



# 2021 Letter to Shareholders

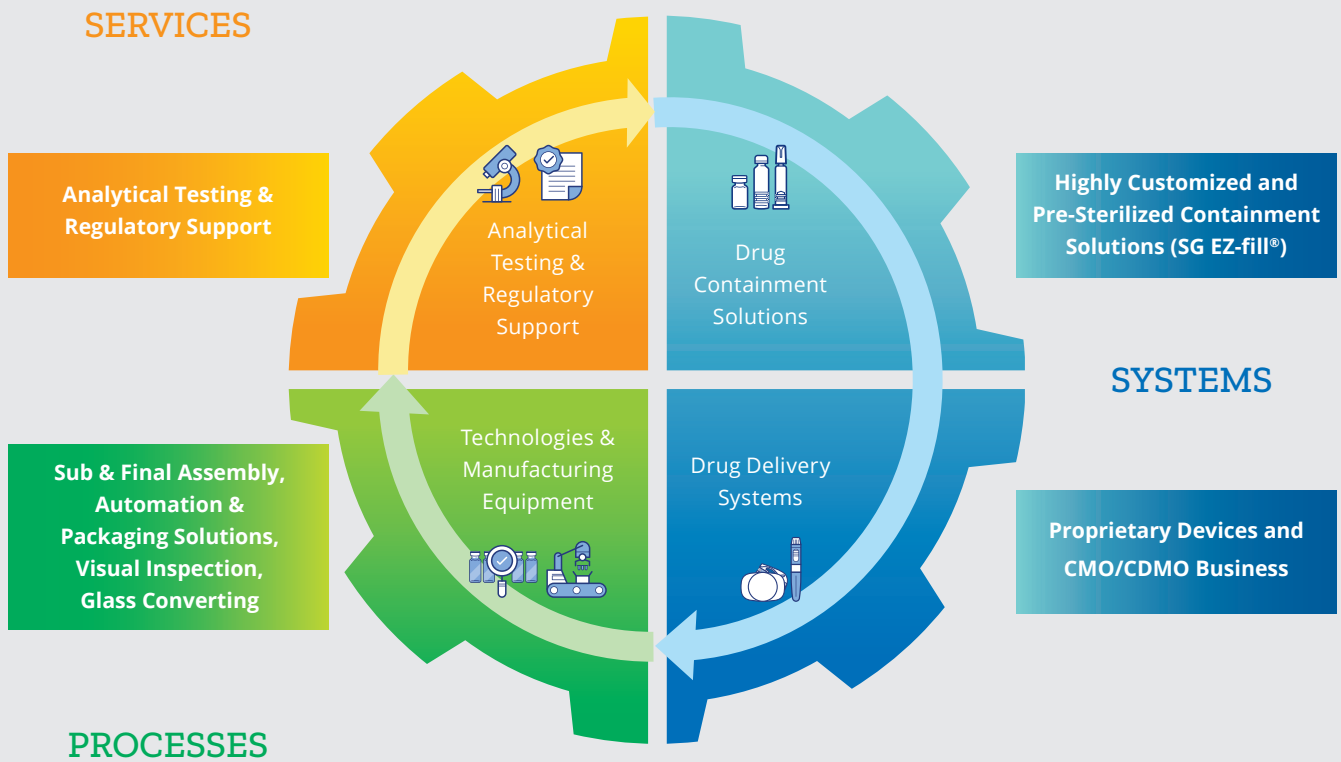
Delivering on Our Commitments





## **Mission**

We are committed to creating systems, processes and services that enhance the integrity of medicines.



Strengthening the link  
between Pharma company,  
patient, and caregiver:  
**customer and patient  
at the center.**

## Global footprint with investments in attractive markets to fuel growth



### Worldwide Presence

9

Countries

### Plants

9

for Drug Containment/ Diagnostics and Device Development & Manufacturing

5

for Technologies & Manufacturing Equipment (Engineering)

