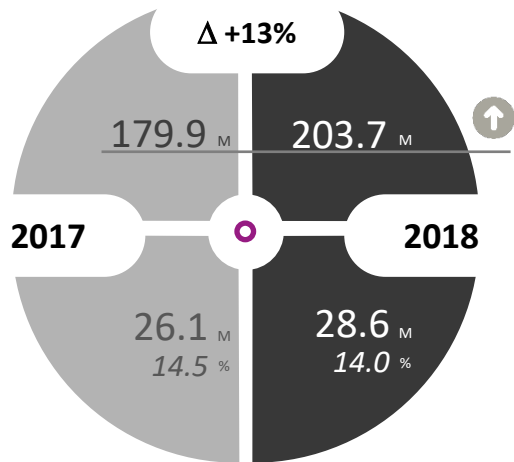
## HEADCOUNT



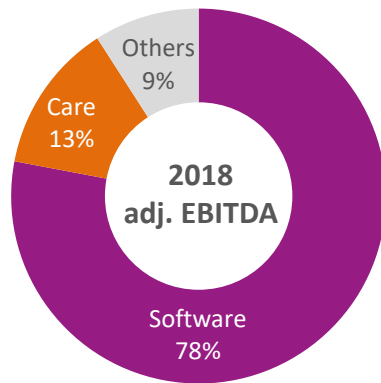
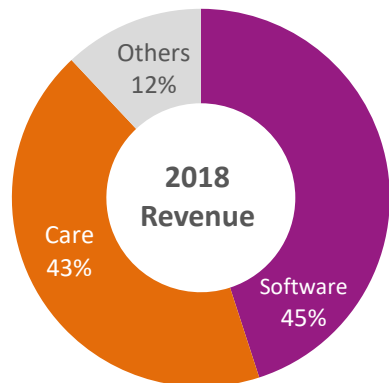
**2016 – 2018**  
**M&A ≈ 65 M€**  
**+ 32% CAGR Tot. Rev.**  
**+16% CAGR Organic**

# Y o Y

REVENUE

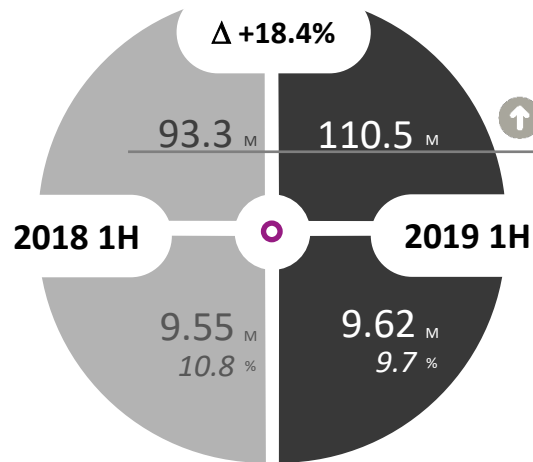


Adj. EBITDA

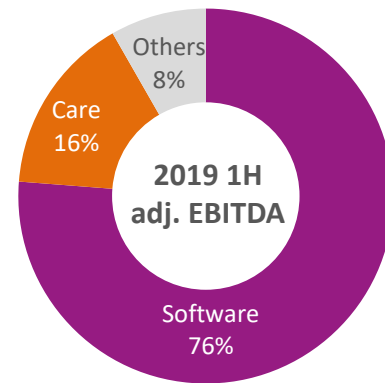
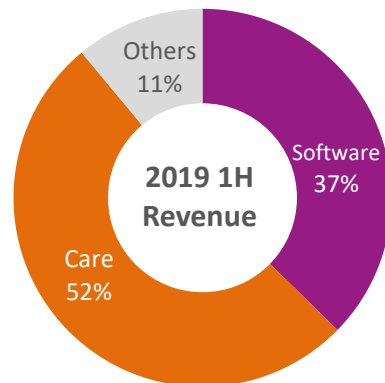


