



Vistin Pharma

Q3

Presentation 2024

Magnus Tolleshaug (CEO) / Alexander Karlsen (CFO)
31 October 2024



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Highlights

Third quarter 2024 results

MNOK 106 in revenue vs. MNOK 120 in Q3 2023

- Revenue decrease compared to same quarter last year driven by lower sales volume, safety stock build and lower global Metformin prices
- MNOK 316 in revenue YTD 2024 compared to MNOK 328 YTD last year

Record high EBITDA of MNOK 29 vs. MNOK 27 in Q3 2023

- EBITDA positively affected by product mix, favorable material cost prices and good cost control in quarter
- EBITDA YTD of MNOK 76.6 compared to MNOK 61 YTD 2023, an increase of 26%

Other

- All-time high production volume in the quarter reflecting good operational utilization of both production lines
- Cash dividend of NOK 1.25 per share distributed YTD 2024. Additional cash dividend of NOK 0.50 per share to be distributed in Q4



Vistin has high focus on reducing local and global emissions, and programs are in place to consume responsibly and recycle where possible



min HCl

NORWAY

min HCl

NORWAY

HCl

HCl

HCl

HCl



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A pure play metformin company – supporting patients worldwide in a growing market

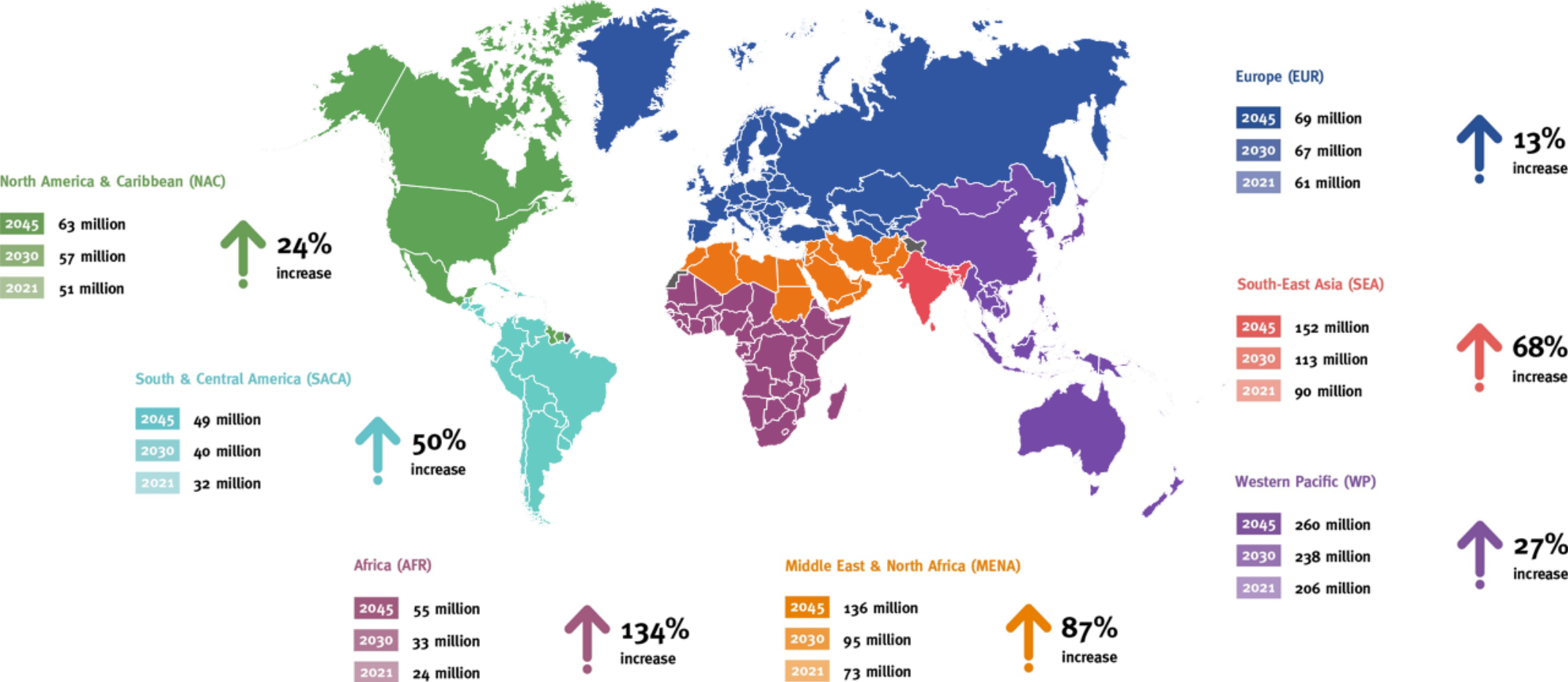


- Market demand for Metformin is expected to grow 4-6% annually
