

Q3 and YTD 2024

Highlights and key figures

31 October 2024

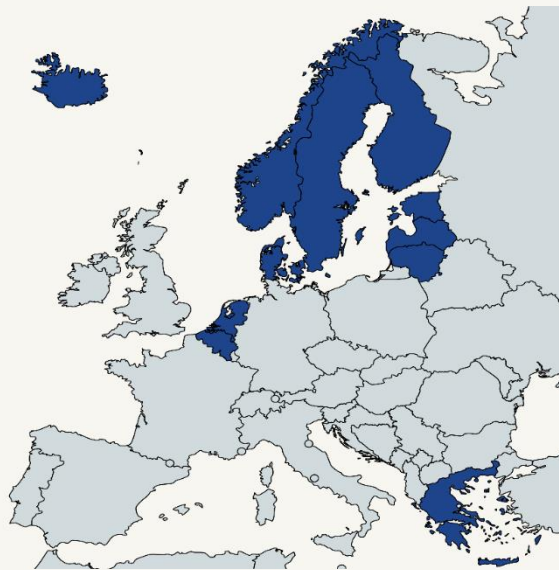
Kathrine Gamborg Andreassen, CEO

Lars Hjarrand, CFO



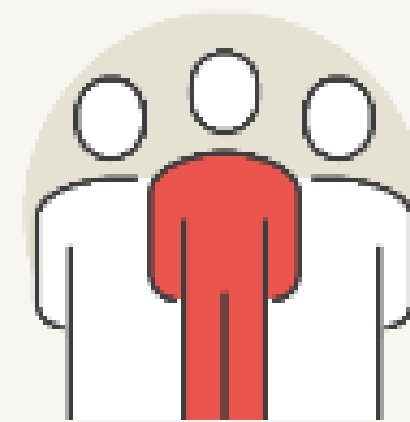
Our edge explained

A reliable supplier of high-quality pharma products, within Prescription drugs (RX), Consumer Health, and Hospital products including Medical nutrition



