

Company Presentation

Full year 2021

SOLGROUP
a breath of life



Sol Group in a glance

- Founded in 1927, is an Italian multinational company, present in 30 countries with more than 5.100 employees
- Two core, separated but integrated and synergic business areas: Technical Gas sector (production, applied research and marketing of pure, medical and industrial gases) and Home-Care service sector (supply of medical products and medical assistance services as well as equipment for home care therapy)
- Two recent businesses: Hydro Energy and Biotechnology

Sol Group in a glance

- Solid performance in 2021:
 - 1,113 millions € of sales (+14.3%)
 - 58.5% of international revenues in 2021 (vs 23.7 % in 2000)
 - 7.2% of compound average growth rate during the last 10 years
 - 23.4% of EBITDA margin in 2021
 - 0,431 of Debt/Equity ratio; 1,19 of Debt/EBITDA ratio
 - Dividend policy: 30% average dividend pay out ratio over the last 10 years

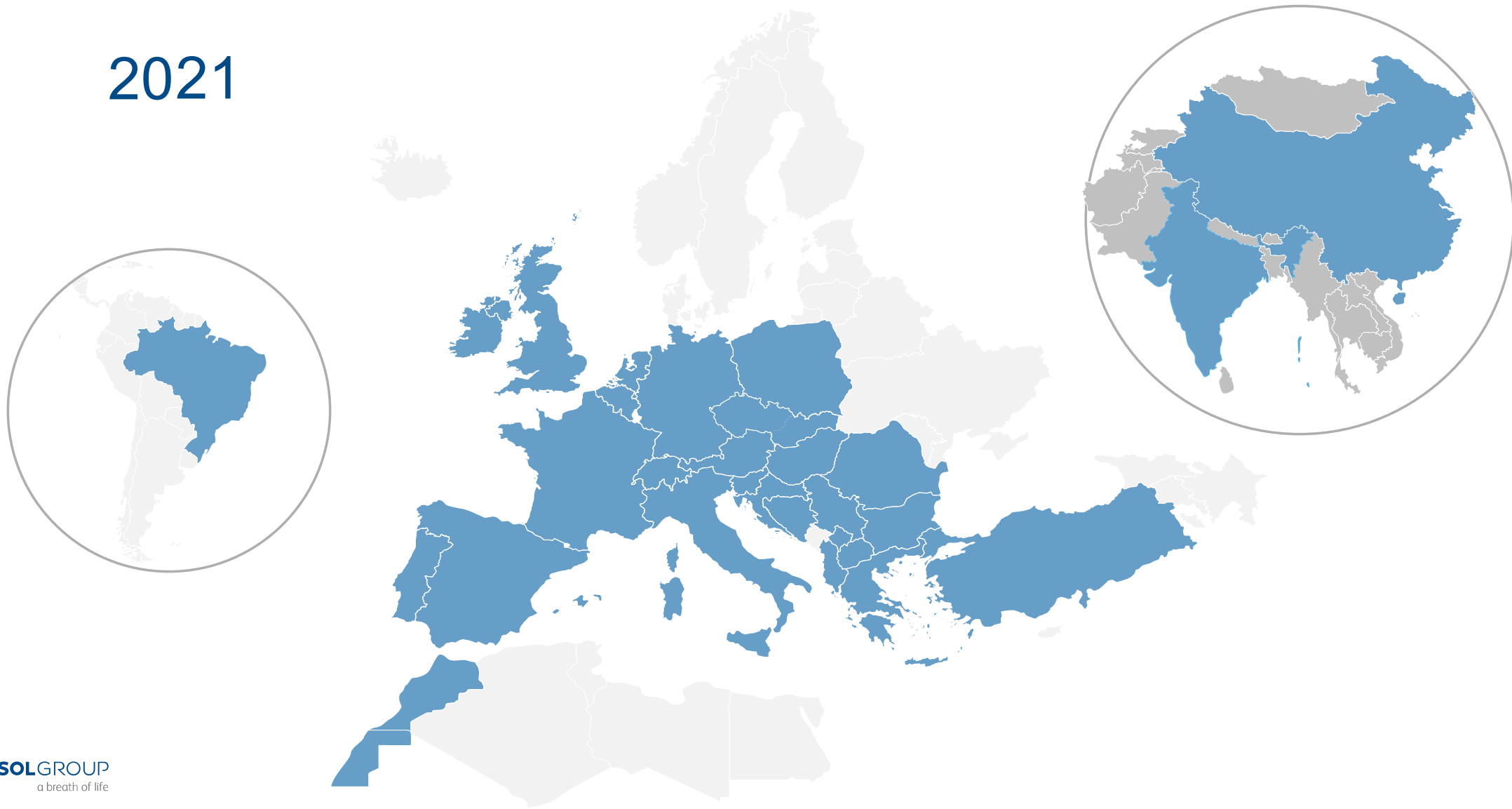
SOL is **listed** at the Stock
Exchange of Milan since July 1998



SOL has been founded in Italy (at Monza)
on 1927 from the 2 **families** Annoni and Fumagalli:
90 years of history – three generations of entrepreneurs



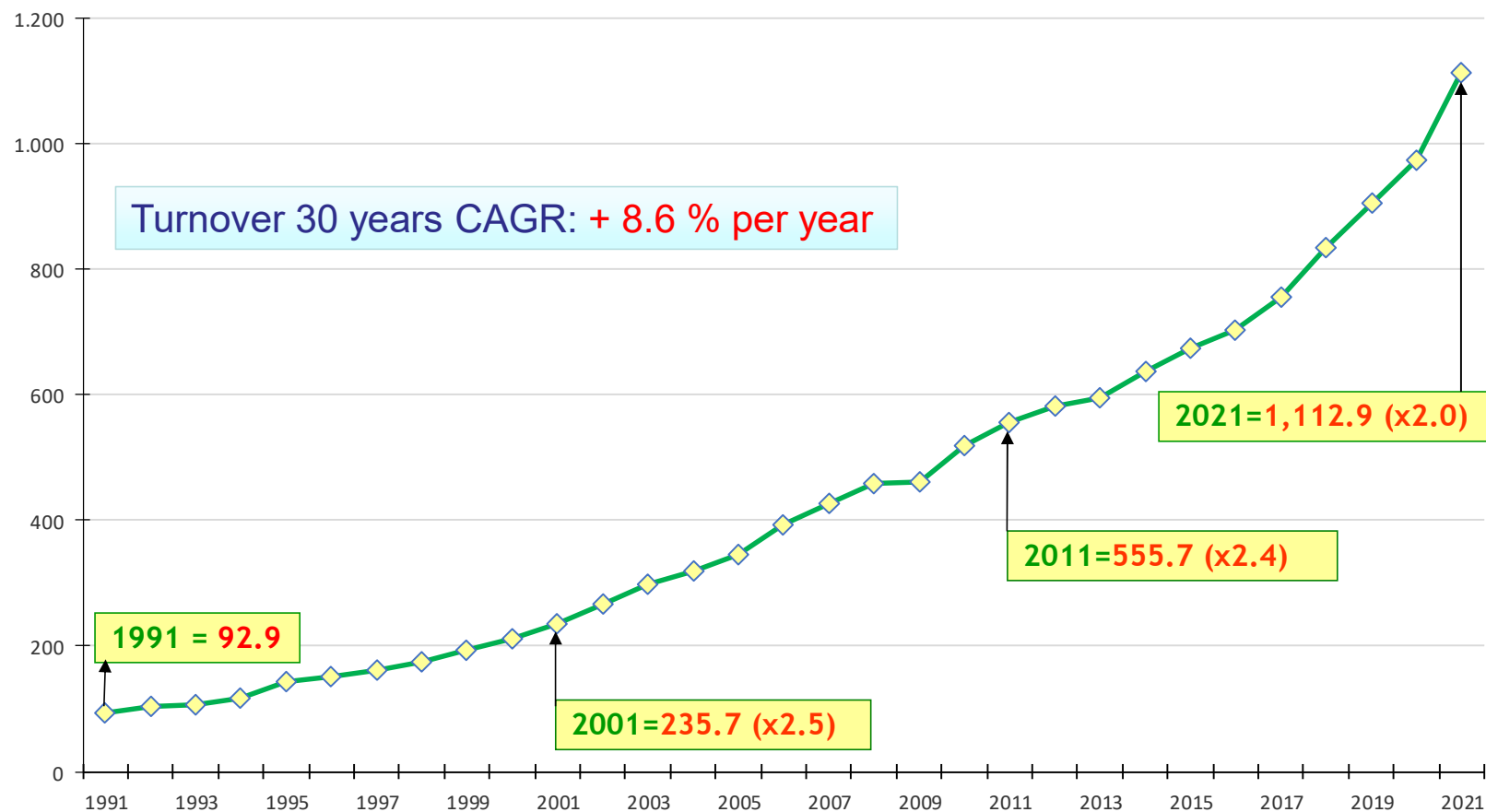
2021



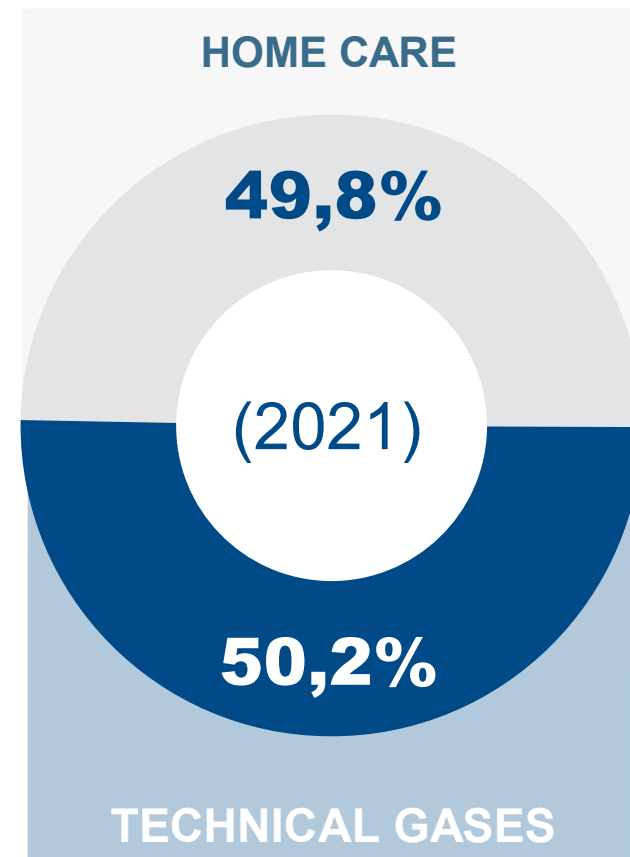
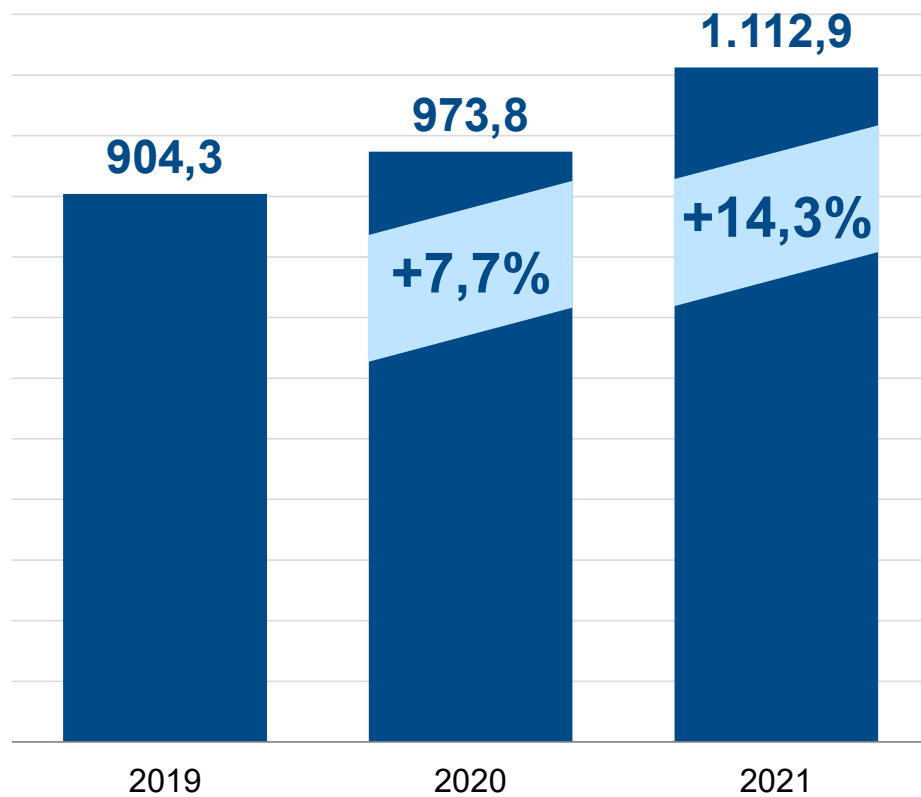
The major Italian Chemical Companies (2021)

(million Euro)		World sales	Italian sales	(million Euro)		World sales	Italian sales
1°	Versalis	5.585	4.087	21°	Esseco Group	535	341
2°	Gruppo Mapei	3.265	1.068	22°	Fluorsid Group	444	187
3°	Radici Group	1.509	929	23°	Novamont	413	413
4°	Gruppo Bracco	1.400	740	24°	Ecofuel	398	37
5°	DiaSorin	1.238	327	25°	Gruppo Desa	343	340
6°	Gruppo SOL	1.113	468	26°	Reagens	306	132
7°	P & R Group	1.025	938	27°	FACI Group	305	124
8°	COIM Group	1.024	525	28°	Sadepan/Gruppo Saviola	289	197
9°	Gruppo SIAD	760	535	29°	Alfa Parf Group	271	68
10°	Gruppo Sapio	701	578	30°	Gruppo Metlac	263	260
11°	Gruppo Colorobbia	682	257	31°	Indena/Gr. IdB Holding	232	186
12°	Intercos Group	674	343	32°	Gruppo Silvateam	212	135
13°	Kerakoll	606	408	33°	3V Partecip. Industriali	206	146
14°	Italmatch Chemicals	603	182	34°	Sabo	202	202
15°	Gruppo Sodalìs	593	369	35°	Gruppo Bozzetto	195	56
16°	Gruppo Aquafil	570	210	36°	Davines	192	192
17°	F.I.S.	562	549	37°	Gr. Durante/TLD Holding	189	187
18°	Gruppo Zobeìe	551	75	38°	Gruppo Coswell	174	174
19°	Gruppo Sipcam Oxon	545	301	39°	Renner Italia	172	55
20°	Gruppo Lamberti	541	262	40°	Mirato	169	169

