

Gpi's Board Approves the 2025-2029 Industrial Plan

Exploring new horizons: innovation, integration, and international growth.

Unveiling the Business Plan to the financial community on 16 January 2025

Trento, 15 January 2024

GPI S.p.A. (GPI:IM), a prominent enterprise in the field of Information Systems and Services for Health and Social Care, listed under the Tech Leader segment of Euronext Milan, declares that its Board of Directors, convened today under the leadership of President Luca D'Agnese, has reviewed and approved the new Industrial Plan 2025 - 2029, submitted by CEO Fausto Manzana.

*"Over the last few years, we have expanded significantly investing in the future, allowing us to become a solid Group that has secured leadership in Italy's digital health market, while making substantial international advancements," remarks **Fausto Manzana**, CEO of Gpi. We've crafted a new Industrial Plan to outline the strategies that will guide us successfully in the future and detail our execution approach. Our identity as a company remains steadfast: our aim is to provide solutions that enhance care quality while creating value for our customers, shareholders, employees, and the broader community.*

Our product strategy is progressing by exploring innovative technologies and focusing on profitability. I am proud of our achievements to date and optimistic about the future we're building. I am confident on a team which has shown unwavering dedication over the years, and with new recruits, it will be even more formidable in tackling future challenges."

STRATEGIC OUTLINES OF THE PLAN

Digitization provides a tangible solution to the substantial challenges confronting the healthcare sector, such as the ageing population and the scarcity of professionals. By leveraging digital health solutions, access to care is broadened, clinical outcomes are enhanced, and the patient experience is optimized, whilst professional skills are strengthened, and processes are made more efficient and financially sustainable.

This fast-growing market which, at a global level and specifically in relation to Information Technology solutions - the Group's primary target market - is estimated to be worth **€ 60 billion**, with a projected annual growth rate of **8% to 10% over the 2024-2030 period**.

Technological progress and the transformative potential of digitization have in recent years driven heightened demand for ever more innovative solutions, integrated with advanced technologies such as **Artificial Intelligence (AI)** and **the Internet of Things (IoT)**.

These advancements will also enhance **productivity, sustainability** and, most importantly, the **quality of care** delivered.

Against this backdrop, **Gpi**, which already offers solutions to a robust customer base in regions marked by substantial digitalization investments, has structured its new **Industrial Plan for 2025-2029**, focusing on four strategic pillars:

1. **Strengthening the Software capabilities** and reinforcing Gpi's strategic position in Italy.
2. **Venturing into international markets**, by prioritizing the vertical software offerings through the acquisitions of **Tesi** and **Evolucare** and focusing on transfusion information systems (**Blood**).
3. **Organizational transformation**, towards a more integrated and efficient model.
4. **Business diversification** into strategic areas adjacent to Software (Care, Automation).

In greater depth:

- 1) **Strengthening the Software Capabilities** - The Group persists in its efforts to strengthen its foothold in the Italian software sector, with an emphasis on expanding its flagship offerings such as HIS (Hospital Information System), Social Care (local healthcare), administrative ERP, Business Intelligence/Data Analytics, and human resources management software. The company aspires to bolster its geographic footprint nationwide, with the objective of tapping into new opportunities via tenders and expanding its market share within the private healthcare organizations segment.
- 2) **Venturing into international markets** - Within the framework of worldwide growth, the Group seeks to strengthen and enlarge its footprint across international markets:
 - **Blood** (Transfusion information Systems): the aim is to broaden its presence in established territories including France, USA, Italy, Spain, and Mexico, as well as to forge new paths into burgeoning markets like the Middle East. Streamlining the offering will foster the establishment of a singular global platform, designed to enhance existing customers' satisfaction (up-selling plans) and draw in new clientele.

