

LABOMAR

Labomar Presentation Full Year 2020 Results

MAY 26, 2021



Today's Speakers

**WALTER
BERTIN**



FOUNDER & CEO

- FOUNDED LABOMAR IN 1998 FROM THE "FARMACIA BERTIN"
- MEMBER OF THE FEDERSALUS BOARD SINCE 2011 AND OF UNINDUSTRIA TREVISO SINCE 2012
- GRADUATED IN PHARMACEUTICAL SCIENCE AND COMPLETED A MASTER DEGREE IN LEAN MANAGEMENT



**CLAUDIO
DE NADAI**



IR & BOARD DIRECTOR

- CONSULTANT FOR LABOMAR SINCE 2007 ON FINANCIAL STRATEGY AND BOARD MEMBER SINCE 2018, HE LED THE ASSET DEAL ON IMPORTFAB
- AFTER 13 YEARS AS CFO AND GENERAL MANAGER OF AN ITALIAN SME AND A PAST ENTREPRENEURIAL EXPERIENCE IN AGRI-FOOD, HE FOUNDED BMODEL (CORPORATE FINANCE BOUTIQUE)



**CLAUDIO
CRESPAN**



CFO

- JOINED LABOMAR GROUP IN 2021 AND APPOINTED AS CFO.
- 15 YEARS IN EXTENSIVE PREVIOUS EXPERIENCE AS CFO AND M&A IN INTERNATIONAL STRUCTURED COMPANIES, PREVIOUS EXPERIENCE IN A BIG4 AUDIT FIRM.
- VICE PRESIDENT OF ANDAF NORTH EAST (CFO ASSOCIATION)



**FRANCESCO
DA RIVA**



HEAD OF SALES

- SIGNIFICANT EXPERIENCE IN LABOMAR, FIRST AS HEAD OF FOREIGN SALES AND RECENTLY PROMOTED TO HEAD OF SALES AND COMMERCIAL NETWORKS
- EXTENSIVE PREVIOUS EXPERIENCE AS SENIOR CONSULTANT IN STRATEGY AND BUSINESS PLANNING
- EDUCATION: MASTER IN MANAGEMENT, ACCOUNTING AND CONTROL AT BOCCONI UNIVERSITY; MASTER EXECUTIVE MBA AT CUOA BUSINESS SCHOOL





GROUP OVERVIEW



LABOMAR IS THE NEW FRONTIER

RESEARCH-DRIVEN FULL SERVICE CDMO OPERATING MAINLY IN
THE **DIETARY SUPPLEMENTS AND MEDICAL DEVICES** SEGMENTS

**LEVERAGING INTERNALLY-DEVELOPED PATENTS AND
A FULL RANGE OF PHARMACEUTICAL FORMS**

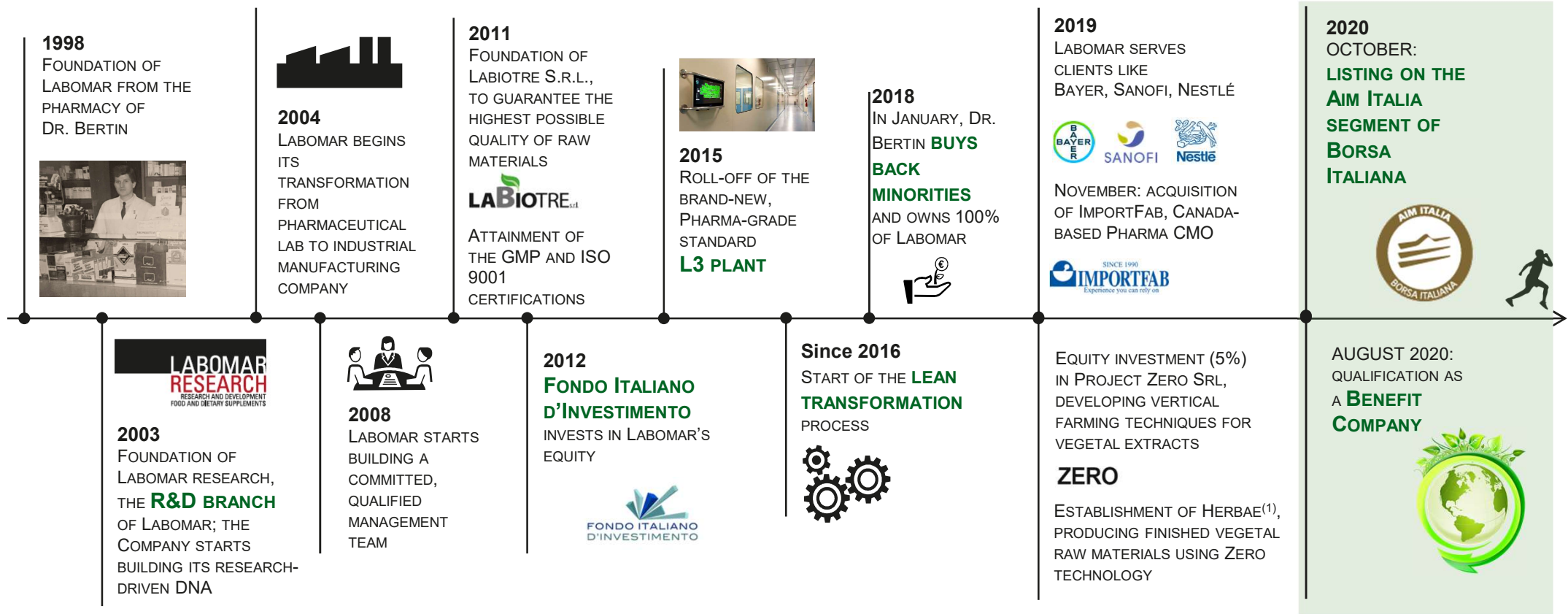
**PROVIDING HIGH-GRADE VALUE-ADDED SOLUTIONS TO
INTERNATIONAL LIFE SCIENCES PLAYERS**

**HIGH ATTENTION TO SUSTAINABILITY, FOR PEOPLE & CUSTOMERS,
INNOVATION AND ETHICS**

THE CDMO «2.0»

20+ Years History of Continuous Development

LABOMAR BUILDS VALUABLE RELATIONSHIPS WITH THE **BIG PHARMA** AND STARTS DEVELOPING FOREIGN MARKETS



LABOMAR IS WORKING TO SPUR FUTURE GROWTH, ORGANICALLY AND BY M&A

1. Majority equity investment (51%) with 49% held by Zero, in which Labomar holds a minority equity investment of 5%

Source: Management



The Leading One-stop-shop CDMO

REVENUES BREAKDOWN ⁽¹⁾



30% ⁽²⁾

REVENUES BASED ON
PROPRIETARY PATENTS AND
FORMULAS



7%

OF FTEs IN R&D,
c. 4% OF REVENUES



c. 1,125

SKUs DELIVERED TO
c. 200 CUSTOMERS



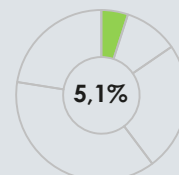
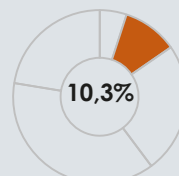
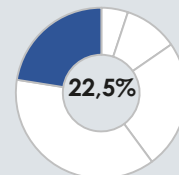
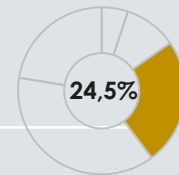
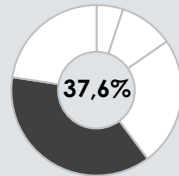
c. 120 ⁽³⁾

