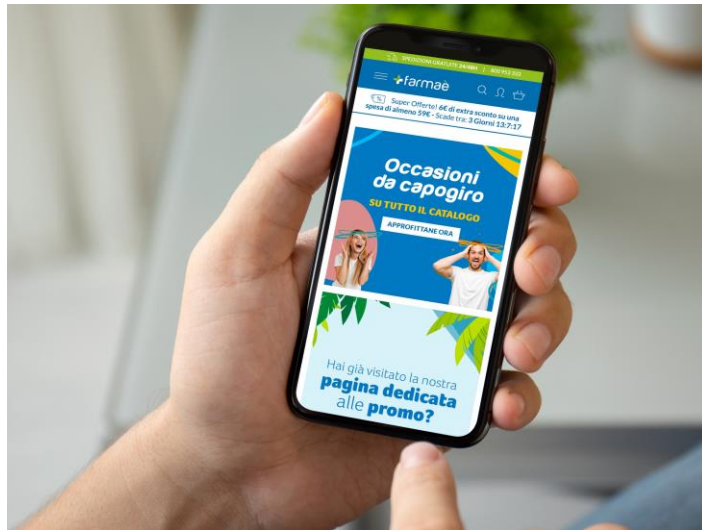


+ FARMÀÈ GROUP

+ farmaè beautyè



Mid&Small Virtual Conference

1 December 2020



LEADER IN THE ONLINE PHARMA & PERSONAL CARE MARKET

9M KEY FIGURES

€47.1m

+72%

Revenues YoY

653k

Active Clients

5.4m

Products sold

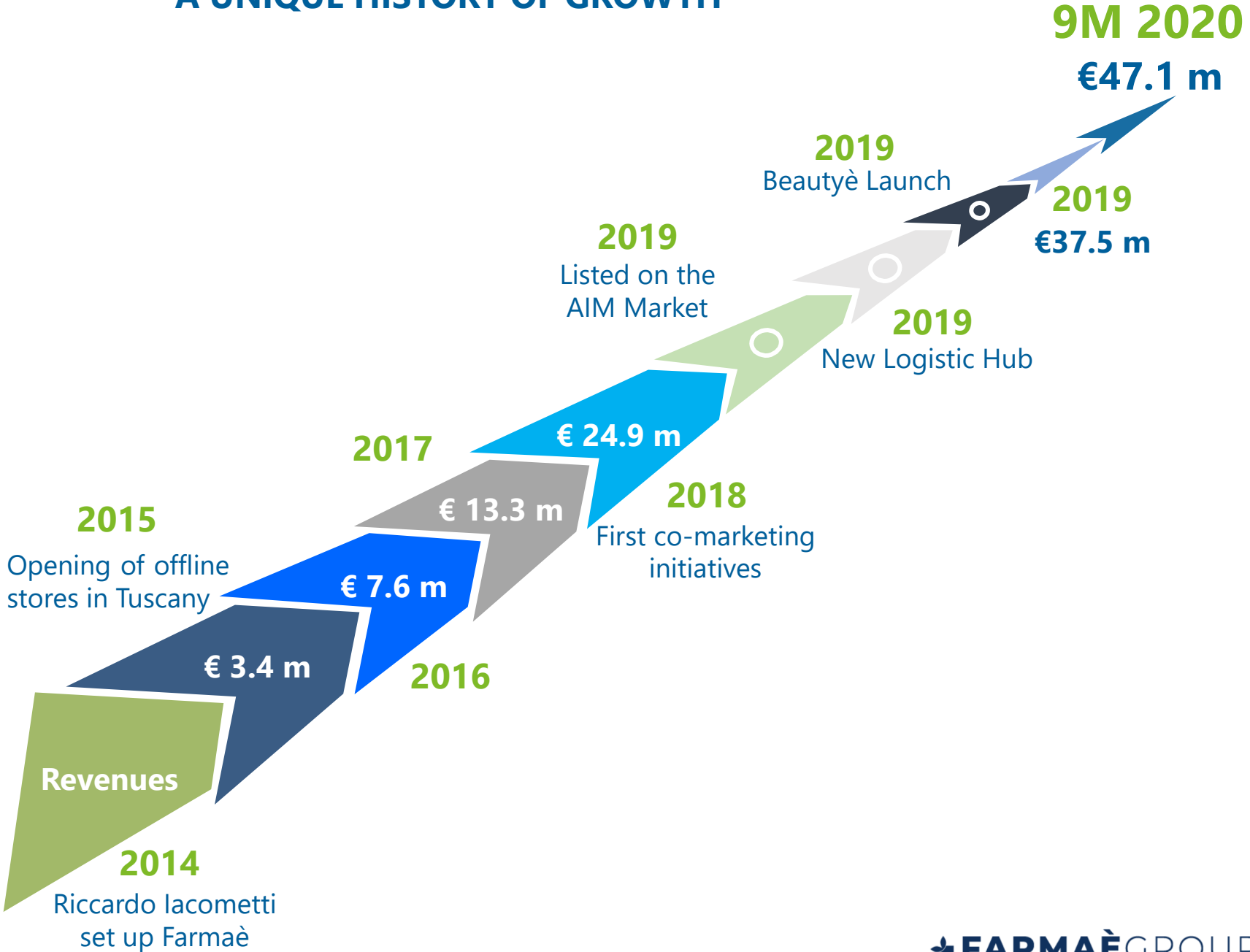
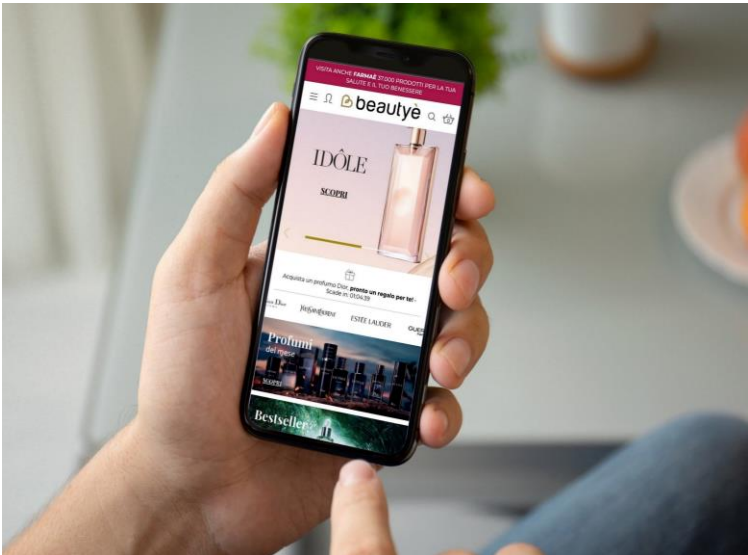
30.4m

