



A multibrand company

INVESTORS PRESENTATION

FEBRUARY 2021

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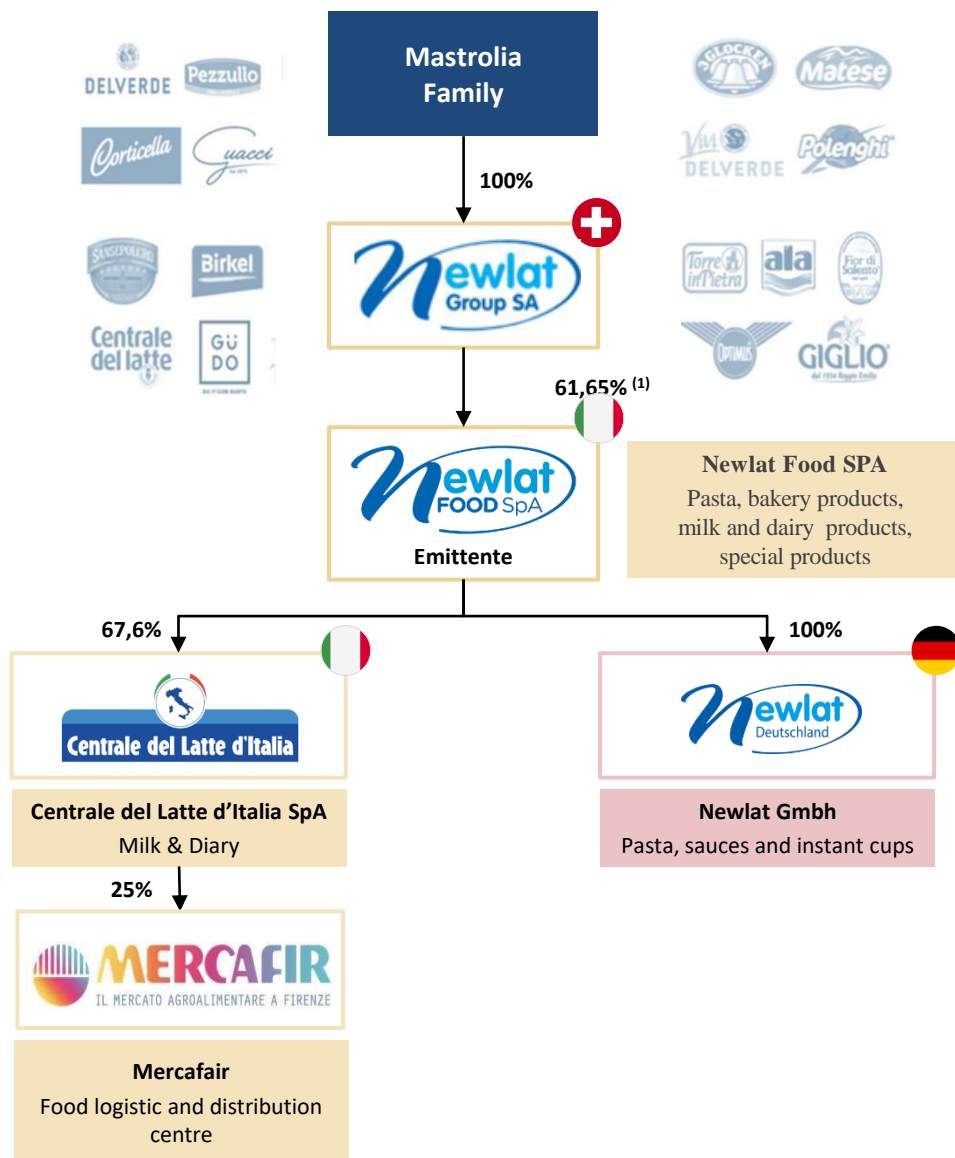
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CURRENT GROUP STRUCTURE

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BUSINESS OVERVIEW

F&B platform with an authentic Italian heritage

Revenues

€ 496,1 ⁽²⁾

EBITDA

€ 34,8 ⁽²⁾

One of the largest manufacturers of dry pasta and dairy products in Italy, Germany and Worldwide with c.17% sales derived from H&W

CATEGORIES



Pasta



Bakery Products



Milk Products



Dairy Products



Special Products ⁽⁴⁾

GEOGRAPHICAL PRESENCE ⁽³⁾

70,3%

18,8%

10,9%

Rest of the World ⁽⁵⁾
(c. 60 countries)

