

# Q1 2024 RESULTS PRESENTATION

15/05/24



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VALUE

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BACK UP  
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1

WE CREATE  
VALUE

# Fine Foods at a glance



Italian independent CDMO active in the pharmaceutical, nutraceutical and cosmetics industries through three Business Units



Strong partnership with multinational clients in all our reference markets



Listed on Borsa Italiana's Euronext STAR Milan (Ticker: FF)



Stable presence of Eigenfin S.r.l. and Marco Eigenmann in the shareholding structure



65.6 €M Revenue in Q1 2024  
13.5% Ebitda Margin in Q1 2024



251.8 €M Revenue in 2023 with  
~11% CAGR over the last 10 years  
112.4 €M increase in revenue  
over the last 5 years (+81%)



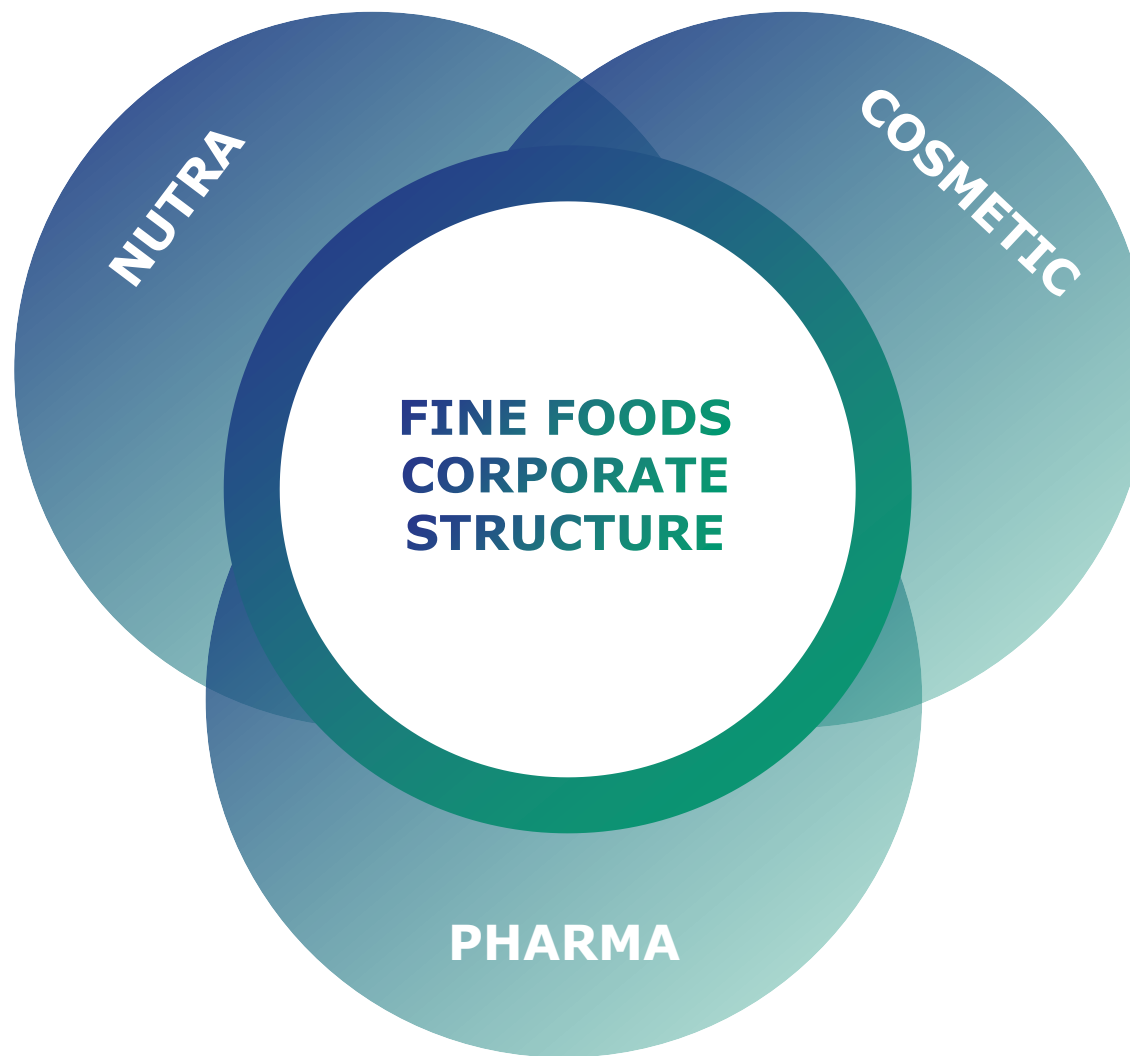
~753 employees (+46% over  
the last 5 years) of which  
~18% dedicated to R&D and QA



~60,000 sqm of covered area  
on a total area of more than  
200,000 sqm (Lombardia Region  
- Northern Italy)

# Strong corporate culture

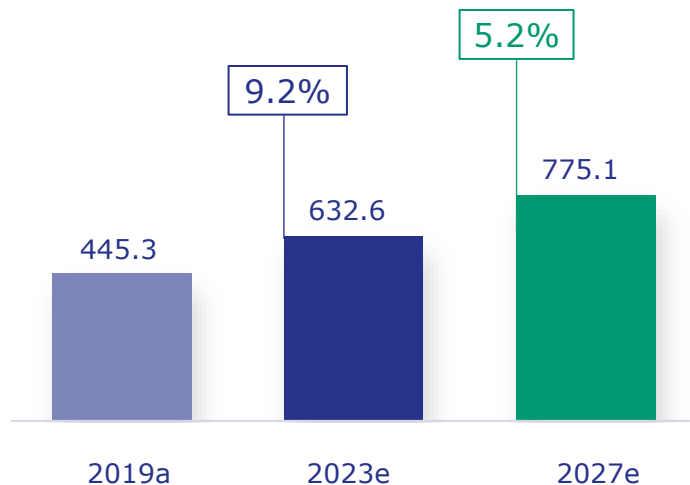
Three different integrated and cross-functional business units committed to Fine Foods' key business principles



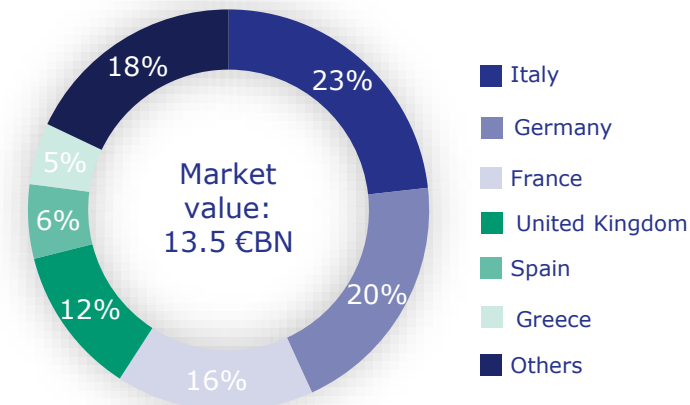
# European reference markets

CAGR

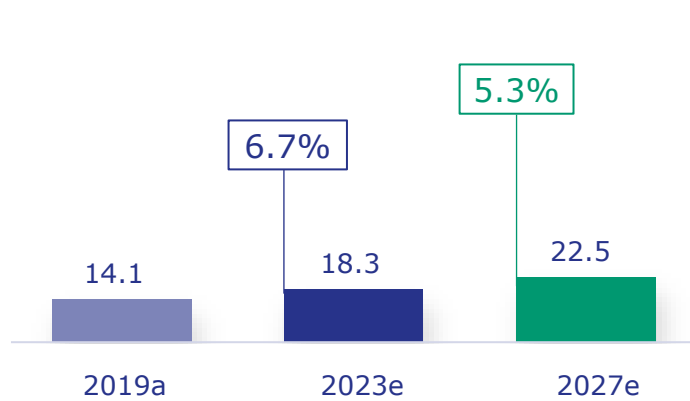
PHARMA<sup>1</sup> (€BN)



