



Vistin Pharma – First quarter 2021 results

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Agenda

Highlights

Operational review

Financial review

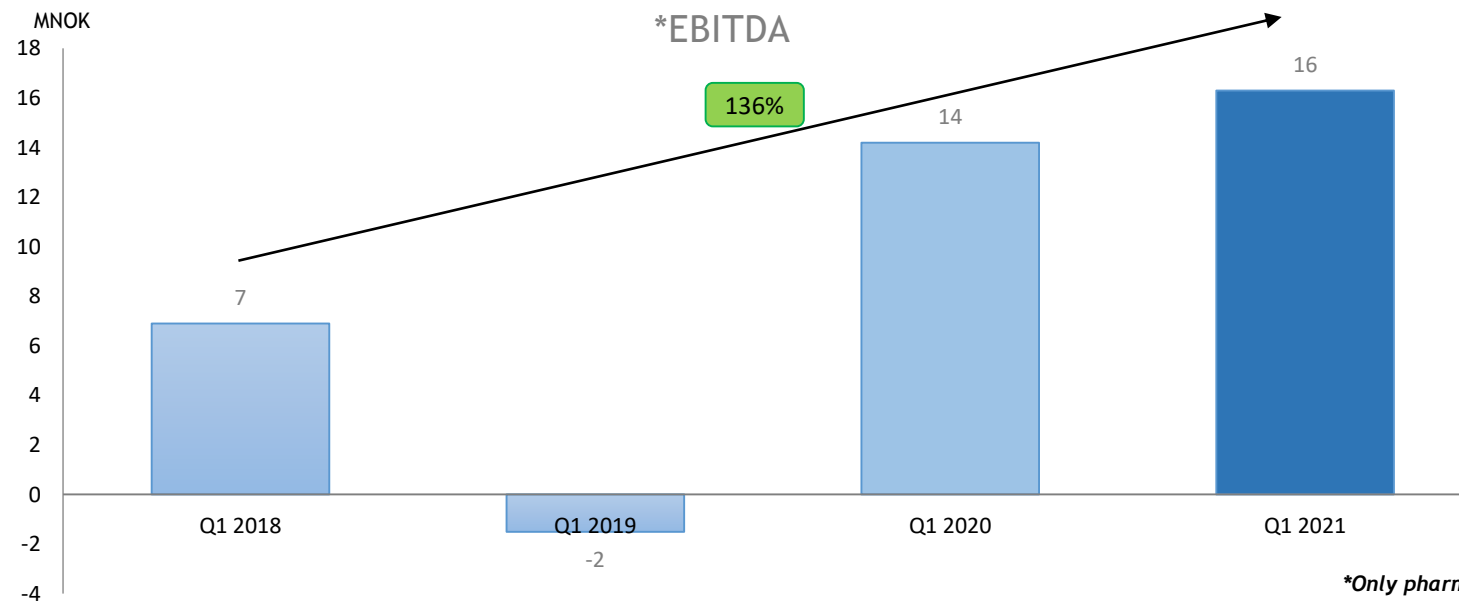
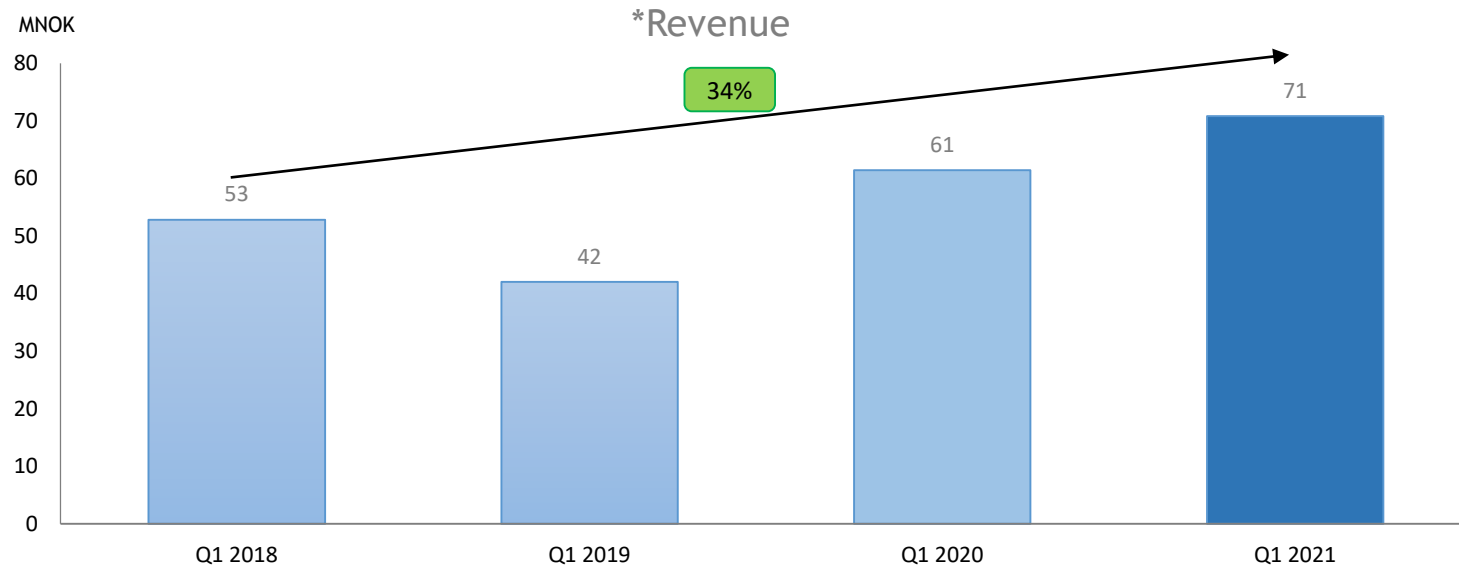
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First quarter 2021 results

