

LABOMAR German Spring Conference

Frankfurt, May 24, 2022



WALTER BERTIN***Founder & CEO***

Founded Labomar in 1998 from the "Farmacia Bertin"

Member of Assindustria Veneto Centro 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 of ImportFab and Welcare

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 CRESPIAN***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 since the beginning of 2020 as Head of Sales and Commercial Networks

Extensive previous experience as Senior Consultant in Strategy and Business Planning

Education: MiMAC 1 (SDA Bocconi School of Management) EMBA 16 (CUOA Business School)



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*Heritage,
Vision & Mission,
Sustainability*

2

*Labomar
Stand Alone*

3

*Labomar Business
Model Evolution*

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*2021 Financial
Statements, 1Q 2022
Revenues and
2022 Guidance*

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*Focus Single
Controlled Companies*

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VISION

We improve well-being and the quality of people life

MISSION

We work together with passion, to conceive and manufacture products and services for well-being, with respect to the environment.

We innovate with courage, proud to belong to a great family



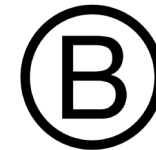
“We strongly believe
in sustainability



OUR GOAL
FOR 2022



Certified



Corporation





SHARED
BENEFIT
GOALS



Commitment
Transparency
Environment



Welfare
Community
Respect



Ethics
Quality
Effectiveness



Beauty
Culture, Social
Territory



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*Labomar is a **One Stop Shop CDMO**, able to produce a wide range of **nutraceutical products**, **medical devices**, **foods for special medical purposes**, both **taylor made** and **ready to sell***

A wide range of pharmaceutical forms and therapeutical areas makes up our taylor made offer

FORMS	2021
Liquids	35,09%
Tablets	24,96%
Powders	21,43%
Capsules	9,30%
Others	6,47%
Microtabs	1,36%
Gel&Creams	0,81%
Softgel	0,59%
Total	100%

THERAPEUTICS AREAS	
Others	23,27%
Probiotics	17,22%
Gastroenterology	12,39%
Vitamins & Minerals	10,02%
Cough & Cold	7,51%
Sleep and stress Disorders	7,00%
Cardiovascular	6,16%
Energy	4,42%
Antiox	4,17%
FSMP	3,14%
Immunity	2,49%
Gynecology	2,22%
Total	100%



RISK DIVERSIFICATION



LABOMAR PORTFOLIO 2021



A WIDE SELECTION
OF READY-TO-SELL
PRODUCTS

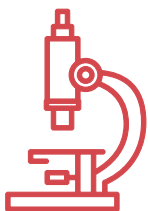
LABOMAR

**This is possible thanks to Labomar Innovator DNA
and its pro-active scientific marketing activities**



INNOVATOR DNA

Labomar core activities consist on scientific research and development of constantly new and patented technologies

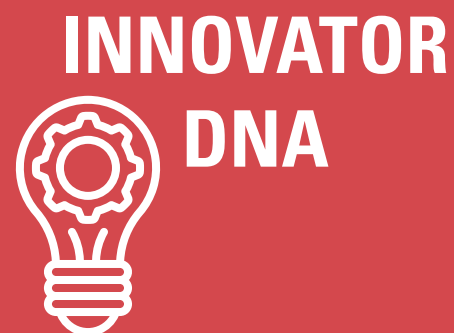
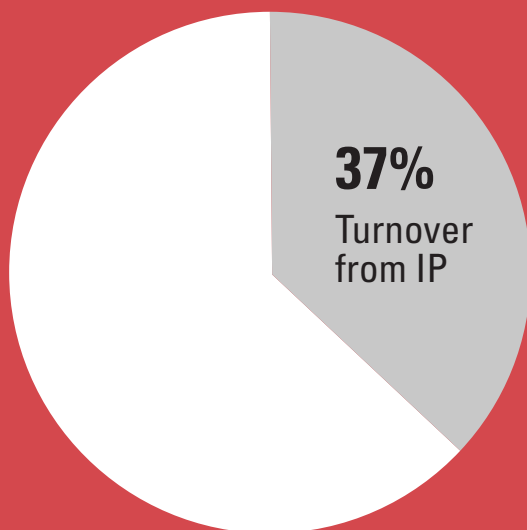


SCIENTIFIC MARKETING

Labomar constantly invests in scientific marketing research in order to bring novelty to the market and give scientific technical support to the commercial proposition



% IP Turnover 31.12.2021



*Note: Data only referred to Labomar stand alone (2021).
In 2020, the % were 30% Turnover from IP, 70% Others*