# HY o HY

REVENUE



Adj. EBITDA

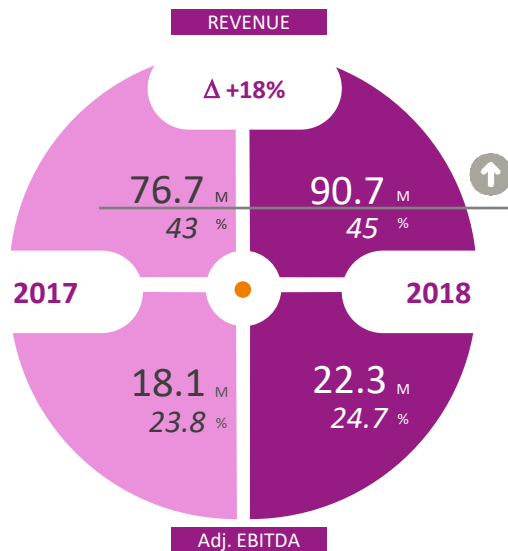


Notice: Million Euros.

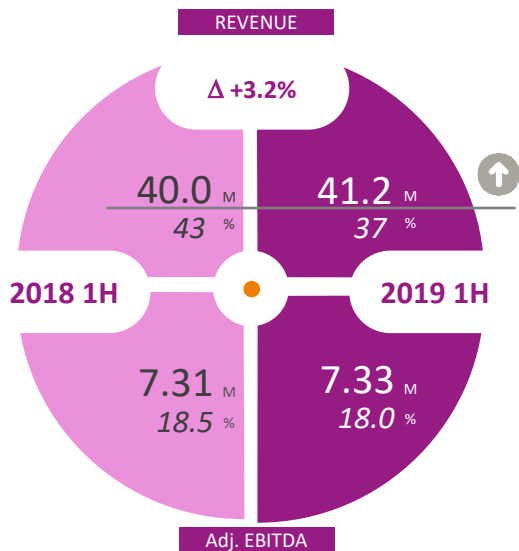


# >\_ SOFTWARE

## Y o Y



## HY o HY



## Offering

HIS ≈ 35%

ERP ≈ 15%

BLOOD ≈ 10%

HR ≈ 10%

Other Solutions ≈ 30%

## 3° Player ITA

**Leader Amm., Blood, HR**

first 5 players

34% of the market

## Market SW & Services for Healthcare

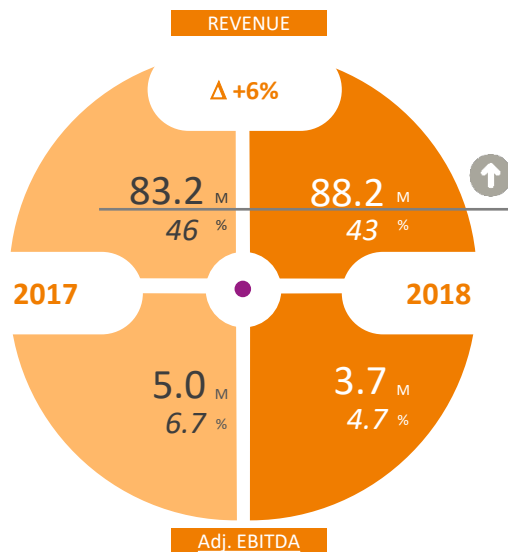
World: **60 B \$**

CAGR 18-22: **6.2%**

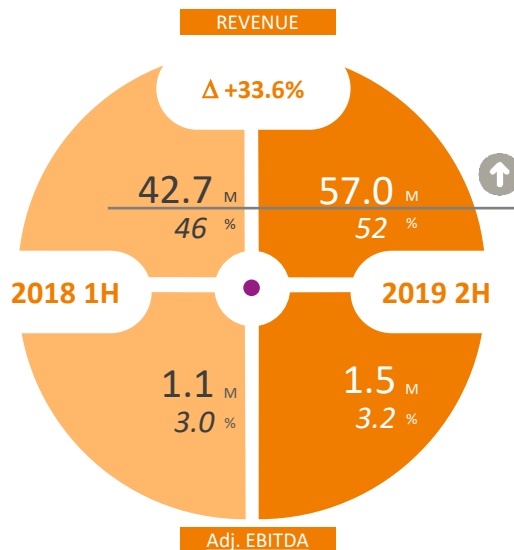
Italy: **0.8 B \$**

CAGR 18-22: **3.5%**

## Y o Y



## HY o HY



## Offering

Healthcare Booking Service  
≈ 95%

Telemedicine, Clinics, other  
≈ 5%

## 1° Player ITA

> 28 M citizens reached  
GPI sole Big Player

## Booking Svc. Market

outsourcing of healthcare  
booking svc. is increasing

Estimate 2017: **155 M €**

# Remarkable Revenue Growth

## Revenue growth driven by SBU Care

- Revenue **110.5 M€ +18%** vs 1H18
- Organic growth:**
  - Care +33.6%
  - SW +3.2% > market (2.7%)
  - Altre +15.0%
- Lower margins for a different SBU mix, start of the Lazio contract, integration of the acquired companies, purchase of materials
  - adj. EBITDA Care 3.2% (vs 3.0%)
  - adj. EBITDA SW 18.0% (vs 18.5%)
  - adj. EBITDA Others 6.5% (vs 10.1%)
- IFRS 16 effect:** reclassified 1.2 M€ renting, hiring and leasing with amortisation (1.1) and borrowing costs (0.1)

M€	1H2019	1H2018
Revenue & other income	<b>110.47</b>	<b>93.26</b>
Adjusted Revenue	99.61	88.77
<b>EBITDA</b>	<b>9.62</b>	<b>9.55</b>
EBITDA %	8.7%	10.2%
adj. EBITDA %	9.7%	10.8%
EBIT	1.8	3.2
Net Profit	1.3	1.9

# Balance Sheet 1H 19

## A3.1 CERVED Rating confirmed

A- S&P | A3 Moody's | A-1 Fitch

- **Net Working Capital**
