



# Webinar Presentation

3rd Quarter and 9 months of 2018

December 6, 2018

# 3rd Quarter

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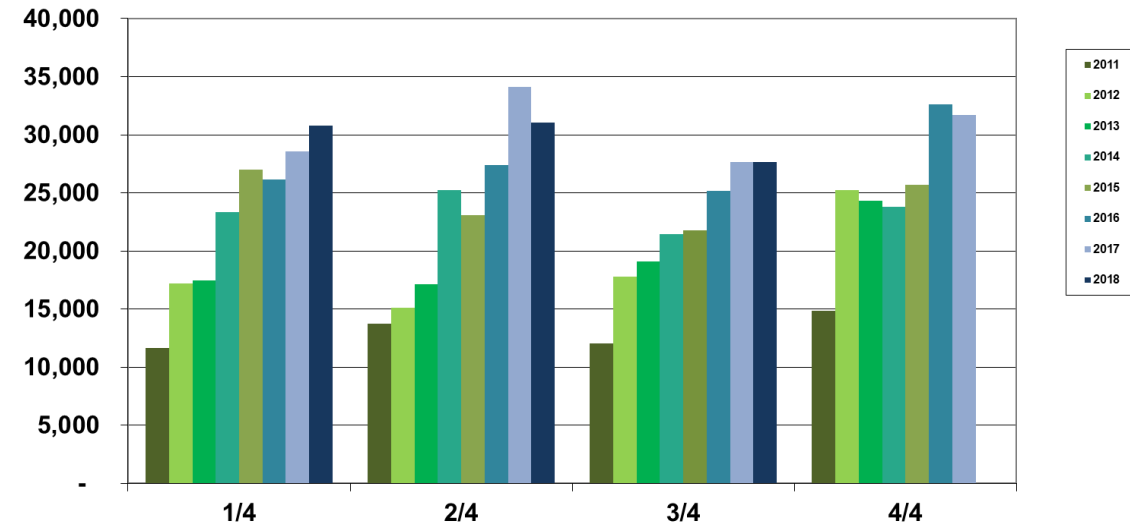


# Sales in 3rd Quarter

- One of the best third quarters in corporate history;
- After adjusted results, sales in this Q3 are smaller by 4k EUR than sales made in Q3 2017;
- Sales worth more than 27.6 million euros;
- Sales by pharmacies = 5.6 million gross, 3 million net;
- Sales by Silvanols = 1.2 million gross, 0.9 million net;
- Sales by Tonus Elast and Elast Medical = 2.2 million net.

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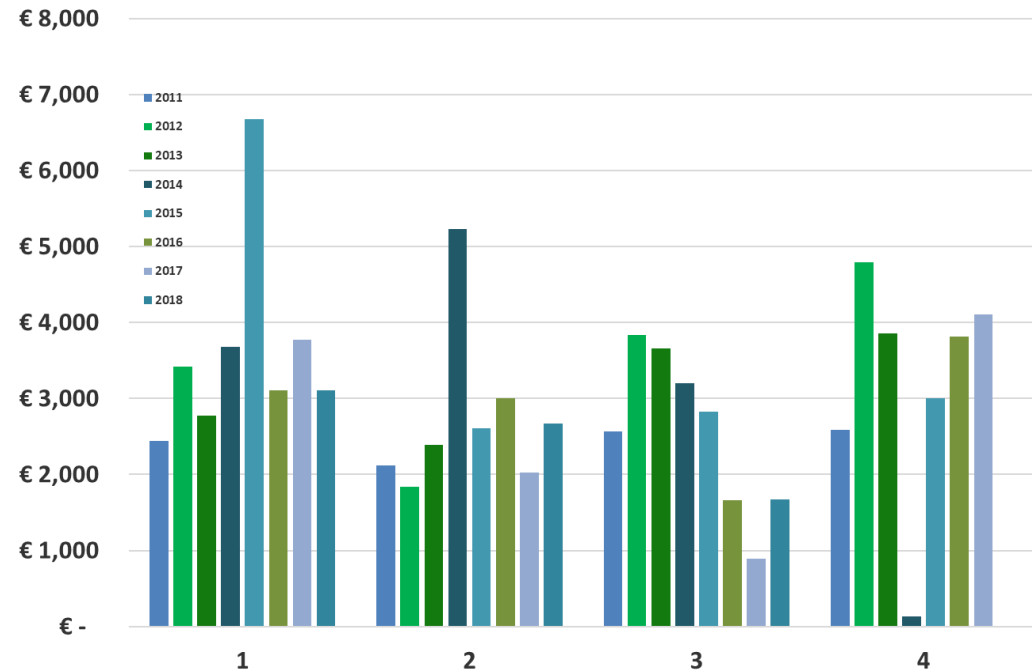
Sales By Quarters Thsnd. EUR



