



Vistin Pharma – Fourth quarter and preliminary 2021 results

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Agenda

Highlights

Operational review

Financial review

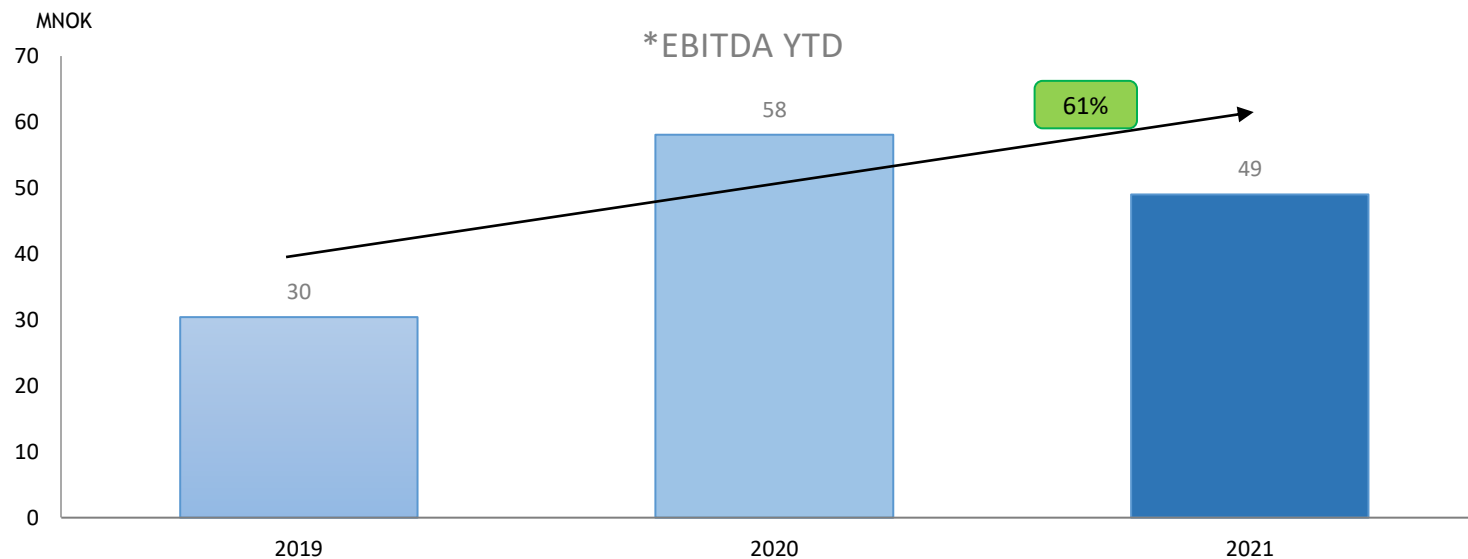
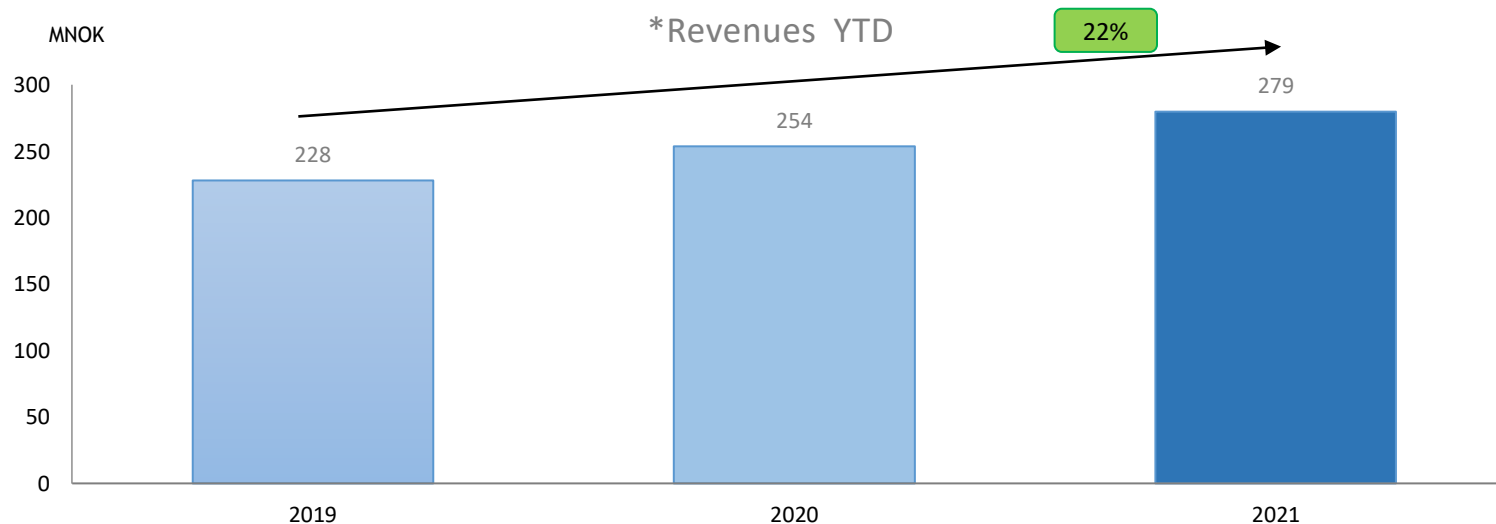
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Fourth quarter and preliminary 2021 results