OPERATION

15 facilities



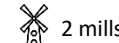
4 pasta and bakery factories



1 plant for special products



7 milk processing factories



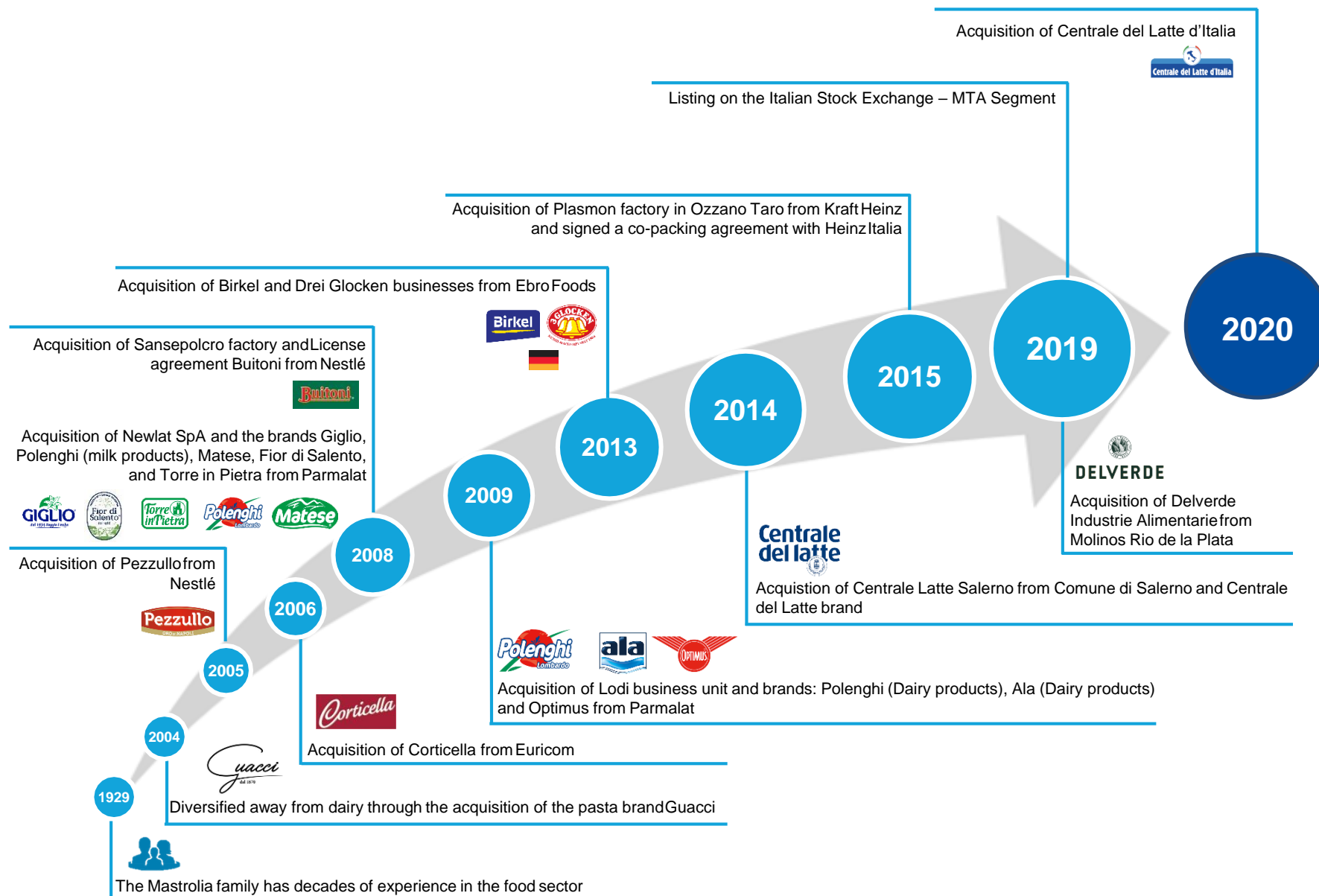
2 mills

1 facility

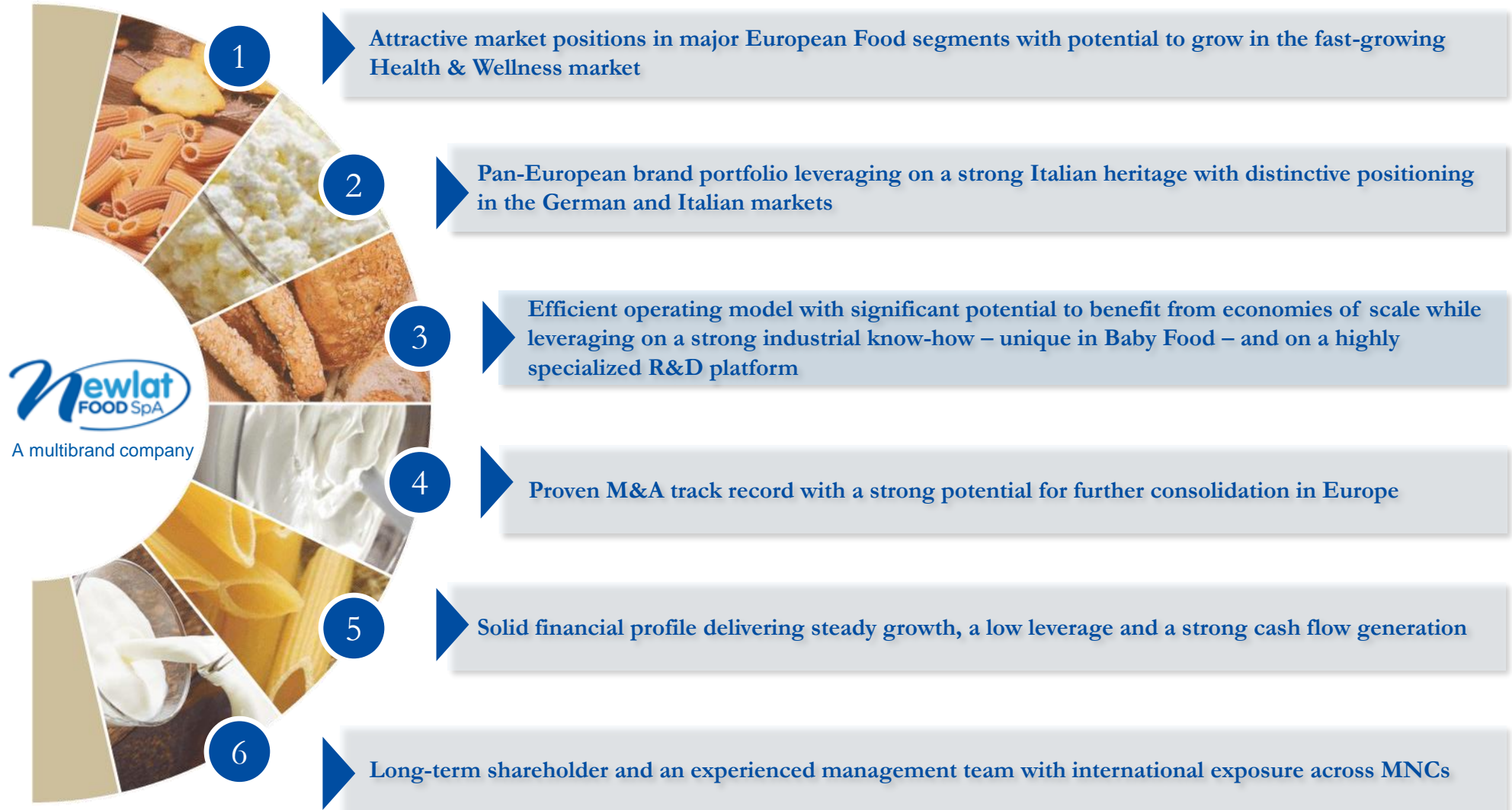


1 plant for pasta

HISTORY OF NEWLAT GROUP IN A NUTSHELL



OUR STRENGTHS – KEY INVESTMENTS HIGHLIGHTS

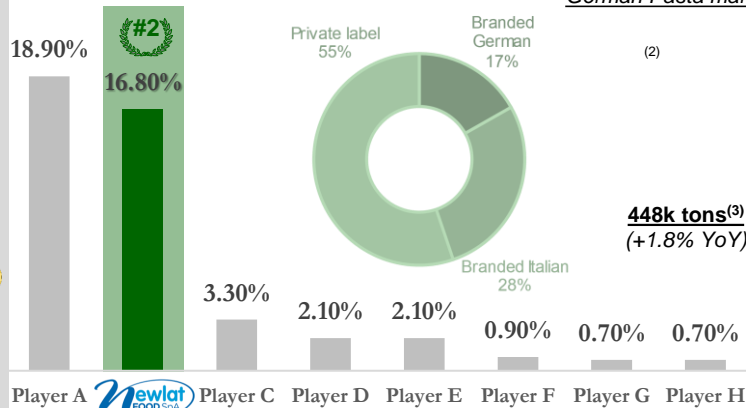


ATTRACTIVE POSITIONS IN MAJOR EUROPEAN FOOD SEGMENTS WITH POTENTIAL TO GROW IN HEALTH & WELLNESS MARKET



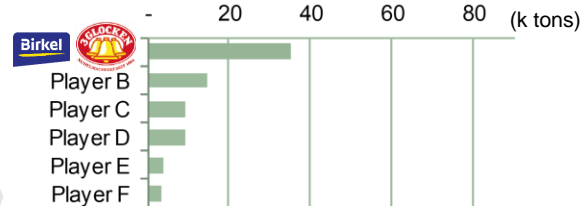
NEWLAT IS THE LEADING PLAYER ON BRANDED PASTA MARKET IN GERMANY

Competitive landscape⁽¹⁾

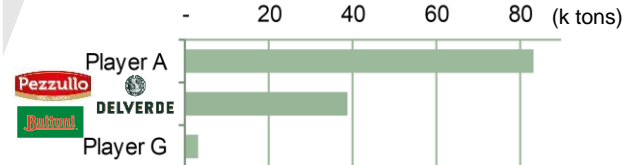


German Pasta market⁽¹⁾ (in %)

TOP PRODUCERS – GERMAN BRANDED⁽¹⁾



TOP PRODUCERS – ITALIAN BRANDED⁽¹⁾



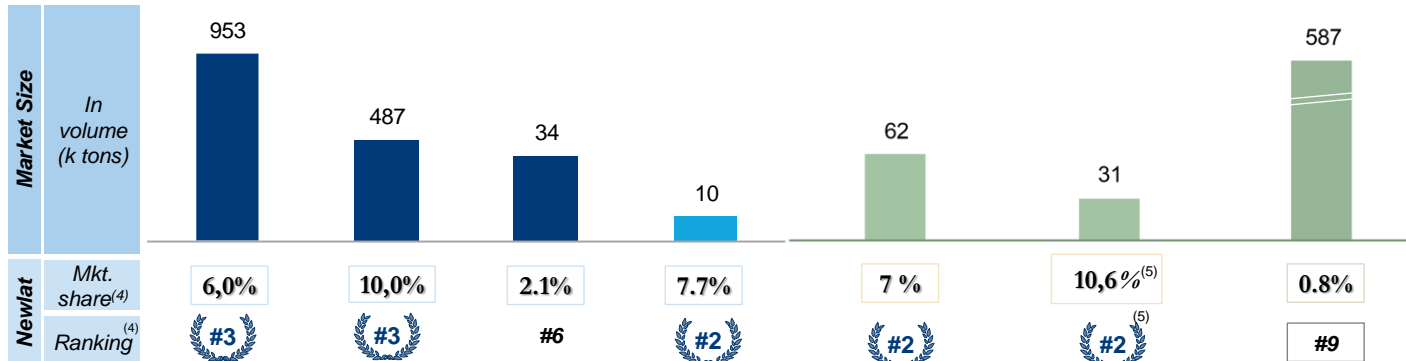
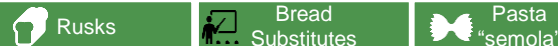
- **#2 player** in the resilient German Pasta market (~5x larger than the closest competitor)
- In Germany, Newlat is present in **both branded Italian and German segments**
- **#1 German branded pasta** producer with Birkel / 3Glocken brands
- **#2 Italian branded pasta** producer with Buitoni, Pezzullo and Delverde brands
- **Strong market positions** in the Italian market

NEWLAT HAS ATTRACTIVE MARKET POSITIONS IN ITS KEY SEGMENTS

MILK & DAIRY PRODUCTS



PASTA & BAKERY PRODUCTS



- **#2 largest player** in Mascarpone, Bread substitutes and Rusks
- **#3 largest player** in Fresh milk and UHT milk, with a leading position in terms of production capacity.
- **High-valued potential** of Newlat to address the **fast growing whole wheat and gluten-free food categories**, especially for Pasta and Bakery products