- Vistin's global market share will be approx. 10% when new capacity expansion is fully utilized



*Diabetes – A global
emergency*

Number of people with diabetes expected to increase by 50% from 2019-2045 to 750 million people



Number of people living with diabetes
 Source International Diabetes Federation, IDF Diabetes Atlas, tenth edition, 2021

Key diabetes facts:



537 million adults (20-79 years) are living with diabetes - 1 in 10. This number is predicted to rise to **643 million** by 2030 and **783 million** by 2045.



Over 3 in 4 adults with diabetes live in low- and middle-income countries.



Diabetes is responsible for **6.7 million** deaths in 2021 - 1 every 5 seconds.



Diabetes caused at least **USD 966 billion** dollars in health expenditure – a 316% increase over the last 15 years.



541 million adults have Impaired Glucose Tolerance (IGT), which places them at high risk of type 2 diabetes..

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live in low- and
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deaths due to
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Vistin Pharma produces about 10% of the world's demand of metformin and has a world-wide sales coverage



World sales map







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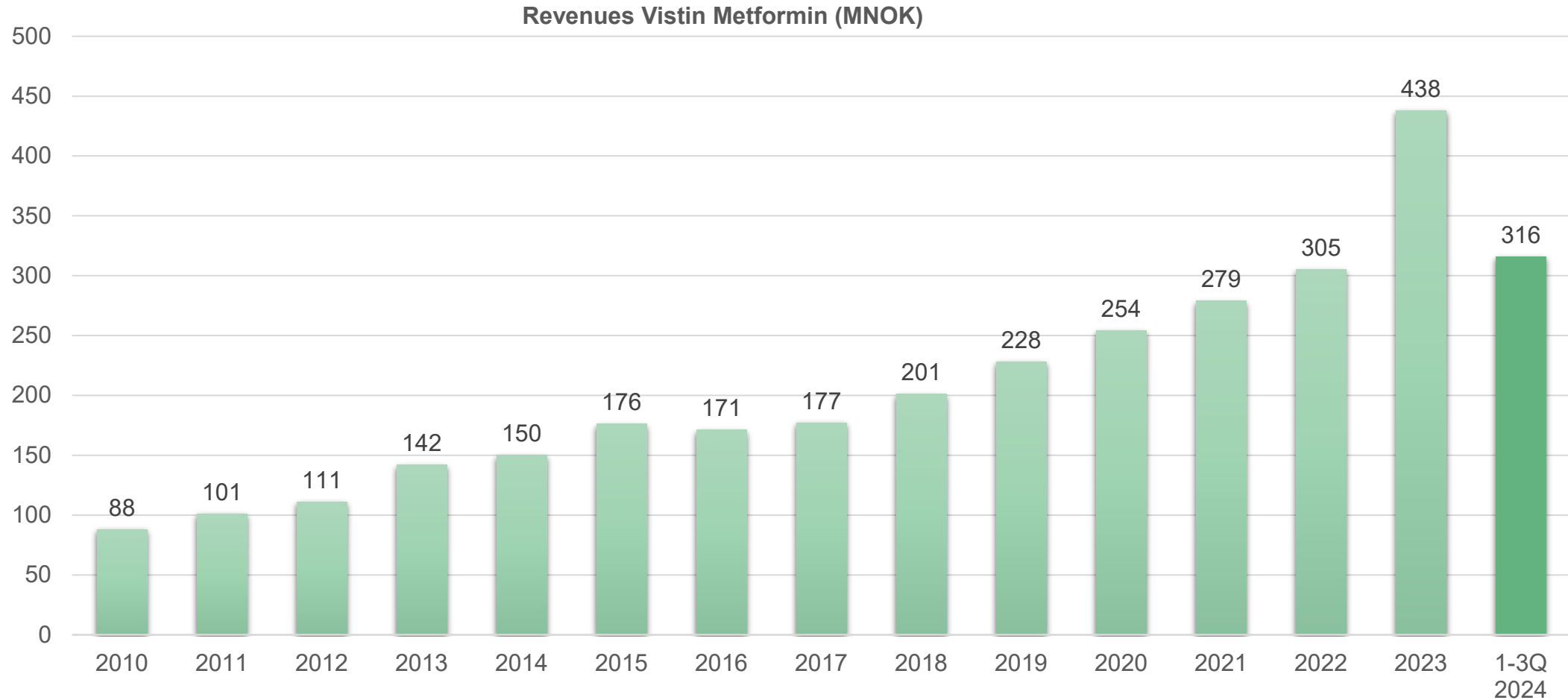
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Long and successful growth track record



