

Building a leading Nordic pharma company

Introduction to Navamedic ASA

Kathrine Gamborg Andreassen, CEO



Q2 2021

REVENUE

66.0 MNOK

Up 56.7% YoY

GROSS MARGIN

39.3%

34.8% Q2 20

EBITDA

4.3 MNOK

-2.1 MNOK Q2 20

1H 2021

REVENUE

124.7 MNOK

Up 27.5% YoY

GROSS MARGIN

39.5%

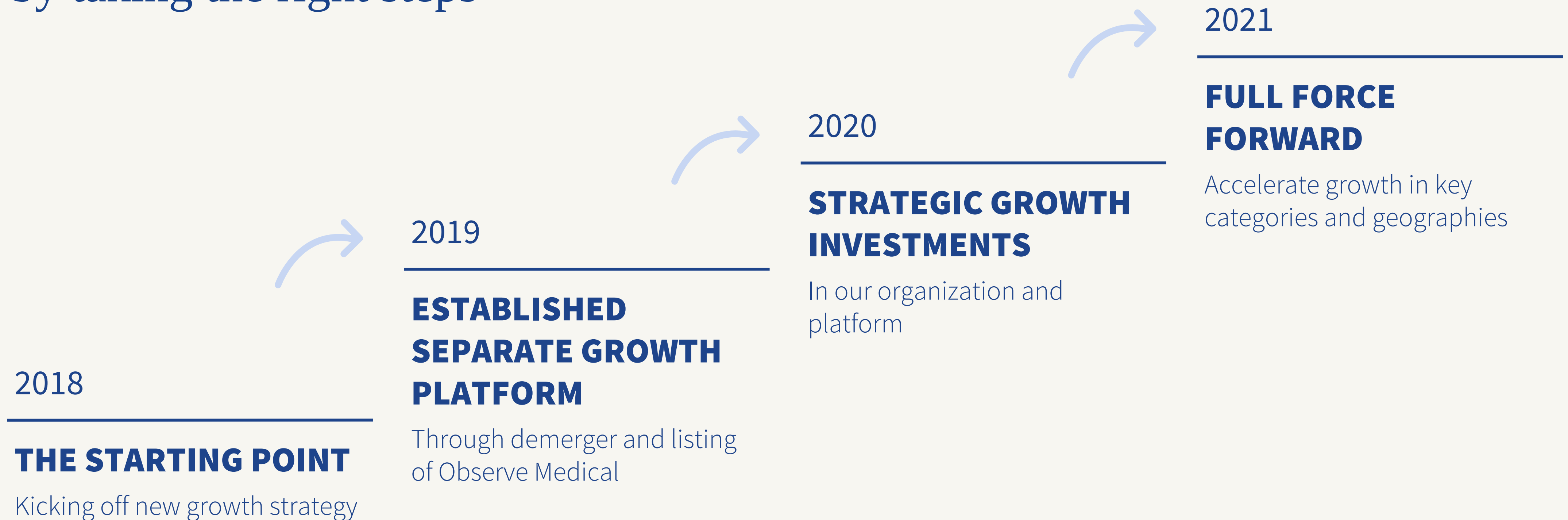
31.1% 1H 20

EBITDA

6.9 MNOK

-1.4 MNOK 1H 20

Building a leading Nordic pharma company, by taking the right steps



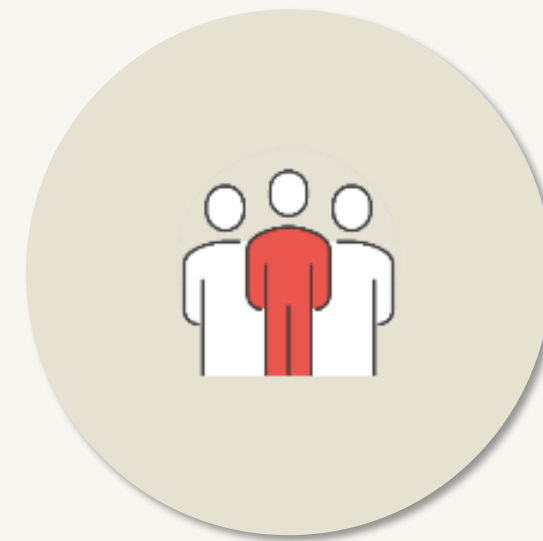
Nordic pharma company targeting growth in Northern Europe



A reliable supplier of **high-quality consumer health, medical nutrition, specialty pharma and branded generics products**, delivered to hospitals and through pharmacies



Presence in all **Nordic** countries, **Baltics** and **Benelux**, and sales in the **UK** and **Greece**. Headquartered in Oslo, Norway