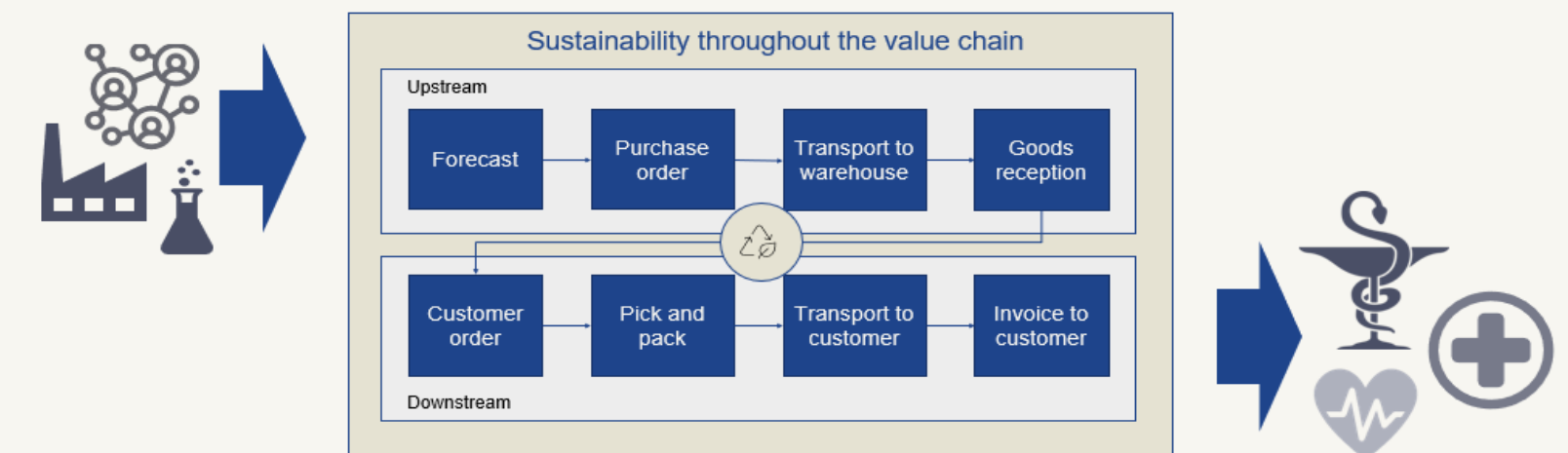
Presence and sales across the Nordics

With a product portfolio approved and ready for wider distribution across Europe



Strong local insight and understanding of patients' needs

Strong local competence (~40 employees) in regulatory, reimbursement, marketing and sales
Understanding patients, their situation and challenges, increasing customer loyalty through guidance and inspiration



Ambitious growth strategy

High-potential pipeline and M&A capabilities
Maximising product potential throughout the value chain, focusing on economies of scale, sales excellence and regulatory expertise

Business remains strong in a quarter impacted by cyclical nature of the business

	REVENUE	GROSS MARGIN	Adjusted EBITDA
Q3 2024	123.1 MNOK -12.7% YoY	37.1% 37.6% in Q3 23	8.6 MNOK 17.4 MNOK in Q3 23
YTD 2024	400.2 MNOK ¹ +3.5% YoY	41.1% 39.7% YTD 23	49.8 MNOK ¹ 43.6 MNOK YTD 23

