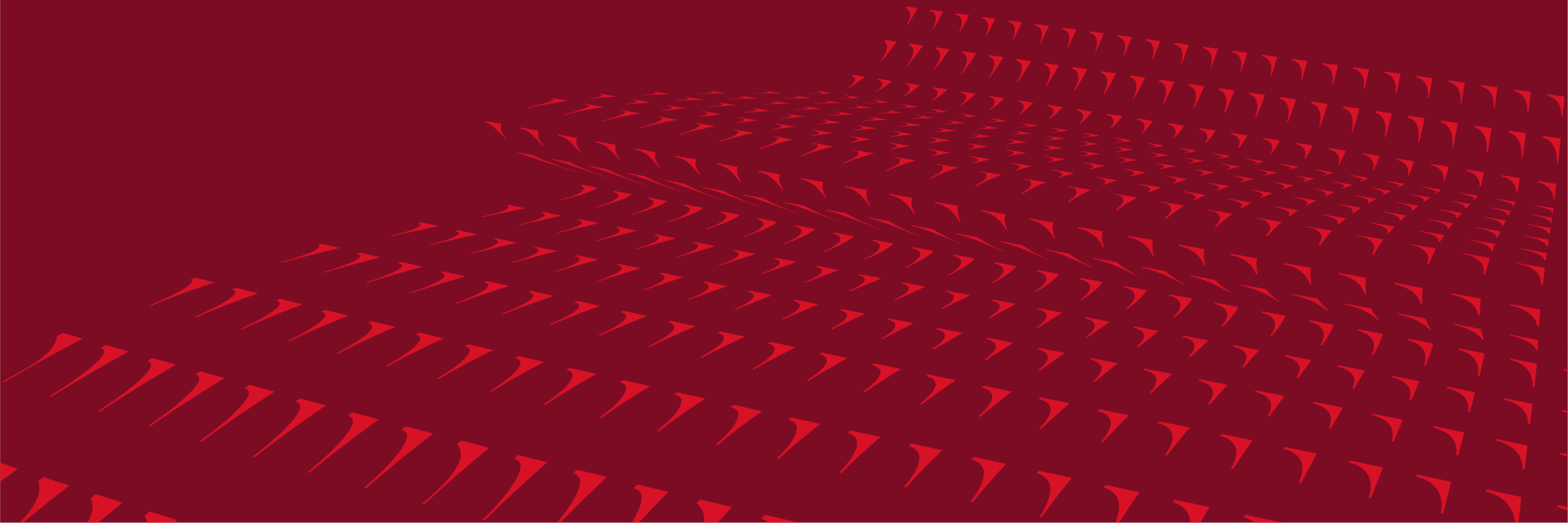




Full-year 2020 results

March 2021



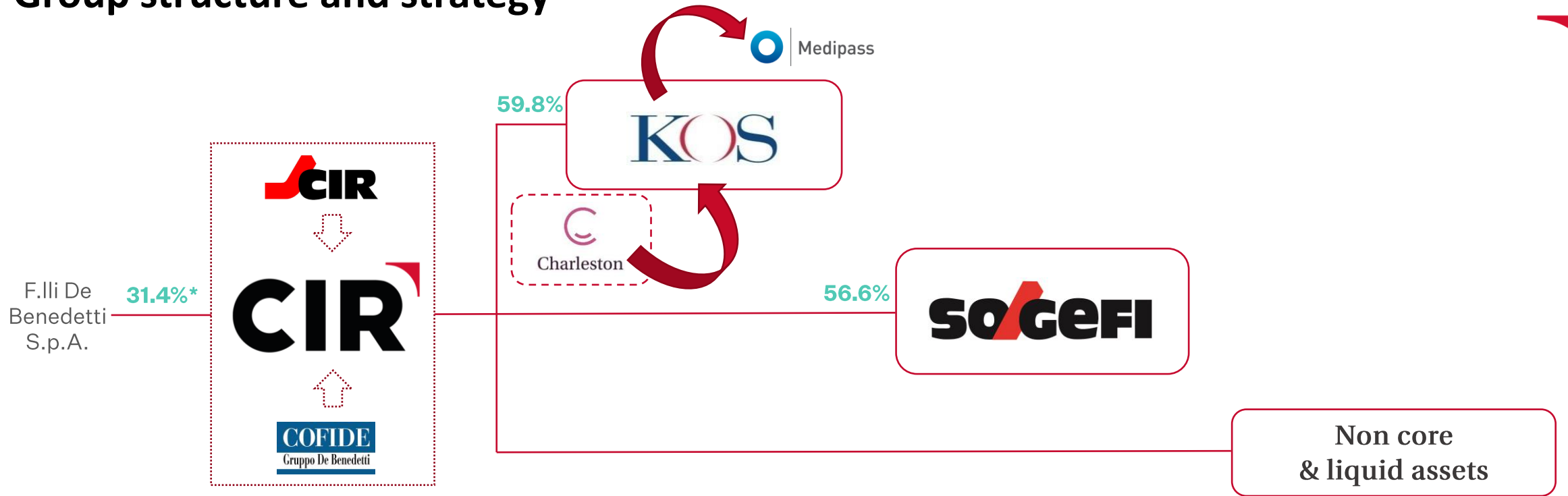


**Executive
Summary**

**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 31 December 2020, calculated net of treasury shares (equal to 2.11% of share capital for CIR)