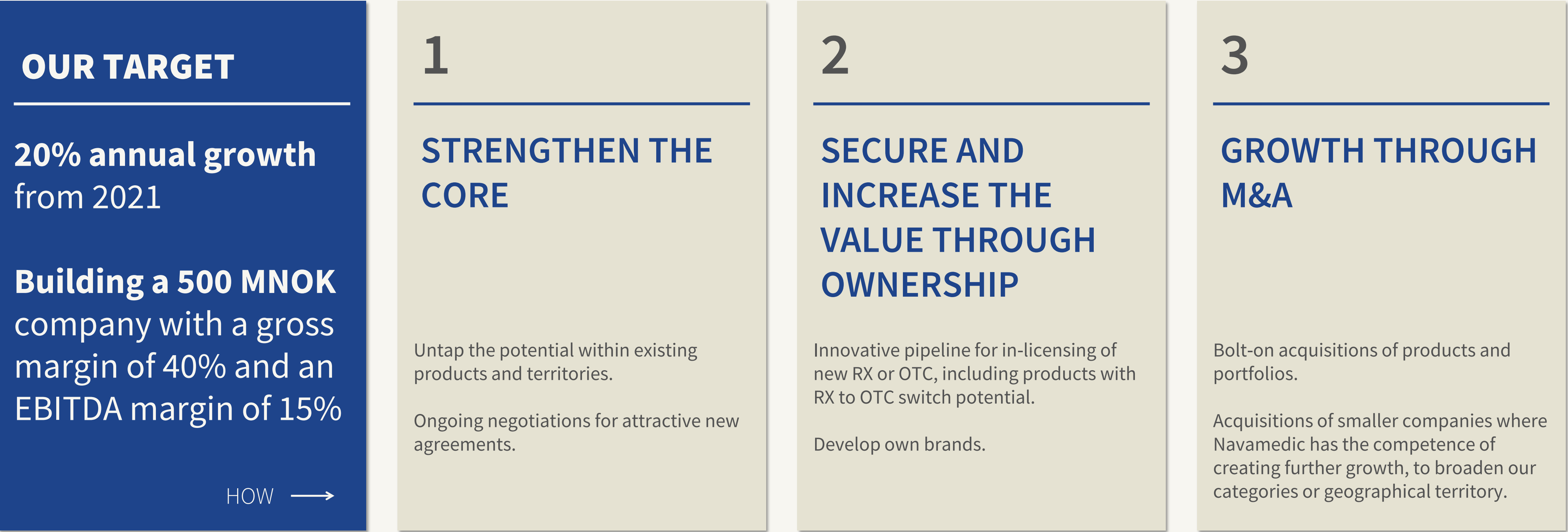


~ **30 professionals** with strong local competence in regulatory, reimbursement, marketing and sales



Ambitious growth strategy, **high-potential pipeline** and **M&A capabilities**

Ambition of building a leading Nordic pharma company targeting growth in Northern Europe