**8 PLATFORM
PATENTS**

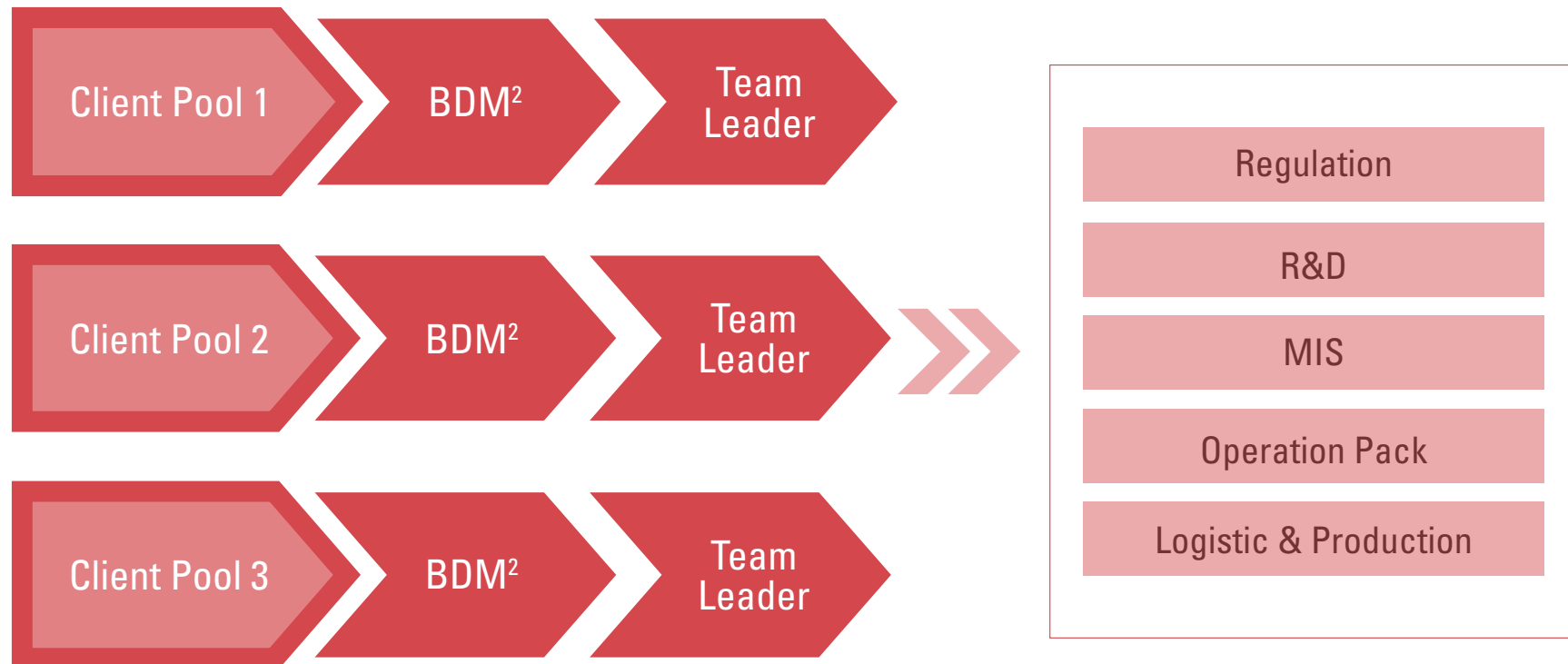


**5 FORMULATION
PATENTS**

LABOMAR R&D activities focus on developing **PATENTS AND TECHNOLOGIES**,
aiming to improve the **DELIVERY OF POORLY ABSORBABLE SUBSTANCES**

with unique salesforce for unparalleled client coverage¹

! For every Team Leader



1. Only referred to Labomar stand alone

2. "BDM" means "Business Development Manager"

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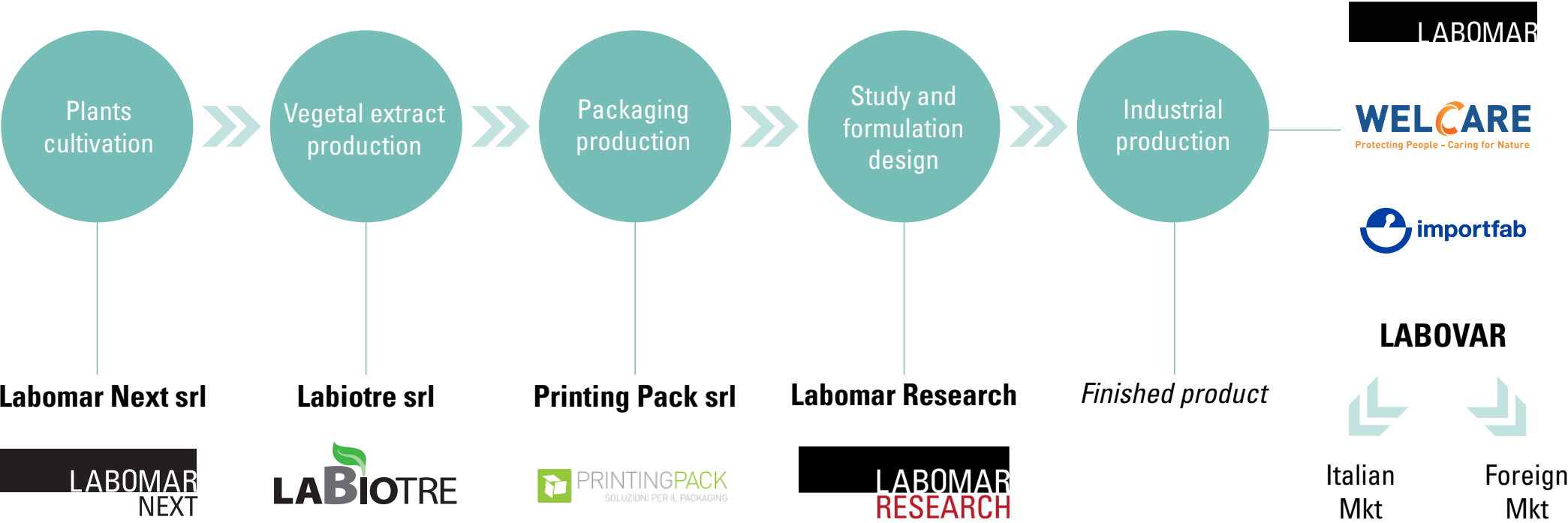
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Labomar, through the M&A Process carried out in the last years, is becoming a system integrator with a presence on the entire value chain

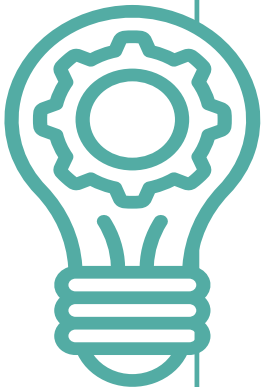
AUTONOMOUS FURTHER MARKET OPPORTUNITIES



R&D

LABOMAR
NEXT

LABIOTRE



*All pharmaceutical form
and all therapeutics areas*

Categories
Probiotics
Cough & Cold
Sleep & Stress disorders
Vitamins
Cardiovascular
Gastroenterology
Antioxidants
Energy
Minerals
FSMP
Immune System
Laxatives
Skin inflammation due to radio/chemio therapy
Wound treatment
Others

LIQUIDS	Syrup, Suspension, Emulsion, Nanoemulsion, Extemporaneus Solutions
TABLETS	Chewable, Swallowable, Microtablets 3mm, Sublingual, Film covered, Modified release, Multilayer, Gastro-resistant
POWDERS	Soluble, Orodispersible, Granulated, Gastro-resistant
CAPSULES	Hard capsules, animal and vegetal origin, softgel capsules
WET WIPES AND GLOVES	Premoistened, sterile gauze and glove
OTHER	Creams, Gels, Ointments, Lotions