  - warehouse at 5.2 M€ from 3.9 M€ in 2018, for the delivery of machinery in H2 2019
  - increase due to the growth of revenue and to the ramp-up of Region Lazio contract and a 1.6 M€ increase of trade payables
- **Non-current assets**
  - IFRS 16 (7.7 M€)
  - investments for ongoing SW projects
- **Equity**
  - Dividend distribution 2018 (paid in 1H 2019) and net profit 1H 2019
  - the Group is with supporting its NCI with own resources equal to 44%
- **Net Financial Position**  
80.8 M€ (57.2 M€ as of 30/06/18 and 61.5 M€ as of 31/12/18 + 7.7 M€ due to IFRS 16)
- **Investments:** M&A 1.3 M€ | R&D 5.6 M€



M€	2019 1H	2018 FY
Net Working Capital	84.6	75.6
Non-current assets	115.1	105.2
Other operating assets/(liabilities)	(55.0)	(50.7)
<b>NET CAPITAL INVESTED</b>	<b>144.6</b>	<b>130.1</b>
Equity	63.8	68.6
Net Financial Position	80.8	61.5
<b>TOTAL SOURCES</b>	<b>144.6</b>	<b>130.1</b>



# Highlights

- Region Lazio Contract start - 18 batches:  
**72 M€** in 2 years + 1 year extension  
6 million more citizens reached
- **Veneto** Tender Awarded:  
79 M€ in 5 + 2 years  
**27.5 M€ GPI's share**  
8 thousand hospital beds
- **> 1,900 customers\***
  - from 81.2% to **74.0%** H\_Pub Public Healthcare
  - from 9.4% to **13.4%** H\_Priv Private Healthcare
  - from 5.5% to **6.3%** NH\_Pub Public Non-healthcare
  - from 3.9% to **6.3%** NH\_Priv Private non-healthcare

\* Data counted anew following customer reclassification

- **Revenue Overseas 7.7 M€ +2.7%**  
1H 2019 vs 1H 2018 
- **M&A in France**  
(Blood Bank, 360 Health Facilities)
- **New orders Drug Warehouse Automation (> 2 M€):**
  - **Austria**
  - **China**
  - **Qatar**
  - **Saudi Arabia**
  - **Switzerland**
  - **Hungary**
  - **Ireland**

