

# **Annual Analysts Update**

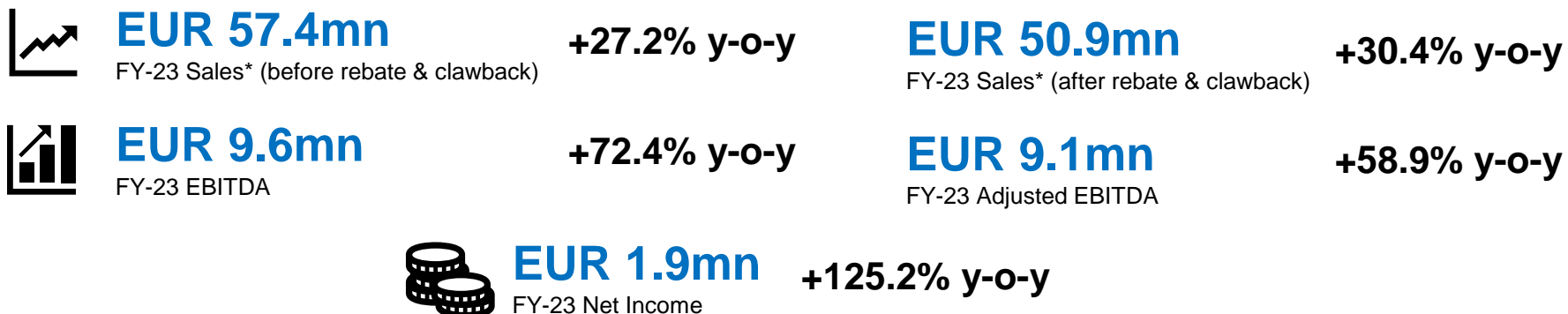
## **Athens Exchange, 24 April 2024**

**Presentation by Vassilis Baloumis, CFO**

**Discussion with Panagiotis Giannouleas, COO & Country Manager**

# Lavipharm | FY-23 Financial Results

# Lavipharm FY-23 at a glance



## Strategic Highlights

- 1 December 2023:** Signing of an asset purchase agreement for the acquisition of two analgesic pharmaceutical products, Lonarid N<sup>®</sup> and Lonalgal<sup>®</sup>, for the markets of Greece and Cyprus with the intention to commercialize them internationally. Sales by Lavipharm to take place during Q2-24.
- 11 December 2023:** Entered into an Asset Purchase Agreement with Sanofi for the acquisition of the antibiotic product Flagyl<sup>®</sup> for the Greek market. Sales by Lavipharm to take place during Q2-24.
- 23 January 2024:** New collaboration with FAMAR to undertake the production of the two aforementioned analgesic pharmaceutical products.
- 6 February 2024:** Assignment of the Group's logistics activities for its products to Diakinisis S.A.
- 14 February 2024:** Cessation of the Group's pharmaceutical wholesale activities and logistics services to third parties (3PL), and the transfer of certain assets of its subsidiary LAS to Profarm S.A.
- 23 February 2024:** Launch of the first locally produced medical cannabis prescription product as a result of Lavipharm's strategic partnership with Tikun Olam Europe.

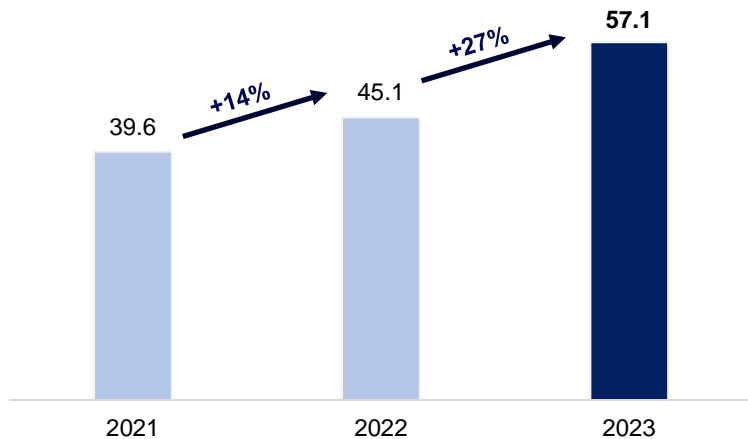


**Financial Overview**

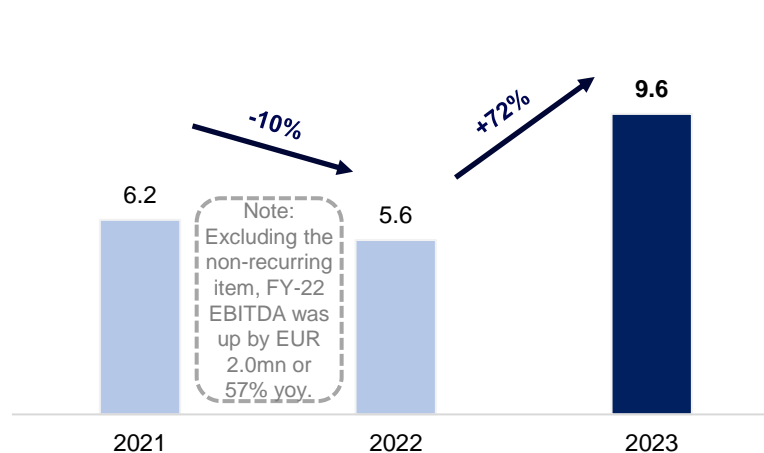
# FY-23 Results Highlights

## Key financial figures

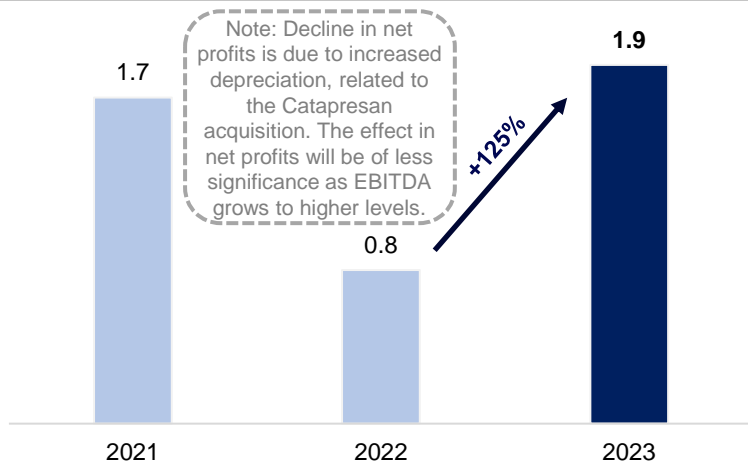
### Group Sales\*



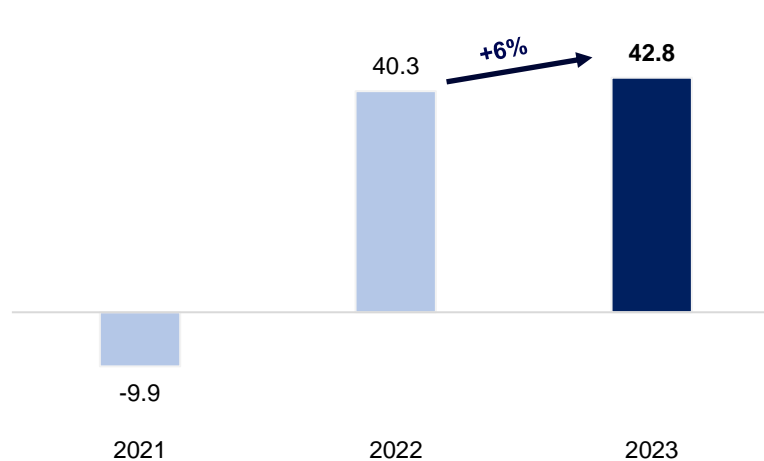
### Group EBITDA



### Group Net Profit



### NAV



\* Before rebate & clawback

\* Adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data; All figures in EUR million, unless stated otherwise