2020 Highlights



2020 Relevant events	<ul style="list-style-type: none">▪ CIR-COFIDE merger completed▪ GEDI disposal and 5% reinvestment completed▪ Disposal of non-core activities: Medipass (Kos); Filtration plants in Brasil and Spain (Sogefi)▪ Financing: new bank lines with SACE / PGE guarantees obtained by Sogefi; KOS refinancing underway
2020 financial results	<div><div>Sales: -8,3%</div><div>↓</div><div><ul style="list-style-type: none">▪ Organic sales – 16,7%▪ KOS -10,2% (excluding Charleston acquisition and Medipass disposal)▪ Sogefi -17,8%</div></div>
	<div><div>Net result: +€16,3M</div><div>=</div><div><ul style="list-style-type: none">▪ Loss of -€15,9M from ongoing activities, mainly due to impacts of Covid19▪ +€32,2M contribution of discontinued activities, including gains from disposals</div></div>
	<div><div>NFP: (€100,0)M +€227M vs 2019</div><div>↑</div><div><ul style="list-style-type: none">▪ Consolidated debt ante IFRS16 reduced by € 227 M vs 2019, thanks to disposals and successful containment of operational cash flow absorption and capex</div></div>
Outlook	<p>Very uncertain outlook for markets and post pandemics recovery:</p> <ul style="list-style-type: none">▪ Post Covid emergency, KOS expects a faster recovery in Rehab and Acute Care, and a slower one in NH, especially in Italy, due to the severe loss of occupancy in 2020▪ Sogefi expects a positive result in 2021, despite market weakness and raw material/logistics difficulties



**Executive
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**Group
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KOS and Sogefi

Consolidated P&L main elements (1)

€/M	2019	2020 *
Revenues	2.001,6	1.834,8
YoY total % change		-8,3%
EBITDA	274,8	235,2
% on revenues	13,7%	12,8%
EBIT	84,4	18,2
% on revenues	4,2%	1,0%
Financial result	(30,7)	(37,2)
Taxes	(22,1)	(9,2)
Third party result	(17,8)	12,3
Net result from continuing operations	13,8	(15,9)
Assets held for sale	(136,3)	32,2
Group net result	(122,5)	16,3

(*): reclassified as described in the table on the right

Revenues

KOS - LTC Italy + Med India
KOS - Charleston
KOS - total
SOGEFI
GROUP revenues
Revenues @ 2018 perimeter

2019	2020	% chg
510,7	458,7	-10,2%
27,1	172,9	
537,8	631,6	17,4%
1.463,8	1.203,2	-17,8%
2.001,6	1.834,8	-8,3%
1.964,8	1.636,5	-16,7%

2020 Reclassification vs Financial Statement

	2020 reported	Medipass write-downs	2020 reclass
EBITDA	227,0	8,2	235,2
EBIT	8,0	10,2	18,2
Financial results	(38,4)	1,2	(37,2)

All Medipass related items (EU disposal, India write downs) reclassified under "Assets held for sale"

Financial result

	2019	2020
Cost of financing	(34,0)	(38,1)
IFRS16 accounting	(8,8)	(17,2)
HoldCo financial assets	13,0	17,4
Other (*)	(0,9)	0,7
GROUP financial results	(30,7)	(37,2)

Higher net financial charges mainly due to higher IFRS16 charges (from Charleston consolidation)

Consolidated P&L main elements (2)

€/M	2019	2020 *
Revenues	2.001,6	1.834,8
<i>YoY total % change</i>		-8,3%
EBITDA	274,8	235,2
<i>% on revenues</i>	13,7%	12,8%
EBIT	84,4	18,2
<i>% on revenues</i>	4,2%	1,0%
Financial result	(30,7)	(37,2)
Taxes	(22,1)	(9,2)
Third party result	(17,8)	12,3
Net result from continuing operations	13,8	(15,9)
Assets held for sale	(136,3)	32,2
Group net result	(122,5)	16,3

(*): reclassified as described in the table on the right

Contribution to Net Result

€/M	2019	2020
KOS Group *	13,1	(7,9)
Sogefi Group *	6,3	(11,1)
Total core businesses	19,4	(19,0)
CIR Holding	(5,6)	3,1
Net result from continuing operations	13,8	(15,9)
GEDI / Other (CIR)	(136,7)	5,1
Medipass (KOS) *	4,9	35,8
Filtration plants (Sogefi) *	(4,5)	(8,7)
Assets held for sale	(136,3)	32,2
GROUP NET RESULT	(122,5)	16,3

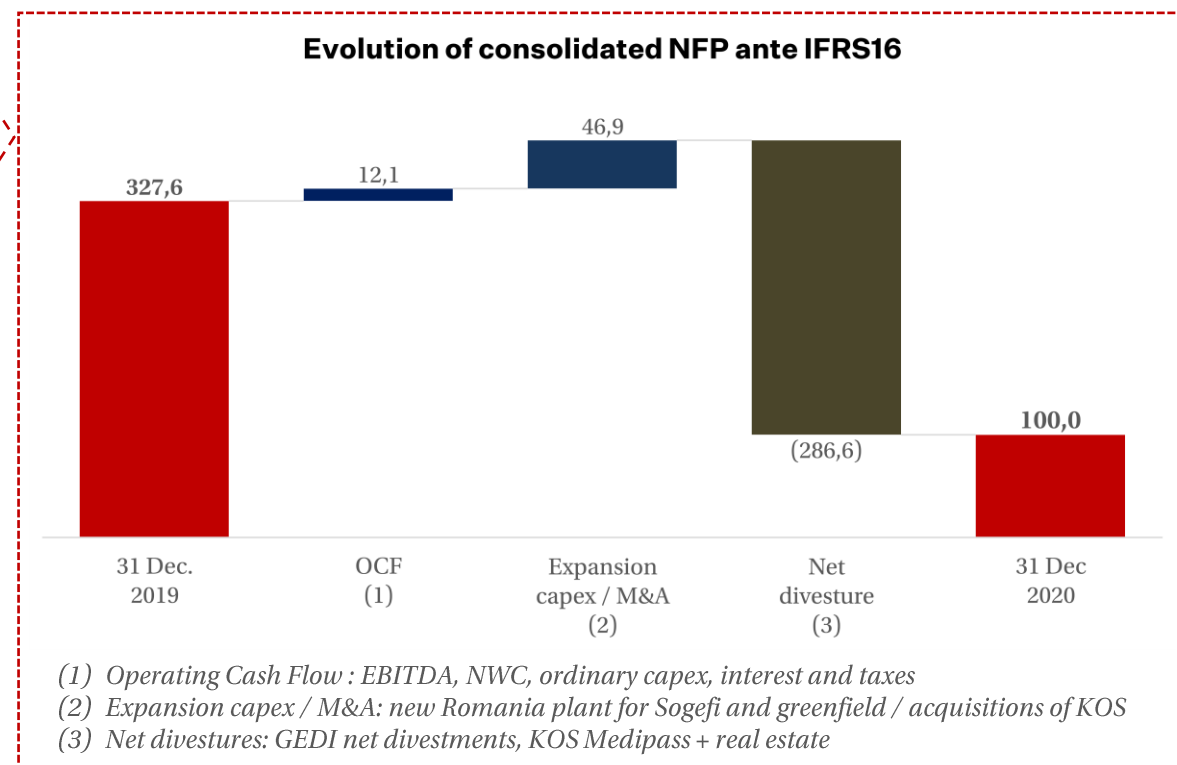
(*): Pro-rata share of subsidiaries' net result

