

LABOMAR

Labomar Presentation Full Year 2020 Results

APRIL 21, 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**

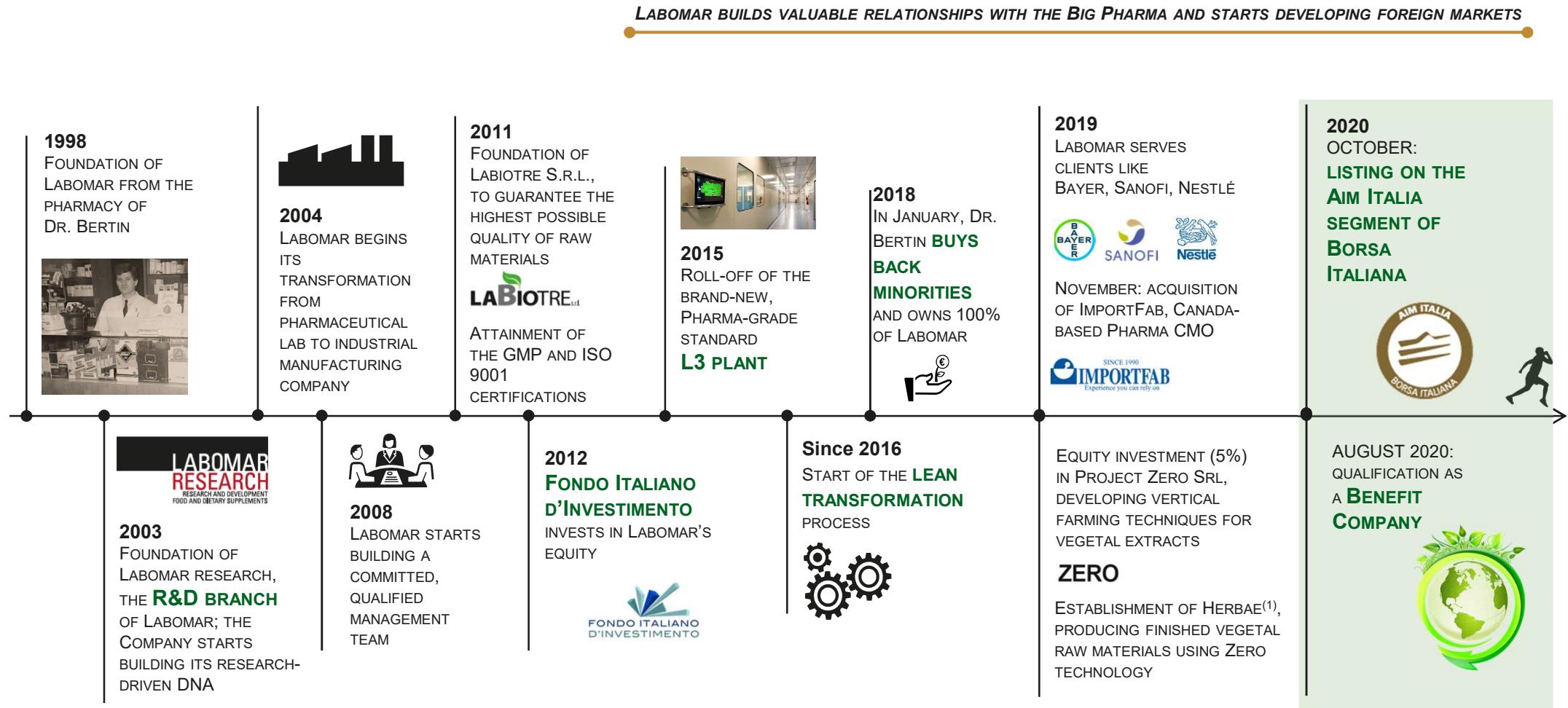
**LEVERAGING INTERNALLY-DEVELOPED PATENTS AND
A FULL RANGE OF PHARMACEUTICAL FORMS**

