INTRO

In 2018, 5 years after its establishment LAST Technology exceeded 3.8 thousand euros turnover. This result make us proud, but it makes us feel even more sensitive towards our people and the world of public health we deal with our production equipment for the prevention of infections and the inactivation of microorganisms.
The pursuit of goals we have set make us more aware of how our growth must be sustainable. For us, in fact, the challenge is to grow, striving in our daily actions to create a positive change that everyone can benefit by promoting initiatives and solutions that are able to bring a technological contribution to sterile processes. We are constantly focusing on being sustainable in every day choices.
Sustainability in LAST Technology is an integral part of governance whose management is personally involved.
Despite the uncertain international economic environment, the organization put in place and the actions taken have led our company to maintain all the commitments made and to set new ambitious targets on environmental and social issues for the future.
During this year we made great progress for our people and our supply chain each. We have implemented an effective management system for health and safety of workers in conformity with international standards, certifying the company's ISO 45001.
In 2018 we achieved significant goals, but I think that none of this would have been possible without the major contribution of all employees of LAST Technology. I really thank all of them for embracing a culture of sustainability and achieving it every day.
Much has been done and much remains to be done, but the challenges are part of our history and from here, every day, we set out to build the future.

The president
Massimo Castellanin
We see the future

We create innovative technologies for infection control and safe processes to ensure sterile medicines to patients and improve the welfare and quality of life of people.
Pharma division
The Pharma LAST Technology division has been developed to provide the industry Pharmaceuticals washing machines, disinfection, sterilization, depyrogenation, decontamination and containment from the highest quality standards.

Lab division
The LAST LAB Technology division has been developed to provide research and development laboratories in the Life Science washing machines, decontamination, disinfection and sterilization by the highest quality standards. The products are created to ensure the safe handling of contaminated and dirty materials, preventing bacterial infections in laboratory environments.

Which division
The company CARE Division was created in response to increased demand for the development, management and consulting services for turnkey projects. A unique team of experienced and fully dedicated, with an extensive background, follow the customers around the world in the development of their projects starting from feasibility to the final qualification of the structures and machinery.

Medical division
The Medical division LAST Technology has been developed to provide the medical industry washing machines, disinfection, decontamination and sterilization by the high quality features, to ensure the prevention of bacterial infections in surgical and hospital environments.
Highlights of 2018

- Turnover €: 3,807,691 (+28.99 %)
- EBITDA €: 236,549 (+8.92 %)
- Quotation sent: +13 %
- Equipment sold: 34 (+17 %)
- Open-ended contract: 95 %
- Hours of training provided: 270 (+65 %)
- Nr. of Injury at work: 0
- Nr. of recommendation ISO 9001:2015: 2 (-60 %)
Materiality Analysis
LAST identifies the most relevant issues for its Sustainability Report through the materiality matrix. The subjects reported summarize the contents of this document and the strategic direction of the company in the medium - long term.

The graph shows the degree of priority given to issues in accordance with the LAST perspective (horizontal axis) and in accordance with the perspective of the main stakeholders (vertical axis).
Stakeholder Engagement

In 2018, the main changes introduced by the ISO standards have required the Top Management to deeply analyze needs and expectations of shareholders. This led to the document “Context Analysis” in order to highlight the internal and external factors relevant to the management system and to assess the needs and expectations of shareholders linked to these factors. Establish and maintain stable and lasting relations with its stakeholders is the philosophy that guides the strategic choices of the top management of LAST.

Customer visits, social networks, quality audits, third party audits, reports, after sales division and every moment of confrontation are opportunities to receive valuable feedback from our stakeholders.

NATIONAL & INTERNATIONAL INSTITUTIONS
BANKS AND CREDIT INSTITUTIONS
SUPPLIERS CUSTOMERS SCHOOLS & UNIVERSITIES
COMPETITORS AND OPERATORS
PUBLIC ADMINISTRATION
EMPLOYEES SALES AGENTS
The system of governance

The company is established under the legal form of a limited liability company. The LAST governance system, based on the traditional model, provides for the Shareholders’ Meeting and the Board of Directors. Bylaws and Code of Ethics are instruments of governance guidance. Between 2017 and 2018 there were no significant changes or appointments that might affect the existing organizational structure. For further details of the structure, please refer to the Sustainability Report 2017.