Group Financial Indebtedness

€/M	Excluding IFRS16	
	31 Dec. 2019	31 Dec. 2020
KOS Group	(368,0)	(200,7)
Sogefi Group	(256,2)	(291,3)
Subsidiaries	(624,2)	(492,0)
CIR holding & I/C	296,6	392,1
Group net financial indebtedness	(327,6)	(100,0)

€/M	Including IFRS16	
	31 Dec. 2019	31 Dec. 2020
KOS Group	(1.105,3)	(931,0)
Sogefi Group	(318,9)	(357,9)
Subsidiaries	(1.424,2)	(1.288,9)
CIR holding & I/C	296,5	392,2
Group net financial indebtedness	(1.127,7)	(896,8)

- Net debt reduction at KOS, mainly thanks to Medipass disposal
- Debt increase at Sogefi, mainly due to lower operational cash generation, WC absorption and new capacity investments
- Net cash increase at Holdco level, thanks to GEDI disposal cash-in



Holding Balance Sheet main elements

€/M	31 Dec. 2019	31 Dec. 2020
KOS	171,1	201,9
Sogefi	109,0	77,3
Total operating companies	280,1	279,2
Fixed assets	19,7	18,7
Private equity	56,6	56,0
Other investments	11,2	19,8
Other Assets (Liabilities)	5,0	5,6
Assets held for sale (GEDI)	102,4	
Net cash	295,7	391,7
Total CIR holding level	490,6	491,8
Total CIR Group shareholders' equity	770,7	771,0
Shareholder's equity per share	0,60	0,60
Shareholder's EPS net of treasury shares ⁽¹⁾	0,62	0,62

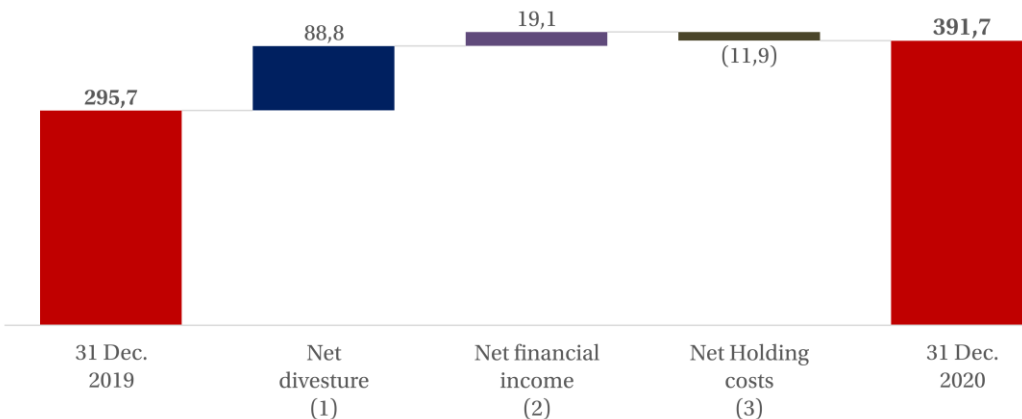
(1) 26.957k treasury shares at 31 December 2020, equal to 2.11% of share capital

Non-core investments

€/M	31 Dec. 2019	New	Cash In	Fair value / other	31 Dec. 2020
Private Equity	56,6	7,6	(11,0)	2,8	56,0
Other investments	11,2	12,9		(4,3)	19,8

- 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

Evolution of Holding Net cash



(1) GEDI net disposal (€ 90,7M) + PE net cash in (€ 2,5M) - KOS minority purchase (-€ 4,4M)

(2) Performance of liquid assets / HF (Fair value + income + trading)

(3) Operating costs, taxes, etc. of which €1,2 M non recurring cash costs for the merger and GEDI sale