Our products

Growing portfolio of quality products in attractive categories

MEDICAL NUTRITION

Medical nutrition products for
treatment of IEM*



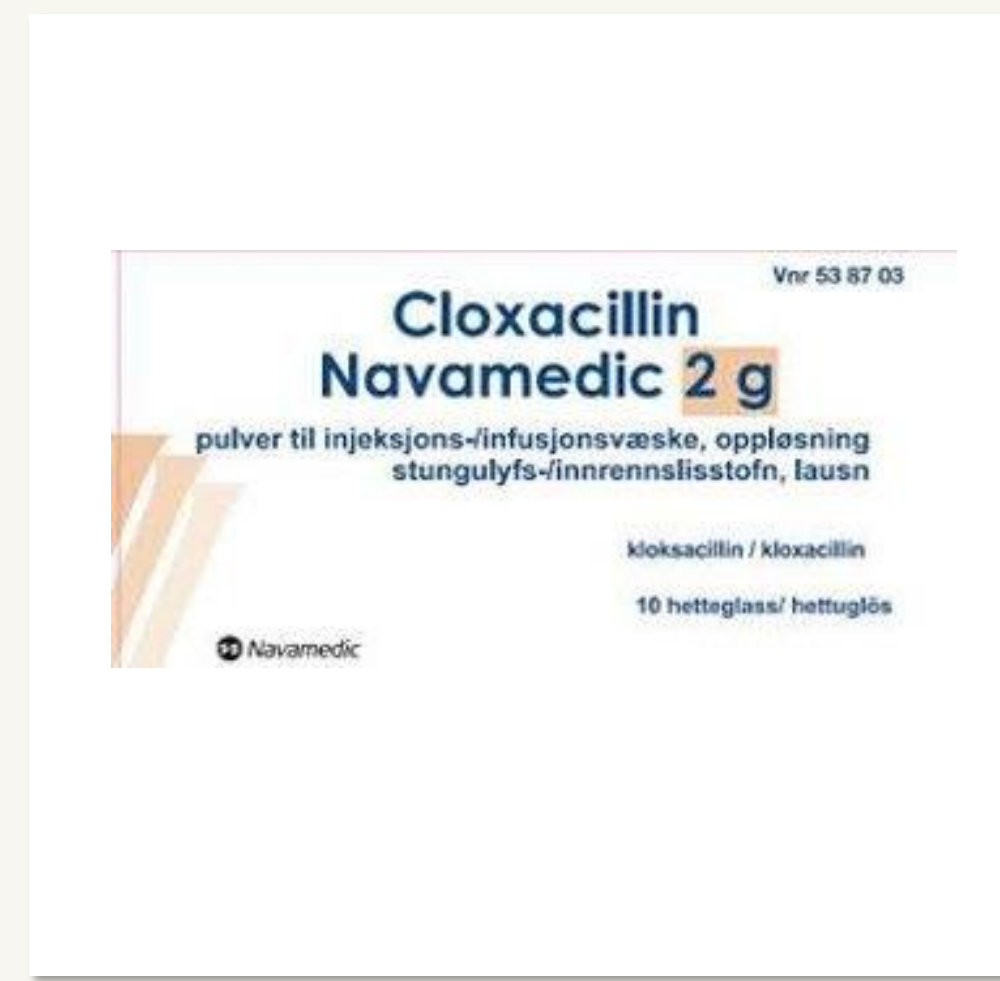
CONSUMER HEALTH

Gastro, pain, urology, other



BRANDED GENERIC

Antibiotics, cardiology,
generics



SPECIALTY PHARMA

Obesity & urology

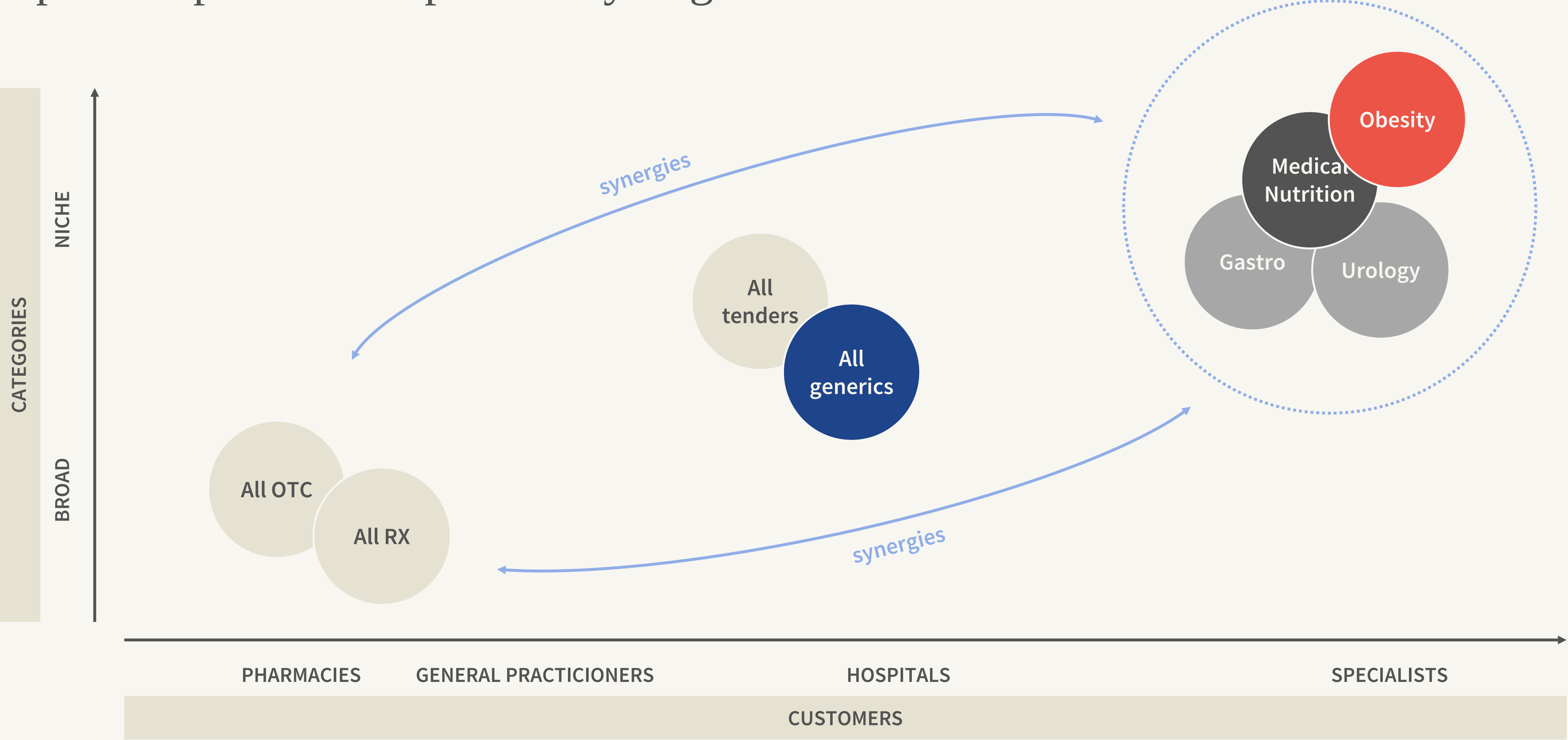


*IEM

Products for treatment of Inborn Errors of Metabolism (IEM), a lifelong, genetic disorder where body cannot properly turn food into energy. Includes distribution of UK-based VitaFlo in the Nordics, based on over 30 years experience with IEM