Managers in charge
The governing body has all the powers for the administration of the company. The mandate of the Board of Directors has a maturity of 3 years and will expire with the approval of the 2019 budget.

Rating of Legality
During 2018, LAST obtained the renewal of the Rating of Legality. The desire to renew the rating is in line with the ethical behavior that inspired LAST and is linked to the benefits recognized in the granting of public funding and facilitating access to bank credit.

Legislative Decree 231/2001
“Regulation of the administrative liability of legal persons companies and associations without legal personality” is the organizational model LAST wants to adopt by 2020.

Ethical Code
It summarizes the principles of conduct relating to LAST for the proper functioning of the company as well as its reputation with stakeholders.
The economic and financial results

During 2018, LAST has continued to implement the pre-established development strategy in the previous years. The three-year period 2016-2018 was a key period for the consolidation of the business and the company’s strategic positioning. LAST has acquired greater visibility in foreign markets and the recognition of the quality of its products.

**FINANCIAL RATIOS**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROE</td>
<td>11.50%</td>
<td>10.12%</td>
</tr>
<tr>
<td>ROI</td>
<td>2.73%</td>
<td>1.61%</td>
</tr>
<tr>
<td>ROS</td>
<td>2.66%</td>
<td>1.36%</td>
</tr>
</tbody>
</table>

**ECONOMIC DATA**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production value</td>
<td>3,593</td>
<td>4,174</td>
</tr>
<tr>
<td>Production costs</td>
<td>3,498</td>
<td>4,117</td>
</tr>
<tr>
<td>Income/financial expense</td>
<td>-24</td>
<td>-15</td>
</tr>
<tr>
<td>Net Profit</td>
<td>79</td>
<td>62</td>
</tr>
<tr>
<td>Cash Flow</td>
<td>206</td>
<td>206</td>
</tr>
<tr>
<td>Total Asset</td>
<td>3,494</td>
<td>3,531</td>
</tr>
</tbody>
</table>

**ECONOMIC VALUE GENERATED**

The generated and distributed economic value is a company’s ability to create wealth and distribute the same among its stakeholders.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generated economic value</td>
<td>3,593</td>
<td>4,174</td>
</tr>
<tr>
<td>a) Revenues</td>
<td>3,593</td>
<td>4,174</td>
</tr>
<tr>
<td>Distributed economic value</td>
<td>3,394</td>
<td>3,976</td>
</tr>
<tr>
<td>b) Operating costs</td>
<td>2,584</td>
<td>3,255</td>
</tr>
<tr>
<td>c) Salaries and benefit</td>
<td>771</td>
<td>700</td>
</tr>
<tr>
<td>d) Payments to Capital Suppliers</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td>e) Payments to Public Administration</td>
<td>15</td>
<td>6</td>
</tr>
<tr>
<td>Retained economic value</td>
<td>199</td>
<td>198</td>
</tr>
</tbody>
</table>
LAST has participated in several trade fairs to promote its products and increase the visibility in the international arena.

In 2018 the expense for the internationalization strategy amounts to €1 thousand of euros.

**PHARMAPACK**

**FEbruary 2018**

📍 **PARIS, FRANCE**

**ASIA PHARMA EXPO**

**FEbruary 2018**

📍 **DHAKA, BANGLADESH**

**FARMA FORUM**

**March 2018**

📍 **MADRID, SPAIN**

**PHARMA CONEX**

**April 2018**

📍 **CAIRO, EGYPT**

**ACHEMA**

**June 2018**

📍 **FRANKFURT, GERMANY**

**CPhI Worldwide**

**October 2018**

📍 **MADRID, SPAIN**

**ETIF**

**October 2018**

📍 **BUENOS AIRES, ARGENTINA**

**PHARMTECH & INGREDIENTS**

**November 2018**

📍 **MOSCOW, RUSSIA**

Exhibitions
LAST identifies potential risks and opportunities of each context considered important to run the business. The events emerging from that may have implications on the organization, activities, objectives and positive or negative environmental impacts. The method adopted by the organization to handle and weigh risks/opportunities is to calculate the evaluation index (IV) as the product of the probability of occurrence of an event (IP) and the severity/benefit of the consequences (C): IV = IP \times C.