- **MNOK 78 in revenue vs. MNOK 64 in Q4 2020, a 21% increase**
 - Revenue increase driven by higher sales volume and sales prices, partly offset by a significant stronger NOK vs EUR
 - MNOK 279 in 2021 revenue compared to MNOK 254 last year, a 10% growth despite a stronger NOK throughout the year. Currency neutral, the revenue growth YoY is approx. 15%.
- **MNOK 12.2 in EBITDA vs. MNOK 13.9 in Q4 2020, a 13% decrease**
 - EBITDA unfavourably affected by FX, increased raw material costs following the Covid-19 pandemic, record high international freight costs and significantly higher electricity prices in the quarter compared to last year
 - EBITDA in the 4th quarter unfavorably affected by bonus accrual of MNOK 4 (Q4'20: MNOK 2.5)
 - Higher sales prices successfully negotiated with customers in Q4 to reflect increased cost base
 - EBITDA of MNOK 49 in 2021 vs MNOK 58 in 2020. Net unfavourable FX effect on '21 EBITDA vs '20 is approx. MNOK 7
- **All-time high sales volume in 2021 (+12%)**
 - Q4 sales volume of 1 031MT (802MT) and 2021 sales volume of 3 748MT (3 360MT)
 - Slightly improved predictability in freight lead time from Asia to Europe. Additional safety stocks of key raw materials will be kept in 1H'22
- **Metformin capacity expansion project (MEP) is progressing according to time and costs**
 - Existing line #1 successfully resumed production second week of February
 - First commercial batch from the 2nd production line expected in Q2 2022
 - Approximately 55% of the investment paid as of year end
- **Other financials**
 - Cash balance of MNOK 36 as of 31 December and no interest-bearing debt
 - Board proposes to get a power of attorney from AGM in May to pay up to NOK 0.75 per share in dividend for 2021, by end of 2022

2019-2021 Strong revenue and EBITDA development



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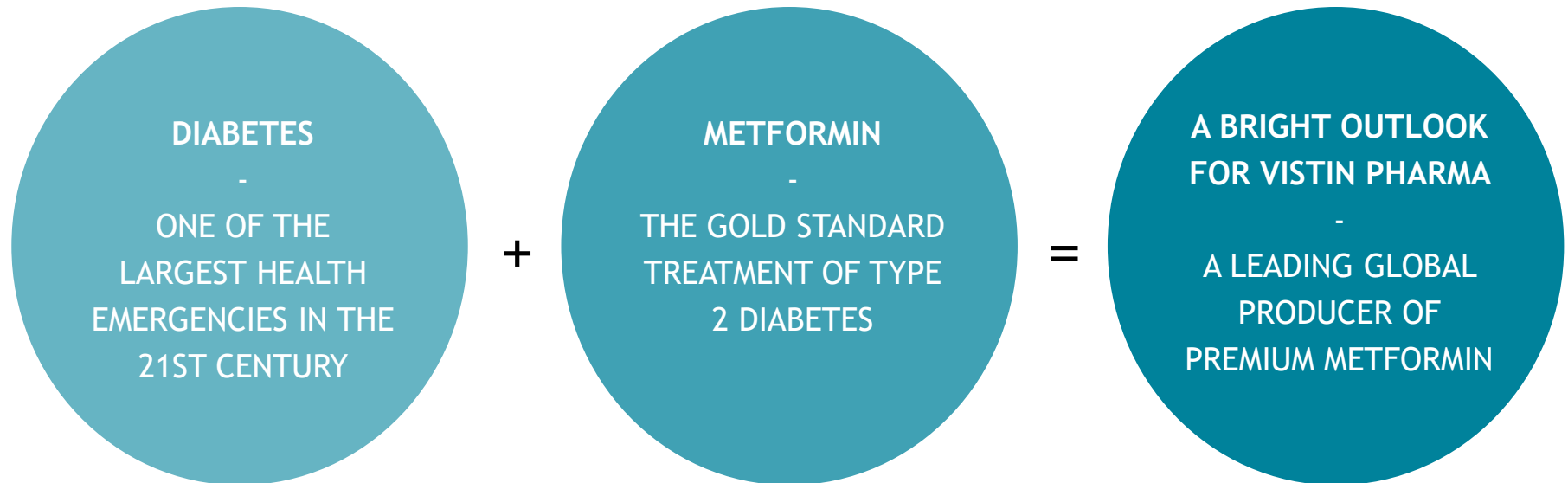
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Vistin Pharma a dedicated metformin producer with a bright outlook