Site visits

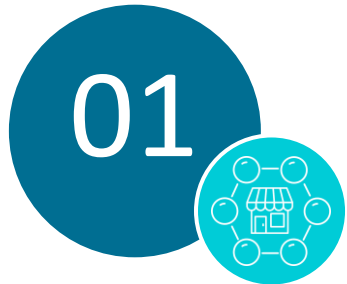
1m

Online Orders

A UNIQUE HISTORY OF GROWTH



A SCALABLE AND OMNICHANNEL BUSINESS MODEL BASED ON THREE PILLARS



Commercial

OnLife E-retail

Integration of online, offline, logistics and data in a single value chain

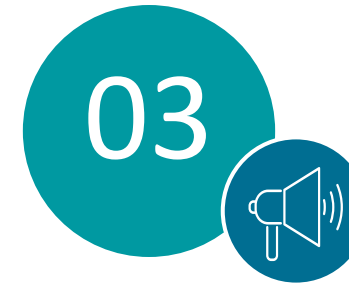
- Personalized, user-friendly and convenient shopping experience available 24/7
- 10 Offline Stores in Italy, thereof one Beautyè store in Viareggio



Tech

Tech Company

Constant introduction of innovations at both company and website level to take full advantage of Web 3.0 and Web 4.0, and constant integration between online and offline channel is one of the key elements used to improve the customer experience.



Media

Media Company

The careful management and processing of the amount of data generated by the website allows to make the definition of the best value proposition more effective

THE REFERENCE POINT FOR CUSTOMERS AND THE INDUSTRY



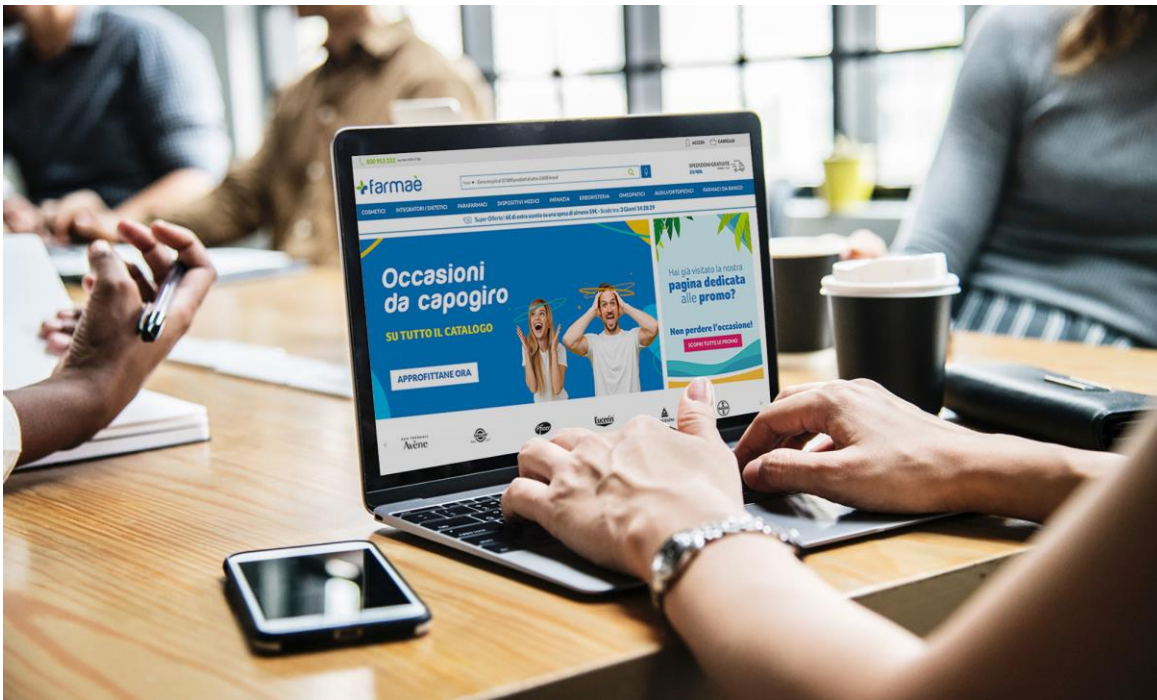
Focus on Customers

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

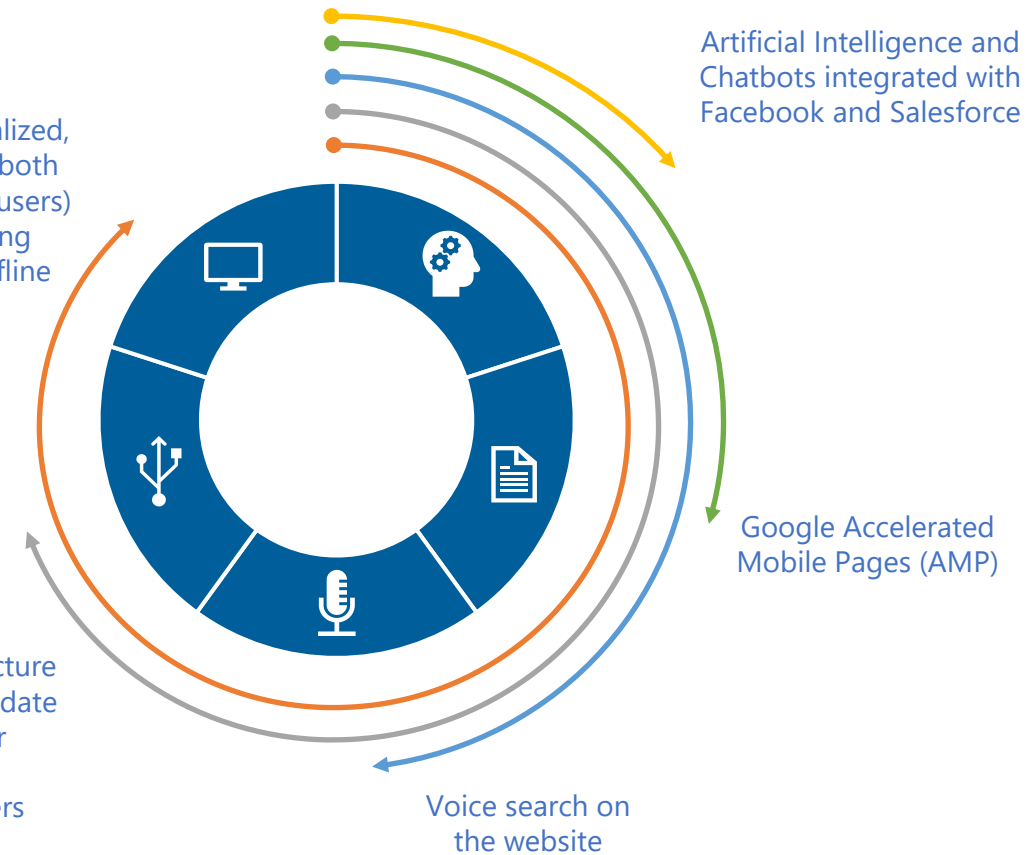
Unique **media platform** at the service of the **main industry players** through which it can improve market knowledge, recognize customers needs and realize effective marketing strategies and communication