Sources: <https://www.newlat.it/en/>, IRI

Notes: (1) As per IRI, LTM Apr-19 data in volume; (2) Includes also untracked players as per IRI; (3) Apr-19 LTM volume data as per IRI; (4) In volume, 2018A IRI data; (5) Based on Bread substitutes excluding Schiacciatine (roasted bread)

FOOD & BEVERAGE PLATFORM WITH AN AUTHENTIC ITALIAN HERITAGE



A MULTINATIONAL BUSINESS MODEL TAILOR MADE ON A SMALLER SCALE

	PASTA	BAKERY PRODUCTS	MILK PRODUCTS	DAIRY PRODUCTS	SPECIAL PRODUCTS	SOUCES & OTHERS
REVENUES ⁽¹⁾	27,6%	7,9%	49,5%	5,5%	6,5%	3,0%
EBITDA MRG % ⁽¹⁾	6,1%	14,6%	9,6%	14,7%	10,8%	2,7%
MAIN BRANDS						
PRODUCT CATEGORIES	<ul style="list-style-type: none">• Dry Pasta – Spaghetti, Spirals & others	<ul style="list-style-type: none">• Rusks• Crostini• Melba Toast• Grated	<ul style="list-style-type: none">• Fresh Milk• UHT Milk• Butter• Fresh Cream• Yogurt, etc.	<ul style="list-style-type: none">• Mascarpone• Ricotta• Mozzarella• Scamorza & provola• Plant Based dairy	<ul style="list-style-type: none">• Gluten Free• Low Protein• Baby food (milk powder, pasta, biscuits etc.)	<ul style="list-style-type: none">• Salads• Spread Cheese• Juice• Tomato sauce• Instant cups, etc.
KEY PRODUCTS						
KEY CHANNELS & CUSTOMERS	<div></div> <div><ul style="list-style-type: none">■ Modern Trade■ Normale Trade■ B2B■ Private Label■ Foodservice</div>	<div></div> <div><ul style="list-style-type: none">■ Modern Trade■ Normale Trade</div>	<div></div> <div><ul style="list-style-type: none">■ Customer A■ Customer B■ Customer C■ Customer D■ Customer E■ Customer F■ Customer G■ Others</div>			

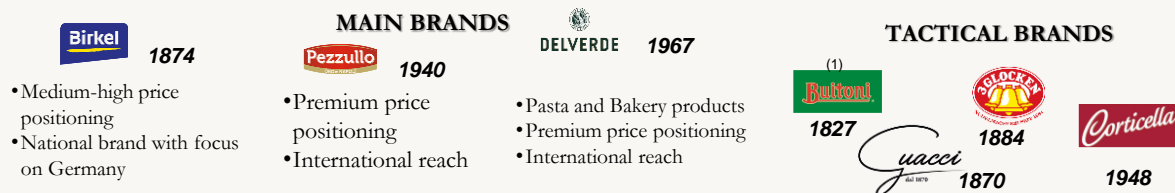
Source: <https://www.newlat.it/en/>

Notes: (1) Based on 2020 1H results; EBITDA corresponds to normalized numbers

EXTENSIVE BRAND PORTFOLIO WITH LONG-STANDING HERITAGE AND DISTINCTIVE POSITIONING



PASTA BRANDS



MILK & DAIRY PRODUCTS BRANDS

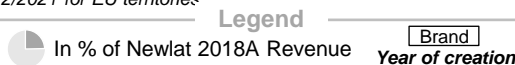


PLANT BASED & MODERN DAIRY PRODUCT BRANDS



Source: <https://www.newlat.it/en/>

Note: (1) Buitoni license agreement expiring on 31/12/2020 for non-EU territories, and 31/12/2021 for EU territories



- A wide portfolio of **national and international brands**
- Newlat's **national brands** benefit from the current trend of **favoring deeply rooted local brands** conveying **authenticity and values**
- **Broad product offering** with presence in Milk / Dairy products, Pasta / Bakery products and Special products categories (Gluten Free, Baby Food, etc.)
- **Distinct and complementary positioning** enabling a broader customer reach in its different markets

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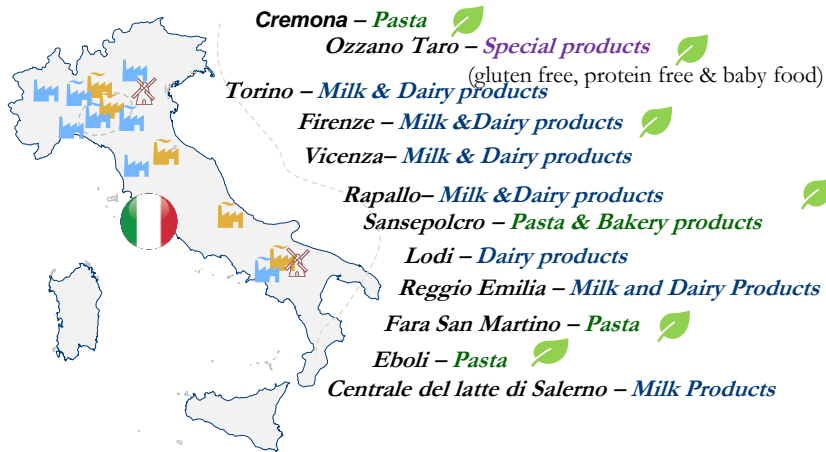
Source: <https://www.newlat.it/en/>

Note: (1) Buitoni license agreement expiring on 31/12/2020 for non-EU territories, and 31/12/2021 for EU territories

