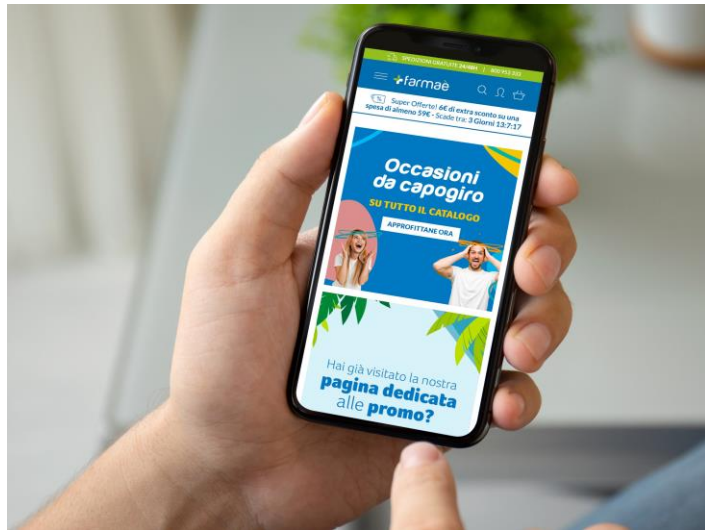


# + FARMÀÈ GROUP

+ farmaè beautyè



## Alantra Virtual Roadshow

20/21 October 2020



## LEADER IN THE ONLINE PHARMA & PERSONAL CARE MARKET

### 9M KEY FIGURES

**+72%**  
Revenues YoY

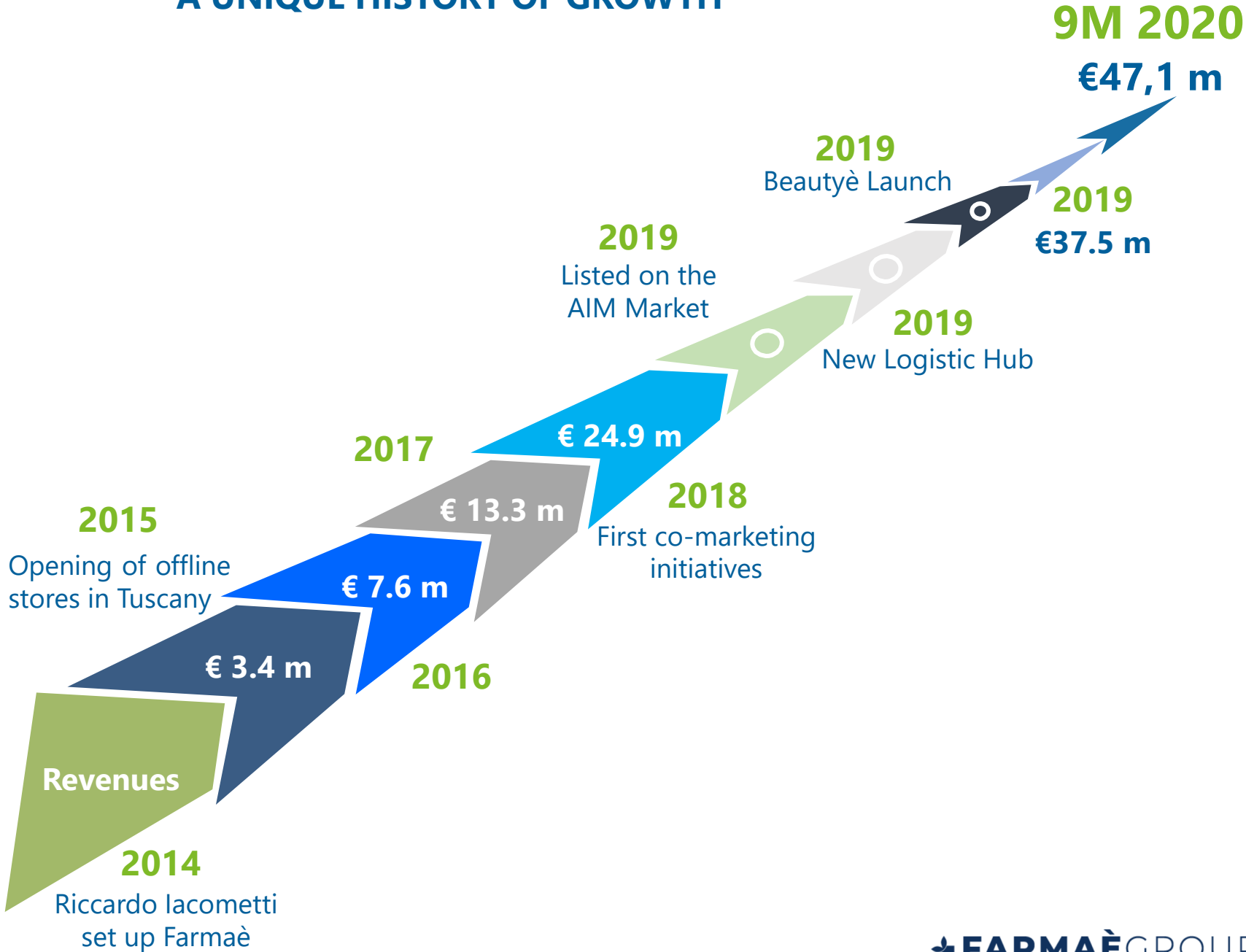
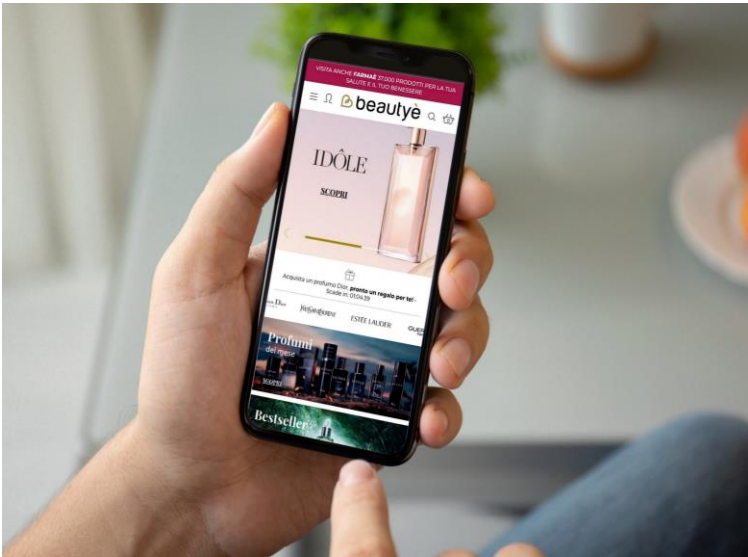
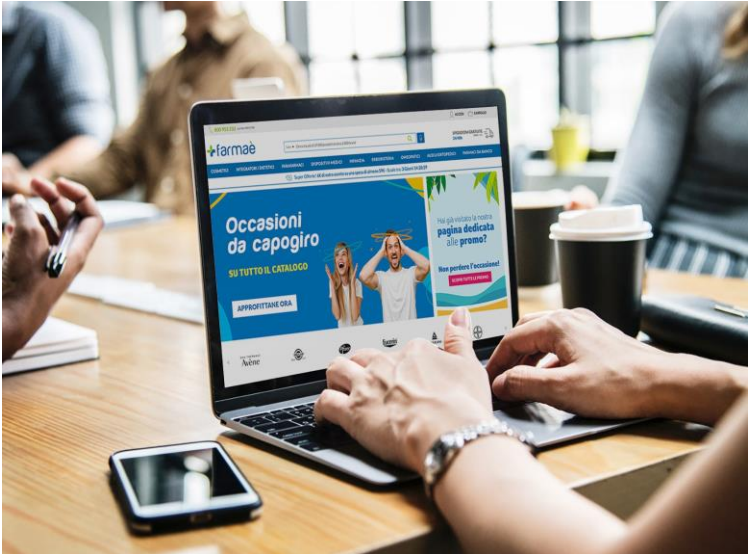
**653k**  
Active Clients