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
 Vice President
- 
Dario Righetti
 Independent Director

- 
Giuseppe Cannarozzi
 Director
- 
Giovanni Bulckaen
 Director

BOARD OF STATUTORY AUDITORS

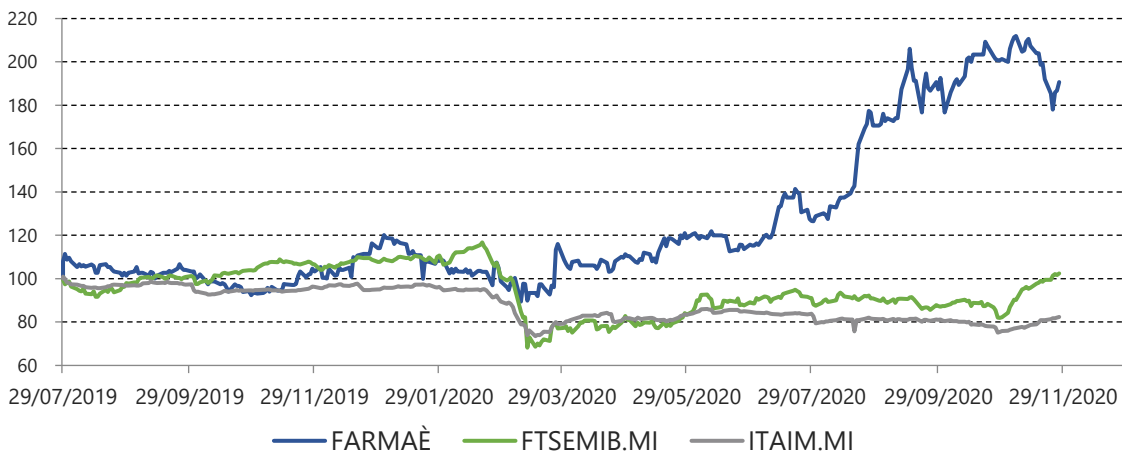
- 
Alberto Colella
 Chairman

- 
Monica Barbara Baldini
 Regular Statutory Auditor
- 
Massimo Mano
 Alternate Statutory Auditor

- 
Marco Guidi
 Regular Statutory Auditor
- 
Fabio Panicucci
 Alternate Statutory Auditor

STOCK FIGURES

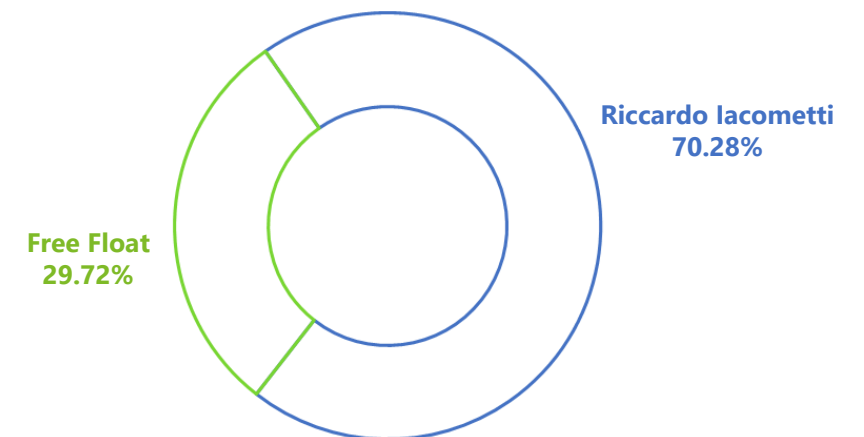
Outstanding shares post-IPO	5,734,000	Market	AIM Italia
Date IPO	July 29, 2019	Free Float	29.72%
Issue Price (€)	€ 7.50	Market Cap (27/11/2020)	€ 82.0m
		Share Price (27/11/2020)	€ 14.30



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)

