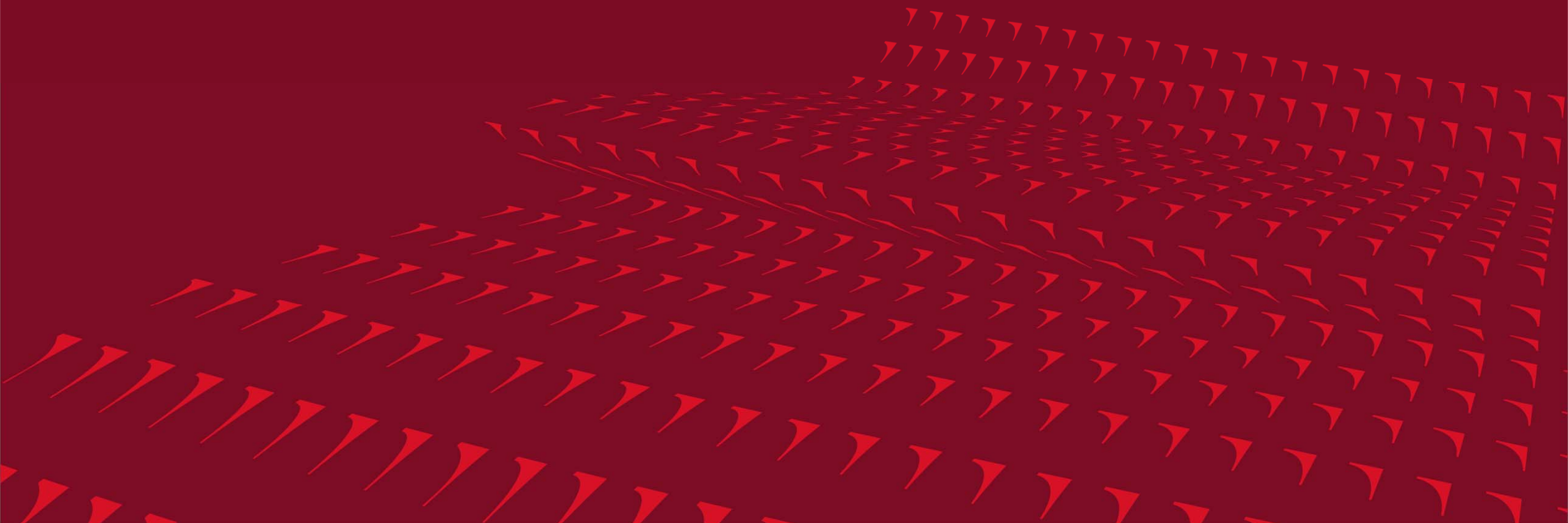




3Q2020 results

October 2020



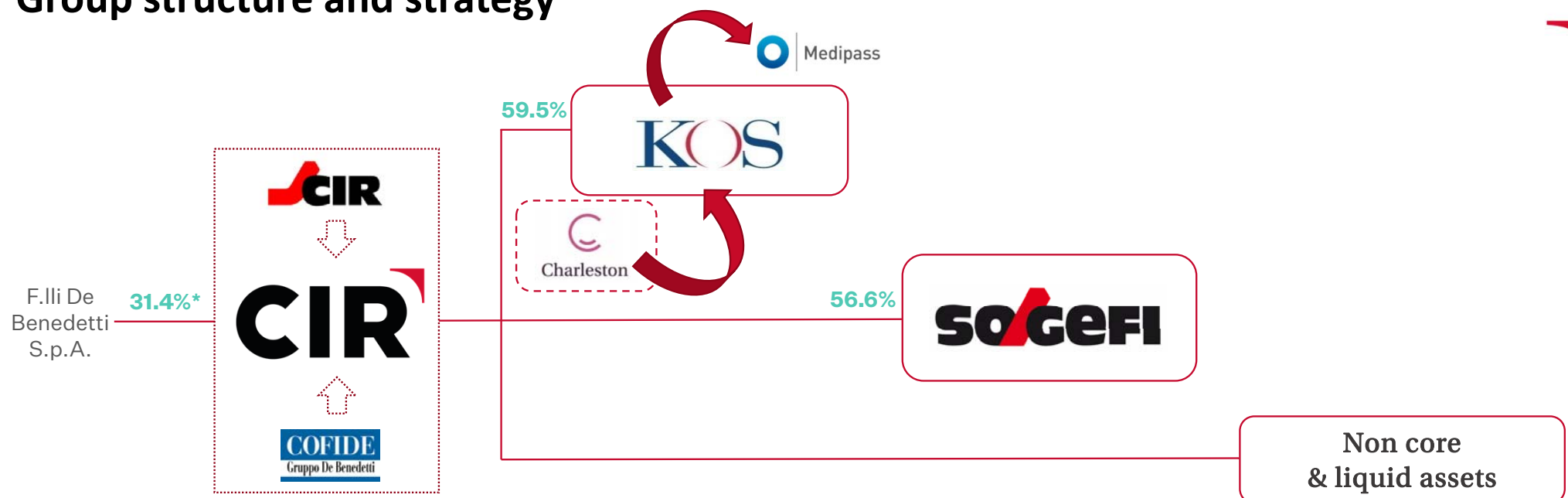


**Executive
summary**

**Group
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results**

KOS and Sogefi

Group structure and strategy



Businesses

Healthcare group specialized in Long Term Care (“LTC”: Nursing Homes, Rehabilitation, Psychiatry)

Global automotive supplier of suspensions, filtration, air intake & cooling components

Liquid assets, Private Equity Portfolio, Non Core Participations (including 5% GEDI stake)

Competitive position

Leader in Italian LTC, developing presence in German Nursing Homes

Leadership positions in verticals in core geographies (Europe, North and South America)

Strategy




- Focus on LTC core business (divested Medipass)
- Growth through greenfields and acquisitions
- Geographical diversification (Italy, Germany)

Focus on core geographies and high value added products

Optimise risk-return of Holdco cash by investing in a portfolio of diversified and mostly liquid assets, readily monetisable for strategic investments