Go to Market



LABOVAR

Big pharma company



Example of products



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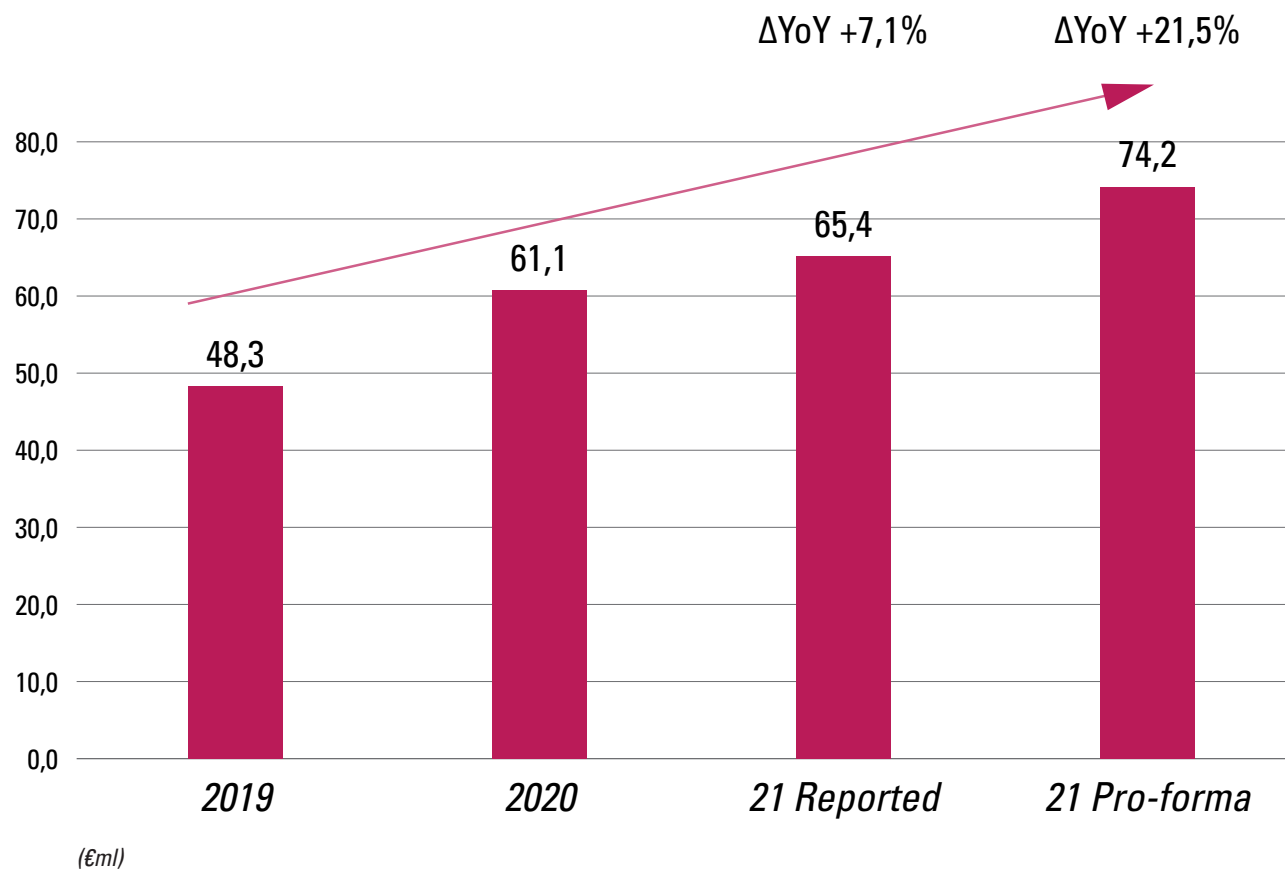
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How Labomar closed 2021 FY