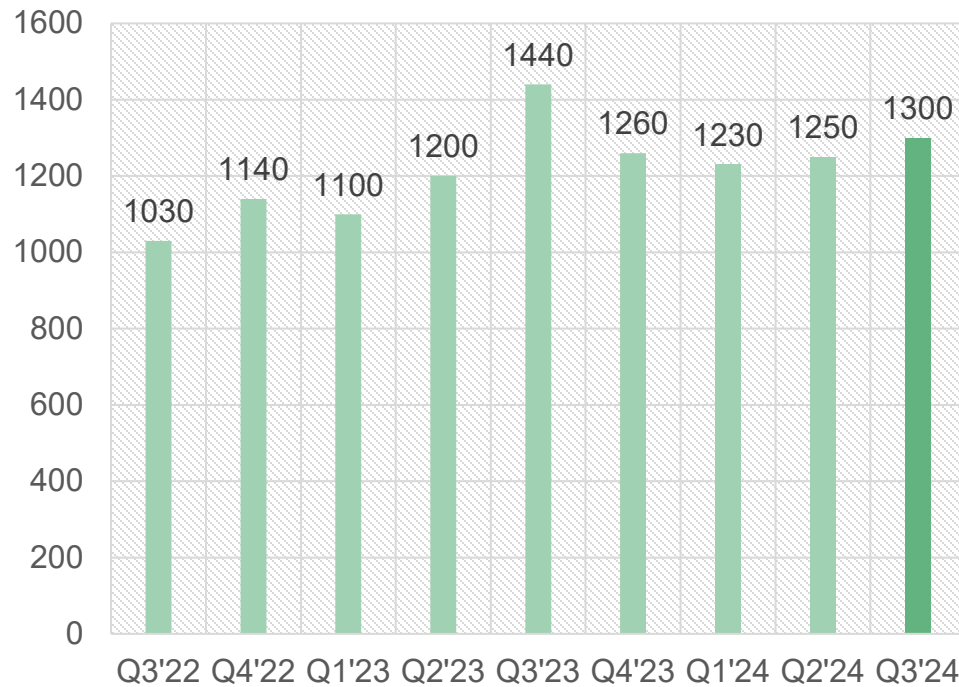
2022 includes a one-time positive liquidated damage compensation (MNOK ~12.5)