MODERN & AUTOMATED PRODUCTION WITH POTENTIAL TO CATER TO ANY INCREASED DEMAND WITHOUT ADDITIONAL INVESTMENT



ITALY

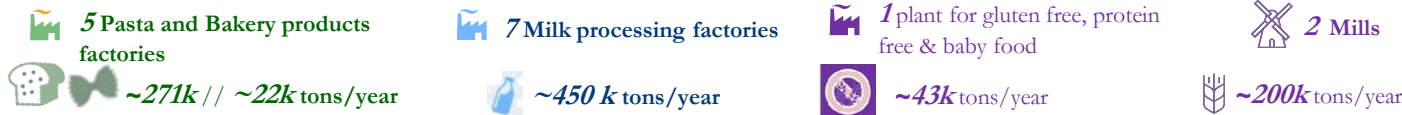


GERMANY



- **Cutting-edge and highly efficient manufacturing set-up** combined with available untapped production capacity to satisfy potential future growth (organic and inorganic) and demand
- Possibility to **increase volumes without additional investment**
- **Scalable and automatized** production platform with **dedicated R&D team in place**
- **Ozzano Taro factory**, specialized in Gluten Free, Low Protein and in Baby Food products is the sole Italian plant in Italy capable of producing **baby milk powder** and other related products
- **Top-flight, extensive and value-added certifications** (organic, halal, kosher, vegan products, etc...)

KEY FACTS



SELECTED CERTIFICATIONS

ORGANIC / NON-GMO





OTHER



FOCUS ON SPECIAL PRODUCTS SUPPORTED BY UNIQUE KNOW-HOW AND INNOVATION

Ozzano Taro's unique technological expertise in **Baby and Special Food**, together with its strong commitment to quality and its dedicated resources, make it the most suitable R&D hub for the whole Group

UNIQUE KNOW-HOW

- Newlat has already a deep expertise in the H&W market being one most important manufacturers in Italy of gluten free, low protein and baby products for third party market leaders  
- Almost all Newlat plants (5 pasta/ bakery plants, Lodi and Ozzano Taro) have the certification and the spare production capacity to support the growth in the BIO segment
- Moreover, Ozzano Taro plant is the only dry baby milk powder plant in Italy with unique spray drier for infant formula

HIGH QUALITY R&D



48 FTEs



9,000+ tests
carried out in 2018

~€3m
per year of R&D
investment over
16A-18A

RECOGNIZED BRANDS



RECENT INITIATIVES



NEW OPPORTUNITIES
FOR NEWLAT



**Launch of Vivi DelVerde
healthy project**

**Focus on
Baby Food initiatives:**



- *R&D & exclusive sourcing*
- *New co-packing contract with Global multinational companies.*
- *Ozzano Taro: the only Italian certificated plant for the production of milk powder that could be sold directly in the Chinese market.*

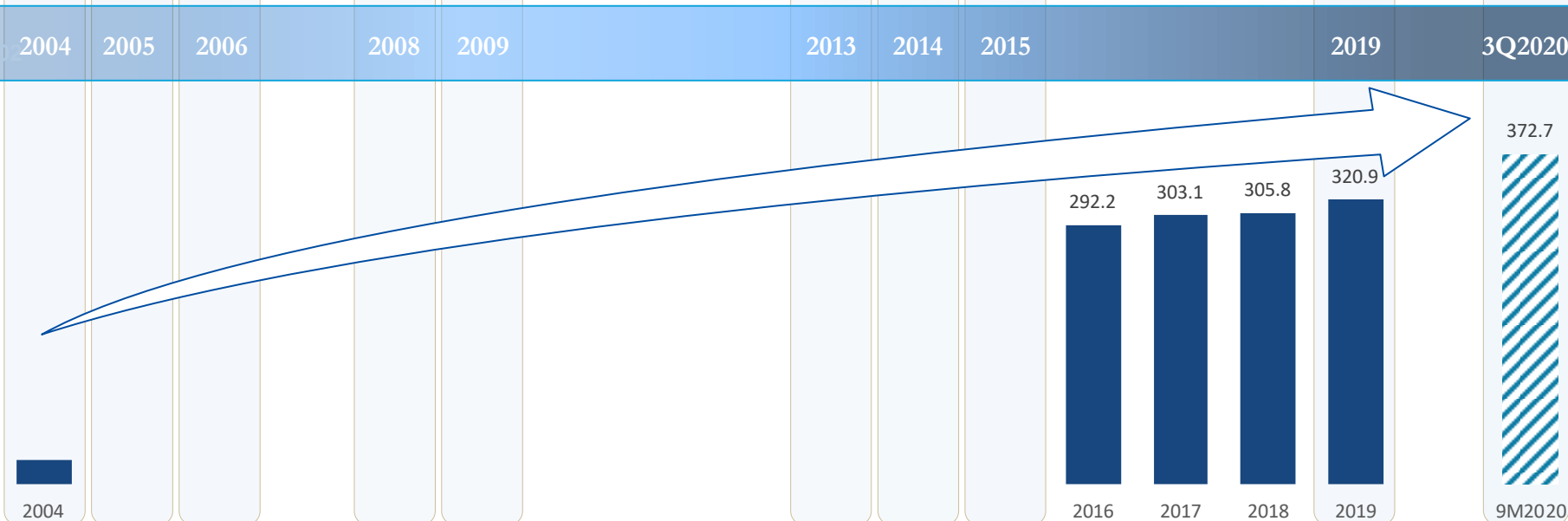
HISTORY OF CONSTANT GROWTH



External growth



Revenues evolution (€ m)



Plants evolution (#)