- **MNOK 70.8 in revenue vs. MNOK 61.4 in Q1 2020, a 15% increase**
 - Revenue positively affected by product mix and slightly favourable EURNOK compared to last year
- **MNOK 16.3 in EBITDA vs. MNOK 14.2 in Q1 2020, a 15% increase**
 - EBITDA favourably affected by product mix and FX, partly offset by record high international freight costs and electricity prices in the quarter
- **The Fikkjebakke plant has been running at full capacity**
 - All time high production volume in the quarter driven by full effect of the 2nd reactor installed in Q3/Q4'20
 - The demand for metformin is still high and is currently not affected by the corona pandemic
- **Metformin capacity expansion Project (MEP) is on track**
 - First commercial batch from the 2nd production line expected in Q2 2022
 - Approximately 35% of the investment paid as of end March
- **Other financials**
 - Cash balance of MNOK 85 as of 31 March and no interest-bearing debt
 - Dividend proposal for the AGM (20.05.2021) NOK 0.5 per share for 2020

2018-2021 Strong revenue and EBITDA development



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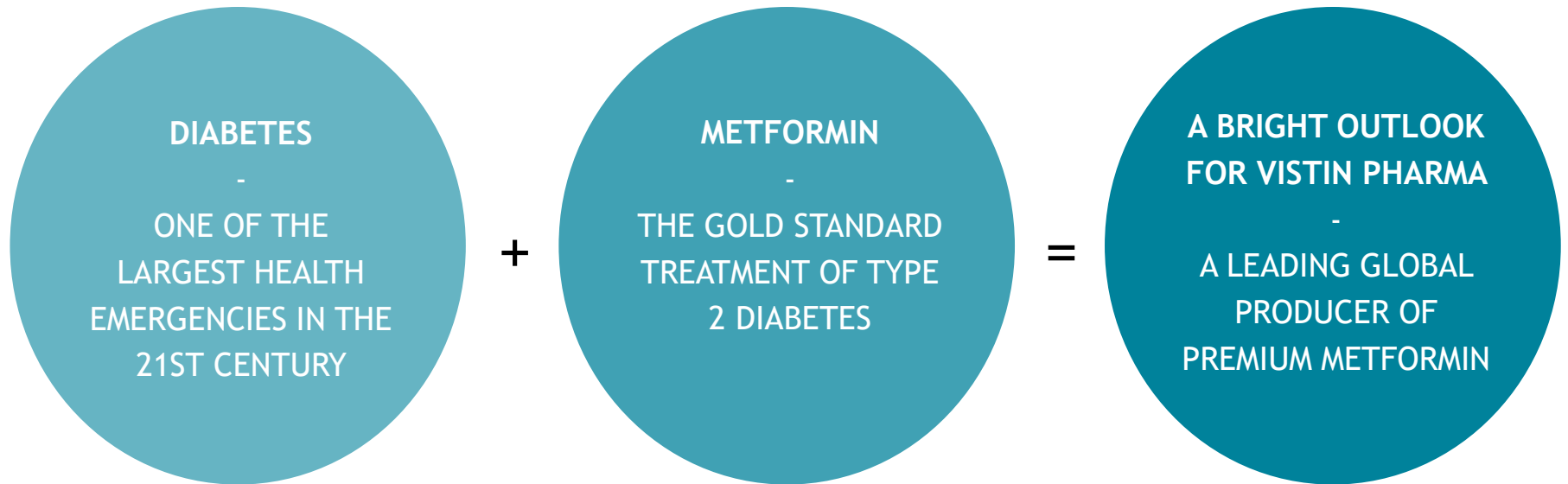
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Vistin Pharma a dedicated metformin producer with a bright outlook



