



BIOSEARCH
LIFE

Results
3M 2020

3M 2020

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The hypotheses, information and forecasts contained herein do not constitute guarantees of future results and are exposed to risks and uncertainties; Actual results may differ significantly from those reflected in the assumptions and forecasts for various reasons. The information collected in this document may contain statements about future intentions, expectations or forecasts. All those manifestations, with the exception of those based on historical data, are manifestations of the future, including, among others, those related to our financial position, business strategy, management plans and objectives for future operations.

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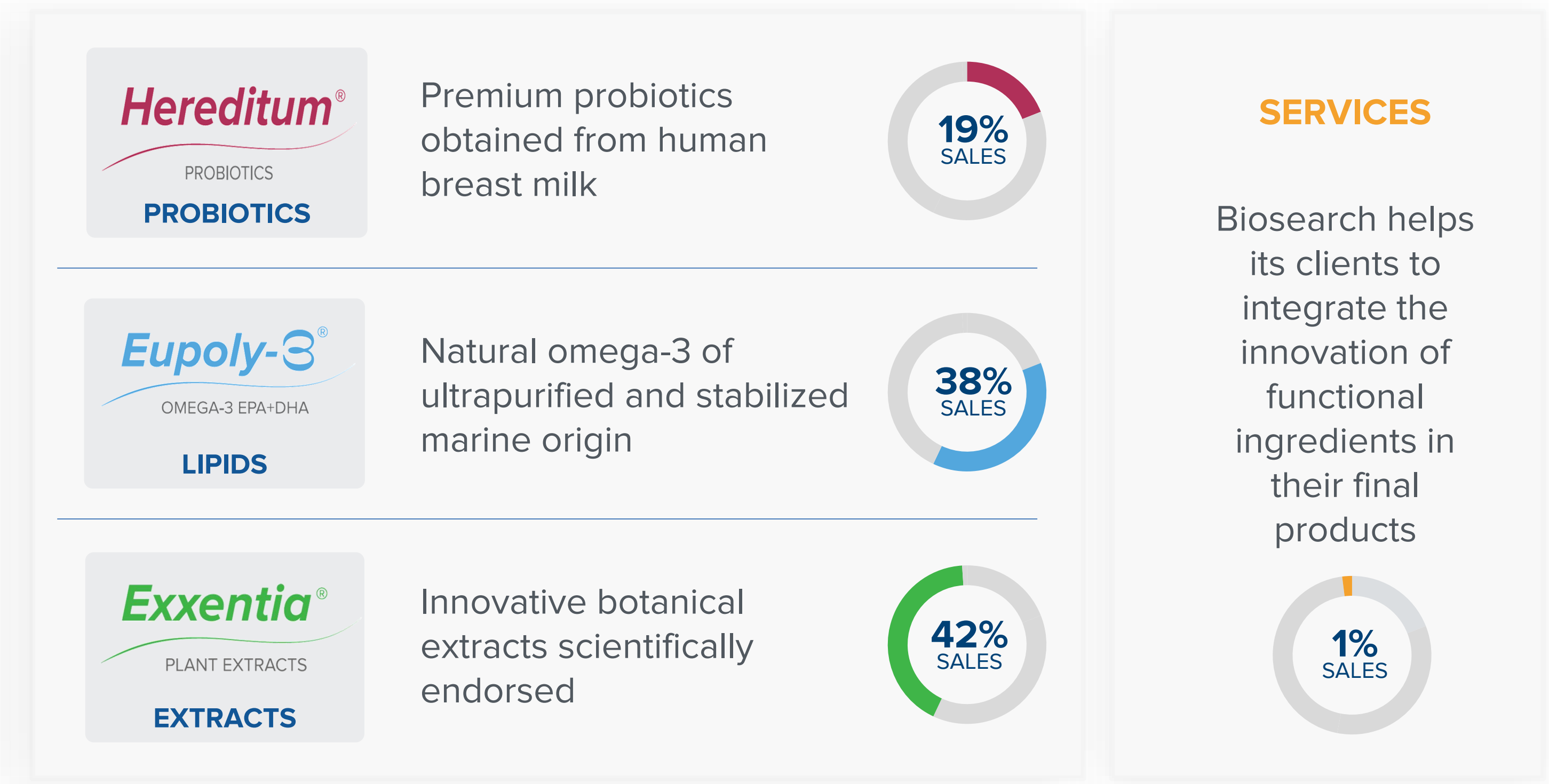
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FACTSHEET

Who we are

- Biotechnology company focused on providing innovative solutions based on healthy ingredients of natural origin, integrating unique and differentiated R&D skills, production techniques and extensive marketing capacity.
- Present in all the main international markets within the pharmaceutical, nutraceutical and functional food sectors, providing a wide range of high-quality products and services.
- Biosearch Life wants to transform its daily effort and scientific experience in health and well-being for people, providing healthy solutions specialized in the markets of Children, Functional Dairy, Women's Health and Seniors.

3 PRODUCT PLATFORMS



3M 2020



17.1% growth in sales driven mainly by extracts and lipids

- ✓ 13,8% growth in lipid sales mainly driven by the functional dairy segment and 53.8% growth in extracts sales, mainly driven by sales of Caronositol® and generic products.
- ✓ Significant increase in demand for probiotic products and extracts aimed at strengthening the immune system, which is expected to increase the rest of the year.
- ✓ Decrease in EBITDA as a result of an unfavourable sales mix and an adjustment in stock levels, mainly in extracts.
- ✓ Solid financial structure with a net cash position of €578 thousand.



Visible product pipeline demonstrating Biosearch's commitment to R&D

New GERAS project initiation

- ✓ To prevent and/or palliate the pathologies related to the loss of functionalities associated with age through the combination of extracts.
- ✓ Enhances the product differentiation from the extracts business.
- ✓ Two patents applications to mitigate cognitive loss and improve cardiovascular health in adulthood.

GESTA HEALTH project

- ✓ Products designed to promote a healthier pregnancy and breastfeeding by modulating the microbiota in women.
- ✓ Patent application for a probiotic composition for the treatment of vaginal infections.



Fully committed to sustainability

- ✓ Bio Certification as Ecological Producers and Traders in the Talayuela plant.
- ✓ Implementation of the identification of botanical species using molecular genetic techniques (DNA barcoding).



Impact and measures taken by Biosearch Life

COVID-19

STAFF PROTECTION

- ✓ Activation of work from home in areas that suit this functionality.
- ✓ Staff protection measures for the production and quality control areas of all plants:
 - Mandatory work with personal protective equipment.
 - Organization of work by shifts.
 - Control and access restricted to external personnel.

SUPPLY CHAIN

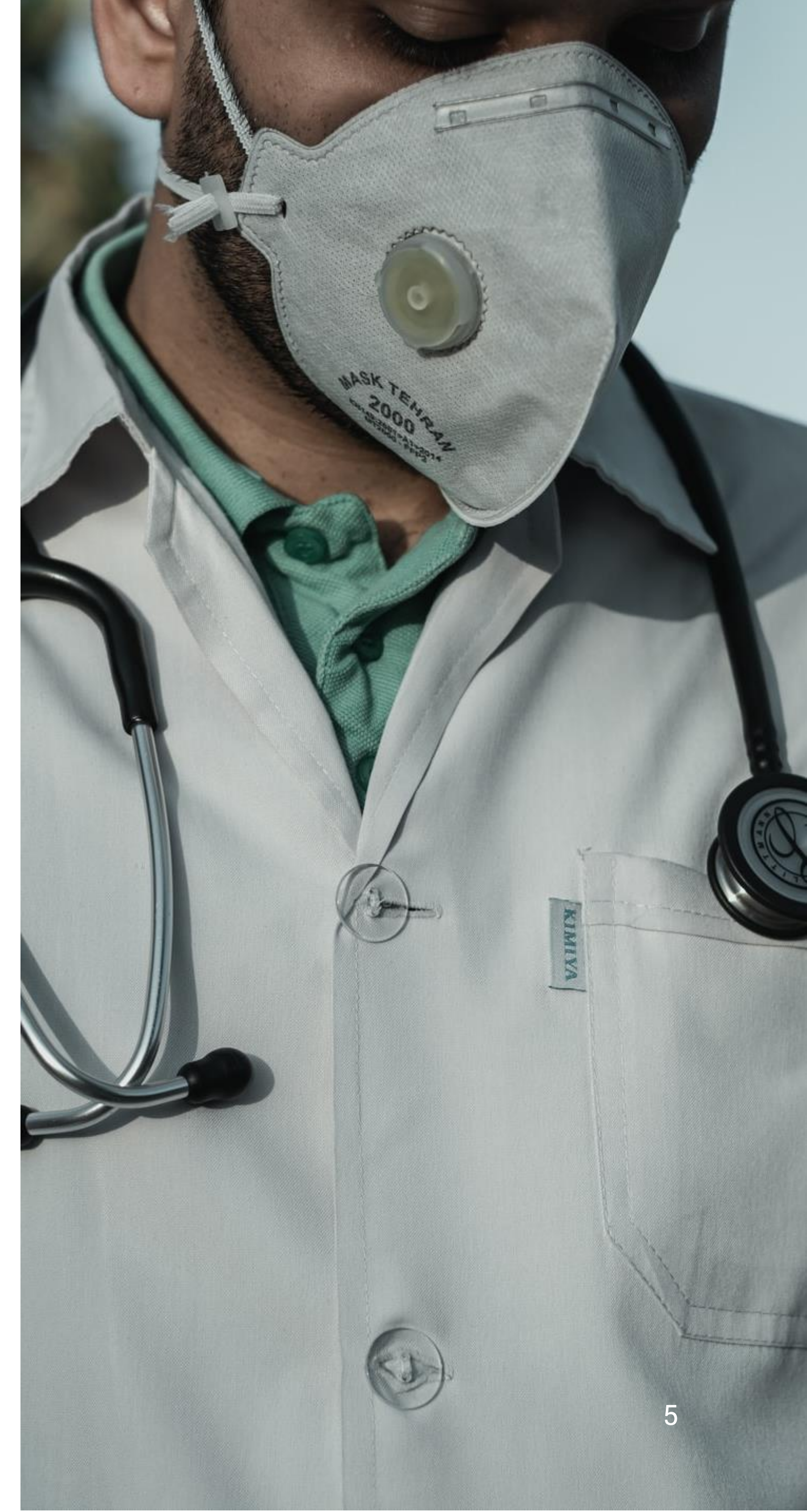
- ✓ The production activity continues its normal functioning.
- ✓ There is no risk of lack of stock or blockage of borders.