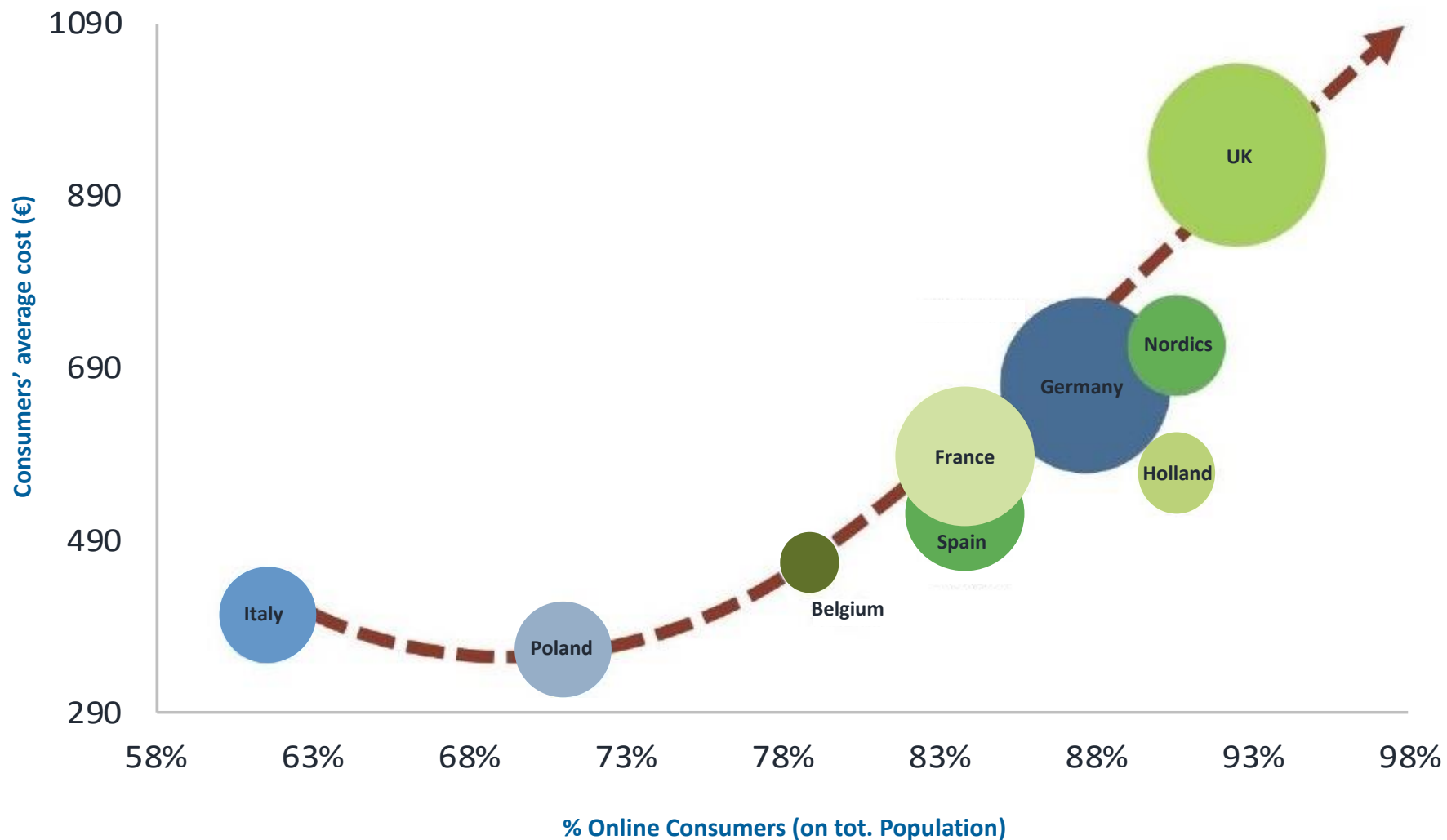
Politecnico di Milano/Osservatori.net

* Sold through pharmacies and drugstores, retail price

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

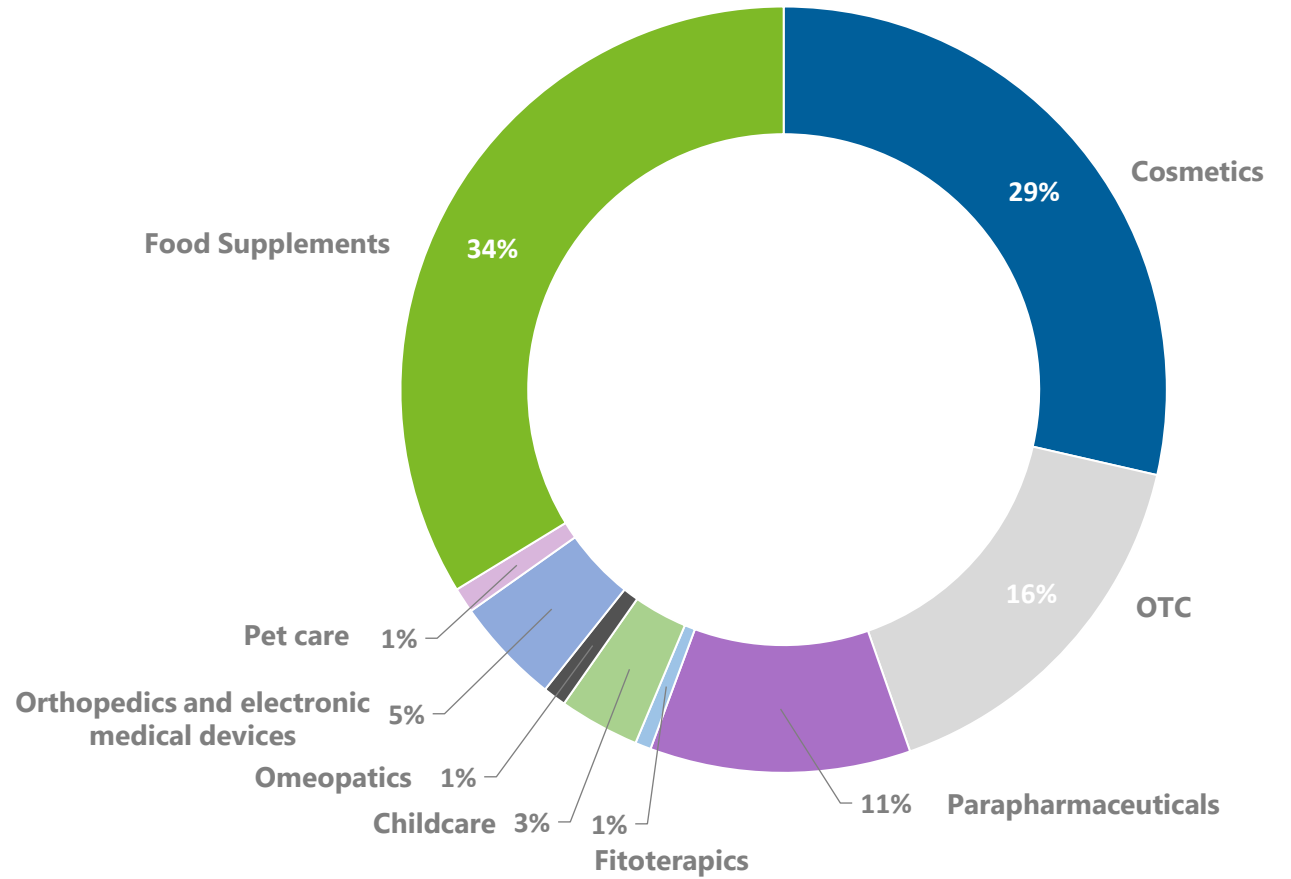
COMPARISON WITH THE EUROPEAN MARKET

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

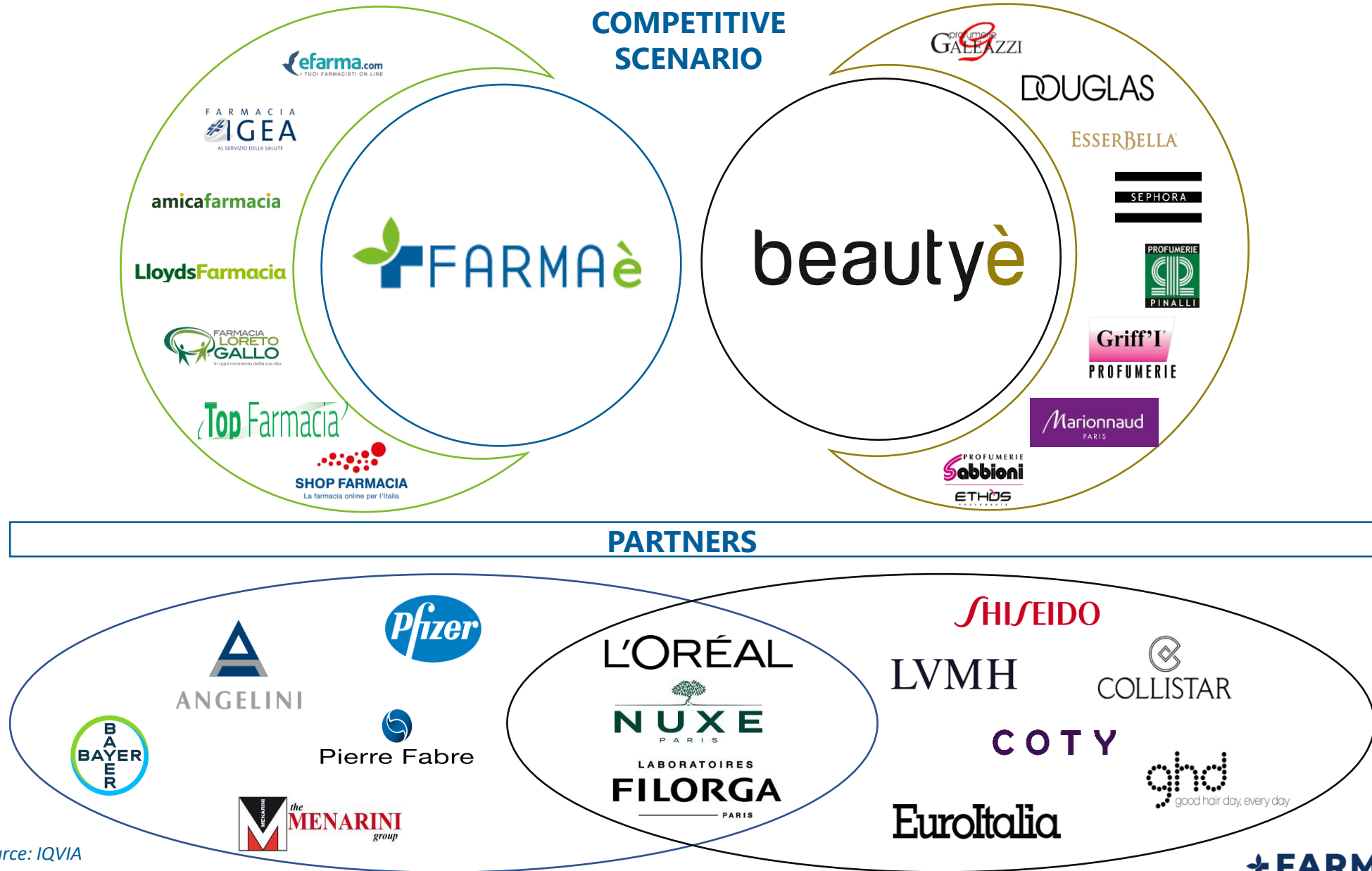


A UNIQUE UNPARALLELED OFFERING...

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

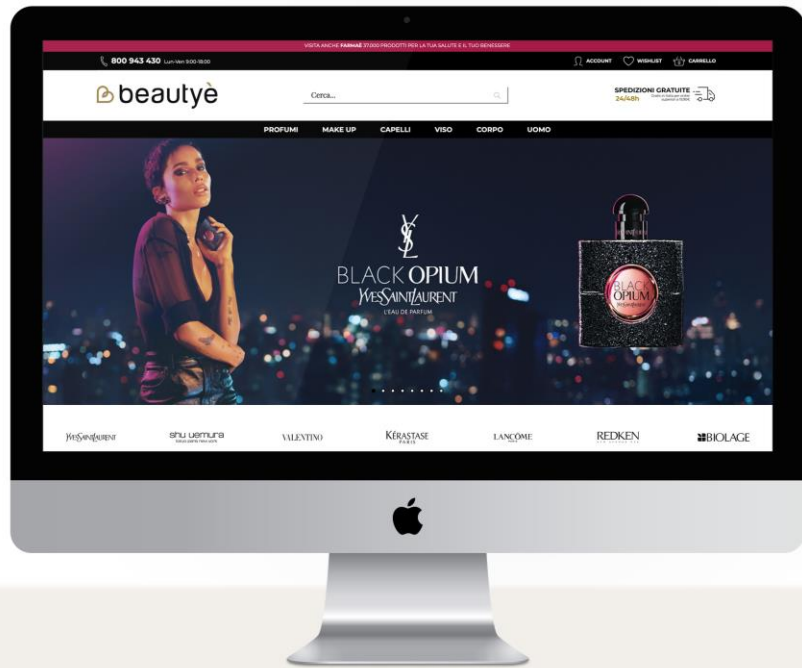


