

# Biofarma Kepler H1 2024 Results

September 2024



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# Presenters



**Stefano Cavacini**

*Group CFO*

- **Joined Biofarma in Mar-24 as Group CFO**
- **Over twenty years of experience in Finance**, Group CFO and CIO of large listed multinational groups:
  - 2021-2024: **Group CFO of ITELYUM**
  - 2018-2021: **Group CFO of SAIPEM**
  - 2015-2018: **Group CFO of Zambon**
  - 2012-2015: **Group CFO of Indesit**
- Previous positions include senior executive roles in FCA



**Morris Maracin**

*CFO EMEA and APAC*

- **Joined Biofarma in 2018 as CFO**
- Over 10 years of international experience
- 2015 to 2017: **CFO at IPI Coesia Group**
- 2004 to 2015: **Several Financial position at Electrolux**, including Sector Europe Finance Manager



**Nicola Tedesco**

*Head of M&A, Corp. Dev. And Inv. Rel.*

- **Joined Biofarma in Sep-22 as Head of M&A and Corporate Development**
- 2019-2022: **Head of M&A and Corporate Development at Datalogic** (Italian listed company with ~€700m Revenue)
- Previous positions include roles at **KHK & Partners, ADIA and Citi**

# Agenda



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# Opening Remarks



# Opening Remarks



## 2Q 2024: Strategic Updates

- Biofarma Group remains focused on full-scale integration of its North American and European operations, leading to notable financial and operational gains. In Q2 2024, we launched key initiatives within R&D to streamline processes across the company
- In May 2024, Biofarma Group showcased at Vitafoods in Geneva, a leading global nutraceutical event. We will also participate in CPHI Milan and Supply Side West Las Vegas in October
- Germano Scarpa took over as Group CEO in June 2024, succeeding Gianfranco Nazzi
- We are also pleased to welcome Michele Borri as our Global Chief Commercial Officer



## 1H 2024: Financial

- Biofarma Group reported strong results for H1 2024, with revenues of €232.8 million from a global client base of over 500. Profitability increased in Europe, driven by efficient purchasing and SG&A control. The US business saw substantial growth recovering from a slow Q1 24
- Adjusted EBITDA reached €49.8 million, with a margin of 21.4%
- Recurring Operating Cash Flow amounted to €43.8 million, a 90.3% cash conversion on EBITDA
- Adjusted Net Financial Indebtedness was €557.6 million, with a stable leverage ratio of 5.4x.

# Opening Remarks – Q2 2024 Key updates

## Post Merger Integration: R&D

*Homogeneous R&D processes and quality standards*

With Andrea Zanardi as global Head of Research and Development and Quality, we embarked on a review of the key R&D and quality process across our locations in Europe and the United States

## Vitafoods

*Biofarma attended the largest nutraceutical trade fair*

**2Q 2024**  
In May 2024, Biofarma Group participated in Vitafoods, highlighting its distinctive capabilities and expansive global presence. The feedback from customers was positive, opening the door for follow-up in one-on-one meetings. Vitafoods is recognized as one of the largest and most prestigious trade shows in the industry worldwide

## Germano Scarpa Group CEO

*Gianfranco Nazzi steps down*

Following the resignation of Gianfranco Nazzi, Germano Scarpa is leading Biofarma until a new CEO is appointed

## Post Merger Integration: Sales

*Chief Commercial Officer on board*

## Recent Announcement

As the integration across our global operations advances, we have further enhanced our sales team with the appointment of Michele Borri as Chief Commercial Officer

