



Corporate Presentation
ISMO Paris
January 30, 2020



Company Overview

Market

Competitive Landscape

Strategy & Outlook

Financials

COMPANY

Valsoia is the pioneer for non-dairy, plant-based products in the Italian market.

MISSION

Valsoia's mission is to provide **healthy, functional, nutritionally-balanced** products that are **tasty and enjoyable**, drawing on traditional Italian expertise and culinary culture. Valsoia's **from-breakfast-to-dinner** range.

BRANDS



FIGURES



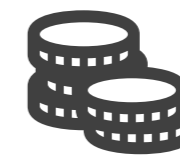
+12 k PoS
Worldwide



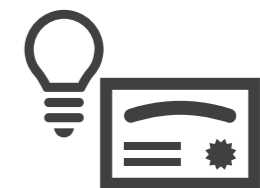
Over 7 million
families



9 product
categories



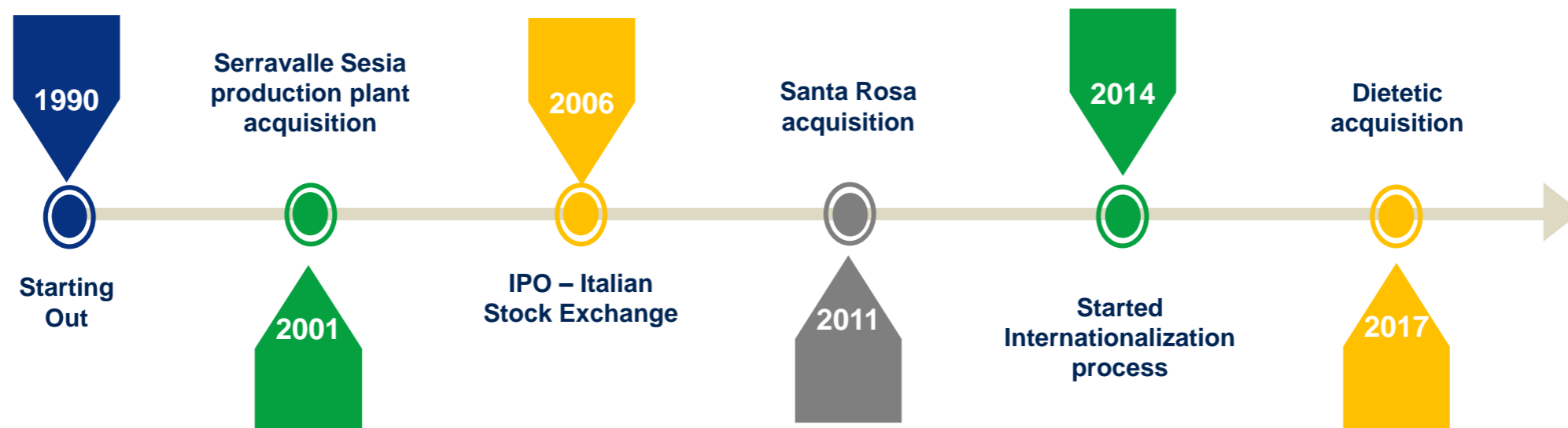
€82.3m
turnover in
FY 2018



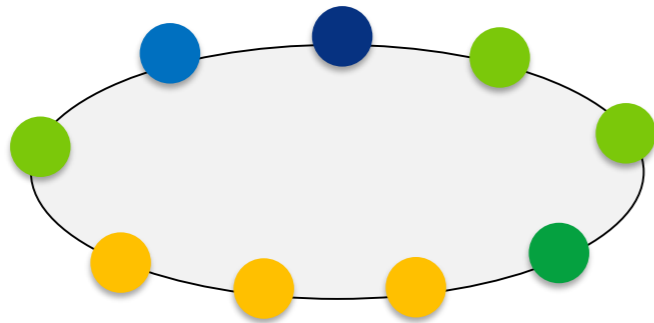
R&D for
Product
innovation

Founded in 1990 by neurologist Lorenzo Sassoli and listed on the Italian stock market since 2006.

Today **Valsoia** is expanding in the domestic and international markets, through product innovation and acquisitions



Board of Directors



Lorenzo Sassoli
● *Chairman*

Susanna Zucchelli
● *Independent Director*

Furio Burnelli
● *Deputy Chairman*

Francesca Postacchini
● *Independent Director*

Ruggero Ariotti
● *Deputy Chairman*

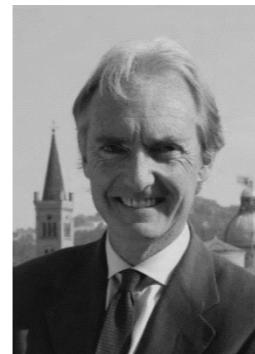
Camilla Chiusoli
● *Independent Director*