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 ↑ 33% increase
 2030 56 million
 2019 48 million

- 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 ↑ 55% increase
 2030 40 million
 2019 32 million

- 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 ↑ 143% increase
 2030 29 million
 2019 19 million

- 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 ↑ 96% increase
 2030 76 million
 2019 55 million

- 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 ↑ 74% increase
 2030 115 million
 2019 88 million

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

Western Pacific

2045 212 million ↑ 31% increase
 2030 197 million
 2019 163 million

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

WORLD

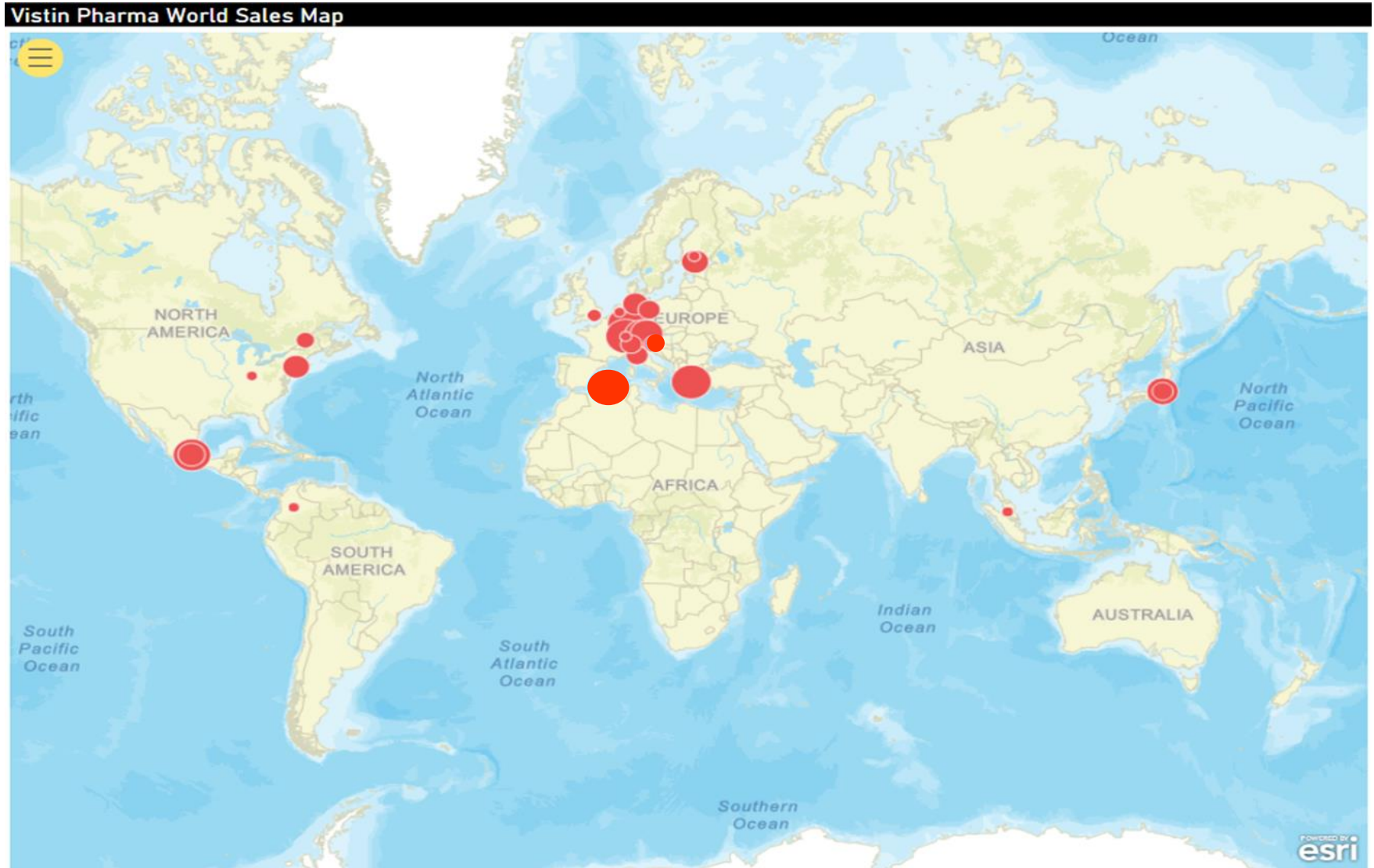
2045 700 million ↑ 51% increase
 2030 578 million
 2019 463 million