Metformin will remain 1st-line treatment for type 2 diabetes in the foreseeable future

Used to lower glucose (blood sugar) levels

- Reduces the liver's production of glucose
- Delays and reduces absorption of glucose from the intestine
- Increases insulin sensitivity, leading to increased uptake of glucose in the body

Most cost-efficient treatment with limited side effects and long-term safety profile

Comes in tablet form and can be combined with insulin or other glucose-reducing medicines

- Plain metformin is standard first-line treatment (~75% of volume)
- Extended release formulations are growing and expected to cover ~35% of volume by 2026

Metformin in combination with other APIs are second- and third-line treatments, often as higher priced patent-protected fixed dose combination products (~25% of volume)

- Metformin + DDP4-inhibitors - increased insulin production
- Metformin + SGLT2-inhibitors - increased excretion of sugar in urine
- Metformin + DDP4 + SGLT2 - launch 2018 (MSD) and 2019/2020 (BI)

Diabetes - A global emergency

Number of adults (20–79 years) with diabetes worldwide

North America & Caribbean

2045 63 million
2030 56 million
2019 48 million

↑ 33% increase

- 1 in 6 adults in this Region is at risk of type 2 diabetes
- 43% of global diabetes-related health expenditure occurs in this Region

South & Central America

2045 49 million
2030 40 million
2019 32 million

↑ 55% increase

- 2 in 5 people with diabetes were undiagnosed
- Only 9% of global diabetes-related health expenditure for diabetes is spent in this Region

Africa

2045 47 million
2030 29 million
2019 19 million

↑ 143% increase

- 3 in 5 people with diabetes are undiagnosed
- 3 in 4 deaths due to diabetes were in people under the age of 60

Middle East & North Africa

2045 108 million
2030 76 million
2019 55 million

↑ 96% increase

- 1 in 8 people have diabetes
- 1 in 2 deaths due to diabetes were in people under the age of 60

South-East Asia

2045 153 million
2030 115 million
2019 88 million

↑ 74% increase

- 1 in 5 adults with diabetes lives in this Region
- 1 in 4 live births are affected by hyperglycaemia in pregnancy

WORLD

2045 700 million
2030 578 million
2019 463 million

↑ 51% increase

Europe

2045 68 million
2030 66 million
2019 59 million

↑ 15% increase

- 1 in 6 live births are affected by hyperglycaemia in pregnancy
- The Region has the highest number of children and adolescents (0–19 years) with type 1 diabetes – 297,000 in total