Cesare Doria de Zuliani
● *Honorary Chairman*

Gregorio Sassoli
● *Director*

Andrea Panzani
● *Chief Executive Officer*

Top Management



Chairman
Lorenzo
Sassoli

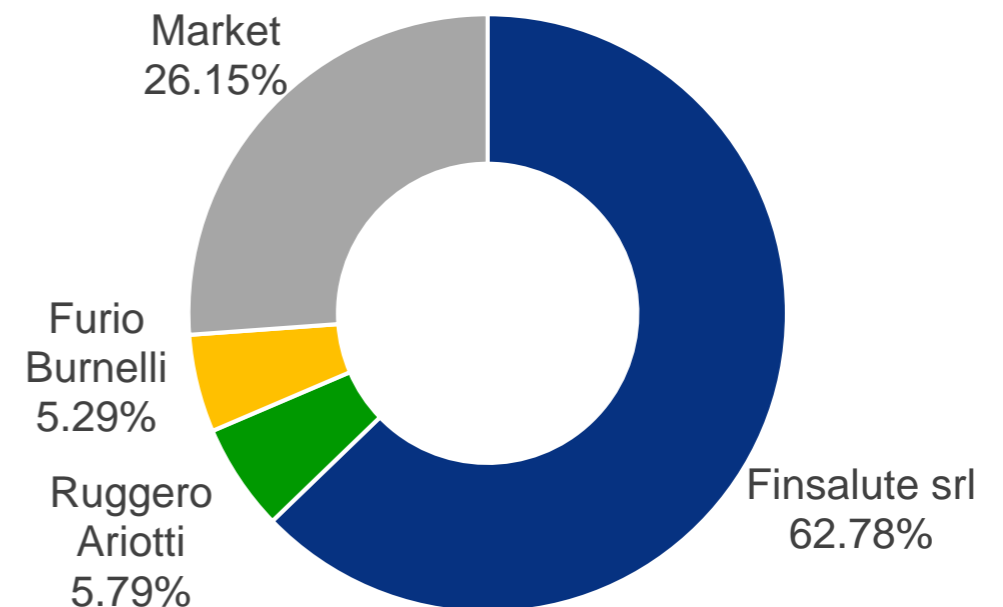


CEO
Andrea
Panzani

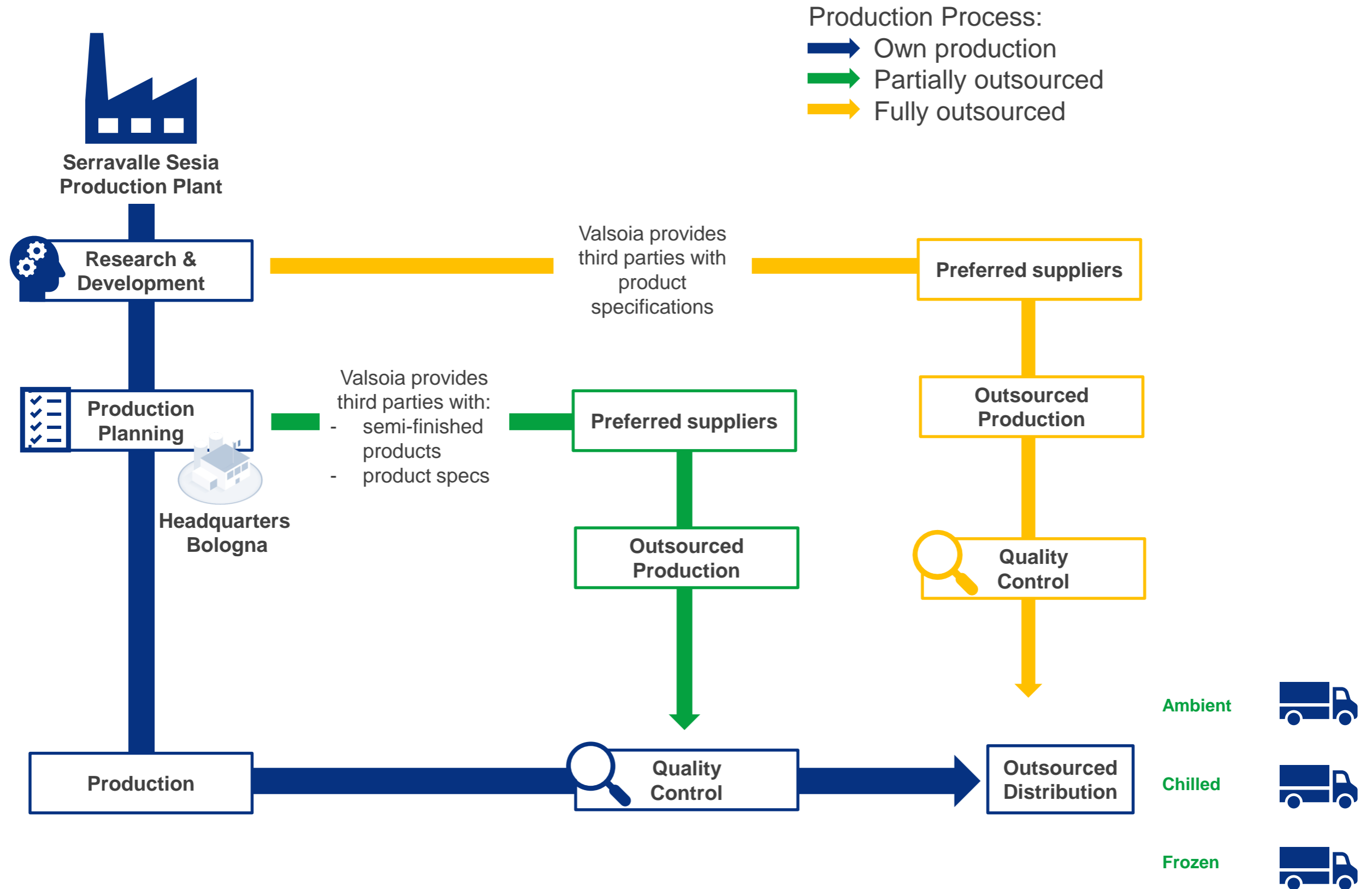


CFO
Nicola
Mastacchi

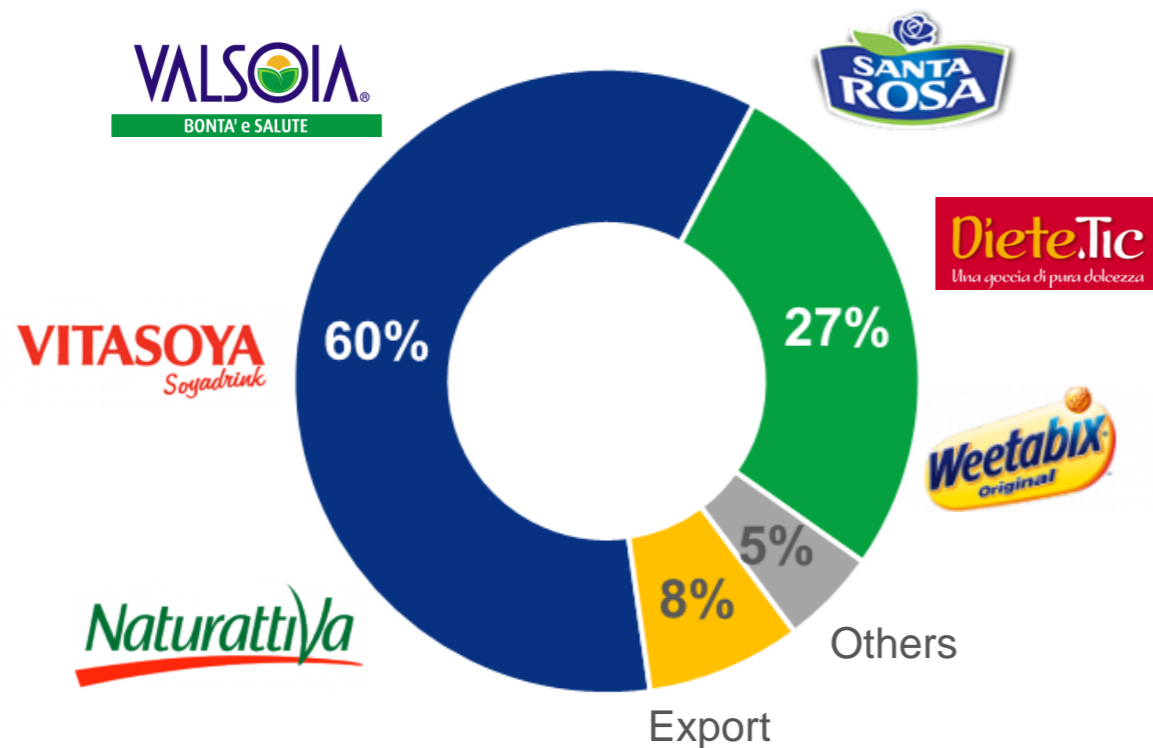
Shareholder Structure as at May 2018



Business Operation Model



Revenues Breakdown 9M 2019



Healthy products

- The healthy products segment corresponds to Valsoia Bontà e Salute, Vitasoya and Naturattiva.
- It accounts for about 60% of sales

Food

- Our food segment products include Santa Rosa, Diete.Tic, and Weetabix distribution
- Food products account for 27% of sales

Healthy products



Valsoia Bontà & Salute offers a wide variety of tasty, natural and healthy products. Valsoia's from-breakfast-to-dinner offer is ideal for every age group

Non-dairy drink



Non-dairy yogurt



Non-dairy Ice cream



Non-dairy dessert



Non-dairy cheese



Meat Alternatives



Vegan meals And pizza



Non-dairy spread



Vegan snacks



Vegan dressing



Others



Other Brands



High quality soyadrink

Organic products



Santa Rosa, purchased in 2011, is a historic brand in the Italian food tradition, offers high quality standard jams, choosing only the highest quality fruit through strict purchasing specifications.



Diete.Tic, purchased in 2017, is a liquid sweetener, sugar substitute, with a unique and patented process. Completely calorie-free, it does not alter the taste of food or drinks and is highly soluble.



Valsoia distributes Weetabix in Italy. A range of whole grains for a wellness breakfast. Produced by the Weetabix Food Company. They are unique, loved and appreciated all over the world.



Valsoia is the brand licensee for BlueNyx. It is a dietary supplement with an exclusive MGTS 3 ACTION formula that promotes the natural and regenerating path of one's sleep. Thanks to the presence of vitamins and mineral salts, it contributes positively to the energy metabolism, to reduce the sense of tiredness and to maintain the functionality of the immune system.





