Roadshow Presentation

Milan, november 2019

STRICTLY PRIVATE AND CONFIDENTIAL

Shedir Pharma Team – Today's presenters

Umberto Di Maio
Founder & Chairman

Antonio Scala
CEO

- Over 20 years of experience
- Co-founder of Stardea in 2005
- Previously in Chiesi Farmaceutici

- Over 10 years of experience
- In Shedir Pharma Group since 2014, previously as Managing Director and CFO of Shedir Pharma
- Previously in Ernst&Young

1 Company Overview

Shedir Pharma Group – at a glance

A leading Italian player active in the healthcare sector with a strong specialization in nutraceuticals

Foundation	*Backed on the experience both in Nutraceutical and Pharmaceutical sectors Shedir Pharma was established*
Vision	*Faithful to health*
Mission	*It's our goal to provide a positive impact on the life of every person* - *thanks to the creation of innovative products with high therapeutic effect* - *through a distribution model which can rely on a wide and specialised network of agents approaching doctors and pharmacists (a model peculiar of the pharma sector)*

€46.9m
2018 Sales

+16.6%
2018 Sales Growth Y/Y

€11.1m
2018 EBITDA

+23.6%
2018 EBITDA Margin

11 Years of history

90+ people

~800 Exclusive sales agents

~ 300 References

13 Patent (~ 40 pending) (1)

33 AIC(2)

~ 15 Therapeutic areas

Appealing growth, high margins, top quality products, impressive distribution network

Notes: (1) Updated to october 2019

Notes: (2) Autorizzazione all'Immissione in Commercio, updated to october 2019

Shedir Pharma Group –What we do

Shedir Group is focused on the development, formulation, distribution and sale of dietary supplements and drugs

- The Group has organized its activities within 2 Business Units supported by captive companies operating in certain R&D and marketing activities

Business Unit 1 – Shedir division

- **Shedir division** is involved in the development, formulation, distribution and sale of **supplements, dermocosmetics and medical devices**
- Within the division, **Shedir Pharma Srl** is engaged in the products distribution, through **4 product lines**, with exclusive sales agents involved in the release to healthcare professionals (doctors and pharmacists)
- In **2017**, Shedir Pharma Srl launched its **fifth line Green Planet,** specifically for direct sales in the pharmacies. Products of this line are sold by a dedicated and widespread network of agent through a direct marketing approach
- In **April 2019**, the Group launched its **sixth line Shedir Pet**, to expand its products offer and to penetrate a growing market[1]

€44.4m
2018 Total Sales

+12.7% YoY
2018 Tot. Sales growth

€10.9m
2018 EBITDA

+38.2% YoY
2018 EBITDA growth

6
Product Lines

90+
Brands

230+
References

Business Unit 2 – Dymalife division

- Dymalife division is involved in the development, formulation, distribution and sale of drugs and, marginally, dietary supplments.
- In 2017, the Group entered in the pharmaceutical sector through the acquisition of **pharmaceutical assets** and **the costitution of Dymalife Pharmaceutical Srl**
- Dymalife Pharmaceutical sells **group A, group C and OTC medicines**, through **two** specific product lines: Dyma and Horizon. In order to offer a complete therapeutic treatment, the Company enriched these lines with supplements and medical devices
- Dymalife division reached the **break-even** after 18 months from its establishment, recording a €0.2 m EBITDA in 2018FY.

€2.5m
2018 Total Sales

+200% YoY
2018 Tot. Sales growth

EBITDA Break-even after only 18 months

2
Product Lines

30+
Brands

70+
References

An integrated offer of nutraceuticals and drugs

Notes: (1) Assalco 2018

Shedir Pharma Group – History

Key milestones

Wholesale distribution	Nutraceutical Consolidation		Diversification
2008	2011	2015 / 2017	2019

Main activities

2008 – Wholesale distribution
- Shedir establishment and **start-up**
- Warehouse, logistic and administration insourcing in **Sorrento** peninsula (2008)
- Sales force **recruitment**
- Launch of the **first line** of products **Shedir** (2008)

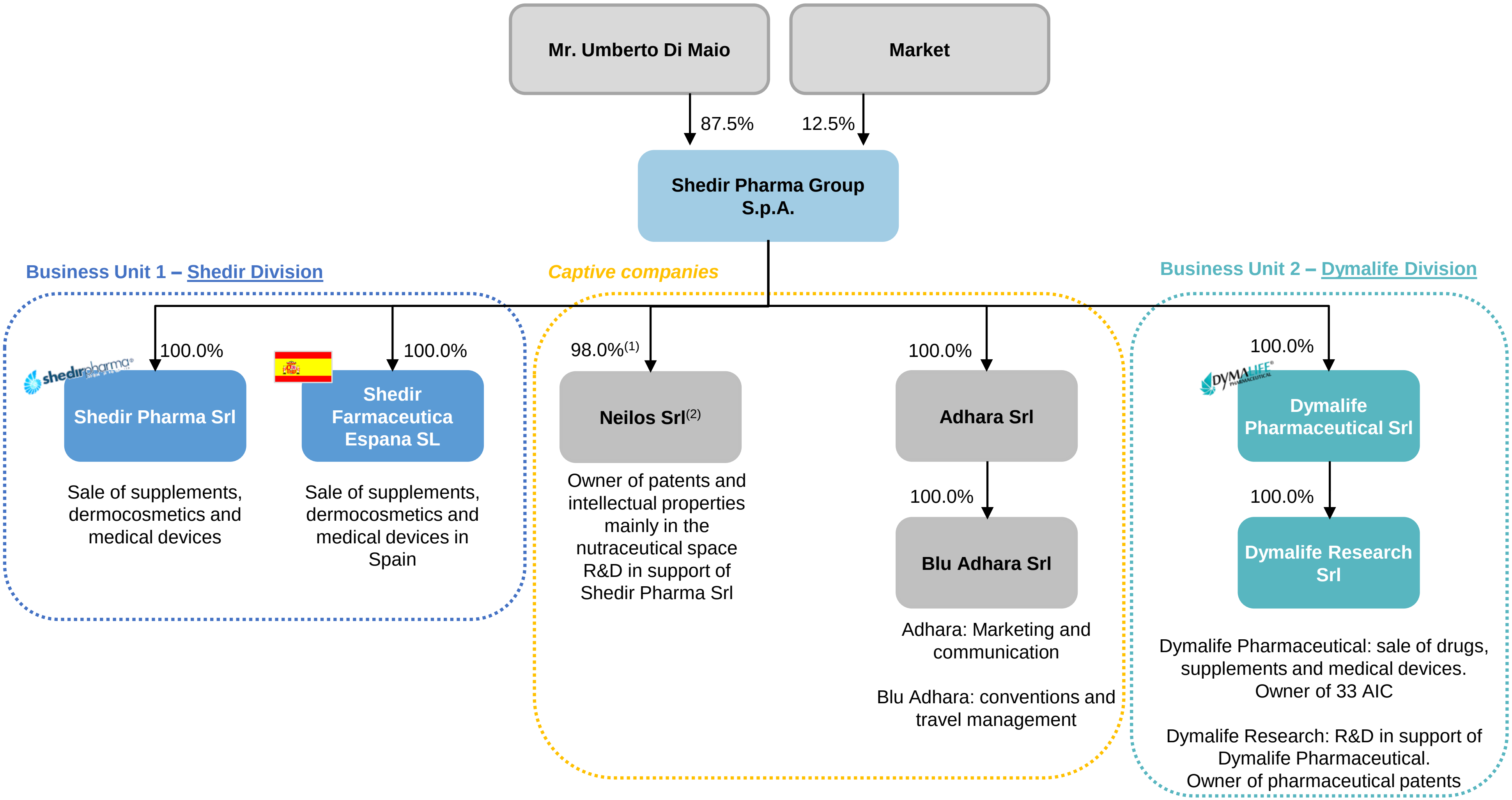
Nutraceutical Consolidation
- Launch of the **second line** of products **Deimos** (2011)
- New **headquarter** 500 sqm in Piano di Sorrento (2011)
- New **warehousing** and logistic facilities 3.500 sqm located in Mercato San Severino (2012)
- Launch of the **third and fourth line** of products **Phobos** and **Menkar** (2014)
- Warehouse **extension** of around 5.000 sqm (2014)
- **Neilos** (R&D) establishment (2015)
- Filing for first **patent** (2015)
- Product **brands** transferred to Neilos (2015)
- **Adhara** Marketing and Comunication acquisition (2015)
- Shedir Farmaceutica **España** SL establishment (2015)
- Start of **internationalization** process (2016)
- First clinical **study** published on an international paper (2016)

Diversification
- Launch of the **fifth line**, **Green Planet**, dedicated to pharmacies through direct marketing strategy (2017)
- **Dymalife** (Pharma) establishment with the **first line Dyma** (2017)
- Launch of the **second line** of Dymalife, **Horizon** (2018)
- Launch of the **sixth line** of Shedir Pharma, **Shedir Pet** (2019) dedicated to veterinarians
- Over **40** pending patents
- **IPO (July, 2019) on AIM**

	2008	2011	2015	2017	2019
# references	20+	60+	130+	170+	~300
# agents	30+	220+	500+	600+	~800

A young, dynamic and fast-growing company

Group Structure



Notes: (1) the remaining 2.0% stake is owned directly by Mr. Umberto Di Maio (2) Neilos was established in 2015 following the spin-off of certain intangible assets (brands) of S.G. International S.r.l.