READY-TO-MARKET SKUs
INTERNATIONALLY



31,8%

SHARE OF FOREIGN TOTALSALES,
WHICH RISES TO **38,2%** ON A
CONSOLIDATED LEVEL



EXAMPLE OF CLIENTS



EXAMPLE OF PRODUCTS



1. Only referred to Labomar stand-alone 2020 (revenues breakdown by pharmaceutical forms are referred only to finished products)

2. Compared to the 2019 figure (34%), the 2020 incidence is lower since many of the products with underlying patents are Medical Devices in the respiratory system / pharyngeal cavity area, which in 2020 recorded a reduction in sales due to the use of masks and less social contacts in connection with the Covid-19 pandemic

3. As of Labomar 2021 catalogue

Source: Management

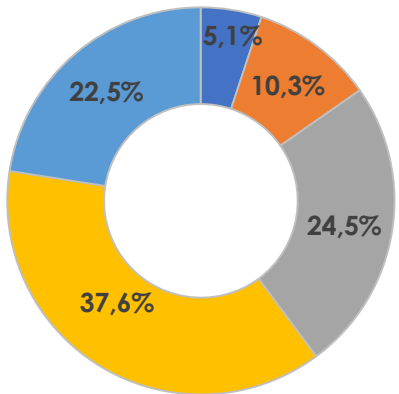


Widely Diversified Resulting in a Low-Risk Business Model

REVENUES BREAKDOWN 2020 (LABOMAR ONLY)¹

BY PHARMACEUTICAL FORM

(2020,%)

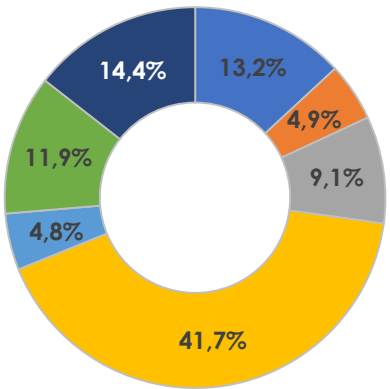


Other Capsules Tablets
Liquids Powders

**WELL BALANCED AND
DIVERSIFIED BY
PHARMACEUTICAL FORMS**

BY THERAPEUTIC AREA

(2020,%)

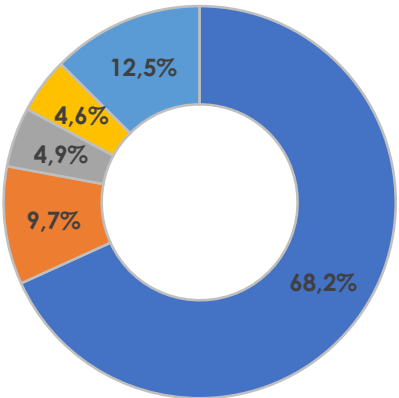


Others Antioxidants Cardiovascular
Gastrointestinal Genito urinary Nervous
Respiratory

**WELL DIVERSIFIED BY THERAPEUTIC
AREA, YET STRONG POSITIONING IN
THE OPPORTUNITY-RICH
GASTROINTESTINAL AREA**

BY GEOGRAPHY

(2020,%)