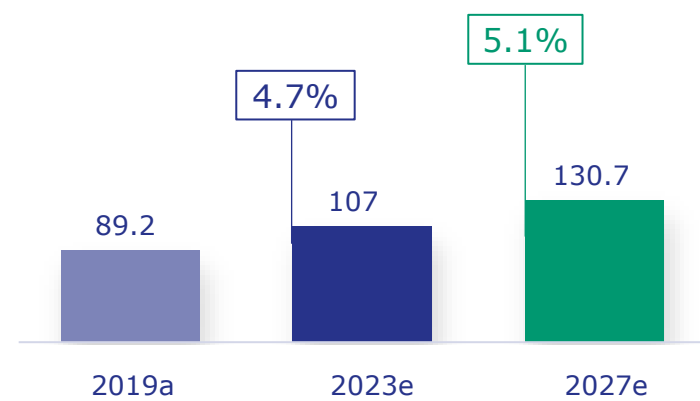
PHARMA<sup>2</sup> – CDMO



FOOD – DIETARY SUPPLEMENT<sup>3</sup> (€BN)



COSMETIC<sup>4</sup> (€BN)



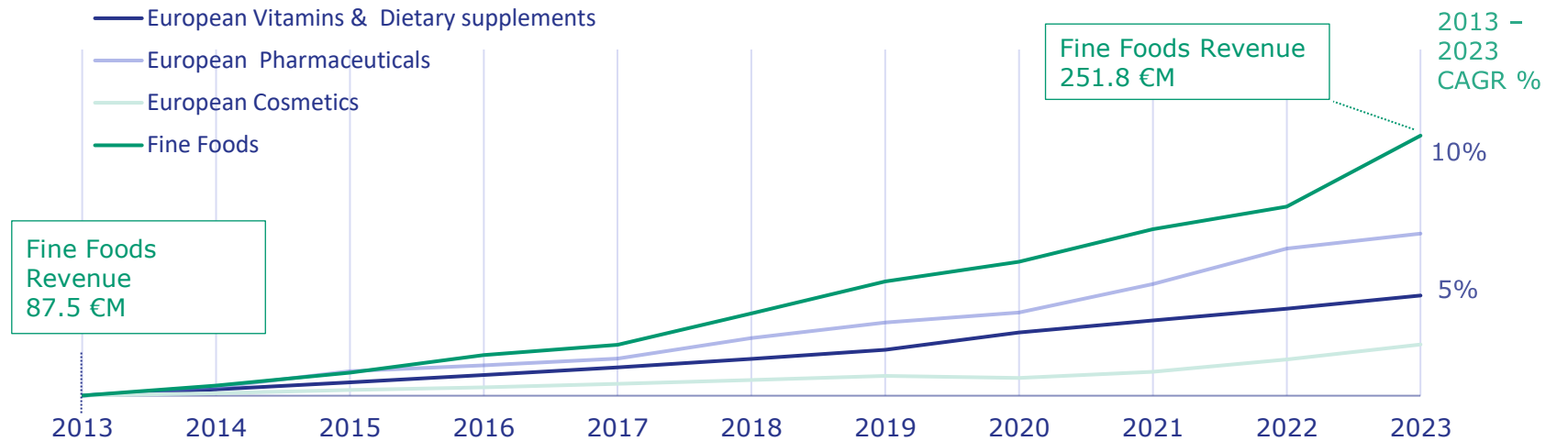
1-3-4 Source: Euromonitor International, Industrial, Pharmaceuticals 2022, data in Production MSP; Consumer Health 2024, Health and Wellness 2023, Beauty and Personal Care 2023, data in Retail Value RSP, EUR Fixed Ex Rates, Current Prices; Cosmetics as per aggregation of Euromonitor's Bath and Shower, Deodorants, Hair Care, Skin Care, Fragrances and Sun Care; Biocides as per aggregation of Euromonitor's Oral Care, Dermatologicals, Adult Mouth Care

2 Source: Prometeia – Farminindustria 2023 on 2021 data

# Consistently outperforming reference markets\*

Reference markets **show high steady growth and resilience during recessions**

**Fine Foods has substantially outgrown its reference end-markets** in the last decade, with 2023 sales at 2.9X the 2013 level



\* Sources: Euromonitor International, Industrial, Pharmaceuticals, 2022 Edition Production MSP, EUR Fixed Ex Rates, Current Prices. Consumer Health, 2023 Edition, Retail Value RSP, EUR Fixed Ex Rates, Current Prices. Cosmetics as per aggregation of Euromonitor’s Bath and Shower, Deodorants, Hair Care, Skin Care, Fragrances and Sun Care; Biocides as per aggregation of Euromonitor’s Oral Care, Dermatologicals, Adult Mouth Care, 2023 Edition, Retail Value RSP, EUR Fixed Ex Rates, Current Prices.

Methodology: the three variables’ time series are divided by their respective 2013 value (the basis) and multiplied by a factor of 100; the considered variables are Fine Foods revenues, European Nutraceuticals – Vitamins & Dietary Supplements segment size, European Pharmaceuticals production size and European Cosmetics size





# Selection of products

- Nutraceuticals (Nutra BU)
- Pharmaceuticals (Pharma BU)
- Cosmetics (Cosmetic BU)





# What we do

Cross-fertilised innovation is implemented by exploiting our expertise in different fields, best practices and technical knowledge to provide customers with new opportunities

PHARMACEUTICAL FORMS

## NUTRA



Capsules



Tablets



Powders



Granules

## PHARMA



Liquids



Creams & Lotions



Gels



Toothpaste



Parfum

## COSMETIC

PACKAGING



Bottles



Jars



Sticks



Sachet



Blister



Tubes



Roll-on



Bottles



Jars

PLANTS



### ZINGONIA

COVERED AREA 28,800 sqm  
TOTAL AREA 45,600 sqm

*Planned expansion of production capacity*



### BREMBATE

COVERED AREA 14,200 sqm  
TOTAL AREA 135,900 sqm

*First phase of the new plant development started*



### TRENZANO

COVERED AREA 19,900 sqm  
TOTAL AREA 25,200 sqm

*Upgrade and expansion of production capacity completed*

# Flexible and integrated business model

Fine Foods is positioned within the value creation chain of pharmaceuticals, nutraceuticals and cosmetics, focusing on the following main phases: business development, R&D, scale-up and production