# Outlook 2019

REVENUE > 230 M€



Software

+ 5%

- new contracts / extensions



Automation



Ict



Pay

+25%

- Increase of Automation in the retail markets in Italy and overseas
- PA increase by reinforcement of business e-payments/collection

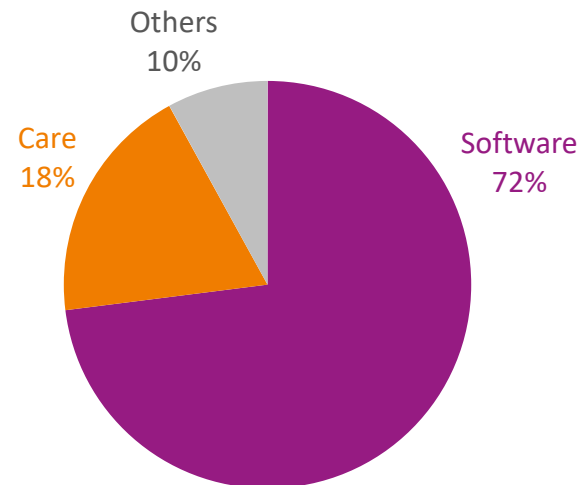


Care

+30%

- Strengthening of the target H\_PUB - Region Lazio contract
- Target increase for H\_PRI

EBITDA ≈ 14%

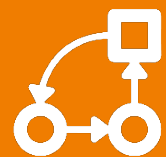




# Investor Presentation

Business Models and Strategic Guidelines 2020-2022

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Business  
Model



# >\_ Software

## SOLUTIONS THAT MAKE DIFFERENCE

- ERP - Enterprise Resource Planning
- HR - Human Resources
- HIS - Hospital Information System
- Population Health Management
- Veterinary & Food Safety
- Blood Bank Management
- Integration Middleware
- Clinical Data Content Access Portals