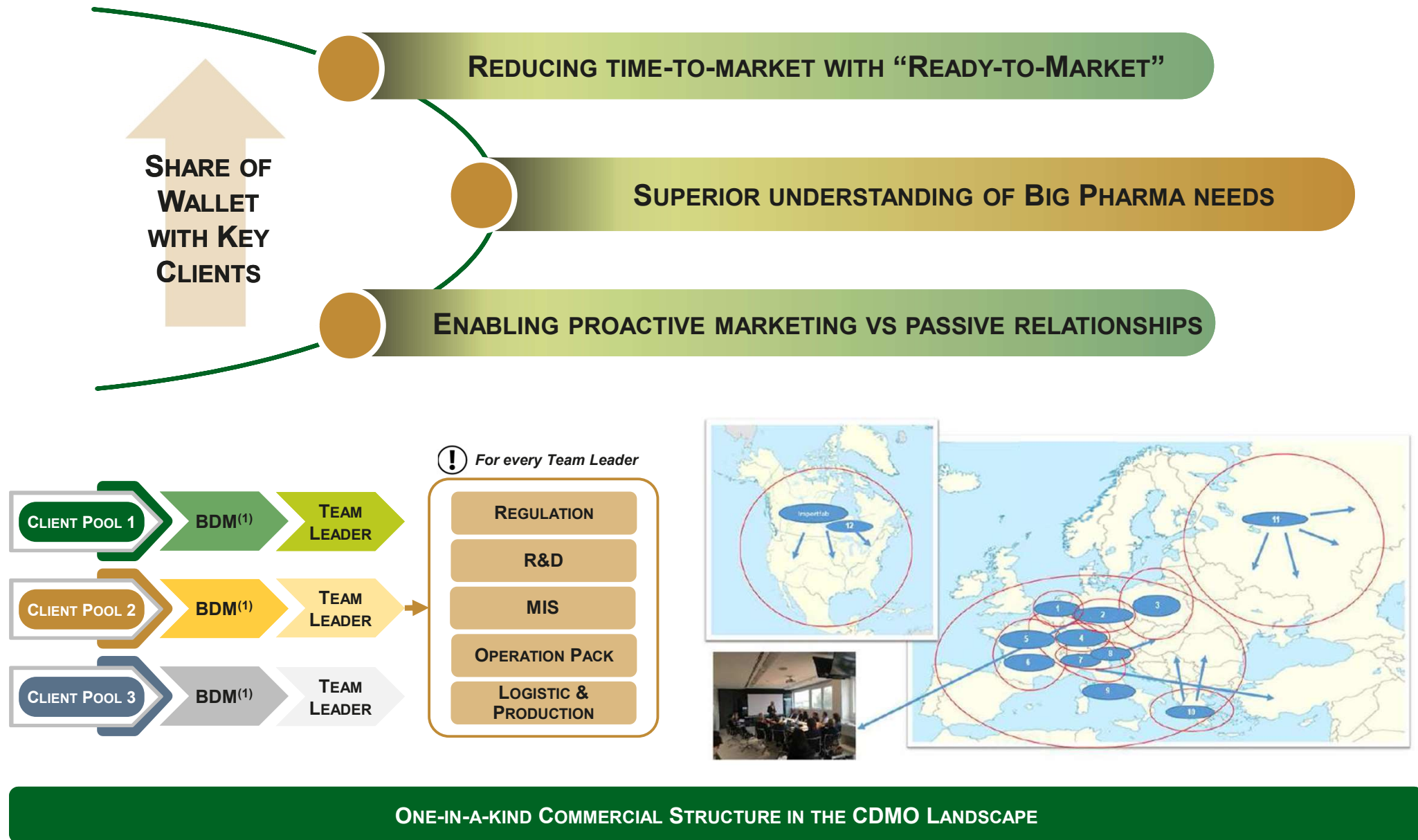


Italy France Spain Poland Others

**IMPORTFAB AND FUTURE M&A
LEAD TO
FURTHER DIVERSIFICATION**



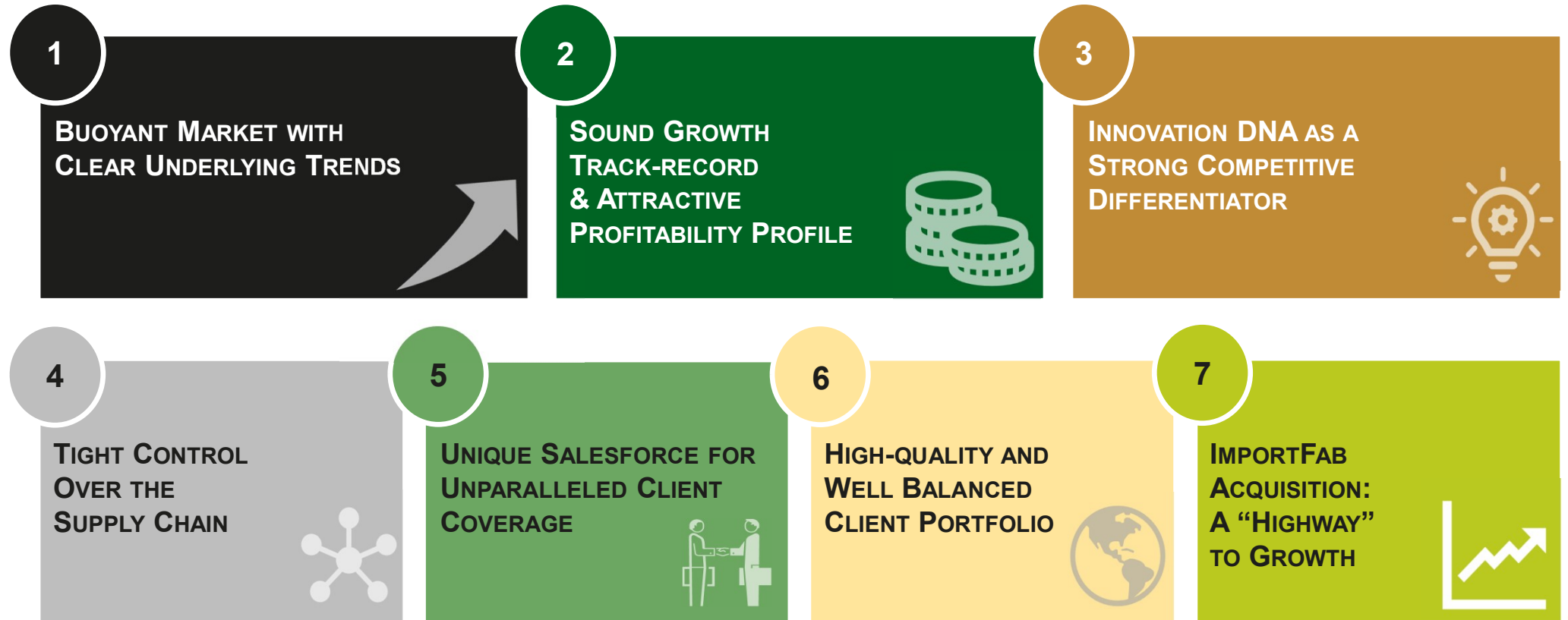
Unique Salesforce for Unparalleled Client Coverage



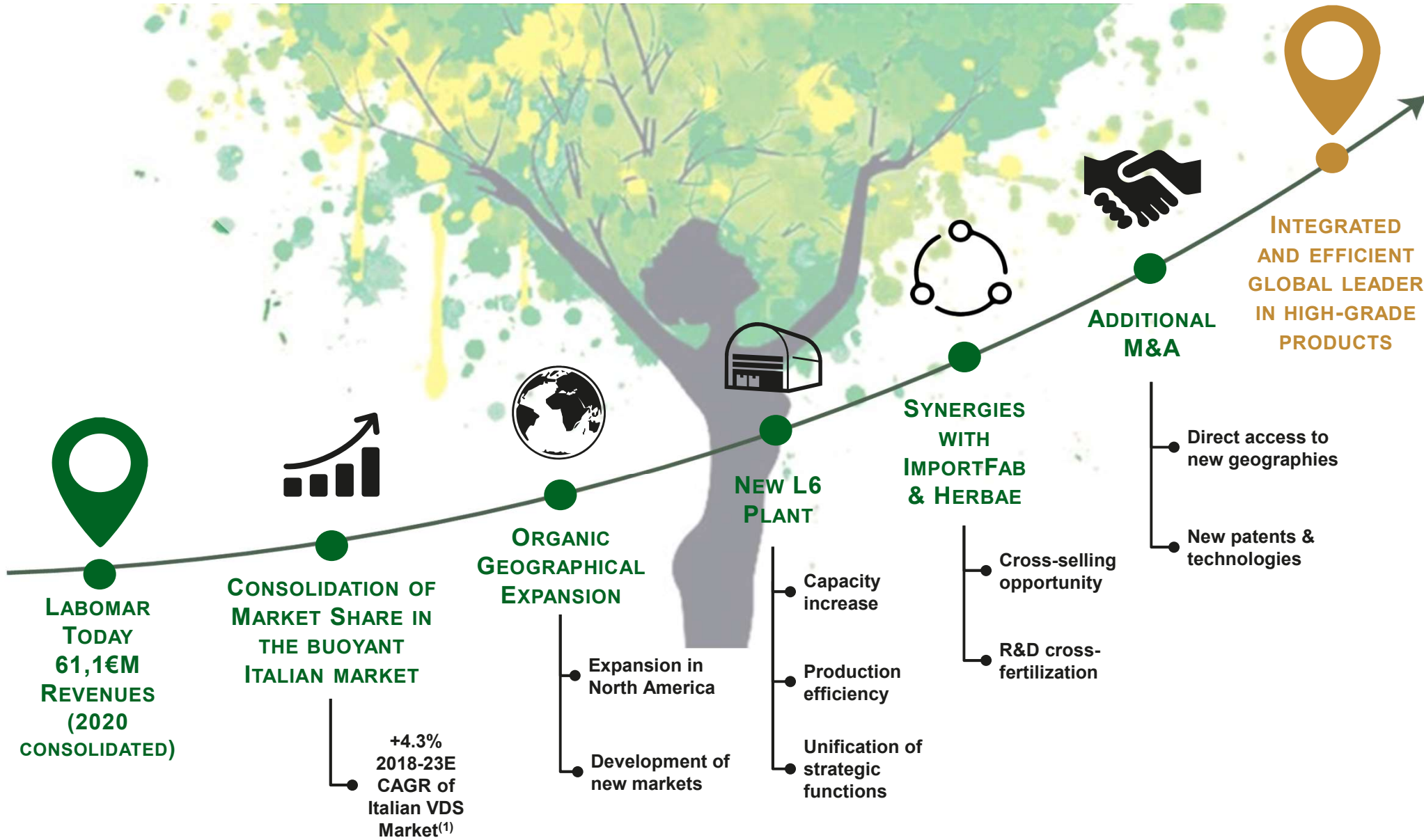
1. BDMs (Business Development Managers) are professional figures with high seniority in the field and good relationship network, mainly divided by geographic area of development. Their job is about targeting the most relevant opportunities with key clients.