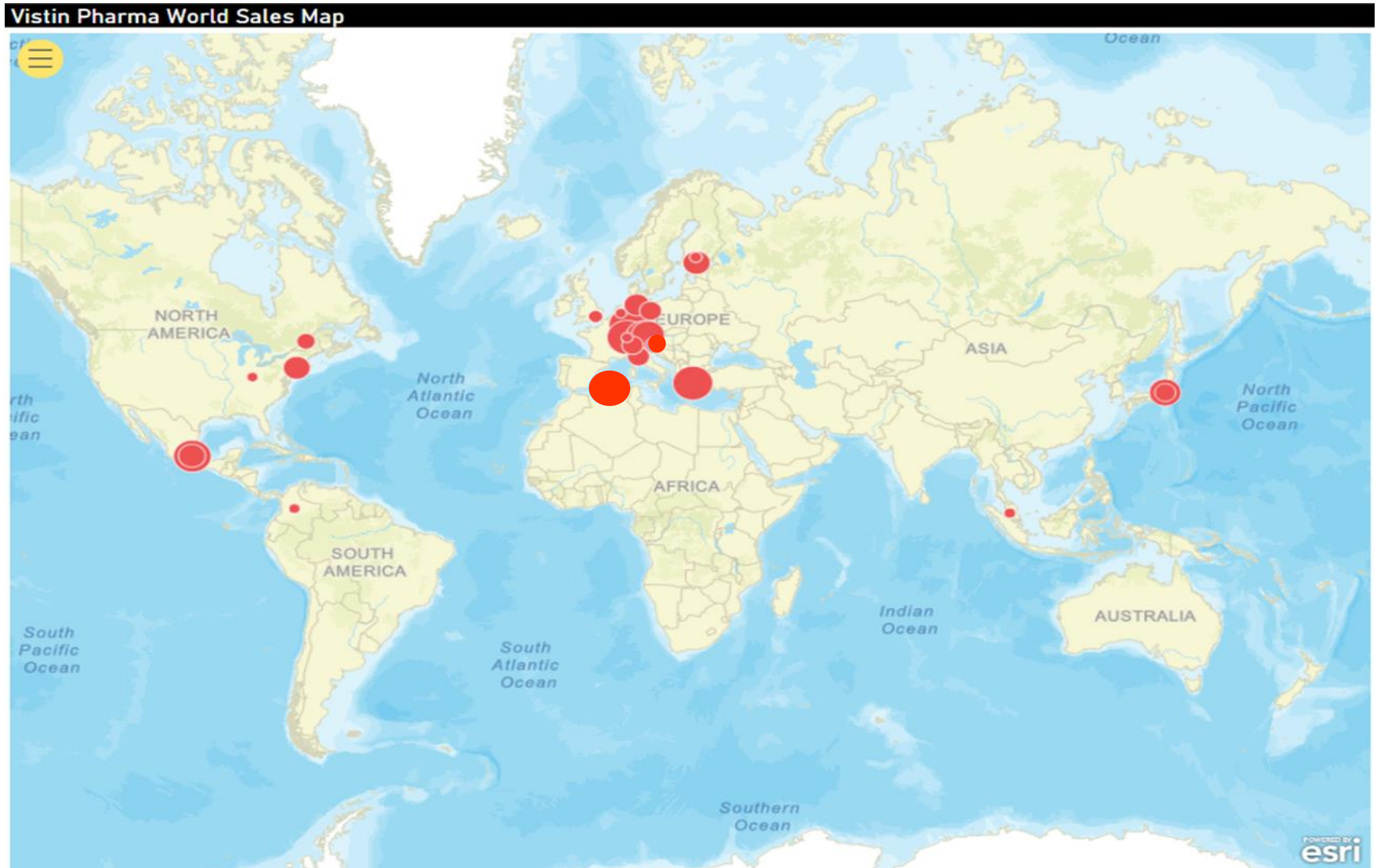
Western Pacific

2045 212 million
2030 197 million
2019 163 million

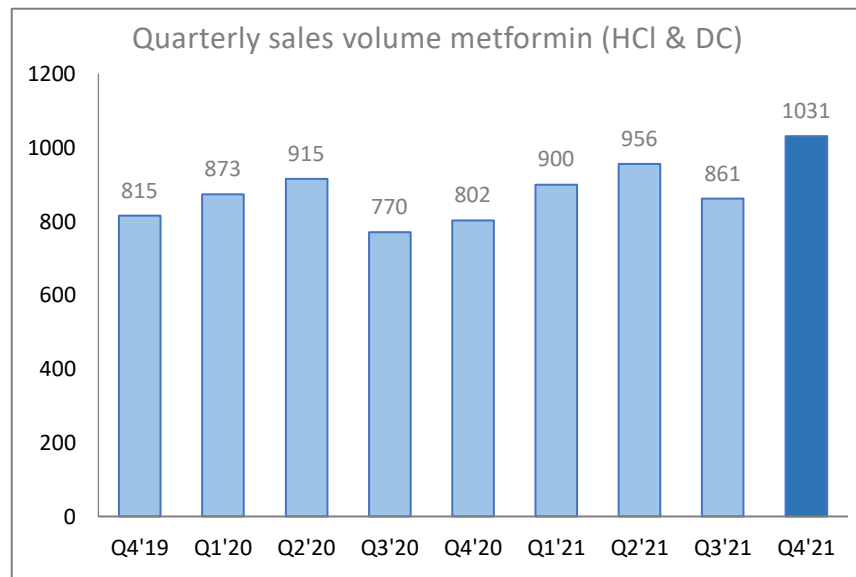
↑ 31% increase

- 1 in 3 adults with diabetes lives in this Region
- 1 in 3 deaths due to diabetes occur in this Region