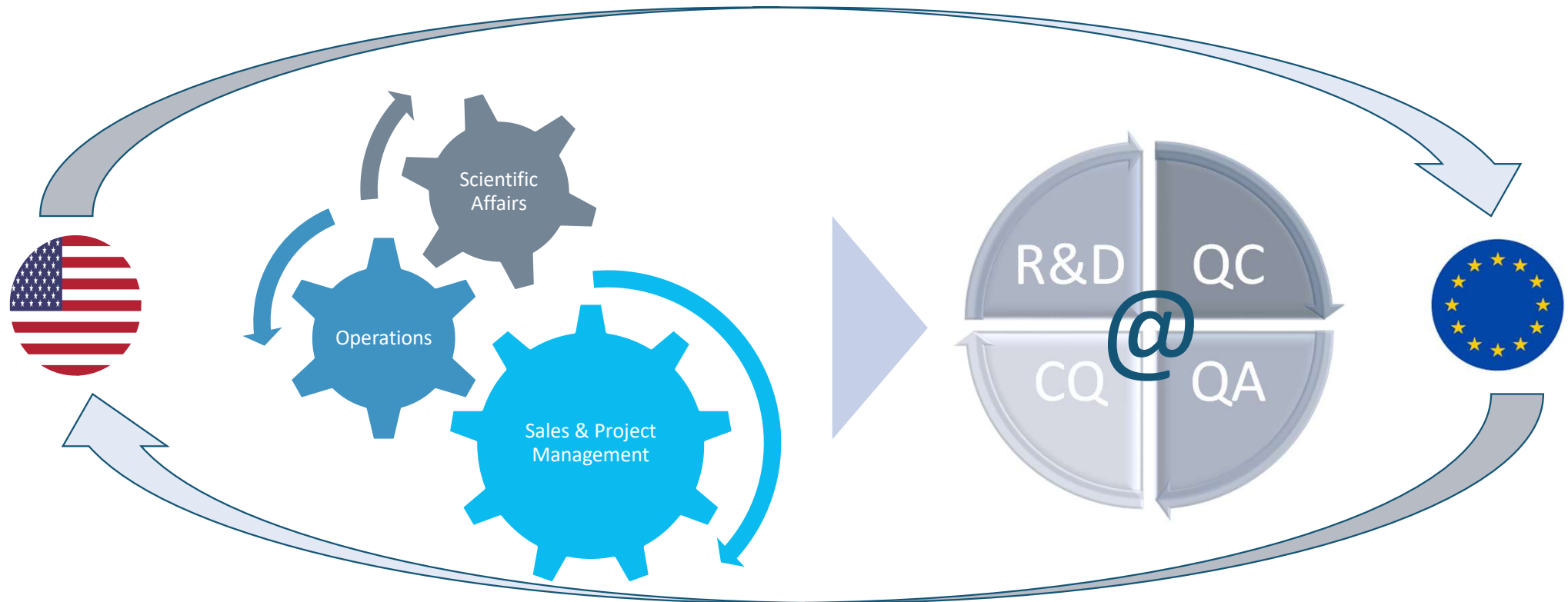
# Q2 2024 Strategic Update





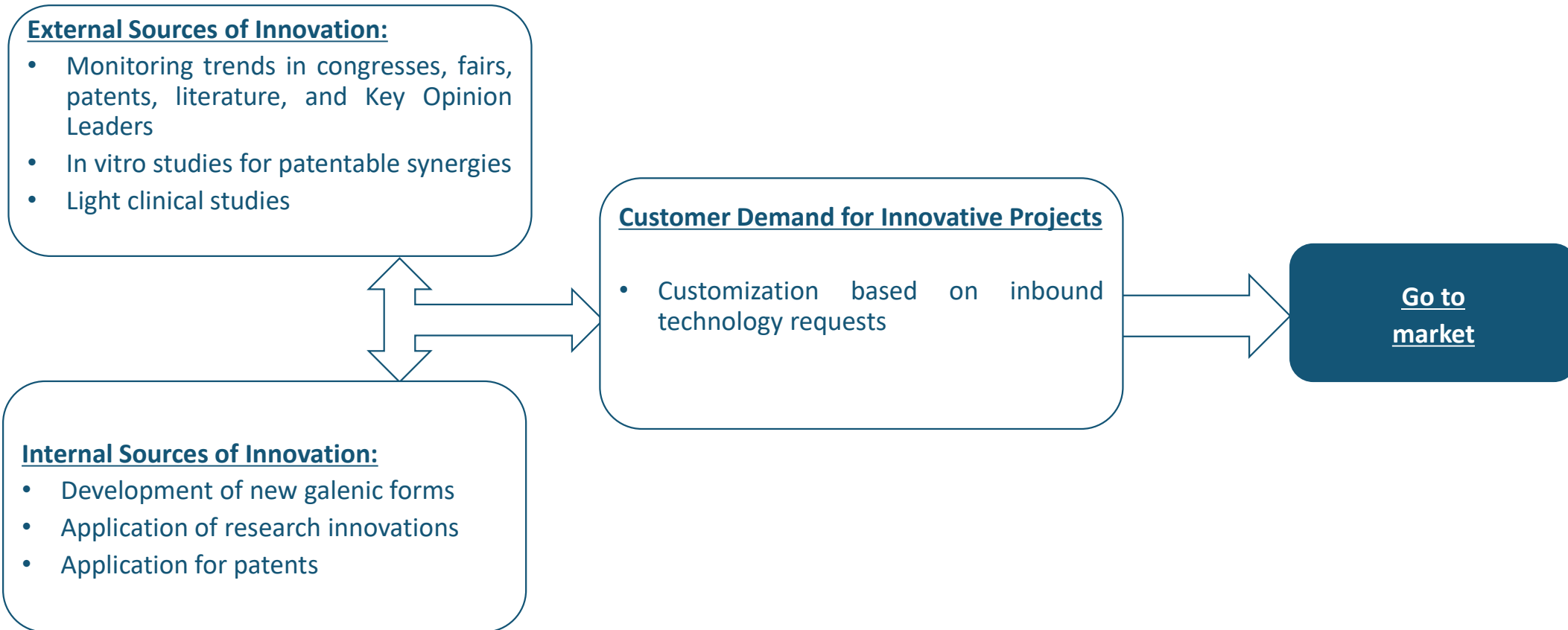
# 1 – Post Merger Integration: R&D (1/2)

We continue to enhance our R&D capabilities to safeguard our position as a leading global CDMO. By refining our internal organization, we are better positioned to serve customers through a more coordinated and integrated approach.



# 1 – Post Merger Integration: R&D (2/2)

We have developed an innovation roadmap leveraging our internal capabilities and combining them with inputs from external stakeholders and our key customers.



## 2 – Biofarma attended the Vitafoods Trade Show (1/2)

Biofarma Group showcased its best-in-class technologies, developed through the specialized expertise of its eight plants across three continents.

- Biofarma Group showcased its capabilities as global CDMO leader in supplements and medical devices at Vitafoods Europe 2024.
- We presented advanced technologies and scientifically-backed formulations, offering innovative health solutions across various sectors
- Our expertise spans multiple areas, including mental health, gut health, immune system support, metabolic and cardiac health, active ageing, dermatology, beauty, and sun care



# 2 – Biofarma attended the Vitafood Trade Show (2/2)



## 3 – Biofarma consolidates its leadership team

We strengthened the team with the appointment of Michele Borri as Group Chief Commercial Officer



- **Michele Borri joined Biofarma Group as Chief Commercial Officer in September 2024**
- With 20+ years of relevant sector expertise, he brings valuable expertise to the role. Prior to joining Biofarma, Michele was Global Head of Commercial Consumer Health at Mundipharma
- Michele's appointment to lead global commercial and marketing underscores Biofarma's ambition to be a global, integrated leader, offering a one-stop partner for nutraceutical needs











# H1 2024 Financials



# H1 2024 in a Nutshell

The Biofarma Group achieved solid results in the first Half of 2024, with a sound performance in Q2 profitability.

 <p><b>Revenues</b></p> <p><b>€232,8m</b></p>	 <p><b>Adjusted EBITDA</b></p> <p><b>€49,8m</b></p>	 <p><b>Recurring Op. Cash Flow (pre-Tax)</b></p> <p><b>€43,8m</b></p>	 <p><b>Adj Net Financial Position</b></p> <p><b>€557,6m</b></p>
 <p><b>Customers</b></p> <p><b>&gt;500</b></p>	 <p><b>Adj EBITDA Margin</b></p> <p><b>21,4%</b></p>	 <p><b>Total CAPEX</b></p> <p><b>€21,7m</b></p>	 <p><b>Leverage Ratio<sup>1</sup></b></p> <p><b>5.4X</b></p>

# Profit & Loss: H1 2024 Results (Consolidated)

The Group delivered sound profitability, increasing its margin percentage compared to H1 2023. While sales remained relatively in line with H1 2023, a strong recovery was observed in Q2 2024.

