PRESS RELEASE - Grand Duchy of Luxembourg, November 15th, 2021

IVS Group S.A. – Interim Report at 30 September 2021: good recovery of economic results particularly in the vending core business; net financial debt continues to decrease.

The Board of Directors of IVS Group S.A. (Milan: IVS.MI) convened on November 15th, 2021 and chaired by Mr. Paolo Covre, examined and approved the Interim Report at 30 September 2021, summarised below.

Summary results at 30 September 2021

***Consolidated Revenues**: Euro 257.7 million, +5.1% compared to September 2020.*

***Adjusted EBITDA**[2]: Euro 53.7 million, +10.6% compared to 2020, with an EBITDA margin on sales of 20.9% (23.1% on sales net of positioning fees), with the strong recovery in the core vending business starter in Q2 and continued in Q3 2021.*

***Adjusted Net Profit:** Euro 6.7 million, before profits attributable to minorities (Euro 0.5 million).*

***Net Financial Debt** Euro 325.8 million (including IFRS 16), reduced by Euro 28.0 million compared to 31 December 2020.*

***Completed 6 new acquisitions**, with an Enterprise Value of around Euro 4.5 million.*

IVS Group S.A. is the Italian leader and the second player in Europe in the business of automatic and semi-automatic vending machines for the supply of hot and cold drinks and snacks (vending). The core vending business is mainly carried out in Italy (82% of sales), France, Spain and Switzerland, with around 230,000 vending machines. The group has a network of 87 branches and around 2,700 employees. IVS Group serves more than 15,000 corporate clients and public entities, and over 600 million vends in 2020.

Operating performances

Consolidated revenues at 30 September 2021 reached Euro 257.7 million (of which 226.4 million related to the core vending business), +5.1% from Euro 245.1 million at September 2020 (of which Euro 213.7 million in vending).

Sales increased, compared to the same period of 2020, by 3.1% in Italy and Spain, 35.8% in France and decreased by 5.1% in Switzerland. France, reflects the positive effects of Paris Metro contract, although it is certainly not yet fully running, as Covid is still affecting the number of workers and students on public transports and even more, the tourists flow. Coin Service division sales increased too, +8.2%, and +6.6% in the main metal coins business.
The increase of sales at the end of September 2021 is even more significant considering that:

a) the first quarter 2021, that was still severely affected by the pandemic effects, started with a gap of around -20% compared to first quarter 2020 (that was only partially hit by Covid) and recovery begun only since April/May 2021 and continued in the summer;
b) in some client segments of the vending industry, as public transport and public offices, hospitals, airports, schools and universities, people presence and consequent consumptions, although recovering, are still much lower compared to historical figures.

The total number of vends in the first 9 month of 2021 was equal to 475.4 million, +4,9% from 453.4 million in 9 months 2020.
IVS continues to have an acquisition rate of new clients higher than the churn rate. The average price per vend in the period was equal to Euro 47.6 cents, from 47.1 cents of the corresponding period of 2020 (+1.0%). The increase is due both to higher unit selling prices (without increase of capex compared to the previous quarters) and to the light recovery - within the total mix - of the sales in public and travel locations, that usually enjoy higher average prices, compared to the corporate sector locations.

Sales in 3Q 2021 increased by 6,8% compared to the same period of 2020 (-20.6% in Q1 and +42.4% in Q2), with a more than proportional increase of margin: l'EBITDA Adjusted increased by 17.9% and l'EBITDA Reported by 18.2%. The comparison of 2021 sales to 2019 pre Covid is still negative, but the difference (-24.8% as of September 2021), that was much higher at the beginning of the year, is narrowing, quarter after quarter.

During the first 9 months of 2021 were completed 6 relatively small acquisitions, with an Enterprise Value of Euro 4.5 million, contributing around Euro 0.8 million to sales on pro-rata basis from the date of the acquisition.

[2] "Adjusted EBITDA'': is equal to operating income, increased by depreciation, amortisation, write-downs, non-recurring costs and exceptional in nature

EBITDA reported was equal to Euro 52.1 million, from Euro 54.2 million at September 2020 (-3.8%), when 2020 included the extraordinary income of Euro 8.0 million for Antitrust fines reimbursement and the first 2 months were not affected by Covid. **Adjusted EBITDA** is equal to Euro 53.7 million (20.9% EBITDA margin on gross sales or 23.1% on sales net of positioning fees), +10.6% from Euro 48.6 million at September 2020. Depreciation and amortisation in September 2021 decreased to Euro 45.0 million from 45.9 million at September 2020, as a consequence of the slowdown of capex started with the Covid pandemic.

The increase of operating margins is the result of a constant care on several costs, carried on in parallel with a continuous work of improvement in all the company's functions.

Consolidated Net Profit at 30 September 2021 is equal to Euro 5.2 million (before profits attributable to minorities of Euro 0.5 million), a strong increase (+89.7%) from Euro 2.7 million at 30 September 2020. The **Net Profit Adjusted** for the exceptional items is equal to Euro 6.7 million (before minorities), from a loss of Euro -3.2 million profit as of September 2020.