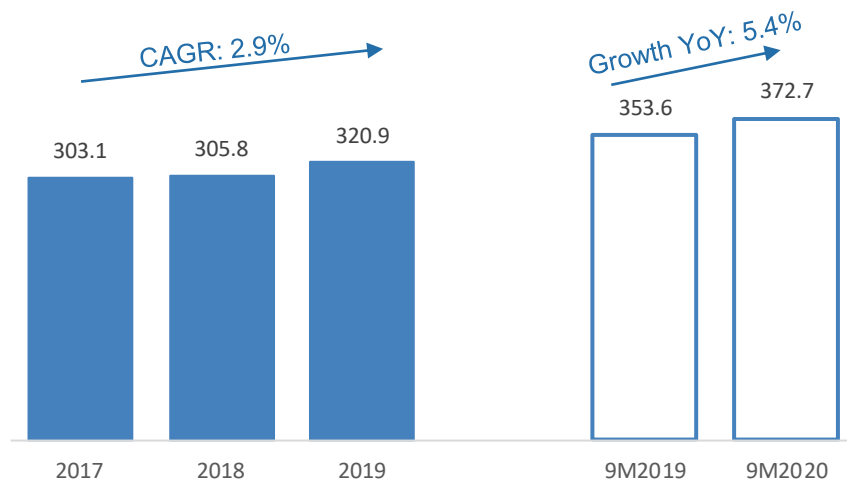
Notes: (1) Acquisition of Sansepolcro factory and worldwide license for Buitoni (pasta and bakery products) from Nestlé



SOLID FINANCIAL PROFILE DELIVERING STEADY GROWTH, A LOW LEVERAGE AND...

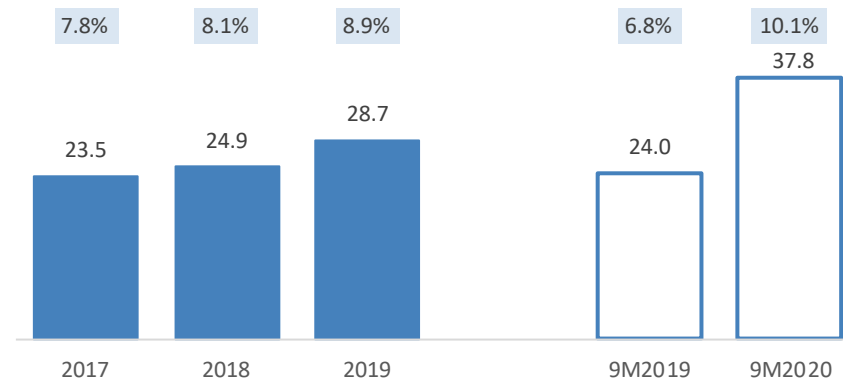
A RESILIENT TOP LINE

Revenues (€mln)



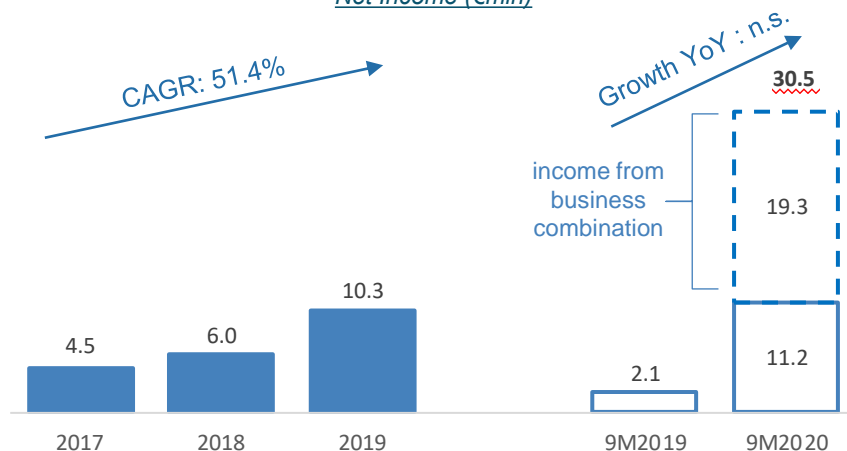
... WITH RELEVANT MARGINS

Normalized EBITDA. (€mln) and Normalized EBITDA Margin (%)



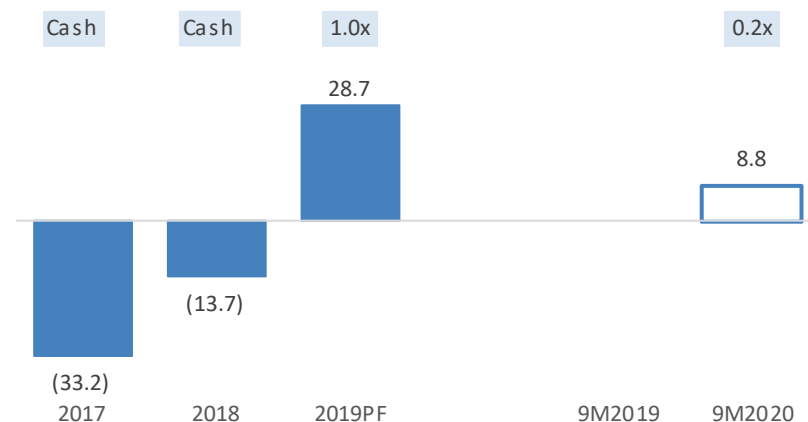
... AND AN INCREASING NET INCOME

Net Income (€mln)



... AND A LOW LEVERAGE

Net Debt (€mln)



Note: 2017,2018,2019 and 9M 2019-20 data combined

...STRONG CASH GENERATION

The **Cash Flow Statement of the Company generally confirms the strong cash conversion ability** already visible in previous results.

- In particular, we highlight the significant contribution of CLI to cash generation
- CLI is able to convert economic results into cash despite a slight decline in sales attributable to a downturn in tourism in the Summer in all major Italian cities.
- This, together with a declining ND figure, confirms that CLI is successfully implementing a deleveraging process on a standalone basis (FCF € 12.4 million; 91.18% EBITDA FCF conversion)

Consolidated FCF was equal to € 30.8 million, with an EBITDA FCF conversion rate of 81.5% at Group level.