## Profit & Loss – H1 2024 vs H1 2023

YTD (€m)	Jun-24A	Jun-23A	Δ (%)	Δ
Net Sales	230,8	232,2	(0,6%)	(1,4)
Government Grants	2,0	2,0	0,2%	0,0
<b>1 Total Revenues</b>	<b>232,8</b>	<b>234,2</b>	<b>(0,6%)</b>	<b>(1,4)</b>
Raw Material Costs	(105,0)	(108,1)	(2,9%)	3,2
<b>2 First Margin</b>	<b>127,8</b>	<b>126,0</b>	<b>1,4%</b>	<b>1,8</b>
First Margin (%)	54,9%	53,8%	+109bps	
Third Party Works Costs	(10,8)	(13,3)	(18,3%)	2,4
Direct Personnel Costs	(18,6)	(18,1)	2,7%	(0,5)
Other Direct Production Costs	(9,9)	(10,5)	(6,0%)	0,6
<b>3 Transformation Margin</b>	<b>88,5</b>	<b>84,1</b>	<b>5,2%</b>	<b>4,4</b>
Transformation Margin (%)	38,0%	35,9%	+209bps	
Indirect Personnel Costs	(10,0)	(8,4)	18,9%	(1,6)
Maintenance Costs	(4,6)	(4,9)	(7,5%)	0,4
Logistics and Storage Costs	(4,2)	(4,1)	3,0%	(0,1)
Other Indirect Production Costs	(3,1)	(2,8)	9,7%	(0,3)
<b>4 Second Margin</b>	<b>66,6</b>	<b>63,9</b>	<b>4,3%</b>	<b>2,7</b>
Second Margin (%)	28,6%	27,3%	+134bps	
Total SG&A Costs	(18,0)	(19,3)	(7,2%)	1,4
% of revenue	(7,7%)	(8,3%)	+55bps	
<b>EBITDA</b>	<b>48,6</b>	<b>44,5</b>	<b>9,1%</b>	<b>4,0</b>
EBITDA Margin (%)	20,9%	19,0%	+185bps	
Adjustments	1,2	1,3	(4,0%)	(0,1)
<b>5 Adj. EBITDA</b>	<b>49,8</b>	<b>45,8</b>	<b>8,7%</b>	<b>4,0</b>
Adj. EBITDA Margin (%)	21,4%	19,5%	+183bps	

## EBITDA Bridge – H1 2024 vs H1 2023



## Key Performance Drivers

- 1 Revenues**  
In line with H123 when risk of shortages in supply chain drove spike in orders from clients (Q1 23)
  - 2 First Margin**  
Improved thanks to purchasing actions and deflationary trend on raw mat and packaging
  - 3 Transf. Margin**  
Improved also thanks to some insourced industrial processes
  - 4 Second Margin**  
Improved benefitting from overall higher efficiencies
- 5 Adjusted EBITDA**
- The Adjusted EBITDA for H1 2024 shows an improvement of €4.0m compared to H1 2023, mainly driven by procurement savings, deflation and fixed cost control.



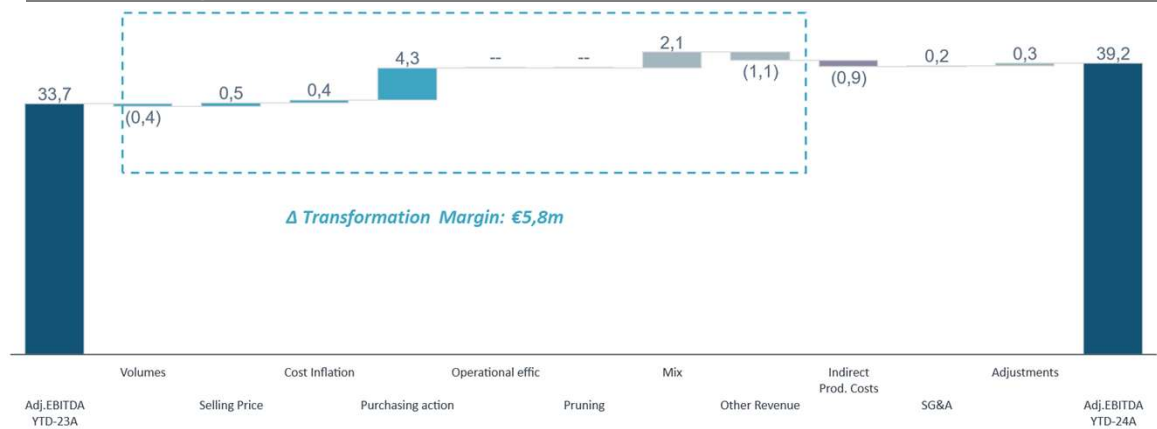
# Profit & Loss: H1 2024 Results (Europe)

European operations profitability improved driven by a strong culture of operational excellence and enhanced efficiency in production processes.

## Profit & Loss – H1 2024 vs H1 2023

YTD (€m)	Jun-24A	Jun-23A	Δ (%)	Δ
Net Sales	165,9	169,3	(2,0%)	(3,3)
Government grants	2,0	2,0	0,2%	0,0
<b>1 Total Revenues</b>	<b>167,9</b>	<b>171,3</b>	<b>(2,0%)</b>	<b>(3,3)</b>
Raw Material Costs	(75,0)	(85,0)	(11,8%)	10,1
<b>2 First Margin</b>	<b>93,0</b>	<b>86,3</b>	<b>7,8%</b>	<b>6,7</b>
First Margin (%)	55,4%	50,4%	+501bps	
Third Party Works Costs	(10,9)	(9,8)	11,0%	(1,1)
Direct Personnel Costs	(12,8)	(12,7)	1,4%	(0,2)
Other Direct Production Costs	(7,2)	(7,5)	(4,6%)	0,3
<b>3 Transformation Margin</b>	<b>62,1</b>	<b>56,3</b>	<b>10,3%</b>	<b>5,8</b>
Transformation Margin (%)	37,0%	32,9%	+411bps	
Indirect Personnel Costs	(5,2)	(4,8)	8,3%	(0,4)
Maintenance Costs	(2,7)	(2,3)	18,3%	(0,4)
Logistics and Storage Costs	(3,5)	(3,4)	1,0%	(0,0)
Other Indirect Production Costs	(2,4)	(2,4)	(2,3%)	0,1
<b>4 Second Margin</b>	<b>48,4</b>	<b>43,3</b>	<b>11,6%</b>	<b>5,0</b>
Second Margin (%)	28,8%	25,3%	+349bps	
<b>Total SG&amp;A Costs</b>	<b>(9,7)</b>	<b>(9,9)</b>	<b>(2,1%)</b>	<b>0,2</b>
% of revenue	(5,8%)	(5,8%)	+1bps	
<b>EBITDA</b>	<b>38,6</b>	<b>33,4</b>	<b>15,6%</b>	<b>5,2</b>
EBITDA Margin (%)	23,0%	19,5%	+350bps	
Adjustments	0,6	0,3	100,0%	0,3
<b>5 Adj. EBITDA</b>	<b>39,2</b>	<b>33,7</b>	<b>16,4%</b>	<b>5,5</b>
Adj. EBITDA Margin (%)	23,4%	19,7%	+368bps	

## EBITDA Bridge – H1 2024 vs H1 2023



## Key Performance Drivers

- 1 Revenues**  
Slight decrease, yet in line with expectations
- 2 First Margin**  
Improved thanks to purchasing actions and deflationary trend on raw mat. and packaging
- 3 Transf. Margin**  
Improved in line with first margin performance
- 4 Second Margin**  
Sound profitability sustained by reinforcement of operations/ engineering staff
- 5 Adjusted EBITDA**  
European operations delivered a solid performance in Adj. EBITDA with a 16.4% increase. This growth was driven by procurement and fixed cost control, effectively mitigating the flat revenue trend.