# Profit of 3rd Quarter

- Preliminary at 1.7 million euros, an increase by almost 86% compared to Q3 217;
- Smaller write offs (by about 1.1 mln) offset bigger (by about 0.2 mln) forex losses;
- Gross profit slightly larger despite slightly lower sales, meaning higher margin sales mix;

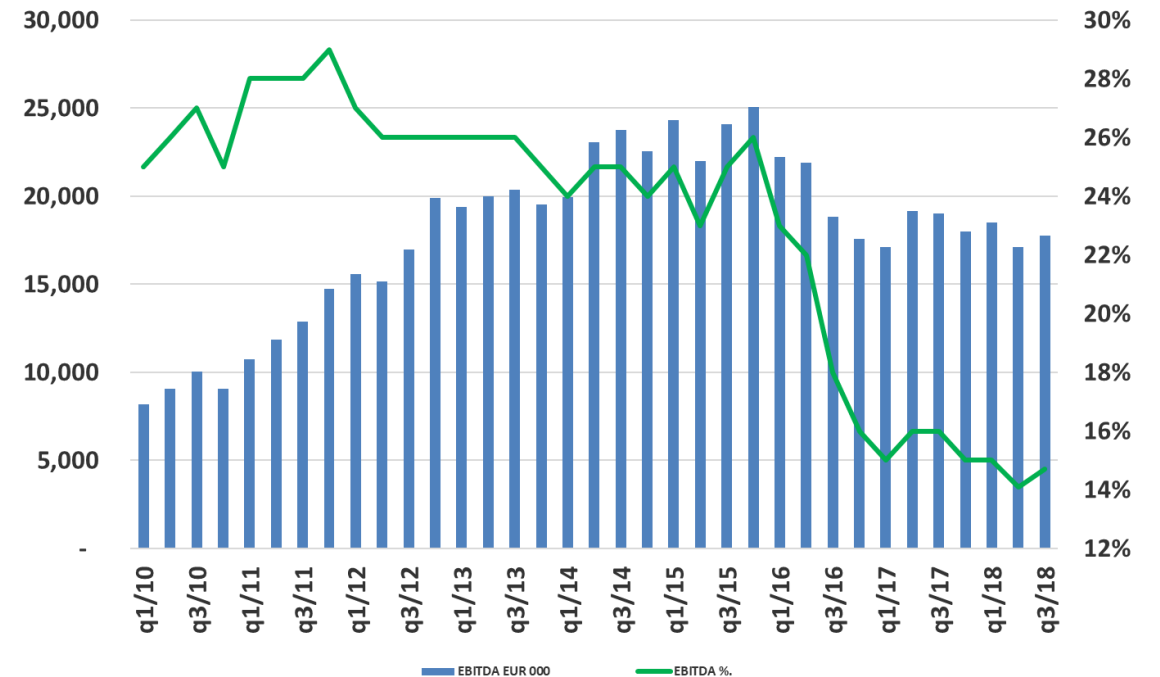
Profit By Quarters, Thsnd.



