

FY_2021 FINANCIAL RESULTS

March 18th, 2022



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GROUP PRESENTATION & HIGHLIGHTS 2021

PHARMANUTRA, JUNIAPHARMA E ALESCO

PharmaNutra holds 100% of
Junia Pharma and Alesco.

Only three years after the listing
on the AIM market of the Italian
Stock Exchange, **in December
2020 the Group switched to
trading in the EURONEXT STAR
MILAN.**

2010



Medical products and devices, OTC and dietary
supplements for children

2003



Medical devices and dietary supplements for adults

2000

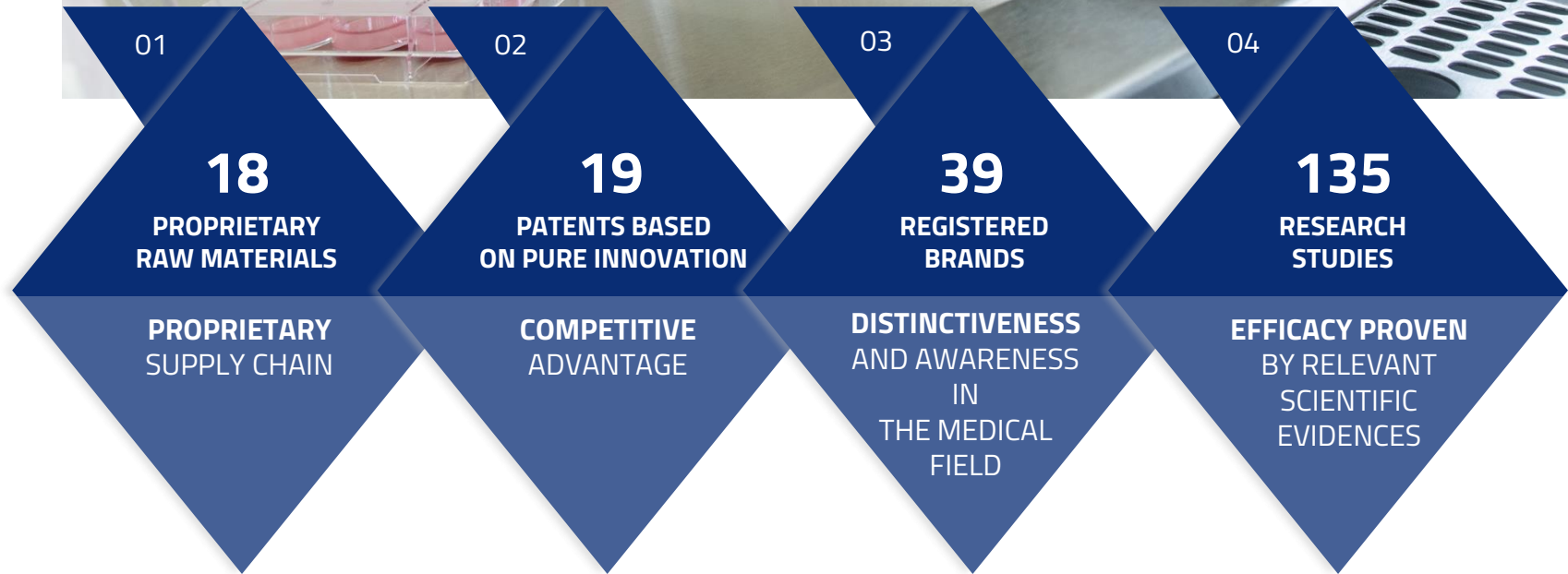


Development and manufacturing of unique and innovative
proprietary bioactive ingredients