Double-digit growth in Consumer Health and Hospital

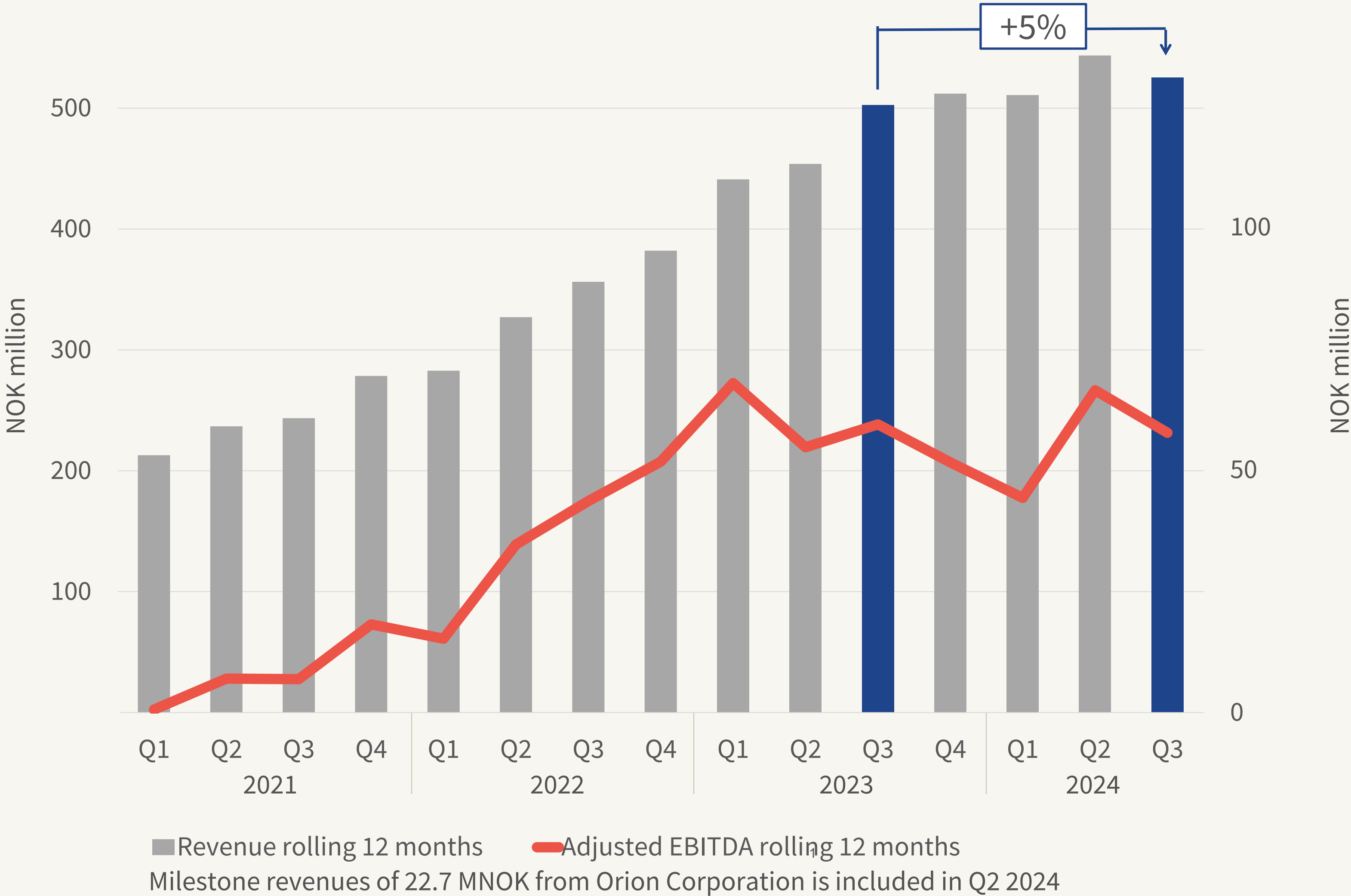
Nordic tender win in quarter

Eroxon – named launch of the year in Boots (NO)