CASH FLOW STATEMENT €mn	N.F. Consolidated ⁽¹⁾	C.L.I.	Newlat Food
Adj. EBITDA	37.8	13.6	24.2
Net Interest costs	(2.5)	(1.5)	(1.0)
Δ NWC	7.7	5.7	2.1
TAX & Others	(2.9)	(1.4)	(1.5)
Other	(0.4)	(0.4)	-
(A) Cash flow from operating activities	39.7	16.0	23.8
Capex	(5.5)	(2.7)	(2.7)
Proceeds from sale of property	-	-	-
IFRS16 CAPEX	(3.5)	(0.9)	(2.7)
Acquisition of businesses	(9.4)	-	(9.4)
(B) Cash flow from investing activities	(18.4)	(3.6)	(14.8)
Other financial revenues (costs)	-	-	-
Dividends paid	-	-	-
IFRS16 lease liabilities	-	-	-
Proceeds from cap increase	-	-	-
Other items including exeptional	(1.5)	-	(1.5)
(C) Cash flow from financing activities	(1.5)	-	(1.5)
NFP at December 31st 2019	(28.7)	(77.3)	48.5
Change in NFP (A+B+C)	19.8	12.4	7.5
NFP at September 30th 2020	(8.9)	(64.9)	56.0
IFRS 16 NPV obligation	(17.2)	(2.7)	(14.6)
NFP excluding IFRS 16	8.3	(62.2)	70.6
FCF (Oper. CF-CAPEX)	30.8	12.4	18.4
Adj. EBITDA	37.8	13.6	24.2
EBITDA FCF conversion post tax	81.48%	91.18%	76.03%

Source: <https://www.newlat.it/en/>

Notes: (1) consolidated figures including C.L.I. from January 1st 2020

NEWLAT IS DRIVEN BY AN INTERNATIONAL MANAGEMENT TEAM SUPPORTED BY A LEAN ORGANIZATIONAL STRUCTURE

FAMILY-OWNED COMPANY...

 <p>Angelo MASTROLIA Chairman and CEO</p> <p>2004⁽¹⁾ 30+</p>	 <p>Giuseppe MASTROLIA Deputy CEO and Chief Commercial Officer</p> <p>2008 10+</p>	 <p>Benedetta MASTROLIA Business Development, M&A and IR</p> <p>2014 <5</p>
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...WITH AN EXPERIENCED MANAGEMENT TEAM WITH INTERNATIONAL EXPOSURE IN LARGE CORPORATES

 <p>Fabio FAZZARI Group Financial Director</p> <p>2020 15+(2)</p>	 <p>Stefano COMETTO Chief Operating Officer and Deputy CEO</p> <p>2008 20+</p>	 <p>Rocco SERGI Chief Financial Officer</p> <p>2013 10+(2)</p>
 <p>Edoardo POZZOLI Chief Operating Officer at Centrale del Latte d'Italia</p> <p>2020 10+</p>	 <p>Stefano FERRO Internal Audit</p> <p>2020 15+(2)</p>	 <p>Veronica PISONI Corporate Legal Affairs</p> <p>2018 5</p>
 <p>Davide SPINAZZI Head of Business Unit Ossano Taro</p> <p>2015 30+</p>	 <p>Marc BÜCKLE Sales Director Germany</p> <p>2015 20+(3)</p>	 <p>Heidrun STEFFEN-SIMONS Head of Marketing Germany</p> <p>2016 19(3)</p>

Legend



Entry year in Newlat



Years of experience in the sector



Member of BoD

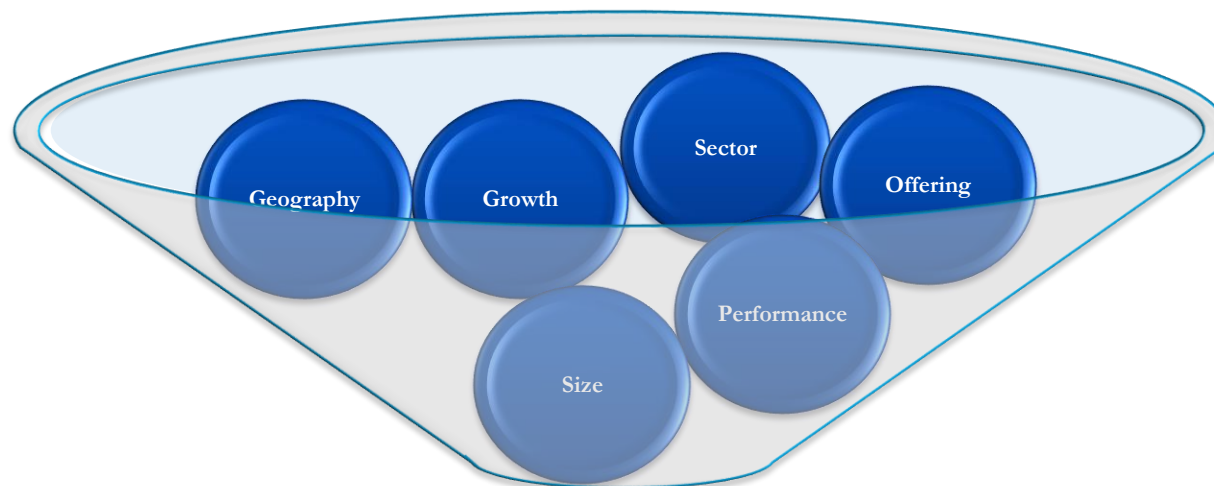
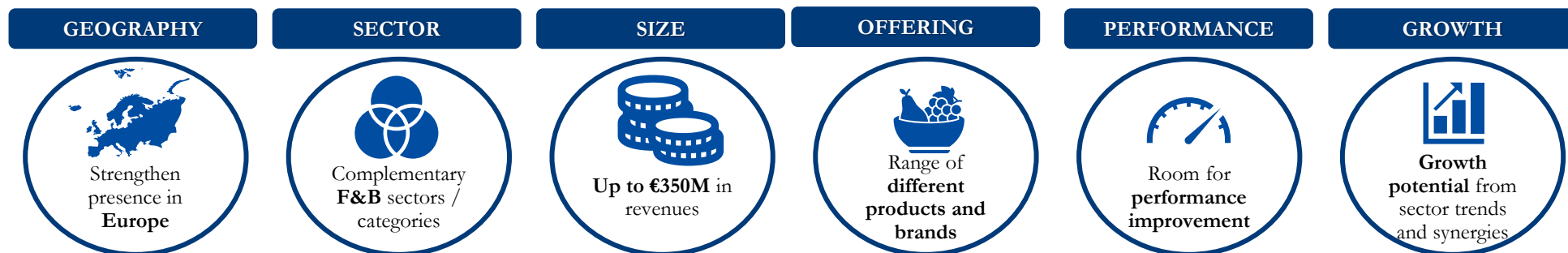
- Family-owned business underpinned by a strong **entrepreneurial spirit, deep industry knowledge** and a **performance driven** corporate culture with a long-term approach
- Group managed by **outstanding professionals** with proven skills and prior experience in senior executive positions across **multi-national corporations** in the food industry or financial services