2 Key Business Point and strategies

Successful Asset-light Business Model

The Group oversees the entire value chain, from R&D to products' distribution

Concept Development	Regulatory Compliance	Formulation	Production	Warehousing and Logistics	Marketing	Sales & Distribution
In-House			Outsourced		In-House	

- ✓ **Experienced R&D team with 13 people**
- ✓ **Feedback from doctors and pharmacists**
- ✓ **Collaboration with oustanding pharmaceutical players**
- ✓ **Collaboration with universities and academies**
- ✓ **Opinion leader surveys and papers**

- ✓ **Innovative products with new formulation/composition**
- ✓ **Clinical trials with the support of primary clinical research centres**
- ✓ **Regulatory compliance**
- ✓ **Technical documentation preparation**

- ✓ **Direct access to high-quality raw materials:** procurement of the core raw material from selected suppliers is carried out directly by the Group
- ✓ **~40 third-party specialized factories in Italy** with whom Shedir has built longstanding relationship
- ✓ **Quality control on the whole production chain and compliant with pharma standards**

- ✓ **Promotional activities addressed to doctors and pharmacists**
- ✓ **Advertisement and Communication**
- ✓ **Conventions** oriented to divulgation and introduction of new products
- ✓ **Sales to:**
  - ❑ **wholesalers operating on a domestic scale**
  - ❑ **pharmacies and parapharmacies thanks to a widespread network of exclusive sales agents**

13 Patents

~ 40 Patents pending

50+ References/ year

~0.4% Net Capex(2) /Total Sales (2018)

#2 of doctor contacts(1)

✓ **Delivering high quality products**

✓ **Flexible production system** in terms of limited investments required and high adaptability to client needs

✓ **First mover in market niches**

Focus on the value-added activities along the value chain

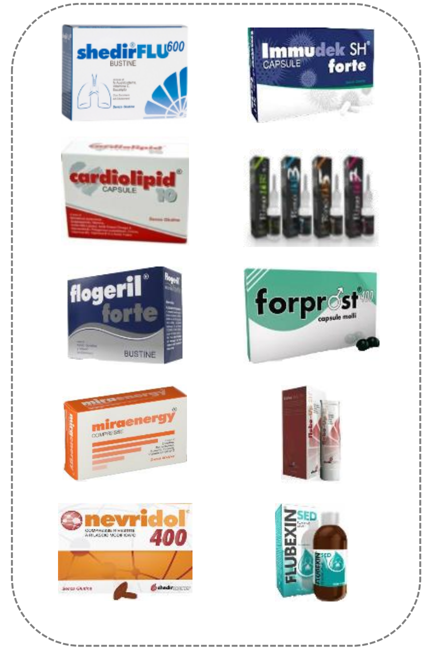
Source (1) ABACAM
Notes (2) Net CAPEX excluding extraordinary capital expenditure

Strong and diversified product portfolio

Shedir Pharma Group's activities are grouped into 2 Business Units (Shedir division and Dymalife division)

Business Units	2018 Key Figures	Product Lines[2]		and #References[3]	Short Description
SHEDIR DIVISION **Supplements, dermocosmetics and medical devices**	• **Sales**: **€ 44.4m**[1] • **EBITDA**: **€ 10.9m** • **Agents**: **~700**	Linea Shedir Farmaceutici	c. 21.4m	#45	• Product Lines that meet the needs of physicians and consumers in 15 + therapeutic areas. • Each PL is marketed by a dedicated network of agents
		Deimos	c. 11.4m	#45	
		Linea Phobos Farmaceutici	c. 5.3m	#41	
		Linea Menkar Farmaceutici	c. 3.8m	#33	
		Greenplanet Divisione Farmaceutica	c. 0.8m	#67	• PL strengthening the presence of the Group's products in the pharmacy
		shedir PET	*n.a.*	*n.a.*	• Specialistic line dedicated to Veterinarians
DYMALIFE DIVISION **Drugs and supplements**	• **Sales: € 2.5m** • **EBITDA**: **€ 0.2m** • **Agents: ~100**	Linea Dyma	c. 2.2m	#43	• Wide and diversified line of prescription drugs, dietary supplements and medical devices in their different pharmaceutical forms
		Linea Horizon	c. 0.3m	#30	

Main References



- ✓ The diversified portfolio allows a stable turnover, enabling the Group to address eventual market/ regulatory changes in the pharmaceutical and nutraceutical sector
- ✓ Broad and diversified product portfolio, covering multiple therapeutic areas with market leading references
- ✓ Focus on brand awareness
- ✓ Integrated therapeutic offer dedicated to specialists (supplements, medical devices, dermocosmetics and drugs)
- ✓ Pharmacies as the main distribution channel: (i) Pharmacies are the leading distribution channel in the market; (ii) Products sold in pharmacy generally show the highest average sales price.

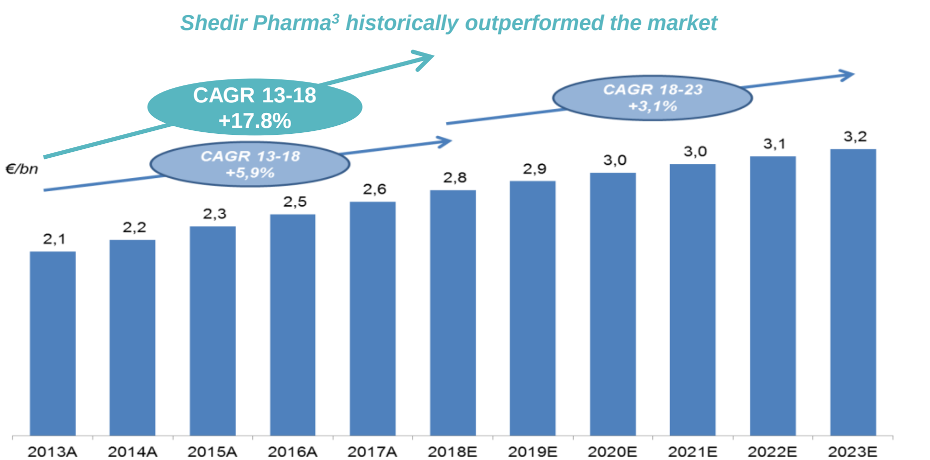
Source: company data

Notes: (1) Including foreign sales (equal to c. € 0.8m) and other revenues (c. € 0.8m). (2) 2018 figures do not include Shedir Pet being not marketed in 2018. (3) the total number of references of Shedir Division do not include n. 1 brand (Albentes) and n. 2 references relating to the same brand (total turnover of ca € 5k)

We compete in a large and Attractive Market

The European Nutraceutical market was worth Eur 14 bn in 2018 with Italy leading the market[1]

The Nutraceutical market in Italy[2]



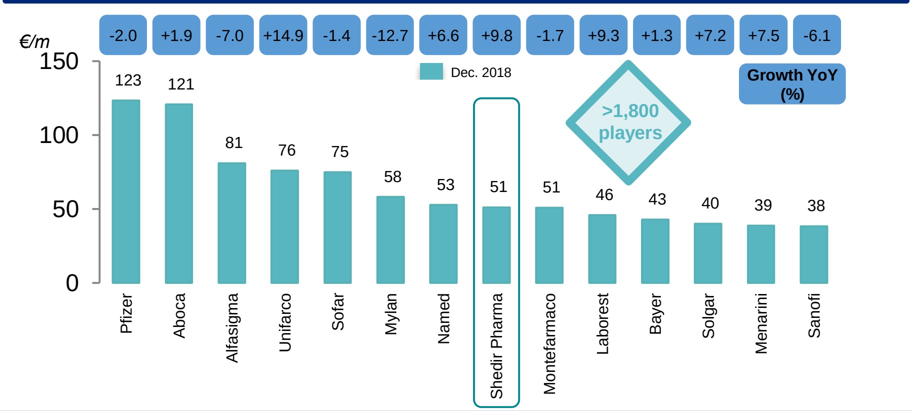
Market drivers

- European population ageing
- Doctor and pharmacist becoming "medical advisor"
- Increasing attention to human well-being (disease prevention)
- Product innovation
- Combined therapy with drugs
- Therapeutic areas not covered by drugs
- Increasing awareness of the function of natural substances for well-being