PHARMANUTRA'S UNIQUENESS

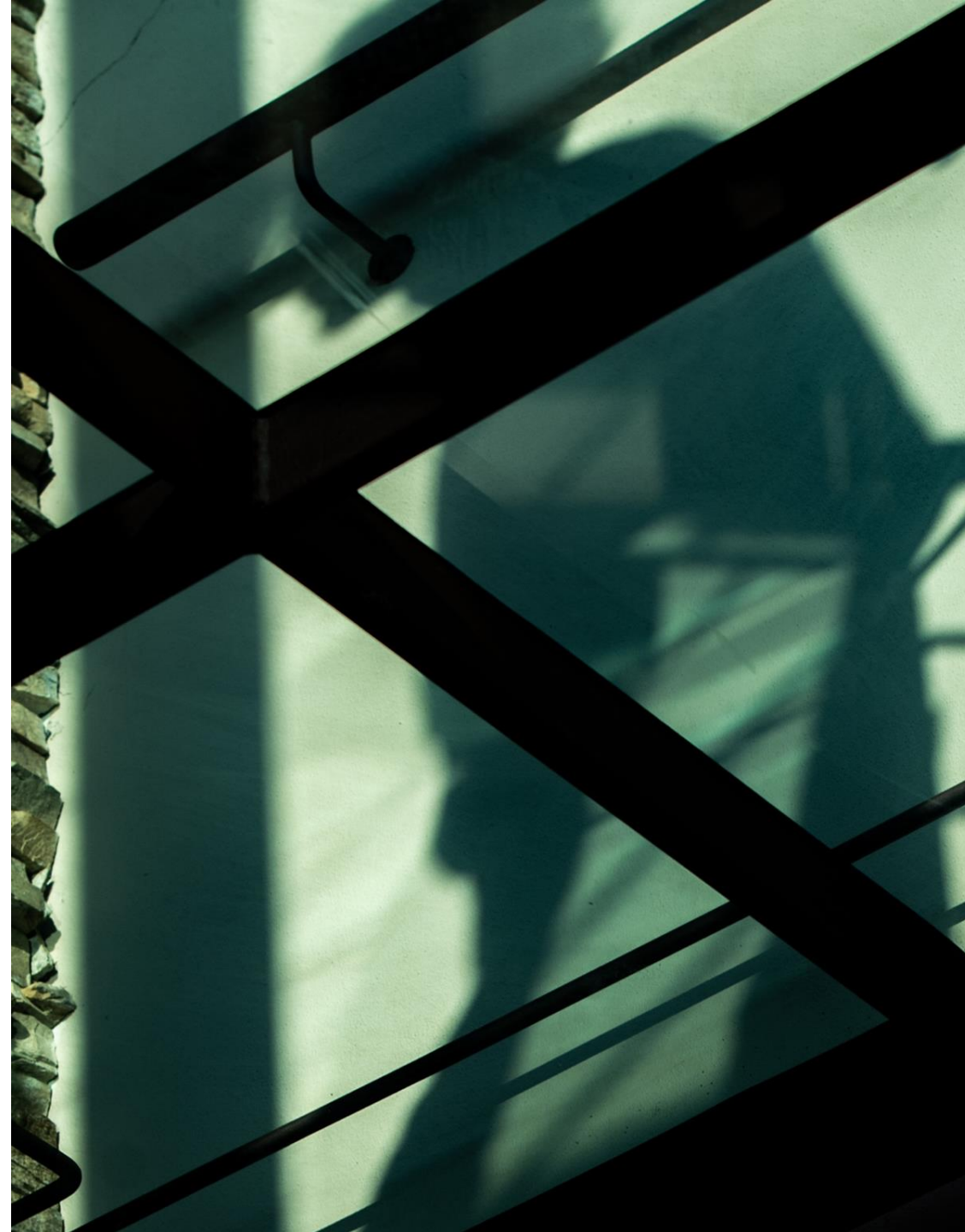
Intellectual property protection

No player in the dietary
supplements and medical
devices industry has these
**4 STRONG PILLARS IN
ONE SINGLE COMPANY**



HIGHLIGHTS 2021

- Distribution of **SiderAL® Med**, the first Food for Special Medical Purposes (FSMP) based on Sucrosomial Iron®;
- **New distribution agreements** for the distribution of SiderAL® and Cetilar® products in **six new countries**, including Germany and Argentina;
- Six new patents granted to Pharmanutra Group about **CFA and Sucrosomial® Technology**;
- **New Headquarter** building works started in August and currently underway as planned.