The evaluation is performed and updated at least annually during the Management Review and re-evaluated during modifications/changes. Whereas are identified high risks/opportunities, they are inserted into the improvement plan and monitored. The analysis conducted in 2018 has analyzed the following areas:

- EXECUTIVE CONTEST
- LABOUR AND UNION MARKET
- CULTURAL CONTEXT
- RELATIONAL CONTEXT
- STRATEGIC AND ORGANIZATIONAL AREA
- EMPLOYEES
- TERRITORIAL TECHNOLOGY
- COMPETITORS
- ECONOMIC, FINANCIAL AND INSURANCE
- SUPPLY CHAIN
- REGULATORY AND LEGISLATIVE

The specific objectives will be monitored using appropriate indicators to verify the achievement according to the predetermined timing.
Our Customer

LAST offers integrated and customer-oriented solutions to the pharmaceutical, bio-pharmaceutical, research laboratories, hospitals and the cosmetics industry. LAST mission is definitely the customer satisfaction in all its needs. Our goal is to provide customers with timely responses during the acquisition of the order or in the resolution of issues that may arise during the design and the installation activities each.

In 2018, LAST increased its R & D activities in order to expand its range of products and applications and to present itself in new market sectors.

**Revenue**

83% of turnover is generated by extra-UE exports.

<table>
<thead>
<tr>
<th></th>
<th>€</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>638,016</td>
<td>17%</td>
</tr>
<tr>
<td>Extra UE</td>
<td>3,169,675</td>
<td>83%</td>
</tr>
<tr>
<td>Total</td>
<td>3,807,691</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Equipment produced**

17% is the percentage of machines produced compared to 2017.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nr</td>
<td>34</td>
<td>29</td>
</tr>
</tbody>
</table>

**Countries**

The countries were more projects in 2018 were won.

<table>
<thead>
<tr>
<th>Country</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>INDIA</td>
<td></td>
</tr>
<tr>
<td>ITALY</td>
<td></td>
</tr>
<tr>
<td>MEXICO</td>
<td></td>
</tr>
<tr>
<td>EGYPT</td>
<td></td>
</tr>
</tbody>
</table>
Our Supply chain
LAST is a company closely linked to the territory, that’s why it develops its supply chain in Friuli Venezia Giulia and Veneto entrusting the most critical processes to local suppliers, such as components design and manufacturing for third parties. The choice is dictated by logistic advantages which ensure a high level of flexibility and actively contributes to the social development of the territory.

ORDERS
Nr. 803 orders issued to suppliers in 2018.
- 7% compared to 2017.

TURNOVER OF PURCHASE
2.7 mln turnover.
- 18% compared to 2017.

TURNOVER IMPlication BY AREA
LAST still prefer to buy goods and services from domestic suppliers (almost 90% of total purchases by value).

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>89%</td>
<td>93%</td>
</tr>
<tr>
<td>Europe</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>World</td>
<td>5%</td>
<td>3%</td>
</tr>
</tbody>
</table>
OUR EMPLOYEES

LAST considers its employee a valuable asset, guaranteeing expertise to the development of activities as well as the quality of the service.
LAST top management commitment is to motivate, retain and empower its employees related to the evolution of the company.
People in Last are confident that they are going to find steady money and a longlasting career.

HEALTH & SAFETY AT WORK

LAST undertakes to ensure its employees a safety work environment that can be managed in accordance with all applicable regulations.
Year by year, the company renews the improvement plan in order to prevent risks that may arise in the workplace.
In 2018 there were no injuries in compliance with goals setted by the health & safety system. Consequently, the indices of frequency, gravity and incidence are equal to 0.
Our Certifications

In 2018 LAST has implemented the management system for Health and Safety at Work in accordance with the International Standard ISO 45001. The transition from the previous standard BS OSHAS 18001 has been shared with all employees through the spread of the new standards and application guidelines. The health and safety policy was updated emphasizing the involvement and participation of workers to pursue the business objectives.

The company to implement H&S policy is committed to:

- Raising awareness among workers through continuous training programs, information and involvement;
- Improving safety and health in the workplace through the constant application of knowledge and technological progress;
- Support the implementation of improvement actions;
- Develop and maintain updated the management system.

ISO 9001: 2015
The ISO 9001 standard defines the requirements of a quality management system.

