



Vistin Pharma

Q3

Presentation 2023

Kjell-Erik Nordby (CEO) / Alexander Karlsen (CFO)
25 October 2023



*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*



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Record quarter with all time high revenue, EBITDA and sales volume

MNOK 120 in revenue vs. MNOK 92 in Q3 2022 (+30%)

- Increased volume from the new production line compared to the same quarter last year has resulted in more volumes available for sale
- MNOK 328 in revenue YTD 2023 compared to MNOK 194 YTD last year, a 69% increase

MNOK 27 in EBITDA vs. negative MNOK 3 in Q3 2022

- EBITDA positively affected by increased sales volume, competitive electricity prices and a stronger EUR vs NOK, partly offset by a stronger USD vs NOK. Bonus accrual of MNOK 2.7 booked in quarter (0 in Q3'22)
- Positive economies of scale effects as the MEP volume continue to ramp-up
- EBITDA of MNOK 61 YTD 2023 compared to negative MNOK 16 YTD 2022

Other

- Net profit positively affected with approx. MNOK 10 in quarter by fair value of future FX cash flow hedging contracts (unrealized gain - no cash effect in quarter)
- Strong balance sheet with equity ratio of 78% and no interest-bearing debt
- Magnus Tolleshaug appointed as the new CEO of Vistin Pharma from 1st of January 2024





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We are pure play metformin company with a bright outlook



- Market demand for Metformin is expected to grow 5-6% annually
- Vistin global market share will be close to 15% with the new capacity



*Diabetes – A global
emergency*



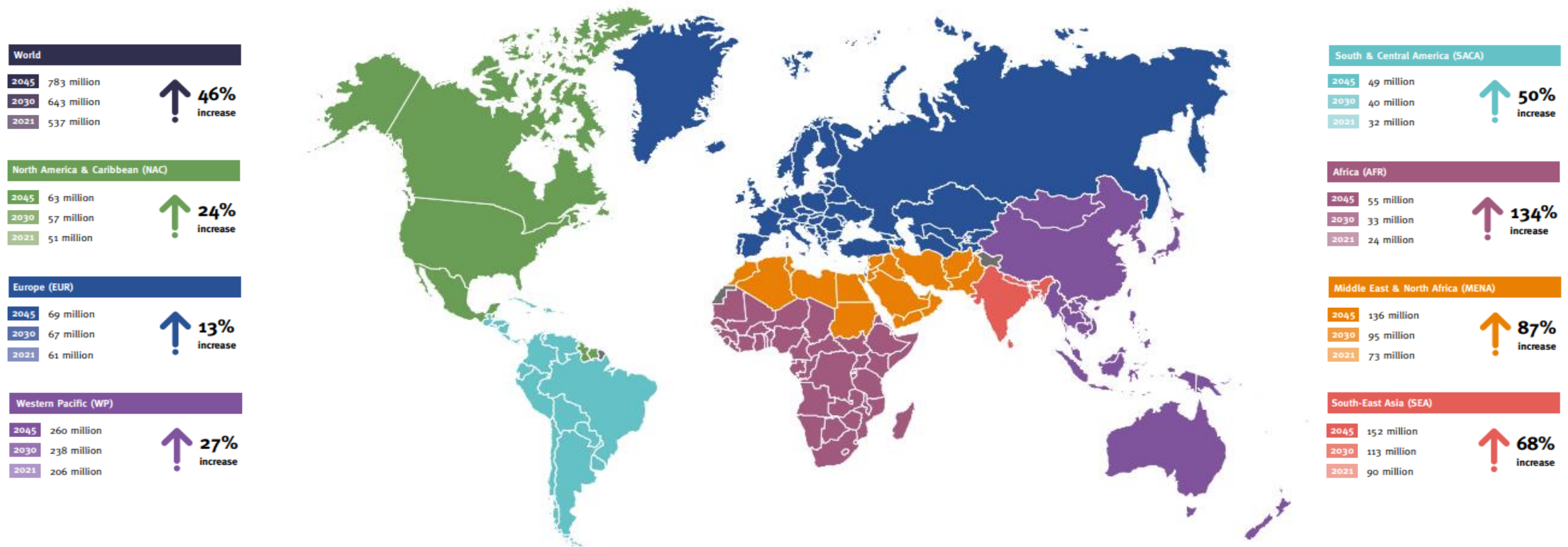
Metformin is the 1st-line treatment for type 2 diabetes, being cost-efficient with limited side effects