**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 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**

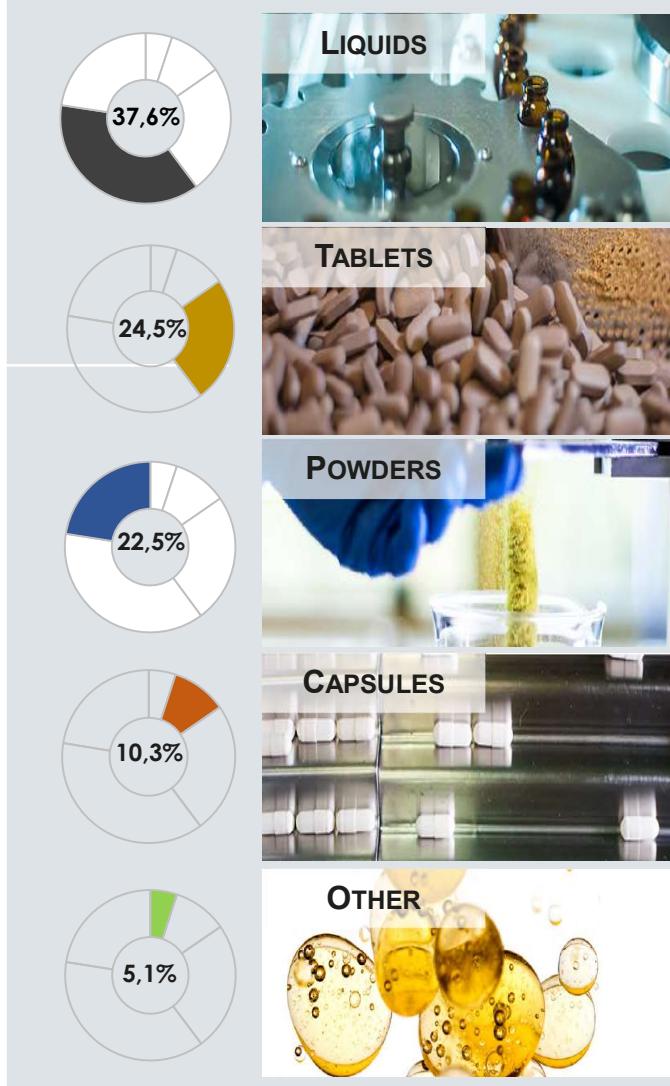
SKUs DELIVERED TO
c. 200 CUSTOMERS

 **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

 **ALFASIGMA**

 **BAYER**

 **poa**
Pharma Scandinavia

 **noventure**

 **SANOFI**

 **Nestlé**

 **PIAM**

 **ANGELINI**

 **Dompé**

 **Menarini**

 **Doppelherz**

 **UNIFARCO**

 **Dicofarm**
Il meglio della ricerca, il buono della natura.

 **CRISTALFARMA**

EXAMPLE OF PRODUCTS



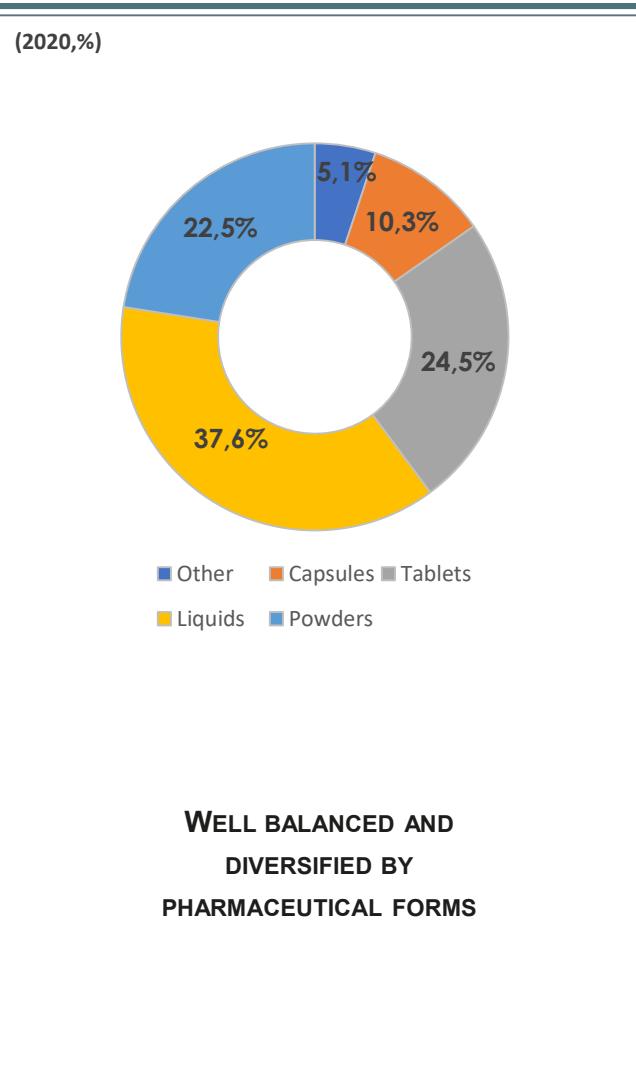
1. Only referred to Labomar stand-alone 2020 (revenues breakdown by pharmaceutical forms are referred only to finished products)
2. Compared to the 2019 figure (34%), the 2020 incidence is lower since many of the products with underlying patents are Medical Devices in the respiratory system / pharyngeal 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

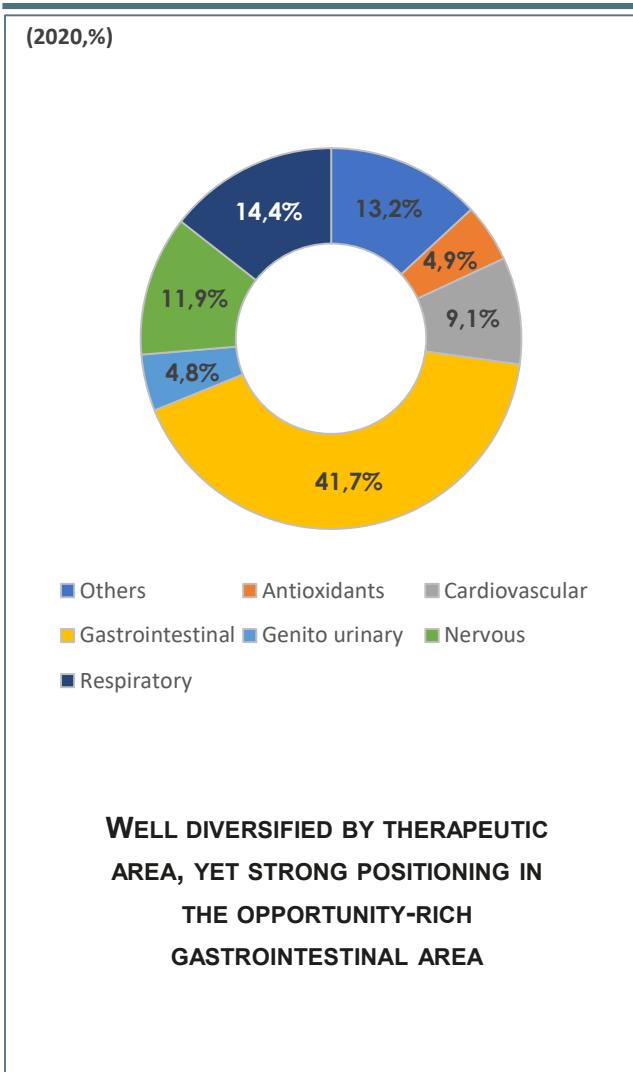
Widely Diversified Resulting in a Low-Risk Business Model