**5.4m**  
Products sold

**30.4m**  
Site visits

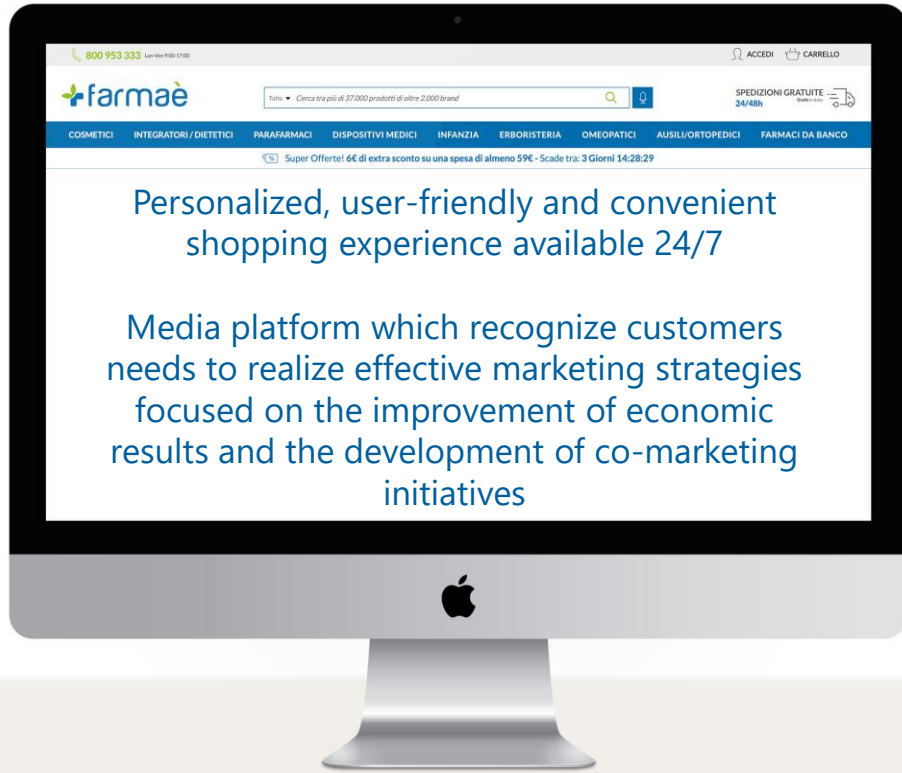
**1m**  
Online Orders

# A UNIQUE HISTORY OF GROWTH



# A SCALABLE AND OMNICHANNEL BUSINESS MODEL

## ONLINE



## OFFLINE



9  
Offline Stores in Italy



1  
Beauty store (Viareggio)

Dedicated and integrated touch boxes directly connected to the web-based platform



# THE REFERENCE POINT FOR CUSTOMERS AND THE INDUSTRY



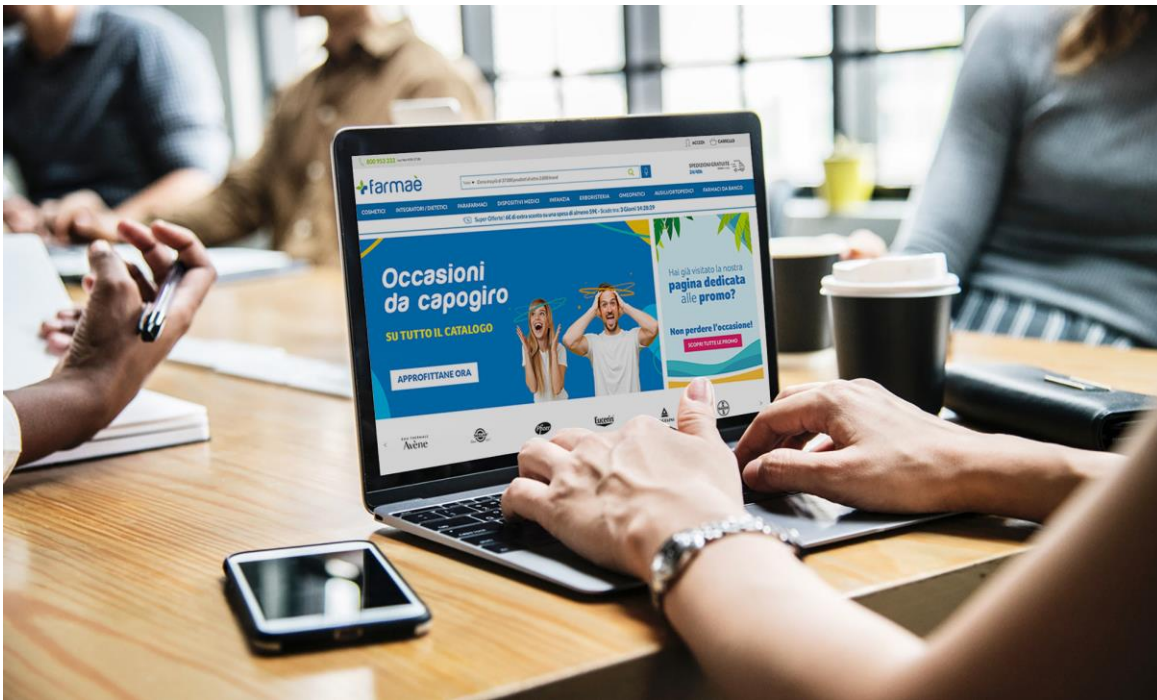
## Focus on Customers

Unique **customer experience** thanks to the state-of-the-art and scalable e-commerce platform which enables a **personalized, user-friendly and convenient** shopping experience available 24/7. **An efficient Customer Care** service with 8 pharmacists and 3 operating units.