An estimated 537 million adults aged 20–79 years are currently living with diabetes. This represents 10.5% of the world's population

Today Vistin contributes to deliver Metformin diabetes type 2 medication to more than 50 million patients every day



Total number of diabetes patients expected to rise to 783 million by 2045 (+46%)





*Vistin Pharma produces about 10%
of the world's demand of metformin
and has a world-wide sales coverage*



Metformin HCl

Metformin HCl



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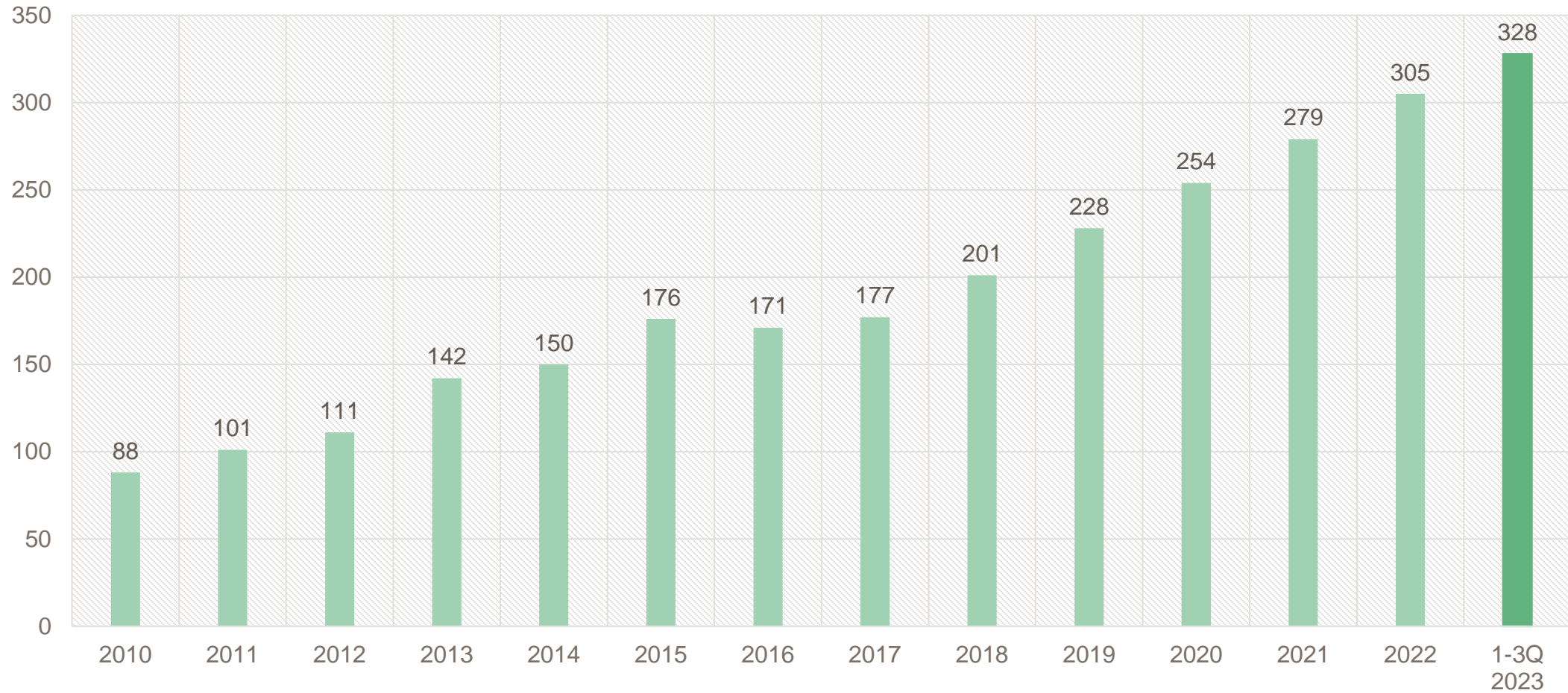
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Long and successful growth track record

