Q2 and half year 2025 financial results

2025

Vistin Pharma

Published 15 August 2025

Highlights

- MNOK 118 in revenue vs. MNOK 106 in Q2 2024, an increase of 11%. Increased revenue driven by sales volumes +17% compared to same quarter last year
- MNOK 233 in revenue YTD 2025 compared to MNOK 210 YTD last year, an increase of 11%
- EBITDA of MNOK 30 vs. MNOK 27 in Q2 2024, an increase of 11%. EBITDA positively affected by increased sales volume and continued focus on cost improvements
- EBITDA YTD of MNOK 60 compared to MNOK 48 YTD 2024, an increase of 27%
- ~1 500MT produced in the second quarter. The first part of April influenced by gradual start-up after the planned reactor replacement on line 1
- Still volatile freight lead times from Asia to Europe of raw materials and bottlenecks for off/on loading in European harbours. However, no impact on production due to safety stock of critical raw materials
- Currently no changes in demand from customers after the US tariff discussions
- Net debt of MNOK 40 as of end June. Ordinary cash dividend of total NOK 1.25 per share paid in June (MNOK 55)

2nd quarter report and YTD financial results for 2025

The financial report as per June 2025 has been prepared according to the IFRS (International Financial Reporting Standard) and follows IAS 34 for interim financial reporting, as do the comparable numbers for 2024.

Financial development

(Comparative numbers for 2024 in parenthesis)

Revenue

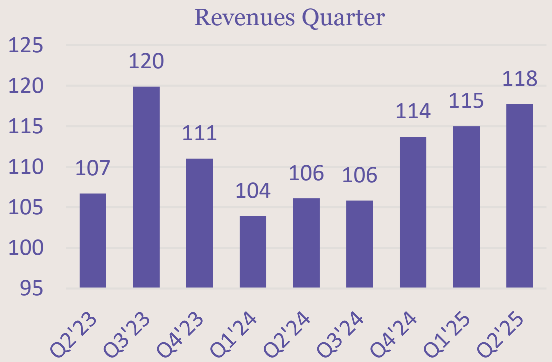
Revenue in the second quarter of MNOK 117.7 compared to MNOK 106.1 in Q2'24, which is an increase of 11%. The revenue increase was driven by increased sales volume (+17%). Good operational performance has resulted in more volumes available for sale. YTD 2025 the revenue is MNOK 233 compared to MNOK 210 YTD last year, an 11% increase.

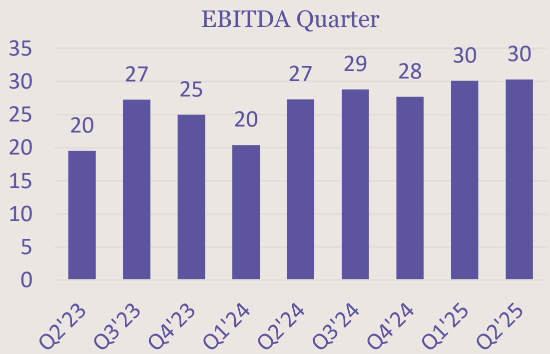
Cost of goods sold

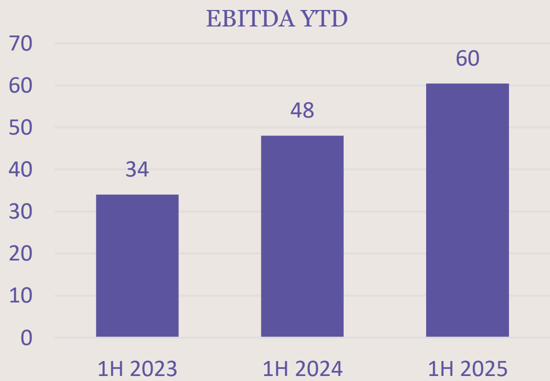
Cost of goods sold (COGS) in the quarter ended at MNOK 87.4 (MNOK 78.7). Raw material prices have stabilized after declining throughout 2024. The decline in cost per produced kg Metformin, compared to same quarter last year, is driven by volume leverage with good operational utilization of both production lines and continued cost optimization. Further volume leverage on costs is expected with increasing production volume.

Earnings

EBITDA ended at record high MNOK 30.3 (MNOK 27.3) for the quarter. EBITDA was positively affected by increased sales volume, scale effects and good cost control in the quarter. An EBITDA margin of 26% (26%) in the quarter continues to represent solid commercial execution.