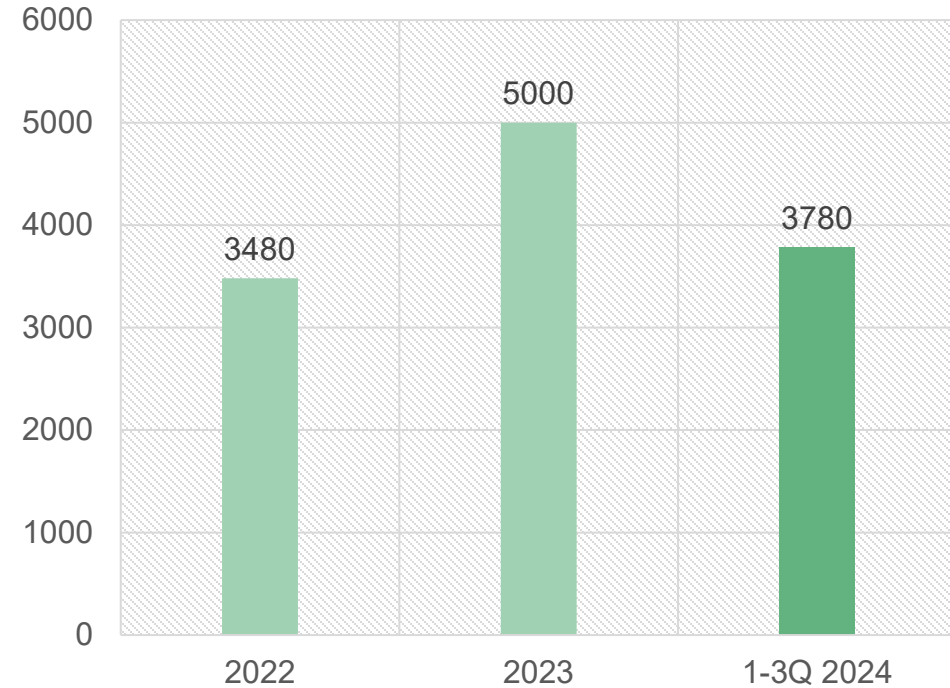
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Sales volume lower than Q3'23, mainly driven by safety stock rebuild and customer order pattern

Quarterly sales volume metformin (HCl & DC)



Annual sales volume metformin (HCl & DC)

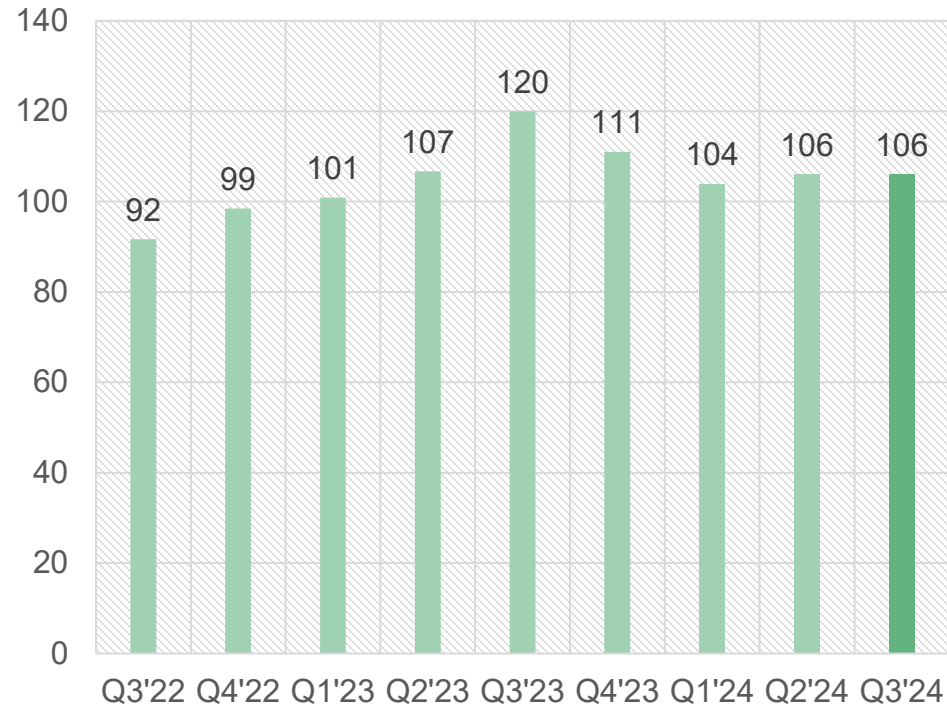


Figures in Metric Tons (MT)



Financial review

Revenue lower compared to Q3'23 driven by limited sales volume and decreased global metformin prices