# Product & Services Revenue Breakdown

Financial Overview

Pharma Market Dynamics

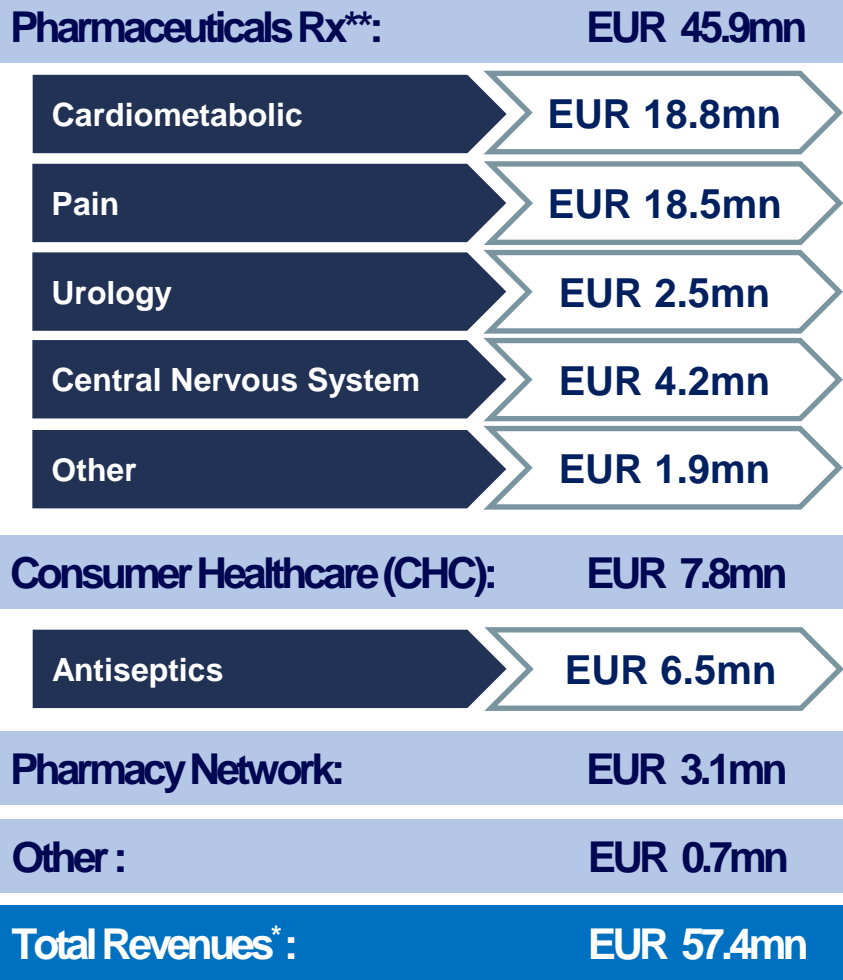
Financial Statements

Pillars of Growth

Corporate Governance

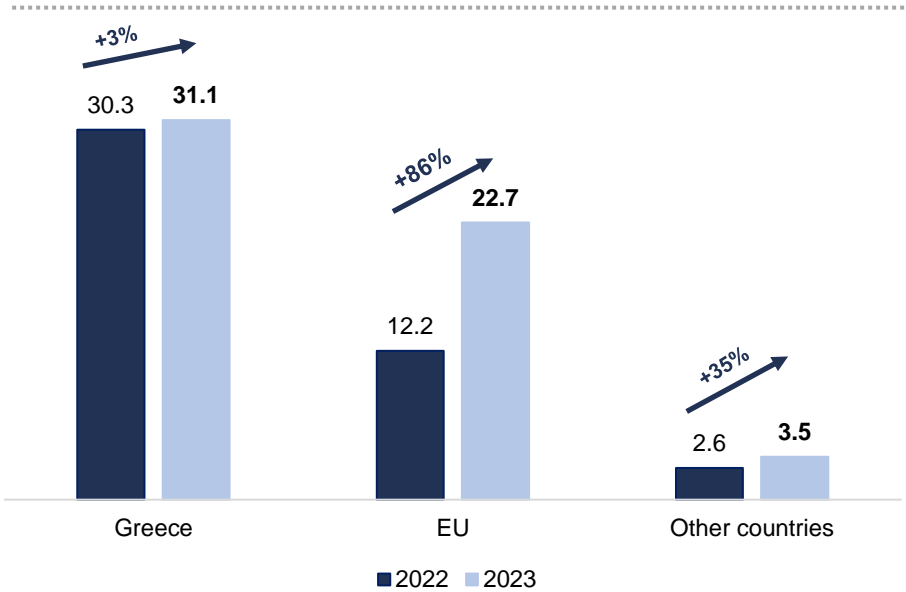
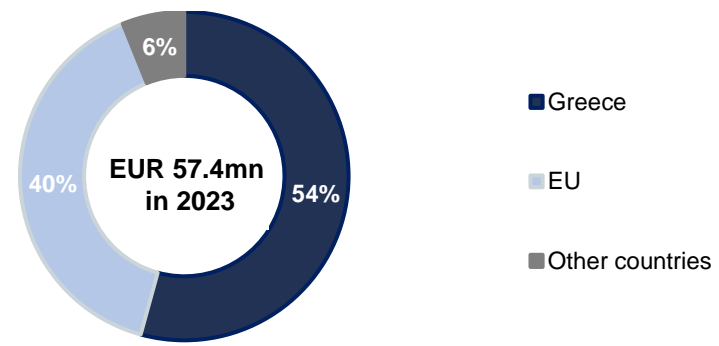
Outlook

## Revenue Breakdown per Category (FY 2023)



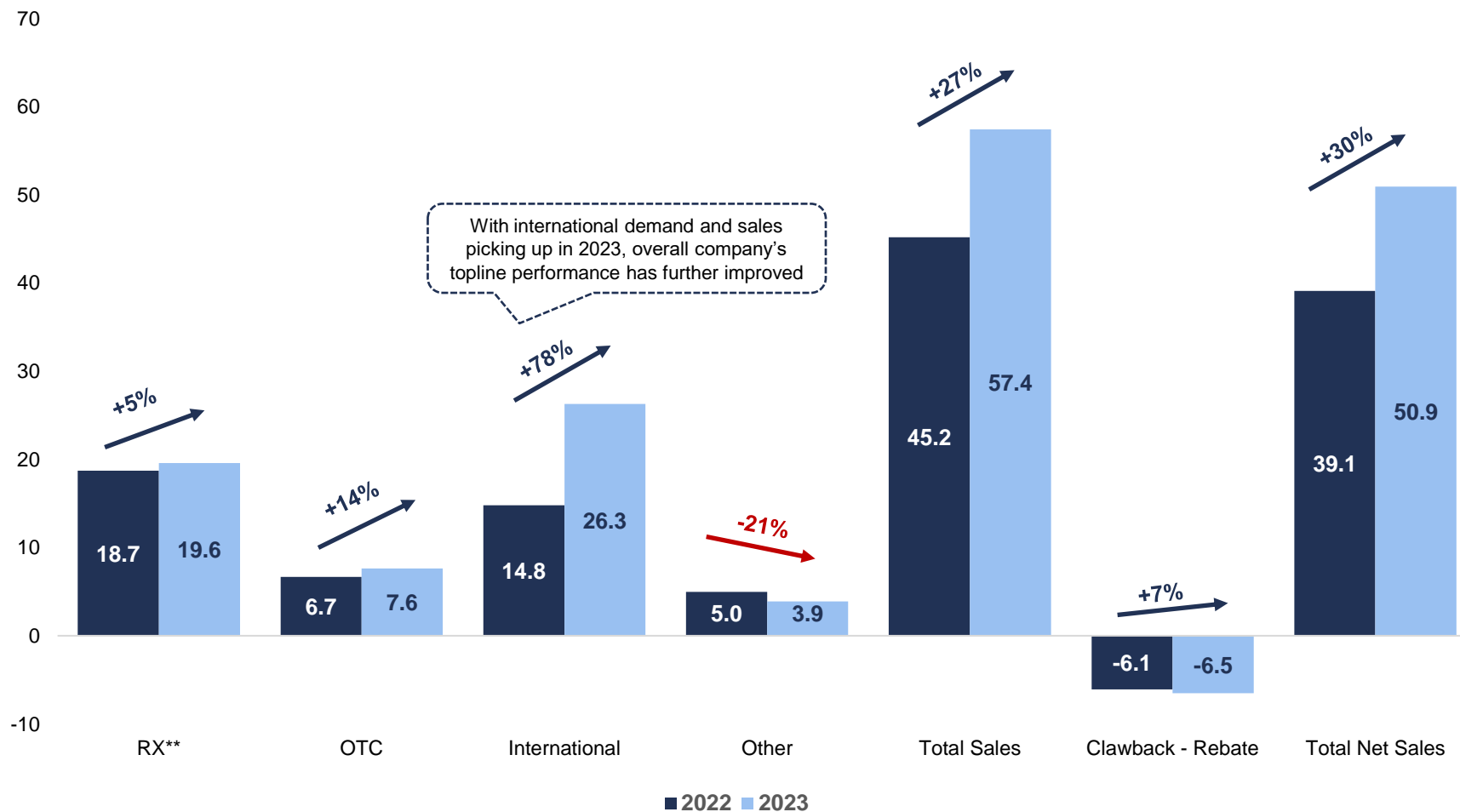
\* Before rebate & clawback  
 \*\* RX: Pharmacy Medical Prescription

## Product Revenue by Geography (EUR mn)\*



# Product Category Revenue Breakdown

Sales by product category (EUR mn)