# EBITDA and Margin

- 12 months EBITDA increased to 17.8 million EUR, while margin increased to 15%;
- Both, EBITDA and margin are recovering as Q3 2018 with 1.1 million assets write offs are leaving TTM;
- Forex loss (deriving mainly from receivables) does not influence EBITDA;

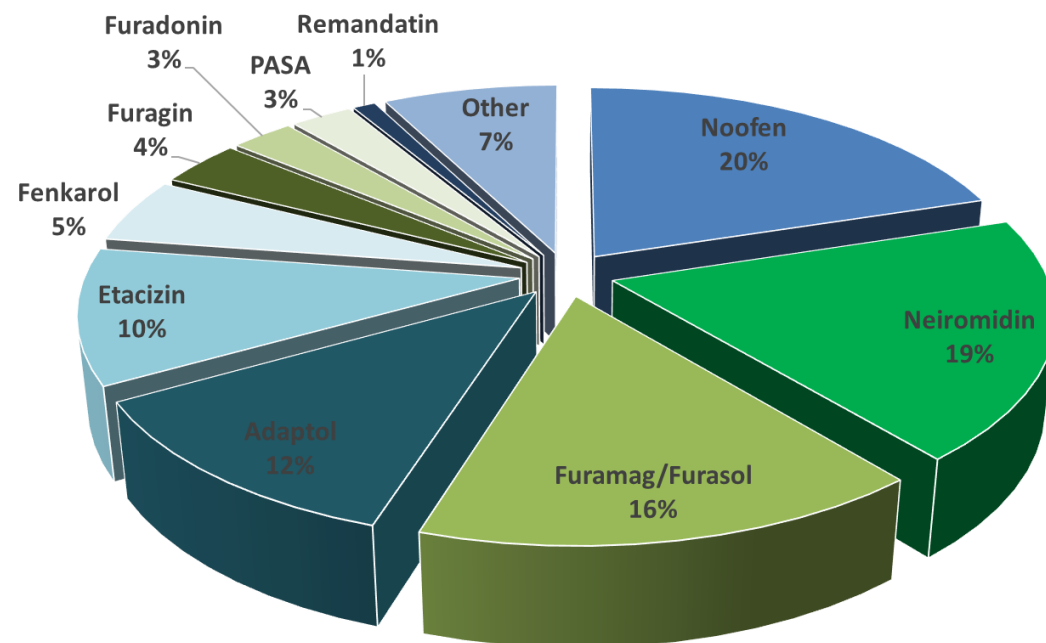
TTM EBITDA And EBITDA Margin



# Sales by Products, 3rd Quarter

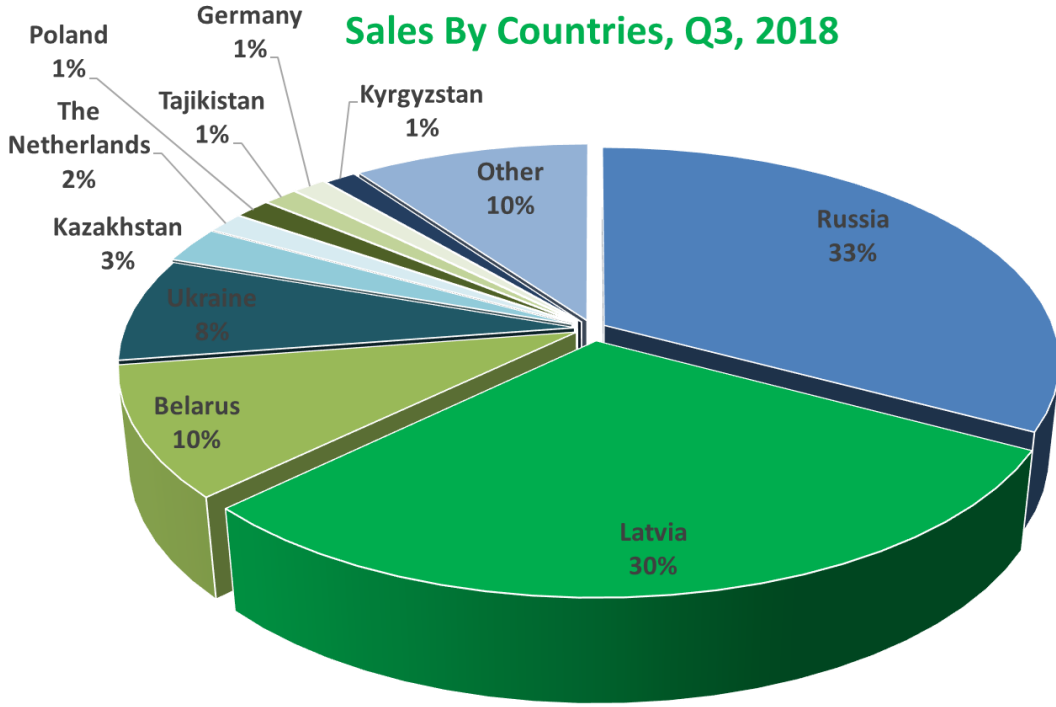
- Compared to Q2 Neiromidin and Noofen switched positions;
- Some sales recovery to PASA and Remantadin, as flu season approaches, thus they both replaced Memantine and Meldonium;
- All others relatively stable