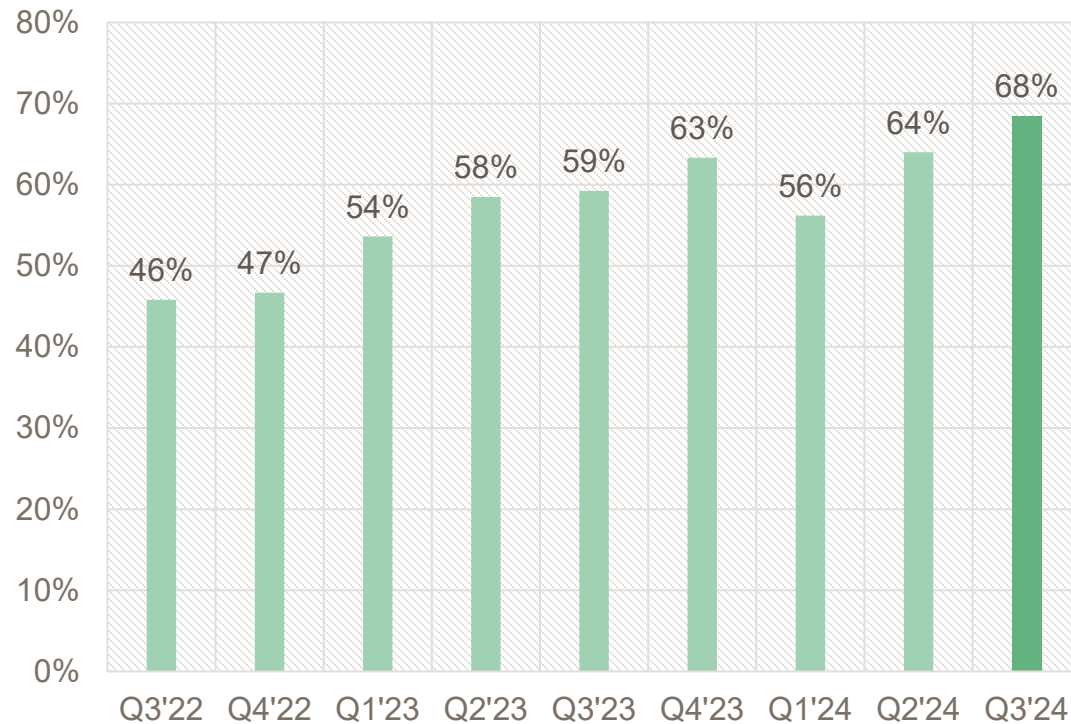


Figures in MNOK

- Revenue of MNOK 106 in Q3'24 vs 120 in Q3'23
- Parts of production volume in Q3 used to rebuild safety stock levels after the unplanned stop in Q1
- Global Metformin prices are lower past twelve months as raw material prices have decreased from high post pandemic levels
- MNOK 316 in revenue YTD 2024 compared to MNOK 328 YTD last year



Positive development in gross margin with stable production volumes and economies of scale in raw material purchasing