REVENUES BREAKDOWN 2020 (LABOMAR ONLY)¹

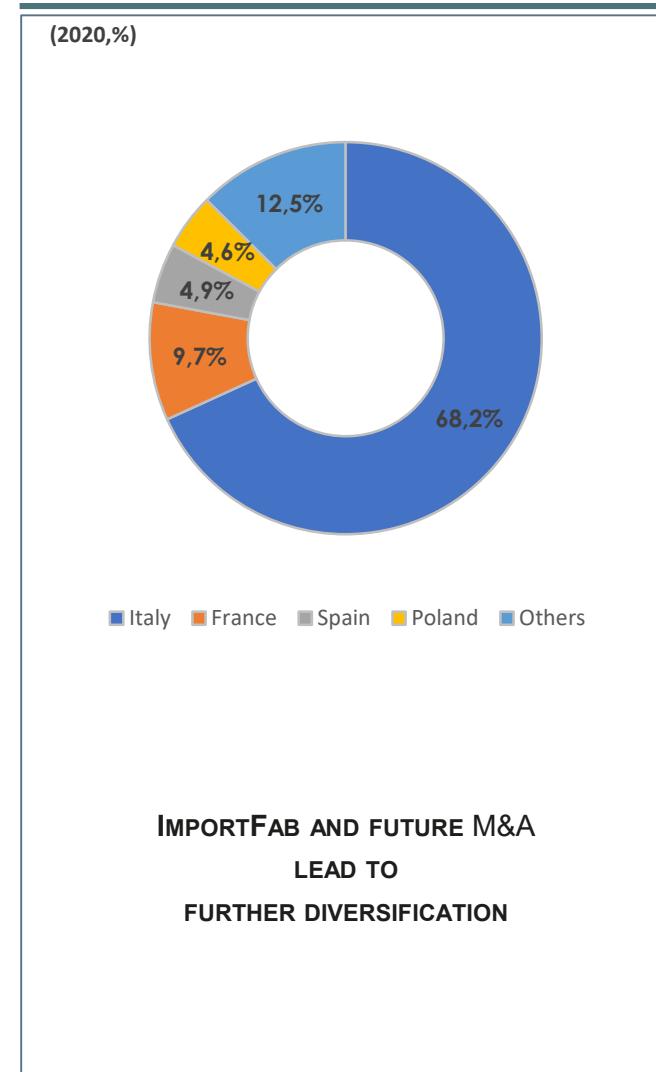
BY PHARMACEUTICAL FORM



BY THERAPEUTIC AREA



BY GEOGRAPHY



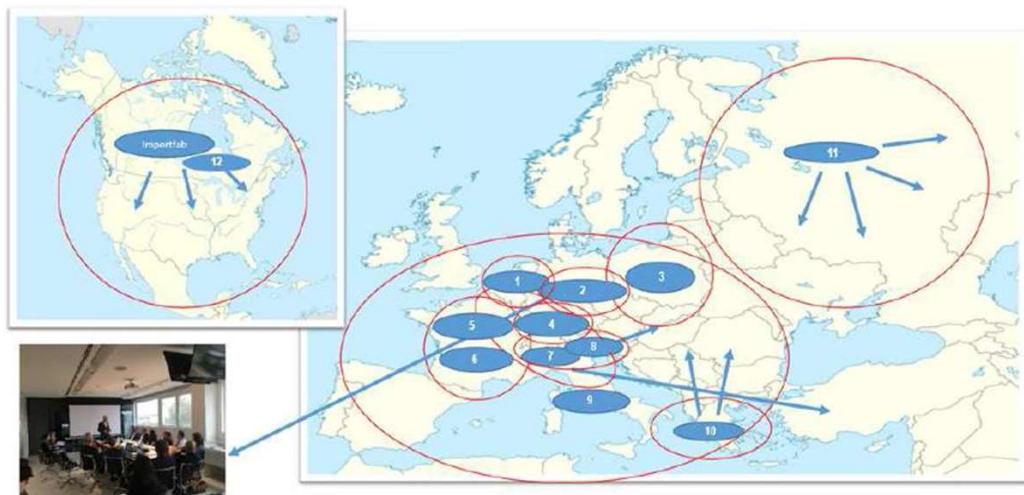
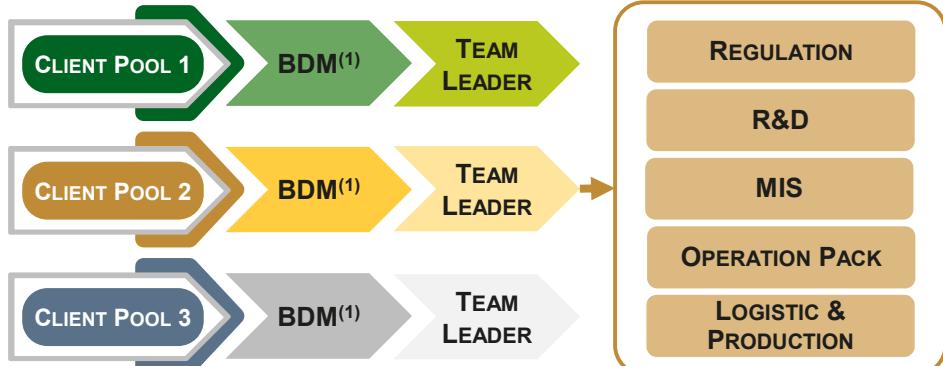
Unique Salesforce for Unparalleled Client Coverage

SHARE OF
WALLET
WITH KEY
CLIENTS

REDUCING TIME-TO-MARKET WITH “READY-TO-MARKET”

SUPERIOR UNDERSTANDING OF BIG PHARMA NEEDS

ENABLING PROACTIVE MARKETING VS PASSIVE RELATIONSHIPS



ONE-IN-A-KIND COMMERCIAL STRUCTURE IN THE CDMO LANDSCAPE

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.