COMMERCIAL AGREEMENTS

- ✓ Commercial activity has been maintained, adapting the company-customer communication channels.
- ✓ Customer orientation towards products that reinforce the immune system and brands that guarantee the quality and safety of their products.
- ✓ New commercial opportunities, especially in the field of preventive improvement products for the immune system (probiotics and extracts).

R+D+i

- ✓ Start of a clinical trial project for the product Hereditum® Immunactiv K8 with the aim of measuring its efficacy in reducing the incidence and/or severity of COVID-19 symptoms. The first study started on April 23rd in healthcare personnel in contact with COVID-19 patients at the Hospital Universitario Clínico San Cecilio in Granada.





3M 2020

Financial Results



3M 2020

P&L

(€ thousands)	3M 2020	3M 2019	Var. % 20 - 19
REVENUES	6,583	5,623	17.1%
Sale of products	6,513	5,538	17.6%
<i>Probiotics</i>	1,232	1,528	(19.4%)
<i>Lipids</i>	2,520	2,214	13.8%
<i>Extracts</i>	2,761	1,796	53.7%
Services	70	85	(17.6%)
EXPENSES	3,187	3,364	(5.3%)
EBITDA	531	854	(37.8%)
PBT	114	450	(74.7%)
NET PROFIT	91	339	(73.2%)
Excluding the extraordinary effect of the expenses related to termination indemnities from the EBITDA:			
Adjusted EBITDA¹	695	900	(22.8%)

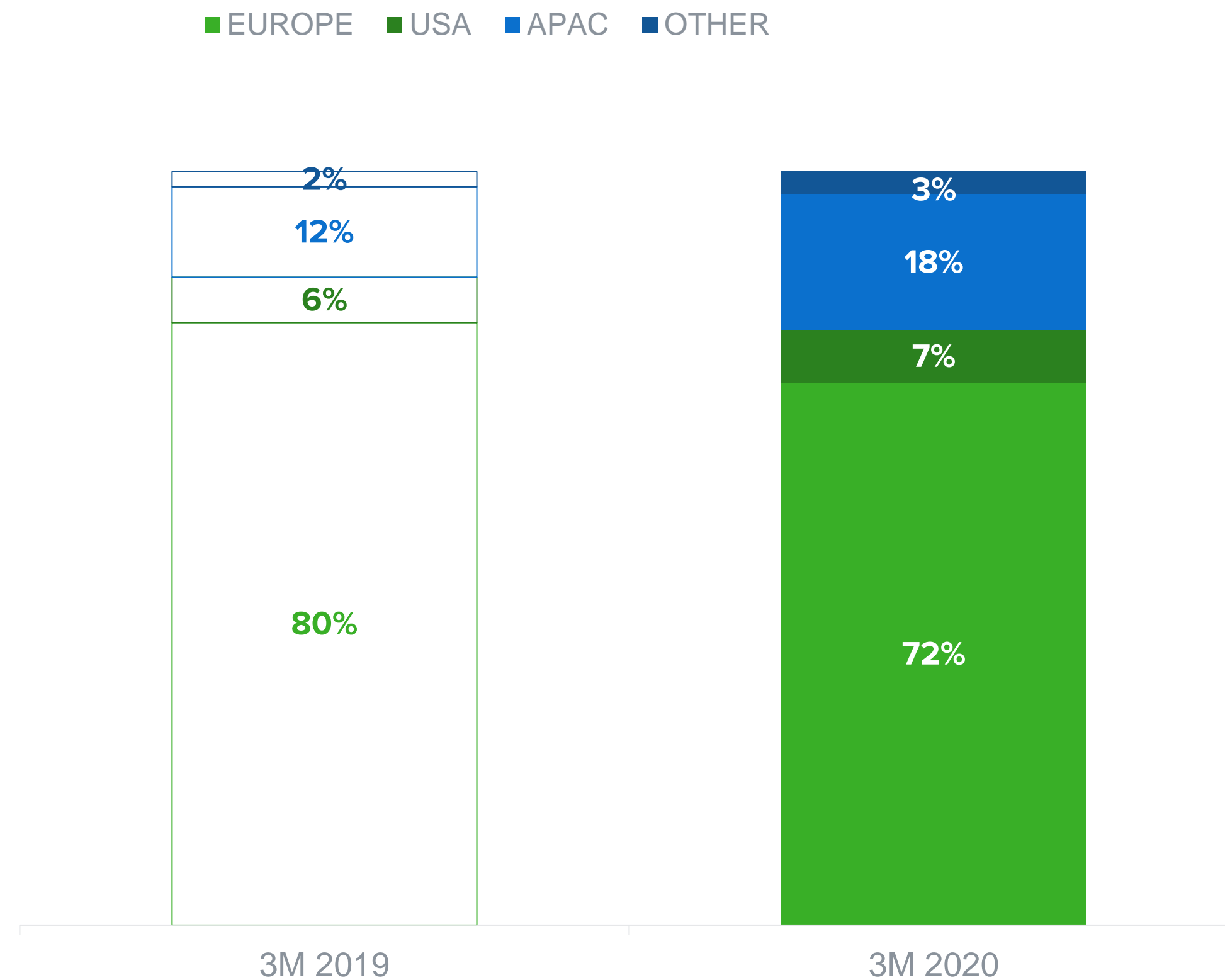
REVENUES

- 17.1% growth vs 3M 2019 driven mainly by:
 - PROBIOTICS:** Decrease in sales concentrated in the Children's Health segment due to a delay in orders from certain European customers and the change in the Company's distribution model in the Chinese market in 2H 2019.
 - LIPIDS:** Lipid sales growth of 13.8% mainly driven by the Functional Dairy segment, the increase in the number of customers and the launch of Eupoly-3[®] DHA Algae.
 - EXTRACTS:** Growth in Caronositol[®] sales and products aimed at strengthening the immune system, derived from a greater awareness in society towards natural products focused on prevention and health.
 - SERVICES:** In line with the Company's strategy to reduce this line of activity.

EBITDA

- EBITDA of €531 thousand in 3M 2020, which represents a reduction of €323 thousand caused by the sales mix and because the company is carrying out a stock reduction plan focused mainly in the area of extracts.
- Excluding the extraordinary effect of the expenses related to termination indemnities registered in 2020, EBITDA would rise to €695 thousand in 3M 2020, the year-on-year change would fall to 22.8%.
- The efficiency improvement plan continues, reducing operating expenses by 5.3% compared to 3M 2019, without compromising the Company's future growth.

GEOGRAPHICAL BREAKDOWN (% OF SALES)



EUROPE

- It represents 71.9% of total revenues, being mostly multinational clients with centralized global purchasing processes in this region.
- Probiotics sales aimed at the European market represent 61.0%.
- 9.1% growth in lipids sales in Europe, the main destination of this business line.
- Extracts sales increase by 32.0%, driven mainly by products aimed at improving the immune system.

USA

- Relevant market for its growth potential in our business lines and segments.
- The extracts business continues to be the main driver of sales growth in the United States, representing 43.3% of sales.

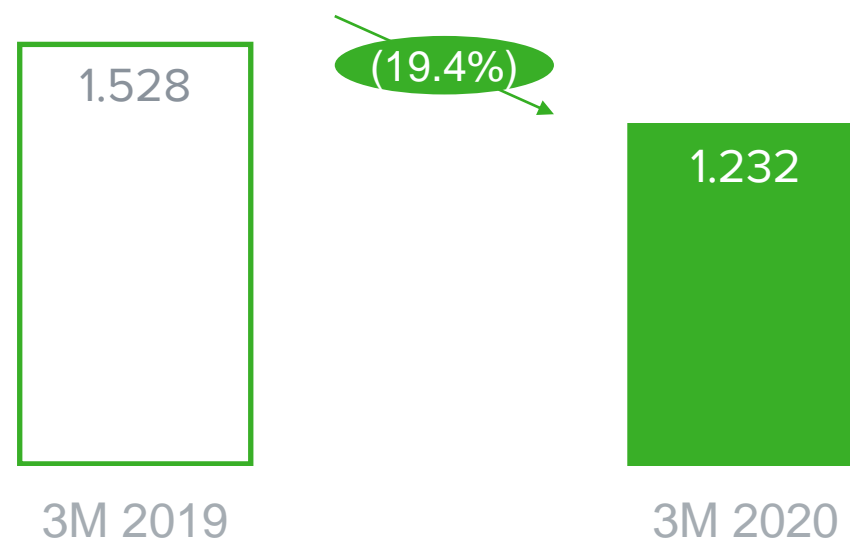
APAC

- Increase in the weight of this market reaching 18.1% of total revenues in 3M 2020 driven by the Company's focus in this geography, especially China, India and Southeast Asia.
- Products for Women's Health have accounted for 86.3% of the extracts business growth in this region.
- The change in the Company's distribution model in the Chinese market has generated a specific slowdown in probiotic sales in these countries.
- Market with great growth potential in the inclusion of probiotics in the field of Women's Health.
- Lipids growth is mainly concentrated in the Functional Dairy segment in this geographic market.

