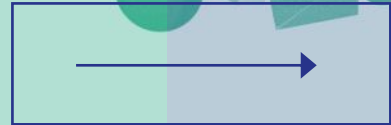




H1-2021

Results Presentation

16/09/21



Disclaimer

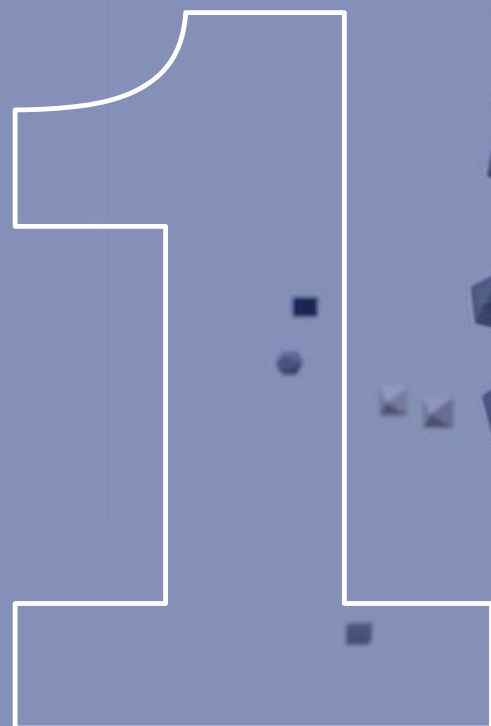
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Fine Foods

We create value



Consolidated Financial Highlights

	H1-2021	H1-2020	
REVENUES	€ 98.6 mln	€ 75.4 mln	+ 31%
EBITDA*	€ 13.1 mln	€ 8.9 mln	+ 47%
EBITDA MARGIN *	13.3%	11.9%	
EBIT*	€ 6.7 mln	€ 3.3 mln	+ 102%

	H1-2021	H1-2020	
REVENUES OF FINE FOODS STAND ALONE	€ 92.6 mln	€ 75.4 mln	+ 23%

figures reported in this
presentation have been
prepared in accordance with
IAS/IFRS

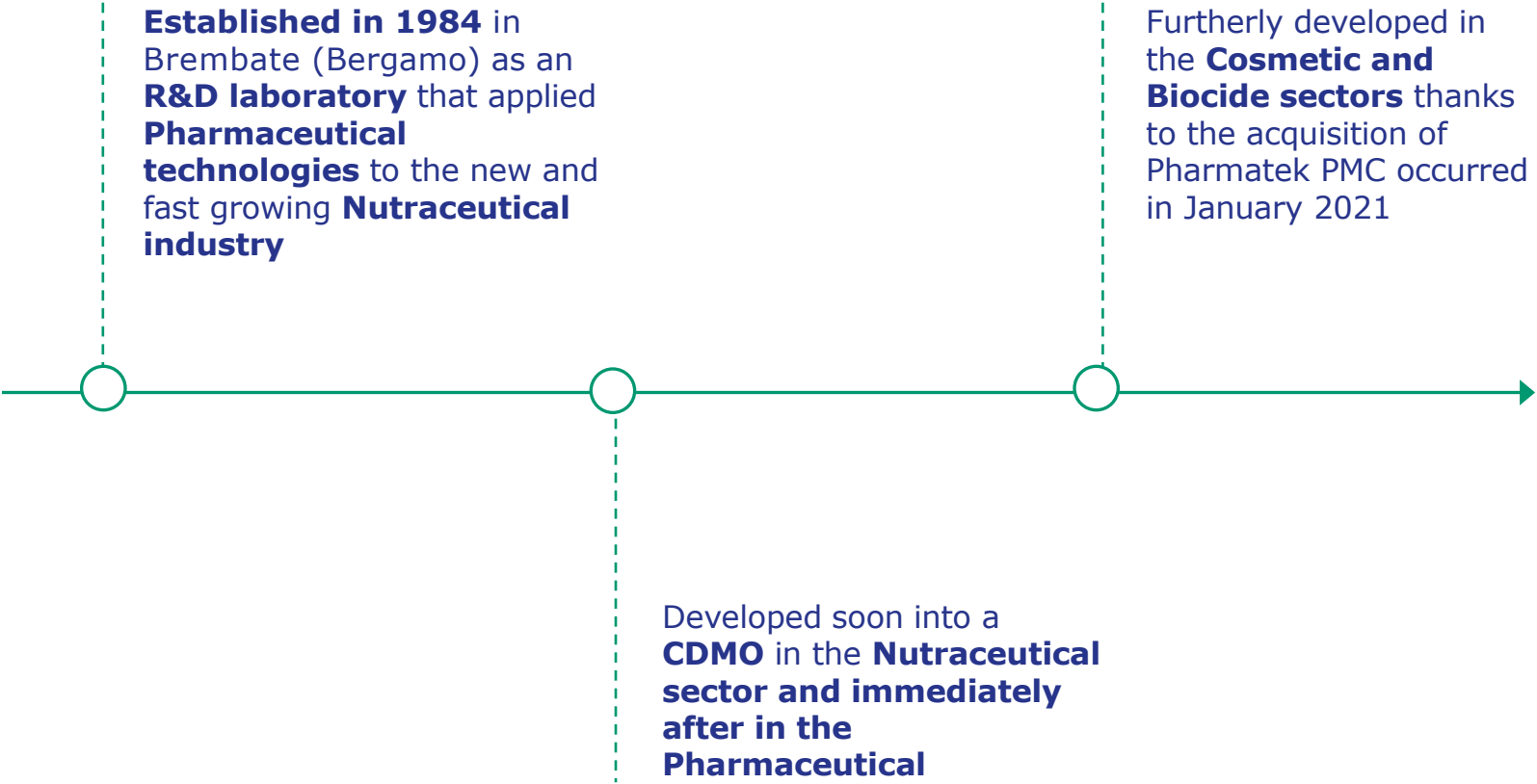
* EBITDA AND EBIT ADJUSTED FOR NON RECURRING COSTS AMOUNTING TO 0.2 €M IN H1-2021 AND 0.7 €M IN H1-2020



Fine Foods I.D.

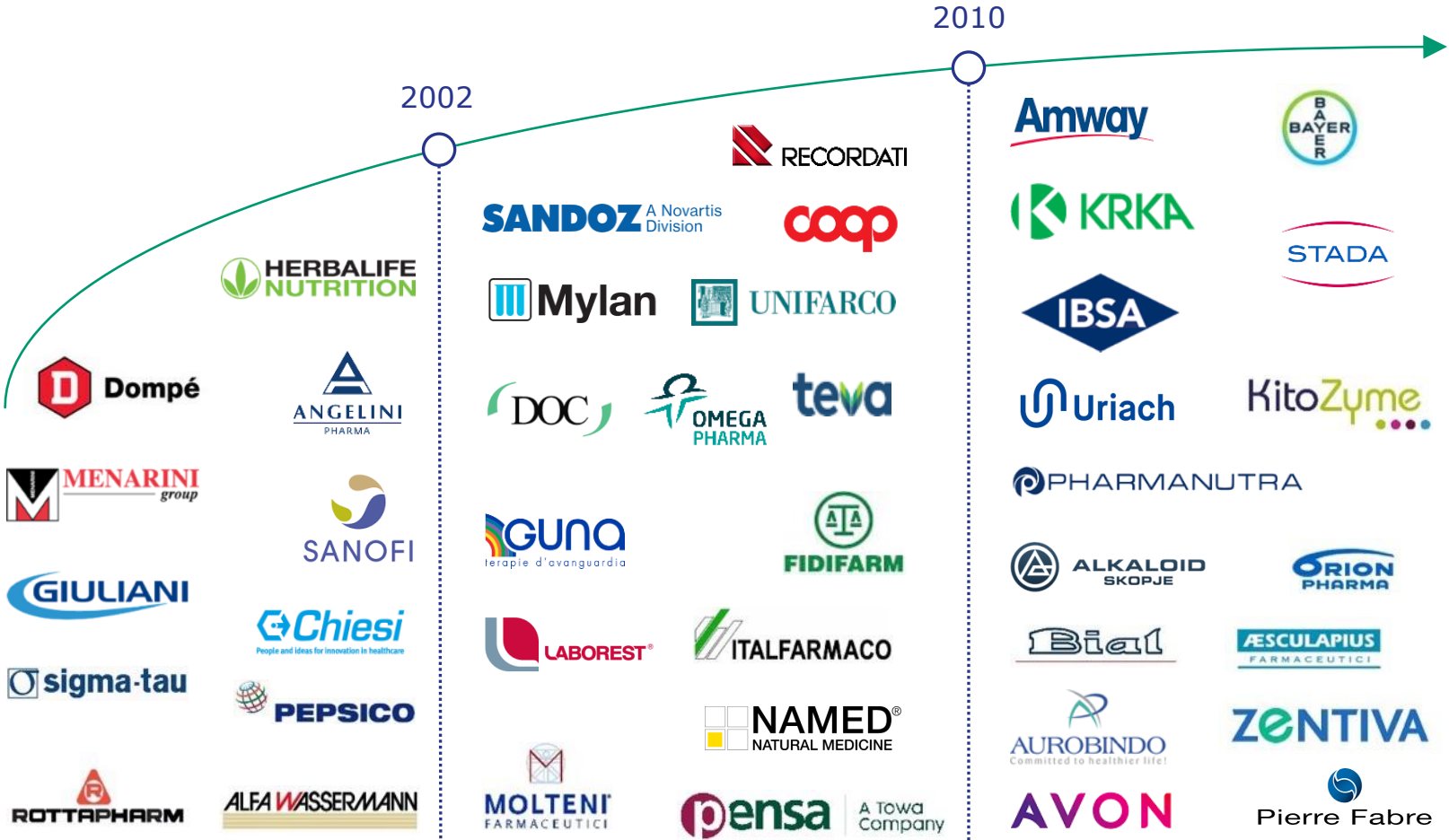
Fine Foods & Pharmaceuticals N.T.M. S.p.A., listed on the STAR segment of the MTA of Borsa Italiana, is an independent Italian Contract Development & Manufacturing Organisation (CDMO). It develops and manufactures finished products for the pharmaceutical and nutraceutical industry

The Fine Foods Group is also active in the cosmetic, biocide and medical device industries with the recent acquisition of Pharmatek-PMC



Customers' loyalty

Retained key clients acquired before 2002 and added several new ones afterwards



* Sigma-Tau & Alfa Wassermann (now Alfasigma), Mylan (now Viartis), Fidifarm (now Dietpharm)



Selection
of products

NUTRACEUTICALS



PHARMACEUTICALS



Fine Foods key figures 2020



172€m Revenues in 2020
with ~11% CAGR over the last
10 years



52€m increase in revenues
over the last 3 years



~74% of products sold in
2020 has been delivered
abroad ⁽¹⁾



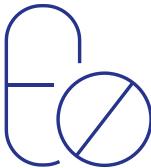
More than 100 customers,
mainly leading Pharmaceutical
and Nutraceutical players