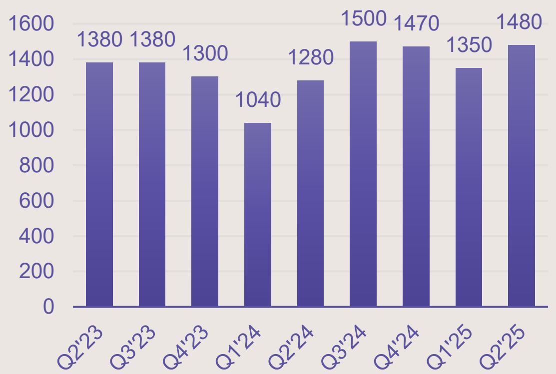


Figures in MNOK

Production

Production output in the second quarter ended at 1 480 MT produced metformin. Part of April was influenced by the planned reactor change on line 1. The output in the quarter reflected good operational utilization of both production lines, with a run rate of >1500 MT in the quarter if adjusted for the idle period during the reactor replacement.

Production volume metformin in metric tons



Financial items

Net finance ended negative with MNOK 1.2 for the second quarter of 2025, compared to positive with MNOK 2.2 in the same quarter of 2024. Finance income and loss is generally related to realized and unrealized FX losses from customers receivables, currency hedging contracts in EUR and interest expense from credit overdraft. Net finance expense in Q2 2025 was mainly related to a partly reversal of an unrealized gain (from Q1) on FX hedging contracts for the remaining part of 2025 and 2026.

Cash flow

Net cash flow for first half of 2025 from operating activities was positive with MNOK 11.8. The operational cash flow was affected by working capital increase due to higher inventory (increased safety stock) and receivables (increased sales). Net cash flow from operating activities in the same period of 2024 was positive with MNOK 25.9. Longer sailing times to Asia has also resulted in increased payment timelines from Asian customers.

Net cash flow from investing activities YTD 2025 was negative with MNOK 8.5. This is constituted mainly by capital expenditure and some leasing repayments. Net cash flow from investing activities in the same period last year was negative with MNOK 31.1 also representing capital expenditure and leasing repayments in addition to the acquisition of 15% in CF Pharma.

Net cash flow from financing activities YTD 2025 was negative with MNOK 13.9. Net cash flow from financing activities in Q2'24 was negative with MNOK 9.6. For both periods, the cash decrease was driven by dividend payment of MNOK 55.4, partly offset by utilizing the bank overdraft.

Net change in cash and cash equivalents in the first half of 2025 was negative with MNOK 10.6. In the same period last year, there was a net decrease in cash equivalents of MNOK 14.8.

Balance sheet

Assets

Vistin Pharma had total assets of MNOK 421.7 as of 30 June 2025 (MNOK 403). The company has fully utilized the deferred tax asset by 2024 end (MNOK 7).

Equity

Equity by the end of June was MNOK 294.3 (MNOK 294.2). This equals an equity ratio of 70%.

Liabilities

The Company had net interest-bearing debt of MNOK 40.4 as of end June 2025, compared to net debt of MNOK 34.4 as of end June 2024. MNOK 2 (MNOK 2.7) in obligations related to lease contracts are recognized in the balance sheet according to IFRS 16.

Operational status

Market

Diabetes is one of the most serious diseases of this century. The number of diabetes II patients are by WHO expected to grow from approximately 590 million today to > 850 million in approximately 25 years. About 11% of the world's population in the age group between 25 – 79 years live with diabetes. The global demand for Metformin is expected to grow by approximately 30.000MT to 105.000MT by 2030.

Metformin is the standard first-line treatment of Type 2 Diabetes, which represents around 90% of the global diabetes cases. Vistin Pharma's key customers are leading pharmaceutical companies that use our API into innovative and generic metformin drug products to the end market. The product demand will therefore be dependent on the performance of these products in the market. Key drivers for future growth are the number of diabetes patients diagnosed and treated with metformin-containing products, continued growth in sales volume from existing international customers, as well as adding new customers to Vistin's portfolio. The company is currently experiencing good demand for its products.

Strategy

Vistin's strategy is to build a >7000 MT Metformin business through world class operations and strategic customer partnerships to maintain and grow the market share. Further to make our manufacturing site the most technology advanced and environmentally sustainable state of the art Metformin plant in the world.