Our products

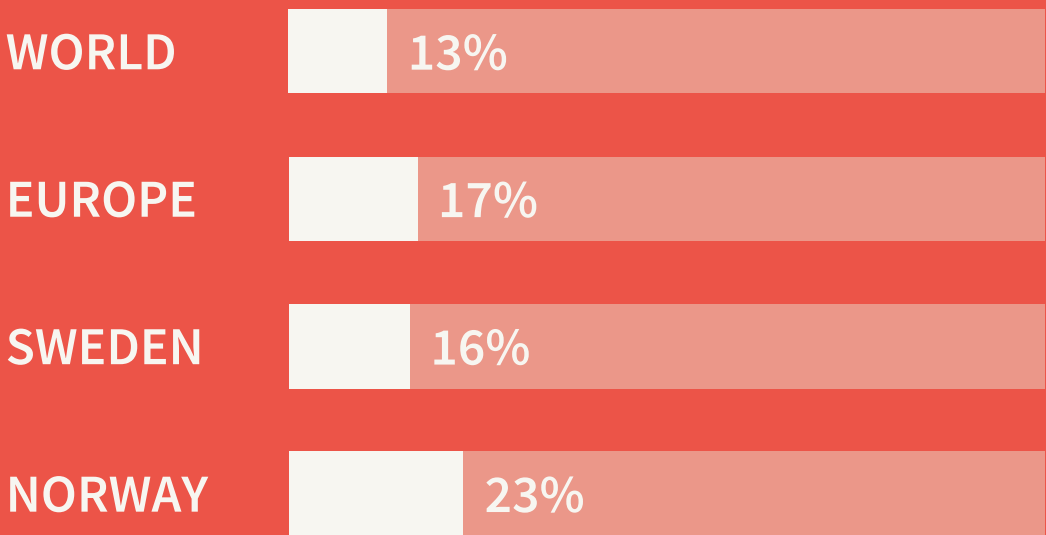
Optimize portfolio to provide synergies and balance risk



Obesity – a global disease with severe health risks

13% OF THE GLOBAL POPULATION SUFFER FROM OBESITY

Contributing risk factor for diseases such as cardiovascular diseases, diabetes, musculoskeletal disorders and some cancers¹



World Health Organization (WHO) defines obesity as abnormal or excessive fat accumulation that presents a risk to health, with a Body Mass Index (BMI) over 30¹

TREATMENT OPTIONS



LIFESTYLE INTERVENTION



MEDICINE



SURGERY

1) World Health Organization, 2021



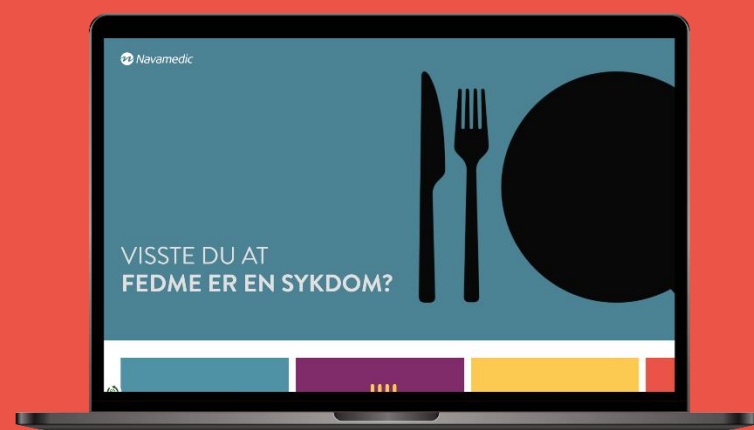
Obesity

First obesity treatment of its kind in the Nordics – combining medicine and support