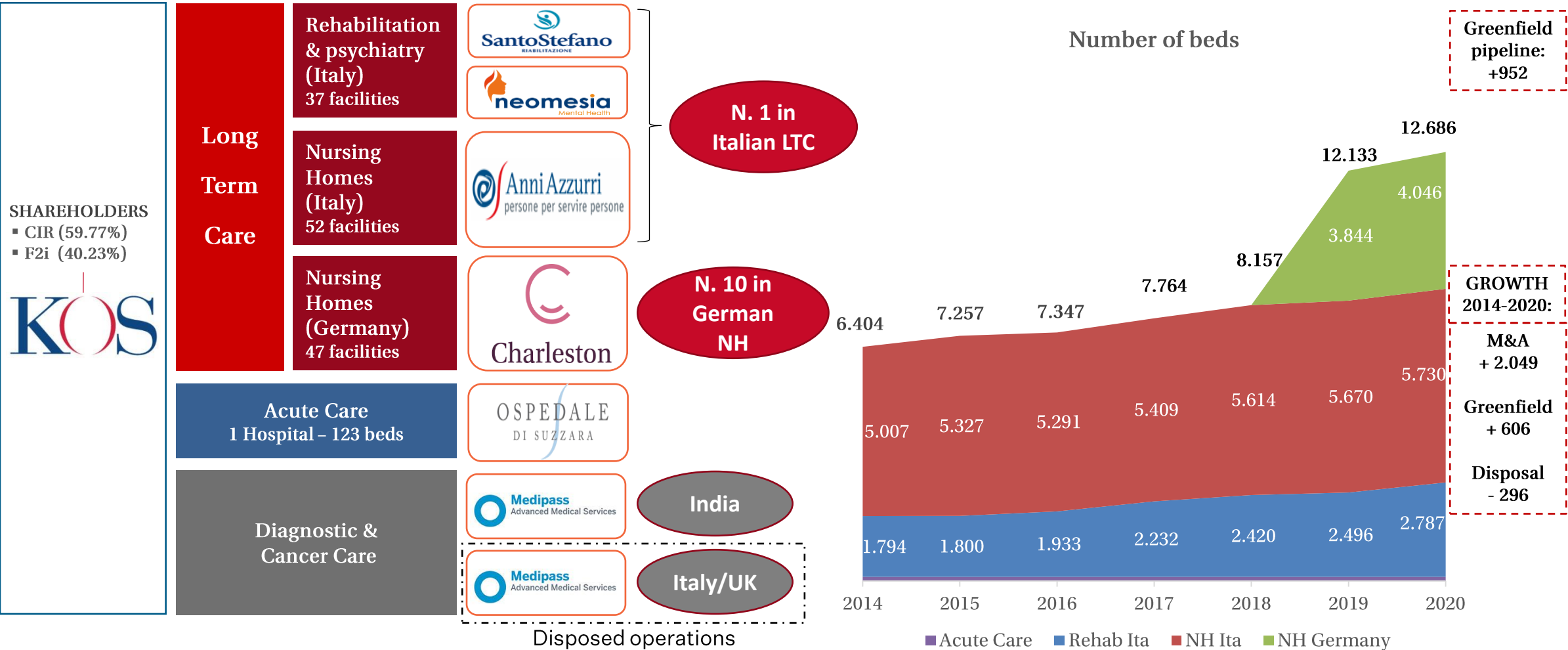


**Executive
Summary**

**Group
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Results**

KOS and Sogefi

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



KOS - Summary of 2020 results and outlook

€/M	2019	2020
Revenues	537,8	631,6
<i>total change</i>		17,4%
<i>change at constant perimeter</i>		-13,5%
EBITDAR	123,6	115,9
EBITDA	121,7	111,7
EBITDA pre IFRS16	82,7	49,0
EBIT	57,9	25,6
Financial result	(21,7)	(31,1)
Taxes	(13,0)	(6,7)
Group net result from continuing operations	22,0	(13,3)
Assets held for sale (Medipass IT+UK)	8,2	60,0
Group net result	30,2	46,7

NFP IFRS16	(1.105,3)	(931,0)
NFP pre IFRS16	(368,0)	(200,7)

Real Estate Assets €/M	31 Dec.2019	31 Dec.2020
Gross Book Value	211,2	202,0
Fair Value	270,5	250,0
RE debt (excluding IFRS16)	(80,9)	(69,3)

EBITDA / EBIT reclassified excluding €10M write-downs related to Medipass – (see pag.6)

Disposal of Medipass

- KOS decided to focus its growth strategy on the core LTC markets of Italy and Germany
- On Nov 27, 2020 Medipass Italy and UK were sold to infrastructure fund DWS:
 - ✓ Enterprise value: € 169M, Equity Value € 106M
 - ✓ Debt reduction (pre-IFRS16): € 163M
 - ✓ P&L impact of disposal: +€ 55M⁽¹⁾
- KOS retained the Indian operations of Medipass, with a view to a future disposal

KOS 2020 results

- Revenues declined organically -13,5% in 2020 (-9% in Q4) due to Covid-19 disruptions
- Margins under heavy pressure in Italy due to top line decrease and increased costs
- +€ 9,5M non recurring EBITDA/EBIT impact from real estate disposal
- NFP improved by € 167M in 2020, thanks to Medipass disposal (€ 163M) and real estate divestments (€ 32M), offset by ca. € 30M development capex

2021 Outlook

- In a scenario of gradual post pandemics normalization, KOS expects a gradual recovery of NH activities over several quarters in Italy, as well as in Germany (where Covid impact has however been lower so far), while rehabilitation and acute care could consolidate their recovery faster
- Following Medipass sale, KOS has a strong liquidity position; bank loans refinancing underway to extend maturities

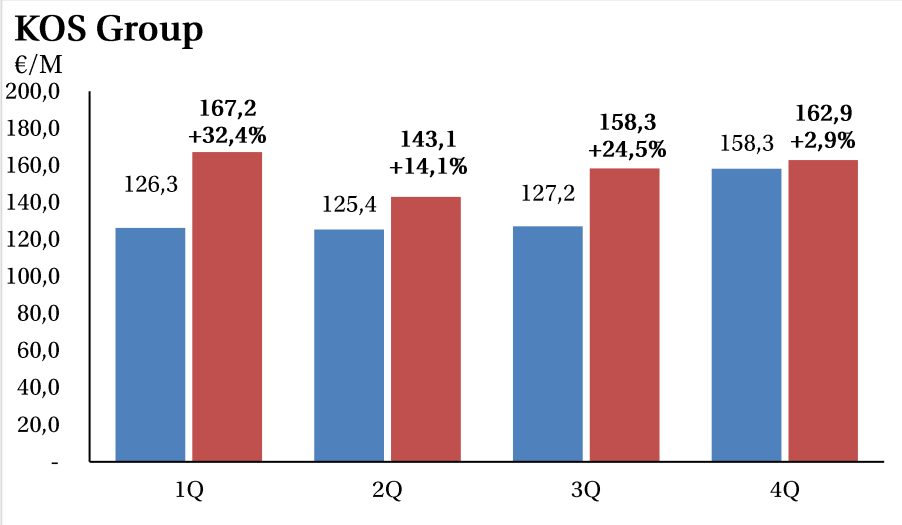
(1) +€65M net gain from disposal, -€10M write down of Medipass India; result of assets held for sale includes +€5M 2020 Medipass EU P&L