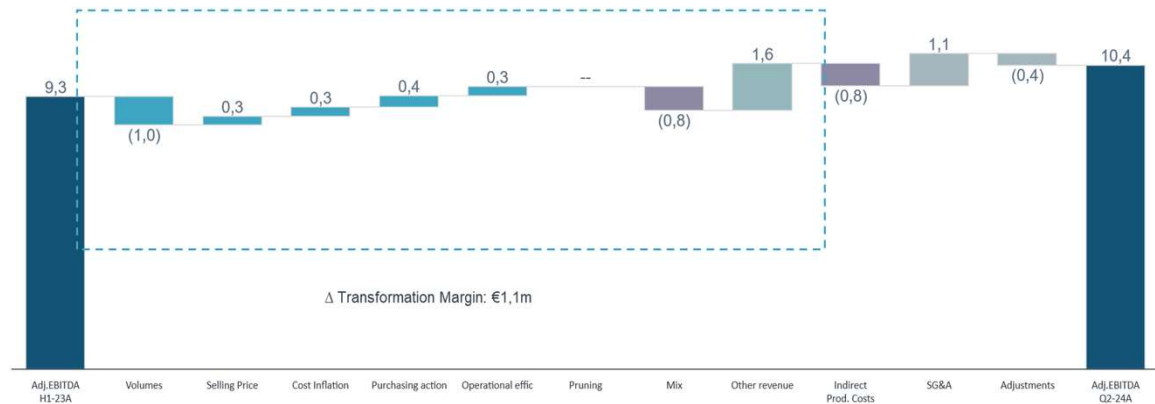
# Profit & Loss: H1 2024 Results (US)\*

US operations delivered a topline performance in line with H1 2023, showing strong recovery vs. a slow 1Q24. Adjusted EBITDA profitability improved by ca. 200bps.

## Profit & Loss – H1 2024 vs H1 2023

YTD (€m)	Jun-24A	Jun-23A	Δ (%)	Δ
Net Sales	60,3	60,7	(0,6%)	(0,4)
Government Grants	--	--	--	-
<b>1 Total Revenues</b>	<b>60,3</b>	<b>60,7</b>	<b>(0,6%)</b>	<b>(0,4)</b>
Raw Material Costs	(26,7)	(24,7)	7,9%	(2,0)
<b>2 First Margin</b>	<b>33,7</b>	<b>36,0</b>	<b>(6,4%)</b>	<b>(2,3)</b>
First Margin (%)	55,8%	59,3%	(348bps)	
Third Party Works Costs	0,0	(3,5)	(100,5%)	3,5
Direct Personnel Costs	(5,7)	(5,4)	5,6%	(0,3)
Other Direct Production Costs	(2,6)	(2,8)	(8,0%)	0,2
<b>3 Transformation Margin</b>	<b>25,4</b>	<b>24,3</b>	<b>4,7%</b>	<b>1,1</b>
Transformation Margin (%)	42,1%	40,0%	+211bps	
Indirect Personnel Costs	(4,4)	(3,3)	36,7%	(1,2)
Maintenance Costs	(1,8)	(2,6)	(30,8%)	0,8
Logistics and Storage Costs	(0,7)	(0,6)	13,9%	(0,1)
Other Indirect Production Costs	(0,7)	(0,4)	84,2%	(0,3)
<b>4 Second Margin</b>	<b>17,8</b>	<b>17,5</b>	<b>1,9%</b>	<b>0,3</b>
Second Margin (%)	29,5%	28,8%	+71bps	
<b>Total SG&amp;A Costs</b>	<b>(8,0)</b>	<b>(9,1)</b>	<b>(11,8%)</b>	<b>1,1</b>
% of revenue	(13,2%)	(14,9%)	+168bps	
<b>EBITDA</b>	<b>9,8</b>	<b>8,4</b>	<b>16,6%</b>	<b>1,4</b>
EBITDA Margin (%)	16,2%	13,8%	+239bps	
Adjustments	0,6	1,0	(36,8%)	(0,4)
<b>5 Adj. EBITDA</b>	<b>10,4</b>	<b>9,3</b>	<b>11,2%</b>	<b>1,0</b>
Adj. EBITDA Margin (%)	17,2%	15,4%	+182bps	

## EBITDA Bridge – H1 2024 vs H1 2023

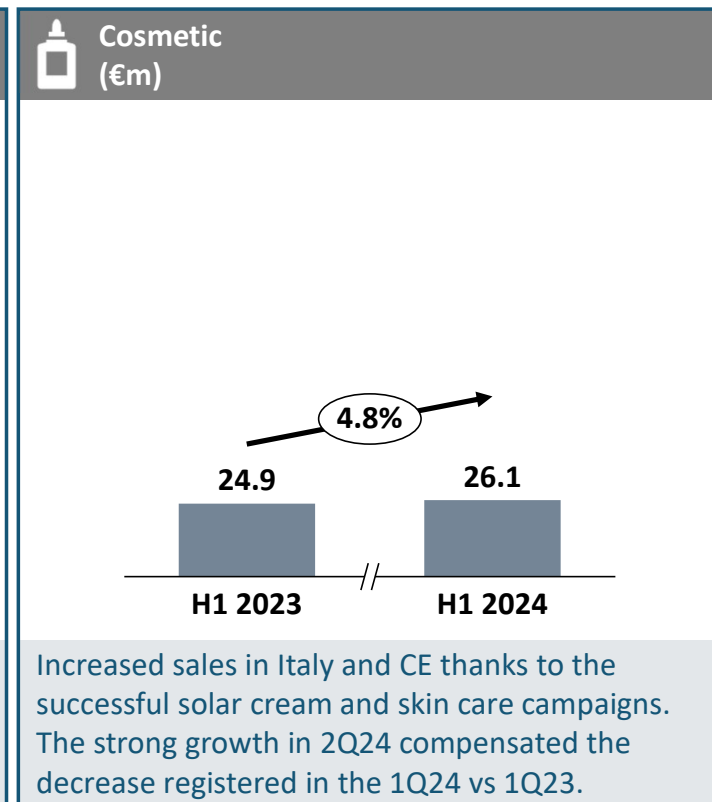
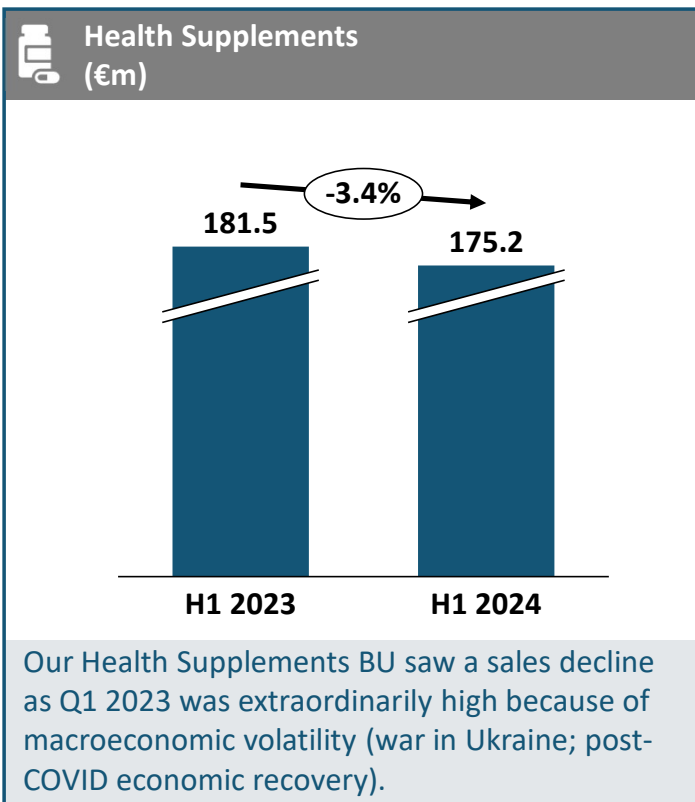