* 46.2% voting rights
All participation stakes as of 30 September 2020, calculated net of treasury shares (equal to 2.13% of share capital for CIR)

3Q 2020 Highlights

| | | |
|--|---|---|
| 2020 Relevant events | <ul style="list-style-type: none"> ▪ CIR-COFIDE merger completed ▪ GEDI disposal and 5% reinvestment completed ▪ KOS signing of Medipass disposal ▪ Financing: new bank lines with SACE / PGE guarantees obtained by Sogefi | |
| 3Q 2020 | <p>Strong Recovery in 3Q of KOS, Sogefi and Holdco financials, after significant impacts of lock down on 2Q:</p> <ul style="list-style-type: none"> ▪ Net sales aligned with 2019: +0,7%; -8,2% organic ▪ Positive EBIT +€25,7M and Net result +€10,2M (€23,4M and €3,8M in 2019 respectively) ▪ Consolidated net debt reduction (€21,7M cash generation in the quarter) | |
| 9M 2020 financial results | <p>Sales: -13,0%</p> |  <ul style="list-style-type: none"> ▪ Organic sales - 21,5% ▪ Charleston contribution: + €129,7M ▪ Medipass disposal: sales deconsolidated for € 41,3M 2019 / €41,8M 2020 |
| | <p>Net result: (20,2)M</p> |  <ul style="list-style-type: none"> ▪ Despite volume loss, Sogefi capable to flex fix costs base ▪ KOS incurred in higher costs to manage the emergency |
| | <p>NFP: (264,0)M</p> |  <ul style="list-style-type: none"> ▪ Consolidated debt ante IFRS16 reduced, thanks to successful containment of operational cash flow absorption and capex, and the disposal of GEDI |
| Outlook | <p>Still highly uncertain 4Q evolution, due to possible pandemics evolution:</p> <ul style="list-style-type: none"> ▪ Sogefi expects a volatile -10% market vs 2019, compensated by fixed costs reduction ▪ KOS, absent major Covid related disruptions, expects continued recovery in rehab, underperforming Nursing Homes sector in Italy, stability in Germany | |

Consolidated financials highlights – Strong recovery in third quarter



| €/M | 1H 2019 | 1H 2020 | 3Q 2019 | 3Q 2020 |
|-----------------------------|------------|---------------|------------|-------------|
| Revenues | 1.031,9 | 829,9 | 496,1 | 499,5 |
| <i>YoY total % change</i> | | -19,6% | | 0,7% |
| <i>YoY organic % change</i> | | -27,9% | | -8,2% |
| EBITDA | 132,6 | 94,9 | 69,2 | 79,2 |
| <i>% on revenues</i> | 12,9% | 11,4% | 13,9% | 15,9% |
| EBIT | 42,6 | (12,8) | 23,4 | 25,7 |
| <i>% on revenues</i> | 4,1% | -1,5% | 4,7% | 5,1% |
| Financial result | (13,2) | (34,1) | (9,2) | (8,9) |
| Taxes | (14,0) | 0,0 | (7,7) | (4,9) |
| Assets held for sale | (12,5) | 3,0 | 2,9 | 3,8 |
| Third party result | (1,3) | 13,5 | (5,6) | (5,5) |
| Group net result | 1,6 | (30,4) | 3,8 | 10,2 |

In 3Q revenues improving vs 1H and flat YoY, thanks to:

- Sogefi recovery (-8,1% in 3Q vs -33,2% in 1H)
 - KOS Italy recovery in 3Q (-8%) vs 2Q (-20%)
 - Contribution of Charleston acquisition in KOS
-
- Return to profitability at KOS, Sogefi and Holdco level
-
- Medipass ITA+UK excluded from line-by line consolidation in 2019 and 2020 according to IFRS5



**Executive
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**Group
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Results**

KOS and Sogefi

9M 2020 Consolidated P&L main elements (1)

| €/M | 9M 2019 | 9M 2020 |
|-----------------------------|------------|---------------|
| Revenues | 1.528,0 | 1.329,4 |
| <i>YoY total % change</i> | | -13,0% |
| <i>YoY organic % change</i> | | -21,5% |
| EBITDA | 201,8 | 174,2 |
| <i>% on revenues</i> | 13,2% | 13,1% |
| EBIT | 66,0 | 12,9 |
| <i>% on revenues</i> | 4,3% | 1,0% |
| Financial result | (22,4) | (43,1) |
| Taxes | (21,7) | (4,8) |
| Assets held for sale | (9,6) | 6,8 |
| Third party result | (6,9) | 8,0 |
| Group net result | 5,4 | (20,2) |

| Revenues | 9M 2019 | 9M 2020 | % chg |
|---------------------------|----------------|----------------|---------------|
| KOS - LTC Italy Med India | 379,0 | 339,1 | -10,5% |
| KOS - Charleston | 0,0 | 129,7 | |
| KOS - total | 379,0 | 468,8 | 23,7% |
| SOGEFI | 1.149,0 | 860,6 | -25,1% |
| GROUP revenues | 1.528,0 | 1.329,4 | -13,0% |

Financial result

| | 9M 2019 | 9M 2020 |
|--------------------------------|---------------|---------------|
| Cost of financing | (21,1) | (24,4) |
| IFRS16 accounting | (7,7) | (14,6) |
| Net cash management | 10,0 | 0,0 |
| Other | (3,6) | (4,1) |
| GROUP financial results | (22,4) | (43,1) |

Higher net financial charges due to:

- higher IFRS16 charges (mainly Charleston consolidation)
- lower contribution of CIR cash management due to Covid impact on financial markets

9M 2020 Consolidated P&L main elements (2)

| €/M | 9M 2019 | 9M 2020 |
|-----------------------------|------------|---------------|
| Revenues | 1.528,0 | 1.329,4 |
| <i>YoY total % change</i> | | -13,0% |
| <i>YoY organic % change</i> | | -21,5% |
| EBITDA | 201,8 | 174,2 |
| <i>% on revenues</i> | 13,2% | 13,1% |
| EBIT | 66,0 | 12,9 |
| <i>% on revenues</i> | 4,3% | 1,0% |
| Financial result | (22,4) | (43,1) |
| Taxes | (21,7) | (4,8) |
| Assets held for sale | (9,6) | 6,8 |
| Third party result | (6,9) | 8,0 |
| Group net result | 5,4 | (20,2) |