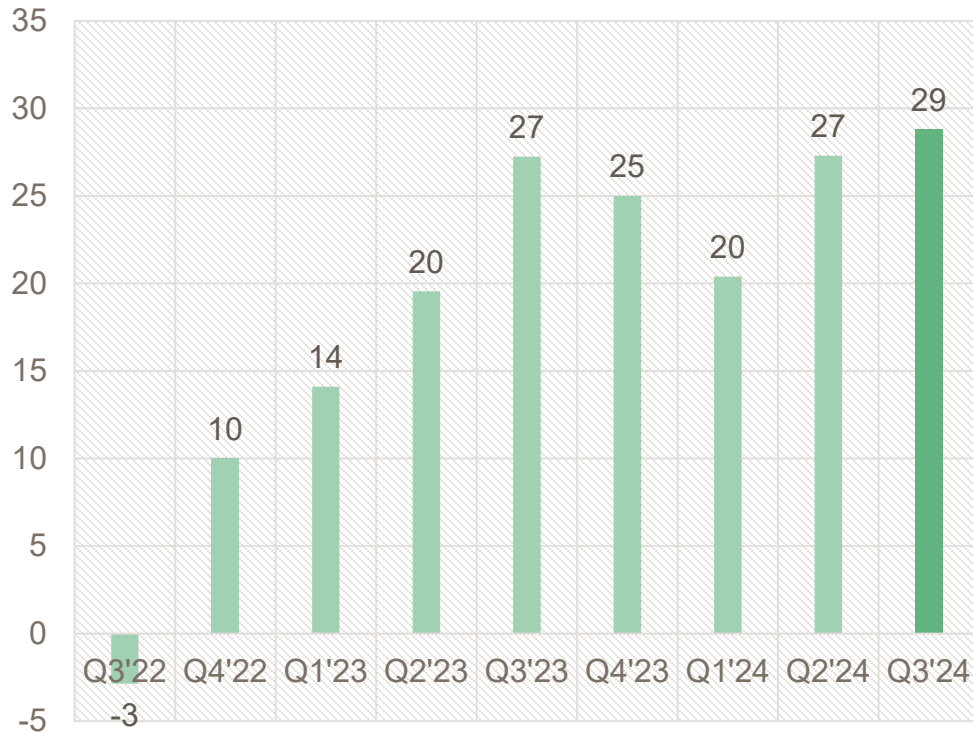
Q4 2022 adjusted for the one-time positive liquidated damage compensation (MNOK ~12.5)

Gross margin (revenue – raw materials & freight costs)

- Positive development in gross margin due to stable production and favorable economies of scale in raw material purchasing, in addition to product mix
- Vistin' s ambition for long-term gross margin is >60%



Record high EBITDA of MNOK 28.8 vs. MNOK 27.3 in Q3 2023



Figures in MNOK

- EBITDA positively affected by product mix, favorable material cost prices and good cost control in quarter
- Incentive plan expense of MNOK 3 booked in quarter (2.7 in Q3'23)
- EBITDA YTD of MNOK 76.6 compared to MNOK 61 YTD 2023, an increase of 26%



Financial review

Key figures: income statement

(NOK 1 000)	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Total revenue and other income					
Total revenue and other income	105 838	119 938	315 803	327 607	438 328
EBITDA					
EBITDA	28 828	27 251	76 606	60 938	85 944
Depreciation & amortisation	-4 765	-4 427	-14 456	-12 859	-17 347
EBIT					
EBIT	24 063	22 824	62 150	48 079	68 597
Net finance income/(expense)	-2 826	7 295	- 6 530	-12 682	-10 079
Profit/(loss) before tax	21 237	30 120	55 620	35 397	58 517
Profit/(loss) for the period	16 565	23 493	43 383	27 610	45 595



Balance sheet

Assets

	30.09.2024	30.09.2023	31.12.2023
ASSETS			
Non-current assets			
Fixed assets	230 286	216 608	219 984
Financial Assets	11 433	-	-
Deferred tax assets	2 401	20 814	14 638
Total non-current assets	244 120	237 423	234 622
Current assets			
Inventory	72 433	85 088	80 171
Trade receivables	61 279	55 319	47 023
Other receivables	4 481	6 294	15 376
Cash & cash equivalents	5 631	2 416	26 204
Total current assets	143 824	149 117	168 774
Total Assets	387 944	386 540	403 397

- Deferred tax asset in relation to realized loss for Energy Trading in Q1 2020
- Inventory consisting of approx. 50/50 raw materials and finished goods
- Reduced sea transportation through the Suez canal has significantly increased freight lead times. However, no impact on production YTD, due to safety stock of critical raw materials



Balance sheet

Equity and liabilities

	30.09.2024	30.09.2023	31.12.2023
EQUITY AND LIABILITIES			
Equity			
Share capital	44 345	44 345	44 345
Share premium	151 470	206 885	206 885
Retained earnings	114 924	49 865	71 540
Total equity	310 739	301 095	322 770
Non-current liabilities			
Other non-current liabilities	8 265	13 199	2 287
Pension liabilities	1 541	2 584	8 864
Total non-current liabilities	9 806	15 782	11 151
Current liabilities			
Trade payables	18 295	47 931	18 916
Short term debt	5 642	0	-
Other current liabilities	43 462	21 730	50 558
Total current liabilities	67 398	69 660	69 473
Total liabilities	77 204	85 443	80 624
Total Equity and Liabilities	387 944	386 540	403 397