## Key Performance Drivers

- 1 Revenues**  
Strong growth in Q2 as we penetrate customers further, enlarging our offer
- 2 First Margin**  
Ca. 400bps improvement in Q2 24 vs Q2 23, offsetting the delay recorded in Q1 24
- 3 Transf. Margin**  
Improvement driven by efficiencies in operations
- 4 Second Margin**  
Confirms sound profitability of the business
- 5 Adjusted EBITDA**  
Adj. EBITDA for the semester increased by €1m due to procurement, operational efficiencies and fixed cost control.

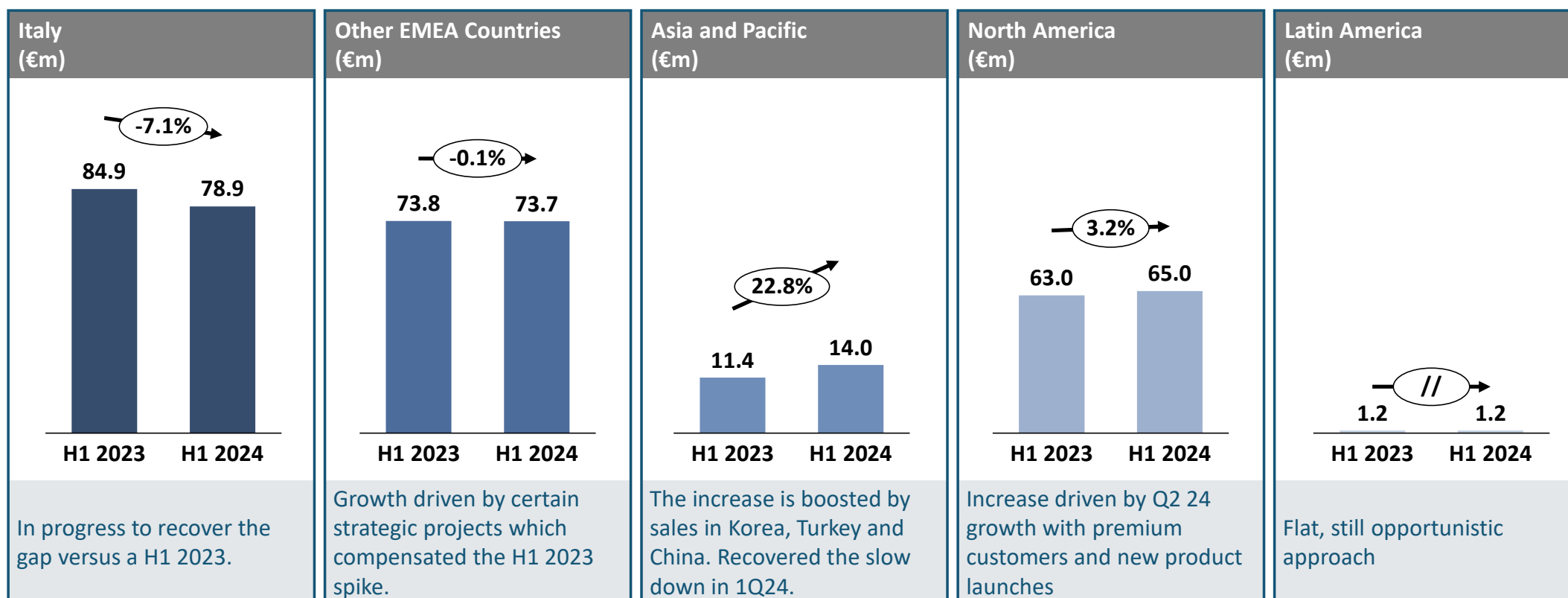
# Top line: YTD evolution by Business Unit

Medical devices and cosmetics demonstrated robust growth in Q2 2024, with cosmetics reversing the negative trend observed in the prior quarter.



# Top line: yearly evolution by Geography

Italy in delay. A significant growth in Asia Pacific. North America improvement thanks to a recovery in Q2 24.



# H1 2024 Cash Flow

Generated good recurring operating cash flow with a 90.3% cash conversion.

YTD (€m)	June
<b>Adjusted EBITDA</b>	<b>49,8</b>
(-) Adjustments	(1,2)
<b>EBITDA</b>	<b>48,6</b>
Δ Receivables	(0,6)
Δ Payables	3,3
Δ Inventory	(6,7)
<b>Δ TWC</b>	<b>(4,0)</b>
Δ Other Working Capital	1,2
<b>Δ NWC</b>	<b>(2,8)</b>
<b>Maintenance Capex</b>	<b>(1,9)</b>
<b>Recurring Op. CF (pre-Tax)</b>	<b>43,8</b>
Cash Conversion (%)	90,3%
<b>Growth Capex</b>	<b>(19,8)</b>
o/w Manufacturing Capex	(17,1)
o/w R&D Capex	(1,3)
o/w Other / IT Capex	(1,4)
<b>Op. CF (pre-Tax)</b>	<b>24,0</b>
Cash Conversion (%)	49,5%
<b>Interests</b>	<b>(25,9)</b>
<b>Taxes</b>	<b>(3,2)</b>
<b>Other</b>	<b>(1,8)</b>
<b>Free Cash Flow (pre-M&amp;A)</b>	<b>(6,9)</b>
Cash Conversion (%)	(14,2%)
<b>M&amp;A Capex</b>	<b>(4,2)</b>
<b>Free Cash Flow (post-M&amp;A)</b>	<b>(11,1)</b>
Cash Conversion (%)	(22,3%)
<b>New Debt / Debt Repayments</b>	<b>6,4</b>
Capital Contribution	
Other Changes in Equity	
<b>Δ Cash</b>	<b>(4,7)</b>