¹ YTD 2024 includes milestone revenues of 22.7 MNOK from Orion Corporation in Q2

The longer perspective

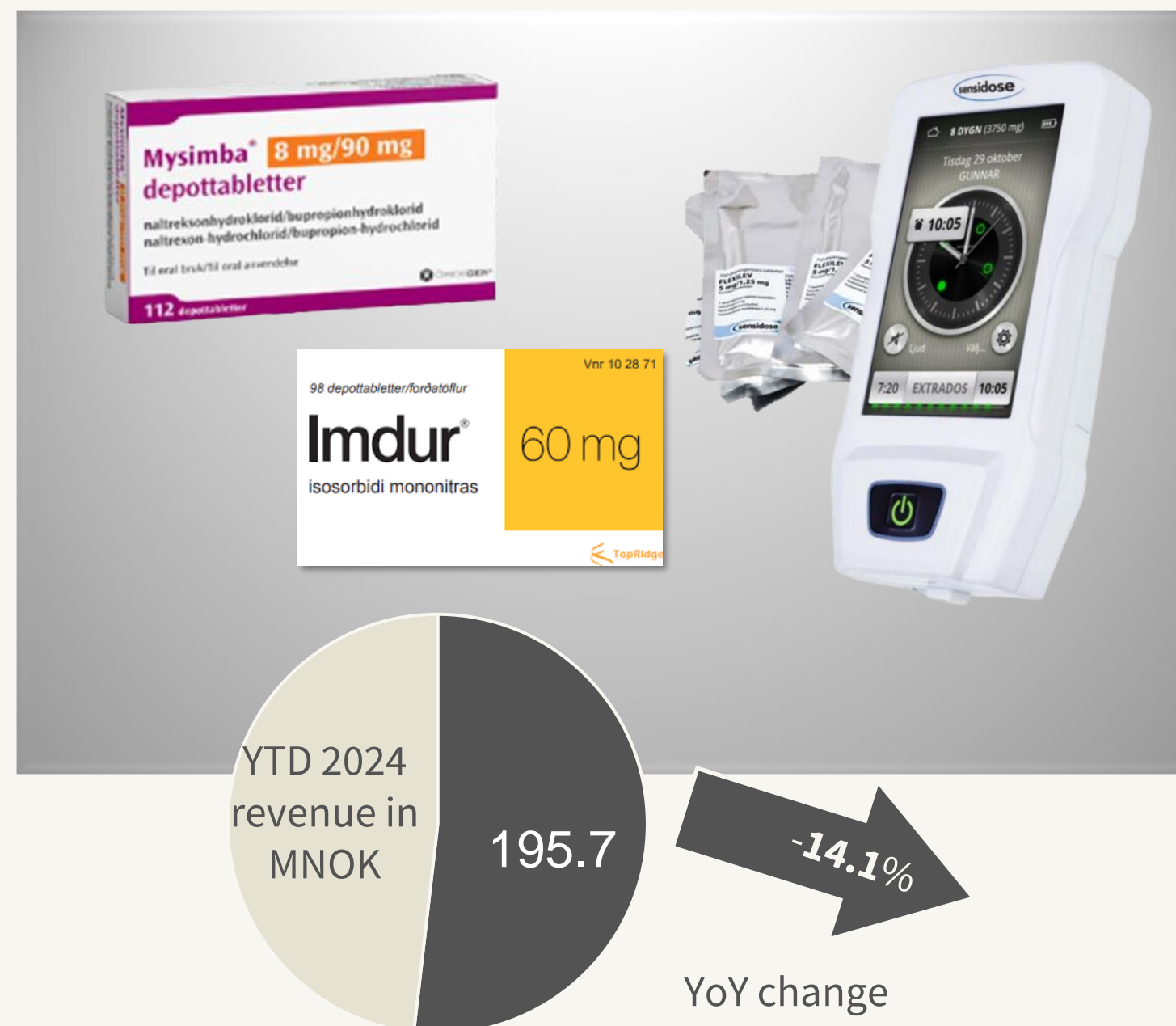
Growth on a scalable platform and through M&A