THE ONLY ORAL MEDICINE WITH DUAL MODE OF ACTION FOR TREATMENT OF OBESITY

Reduces hunger and cravings, and provides control over food intake



FOR PATIENTS

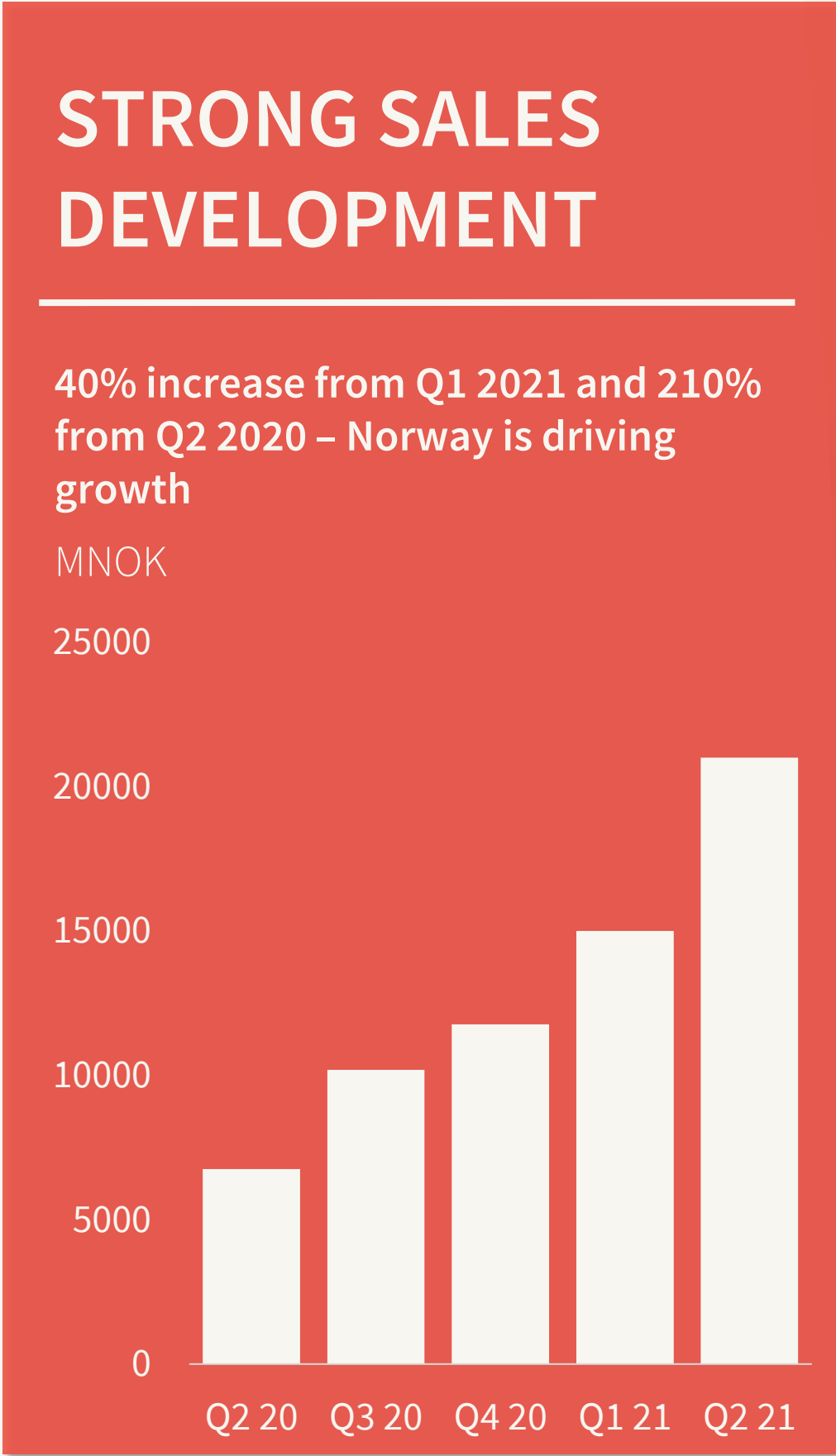