Source: Management

Distilling the Equity Story



Labomar Strategy Pillars



1. Source: PWC Report "Vitamins & Dietary Supplements Market Overview" July 2020



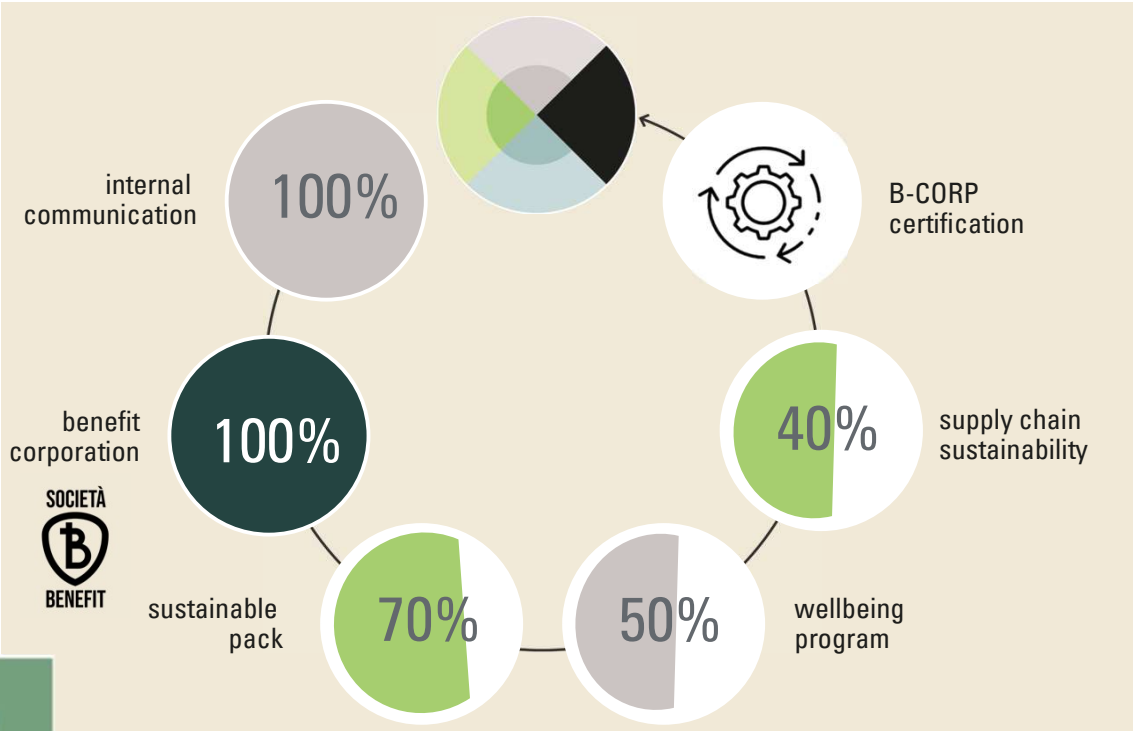
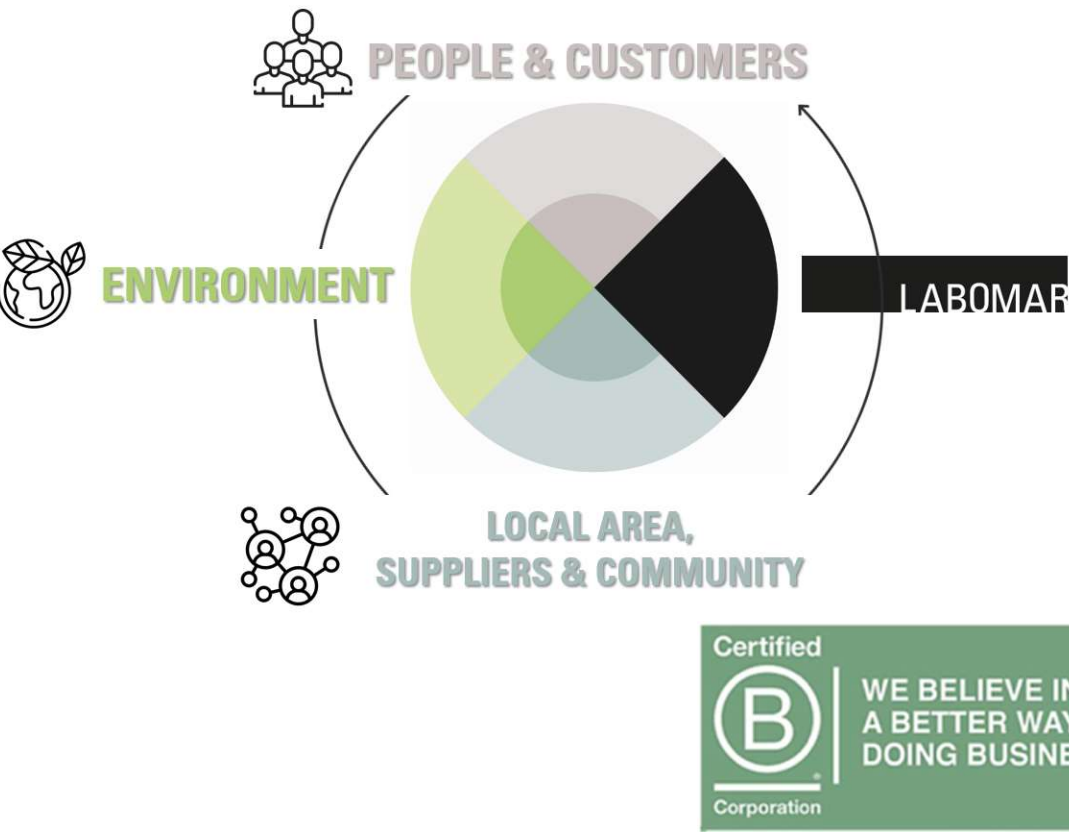
LABOMAR APPROACH TO
SUSTAINABILITY