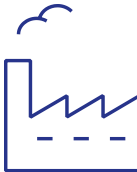
~15% of employees
dedicated to R&D and QA



162 new R&D Projects
in 2020



~1.300 SKUs(2), tailored
to client needs



~100€m investments over
last 5 years

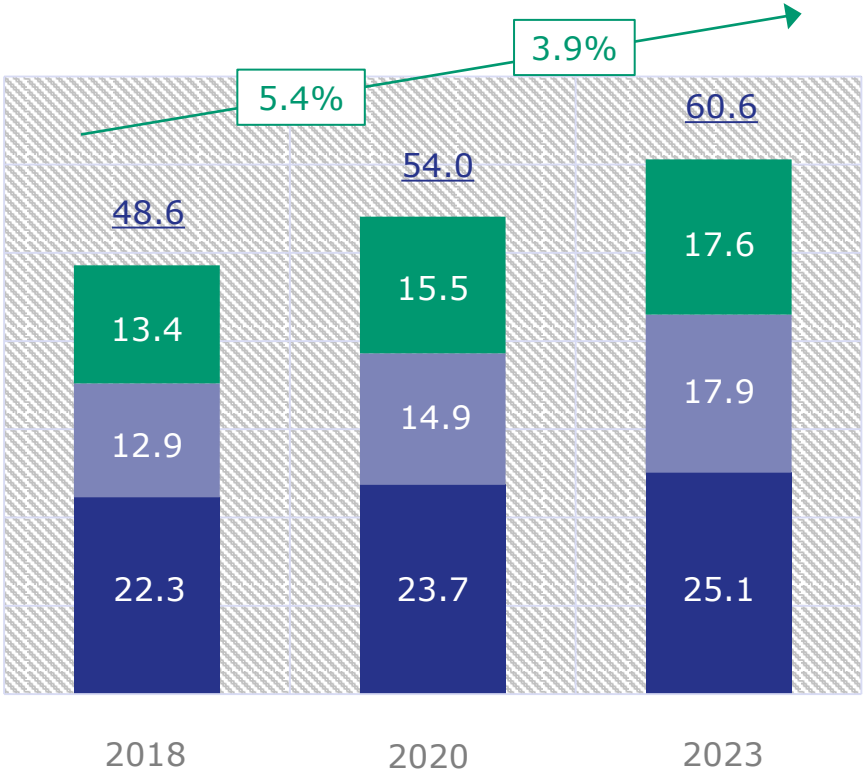
(1) 57€m revenues invoiced in Italy, of which
12€m delivered abroad | (2) SKUs means
“Stock-Keeping Units”, namely single product
codes



Fast growing Nutraceutical European Market

The European Nutraceutical Market has shown high, steady growth, and is expected to maintain a positive trend in coming years

Source: Euromonitor International, Consumer Health 2022 Edition/Health and Wellness 2021 Edition, Retail Value RSP, EUR Fixed Ex Rates, Current Prices



	CAGR '18-'20	CAGR '20-'23
Vitamins & Dietary Supplements	7.4%	4.4%
Functional Beverages	7.5%	6.4%
Functional Foods	2.9%	2.0%

Fine Foods reference market



Pharmaceutical European production shows consistent non-cyclical growth

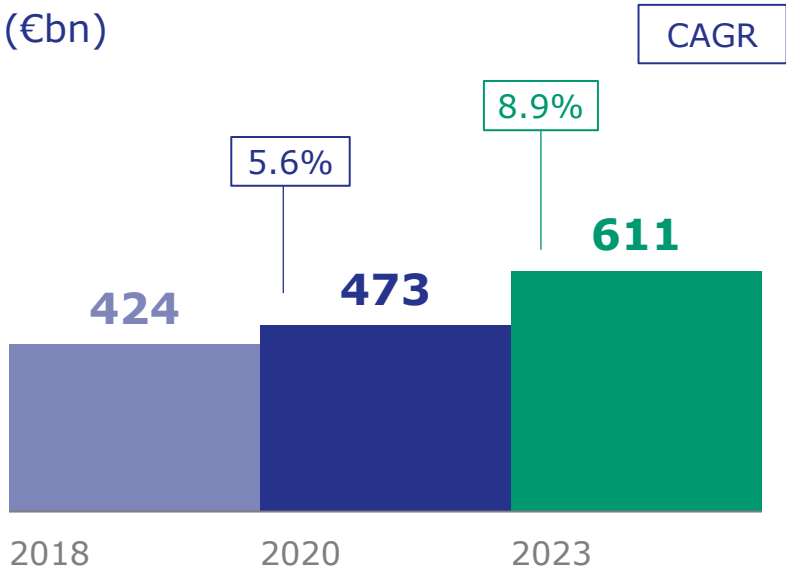
* Source: Euromonitor International, Industrial, Pharmaceuticals, 2021 Edition, Production MSP, EUR Fixed Ex Rates, Current Prices

** Source: Prometeia – Farindustria 2020

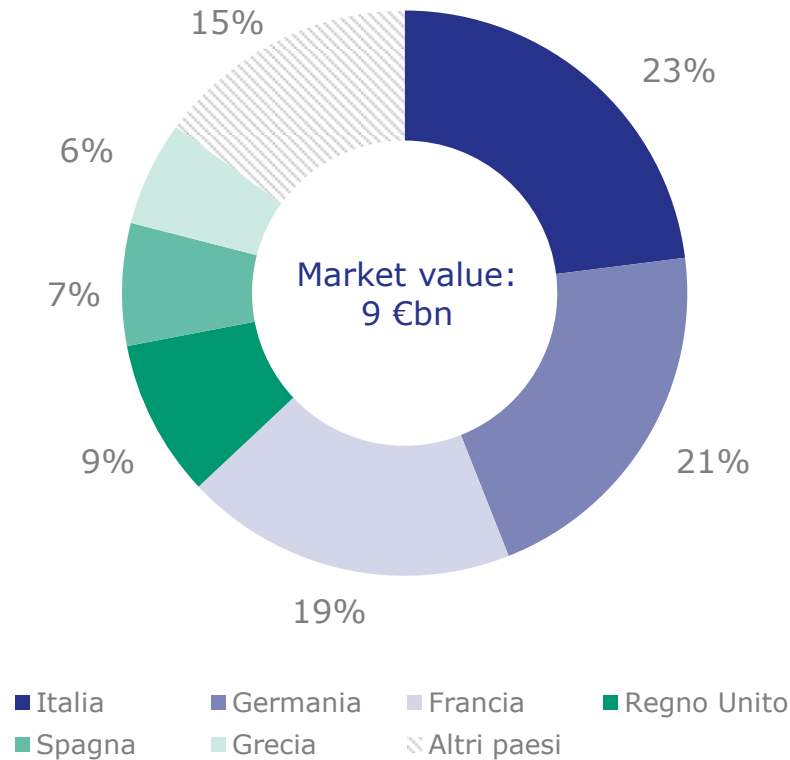


EUROPEAN PHARMACEUTICAL PRODUCTION*

The European Pharmaceutical production is expected to continue its sound growth in coming years



EUROPEAN CDMOS (PHARMA) 2018 MARKET VALUE**



Fine Foods is the largest Italian CDMO Company

Note: Doppel, Biopharma, Nutrilinea, Mipharm, Procemsa and OFI are controlled by Private Equity investors

Source: Management elaboration on publicly retrievable selected information



SELECTED FINE FOODS’ ITALIAN COMPETITORS

2020 REVENUES (€M)

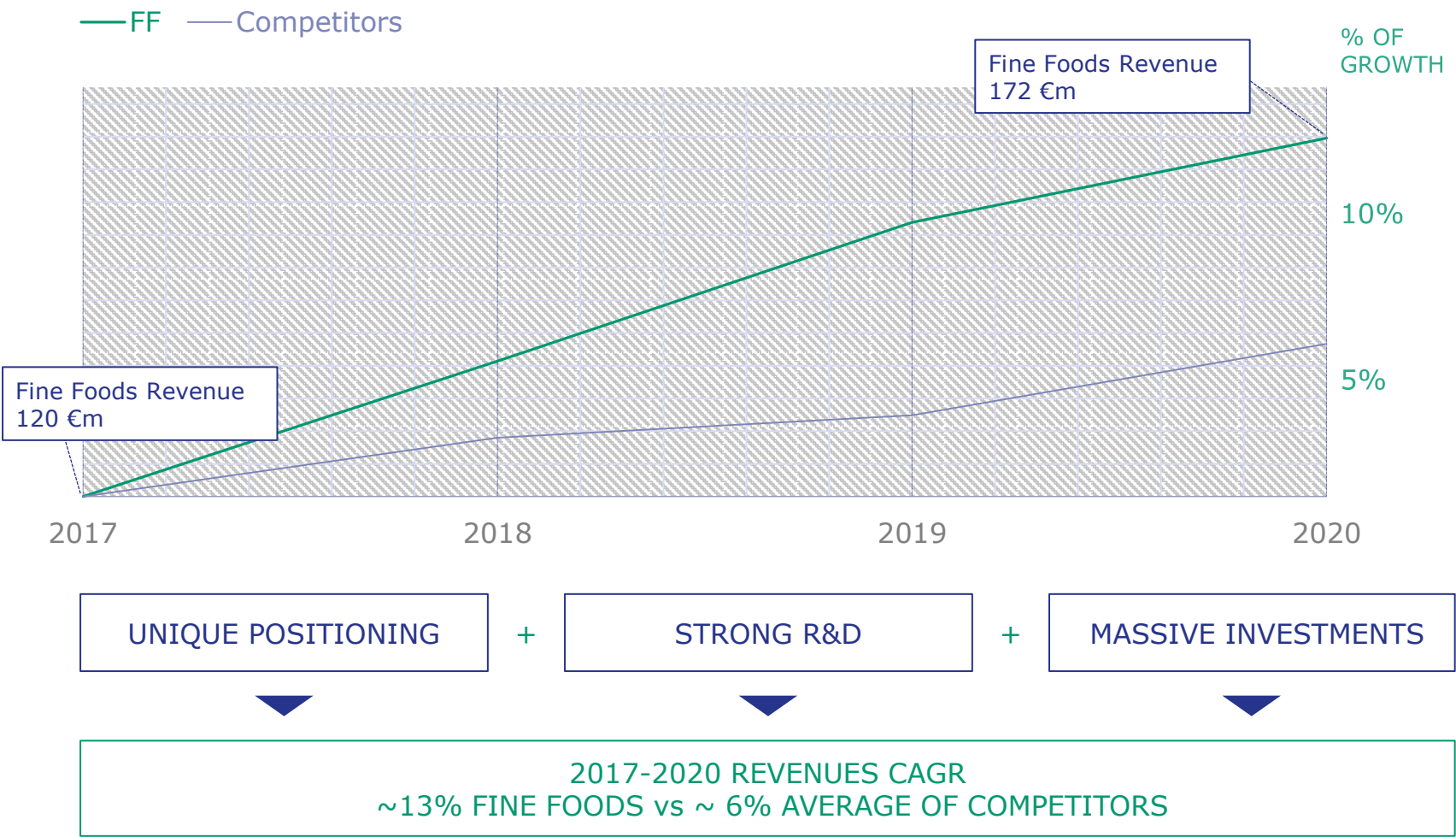


Strongly outpaced peers

Fine Foods has substantially outgrown its panel of Competitors in the last 3 years