...THROUGH DEDICATED PLATFORMS TO ADDRESS DIFFERENT MARKETS



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

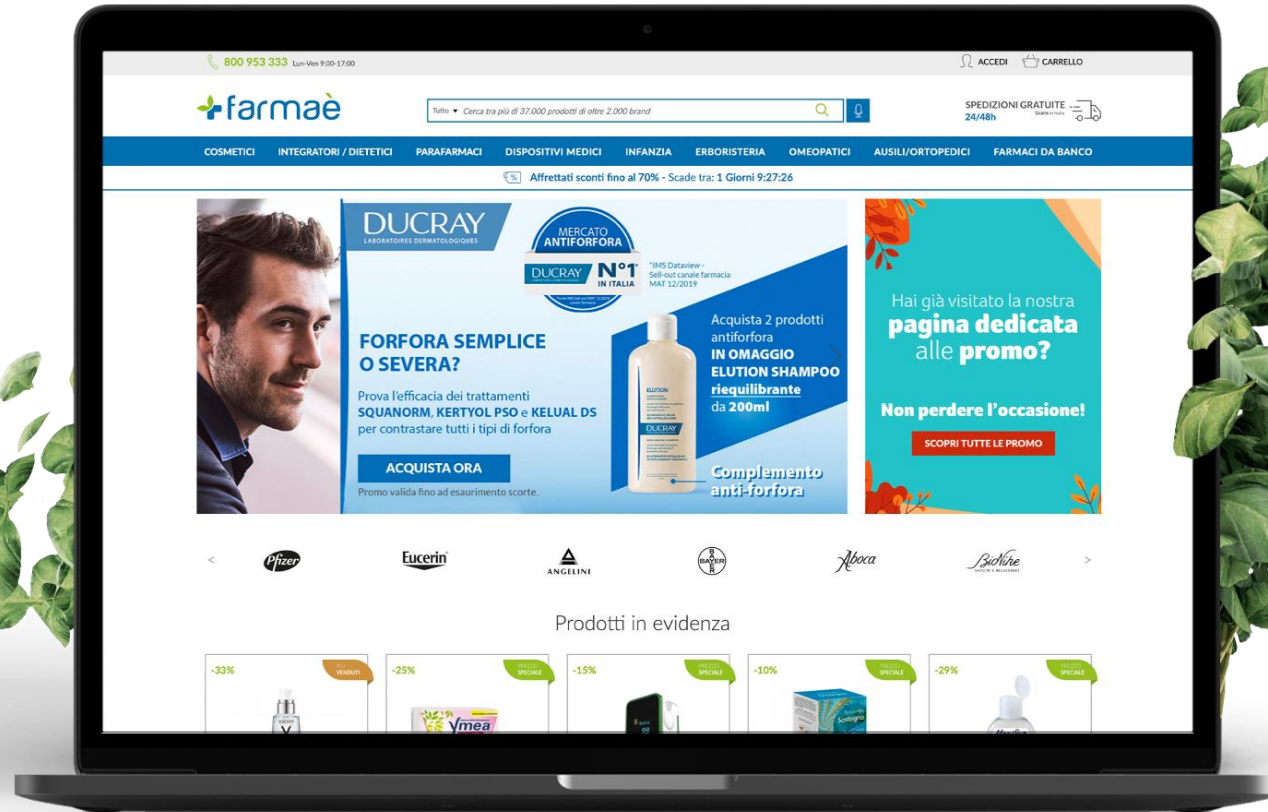
Opening **new sales points** on the Italian territory, including a new format of larger size, about 300 square meters able to accommodate, the two different types of commercial souls of Farmaè Spa: Pharmacy and Beautyè. **The new concept** provides for the implementation of a series of technologies to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