LABOMAR GOAL FOR 2021
ACHIEVE B-CORP CERTIFICATION



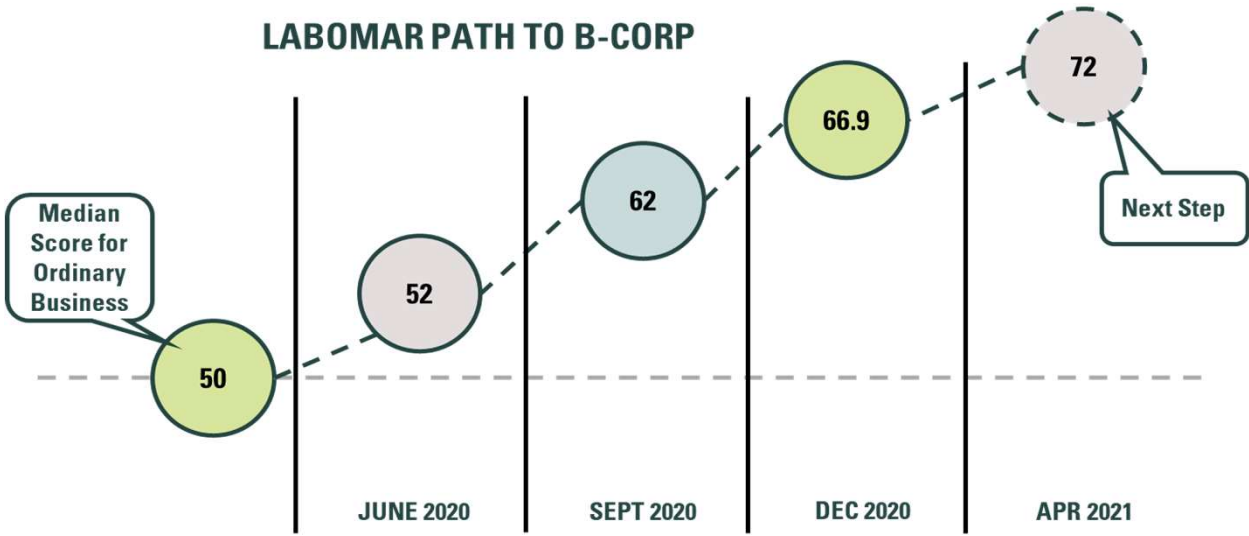
Labomar strategic sustainability program



B-Corp certification: current assessment



| | | |
|--|-----------------------|------|
| | Governance | 16.1 |
| | Workers | 23.2 |
| | Suppliers & Community | 12.5 |
| | Environment | 11 |
| | Customers | 3.8 |



Labomar 1st Impact Report



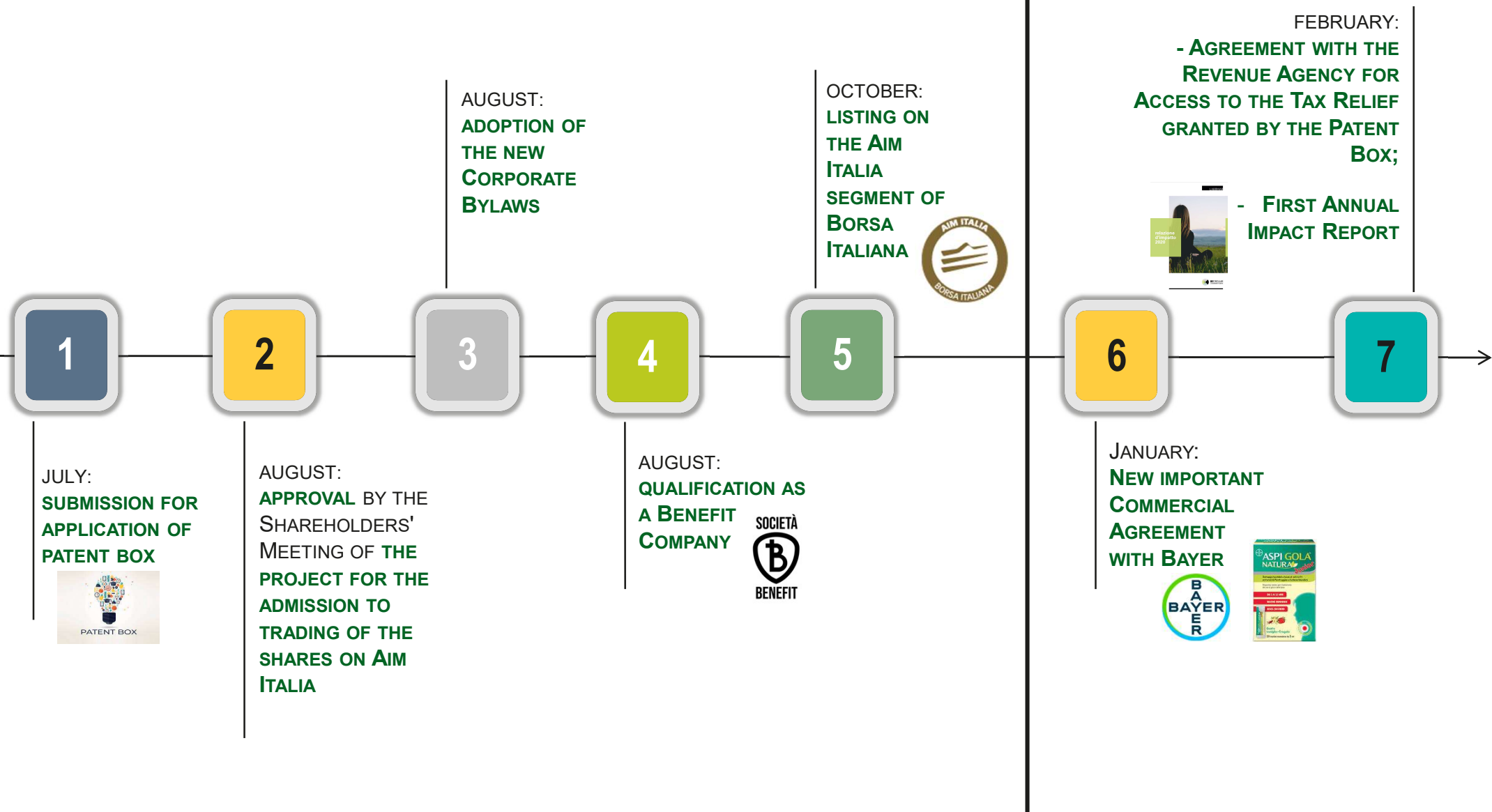


MAIN FEATURES AND FINANCIAL OVERVIEW

Overview 2020 – beginning 2021: Main Features

2020

2021



2020 Year Results – comparison with the Analyst Research



| | LABOMAR SPA Consolidated | INTESA RESEARCH 23/11/2020 | CFO RESEARCH 23/11/2020 |
|----------------------------|-------------------------------------|---------------------------------------|------------------------------------|
| Value of Production | 61,5 | 60,8 | 62,0 |
| EBITDA | 11,3 | 11,3 | 10,9 |
| EBITDA ADJ | 12,3 * | 12,9* | 12,5* |
| EBIT | 7,3 | 7,1 | 6,7 |
| EBIT ADJ | 8,2* | 8,6* | 8,3* |
| EBT | 6,9 | 6,2 | 6,3 |
| NET PROFIT | 6,1 | 5,2 | 4,6 |
| NFP | -3,4 | -2,8 | -2,5 |

* = THE DIFFERENCE IN TERMS OF LOWER EFFECTIVE ADJUSTMENTS, APPLIED BY THE COMPANY TO THE EBITDA ADJ AND EBIT ADJ PARAMETERS, IS SUBSTANTIALLY RELATED TO THE PARTIAL ACCOUNTING OF LISTING COSTS, ACCORDING TO CURRENT ACCOUNTING STANDARDS, WHICH WERE DIRECTLY DEDUCTED FROM THE INCOME DERIVING FROM THE PROCEEDS OF LISTING, IN REDUCTION OF THE NET EQUITY, THEREFORE WITHOUT TRANSITION THROUGH THE INCOME STATEMENT OF THE COMPANY, FOR THE TOTAL AMOUNT OF 0.3M €.