## Focus on Industry

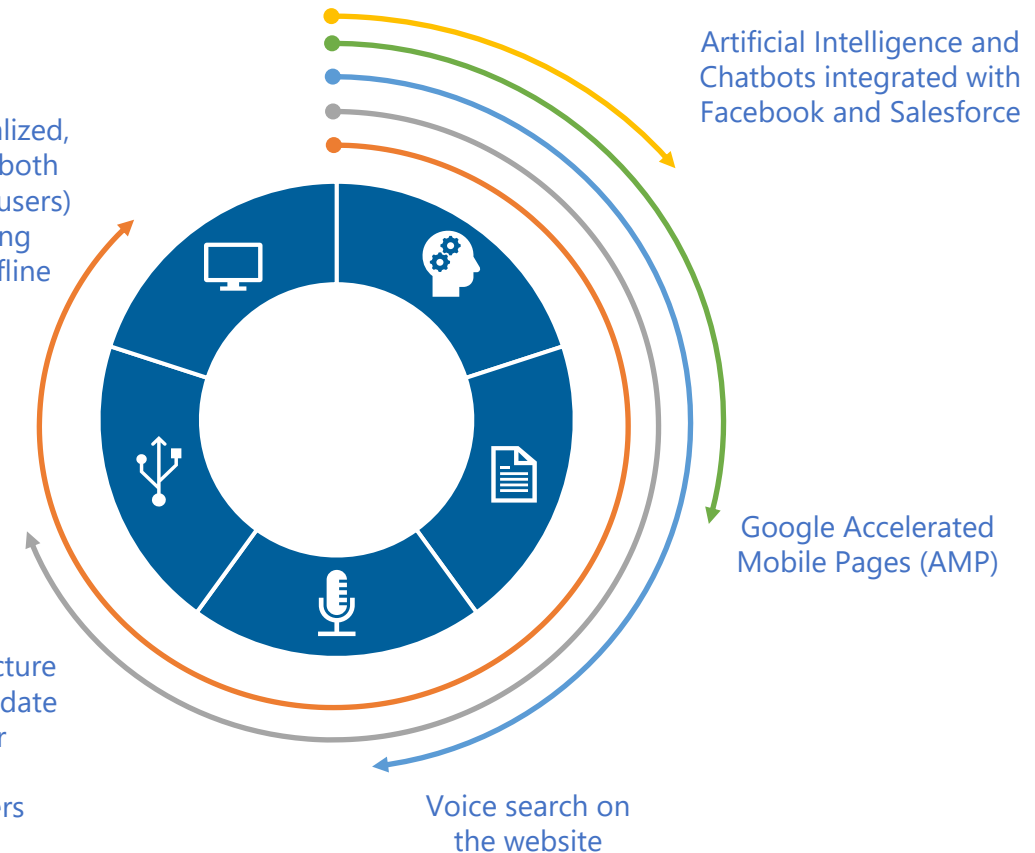
Unique **media platform** at the service of the **main industry players** through which it can improve market knowledge, recognize customers needs and realize effective marketing strategies and communication

# THE BEST TECHNOLOGY TO PROVIDE THE BEST CUSTOMER EXPERIENCE



State-of-the-art personalized, user-friendly platform (both for mobile and desktop users) enabling data matching between online and offline

Best-in-class and innovative IT infrastructure designed to accommodate significantly higher volumes of traffic, customers and orders



**Pharma and beauty companies are interested in partnering with Farmaè to set up their digital commercial strategy and to improve the positioning of their products**

## AN ADVANCED LOGISTIC HUB TO EFFICIENTLY SERVE CUSTOMERS



**A new automated logistics hub located in Migliarino Pisano (PI), equipped with a state-of-the-art fully automated system, which allows to achieve significant efficiencies in inventory and order management and to speed up the delivery process.**

The investment, together with the willing to improve the stream of production, gave the possibility to **face the Covid-19 emergency and to answer rapidly and efficiently to Farmaè clients.**



**5,000 sqm**  
new warehouse to support growth



**4 couriers**  
responsible for national and foreign deliveries



**48 h**  
estimated maximum time for a delivery



**€ 19.90**  
minimum cost for free delivery




**Up to € 200 m**  
developable turnover

# GOVERNANCE

## BOARD OF DIRECTORS

 **Riccardo Iacometti**  
Chairman & CEO

 **Albero Maglione**  
Director

 **Giuseppe Cannarozzi**  
Director


 **Dario Righetti**  
Independent Director

 **Giovanni Bulckaen**  
Director

## BOARD OF STATUTORY AUDITORS

 **Alberto Colella**  
Chairman

 **Monica Barbara Baldini**  
Regular Statutory Auditor

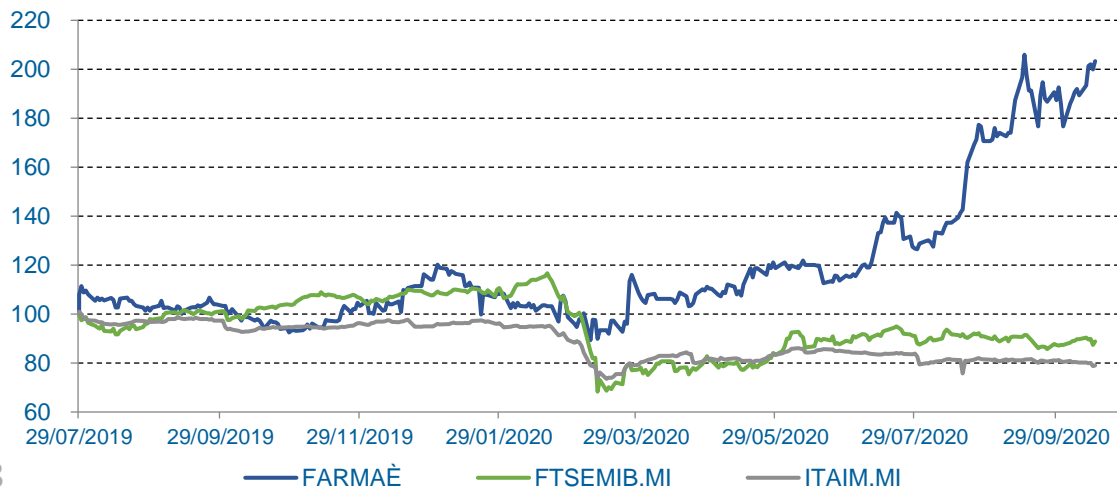
 **Marco Guidi**  
Regular Statutory Auditor

 **Massimo Mano**  
Alternate Statutory Auditor

 **Fabio Panicucci**  
Alternate Statutory Auditor

## STOCK FIGURES

Outstanding shares post-IPO	5,734,000	Market	AIM Italia
Date IPO	July 29, 2019	Free Float	29.72%
Issue Price (€)	€ 7.50	Market Cap (16/10/2020)	€ 87.4m
		Share Price (16/10/2020)	€ 15.25

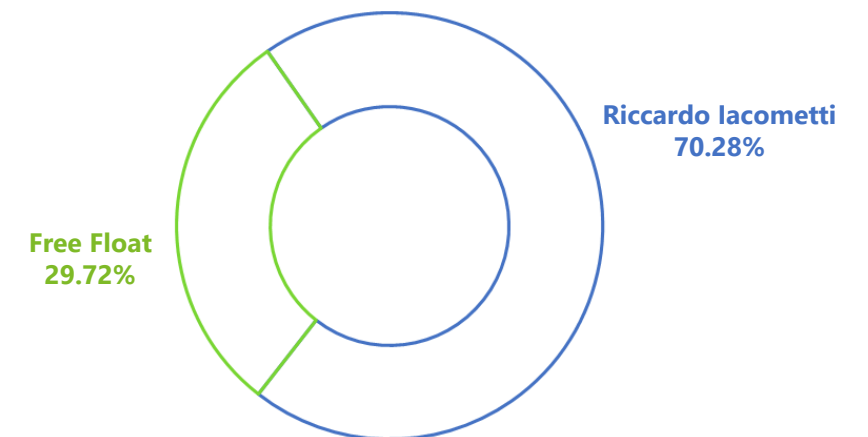


## AUDIT FIRM & NOMAD

**Deloitte.**

**ALANTRA**

## SHAREHOLDERS







# Market Positioning

## FAVORABLE E-COMMERCE MARKET IN ITALY

2019

2020  
OUTLOOK



### E-commerce Market

€ 31.6 bn (+15%) E-commerce Market Value  
€18.1 m (+21%) of purchases represented by Products  
7.3% Penetration rate