ECONOMIC AND FINANCIAL DATA

HIGHLIGHTS FY - 2021

- Net Sales Revenues far above expectations + 20.7%
- Domestic Sales increased by + 19.6%
- Foreign Sales increased by + 23.4%
- Growth in Adjusted EBITDA of + 25.3%
- Positive Net Financial Position of 28 million Euro
- Excellent commercial performance

+ 21%

NET REVENUES € 68,1 M
(+21% COMPARE TO FY 2020)

+ 25%

EBITDA ADJUSTED € 20,1M
(29,2% MARGIN ON REVENUES)

+ 31%

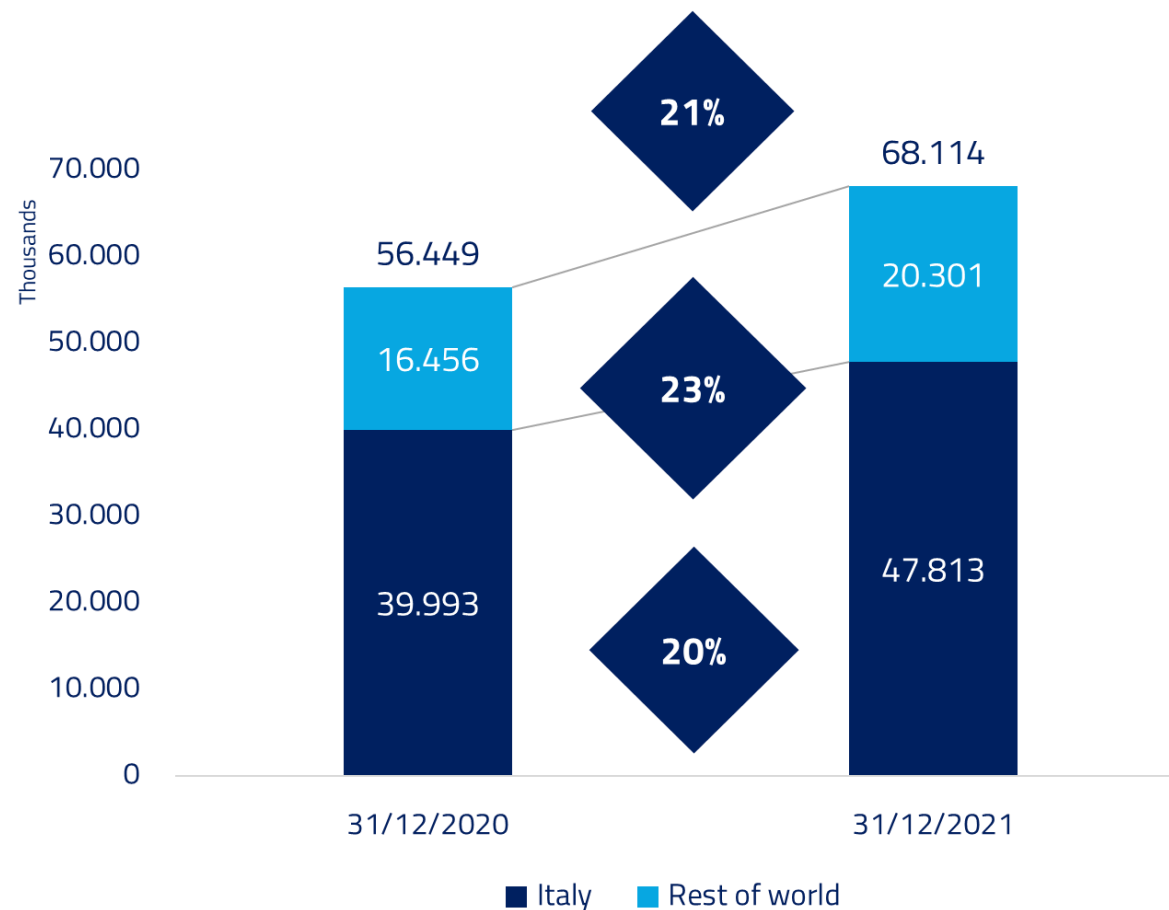
NET RESULT ADJUSTED € 13,3 M
(19,3% MARGIN ON REVENUES)