KOS – Revenues and KPIs by segment

	LTC Italy						NH Germany		Medipass India	
	NH		Rehab		Acute Care		2019	2020	2019	2020
	2019	2020	2019	2020	2019	2020				
Numer of beds	5.670	5.730	2.613	2.787	123	123	3.843	4.046		
% change		1,1%		6,7%				5,3%		
Occupancy	95,5%	79,2%	87,7%	72,3%				87,6%		
Revenues	225,6	196,5	230,0	218,3	36,5	30,8	27,1	172,9	20,7	15,7
% change		-12,9%		-5,1%		-15,6%				-24,2%
%organic chg		-14,4%		-12,4%						
<div> <div> <p>➤ Occupancy declined progressively through the March lockdown, as a result of new admissions freeze, down to -20% in June</p> <p>➤ Activity flat in Q3</p> <p>➤ Further decline in Q4 during the second wave of Covid-19, down to -30% occupancy</p> <p>➤ Early signs of stabilization in Q1 2021, but long path to full recovery expected</p> </div> <div> <p>➤ Due to major Covid-19 driven disruptions in the Italian healthcare sector between March and May, activity collapsed in rehab and acute care</p> <p>➤ A few of KOS structures served as Covid dedicated hospitals during the acute phase of the pandemics</p> <p>➤ Activity swiftly rebounded thereafter, as non-urgent medical treatments were resumed, with Q3 and Q4 revenues close to 2019 levels</p> </div> <div> <p>➤ Covid impact far less severe in Germany in 1H</p> <p>➤ Occupancy fell in 2H, down to -9% in Dec 2020.</p> <p>➤ Charleston still performed according to expectations, thanks public reimbursements and the ongoing implementation of the operational turnaround plan</p> </div> <div> <p>➤ The diagnostics and cancer care business in India was also affected by the pandemics, but showed good resilience and fast recovery</p> <p>➤ Improvement plan in progress, with a view to a future disposal</p> </div> </div>										

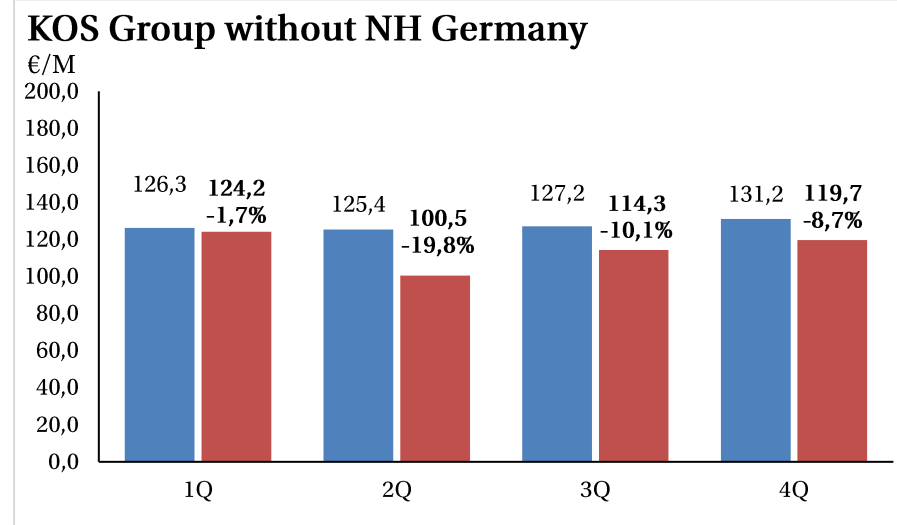
KOS – 2020 quarterly revenues trend by segment

View by perimeter

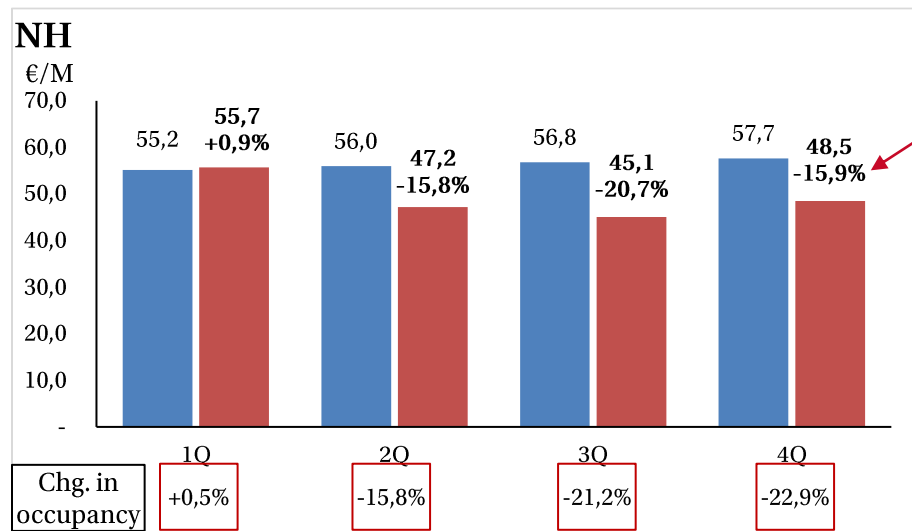


← includes:

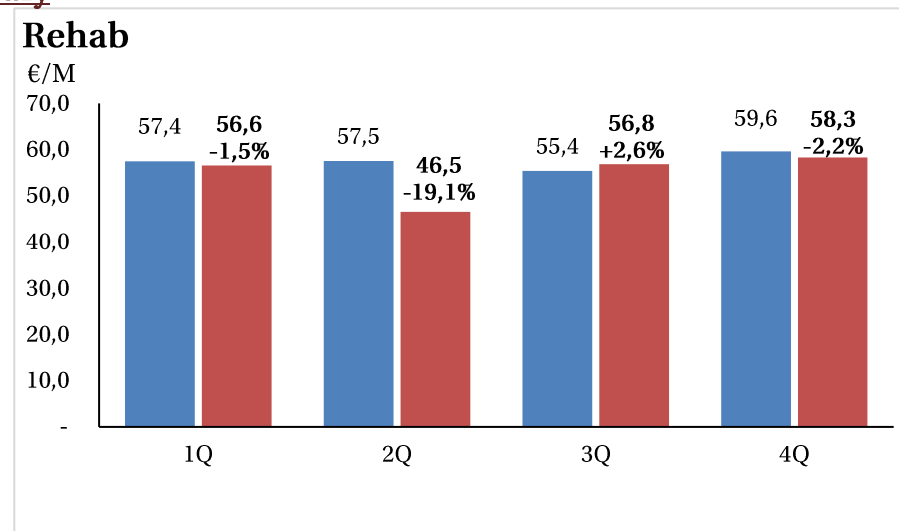
- NH Italy
- NH Germany
- Rehab
- Acute Care (Suzzara)
- Med India