2

for Analytical Services

3

investments underway for EZ-fill® / Engineering

### People

70+

Countries in which we export our products

4,700

Employees from all around the world



## Markets




**First**  
in pen cartridges




**First**  
in SG EZ-fill®  
pre-sterilized vials



**Second**  
in pre-fillable syringes

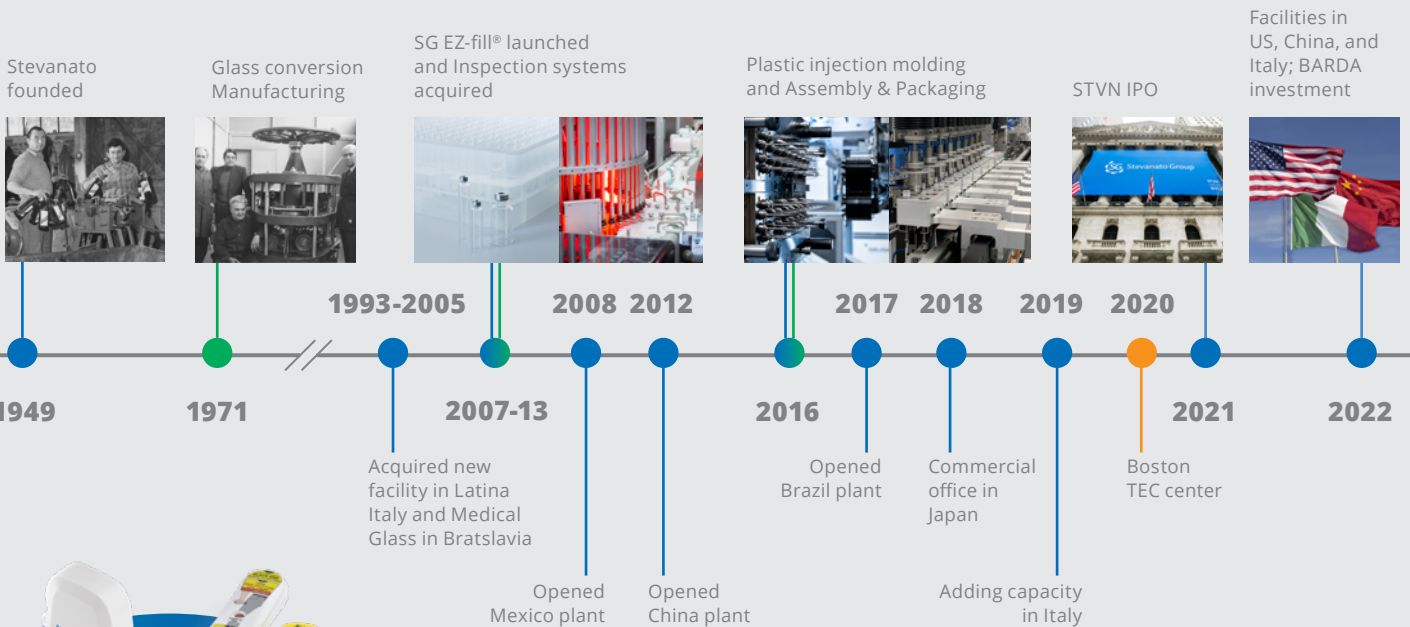


**1.5**  
billion  
diagnostic consumables



**450**  
visual inspection machines  
installed

## Strong track record of product Expansion and acquisition integration




**TODAY**  
Expanding Offerings in  
Proprietary Drug Containment  
and Drug Delivery Systems

# Dear Shareholders,

2021 was a landmark year for Stevanato Group that underscored the power of our integrated capabilities and value proposition. We delivered double-digit revenue growth in our base business (excluding COVID-19), expanded margins, and increased the mix of high value solutions to meet rising customer demand – even as we fully embraced our key role in the global fight against COVID-19.

**In July 2021, we successfully completed our IPO and celebrated our first day of trading on the New York Stock Exchange.**

In the months since, we met or exceeded our full-year financial performance targets, despite the complexities of the current global supply chain environment. We believe the committed backlog, rising new order in-take, and robust pipeline of new opportunities with which we concluded the year point to sustained expansion in 2022.

We are proud of our team's accomplishments as a newly public company. We are excited about all that lies ahead as we strive to drive long-term shareholder value through our growth and innovation in producing high quality drug containment and delivery solutions that simplify healthcare for patients around the world.