- **Diagnostics Area** (Tesi Group): anticipated growth remains strong in traditional markets such as Italy, Mexico, and Brazil, alongside the pursuit of new opportunities in regions where Gpi already has a presence in other sectors, including the USA, the Middle East, Spain, France, and the DACH (Germany, Austria, Switzerland) countries, with a particular emphasis on pathology software and middleware integration.
 - **Evolucare**: France's health digitization, championed by the *Segur de la Santé* programme, is set to bolster growth in the HIS and Medico-Social sectors (hospital and community medicine). On an international scale, the expansion of software solutions for **Critical Care** management (Operating Room, Intensive Care, Anesthesia) is planned, targeting the Nordic countries and existing markets where the Group operates (Spain, Middle East, France, USA, DACH).
- 3) **Organizational transformation** - The plan involves setting up **global product units** for each targeted product line aimed at the global market (Blood, Diagnostics, Critical Care), with a move towards an operative model focused on enhancing efficiency and scalability.
- Plans **are in place to centralize corporate functions** (Finance, HR, and other corporate functions) to harmonise policies, processes and systems, thereby ensuring consistent and integrated management across the globe.
- 4) **Business diversification** - The **Care** and **Automation** sectors present profitable diversification opportunities in segments that complement the Software business:
- **Care**: prioritizing high-profit projects and boosting efficiency by deploying technologies that will drive greater profitability. Pilot schemes for **health telemonitoring** will be implemented, with a focus on the management of chronic diseases.
 - **Automation**: international expansion in both existing and new markets. Innovation will advance through the creation of standardized robotic modules, warehouse systems, and management/tracking solutions. **Innovative robotic systems** will be introduced to expand into unpenetrated markets, such as automation and management of infusion drug systems, creating new growth opportunities.

OPERATIONAL AND FINANCIAL TARGETS

The 2025–2029 Plan is built on a base case with the following **consolidated economic and financial targets**:

2027 TARGETS

- Total revenues: >€ 600 million, CAGR of >8% and revenue generated abroad ranging between 25% and 27%
- EBITDA margin: >22%
- NFP/EBITDA <2,7x
- ROIC: >11%

2029 TARGETS

- Total revenues: >€ 700 million, CAGR of >8% and revenue generated abroad ranging between 27% and 30%
- EBITDA margin: >25%
- NFP/EBITDA <2,5x
- ROIC: >15%

The Software segment accounts for approximately two-thirds of total revenue, increasing from 65% in 2027 to 68% in 2029, and contributes between 80% and 90% of total EBITDA.

The investment plan to support growth allocates between 7% and 9% of revenue over the five-year period to software product development.

The Plan includes a stable dividend distribution over the timeframe, in line with recent years.

FINANCIAL COMMUNITY MEETING

Tomorrow, **16 January 2025**, the Company's Management will unveil the core elements of the Business Plan to the financial community.

The gathering will take place in **Borsa Italiana (Area Scavi)**, Piazza degli Affari 6, Milan, commencing at **2.00 pm (CET)** with a welcome coffee.

In-person attendance is welcomed, following registration (for those who haven't already)

Link: https://b24-nkooc8.bitrix24.site/crm_form4/

For those who cannot attend in person, the event will be available to watch via streaming (starting at **2.30 pm CET**)

Link: https://channel.royalcast.com/landingpage/gpi-it/20250116_1/

For any enquiries related to participation, please reach out to lorenzo.giollo@gpi.it

You will be able to access the presentation shortly before the meeting on the Gpi Group's website at: www.gpigroup.com/en/investors/events/ - Financial Community Meetings

GPI GROUP

Gpi's mission is to make the healthcare systems sustainable through their digitisation, so that everyone can receive high-quality care. **Sustainability and social impact** are the guiding principles and play a crucial role in the strategic and investment assessments of the Group, aware that the solutions and services provided to the community have an impact on the quality of life of individuals.

For 35 years, driven by a patient-centric vision, Gpi has been working to support healthcare systems by providing the skills and innovative tools necessary to improve prevention and treatment processes. This is achieved through the strategic use of advanced software, technologies, and cutting-edge services.

The Group's strategy is designed to meet the evolving requirements of the constantly changing healthcare sector and to facilitate entry into international markets.

The unwavering commitment of its 7,600 employees and a customer base of more than 9,000 across 70 countries, yielded €433 million in revenue, an EBITDA of €80 million in 2023.

Gpi S.p.A. is listed on the Euronext Tech Leaders segment of Borsa Italiana, the Italian stock exchange.

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This press release is also available at www.gpigroup.com and www.1info.it

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