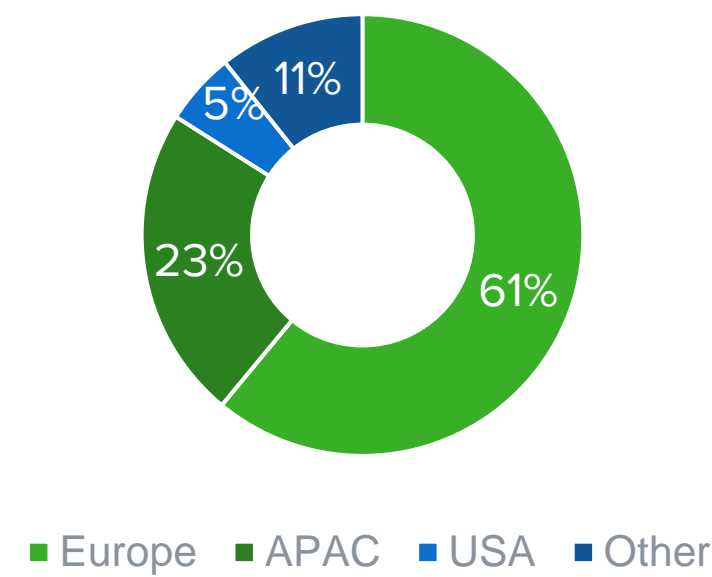
3M 2020

Probiotics

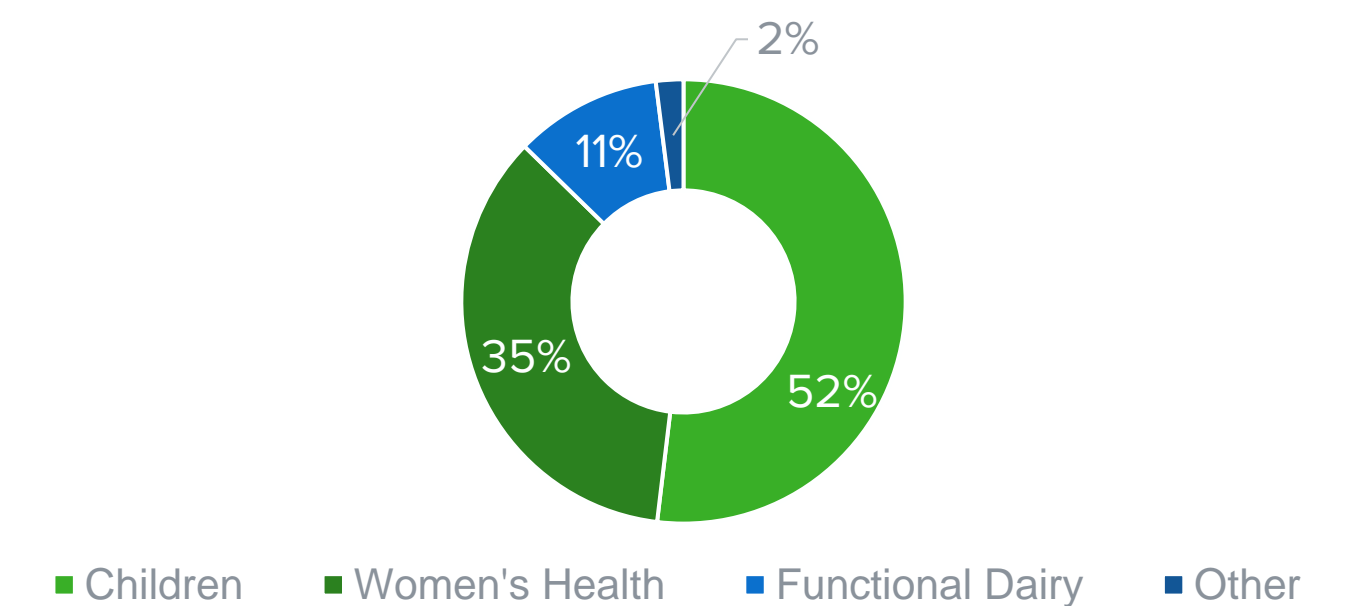
Sales (€ Thousands)
3M 2020



Sales geographical breakdown
3M 2020



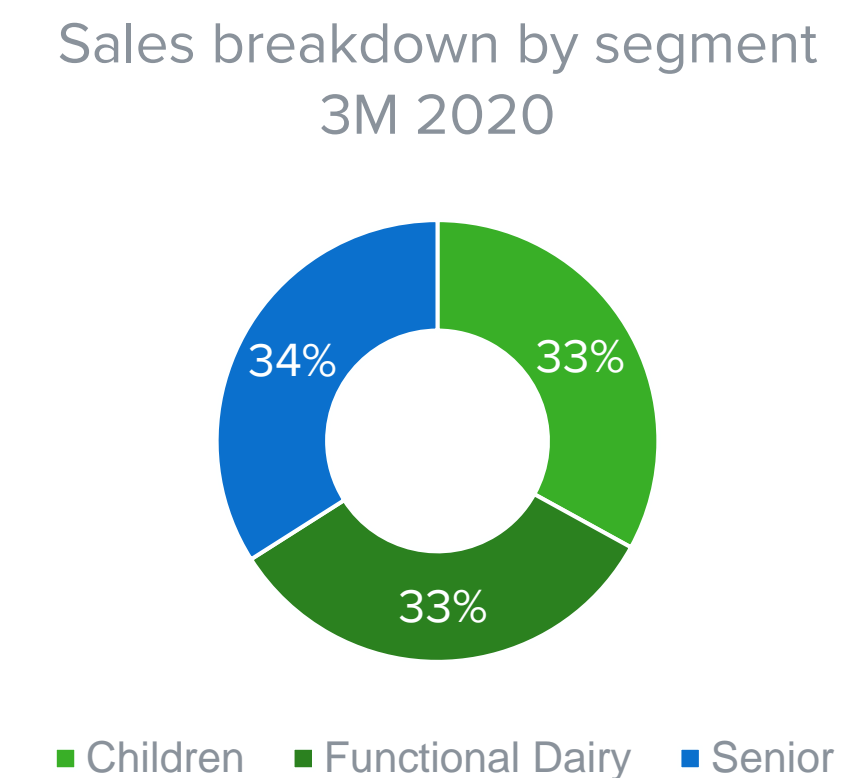
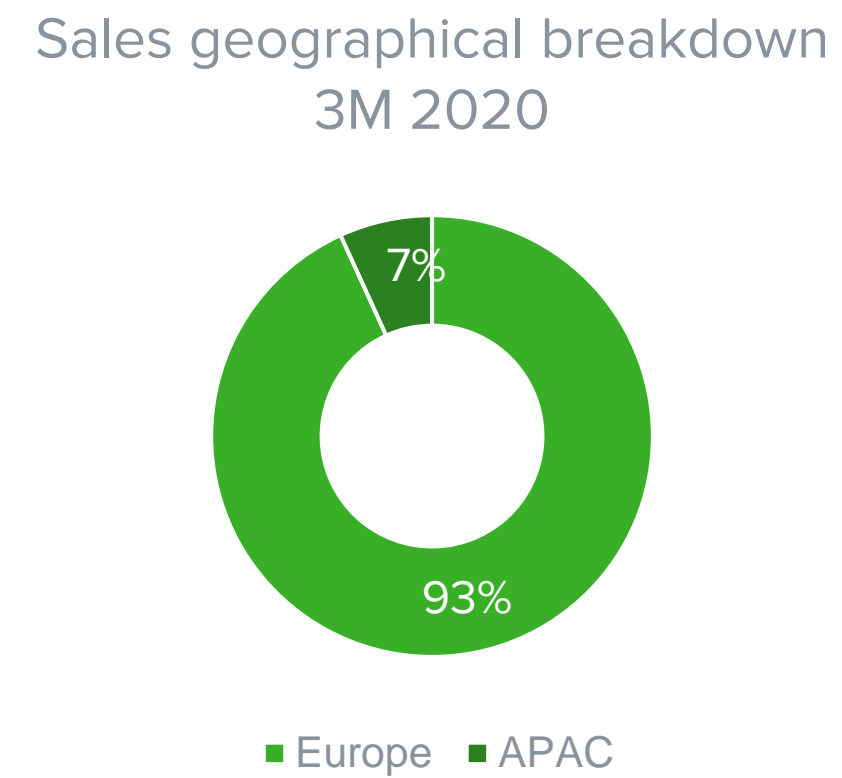
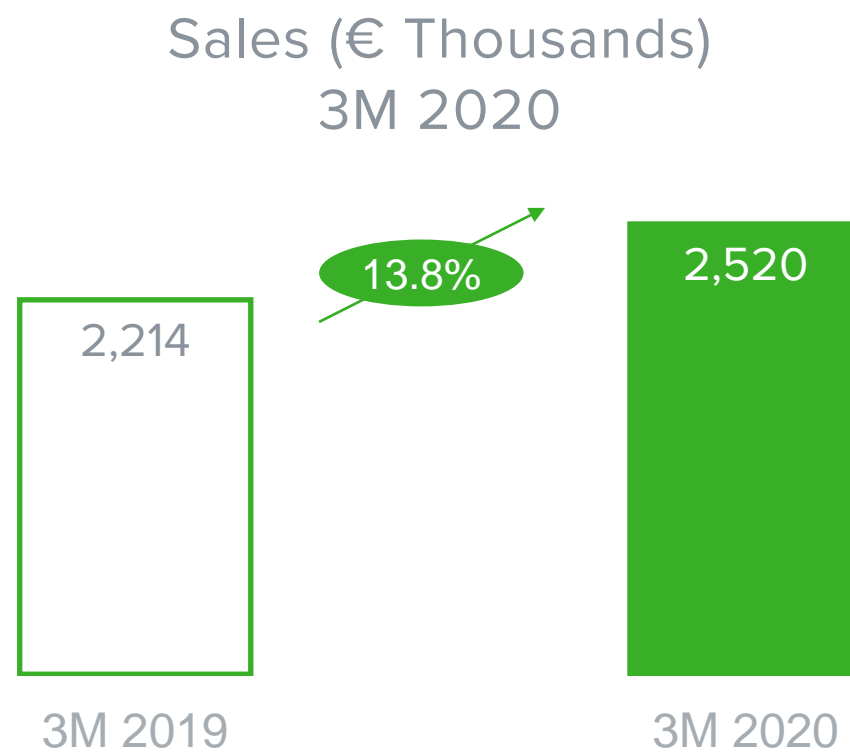
Sales breakdown by segment
3M 2020



- ✓ Biosearch has a collection of isolated strains of breast milk, unique in the market with this origin, patented and endorsed by more than 30 scientific publications This allows it to position itself uniquely in the maternal infant environment
- ✓ The slowdown in 3M 2020 sales is mainly focused on the Children's Health segment, caused by:
 - A change in the Company's distribution model in the Chinese market, which will be reflected in H2 2020.
 - Conjunctural order gap due to a different timing of orders from certain customers.
- ✓ Women's Health segment, which accounts for 35.4% of probiotic sales, increases its sales in all geographic markets.
- ✓ Initiation of the new GESTA HEALTH R&D project to promote women's health, with the patent application for the treatment of vaginal infections.