Revenue growth and EBITDA fluctuations from quarter to quarter mainly due to seasonality and stock build-up/down effects

High-quality portfolio with several hero products

Prescription Drugs (RX) Sold through pharmacies



Consumer Health Sold through pharmacies



Hospital Antibiotics and Medical nutrition*



*IEM Products for treatment of Inborn Errors of Metabolism (IEM), a lifelong, genetic disorder where the body cannot properly turn food into energy.
Non-recurring milestone fee payment 22.7 MNOK in Q2 2024 not included in revenues

Prescription Drugs (RX)

Fluctuations in tenders compared to last year

The **RX segment** comprises Navamedic’s prescription products

Q3 2024 revenue

67.1 MNOK

(Q3 2023: 92.1 MNOK)

Q3 highlights



Mysimba® showing positive trend



Imdur® lower in Q3 due to fluctuations between quarters and increased competition



Strong quarter for **Forlax®**, which delivered double-digit growth YoY

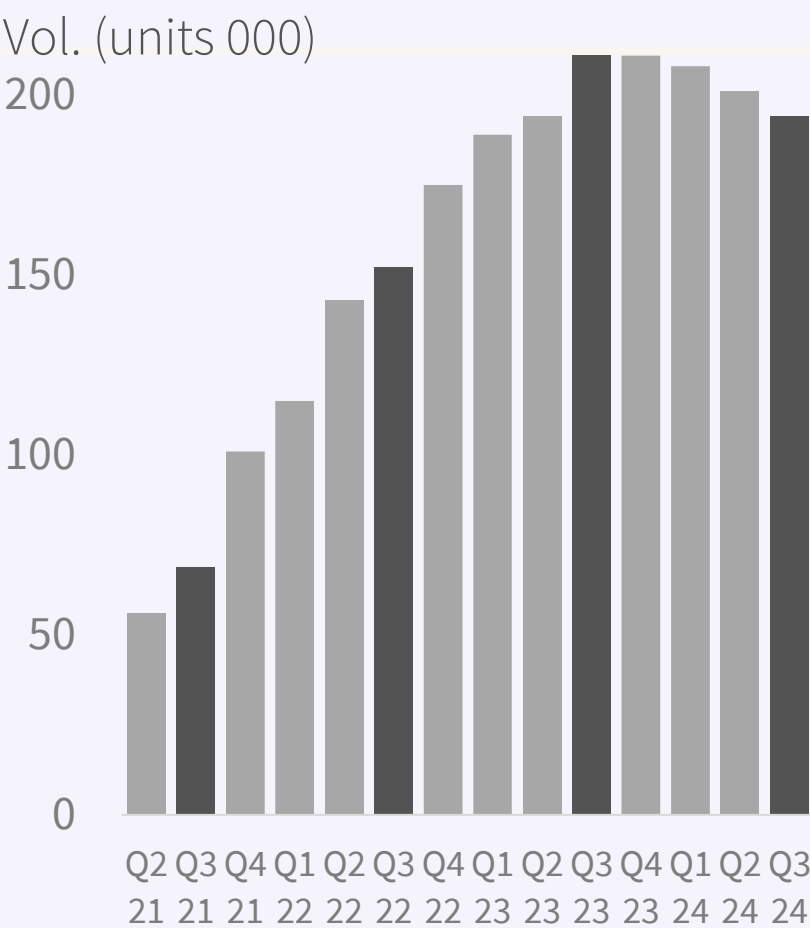


Working towards commercialization of **Flexilev®** and the **OraFID®** dispenser, exploring markets outside of Europe

Strategy for growth

- Focusing on individual reimbursement in NO/FI and the unique positioning for Mysimba® in a growing market
- Commercialization and out-licensing activities for Flexilev (MyFID® and OraFID®)

MYSIMBA® WHOLESALER VOLUME



Iqvia data; Norway, Sweden, Finland
Sales to retailers, rolling 12 months

Consumer Health

Double-digit growth Year-over-Year

The **Consumer Health segment** comprises Navamedic's over-the-counter products, available to patients without a prescription

Q3 2024 revenue

29.3 MNOK

(Q3 2023: 25.0 MNOK)

Q3 highlights



Obesity

Modifast delivered strong double-digit growth YoY. Record high number of participants joining Lättare tillsammans, our knowledge-led patient support program



Pain relief

Several products delivered strong growth in the quarter and YoY, including **Absolut Torr**, **MedMade**, **ThermaCare** and **Aftamed**.



Navamedic is exploring out-licensing opportunities in other markets for both **Absolut Torr** and **MedMade**

Strategy for growth

- Launch, distribute, in-license and build unique profitable hero brands in own countries
- Out-licensing of own products to other markets

Hospital

Good growth in the quarter and another tender win

The **Hospital segment** comprises Navamedic's antibiotics portfolio and medical nutrition products for the treatment of Inborn Errors of Metabolism (IEM)

Q3 2024 revenue

26.6 MNOK

(Q3 2023: 24.0 MNOK)

Q3 highlights



The **Medical Nutrition portfolio** continues to deliver steady growth



Secured a significant joint Nordic **antibiotics tender** to deliver certain antibiotics to hospitals in Denmark, Norway and Iceland. Starting in 2025, the contracts run until 2027 with the opportunity for an extension