Assets held for sale

| | 9M 2019 | 9M 2020 |
|------------------|--------------|------------|
| GEDI (CIR) | (18,4) | 0,0 |
| MEDIPASS (KOS) | 4,8 | 6,9 |
| Fraize (SOGEFI) | 4,0 | 0,0 |
| Total | (9,6) | 6,8 |

Contribution of businesses to net result

| €/M | 9M 2019 | 9M 2020 |
|--|-------------|---------------|
| KOS Group | 11,2 | (1,2) |
| Sogefi Group | 2,4 | (13,1) |
| Total core businesses | 13,6 | (14,3) |
| CIR Holding | (4,9) | (9,9) |
| Group net result from continuing operations | 8,7 | (24,2) |
| Assets held for sale | (3,3) | 3,9 |
| Group net result | 5,4 | (20,2) |

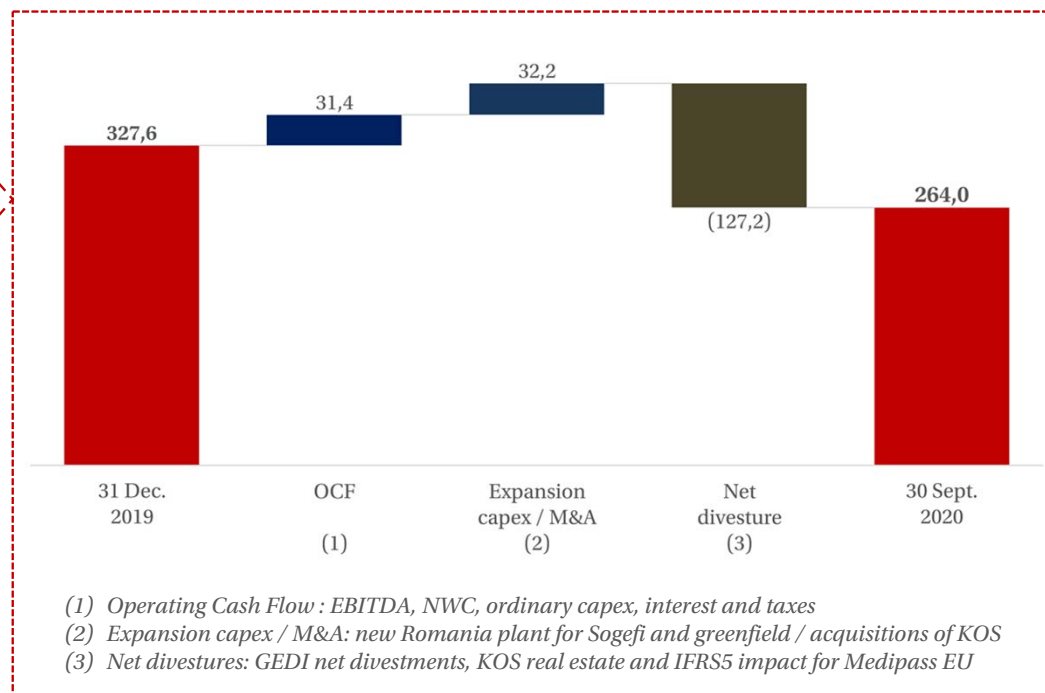
Pro-rata share of subsidiaries' net result

Group Financial Indebtedness

| €/M | Excluding IFRS16 | |
|---|------------------|----------------|
| | 31 Dec. 2019 | 30 Sept. 2020 |
| KOS Group | (368,0) | (349,5) |
| Sogefi Group | (256,3) | (299,0) |
| Other subsidiaries / IC | 0,5 | 0,4 |
| Subsidiaries | (623,8) | (648,1) |
| CIR holding | 296,2 | 384,1 |
| Group net financial indebtedness | (327,6) | (264,0) |

| €/M | Including IFRS16 | |
|---|------------------|------------------|
| | 31 Dec. 2019 | 30 Sept. 2020 |
| KOS Group | (1.105,3) | (1.083,0) |
| Sogefi Group | (318,5) | (374,2) |
| Other subsidiaries / IC | 0,4 | 0,3 |
| Subsidiaries | (1.423,4) | (1.456,9) |
| CIR holding | 295,7 | 384,0 |
| Group net financial indebtedness | (1.127,7) | (1.072,9) |

- Net debt reduction at KOS, increase at Sogefi mainly due to WC
- Net cash increase at Holdco level, thanks to GEDI disposal cash-in