## Key Evidences

- 1 **NWC deterioration of €2.8m**  
Total Capex amounted to €21.7m
- 2 **Maintenance: €1.9m** related to the regular maintenance activity across the Group's global plants
- 3 **Growth Capex: €19.8m** related to expanding manufacturing capacity and accelerate business growth
- 4 **Manufacturing capex totaled €17.1m** mostly related to the construction of the Green field in Montaigu, France. We also Expanded production lines in Mereto, Gallarate and the US
- 5 **R&D capex amounted to €1.3m**, primarily dedicated to three R&D projects in the gastro therapeutic area, pregnancy support solution and new multivitamin formulas
- 6 **Other/IT Capex totaled €1.4m**, primarily dedicated to ICT infrastructure, for cybersecurity and Manufacturing Enterprise System (MES) software
- 7 **Interests equal to €25.9m**, of which €25.6m refer to the net interest amount settled for Senior Secured Note and Long Term Financial Debt, and €0.3m refer to other interests
- 8 **€3.2m settled in taxes in H1 2024**
- 9 **€1.8m in other costs**, mostly related to management consulting services and one time ceasing cost with suppliers and some managers.
- 10 **€4.2m M&A Capex** related to the settlement of Transaction Cost for USPL in Jan-24 instead of Dec-23.
- 11 **€6.4m increase in Financial Debt** where € 20m RCF drawn down has been partially reduced by € 13.6m short term loan reimbursement

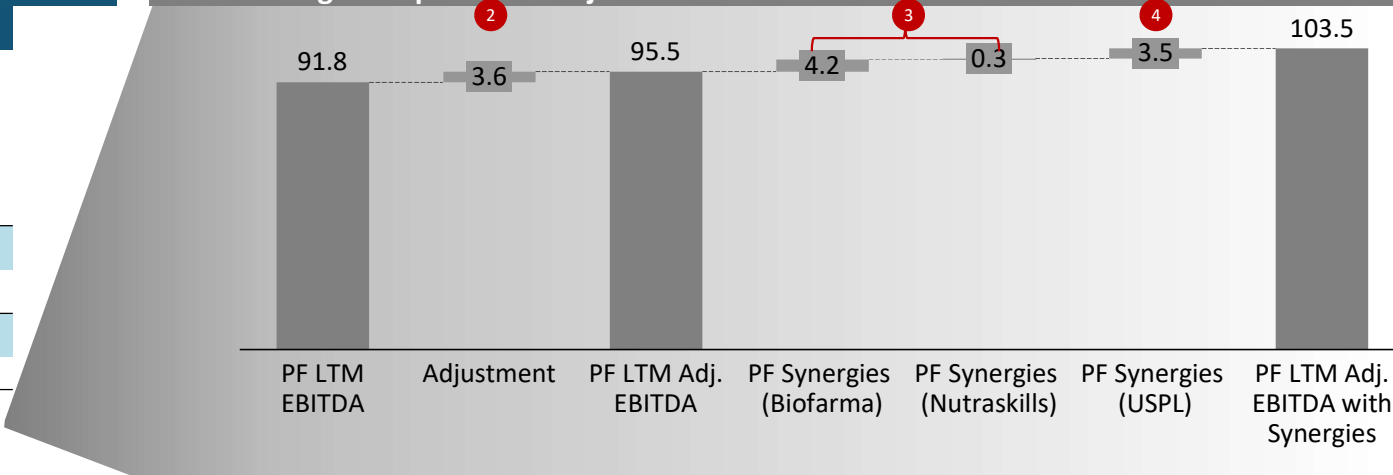
# H1 2024 Net Financial Position and Financial Ratios

Leverage remains stable despite new acquisitions in 2022 and 2023.

## Leverage – H1-24 vs Opening

€m	As per OM	H1-24
High yield bond	345,0	345,0
Private Placement	--	200,9
RCF	--	20
Cash and Cash Equivalent	(5,7)	(28,7) <sup>1</sup>
<b>Total net secured debt</b>	<b>339,3</b>	<b>537,2</b>
Other Debt <sup>2</sup>	0,8	20,4
<b>Adj. Net Fin. Position</b>	<b>340,1</b>	<b>557,6</b>
<hr/>		
PF LTM Adj. EBITDA with Synergies <sup>3</sup>	64,0	103,5
<sup>1</sup> Net Leverage	5,3x	5,4x

## EBITDA Bridge – Reported vs Adjusted



## Key Evidences

**1 Net Leverage**

Our leverage remained stable, albeit slightly higher than the levels observed in (OM), with the increase attributable to financing secured for the acquisition of USPL."

**2 Adjustments**

Includes:

- € 0.9m of pro-rata portion of minorities
- € 2.7m of ceasing costs in US

**3 Synergies (Biofarma and Nutraskills)**

- €1.3 m of procurement synergies on vitamins
- €1.5m of manufact. improv.
- €1.7m of organization optimization

**4 Synergies (USPL)**

- €2.4m of procurement synergies in China
- €1.1m of packaging Efficiency

Notes: 1) Cash and Cash Equivalents as of June 30, 2024; 2) Incl. the Other Debt is related to the short-term bank-loan for invoices on cash, leasing debt and to the long-term banks' financing of Nutraskills Group; 3) Incl. run rate costs and Synergies for an amount of €8m

# Closing Statements



# Closing Statements

## To date...

- **Solid delivery in 2024 YTD, reflecting a positive trend for the Group.**
  - Consolidated our market leading position
  - Delivering on our Post Merger Integration Plan
  - Reinforced the leadership team

## Outlook for the Remainder of 2024

- **2024 is the year of consolidation of our market leading position**
  - Integration of our operations across the globe
  - Global management of Key Accounts, appointing senior resources to key global customers
  - Efficiency of our processes via Lean Six Sigma



Q&A



# Appendix



# EBITDA detail from Statutory to Adjusted (Consolidated)

(in thousand of Euro)	H1-24	H1-23
<b>Result for the period</b>	<b>(11.064)</b>	<b>(6.026)</b>
Depreciation and amortization	27.976	27.838
Corporate taxes	3.206	(1.956)
Financial income and expenses	25.883	13.266
Accruals to provisions for risks	854	--
<b>EBITDA Statutory (Reported)</b>	<b>46.855</b>	<b>33.122</b>
US Acquisition <sup>1</sup>		9.243
Holdings accounting adjustments <sup>2</sup>	316	
Non-recurring and certain M&A income and costs <sup>3</sup>	6	
IFRS accounting impact and leasing	--	
Other Operating cost <sup>4</sup>	1.188	1.406
Other adjustments <sup>5</sup>	240	734
<b>Adjusted EBITDA</b>	<b>48.605</b>	<b>44.505</b>

- <sup>1</sup> Pro Rata of USPL EBITDA for the reference period.
- <sup>2</sup> Holding companies cost.
- <sup>3</sup> Consultants cost for M&A projects.
- <sup>4</sup> Redundancy costs.
- <sup>5</sup> Non recurring advisory fees for Lean Six Sigma and 1BIG project.