Company Overview

Market

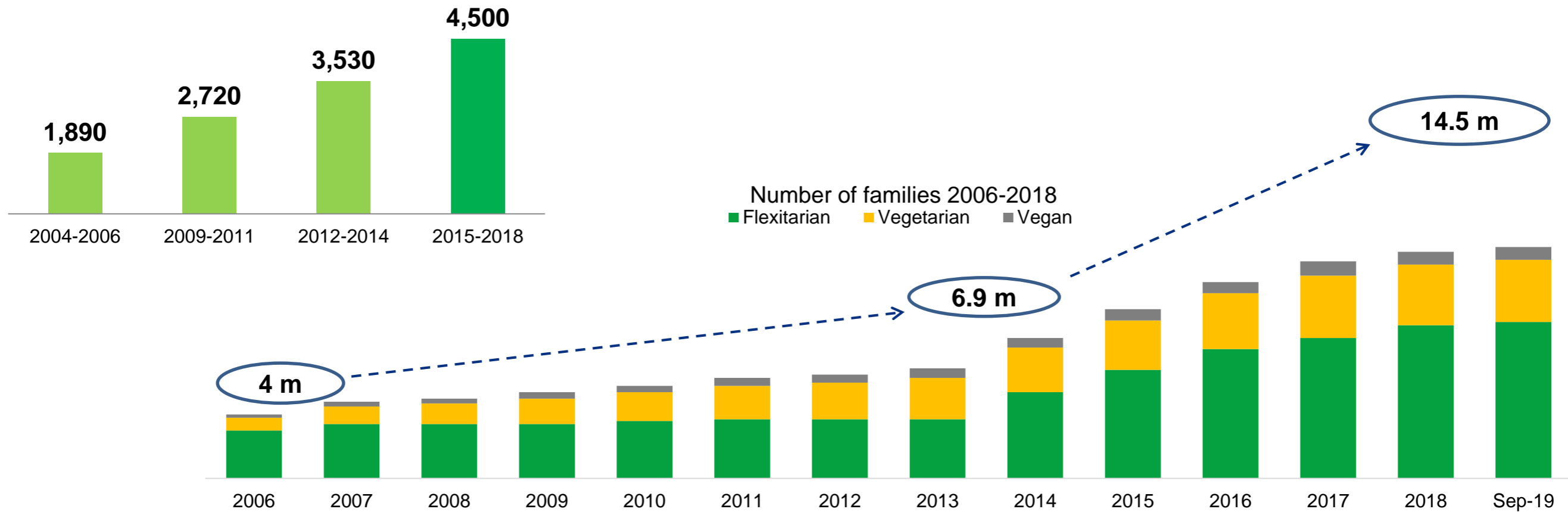
Competitive Landscape

Strategy & Outlook

Financials

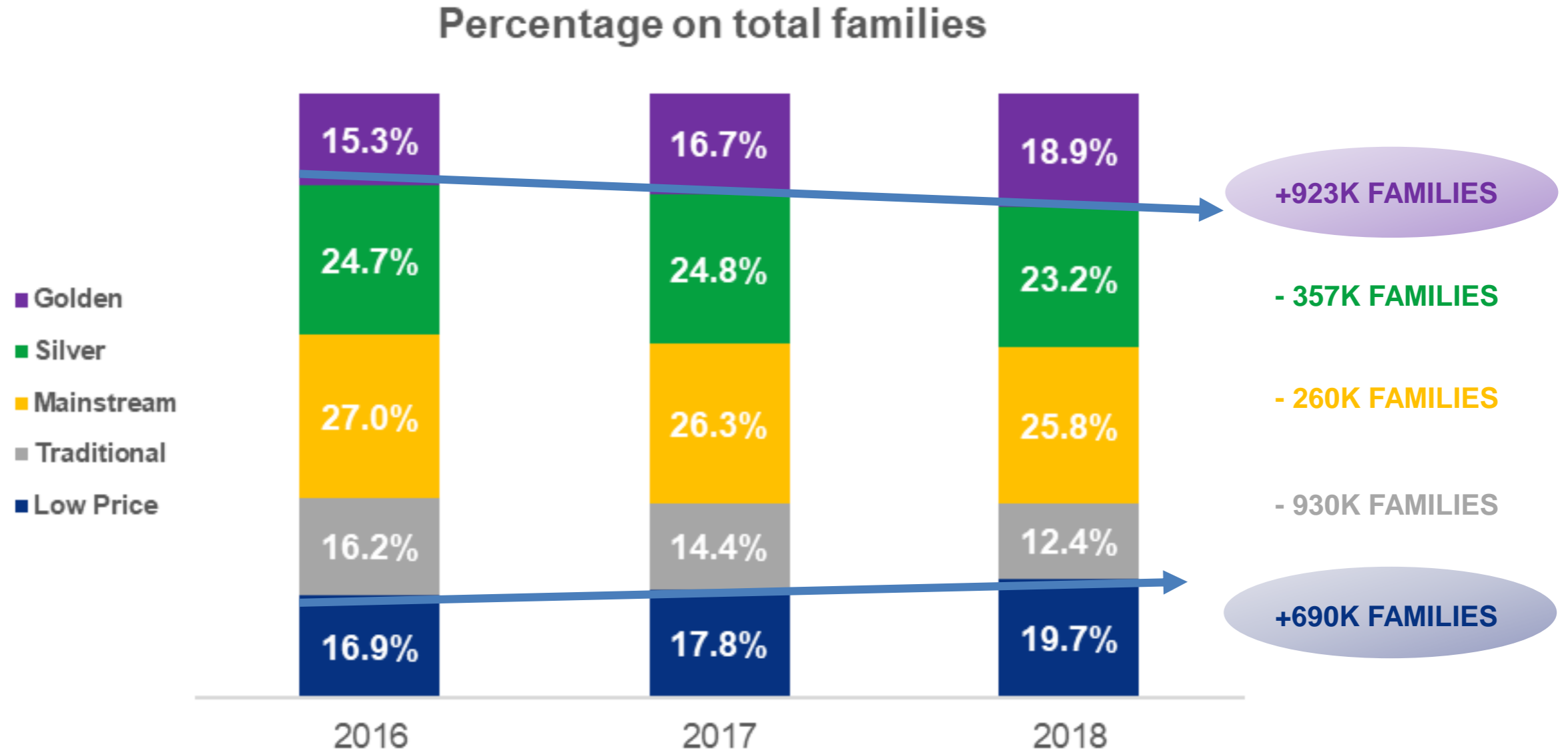
Non-dairy and plant-based alternatives market trend and number of families

Families purchasing Valsoia products



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Sep-19
Total Vegetable purchases	4.0	4.8	5.0	5.4	5.8	6.3	6.5	6.9	8.8	10.6	12.3	13.6	14.2	14.5
% Market penetration on total families	16%	19%	20%	22%	23%	25%	26%	28%	35%	43%	47%	50%	57%	58%

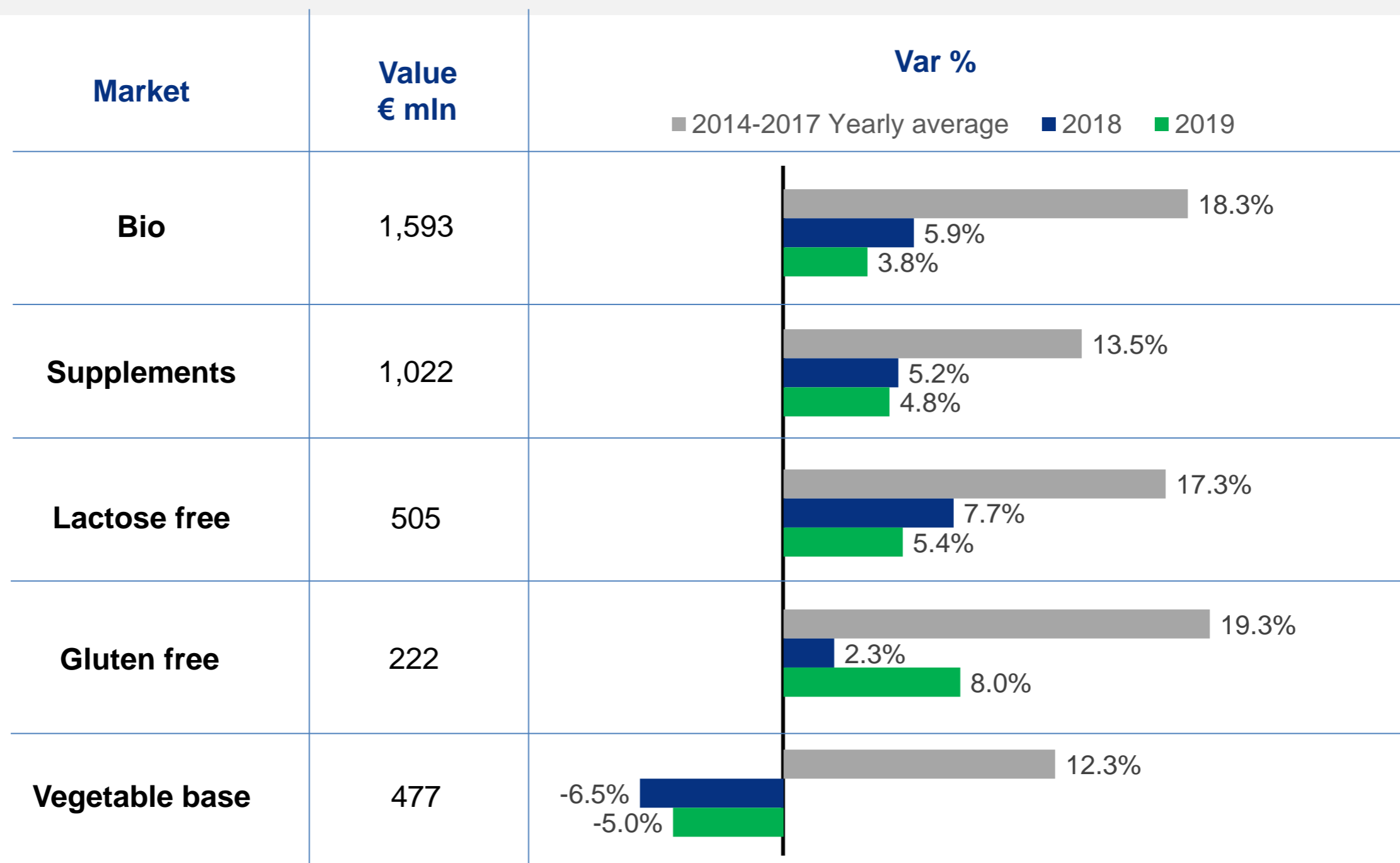
The polarization of preferences: Favorable to the target of plant-based product markets



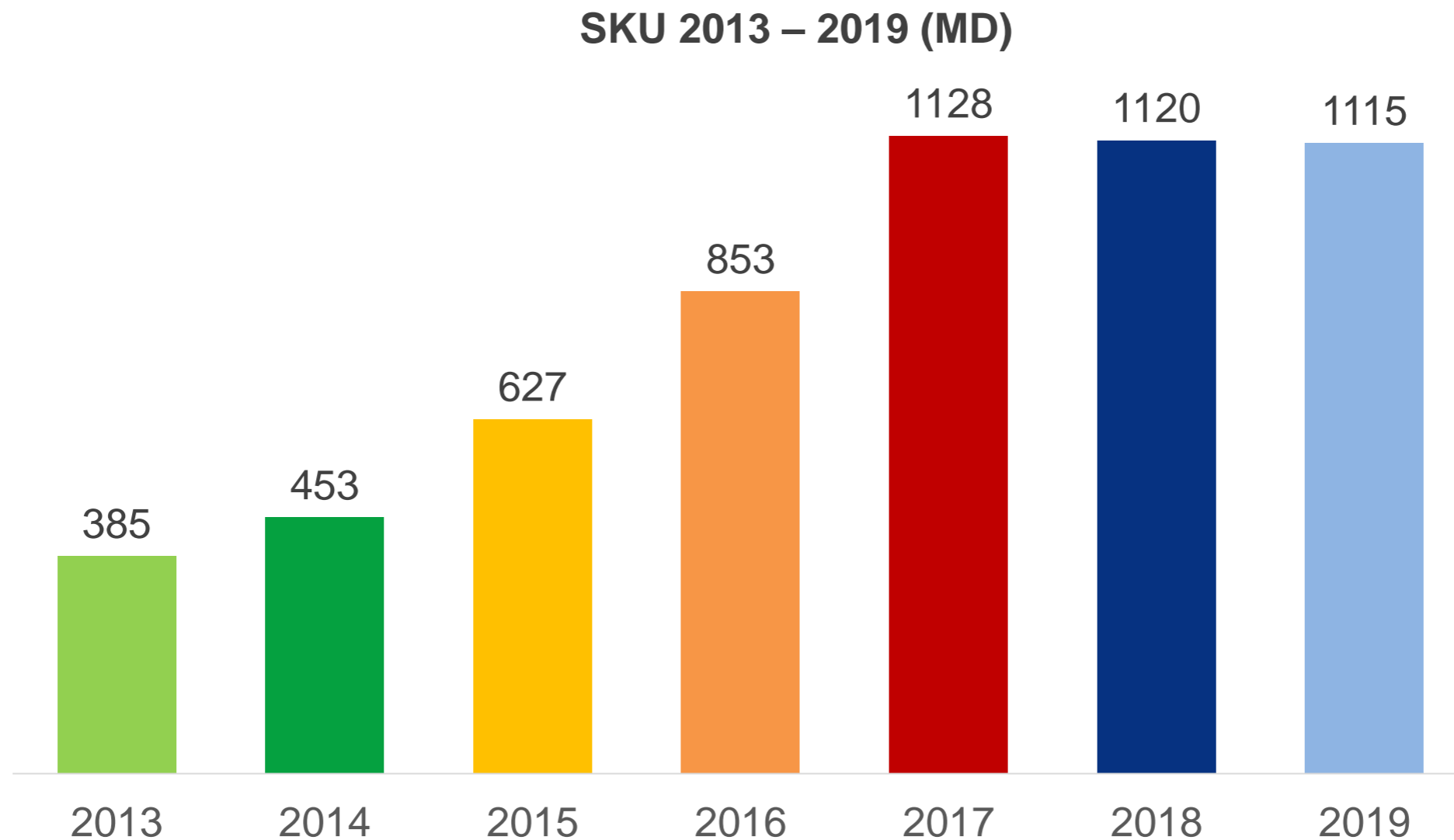
Purchase habits are changing, customers preferences are polarizing on the higher and lower range of price. It means that **Valsoia's target segment is growing** through the years.