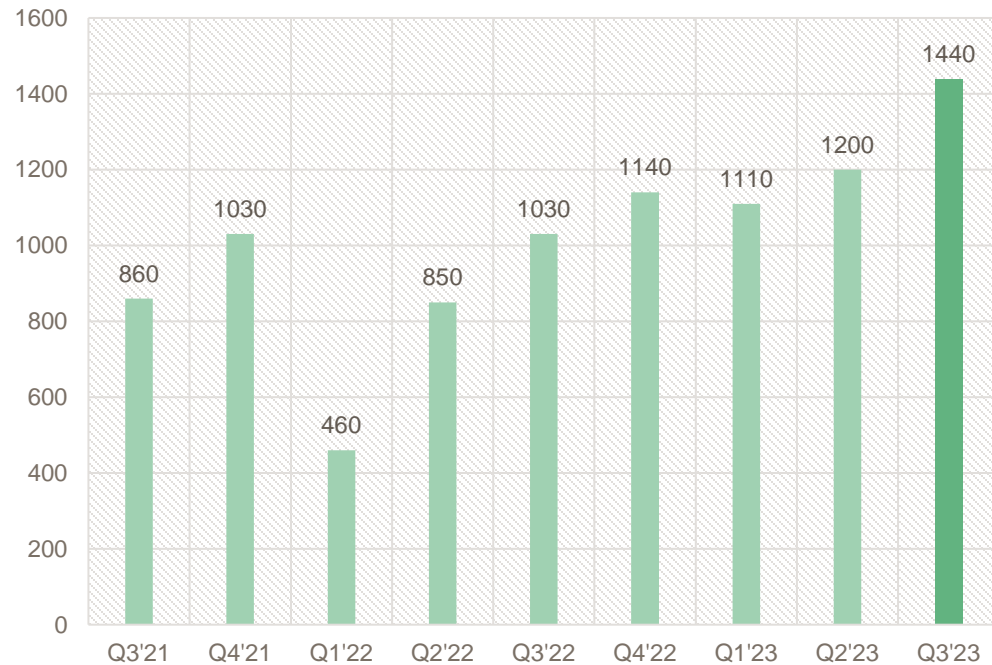
Revenues Vistin Metformin (MNOK)



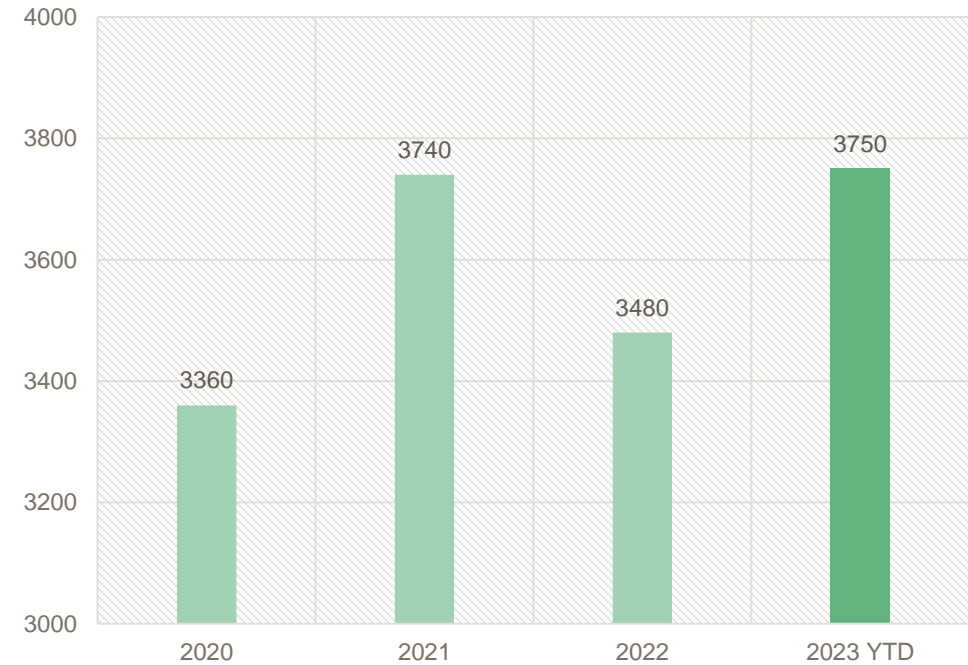


Record high sales volume in the quarter

Quarterly sales volume metformin (HCI & DC)