## NUTRACEUTICALS AND COSMETICS



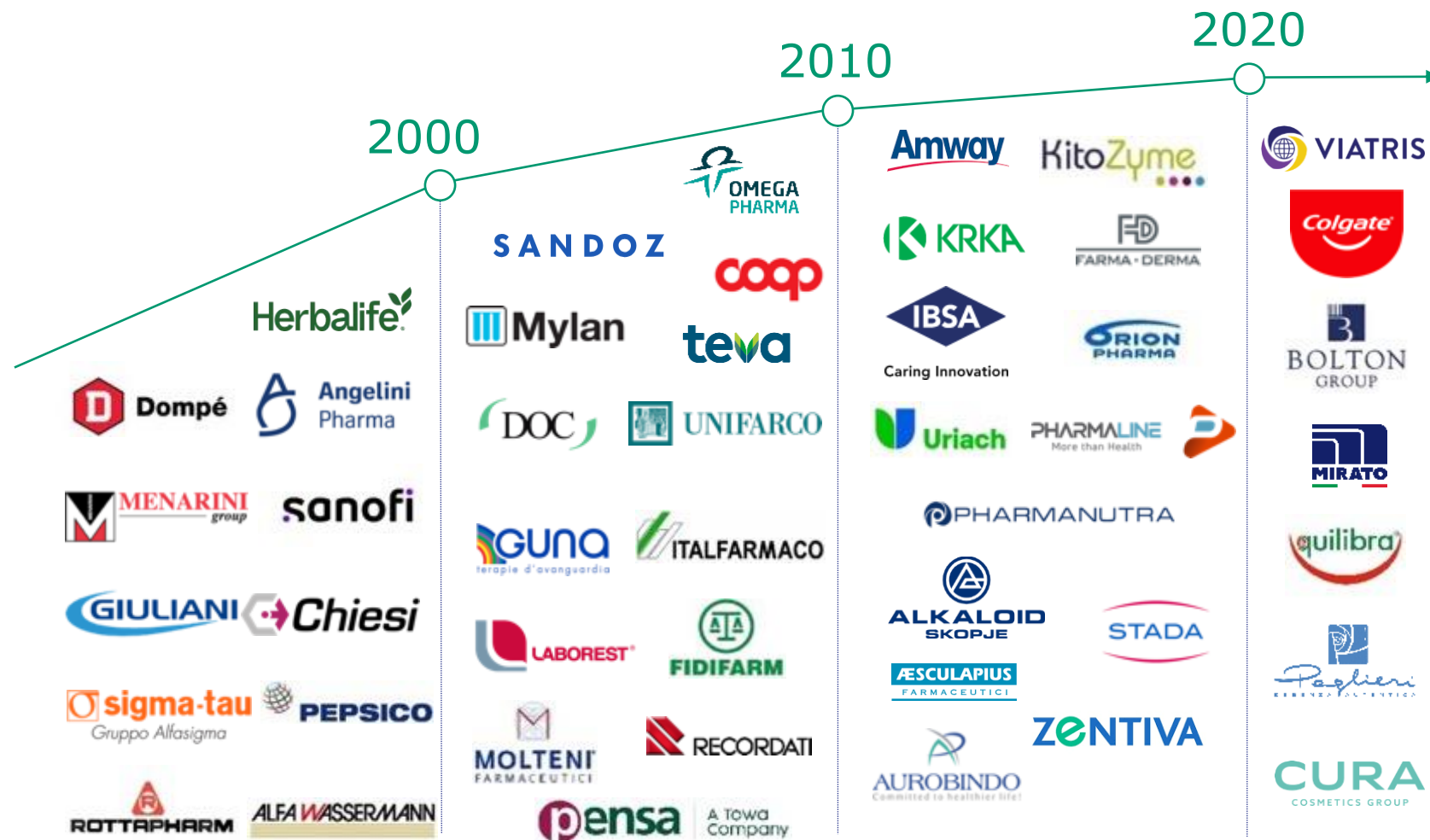
## PHARMACEUTICALS



# Customers' loyalty

Retained key clients acquired before 2000 with several new ones added afterwards, including those derived from our recent acquisitions in the cosmetic industry.

Note: Sigma-Tau & Alfa Wassermann (now Alfasigma), Mylan (now Viatris), Fidifarm (now PharmaS), Omega Pharma (now Perrigo), Aesculapius Farmaceutici (now Ceres Pharma)

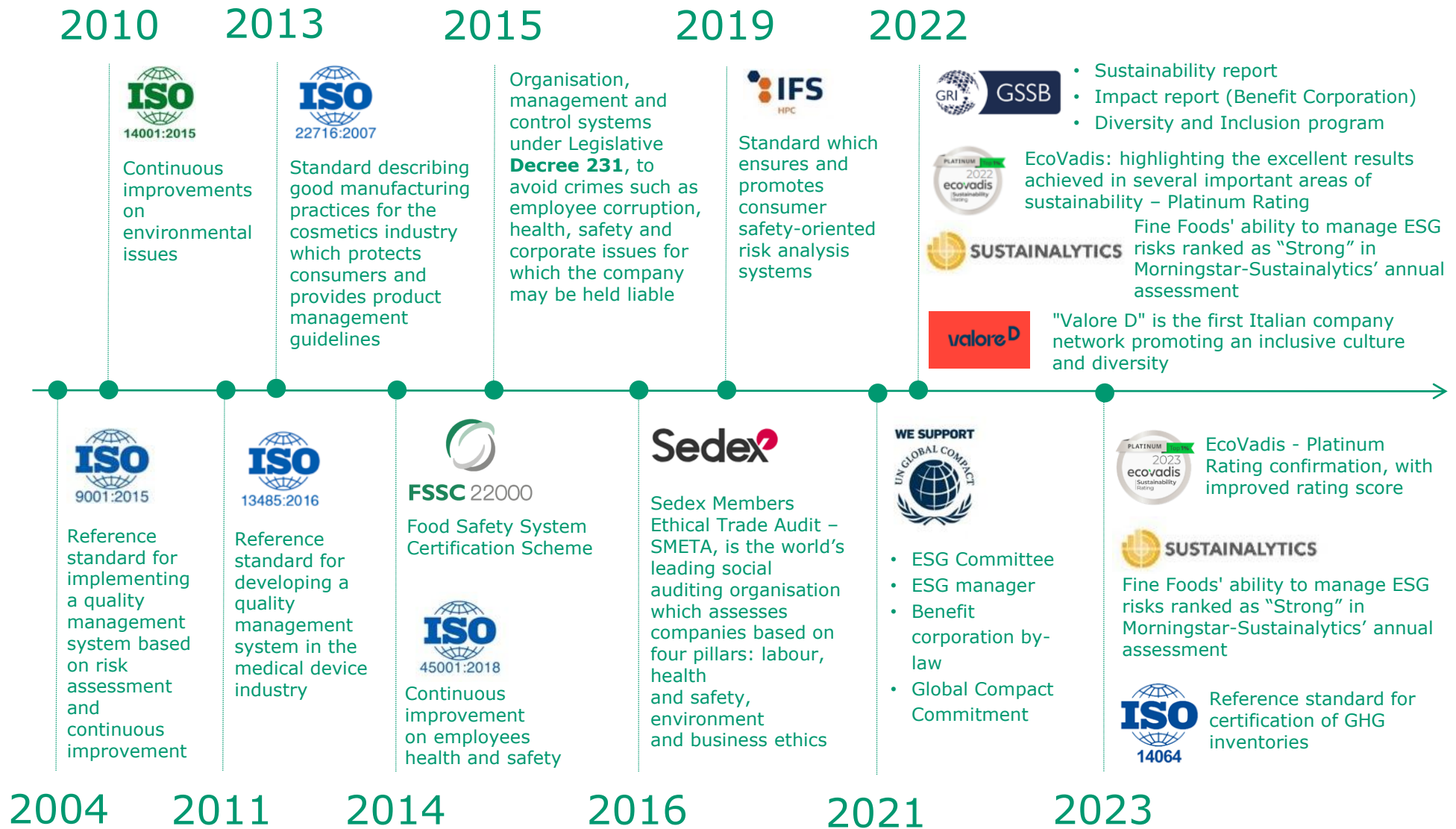


SELECTION OF CLIENTS

Colgate, Bolton, Mirato, Equilibra, Paglieri and Cura Cosmetics are clients of the Cosmetic BU

# Strong holistic ESG approach since foundation

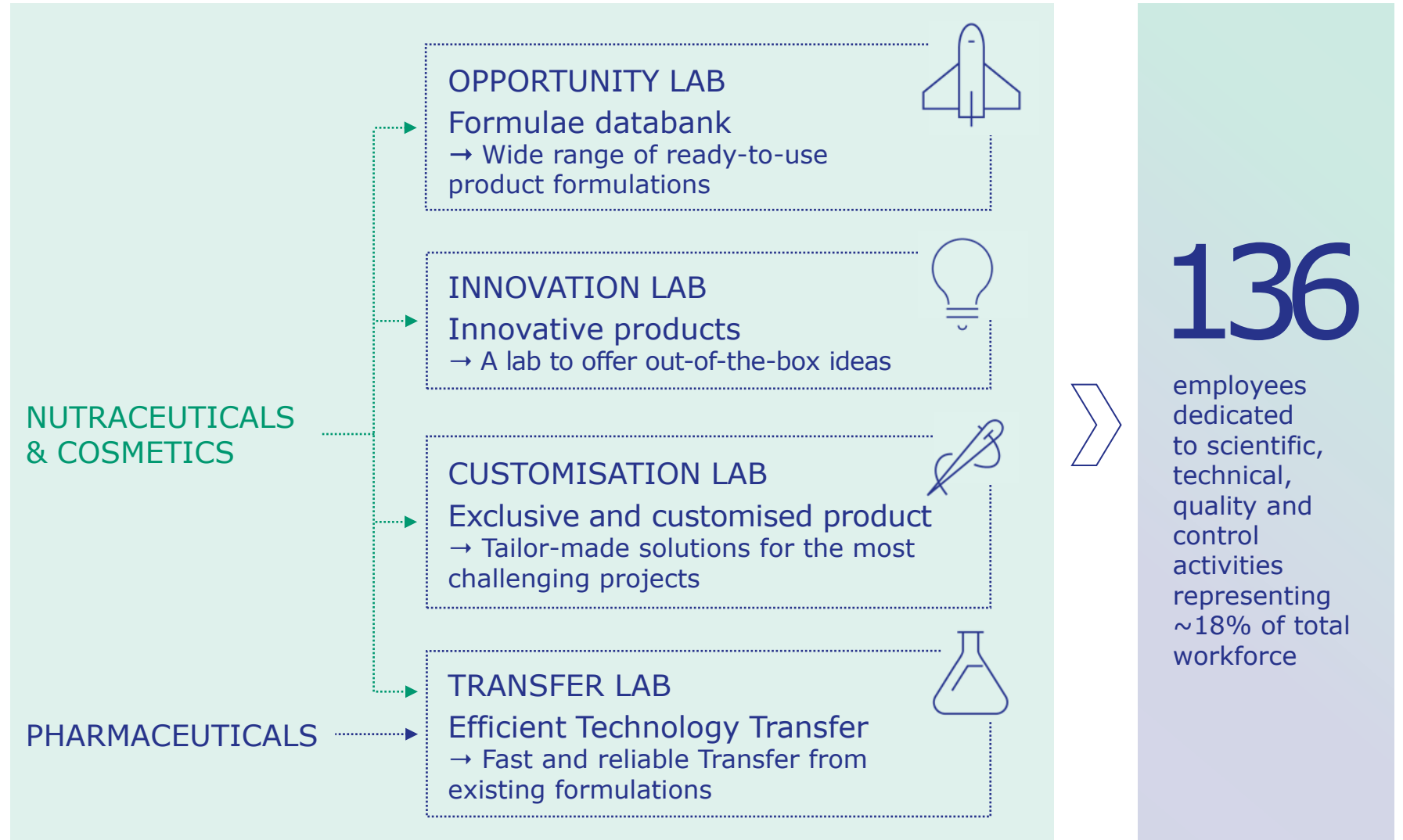
Please note that each of the certifications included in this slide is held by one or more companies of the Group, as the case may be