Vistin has positioned itself as a premium supplier in the highly competitive Metformin market, and to become a front runner on sustainability by continuous focus and innovations on reduction of emissions and waste production. Vistin is one out of two European Metformin manufacturer, and the only one with a dedicated facility.

Vistin Pharma's long-term vision is to have no negative impact on the environment, people, and local community by the Company's presence. Vistin Pharma is proud of the sustainability achievements, the track record of deliverables and ongoing ESG focus and investments to further reduce the Company's carbon footprint. Vistin Pharma's customers are to a growing extent also requesting and expecting their suppliers to support the shift towards a sustainable future, and Vistin is strategically well positioned to fulfil these needs being situated in Norway with renewable hydropower and stable environmental focus.

Vistin Pharma believes that the quality of its Metformin products, its advanced, fully automated production facility, continuous focus on and investment in sustainable operations, and its service and delivery performance, are competitive advantages and drivers for increased sales and future growth.

After installation of the new second production line (MEP) in Q1 2022, the company has been focusing on ramping up volume from the two production lines. A significant part of the company's resources engages in optimizing output and building efficient and robust processes to achieve up to 7000MT of annual Metformin HCl output, and sales volume accordingly.

Higher manufacturing and sales volumes going forward are expected to increase working capital requirements, however this will fluctuate from quarter to quarter. In addition, Vistin's further growth ambitions will require some additional CAPEX to support the growth, increased productivity, and sustainability. Vistin has a strategy of keeping additional safety stock of critical raw materials, to secure future supply and support the ramp-up plan. Such safety stock is planned to mitigate potential uncertainties or delays around delivery lead times of raw material from Asia and/or any negative effects from the ongoing war in Ukraine.

When it comes to market share our Metformin strategy is to grow with our existing and new customers, fulfilling their demands and gradually utilize all available production capacity by increasing our market share via active sales Business to Business (B2B).

Competitive drugs

New diabetes drugs will always enter the market being effective in separate ways. This was the case with the DDP4 combination products and the SGLT2 revolution in past years, and now also with the GLP-1 diabetes type 2 treatment with weight reducing effect. However, Metformin is used as baseline treatment, and the combination drugs are typically added on top of Metformin. Because Metformin is a safe, efficacious drug product with a monthly treatment cost of 4-5 USD, it is an easy treatment choice for the prescribing doctors.

Research and Development (R&D)

Vistin is positioned as a premium supplier in the market. To strengthen this position, Vistin is committed to invest in process and product quality development and take advantage of Best Available Techniques (BAT) in its production environment. Vistin has a separate department consisting of four highly competent engineers dedicated to work with process, productivity, and quality improvements.

Strategic intent

Vistin Pharma also has a strategic intent to become a European multiproduct Contract Development and Manufacturing Organization (CDMO) as part of the growth strategy. Other alternative ways to grow the business is also possible, and Vistin has an opportunistic approach in this context.

Vistin Pharma owns 15% of CF Pharma. CF Pharma is an API CDMO located in Budapest, Hungary and has an extensive production site in Budapest, with an experienced R&D department for development of new products and processes. The company has a proven track record in developing and commercializing Active Pharmaceutical Ingredients (APIs).

World Health Organization:

Diabetes is a chronic, metabolic disease characterized by elevated levels of blood glucose (or blood sugar), which leads over time to serious damage to the heart, blood vessels, eyes, kidneys and nerves. The most common is type 2 diabetes, usually in adults, which occurs when the body becomes resistant to insulin or doesn't make enough insulin. In the past 3 decades the prevalence of type 2 diabetes has risen dramatically in countries of all income levels. For people living with diabetes, access to affordable treatment is critical to their survival

Source: Diabetes (who.int)

Vistin Pharma:

Metformin is the 1st-line treatment for type 2 diabetes and is expected to continue to be so in the foreseeable future, due to the cost-efficient treatment with limited side effects and long-term safety profile. Today Vistin Contributes to deliver Metformin diabetes type 2 medication to millions of patients every day.

Vistin Pharma's 8 goals for achieving increased sustainability.

1. 80% recycling of process water.
2. 95% less VOC to air in 2025 vs 2020.
3. Carbon neutral on Scope 1 and Scope 2 by 2030.
4. Reduce scope 3 emissions by selective procurement towards lower carbon footprint.
5. Reduce pharmaceutical content in waste.
6. No increase in discharge to sea from doubled manufacturing capacity. Innovative process design in expansion project.
7. Ensure control of effluents to sea, by continuous program for monitoring.
8. Reduction of plant energy consumption.