Europe

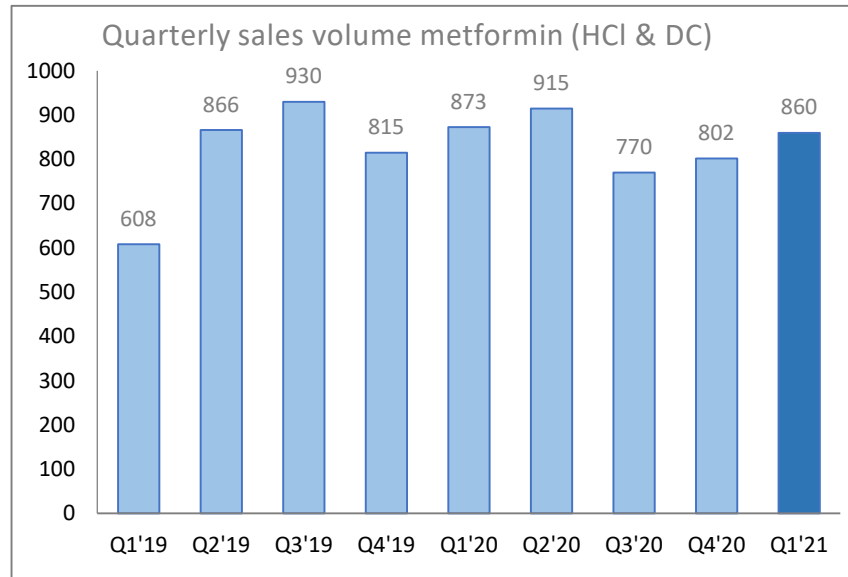
2045 68 million ↑ 15% increase
 2030 66 million
 2019 59 million

- 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

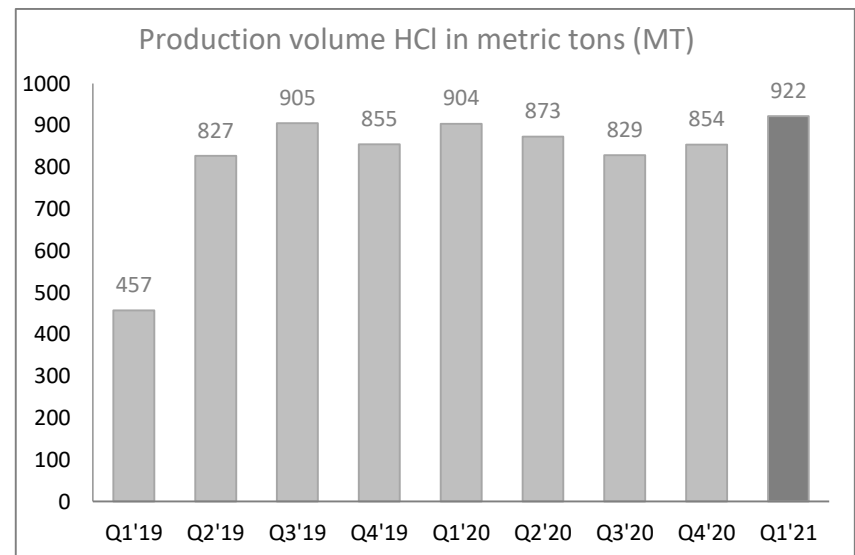
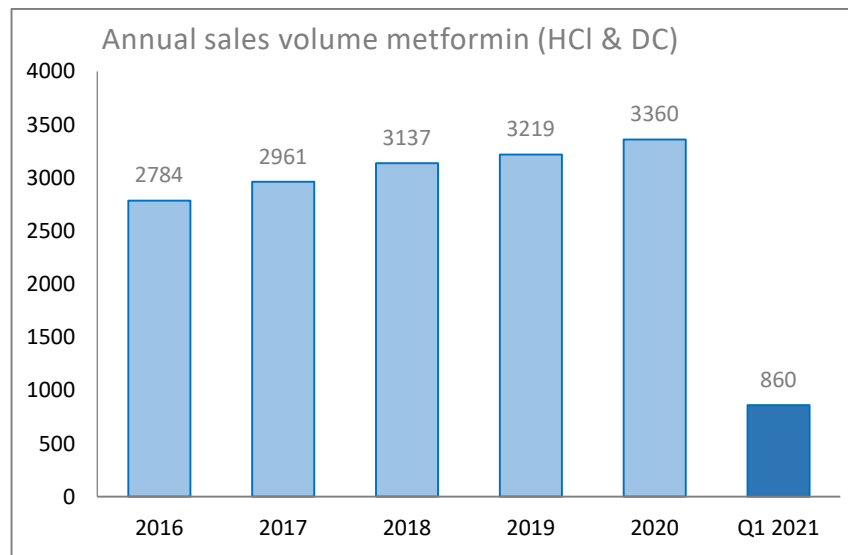
Vistin Pharma is a metformin player with a world wide sales coverage