Sources: Management elaboration on publicly retrievable selected information

Methodology: the three variables' time series are divided by their respective value used as basis and multiplied by a factor of 100; the considered variables are Fine Foods and Competitors revenues



Consistently outperforming the markets

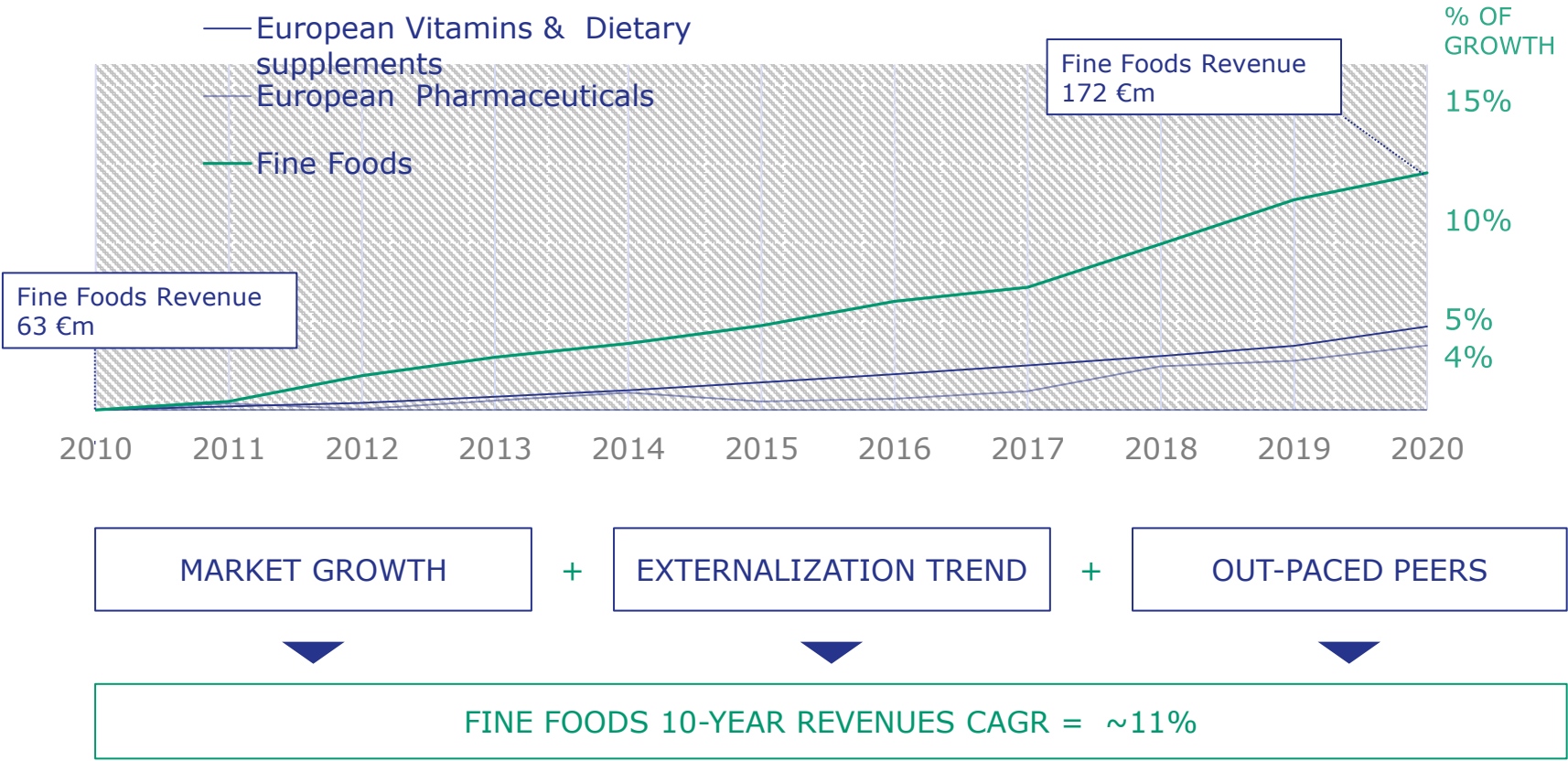
Sources: Euromonitor International, Industrial, Pharmaceuticals, 2021 Edition Production MSP, EUR Fixed Ex Rates, Current Prices. Consumer Health, 2022 Edition, Retail Value RSP, EUR Fixed Ex Rates, Current Prices

Methodology: the three variables' time series are divided by their respective 2010 value (the basis) and multiplied by a factor of 100; the considered variables are Fine Foods revenues, European Nutraceuticals – Vitamins & Dietary Supplements segment size and European Pharmaceuticals production size



Nutraceuticals and Pharmaceuticals markets show high steady growth and resilience during recessions

Fine Foods has substantially outgrown its reference end-markets in the last decade, with 2020 sales at 2.7X the 2010 level



2

Research & Development



R&D drives the growth

R&D has been an **integrating part of the Company's Business Model** since foundation

162



projects in 2020

37



new products
in production in 2020

94



employees dedicated to scientific,
technical, quality & control activities
representing ~15% of total workforce

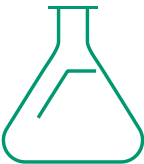


R&D competitive advantages



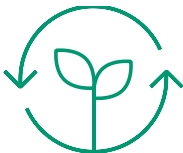
INNOVATION

Privileged access to new raw materials and state-of-the-art technologies



TECHNICAL EXPERTISE

Highly trained staff performs numerous advanced activities, from sensory tests to stability assessments (205 new stability tests started in 2020)



SUSTAINABILITY

Continuous research of innovative solutions with lower environmental impact



REGULATORY COMPETENCE

Active FSE members, substantial in-house regulatory expertise at the service of Customer's new developments



Cross-functional R&D

Pharma Technology Lab
to support **Food Supplement** innovative products

Food Supplement R&D Lab



Innovation Lab

TAILOR-MADE SOLUTIONS
to support the most demanding customers

Opportunity Lab

FORMULAE DATABANK
Huge assortment of finished product formulations set to go

Areas of competence

	CHOLESTEROL CONTROL		BONE HEALTH		FIBERS		SPORT FORMULATIONS
	ANTIOXIDANTS		TONICS & ENERGETICS		IMMUNE DEFENCE		ORAL REHYDRATION
	JOINT HEALTH		EYE HEALTH		DIGESTIVE TRACT HEALTH		WOMAN, MAN & CHILDREN HEALTH
	BRAIN & MEMORY		PROBIOTICS		WEIGHT CONTROL		MULTIVITAMINS & MINERALS