Highlights

- In the last years, the Italian Nutraceutical market grew at higher rate than Europe[1].
- In Italy, vitamins and dietary supplements' growth is set to remain healthy over the next five years, supported by the growing health culture focusing on prevention and the further ageing of the Italian population.
- In the fragmented Italian nutraceutical market, Shedir Group ranks 8 with a 1.8% market share[5] in terms of sell-out in pharmacies.
- The newborn Group division, Dymalife, is well positioned to catch opportunities in the large off-patent drug market: Shedir's portfolio of generics includes the top 5-selling active substances in term of total expenditure in Italy (2017).
- Pharmacies are the leading distribution channel for nutraceutical products with consumers placing strong trust in the advice offered by pharmacists

#8 Market share in Italy[4]



Strong positioning in a fragmented and growing market

Sources (1) Federsalus, "La filiera italiana degli integratori alimentari" III and IV indagine di settore, 2017 and 2018 (2) "Consumer Health in Italy" – Euromonitor International, February 2019 (category "Vitamins and Dietary Supplements") (3) Shedir Pharma Srl financial statements (4) NewLine ricerche di mercato - Nutraceutical market in terms of sell-out in pharmacies (5) company elaboration on Federsalus data

Shedir Pharma Group Positioning

SHEDIR DIVISION

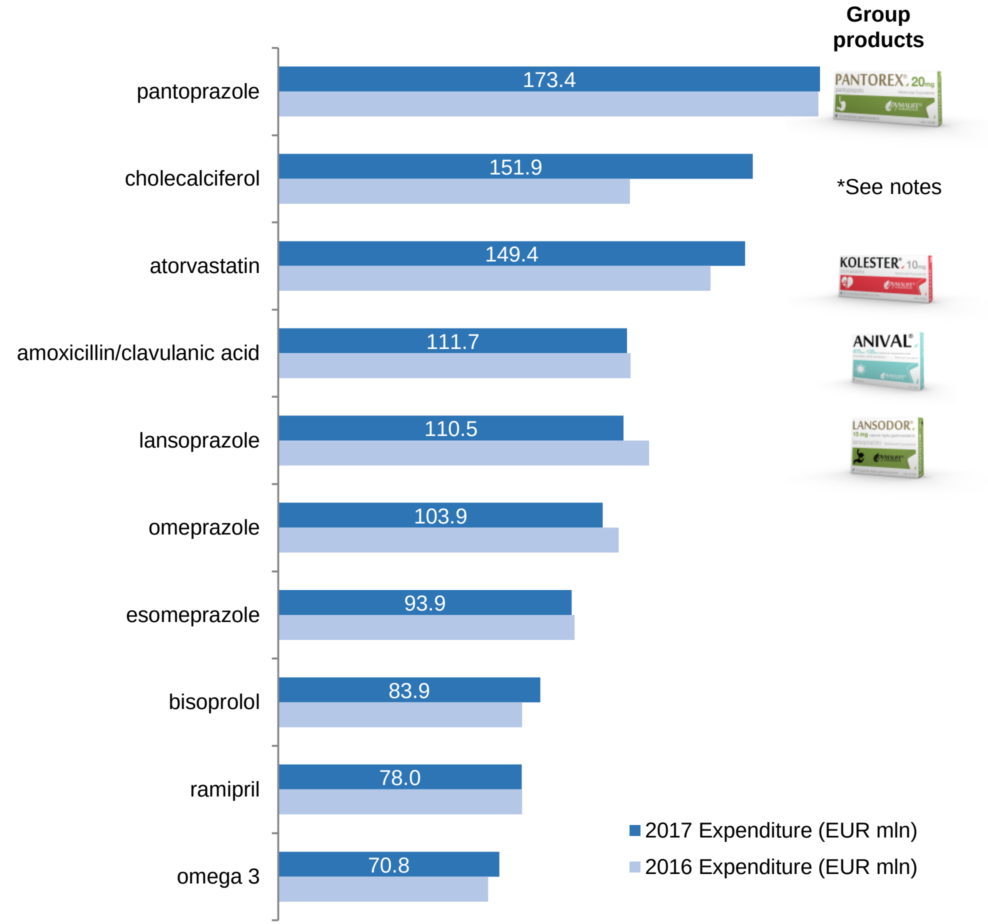
Therapeutic area and main product ranking[2]

	2018 Shedir sales €/m	Product positioning[3]	
Respiratory	9.6	# 6	
Cardiovascular	7.7	# 5	
Urologic and gynecologic	5.2	# 3	
Ostheo-articular	4.6	# 2	
Neurologic	3.9	# 4	

DYMALIFE DIVISION

Sales of top 10 off-patent active substances (Class A – SSN)

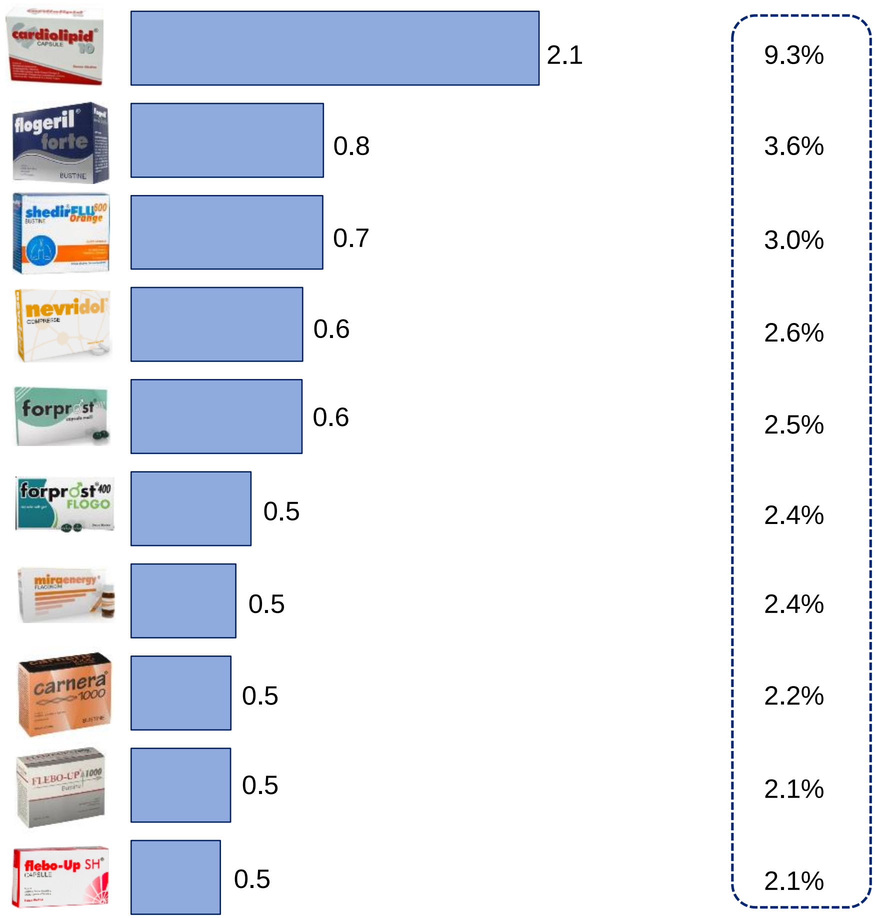
Shedir's product range already includes the top 5-selling active substances in term of total expenditure in Italy in 2017.