Record high production volume in quarter



- Sales volume for the first quarter was 860MT, down by 2% vs Q1 2020 (873MT)
- Optimization of the new second reactor in quarter resulted in all time high production with 922MT of HCl produced



Corona pandemic status

- The Fikkjebakke plant has been running at full capacity throughout the Covid-19 pandemic
 - Successful actions have been taken to secure the supply of critical raw materials and to build security stocks during the Covid-19 outbreak
 - Lack of available containers in Asia has short term significantly increased the freight costs from China and India (across all international businesses and for all goods)
- There are no reported corona infected employees in Vistin Pharma as of today
 - The company are strictly following the guideliens from the authorities and have taken active measures to reduce the risk of virus spread in the factory
- The demand in the market for metformin from Vistin is still high and is not affected by the corona epidemic
- Vistin is strategically well positioned to benefit from the expected increase in local supply demands following the pandemic

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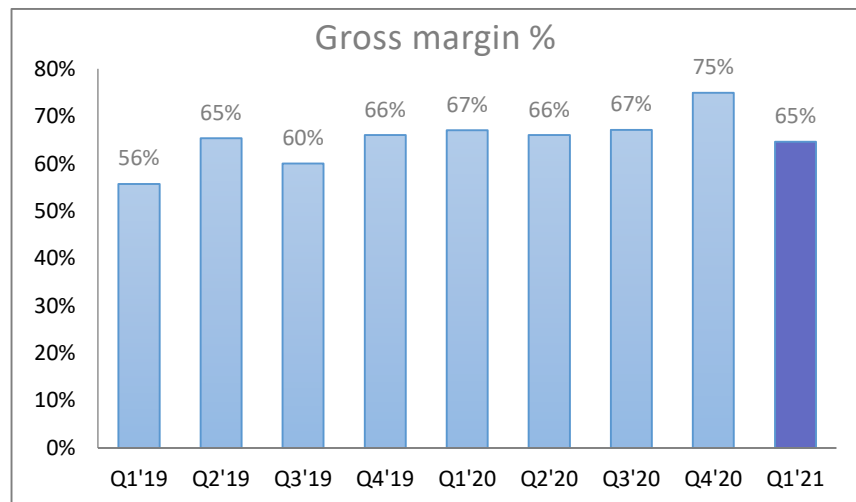
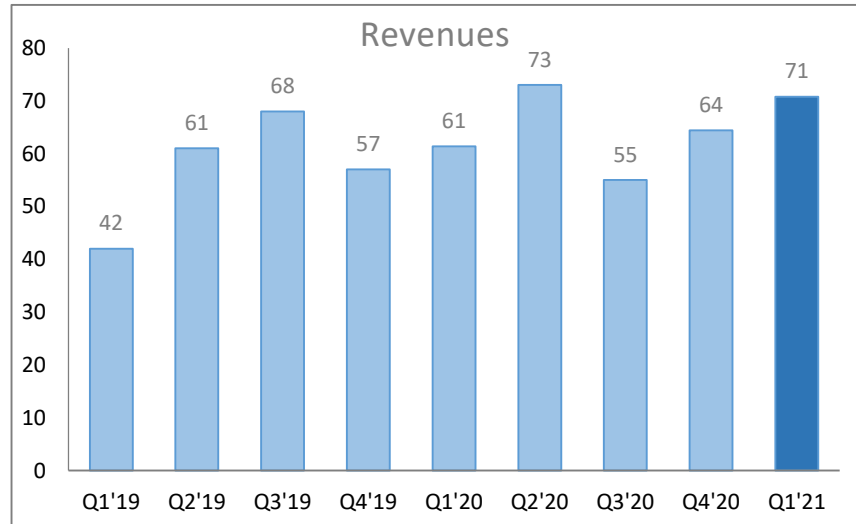
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Key quarterly figures for Vistin Pharma