Strategy for growth

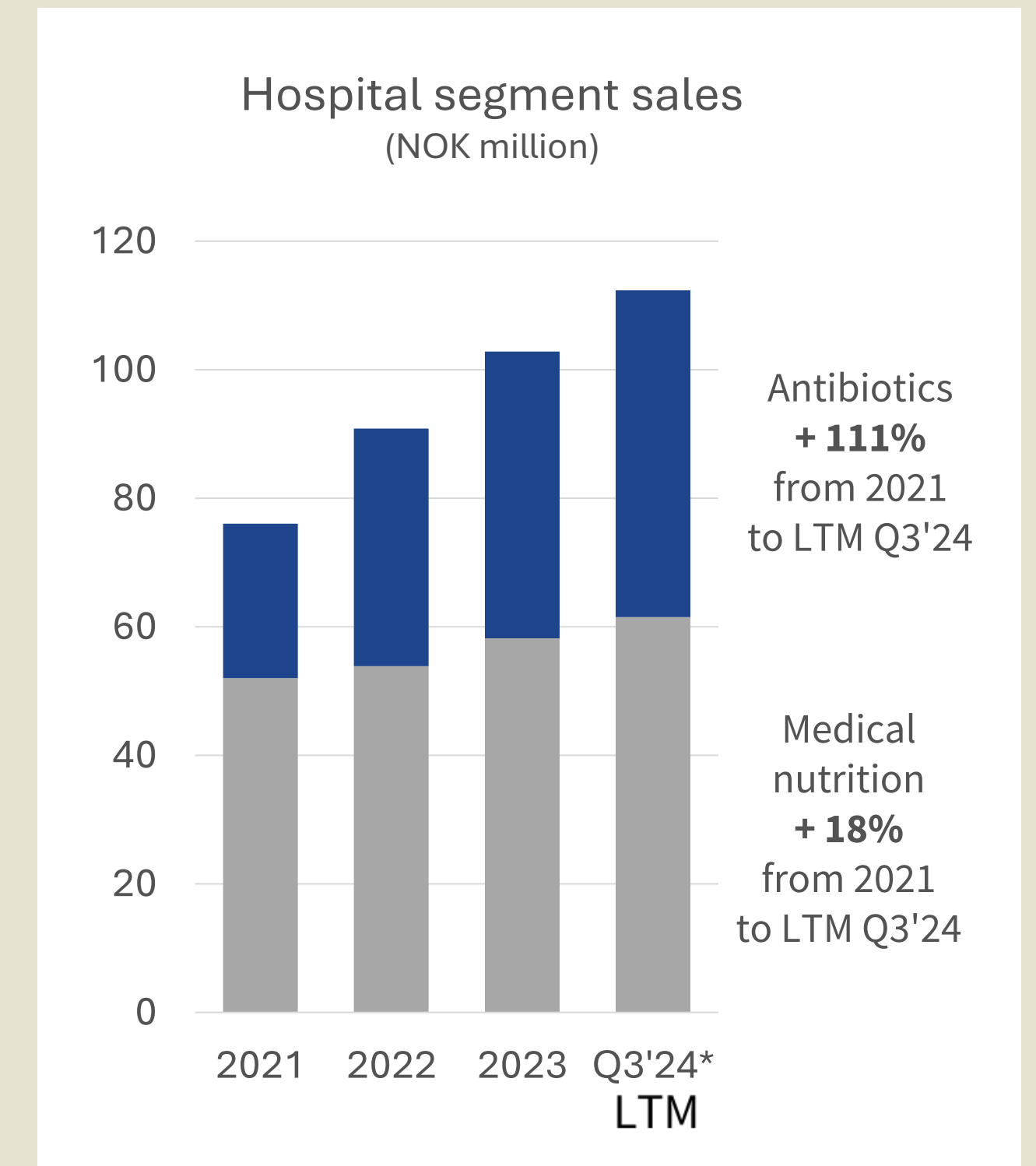
- Expand and secure market access for new antibiotics in the Nordics and Netherlands, explore opportunities for launch in other Northern European countries
- New product and concept launches in Medical Nutrition

Antibiotics

Profitable growth built on our strengths



- Antibiotics remain critical to treat bacterial infections
- Antimicrobial resistance (AMR) threatens its effectiveness
- Main issues
 - Overuse and misuse
 - Lack of access to correct products
 - Reliable supply chain
- New guidelines published in September 2024 by the World Health Organisation and Norway's government



- Local insight and understanding of the market
- Market presence with high tender competence and regulatory expertise in our core markets
- Partnerships with renowned producers
- ISO certified and reliable supply chain
- ESG credentials, which has increasingly become a highly valued attribute for antibiotics