Strengthen internal capabilities

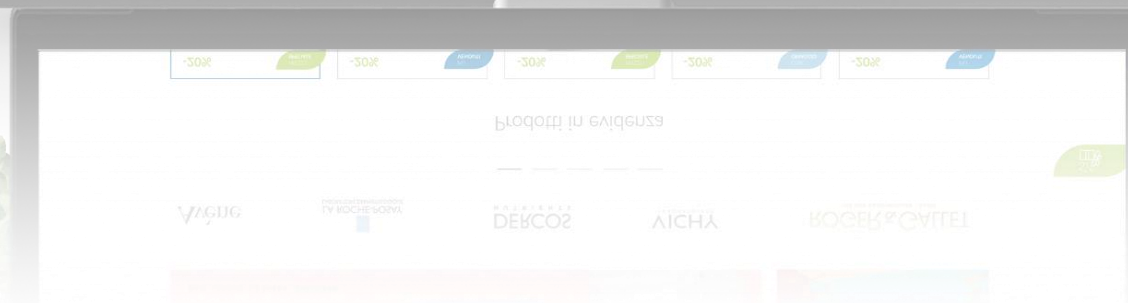
Hiring of **new professionals** in key business areas such as Customer Care, Marketing, and Finance and further expand technological edge. New incentive plan: Phantom Stock Options

M&A

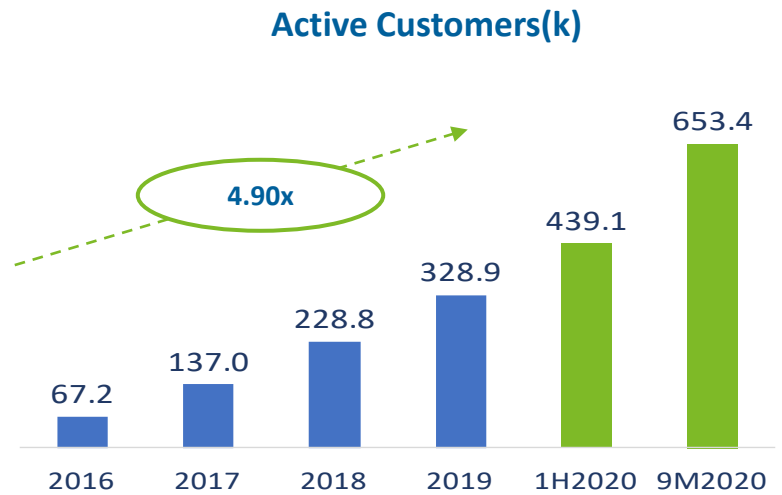
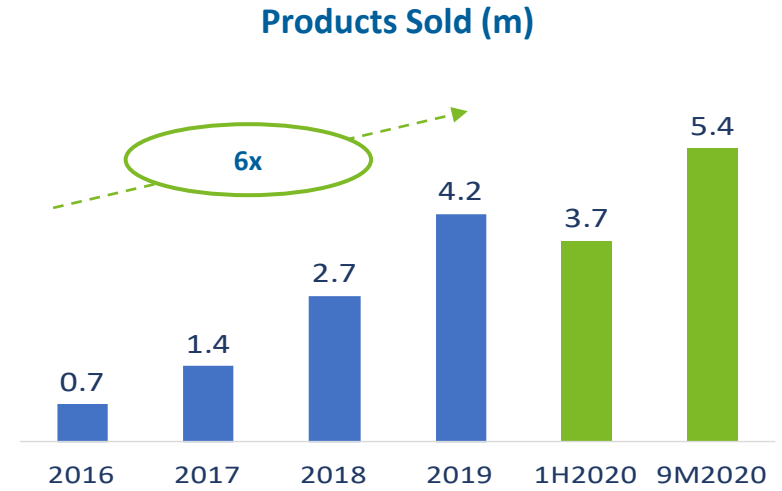
Scouting for M&A opportunities in order to **speed up growth**