# R&D for efficient and high-quality product development

Using different approaches, based on customer needs, our R&D department defines, develops and delivers the best bespoke solutions



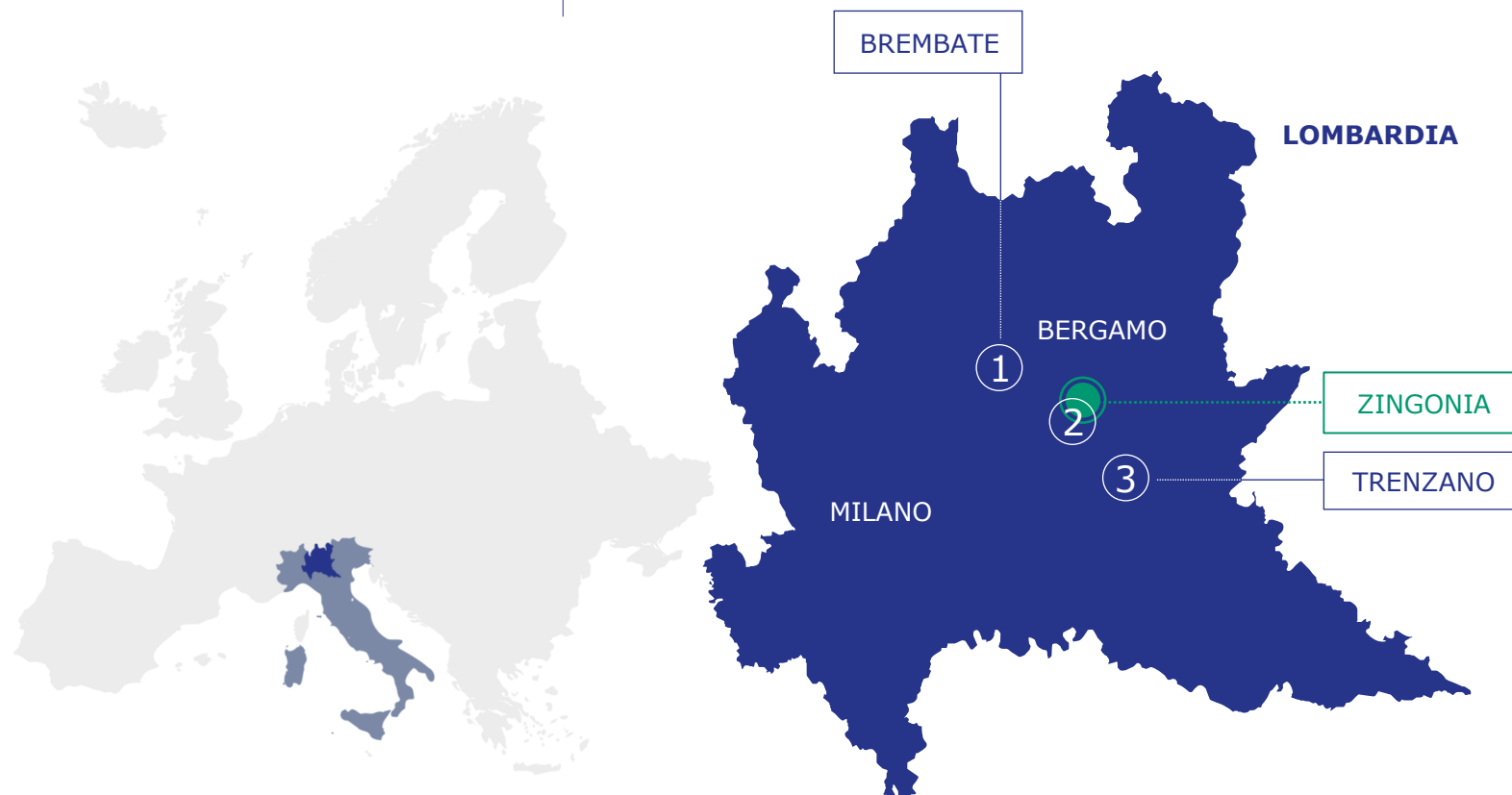
# 136

employees dedicated to scientific, technical, quality and control activities representing ~18% of total workforce

# Three production plants located in a European cluster of Excellence

**Italy and Lombardia, where our plants are located, are a cluster of excellence for our sectors.**

This has a positive impact on core skills and recruitment of qualified personnel



● HQ

- ① Pharmaceutical plant
- ② Nutraceutical plant
- ③ Cosmetic plant

# 2

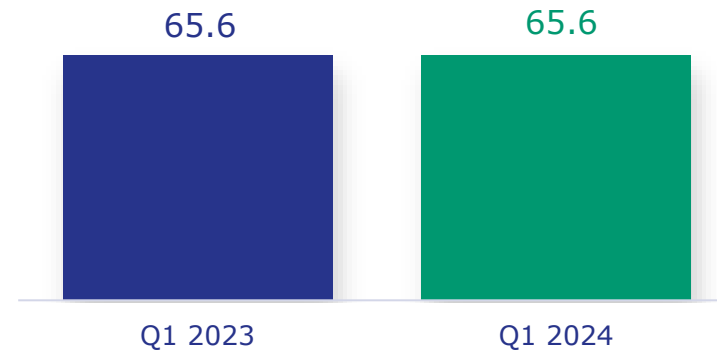
# FINANCIALS



# Q1 2024 consolidated revenue

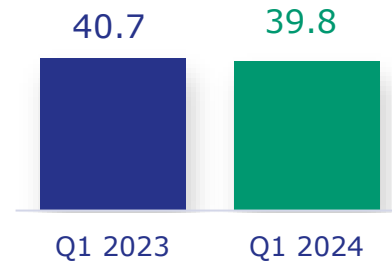
Q1 2024 Revenue stable vs the extraordinary results of Q1 2023

(€M)