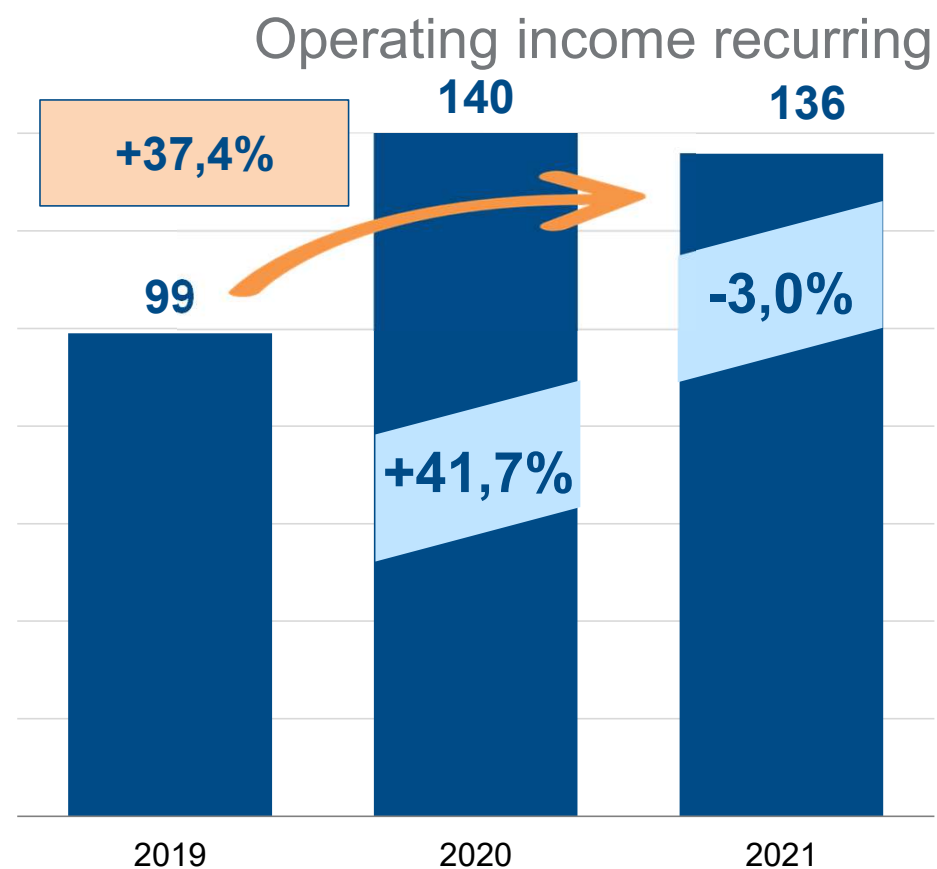
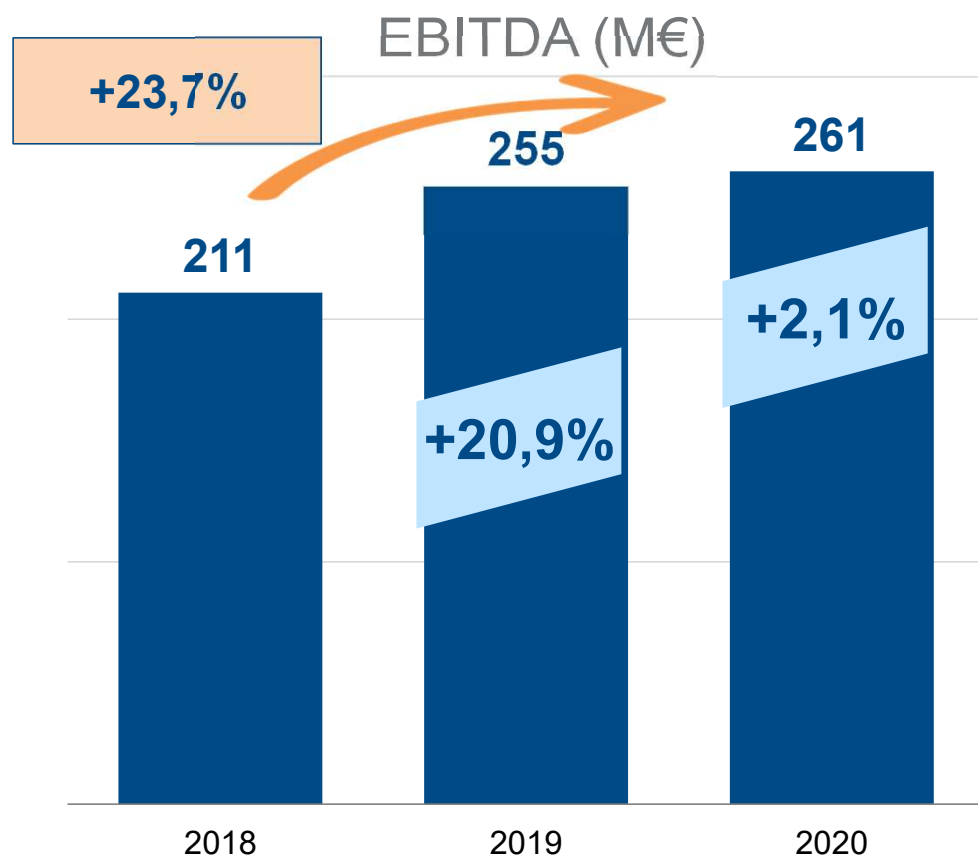
Sol Group - 30 years Turnover (1991-2021)



Sol Group – Consolidated sales (M€)



Sol Group



The Technical Gases Business



The Technical Gases Business

SOL Group operates in the technical gases business throughout the brand SOL

Production and distribution of Gases

A complete range of industrial gas (both atmospheric and non-atmospheric): medicinal, pure and special gases

- ◆ Oxygen
- ◆ Nitrogen
- ◆ Argon
- ◆ Hydrogen
- ◆ Carbon dioxide
- ◆ Acetylene
- ◆ Nitrous oxide
- ◆ Gas mixtures
- ◆ Ultra high purity gases
- ◆ Medical gases
- ◆ Gaseous helium
- ◆ Liquid helium
- ◆ Refrigerating gases
- ◆ Electronics gases
- ◆ Ammonia
- ◆ Combustible gases
- ◆ LNG
- ◆ Sulfur oxide - SO₂
- ◆ Nitric oxide - NO

Supply of plants, equipment, services and consultancy

Research, design, and construction of:

- Industrial gas production facilities
- Plant and equipment for gas utilization
- Services and consultancy
- ◆ Equipment for medical applications
- ◆ Equipment for cryogenic applications
- ◆ Deep freezing tunnels
- ◆ Oxygen burners
- ◆ Ozonisers
- ◆ Medical air plants
- ◆ On-site plants
- ◆ Welding machines and equipment

More than 100 technologies for the industrial sector

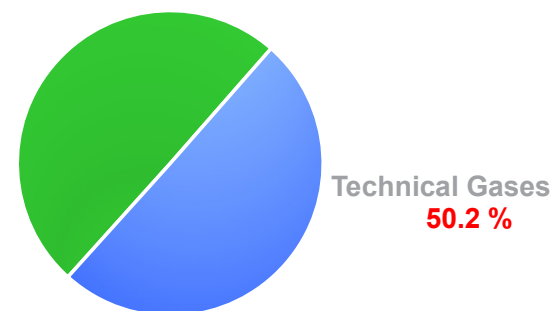


Technical Gases Business

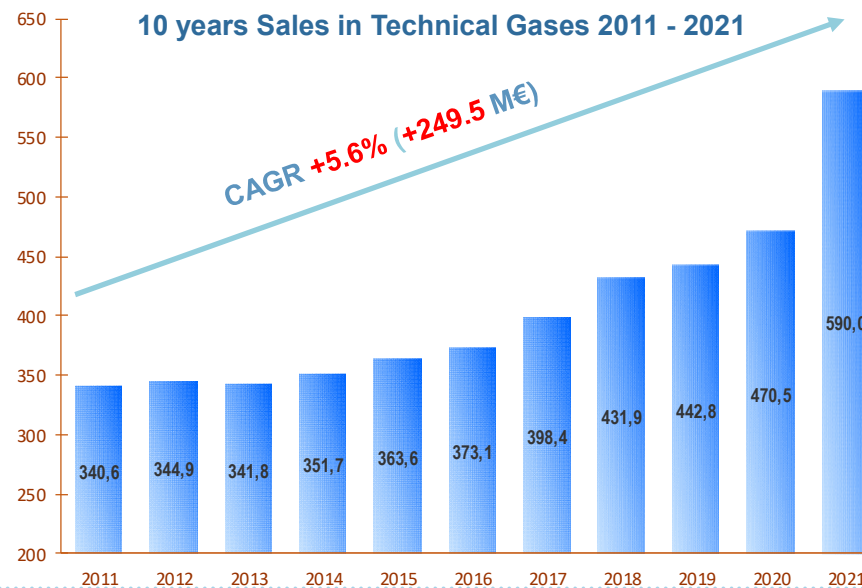
Technical gases business (M€)	FY2021	FY2020	YoY
Sales	590	470	+ 25.4%
EBITDA	100	95	+ 5.5%
EBITDA %	17.0%	20.2%	
Investments	62	52	+ 19.0%

- In 2021 the division invested over the **10%** of its revenues.
- **5.6%** sales CAGR over the last 10 ys.

SOL Group 2021 Total revenues



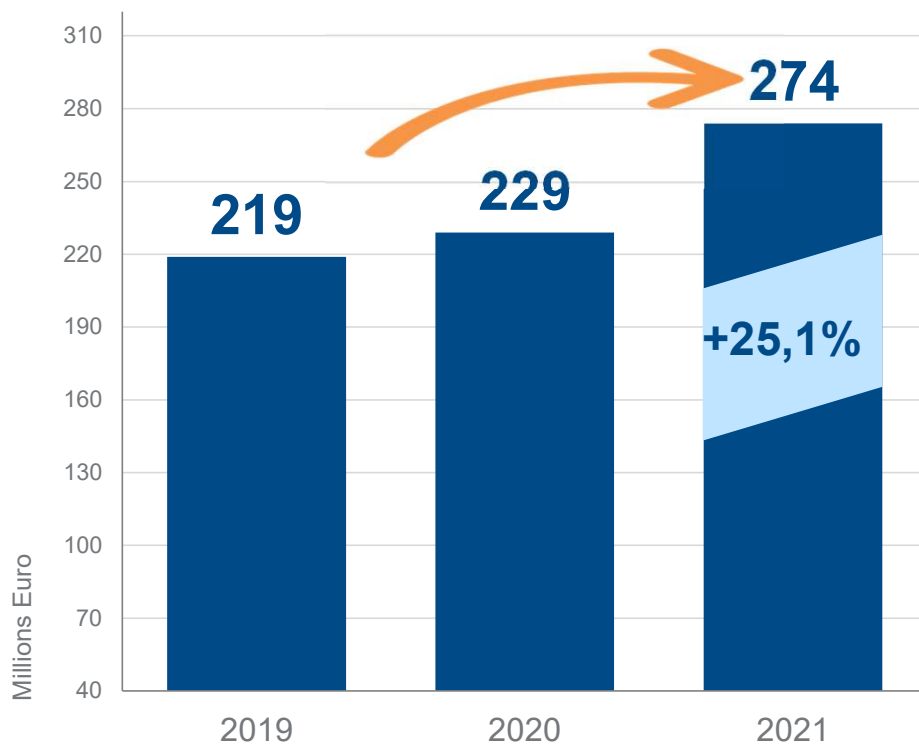
10 years Sales in Technical Gases 2011 - 2021