€28,1
Mio

POSITIVE NET FINANCIAL POSITION
+8,7M € COMPARED TO FY 2020

NET REVENUES

Revenues in 2021 accounted for € 68.1 million, recording **a growth of 20.7%** compared to the previous year. The increase was about 20% on the domestic market and about 23% on the foreign markets.



PROFIT AND LOSS

PROFIT AND LOSS (€/000)	31/12/2021	31/12/2020	Management Adjustments	31/12/2020 Adjusted
A) REVENUES	68.836	58.680	(1.049)	57.631
Net Revenues	68.114	56.449	-	56.449
Other revenues	722	2.231	(1.049)	1.182
<i>of which non recurring other revenues</i>	-	1.049	(1.049)	-
B) OPERATING EXPENSES	48.756	43.124	(1.242)	41.882
Cost of goods sold and logistics	13.133	10.179	-	10.179
SG&A expenses	30.694	27.823	(1.514)	26.309
<i>of which non recurring selling expenses</i>	-	1.514	(1.514)	-
Personnel expenses	4.288	3.712	-	3.712
Other operating expenses	641	1.410	-	1.410
(A-B) EBITDA	20.080	15.556	465	16.021
C) Amort., depr. and write offs	1.389	2.338	(1.049)	1.289
<i>of which non recurring write offs</i>	-	1.049	(1.049)	-
(A-B-C) EBIT	18.691	13.218	1.514	14.732
D) NET FINANCIAL INCOME/(EXPENSES)	118	84	-	84
Financial income	159	146	-	146
Financial expenses	(41)	(62)	-	(62)
E) NON RECURRING INCOME/(EXPENSES)	-	-	(1.514)	(1.514)
Non recurring Income/(Expenses)	-	-	(1.514)	(1.514)
EBT	18.809	13.302	-	13.302
Current taxes	(5.038)	(2.661)	-	(2.661)
Previous years taxes	-	3.431	-	3.431
NET RESULT	13.771	14.072	-	14.072

REVENUES

Other revenues

The 2020 includes an amount of € 1 million for an indemnity related to a distribution agreement that has not been renewed from the producer.

OPERATING EXPENSES

Increase in Net revenues has been accompanied by a physiological increase in operating expenses such as productions cost, commercial expenses, due to higher commissions on sales as a results of the increase in sales volumes, and marketing expenses, notwithstanding that 2021 marketing activities have been still affected from the restrictions impose by the Covid-19 pandemic.

TAXES

Previous years taxes

Referred to the tax benefit related to the *Patent Box* ruling concluded in June 2020 and regarding the years 2016-2019. The tax benefit of the year 2020 (€ 1.4 million) has been accounted in reduction of the Current taxes.

Net Result excl. non recurring items (€/000)	31/12/2021	31/12/2020
Net Result	13.771	14.072
Non recurring net expenses	-	1.211
2020 <i>Patent Box</i> benefit	-	(1.420)
Tax benefit Art.1 L. 27/12/17 n.205	(457)	-
Postponed tax (IRAP) advance payment	-	(254)
Previous years taxes	-	(3.431)
Net Result excl. non recurring items	13.314	10.178

RECLASSIFIED CONSOLIDATED BALANCE SHEET

Amounts in €/000	31/12/2021	31/12/2020
<i>Operating Working Capital</i>	9.787	9.772
Net Working Capital	5.652	9.559
Total Fixed Assets	15.362	11.085
Provisions and other L/T liabilities	(3.996)	(2.273)
NET INVESTED CAPITAL	17.018	18.371
Shareholder's Equity	45.082	37.730
Net Financial Position	(28.064)	(19.359)
TOTAL SOURCES	17.018	18.371

CONSOLIDATED CASH FLOW

CASH FROM OPERATING ACTIVITIES

Amortization, depreciation & write off

2020 includes the write off of the indemnity related to the non renewal of a distribution agreement (€ 1 million)

Change in operating working capital

Increase in trade receivables due to higher revenues.