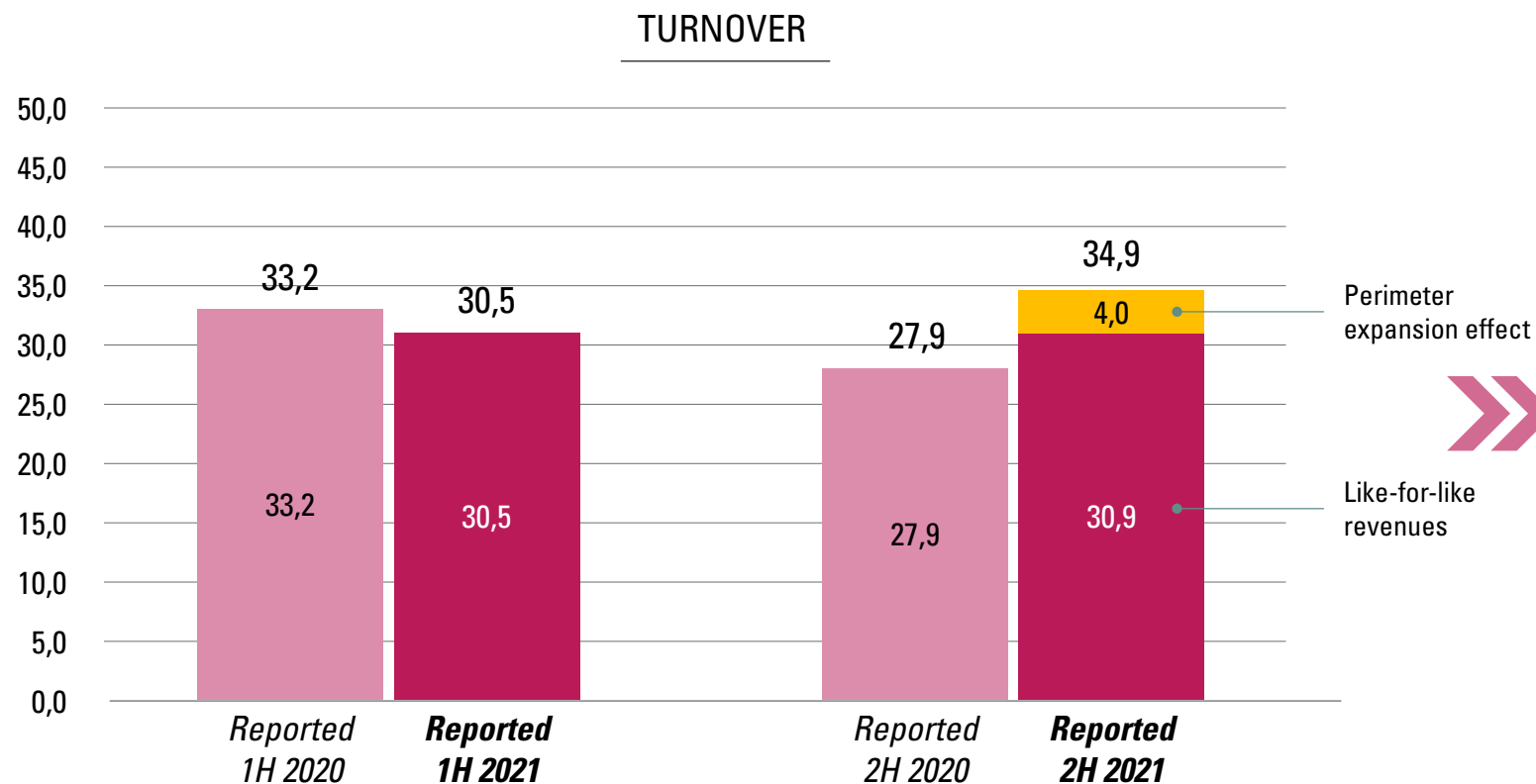


Revenues «Reported» growth
YoY: + 7,1%

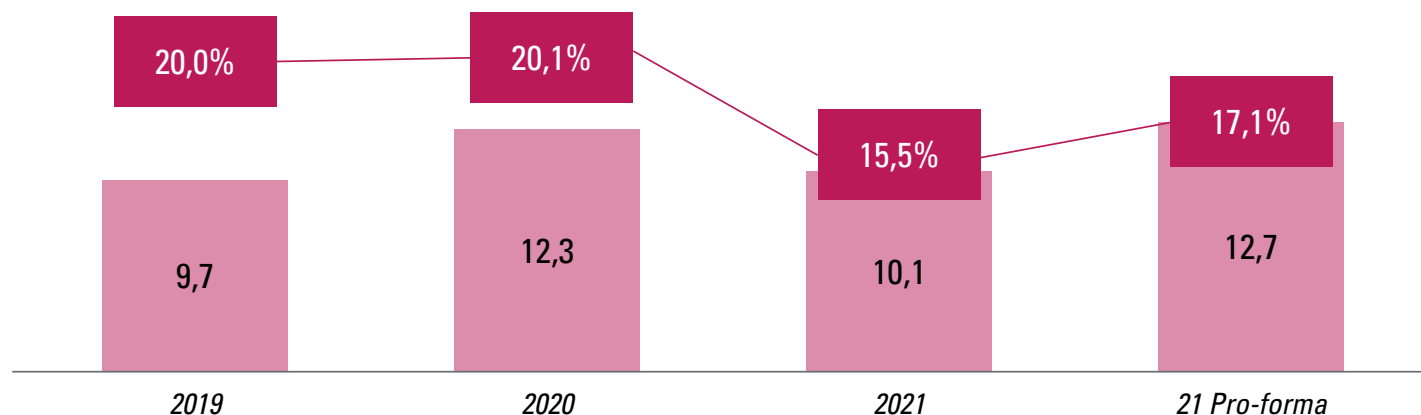
Revenues «Like-for-like»
growth YoY: + 0,6%

New companies
contribution: € 3,9 ml

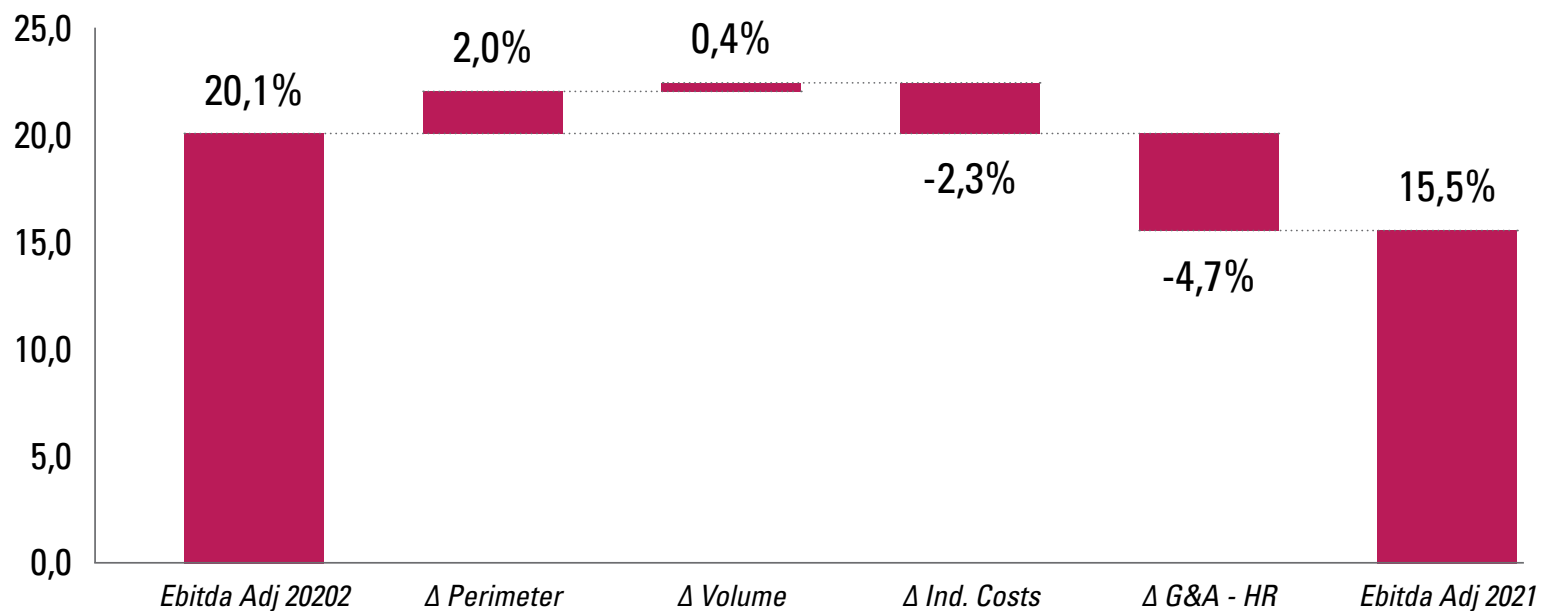
Full year Revenues of the new
«perimeter»: € 74.2 ml