"Golden consumers" are the most likely to spend on healthy eating habits.

Italy healthy food consumer trends (Sell out value)



The trend setters that have characterized growth in recent years are slowing down their dynamism and, in some cases, they are marking the pace



The market is becoming increasingly competitive with a growing number of SKU's on shelves leading to a risk of overcrowding. Starting in 2018 a small dip can be identified with the beginnings of a rationalization process



Company Overview

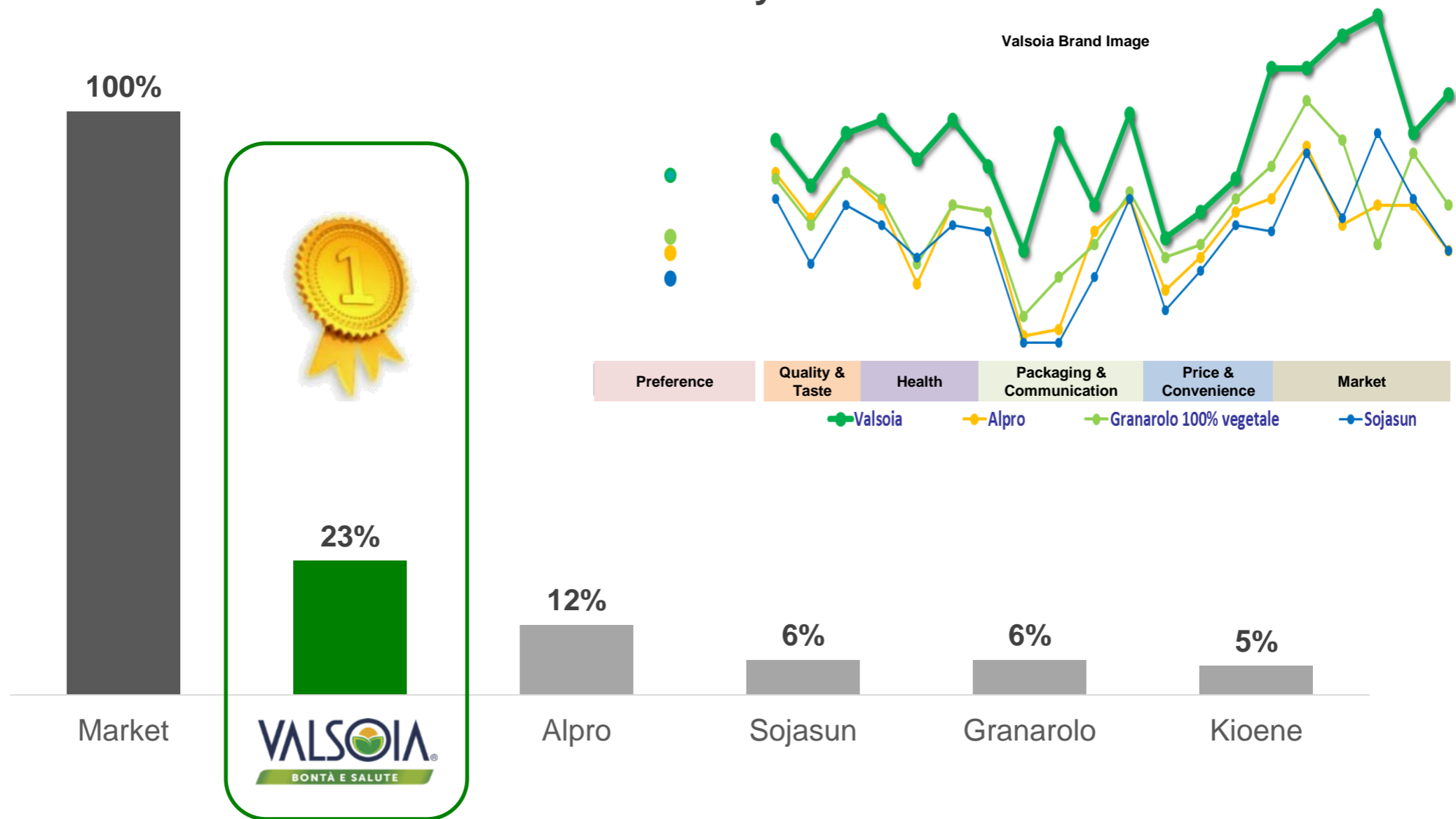
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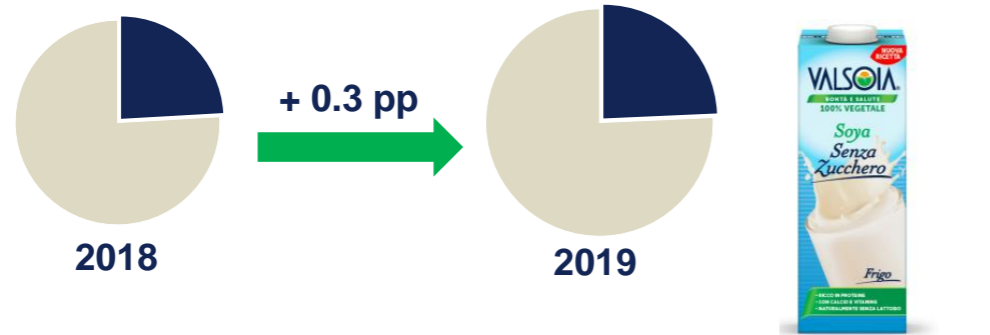
Financials

Plant-based products Market share in Italy As of February 2019

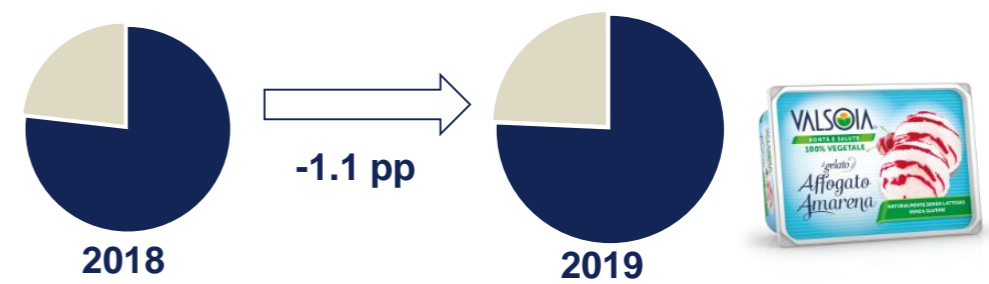


Valsoia continues to hold the largest market share in Italy.

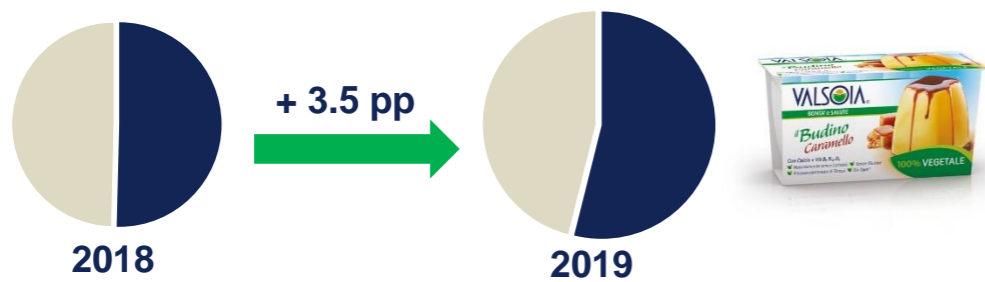
Soy Milk



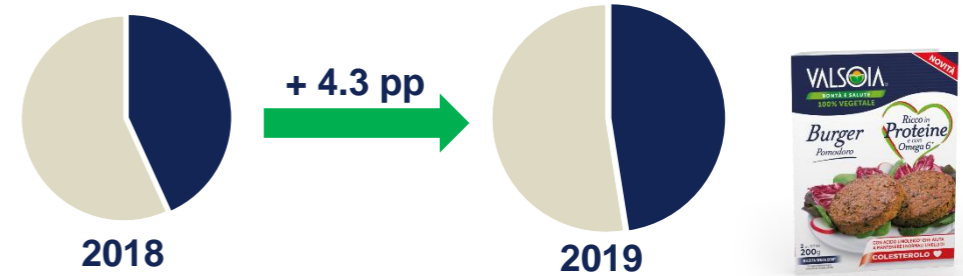
Vegan Ice Cream (No amando)