Increase in account payables due to the greater production needs driven by the increase in sales

Change in other assets/liabilities

Decrease in tax receivables due to the use of the residual tax credit related to the Patent Box.

Increase in tax payables due to the accounting of the 2021 income taxes.

CASH FROM INVESTING ACTIVITIES

Capex

The increase refers to the progress of construction works for the new headquarter, the renewal of some lease agreements and operating capex.

CASH FROM FINANCING ACTIVITIES

Changes in financial liabilities

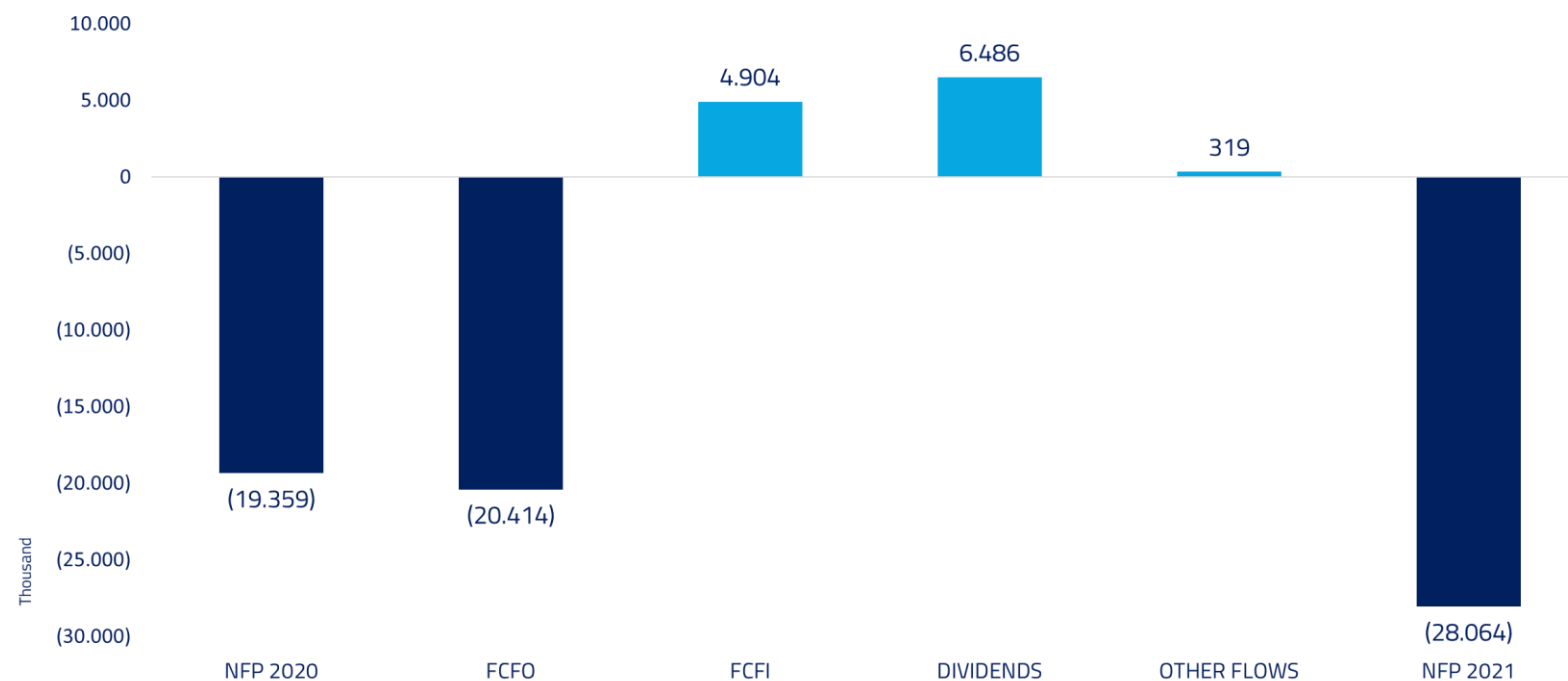
The increase is due to a loan obtained to partially cover the investment related to the construction of the new headquarter for € 5 million.