€ 22.7 bn  
+26%  
Products sold  
through E-commerce



### Personal Care & Otc Market \*

€ 10.8 bn Personal Care & OTC Market Value  
€ 315 m Personal Care & OTC Online Market  
3.0% Penetration rate



### Beauty & Professional Market \*\*

€ 10.0 bn Beauty & Professional Market Value  
€ 470 m (+22% YoY) Online Beauty & Professional Market  
4.3% Penetration rate

Source: IQVIA (2019)

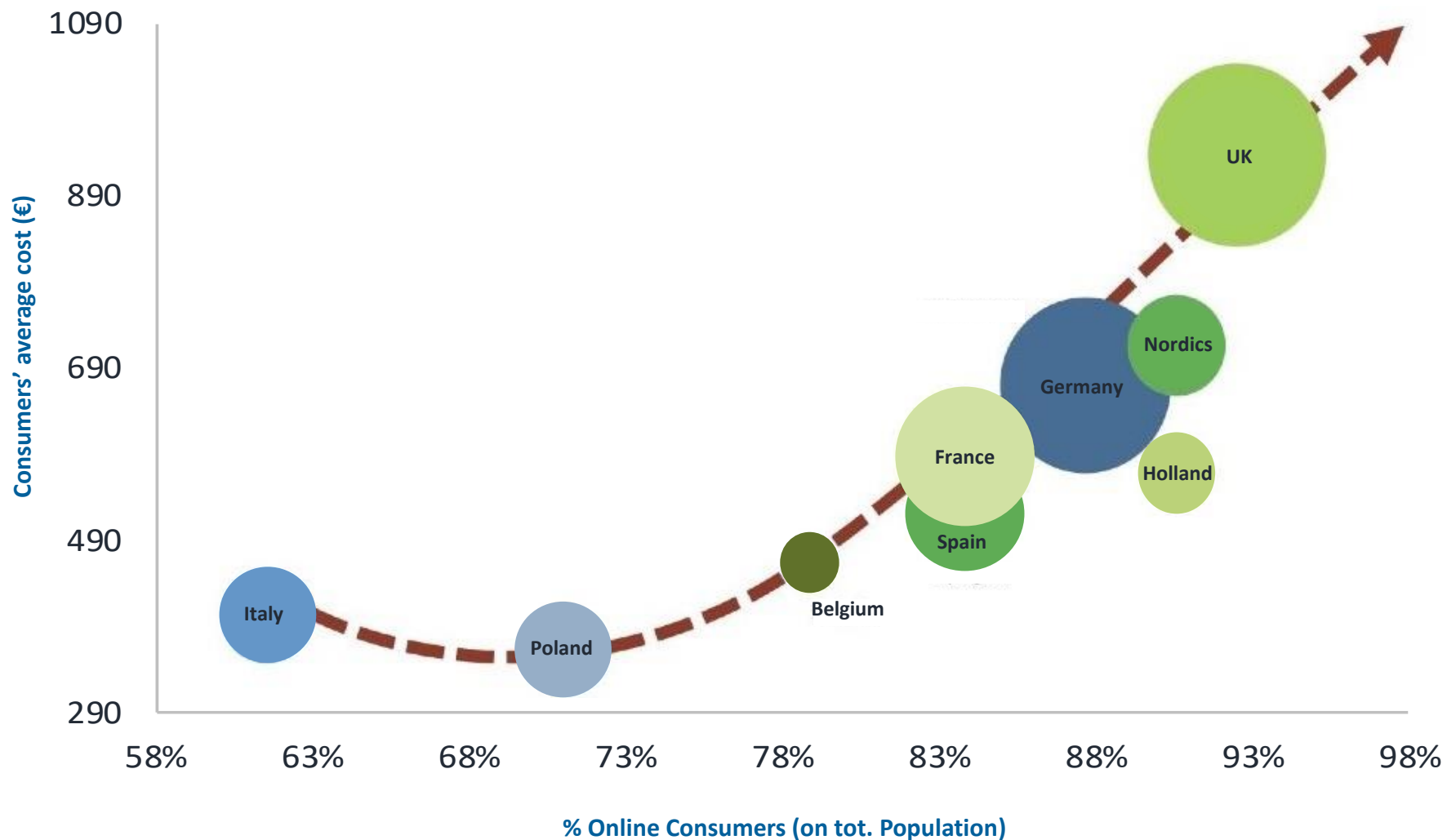
Politecnico di Milano/Osservatori.net

\* Sold through pharmacies and drugstores, retail price

\*\* Sold through Perfume Shops and Beauty Salons, retail price

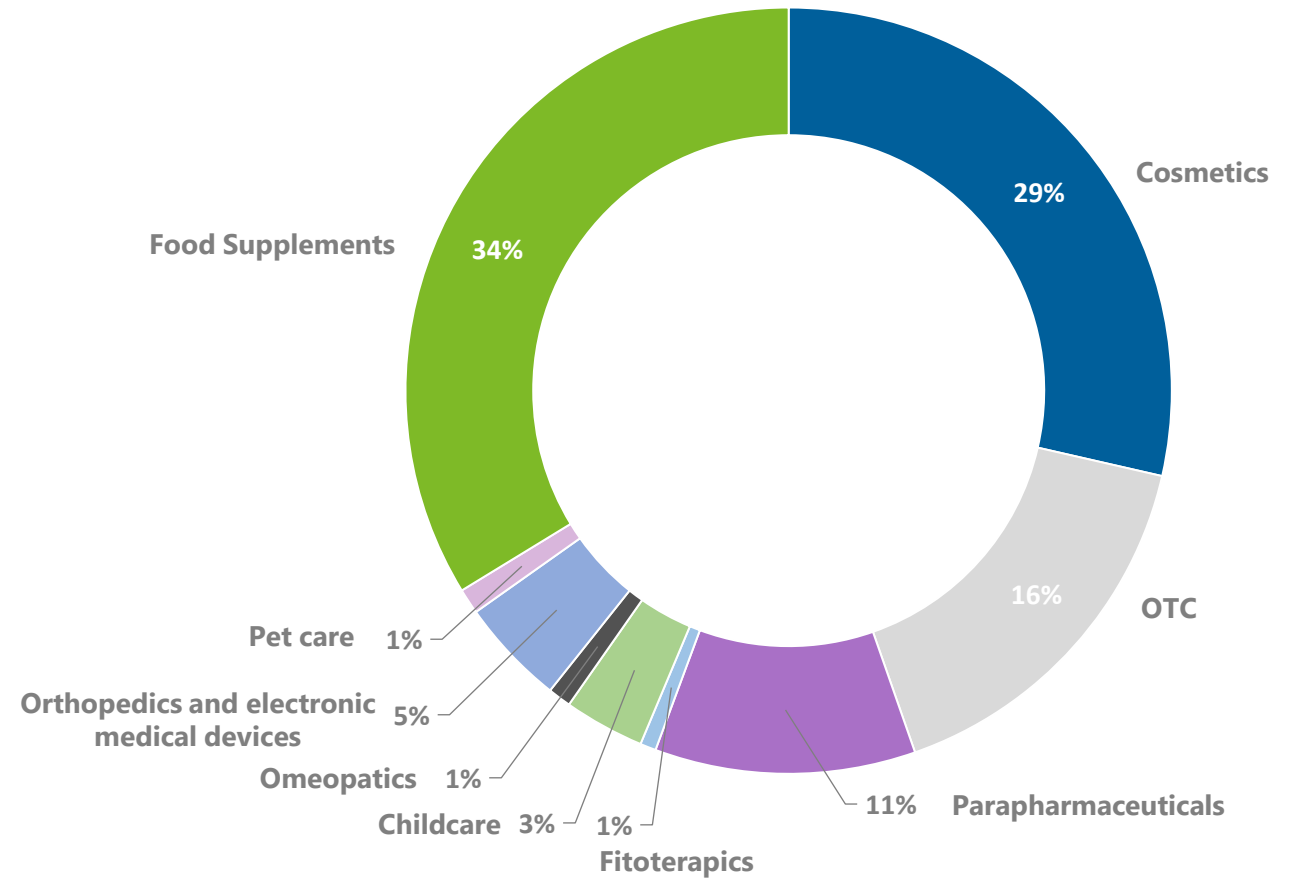
## COMPARISON WITH THE EUROPEAN MARKET

Italy is less developed in terms of E-Retail if compared with other European countries:  
large potential for growth

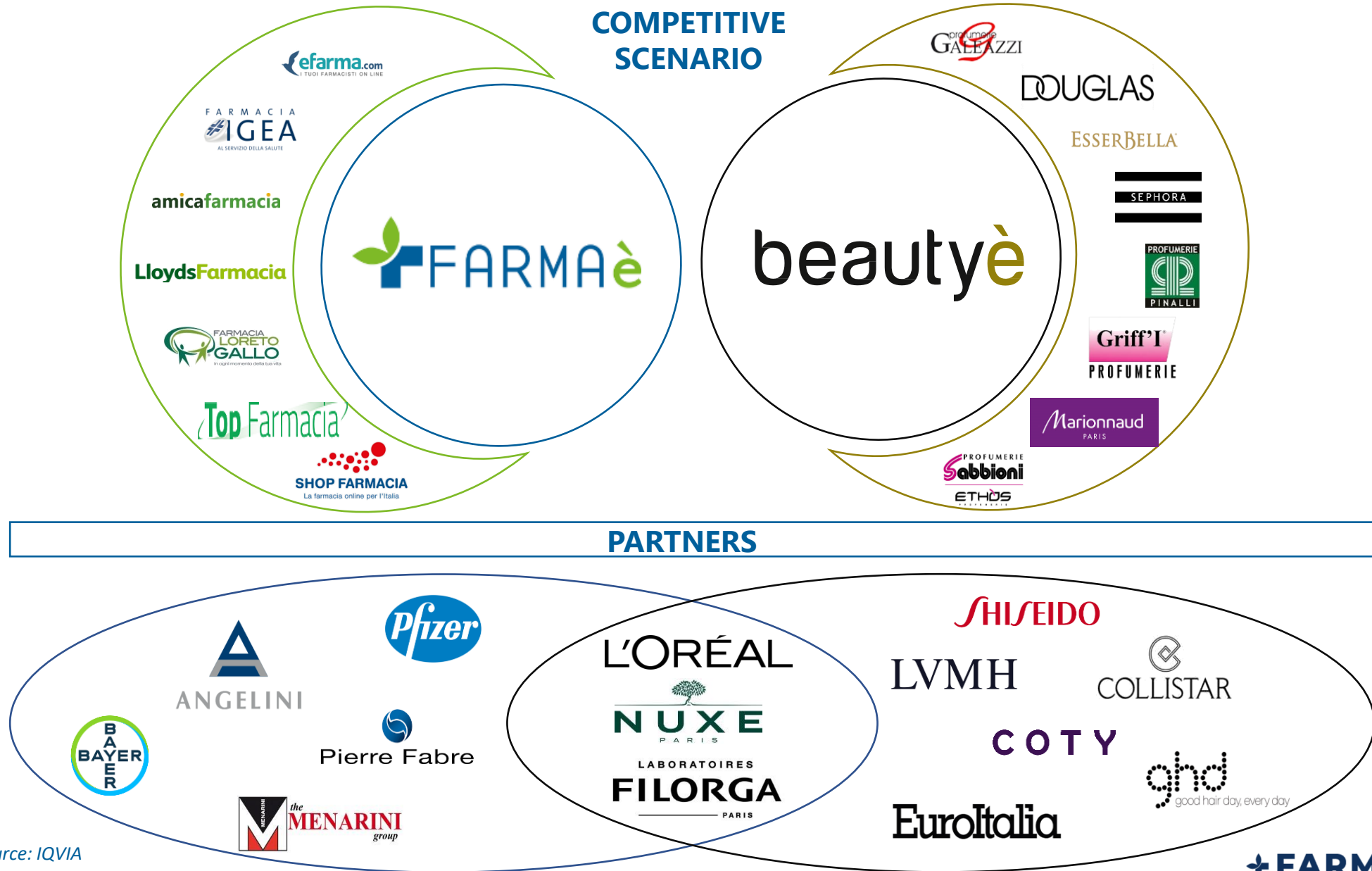


## A UNIQUE UNPARALLELED OFFERING...

- ~ 40k SKUs\*
- 33% average discount vs offline
- High value products with long shelf life
- Small weight and size
- Low return rates
- Extended customer lifetime

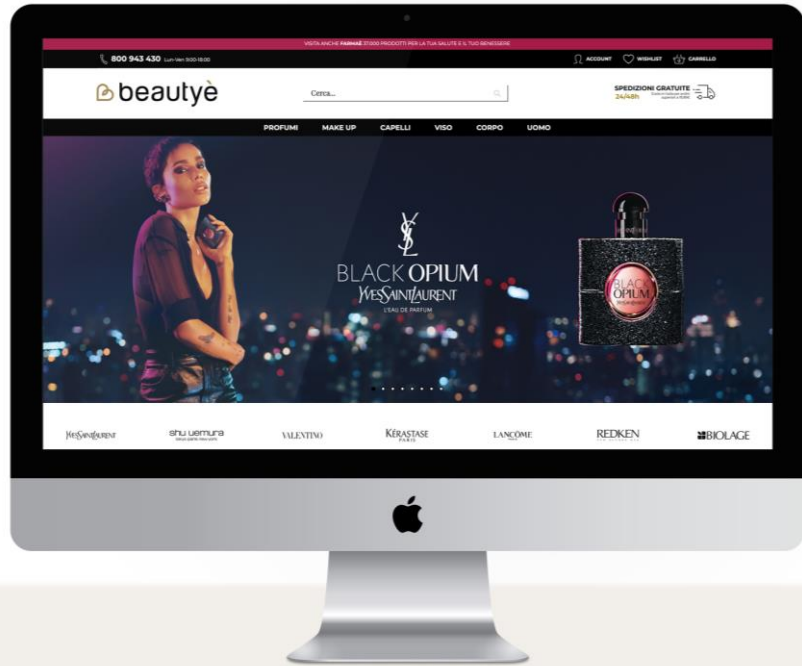