Source Osservatorio Nazionale sull'Impiego dei medicinali - Rapporto Nazionale Anno 2017
*Notes 1) *AIFA registration in progress (dossier developed internally) (2) Company data (3) NewLine ricerche di mercato*

Top 10 Brands

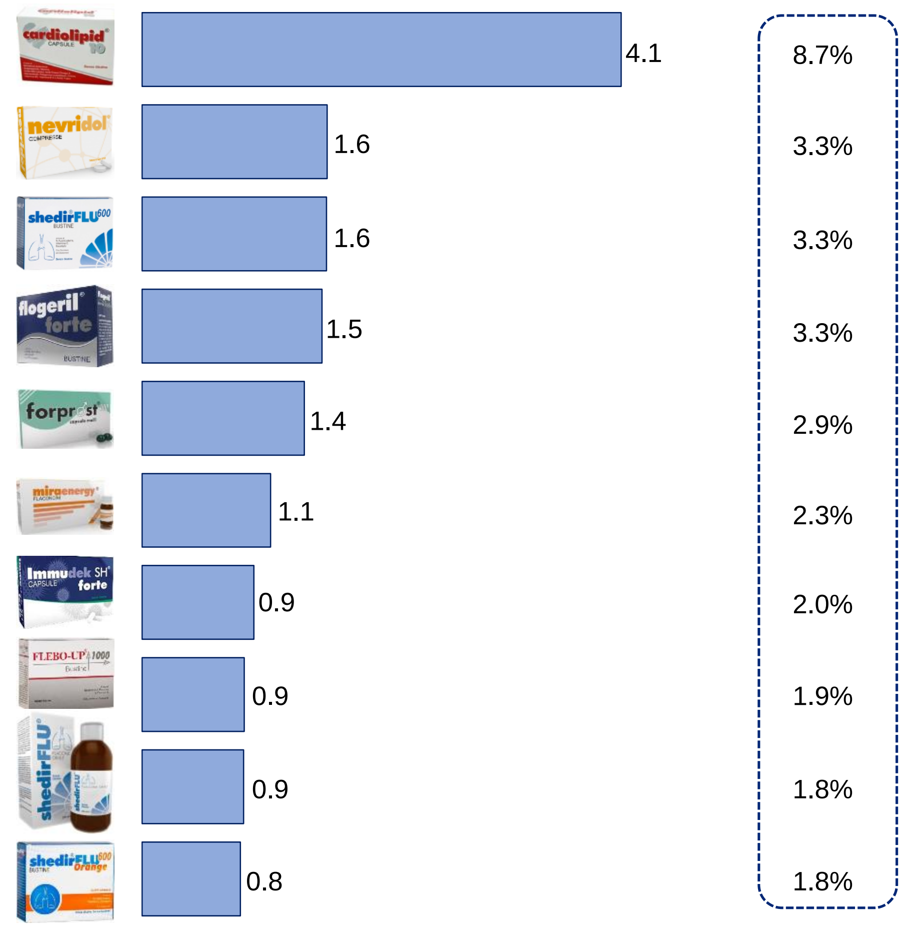
1H2019 Top 10 Brands Sales and % of Total Sales (€/m)



Total Top 10 Brands[1] €7.2m 32.2%

Total Sales 1H2019 €22.3m 100.0%

2018 Top 10 Brands Sales and % of Total Sales (€/m)



Total Top 10 Brands[1] €14.7m 31.4%

Total Sales 2018 €46.9m 100.0%

Product diversification allows the Group to preserve its market share and to reduce its revenues dependence on few brands

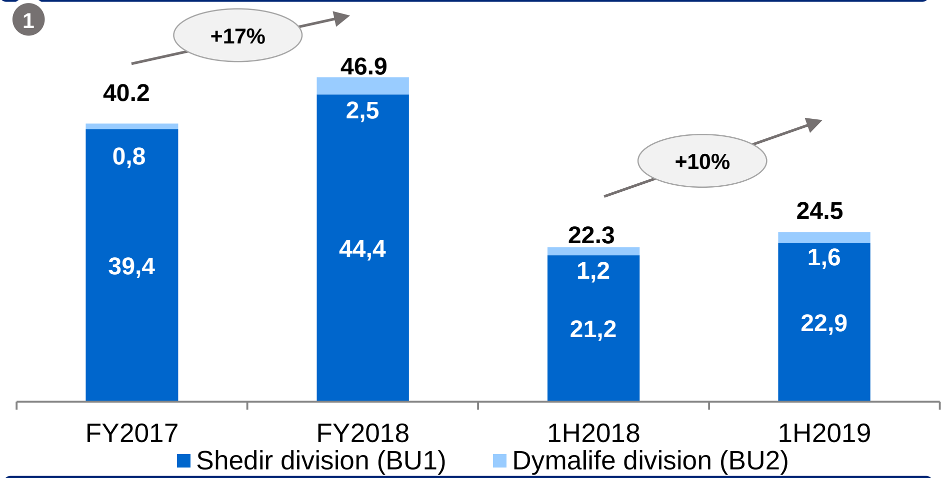
Source Company

Notes (1) Data do not consider revenues by Brands distributed abroad

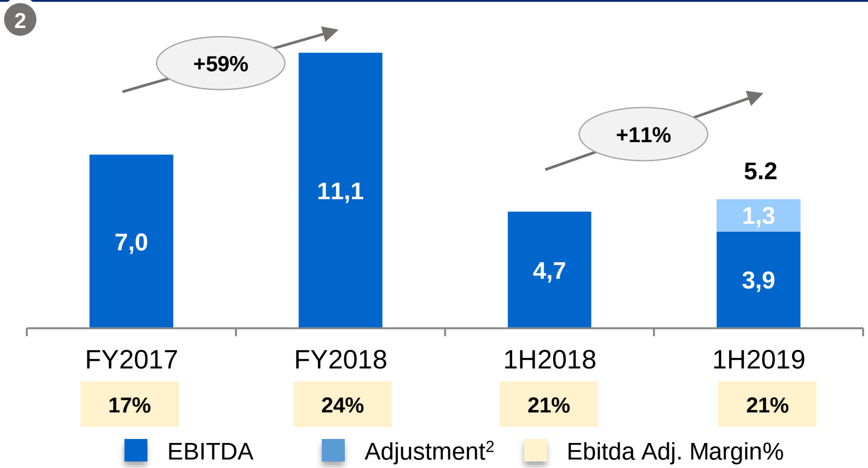
3 Financial overview

Shedir Pharma Group Key Figures

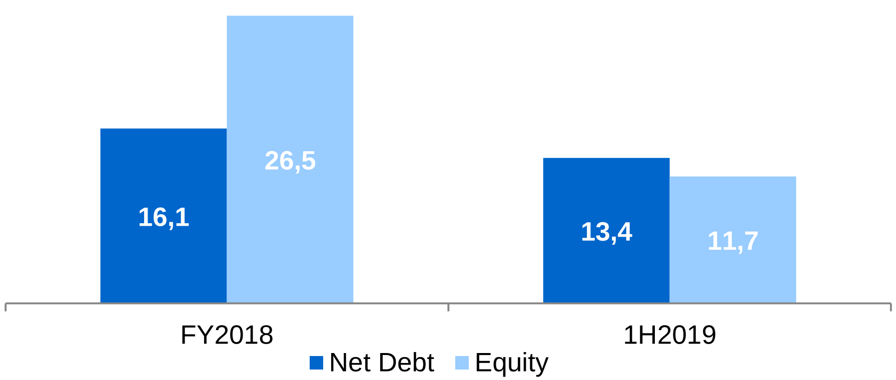
TOTAL SALES (€m)



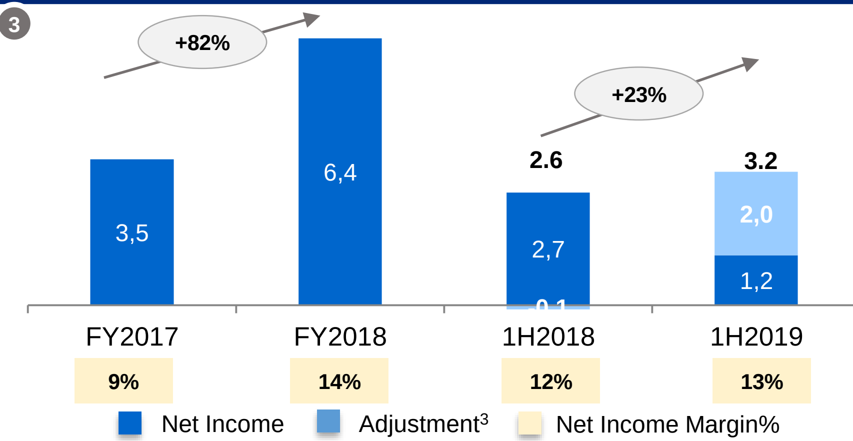
EBITDA (€m)



NET DEBT / EQUITY (€m)



NET INCOME (€m)