Revenue

NOK million

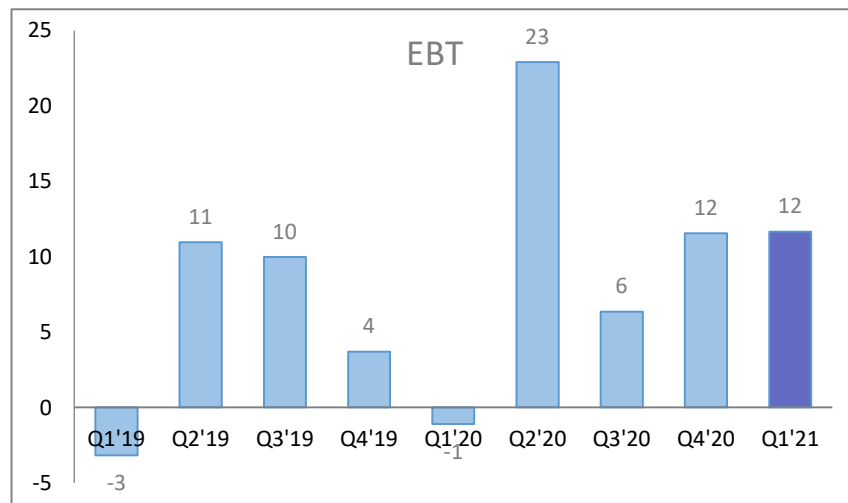
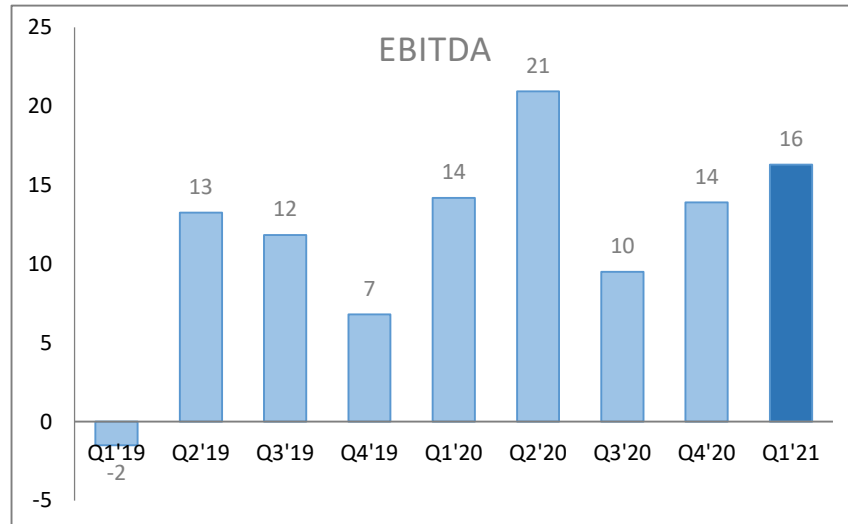


- MNOK 9 and 15% increase in revenue YoY - driven by favourable product mix and EURNOK
- Gross margin decrease driven by higher raw material prices and record high transportation cost in quarter

Key quarterly figures for Vistin Pharma

Results (pharmaceuticals)

NOK million



- EBITDA of MNOK 16.3 vs MNOK 14.2 in Q1 2020, an increase of 15%
- EBITDA positively affected by product mix, slightly favorable EURNOK and operational efficiency improvements
- Record high transportation cost due to lack of containers in Asia, has negatively impacted result in quarter. Global Container Freight Index has approximately tripled last six months.
- Very high energy costs in the beginning of 2021 due to the cold weather in Norway
- Depreciation of MNOK 2.9 in the quarter, compared to MNOK 2.5 in Q1'20
- Negative EBT in Q1'20 due to unrealized loss on EUR hedging contracts entered into in beginning of 2020.