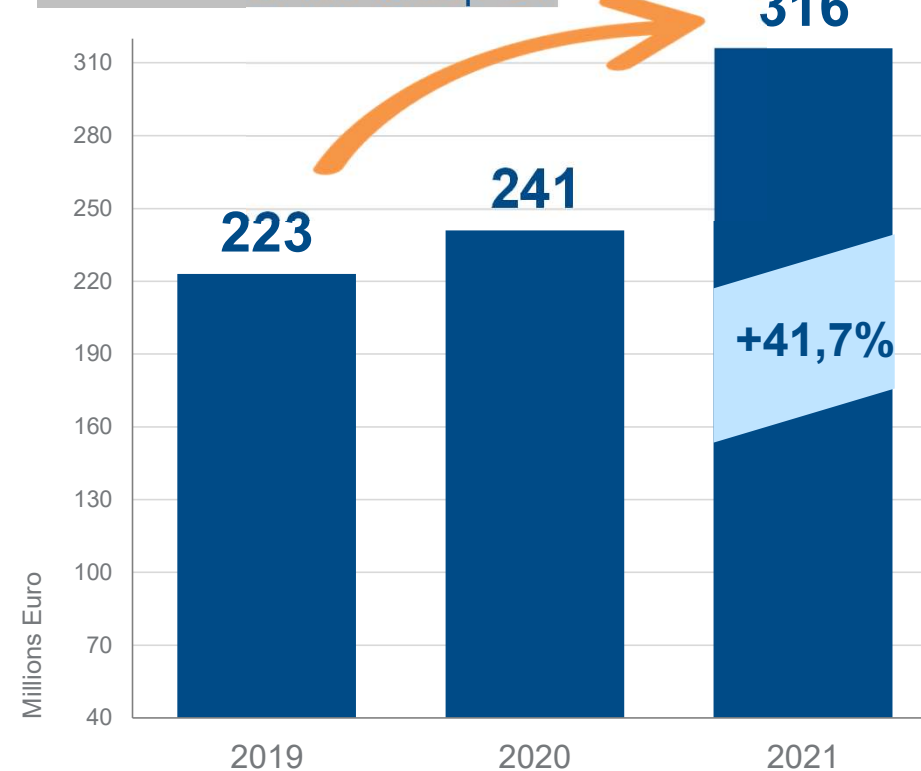
Technical Gases Business Area

ITALY performed brilliantly and the rest of the Group even more

Sales Italy GT

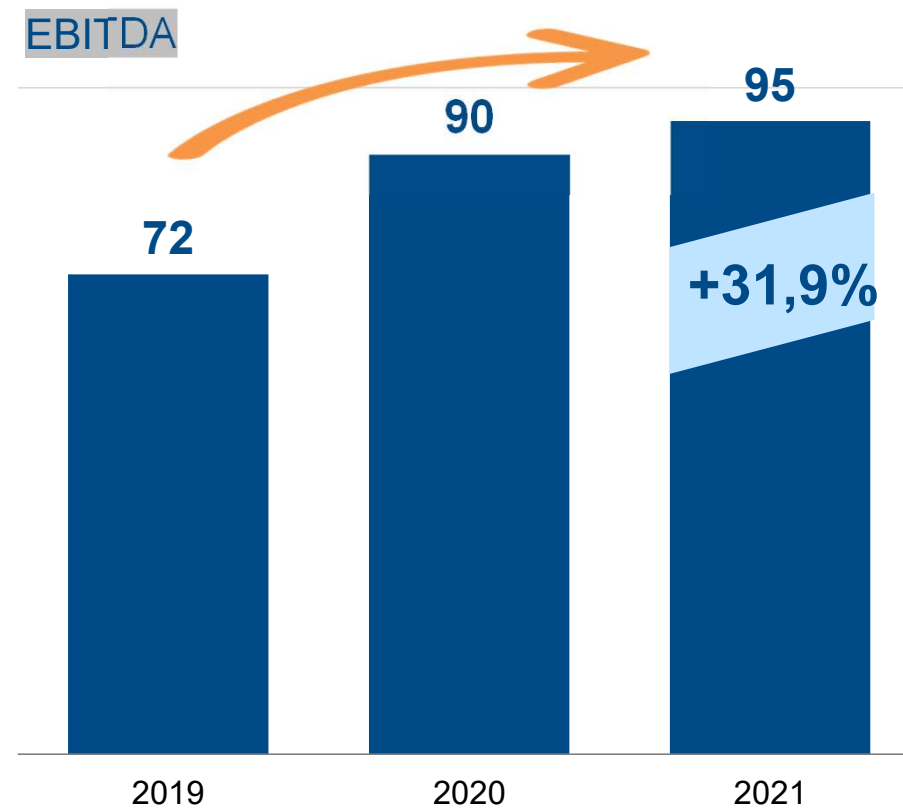
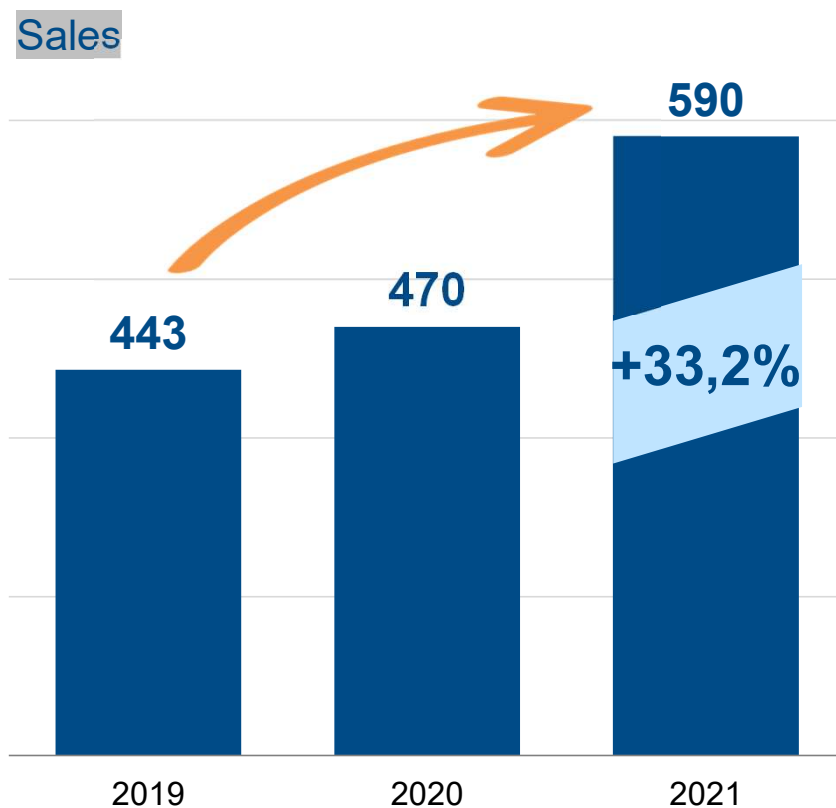


Sales Rest of the Group GT



Technical Gases Business Area

Sales and EBITDA (M€)



Technical Gases business

Market characteristics

- Resilient and growing market
- Margin protected thanks to high entry barriers
- Limited economic cycle demand dependence of each sales area
 - Broad variety and diversification of end-markets and applications
- Medium/long term contracts
- Local presence as a key factor

SOL

- High diversification of sales area:
 - More than 50,000 clients served;
 - More than 90 different applications for technical gases
- Long term contracts with customers:
 - Gas pipeline: up to 15 years;
 - Compressed gases: up to 5 years;
 - Cryogenic liquid gases: up to 3 years
- Strong local presence:
 - 27 countries, 38 sources and primary transformation plants, 49 secondary transformation plants.

Resilience + Growth + Demand stability + Low risk level

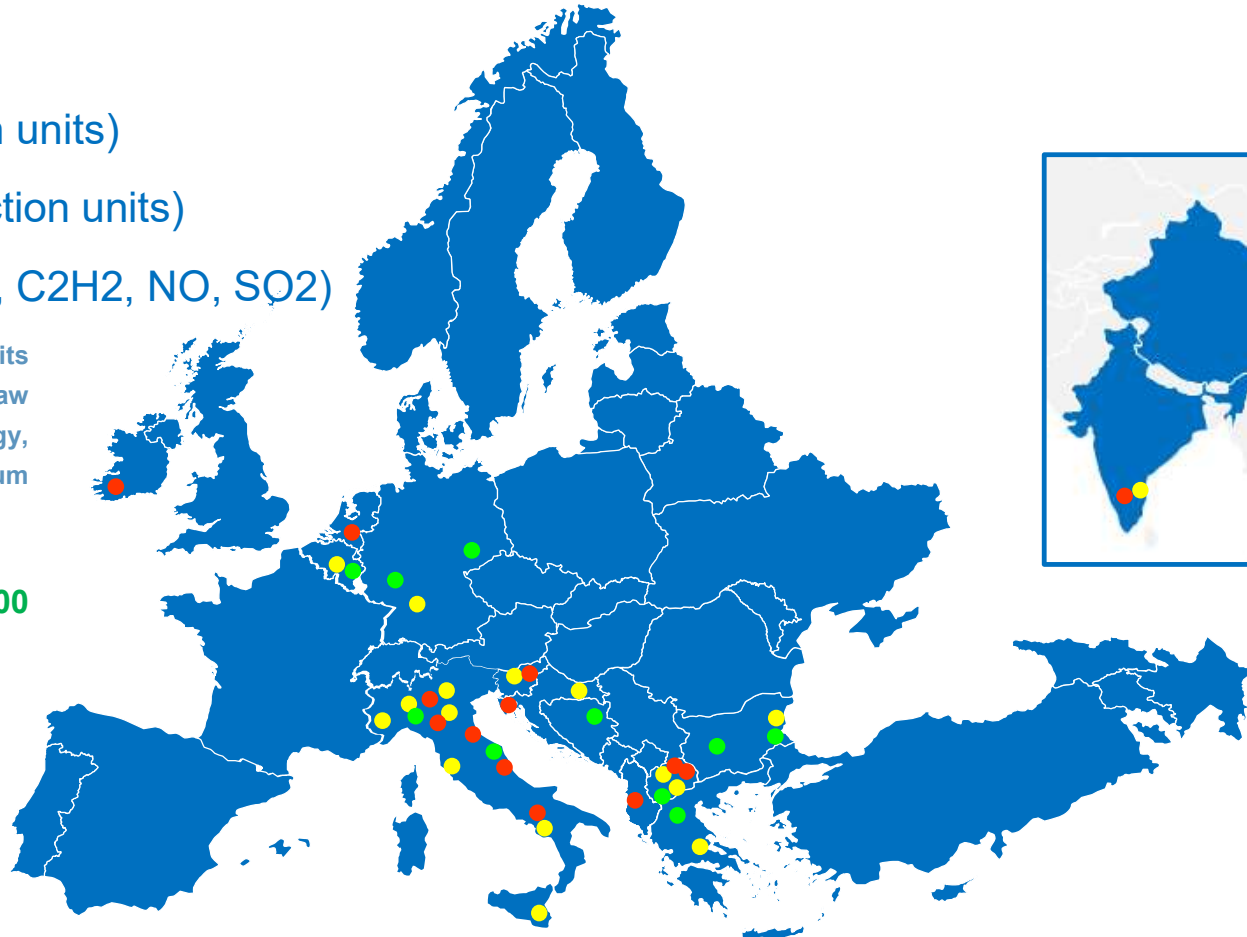
Primary Productions

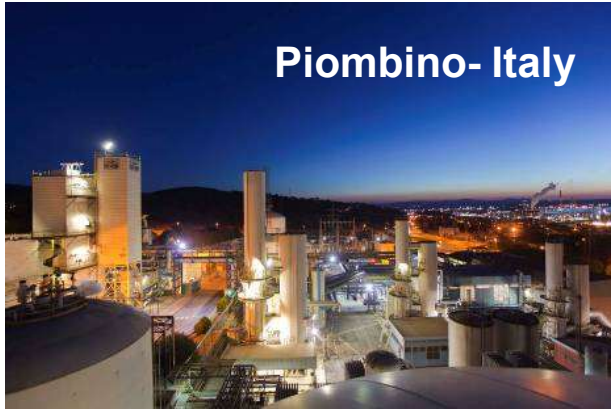
2021

- 17 ASU (air separation units)
- 10 LCO₂ (CO₂ production units)
- 13 «others» (H₂, N₂O, C₂H₂, NO, SO₂)

• 40 primary production plants: units that produces gases from raw material (as electric energy, atmospheric air, natural ga, calcium carbide, nitrous oxyde).

• Max distribution area 400 km.





Piombino- Italy



Feluy - Belgium



Jesenice – Slovenia



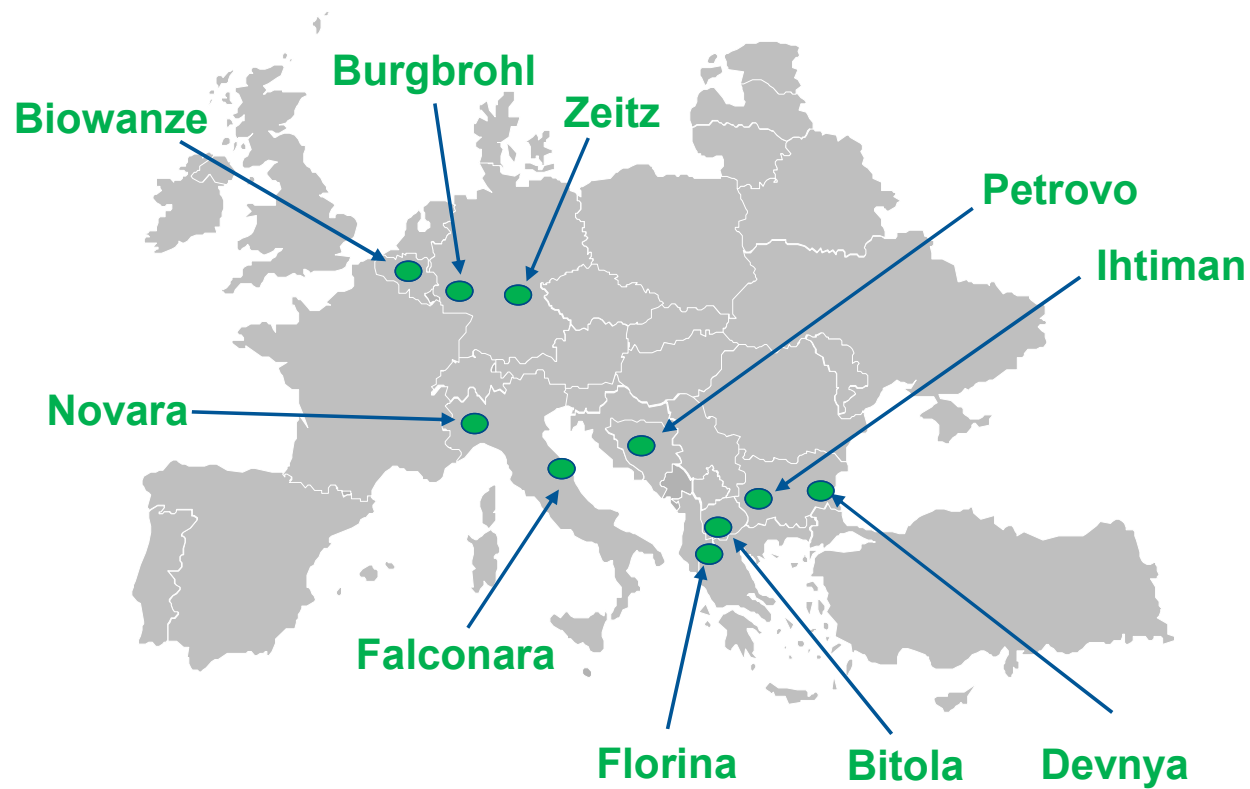
Frankfurt - Germany



Varna - Bulgaria



Mantova - Italy



PLANT	SOURCE
Falconara	Chemical plant
Novara	Chemical plant
Devnya	Chemical plant
Bitola	Well
Petrovo	Well
BurgBrohl	Well
Florina	Well
Ihtiman	Bioethanol production
Zeitz	Bioethanol production
Biowanze	Bioethanol production