Net Financial Position ("NFP") is equal to Euro -325.8 million (including debts deriving from rent and leasing contracts according to the new definitions of IFRS 16, for around Euro 49.7 million), with an improvement of Euro 28.0 million from the end of 2020, over Euro 40 million better compared to September 2020 and around 69 million compared to March 2020, considered the starting period of the pandemic crisis.

In the first 9 months of 2021 were made payments for net investments of Euro 19.0 million, of which Euro 15.5 million for investment in fixed assets - including those linked to newly acquired businesses and done in previous quarters - and Euro 3.4 million for payments related to acquisitions.

As of 30th September 2021 the Group has cash available on bank accounts exceeding Euro 100.00 million. At the end of September 2021 the group has in Italy around Euro 8.7 VAT credit (not included as financial assets in the NFP), with an increase from Euro 7.6 million at June 2021. During 3Q 2021 there was also an increase of funds used for working capital due to variations in trade creditors/debtors and stocks, mostly related to the volumes increase.

Other significant transactions and events occurred after 30 September 2021

On 10 November 2021 an amount of Euro 3.2 million of VAT credit has been reimbursed (another Euro 2.3 million request of reimbursement has been presented).

On 22 November 2021 it was announced the signing of an important integration agreement between IVS Group and Liomatic Group, an historical leader in the Italian vending sector, especially in Central Italy, with sales 2020 exceeding Euro 100 million (144 million pre Covid). The transaction includes Liomatic S.p.A. and its controlled companies, some qualified minority shareholdings in Italy and in other European markets and functional real estate properties. This is a business combination that will significantly enhance the size and the strategic relevance of IVS Group in the markets where the group is active, especially Italy where market share will be close to 20%.

Since 2Q 2021, consumptions gradually recovered, due to the improved Covid situation and economy acceleration, with positive effects on vending volumes, even if there are still strong differences amongst the geographic areas and client segments where IVS operates. The trend seems positive, with prospects of further improvement in the last quarter, with no new negative events in the pandemic situation.

Although working in a context that is still far from normality, IVS Group proved its capacity to maintain good operating profit levels, generating every quarter significant free cash-flows. The group effectively faced the negative effects of the pandemic, slowing, but never stopping the investments, that are deemed essential to keep its competitive advantage and consolidate its growth strategy. The economic and financial situation is strengthening and, as mentioned in previous quarters, it is the base for further growth phases, in absolute value and in market share, in all those markets where the group is active.

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The press release is also available on the company website: www.ivsgroup.it or www.ivsgroup.lu. / press section. In the website it is also published the Report as of September 30th, 2021, which has also been deposited at the company's' registered office and at the Bourse de Luxembourg.
The results as of September 30th, 2021 will be presented in a Conference Call on November 16th, 2021 at 17.00 (CET) (for participation, contact: investor.relations@ivsitalia.com. Following attachments: consolidated financial statements of IVS Group S.A. as of September 30th, 2021.

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Consolidated Statement of Financial Position

(in thousands of Euro)		September 30th, 2021	December 31st 2020 (*)
ASSETS			
Non-current assets			
Intangible assets		44,775	47,178
Goodwill		402,095	399,395
Property, plant and equipment		222,455	245,879
Equity Investments		3,003	3,177
Non-current financial assets		804	804
Deferred tax assets		25,100	18,526
Other non-current assets		440	431
TOTAL NON-CURRENT ASSETS	**A**	**698,672**	**715,390**
Current assets			
Inventories		33,817	31,238
Trade receivables		26,332	22,546
Tax assets		8,752	9,067
Other current assets		19,927	24,412
Current financial assets		4,492	5,855
Cash and cash equivalents		171,700	140,717
TOTAL CURRENT ASSETS	**B**	**265,020**	**233,835**
TOTAL ASSETS	**A+B**	**963,692**	**949,225**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		364	364
Share premium reserve		325,798	326,049
Other reserves		10,441	10,441
Treasury shares		(17,988)	(18,597)
Cash Flow Hedge Reserve		(476)	(1,062)
Retained earnings / (losses)		(17,617)	(833)
Net profit (loss) for the year		4,914	(15,344)
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		**305,436**	**301,018**
Share capital and reserves attributable to non-controlling interests		12,614	12,015
Net profit/(loss) for the year attributable to non-controlling interests		296	228
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**12,910**	**12,243**
TOTAL SHAREHOLDERS' EQUITY	**C**	**318.346**	**313,261**
Non-current liabilities		-	-
Due to Bond holders		297,740	297,337
Non-current financial liabilities		140,539	144,205
Employee benefits		11,422	12,314
Provisions for risks and charges		1,361	1,524
Deferred tax liabilities		22,936	26,072
Other non-current liabilities		**-**	**-**
TOTAL NON-CURRENT LIABILITIES	**D**	**473,998**	**481,452**
Current liabilities		-	-
Due to Bond holders		8,036	1,298
Current financial liabilities		56,101	57,258
Derivative financial instruments		816	1,464
Trade payables		78,387	67,522
Tax liabilities		59	51
Provisions for risks and charges		48	48
Other current liabilities		27,901	26,871
TOTAL CURRENT LIABILITIES	**E**	**171,348**	**154,512**
TOTAL LIABILITIES	**F=D+E**	**645,346**	**635,964**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**C+F**	**963,692**	**949,225**

(*) Some amounts reported in this column do not match those of the 2020 Financial Statements as described in Disclaimer slide of Company Presentation.