3

Environmental Social & Governance



Strong holistic
ESG approach
since foundation



Going green
implemented
actions

HR innovative
approach

Audited **Social
Responsibility**

E

S

G

**Environmental
certification**

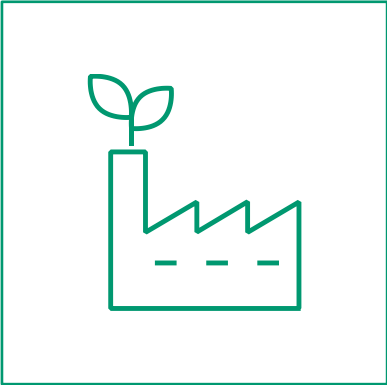
Certified
**healthy &
safety**

Governance

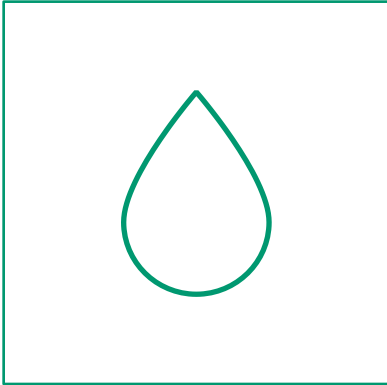


Going green

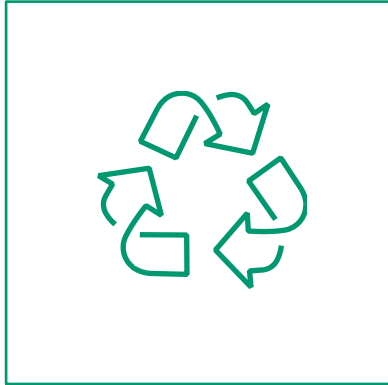
Implemented actions



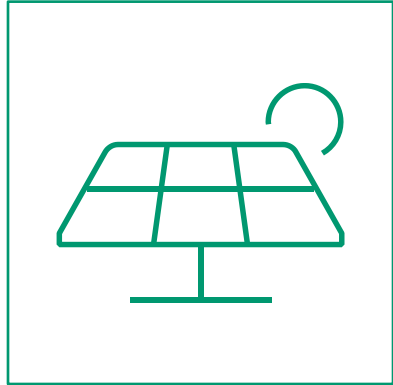
Installation of 2 **Co-generators**



Programs for **reduction of water** consumption



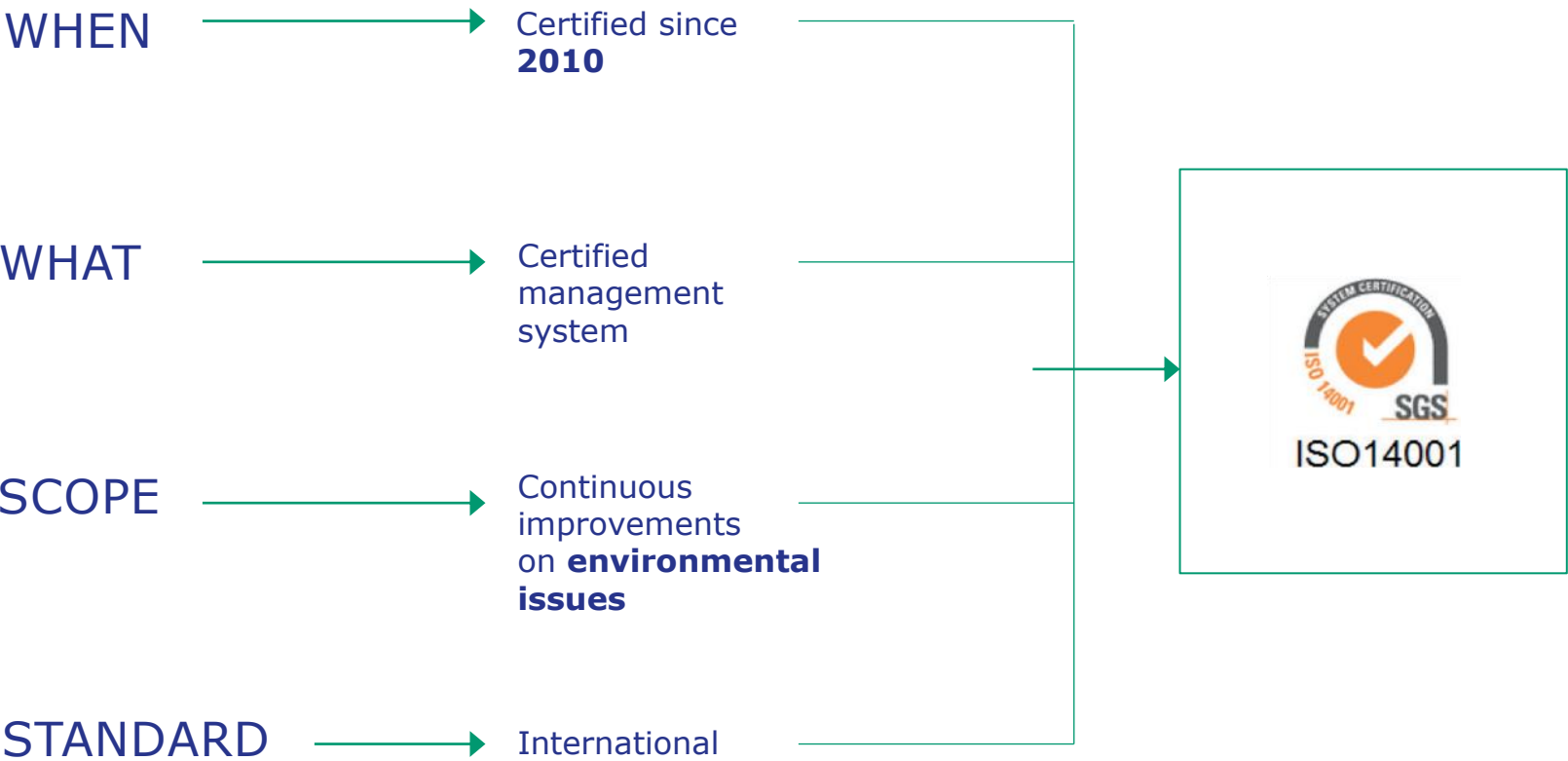
Programs for reduction of environmental **impact of waste**



Installation of **Solar panels**

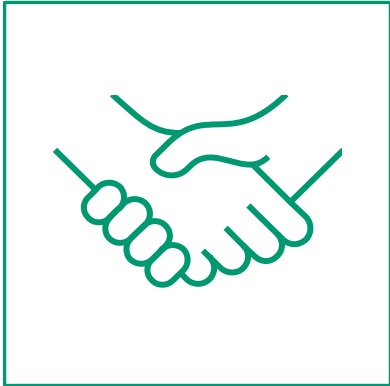


Environmental certification



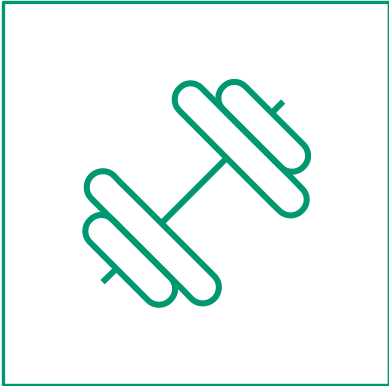
HR innovative approach

Focus on Human Resources



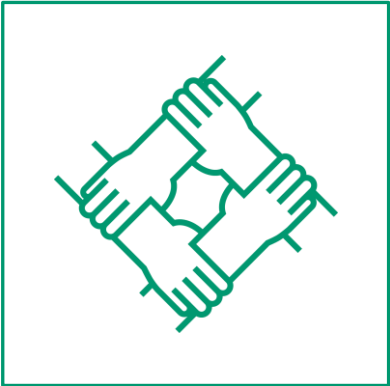
WE HIRE → Our talents

Assessment Center to support an innovative and sophisticated recruiting process, including personality, skills and language tests



WE TRAIN → Our experts

- Ad hoc training for all employees based on competences gap analysis
- Tutoring Programs for Production Operators



WE ENGAGE → Our team

- Value Sharing
- CEO bi-annual Results Presentations to all employees
- Psychologist and Nutritionist available to employee
- Twice-weekly HR desk for employees
- Talent factory for young High Potentials



WE VALUE → Our people

- Growth pattern for all employees
- High % of permanent employment after a period of temporary employment
- Diversity: gender, nationality, etc.
- A competitive compensation system based on internal and external benchmarking



HR innovative approach

Employee engagement



WOMEN
~ 43% of total employees, ~ 64% of white collar employees, ~ 40% of managers



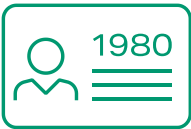
TRAINING HOURS
~ 11,000 in 2020



NATIONALITIES
17 different nationalities



SATISFACTION
annual survey scoring ~ 85%



AGE OF EMPLOYEES (ave.)
~ 41 years old



RETENTION
average employee retention rate in the last three years ~ 97%

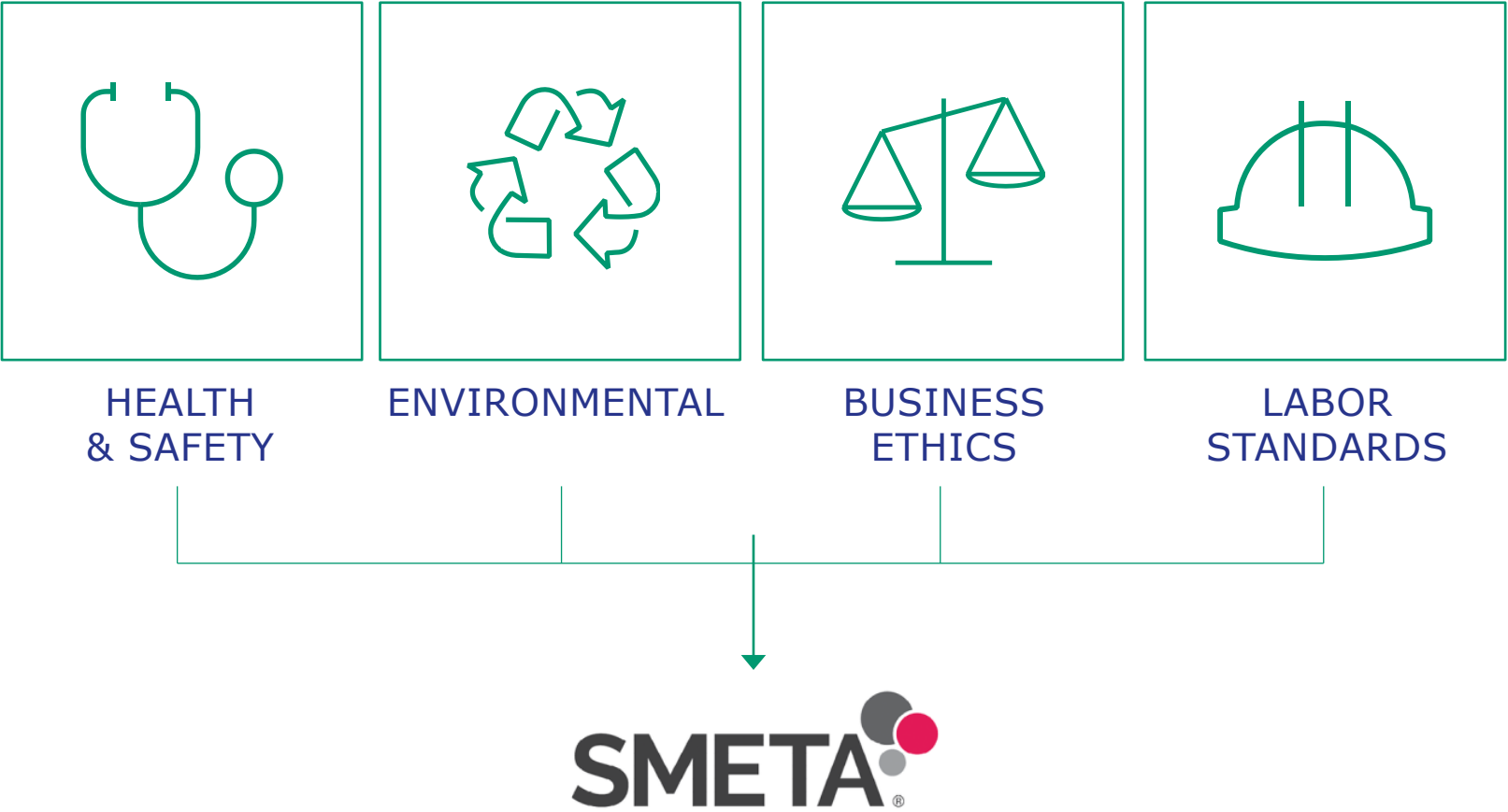


Certified health & safety



Audited social responsibility

Fine Foods has successfully been audited for the SMETA 4 Pillars, thus proving to be a reliable, sustainable and ethical company for all the stakeholders