Cash Flow (€/000)	31/12/2021	31/12/2020
Net Result	13.771	14.072
NON MONETARY EXPENSES		
Amortization, depreciation and w.o.	1.389	2.338
Accrual for employees benefits	222	203
CHANGES IN OPERATING ASSETS AND LIABILITIES		
Changes in operating working capital	(167)	(2.306)
Changes in other assets/liabilities	5.198	(2.509)
CASH FROM OPERATING ACTIVITIES	20.413	11.798
Capex	(4.904)	(1.329)
Changes in other non current assets	(639)	731
CASH FROM INVESTING ACTIVITIES	(5.543)	(598)
Dividend paid	(6.486)	(4.453)
Changes in financial liabilities	4.688	(4.741)
Changes in financial assets	(185)	727
Other changes	67	(29)
CASH FROM FINANCING ACTIVITIES	(1.916)	(8.496)
CHANGES IN LIQUIDITY	12.954	2.704
Cash and cash equivalents at the beginning of the period	16.455	13.751
Cash and cash equivalents at the end of the period	29.409	16.455

NET FINANCIAL POSITION

NFP

The Net Financial Position at 31.12.2021 is € 28.064 million. The increase compared to the previous year is mainly due to the cash flow generated by operations (€ 20.4 million).

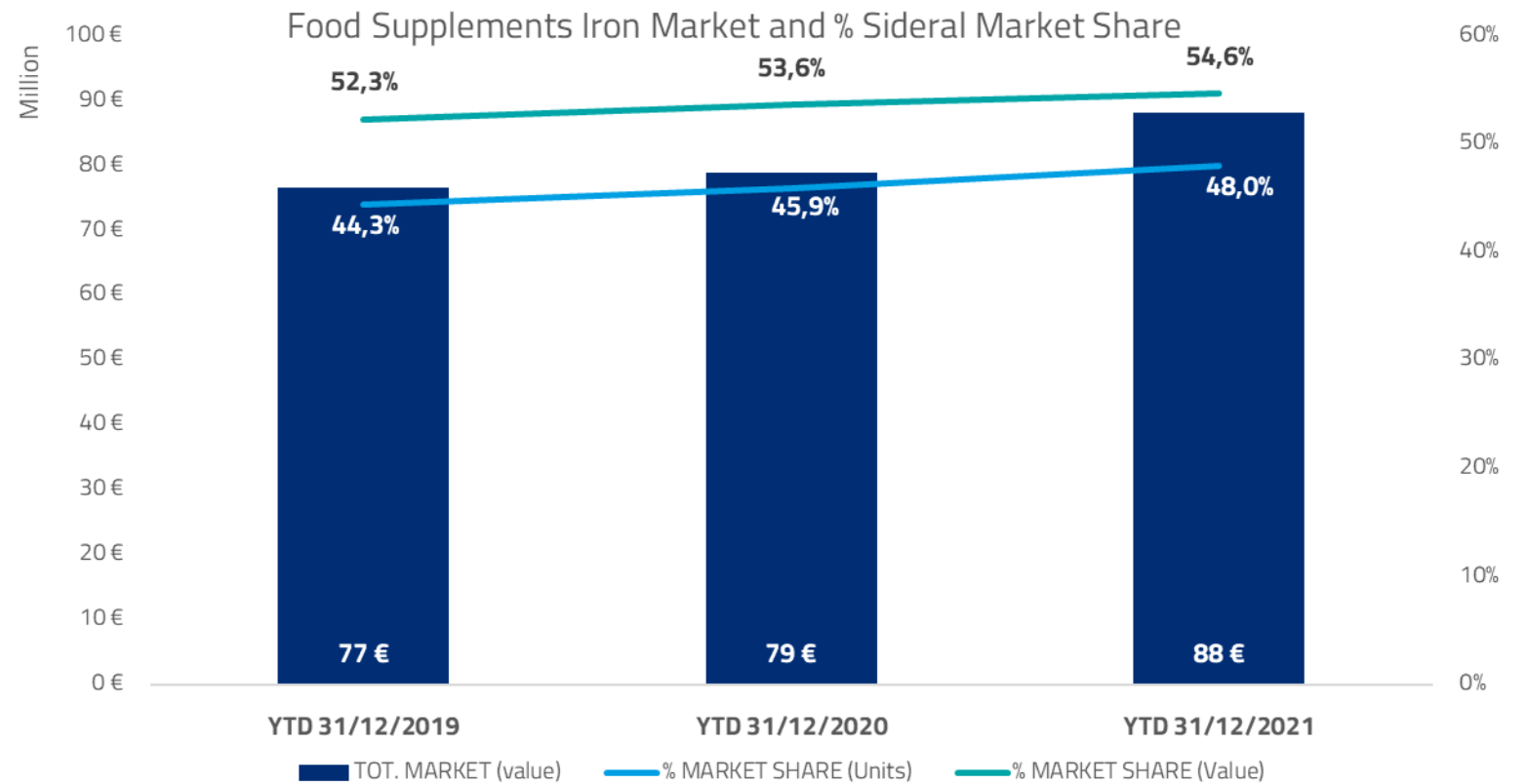