Franco Stevanato,  
Executive  
Chairman



Franco Moro,  
Chief Executive  
Officer



## THREE-YEAR TRACK RECORD REINFORCES FUNDAMENTALS

€ IN MILLIONS	FY 2021	FY 2020	FY 2019
Revenue	844	662	537
Gross Profit	265	194	138
Gross Profit Margin	<b>31.4%</b>	<b>29.3%</b>	<b>25.7%</b>
Operating Profit	162	103	62
Operating Profit Margin	<b>19.2%</b>	<b>15.6%</b>	<b>11.6%</b>
Net Profit	134	79	39
Net Profit Margin	<b>15.9%</b>	<b>11.9%</b>	<b>7.2%</b>
Adjusted EBITDA*	218	160	108
Adjusted EBITDA Margin*	<b>25.9%</b>	<b>24.2%</b>	<b>20.2%</b>

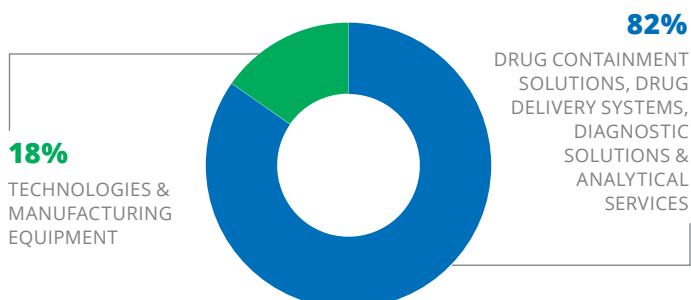
### Fiscal 2021 Highlights

Our 2021 financial performance underscores Stevanato Group's strong fundamentals as we steadily advance our strategic priorities by capitalizing on favorable market demand and macro trends to create and drive shareholder value.

For the full year, revenue grew 27.5%, driven by both our Biopharmaceutical and Diagnostic Solutions and Engineering segments, as well as an increasing mix of high value solutions. Revenue contributions from high value solutions was strong, increasing to 25% in 2021 from 22% in 2020.

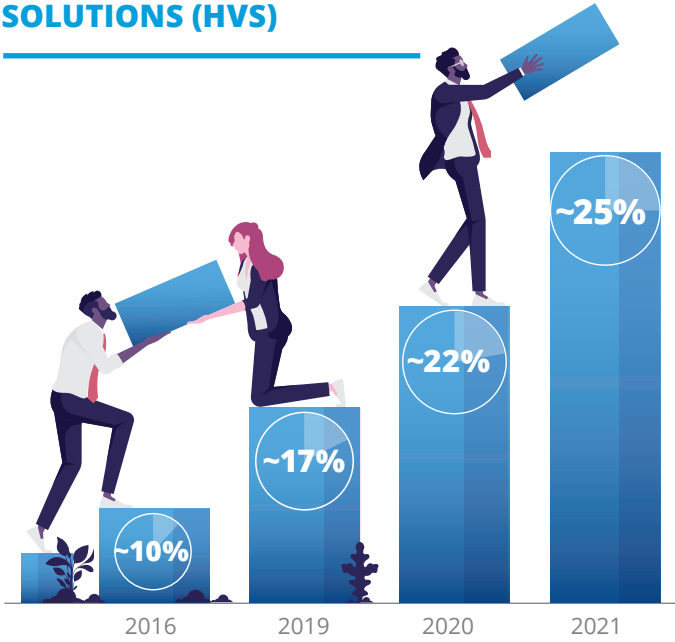
We continue to grow our high value solutions capacity to meet demand as customers increasingly opt for ready-to-use platforms that reduce their total cost of ownership, bring treatments to market faster and increase quality and flexibility.

### 2021 NET SALES BY BUSINESS LINE





## REVENUE SHARE FROM HIGH-VALUE SOLUTIONS (HVS)



High Value Solutions offer customers a lower total cost of ownership, faster speed to market, higher quality and greater flexibility

Orders for our high-performance ready-to-use syringe platforms doubled in 2021 meeting the need for increased demand for syringes compared to last year.

The advanced technology and superior performance of our proprietary platforms which include our Alba® and Nexa® syringe products are gaining traction due to their suitability for biologics and high-sensitive drugs like monoclonal antibodies, mRNA vaccines, and recombinant proteins.

We see this trend continuing and we are expanding our capacity for these products to meet the needs of our customers. Importantly, the evolution in our high value solutions extends beyond primary packaging, with continued expansion of integrated capabilities in drug delivery such as auto injectors, pen injectors, and wearable pods.

In January 2022, we expanded our agreement with Haselmeier for our proprietary Alina® pen injector, granting us exclusivity to support a broader range of therapeutic areas beyond diabetes.

Stevanato Group finished 2021 with a committed backlog of approximately €880 million. Our strong sales, and continued progress on investments, innovation, and capacity expansion set the foundation for durable organic growth.