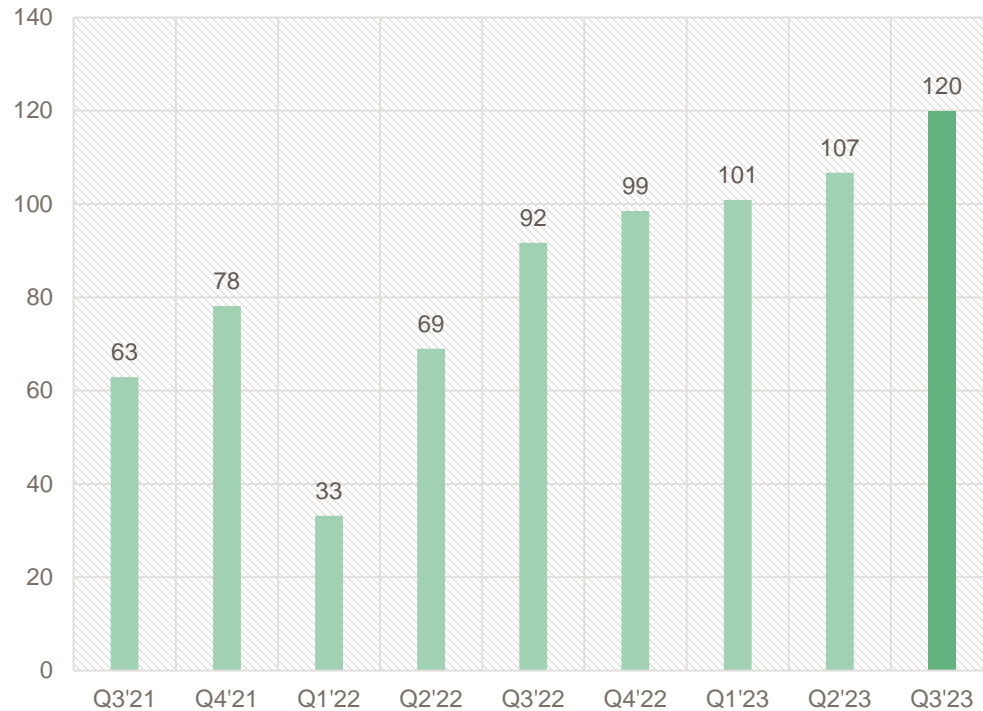


Annual sales volume metformin (HCI & DC)





Increased volume from the new production line compared to same quarter last year has resulted in a significant revenue growth



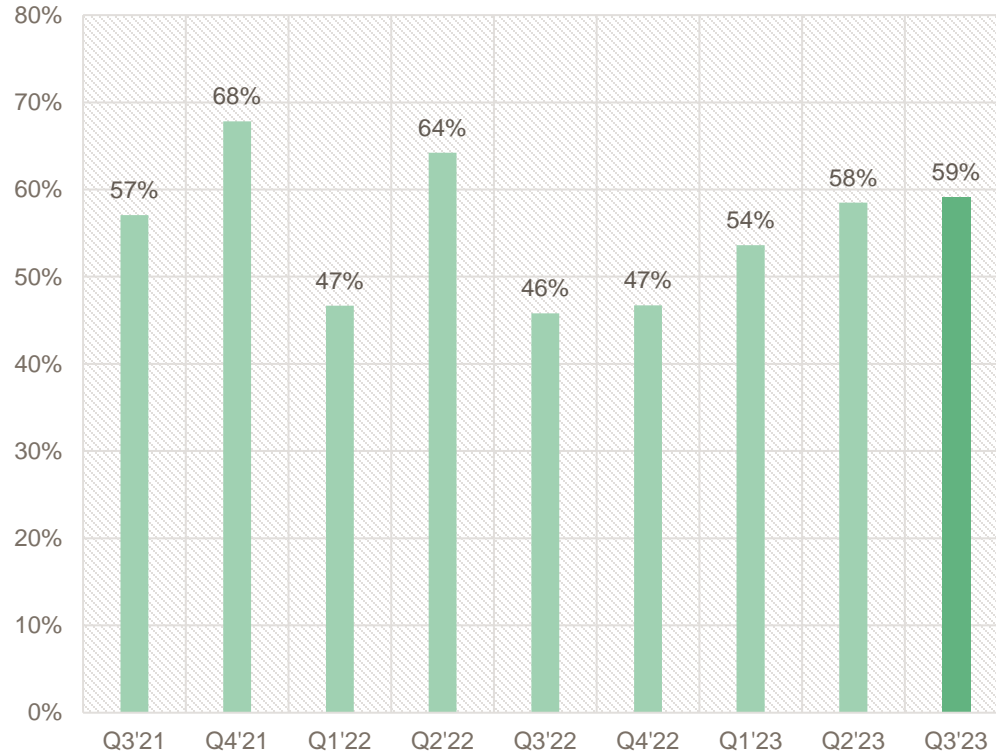
Q4 2022 adjusted for the one-time liquidated damage compensation (MNOK ~12.5)