Wanze- Belgium



Ihtiman- Bulgaria



SOL Group CO2 plants



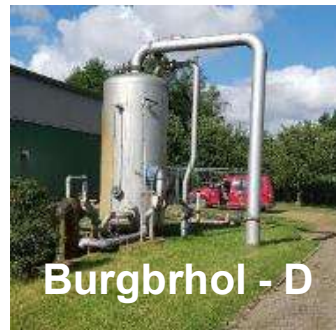
Zeitz- Germany



Devnja- Bulgaria



Burgbrhol - D



Zeitz- Germany



Novara- Italy



Falconara- Italy



SOL Group - H2 plant at Belinka - Slovenia



SOL Group – LHE plant (liquid helium) at Cremona - Italy



SOL Group - LHE plant (liquid helium) at Ranipet - India



SOL Group - N₂O plant (nitrous oxide) at Ranipet - India



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SOL Group - NOx plant (nitric oxide) and Neophyr at Monza - Italy



SOL for the Medical Sector (ex: INDIA)



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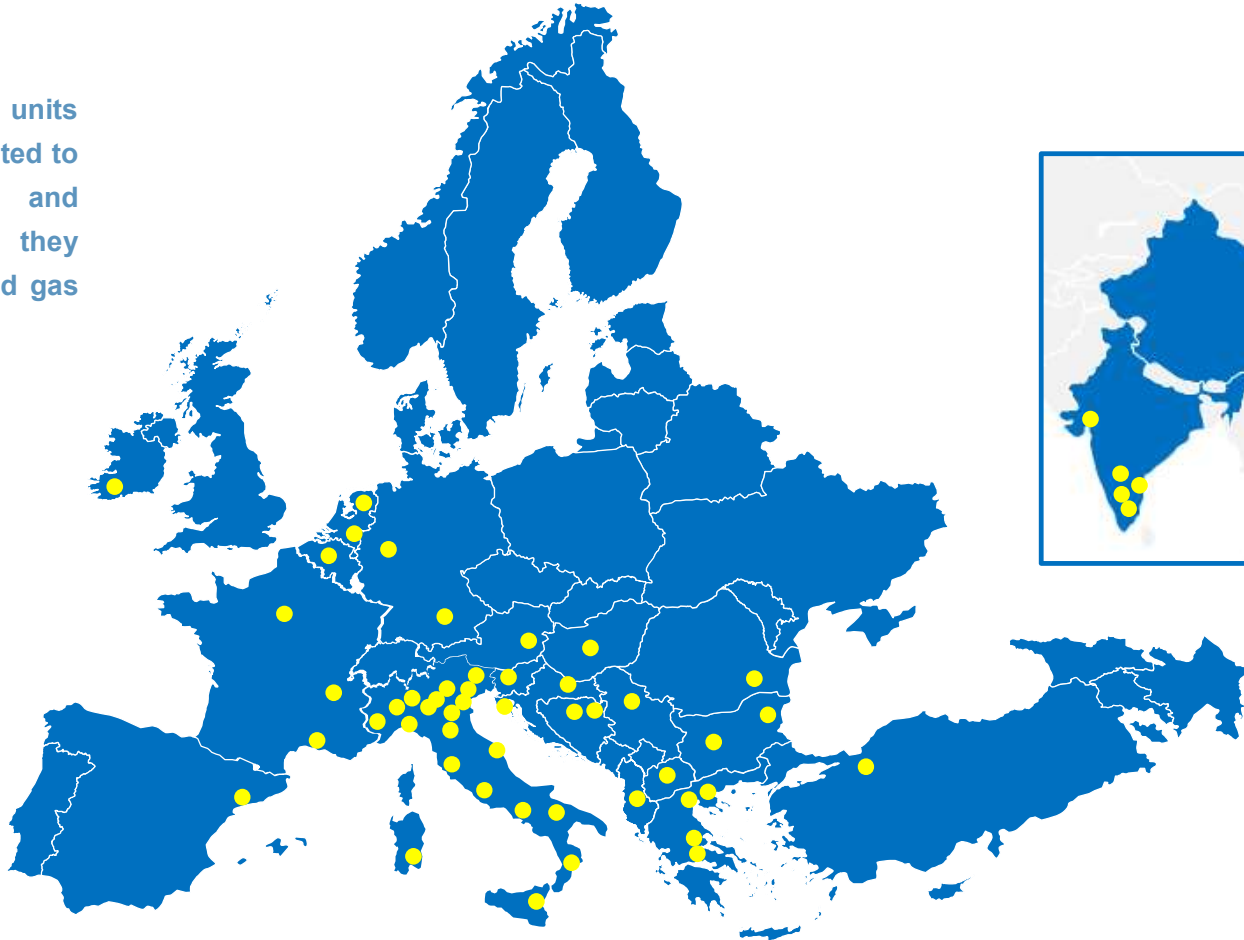


Secondary production plants (filling stations)

2021

- **52** secondary transformation units (filling stations): units dedicated to fill cylinders, storage and distribute gases. Moreover, they produce ultra pure gases and gas mixtures.

- Max transportation distance **150km.**



SOL Group – Filling Station at Budapest - Ungheria



The Home Care Business

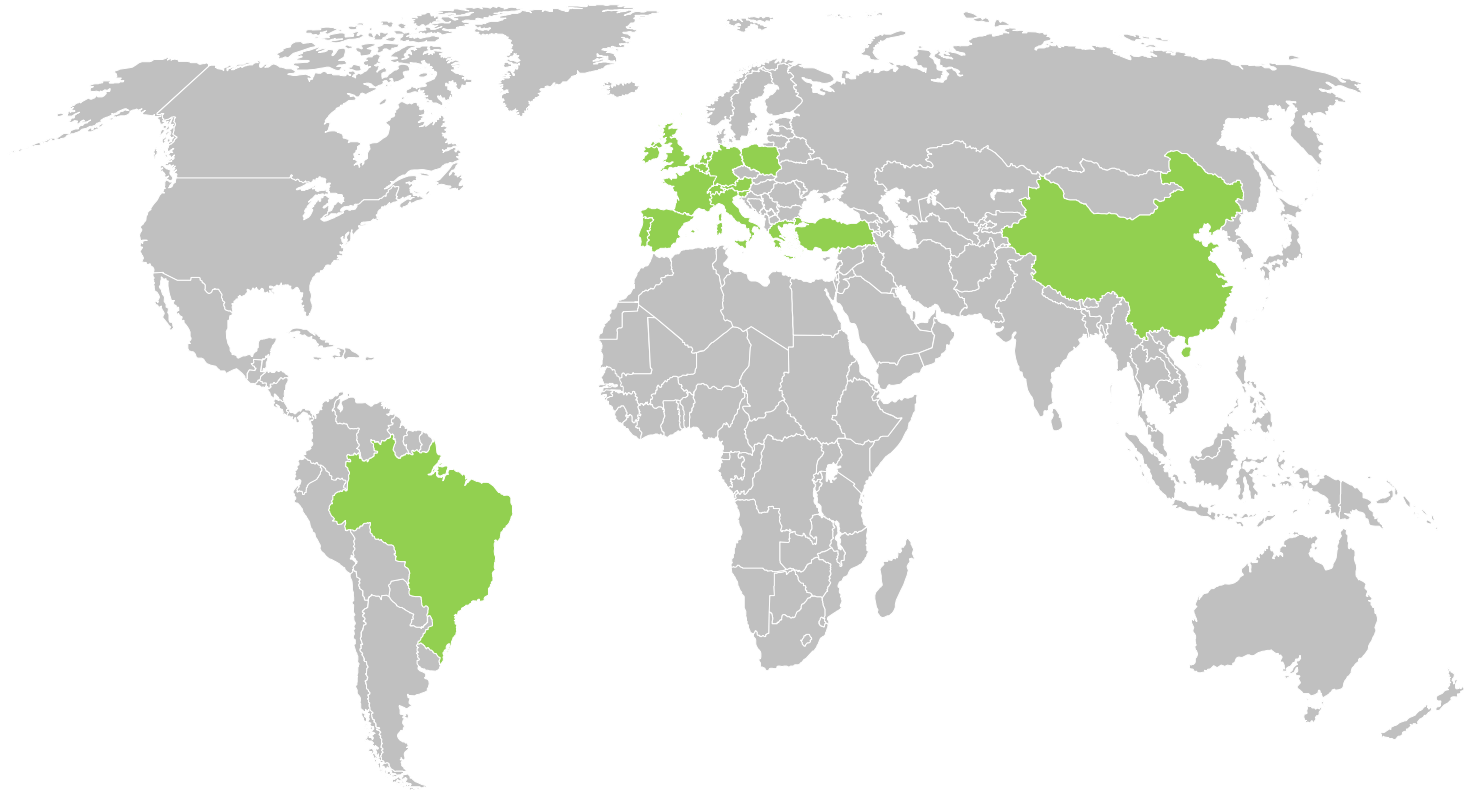


VIVISOL
Home Care Services



Home Care - VIVISOL branches

VIVISOL is n° 2 market leader in Europe, operating in 14 European Countries, as well as in Brazil, Turkey and China through its network of over 70 offices and service points



Home Care - VIVISOL branches



VIVISOL Nederland – Tilburg



VIVISOL Austria – Vienna



VIVISOL Belgium - Lessines



VIVISOL Deutschland - Neufahrn



Arnstadt

The Home Care Business

A complete range of services and technologies, specifically designed to take care of more than **500.000 patients** affected by different chronic diseases



Oxygen Therapy



Ventilation Therapy



Aerosol Therapy



Sleep Related Disorders



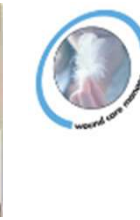
Nutrition & Infusion



Advanced Home Care



Telemedicine



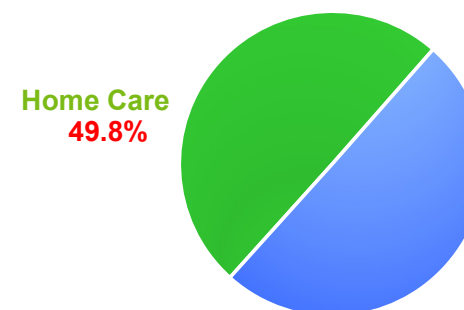
Palliative Care

Home Care Business

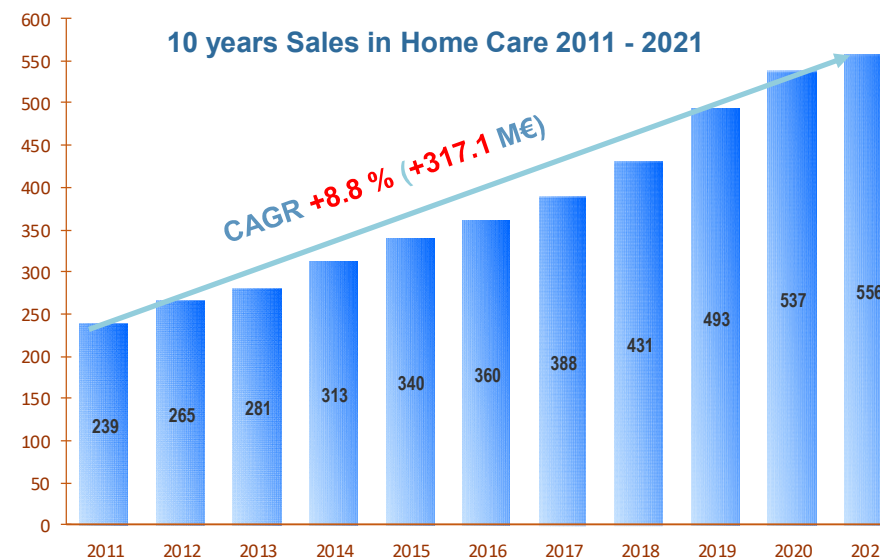
Hone Care business (M€)	FY2021	FY2020	YoY
Sales	556	537	+ 3,5%
EBITDA	161	161	
EBITDA %	28.9%	29.9%	
Investments	70	60	+ 15,6%

- VIVISOL was able to grow 3.5% in 2021, with an EBITDA margin higher than 28%.
- The Group is continuing to invest significantly in this business.