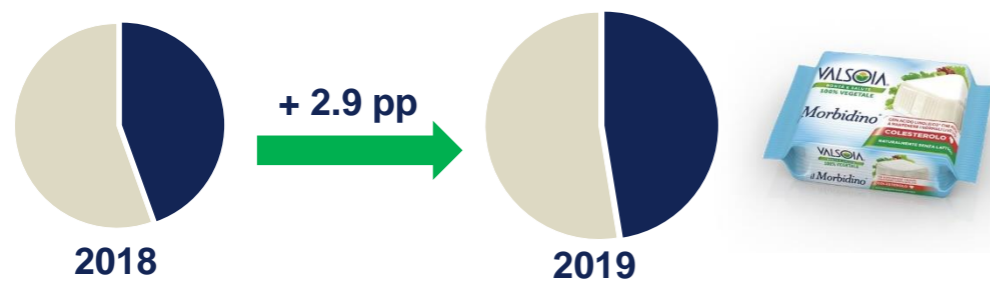
Vegan Desserts



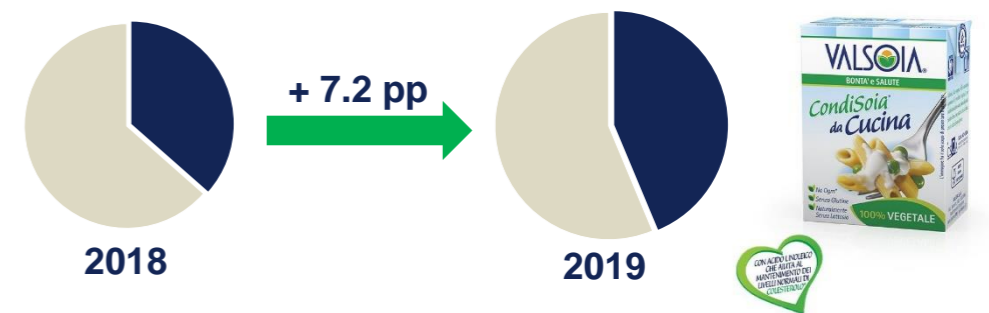
Vegan Frozen Meals



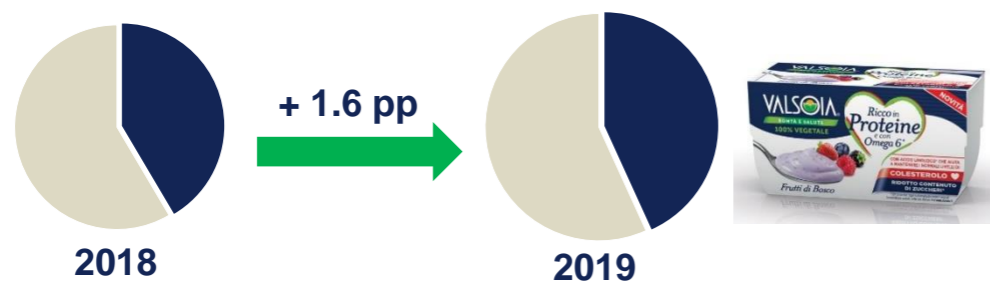
Vegan Cheese



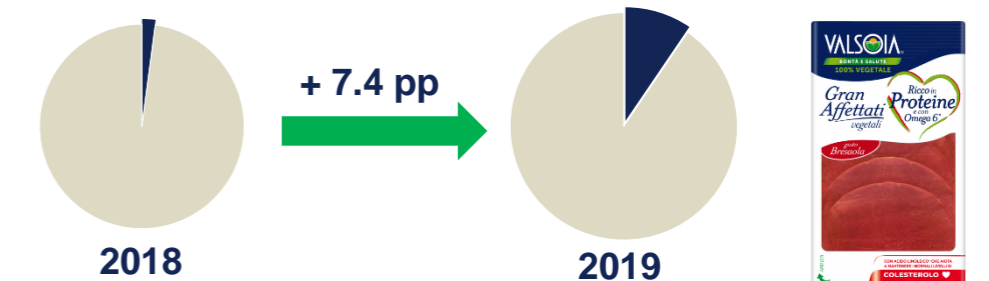
Vegan Cream (Condiment)



Vegan Yogurt



Meat Alternative Coldcuts



The **Reputation Institute** analysis is based on:

- An **annual** study since 2006
- A sample of **30,000 subjects** in Italy
- The perimeter studied regards **388 companies** operating in Italy

7 rational dimensions explain reputation and tell you where to focus your actions

1. Products/Services

Offers high quality products and services, which are excellent and reliable

2. Innovation

Is an innovative company, offers innovative products/services or is innovative in the way it acts

3. Workplace

Has an attractive workplace, offers equal opportunities, fairly rewards its employees

4. Governance

Is fair in the way it operates, behaves ethically, is open and transparent

5. Citizenship

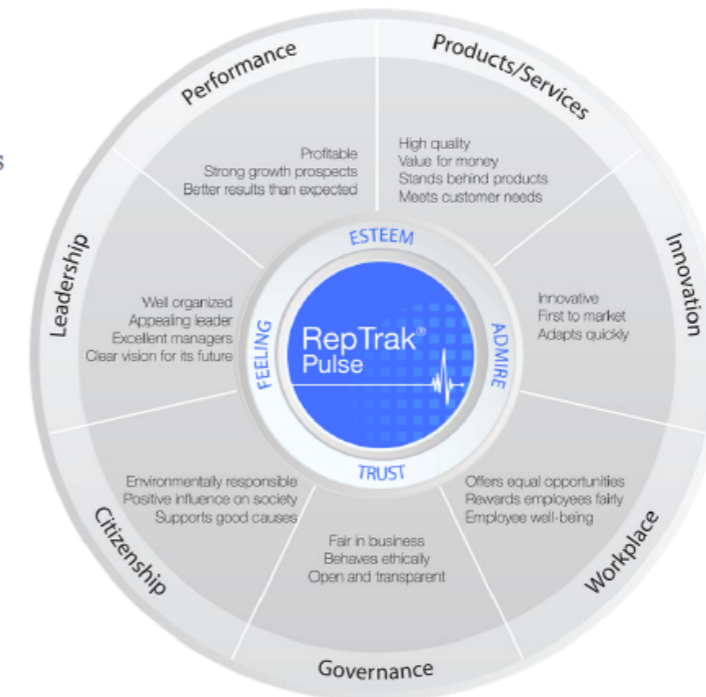
Has a positive influence on society, support good causes and protect the environment

6. Leadership

Has a strong leadership, has a clear vision of its future, is a well organized company

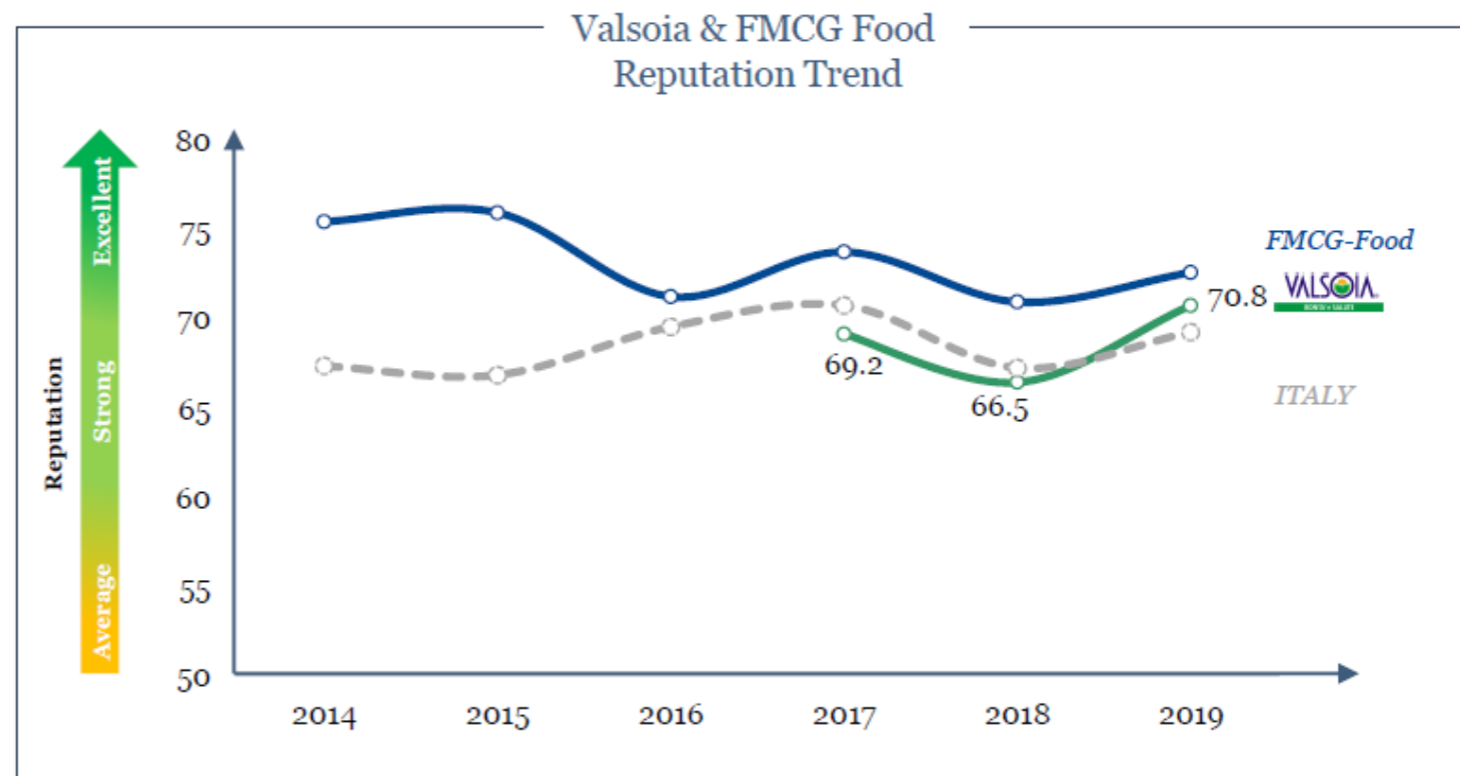
7. Performance

Deliver better than expected financial results, is a profitable company, shows strong prospects for future growth