Bestselling Olainfarm Products, Q3, 2018



# Sales by Countries, 3rd Quarter

- Compared to Q2, Russia's lead a little greater as sales to Russia slightly recovered;
- Belarus lost 2pp, Ukraine 4pp, The Netherlands returned as PASA sales recovered;
- Uzbekistan and Lithuania replaced by The Netherlands and Kyrgyzstan.



# 9 Months

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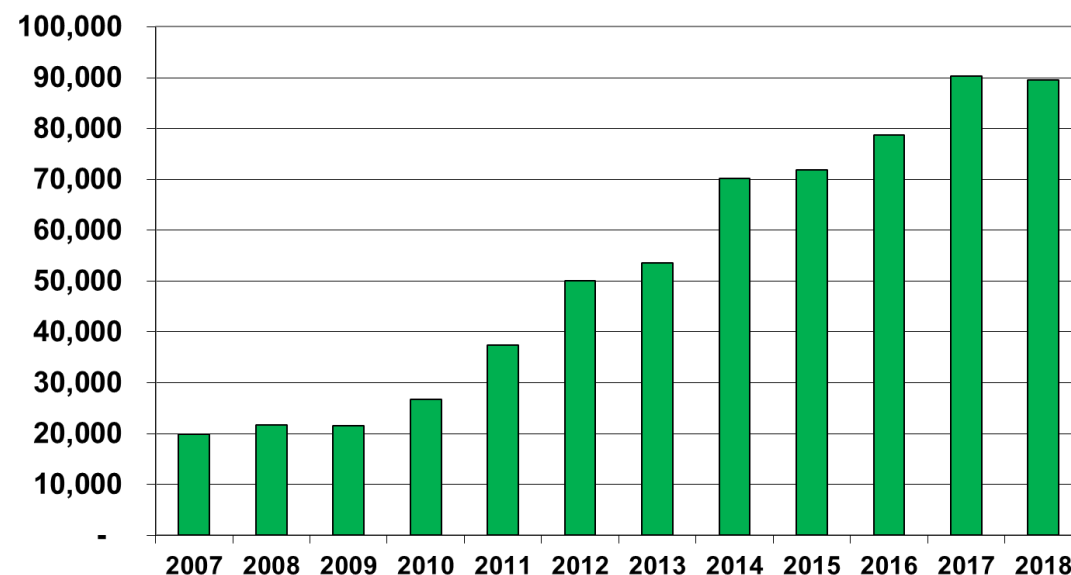




# Sales in 9 Months

- Sales worth slightly less than 90 million euros;
- A reduction by less than 1% compared to 9M 2017, mainly due to very good sales of PASA to WHO throughout 2017;
- Sales by pharmacies = 17.3 million gross, 7.7 million net;
- Sales by Silvanols = 4.1 million gross, 3 million net;
- Sales by Tonus Elast and Elast Medical = 7.1 million net.