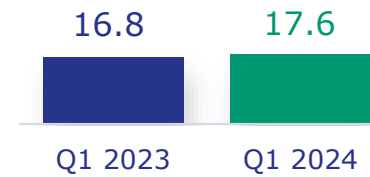


## REVENUE BREAK-DOWN

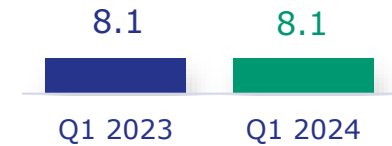
### Nutra



### Pharma



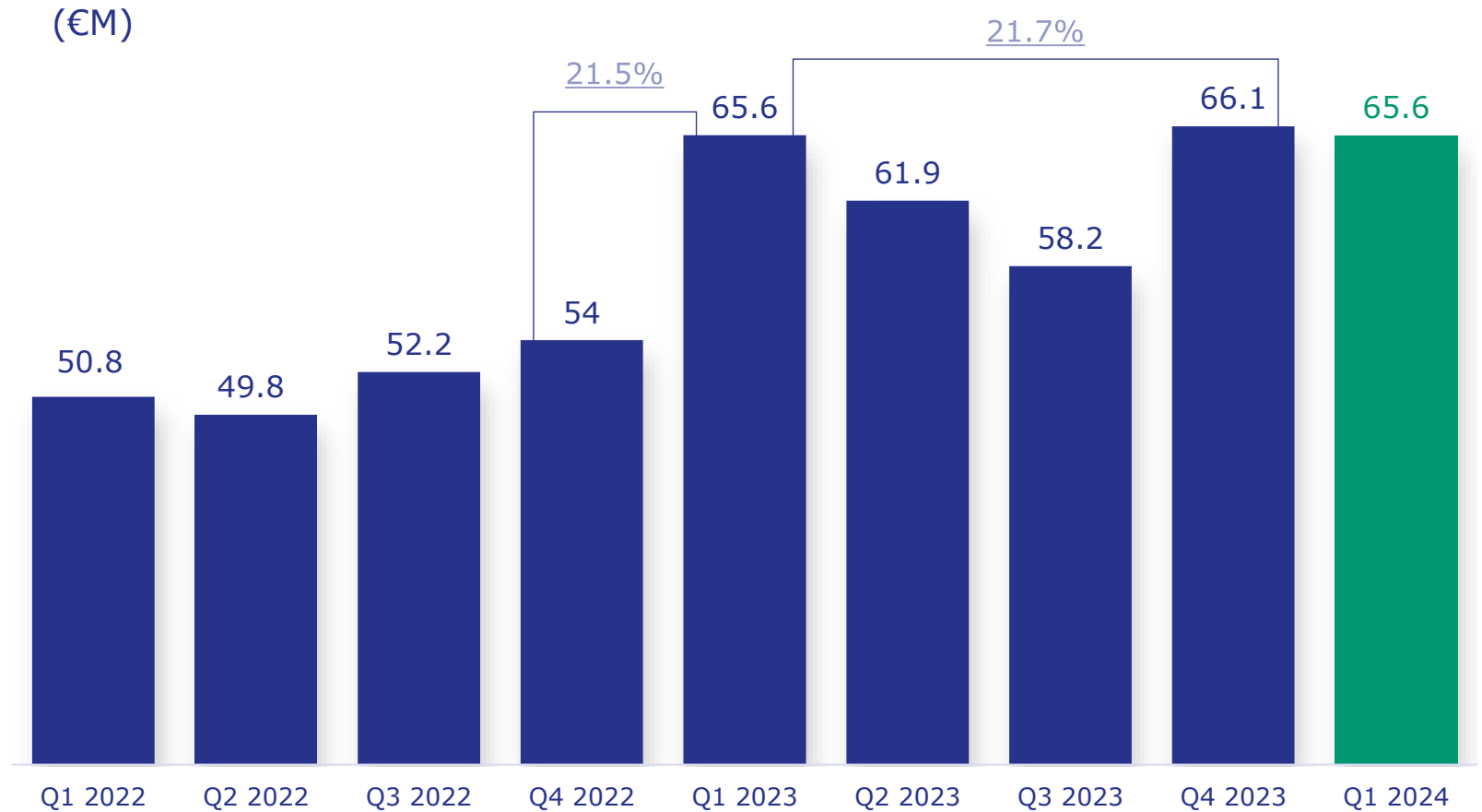
### Cosmetic





# Q1 2024 consolidated revenue

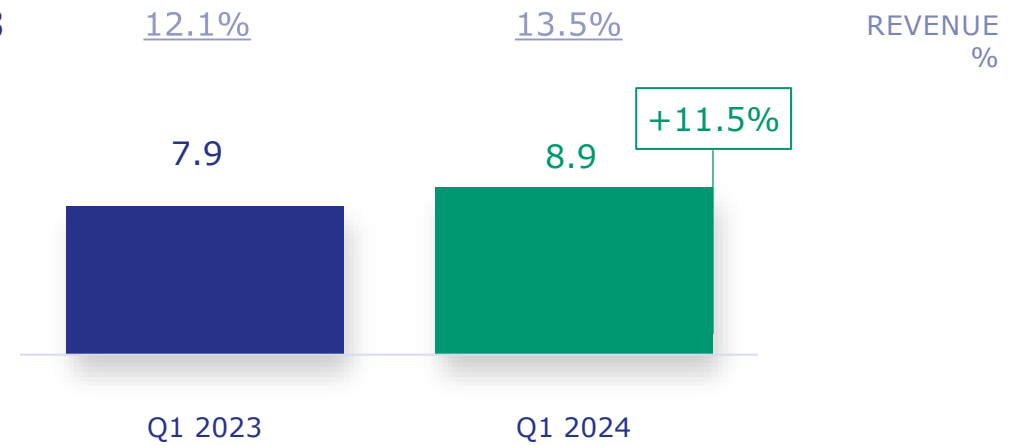
Q1 2024 followed the +21.7% extraordinary growth in FY 2023 and the all-time Q4 2023 record results



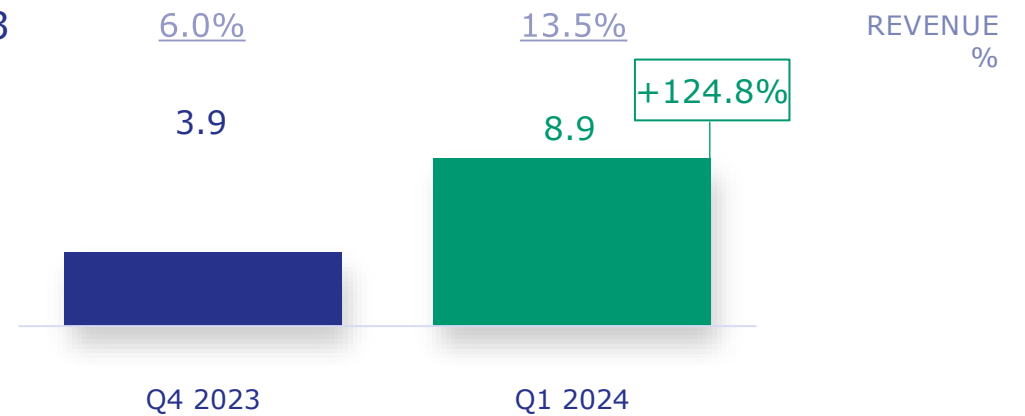
# Q1 2024 EBITDA

Q1 2024 EBITDA reflected a decreased impact of raw material costs on revenue compared to Q1 2023 and an improvement in the organization efficiency

Q1 2024 vs Q1 2023  
(€M)



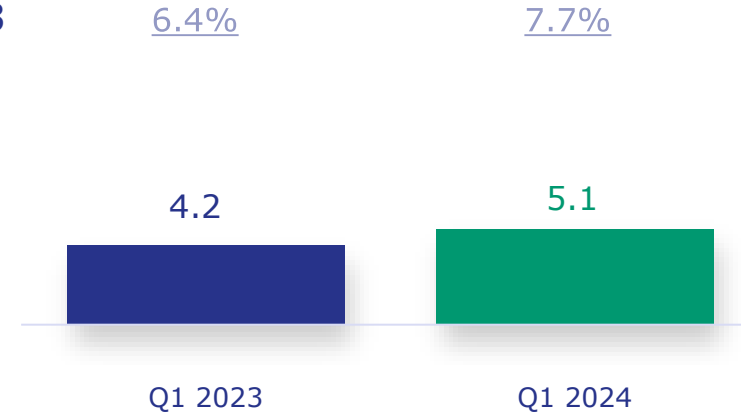
Q1 2024 vs Q4 2023  
(€M)