The customer and his satisfaction are the focus of ISO 9001; every activity, application and monitoring of the activities/processes is indeed time to determine the maximum end-user satisfaction.

ISO 45001: 2018
The UNI ISO 45001 of 2018 “Management systems for health and safety - Requirements and guidelines” is the first international standards for the protection of workers all over the world. It establishes a framework to improve security, reduce risks in the workplace and improve the health and well-being of workers.
COMPOSITION AND PERSONNEL FEATURES

At the end of the financial years LAST average headcount is of 19 employees. The data does not change significantly compared to 2017 despite the increased rate of the turnover. Maturity which did not affect the running of the company and its stability. Against six collaborators left, the company hired five new strategic employees in line to the development plans for 2019-2020.

The main types of contracts are the permanent job and the apprenticeship for new recruits coming from school world. The contracts are all of full time type. Safety, stability and a longlasting career reflect the expectations of human resources and LAST commitment is to assure them. The partnership with local professional technical institutions is well established and provides programs of combined work / school of two months durations within the year. LAST offers the internship contract to the most talented young who are willing to continue the learning experience.
Employee turnover

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>54%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Absentee rate

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Training and development

In 2018, LAST could benefit from the funds disbursed by FonARcom, fund education continues to which the company has participated since 2017. Through this tool it was possible to implement a customized training program to business needs and workers in Health and Safety at Work.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spesa in formazione €</td>
<td>6,510</td>
<td>5,200</td>
</tr>
<tr>
<td>Ore formazione</td>
<td>270</td>
<td>169</td>
</tr>
</tbody>
</table>

Number of employees by professional category

<table>
<thead>
<tr>
<th></th>
<th>Totale</th>
<th>Impiegati</th>
<th>Operai</th>
<th>Amministratori</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>9</td>
<td>9</td>
<td>1</td>
<td>21</td>
</tr>
<tr>
<td>2018</td>
<td>8</td>
<td>8</td>
<td></td>
<td>3</td>
</tr>
</tbody>
</table>

Type of Contract

For other means co.c.o., contracts of Executive Partners.

Employees by age group

The average age of employees is 36 years.
Our social network

In 2018, LAST has focused its digital strategy on the use of social media.

LAST considers social media an opportunity to improve company’s image, brand reputation and increase the numbers of professional partners and companies in the network alongside the traditional forms of marketing sales.
LAST has intensified R&D activities in order to introduce new products on the market in the near future. During the year, the company recorded an investement of 384 thousand euros for research, development, engineering, prototyping and testing new equipment.

The year 2018 was significant for the start of an intense partnership with “Technological Pole of Pordenone” aimed to investigated the applicability of a particular molecule and its technology for disinfection and sterilization processes.

In the mean time, huge resources have been allocated to complete the product range for pharmaceutical and research laboratories markets.

**Research project "Cold sterilization"**

<table>
<thead>
<tr>
<th>Year</th>
<th>Expense incurred €</th>
<th>Subsidy granted €</th>
<th>Employees involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>409,987</td>
<td>174,425</td>
<td>12</td>
</tr>
</tbody>
</table>

**Employees involved for development activities**

<table>
<thead>
<tr>
<th>Project</th>
<th>Persone coinvolte nell’attività di sviluppo</th>
<th>Ore impiegate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project 1</td>
<td>11</td>
<td>2,115</td>
</tr>
<tr>
<td>Project 2</td>
<td>10</td>
<td>1,949</td>
</tr>
<tr>
<td>Project 3</td>
<td>10</td>
<td>2,095</td>
</tr>
</tbody>
</table>

**Development projects of 2018**

- ATEX Tray Dryer for the pharmaceutical industry - # Project 1
- Autoclave for the sterilization of closed liquid cargo - # Project 2
- Caps & Rings Washer with automatic loading - # Project 3

**ATEX Tray Dryer project**

The project "ATEX Tray Dryer" was developed by LAST’s R&D division in all of its steps from design to implementation. The purpose was to develop a equipment capable of drying and remove liquid from solid and then decreasing moisture. The project applied to our line of equipment “TD” has proved the perfect solution for the hot air drying of powders and granulates.
CONTACT:

Headquarters:
Via Sagree, 9
33080 Prata di Pordenone (PN)
Italia

For further informations:
info@lasttechnology.it
www.lasttechnology.it