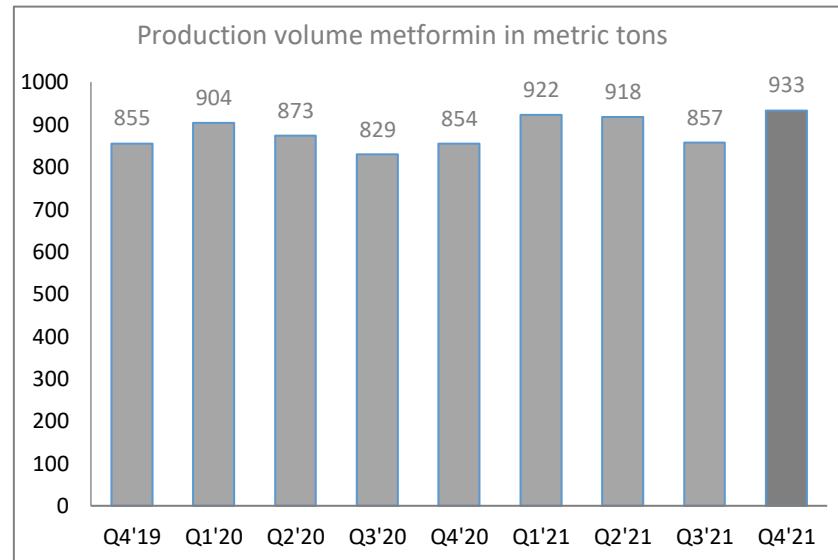
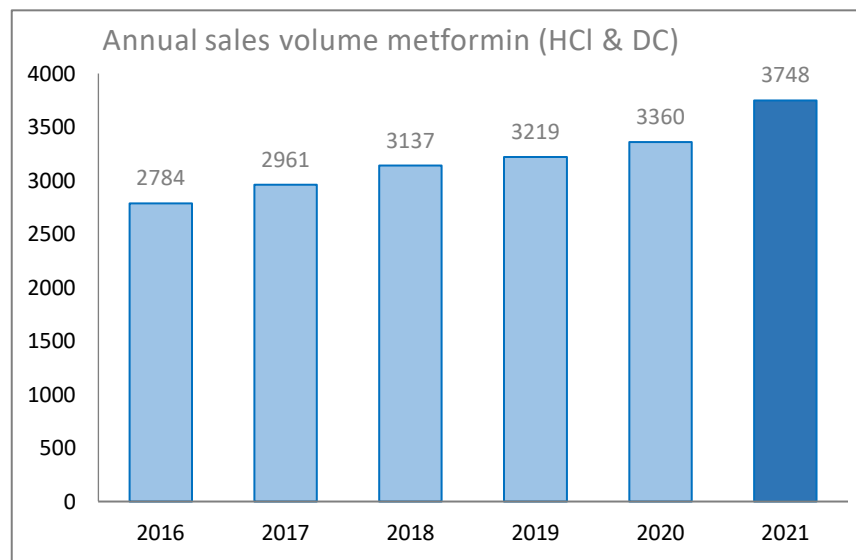
Vistin Pharma is a metformin player with a world wide sales coverage



Record high sales volume in quarter (+29%) and for 2021 (+12%)



- Record high sales volume in the quarter of 1 031MT, up by 29% vs Q4 2020 (802MT)
- 2021 had an all-time high sales volume of 3 748MT compared to 3 360MT in 2020, an increase of 12%
- 5% increase in annual production volume YoY, even with 10 days unplanned production stop due to lack of raw materials in Q3
- Vistin has taken actions to secure future supply and delivery performance of raw materials from Asia.



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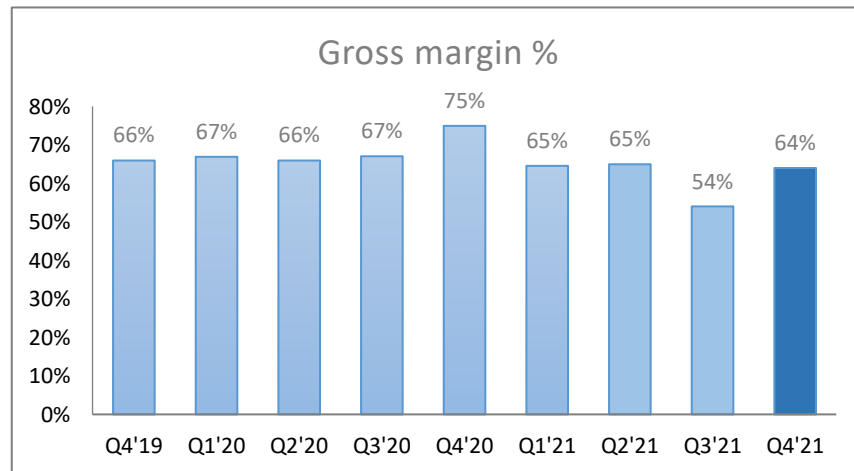
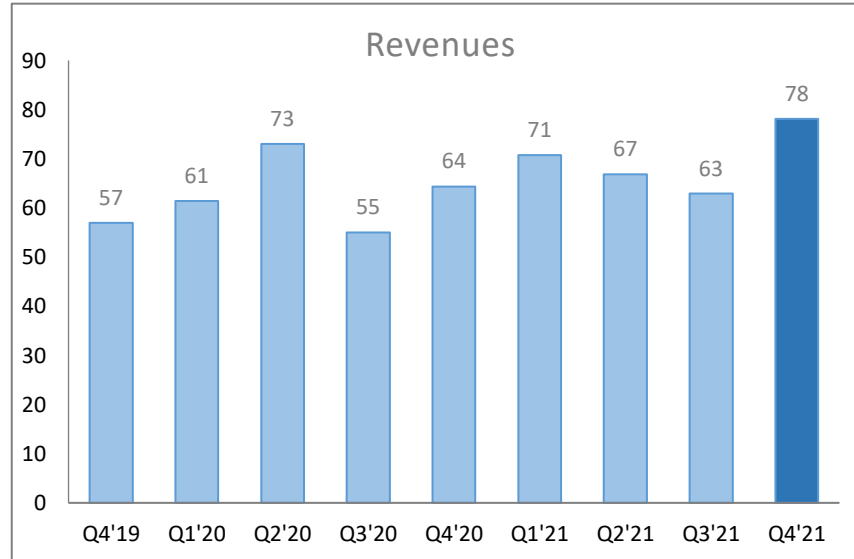
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Key quarterly figures for Vistin Pharma