# Q1 2024 EBIT

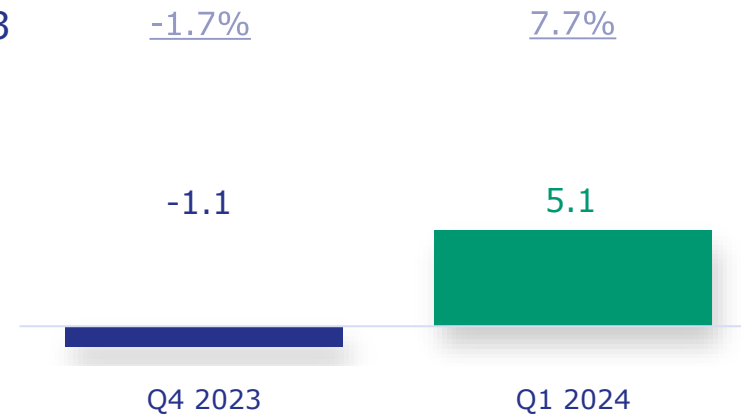
Q1 2024 EBIT benefited from the above cost item dynamics

Q1 2024 vs Q1 2023  
(€M)



REVENUE  
%

Q1 2024 vs Q4 2023  
(€M)

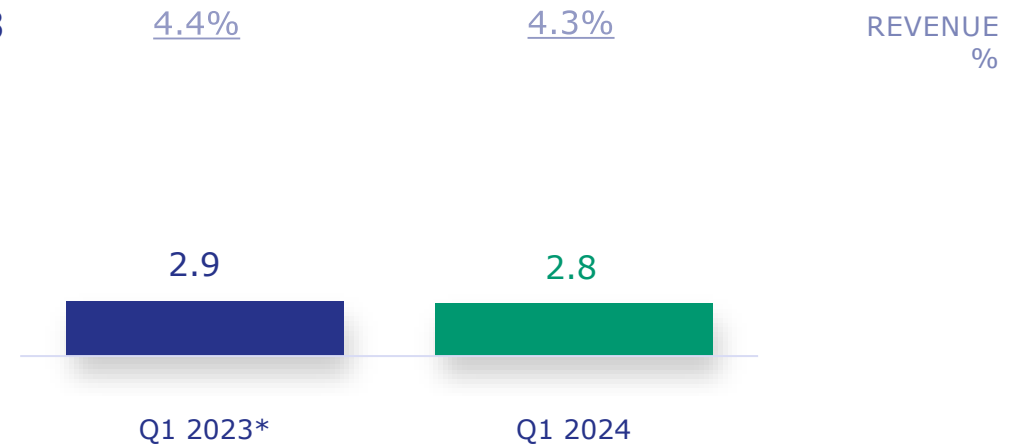


REVENUE  
%

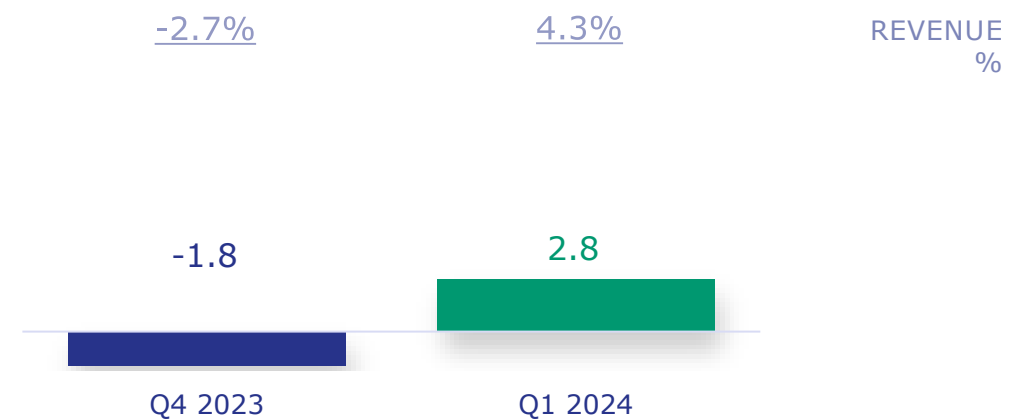
# Q1 2024 Net Result

The Net Result for Q1 2024 was nearly unchanged compared to Q1 2023

Q1 2024 vs Q1 2023  
(€M)



Q1 2024 vs Q4 2023  
(€M)



\* In Q1 2023, the Parent Company's asset securities management showed a positive change in Fair Value of € 1.1 million



# Robust capital structure

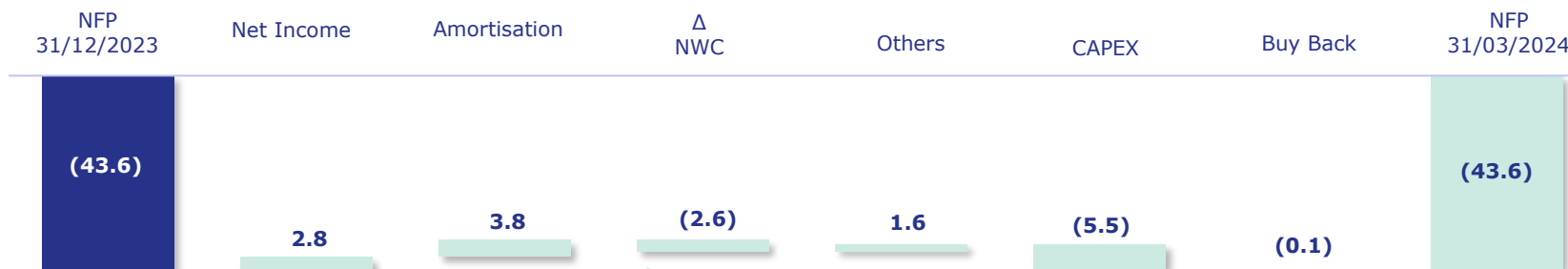
Net Financial Position (NFP) was stable, highlighting a positive cash flow resulting from:

- Operating activities approximately €5.6 million
- Net CAPEX of approximately €5.5 million for the period
- Share Buyback for approximately €0.1 million

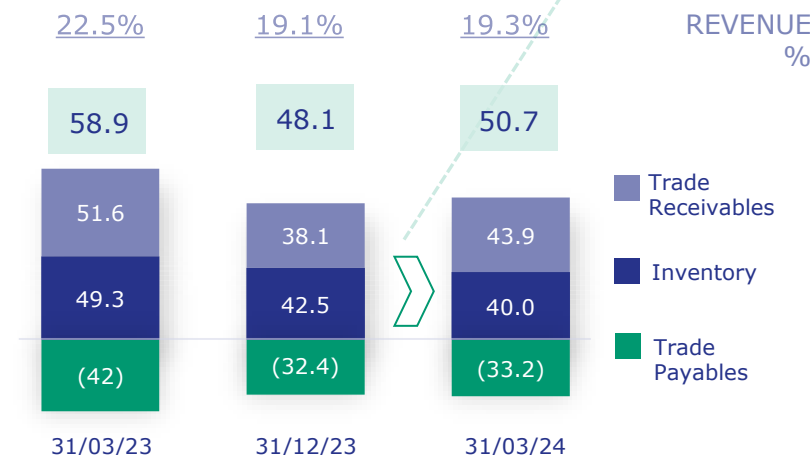
NWC impacted by:

- an increase in trade receivables (5.8 €M) and trade payables (0.8 €M)
- a decrease in inventories (2.5 €M)
- a decrease in Other current receivables and payables (~0.8 €M)

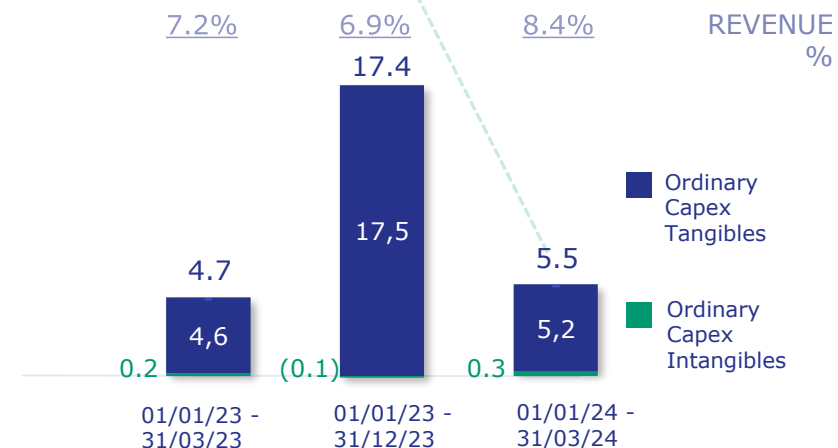
## NET FINANCIAL POSITION (€M)