# ...THROUGH DEDICATED PLATFORMS TO ADDRESS DIFFERENT MARKETS



**A NEW CONCEPT FOR BEAUTY LUXURY & HAIR CARE PROFESSIONAL**

- A new platform dedicated to the offer of Luxury and Professional Products
- Products' contents provided directly by the brands
- Brands' Look&Feel Replication



**BRANDS**

GIORGIO ARMANI

LANCÔME  
PARIS

VALENTINO

KÉRASTASE  
PARIS

YVES SAINT LAURENT

MOSCHINO

REDKEN  
5TH AVENUE NYC

DOLCE & GABBANA

narciso  
rodriguez

SHISEIDO

HR  
HELENA RUBINSTEIN

COLLISTAR

# The new *Love Destination* on the sea-front of Viareggio

The **first interactive store** in Italy to guarantee an immersive customer experience

Enhanced audio / sensorial experiences with **home automation**

A **fully technological** Store built on 3 floors:

- **Ground floor:** dedicated to the world of luxury (make-up, skincare, fragrances)
- **1st floor:** dedicated to various beauty treatments for the hair
- **Basement:** where products can be purchased thanks to touch screens

## A CLEAR STRATEGY TO CONSOLIDATE MARKET LEADERSHIP

### Enlarge product offer

Introduction of **new categories** (i.e professional hair products, luxury cosmetics, pet-food and accessories, other wellness products) to address attractive and complementary markets.