# Care

## PREVENTION, HEALTH, QUALITY OF LIFE

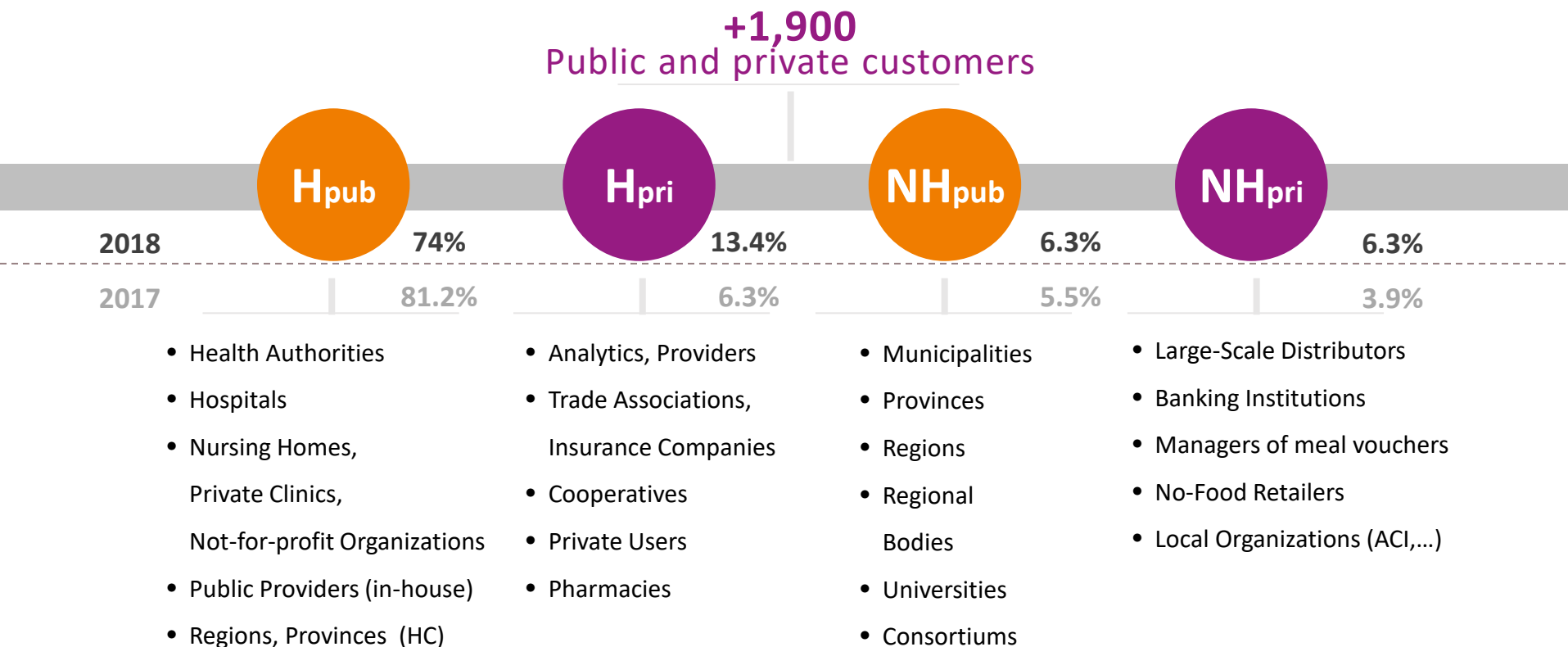
- **Business Process Outsourcing**

Auxiliary Administrative Services such as:  
Health Services Booking, Contact & Call  
Centre, Front-end/desk, Secretariat,  
Cultural Mediation for foreign citizens,  
etc.

- **Social and Virtual Care**

Health- and Social-care Services,  
Telemedicine, 3D Printed Prosthesis.

# Customers



# Main Customers

## LOCAL AUTHORITIES



## REGIONAL AUTHORITIES



## PRIVATE ENTITIES



## INTERNATIONAL AUTHORITIES



## + 40 Branches

## + 60 Countries



# High Visibility: 68% of Revenues from Recurring Fees



Software

## Business Model

- Revenues = **periodic maintenance**  
+ **software development**
- **50%** of Revenues from **recurring fees**
- **1-3 years average** contract duration
- **≈ 91.2%** client confirmation rate



Care

## Business Model

- Revenues = **fixed annual fee**  
+ **€ 1-3 per contact (or mixed)**
- **95%** of Revenues from **recurring fees**
- **3-6 years** average contract duration
- **> 97%** client confirmation rate



# Strategic Guidelines 2020-2022

# Guidelines 2020-2022

01

## MORE GLOBAL

- +300% in the triennium (M&A Software company with 20-30 M€ revenues)
- *Geographical Areas:* DACH, Russia, China, Middle East, America.

02

## PRIVATE HC GROWTH

- Doubling the % size from 9% to 18%.

03

## LEADERSHIP HEALTHCARE ITA

- Big regional/national contracts
- M&A
- R&D Focus on Machine Learning and digital transformation

04

## FROM PRODUCTS/SERVICES TO INTEGRATED SOLUTIONS

- Higher integration service | sw | technology to respond to the evolution of the care models and of the demand for healthcare.

05

## FROM PROVIDER TO PARTNER

- Multi-business nature, with each SBU contribution.