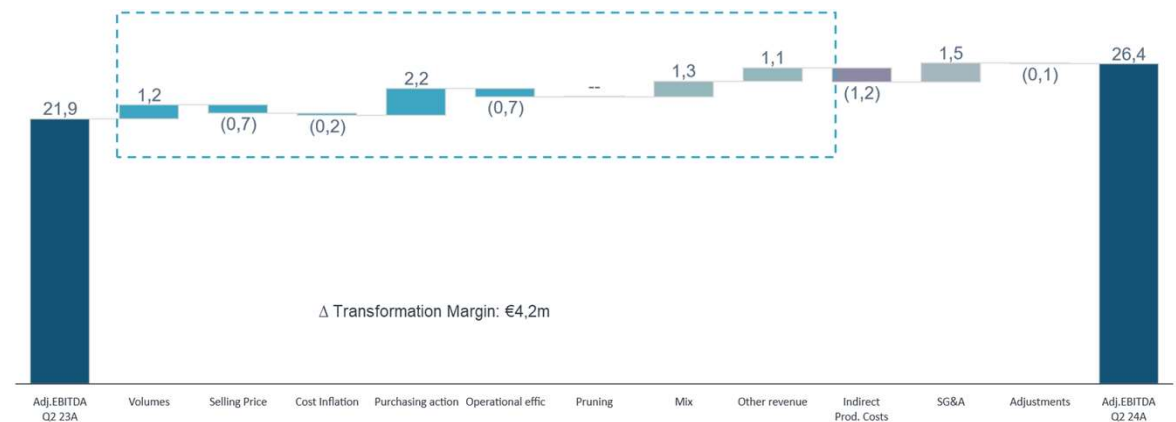
# Profit & Loss: Q2 2024 Results (Consolidated)

The Group delivered sound profitability, thanks to higher sales, better mix, higher procurement efficiencies and fixed costs control. This resulted in an increase in margin percentage compared to H1 2023.

## Profit & Loss – Q2 2024 vs Q2 2023

(€m)	Q2-24	Q2-23	Δ (%)	Δ
Net Sales	121,1	117,4	3,2%	3,7
Government Grants	1,2	0,6	98,9%	0,6
<b>1 Total Revenues</b>	<b>122,3</b>	<b>118,0</b>	<b>3,7%</b>	<b>4,3</b>
Raw Material Costs	(56,1)	(55,6)	1,0%	(0,5)
<b>2 First Margin</b>	<b>66,2</b>	<b>62,4</b>	<b>6,1%</b>	<b>3,8</b>
<i>First Margin (%)</i>	<i>54,1%</i>	<i>52,9%</i>	<i>+123bps</i>	
Third Party Works Costs	(3,7)	(5,5)	(32,6%)	1,8
Direct Personnel Costs	(10,2)	(9,0)	13,0%	(1,2)
Other Direct Production Costs	(4,5)	(4,3)	4,0%	(0,2)
<b>3 Transformation Margin</b>	<b>47,8</b>	<b>43,6</b>	<b>9,7%</b>	<b>4,2</b>
<i>Transformation Margin (%)</i>	<i>39,1%</i>	<i>36,9%</i>	<i>+215bps</i>	
Indirect Personnel Costs	(5,8)	(4,4)	32,4%	(1,4)
Maintenance Costs	(2,4)	(2,2)	8,2%	(0,2)
Logistics and Storage Costs	(2,1)	(2,2)	(6,0%)	0,1
Other Indirect Production Costs	(1,7)	(2,0)	(15,1%)	0,3
<b>4 Second Margin</b>	<b>35,8</b>	<b>32,8</b>	<b>9,4%</b>	<b>3,1</b>
<i>Second Margin (%)</i>	<i>29,3%</i>	<i>27,8%</i>	<i>+153bps</i>	
<b>Total SG&amp;A Costs</b>	<b>(10,4)</b>	<b>(12,0)</b>	<b>(13,2%)</b>	<b>1,6</b>
<i>% of revenue</i>	<i>(8,5%)</i>	<i>(10,2%)</i>	<i>+165bps</i>	
<b>EBITDA</b>	<b>25,3</b>	<b>20,8</b>	<b>22,0%</b>	<b>4,6</b>
<i>EBITDA Margin (%)</i>	<i>20,7%</i>	<i>17,6%</i>	<i>+310bps</i>	
Adjustments	1,1	1,1	(4,5%)	(0,1)
<b>5 Adj. EBITDA</b>	<b>26,4</b>	<b>21,9</b>	<b>20,6%</b>	<b>4,5</b>
<i>Adj. EBITDA Margin (%)</i>	<i>21,6%</i>	<i>18,5%</i>	<i>+303bps</i>	

## EBITDA Bridge – Q2 2024 vs Q2 2023



## Key Performance Drivers

- Revenues**  
Higher sales than Q2 2023 thanks to the growth in US.
  - First Margin**  
Improved thanks to purchasing actions and deflationary trend on raw mat. and packaging
  - Transf. Margin**  
Improved thanks to first margin trend
  - Second Margin**  
Improved benefiting from overall higher profitability
- 5 Adjusted EBITDA**
- The Adjusted EBITDA for Q2 shows an improvement versus Q2 2023 thanks to sales growth in US and a positive trend in purchasing actions globally.

# Profit & Loss: Q2 2024 Results (Europe)

Improved profitability driven by a culture of operational excellence and efficient production processes.