On a like-for-like basis, turnover in the 2H 2021 recorded a positive growth compared to 1H2021 (+10%)



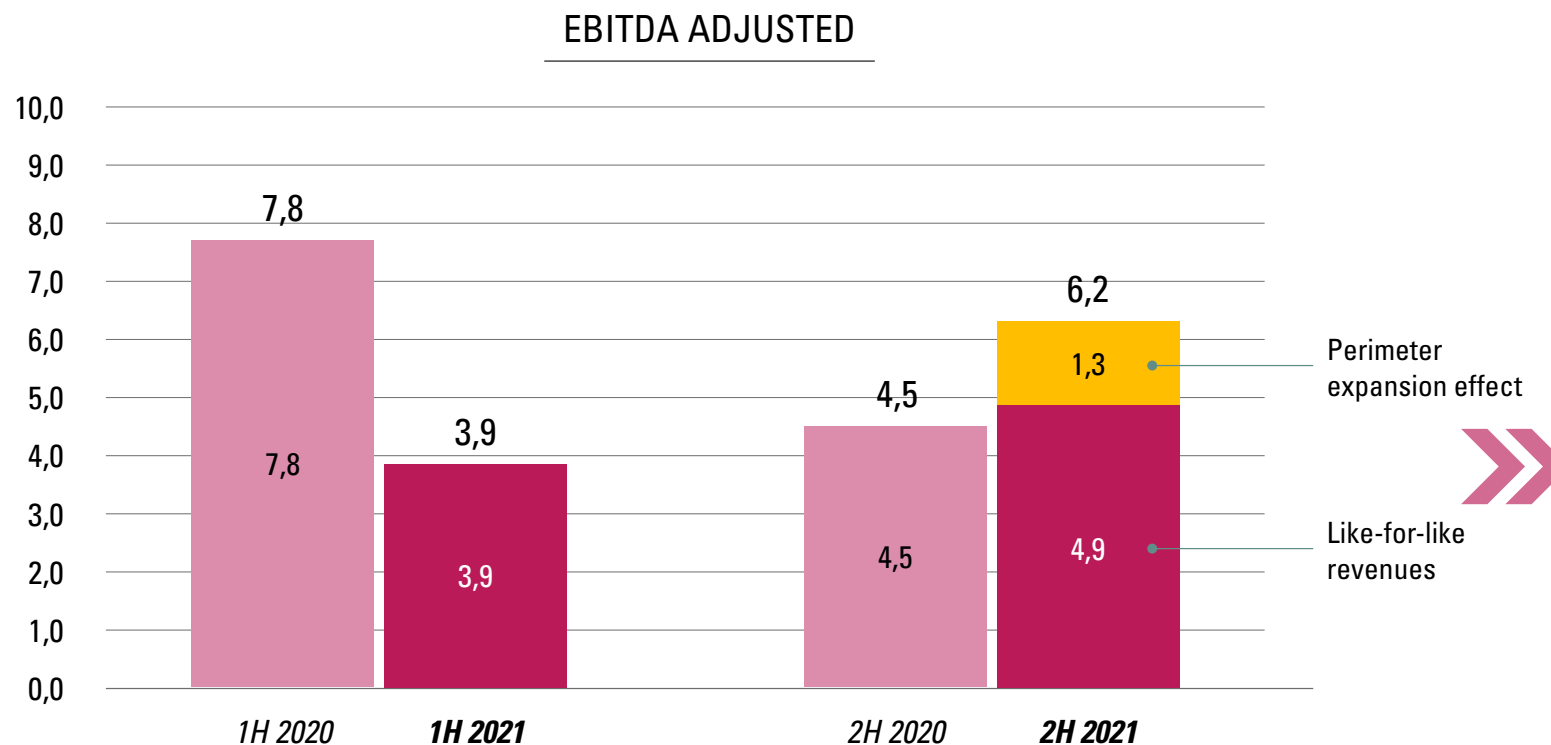
(€ml and % Total Revenues)



New companies contribution:
€ +1,3 ml (reported basis)

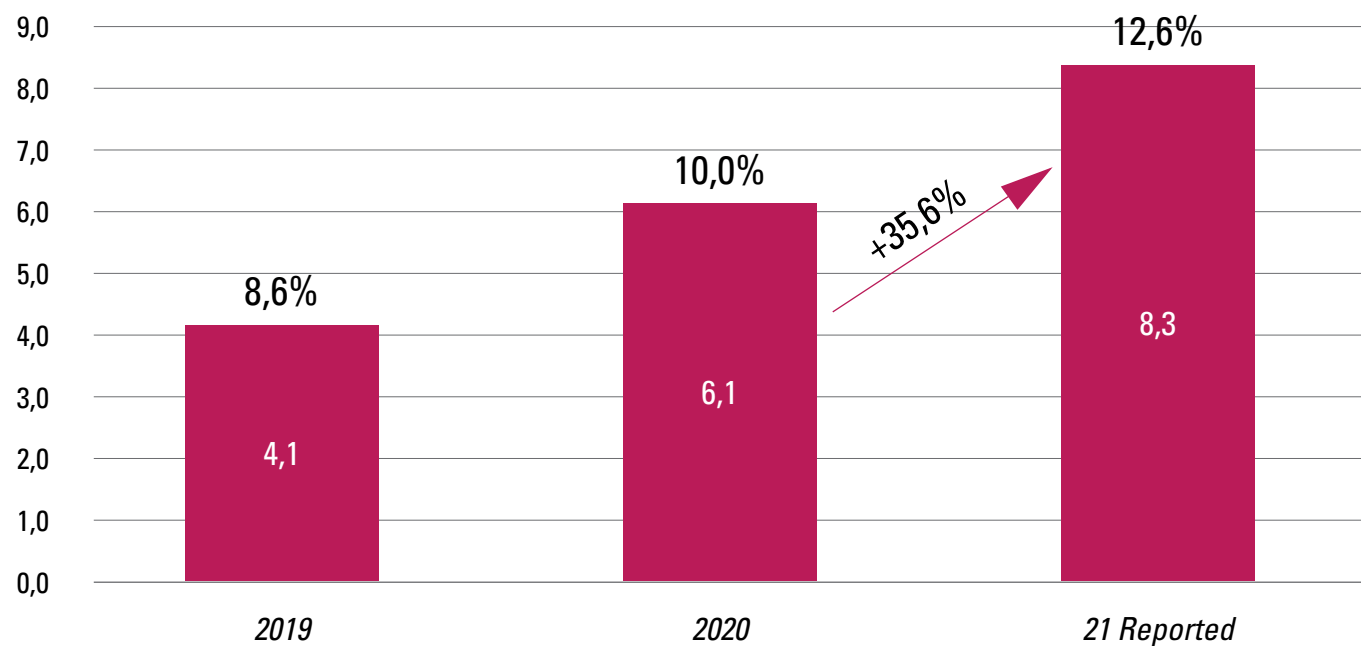
% Difference on 2020%:

- Different product mix and lower 1 Margin
- Lower R&D chargeback
- Reinforcement on Top Management and Structure



(€ml and % Total Revenues)

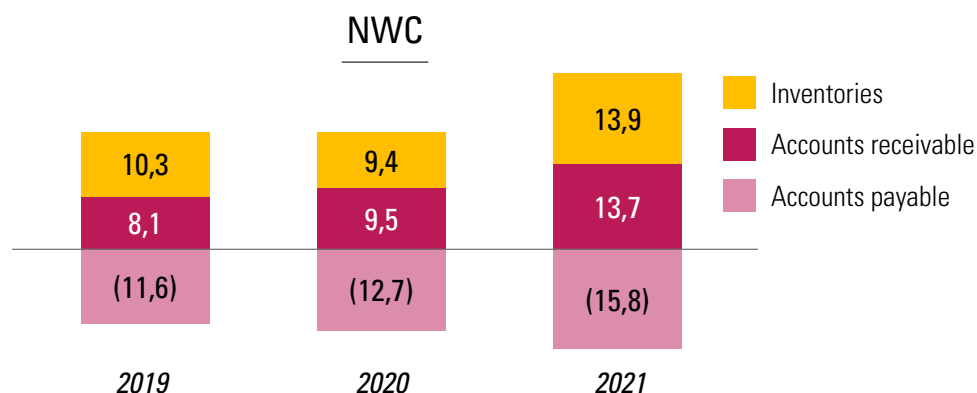
On a like-for-like basis,
 1) EBTDA Adj in the 2H 2021 recorded a significant growth compared to 1H2021 (+23,2%);
 2) The perimeter expansion add 1,3ml.€ of EBITDA;
 3) compared to 2020, while in 1H EBITDA is significantly reduced (from 7,8 to 3,9 ml.€), in 2H the growth is almost 9 points (2H 2021/2020)

GROUP NET INCOME

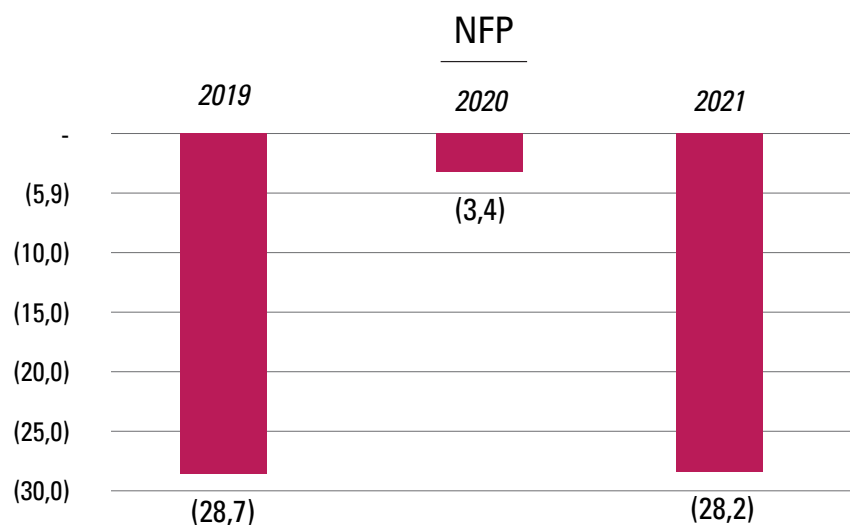
(€ml and % Total Revenues)

Non recurring operations:

- «Write-off» of Canadian goodwill: - 1,7 € ml
- Adj to «fair value» of Labiotre participation: + 5,5 € ml



	2019	2020	2021
Inventories	8,1	9,5	13,7
Accounts receivable	10,3	9,4	13,9
Accounts payable	(11,6)	(12,7)	(15,8)
Total	6,9	6,3	11,8


Inventories increase:

- Prevent shortage of Raw Material
- New companies: € + 2,3 ml

Trade Account receivable increase:

- Different timing on invoicing
- New companies : € + 2,0 ml

Trade Account payable increase:

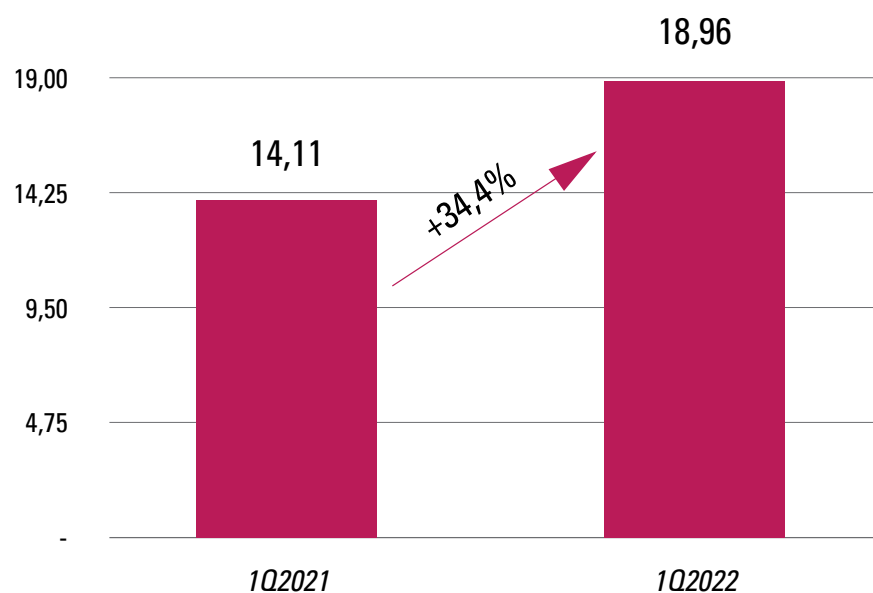
- Effect of the higher stock inventory
- New companies : € - 1,8 ml