Delivering on our strategy to become a NOK 1 billion revenue company with increased profitability

1

GROWTH BASED ON A STRONG FOUNDATION

Untapping the potential within existing products, categories and territories. Strengthening the core with a disciplined approach to portfolio management, including adding attractive new products in our distribution model



2

PORTFOLIO EXPANSION WITH OWN PRODUCTS

Proactively securing and increasing the portfolio value through in-licensing of products and brands. Create value through market growth opportunities outside own territory with own, unique products in cooperation with distributors or partners

3

CONTINUING GROWTH THROUGH VALUE ADDING M&A

Acquisitions of smaller companies and product portfolios that have significant growth potential, both through Navamedic's existing platform and in new markets in collaboration with distributors or partners

IMPOLIN



FINANCIALS

Financials

Key consolidated profit and loss figures

<i>(in NOK '1000)</i>	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Operating revenues	123 062	140 999	400 240	386 686	511 997
Gross profit	45 685	52 970	164 608	153 351	199 054
<i>Gross profit %</i>	<i>37.1 %</i>	<i>37.6 %</i>	<i>41.1 %</i>	<i>39.7 %</i>	<i>38.9 %</i>
Operating cost	-37 069	-35 604	-114 856	-109 697	-147 487
Adjusted EBITDA (excluding transaction cost)	8 616	17 366	49 753	43 654	51 566
Adjusted EBITDA %	7.0 %	12.3 %	12.4 %	11.3 %	10.1 %
Transaction cost	0	-1 118	0	-13 453	-16 061
EBITDA	8 616	16 248	49 753	30 201	35 505
<i>EBITDA %</i>	<i>7.0 %</i>	<i>11.5 %</i>	<i>12.4 %</i>	<i>7.8 %</i>	<i>6.9 %</i>
Depreciation	-1 141	-1 207	-3 151	-2 861	-3 315
Amortization	-2 712	-2 290	-8 023	-4 673	-8 610
Operating result (EBIT)	4 764	12 751	38 578	22 667	23 580
Net financial income and expenses	-1 776	-2 527	-11 546	-11 953	-12 746
Profit before tax	2 988	10 224	27 032	10 715	10 834
Income taxes	-253	-3 452	-5 569	-6 550	-7 529
Net profit / loss (-)	2 735	6 772	21 463	4 165	3 305

In Q3 2024, revenues were below last year mainly due to the cyclical nature of our business

Gross Profit came in at 37.1% for Q3 mostly due to product mix and currency effect

Operating costs are in line with expectations, and we continue to invest in future growth initiatives

Adjusted EBITDA was NOK 8.6M for the quarter and NOK 49.8M YTD

Net financial items was negative NOK 1.8M mostly due to interest expense and currency effects

Profit before tax was NOK 3.0M

Net profit of NOK 2.7M for the quarter

Financials

Assets

<i>(in NOK '1000)</i>	30.09.2024	30.09.2023	31.12.2023
Goodwill	160 732	140 825	156 729
Deferred tax assets	930	835	930
Other intangible assets	93 492	80 821	97 627
Property, plant and equipment	3 317	1 548	3 692
Right of use assets	5 100	6 579	6 060
Non-current loans receivable	0	0	49 149
Total non-current assets	263 571	230 608	314 186
Tax receivables	13 334	15 128	14 858
Inventories	92 072	79 393	105 200
Trade and other receivables	57 030	60 358	50 631
Cash	46 467	46 768	38 036
Current loans receivable	53 421	47 566	0
Other current financial assets	1 605	5 030	1 393
Total current assets	263 928	254 243	210 118
Total assets	527 499	484 851	524 304

Inventory has decreased in line with our expectations

Trade receivables at normalized level

Cash level is mostly the combination of the net result and changes in working capital

Loan receivable is loan to Observe Medical

Information request received from Finanstilsynet regarding the accounting of the loan to Observe Medical