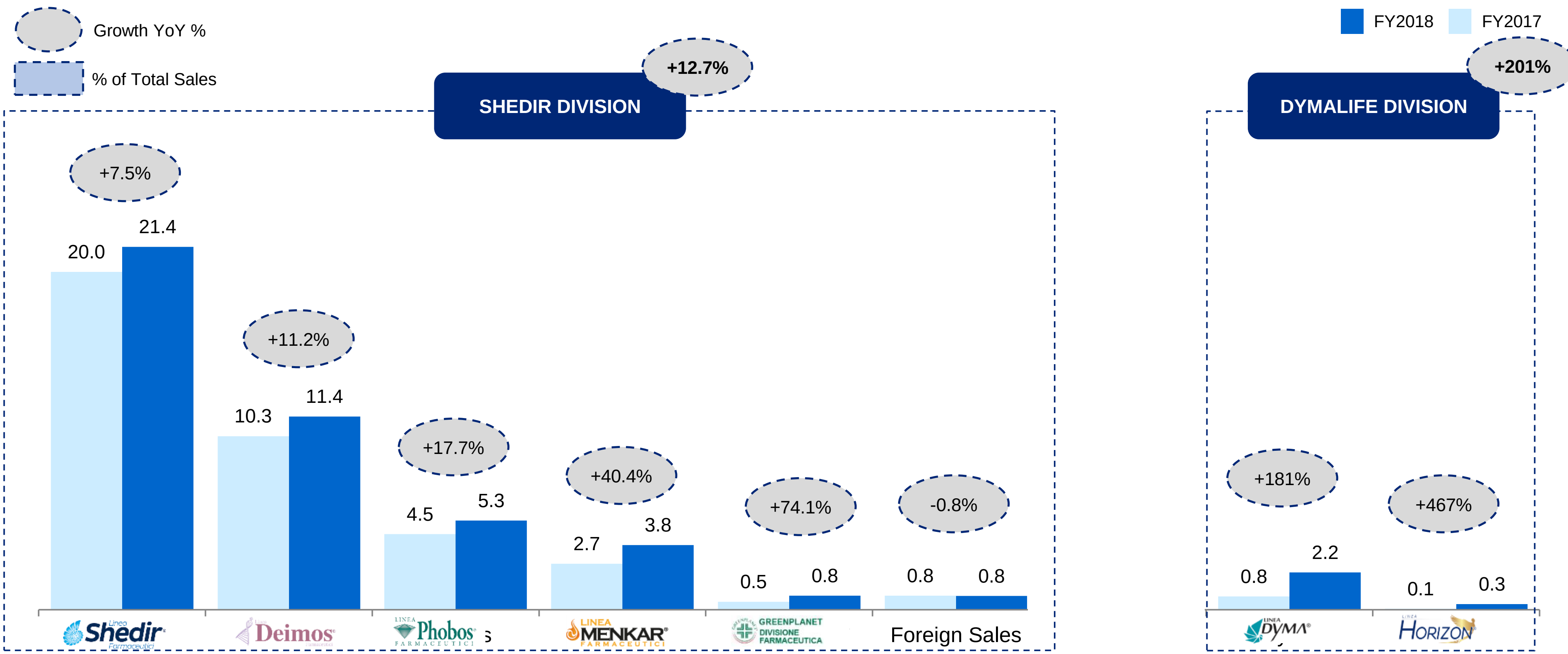
1. Appealing revenues growth
2. High Profitability, with consolidation of BU2
3. Solid profit margins also sustained by low financial expenses, Net Income 1H2019 take into account the impact of non recurring provisions and listing costs

Adjustment 1: Tax provision for VAT (€0,6m) and listing costs (€0,7m)
Adjustment 2: Tax provision for VAT (€0,6m), listing costs (€0,7m), tax provision for income tax (€0,6m) and interest on tax provision (VAT and income tax) (€0,1m)

Sales Evolution by Product Lines 2018 vs 2017

In FY2018 the Group's Total Sales have posted a growth equal to +16.6% YoY with all Product Lines have contributed to the overall Sales' growth of the Group:

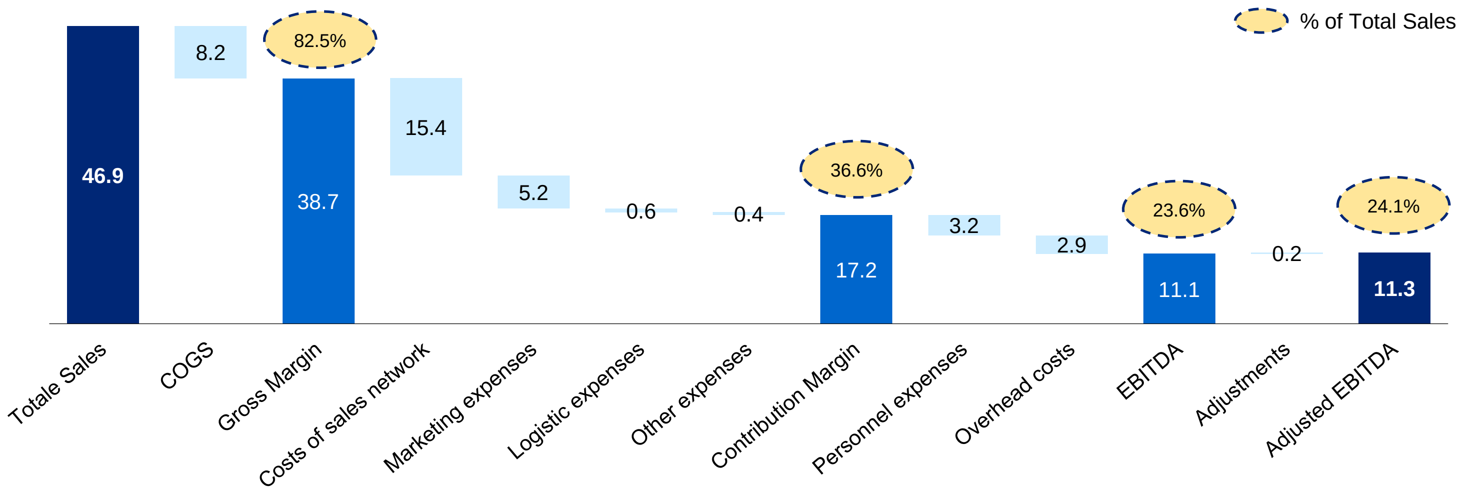
Revenue Evolution by Product Lines (€m)



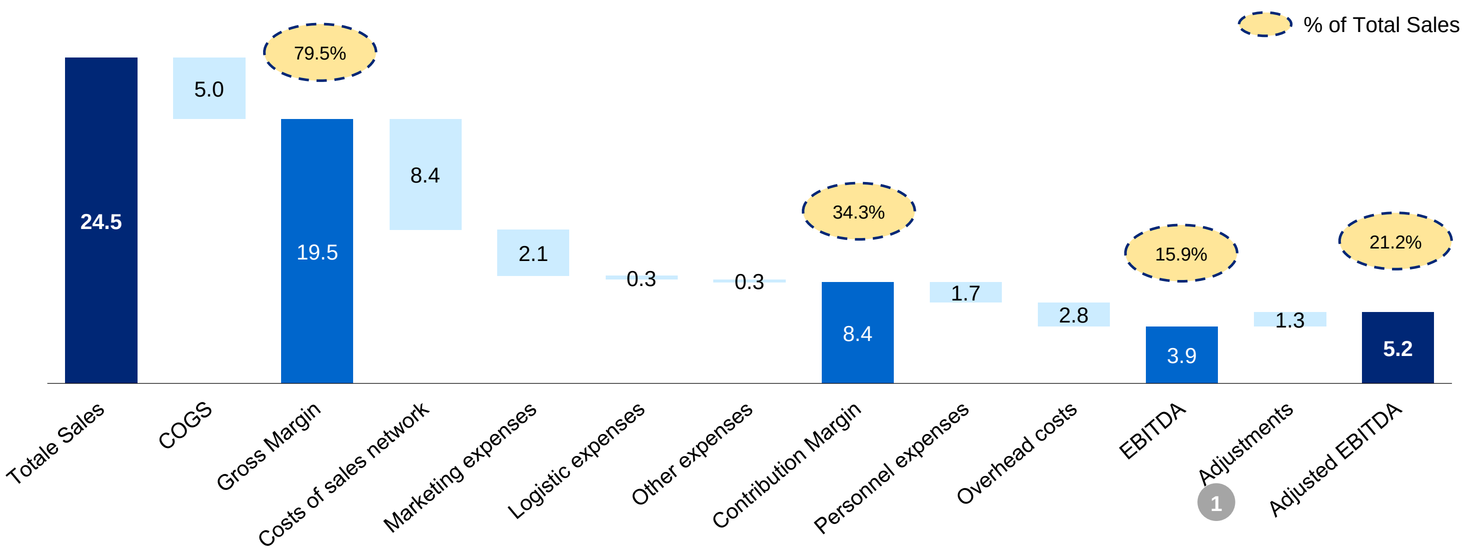
2019H1	43.7%	25.1%	11.6%	9.1%	1.5%	1.6%	5.3%	1.2%
2018A	45.7%	24.3%	11.2%	8.2%	1.8%	1.8%	4.7%	0.7%
2017A	49.6%	25.5%	11.1%	6.8%	1.2%	2.1%	2.0%	0.1%