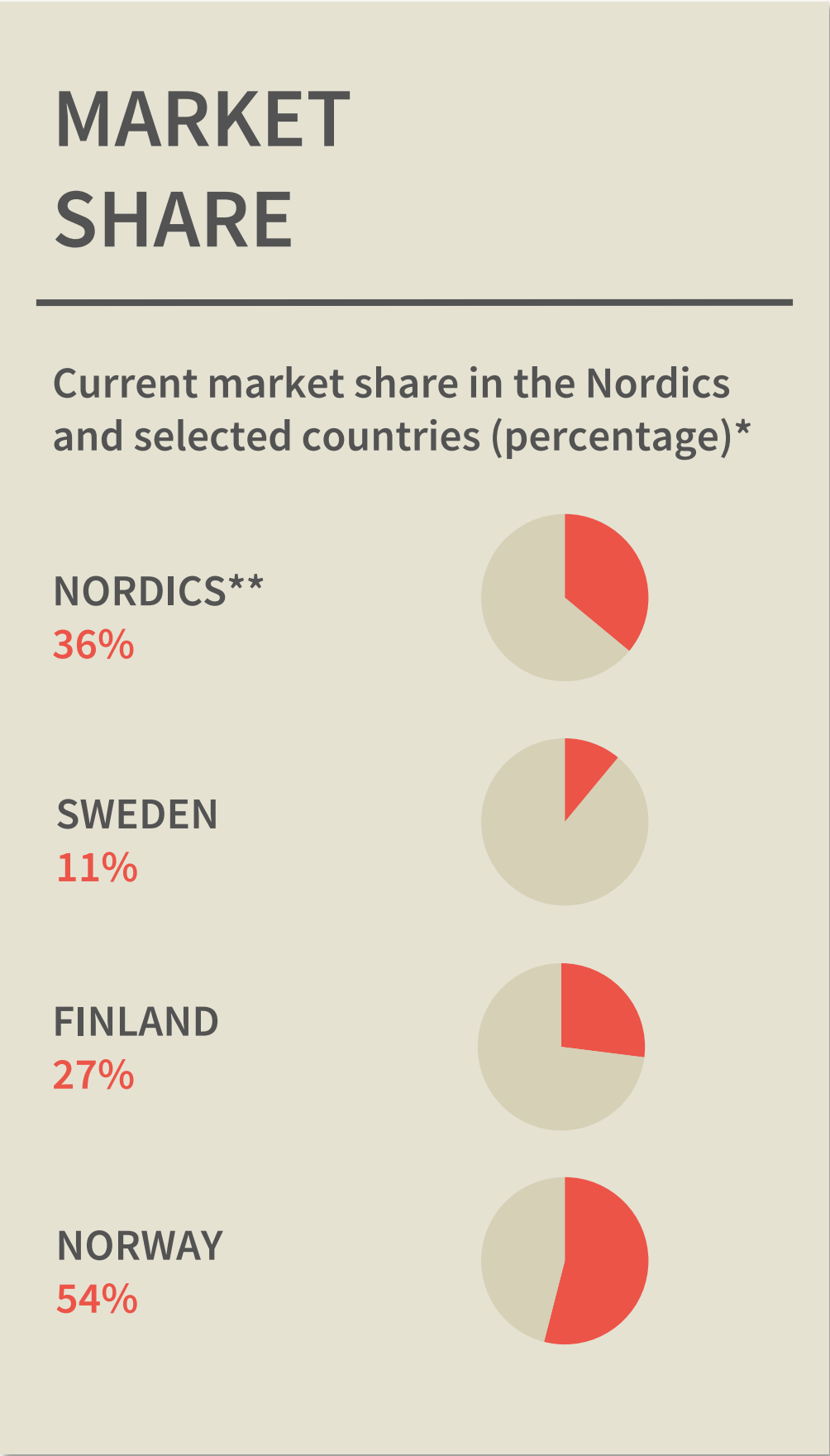
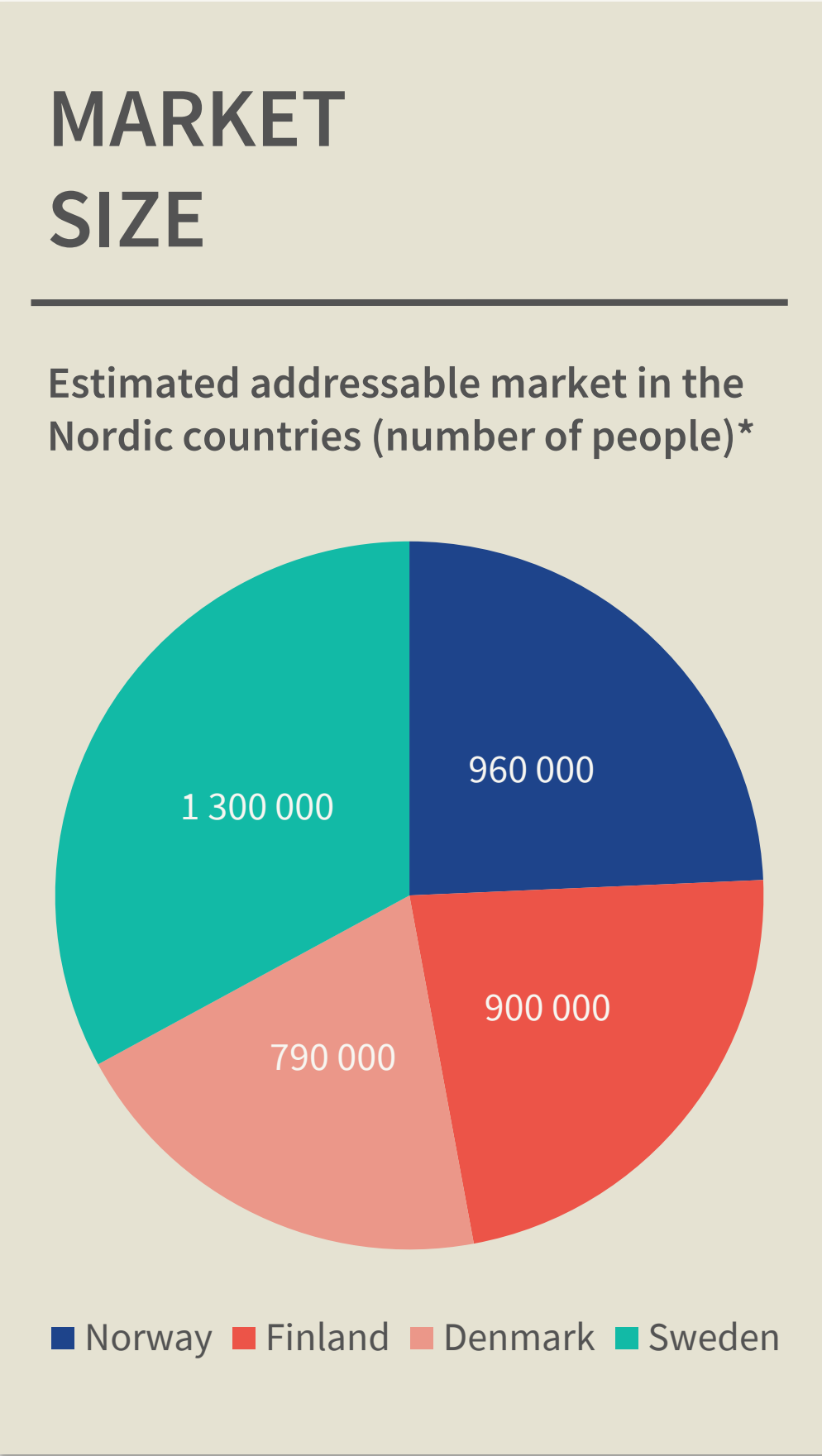
- Digital support in lifestyle and behavioral change
- Support from healthcare system
- Custom-made support program during treatment
- Additional treatment