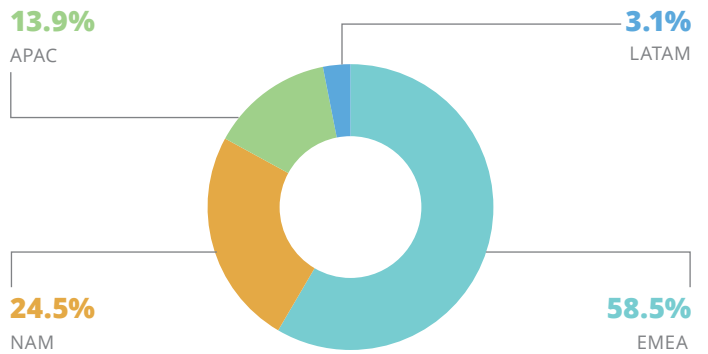


**Advancing our Industrial Plan and Global Footprint**

We remain relentlessly focused on driving innovation in R&D, delivering high-quality products, offering scientific and technical support, and meeting market demands.

Our number one priority at Stevanato Group is continuing to invest in and execute our plans to expand our global industrial capacity in order to satisfy market demand and drive organic growth.

**2021 NET SALES BY GEOGRAPHICAL AREA**



In October of 2021, we commenced construction on our state-of-the-art manufacturing operations in Indiana. This high-tech hub will enable us to better serve our North America pharmaceutical customers, supporting the expansion and production of our EZ-Fill® solutions as well as serving as a center for after-sales support dedicated to our North American engineering customers. Our plant there remains on track, with construction to continue into next year and to be operational sometime in late 2023 or early 2024.

We also recently announced our acquisition of a facility in Zhangjiagang, China, for a new plant where we expect to begin renovations in spring 2022 as part of the latest phase of our expansion in the country.



### Our Leadership Role in the Fight Against COVID-19

Stevanato Group has been a major player in the vaccine space for decades, and we continue to play a meaningful role in the global fight against the pandemic. We have always been a partner to the major pharmaceutical companies in the development of vaccination programs, and our solutions match the needs of mRNA vaccines, new therapeutic areas, and the new generation of biotech drugs. The COVID-19 vaccine was no different. According to our estimates – which are based on public information – we provide glass vials and syringes to approximately 90% of currently marketed vaccine programs.

In March 2022, we announced our first agreement with the U.S. government's Biomedical Advanced Research and Development Authority (BARDA) to help strengthen U.S. domestic capabilities for national defense readiness and preparedness programs for current and future public health emergencies. Under the agreement, BARDA will invest up to approximately \$95 million to support an increase of our planned manufacturing capacity in Indiana for both standard and EZ-fill® vials.

We were honored to be selected for this important investment. More importantly, this further underscores our strategic approach to create sustainable shareholder value.





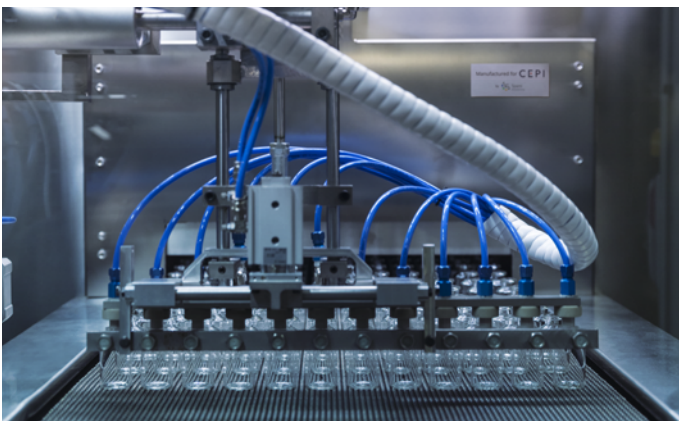


Throughout the pandemic, Stevanato Group has focused on developing capacity to quickly scale manufacturing and distribution capabilities at critical times. We have strengthened our presence in key markets including in Italy – where the expansions that we already had underway positioned us to react quickly from the start to meet the response times of our clients to bring the COVID-19 vaccine to market. We continue to work hand in hand with partners, customers, and suppliers – both downstream and upstream – to ensure business continuity and mitigate the risk of supply shortages. We believe this continuing global effort to grow capacity will be a key opportunity for Stevanato to respond to market demand.

The pandemic continues to present challenges to businesses across industries and around the world. Stevanato Group went to great lengths in 2021 to manage the complexities around higher inflation and tighter supply chains. We continue to apply a high degree of management discipline to mitigate inflationary costs and supply chain disruption by maintaining our sharp focus on inventory management, manufacturing, and on-time delivery to customers.