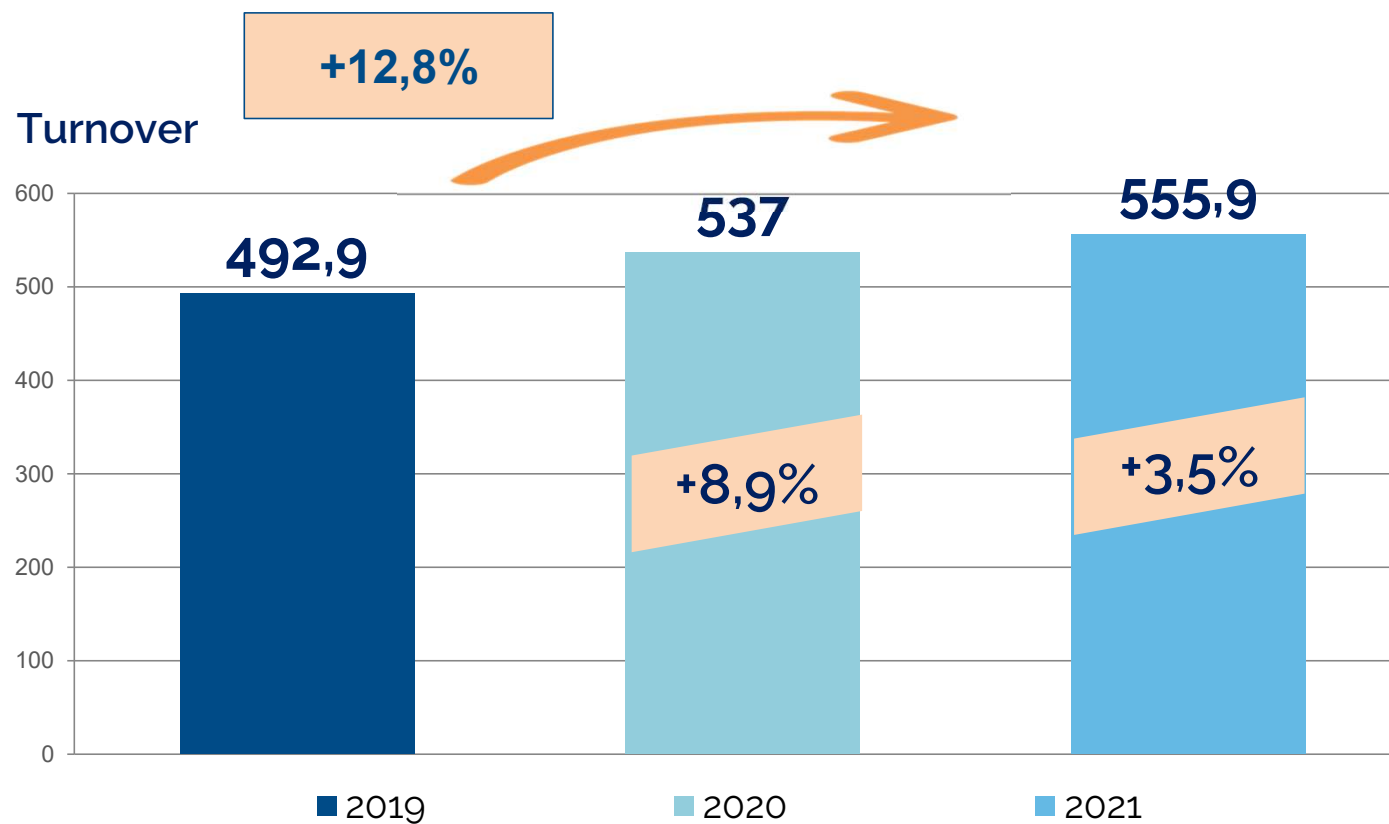
SOL Group 2021 Total revenues



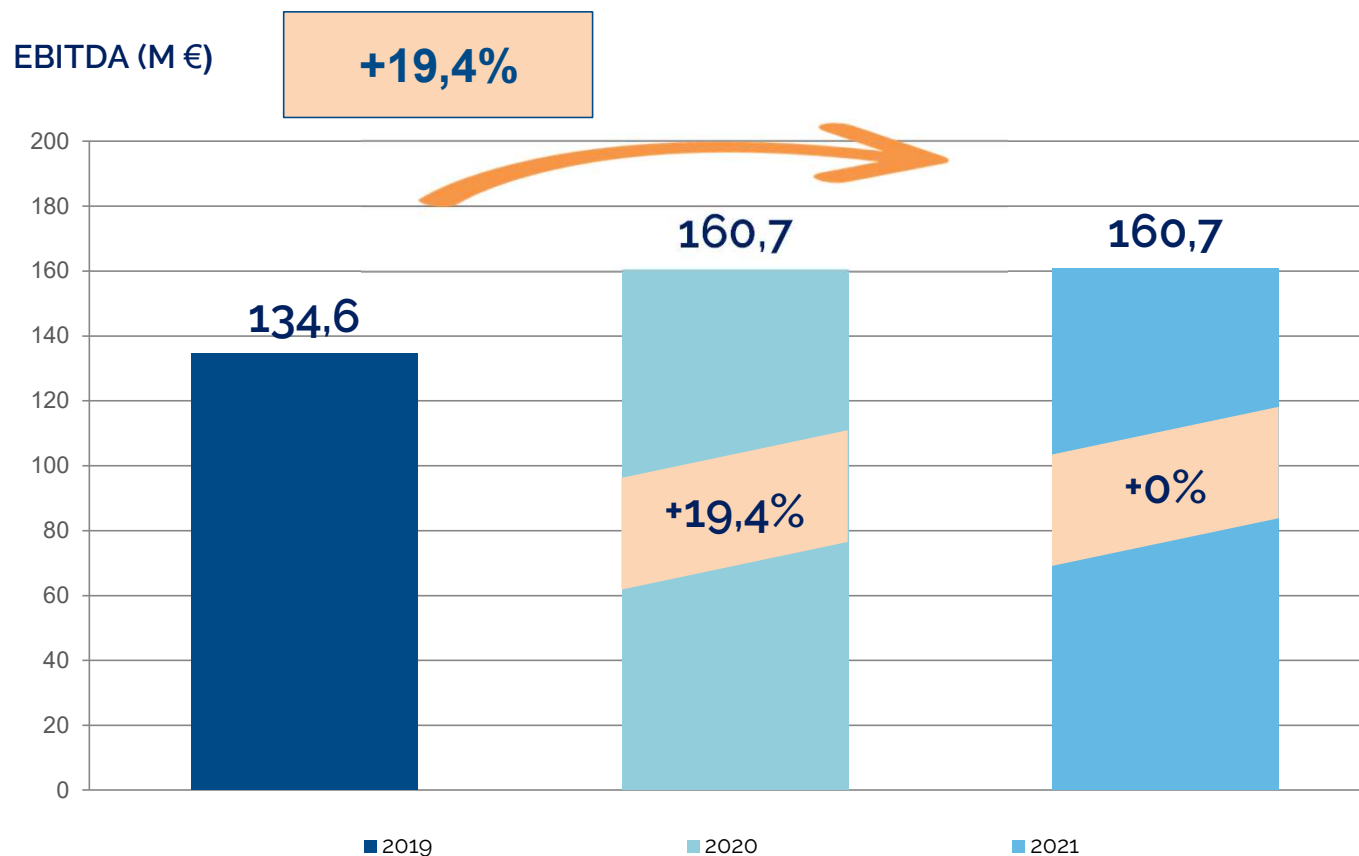
10 years Sales in Home Care 2011 - 2021



Homecare – Consolidated sales (M€)



Homecare – Consolidated Margins (M€)



Numbers of 2021



Sites in
17+1
COUNTRIES

555,9
MILLIONS €
Sales **FY2021**

18,9
MILLIONS €
of Total Group revenues
growth in **FY2021**
+1,2 vs Budget



+ 218
NEW PEOPLE

90,8
MILLIONS €
Capex **FY2021**

+67K
OF PATIENT
TREATMENTS GROWTH

The VIVISOL mission – the patient is changing

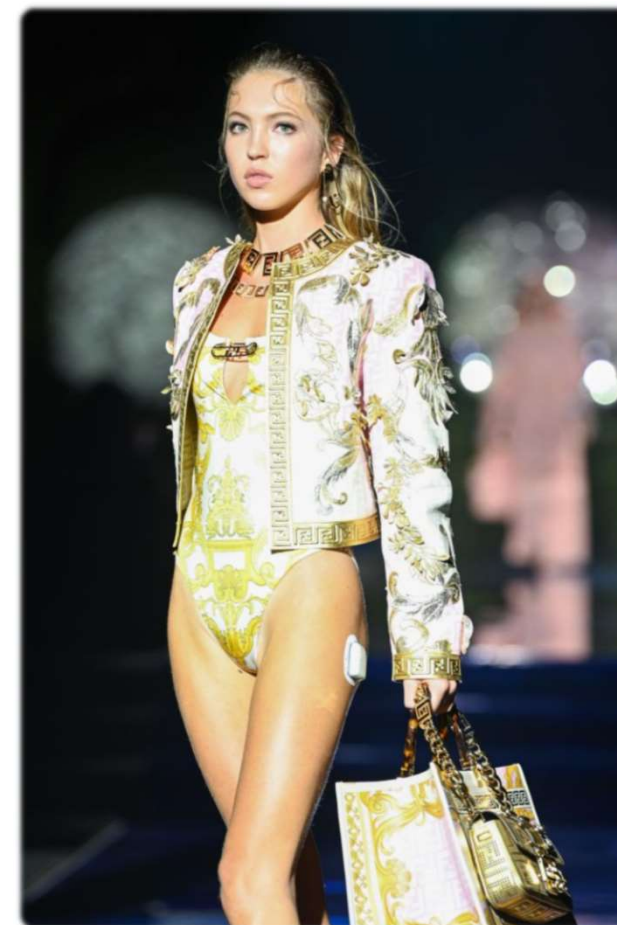


A virtual Hospital for real care

We care

«Allowing patients to live in their homes with parents and friends and **improving quality of life.**»

Not just elderly patients.



Home Care Business



Key growth drivers:

- Aging population – demographics
- Restructuring of Health Care Systems through de-hospitalization and home care
- Developments in portable medical technologies
- Better quality of life for Patients at home
- Increasing of respiratory and chronic pathologies

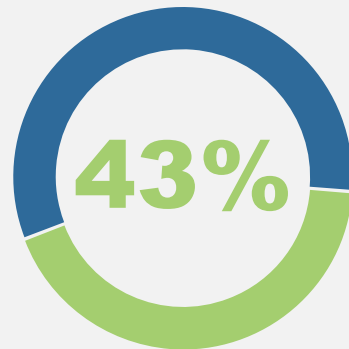


Sol Group – SALES (Home Care vs Technical Gases – tot Health Care)

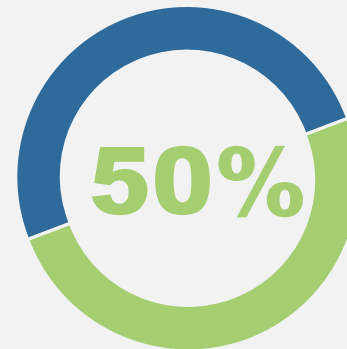
Achieved 2011-2021



ACTUAL 2011



ACTUAL 2021



HOME CARE

50%

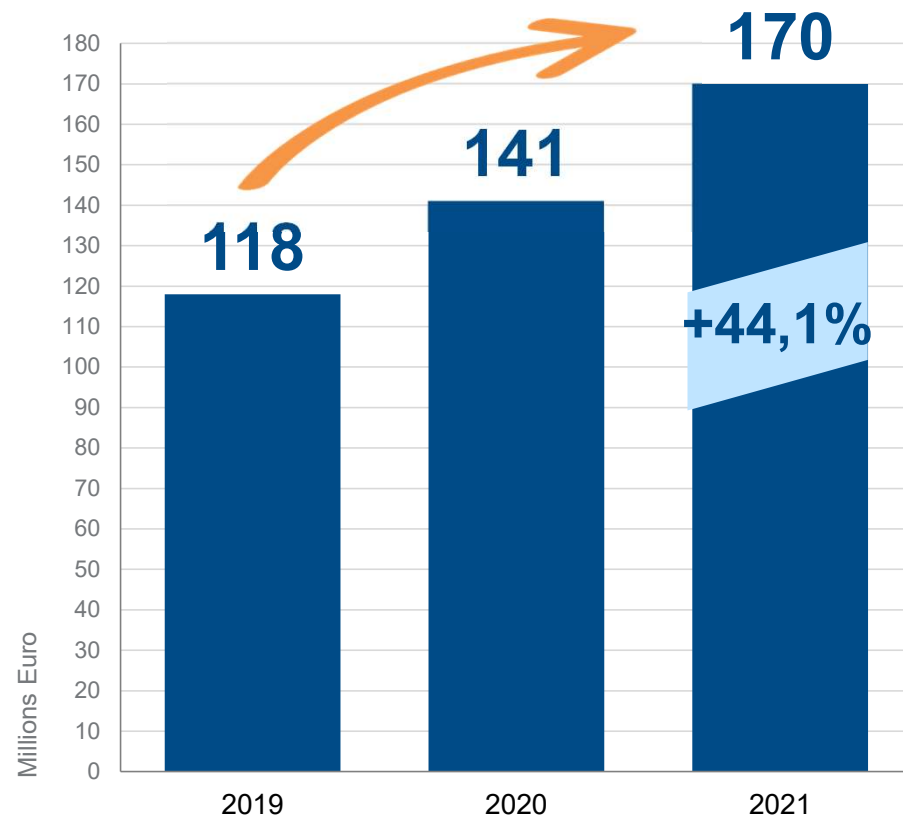
65%
Health
Care

15%

35%

TECHNICAL GASES

SOL results in Hospital sector



STERIMED

The Biotechnology Business



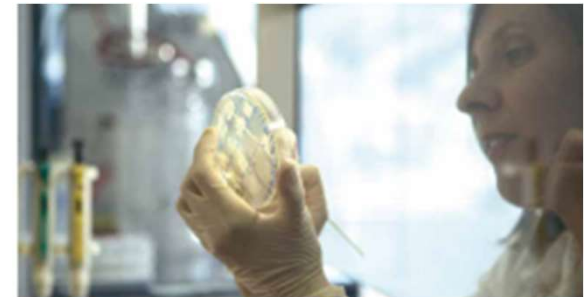
The Biotechnology Business

SOL Group is active in supplying **biotechnological equipment and services** to hospitals, clinics and laboratories (cryobanks, cellfactories, cryomanagement, cryotransportation)

With **BIOTECHSOL** and **CRYOLAB** is active in the area of tissue and stem cells banking and biological materials transportation.

With **DIATHEVA** is active in drug discovery and drug delivery (recombinant monoclonal antibodies), molecular diagnostic, GMP production of recombinant proteins

With **PERSONAL GENOMICS** is active in genetic analysis service and genetic testing research and development.