## NET WORKING CAPITAL (€M)



## CAPEX AND INVESTMENTS (€M)



# Guidelines for future growth

Despite the current international economic and geopolitical situation, and temporary shifts in some customers' inventory management, **the target markets continue to expand. Fine Foods is set on growing its market share** and will persist in developing its business across three key sectors: Nutraceuticals, Pharmaceuticals, and Cosmetics

## NUTRA BU

The commercial strategies implemented, which focus on product quality, innovation, and enhancing customer support services, were confirmed. The increase in production capacity by expanding the existing facility was confirmed. Initial investments are expected to start in the second half of the year, which will bring favourable results on the top line in the 2024-2028 five-year period

## PHARMA BU

Significant multi-year contracts with major international customers have been signed, underpinning the expected strong growth. The production plant expansion, initiated at the end of 2023, will be completed in 2025, with revenue generation starting from 2026

## COSMETIC BU

Following the organisation, integration, and optimisation of processes, and investments made, the increased efficiency and enhanced capacity to fulfil customer demands are showing positive signs. These improvements are expected to contribute favourably to the Group's results in 2024

**MANAGEMENT IS CONFIDENT THAT THE GROUP'S HISTORICAL TRENDS OF REVENUE GROWTH AND MARGIN ENHANCEMENT WILL CONTINUE IN THE UPCOMING QUARTERS**

# 3

# SHAREHOLDING STRUCTURE



# Shareholding structure

As of 15.05.2024

| FINE FOODS SHARES    | N. OF SHARES (Million) | %    |
|----------------------|------------------------|------|
| LISTED SHARES        | 22.1                   | 86%  |
| UNLISTED SHARES*     | 3.5                    | 14%  |
| TOTAL EQUITY CAPITAL | 25.6                   | 100% |

FLOATING (ON LISTED SHARES)

~53.9%

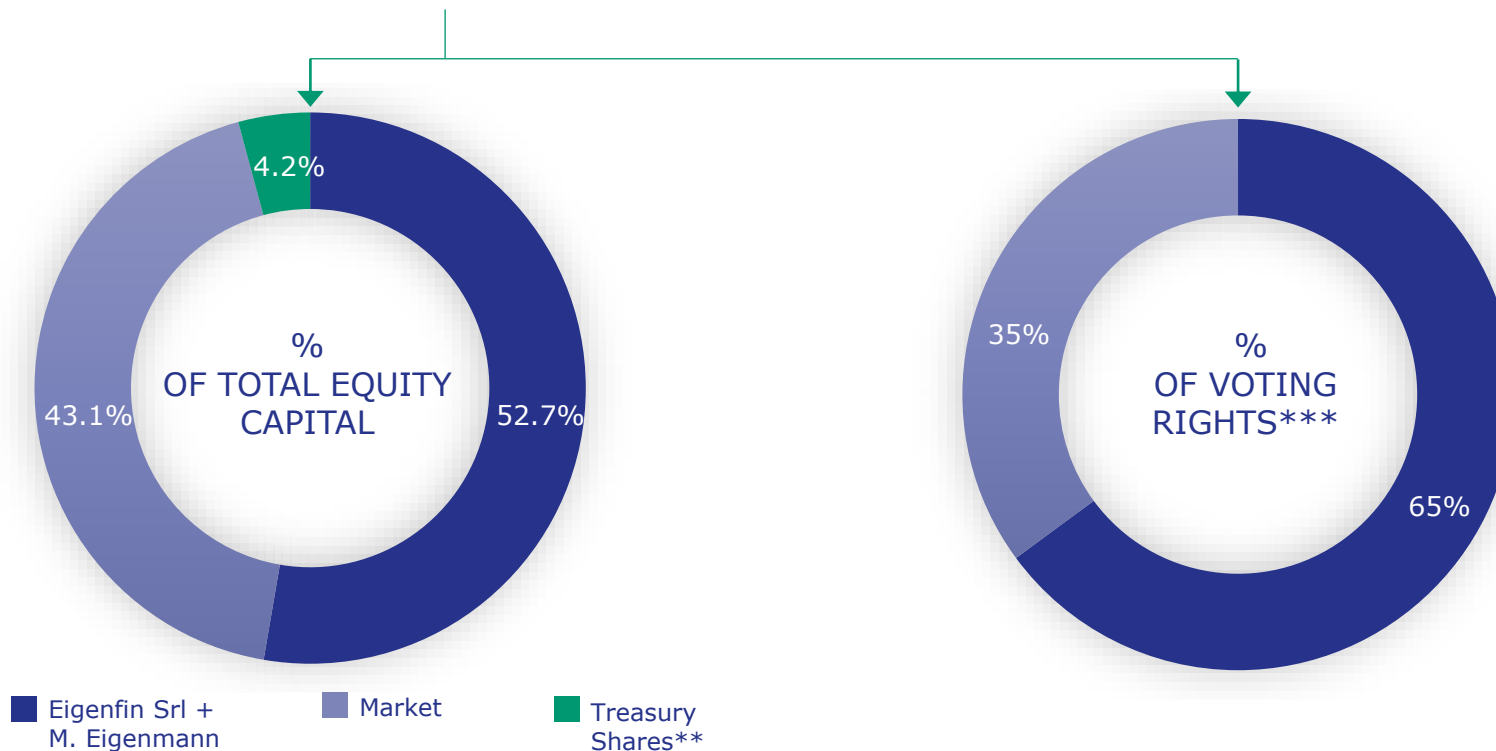
**\* Unlisted shares are Multiple Voting Rights Shares:**

- Owned by Marco Eigenmann through 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

**\*\* Treasury Shares**

- N. Treasury Shares as of 15.05.2024: 1,077,669
- Purchasable shares: max 20% of share capital for max 26.0 €M

**\*\*\* Net of Treasury Shares**





# 4

## INVESTOR INFORMATION & CONTACTS

# Investor Information

|                  |                                                                                                                                                                                      |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MARKET           | EURONEXT STAR MILAN                                                                                                                                                                  |
| ISIN CODE        | IT0005215329                                                                                                                                                                         |
| TICKER           | FF                                                                                                                                                                                   |
| SPECIALIST       | BANCA AKROS S.p.A.<br>Analyst: Gian Marco Gadini<br>E-mail: gianmarco.gadini@bancaakros.it<br>Recommendation: Buy<br>Target Price: € 12.50<br>Last Report: 15/04/2024                |
| CORPORATE BROKER | INTERMONTE PARTNERS SIM S.p.A.<br>Analyst: Giorgio Tavolini<br>E-mail: giorgio.tavolini@intermonte.it<br>Recommendation: Outperform<br>Target Price: € 12<br>Last Report: 02/04/2024 |

# Why Fine Foods?

## Reliability

- Holistic sustainability since foundation
- Advanced HR management
- Robust management structure
- Granular controlling

## Performance

- Solid track record with a 10-year revenue CAGR of 11%
- Long lasting customer's relations
- Employees' loyalty
- Growth sustained by R&D partnerships

## Positioning

- Unique presence in Nutra, Pharma and Cosmetic sectors
- Critical mass
- Cross functional innovative R&D
- Attractive and growing markets
- Structure to exploit M&A opportunities

# Contacts

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Investor Relations: [ir@finefoods.it](mailto:ir@finefoods.it)

Media Relations: [media.relations@finefoods.it](mailto:media.relations@finefoods.it)

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# 5

## BACK UP ESG DETAILS



# Fine Foods' Group sustainability pillars



# ESG main initiatives and results

## Environment



### CIRCULAR ECONOMY

- Programs for reduction of environmental impact of waste
- Testing new materials for the circular economy



### SUSTAINABLE PRODUCTS

- Environmental labelling consultation
- Product carbon footprint calculation support
- Product eco-design support



### ENVIRONMENTAL AND SOCIAL ASSESSMENT OF OUR SUPPLIERS

- 89% Value of purchases of raw materials and packaging from suppliers assessed by EcoVadis on ESG criteria