Main businesses - Italy



2020 EOY Covid reimbursements



2019 2020

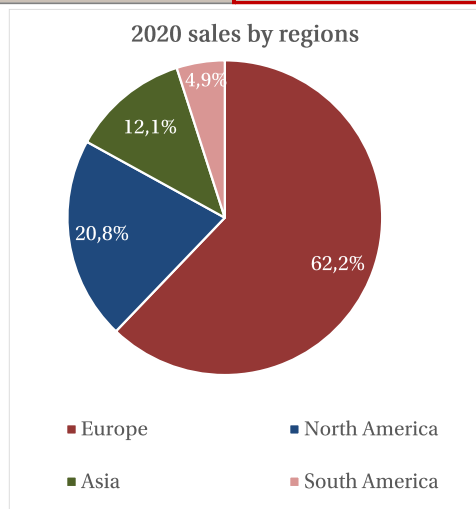
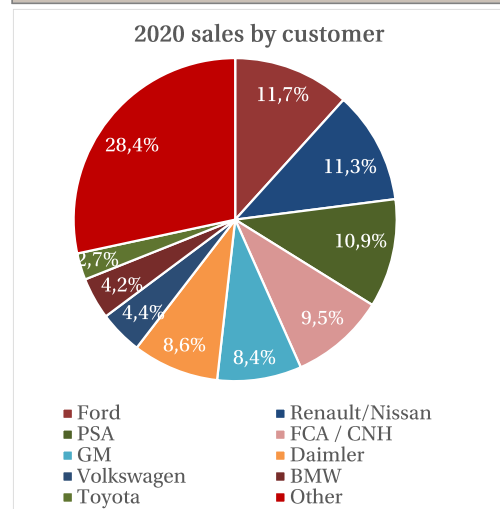
KOS – P&L by segment

- 2020 financials affected by underperformance of Italian operations: increased safety equipment costs and the need to maintain staffing at elevated levels to cope with the emergency produced ca. € 55M EBITDA and EBIT shortfall, partly offset by +9,5M impact of Real Estate disposal
- Major changes in the consolidation perimeter:
 - ✓ Medipass Europe disposed of and no longer consolidated in 2020
 - ✓ LTC Germany (Charleston) consolidated for 12 months in 2020 (vs 2 in 2019)

€/M	2019 reporting perimeter	Business disposed	2019			2020			2020 reporting perimeter
	KOS GROUP	Medipass IT+UK	LTC / Acute Care Italy	LTC Germany	Med India	LTC / Acute Care Italy	LTC Germany	Med India	KOS GROUP
Revenues	595,2	57,6	489,8	27,1	20,7	442,9	172,9	15,7	631,6
EBITDA IFRS16 <i>% on revenues</i>	141,3 23,7%	20,2	116,4 23,8%	2,0 7,4%	2,7 12,9%	74,0 16,7%	34,2 19,8%	3,5 22,1%	111,7 17,7%
EBITDA ante IFRS16 <i>% on revenues</i>	102,0 17,1%	19,3	83,1 17,0%	(2,9) -10,7%	2,5 12,1%	38,6 8,7%	7,0 4,0%	3,3 21,0%	49,0 7,8%
EBIT <i>% on revenues</i>	67,7 11,4%	11,1	60,2 12,3%	(2,1) -7,7%	(1,5) -7,3%	17,0 3,8%	9,9 5,7%	(1,3) -8,2%	25,6 4,1%
Net result from continuing operations	30,3	8,2	31,3	(4,1)	(5,1)	(4,2)	(2,7)	(6,5)	(13,3)

Sogefi – Summary of annual results and outlook

€/M	2019	2020
Revenues	1.463,8	1.203,2
EBITDA	177,4	137,6
EBITDA excluding restructuring	186,6	168,0
% on sales	12,7%	14,0%
EBIT	48,4	7,2
EBIT normalised	52,7	27,2
Group result from continuing operations	11,1	(19,7)
Net result	3,2	(35,1)



Changes in perimeter

- Sale of underperforming Filtration operations in Brasil and a Spanish plant (de-consolidated in FY 2020 and pro-forma in 2019)