\*\* RX: Pharmacy Medical Prescription

# Profitability Drivers

Financial Overview

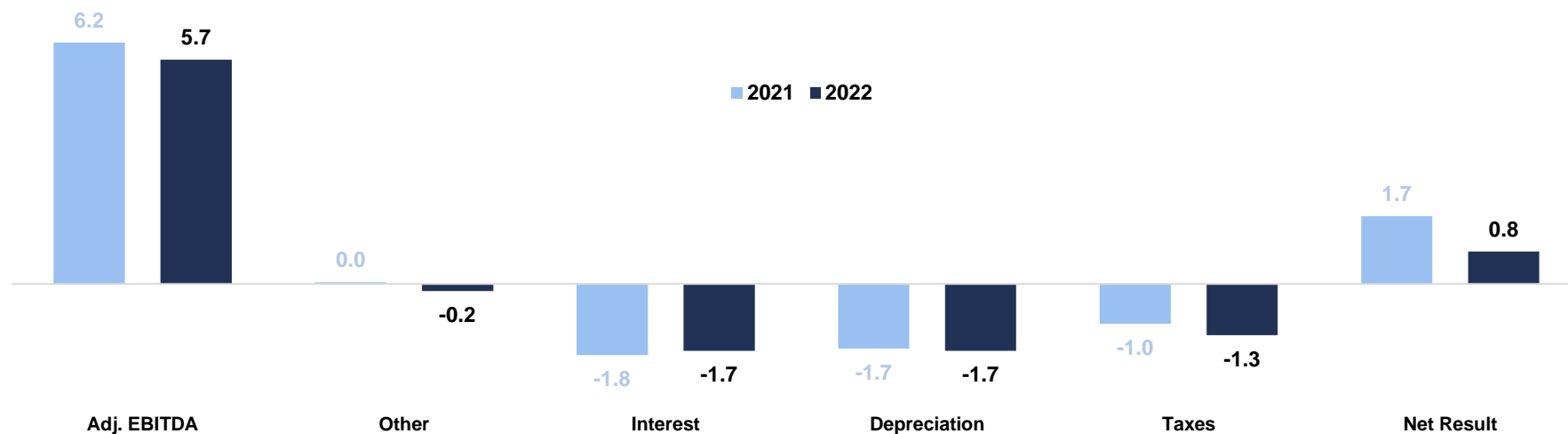
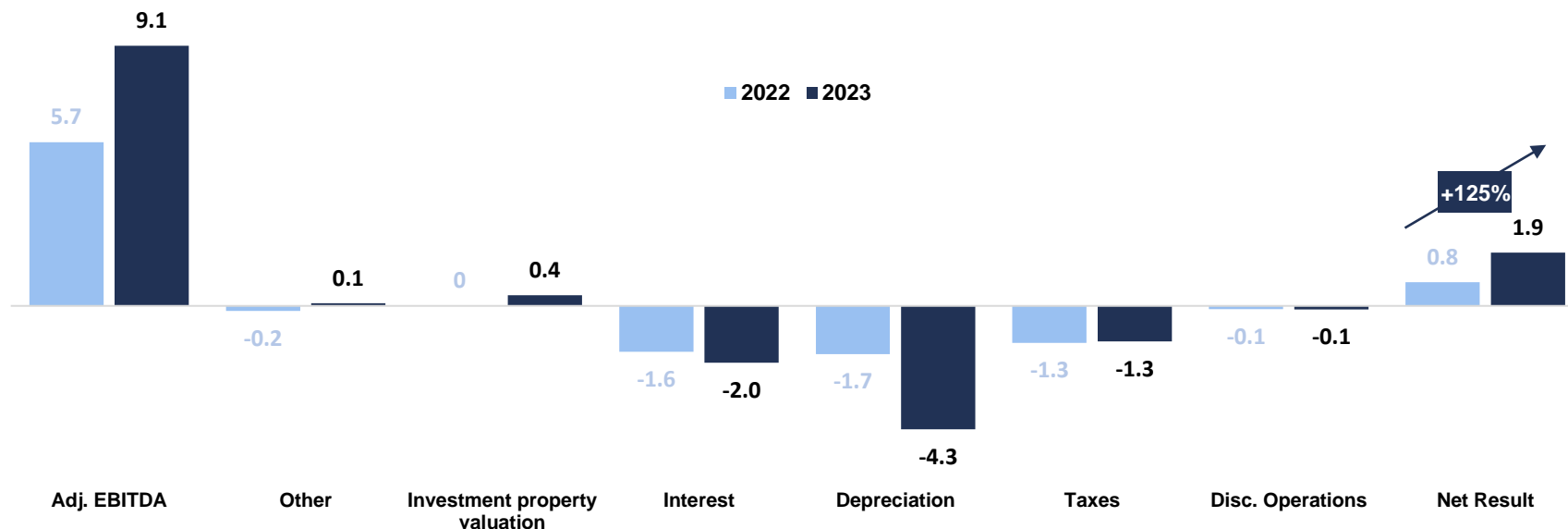
Pharma Market Dynamics

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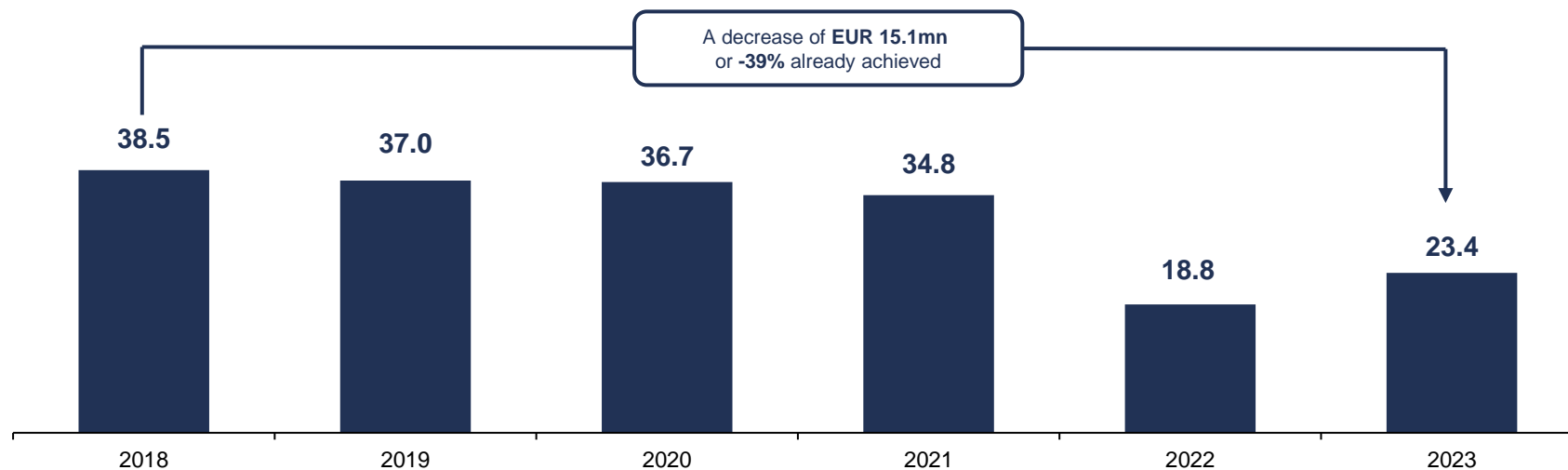




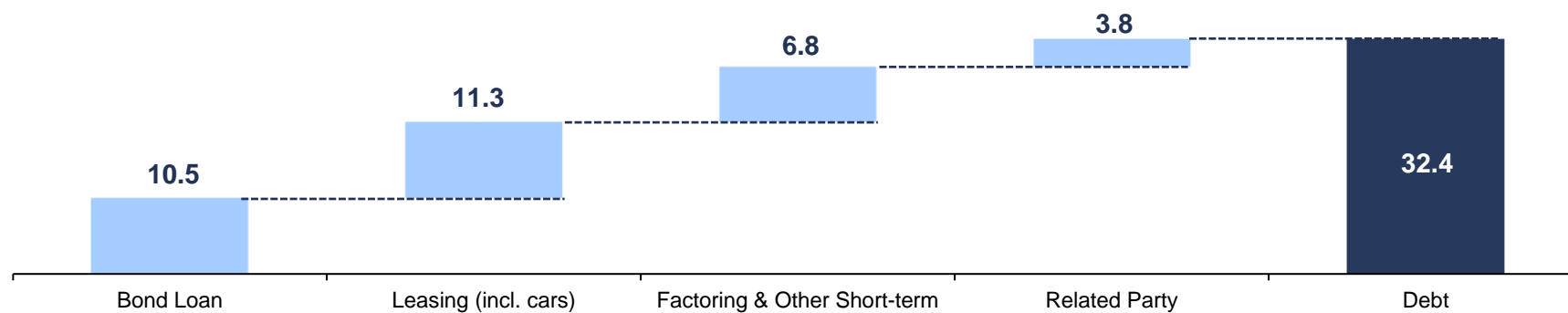
# Net Debt Evolution (EUR mn)

Already on a positive trajectory

Lavipharm is already on a steady course to further reduce its net debt and improve its equity position by generating positive cash flow