The Hydro-Energy Business



The Hydro-Energy Business

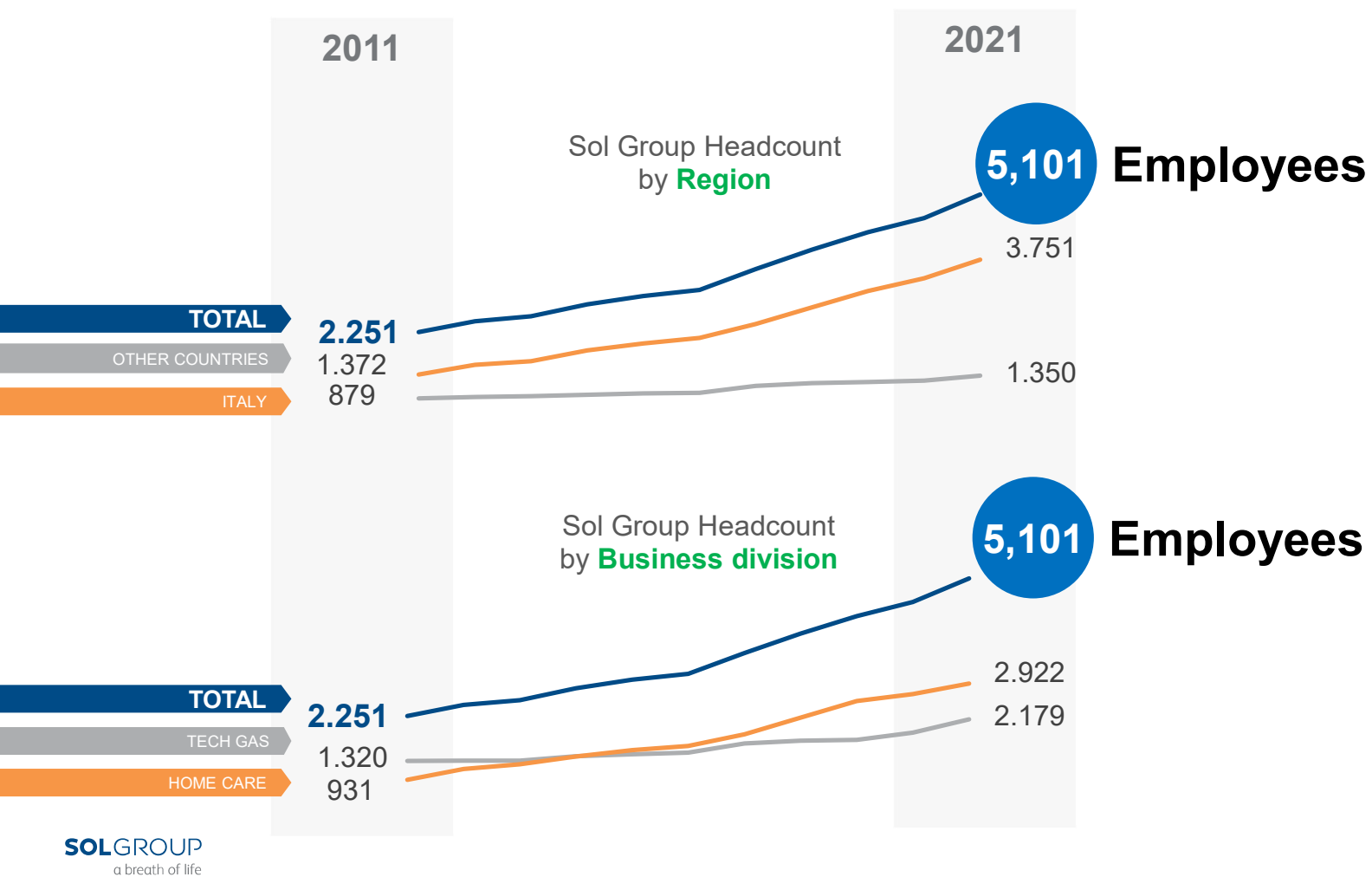
- Leveraging on its core business development in the **Eastern Europe**, SOL entered into the Hydro-Energy sector.
- The industrial gas sector, is one of the most energy intensive one. This characteristic supported the Group decision to invest in the **Hydro-Energy** sector in order to enjoy synergies with its Industrial Gases Business.



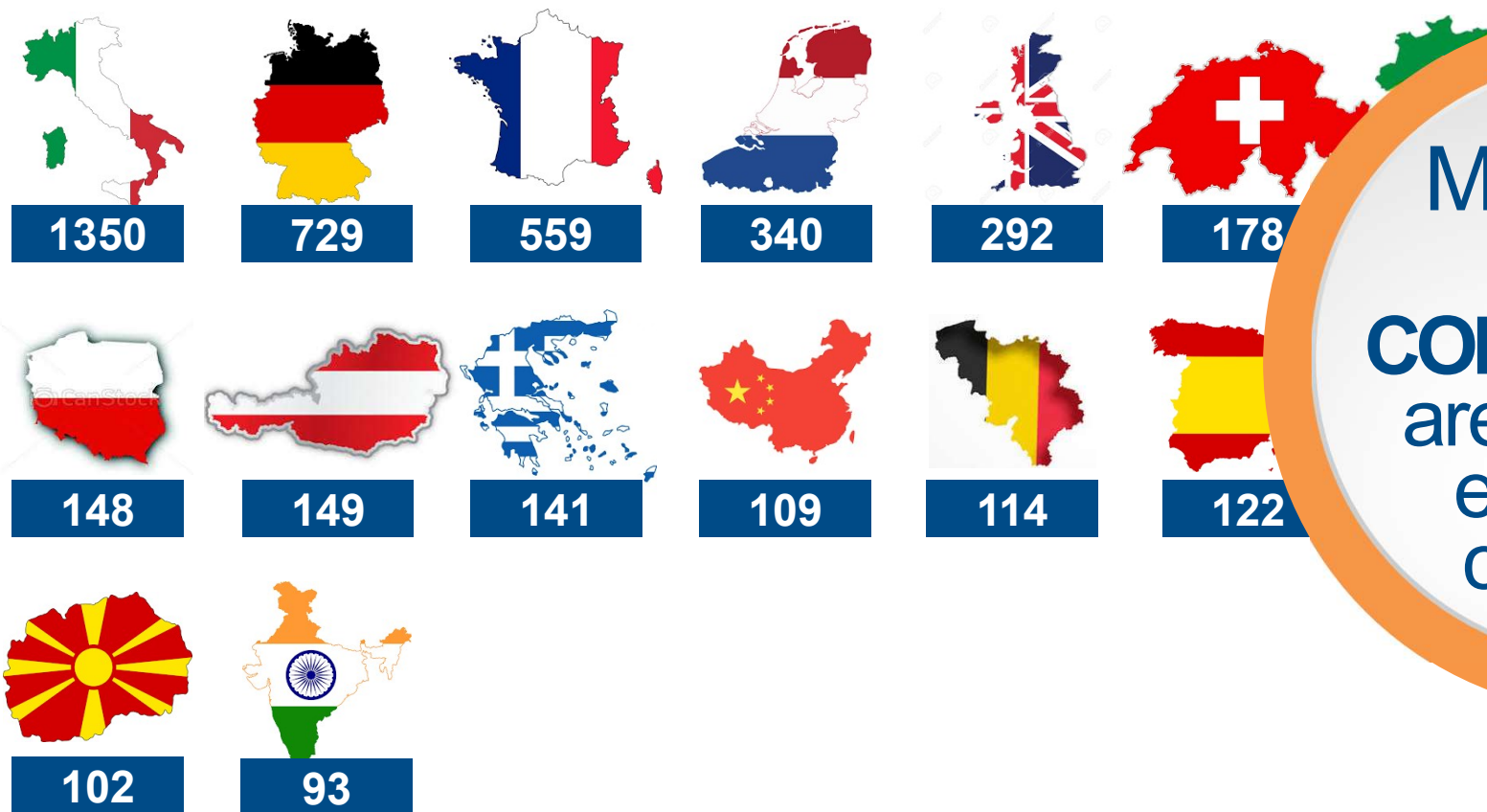
Currently the company owns and operates **6** hydro-electric power plants in Slovenia (about **50** Million KWh/year), **2** plants in Albania (about **25** Million KWh/year); **4** plants in Macedonia (about **35** Million KWh/year); **4** plants in Bosnia (about 6 Million KWh/year).

2021

A Capital of Human Resources continuously growing



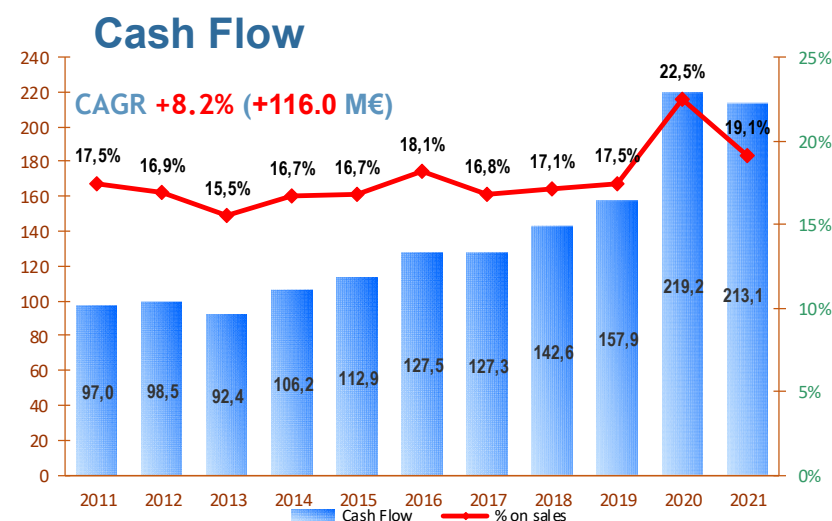
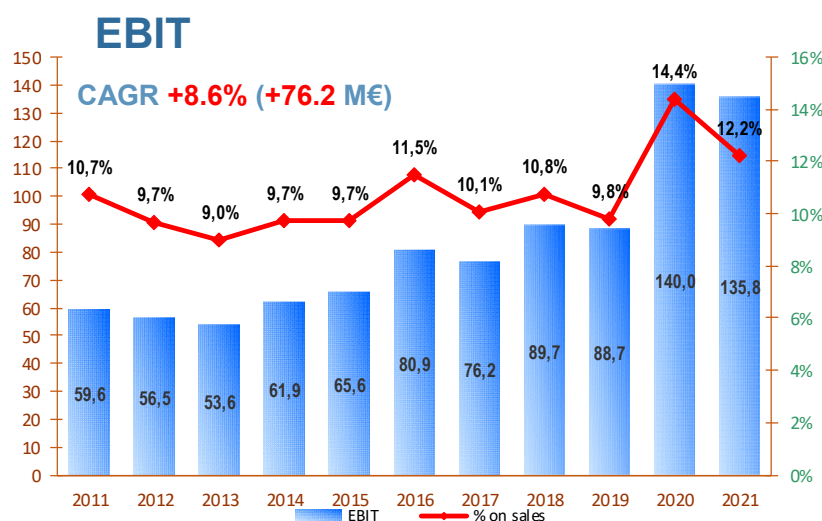
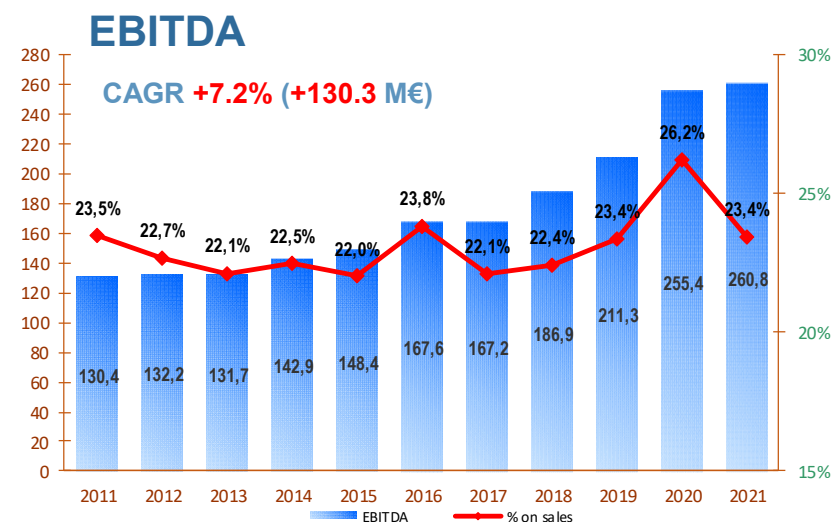
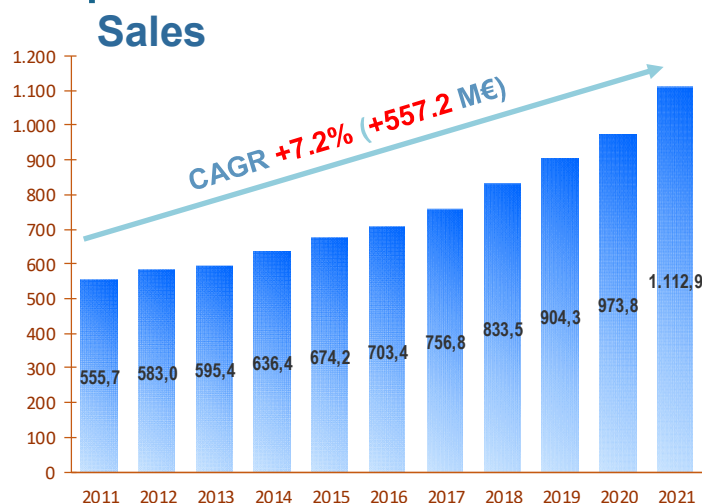
HR Key figures: 2021 a year to remember