Our continued success amidst these challenging circumstances and uncertainties are only possible because of the resilience, commitment, and support of our employees. In the third quarter, we awarded a €6.5 million discretionary bonus to Stevanato Group employees in acknowledgement of their extraordinary work to ensure business continuity, support our customers and grow our business during the pandemic.

We are extremely fortunate to work alongside one another every day, along with our partners and suppliers, in support of our vital role in the global pharmaceutical supply chain.



## Looking Ahead

As we look to the year ahead, we are confident that our integrated capabilities will continue to resonate with customers. In the coming year, we will remain focused on executing against our strategic operational priorities to capitalize on rising demands and support customers across the entire drug life cycle. We serve some of the fastest growing market segments, and we are integrated into the drug production delivery supply chain with a number of positive tailwinds that amplify our business – including aging populations, more complex health conditions, increasing incidence of chronic diseases (e.g., diabetes) and co-morbidities; continued innovation in biologic-based therapies which are administered by injection; expanded access to advanced healthcare in developing countries; broader demand for vaccine programs; increasing propensity of biotechnology companies to outsource non-core competencies such as washing and sterilization of drug containers; and growth in self-injection systems where the primary container (i.e., glass containers) is integrated into the delivery device.

We believe that our strong reputation, coupled with these favorable macro trends and our high-quality suite of products, positions us well to deliver double-digit revenue growth and ongoing margin expansion as we drive long-term value for shareholders and our other stakeholders.

On behalf of our employees, our Board of Directors and the Stevanato family, we would like to express our appreciation for your continued confidence in Stevanato Group. Thank you for your ongoing support.

**Franco Stevanato**  
Executive Chairman

**Franco Moro**  
Chief Executive Officer

## Forward-Looking Statements

This letter may include forward-looking statements. The words “will”, “expected”, “due to”, “believe”, “intend to”, “estimates”, and similar expressions (or their negative) identify certain of these forward-looking statements. These forward-looking statements are statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the development of the industry and the competitive environment, the expansion of manufacturing capacity, the timeline for completion of plants, the Company’s plans regarding its presence in the markets, the Company’s role in the global fight against the pandemic, business strategies and goals, investments, capacity to meet future market demands, and results of operations.

The forward-looking statements in this letter are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company’s ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of regulators and other factors such as the Company’s ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions. Readers should therefore not place undue reliance on these statements, particularly not in connection with any contract or investment decision. Except as required by law, the Company assumes no obligation to update any such forward-looking statements.

For a description of certain additional factors that could cause Stevanato Group’s future results to differ from those expressed in any such forward-looking statements, see Item 3D, entitled “Risk Factors” in the Company’s Annual Report on Form 20-F for the year ended December 31, 2021, as amended, filed with the SEC.

## Board of Directors

**Sergio Stevanato**<sup>2</sup>

Chairman of the Board  
Emeritus

**Franco Stevanato**<sup>2, 5</sup>

Executive Chairman of the Board,  
*Chairman of Nominating and Corporate  
Governance Committee*

**Marco Stevanato**<sup>2</sup>

Vice-Chairman of the Board

**Franco Moro**<sup>2</sup>

Chief Executive Officer,

**Fabiano Nicoletti**<sup>4</sup>

Independent Director,  
*Chairman of ESG Committee*

**Fabrizio Bonanni**<sup>1, 2, 5</sup>

Independent Director

**Donald Eugene Morel Jr.**<sup>2, 3, 5</sup>

Independent Director,  
*Chairman of Business &  
Strategy Committee*

**Alvise Spinazzi**

Independent Director

**Fabio Buttignon**<sup>1</sup>

Independent Director

**Madhavan Balachandran**<sup>2, 3, 5</sup>

Independent Director,  
*Chairman of Compensation Committee*

**Paola Vezzo**<sup>3, 4</sup>

Independent Director

**William Federici**<sup>1, 2, 4</sup>

Independent Director,  
*Chairman of Audit Committee*

## Corporate Officers

**Franco Moro**

Chief Operating Officer

**Marco Dal Lago**

Chief Financial Officer

**Mauro Stocchi**

Chief Business Officer

**Paolo Patri**

Chief Technology Officer

**Riccardo Butta**

President, Americas

## Committees

1 *Audit*

2 *Business and Strategy*

3 *Compensation*

4 *ESG*

5 *Nominating and  
Corporate Governance*