Cost Structure

Cost structure breakdown FY2018 (€m)



Cost structure breakdown 1H2019 (€m)



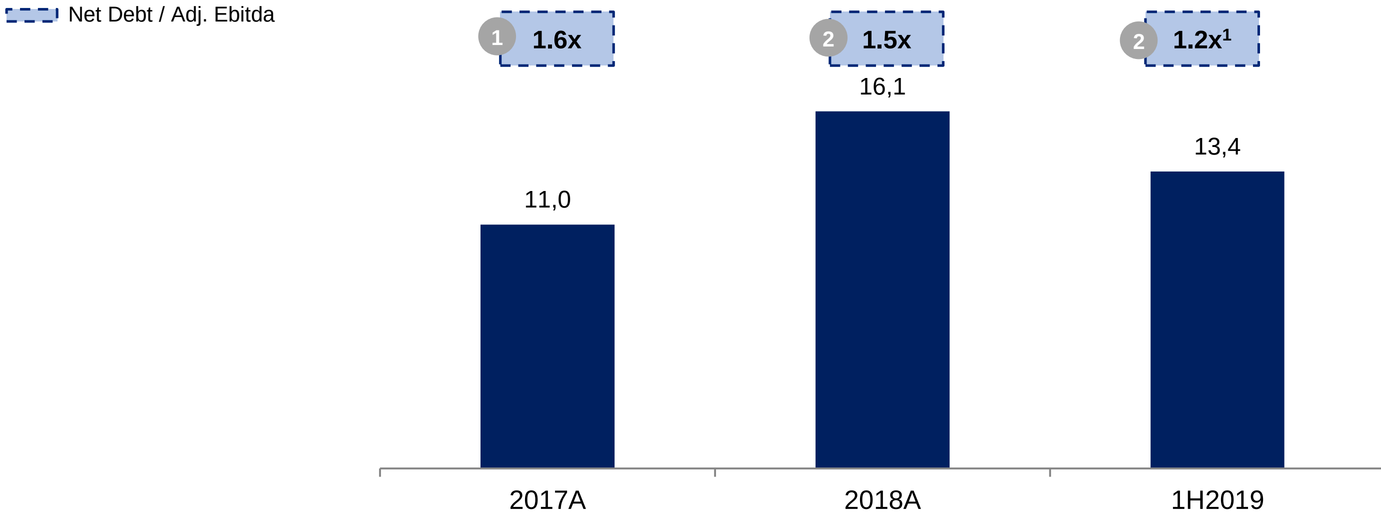
1 The Adj includes the following extraordinary and non-recurring charges:

i) tax provision for VAT **(€0,6m)**

ii) listing costs **(€0,7m)**

Net Debt Evolution

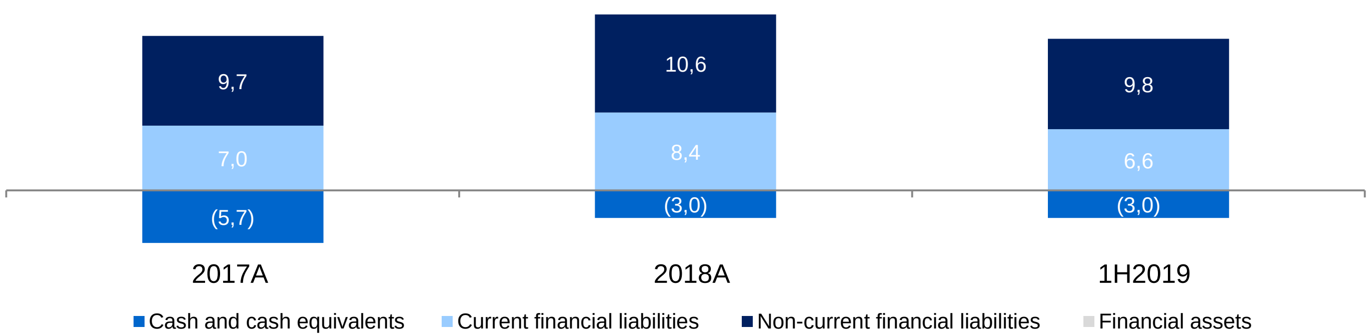
Net Debt Evolution (€m)



1 The largest part of the net debt increase in FY 2017 was due to the purchase of "AIC" (drugs' patents) for a grand total of c. € 4.5m

2 Despite the growth of the business, the Group has maintained a balanced financial structure

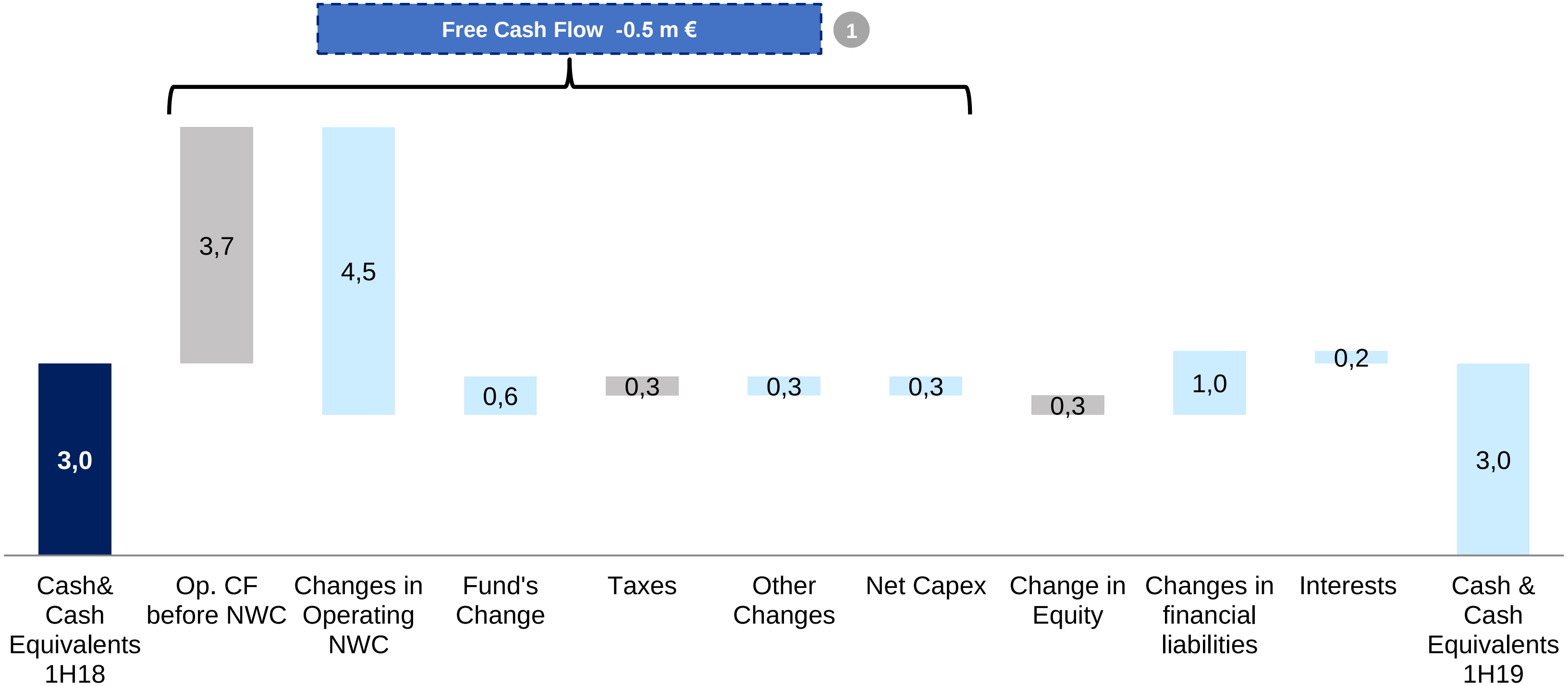
Net Debt Breakdown



Notes (1) Net Financial Position as at 30/6/19 divided by EBITDA LTM (EBITDA Adj.2018- EBITDA Adj. 2018 H1+ EBITDA Adj. 2019 H1)