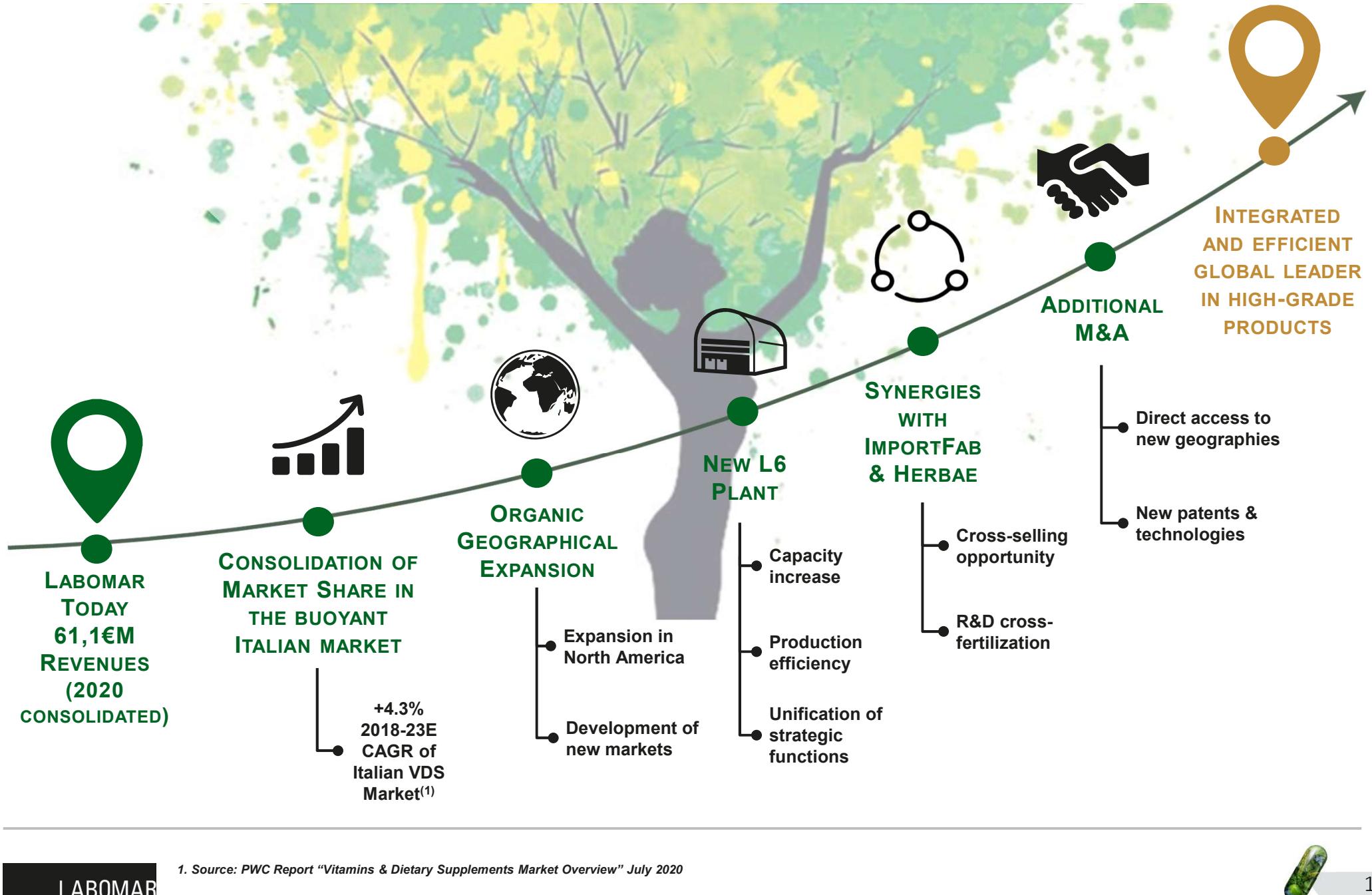
Source: Management



Distilling the Equity Story

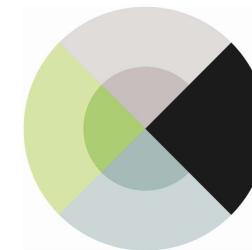


Labomar Strategy Pillars



2021 Labomar Goal

LABOMAR APPROACH TO
SUSTAINABILITY



BE CIRCULAR
The Sustainability in Labomar

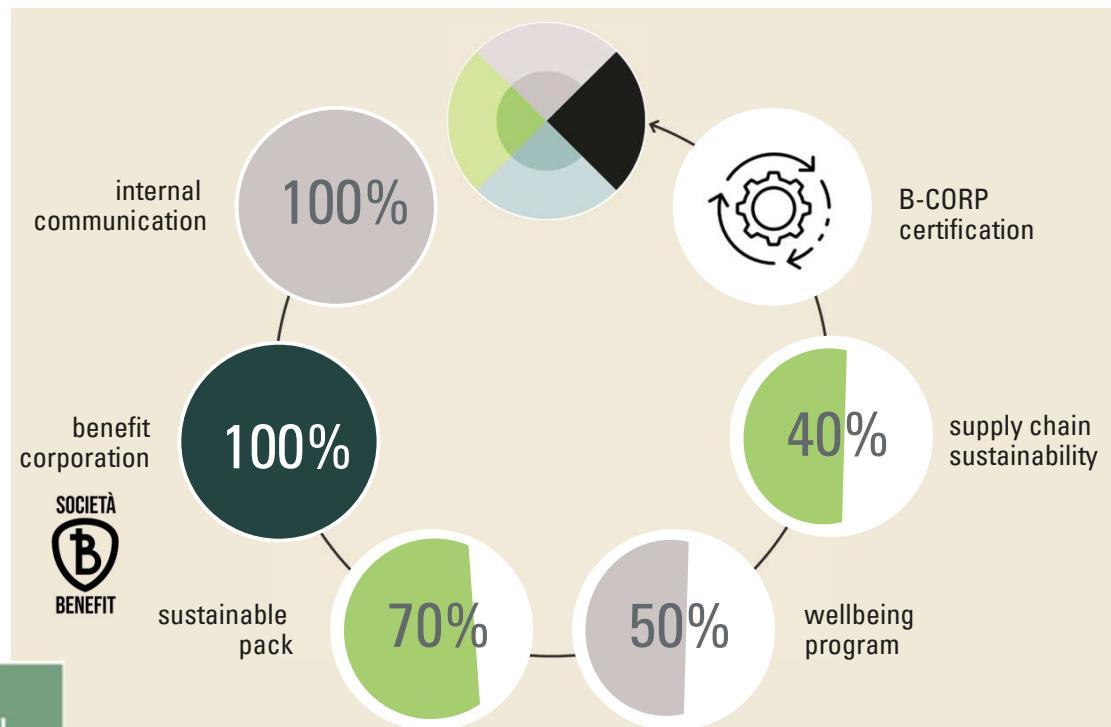
LABOMAR GOAL FOR 2021
ACHIEVE B-CORP CERTIFICATION



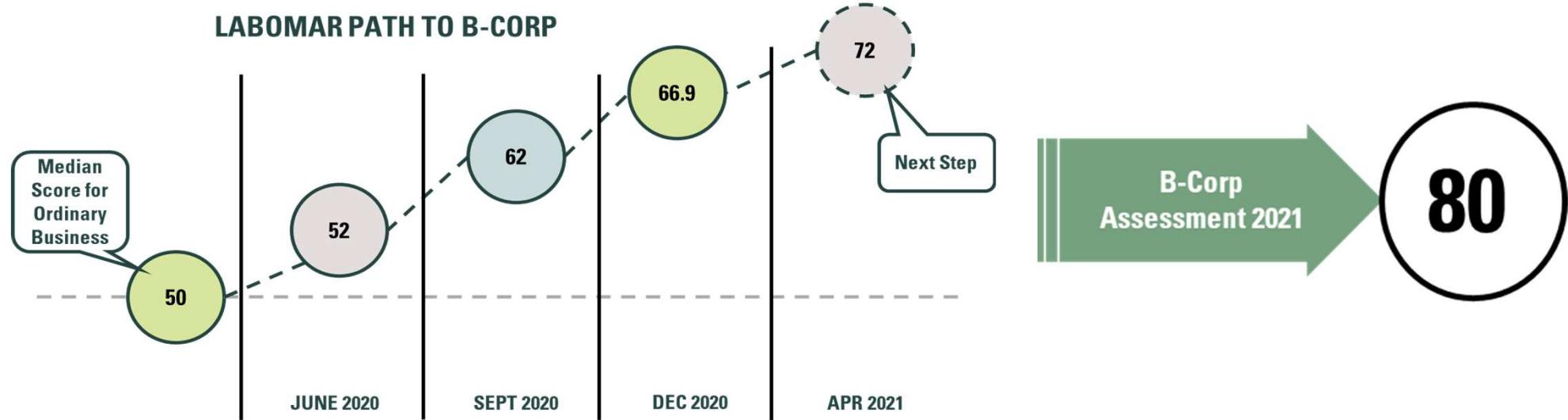
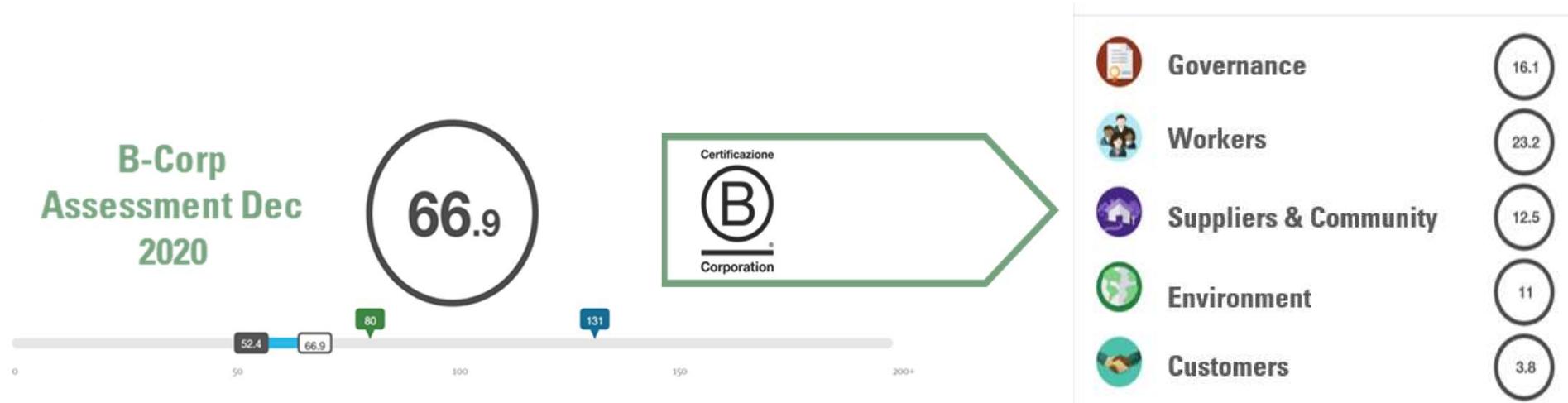
Labomar strategic sustainability program



BE CIRCULAR
The Sustainability in Labomar



B-Corp certification: current assessment



Labomar 1st Impact Report





MAIN FEATURES AND FINANCIAL OVERVIEW

Overview 2020 – beginning 2021: Main Features

2020



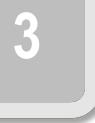
JULY:
**SUBMISSION FOR
APPLICATION OF
PATENT BOX**



AUGUST:
**APPROVAL BY THE
SHAREHOLDERS'
MEETING OF THE
PROJECT FOR THE
ADMISSION TO
TRADING OF THE
SHARES ON AIM