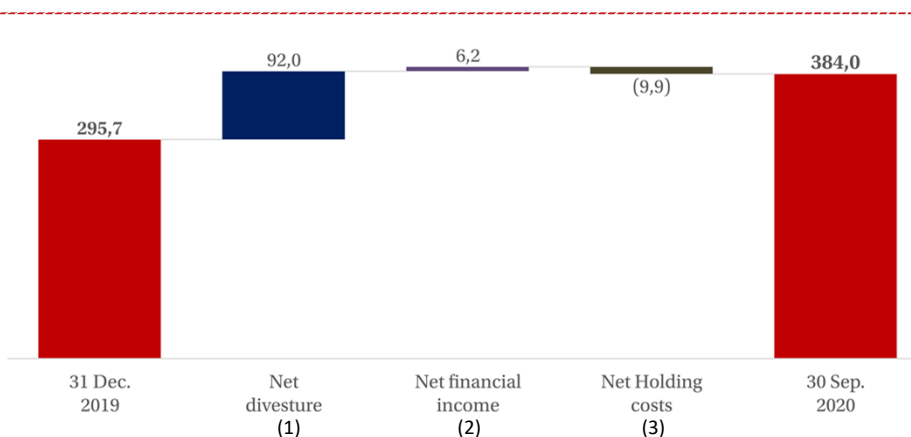
Holding Balance Sheet main elements

| €/M | 31 Dec. 2019 | 30 Sep. 2020 |
|---|--------------|--------------|
| KOS | 171,1 | 174,0 |
| Sogefi | 109,0 | 85,0 |
| Total operating companies | 280,1 | 259,0 |
| Fixed assets | 19,7 | 19,1 |
| Private equity | 56,6 | 52,4 |
| Other investments | 11,2 | 19,5 |
| Other Assets (Liabilities) | 5,0 | 2,9 |
| Assets held for sale (GEDI) | 102,4 | 0,0 |
| Net cash | 295,7 | 384,0 |
| Total CIR holding level | 490,6 | 477,9 |
| Total CIR Group shareholders' equity | 770,7 | 736,9 |
| Shareholder's equity per share | 0,60 | 0,58 |
| " - net of treasury shares ⁽¹⁾ | 0,62 | 0,59 |

Non-core investments

| €/M | 31 Dec. 2019 | New | Cash In | Fair value / other | 30 Sep. 2020 |
|-------------------|--------------|------|---------|--------------------|--------------|
| Private Equity | 56,6 | 6,1 | (8,7) | (1,6) | 52,4 |
| Other investments | 11,2 | 12,7 | | (4,4) | 19,5 |

- Diversified portfolio of **private equity funds**, direct minority private equity and **Other investments** in non-strategic direct minority stakes.
- The portfolio has reached its maturity/reimbursement phase, as limited investments were added in the recent past
- New investments in "Other": mainly 5% GEDI stake reinvestment



- (1) GEDI disposal (€ 102,4M), net of reinvestment (-€ 11,7M) + Private equity net reimbursements
 (2) Performance of liquid assets / Hedge Funds (Fair value + income + trading)
 (3) Operating costs, taxes, etc., of which €0,6 M non-recurring cash costs for the merger and GEDI sale

(1) Treasury shares as of 30 Sept. 2020: n. 27.2 m, equal to 2.13% of share capital

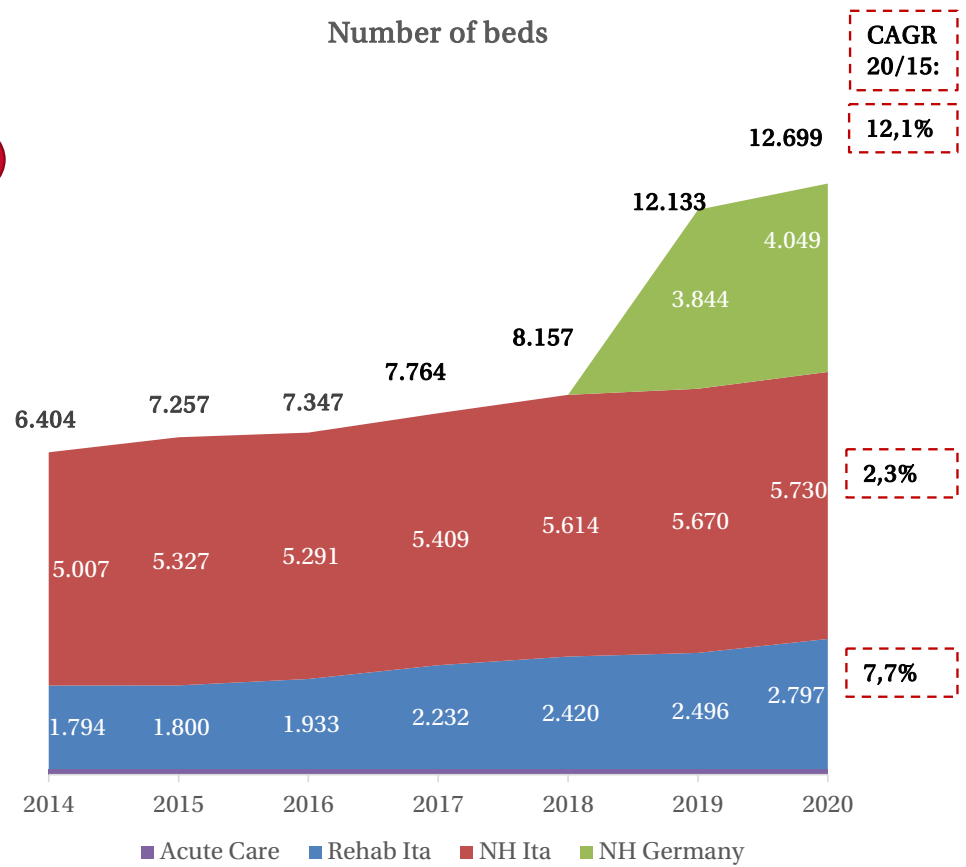
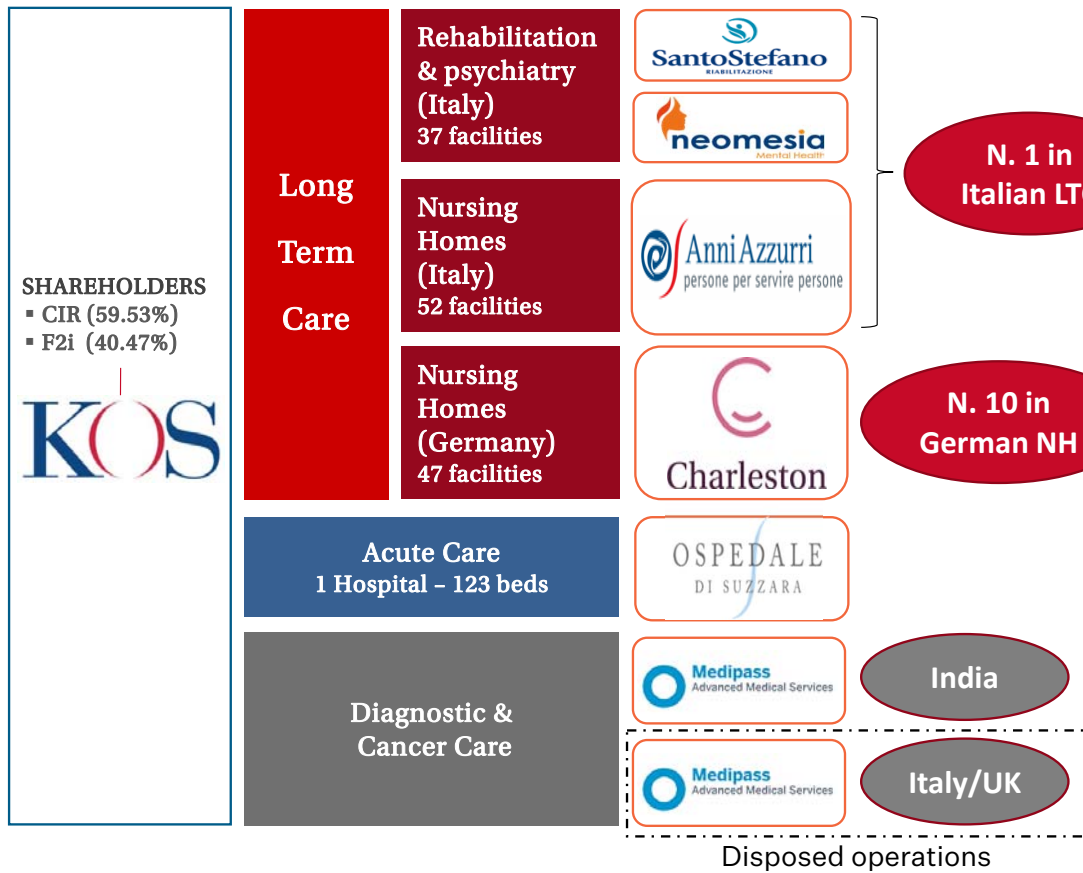