Consolidated income statement

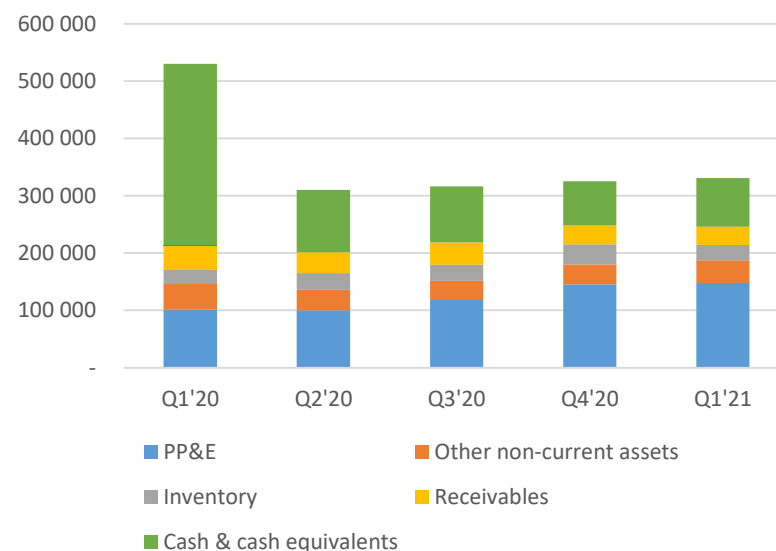
| (NOK 1 000) | Q1 2021 | Q1 2020 | FY 2020 |
|--|---------------|------------------|------------------|
| <i>Total revenue and income</i> | | | |
| Pharmaceuticals | 70 803 | 61 407 | 253 905 |
| Energy Trading | - | - | - |
| HQ & other | - | - | - |
| Total revenue and income | 70 803 | 61 407 | 253 905 |
| <i>EBITDA</i> | | | |
| Pharmaceuticals | 16 313 | 14 238 | 58 189 |
| Energy Trading | - | 74 | (190) |
| HQ & other | (955) | (629) | (2 822) |
| EBITDA | 15 358 | 13 683 | 55 177 |
| <i>EBT</i> | | | |
| Pharmaceuticals | 11 650 | (1 088) | 39 805 |
| Energy Trading | - | (165 790) | (162 117) |
| HQ & other | (385) | (843) | (2 010) |
| EBT | 11 265 | (167 721) | (124 323) |
| Depreciation, amortisation and impairment | (2 872) | (2 451) | (9 623) |
| Net finance income/(expense) | (1 221) | (178 903) | (169 827) |
| Profit/(loss) before tax from continuing operations | 11 265 | (167 721) | (124 273) |
| Profit/(loss) for the period | 8 787 | (130 811) | (96 955) |

Balance sheet Vistin Pharm

Assets

NOK 1000

| | 31.03.2021 | 31.03.2020 | 31.12.2020 |
|---------------------------------|----------------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 147 720 | 101 288 | 145 261 |
| Deferred tax assets | 32 622 | 44 643 | 35 128 |
| Total non-current assets | 180 343 | 145 931 | 180 389 |
| Current assets | | | |
| Inventory | 26 555 | 24 498 | 31 788 |
| Trade receivables | 30 756 | 40 011 | 30 400 |
| Other receivables | 3 811 | 3 025 | 2 302 |
| Cash & cash equivalents | 85 010 | 316 792 | 77 036 |
| Total current assets | 146 133 | 384 326 | 141 526 |
| Total Assets | 326 475 | 530 257 | 321 915 |



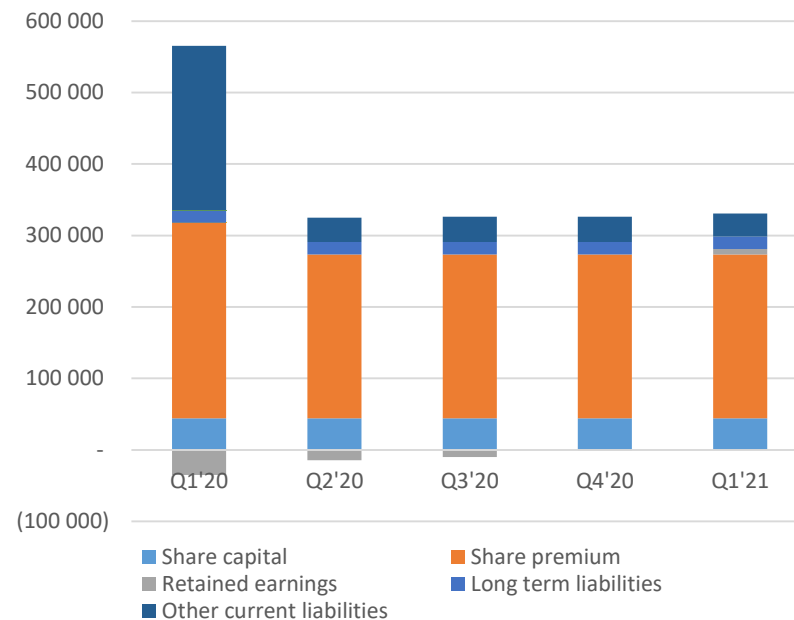
- Increase in fixed asset balance driven by MEP
- Deferred tax asset in relation to realized loss for Energy Trading in Q1 2020
- Favourable working capital development driven by reduction in receivables, partly offset by inventory increase due to demand going forward.
- Decrease in cash balance mainly driven by settlement of oil derivative contracts in April, dividend pay-out of MNOK 44.5 in June and two payments for MEP of total MNOK 35 in 2020.