## Profit & Loss – Q2 2024 vs Q2 2023

(€m)	Q2-24	Q2-23	Δ (%)	Δ
Net Sales	80,8	85,7	(5,7%)	(4,9)
Government grants	1,2	0,6	98,9%	0,6
<b>1 Total Revenues</b>	<b>82,0</b>	<b>86,3</b>	<b>(4,9%)</b>	<b>(4,3)</b>
Raw Material Costs	(37,6)	(41,8)	(10,2%)	4,3
<b>2 First Margin</b>	<b>44,5</b>	<b>44,5</b>	<b>0,0%</b>	<b>0,0</b>
First Margin (%)	54,2%	51,5%	+268bps	
Third Party Works Costs	(3,7)	(5,5)	(32,3%)	1,8
Direct Personnel Costs	(6,3)	(6,3)	0,5%	(0,0)
Other Direct Production Costs	(3,0)	(3,0)	(1,6%)	0,0
<b>3 Transformation Margin</b>	<b>31,5</b>	<b>29,7</b>	<b>6,0%</b>	<b>1,8</b>
Transformation Margin (%)	38,4%	34,4%	+397bps	
Indirect Personnel Costs	(3,0)	(2,6)	15,3%	(0,4)
Maintenance Costs	(1,5)	(1,1)	38,4%	(0,4)
Logistics and Storage Costs	(1,8)	(1,9)	(5,9%)	0,1
Other Indirect Production Costs	(1,2)	(1,8)	(36,0%)	0,7
<b>4 Second Margin</b>	<b>24,0</b>	<b>22,2</b>	<b>7,8%</b>	<b>1,7</b>
Second Margin (%)	29,2%	25,8%	+346bps	
<b>Total SG&amp;A Costs</b>	<b>(5,0)</b>	<b>(7,7)</b>	<b>(35,6%)</b>	<b>2,7</b>
% of revenue	(6,1%)	(9,0%)	+288bps	
<b>EBITDA</b>	<b>19,0</b>	<b>14,5</b>	<b>30,9%</b>	<b>4,5</b>
EBITDA Margin (%)	23,2%	16,8%	+635bps	
Adjustments	0,5	0,2	200,0%	0,3
<b>5 Adj. EBITDA</b>	<b>19,5</b>	<b>14,7</b>	<b>32,6%</b>	<b>4,8</b>
Adj. EBITDA Margin (%)	23,7%	17,0%	+672bps	

## EBITDA Bridge – Q2 2024 vs Q2 2023



## Key Performance Drivers

- Revenues**  
Slight decline vs. previous year
- First Margin**  
Improved thanks to purchasing actions and deflationary trend on raw mat and packaging
- Transf. Margin**  
Growth thanks to first margin trend
- Second Margin**  
Improved benefiting from overall higher profitability
- Adjusted EBITDA**  
European operations delivered a solid performance in Adj. EBITDA with a 32.6% increase. This growth was driven by procurement, positive mix and fixed cost control, effectively mitigating slower sales.

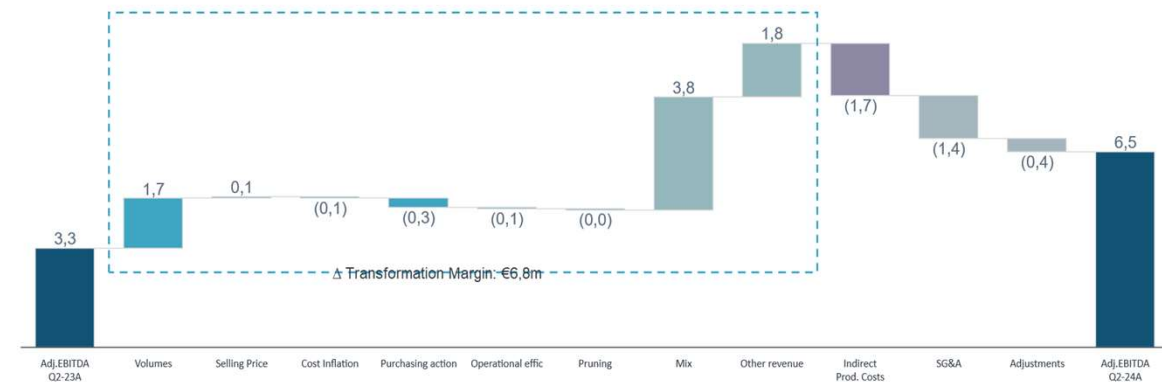
# Profit & Loss: Q2 2024 Results (US)\*

US operations saw a significant sales increase compared to Q2 2023, driven by strong business development with premium customers. The rise in sales helped offset increased spending on indirect costs and SG&A.

## Profit & Loss – Q2 2024 vs Q2 2023

(€m)	Q2-24	Q2-23A	Δ (%)	Δ
Net Sales	36,4	30,6	19,0%	5,8
Government grants	--	--	--	-
<b>1 Total Revenues</b>	<b>36,4</b>	<b>30,6</b>	<b>19,0%</b>	<b>5,8</b>
Raw Material Costs	(15,8)	(14,4)	9,4%	(1,4)
<b>2 First Margin</b>	<b>20,7</b>	<b>16,2</b>	<b>27,5%</b>	<b>4,5</b>
First Margin (%)	56,7%	53,0%	+379bps	
Third Party Works Costs	0,0	(3,5)	(100,5%)	3,5
Direct Personnel Costs	(4,0)	(2,9)	38,6%	(1,1)
Other Direct Production Costs	(1,4)	(1,3)	8,8%	(0,1)
<b>3 Transformation Margin</b>	<b>15,3</b>	<b>8,5</b>	<b>79,1%</b>	<b>6,8</b>
Transformation Margin (%)	42,0%	27,9%	+1410bps	
Indirect Personnel Costs	(2,5)	(1,6)	59,1%	(0,9)
Maintenance Costs	(0,9)	(0,2)	328,0%	(0,7)
Logistics and Storage Costs	(0,2)	(0,4)	(57,2%)	0,2
Other Indirect Production Costs	(0,5)	(0,2)	219,4%	(0,4)
<b>4 Second Margin</b>	<b>11,2</b>	<b>6,2</b>	<b>80,7%</b>	<b>5,0</b>
Second Margin (%)	30,8%	20,3%	+1053bps	
<b>Total SG&amp;A Costs</b>	<b>(5,3)</b>	<b>(3,9)</b>	<b>37,1%</b>	<b>(1,4)</b>
% of revenue	(14,5%)	(12,6%)	(192bps)	
<b>EBITDA</b>	<b>5,9</b>	<b>2,4</b>	<b>151,9%</b>	<b>3,6</b>
EBITDA Margin (%)	16,3%	7,7%	+861bps	
Adjustments	0,6	1,0	(36,8%)	(0,4)
<b>5 Adj. EBITDA</b>	<b>6,5</b>	<b>3,3</b>	<b>97,7%</b>	<b>3,2</b>
Adj. EBITDA Margin (%)	18,0%	10,8%	+715bps	

## EBITDA Bridge – Q2 2024 vs Q2 2023



## Key Performance Drivers

- 1 Revenues**  
Higher sales than previous year based on business development with top clients
- 2 First Margin**  
Improvement thanks to volume and mix effect
- 3 Transf. Margin**  
Increase thanks to first margin trend
- 4 Second Margin**  
Confirms sound profitability of the business
- 5 Adjusted EBITDA**  
Adj. EBITDA for the quarter is €3.2 million higher thanks to higher sales and positive product mix which offset the increase of fixed cost expenses.