**Executive
summary**

**Group
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KOS and Sogefi

KOS - a leader in LTC with a consistent growth track record



KOS – Disposal of Medipass



- KOS decided to focus its growth strategy on the core LTC markets of Italy and Germany and to dispose of non strategic assets, in order to free up financial resources
- On Sept 7, 2020 CIR announced the signing by KOS of a binding agreement to sell Medipass Italy and UK to infrastructure fund DWS.
KOS will retain the Indian operations of Medipass, with a view to a future disposal
- Enterprise value: € 169M, estimated Equity Value € 103M, plus a possible earn out of € 2,5M
- Conditions to closing almost fulfilled as of end of October, closing expected by November
- Impact on KOS' financials (pre-IFRS16):
 - > € 160M debt reduction
 - ca. € -19M FY EBITDA impact
 - > € 50M gain on disposal

KOS - Summary of 9M 2020 results and outlook



| €/M | 9M 2019 | 9M 2020 |
|---|--------------|---------------|
| Number of beds | 8.153 | 12.699 |
| <i>YoY total % change</i> | | 55,8% |
| Revenues | 379,0 | 468,8 |
| <i>YoY total % change</i> | | 23,7% |
| <i>YoY organic % change</i> | | -10,5% |
| EBITDAR | 89,6 | 93,3 |
| <i>% on revenues</i> | 23,6% | 19,9% |
| EBITDA IFRS16 | 89,3 | 89,8 |
| EBITDA pre IFRS16 | 62,9 | 43,3 |
| EBIT | 44,2 | 26,8 |
| <i>% on revenues</i> | 11,7% | 5,7% |
| Financial result | (14,2) | (24,2) |
| Taxes | (10,5) | (3,9) |
| Group net result from continuing operations ⁽¹⁾ | 18,8 | (2,0) |
| <i>% on revenues</i> | 5,0% | -0,4% |
| Assets held for sale | 4,7 | 6,9 |
| Group net result | 23,5 | 4,9 |

Medipass ITA/UK

September YTD results

- Due to major Covid-19 driven disruptions in the Italian healthcare sector between March and May, activity collapsed in acute care and rehab, but swiftly rebounded thereafter, as non-urgent medical treatments were resumed
- In Italian NH, occupancy declined more progressively through the lockdown, as a result of new admissions freeze, down to -20% in June vs prior close-to-full occupancy. Activity remained flat at low levels in Q3, due to temporarily lower demand to enter NHs
- As a result, in Italy revenues declined -10% in 9M (-8% in Q3); increased safety equipment costs and the need to maintain staffing at elevated levels to cope with the emergency produced ca. € 25M EBITDA and EBIT shortfall, despite a positive € 10M non recurring impact of real estate sale
- Covid impact has been far less severe in Germany, thanks to more limited contagion levels and public reimbursements. Charleston is performing according to expectations, delivering (with some delay) on its operational turnaround plan
- NFP improved by ca. € 21M in 9M, including ca. € 22M development capex and € 35M divestments
- Following Medipass sale, KOS will enjoy a strong liquidity position, with no breach of covenants expected in FY 2020

Outlook

- KOS expects a gradual recovery to pre-crisis activity levels over several quarters for NH activities, while rehabilitation and acute care, absent further major Covid-19 disruptions of the healthcare system, could consolidate their recovery faster. FY2020 EBIT expected to be not lower than YTD figure