FOR HEALTHCARE PROFESSIONALS

- Structured care taking
- Prescription of medicaments
- Supervise medical treatment

Key portfolio developments

Efforts resulting in increased adoption and traction of Mysimba®



*Company estimates
**Excluding Denmark



Gastro

Leveraging our team's strong category and local expertise to expand products to multiple geographies



PROVEN TO REDUCE SYMPTOMS OF IRRITABLE BOWEL SYNDROME (IBS)

IBS is one of the most common functional gastrointestinal disorders, affecting around 10-15% of the world's population

DELIVERING RAPID GROWTH



ALFLOREX® USES UNIQUE 35624® PROBIOTIC

35624® PROBIOTIC:

- Clinically evaluated
- Backed by >20 years of research
- Reaches the gut alive where it binds to the gut wall to provide a calming and strengthening layer
- Regarded as one of the probiotics with the best evidence for reducing IBS symptoms



Medical nutrition

Delivering growth by launch of new products



PRODUCTS FOR TREATMENT OF INBORN ERRORS OF METABOLISM

Rare genetic disorders in which the body cannot properly turn food into energy

INCLUDED IN NEWBORN DISORDER SCREENING PROGRAM

Specialised clinical nutrition products for people with inborn errors of metabolism and nutrition support products for renal disease or drug-resistant epilepsy

Products that combine the best of cutting-edge research with the lifestyle demands of modern living

LAUNCHED THREE NEW PRODUCTS IN Q2 2021

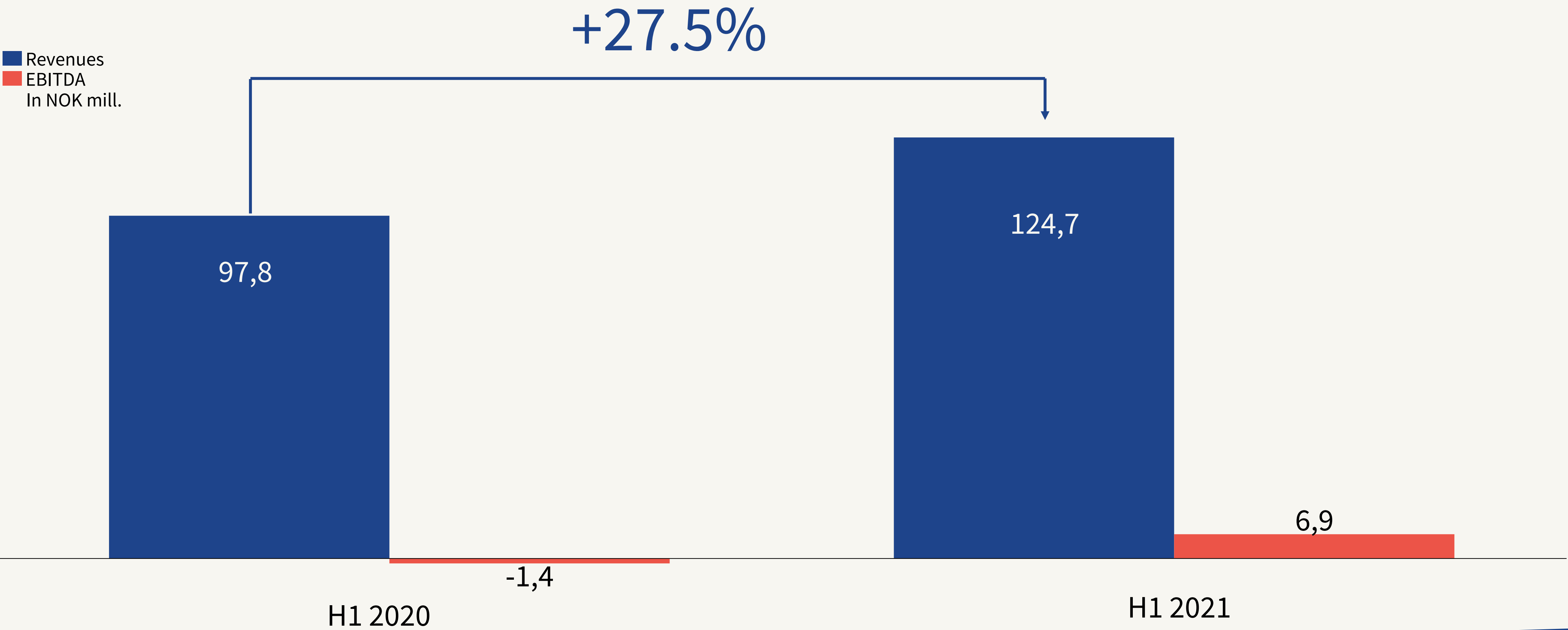
GLYCOSADE LEMON for the dietary treatment of Glycogen Storage Disease (GSD), an inborn error metabolism

K. FLO AND K. YO, both used for the dietary management of drug-resistant epilepsy or other conditions for which a ketogenic diet is indicated



Key financials

Built solid platform for accelerated growth



Targeting 20% annual growth from 2021 with a mid- to long-term ambition of building a 500 MNOK leading Nordic pharma company with a gross margin of 40% and an EBITDA margin of 15%

Q&A

Thank you for your attention!