Consolidated income Statement

(in thousands of Euro)	September 30th	
	2021	2020(*)
Revenue from sales and services	240,452	226,973
Other revenues and income	17,228	18,175
Total revenues	**257,680**	**245,148**
Cost of raw materials, supplies and consumables	(61,913)	(58,927)
Cost of services	(26,971)	(28,672)
Personnel costs	(77,151)	(70,975)
Other operating income / (expenses), net	(39,338)	(32,143)
Gains / (losses) from disposal of fixed assets, net	(174)	(246)
Depreciation and amortisation	(45,032)	(45,851)
Operating profit / (loss)	**7,101**	**8,334**
Financial expenses	(11,137)	(10,751)
Financial income	90	242
Foreign exchange differences and variations in derivatives fair value, net	(122)	(46)
Result of companies valued at net equity	322	309
Profit / (loss) before tax	**(3,746)**	**(1,912)**
Income taxes	8,956	4,658
Net profit/(loss) for the period	**5,210**	**2,746**
Net profit/(loss) for the period attributable to non-controlling interests	296	100
Net profit/(loss) for the year attributable to owners of the parent	**4,914**	**2,646**
Earnings per share (in unit of Euro)		
Base	0.13	0.07
Diluted	0.13	0.07

(*) Some amounts reported in this column do not match those of the 2020 Financial Statements as described in Disclaimer slide of Company Presentation.

Consolidated Statement of Cash Flows

(in thousands of Euro)	September 30th, 2021	September 30th, 2020 Restated(*)
A) Cash flows from operating activities		
Profit (Loss) before tax	(3,746)	(1,914)
Adjustments for:		
Undistributed (profit) loss of equity-accounted investees	178	(309)
Amortisation, depreciation and impairment	45,659	45,893
(Gains)/losses on disposal of non-current assets	174	246
Changes in employee benefits and other provisions	(3,123)	(8,246)
Reversal of financial expense	11,047	10,509
Cash flows from operating activities before tax, financial income/expense and change in working capital:	*50,189*	*46,179*
Changes in working capital	12,171	18,382
Cash flows from operating activities before tax and financial income/expense:	*62,360*	*64,561*
Net financial expense paid	(3,438)	(2,841)
Tax paid	(1,235)	(102)
Total A)	**57,687**	**61,618**
B) Cash flows from investing activities:		
Investments in non-current assets:		
Intangible assets	(927)	(409)
Property, plant and equipment	(12,887)	(28,688)
Change in unpaid capital expenditure	*(2,487)*	*(4,755)*
Acquisition of subsidiaries and business units, net of cash	(3,446)	(2,519)
Total investments	(19,747)	(36,371)
Proceeds from disposal of net non-current assets	770	1,550
Changes in financial assets	1,353	641
Total divestitures	2,123	2,191
Total B)	**(17,624)**	**(34,180)**
C) Cash flows from financing activities:		
Proceeds from non-current loan	-	30,051
Repayment of non-current loan liabilities	(17,817)	(11,435)
Changes in current financial liabilities	9,314	(1,687)
Changes of non-controlling interests	(497)	60
Acquisition buy-back/Sold treasury shares	-	-
Dividend distribution	-	-
Total C)	**(9,000)**	**(16,989)**
D) Exchange rate differences and other changes:	**(80)**	**1**
E) Change in cash and cash equivalents (A+B+C+D):	**30,983**	**44,428**
F) Opening cash and cash equivalents:	**140,717**	**102,078**
Closing cash and cash equivalents (E+F)	**171,700**	**146,506**

(*) Some amounts reported in this column do not match those of the 2020 Financial Statements as described in Disclaimer slide of Company Presentation.

Net Financial Indebtedness

(in thousands of Euro)	September 30th, 2021	December 31st, 2020
Cash	124,686	104,449
Cash equivalents	47,014	36,268
Other current financial assets	4,492	5,855
Liquidity	**176,192**	**146,572**
Current financial debt	(48,509)	(46,695)
Current portion of financial debt	(16,444)	(13,325)
Current financial indebtedness	**(64,953)**	**(60,020)**
Net current financial indebtedness	**111,239**	**86,552**
Non-current financial debt	(138,917)	(144,205)
Debt instruments	(297,740)	(297,337)
Non-current trade and other payables	(1,622)	-
Non-current financial indebtedness	**(438,279)**	**(441,542)**
Total financial indebtedness (*)	**(327,040)**	**(354,990)**
Non-current Financial Assets (Investments - fixed income)	544	544
Non-current Financial Assets (Other)	260	260
Other non-current assets (financing)	440	431
Net financial position	**(325,796)**	**(353,755)**

(*) Pursuant to ESMA update of the Guidelines on disclosure requirements under the Prospectus Regulation with reference to "Commission Delegated Regulation (EU) No 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council implementing Prospectus Directive".