

Press Release

New “L6” logistics hub project begins

Chief Executive Officer Bertin: *“When the hub is fully operational, we expect noticeable benefits in terms both of efficiency and reduced operating costs.”*

Istrana (TV), July 29, 2022 - Labomar S.p.A. (Ticker: LBM), an Italian-based international nutraceutical company listed on the Euronext Growth Milan market, announces that an agreement was today signed for an unsecured loan supported by SACE GREEN guarantees for a Euro 6 million capital line with a 12-month duration. The loan comes in addition to another unsecured line supported by EIB funding for a further Euro 6 million over 7 years. Both loans were signed with Banca Intesa Sanpaolo S.p.A. The contracts also provide financial covenants that are in line with market standards. To hedge the risk of fluctuations in the rates applied to the loans, the Company has also signed specific interest rate swap contracts.

The total amount of Euro 12 million guarantees Labomar the necessary financial coverage to proceed with construction of the first portion of its new Plant, known as L6, which will generate total costs estimated at around Euro 13.5 million (excluding VAT). The difference between the cost of the investment and the value of the loans will be covered by the Company's own resources.

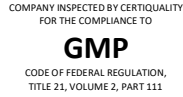
The work, which is expected to conclude in the next two years, consists of a building designed to optimise inbound logistics flows and the provision of materials for the production process, guaranteeing GMP (Good Manufacturing Practice) compliance. It will also enable fully autonomous management of procurement of both raw materials and finished product stock, eliminating transfers between Labomar sites and third-party logistics hubs, reducing both CO₂ emissions and operating costs.

The company has begun the administrative process to create the L6 logistics hub, which is expected to conclude by the end of the year with the award of the necessary building permits.

“This is a significant investment in a project that was conceived before our stock market listing, and now is the strategic time to act on it,” notes Walter Bertin. *“The company's growth expectations and our desire to improve the services we offer to our customers require increasingly structured solutions, particularly in logistics management, which is now entirely outsourced. When the hub is fully operational, we expect noticeable benefits in terms both of efficiency and reduced operating costs.”*

Labomar Profile

Founded by Walter Bertin in Istrana (province of Treviso) in 1998, Labomar is specialised in the development and production of food supplements, medical devices, foods for special medical purposes and cosmetics for third parties.



Over more than 20 years, Labomar has built a business model which sets it apart from its competitors and generates value for all stakeholders, providing a comprehensive service and a high quality and productivity standard. The company boasts a well structured and cutting-edge research and development department with a particular focus on innovation, a commercial team which reacts quickly to market demands and a high level of product differentiation thanks to its proprietary patents and formulas.

Labomar reported in 2021 consolidated revenues of approx. Euro 65.4 million, up 7.1% on 2020.

Labomar in 2021 acquired 70% of the Welcare Group. The Group comprises Welcare Industries Spa and Welcare Research S.r.l., producers of medical devices for skincare, with its registered office in Orvieto. LaboVar S.r.l. was also established - 51% owned by Labomar - for the sale of nutraceutical products on an e-commerce platform on the Chinese market. Labomar then acquired full control of Labiotre S.r.l., a Tuscan enterprise specialising in the production of plant extracts, fully integrating the supply chain concept advocated by the company.

Labomar sincerely believes in operating as a business centred on sustainability and the well-being of the individual, the environment and the community. It has therefore amended its By-Laws to become a Benefit company. This new legal status, introduced in Italy in 2016, formalises the decision to develop a responsible, sustainable and transparent development model, which marries operating-earnings objectives with social and environmental aspects.

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