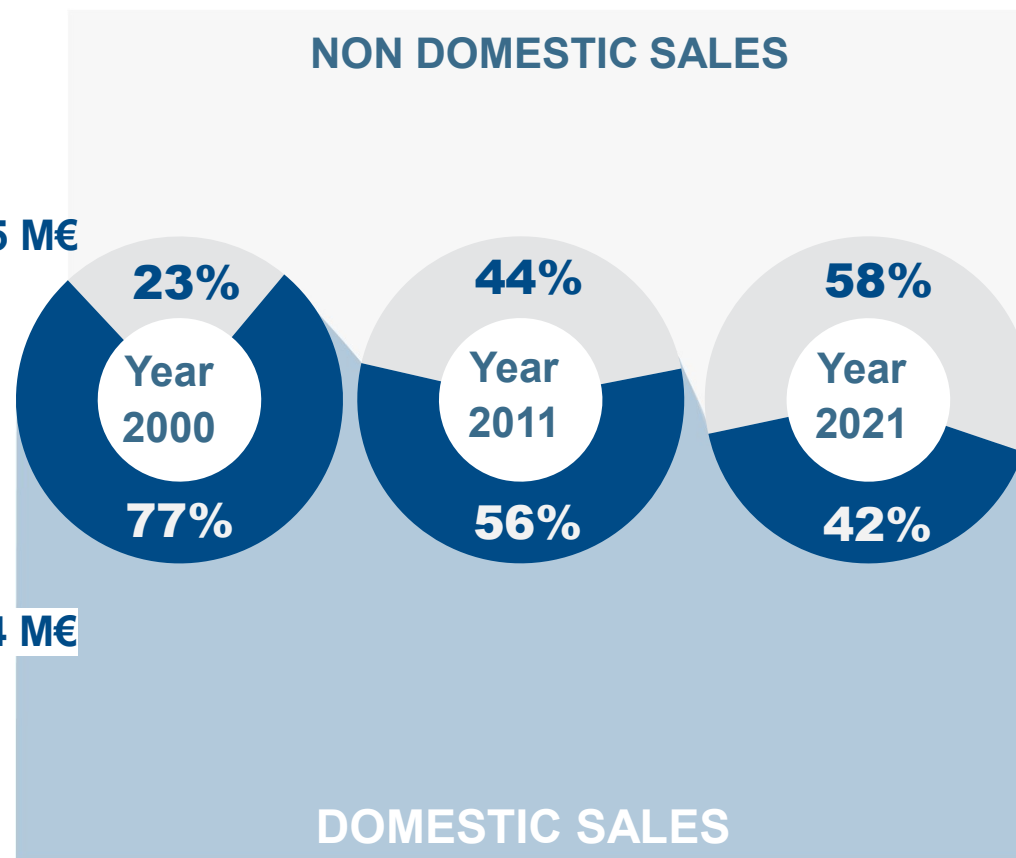
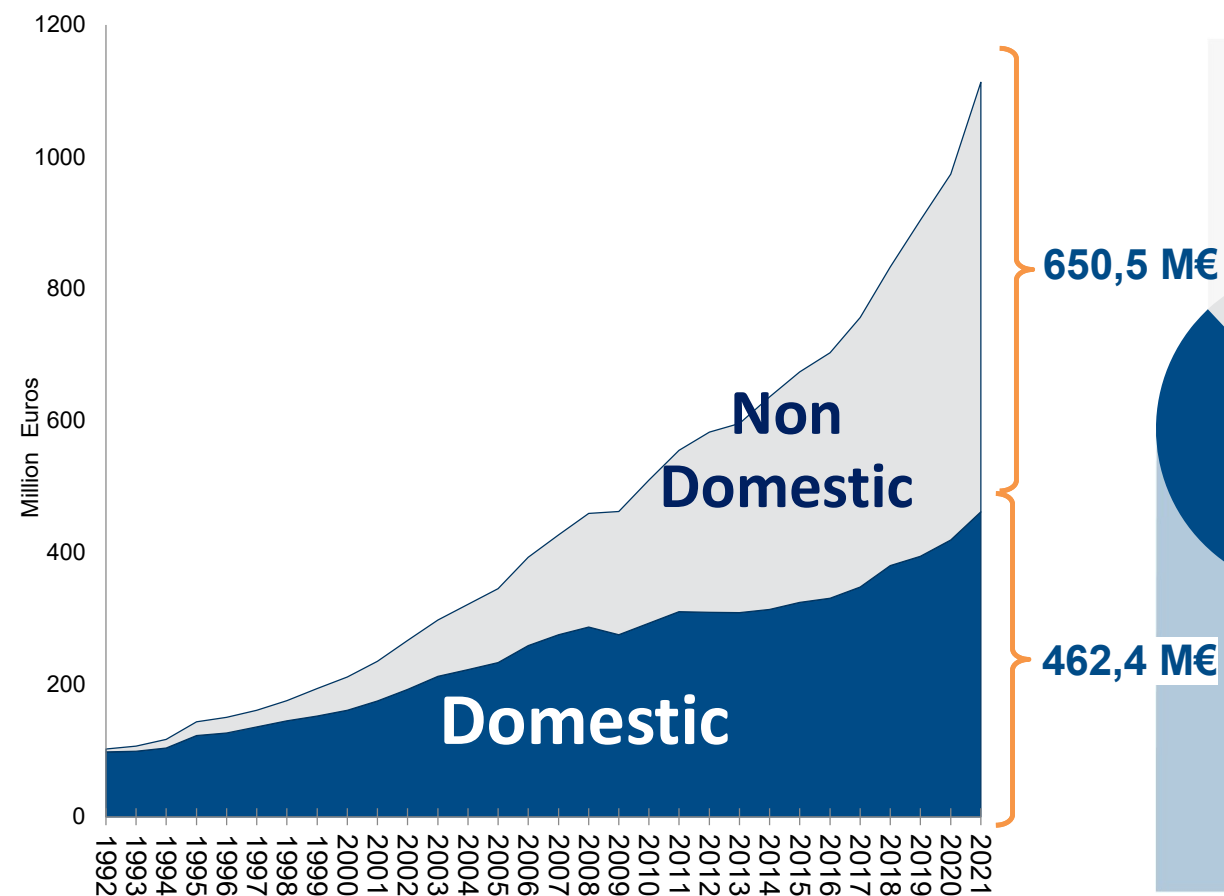
More than
400
COLLEAGUES
are from non
european
countries

The Economic performance

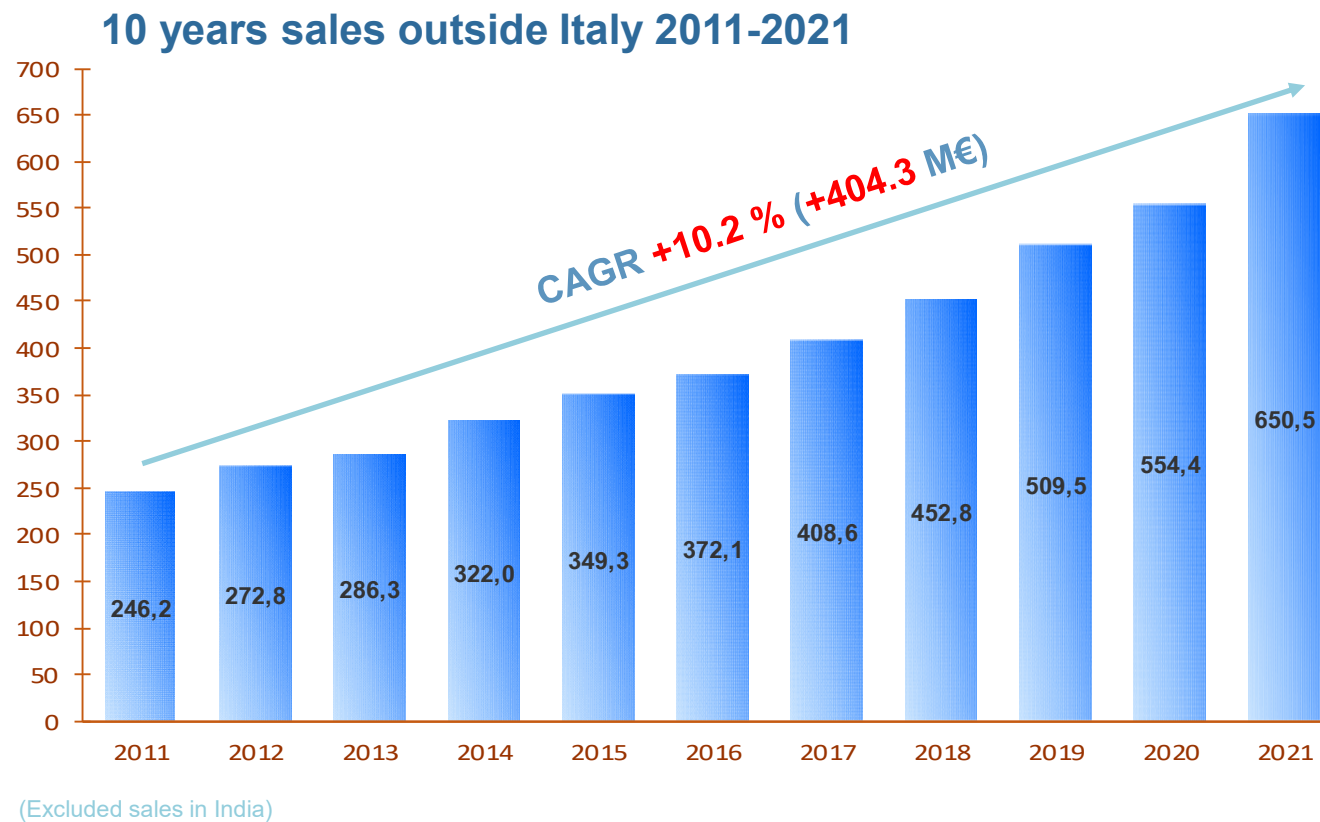
Sol Group - consolidated results (2011 – 2021)



Sol Group – internazionalizzazione



International Expansion



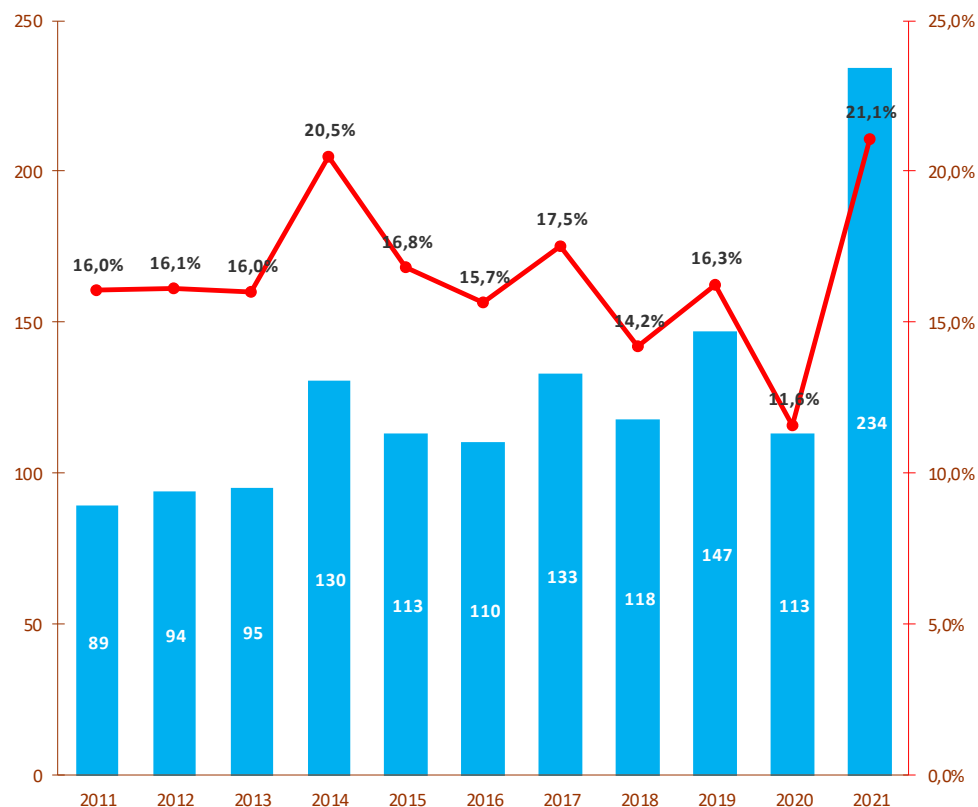
68 JV & ACQUISITION (2001-2021)

Company		Year of acquisition	Division
TGT	Bosnia	2001	Technical Gases
ZEUS	Greece	2001	Technical Gases
BEHRINGER	Italy	2002	Technical Gases
ENERGETIKA	Slovenia	2002	Technical Gases
HOSPITAL SERVICE	Italy	2002	Home Care
TGP	Bosnia	2002	Technical Gases
ELOMED	Germany	2003	Home Care
IL POINT	Italy	2004	Home Care
OXYMED	Germany	2004	Home Care
MEDIZIN SERVICE	Germany	2006	Home Care
MEDIZIN TECHNIK	Germany	2006	Home Care
JULIA GAS	Italy	2007	Technical Gases
RESMED	Austria	2008	Home Care
BOESCH	Germany	2009	Home Care
JLV	Spain	2009	Home Care
DOLBY	UK - Scotland	2010	Home Care
FRODITHYA	Greece	2010	Home Care
MEDES	Italy	2010	Technical Gases
OSSIGEN GAS	Italy	2010	Technical Gases
SICGILSOL	India	2010	Technical Gases
GTH	Romania	2011	Technical Gases
HYDROENERGY	Albania	2011	Technical Gases
DIATHEVA	Italy	2012	Biotech
MEDICAL SYSTEM	Italy	2012	Technical Gases
VIVISOL TK	Turkey	2012	Home Care
CTB	Germany	2014	Technical Gases
MBAR	France	2014	Home Care
SKS	Germany	2014	Technical Gases
TESI	Italy	2014	Technical Gases
VIVISOL ADRIA	Slovenia	2014	Home Care
CRYOLAB	Italia	2015	Biotech
FLOSIT	Morocco	2015	Technical Gases
INSPIRAR	Brazil	2015	Home Care
PIELMEIER	Germany	2015	Home Care

Company		Year of acquisition	Division
SEVA	India	2015	Technical Gases
SONOCARE	Potugal	2015	Home Care
IRISH OXYGEN COMPANY	Ireland	2016	Technical Gases
KOMPASS	Germany	2016	Home Care
MEL	Bosnia	2016	Technical Gases
DIRECT MEDICAL	Ireland	2017	Home Care
GEBZE GAZ	Turkey	2017	Technical Gases
PERSONAL GENOMICS	Italy	2017	Biotech
RESPITEK	Turkey	2017	Home Care
REVI	Italy	2017	Technical Gases
SITEX	Switzerland	2017	Home Care
STERIMED	Italy	2017	Technical Gases
CRYOS	Italy	2018	Technical Gases
FISIOMED	Italy	2018	Home care
MEDSEVEN	Poland	2018	Home care
PALLMED	Poland	2018	Home care
MEDTEK	Germany	2018	Home care
Wanninger	Germany	2019	Home care
PPAR	Brazil	2019	Home care
Unit Care	Brazil	2019	Home care
DN GLOBAL	Brazil	2019	Home care
GLOBAL CARE	Brazil	2019	Home care
SPILEX PERSPECTA	Switzerland	2019	Home Care
SOL India	India	2021	Technical Gases
TAE Hellas	Greece	2021	Technical Gases
VIVICARE Hellas	Greece	2021	Home Care
OXYTECHNIC	Czech Republic	2021	Home Care
Shanghai Shenwei Medical Gas co. Ltd	China	2021	Technical Gases
Shanghai Mu Kang Medical Device Distribution Service co. Ltd	China	2021	Technical Gases
Shanghai Jiawei Medical Gas co. Ltd	China	2021	Technical Gases
KSD Kohlensaure-Dienst GmbH	Germany	2021	Technical Gases
ISIMED Srl	Italy	2021	Home Care
Portare LTDA	Brazil	2021	Home Care
NEMO LAB Srl	Italy	2021	Home Care