ITALIA**



AUGUST:
**ADOPTION OF
THE NEW
CORPORATE
BYLAWS**



AUGUST:
**QUALIFICATION AS
A BENEFIT
COMPANY**



OCTOBER:
**LISTING ON
THE AIM
ITALIA
SEGMENT OF
BORSA
ITALIANA**



OCTOBER:
**LISTING ON
THE AIM
ITALIA
SEGMENT OF
BORSA
ITALIANA**

2021

FEBRUARY:

**- AGREEMENT WITH THE
REVENUE AGENCY FOR
ACCESS TO THE TAX RELIEF
GRANTED BY THE PATENT
BOX;**



**- FIRST ANNUAL
IMPACT REPORT**



JANUARY:
**NEW IMPORTANT
COMMERCIAL
AGREEMENT
WITH BAYER**



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

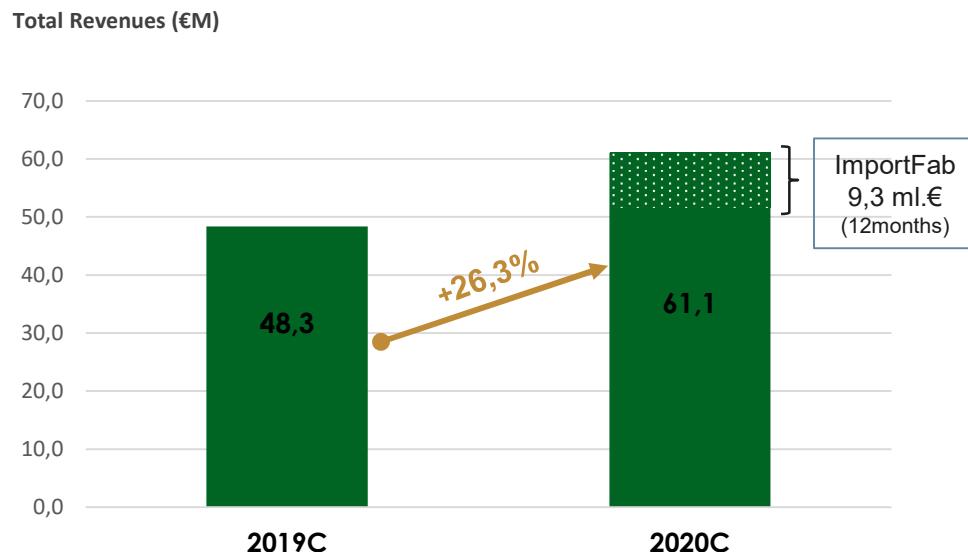
* = THE DIFFERENCE IN TERMS OF LOWER EFFECTIVE ADJUSTMENTS, APPLIED BY THE COMPANY TO THE EBITDA ADJ AND EBIT ADJ PARAMETERS, IS SUBSTANTIALLY RELATED TO THE PARTIAL ACCOUNTING OF LISTING COSTS, ACCORDING TO CURRENT ACCOUNTING STANDARDS, WHICH WERE DIRECTLY DEDUCTED FROM THE INCOME DERIVING FROM THE 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