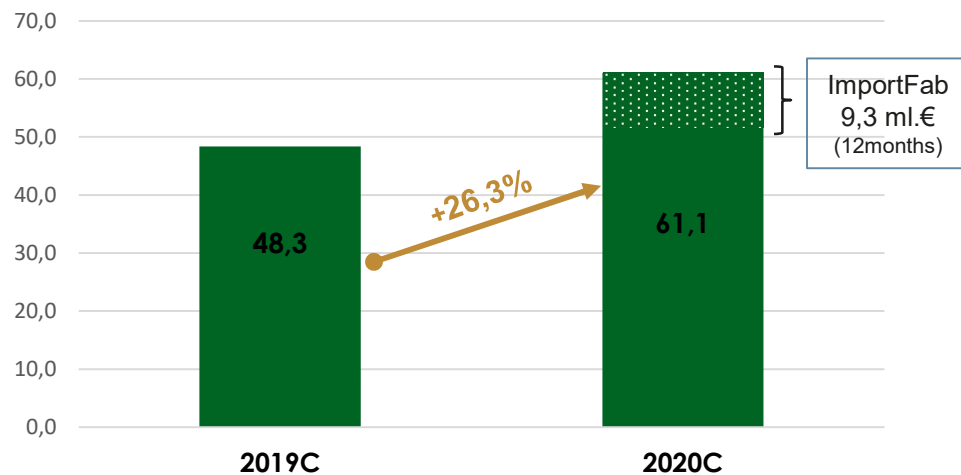
ANALYSTS' FORECASTS ARE CONFIRMED BY THE EXCELLENT PERFORMANCE OF LABOMAR



Strong Year Results

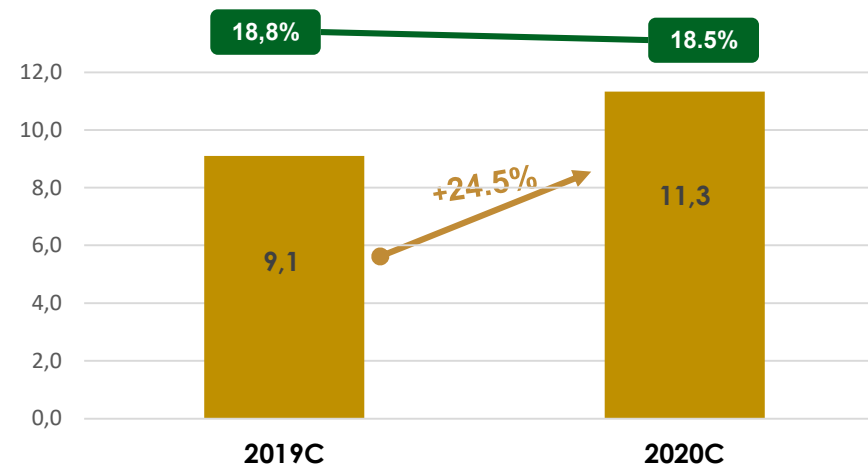
REVENUES ¹

Total Revenues (€M)



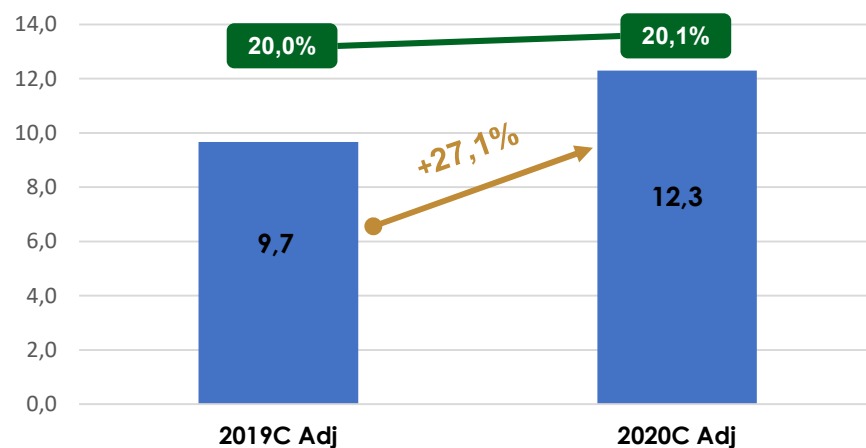
EBITDA

EBITDA (€M and % Total Revenues)



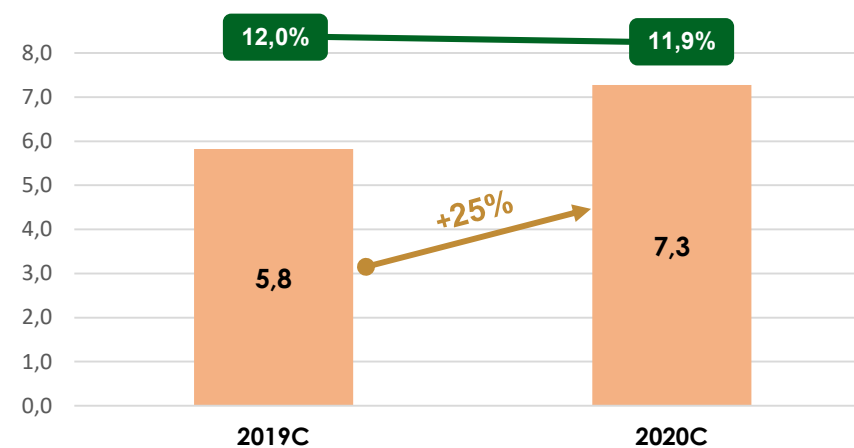
EBITDA ADJUSTED ²

EBITDA ADJUSTED (€M and % Total Revenues)



EBIT

EBIT (€M and % Total Revenues)



1: 2020 Revenues includes - for the first time - a full year of revenues from the canadian Entreprises ImportFab Inc., acquired in October 2019.

2: EBITDA Adjusted 2020 does not include non-recurring costs of Euro 0.97 million relating to the listing process, while the 2019 figure does not include non-recurring costs of Euro 0.57 million for costs associated with the acquisition of Entreprises Importfab Inc.