Q4 and FY 2020 highlights

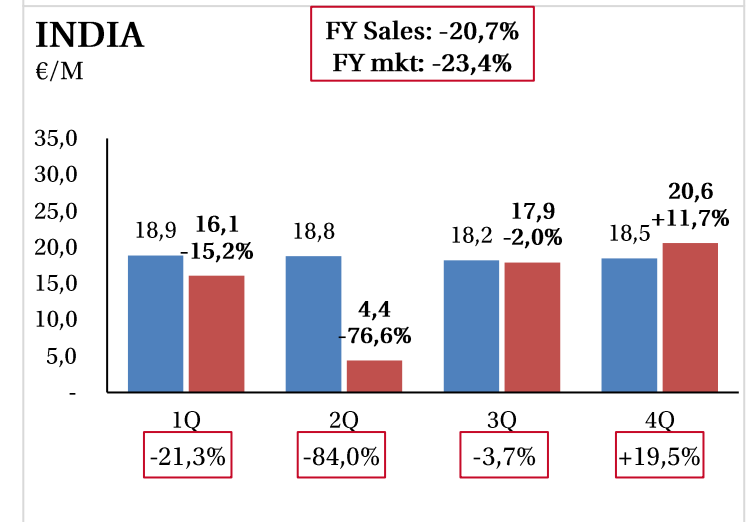
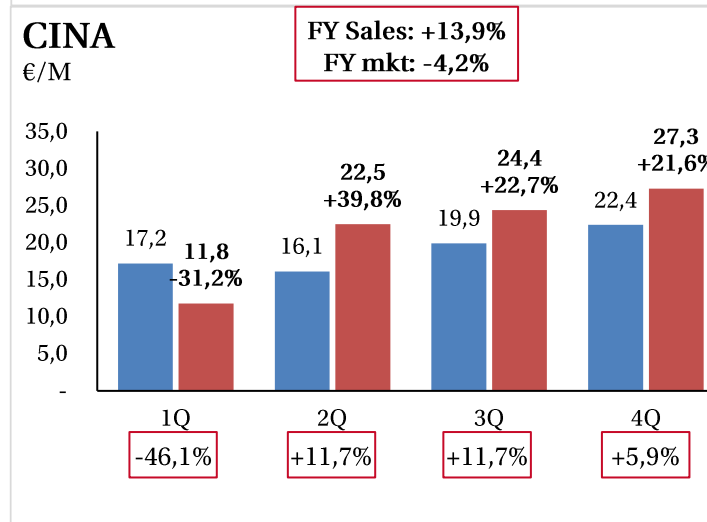
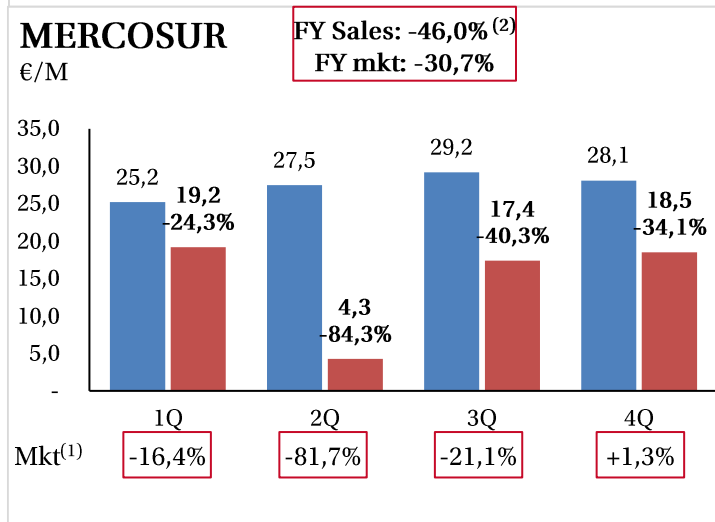
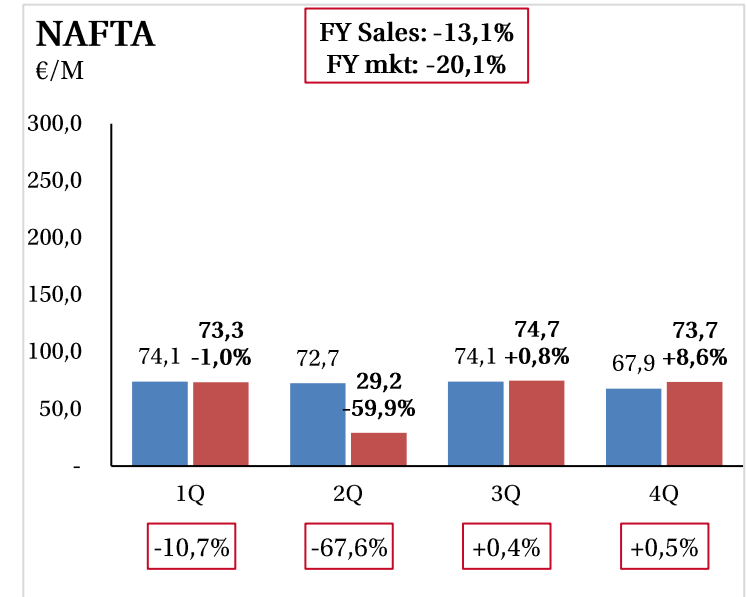
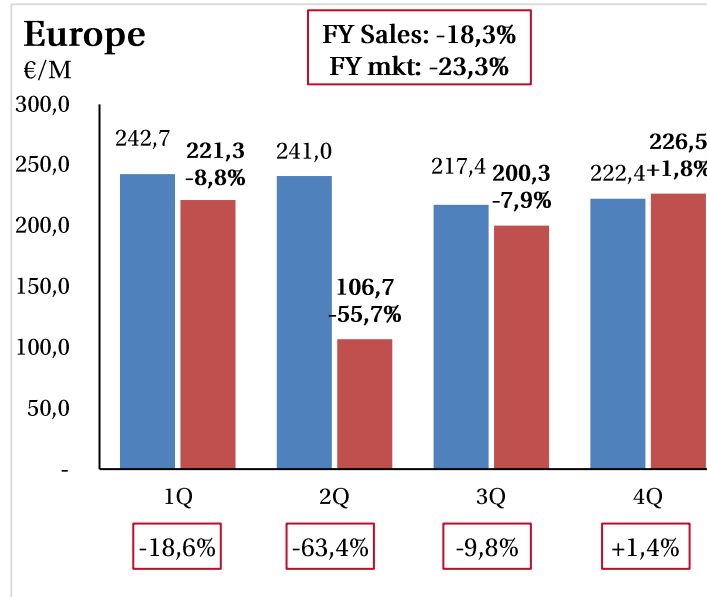
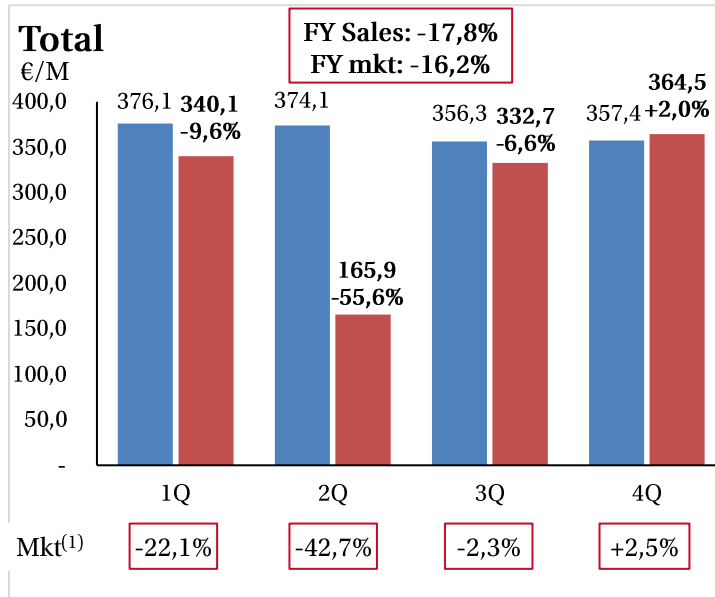
- Car production rebounded in Q4 (+2,5% vs Q4 2019) and closed 2020 at -16,2% (EU28 at -23,3%, Nafta at -20,1%, China at -4,2% and Mercosur at -30,7%)
- Sogefi's sales outperformed in Q4 and FY in all reference markets except Mercosur (EU28 -18,3%, NAFTA -13,1%, China +21,6%)
- EBITDA and EBIT include c.€30M restructuring costs, of which c.€20M one-off; excluding such items, EBITDA was 15,4% on sales in Q4 and 14,0% in FY
- EBITDA% remained stable as volume loss was mitigated by a reduction of gross fixed costs of 20%, thanks to temporary unemployment measures during lockdown, as well as to structural actions
- Free Cash Flow improved in Q4 (+€ 17,5m), but still stood at -€ 38,2M in FY, mainly due to lower operational cash generation, cyclical Working Capital absorption 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