Financials

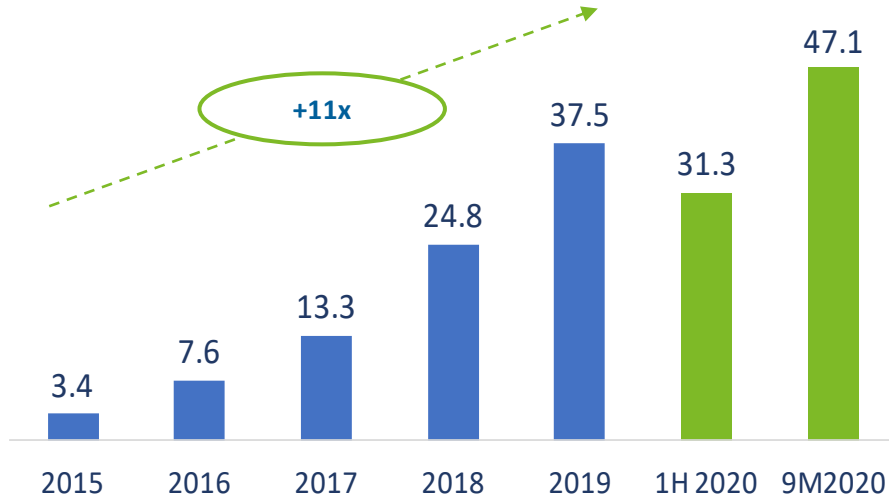


AN EXPONENTIAL GROWTH

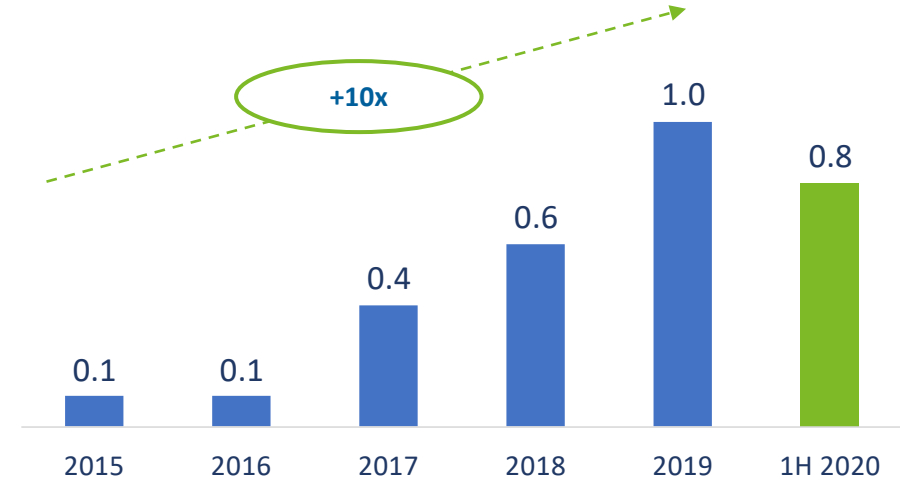


2019 RESULTS' STRONG IMPROVEMENT

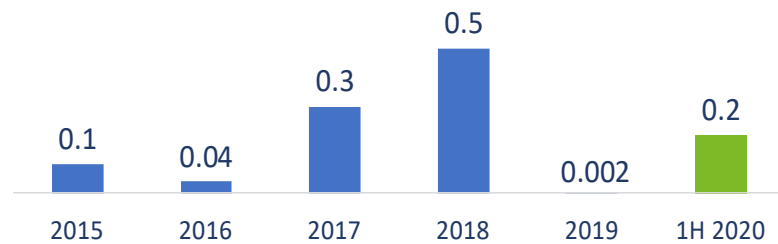
Revenues (€/m)



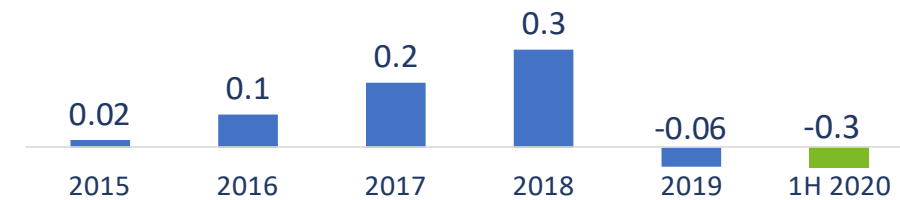
EBITDA (€/m)



EBIT (€/m)



Net Profit (€/m)



THE COVID-19 SANITARY EMERGENCY

Adopted stringent measures to avoid the outbreak inside the offices and the warehouses and to train our people on how to be safe

- 1 **Smart working** for people working at the call center, marketing and administrative department
- 2 Warehouse employees must maintain a **safety distance** of at least one meter and when this is not possible, gloves and a breathing mask FFP2 or FFP3 must be worn; sanitization three times a day of the warehouse
- 3 **Safety procedures** for both reception and express couriers; drivers carrying goods are not allowed to get off their trucks
- 4 All **meetings**, internally and with external visitors, have been **anceled** and replaced by video/conference call
- 5 **Three daily shifts** in March and April

COVID-19 RELATED COSTS IN 1H2020

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 costs are related to **higher logistic costs** for the organisation of three daily shifts in March and April

Higher transportation costs for non-executed deliveries due to closures of red zones in about 2,500 municipalities

PROFIT & LOSS STATEMENT

€/000	30/06/2020	30/06/2019	YoY %	2019
Sales Revenues	31.310	17.855	76%	37.532
Change in Inventories	2.564	907	183%	3.868
Other Revenues	348	-	-	-
Value of Production	34.222	18.762	82%	41.400
Materials used	23.235	13.108	77%	29.039
Gross Margin	10.987	5.654	94%	12.361
Costs of services	8.825	3.884	127%	9.439
Other operating costs	94	107	(12%)	106
Total Operating Costs	32.154	17.099	88%	38.584
Labour costs	1.243	817	52%	1.844
EBITDA	825	847	(2%)	972
Depreciation and amortisation	588	293	101%	970
EBIT	238	554	(57%)	2
Financial revenues (expenses)	(624)	(364)	n.m.	(86)
Extraordinary revenues (expenses)	0	0,3	n.m.	40
EBT	(386)	190	n.m.	(44)
Income taxes	93	(99)	n.m.	(20)
Net profit	(294)	92	n.m.	(64)

- **Revenues grew by 76% YoY**
- **Gross Margin** improved from **31.7% to 35.1% on revenues**
- **EBITDA almost flat** despite being negatively impacted by Covid direct related costs for Euro 232,000
- **H12020 EBITDA Adj at €1.1m**, to take into account the different technical form of obtaining financial resources, leasing vs mortgage contract
- In H12020 and H12019 P/L, PayPal and Braintree "Incasso sicuro" (Safe Collection) financial platforms costs have been accounted into Financial Expenses