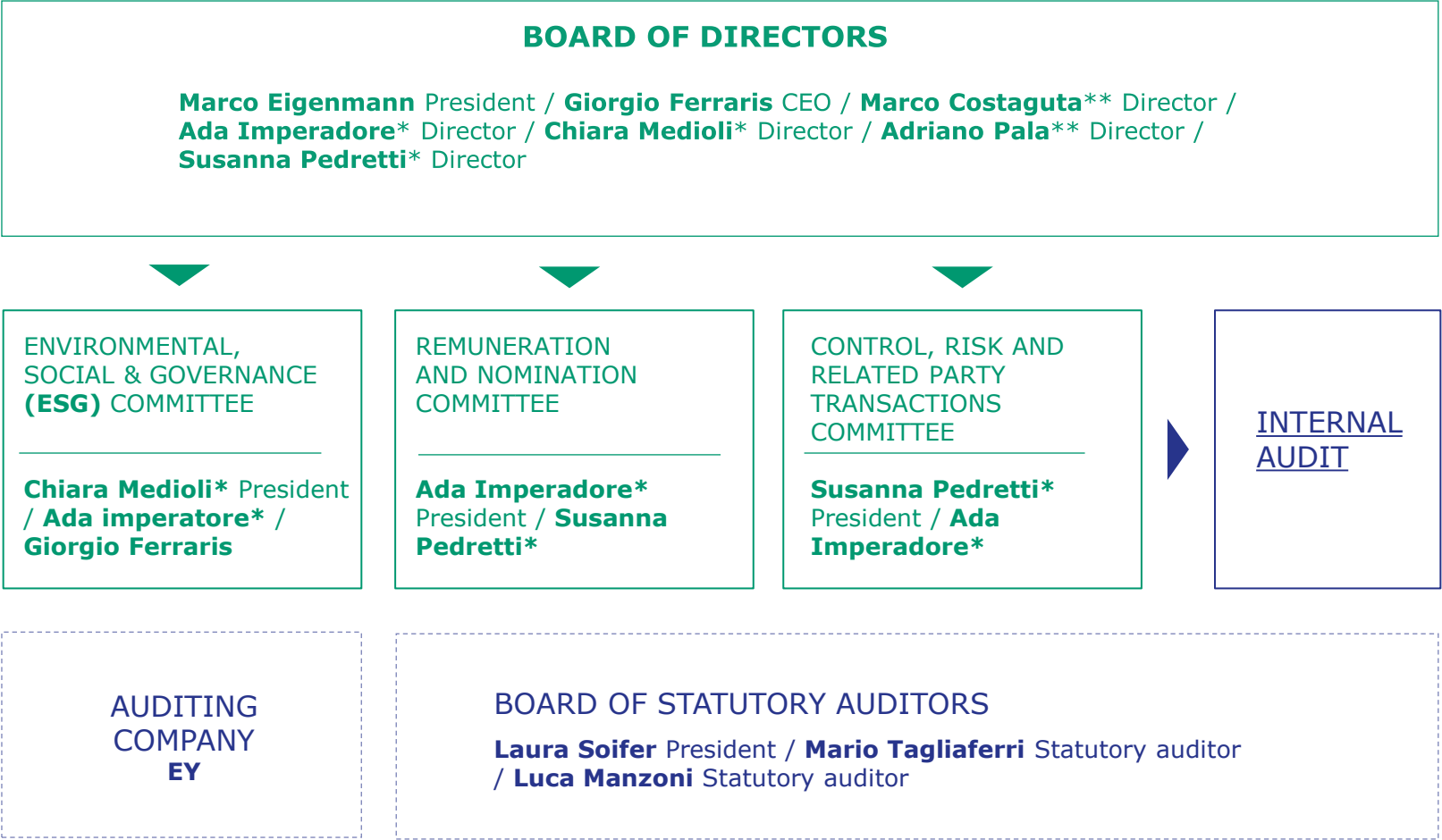
SMETA (Sedex Members Ethical Trade Audit) is the world’s leading social audit which aims at assessing a company based on its organization’s standards of labour, health and safety, environment and business ethics.



Sedex Member since **2016**

Governance structure

Transparency and accountability
for a shared value culture



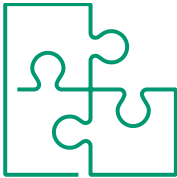
* **Independent Director** in accordance with
article 148 paragraph 3 of the CFA, and of
article 2 of the Corporate Governance Code

**Non Executive Director



Governance pillars

Fine Foods Governance is already compliant with the best practices expected by the MTA/STAR market and the Corporate Governance Code



DIVERSIFICATION AND INDEPENDENCE

Board of Directors with a diversified set of competences and 40 per cent of independent directors



GENDER EQUALITY

Full compliance with gender equality: three directors out of seven are women, as well as the President of the Board of Statutory Auditors.



ORGANISATION AND RISK MANAGEMENT

Efficient internal control and risk management system



SUSTAINABILITY

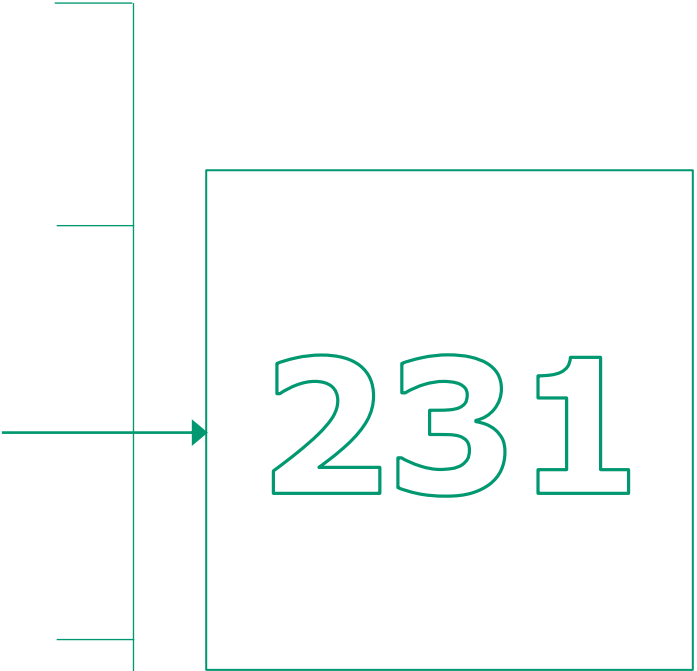
ESG Committee established to add environmental, social and governance factors to corporate strategies, generating value for shareholders and stakeholders in the medium to long term, in compliance with sustainable development principles



Governance anticorruption and corporate liability



- WHEN → Since **2014**
- WHAT → **Organizational, managerial and control models**, to prevent crimes committed by employees and for which the company may be held liable.
- OBJECTIVE → **Avoid corruption** and corporate liability
- HOW → **Risk assessment**, code of ethics, whistleblowing
- VERIFIED → Independent controlling body (**ODV**)

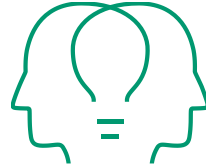


4

Pharmatek acquisition



Pharmatek acquisition



Fine Foods, last 19 January 2021, **acquired 100% of Pharmatek PMC S.r.l.**



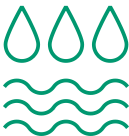
The price, for a maximum of **€ 17.2 million**, was paid in cash for a fixed component of € 11.2 million; the variable component of a maximum of € 6 million (earn-out) will be paid within the next three financial years.



Pharmatek new Board of Directors includes **Marco Eigenmann (President)**, **Marco Pessah (CEO)**, formerly Pharmatek sole shareholder and **Giorgio Ferraris**.

Pharmatek know-how and technologies

Pharmatek is a CDMO active in the sector of cosmetics, biocides and medical devices manufactured in **different Pharmaceutical Forms**



liquids



gel



creams



ointments

Pharmatek **production** includes, among the others:

- BODY CREAMS
- FACE CREAMS
- TONIC LOTIONS
- SCRUBS
- TOOTHPASTE
- MOUTHWASH
- MOISTURIZERS
- DEODORANTS
- SKIN DISINFECTANTS
- SANITIZING GEL



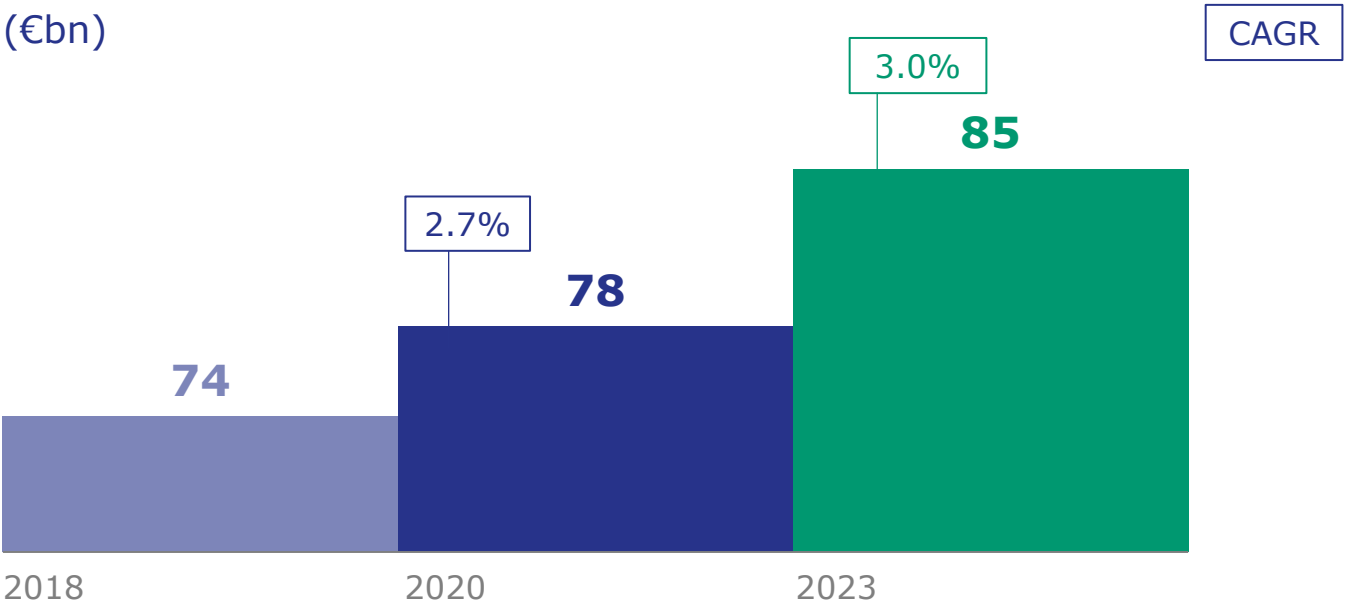
Selection of products



Pharmatek reference markets

EUROPEAN COSMETIC AND BIOCIDES MARKET

The **European Cosmetic and Biocides** market is expected to **accelerate growth** in coming years



Source: Euromonitor International, Consumer Health 2022 Edition/Beauty and Personal Care 2021 Edition /Home Care Edition 2021, Retail Value RSP, EUR Fixed Ex Rates, Current Prices

Cosmetics as per aggregation of Euromonitor’s Bath and Shower, Deodorants, Hair Care, Skin Care



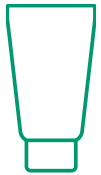







Biocides as per aggregation of Euromonitor’s Oral Care, Dermatologicals, Surface Care, Adult Mouth Care



Strong cross selling potential

- New CDMO market segments
- New commercial relationships
- Cross selling relationships with existing customers
- R&D synergies



FINE FOODS GROUP BUSINESS UNITS	<u>NUTRACEUTICALS</u>	<u>PHARMACEUTICALS</u>	<u>COSMETICS – BIOCIDES</u>
			 <div>NEW</div>
			