Balance sheet Vistin Pharm

Equity and liabilities

NOK 1000

| | 31.03.2021 | 31.03.2020 | 31.12.2020 |
|--------------------------------------|----------------|----------------|----------------|
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 44 345 | 44 345 | 44 345 |
| Share premium | 229 056 | 273 401 | 229 056 |
| Retained earnings | 7 791 | (35 162) | (996) |
| Total equity | 281 192 | 282 584 | 272 405 |
| Non-current liabilities | | | |
| Other non-current liabilities | 1 141 | 1 344 | 976 |
| Pension liabilities | 16 330 | 16 309 | 16 330 |
| Total non-current liabilities | 17 471 | 17 653 | 17 306 |
| Current liabilities | | | |
| Trade payables | 14 078 | 17 074 | 17 893 |
| Derivative financial instruments | - | 887 | - |
| Other current liabilities | 13 734 | 212 059 | 14 311 |
| Total current liabilities | 27 813 | 230 020 | 32 204 |
| Total liabilities | 45 283 | 247 673 | 49 509 |
| Total Equity and Liabilities | 326 475 | 530 257 | 321 915 |



- No interest-bearing debt, MNOK 2.4 in obligations related to lease contracts that are recognized in the balance sheet according to IFRS 16 (MNOK 2.2).
- Strong balance sheet with 86 % equity ratio

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- 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 from existing customer base and expansion into new markets and customer segments
- 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 in the geopolitically stable Europe
- Investment in a significant capacity expansion at the Fikkjebakke plant will fuel future revenue growth
 - Short/Medium initiatives to stretch the capacity to approx. 3800MT implemented
 - Investment in a new parallel production line to further increase the capacity to +/-7000MT approved. First commercial batch from the 2nd production line is expected in Q2 2022



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Top 20 shareholders as of 31 March 2021

| NAME | SHAREHOLDING | % SHARE |
|-------------------------------|--------------|---------|
| INTERTRADE SHIPPING AS* | 12 575 000 | 28,4 % |
| PACTUM AS* | 3 492 233 | 7,9 % |
| HOLMEN SPESIALFOND | 3 250 000 | 7,3 % |
| MP PENSJON PK | 1 719 848 | 3,9 % |
| TYCOON INDUSTRIER AS* | 784 280 | 1,8 % |
| AUGUST RINGVOLD AGENTUR AS | 750 315 | 1,7 % |
| NORDNET LIVSFORSIKRING AS | 689 363 | 1,6 % |
| STORKLEIVEN AS | 615 000 | 1,4 % |
| MIKLA INVEST AS | 600 000 | 1,4 % |
| IVAR LØGES STIFTELSE | 600 000 | 1,4 % |
| LUCELLUM AS | 506 524 | 1,1 % |
| WEM INVEST AS | 500 000 | 1,1 % |
| SPAREBANK 1 MARKETS AS | 500 000 | 1,1 % |
| TIGERSTADEN AS | 500 000 | 1,1 % |
| TOM RAGNAR PRESTEGÅRD STAAVIE | 490 000 | 1,1 % |
| CORTEX AS | 464 525 | 1,0 % |
| SANDEN AS | 416 559 | 0,9 % |
| BERIT HELENE DYBDAHL | 409 240 | 0,9 % |
| HENRIK MIDTTUN HAAVIE | 369 208 | 0,8 % |
| DYVI INVEST AS | 355 500 | 0,8 % |
| TOTAL 20 LARGEST SHAREHOLDERS | 29 587 595 | 66,7 % |
| OTHER SHAREHOLDERS | 14 756 997 | 33,3 % |
| 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!



www.vistin.com