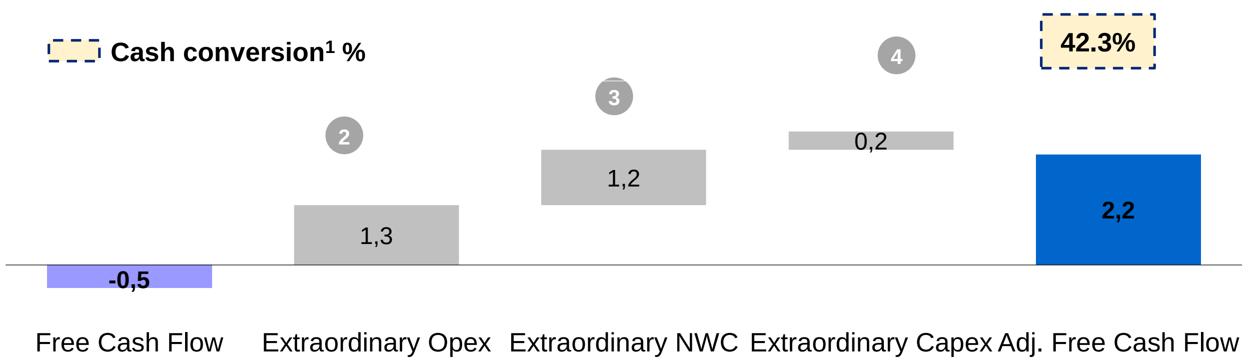
Cash Generation 1H2019

Cash Generation (€m)



1 In the first half of 2019, cash flow was affected by extraordinary and non-recurring costs such as tax provisions **(€0.6m),** listing costs **(€0.7m)** and by the start-up of the pharmaceutical division **(€1.2m)**..

Adjusted Free Cash Flow 1H2019 (€m)



2 The extraordinary Opex is due extraordinary and non-recurring charges, such as the tax provision **(€0.6m)** and listing costs **(€0.7m).**

3 The extraordinary NWC is documented by the increase in the supplement stock **(€ 0.3 m)** and by the start-up of the pharmaceutical division **(€ 0.9 m).**

4 The extraordinary Capex is documented by the AIC purchase.

Notes (1) Cash Conversion calculated as Adj. Free Cash Flow divided by the Adj. EBITDA

Shedir Pharma Group - IPO

KEY INFORMATION	
Ticker Bloomberg	SHE IM
ISIN	IT0005379620
Stock exchange	AIM Italia
Shares outstanding (m)	11.4
Price @ 10.17.19 (€)	7.36
52w High (€)	8.00
52w Low (€)	6.90
Market cap. (€m)	83.9

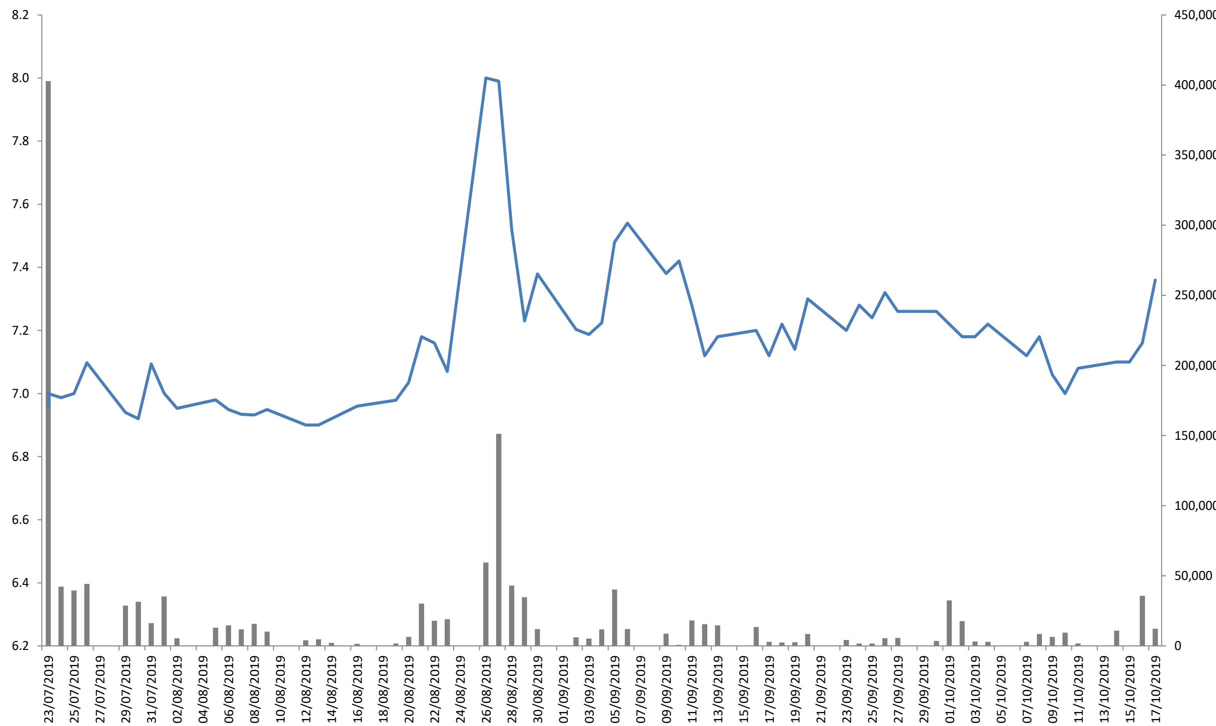
IPO	
Price @ IPO (07.23.19) (€)	7.00
# of shares offered	1.64
Total fund raised (€m)	11.5
JBRs	Bper / Akros
Nomad	Bper

Shareholders	%
Mr. Umberto di Maio	87.5%
Free float	12.5%

CONSENSUS

Provider	*Target price*	*Upside*
KT&Partners	9.93	35%
Akros Bank	10.00	36%
Average	**9.97**	**35%**

Performance	
Price change 1w (%)	4.00%
Price change 30d (%)	1.90%
Price change 60d (%)	5.50%
Price change from IPO (%)	5.10%



Average daily trading	# of shares	Price (€)	% of sh out	% of free float
Last week	19,667	7.18	0.17%	1.38%
30 days	8,619	7.19	0.08%	0.60%
60 days	16,442	7.25	0.14%	1.15%
From IPO	23,459	7.17	0.21%	1.64%

Appendix

A Reference Markets

A.1 The Nutraceutical Market

Overview of the Nutraceutical Market

The Neutracetical market cover a wide range of products, from sport drinks available on supermarket shelves to dietary supplements for patients with common health problems

Segments	Product description		Target group	Channel	Therapeutic effect
FOOD	Generic		Everyone	• Everywhere	NONE
NUTRACEUTICALS	FUNCTIONAL FOODS FUNCTIONAL BEVERAGES	Foods and beverages which provide health benefits beyond their nutritional value through added natural/ healthy ingredients	Healthy people seeking to preserve wellness	• Supermarket • Internet	MEDIUM / LIGHT
NUTRACEUTICALS	DIETARY SUPPLEMENTS	The aggregation of dietary supplements, vitamins, tonics, pediatric vitamins in order to provide health benefits	People with common health problems	• Supermarket • Pharmacies • Parapharmacies • Internet	MEDIUM / HIGH
DRUGS	Specific		People with specific health problem	• Pharmacies	STRONG

Shedir Pharma Group focus

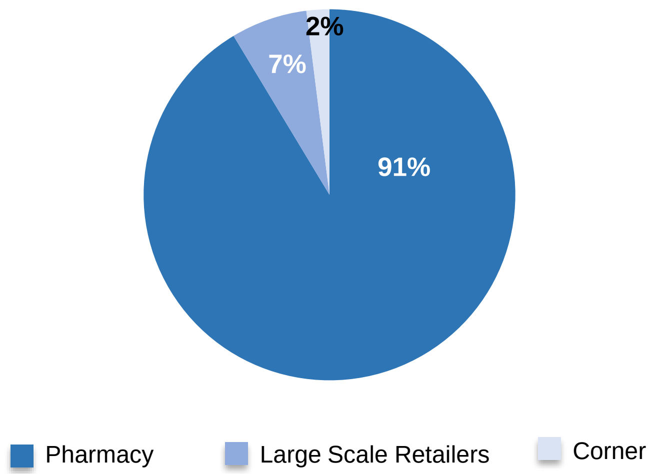
- Dietary supplements is among the most fragmented categories within consumer health in Italy, with over 40,000 references, according to Euromonitor.