NFP increase:

- € - 19,0 ml for new acquisitions (70%Welcare; 68,8%Labiotech)
- € - 7,2 ml new liability for the option of Welcare residual shares (30%)
- € + 1,4 ml carried in by new companies

How Labomar started 2022

Focus on 1Q Revenues

**Note:**

1. Reported:

3M 2022 (Labomar spa + Importfab + Welcare + Labiotre)

3M 2021 (Labomar spa + Importfab)

2. L4L :

3M 2022 (Labomar spa + ImportFab)

3M 2021 (Labomar spa + ImportFab)

Revenues «Reported»¹ growth YoY: + 34,4%Revenues «Like-for-like»² growth YoY: + 10,5%
(15,6 ML.€ against 14,1 ML.€ of 1Q2021)

New companies contribution: € 3,4 ml



THIS IS IN LINE WITH 2022 GUIDANCE

NET SALES **14,2 ml.€** >> **+10,9% vs LY**

Especially thanks to:

- a “**probiotics and cough&cold**” product category sales recovery (which were particularly impacted in 2021), in addition to
- revenue growth for the **main international key accounts**,
- with a **good capacity of Labomar to face difficulties in the procurement of some raw materials**.

Starting point 2021

74,2 ml. € of group pro-forma revenues, with a
double digit growth YoY **+21,5%**

What about 2022?

There are some problems related to the particular economic, sanitary and political context we are going through.

—
Difficulties in the procurement of some raw materials
(lengthening of times and increase in costs);

—
Some operational problems still related to Covid-19
(i.e. absence of workers due to positivity, fewer visits than usual by Medical Representatives to Prescribers and Pharmacists, ...);

—
Russia-Ukraine War impact

HOW LABOMAR FACES THESE SITUATIONS?

—
Reinforcing its procurement organization & searching continuously new back up suppliers

—
Managing to incentive a lower absenteeism rate & organizing a 'long bleachers' of temporary workers

—
Avoiding any Russian or Ukrainian addition, either in Customers or in Suppliers

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LABOMAR NEXT

a BLUE OCEAN Project
for a more responsible
and sustainable production,
in accordance with

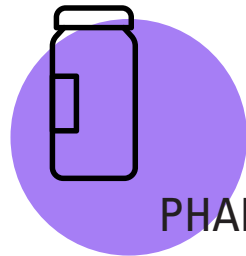


The Company studies solutions derived from specific plants rich in active ingredients that could support and give ideas to R&D Dept.

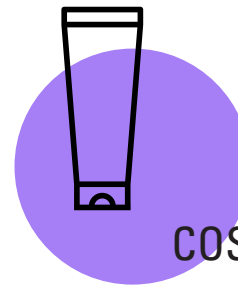
raw materials, ingredients



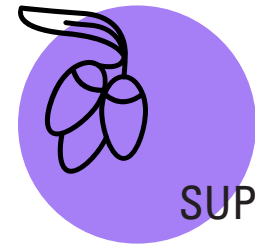
NUTRACEUTICALS



PHARMACEUTICALS



COSMETICS



SUPER FOOD

3 ONGOING R&D PROJECTS:



Next generation
nutraceutical ingredients



Medical Cannabis



Micro greens



a strategic integration upstream
of the supply chain

Labiotre aim is the manufacturing of
botanical extracts with a full control
on the value chain, in order to guarantee
the highest qualitative standards.





FOCUS ON SOFT-GELS

A brand new plant, built with the highest quality standards, that offers flexibility of the batch sizes, owing to the different production lines, thanks to the deep expertise of the technicians involved in the manufacturing process.



WELCARE
Protecting People - Caring for Nature

a boost for internationalization
and complementary business

It develops safe, effective and innovative
solutions to prevent and solve skin
infections and lesions related to hygiene
and pathologies.



10%
of yearly turnover is
invested in R&D and
production capacity

present in more than

20
markets across **5**
continents

A CLEAR CROSS SELLING SYNERGY WITH A BRANDED COMPANY

—
Product development, regulatory assistance, manufacturing for

—
More than 20 foreign markets (i.e. well based in Middle East)

—
Market channels: hospitals, hospices, house assistance,
pharmacy



an Highway for North American presence

It manufactures semi-solid and liquid products and it is, essentially, a benchmark for modern, efficient production, assured through the use of highly performing equipment.

PHARMACEUTICAL
FORMULATIONS

NUTRACEUTICAL dietary
supplement manufacturing

COSMETIC and
cosmeceutical products



Labomar Synergies with ImportFab:

Labomar R&D dept offers a lot of production solution to Importfab, to be realized and distributed in Canada and North America through its current customers and prospects

Opportunities for Labomar to serve its typical customers that distribute in Canada and North America, thanks to Importfab manufacturing capabilities and its certifications.