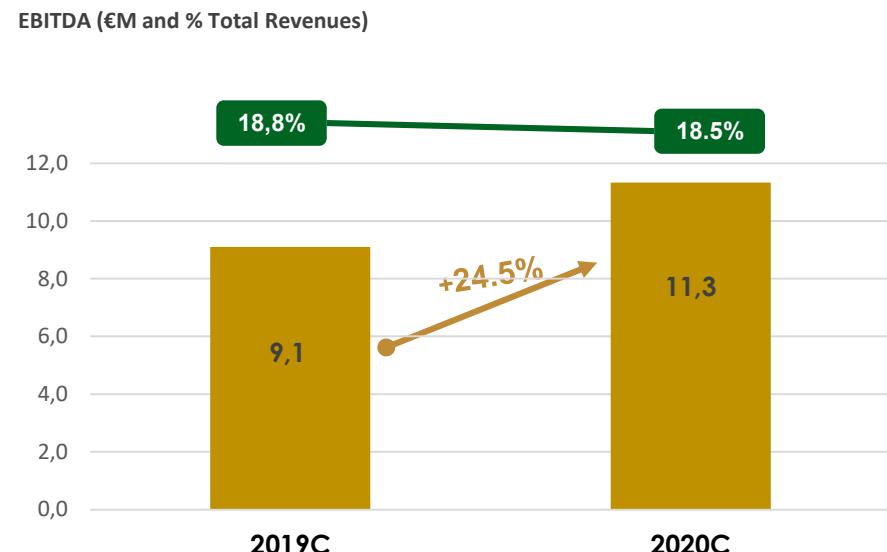


Strong Year Results

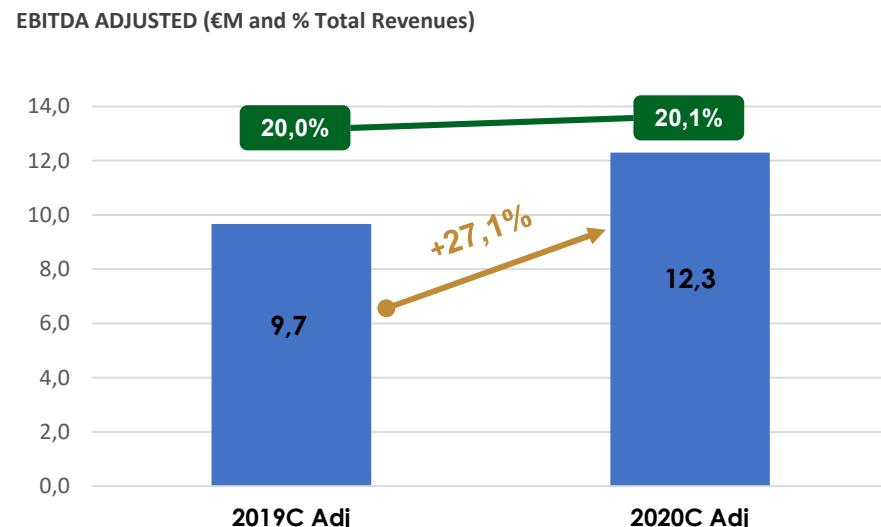
REVENUES ¹



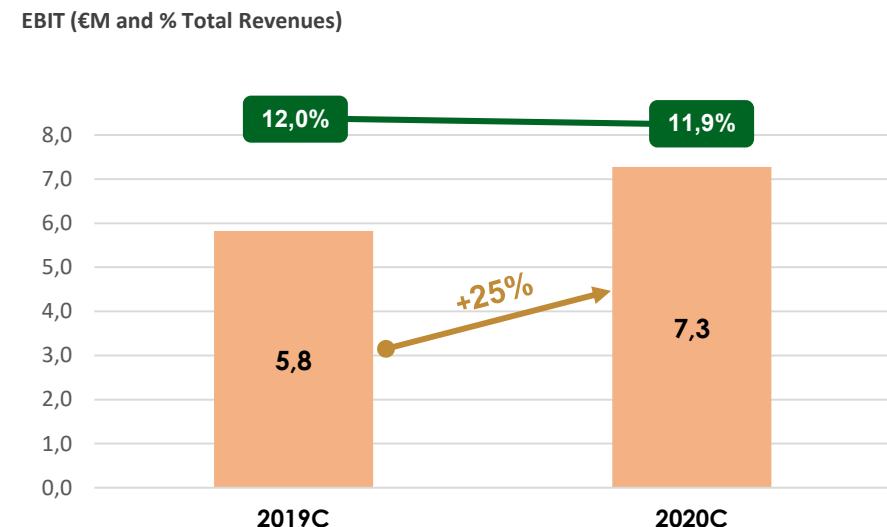
EBITDA



EBITDA ADJUSTED ²



EBIT



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.

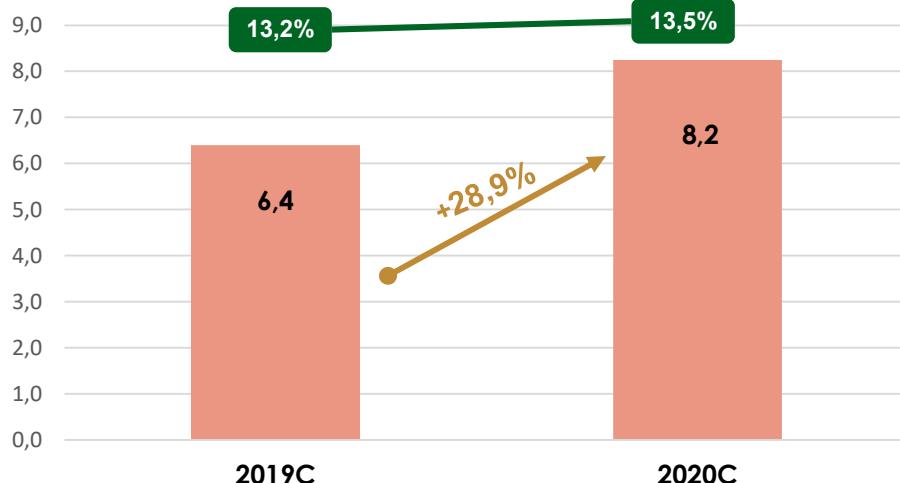
Source: Company Financial Statements 2020 Consolidated