Source: company elaboration on A.T. Kearney report «Nutraceuticals: The front line of the battle for consumer health» - 2014

Focus on the Italian Nutraceutical Market

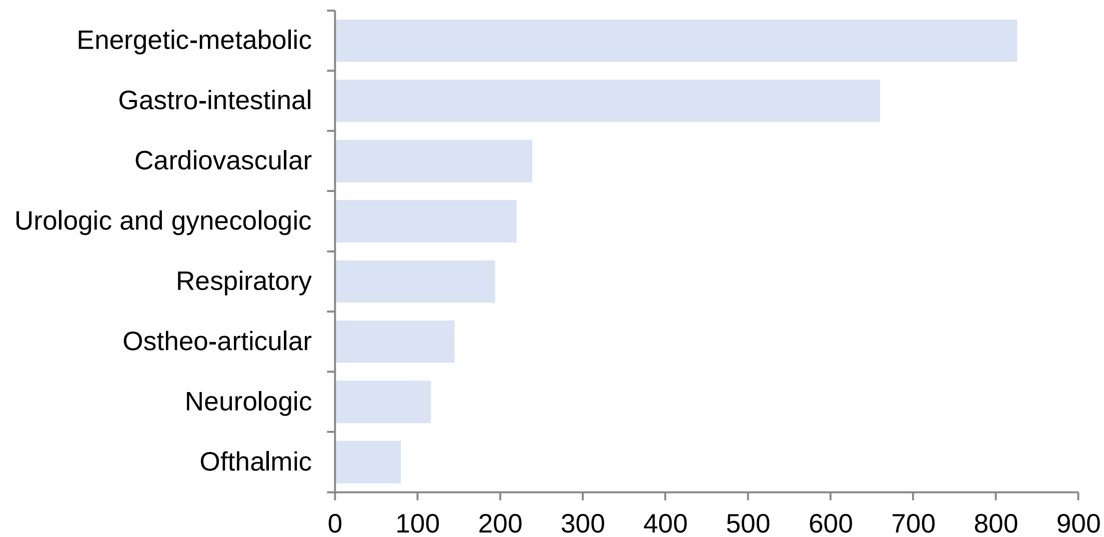
Pharmacy as the leading distribution channel, with few therapeutical areas representing c. 80% of the market

2018 sell-out by distribution channels[1]

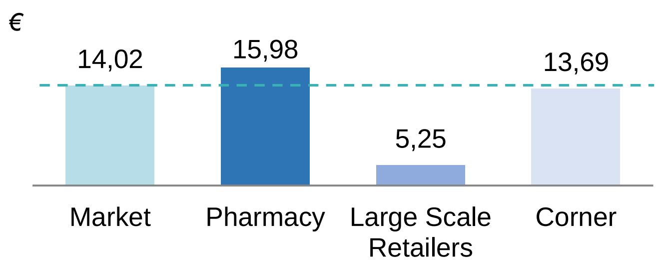


Main therapeutic areas covered by nutraceutical products[2]

€/m – Jan. 2019 (last 12 months)



2018 average sales price by channels[1]



- Energetic- metabolic and gastrointestinal therapeutic areas are the most important areas
- Pharmacy is the leading distribution channel for nutraceutical products, with consumers placing strong trust in the advice offered by pharmacists
- Products sold in pharmacy generally show the highest average sales price

Sources: (1) NewLine ricerche di mercato - Federsalus (december 2018) (2) company elaboration on IQVIA data «Lo scenario farmaceutico, Gennaio 2019»

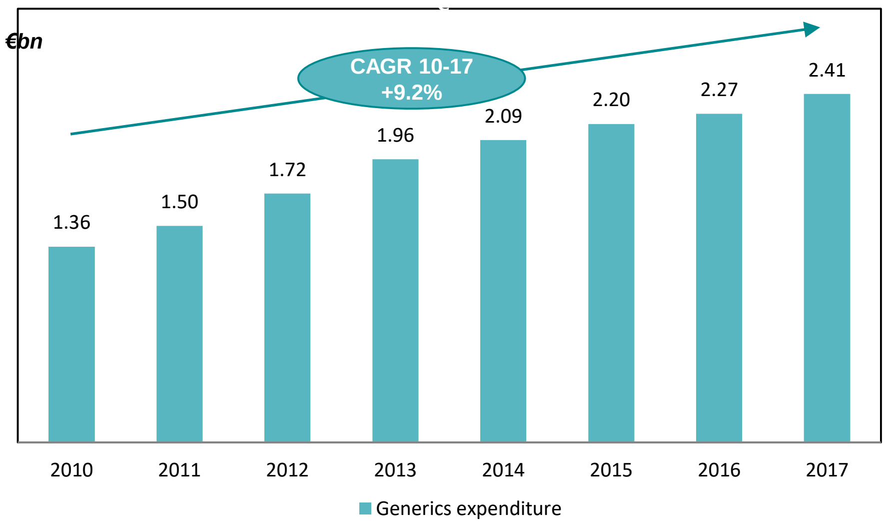
A.2 The Pharmaceutical Market

Italian Pharma Market – Generics

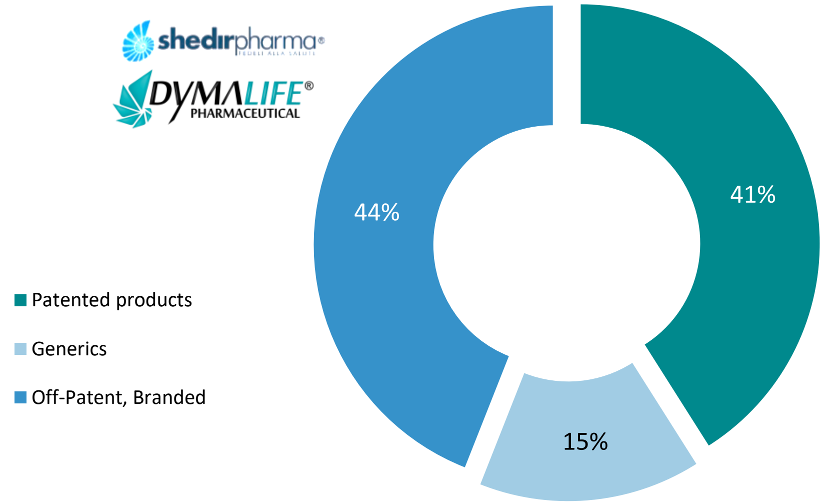
Generic pharmaceuticals

- Upon losing patent protection active substances can be legally synthesized and sold by new entrants as generic drugs after undergoing a simplified authorization process, with or without the producer’s own brand name.
- Generics sell for a fraction of the original branded pharmaceutical (the “originator” drug) as competitive pratices lower the price to consumers.
- Introduction of generics has brought about lower costs for patients throughout Europe and increased access to healthcare in under served European Markets.
- Drug affordability and accessibility are strategic objectives for governments and supra national institutions.

Generics retail spending (public & private, pharma retailers) - Classes A, C, H, SOP, OTC



Market share, by patent state (Italy 2017)



- In Italy, products sold in Pharmacies reached € 29.6 billion in 2017. In 2017 off patent drugs (both branded and unbranded) made up 59% of sales and 79.4% of sold volumes.
- Sales of pharmaceutical products (excluding other categories that are usually offered in combination with) in Euro terms appear to have been flatlining over the past 3 years. This behavior effectively hides the persistent growth of the generic & biosimilar market share at volume level. These products substitute more expensive branded drugs by offering lower prices.
- Consumption of generic drugs in Italy is concentrated in northern regions, with Trentino Alto Adige and Lombardia leading the way.

Source: FarmaIndustria July 2018, IQVIA «Analisi Farmaci Equivalenti 2017, Osservatorio Nazionale sull’Impiego dei medicinali» - «Rapporto Nazionale Anno 2017»

A.3 Group Organizational Chart

Group Organizational Chart

- **Chairman** – *Umberto Di Maio*
  - **CEO** – *Antonio Scala*
    - Supply Chain
      - Purchases
      - Inbound / Outbound
    - Sales & Marketing
    - R&D
      - Scientific Research
    - Export
    - AFC
      - Information Technology
    - Graphic
    - Procurement & Maintenance (P&M)
    - Legal
    - PR & Advertising

Board of Directors

Giuseppina Fusco
Board Member

Umberto Di Maio
Chairman

Antonio Scala
CEO

Marco Mazzarese
Independent Board Member

Riccardo Bruno
Independent Board Member

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