KOS – P&L by business

| €/M | 9M2019 | | | 9M2020 | | | | |
|--|----------------------|----------------|-----------------------|----------------------|----------------|-----------------------|--------------|-------------------------------------|
| | LTC Italy + Medipass | Medipass IT+UK | LTC Italy + Med India | LTC Italy + Medipass | Medipass IT+UK | LTC Italy + Med India | LTC Germany | LTC Italy + LTC Germany + Med India |
| Number of beds | 8.153 | | 8.153 | 8.650 | | 8.650 | 4.049 | 12.699 |
| <i>YoY total % change</i> | | | | 6,1% | | | | 55,8% |
| Revenues | 420,3 | 41,3 | 379,0 | 381,0 | 41,8 | 339,1 | 129,7 | 468,8 |
| <i>YoY total % change</i> | | | | | | -10,5% | | 23,7% |
| <i>YoY organic % change</i> | | | | | | -10,5% | | -10,5% |
| EBITDAR | 103,4 | 13,8 | 89,6 | 84,4 | 16,1 | 68,3 | 25,0 | 93,3 |
| <i>% on revenues</i> | 24,6% | | 23,6% | 22,2% | | 20,1% | 19,3% | 19,9% |
| EBITDA IFRS16 | 101,6 | 12,3 | 89,3 | 81,4 | 16,1 | 65,3 | 24,5 | 89,8 |
| EBITDA ante IFRS16 | 75,9 | 13,0 | 62,9 | 54,4 | 15,3 | 39,2 | 4,1 | 43,3 |
| <i>% on revenues</i> | 18,0% | | 16,6% | 14,3% | | 11,6% | 3,2% | 9,2% |
| EBIT | 50,4 | 6,2 | 44,2 | 29,2 | 8,7 | 20,5 | 6,3 | 26,8 |
| <i>% on revenues</i> | 12,0% | | 11,7% | 7,7% | | 6,0% | 4,9% | 5,7% |
| Net result from continuing operations | 23,5 | | 18,8 | 7,7 | | 0,8 | (2,8) | (2,0) |
| <i>% on revenues</i> | 5,6% | | 5,0% | 2,0% | | 0,2% | -2,2% | -0,4% |
| Assets held for sale | | 4,7 | 4,7 | | 6,9 | | | 6,9 |
| Group net result | 23,5 | | 23,5 | 7,7 | | 0,8 | (2,8) | 4,9 |

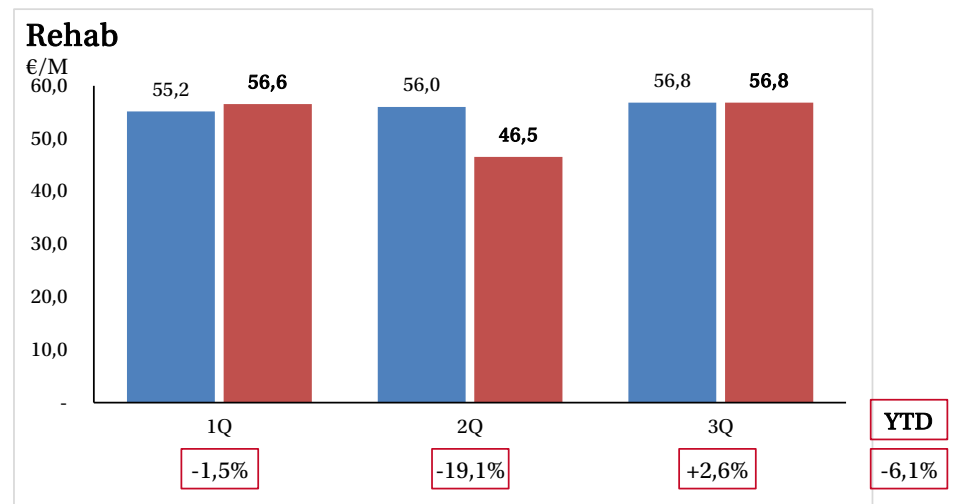
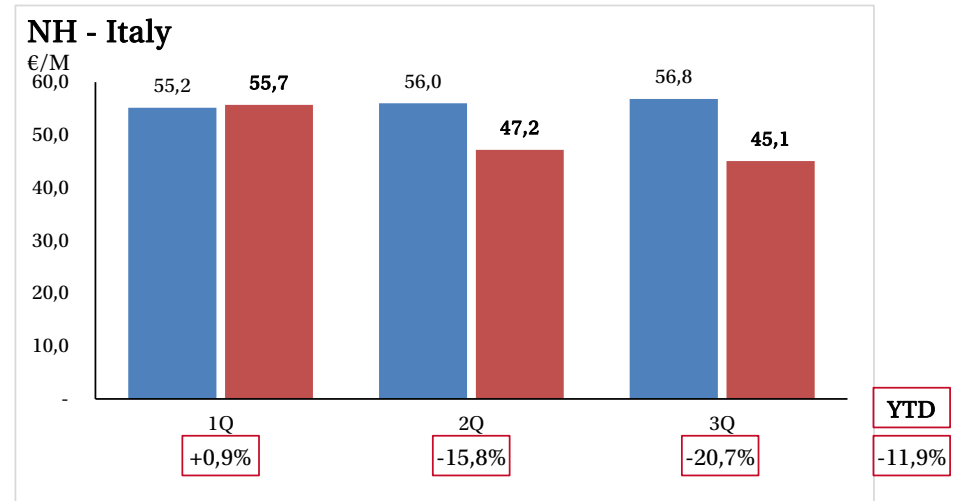
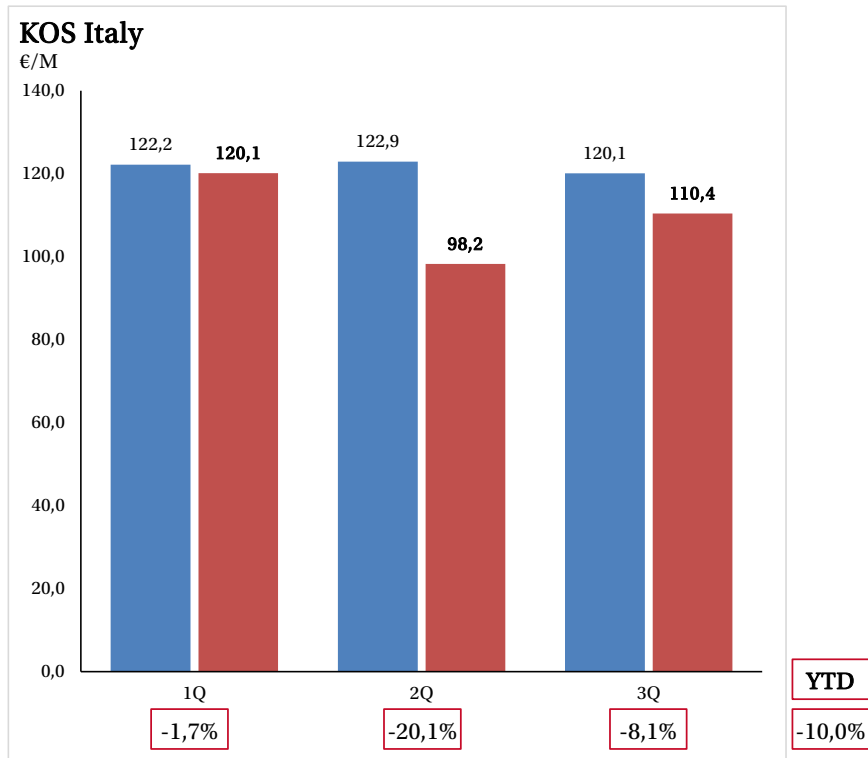
2019 reporting perimeter