3M 2020

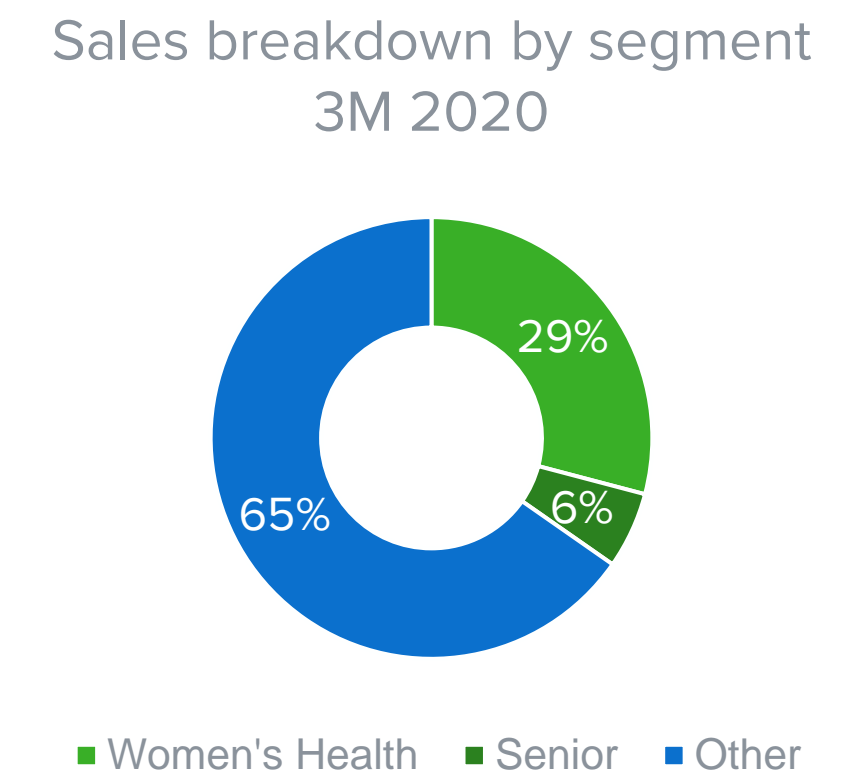
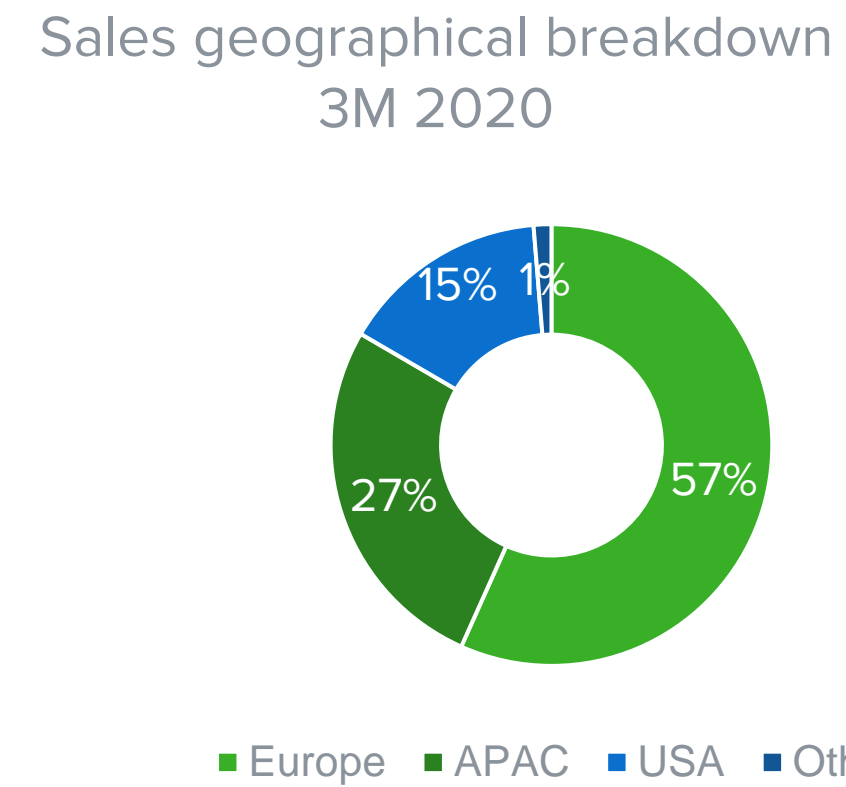
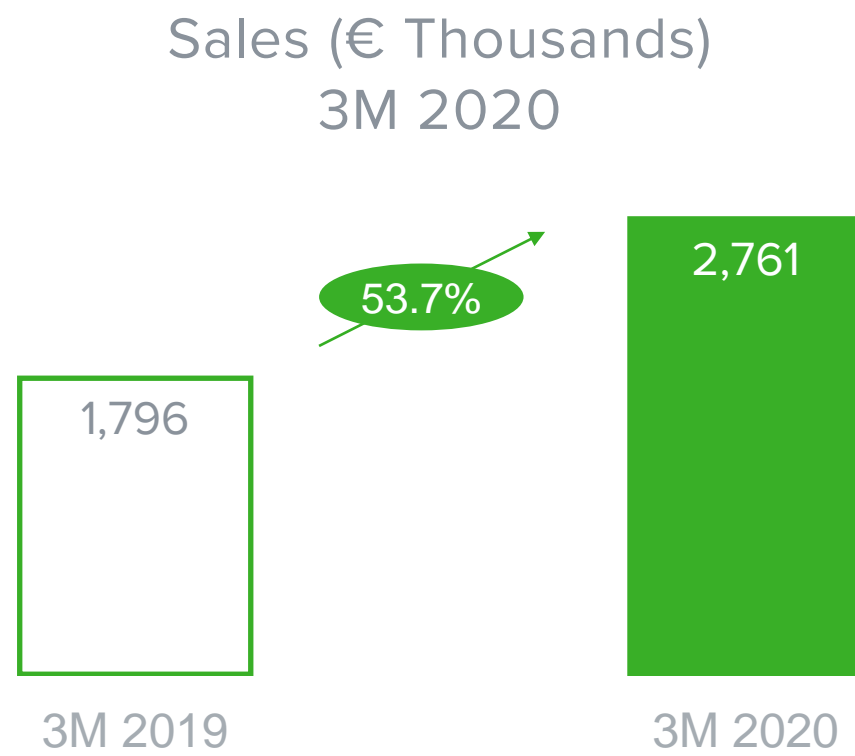
Lipids



- ✓ The Eupoly 3[®] product range consists of oils, emulsions and microencapsulated powders with different concentrations and ratios of EPA and DHA.
- ✓ The positive trend in the lipids business continues with an 13.8% increase in sales.
- ✓ 6.8% sales increase in Spain in Functional Dairy, being the main recipient weighting a 74.5% of the sales of this segment.
- ✓ The launch of the new range of DHA-rich oils from marine microalgae in 2019 reflects positive results in sales for Children's Health in the European market in 3M 2020.
- ✓ The new regulation for infant formula and continuation in the European Union that stipulates the mandatory addition of DHA omega-3 fatty acids is a stimulus for the Company's products.
- ✓ Increased penetration and number of clients, including Asia.

3M 2020

Extracts



- ✓ The botanical extracts line is focused on the continuous innovation of clinically proven premium products oriented to specific health applications.
- ✓ 53.8% increase in sales, driven mainly by:
 - 199.% increase in sales of Caronositol[®], a product of great value for women's health, mainly in the Asian market.
 - Greater demand for generic products in the European market, focused on products that strengthen the immune system.
 - Customer orientation to producers and brands that guarantee quality and safety. Through the identification of botanical species by DNA, Biosearch guarantees the identity of the raw material of botanical origin products.
- ✓ Strategy to expand the portfolio of products differentiated by its quality and application.
- ✓ Application for two patents from the GERAS R&D project for elderly pathologies: cognitive deterioration and cardiovascular health.
- ✓ Development of a range of BIO products to meet the growing demand for organic products

3M 2020

Balance Sheet

	Mar 2020	Mar 2019		Mar 2020	Mar 2019
ASSETS	33,379	32,703	EQUITY AND LIABILITIES	33,379	32,703
Non-current assets	15,951	15,920	Shareholders' equity	24,001	23,788
Intangible assets	1,342	1,054	Equity	23,751	23,370
Fixed assets	8,889	8,055	Share capital	13,848	13,848
Property investments	566	581	Share premium	18,977	18,977
LT financial investments	946	1,840	Reserves	4,437	4,043
Deferred tax assets	4,208	4,390	Retained earnings	(12,763)	(12,998)
			Profit for the year	91	339
			Treasury stock	(839)	(839)
			Subsidies, donations	250	418
Current assets	17,428	16,783	Non-current liabilities	3,394	3,701
Inventory	7,974	8,707	Long-term provisions	-	306
Customer receivables for sales	5,502	4,565	Long-term debt	3,296	3,256
Receivables affiliated companies	762	728	Deferred tax liabilities	98	139
Accounts receivable	1,906	2,054			
Advance payments and dist. exp.	24	36	Current liabilities	5,984	5,214
Cash	1,260	693	Short-term debt	611	689
			Debts to Group companies	106	119
			Trade and other payables	5,267	4,406