Revenue - All time high quarterly sales in Q4

NOK million



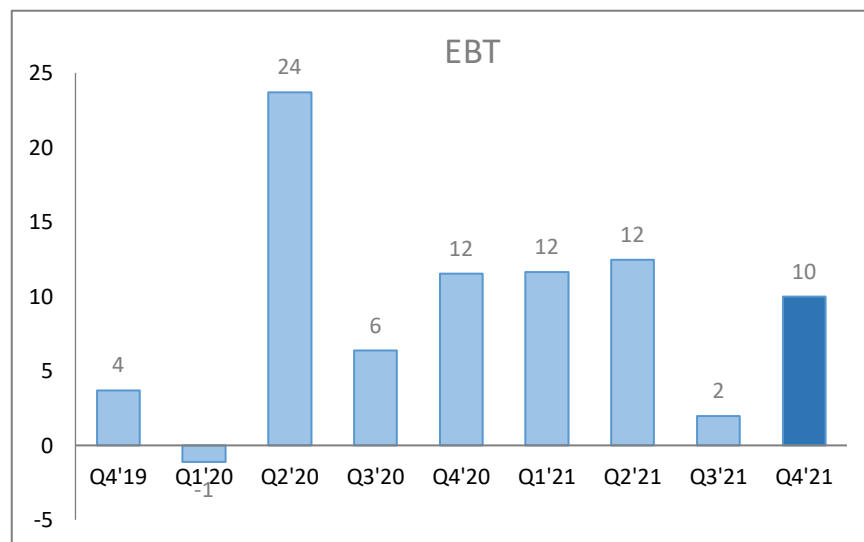
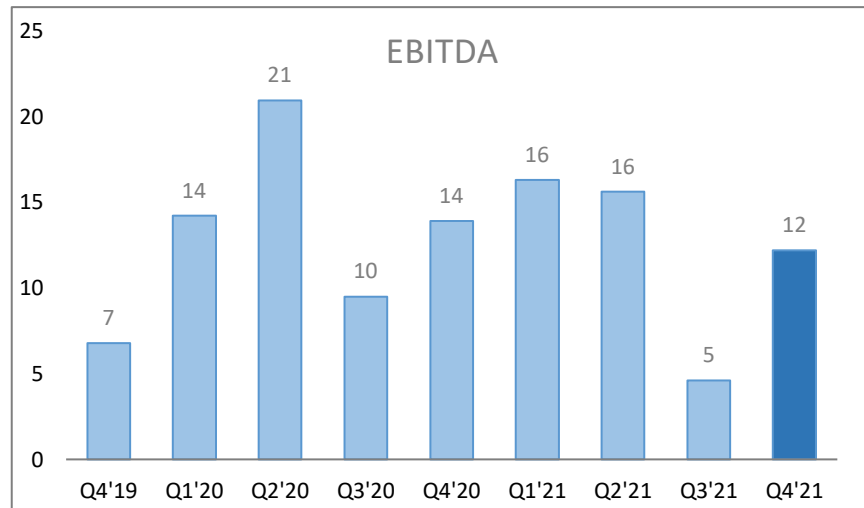
Gross margin include outbound transportation costs

- MNOK 14 and 21% increase in revenue YoY - driven by increased sales volume and increased ASP, partly offset by significantly stronger NOK vs EURO
- Record high transportation cost, higher raw material prices and FX negatively affected gross margin compared to last year
- Vistin has successfully negotiated price compensations with customers in Q4 to compensate for the significant higher cost base

Key quarterly figures for Vistin Pharma

Results (pharmaceuticals)