Figures in MNOK

- Revenue positively affected by a stronger EUR vs NOK (+12% compared to Q3'22)
- Currency neutral revenue increased by approx. 20% compared to same quarter last year
- To fill the additional MEP capacity, more generic volume is expected going forward



Gross margin positively affected by lower raw material prices and favorable FX



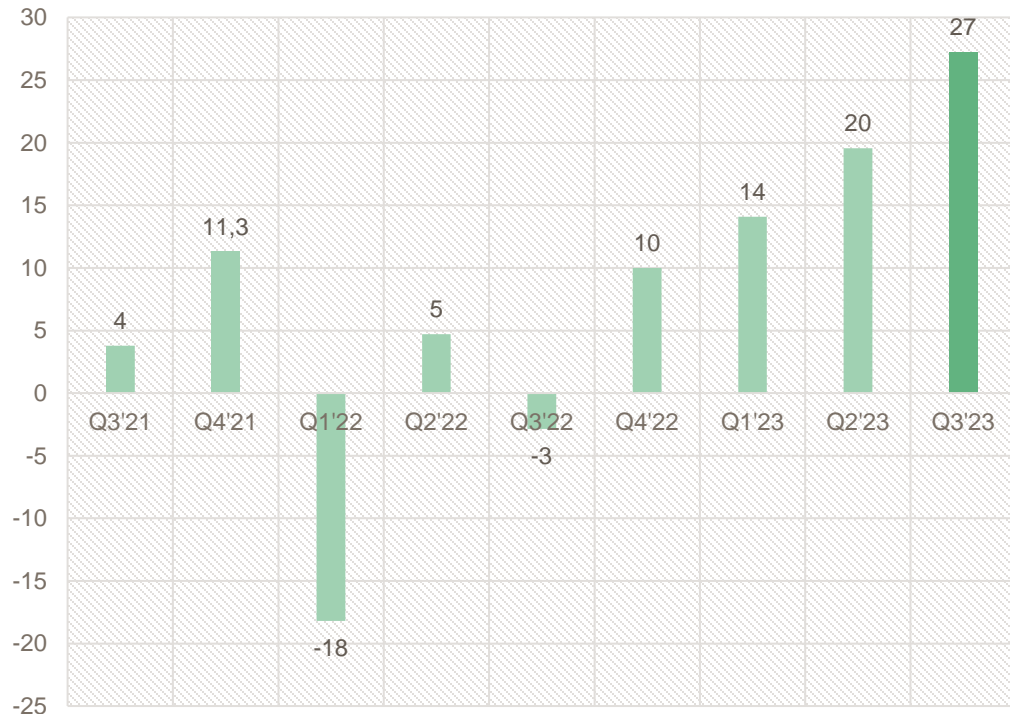
Q4 2022 adjusted for the one time liquidated damage compensation (MNOK ~12.5)

Gross margin (Total revenue and other income – raw materials & freight costs)

- Adjusted for currency (EURNOK & USDNOK), the gross margin is continuing to improve from previous quarters
- Gross margin in Q3'22 affected by one-time negative cost effect of MNOK 5 in relation to non sellable validation batches and inventory adjustment
- Vistin's ambition for long-term gross margin is >60%



Record high EBITDA of MNOK 27 vs. negative MNOK 3 in Q3 2022



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

Figures in MNOK

- EBITDA positively affected by increased sales volume, competitive energy costs and a strong EUR vs NOK, partly offset by a strong USD vs NOK. Bonus accrual of MNOK 2.7 booked in quarter (0 in Q3'22)
- Economies of scale is materializing as the MEP volume continue to ramp-up