We believe in balance in life. We want to grow our business, but not at the expense of the environment, people's wellbeing, or sound business principles.

Balance by Vistin Pharma

Balance by Vistin is established to increase focus on sustainability and create more impact with our initiatives. The sustainability program will structure our efforts and make sure that we work holistically in our company and with our suppliers, partners and customers.

Key Figures in 2024

90%

recycling grade in the plant

80%

less water consumption by recycling

95%

reduction in VOC

~0%

effluent to the fjord of Metformin API

0,011

kg CO_2e/kg API Scope 1

0,001

kg CO_2e/kg API Scope 2

100%

renewable hydropower usage

Corporate social responsibility, the environment and employees

Vistin Pharma aspires to achieve sustainable development by having a good balance between financial results, value creation, sustainability, and CSR. The Board of Directors have the overall responsibility for aligning Vistin's strategy and sustainability considerations, while the day-to-day responsibility lies with the CEO, supported by the Leadership Team. The statement of corporate social responsibility required under the Norwegian Accounting Act was published in June on the Company's website.

Vistin Pharma is committed to conduct its business in a manner that adheres to the highest industry standards within the pharmaceutical industry, and strictly in accordance with international and local laws and regulations. Vistin Pharma is a socially responsible company dedicated to promoting decent working and environmental conditions in the supply chains. Vistin Pharma has adopted the general principles of UN Global Compact with universally accepted principles for human rights, working conditions, environment, and anti-corruption. In pursuit of this the Company has developed a 'NO HARM VISION'.

Risks and uncertainties

As a pharmaceutical manufacturing company, Vistin Pharma is exposed to several types of risk. Fluctuations in the price and availability of raw materials and the development in foreign exchange (USD and EUR) are among the most prominent. Majority of the sales are done in EUR, while all primary raw material purchases are in USD. In addition, risk related to potential regulatory changes, new medications for the treatment of diabetes II, and environmental issues connected to emission permits at the Company's plant, represent central risk factors to the Company.

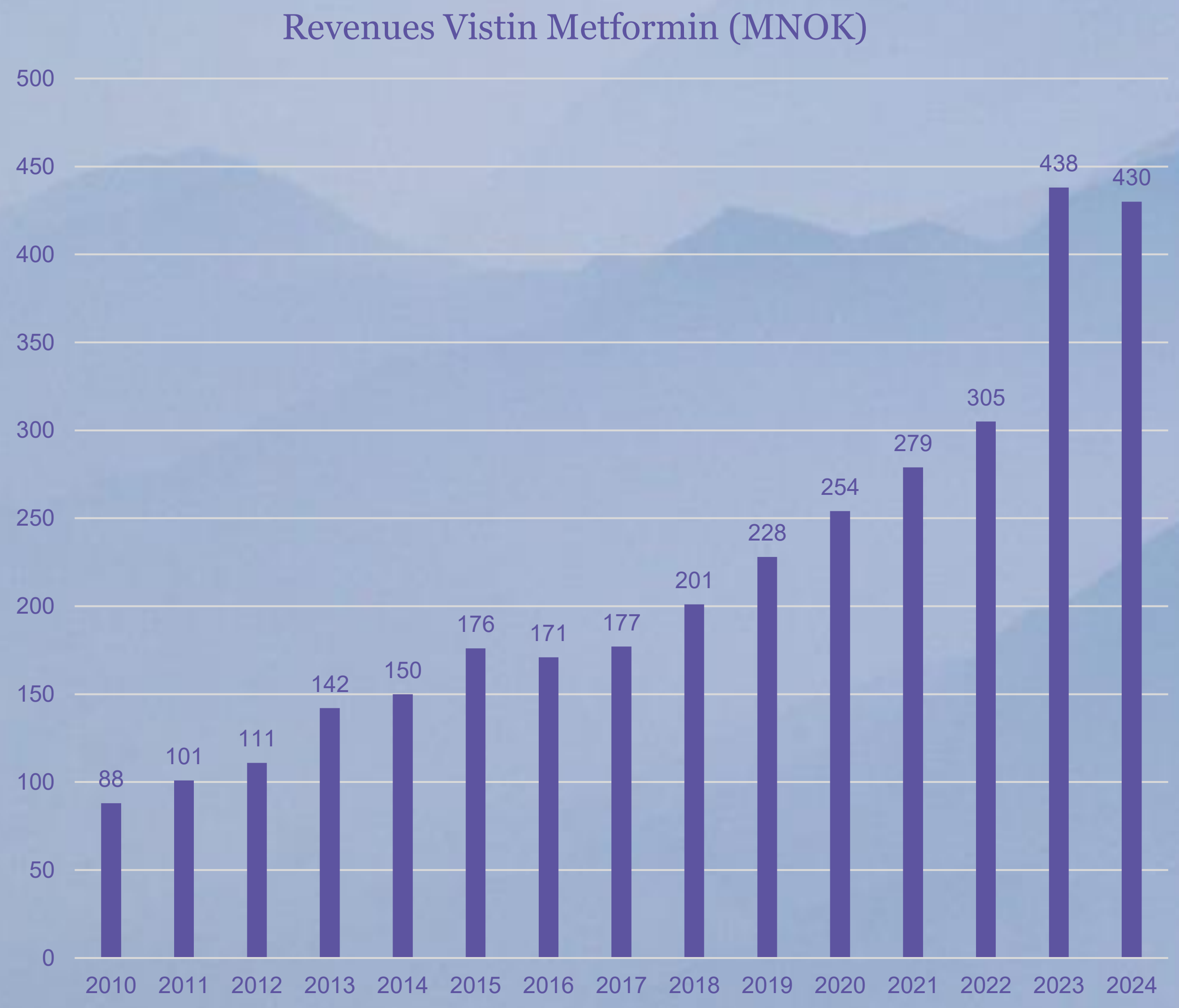
Vistin has currently not experienced any changes in demand or behaviour from customers in relation to the ongoing US tariff discussions. Direct sales to USA are less than 5% of Vistin's total sales.