Valsoia and the industry trend in Italy

Rank	Industries	Reputation
1	Luxury Products	74,63
2	Electrical & Electronics	72,67
3	FMCG – Food	72,65
4	Automotive	72,56
5	Streetwear	72,39
6	Industrial	71,53
7	FMCG - Home & Personal Care	71,50
8	FMCG – Beverage	71,31
9	Financial – Diversified	70,96
10	Entertainment – Media	70,43
11	Retail	69,38
12	Logistic	68,66
13	Pharmaceutical	67,91
14	Tourism	64,11
15	Financial – Insurance	63,96
16	Telco	61,70
17	Energy & Utilities	60,51
18	Financial – Bank	59,14
19	Entertainment – Gambling	58,08



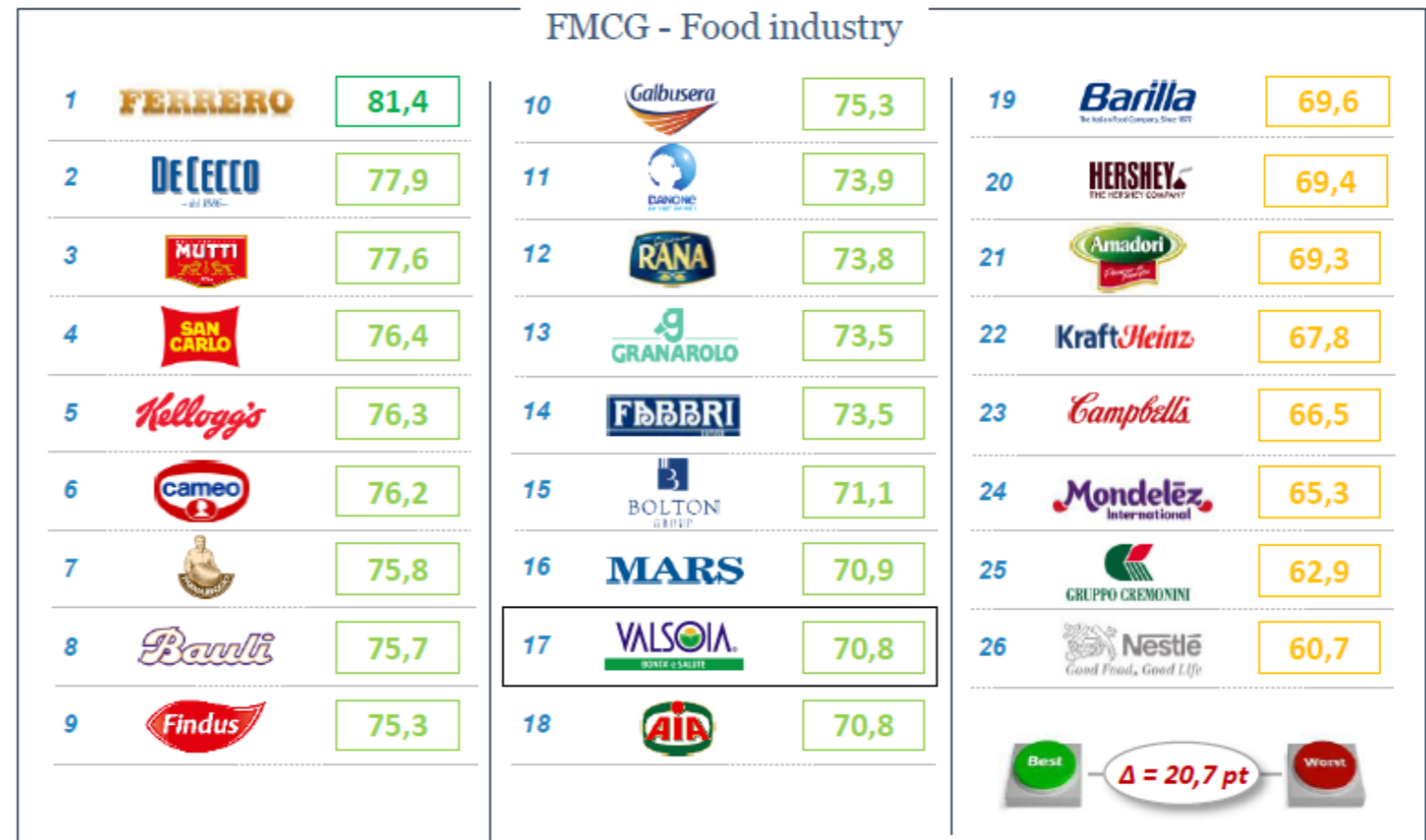
0-39 Poor 40-59 Weak 60-69 Average 70-79 Strong 80+ Excellent

Source: Reputation Institute – Italy RepTrak® Pulse 2014- 2019

Within the FMCG – Food Category Valsoia ranks 17th

What's your Reputation context?

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0-39 Poor 40-59 Weak 60-69 Average 70-79 Strong 80+ Excellent

Source: Reputation Institute – Italy RepTrak® Pulse 2019





THE WORLD IS BECOMING VEGETARIAN AND SUSTAINABLE

Valsoia is at the center of some of the most heavily discussed issues of the 21st century.

The New York Times

Opinion

TURNING POINTS

Six Ways We Can Adapt to Climate Change

THE NEW AGE OF MEAT: NO ANIMAL REQUIRED

Panorama

Il business è in crescita esponenziale: gli analisti di Barclays stimano che il mercato delle carni alternative a base vegetale - quelle, per intenderci, totalmente uguali alla carne vera, con tanto di effetto sangue e crosticina - potrebbe crescere, nei prossimi 10 anni, del 1.000 per cento, toccando i 140 miliardi di dollari. Numeri giganteschi ma verosimili, se si pensa che ai primi di

la Repubblica

2050, tutti vegetariani ecco la dieta del futuro

Entro quarant'anni la popolazione mondiale aumenterà di due miliardi e le risorse idriche scarseggeranno. Secondo un team di studiosi svedesi, per evitare carestie dovremo mangiare frutta e verdura anziché bistecche

VN

New York City to Phase out Processed Meat and Slash Beef Consumption by 50%

by Roxanne Libatique • 04/23/2019

Il Sole 24 ORE

Vegani, carnivori o onnivori? Ecco il futuro dell'alimentazione









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	Head	Valsoia top-level brand image
	Mouth	Leadership in perceived quality (80% of products have been successfully tested, and are successful compared to competitors)
	Innovation	Highly focused on innovation through R&D: 75% of new products are still on the shelves after 3 years
	Execution	A strengthened and highly qualified sales force, improve collaboration with retailers
	International Expansion	In progress, largely successful
	M&A	Targeting companies in Italy and abroad

- Valsoia is market leader with consolidated strong brand image and brand awareness due to high investments in advertising and consumer marketing
- 2019 has seen **several new marketing campaigns** focusing on contests promoting the consumption of healthy products



Key Messages:

- 100% vegetable, tasty, natural, non-dairy
- Respect for animals and the environment
- A healthy diet for the whole family
- A brand you can trust



Key Messages:

- Through the “Lezioni di Etichetta” campaign Valsoia teaches the general public how to identify products with greater ease

2020 Kick off

February: SANREMO



“The Italian Super Bowl”

Summer



Valsoia Gelato and the upcoming novelties



Valsoia leader, with a share of voice of over 45%

Consumer evolution

NATIVE 1.0

Lactose Intolerance
Vegetarians
Vegans

Looking for:

- Solutions / benefits (health driven purchase)
- No Cholesterol
- Proteins

2.0

Flexitarians
Vegetarians
Vegans
No Soy

Looking for:

- Good Taste
- Not looking for a conventional protein alternative

3.0

Lactose Intolerance
Vegetarians
Flexitarians / Vegans
No Soy

Looking for:

- Solutions / benefits (health driven purchase)
- Proteins
- No cholesterol
- Good Taste



Focus on 3.0



New Valsoia line:

From Valsoia's own research facilities:

A complete line of exclusive products to offer consumers the maximum benefits in terms of Goodness and Health.

- Proteins
- Omega 6
- Low sugar
- No cholesterol



Low Sugar Content

CON ACIDO LINOLEICO CHE AIUTA A MANTENERE I NORMALI LIVELLI DI COLESTEROLO



Mouth



Innovation



In line with the current world trends, Valsoia is the first player in Italy to present a Sugar-free rice-based and oat-based milk.



Bringing innovation to the **Food segment** through Santa Rosa:

- Only fruit sugars
- Only natural ingredients
- Less sugar than the Jams market average: - 50%
- Less kcal than the Jams market average (from - 49% to -54% depending on the reference)
- Made 65% of fruit



Expanding R&D beyond the Food and Healthy segments through **BlueNyx**:

- New supplement that promotes the natural and regenerating path of sleep.
- Born from Valsoia research, tested in Italy, Germany, UK and USA for an International launch that will take place at the beginning of 2019.

New ice-cream flavors, for a wide audience as well Flexitarian



the large cup of ice-cream,
drowned with exotic fruit cream

the ice-cream cone,
based on cashew-nuts
with black cherry flavor





The Irresistible Super Burger:

A new 100% Vegetable Burger characterized by few and simple ingredients and does not compromise taste or health.