### Strengthen relationships

Strengthen relationships with strategic partners while consolidating its position in relation to its partners such as media on which to activate **marketing and communication actions**

### Opening new stores

Opening **new sales points** on the Italian territory, including a new format of larger size, about 300 square meters able to accommodate, the two different types of commercial souls of Farmaè Spa: Pharmacy and Beautyè. **The new concept** provides for the implementation of a series of technologies to facilitate and speed up the shopping activity of the customer

### Strengthen internal capabilities

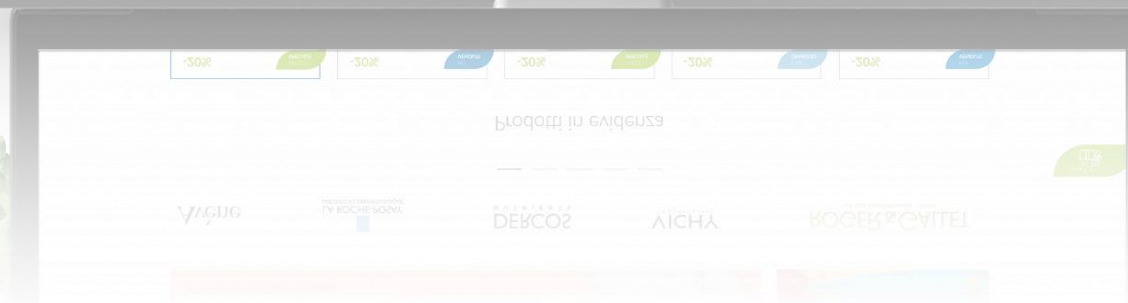
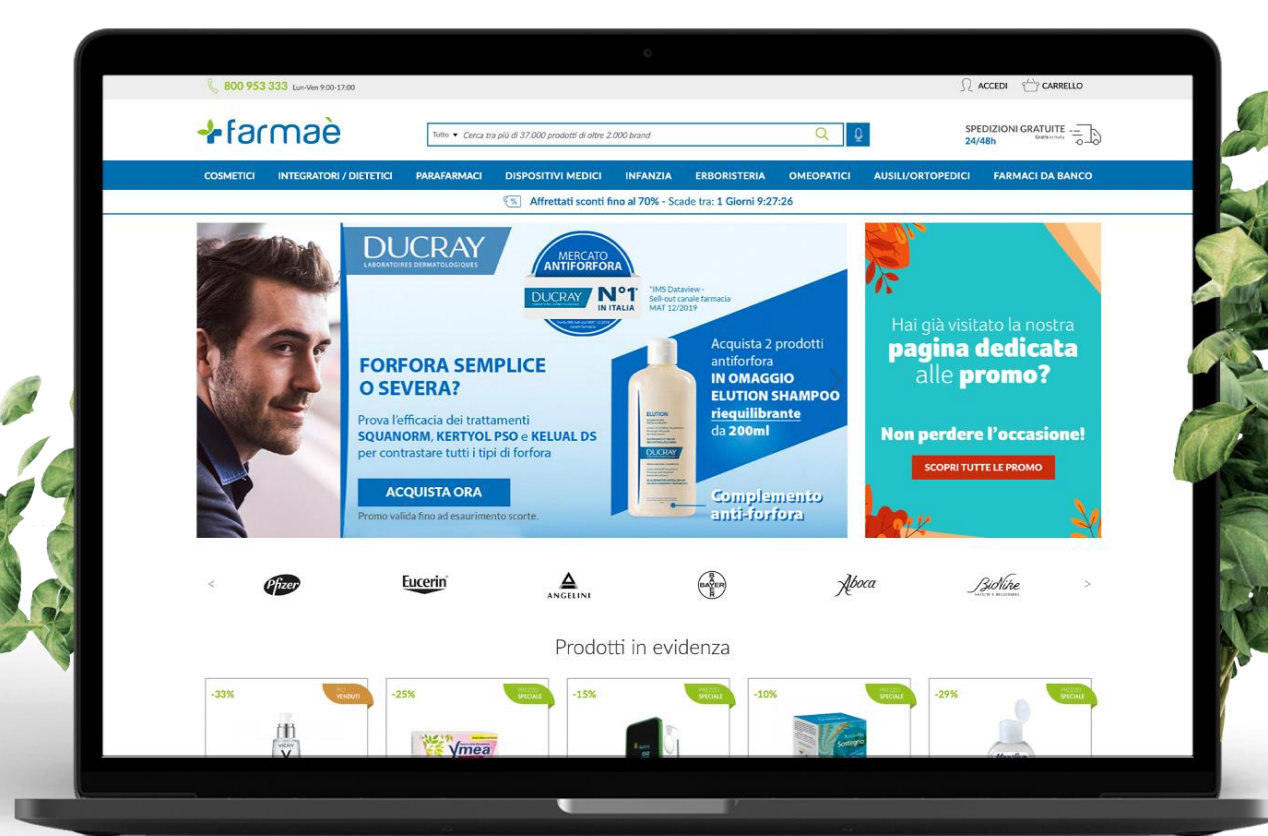
Hiring of **new professionals** in key business areas such as Customer Care, Marketing, and Finance and further expand technological edge. New incentive plan: Phantom Stock Options