WELL-DEFINED STRATEGIC GUIDELINES



M&A	Acquisitions of European targets in complementary categories
FOCUS ON SPECIAL PRODUCTS	Increasing exposure to the fast-paced Health & Wellness and Baby Food segments
BRAND DEVELOPMENT	Enhance brand awareness of own strategic brands
INTERNATIONAL EXPANSION	Consolidate international presence and further reinforce position in the core German market
RESEARCH & DEVELOPMENT	Focus on the development of new projects / products and technologies
SUPPLY CHAIN EFFICIENCIES	Continuous improvement in efficiencies throughout production processes in all facilities










NEWLAT AS A PLATFORM FOR F&B CONSOLIDATION IN EUROPE



NEWLAT AS EUROPEAN F&B CONSOLIDATION PLATFORM IN THE MID-CAP SPACE



M&A PIPELINE: WELL-IDENTIFIED TARGETS ACROSS EUROPE

TARGET	SECTOR	GEOGRAPHY	REVENUES	POTENTIAL SYNERGIES	DEAL STATUS
A	 	ITALY	~ € 300M	<ul style="list-style-type: none"> • Procurement • Logistics • Sales • Production (spare capacity) 	Expression of Interest
B	 	FRANCE	~ €500M	<ul style="list-style-type: none"> • Procurement • Logistics • Sales & Distribution • Production (spare capacity) 	Dialogue between advisors
C		U.K.	~ £300M	<ul style="list-style-type: none"> • Procurement • Logistics • Sales & Distribution • Production (spare capacity) 	Expression of Interest
D	 	GERMANY	~ €150M	<ul style="list-style-type: none"> • Procurement • Logistics • Sales • Production (spare capacity) 	Expression of Interest
E	 	US	~ \$90M	<ul style="list-style-type: none"> • Procurement • Logistics • Sales & Distribution 	Dialogue between advisors



Pasta



Bakery products



Special products

BOND KEY TERMS

Issuer	<ul style="list-style-type: none"> Newlat Food S.p.A.
Ranking	<ul style="list-style-type: none"> Senior Unsecured
Offer Amount	<ul style="list-style-type: none"> € 150 - 200 MM
Use of Proceeds	<ul style="list-style-type: none"> Support to external growth strategy
Rating	<ul style="list-style-type: none"> Unrated
Offering Price	<ul style="list-style-type: none"> 100% of the nominal value
Maturity	<ul style="list-style-type: none"> 6 years, 19 Feb. 2027
Coupon	<ul style="list-style-type: none"> Minimum coupon of 2.50% payable annually in arrear
Yield	<ul style="list-style-type: none"> Minimum yield of 2.50%
Early Redemption	<ul style="list-style-type: none"> Newlat Food may redeem the notes, in whole or in part, as follows: <ul style="list-style-type: none"> From 19 Feb. 2024 to 18 Feb. 2025: nominal value plus 50.0% of the coupon From 19 Feb. 2025 to 18 Feb. 2026: nominal value plus 25.0% of the coupon From 19 Feb. 2026 to 18 Feb. 2027: nominal value plus 12.5% of the coupon
Target investors	<ul style="list-style-type: none"> General public in Italy and qualified investors in Ireland and Italy (1)
Listing and Placement	<ul style="list-style-type: none"> Euronext Dublin - MOT Borsa Italiana
Denomination	<ul style="list-style-type: none"> € 1,000
Incurrence covenants	<ul style="list-style-type: none"> The Issuer and its subsidiaries may incur any additional Indebtedness only if the following requirements are met: <ul style="list-style-type: none"> Ratio NFP/EBITDA is equal or lower than 3.0x and Ratio NFP/Net Equity is equal or lower than 1.5x Ratio NFP/EBITDA is equal or lower than 4.0x and Ratio NFP/Net Equity is equal or lower than 2.0x, if the Issuer or one of its subsidiaries have completed the acquisition of a company or a business unit having an Enterprise Value of at least €100,000,000

(1) As defined in the UE Prospectus Regulation 2017/1129

NEXT STEPS

1st February 2021	<ul style="list-style-type: none">• Newlat Food Board of Directors approves the Bond issuance
2nd February 2021	<ul style="list-style-type: none">• Prospectus approved by CBI and published on Newlat Food website
3rd February 2021	<ul style="list-style-type: none">• Investors Presentation
9th February 2021	<ul style="list-style-type: none">• Start of the offering period – distribution in Italy through the MOT platform
15th February 2021	<ul style="list-style-type: none">• Closing of the offering period (subject to amendment, early closure, extension or postponement by the Issuer)
By 17th February 2021	<ul style="list-style-type: none">• Newlat announces the final results of the offer and the final yield, coupon and early redemption prices
19th February 2021	<ul style="list-style-type: none">• Settlement and start of trading on MOT platform



A multibrand company

INVESTOR RELATIONS CONTACTS

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