2021 Outlook

- Impact of the pandemic still very uncertain, uncertainties on raw materials prices (steel) and their availability
- IHS expects 2021 world production to rebound +13.7% vs 2020, remaining however at -4.8% vs 2019
- Thanks to the effects of fixed costs reduction actions implemented in 2020, Sogefi expects to return to a positive result in 2021

Sogefi – Revenues trend

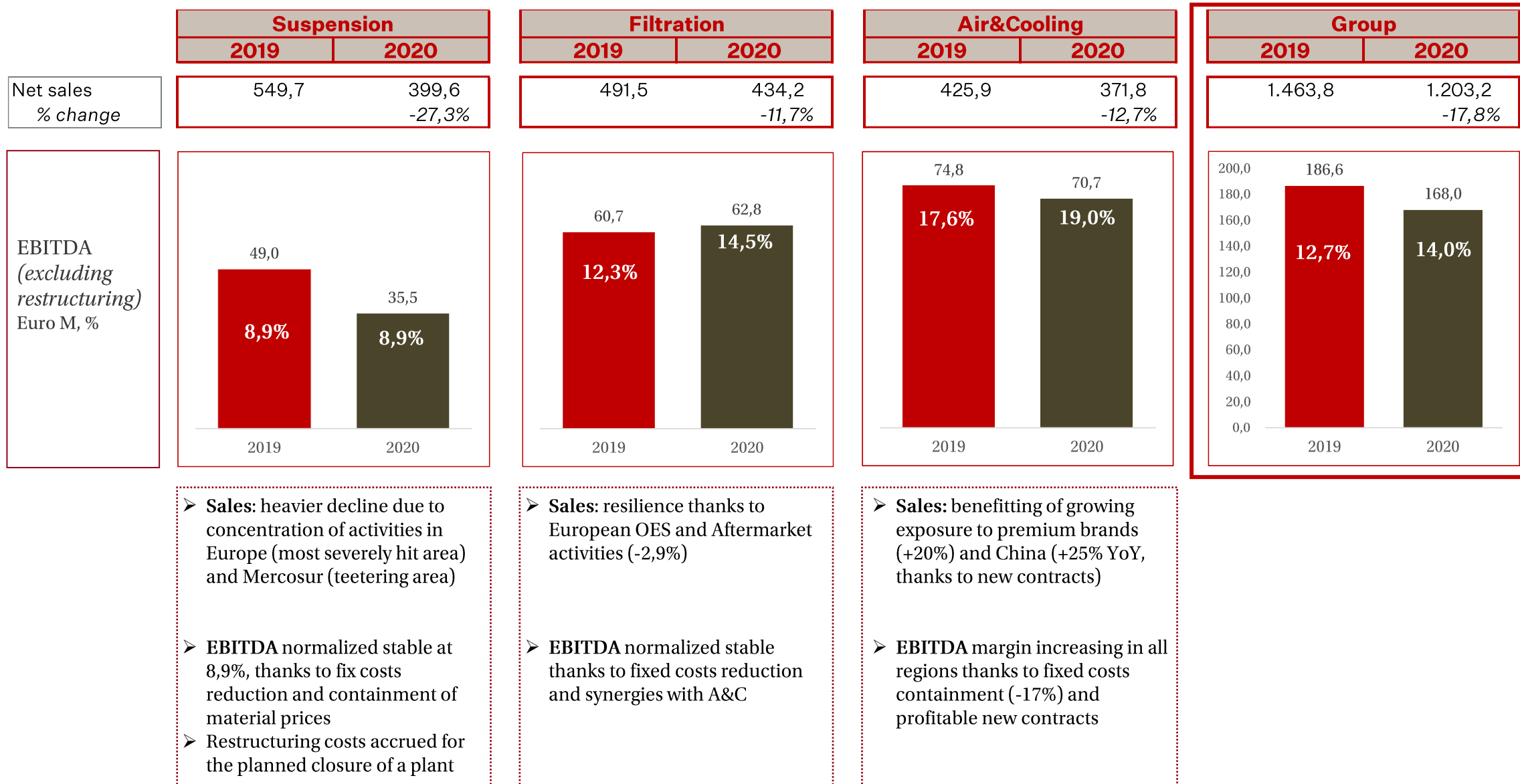
- Sogefi outperformed car production market in all reference markets except Mercosur
- Underperformance at Global level is mix driven (high weight of Europe)



(1) Passenger car production data (units variation), source IHS

(2) Mercosur Euro Revenues not fully comparable to production figures due to inflation/fx

Sogefi – Performance by division



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