### M&A

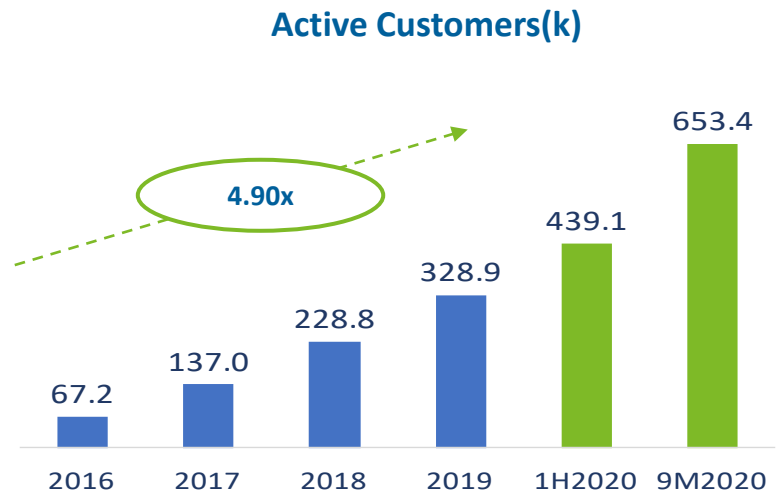
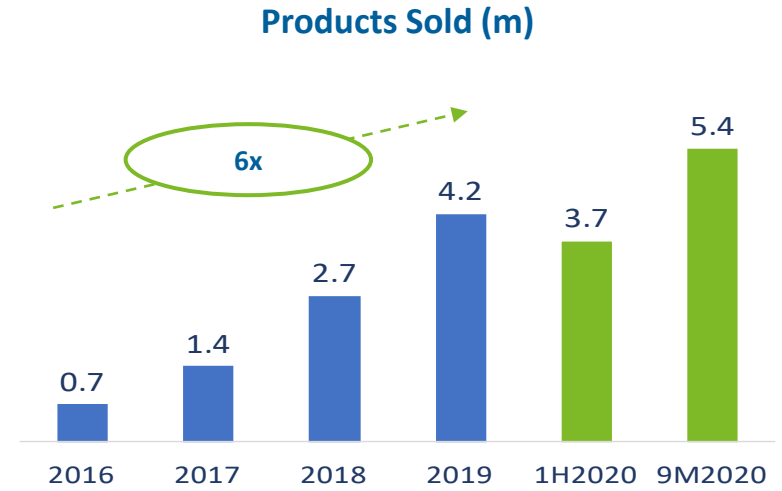
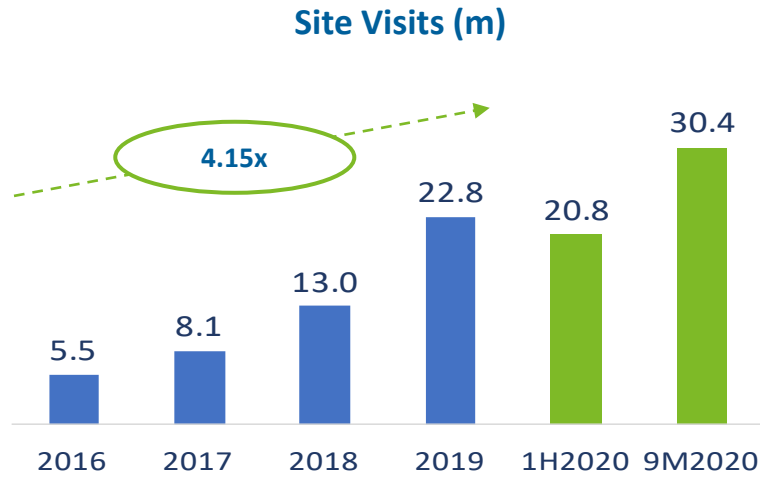
Scouting for M&A opportunities in order to **speed up growth**



# Financials

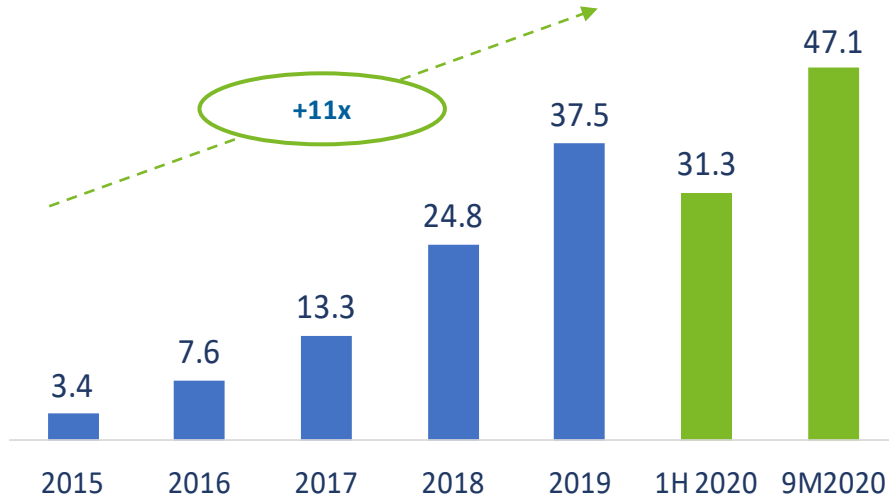


# AN EXPONENTIAL GROWTH

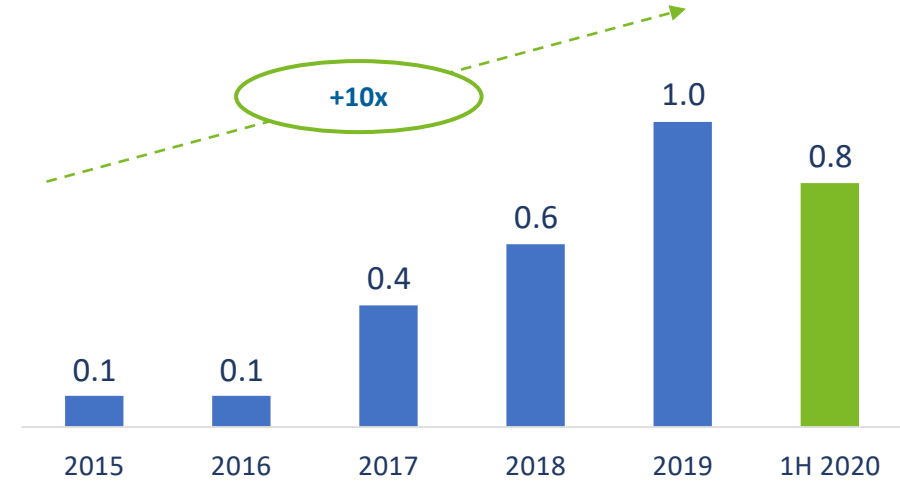


# 2019 RESULTS' STRONG IMPROVEMENT

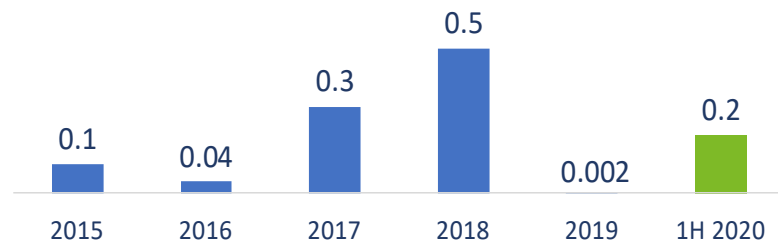
Revenues (€/m)



EBITDA (€/m)



EBIT (€/m)



Net Profit (€/m)



## PROFIT & LOSS STATEMENT

€/000	30/06/2020	30/06/2019	YoY %	2019
<b>Sales Revenues</b>	<b>31.310</b>	<b>17.855</b>	<b>76%</b>	<b>37.532</b>
Change in Inventories	2.564	907	183%	3.868
Other Revenues	348	-	-	-
<b>Value of Production</b>	<b>34.222</b>	<b>18.762</b>	<b>82%</b>	<b>41.400</b>
Materials used	23.235	13.108	77%	29.039
Costs of services	8.825	3.884	127%	9.439
Other operating costs	94	107	(12%)	106
<b>Total Operating Costs</b>	<b>32.154</b>	<b>17.099</b>	<b>88%</b>	<b>38.584</b>
Labour costs	1.243	817	52%	1.844
<b>EBITDA</b>	<b>825</b>	<b>847</b>	<b>(2%)</b>	<b>972</b>
Depreciation and amortisation	588	293	101%	970
<b>EBIT</b>	<b>238</b>	<b>554</b>	<b>(57%)</b>	<b>2</b>
Financial revenues (expenses)	(624)	(364)	n.m.	(86)
Extraordinary revenues (expenses)	0	0,3	n.m.	40
<b>EBT</b>	<b>(386)</b>	<b>190</b>	<b>n.m.</b>	<b>(44)</b>
Income taxes	93	(99)	n.m.	(20)
<b>Net profit</b>	<b>(294)</b>	<b>92</b>	<b>n.m.</b>	<b>(64)</b>