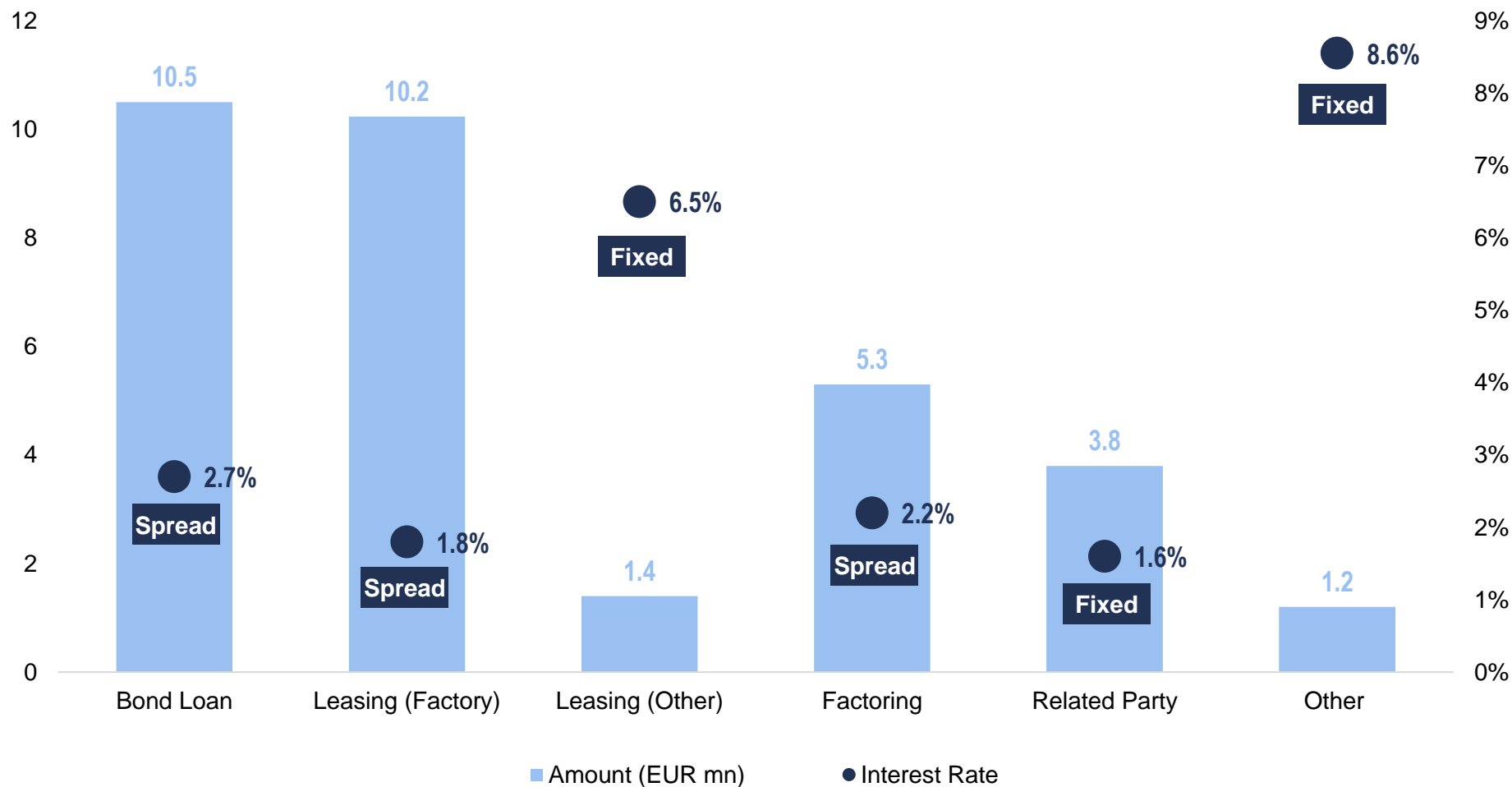


Debt Structure as of YE-23 (EUR mn)



# Debt Instruments

Long Term financing under favourable interest rates; to further improve

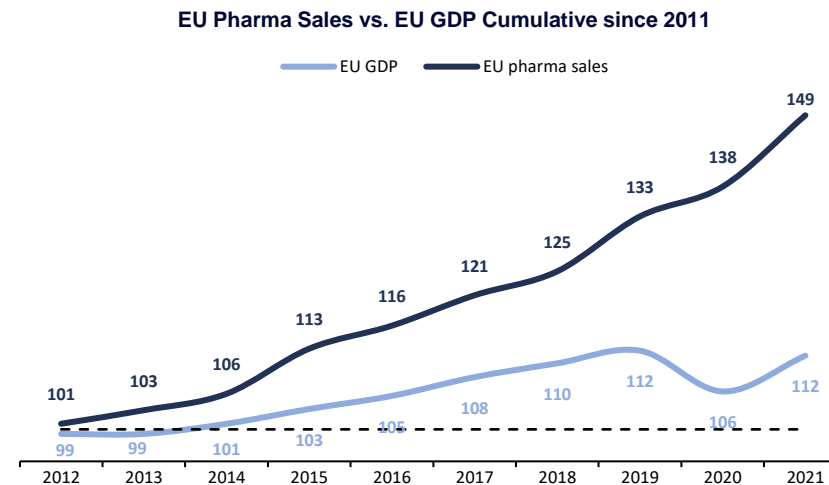
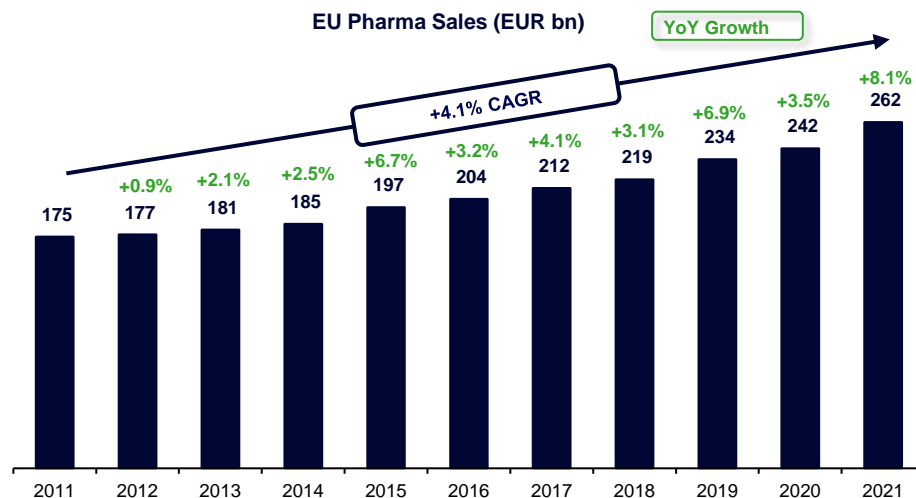




**Pharma Market  
Dynamics**

# EU Pharma Market – Resilient & Outperformer

EU retail pharma market growing steadily in the last 10 years, at a CAGR of 4.1%



Pharma market has been proven a very resilient / defensive sector versus economic cycles

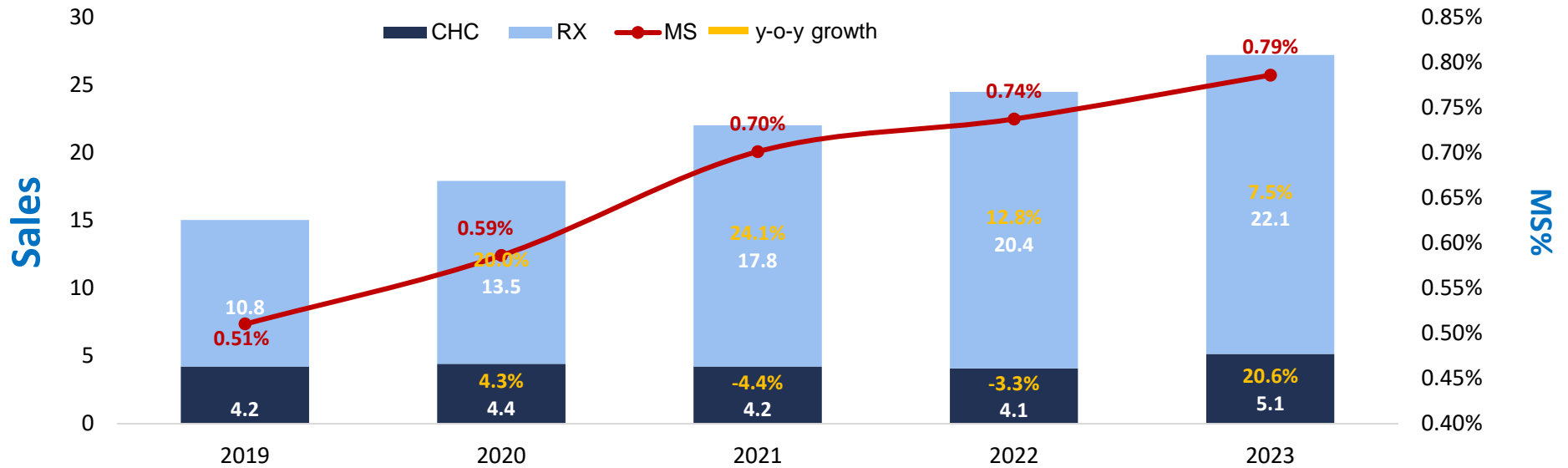
## Strong Performance by Lavipharm, outperforming market in 2016 – 2023 period

Pharma sales* (EUR mn)	2016	2017	2018	2019	2020	2021	2022	2023	CAGR (2016-2023)
Greece	2,767	2,737	2,814	2,945	3,056	3,140	3,320	3,426	+3.1%
			+0.8% CAGR			+3.9% CAGR			
Lavipharm Sales in Greece	12.7	13.3	14.3	15.0	17.9	22.0	24.5	27,2	+11.5%
			+6.1% CAGR			+16.0% CAGR <i>since the new management took over</i>			

\*Outpatient Market

# Corporation's Ranking | Total Pharma Market

5Y IQVIA Evolution 2019-23 | Values (EUR mn) | MS (%) | PPG (%) | Ranking



## Monthly %PPG Evolution 2023-24 (Units/Values)

Units PPG	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2023</b>	16,3%	2,9%	2,1%	-0,6%	2,5%	-1,1%	-2,2%	-0,4%	-1,6%	2,1%	-2,1%	-7,0%
<b>2024</b>	-2,7%	5,1%										
<b>YTD 2023</b>	16,3%	9,7%	7,0%	5,1%	4,6%	3,6%	2,8%	2,4%	1,9%	2,0%	1,6%	0,7%
<b>YTD 2024</b>	-2,7%	0,9%										

Values PPG	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2023</b>	16,2%	3,3%	7,0%	1,1%	3,6%	0,4%	2,0%	1,9%	0,7%	5,9%	1,8%	-4,1%
<b>2024</b>	2,4%	7,3%										
<b>YTD 2023</b>	16,2%	9,8%	8,8%	6,9%	6,2%	5,2%	4,7%	4,4%	4,0%	4,2%	3,9%	3,2%
<b>YTD 2024</b>	2,4%	4,6%										