Health
Canada



A diagram illustrating the formation of Labovar. It features a black rectangle with the word 'LABOMAR' in white, followed by a blue plus sign, the 'Sesa' logo in blue with 's.p.a' in small grey text, a blue equals sign, and the word 'LABOVAR' in black.

$$\text{LABOMAR} + \text{Sesa}_{\text{s.p.a}} = \text{LABOVAR}$$

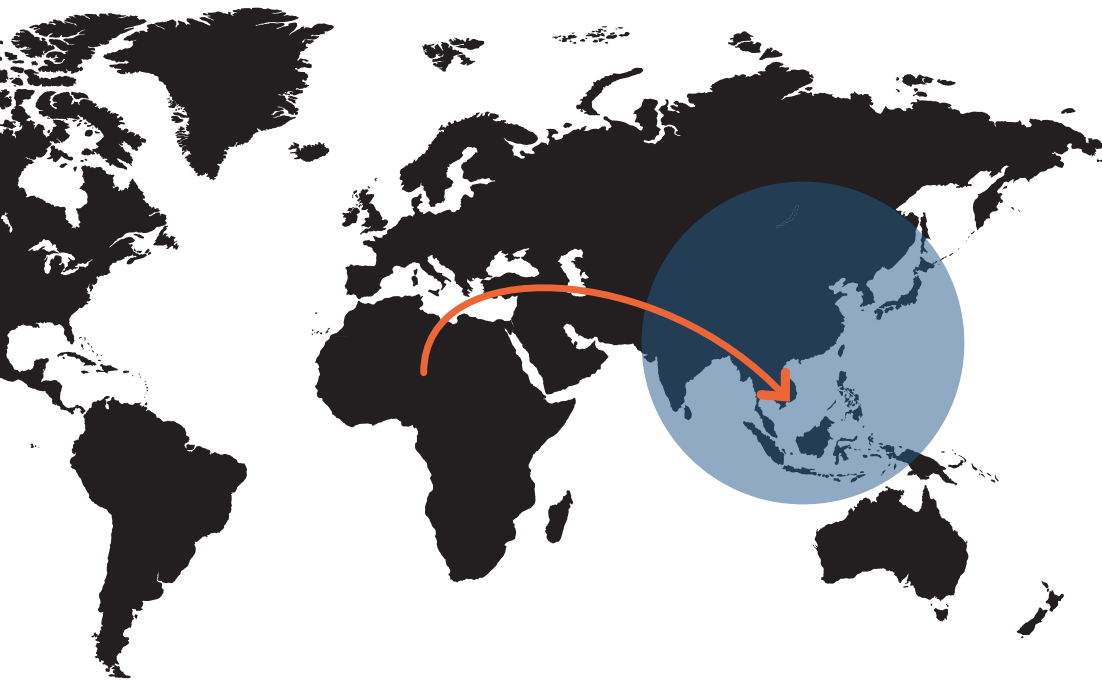
WHO

Labomar in partnership with Sesa (EuroNext Star Public Company, 2,2 bn.€ of revenues), reference player in Italy in technological innovation and digital services for the business segment, through its controlled Company **Adiacent**, specialised in digital e-commerce platforms and digital marketing for international enterprises on the Far East Market.

WHAT

New.Co. (51% Labomar) focused on the development of **Chinese Nutraceutical Market**.

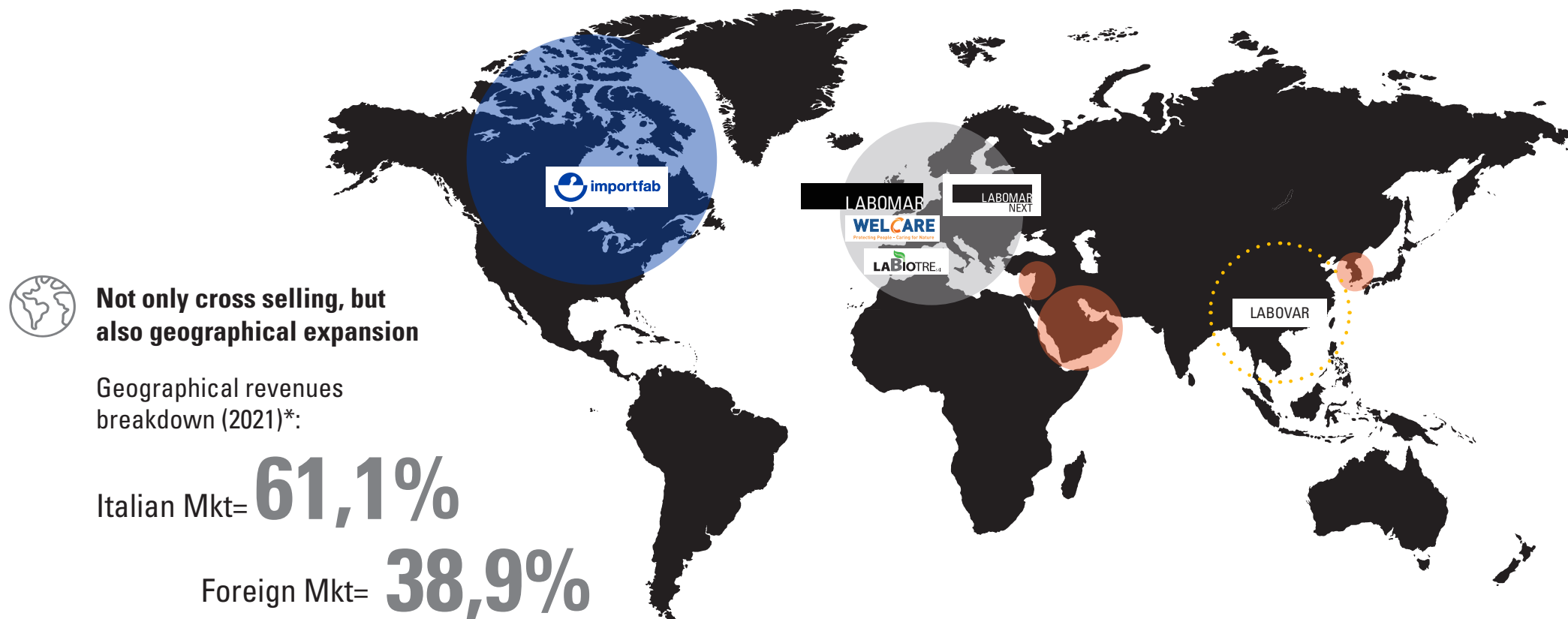
First revenues from 2H 2022



A great opportunity to operate in one of the largest marketplaces in the world (China),

Bringing top-quality and branded products in a business model focused, firstly, on digital sales platforms (T MALL)

And opening physical distribution channels, as a next step.



Thank you for your attention!

LABOMAR



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