General market outlook

Diabetes is one of the largest global health crises of the 21st century, and the demand for Metformin medication is expected to continue to grow by 4-6% annually, as it remains the standard baseline treatment for type 2 diabetes. The demand for Metformin in the market has not been affected by the corona epidemic or the current situation in Ukraine. The vulnerability for drug supplies during both the corona epidemic and the Ukraine situation has been an eye opener for the authorities, and the need for near shoring seems only to increase. Vistin is strategically well positioned to benefit from the expected stronger demand for local supplies from Europe going forward.

GLP-1 agonists have recently become quite popular in high income countries to treat obesity and diabetes type 2. It is quite common to use for example the GLP-1 agonist Semaglutide in combination with metformin for managing type 2 diabetes. This combination is often prescribed because the two medications complement each other in controlling blood sugar levels. Semaglutide helps by stimulating insulin secretion, suppressing glucagon release, slowing digestion, and reducing liver glucose production. Metformin primarily works by decreasing glucose production in the liver and improving insulin sensitivity.

Long and successful growth track record



Shareholder information

The Company had 44 344 592 issued shares as of 30 June 2025. The five largest shareholders were Intertrade Shipping AS with 14,509,280 shares, Holmen Spesialfond with 4,371 558 shares, Pactum Vekst AS with 2,991,773 shares, MP Pensjon PK with 1,719,848 shares, and Storkleven AS with 751,000 shares.

The share price has moved from NOK 23.60 per share at 31 of March 2025, to NOK 24.40 as of 30 June 2025.

Basis of presentation

This financial information should be read together with the financial statements for the year ended 31 December 2024, prepared in accordance with International Financial Reporting Standards ("IFRS"). The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Additional disclosures supplementing the financial statements are included in this report on pages 2–5. The figures are unaudited.

Dividend policy

The company 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.

An ordinary cash dividend of total NOK 1.25 per share, was paid out in June.

Events after the reporting date

There have not been events after the reporting date that affect the Company's financials.

Condensed financial statement (P&L)