NOK million



- EBITDA of MNOK 12.2 vs MNOK 13.9 in Q4 2020, a decrease of 12%
- Bonus accrual of MNOK 4 negatively affects EBITDA in Q4'21 (MNOK 2.5 in Q4'20)
- Energy costs increase of approx. MNOK 3 in Q4 compared to last year. The prices in the Norwegian energy market has been significantly higher in 2021 compared to last year
- Currency neutral EBITDA in Q4'21 compared to Q4'20 shows an increase of approx. 15%.
- Depreciation of MNOK 2.1 in the quarter, compared to MNOK 2.4 in Q4'20

Consolidated income statement

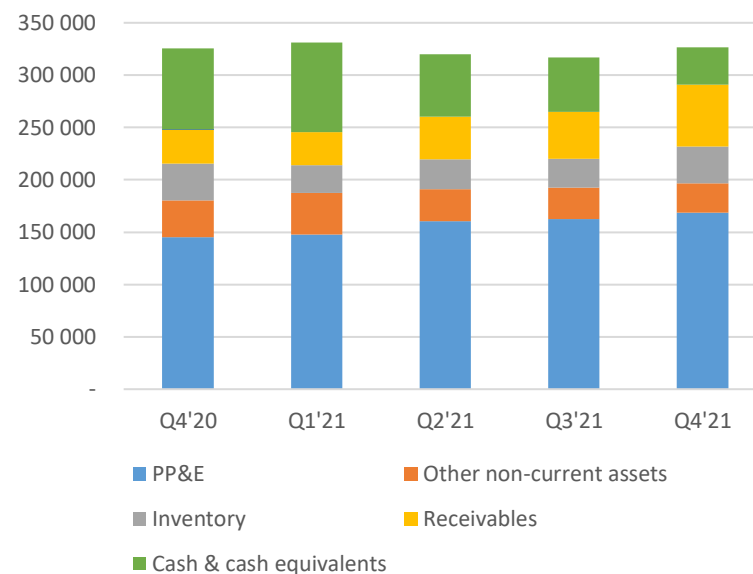
(NOK 1 000)	Q4 2021	Q4 2020	YTD 2021	YTD 2020
<i>Total revenue and income</i>				
Pharmaceuticals	78 119	64 421	278 623	253 905
Energy Trading	-	-	-	-
HQ & other	-	-	-	-
Total revenue and income	78 119	64 421	278 623	253 905
<i>EBITDA</i>				
Pharmaceuticals	12 151	13 922	48 556	58 189
Energy Trading	-	(51)	-	(190)
HQ & other	(826)	(664)	(4 698)	(2 822)
EBITDA	11 324	13 207	43 858	55 177
<i>EBT</i>				
Pharmaceuticals	9 916	11 547	36 430	39 805
Energy Trading	-	(48)	-	(162 117)
HQ & other	(740)	(415)	(4 436)	(2 010)
EBT	9 177	11 084	31 994	(124 273)
Depreciation, amortisation and impairment	(2 087)	(2 371)	(10 609)	(9 623)
Net finance income/(expense)	(61)	247	(1 255)	(169 827)
Profit/(loss) before tax from continuing operations	9 177	11 084	31 994	(124 273)
Profit/(loss) for the period	7 158	8 645	24 956	(96 922)

Balance sheet Vistin Pharm

Assets

NOK 1000

	31.12.2021	31.12.2020
ASSETS		
Non-current assets		
Fixed assets	167 457	145 261
Deferred tax assets	27 890	35 128
Total non-current assets	195 348	180 389
Current assets		
Inventory	42 907	31 788
Trade receivables	40 245	30 400
Other receivables	18 901	2 302
Cash & cash equivalents	35 746	77 036
Total current assets	137 799	141 526
Total Assets	333 147	321 916



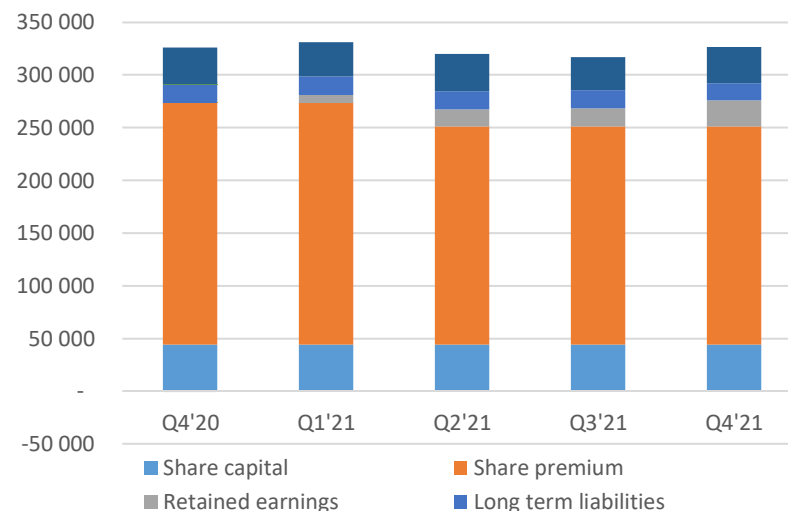
- Increase in fixed asset balance driven by MEP
- Deferred tax asset in relation to realized loss for Energy Trading in Q1 2020
- Decrease in cash balance mainly driven by dividend pay-out of MNOK 22.3 in June and approx. MNOK 15 in payments for MEP.