Key figures: income statement

(NOK 1 000)	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Total revenue and other income					
Total revenue and other income	119 938	91 714	327 607	193 921	304 853
EBITDA					
EBITDA	27 251	-2 864	60 938	-16 338	6 184
EBT					
EBT	30 120	-8 595	35 397	-27 709	-6 009
Depreciation & amortisation	-4 427	-2 975	12 859	-8 357	-12 280
Net finance income/(expense)	7 295	-2 757	-12 682	-3 015	87
Profit/(loss) before tax	30 120	-8 595	35 397	-27 709	-6 009
Profit/(loss) for the period	23 493	-6 704	27 610	-21 613	-4 687



Balance sheet

Assets

	30.09.2023	30.09.2022	31.12.2022
ASSETS			
Non-current assets			
Fixed assets	216 608	195 389	219 430
Deferred tax assets	20 814	33 955	28 601
Total non-current assets	237 423	229 344	248 031
Current assets			
Inventory	85 088	67 844	83 446
Trade receivables	55 319	56 401	66 155
Other receivables	6 294	5 303	8 146
Cash & cash equivalents	2 416	3 816	1 435
Total current assets	149 117	133 363	159 182
Total Assets	386 539	362 707	407 213

- Deferred tax asset in relation to realized loss for Energy Trading in Q1 2020
- Increase of both raw materials and finished goods inventory in quarter
- Inventory of raw materials is expected to continue to increase in Q4 due to purchases of additional material at favorable prices



Balance sheet

Equity and liabilities

	30.09.2023	30.09.2022	31.12.2022
EQUITY AND LIABILITIES			
Equity			
Share capital	44 345	44 345	44 345
Share premium	206 885	206 885	206 885
Retained earnings	49 865	2 926	22 033
Total equity	301 095	254 156	273 263
Non-current liabilities			
Other non-current liabilities	2 584	3 614	2 956
Pension liabilities	13 199	15 831	13 199
Total non-current liabilities	15 782	19 446	16 155
Current liabilities			
Trade payables	47 931	30 411	25 906
Short term debt	-	42 114	45 141
Other current liabilities	21 730	16 581	46 748
Total current liabilities	69 660	89 106	117 795
Total liabilities	85 443	108 551	133 950
Total Equity and Liabilities	386 538	362 707	407 213

- Strong balance sheet with an equity ratio of 78%
- No interest-bearing debt
- Increased working capital required in Q4 as we build up additional stock of raw materials at favorable prices
- Vistin has a credit facility available if needed





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Double volume double care strategy



Strategic positioned producer of two different metformin products: Metformin HCl (bulk API) 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 an attractive ESG-profile

Attractive growth potential with new production line installed in 2022

- Decided in April '20 to invest MNOK 100 to increase the annual capacity up to 7000MT
- Current capacity is close to 6000 MT annually. Driven by a successful volume ramp-up, Vistin has achieved a significant volume increase in 2023, and the increase is expected to continue in 2024

A premium producer in a competitive market

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

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
- The additional demand of metformin HCl is by industry experts forecasted to grow by approx. 23.000MT to 87.000MT by 2028





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Top 20 shareholders as of 30 September 2023

NAME	SHAREHOLDING	% SHARE
INTERTRADE SHIPPING AS*	12 575 000	28,36 %
HOLMEN SPESIALFOND	3 763 055	8,49 %
PACTUM AS*	3 519 733	7,94 %
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 %
HENRIK MIDTTUN HAAVIE	601 416	1,36 %
IVAR LØGES STIFTELSE	550 000	1,24 %
TOM RAGNAR PRESTEGÅRD STAAVI	526 324	1,19 %
CORTEX AS	508 989	1,15 %
DNB BANK ASA	489 637	1,10 %
WEM INVEST AS	484 500	1,09 %
SANDEN EQUITY AS	468 947	1,06 %
DELTA AS	410 000	0,92 %
GINKO AS	350 000	0,79 %
ØYSTEIN STRAY SPETALEN*	323 650	0,73 %
NIELS CATO BECKETT AALL	301 658	0,68 %
NICOLAI ANDREAS EGER	284 040	0,64 %
TOTAL 20 LARGEST SHAREHOLDERS	30 332 392	68,40 %
OTHER SHAREHOLDERS	14 012 200	31,60 %
TOTAL NUMBER OF SHARES	44 344 592	100,00 %

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



**Thank you
for your attention.**

www.vistin.com

**Kjell-Erik Nordby (CEO)
Alexander Karlsen (CFO)**

25 October 2023