2019 restated IFRS5*

2020 reporting perimeter*

(*) Performance of Medipass EU included in “Assets held for sale” line (no longer consolidated line-by-line), ex IFRS5 given the potential disposal

KOS Italy – Revenues trend



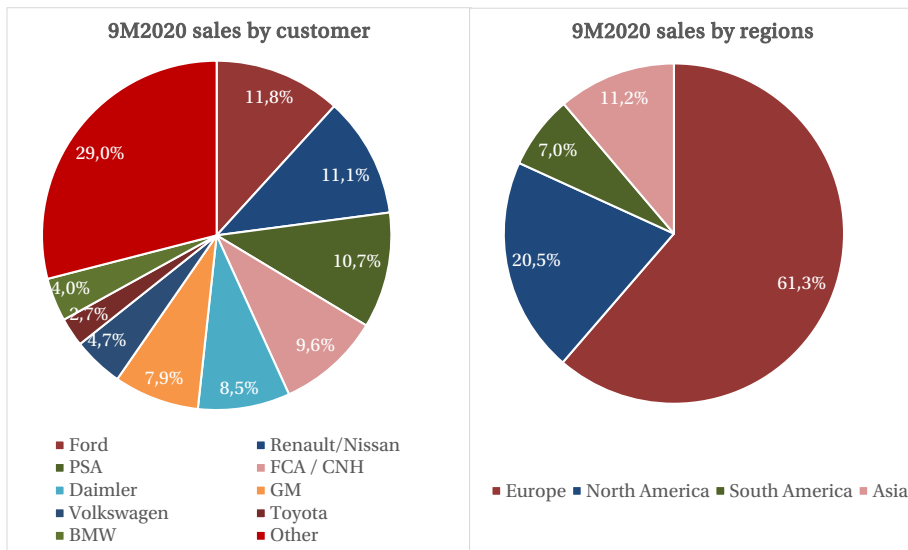
KOS Italy includes: NH Italy, Rehab and Acute Care (€26,8M in 9M19; €20,8M in 9M20)



Sogefi – Summary of 9M results and outlook



| €/M | 9M 2019 | 9M 2020 |
|-------------------|------------|---------------|
| Revenues | 1.149,0 | 860,6 |
| EBITDA | 130,7 | 94,7 |
| EBIT | 37,4 | (3,2) |
| Net result | 8,3 | (23,2) |