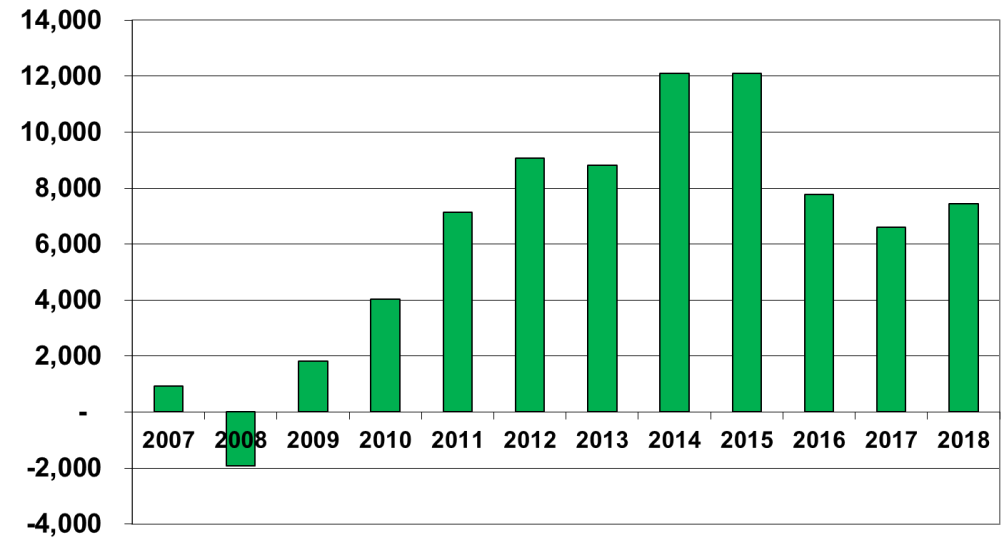
Sales In 9 Months, Thsnd. EUR



# Profit in 9 Months

- Preliminary at 7.5 million euros, an increase by 13% compared to 9M 217;
- Better sales mix, less asset write offs are the main contributors;
- Small positive impact of changes to Latvian tax legislation.