# Financial Statements

# Income Statement - Group

Income Statement (EUR mn)	2022	2023	Δyoy
<b>Sales before Rebate &amp; Clawback</b>	<b>45.144</b>	<b>57.426</b>	<b>27.2%</b>
<i>Rebate &amp; Clawback</i>	-6.087	-6.497	6.7%
<b>Sales after Rebate &amp; Clawback</b>	<b>39.057</b>	<b>50.929</b>	<b>30.4%</b>
Gross Profit	17.622	23.196	31.6%
<b>EBITDA</b>	<b>5.562</b>	<b>9.586</b>	<b>72.3%</b>
<b>Adj. EBITDA</b>	<b>5.744</b>	<b>9.128</b>	<b>58.9%</b>
<b>EBIT</b>	<b>3.868</b>	<b>5.244</b>	<b>35.6%</b>
<i>Net Financial result</i>	-1.611	-1.997	24.0%
<b>EBT</b>	<b>2.257</b>	<b>3.247</b>	<b>43.9%</b>
<i>Income tax</i>	-1.308	-1.251	-4.4%
<b>Net Result from cont. operations</b>	<b>0.949</b>	<b>1.996</b>	<b>110.3%</b>
<i>Losses from disc. operations</i>	-0.119	-0.127	6.7%
<b>Net Result</b>	<b>0.830</b>	<b>1.869</b>	<b>125.2%</b>

D&A increase is due to the acquisition of Catapresan

Figures adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data

# Balance Sheet - Group

Statement of Financial Position (EUR mn)	2022	2023
PP&E	6.410	8.484
Right of use assets	10.646	11.060
Intangible assets	46.195	44.541
Other Non-Current Assets	5.317	5.049
<b>Non-current assets</b>	<b>68.568</b>	<b>69.134</b>
Inventories	10.226	14.834
Trade and other receivables	17.130	21.697
Cash and cash equivalents	18.243	8.435
Other current assets	0.001	0.686
<b>Current assets</b>	<b>45.600</b>	<b>45.652</b>
<b>Total assets</b>	<b>114.168</b>	<b>114.786</b>
<b>Total equity</b>	<b>40.313</b>	<b>42.770</b>
Long-term debt	3.958	12.697
Long-term Lease liabilities	10.987	10.999
Other Long-term Liabilities	13.170	12.519
<b>Non-current liabilities</b>	<b>28.115</b>	<b>36.215</b>
Short-term debt	21.604	7.993
Trade and other payables	23.109	26.882
Other Short-term Liabilities	1.027	0.926
<b>Current liabilities</b>	<b>45.740</b>	<b>35.801</b>
<b>Total liabilities</b>	<b>73.855</b>	<b>72.016</b>
<b>Total equity and liabilities</b>	<b>114.168</b>	<b>114.786</b>

Figures adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data



# Cash Flow Statement - Group

Cash Flow Statement (EUR mn)	2022	2023
Cash flow from operating activities	8.272	9.521
Working Capital Adjustments	-3.356	-6.927
Financial expenses paid	-1.535	-2.049
Tax expenses paid	-0.035	-0.261
<b>Net cash flow from operating activities</b>	<b>3.346</b>	<b>0.284</b>
Capital expenditure	-35.617	-4.117
<b>Free cash flow</b>	<b>-32.271</b>	<b>-3.833</b>
Other investing activities	0.026	0.659
<b>Net cash flow from investing activities</b>	<b>-35.591</b>	<b>-3.458</b>
Share capital increase	49.286	0
Proceeds from borrowings	25.182	52.303
Repayments of borrowings	-24.919	-57.289
Repayments of leases	-0.700	-1.185
Other financing items	0	-0.463
<b>Net cash flow from financing activities</b>	<b>48.849</b>	<b>-6.634</b>
<b>Change in cash</b>	<b>16.604</b>	<b>-9.808</b>
Cash and cash equivalents at 1 January	2	18.243
<b>Cash and cash equivalents at 31 December</b>	<b>18.242</b>	<b>8.435</b>

\* Adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data

# Income Statement - Company

Income Statement (EUR mn)	2022	2023	Δyoy
<b>Sales after Rebate &amp; Clawback</b>	<b>23.491</b>	<b>34.445</b>	<b>46.6%</b>
Gross Profit	9.313	13.441	44.3%
<b>EBITDA</b>	<b>4.994</b>	<b>9.534</b>	<b>90.9%</b>
<b>Adj. EBITDA</b>	<b>5.176</b>	<b>9.077</b>	<b>75.4%</b>
<b>EBIT</b>	<b>3.688</b>	<b>5.640</b>	<b>52.9%</b>
<i>Net Financial result</i>	1.165	-2.241	-292.4%
<b>EBT</b>	<b>4.853</b>	<b>3.399</b>	<b>-30.0%</b>
<i>Income tax</i>	-0.923	-1.038	12.5%
<b>Net Result from cont. operations</b>	<b>3.930</b>	<b>2.360</b>	<b>-39.9%</b>
<i>Losses from disc. operations</i>	-	-	-
<b>Net Result</b>	<b>3.930</b>	<b>2.360</b>	<b>-39.9%</b>

D&A increase is due to the acquisition of Catapresan

Figures adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data

# Balance Sheet - Company

Statement of Financial Position (EUR mn)	2022	2023
PP&E	6.357	8.439
Right of use assets	10.187	10.006
Intangible assets	45.796	44.140
Other Non-Current Assets	27.192	27.458
<b>Non-current assets</b>	<b>89.532</b>	<b>90.043</b>
Inventories	6.624	10.475
Trade and other receivables	13.499	18.925
Cash and cash equivalents	16.969	7.580
Other current assets	0.000	0.000
<b>Current assets</b>	<b>37.092</b>	<b>36.980</b>
<b>Total assets</b>	<b>126.624</b>	<b>127.023</b>
<b>Total equity</b>	<b>78.304</b>	<b>81.264</b>
Long-term debt	3.937	12.676
Long-term Lease liabilities	10.692	10.246
Other Long-term Liabilities	10.035	9.545
<b>Non-current liabilities</b>	<b>24.664</b>	<b>32.467</b>
Short-term debt	14.296	2.212
Trade and other payables	9.017	10.710
Other Short-term Liabilities	0.343	0.369
<b>Current liabilities</b>	<b>23.656</b>	<b>13.291</b>
<b>Total liabilities</b>	<b>48.320</b>	<b>45.758</b>
<b>Total equity and liabilities</b>	<b>126.624</b>	<b>127.023</b>

Figures adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data

# Cash Flow Statement - Company

Cash Flow Statement (EUR mn)	2022	2023
Cash flow from operating activities	5.192	9.312
Working Capital Adjustments	-0.267	-8.061
Financial expenses paid	-1.018	-1.377
Tax expenses paid	-0.005	-
<b>Net cash flow from operating activities</b>	<b>3.902</b>	<b>-0.126</b>
Capital expenditure	-35.482	-3.919
<b>Free cash flow</b>	<b>-31.580</b>	<b>-4.045</b>
Other investing activities	0.026	-0.490
<b>Net cash flow from investing activities</b>	<b>-35.456</b>	<b>-4.409</b>
Share capital increase	49.286	0
Proceeds from borrowings	0	21.296
Repayments of borrowings	-1.098	-24.752
Repayments of leases	-0.489	-0.935
Other financing items	0	-0.462
<b>Net cash flow from financing activities</b>	<b>47.699</b>	<b>-4.853</b>
<b>Change in cash</b>	<b>16.145</b>	<b>-9.389</b>
Cash and cash equivalents at 1 January	1	16.969
<b>Cash and cash equivalents at 31 December</b>	<b>16.969</b>	<b>7.580</b>

\* Adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data



**Pillars of Growth**

# Pillars of Growth overview

Lavipharm has identified the pillars which are set to drive the growth momentum and capitalises on those

## Catapresan TTS



- A successful and **profitable product already marketed in the Italian market**
- Imminent **penetration in other markets** to unlock the product's full potential

## Tikun Europe collaboration



- Significant boost on therapeutic-related categories anticipated through the **commercial distribution of Tikun's new medical cannabis and CBD products**
- Exploitation of an **untapped market in Greece**

## Generics



- **Long-standing strategic collaborations** with Zentiva and Sandoz offer new product solutions
- Lavipharm's **owned branded generic products** as another growth angle in the segment

## Internal R&D pipeline



- **New lines of products** in the processing stage and expected to be launched
- Own technology and scientific **expertise**, especially in transdermal products