Strong Year Results

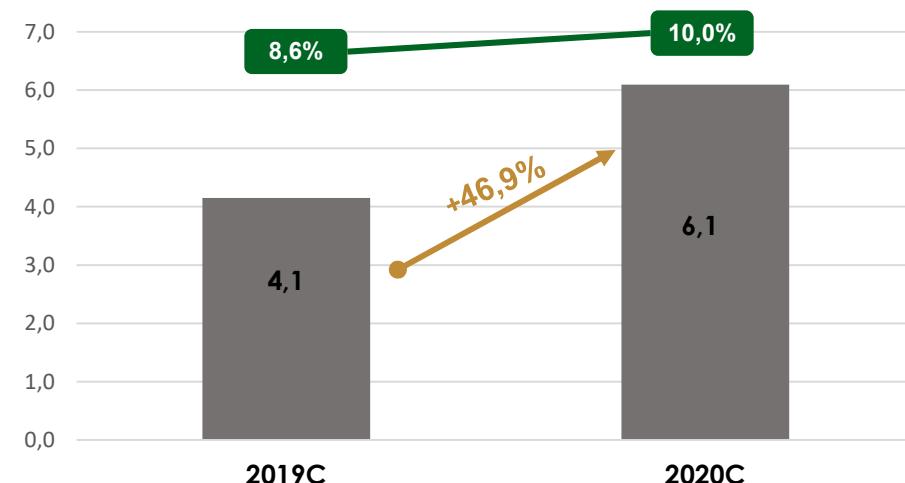
EBIT ADJUSTED ¹

EBIT ADJUSTED (€M and % Total Revenues)



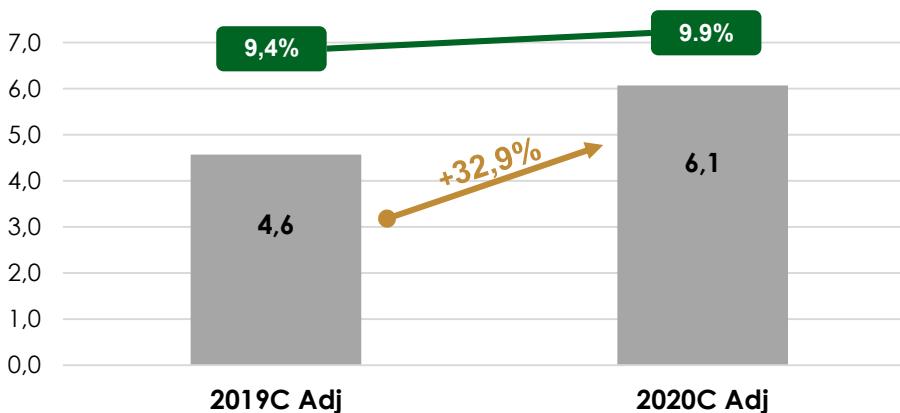
NET INCOME

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

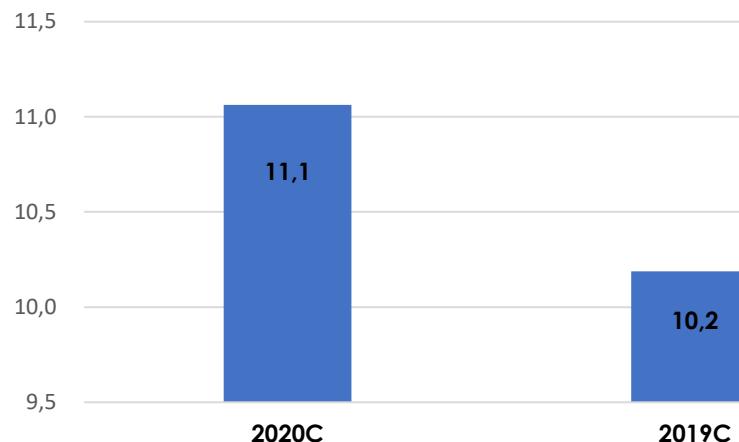
2: Net Income Adjusted 2019 and 2020 is the net income recalculated considering the tax effect of non-recurring costs and, only for 2020, the Patent Box Benefit for previous years.

Source: Company Financial Statements 2020 Consolidated



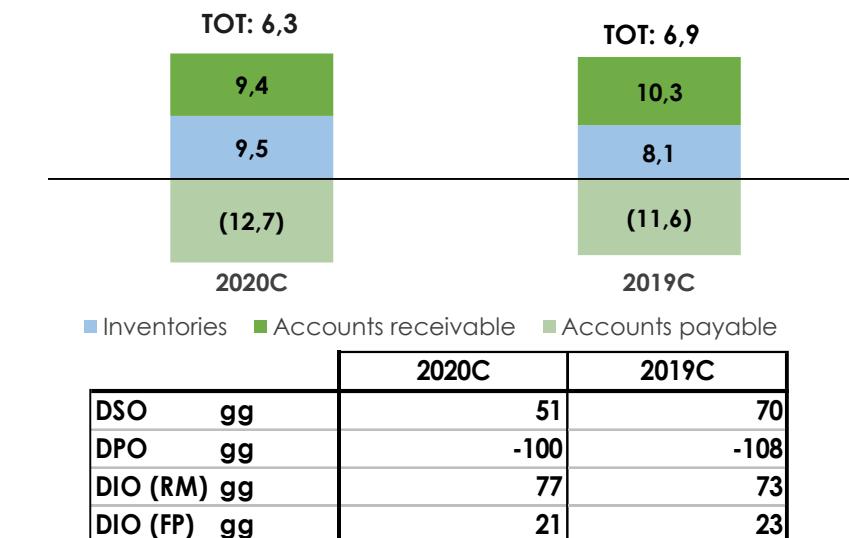
Efficient Business Model and Strong Cash Conversion