			
Cosmetic Clients			

Source: Fine Foods



5

Financials



Fine Foods Group significant overall revenue growth

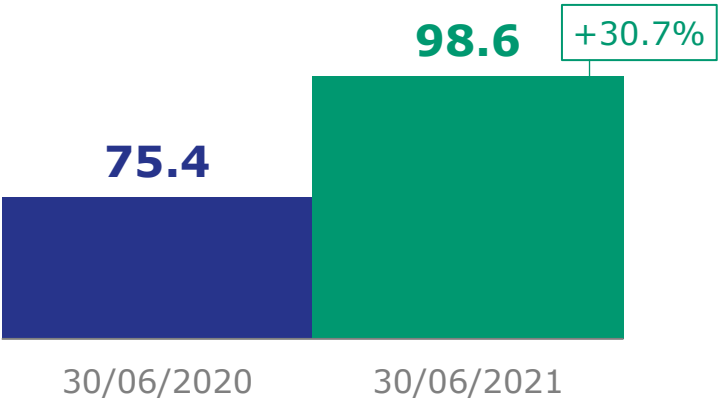
Overall Revenue Growth: +30.7%

Organic Revenue Growth: +22.7%
(without Pharmatek)

Figures according to
IAS-IFRS principles

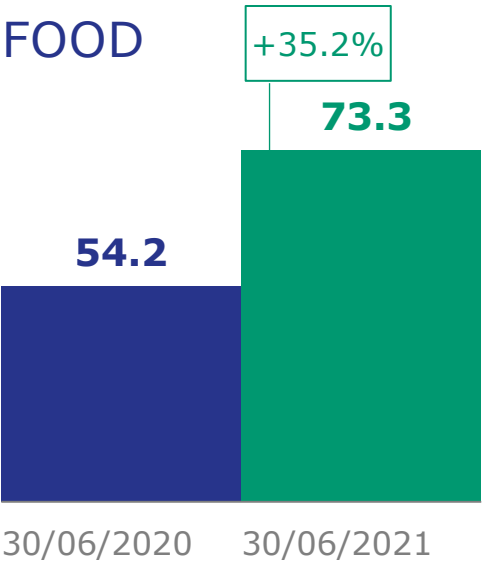


REVENUES

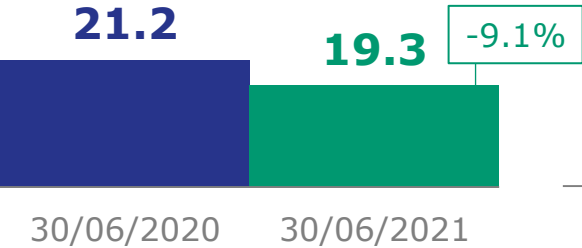


Revenue break-down

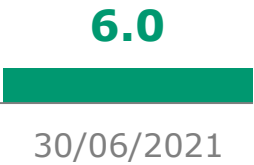
FOOD



PHARMA



PHARMATEK



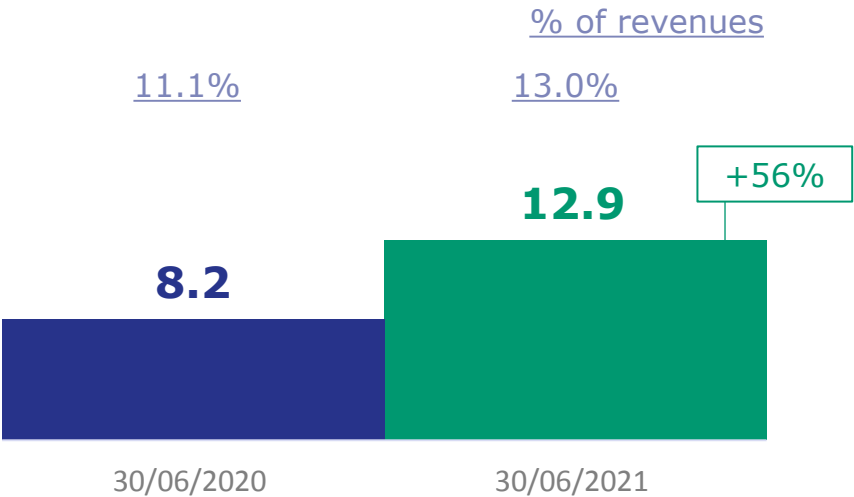
Strong increase in EBITDA

- Significant increase in overall Ebitda driven by turnover growth
- Ebitda margin Adj. at 13.3%, increased compared both to H1-2020 and Full-Year 2020

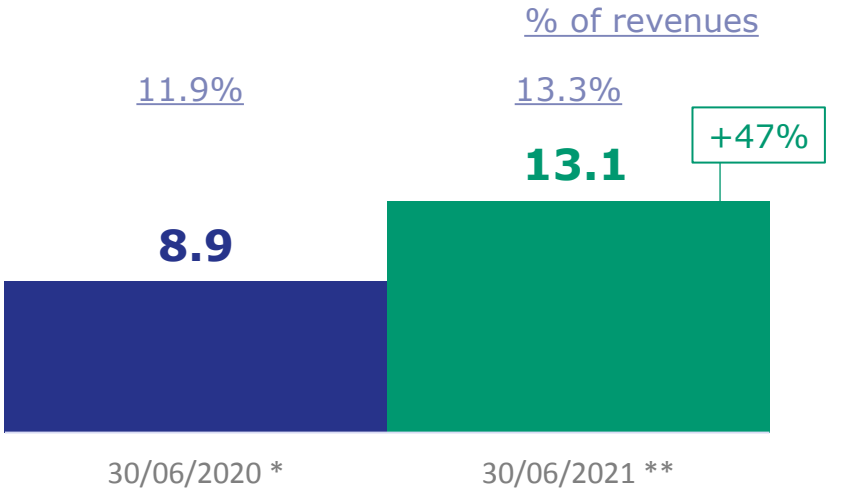
Figures according to IAS-IFRS principles



EBITDA REPORTED



EBITDA ADJUSTED



* 0.7 €m adjustment for non recurring costs:

- 0.6 €m for Covid impact
- 0.1 €m for extraordinary consultancy fees

** 0.2 €m adjustment for non recurring costs:
0.2 €m for extraordinary consultancy fees

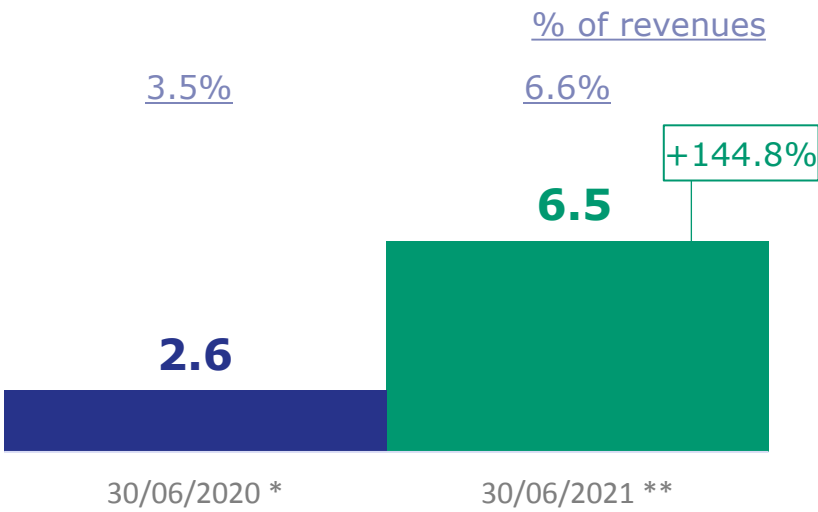
EBIT Growth driven by EBITDA

Ebit Reported and Adjusted
strong variance - driven by the
growth of EBITDA – more than
compensated the increase in
D&A (+0.8 €m)

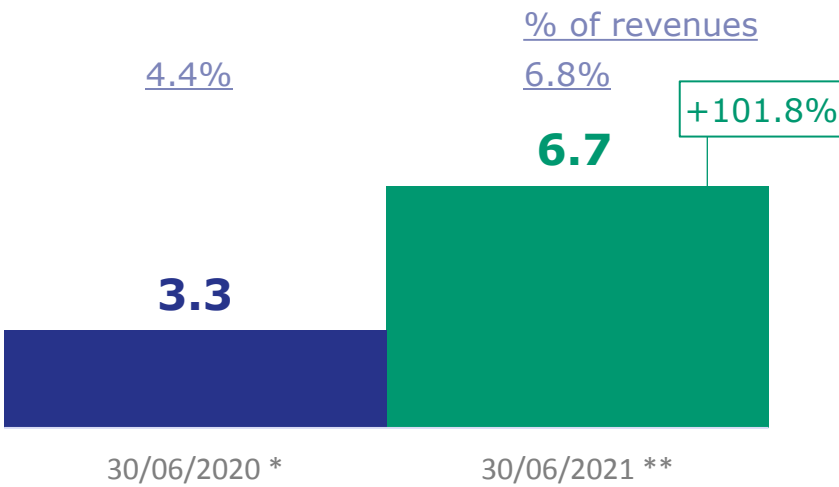
Figures according
to IAS-IFRS principles



EBIT REPORTED



EBIT ADJUSTED



* 0.7 €m adjustment for non recurring costs
** 0.2 €m adjustment for non recurring costs

Net income driven by positive performance

Net Income Adj. increased due to positive performance in terms of turnover and marginality

Net Income Reported affected by a non-cash effect for fair value evaluation of warrants:

Net Income 2021 mainly impacted by:

- Negative fair value evaluation on warrants (-12.8 €m)

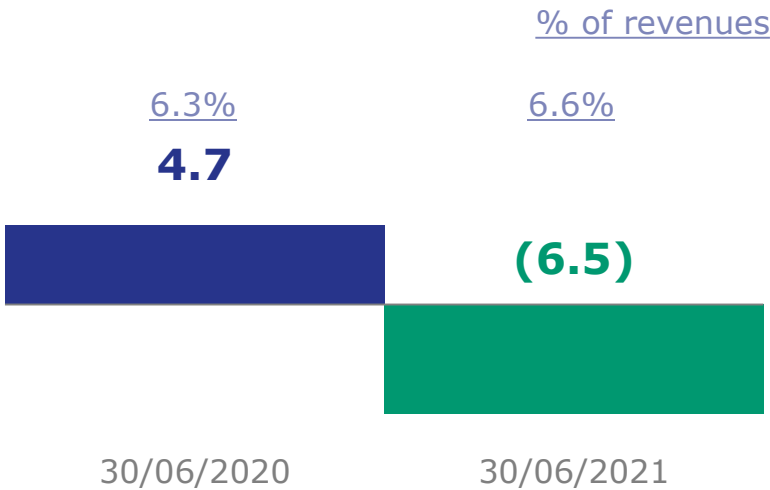
Net Income 2020 mainly impacted by:

- Positive fair value evaluation on warrants (+3.7 €m)