Balance sheet Vistin Pharm

Equity and liabilities

NOK 1000

	31.12.2021	31.12.2020
EQUITY AND LIABILITIES		
Equity		
Share capital	44 345	44 345
Share premium	206 885	229 056
Retained earnings	24 657	(996)
Total equity	275 887	272 405
Non-current liabilities		
Other non-current liabilities	512	976
Pension liabilities	15 831	16 330
Total non-current liabilities	16 344	17 306
Current liabilities		
Trade payables	20 808	17 893
Other current liabilities	20 108	14 311
Total current liabilities	40 916	32 204
Total liabilities	57 260	49 510
Total Equity and Liabilities	333 147	321 916



- No interest-bearing debt, MNOK 1.4 in obligations related to lease contracts that are recognized in the balance sheet according to IFRS 16 (MNOK 1.9)
- Share premium reduction due to dividend pay-out in June of approx. MNOK 22
- Strong balance sheet with 83 % equity ratio

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Metformin Expansion Project update

Operational:

- Production closed down 1st week of January as planned
- Line #1 successfully resumed normal production second week of February
- First commercial batch from Line #2 expected to be shipped out of Plant in Q2
- 2022 Production target: 5000 MT

Financial:

- Increased working capital requirements in 1H'22 driven by raw material stock and time from production start of Line #2 to payment from customers
- Building of new warehouse and project start of recirculation of colling water will be started in Q1 and will require MNOK >25 in CAPEX. Government grants of approx. MNOK 4 secured for latter project.
- Credit facility for CAPEX and working capital for expansion secured with Nordea
- Implementation of MEP is leading to low volumes available for sale in Q1'22 and an untraditionally weak result in the period is expected
- Financial result expected to improve from Q2'22, and accelerate from 2H with leverage from the new capacity

Summary

- Metformin market expected to continue to grow by 5-6% annually
 - Diabetes is one of the largest health crises of the 21st century
 - Metformin is expected to maintain its position as the Gold Standard treatment for T2D in the foreseeable future
- Attractive growth potential to be realized when the additional manufacturing capacity is available
- The Covid-19 situation has been an «eye opener» to both authorities and the industry leading to large pharma looking for lower risk supply chains and «short travelled medicines»
- Vistin is strategically well positioned as many European clients prefer supplies with short travel distances
- The project to increase the capacity to +/-7000MT is on track. First commercial batch from the 2nd production line is expected in Q2 2022



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Top 20 shareholders as of 31 December 2021

NAME	SHAREHOLDING	% SHARE
INTERTRADE SHIPPING AS*	12 575 000	28,4 %
PACTUM AS*	3 519 733	7,9 %
HOLMEN SPESIALFOND	3 250 000	7,3 %
MP PENSJON PK	1 719 848	3,9 %
TIGERSTADEN AS	850 000	1,9 %
FERNCLIFF LISTED DAI AS*	784 280	1,8 %
AUGUST RINGVOLD AGENTUR AS	750 315	1,7 %
STORKLEIVEN AS	721 137	1,6 %
LUCELLUM AS	680 000	1,5 %
SPAREBANK 1 MARKETS AS	650 000	1,5 %
MIKLA INVEST AS	620 874	1,4 %
IVAR LØGES STIFTELSE	600 000	1,4 %
TOM RAGNAR PRESTEGÅRD STAAVIE	512 324	1,2 %
WEM INVEST AS	500 000	1,1 %
SANDEN EQUITY AS	468 947	1,1 %
CORTEX AS	465 693	1,1 %
NORDNET LIVSFORSIKRING AS	418 633	0,9 %
HENRIK MIDTTUN HAAVIE	404 985	0,9 %
DELTA AS	380 000	0,9 %
DYVI INVEST AS	355 500	0,8 %
TOTAL 20 LARGEST SHAREHOLDERS	30 227 269	68,2 %
OTHER SHAREHOLDERS	14 117 323	31,8 %
TOTAL NUMBER OF SHARES	44 344 592	100,0 %

* Board members of Vistin Pharma, or companies controlled by Board members

Thank you for your attention!



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