



Press Release

Labomar acquires 17.6% of Labiotre, with its stake increasing to 48.8%

Istrana (TV), September 16, 2021 - Labomar SpA (AIM Ticker: LBM), an Italian-based international nutraceutical enterprise, announces the acquisition of an additional 17.6% of Labiotre Srl, with its overall stake in the plant extract production specialist rising from 31.2% to 48.8%.

Specifically, Labomar acquired the 10% stake in Labiotre Srl of Difass International Spa and that of 7.6% of Previfarma Srl, exercising the option right already existing between the parties.

The transaction has a total value of Euro 1.2 million.

Labiotre was founded in 2011 and is based in Tuscany in Tavarnelle Val di Pesa, in the heart of Chianti, emerging as the product of the vast experience gained by a number of medicinal herb and food supplementation specialists. The company leverages innovative techniques to produce botanical extracts, titrated in active ingredients with documented physiological action. It undertakes exclusive clinical studies on specific extracts or fractions at the discretion and request of customers and works on the active principles of the extract also from the technological point of view and at the specific request of the customer using the most modern pharmaceutical techniques.

Labiotre reported revenues of Euro 6.1 million in 2020, EBITDA of Euro 1 million and a net profit of Euro 426 thousand (figures from the financial statements drawn up as per Italian GAAP).

Walter Bertin, founder and CEO of Labomar stated: "Top raw material quality is a key element for the manufacturing of excellent products - and even more particularly in the nutraceutical sector. Strengthening our position in Labiotre, with a view to controlling the supply chain and the upstream monitoring of the value chain, was a useful opportunity to further consolidate a relationship that has already given us great satisfaction and allows us to make successful, cutting-edge products. This transaction also once again highlights Labomar's dynamism, as it seeks to tap into all possible opportunities for growth and the improvement of its competitive position".

Labomar Profile

Founded by Walter Bertin in Istrana (province of Treviso) in 1998, Labomar is a CDMO (Contract Development and Manufacturing Organization) engaged in the development and production of food supplements, medical devices, foods for special medical purposes and cosmetics for third parties. Its research team creates, develops and manufactures high added-value and innovative content nutraceutical products. Many of the supplements produced by Labomar leverage proprietary technologies which boost the bioavailability of the active ingredients, modulate their gastrointestinal absorption and improve their taste. *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 high quality and productivity standard full service.* The company boasts a well structured and cutting-edge research and development department, 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 2020 preliminary consolidated revenues of approx. Euro 61.1 million (at like-for-like exchange rates approx. Euro 61.5 million), up 26.3% (27.2% at like-for-like exchange rates) on 2019. The 2020 figure includes - for the first time - the revenues and margins of the Canadian ImportFab for a full year, acquired in October 2019. Labomar SpA's revenues in 2020 were approx. Euro 51.8 million (+10.2% vs 2019).

In July 2021, Labomar acquired 63% of the Welcare Group. The Group comprises Welcare Industries S.p.A. and Welcare Research S.r.l., producers of medical devices for skincare, with its registered office in Orvieto.

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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