MARKET

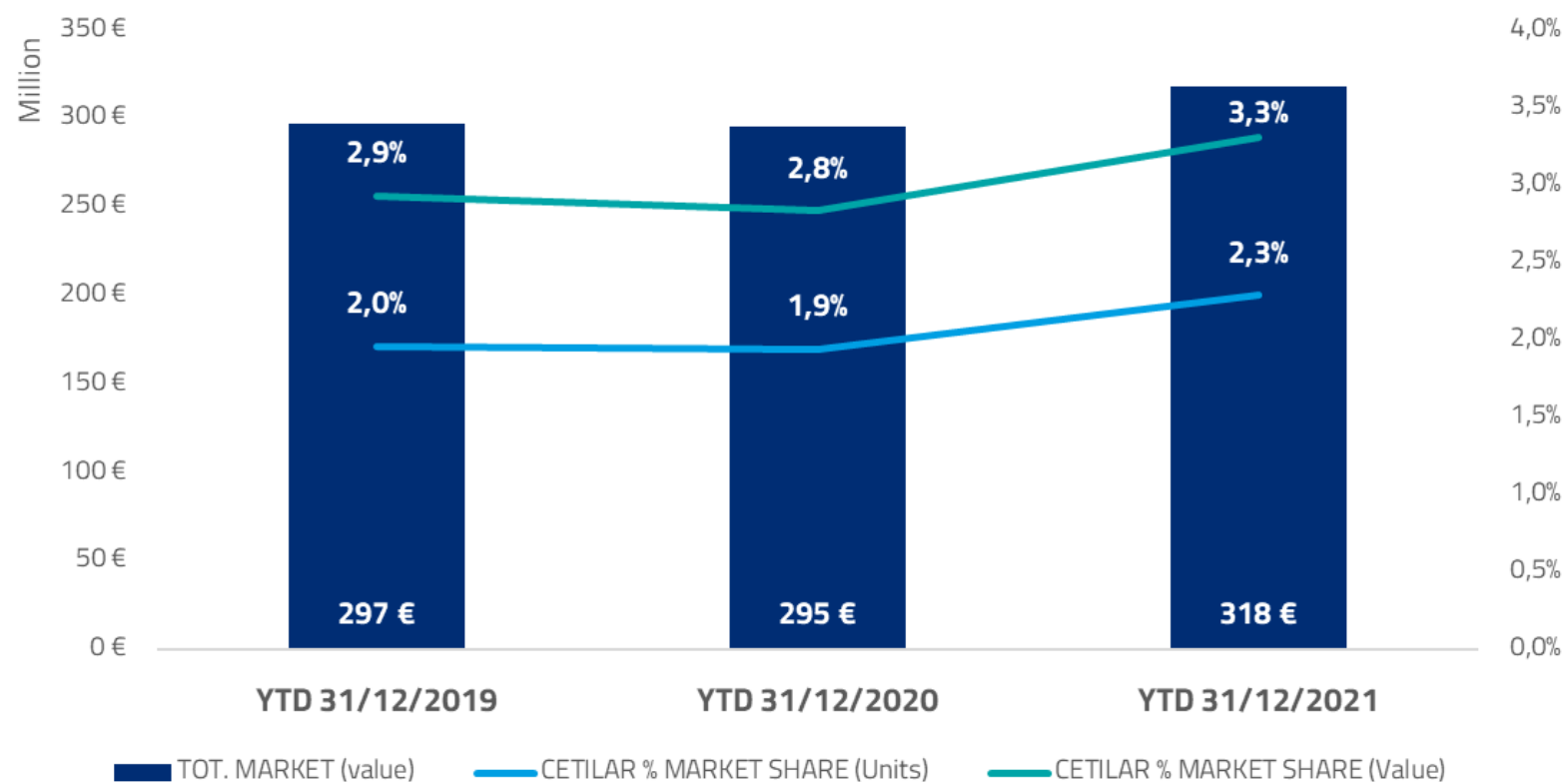
IRON SUPPLEMENTS SIDERAL® MARKET SHARE IN ITALY

Excluding products that contain only lactoferrin

Source IQVIA



ANTI-INFLAMMATORY TOPICAL CREAM CETILAR® MARKET SHARE IN ITALY



INTERNATIONAL DEVELOPMENT



COUNTRIES



PARTNERS

	COUNTRIES	PARTNERS
Contracts	61	41
Active Sales	52	34
On-going Registration	9	7
On-going Negotiation	6	6

OUTLOOK 2022

OUTLOOK 2022

- **Product Marketing Strategy:** strengthen SiderAL® leadership position in the oral iron market, increase Cetilar® market share and further develop of Apportal® and Ultramag® sales;
- **International growth drivers:** opening new markets with focus on key countries and enlargement of product portfolio with existing partners;
- **Italy growth drivers:** increase the number of scientific sales reps (SSRs) up to 200;
- **M&A:** actively evaluating potential acquisition targets;
- Pharmanutra Group has a very limited exposure to the **Russian and to the Ukrainian market**. Potential risks are linked to the overall macroeconomic scenario;
- The **impact of the increases in energy and raw material costs** has been managed to not significantly affect the profitability of the year;
- **Product pipeline:** 2 new product launches by the end of 2022;
- **New scientific and clinical studies ongoing:** 11;
- **Marketing&Communication:** 3 new omnichannel DTC campaigns;
- **Exhibitions & Events:** CPHI, Vitafoods, International Sideral® Congress, Running (4 title sponsor events), Sailing (151 Miglia), Cetilar Racing (IMSA USA).



NEW HEADQUARTER SITE

The new industrial facility will enable **PharmaNutra Group** to position itself as a more relevant and innovative entity in the chemical&pharmaceutical industry. New site will allow full control of sucrosomial elements production and an even stronger R&D focus.

The new offices will hold indeed **one of the most innovative nutritional research & development laboratory in Europe**. The investment, for a total cost of **about € 20 million**, will be partly covered by financial flows generated by operations and partly using external financing.

We expect the new HQ to be operational in early 2023.