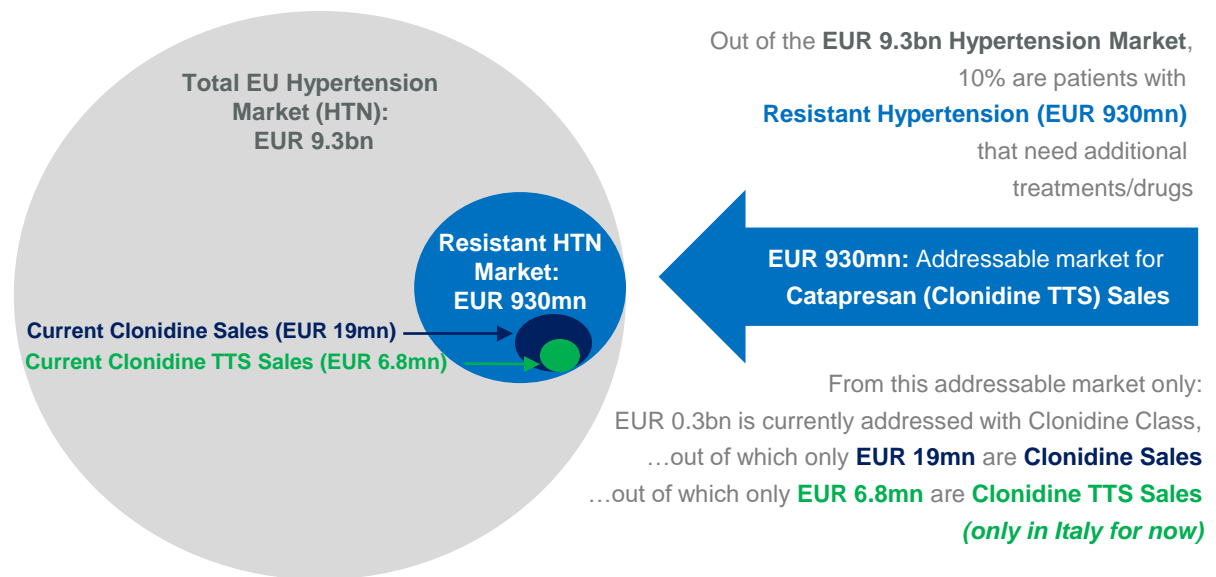
## Focused Growth Strategy



- **Product pipeline enrichment via acquisitions**, i.e., Lonarid N<sup>®</sup>, Lonalgal<sup>®</sup>, Flagyl<sup>®</sup>
- **Collaborations with third parties** to optimise the company's performance, scale core competencies and capture new opportunities (i.e. FAMAR production collaboration)

# Catapresan TTS

**An addressable EU market of c. EUR 930mn**  
(Resistant Hypertension market)



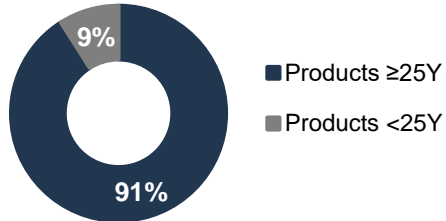
## Market Opportunity

**A dormant environment, leaving room for Clonidine-TTS to thrive**

**Clonidine's** therapeutic class (C2A) is characterized by:

- a) Lack of new entries
- b) Lack of promotional effort by any competitor, which give high potentiality to **Clonidine TTS** launch

In Greece products launched 25 years ago or more accumulate **91%** of total C2A Class values



## Product Opportunity – Unique Selling Points

**What could make Clonidine-TTS a potential winner in the Resistant Hypertension market?**

- The only once-weekly therapy for Resistant Hypertension (**unique advantage in dosage scheme offering high compliance**)
- Proven efficacy and safety
- Possible to combine with other antihypertensive agents
- A clear EU registration strategy

# Catapresan TTS (cont.)

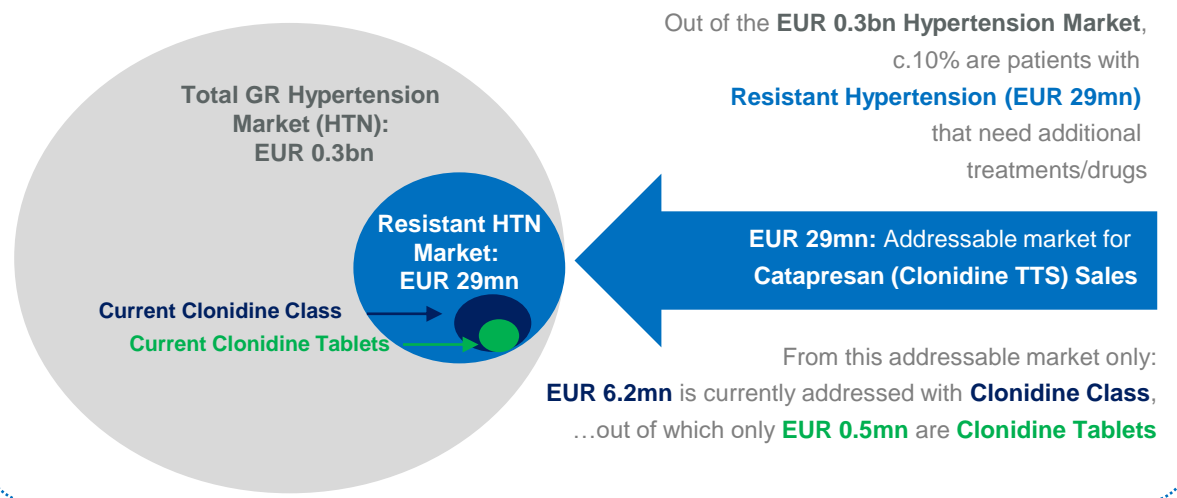
Significant upside is expected from commercialising Catapresan TTS in countries other than Italy:

- Lavipharm's **business plan** doesn't include any Catapresan TTS related income potentials outside Italy



## The Case / Opportunity of Greece

**An addressable Greek market of c. EUR 29mn**  
(Resistant Hypertension market)



Greece (not included in business plan numbers for Catapresan TTS):

Patients receiving any treatment for Hypertension are estimated at 1.4mn

Resistant Hypertension Market in Greece is estimated at **142k patients**



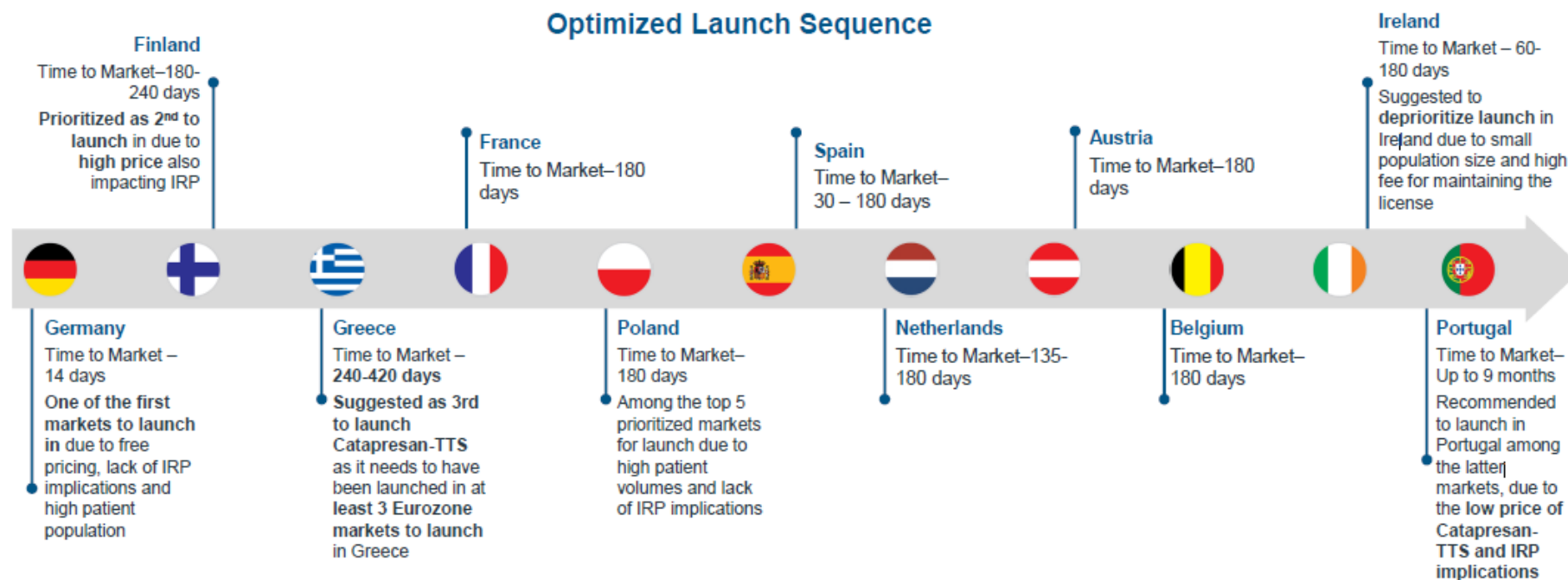
The clonidine transdermal system is already contributing **EUR 6.6mn** during FY-23