ROE
6.0%

ROCE
10.5%

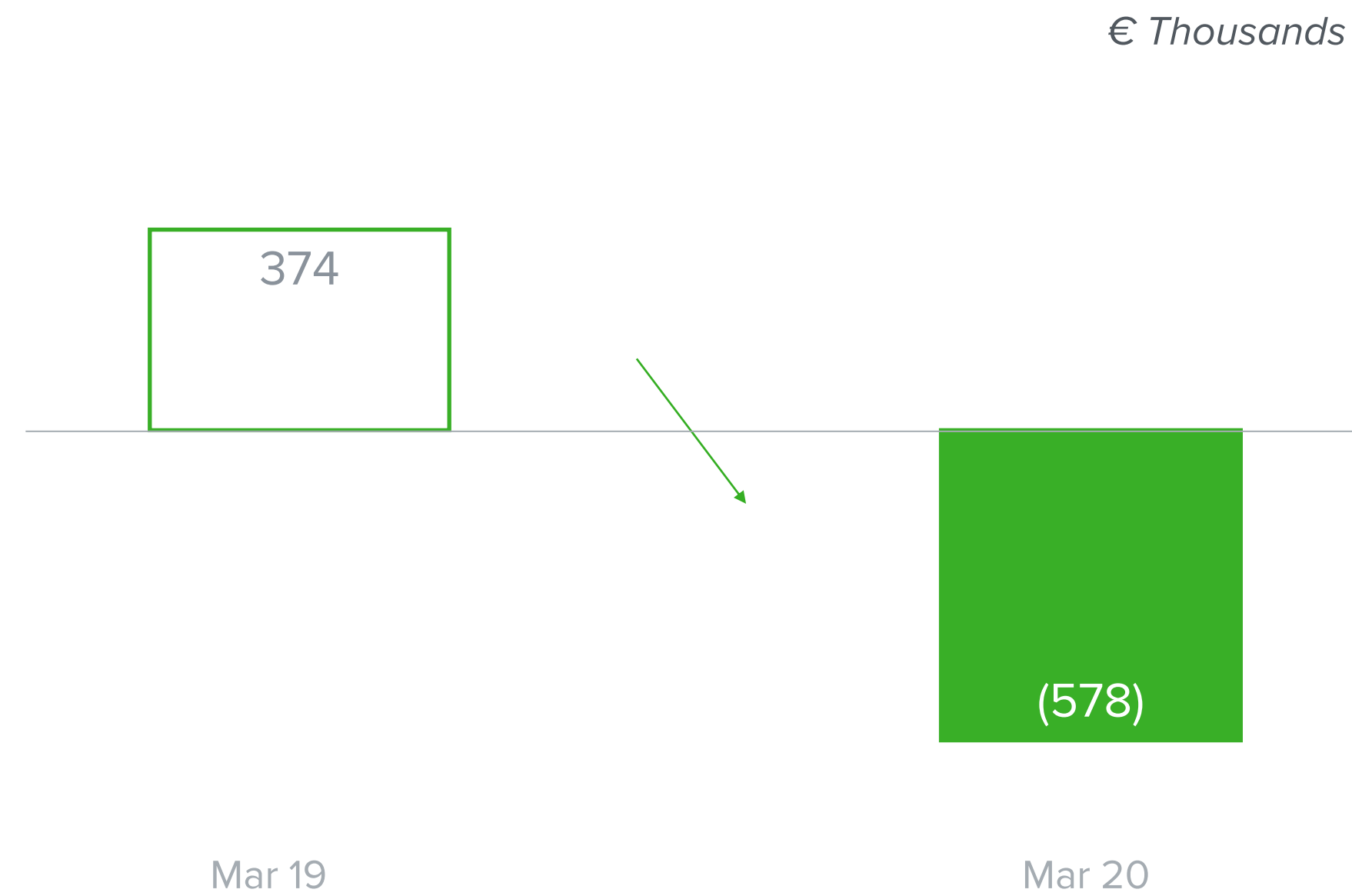
RATIO DE SOLVENCIA
3.56

3M 2020

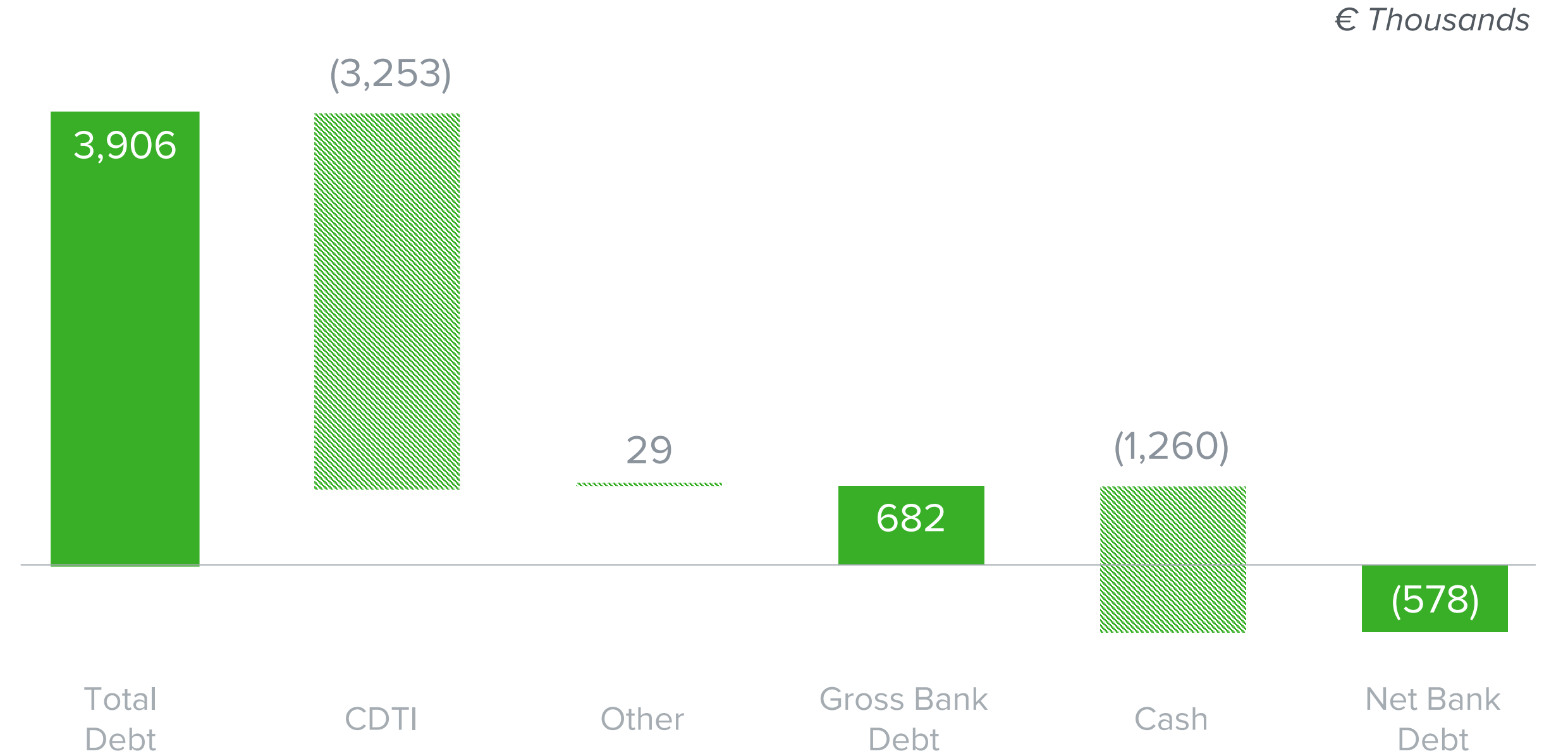
Financial Debt

Avg. Cost of Debt
2.0%

NET BANK DEBT
 March 2020



FINANCIAL DEBT
 March 2020





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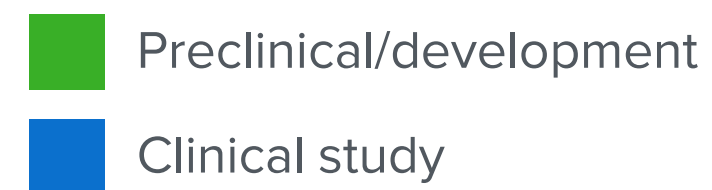
3M 2020