2019 Launches & 2020 Pipeline



1Q			2Q			3Q			4Q		
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2020 Pipeline

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
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Coming soon





Development and improvement of Trade Marketing (sales policies and marketing at POS) by structure, tools and working methods



Subdivision of the sales force focused on healthy food and regular food



Restructuring of sales force in 2018 with the entry of sales key account with experience in multinational companies

The execution capacity includes POS management through a dedicated Team monitored with KPIs

Execution example



Shelves in Italy



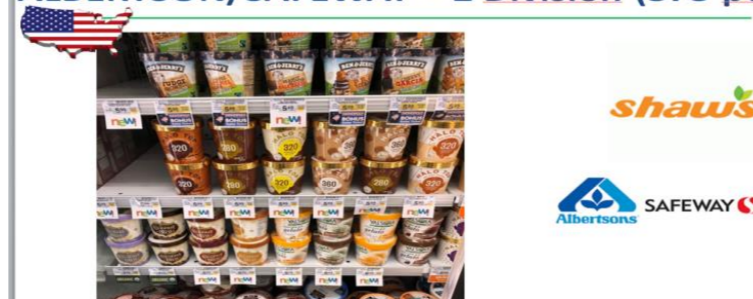
Our Benchmark Abroad



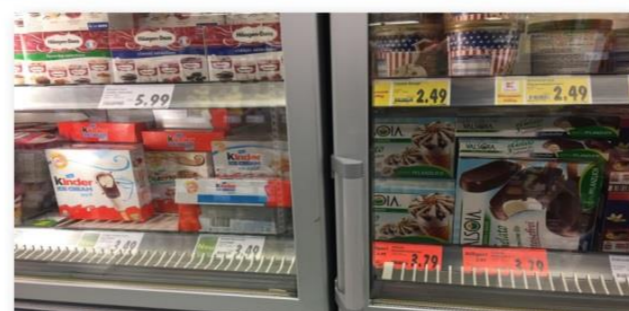
Coming soon to Italy



ALBERTSON/SAFEWAY – 2 Division (373 pv)



Kaufland



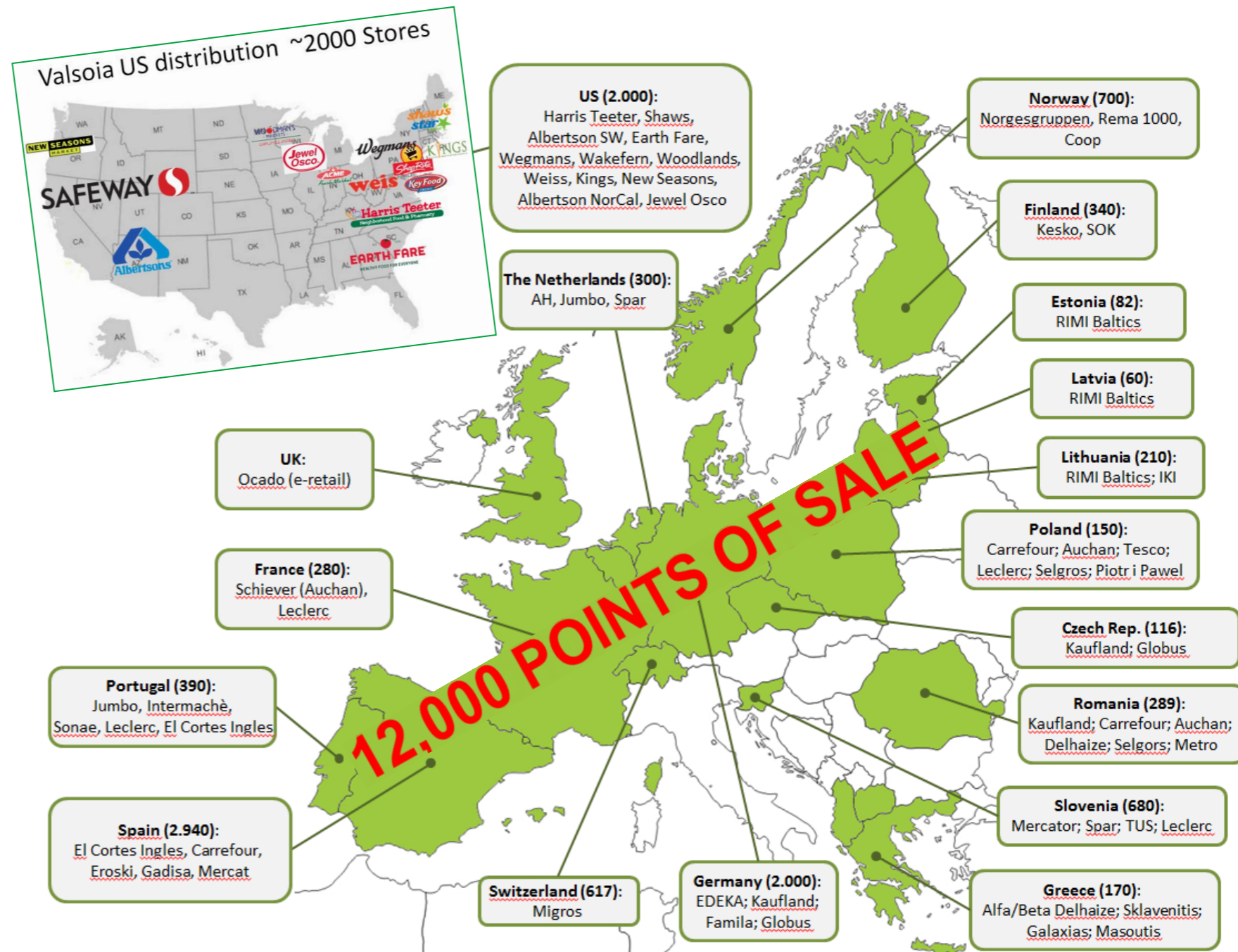
Focus on export

- Currently present in 19 countries (Europe and United States) with an eye on China and Russia
- Turnover from exports, excluding Germany, continue to grow
- Ice cream is the main export product:

Dairy-free ice cream



- Company's main expansion drive currently focused on:
 - USA
 - Germany
 - Spain



More than 25% of Gelato and Chocolate Spread Revenues come from Exports

Pioneers in health-food market

Established strong brands

Leader in quality and taste in a high-growth worldwide market

Proven and highly skilled management team

Excellent track record for innovation

Strong cash generation and positive NFP

Dividend Distribution with a payout ratio of ~40%



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H1 2019 Highlights

Italian Sales Revenues

€ 34.6

Sales Revenues

€ 37.1

EBITDA

€ 5.4

Net Profit

€ 3.0

Foreign Sales Revenues

€ 2.5

EBITDA margin

14.4%

Net Profit Margin

8.1%

Net Cash Position

€ 20.4 *

Shareholders' Equity

€ 66.4

(*) The figure as of 06.30.2019 is net of the effect on the NFP of the first-time application of the IFRS 16 principle equal to 956 thousand euros; this effect is purely accounting

Profit & Loss

€ 000	H1 2019	H1 2018 (*)
Sales Revenues (Like for like)	37,074	39,709
Sales Revenues (Pomodorissimo Santa Rosa) (**)	(3)	2,918
Total Sales Revenues	37,071	42,627
Changes in inventories of finished products	998	(236)
Other Revenue and income	582	195
TOTAL VALUE OF PRODUCTION	38,651	42,586
Purchases	(19,466)	(21,899)
Services	(8,652)	(9,489)
Other Operating Costs	(5,178)	(5,291)
EBITDA	5,355	5,908
<i>EBITDA margin</i>	14.4%	13.9%
Amortisation and depreciation	(1,172)	(1,040)
EBIT	4,183	4,867
<i>EBIT margin</i>	11.3%	11.4%
Net financial income/(charges)	(80)	(94)
EBT	4,103	4,773
Taxes	(1,101)	(1,298)
NET PROFIT/(LOSS)	3,002	3,475
<i>Net Profit margin</i>	8.1%	8.2%

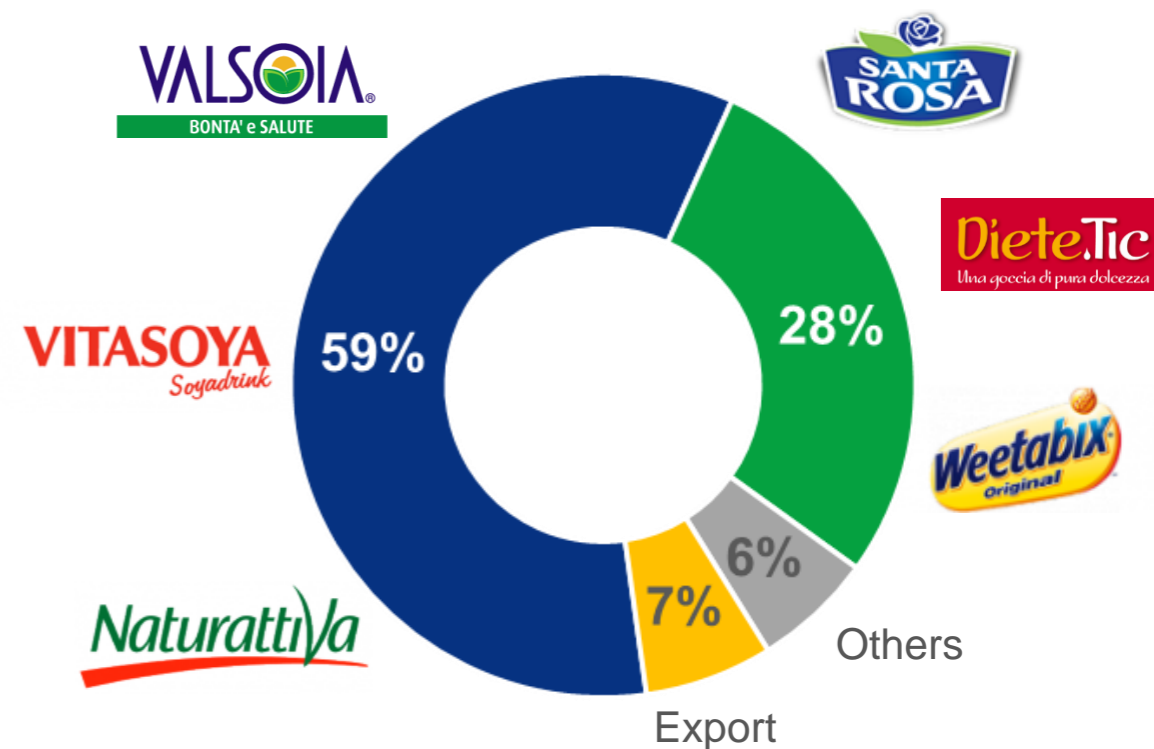
- Like for like sales revenues decreased 6.6% vs. the same period of 2018 due to a negative performance in the vegetable alternatives market
- Despite the negative scenario “Valsoia Bontà e Salute” continues to gain market share with a sustained growth in the number of families.
- Positive Food Division sales performance. Consumption remains stable
- Exports, excluding Germany, continue to increase
- EBITDA margin increased from 13.9% to 14.4%

(*) The Company adopted IFRS 16 on 1 January 2019 using the modified retroactive application method, the comparative information has not been restated.