- Strong balance sheet with an equity ratio of 80%
- The Company had no remaining interest-bearing debt as of end September 2024. Change from net cash as of end 2023, are driven by dividend payout in January and June (total NOK 1.25 per share) and the acquisition of 15% of the shares in CF Pharma
- Vistin has credit facilities available if needed





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Summary

All time high EBITDA of 29 MNOK in Q3'2024 with gross margin of 68%

Metformin market expected to continue to grow by 4-6% annually

Freight prices have started to stabilize after significant increased freight rates 1H 2024

Sales prices and volume for remaining 2024 are booked

The long-term renewable energy supply agreement signed with Statkraft until 2032 provides predictable cost as we enter the winter season and secures 100% green renewable hydropower long term

Attractive growth potential to be realized when the remaining manufacturing capacity is fully available and utilized

Vistin is strategically well positioned as many European clients prefer high quality supplies, near-shore production and an attractive ESG-profile

Vistin has an ambition to pay out 50 percent of net annual profit as dividend. However, the size of the dividend will be dependent on the company's financial capability and capital requirements for future growth

After the purchase of 15% of CF Pharma in Q1, Vistin is exploring our various strategic options for further growth.



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Double capacity double care metformin strategy

Strategically positioned producer of two different metformin products: Metformin HCl and DC

- Enhance our capability to supply tailor-made products
- Improve COGS by investing in cost-efficient supply of raw materials, waste handling and LEAN
- Strategically well positioned as many European clients prefer high quality supplies, near-shore production and a leading ESG-profile

Attractive growth potential with new production line installed in 2022

- Decided in April '20 to invest MNOK 100 to increase the annual production capacity up to 7000MT
- Sales volume increased by ~44% from 2022 to 2023
- Vistin is experiencing a strong demand for it's Metformin

A premium producer in a competitive market

- Sales to reputable international pharmaceutical companies
- State-of-the-art, fully automated manufacturing plant in Kragerø, Norway
- Certified by all significant international regulatory bodies

Metformin market expected to continue to grow by 4-6% annually

- Diabetes is one of the largest health crises of the 21st century
- Metformin is expected to maintain its position as the Gold Standard baseline treatment for T2D in the foreseeable future
- The additional demand for metformin HCl is by industry experts forecasted to grow by approx. 27.000MT to 98.000MT by 2029



Appendix

Top 20 shareholders as of end September 2024

NAME	SHAREHOLDING	% SHARE
INTERTRADE SHIPPING AS*	12 575 000	28,36 %
HOLMEN SPESIALFOND	4 200 379	9,47 %
PACTUM VEKST AS*	2 991 773	6,75 %
MP PENSJON PK	1 719 848	3,88 %
FERNCLIFF LISTED DAI AS*	1 234 280	2,78 %
STORKLEIVEN AS	751 000	1,69 %
AUGUST RINGVOLD AGENTUR AS	750 315	1,69 %
LUCELLUM AS	720 000	1,62 %
SAGA PURE ASA	700 000	1,58 %
HENRIK MIDTTUN HAAVIE	693 617	1,56 %
IVAR LØGES STIFTELSE	550 000	1,24 %
SURFSIDE HOLDING AS	527 960	1,19 %
TOM RAGNAR PRESTEGÅRD STAAVI	526 324	1,19 %
TIGERSTADEN AS	522 430	1,18 %
CORTEX AS	508 989	1,15 %
SANDEN EQUITY AS	500 000	1,13 %
DNB BANK ASA	482 219	1,09 %
WEM INVEST AS	415 000	0,94 %
DELTA AS	410 000	0,92 %
GINKO AS	400 000	0,90 %
Total 20 largest shareholders	31 179 134	70,13 %
Other shareholders	13 165 458	29,69 %
Total number of shareholders	44 344 592	100,00 %

*Board members of Vistin Pharma ASA



**Thank you
for your attention**

www.vistin.com

Magnus Tolleshaug (CEO)
Alexander Karlsen (CFO)

31 October 2024