Navamedic's Q3 2021 presentation will be on
November 4, 2021

FINANCIALS

Financials

Key consolidated profit and loss figures

<i>(in NOK '1000)</i>	Q2 2021	Q2 2020	YTD 2021	YTD 2020	Year 2020
Operating revenues	66 014	42 135	124 659	97 776	209 877
Gross profit	25 967	14 658	49 180	30 380	70 339
<i>Gross profit %</i>	<i>39,3 %</i>	<i>34,8 %</i>	<i>39,5 %</i>	<i>31,1 %</i>	<i>33,5 %</i>
Operating costs	-21 658	-16 733	-42 321	-31 789	-71 606
EBITDA	4 308	-2 075	6 859	-1 409	-1 267
<i>EBITDA %</i>	<i>6,5 %</i>	<i>-4,9 %</i>	<i>5,5 %</i>	<i>-1,4 %</i>	<i>-0,6 %</i>
Depreciation	-312	-361	-694	-749	-1 551
Amortization	-1 068	-526	-2 027	-980	-2 108
Operating result (EBIT)	2 928	-2 962	4 137	-3 138	-4 926
Income from asociated companies	-967	705	-1 821	-177	-4 528
Net financial income and expenses	1 368	2 619	-2 280	-8 489	-7 142
Profit before tax	3 329	362	37	-11 804	-16 596
Income tax	-140	147	-522	665	136
Net profit / loss (-)	3 189	509	-485	-11 139	-16 460

In Q2 2021, revenues grew by 56.7% compared to Q2 last year and 27.5% in H1 vs last year

Continued strong Gross Profit of 39.3% due to favorable product mix and successful Cogs reduction initiatives

Opex is above last year as we continue to invest in growth initiatives and our platform

EBITDA for the quarter of NOK 4.3 million

Income from associated companies is Navamedic's share of the estimated result in Observe Medical for Q2 2021

Assets

<i>(in NOK '1000)</i>	30.06.2021	30.06.2020	31.12.2020
Goodwill	62 602	64 288	64 472
Deferred tax assets	9 168	9 242	9 168
Other intangible assets	29 983	8 704	9 689
Property, plant & equipment	208	147	174
Right of use assets	827	2 100	1 903
Shares in associated companies	20 202	15 123	22 022
Non-current loans to associated companies	36 213	36 509	34 821
Total non-current assets	159 203	136 114	142 249
Prepaid taxes	8 705	7 306	7 614
Inventories	54 563	45 762	41 945
Trade and other receivables	45 553	23 891	28 646
Cash and cash equivalents	20 962	46 670	39 584
Total current assets	129 784	123 629	117 789
Total assets	288 987	259 743	260 038

Change in Goodwill is due to minor currency effects

Increase in Other intangible assets is due to the acquisition/booking of the marketing authorizations related to the antibiotics portfolio in Q1

Inventory has increased mostly due to the take-over of the antibiotics portfolio and large quantities received towards the end of the quarter

Trade receivables increase is due to high volume sales at the end of the quarter

Cash decrease is due to Net profit coupled with changes in Net working capital

Financials

Equity and liabilities

<i>(in NOK '1000)</i>	30.06.2021	30.06.2020	31.12.2020
Total equity	148 894	131 527	129 486
Non-current license liabilities	8 385	8 383	3 343
Non-current liabilities to financial institutions	20 120	20 796	20 870
Non-current right of use liabilities	307	703	842
Total non-current liabilities	28 813	29 882	25 055
Trade account payables	74 073	61 042	66 956
Current liabilities to financial institutions	0	5 199	0
Current right of use liabilities	528	1 413	1 078
Current license liabilities	14 365	12 224	16 500
Taxes payable	3 309	470	2 795
Other current liabilities	19 005	17 986	18 168
Total current liabilities	111 280	98 333	105 497
Total liabilities	140 092	128 216	130 552
Total equity and liabilities	288 987	259 743	260 038

Equity ratio of 51.5%

Increase in Equity is mainly due to share premium from ACS share issue

Trade payables is up mostly due to increase in inventory

Copyright and disclaimer

Copyright

Copyright of all published material including photographs, drawings and images in this document remains vested in Navamedic and third party contributors as appropriate. Accordingly, neither the whole nor any part of this document shall be reproduced in any form nor used in any manner without express prior permission and applicable acknowledgements. No trademark, copyright or other notice shall be altered or removed from any reproduction.

Disclaimer

This Presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. These statements and this Presentation are based on current expectations, estimates and projections about economic. Navamedic ASA believes that its expectations and the Presentation are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the Presentation. Navamedic ASA is making no representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the Presentation, and neither Navamedic ASA nor any of its directors, officers or employees will have any liability to you or any other persons resulting from your use. Navamedic ASA consists of several legally independent entities, constituting their own separate identities. Navamedic is used as the common brand or trade mark for most of these entities. In this presentation we may sometimes use “Navamedic”, “we” or “us” when we refer to Navamedic companies in general or where no useful purpose is served by identifying any particular Navamedic company.