### SOCIAL RESPONSABILITY

- ~ 500 students involved in meetings on sustainability and orientation issues

## Social



### WE ATTRACT

- ~ 11,000 applications/year



### WE ENGAGE

- ~ 95%\* avg employee retention rate



### WE VALUE

- ~ 80/100 employee satisfaction in annual surveys



### WOMEN

- ~ 47% of managers
- ~ 43% of Board members



### HEALTH PROGRAMME

- Nine active health initiatives
- Psychologist and Nutritionist available to employees
- Skin cancer screening programme

## Governance



### BOARD OF DIRECTORS

- 3 Women out of 7 Directors
- 3 Independent Directors out of 7
- 2 Non-executive Directors out of 7



### ESG COMMITTEE

- 2 Women out of 3
- 2 Independent out of 3
- Fine Foods CEO is member of the Committee



### REMUNERATION AND NOMINATION COMMITTEE

- 100% Women
- 100% Independent



### CONTROL, RISK AND RELATED TRANSACTIONS PARTY COMMITTEE

- 100% Women
- 100% Independent

\* Fine Foods stand-alone data

# Ratings, ESG Commitment and Certifications

RATINGS



ESG COMMITMENT



BENEFIT  
CORPORATION  
Since 2021

231  
Organizational,  
managerial and control  
models to prevent  
crimes



New membership to the  
network of companies on  
Diversity and Inclusion issues

CERTIFICATIONS



Please note that each of the certifications included in this slide is held by one or more companies of the Group, as the case may be.



# People

We are committed to creating an environment taking into account human and social principles



**WE ATTRACT**  
~ 11.000 applications/year



**WE TRAIN**  
~ 23.443 training hours



**WE ENGAGE**  
~ 95%\* avg employee retention rate



**WE VALUE**  
~ 80/100 employee satisfaction in annual surveys



**WOMEN**  
~ 47% of managers  
~ 43% of Board members



**AGE OF EMPLOYEES**  
~ 32% of new hired under 30



**WORK – LIFE BALANCE**  
Home office and Flextime



**SAFETY AT WORK**  
Management system for health and safety is internationally certified since 2014\*\*



**SAFETY IMPROVEMENT**

- Risk reduction programmes
- Safety training and campaign



**HEALTH PROGRAMME**

- Nine active health initiatives
- Psychologist and Nutritionist available to employees
- skin cancer screening programme

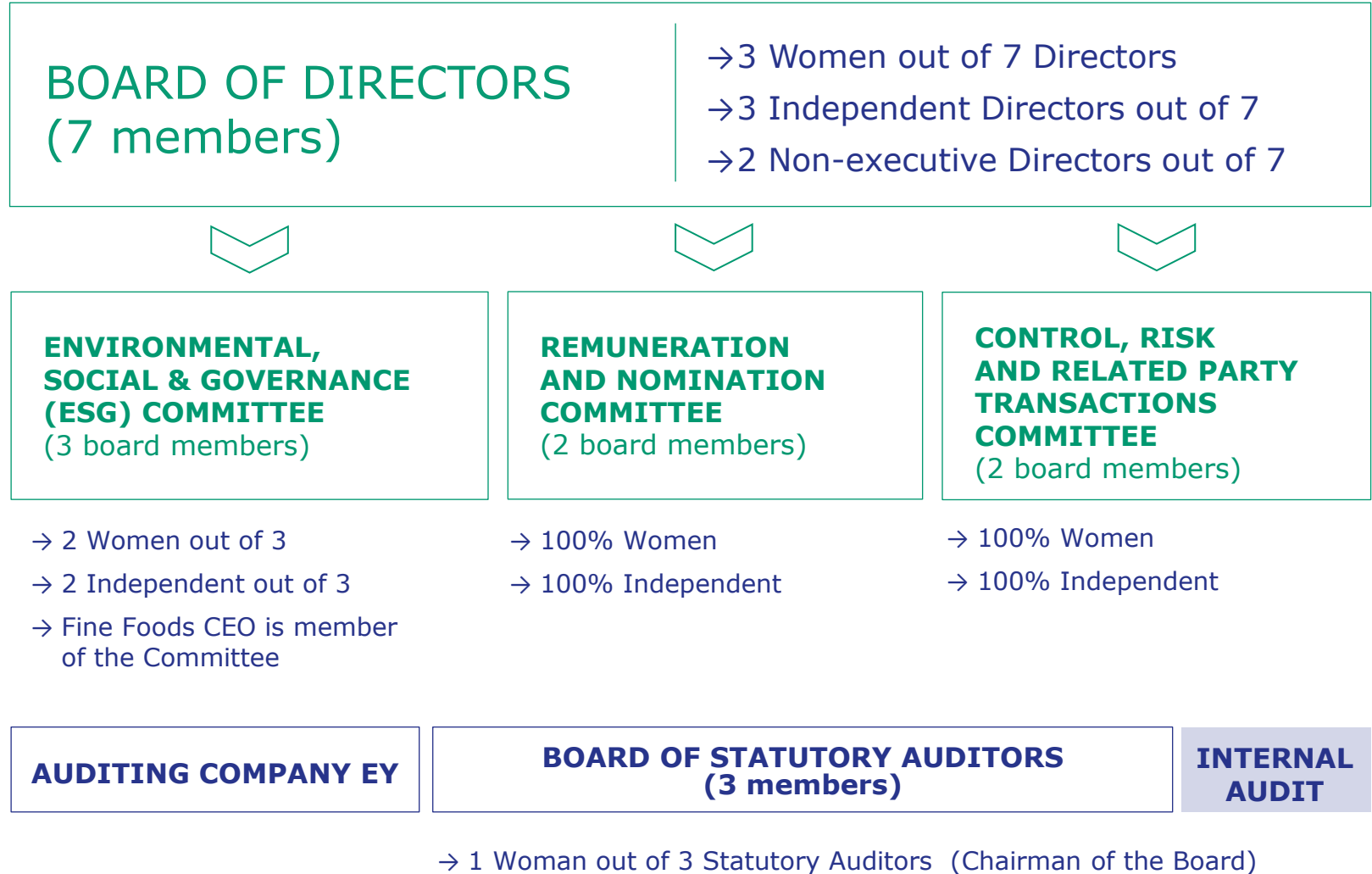
\* Fine Foods stand-alone data

\*\* Nutra and Pharma BU



# Corporate Governance

Our governance is structured around **an ESG responsible approach**. It allows us to pursue a sustainable growth while also ensuring continuity to all our stakeholders



# Sustainable products

Support and service to develop products that provide environmental, social and economic benefits while protecting environment, from the selection of raw materials, formula design, until the packaging final disposal

## OUR SERVICES



Environmental labelling consultation



Product carbon footprint calculation support



Product eco-design support

## OUR CERTIFICATIONS



Certifications for biological and/or natural origin cosmetic products



Certification for organic and natural origin products, based on environmental sustainability and healthiness criteria



Certification for biological and ecological cosmetic products



Compliance with the applicable RSPO Standards



Certification for products and packaging without any animal-derived ingredients

Please note that each of the certifications included in this slide is held by one or more companies of the Group, as the case may be

# Relations with local communities

## SOCIAL RESPONSIBILITY

~500

students involved in meetings on sustainability and orientation issues

9

students accepted for internships and school-to-work projects

5

study orientation meetings for students

## TRADE ASSOCIATIONS



## MAIN COLLABORATIONS WITH UNIVERSITIES



# Suppliers' ESG management

## ENVIRONMENTAL AND SOCIAL ASSESSMENT OF OUR SUPPLIERS

89% 

Value of purchases of raw materials and packaging from suppliers assessed by EcoVadis on ESG criteria

---

92% 

Value of purchases of raw materials and packaging from suppliers who have signed the Fine Foods Group Code of Conduct

---



Ongoing joint improvements plan with suppliers to increase their standards

---

# Environment

We are committed to sustainably use our resources and reduce our environmental impact.



## CLIMATE

- **-19% CO<sub>2</sub>** emissions intensity from 2022
- **850 kW power by** renewable sources installed
- **Organization's Carbon Footprint** certified UNI EN ISO 14064



## WATER RESOURCES

- Programs for reduction of water consumption



## CIRCULAR ECONOMY

- Programs for reduction of environmental impact of waste
- Testing new materials for the circular economy
- Ecodesign projects for sustainable products



## ENVIRONMENT PROTECTION



Certified since 2010