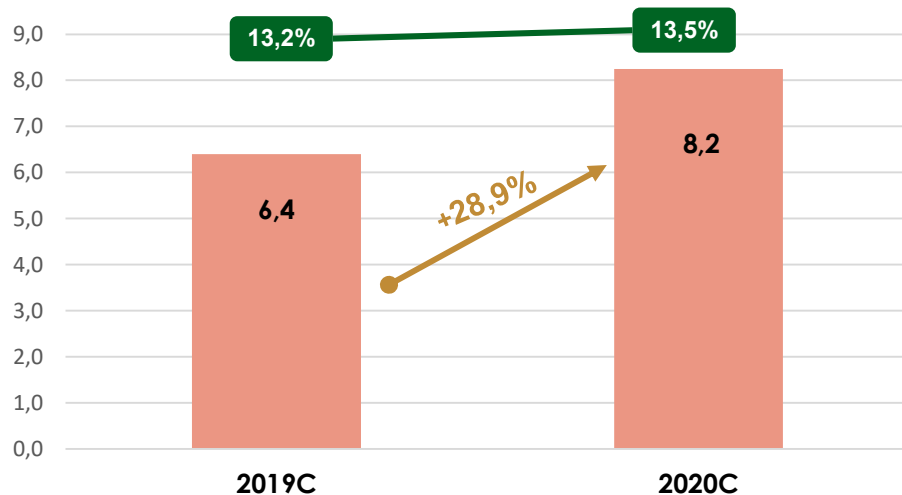
Source: Company Financial Statements 2020 Consolidated



Strong Year Results

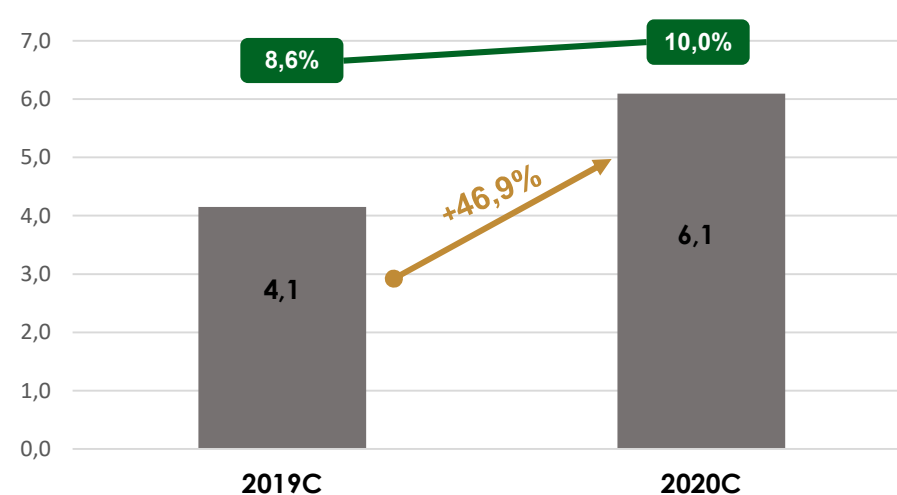
EBIT ADJUSTED ¹

EBIT ADJUSTED (€M and % Total Revenues)



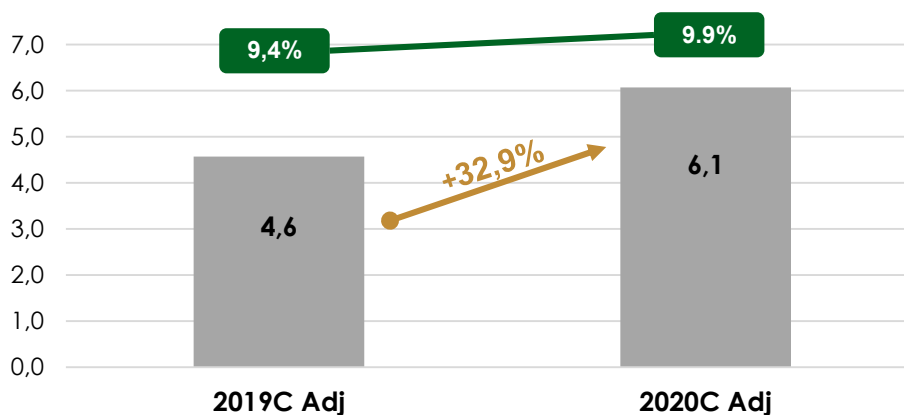
NET INCOME

Net Income (€M and % Total Revenues)



NET INCOME ADJUSTED ²

Net Income Adjusted (€M and % Total Revenues)



1: The adjustments are the same for EBITDA Adjusted

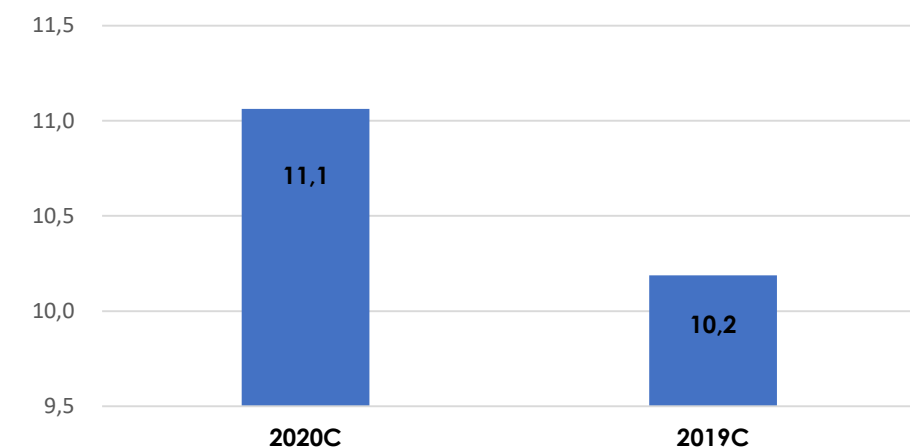
2: Net Income Adjusted 2019 and 2020 is the net income recalculated considering the tax effect of non-recurring costs and, only for 2020, the Patent Box Benefit for previous years.

Source: Company Financial Statements 2020 Consolidated



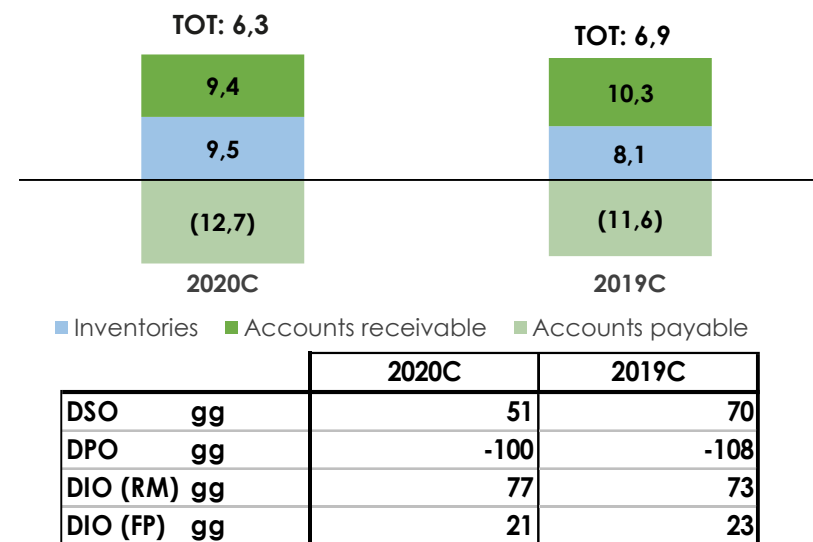
Efficient Business Model and Strong Cash Conversion