Pipeline of projects



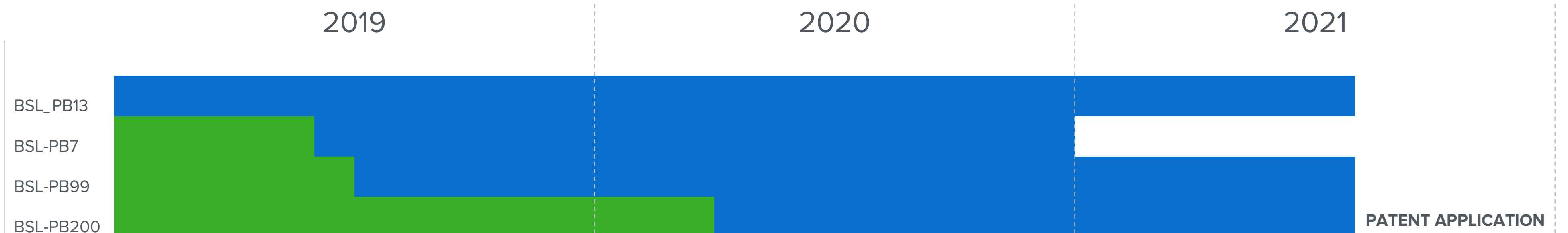
MAIN ONGOING PROJECTS

Pipeline of projects



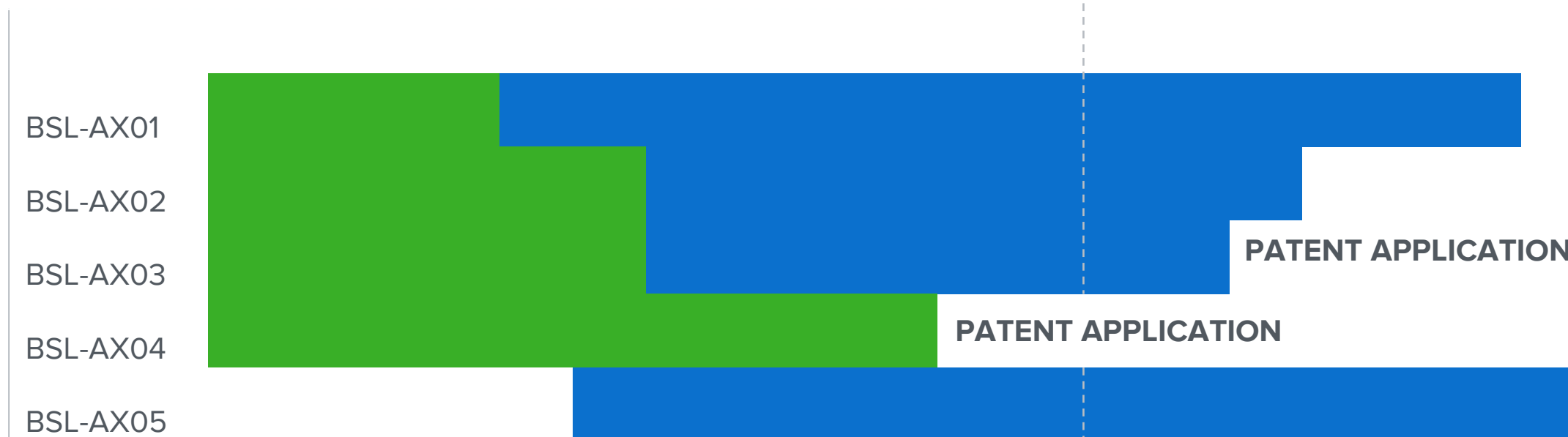
GESTA HEALTH

Products aimed at favouring a healthier pregnancy and lactation through the modulation of microbiota in women.



GERAS

Nature as a source of health for the elderly



"Nature as a source of health for the elderly"

GERAS project

GOAL

- ✓ Search for natural strategies based on high-quality plant extracts, exhaustively characterized, that help the elderly to prevent and/or palliate the pathologies of the loss of functionalities associated with age.
- ✓ CDTI granted financing €604k (85% of the project's total investment), co-financed by FEDER.

Cardiovascular Health	Osteoarticular Health
Immune Health	Cognitive health

700k €
 TOTAL INVESTMENT

3 years
 DURATION

- ✓ Demonstrates Biosearch's commitment to R&D
- ✓ Enhances the differentiation of extracts products



GERAS PROJECT

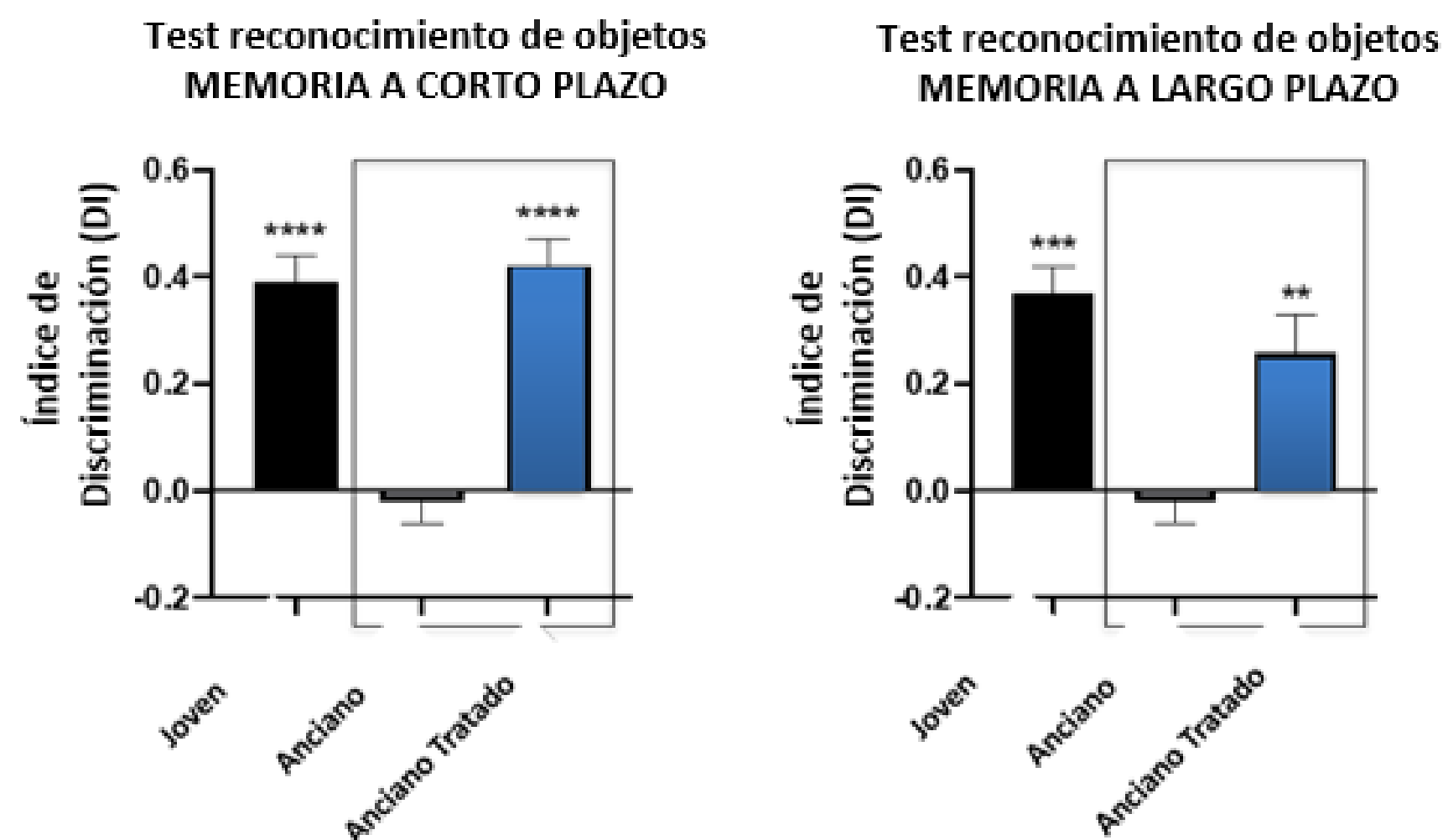
Patent application: Cognitive Health

- ✓ New composition of plant extracts and DHA (Docosahexaenoic acid) to mitigate the cognitive deterioration associated with aging.
- ✓ It belongs GERAS project supported by the CDTI and co-financed by ERDF.
- ✓ The project has the collaboration of the University of Barcelona and the Bosch i Gimpera Foundation.

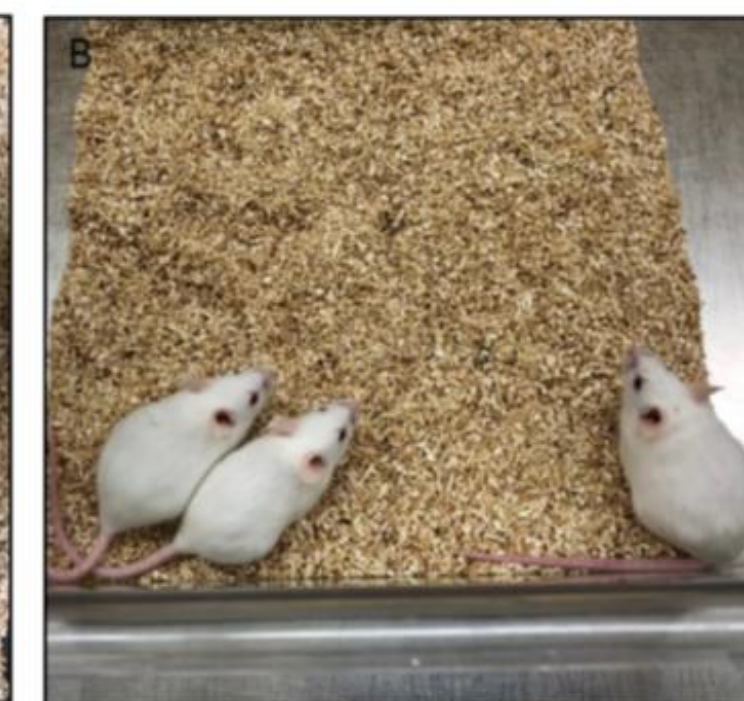
RESULTS OF THE PRECLINICAL STUDY

Mitigation of the cognitive deterioration of the mouse associated with aging

Improvement in the physical appearance of the mouse with a rejuvenating effect



A) Ejemplo aspecto físico ratones sin tratar



B) Ejemplo aspecto físico ratones tratados

GERAS PROJECT

Patent application: Cardiovascular Health

- ✓ Focused on the prevention of cardiovascular diseases for the senior population, such as atherosclerosis, stroke, peripheral vascular disease and coronary disease.
- ✓ Discovery of the ability of almond polyphenols to improve the bioavailability of olive hydroxytyrosol, thus increasing the effectiveness of this powerful cardioprotective compound.
- ✓ In a clinical study carried out on volunteers with moderate cardiovascular risk factors, the administration of this combination of extracts for 4 weeks resulted in 45% less LDL-oxidised than the control group, confirming the powerful cardio-protective effect of this combination.
- ✓ Aimed at the food supplement and functional food sector to improve cardiovascular health.
- ✓ It is part of the GERAS project supported by CDTI and co-financed by FEDER.
- ✓ The commercialization of this new compound will focus on Europe, North America, Brazil and APAC.

Constantly growing market
of food supplements for
cardiovascular health

World market for heart health ingredients

Current world market >\$2,000 Mn

Growth driven by the progressive ageing of the population.