Figures according to IAS-IFRS principles

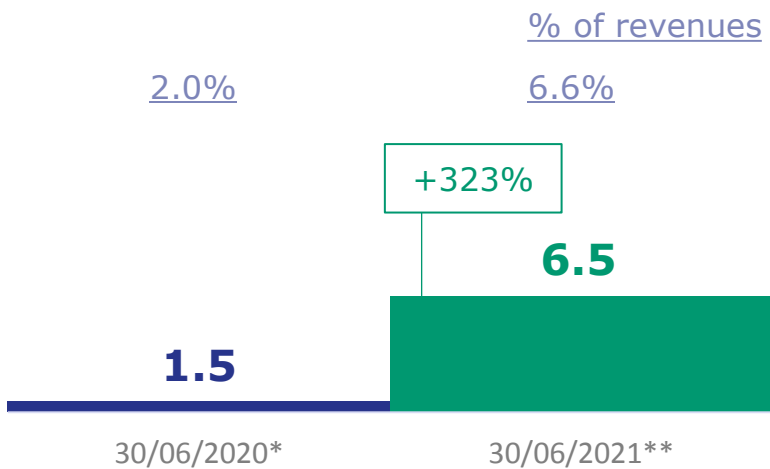


NET INCOME REPORTED



NET INCOME ADJUSTED

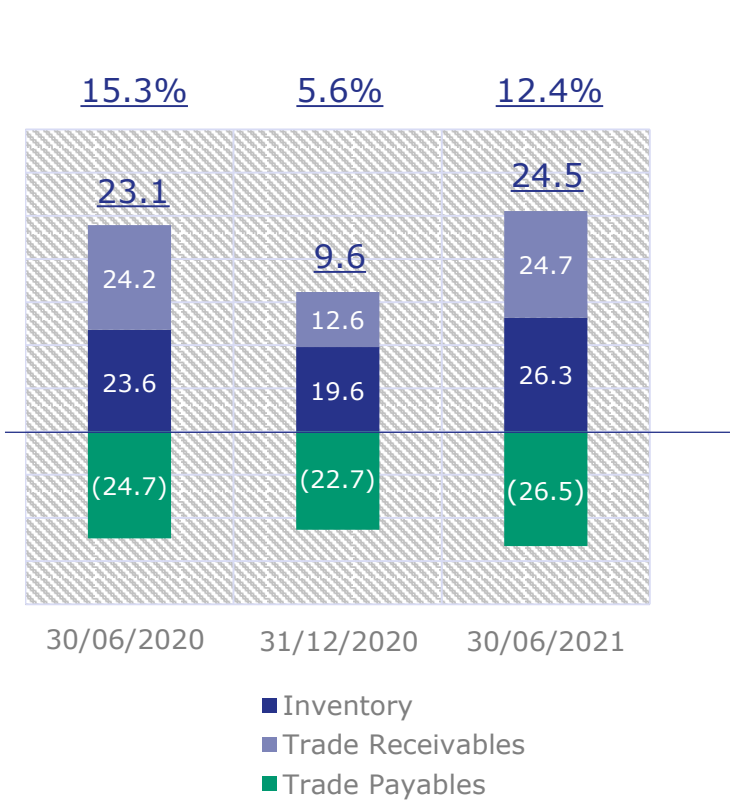
- * -3.2 €m Adjustments:
- 0.5 €m non recurring costs net of tax effect
 - -3.7 €m negative effect of warrant fair value measurement
- ** 13.0 €m Adjustments:
- 0.2 €m non recurring costs net of tax effect
 - 12.8 €m positive effect on warrant fair value measurement



Healthy capital allocation

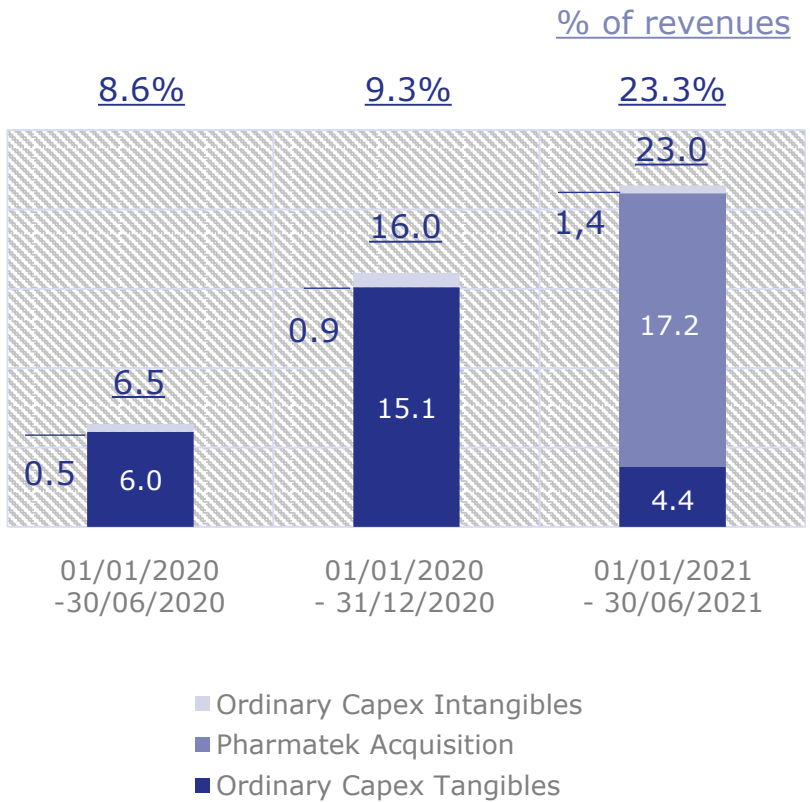
NET WORKING CAPITAL

NWC strongly increased compared to Full Year 2020, but in line with H1-2020



CAPEX AND INVESTMENTS

17.2€m investment for Pharmatek acquisition, other ordinary capex (5.9% of revenues) to support business expansion



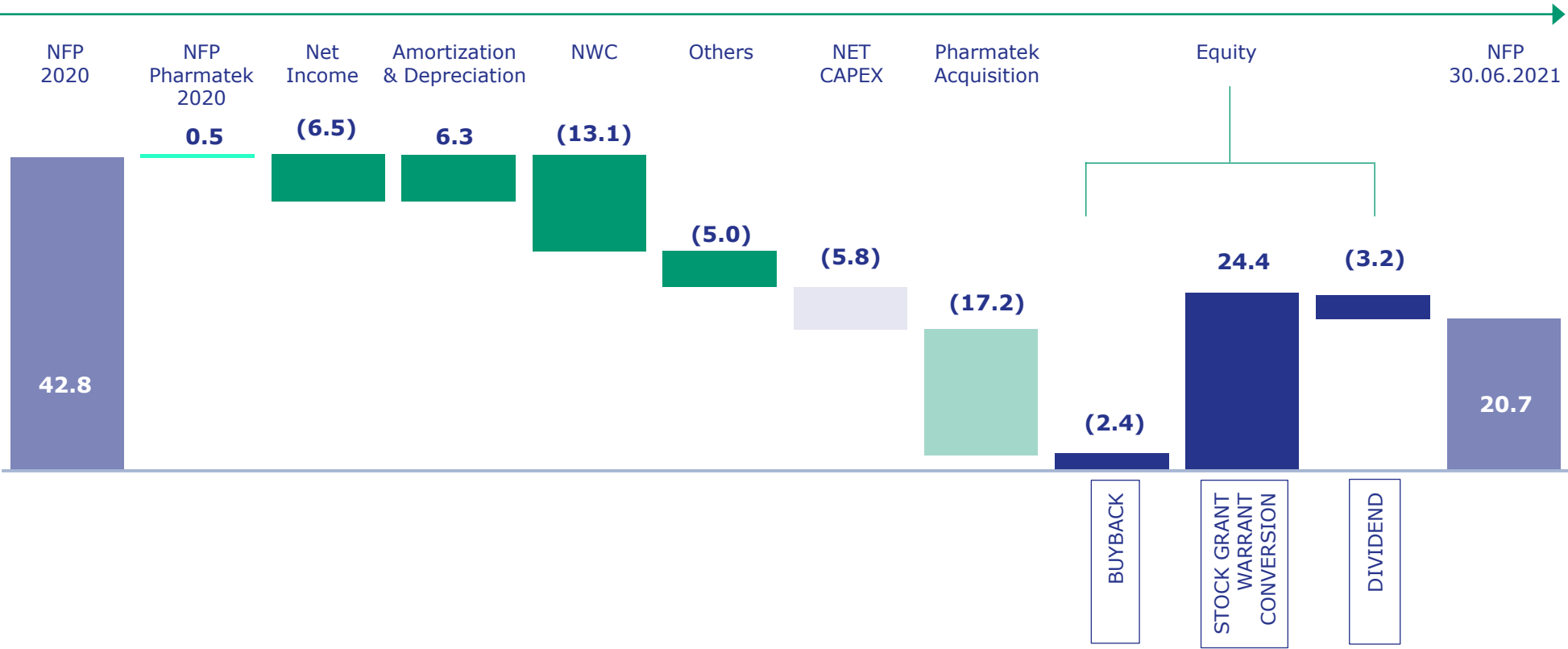
Figures according to IAS-IFRS principles



Net financial position evolution

from 2020 to H1-2021

MOST SIGNIFICANT CASH-IN AND CASH-OUT



Figures according to IAS-IFRS principles



6

Shareholding structure



Shareholding structure

As of 10.09.2021

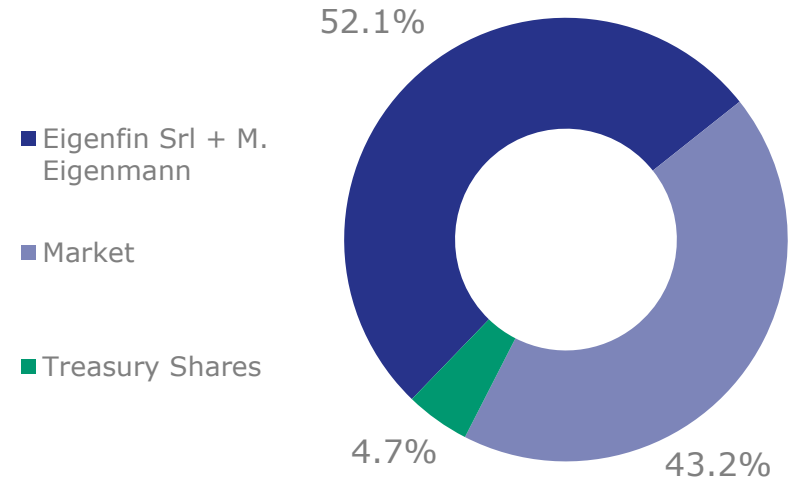
Fine Foods Shares	N. of shares (Mln)	%
Listed Shares	22.1	86%
Unlisted Shares	3.5	14%
Total Equity Capital	25.6	100%



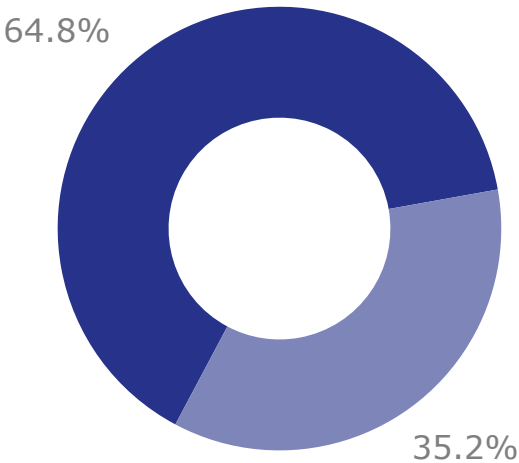
FLOATING ON
LISTED SHARES
~52%



% OF TOTAL EQUITY CAPITAL



% OF VOTING RIGHTS*



* Net of Treasury Shares



Fine Foods shares

As of 10.09.2021

Total Shares: 25,560,125

- Ordinary Shares – listed: 22,060,125
- Multiple Voting Rights Shares – unlisted: 3,500,000

Controlling Shareholder: Marco Francesco Eigenmann even towards Eigenfin S.r.l.