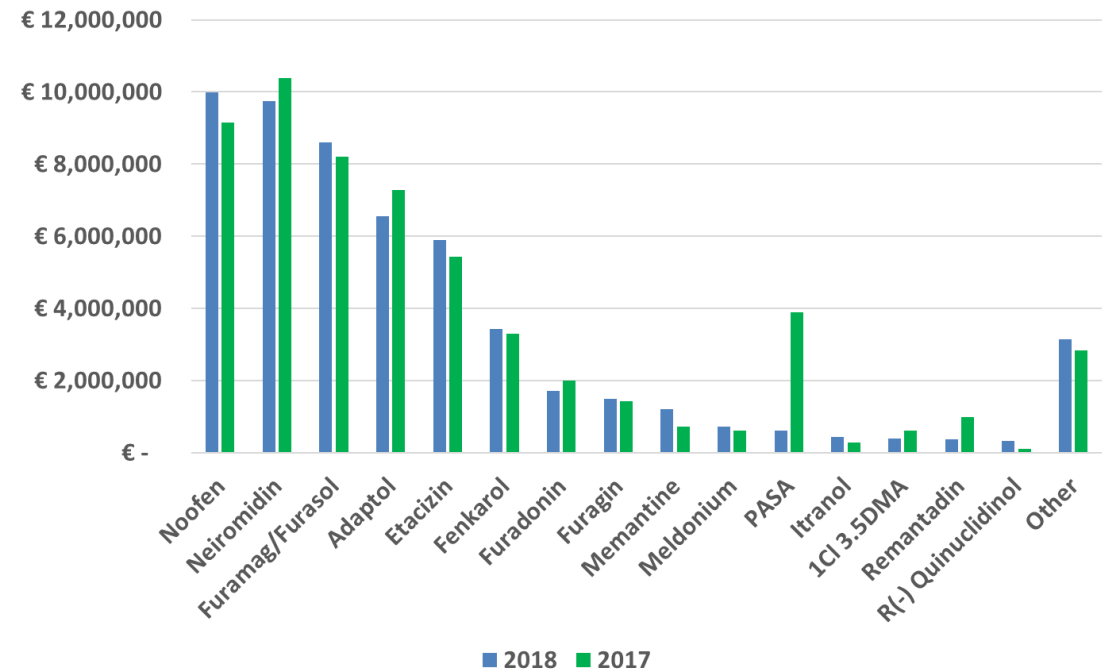
Net Earnings, 9 Months, Thsnd. EUR



# Growth Drivers: Products

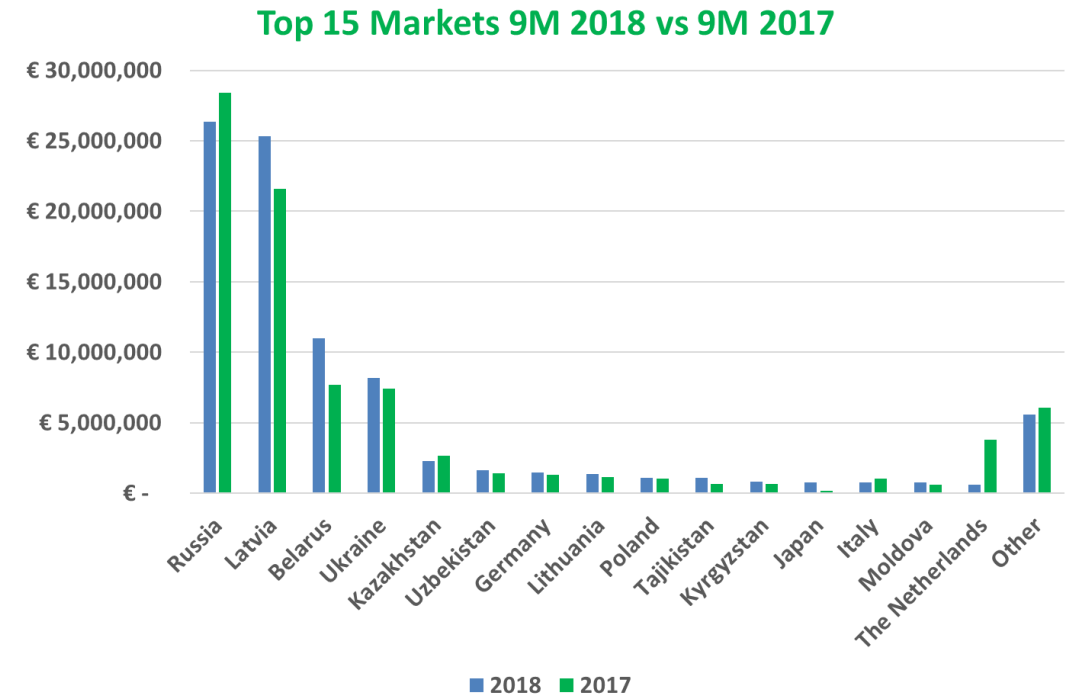
- 9 out of 15 growing;
- Most growth in monetary terms added by Noofen (0.8 m) and Etacizin (0.5 m);
- Most growth in relative terms provided by R(-) Quinuclidinol (215%) and Memantine (64%);
- Most loss in monetary terms comes from PASA (-3.3 m) and Adaptol (-0.7 m);
- Most loss in relative terms also comes from PASA others (-84%) and Remantadin (-64%);

Bestselling Products 9M 2018 vs 9M 2017



# Growth Drivers: Countries

- 11 out of 15 growing;
- Most growth in monetary terms added by Belarus (3.3 m) and Latvia(3.8 m);
- Most growth in relative terms provided by Japan (322%) and Tajikistan (64%);
- Most loss in monetary terms comes The Netherlands (-3.2 m) and Russia (-2 m);
- Most loss in relative terms also comes from The Netherlands (-84%) and Italy (-23%);



# Poll Question

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# Update on Recent Events

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# Annual Baltic Sea Roadshow Completed

- Six countries and seven cities covered in two weeks;
- In total more than 30 meetings, up to five company representatives attending;
- Very considerable interest, in some cities as many as seven meetings were held.

# Poll Question

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# EGM on November 22nd, 2018

- Initially convened by two minority shareholders;
- Among other things, changes to Council and Articles were proposed;
- All of the proposed decisions were rejected by a very considerable majority of votes;

# Poll Question

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# Q&A Session

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