- **Cost of services negatively impacted by Covid costs for Euro 232,000** due to the purchase of safety devices and to ensure interpersonal safety distance. Additional not quantified costs are related to **higher logistic costs** for the organisation of three daily shifts in March and April and **higher transportation costs** for non-executed deliveries due to closures of red zones in about 2,500 municipalities
- In H12020 and H12019 P/L, PayPal and Braintree "Incasso sicuro" (Safe Collection) financial platforms costs have been accounted into Financial Expenses
- **H12020 EBITDA Adj at €1.1m**, to take into account the different technical form of obtaining financial resources, leasing vs mortgage contract,

## BUSINESS UNITS ANALYSIS

Business Units analysis confirms the strong growth in all business segments

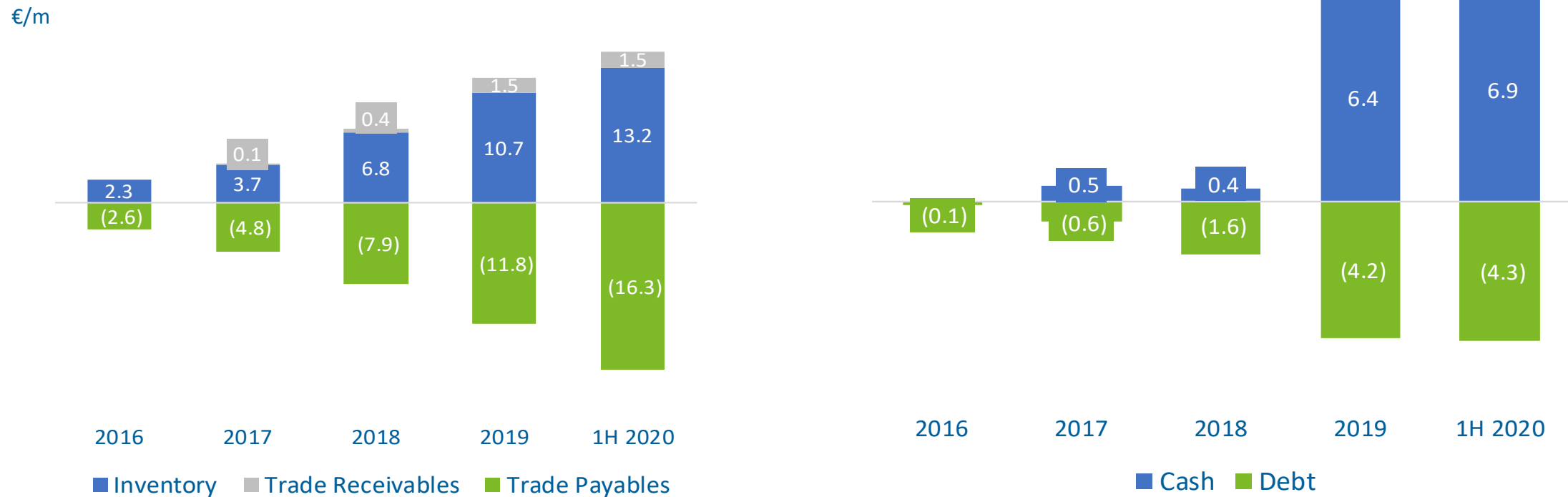
€/m	30/06/2020	30/06/2019	YoY %
Online Sales	29.2	16.3	79%
Offline Sales	1.1	0.9	11%
Co-marketing	1.0	0.6	74%
Other Revenues	-	0.01	-
<b>Sales Revenues</b>	<b>31.3</b>	<b>17.9</b>	<b>76%</b>

- + 79% YoY Online Sales growth, thanks to the increase of the number of references and the customer base expansion
- +11% YoY Offline growth. The new store opened in Cecina in June will display its sales in H2
- Co-marketing sales amounted to €1m, thanks to partnerships with the beauty and pharma companies, that see Farmaè as a major media company

- In 1H 2020, Farmaè's website has reached more than 20.8m of visits compared to 10.2m of 2019 (+104% YoY)
- Conversion rate higher than the national average, thanks to the innovative digital strategies
- Registered 0.7m of orders (+81% YoY) from more than 0.4m of active clients (+73% YoY)

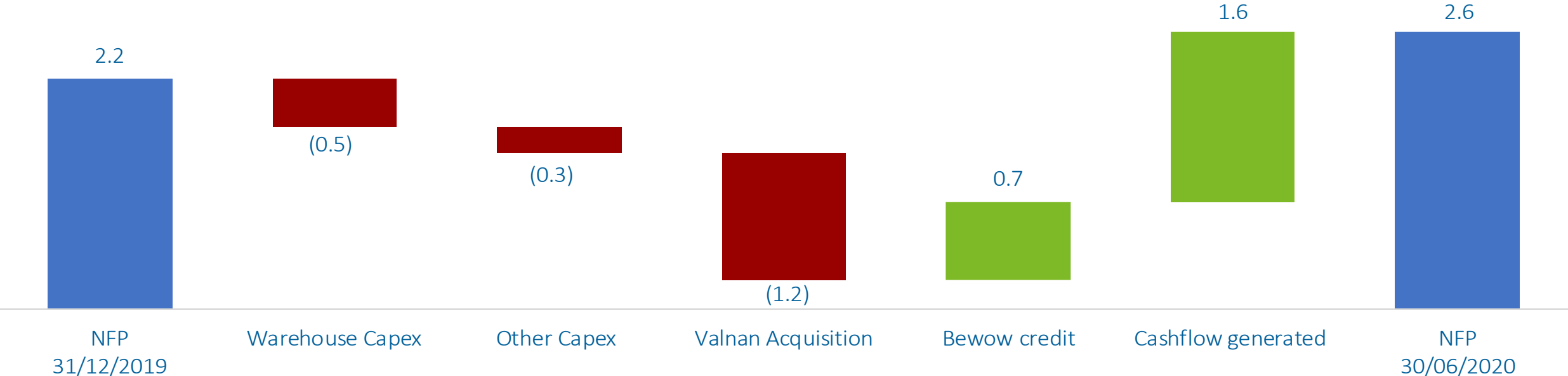
## FINANCIAL HIGHLIGHTS

€/000	30/06/2020	31/12/2019
Fixed Assets	8,049	7,506
Net Working Capital	1,475	2,697
Net Financial Position	2,607	2,171
Net Equity	11,893	12,187



# NFP BRIDGE

€/m



- The Net Financial Position (NFP) is positive, equal to Euro + 2.6 million, compared to the NFP recorded at 31/12/2019 of Euro + 2.2 million
- Capex equal to 2.5% of revenues and were mainly linked to the automatization of the logistic hub
- Acquisition of Valnan, a digital media company specialized in Digital Consulting, Digital Advertising, Digital Tech and eCommerce

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