Capital Expenditures & Acquisition (2011-2021)

10 years of Capex & M&A on sales 2011-2021

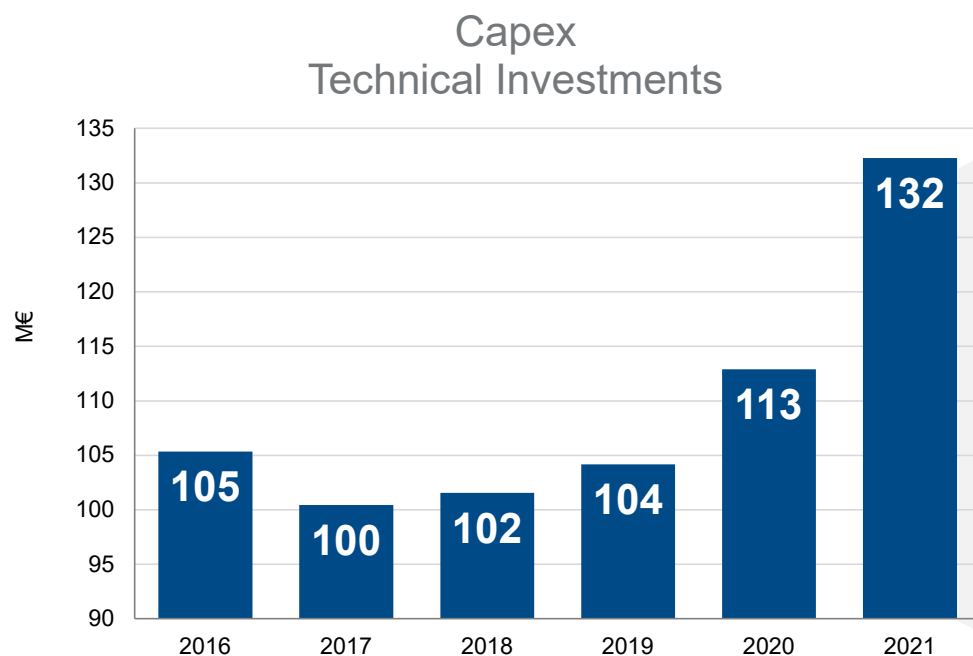


High annual investments

- The Group every year invest about **16%** of its revenues;
- The Sol business require a high level of investments for **long term** growth options;
- In 2021 almost the **61%** of the Group investments in CAPEX (without M&A) was made outside Italy.

2021

A policy of strong investments also in the most difficult context



Record investments in 2021

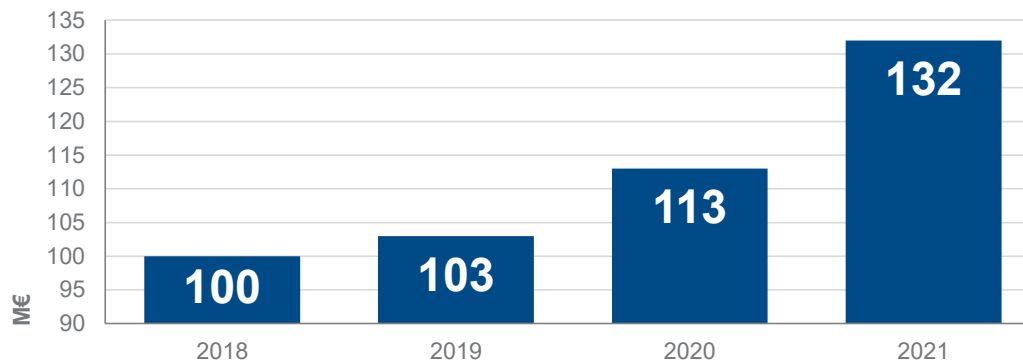
A series of structural investments for the growth of the Group in the years to come

2021|2022 – A policy of strong investments also in the most difficult context

BOTH IN THE INDUSTRIAL & MEDICAL GAS BUSINESS AND IN HOME CARE



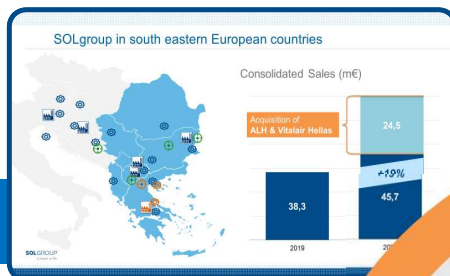
Capex | Technical Investments



2021|2022 – A policy of strong investments also in the most difficult context

... and in M&A

TAE+Vivicare
Greece



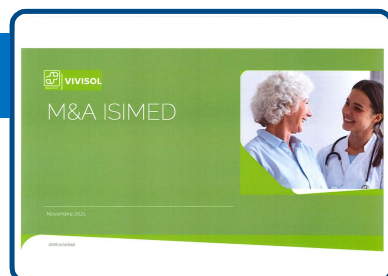
KSD and
cylinders
medical
business



Sol
India



Isimed
in Italy



Over
100 M€
in
acquisitions

100%
Pallmed/
Med7 in
Poland



Oxytechnic
in Czech
Republic



DN Global
& Portare
in Brazil

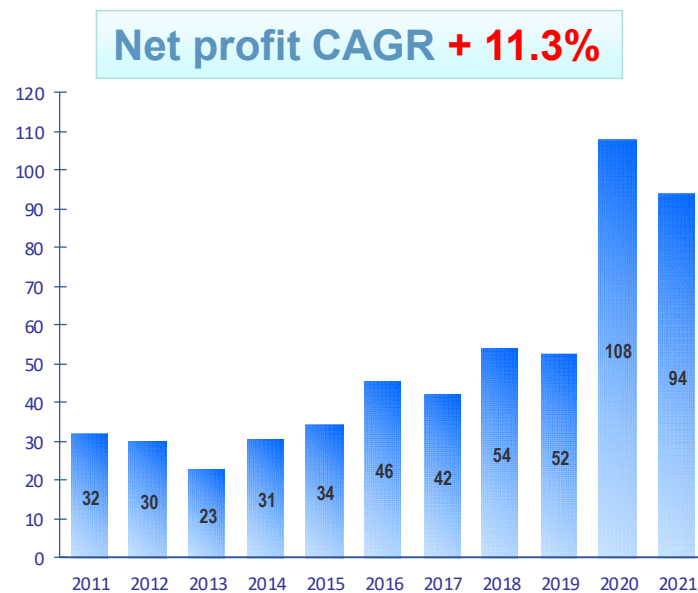


Shanghai
Shenwei,
Mu Kang
and Jawei
(China)

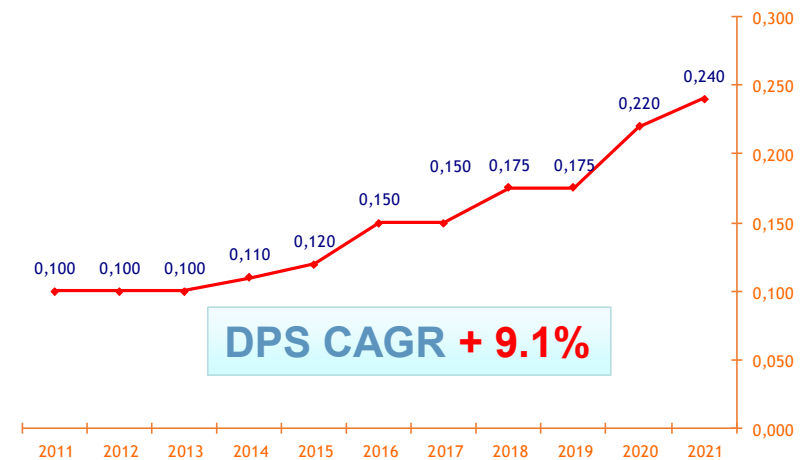


10 years net profit and dividend growth

NET PROFIT

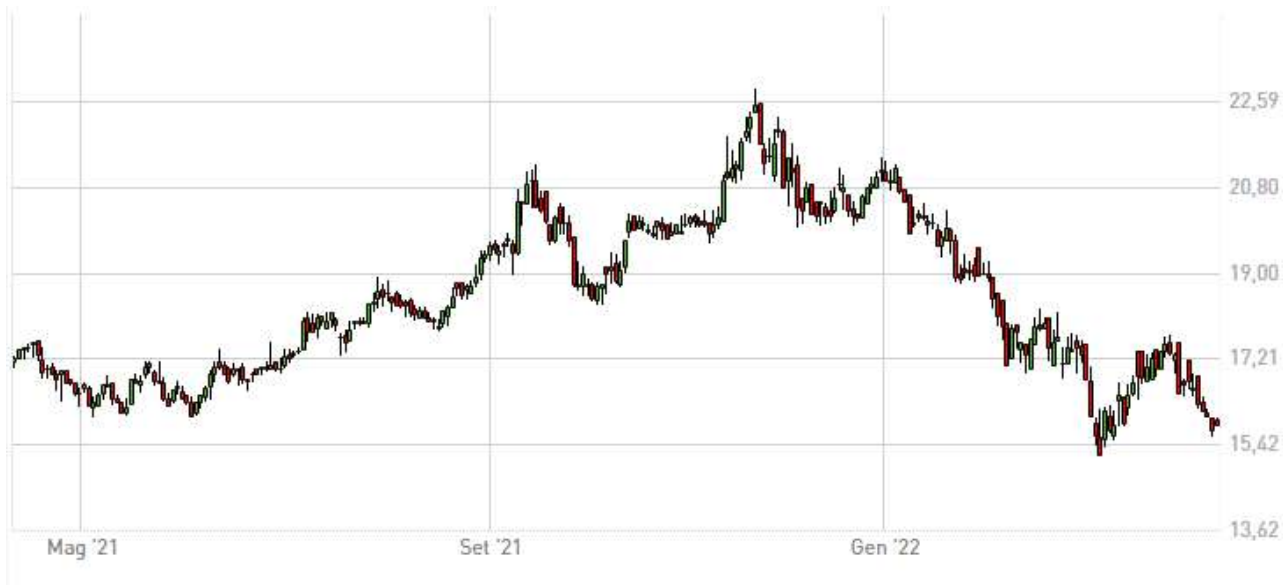


DPS - Dividend Yield



10Y AVERAGE PAY-OUT RATIO 30%

Shareholding information and market price



Source: Borsa Italiana

Outstanding Shares

- 90.700.000 ordinary shares
- par value: 0,52

Shareholding Structure

- **Fumagalli and Annoni** families 60%
- **Main Institutional Investors:**
 - **Tweedy Brown**
 - **Government of Norway**

SOL Group - Consolidated Income Statement

(thousands Euro)

	31.12.21	31.12.20	2021/ 2020
Net turnover	1,112,909	973,833	+ 14.3%
Total revenues	1,142,901	996,196	+ 14.7%
	102.7%	102.3%	
Added value	494,987	468,401	+ 5.7%
	44.5%	48.1%	
EBITDA	260,778	255,392	+ 2.1%
	23.4%	26.2%	
EBIT	135,771	139,987	-3.0%
	12.2%	14.4%	

SOL Group - Consolidated Income Statement

(Thousands Euro)			
	31.12.21	31.12.20	
	%		%
Net turnover	1,112,909	100.0	973,833 100.0
Other revenues	11,060	1.0	9,875 1.0
Internal work capitalized	18,933	1.7	12,488 1.3
Total revenues	1,142,901	102.7	996,196 102.3
Raw materials	306,023	27.5	240,540 24.7
Services	319,511	28.7	277,282 28.5
Stocks	(2,380)	(0.2)	(14,459) (1.5)
Other costs	24,761	2.2	24,432 2.5
Total costs	647,915	58.2	527,794 54.2
Added value	494,987	44.5	468,401 48.1
Labour costs	234,209	21.0	213,009 21.9
EBITDA	260,778	23.4	255,392 26.2

SOL Group - Consolidated Income Statement

(Thousands Euro)				
	31.12.21		31.12.20	
	%		%	
EBITDA	260,778	23.4	255,392	26.2
Depreciation & Amortization	119,296	10.7	110,986	11.4
Other provisions	5,711	0.5	4,419	0.5
Operating income recurring	135,771	12.2	139,987	14.4
Non recurring (Income)/Charges	-	-	-	-
EBIT	135,771	12.2	139,987	14.4
Net financial	(9,843)	(0.9)	(9,810)	(1.0)
PBT	125,928	11.3	130,177	13.4
Taxes	32,170	2.9	21,943	2.3
Net profit from ongoing operations	93,757	8.4	108,234	11.1
Minorities	(4,208)	(0.4)	(5,187)	(0.5)
NET PROFIT	89,549	8.0	103,047	10.6
EPS	0.987		1.136	

SOL Group - Consolidated Balance Sheet

(Thousands Euro)

	31.12.21	31.12.20		31.12.21	31.12.20
Assets			Liabilities		
Net fixed assets	615.3	554.6	Shareholder's equity	698.3	635.7
Other fixed assets	237.3	196.3	Minorities	23.2	27.2
Cash and liquid assets	139.6	269.2	Financial debts	378.5	446.6
Inventory	67.3	63.3	Other non current liabilities	29.1	23.9
Net receivables	340.0	297.9	Payables	150.3	122.2
Other current assets	44.9	32.9	Other current liabilities	165.1	158.8
Total assets	1,444.4	1,414.3	Total liabilities	1,444.4	1,414.3

SOL Group - Net Financial Position

(Thousands Euro)

	31.12.21	31.12.20
Cash and cash at bank	139,642	269,181
Securities	6,834	6,300
Loans - current portion	(67,757)	(63,612)
Leases - current portion	(15,309)	(15,319)
Due to shareholders	0	(1,857)
Other financial receivables - current portion	1,882	1,166
Other financial liabilities - current portion	(1,440)	(2,589)
Short term liquidity	63,851	193,269
Investments securities	1,077	1,156
Loans - long term portion	(341,372)	(405,463)
Leases - long term portion	(34,573)	(36,488)
Due to shareholders	(100)	0
Other financial receivables - long term portion	1,544	831
Other financial liabilities - long term portion	(1,314)	(3,562)
Medium long term debt	(374,738)	(443,525)
TOTAL NET LIQUIDITY	(310,887)	(250,257)

SOLGROUP
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