CASH CONVERSION FROM OPERATION E NWC

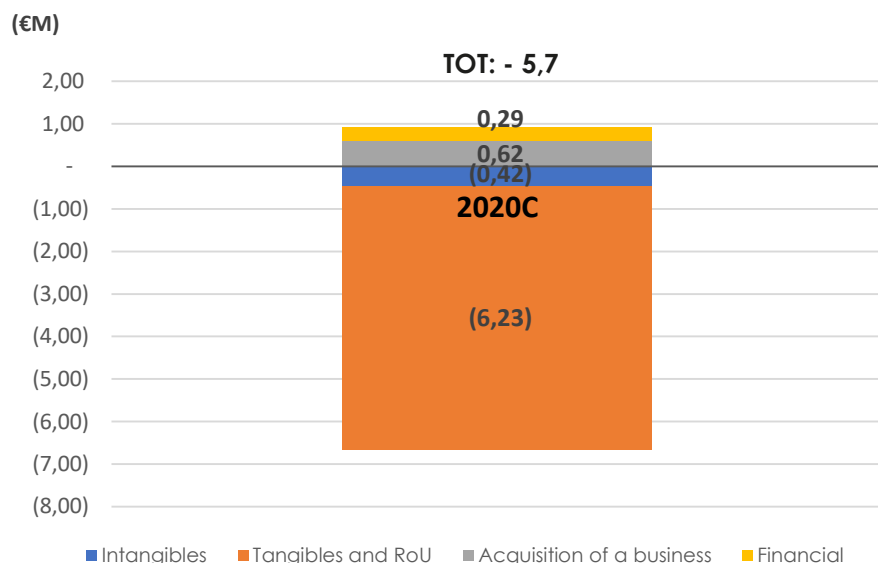


Cash conversion = EBTDA + cash from Trade Net Working Capital

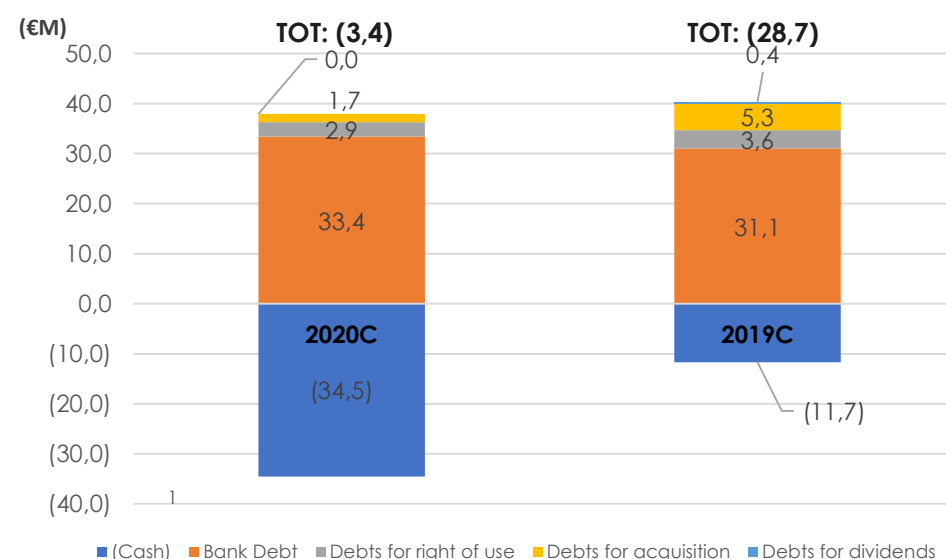
TRADE NET WORKING CAPITAL



CASH FLOW ABSORPTION FOR CAPEX

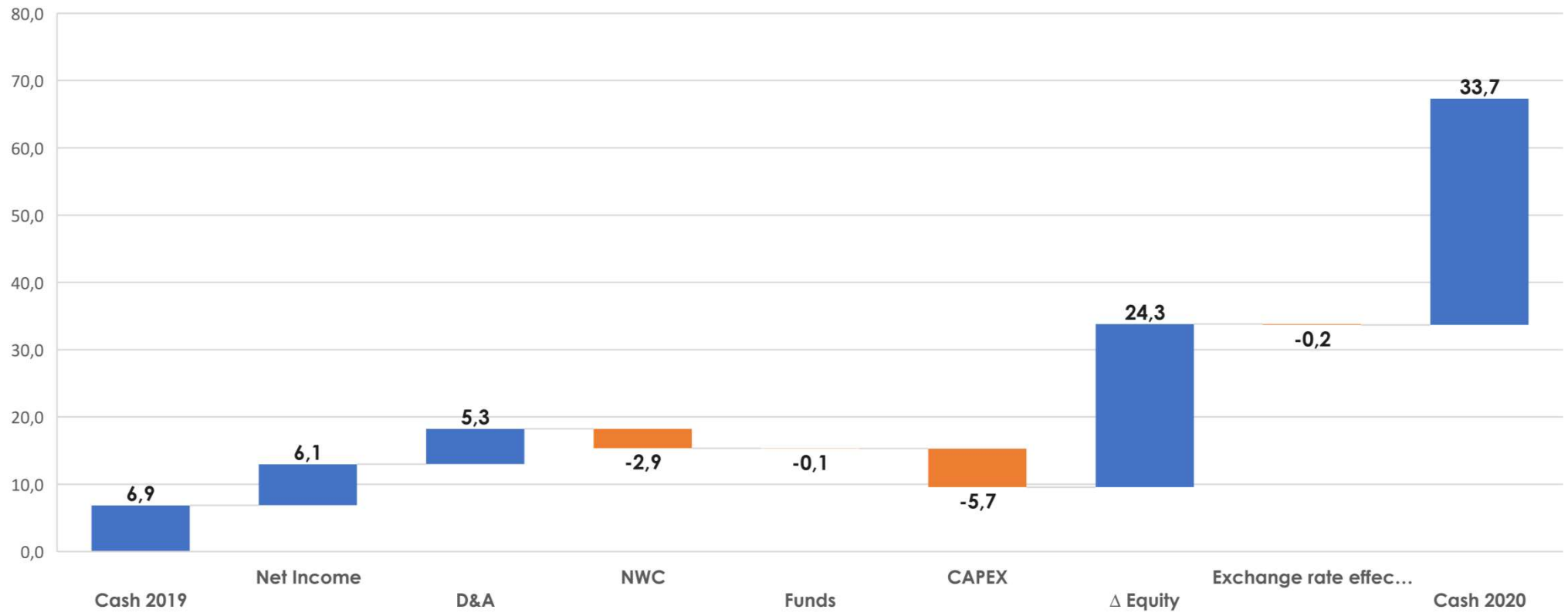


NET FINANCIAL POSITION



Cash Evolution

(FY 2019-2020 Consolidated, €M)



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