# Catapresan TTS (cont.)

## EU market penetration case\*

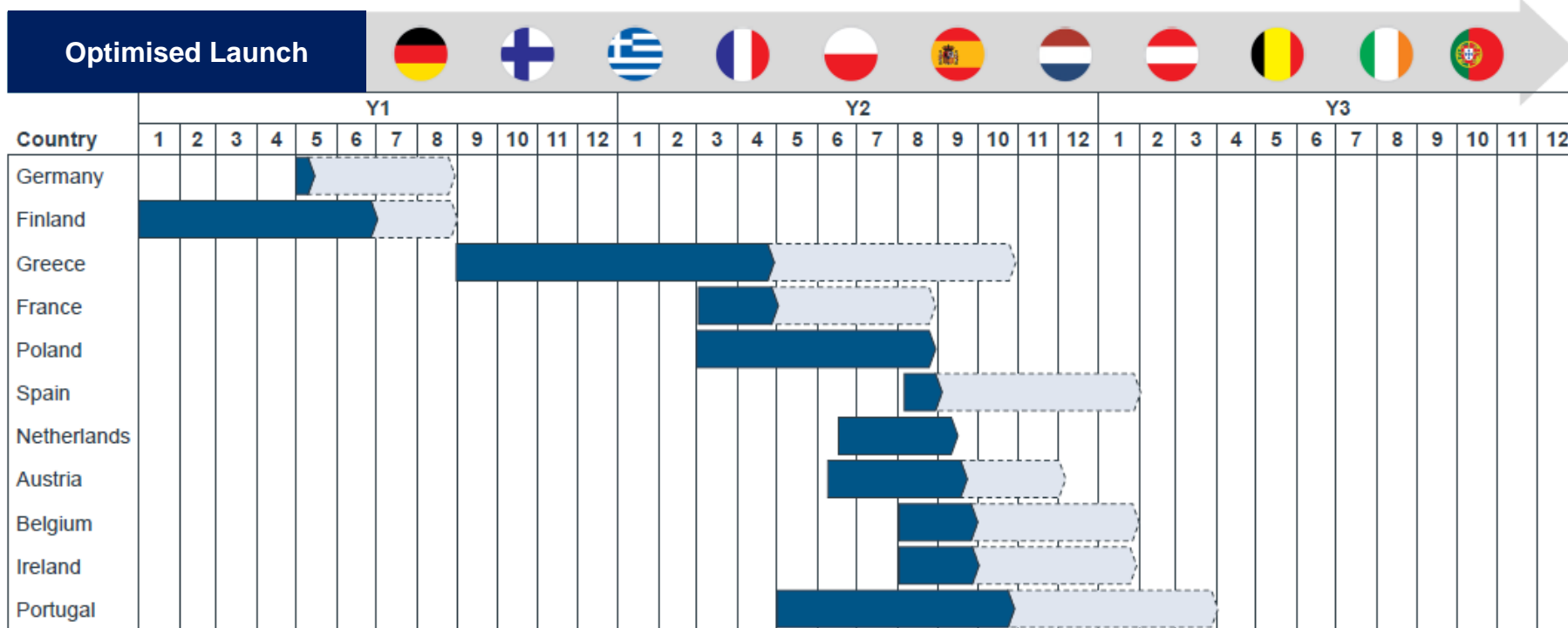
### Optimized Launch Sequence



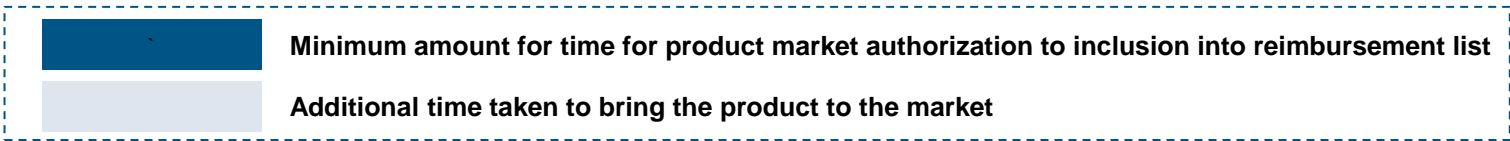
\*Analogue assessments, discussions with industry experts and secondary research were leveraged to identify the optimal launch sequencing which is based on cumulative effect of attributes such as market size, price potential, IRPs, and time to market

# Catapresan TTS (cont.)

## EU market penetration case



The minimum amount of time required to launch in all 11 markets with optimal launch sequence is c.22 months



- Activities for multiple countries can begin **simultaneously** to account for pricing and reimbursement timelines and approvals
- If Greece is deprioritised, the overall launch sequence timeline is reduced by 6 months

# Tikun Europe Collaboration

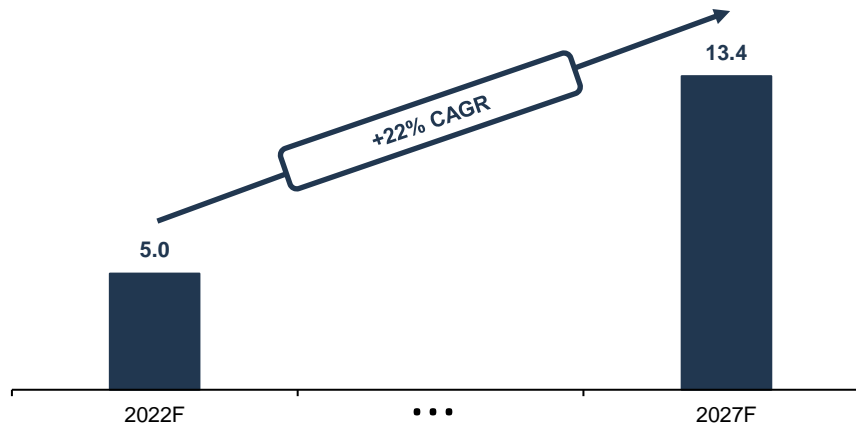
## Enhancing Treatment-related Product Portfolio

In November 2022, Lavipharm entered into a strategic partnership with Tikun Olam Europe, the leading pharmaceutical company in the research, development and production of medical cannabis products in Greece

Through this collaboration, Lavipharm has undertaken the commercial distribution of Tikun's new products, which are currently available in the Greek market, starting from 2023, for a period of five years with the option of renewal

As of February 2024, Lavipharm has launched the first locally produced medical cannabis prescription product, in the context of the strategic partnership with Tikun Olam.

Size of Medical Cannabis Market in Europe (USD bn)



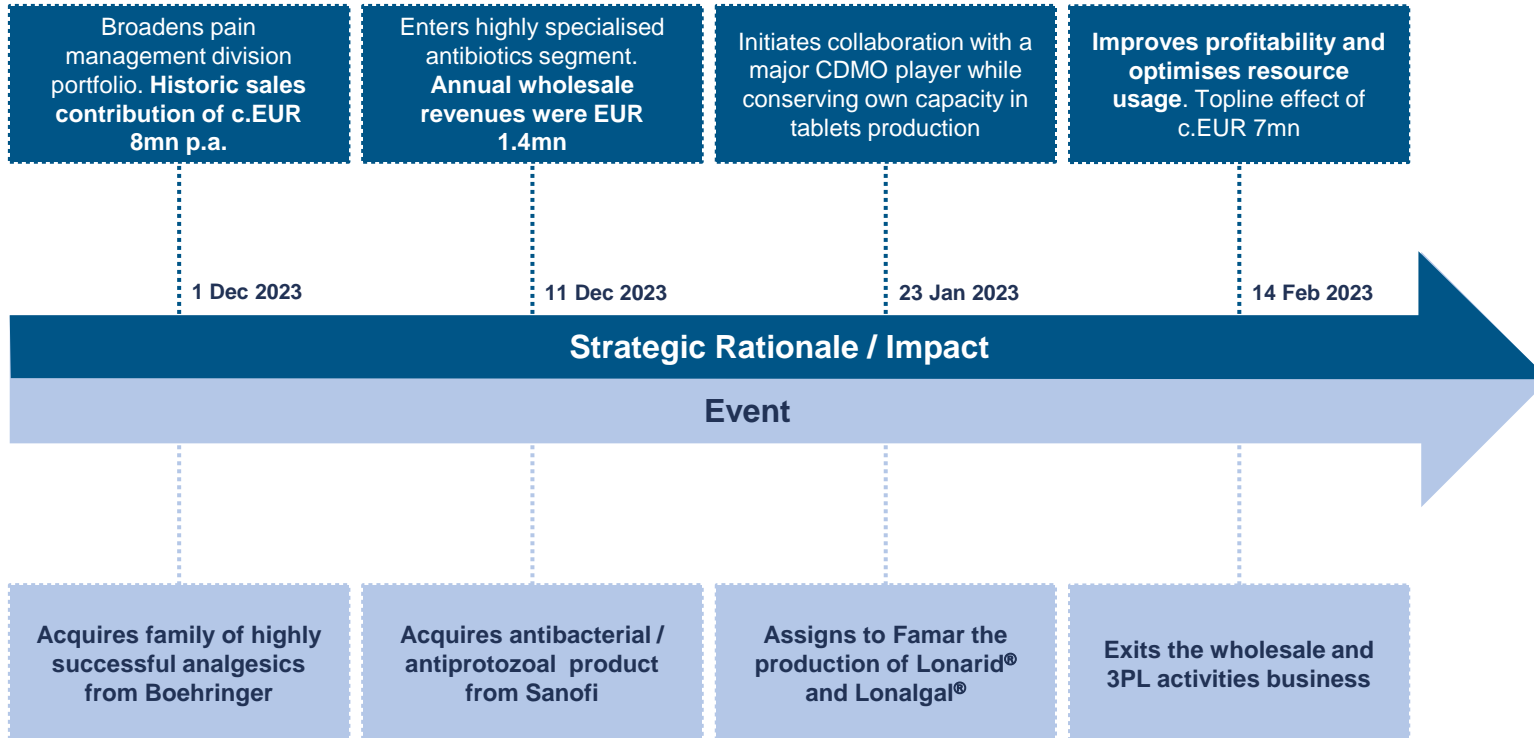
### European Medical Cannabis Market

A growing market which is valued at **USD 4.96bn** and estimated to reach **USD 13.37bn by 2027**, implying an increase of **21.96% CAGR** during the forecast period 2022 to 2027.