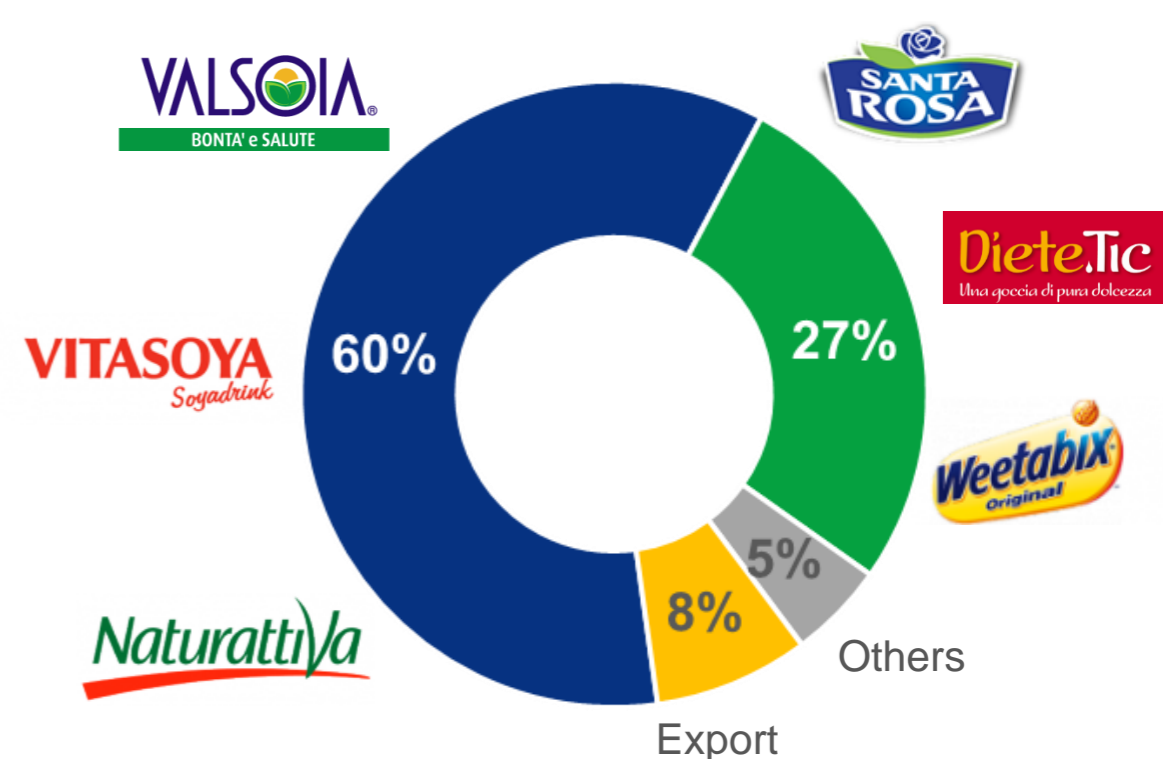
(**) The company has stopped sales of the “Pomodorissimo Santa Rosa” Line starting from November 2018 following the Licensing concession to third parties of the relevant Brand

Revenues breakdown

€ 000	H1 2019	H1 2018
Health Division	21,867	24,273
Food Division	10,448	10,483
Other	2,301	2,213
Total Revenues Italy	34,616	36,969
Exports	2,458	2,740
Total Revenues *	37,074	39,709
Pomodorissimo Santa Rosa	(3)	2,918
Total Revenues	37,071	42,627



€ 000	9M 2019	9M 2018
Health Division	34,396	37,039
Food Division	15,578	15,354
Other	3,507	3,395
Total Revenues Italy	53,481	55,788
Exports	3,983	4,044
Total Revenues *	57,464	59,832
Pomodorissimo Santa Rosa	(3)	4,434
Total Revenues	57,461	64,266

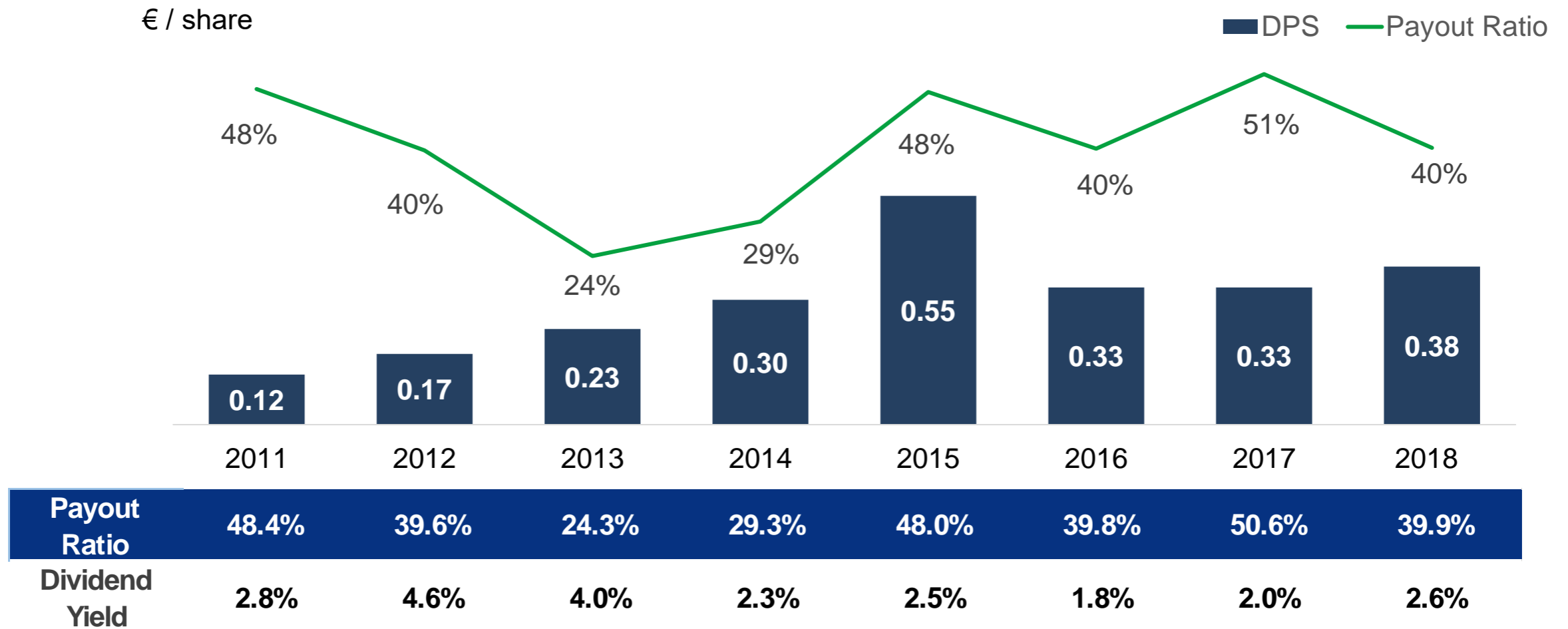


Balance Sheet

€ 000	30-06-19	31-12-18
Current Non-financial Assets	24,562	18,840
Current Non-financial Liabilities	(21,299)	(15,032)
Net Working Capital	3,263	3,808
Other Net Operating Assets/(Liabilities)	(222)	(94)
Total Non-current Assets	42,963	42,067
Total Investments	46,004	45,781
Shareholders' Equity	66,437	67,355
Current Net Financial Position (cash)	(28,357)	(30,319)
Non-current loans and borrowing	7,924	8,745
Net Financial Position (Cash)	(20,433)	(21,574)
Total Sources	46,004	45,781

- Valsoia boasts a strong cash generation and positive NFP
- At June 30, 2019, taking into account the € 956 thousand resulting from the application of IFRS 16, the NFP was in line with December 31, 2018
- Shareholders' Equity amounted to €66.4M
- At September 30, 2019 the NFP was €24.8M, a continuous improvement compared to 30 June 2019.

Dividend Payment



Dividends have consistently been distributed every year

Note: DPS refer to the fiscal year and not the year they were paid in.

Statement of Cash Flows

€ 000	H1 2019	H1 2018
Opening Short-term Net Cash	30,319	15,837
Cash Flow from Operating Activities	5,044	4,489
Taxes Paid	0	0
Cash Flow from Investment Activities	(1,115)	(817)
Cash Flow from Financial Activities	(5,356)	5,771
Cash Flow for the Period	(1,427)	9,442
Closing Short-term Net Cash	28,892	25,279

- The primary operating cash flow in H1 2019 was €5.3M.

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Da sempre
Valsoia sa
come renderci
un po' migliori.