- **52.1%** of Share Capital
- **64.4%** of voting rights (net of Treasury Shares)

Buyback

- Max purchasable shares: **2,000,000**
- N. Treasury Shares as of 10.09.2021: **1,204,952**
- Total cash out: **14.3€m**
- % of Treasury Shares on Total Shares as of 30.06.2021: **4.7%**

UNLISTED SHARES

Multiple Voting Rights Shares: 3,500,000

- Totally owned by Marco Francesco Eigenmann even towards Eigenfin S.r.l.
- Conversion Ratio: 1x in Ordinary Shares
- Conversion: among others at simple request of the owner
- Same rights as ordinary shares, other than voting rights.
- Each Multiple-voting Share provides the holder with three votes in all Shareholders' Meetings



Fine Foods

Our way



Why Fine Foods?



Reliability

- SOLID TRACK RECORDS
- STRONG FINANCIALS
- CRITICAL MASS
- ADVANCED HR MANAGEMENT
- ROBUST MANAGEMENT STRUCTURE
- GRANULAR CONTROLLING



Performance

- HIGH AND STABLE CAGR IN THE LAST 10 YRS
- HOLISTIC SUSTAINABILITY SINCE 2010
- LONG LASTING CUSTOMER'S RELATIONS
- GROWTH SUSTAINED BY R&D PARTNERSHIPS



Future

- PHARMA FOOD COSMETIC UNIQUE PRESENCE
- CROSS FUNCTIONAL INNOVATIVE R&D
- ATTRACTIVE AND GROWING MARKETS
- STRUCTURE TO EXPLOIT M&A OPPORTUNITIES





contacts

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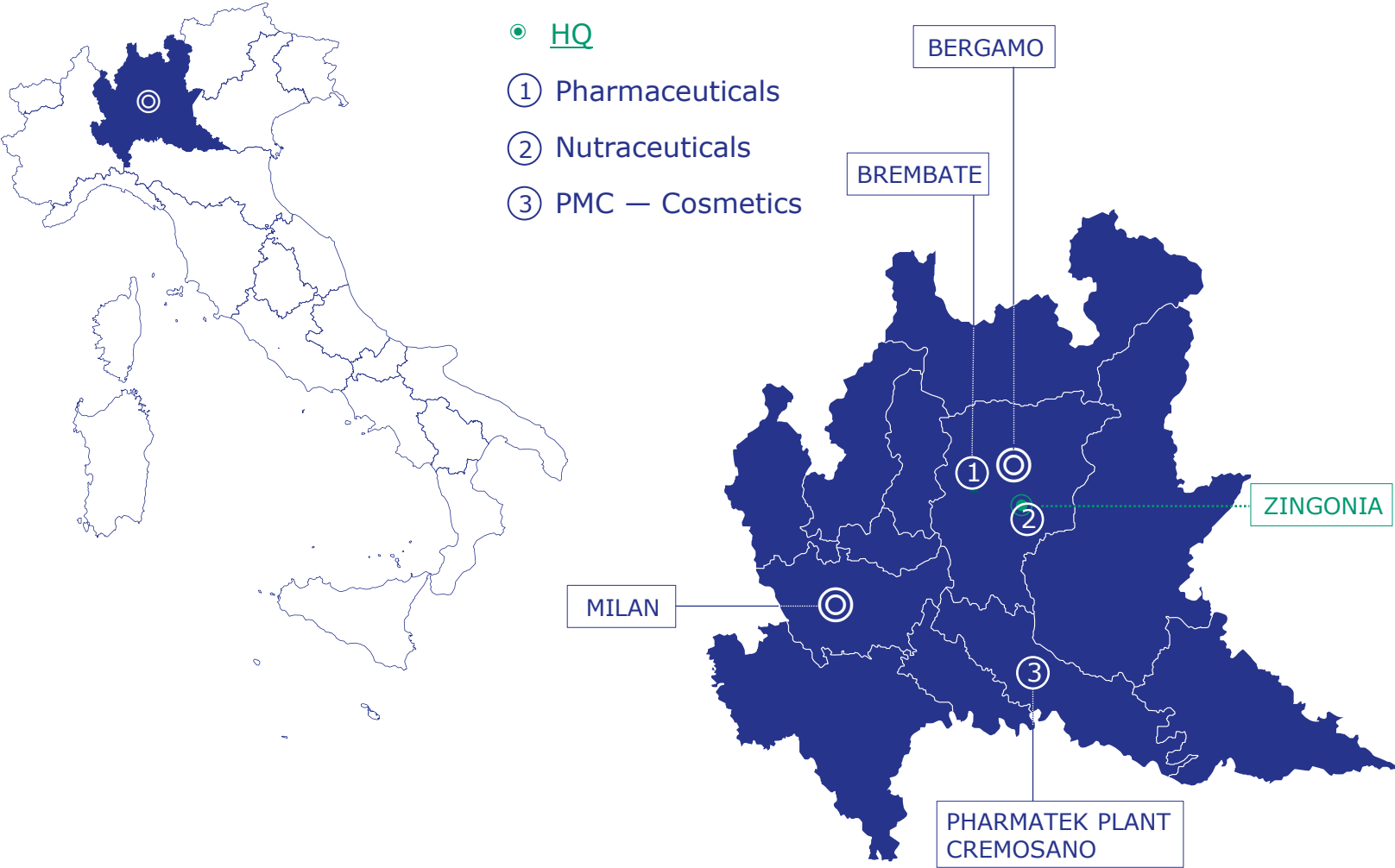
marianna.tremolada@cdr-communication.it

09/07/21

The background of the slide is a solid teal color. Overlaid on this are numerous abstract geometric shapes in various shades of teal and light green. These shapes include cubes, spheres, pyramids, and other polyhedrons, some of which are semi-transparent, creating a layered, 3D effect. The shapes are scattered across the slide, with a higher concentration on the left side. A thin white horizontal line runs across the top of the slide, just below the header. A thin white vertical line runs down the left side of the slide, intersecting the horizontal line and the word 'backup'.

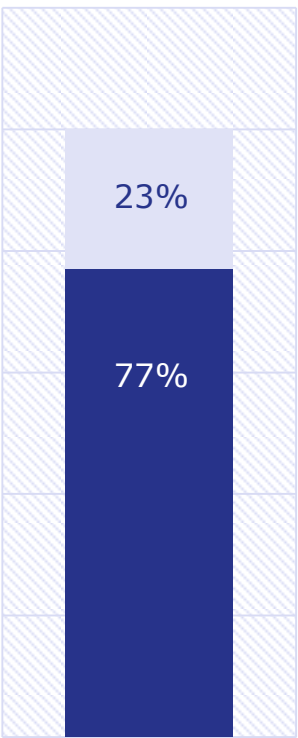
backup

Manufacturing plants geographical footprint



Diversified Share of Wallet and Geographic Distribution of Top Customers

2020 CUSTOMERS AS % OF TOTAL REVENUES



■ Top 5 ■ Other



- ~ 60 Countries OW:
- Italy
 - Ue
 - Uk
 - Russia
 - South africa
 - Turkey
 - Malaysia
 - Israel
 - China
 - Switzerland
 - Thailand
 - Singapore
 - Taiwan
 - Australia
 - Hong kong
 - Japan
 - ...



Nutraceutical plant expansion

Zingonia

The operating complex covers **a total area of 45,600 sqm**
19.7€m in CAPEX over the 2016-2019 period
The expansion increased the covered area by ~ 80% since 2016

Pre-existing covered area:  Final covered area:
15,900 SQM **28,800 SQM**



Note: all squared-meters data have been approximated to the nearest hundreds



Pharmaceutical plant expansion

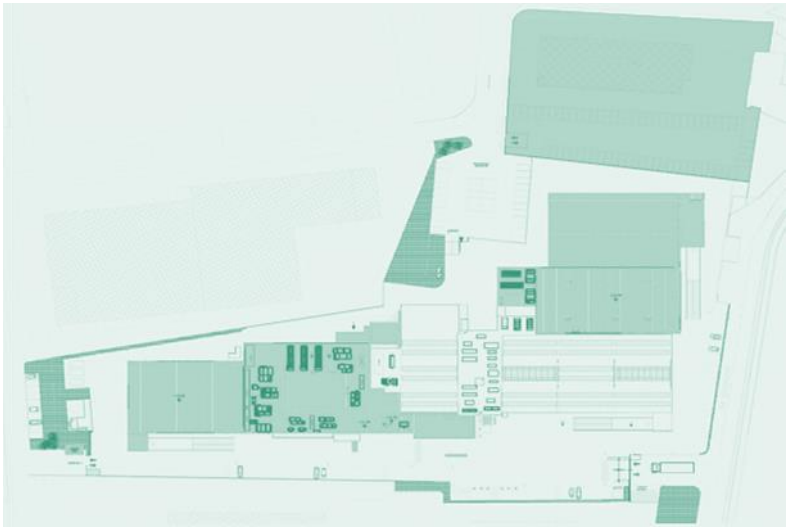
Brembate

The operating complex covers a **total area of 26,100 sqm**
15.2€m for Plant Expansion over 2016-2019 and further **3.8€m** in 2020 for a new warehouse construction and the purchase of a 5,400 sqm land
The expansion increased the covered area by ~ 150% since 2016

Pre-existing covered area:
5,700 SQM



Final covered area:
14,200 SQM



Note: all squared-meters data
have been approximated to the
nearest hundreds