Other current financial assets is the Observe Medical shares at market value

Financials

Equity and liabilities

<i>(in NOK '1000)</i>	30.09.24	30.09.23	31.12.2023
Total equity	264 134	218 269	222 391
Non-current interest-bearing borrowings	87 100	103 292	95 479
Non-current license liabilities	4 166	3 945	3 988
Non-current right of use liabilities	2 273	4 102	3 892
Deferred tax liabilities	8 725	0	9 271
Total non-current liabilities	102 263	111 339	112 629
Current interest-bearing borrowings	34 402	20 455	51 067
Trade and other payables	59 120	72 860	68 300
Current right of use liabilities	3 147	2 227	2 453
Current license liabilities	17 328	228	16 861
Taxes payable	11 360	6 724	8 149
Other current liabilities	35 743	52 750	42 454
Total current liabilities	161 101	155 243	189 284
Total liabilities	263 365	266 582	301 913
Total equity and liabilities	527 499	484 851	524 304

Equity ratio of 50%

Total loans and borrowings is down in line with loan payment plan

Trade payables is slightly down since last quarter

Cash flow Group – total operations

(in NOK '1000)	Q3 2024	Q3 2023	YTD 2024	YTD 2023	Year 2023
Net cash flow from operating activities	29 081	25 416	34 622	27 528	2 179
Net cash flow from investing activities	- 63	-9 833	- 435	-99 030	-104 583
Net cash flow from financing activities	-11 629	-2 589	-26 623	63 255	83 235
Changes in currency	758	472	867	- 280	1 909
Net change in cash	18 147	13 466	8 431	-8 527	-17 260
Cash and cash equivalents end period	46 467	46 769	46 467	46 769	38 036

The cash flow from Operating Activities is mainly the result of Net profit coupled with changes in working capital items

The cash flow from financing activities is related to loan payments as well as interest payments

The cash at the end of the period was NOK 46.5M

SUMMARY & OUTLOOK

All business areas and new partnership support continued growth

- Navamedic delivered NOK 400.2 million in revenue YTD Q3 2024, representing a 3.5% increase year-over-year
- The growth in 2024 is supported by growth in the Hospital and Consumer Health business areas as well as the licensing and supply agreement for Flexilev®
- Navamedic continues to deliver steady operational progress and growth on a scalable platform and through value adding M&A. Continued to strengthen the core by driving underlying growth

We are building on our solid foundation

- Strengthen the existing business by leveraging our highly scalable market access platform
- Exploring opportunities for market expansion with own products with European/global rights
- Increase value by acquiring and strengthening own products and brands while increasing gross margins through careful management of product portfolio

Ambition of building a
NOK 1 billion
revenue company through
profitable growth

... and vision of building a
leading Nordic
pharmaceutical company

Q&A





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Thank you for your attention!

Navamedic's Q4 2024 presentation will be held on
February 12, 2025

Basis for preparation

This presentation provides financial highlights for the quarter for Navamedic Group. The financial information is not reported according to the requirements in IAS 34 (Interim Financial Reporting) and the figures are not audited. The same measurement principles as presented in the Annual Report 2021 have been used preparing this presentation.

Definitions of Alternative Performance Measures (APM)

The APMs are regularly reviewed by management and their aim is to enhance stakeholders' understanding of the company's performance. APMs presented may be determined or calculated differently by other companies.

APMs:

EBITDA is equal to earnings before interest, tax, depreciation and amortization. EBITDA is a sub-total in the condensed consolidated statement of comprehensive income. EBITDA margin is equal to EBITDA as a percentage of total operating revenues. Gross profit is equal to total revenues minus cost of materials. Gross profit is a sub-total in the condensed consolidated statement of income. Adjusted EBITDA means normal EBITDA less acquisition transaction costs.

Gross margin is equal to gross profit as a percentage of total operating revenues. Equity ratio is equal to total equity as a percentage of total shareholders' equity and liabilities.

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