# Focused Growth Strategy



## Recently announced agreements and transactions





**Corporate Governance**

# ESG Commitments



## Sustainability policy:

Not just a “nice to have”, but a **strategic priority** for Lavipharm

**Lavipharm is committed to sustainable growth**

Even though ESG reporting is not a legal prerequisite for its size, management decided to **monitor and report all ESG factors according to the GRI standards**

### Lavipharm’s ESG initiatives

#### Athex ESG Index

Lavipharm has been included in the Athex ESG Index since 2023

#### ESG/ Sustainability Report

Completed (published in Oct 2022)

#### Materiality analysis

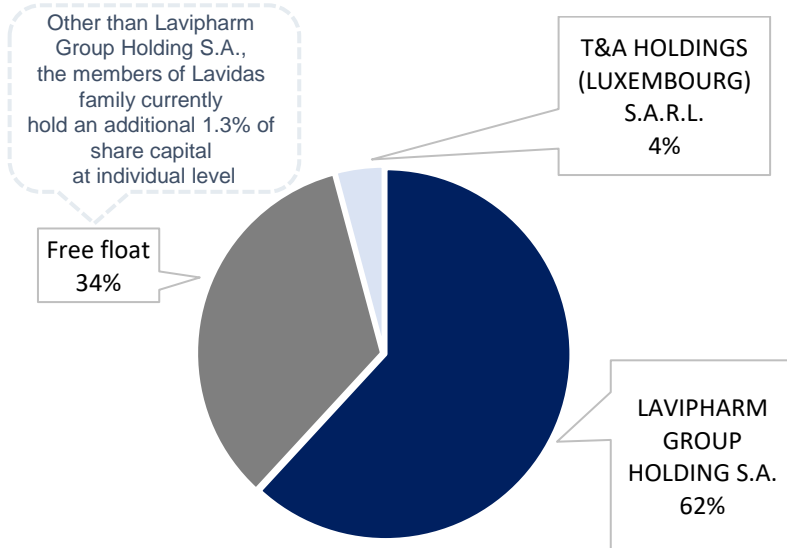
Completed demonstrating that sustainability priorities are embedded in business priorities

#### Governance Pillar

Establishing a strong and effective internal control system (Audit Committee, Remuneration and Nomination Committee, Internal Audit Unit, Risk Management Unit etc)

# Shareholding Composition & Group Structure

Financial Overview  
Pharma Market Dynamics  
Financial Statements  
Pillars of Growth  
Corporate Governance  
Outlook



**EUR 142.18mn**

Market Cap (as of 22/04/2024)



**EUR 0.847**

Share Price (as of 22/04/2024)



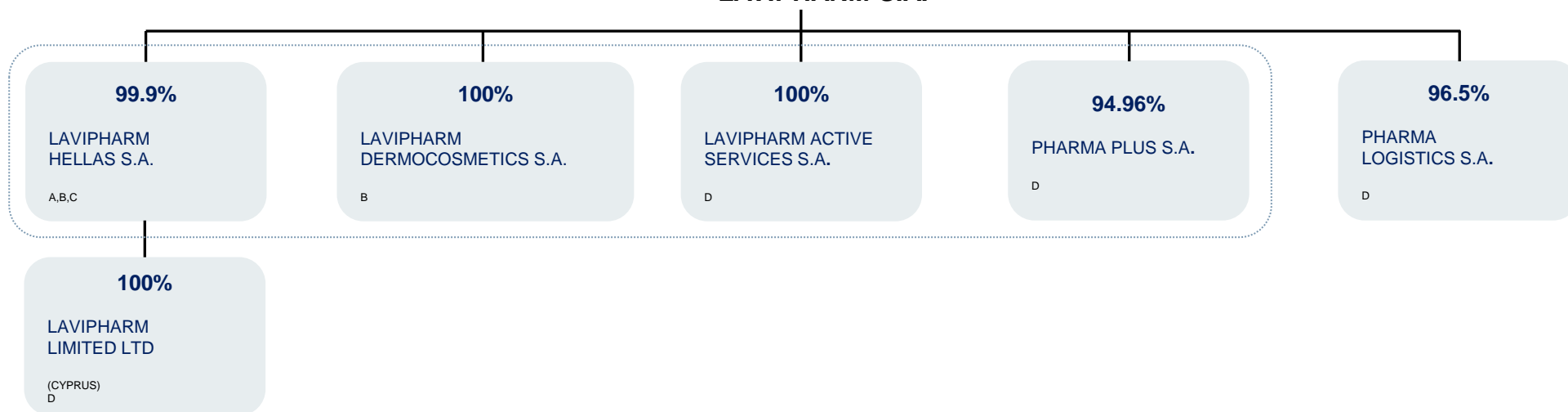
**167.87mn**

Number of Outstanding Shares

### Share info:

Listing in ATHEX	Nov 8, 1995
Sector / Subsector	Health Care / Pharmaceuticals
Market	MAIN MARKET
Reference symbols	LAVI, LAVI GA, LPHr.AT

## LAVIPHARM S.A.



### Notes:

Business Plan and analysis presented includes the companies in the frame Lavipharm Limited Ltd and Pharma Logistics SA have no operating activity  
A: Pharmaceutical, B: Cosmetics, C: OTC, D: Services

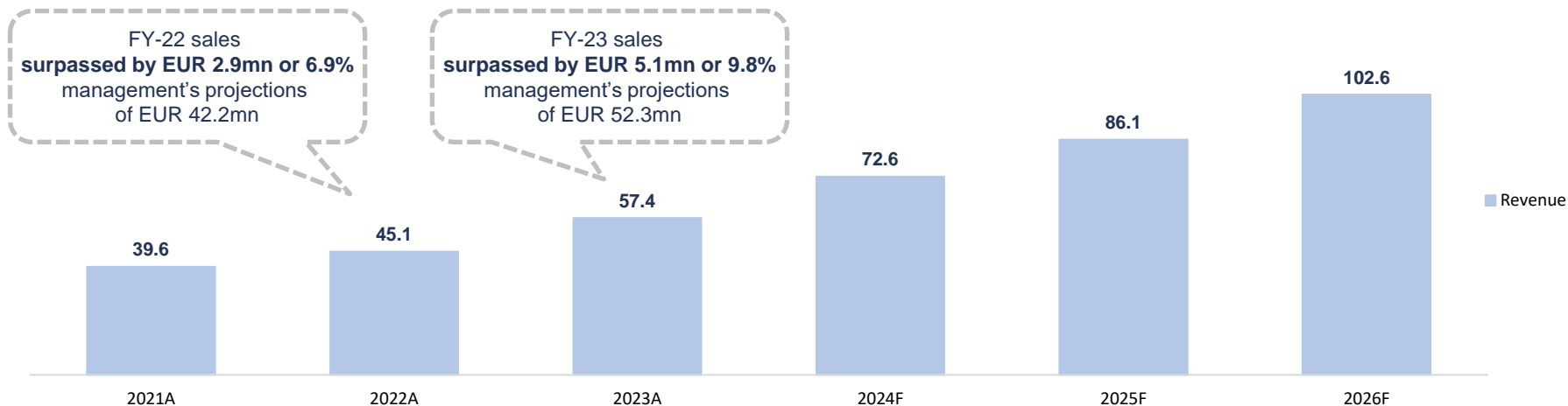


**Outlook**

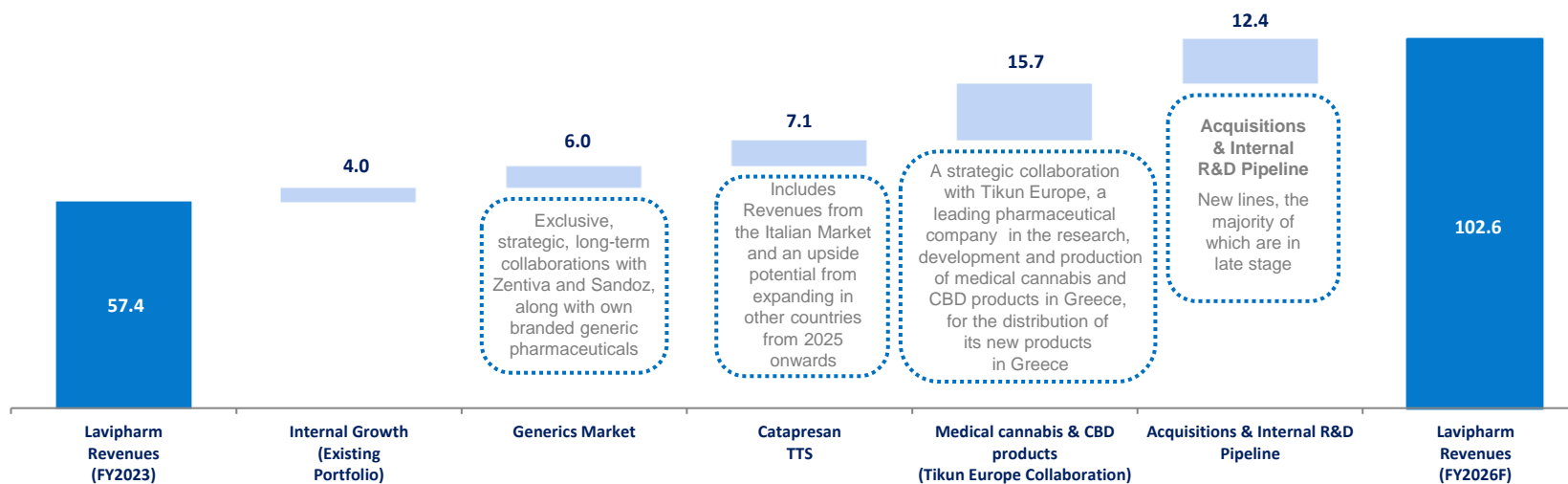


# Company Outlook

## 3-year Revenue Projection\* (EUR mn)



## Expected Revenue Growth (2023 – 2026F, EUR mn)



\* Before rebate & clawback

\* Adjusted due to the cessation of wholesale operations and logistics services to third parties

Source: Company Data and Projections

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# **Annual Analysts Update**

## **Athens Exchange, 24 April 2024**

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# **Annual Analysts Update**

## **Athens Exchange, 24 April 2024**

**Presentation by Vassilis Baloumis, CFO**

**Discussion with Panagiotis Giannouleas, COO & Country Manager**