Global market for heart health supplements

World market potential > \$11,000 Mn



"Towards a healthier gestation and lactation through the modulation of microbiota in women"

GESTA HEALTH Project

OBJECTIVE

- ✓ Products designed to promote healthier pregnancy and breastfeeding by modulating the microbiota in women.
- ✓ The CDTI has granted funding of €1.9 Mn (85% of the total project investment), co-financed by FEDER funds.

Women's health in the pre-conception stage	Women's health during breastfeeding
Women's health during pregnancy	Baby's Health

2.3 Mn €

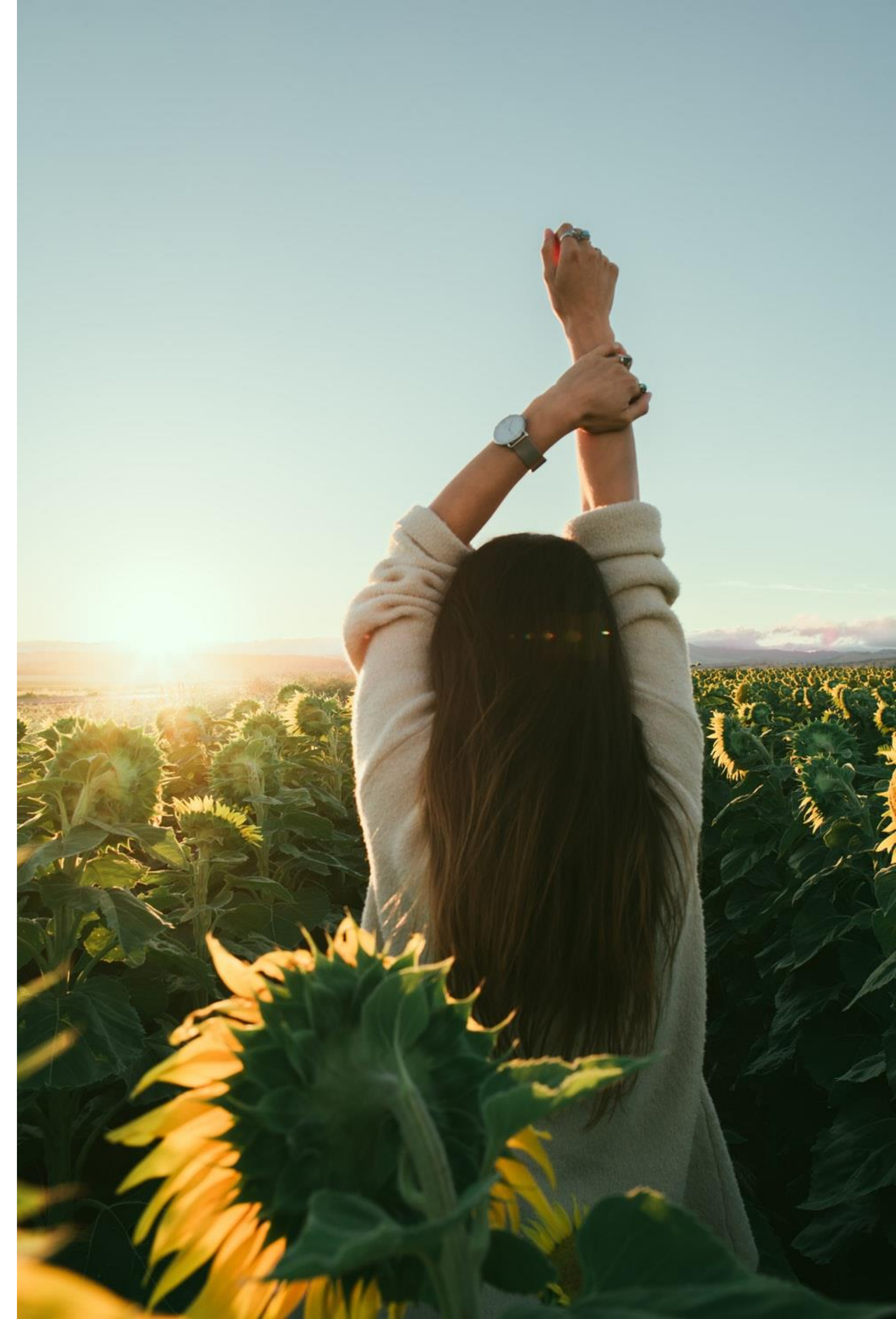
TOTAL INVESTMENT

3 years

DURATION

✓ Demonstrates Biosearch's
commitment to R&D

✓ Great potential of probiotics
in the healthy ingredients market



Patent application: Vaginal infections

Probiotic composition that is part of a biocomposite (probiotic-collagen-exopolysaccharide) in the therapy of bacterial vaginosis

- ✓ The novelty of this composition comes from the use of the newly developed material that allows a greater adhesion to the mucosa favoring greater effectiveness of the probiotic.
- ✓ This patent protects the use of any Lactobacillus in the formation of this biomaterial having been demonstrated with several probiotic strains from Biosearch's own collection.
- ✓ The project has the collaboration of the research group of Prof. Mr. José Manuel Domínguez from the University of Granada within the framework of the GESTA HEALTH project.
- ✓ The commercialization of this new compound will be focused on the European market.





3M 2020

Strategic projects



Probiotics

Hereditum Immunactiv K8

- ✓ The strain *Lactobacillus coryniformis* CECT5711 K8 has shown in several studies an effective power to enhance the immune response.
- ✓ Two clinical trials in humans in vaccination protocols against the hepatitis A virus and the influenza virus stand out.
- ✓ The effect was especially strong in senior population, more susceptible to infections and in which vaccination against influenza is recommended. The intake of *Lactobacillus* K8, showed that the immune system better recognized the attenuated/dead viruses from the vaccines improving the immune response.

COVID-19 CLINICAL TRIALS PROJECT

- ✓ Launch of a clinical trial project for the product Hereditum® Immunactiv K8, with the aim of measuring its effectiveness in reducing the incidence and/or severity of COVID-19 infection.
- ✓ Started the first study on healthcare personnel in contact with COVID-19 patients, including 320 volunteers, at the Hospital Universitario Clínico San Cecilio in Granada. Results are expected in the third quarter of the year.
- ✓ Preventive strategy based on strengthening the immune system.



Lipids

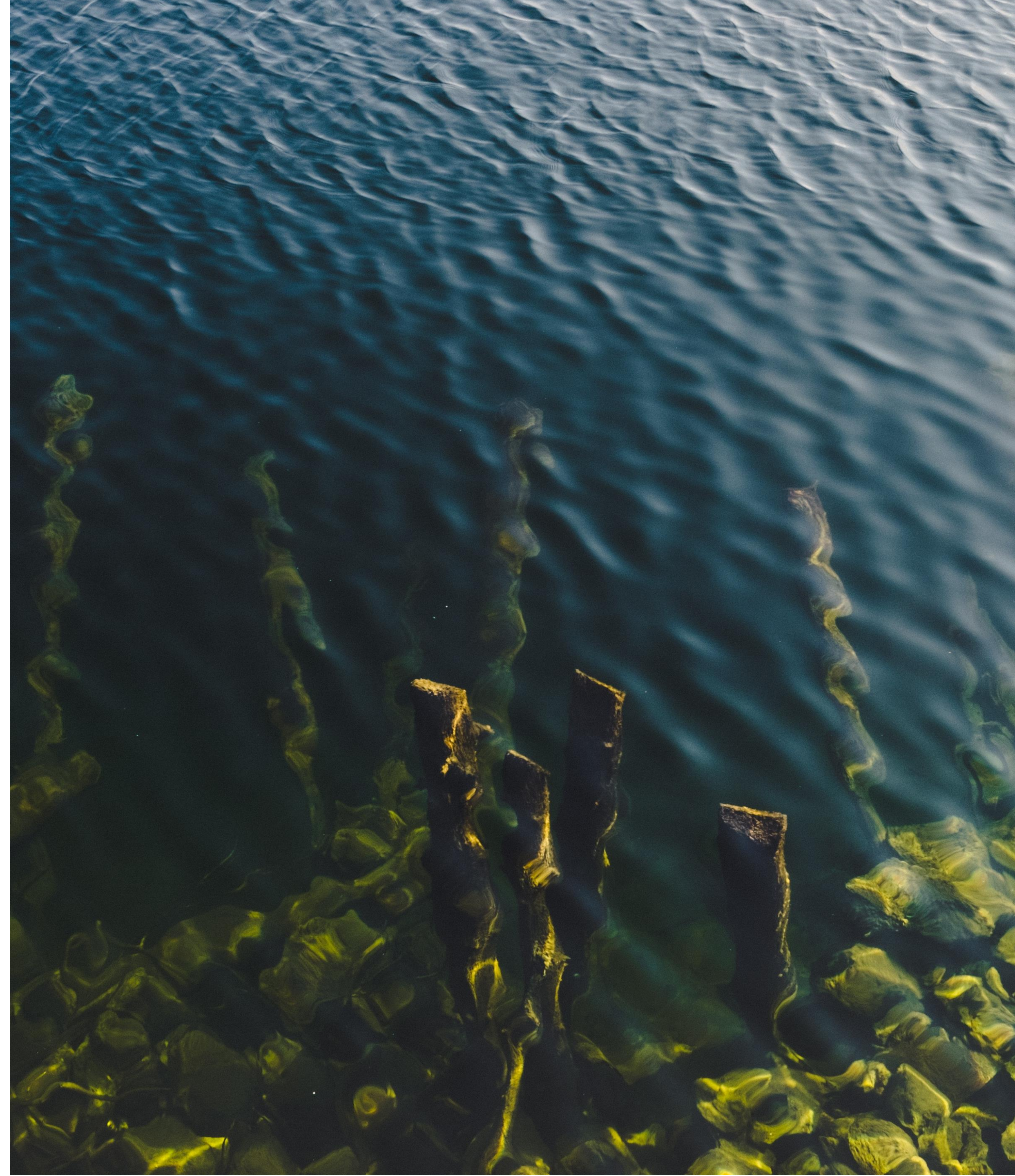
Microalgae

Eupoly-3[®] DHA Algae is the first non-animal product of the lipids' range. It is a microalgae oil that constitutes a natural source of omega-3 with a high content of DHA aimed at infant feeding due to its effects on the development of brain function and vision.