BUSINESS UNITS ANALYSIS

Business Units analysis confirms the strong growth in all business segments

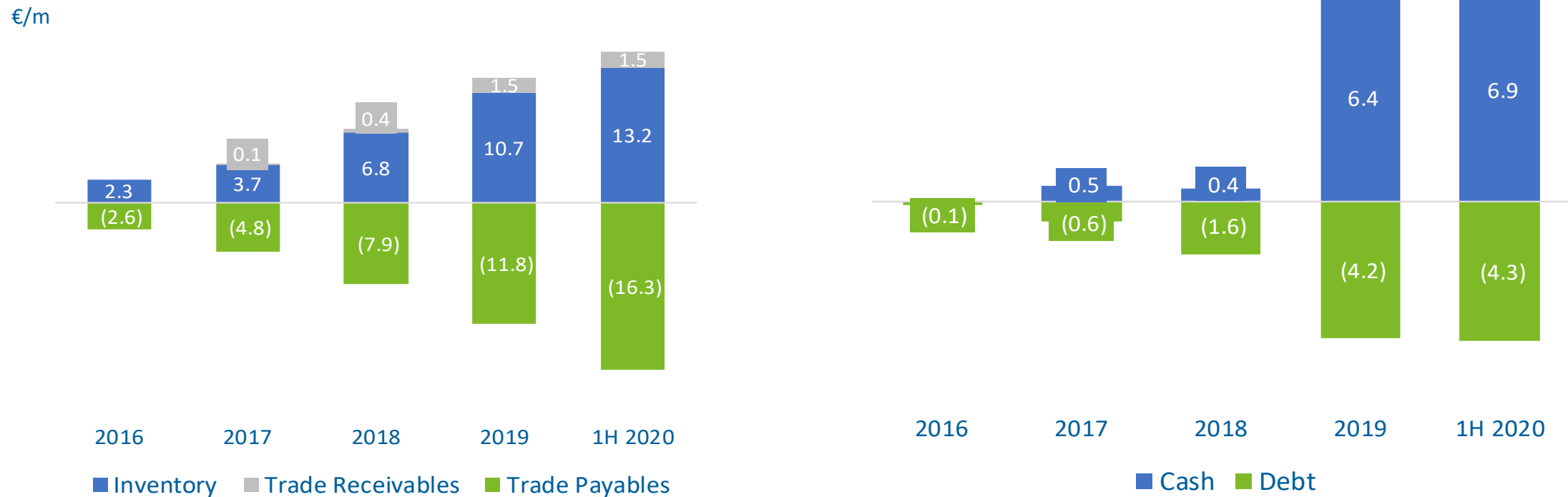
€/m	30/06/2020	30/06/2019	YoY %
Online Sales	29.2	16.3	79%
Offline Sales	1.1	0.9	11%
Co-marketing	1.0	0.6	74%
Other Revenues	-	0.01	-
Sales Revenues	31.3	17.9	76%

- + 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)

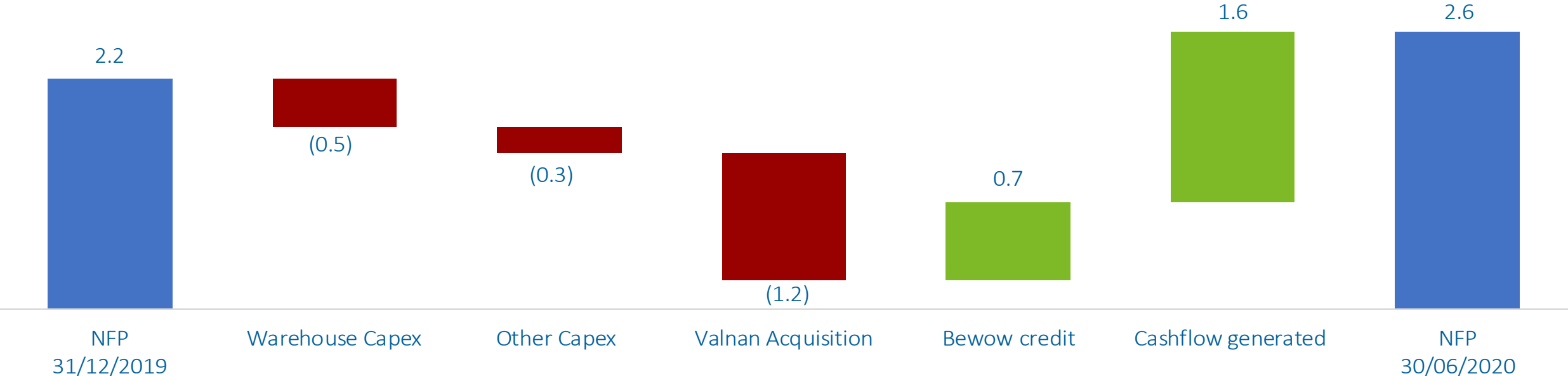
FINANCIAL HIGHLIGHTS

€/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

CONTACTS



Farmaè S.p.A.

Via Aurelia Nord 141 – 55049 Viareggio
(LU)

 www.farmaegroup.it



Nomad

Alantra Capital Markets
+39 02 63 67 16 01

Specialist

Banca Profilo
+39 02 584081



IR Manager

Alberto Maglione
ir@farmaegroup.it
Ph. +39 0584 1660552

IR Advisor

Vincenza Colucci – CDR Communication
vincenza.colucci@cdr-communication.it
M. +39 335 69 09 547



Media Relations

Daniele Pinosa – SEC S.p.A.
pinosa@segrp.com
M. +39 335 7233872

Fabio Santilio – SEC S.p.A.
santilio@segrp.com
M. +39 339 8446521

DISCLAIMER

"This Presentation contains certain forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes," "expects," "predicts," "intends," "projects," "plans," "estimates," "aims," "foresees," "anticipates," "targets," and similar expressions. Forward-looking statements contained in this Presentation, including assumptions, opinions and views of Farmaè S.p.A. ("**Farmaè**" or the "**Company**") or cited from third party sources, are solely opinions and forecasts reflecting current views with respect to future events and plans, estimates, projections and expectations which are uncertain and subject to risks. Market data used in this Presentation, which are not attributed to a specific source, are estimates made by the Company and have not been independently verified. These statements are based on certain assumptions that, although reasonable at this time, may prove to be erroneous. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events which materially differ from those expressed or implied by the forward-looking statements. If certain risks and uncertainties materialize, or if certain underlying assumptions prove incorrect, the Company could be unable to achieve its financial targets and strategic objectives. A multitude of factors which are in some cases beyond the Company's control can cause actual events differ significantly from any anticipated development. Forward-looking statements contained in this Presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No one undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements refer only as of the date of this Presentation and are subject to change without notice. No representations or warranties, express or implied, are given as to the achievement or reasonableness of, and no reliance should be placed on, any forward-looking statements, including (but not limited to) any projections, estimates, forecasts or targets contained herein. Farmaè does not undertake to provide any additional information or to remedy any omissions in or from this Presentation. Farmaè does not intend, and does not assume any obligation, to update industry information or forward-looking statements set forth in this Presentation. This Presentation does not constitute a recommendation regarding the securities of the Company.

This Presentation is not an offer, or a solicitation of an offer, to buy, sell or exchange any securities in Italy, pursuant to Section 1, letter (t) and letter (v) of Legislative Decree no. 58 of February 24, 1998, or in any other Country or State and is not a prospectus or an offer document within the meaning of Italian laws and regulations."

THANK YOU

 **FARMAÈ**GROUP