# Investor Presentation

M&A Strategies 2019

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VISION



MISSION

# Our M&A Pathway

## GPI was incorporated in 1988

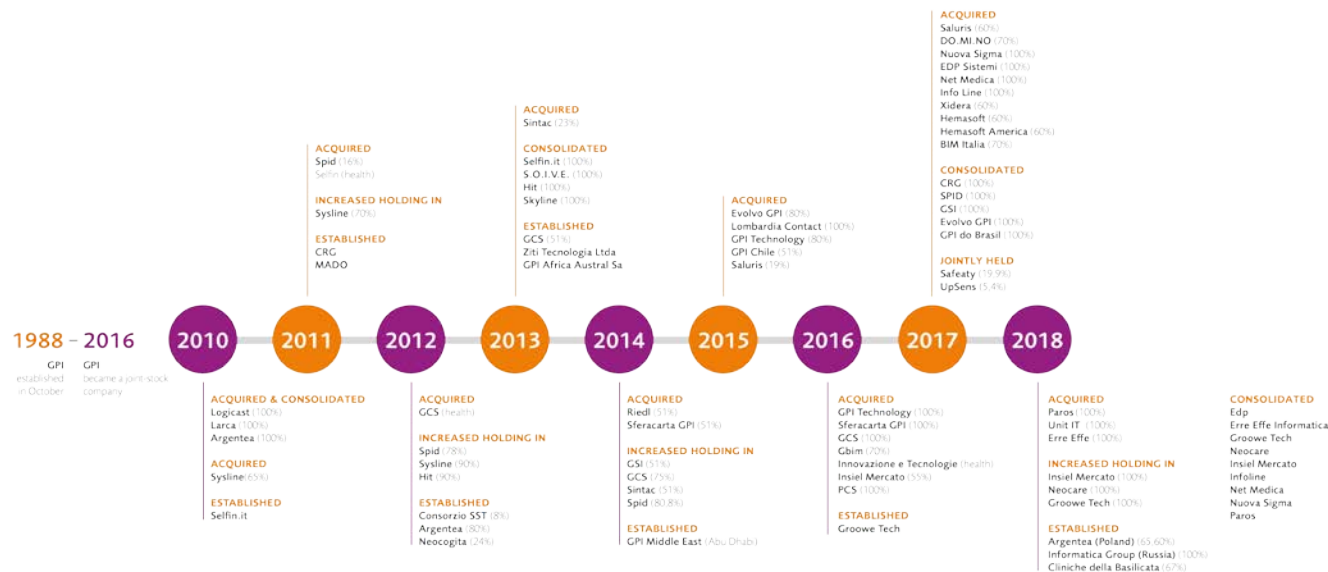
acquisitions and strategic alliances has been driving its growth.

In **2013** Orizzonte SGR became a shareholder.

In december **2016** the SPAC Capital for Progress 1 merged into GPI; stocks and warrants were listed on the **AIM Italia**.

Throughout **2017** GPI followed the industrial plan guidelines: acquisitions and joint participations continued, the project to simplify the group organization started.

In december **2018**: AIM-to-Main, graduation to the **MTA**.





## MARKET

1. Slow to decide and to change the planning (ITA)
2. Software is a commodity of service
3. Fragmentation (ITA)



## INTEGRATION

### INTERNAL TEAM

- 2 years for internal integration 😞
- Immediate Integration Costs 😞
- 1 year for the first savings 😊





## TARGET

### ITALY

1. Software / Services / Area Completion (**1-10 M€**)
2. Big Player

### OVERSEAS

1. Software - Structured Companies (**20-30 M€**)
2. Software Completion



## RESOURCES

- **BOND** 😊
- **TRADIZIONAL LOAN** 😊
- **WARRANT** ?
- **STOCK / STOCK**
  - Big Player 😊
  - Abroad 😞

# INVESTMENT OPPORTUNITY

Leadership and Uniqueness

Growth and Visibility

Technology and Service

Evolution of market/client

M&A Opportunities

## GPI IN THE STOCK MARKET

15,909,539 Ordinary Shares (ISIN: IT0005221517)

Bloomberg: GPI:IM

Price: 7.40 € (14 Nov 2019)

Capitalisation: 117.7 M€ (14 Nov 2019)

## ANALYST COVERAGE – TARGET PRICE

Intermonte SIM (10/10/2019): 11.40 €

Banca Akros (10/10/2019): 12.60 €

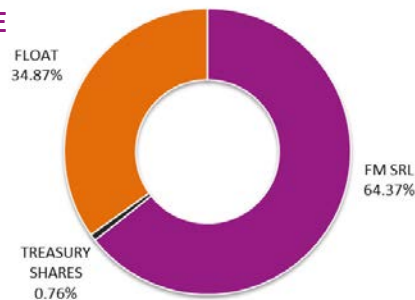
UBI Banca (10/10/2019): 11.20 €

IRTop Research(24/10/2019): 12.35 €

## DIVIDEND

2016 0.30 € p.s. | 2017 0.30 € p.s. | 2018 0.33 € p.s.

## SHAREHOLDING STRUCTURE





# Book a Company Visit

YOUR INVESTOR DAY IN GPI

[investor.relations@gpi.it](mailto:investor.relations@gpi.it)



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