Eupoly-3[®] DHA Algae begins to reflect positive sales results, with a notable growth expected in the next year.

ADVANTAGES

- ✓ Sustainable product without contact with the marine environment (sustainable cultivation in microalgae fermentation factories)
- ✓ New customers – it is suitable for vegans
- ✓ With the same quality standards as Eupoly-3



Extracts

Women's Health

Caronositol Fertility™
D-CHIRO-INOSITOL & MYO-INOSITOL

Polycystic Ovary Syndrome (PCOS)

Damilib
Improving Sexual Desire

Sexual dysfunction

 **LUPRENOL**
NATURAL INGREDIENT FOR MENOPAUSAL DISCOMFORT

Menopause

 **Voluntas®**
Supporting breastfeeding

Natural galactagogues



Extracts

Children's Health

Exxentia® Kids BREATH

Exxentia Kids breath

Focused on improving children's health at a respiratory level, with its demulcent and expectorant properties

Exxentia® Kids DIGESTIVE

Exxentia Kids Digestive

Focused on improving the children's health at the digestive level, in situations of constipation and colic

Exxentia® Kids SLEEP

Exxentia Kids Sleep

It helps reduce nervous agitation and favors a restful rest

Glycerinated preparations

Exxentia® Kids

THE NEW LINE of
Biosearch Life extracts
focused on

children from
0 months
to 6 years ☺



Extracts

Food & Beverage

Biosearch Life can provide many different botanical extract solutions for the food & beverages industry in order to offer a health function, plant based and clean label for our customers with the market trends:

- ✓ Wide range of botanical extracts and customized botanical extract blends for calm, energy, detox, skin beauty, weight management and vital hair.
- ✓ Biosearch Life is developing formulations adapted to current market trends: Plant-based, clean label and “eat pretty”.

APPLICATIONS



Ready-to-drink beverages



Dairy products

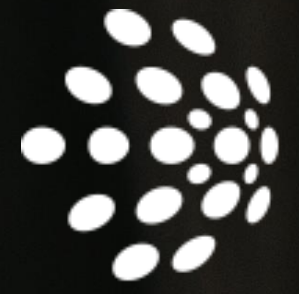


Healthy snacks



Natural additive





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3M 2020

ESG





Good Corporate Governance

- ✓ Corporate social responsibility policy
- ✓ Control and risk management policy
- ✓ Corporate fiscal policy
- ✓ Communications policy with shareholders, investors and proxy advisors
- ✓ Selection Procedure for Board Members candidates
- ✓ Meeting regulations for the correct functioning of the General Shareholders Meeting and the Board of Directors
- ✓ Internal rules of conduct in matters relating to the securities markets



Transparency

- ✓ Annual Corporate Governance Report (IAGC)
- ✓ Remuneration policy for Directors implemented
- ✓ Anti-Corruption and Anti-Bribery Policy
- ✓ Policy for the purchasing processes, validation and attestation of signatures
- ✓ Information Security Policy
- ✓ Internal Code of Conduct
- ✓ Internal complaints channel




Fiscal Policy

- ✓ Biosearch is adhered to the **Code of Good Tax Practices** with the goal of increasing the effectiveness of the Tax Administration's controls, to carry out those practices that lead to the reduction of significant fiscal risks
- ✓ The **fiscal internal policy** includes the fiscal strategy and the commitment of compliance, development and implementation of good tax practices to maintain a fluid relationship with the Administration based on mutual trust, transparency and collaboration.

Quality and security as a priority

certifications and registers

 <p>ISO 22000 CERTIFICATE</p>	 <p>FSSC 22000 CERTIFICATE</p>	 <p>FOS CERTIFICATE</p>	 <p>K8 & LC40 STRAINS REGISTERED IN CANADA</p>	 <p>LC40 STRAIN REGISTERED IN CHINA</p>
 <p>ISO 17025 ACCREDITATION</p>	 <p>INSP US-FDA GMP-DIETARY FOOD Part 110&111</p>	 <p>SAE CERTIFICATE</p>	 <p>IFFO-RS CERTIFICATE</p>	 <p>INSP AEMPS GMP-API (ICH Q7)</p>
 <p>GMP FOOD CERTIFICATE Internat. Codex Alimentarius</p>	 <p>BIO CERTIFICATE</p>	 <p>HALAL CERTIFICATE</p>	 <p>KOSHER CERTIFICATE</p>	

New extracts' certification

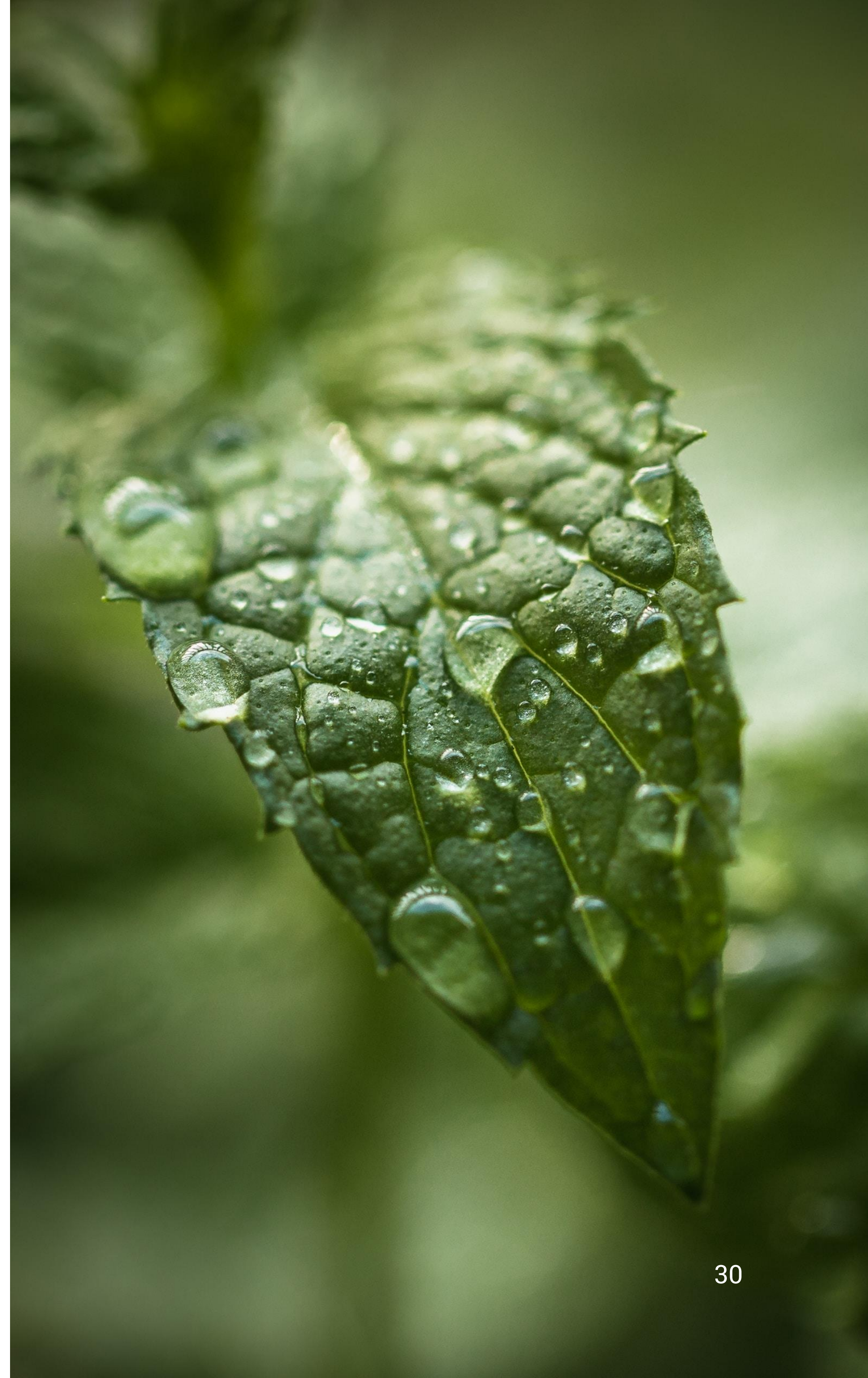
BIO Certification



Talayuela plant has obtained the Certificate as Organic Producers and Marketers, a first step in the manufacture of ingredients labeled Organic / Ecological.



- ✓ From organically grown plants from selected suppliers, no pesticides or GMOs (Genetically Modified Organisms)
- ✓ Using validated organic raw materials
- ✓ Extraction process complying with EUROPEAN REGULATION (EC) No 889/2008
- ✓ 44 BIO/ECO certified plants



DNA

IMPLEMENTATION OF GENETIC IDENTIFICATION OF PLANTS BY DNA

Biosearch Life implements the identification of botanical species through molecular genetic techniques (DNA barcoding).

With this anti-fraud measure, the identity of the raw material of our botanical products is guaranteed.

By the end of September, a total of 124 plants batches from 22 different botanical species have been tested for DNA, including plants for API and BIO manufacturing. In all cases, botanical identity has been confirmed.





3M 2020

Closing Remarks



Closing Remarks



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Fully committed to sustainability

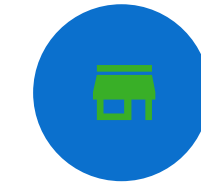
- ✓ Bio Certification as Ecological Producers and Traders in the Talayuela plant.
- ✓ Implementation of the identification of botanical species using molecular genetic techniques (DNA barcoding).



BIOSEARCH LIFE

Contac us

<http://www.biosearchlife.es/>



Investor Relations Contact

Tel: (+34) 958 240 200

oficinaatencionaccionista@biosearchlife.com

Biosearch Life

Camino de Purchil, 66

18004 Granada (Spain)