All numbers in NOK 1000	Q2 2025	Q2 2024	YTD 2025	YTD 2024	FY 2024
Total revenue and income	117 670	106 081	232 706	209 964	**429 503**
Cost of materials	41 206	35 916	81 919	79 980	149 969
Salary and social expenses	24 460	22 263	47 526	43 592	94 224
Other operating expenses	21 728	20 565	42 772	38 615	80 985
Total operating expenses	87 395	78 744	172 217	162 187	325 178
Operating result before depr. (EBITDA)	**30 275**	**27 337**	**60 489**	**47 778**	**104 325**
Operating result before depr. %	*26 %*	*26 %*	*26 %*	*23 %*	*24 %*
Depreciation	5 427	5 009	10 298	9 691	19 029
Operating result (EBIT)	**24 847**	**22 328**	**50 191**	**38 087**	**85 296**
Operating result in %	*21 %*	*21 %*	*22 %*	*18 %*	*20 %*
Financial income	1 196	2 868	8 280	4 515	9 410
Financial expenses	2 360	629	6 972	8 219	14 252
Net finance	**-1 165**	**2 239**	**1 308**	**-3 704**	**-4 843**
Pre-tax profit (EBT)	**23 683**	**24 567**	**51 500**	**34 383**	**80 453**
Tax	5 210	5 405	11 330	7 564	17 704
Result	**18 473**	**19 162**	**40 170**	**26 819**	**62 749**
Comprehensive income					
Result after tax	18 473	19 162	40 170	26 819	62 749
Other comprehensive income	-	-	-	-	1 598
Total comprehensive income	**18 473**	**19 162**	**40 170**	**26 819**	**64 347**

Key figures	Q2 2025	Q2 2024	YTD 2025	YTD 2024	FY 2024
Equity share	70 %	73 %	70 %	73 %	80 %
Earnings per share	0,42	0,43	0,91	0,60	1,42
Average shares outstanding in 1000	44 345	44 345	44 345	44 345	44 345

Condensed financial statement (balance sheet)

All numbers in NOK 1000	30.06.2025	30.06.2024	31.12.2024
Assets			
Fixed assets	227 772	229 973	229 603
Financial assets	12 154	11 433	12 154
Deferred tax assets	-	7 074	-
Total tangible and fixed assets	**239 927**	**248 480**	**241 757**
Inventory	82 958	68 787	76 665
Trade receivables	84 979	67 216	44 279
Other receivables	11 629	7 099	9 449
Cash	2 226	11 389	12 794
Total current assets	**181 792**	**154 490**	**143 187**
Total assets	**421 719**	**402 969**	**384 945**
Equity and liability			
Share capital	44 345	44 345	44 345
Share premium reserve	73 867	151 470	129 298
Retained earnings	176 057	98 360	135 886
Total equity	**294 269**	**294 175**	**309 529**
Pension liabilities	6 386	8 372	6 602
Deferred tax liabilities	14 849	-	3 517
Other non-current liabilities	1 067	1 764	1 326
Total long-term liabilities	**22 302**	**10 136**	**11 445**
Trade payables	16 250	13 443	13 054
Short term debt	42 608	45 835	-
Other current liabilities	46 289	39 380	50 914
Total short-term liabilities	**105 147**	**98 658**	**63 969**
Total equity and liability	**421 719**	**402 969**	**384 945**

Change in equity

	30.06.2025	30.06.2024	31.12.2024
All numbers in NOK 1000			
Equity starts of period	309 529	322 769	322 770
Result for the period	40 170	26 819	62 749
Other comprehensive income	-	-	1 598
Dividend	-55 431	-55 415	-77 587
Equity end of period	**294 268**	**294 173**	**309 529**

Cash flow analysis YTD

	30.06.2025	30.06.2024	31.12.2024
All numbers in NOK 1000			
Result for the period	51 500	34 383	80 453
Depreciations	10 298	9 691	19 029
Working capital changes	-49 971	-18 195	8 376
Cash flow from operation	**11 826**	**25 879**	**107 858**
Purchase of equipment and intangibles	-8 467	-31 113	-40 296
Cash flow from investments	**-8 467**	**-31 113**	**-40 296**
Dividends	-55 431	-55 415	-77 587
Finance activities	41 504	45 835	-3 384
Cash flow finance activities	**-13 927**	**-9 580**	**-80 971**
Change in cash for the period	-10 568	-14 814	-13 409
Cash at start of period	12 795	26 204	26 204
Cash by the end of period	**2 227**	**11 389**	**12 795**

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the first half year of 2025, which has been prepared in accordance with IAS 34 – Interim Financial Reporting, gives a true and fair view of the Company's assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Oslo, 14 August 2025

Øyvin A. Brøymer
Chairman

Espen Marcussen
Board member

Bettina Banoun
Board member

Kari Krogstad
Board member

Stine Wang Rønningen
Board member

Espen Lia Gregoriussen
Board member

Magnus W. Tolleshaug
CEO

Responsibility statement is signed electronically.

Vistin Pharma ASA
Østensjøveien 27
NO-0661 Oslo
Norway

Tel: +47 35 98 42 00
E-mail: vistin@vistin.com

www.vistin.com