September YTD results

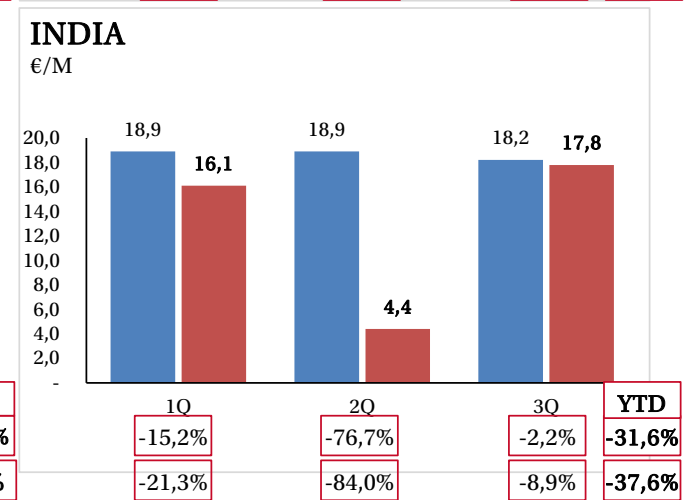
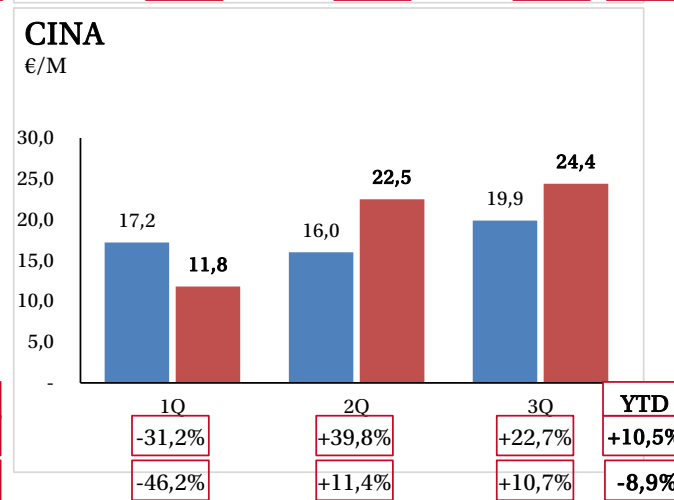
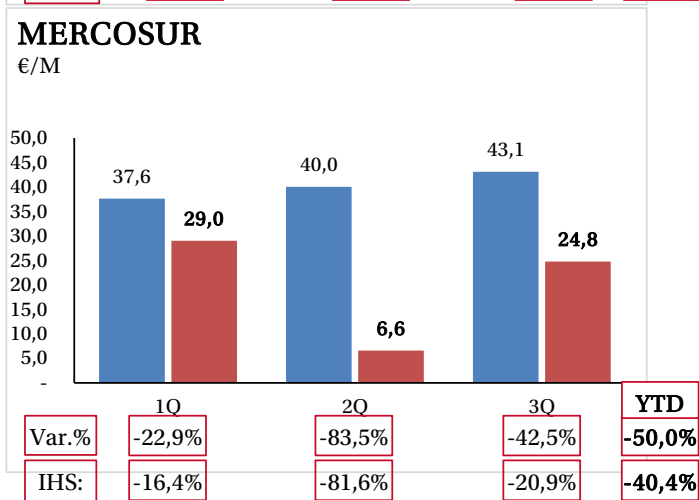
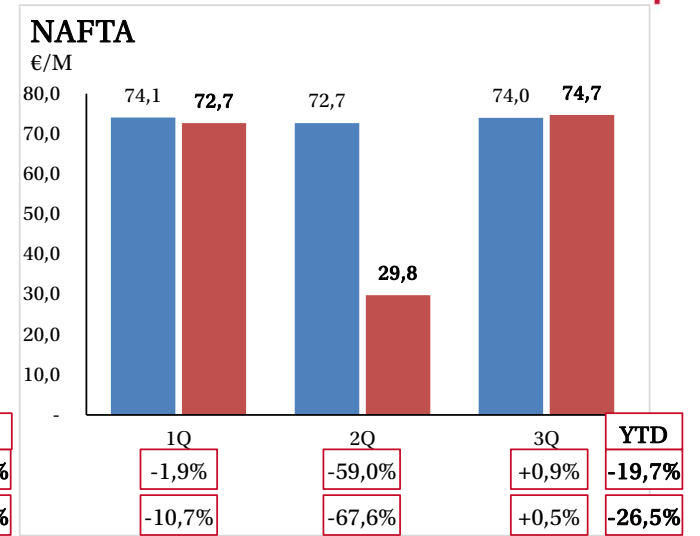
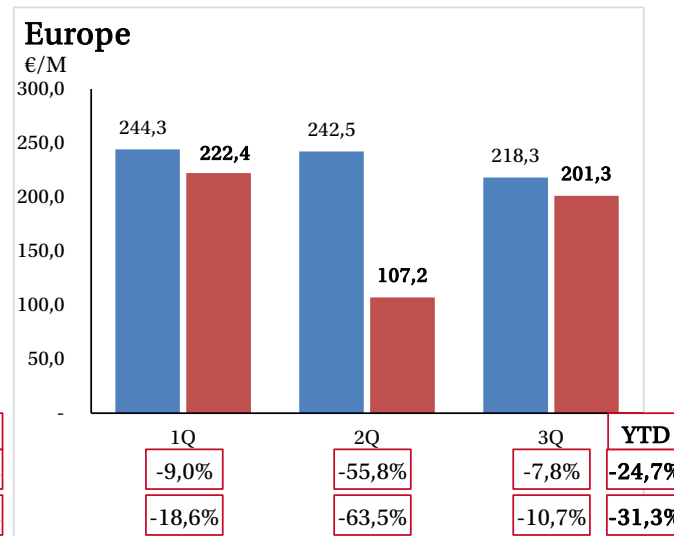
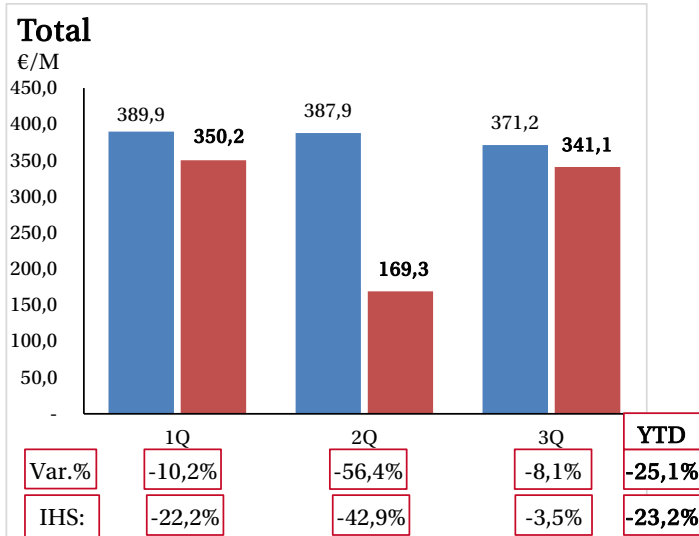
- Car production rebounded in Q3 (-3,5% vs Q3 2019), with China outperforming, Nafta in line with previous year, Europe still -11% and Mercosur -21%
- Sogefi's sales outperformed in all reference markets except in Mercosur, with sales at -8% vs Q3 2019, due to the high exposure to Europe
- EBITDA was 14% on sales in Q3 and 11,0% YTD (vs 11.4% in 2019), as volume loss was mitigated by a reduction of gross fixed costs of >20%, thanks to temporary unemployment measures during lockdown, as well as structural actions
- EBIT was impacted by non recurring items of -22M (vs. -8M in 2019), including restructuring costs and assets write downs
- Free Cash Flow improved in Q3, but still stood at -€ 42,7M YTD, mainly due to cyclical Working Capital absorption (lower factoring as a consequence of revenues shortfall) and investments in the new Romanian plant for suspensions
- Strong liquidity position over the medium term after securing € 134,5M new committed lines; no breach of covenants envisaged

Outlook

- For the remainder of FY 2020 Sogefi is planning on a -10% volume scenario, more conservative than consensus, under which it expects to improve YTD EBIT (before excluding restructuring costs), and maintain a stable NFP
- In light of the uncertain mid-term outlook, Sogefi launched a significant fixed cost reduction plan, to be completed by the end of 1H 21, as well as actions to rationalize its footprint and suppliers base

Sogefi – Revenues trend

- Sogefi outperformed car production market in all reference markets except Mercosur
- Underperformance at Global level is mix driven (high weight of Europe)



Euro Revenues not fully comparable to production figures due to inflation/currency devaluation



IHS:

Passenger car production data (units variation), source IHS

Disclaimer



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- *For further details on CIR and its Group, reference should be made to publicly available information, including the Annual Report, the Semi-Annual and Quarterly Reports*
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