CASH CONVERSION FROM OPERATION E NWC

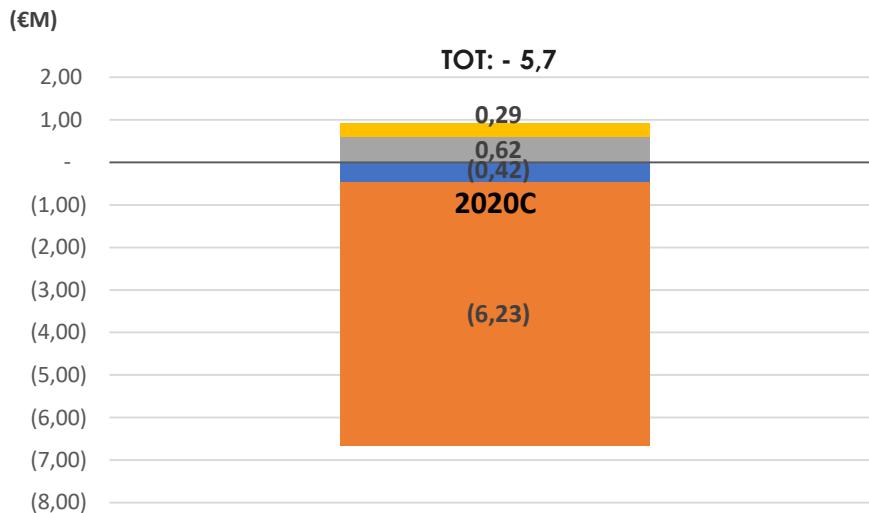


Cash conversion = EBTDA + cash from Trade Net Working Capital

TRADE NET WORKING CAPITAL

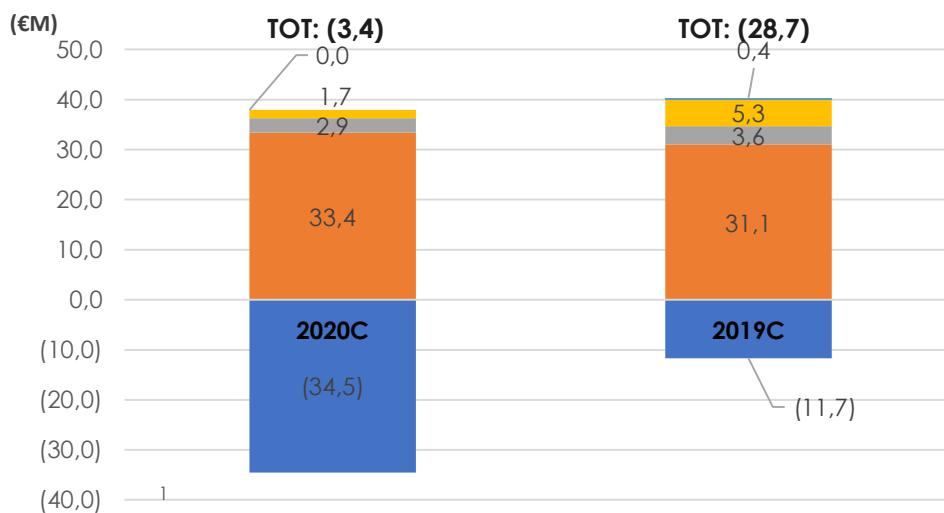


CASH FLOW ABSORPTION FOR CAPEX



■ Intangibles ■ Tangibles and RoU ■ Acquisition of a business ■ Financial

NET FINANCIAL POSITION

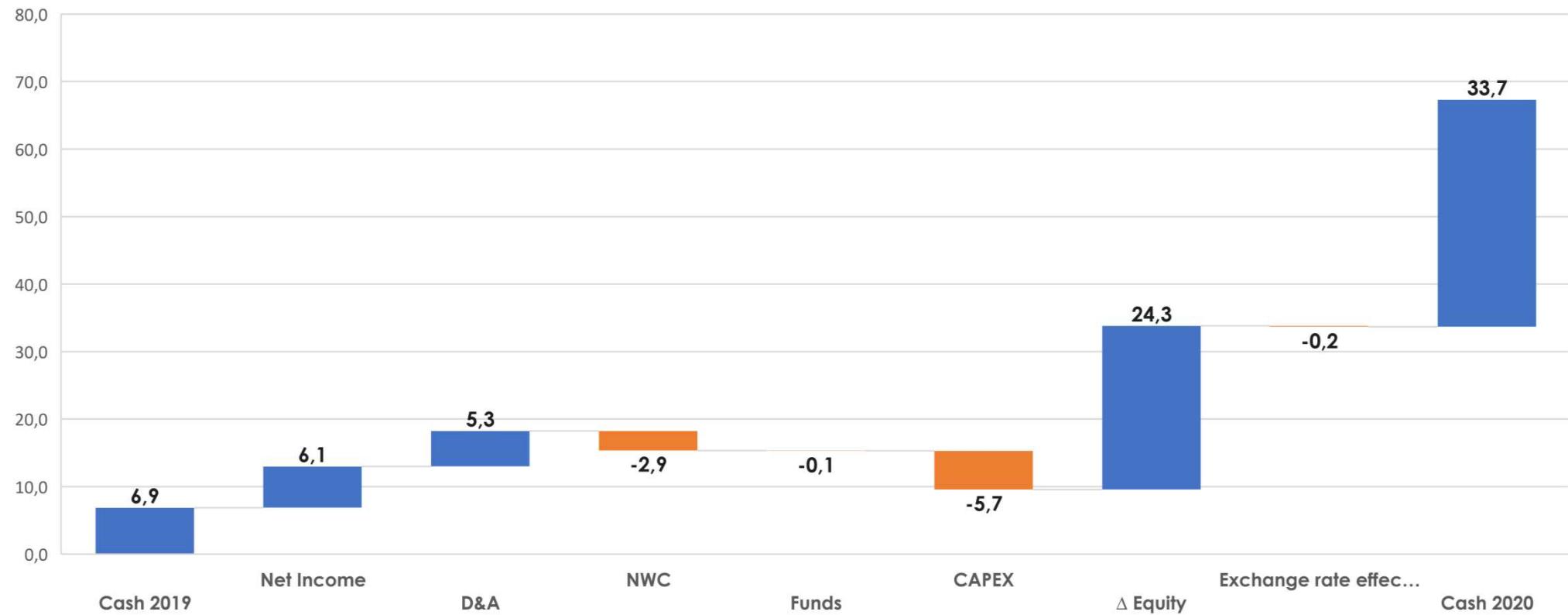


■ (Cash) ■ Bank Debt ■ Debts for right of use ■ Debts for acquisition ■ Debts for dividends



Cash Evolution

(FY 2019-2020 Consolidated, €M)



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