



PharmaSGP – Berenberg DACH & Nordic Conference 2021

March 2021

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Today's presenters



Natalie Weigand

Chief Executive Officer

Selected previous experience

Johnson & Johnson



Michael Rudolf

Chief Financial Officer

Selected previous experience

McKinsey
& Company



PHARMASGP IS A CONSUMER HEALTH COMPANY WITH A BROAD PORTFOLIO OF LEADING OTC PHARMACEUTICALS IN THEIR CATEGORIES.

WE HAVE CREATED A UNIQUE PAN-EUROPEAN PLATFORM THAT ALLOWS US TO EASILY INTEGRATE AND GROW BRANDS ACROSS ALL MARKETS SUCCESSFULLY.



We are addressing a sizeable Continental European Non-Rx market of more than EUR 30bn

OTC general

+

Chemical-free OTC

Ageing population

>32%

60+ years in Europe in 2030E



Self-medication

~3%

growth in Continental European markets until 2024E⁽¹⁾



Risk averse population / authorities

Sides effect warnings



Risk aware authorities



Growing demand for chemical-free products

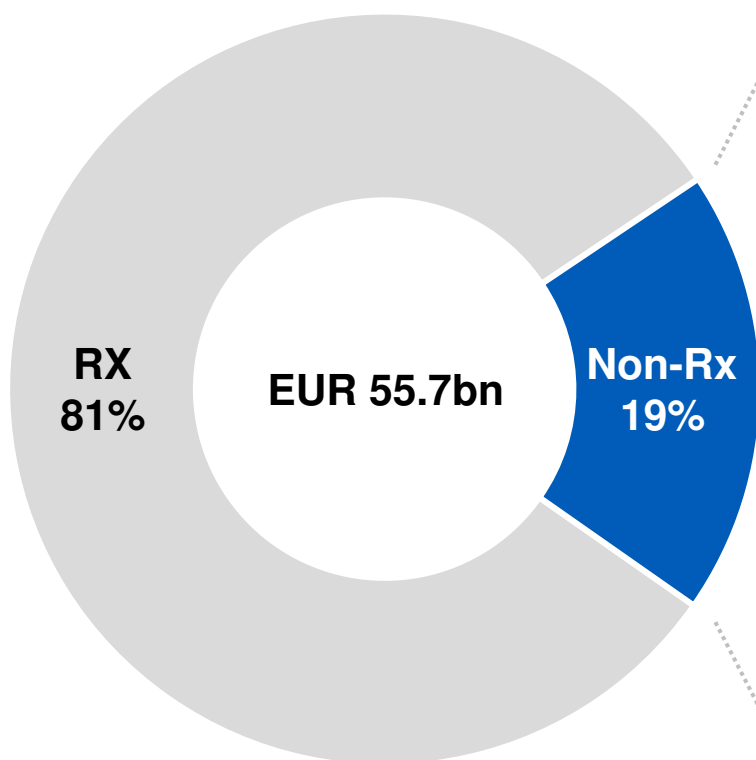
~6%

growth (2017-2018) of top chemical-free Non-Rx brands⁽²⁾



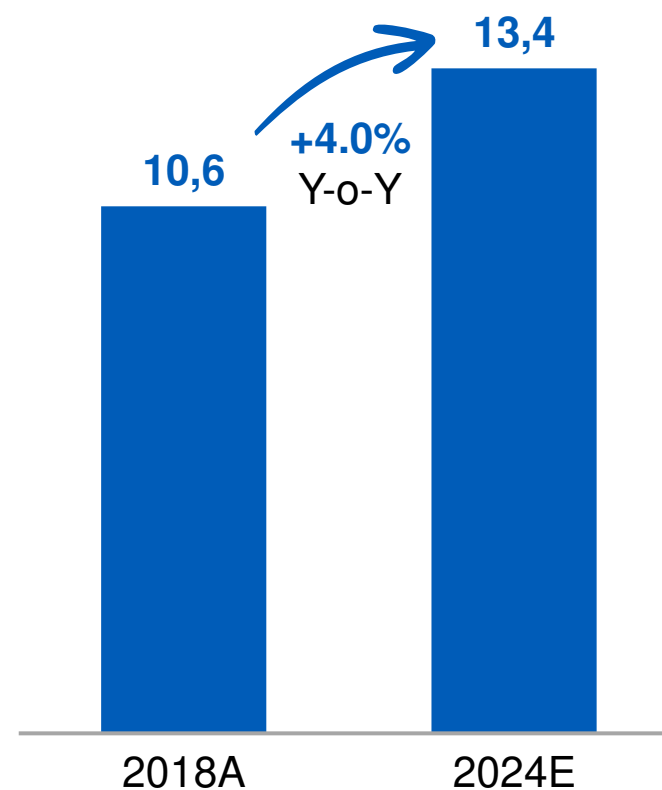
German self-medication market is huge and growing with a mid term growth estimate of 4%

German drug market (2018A)



German Non-Rx market growth

in EUR bn

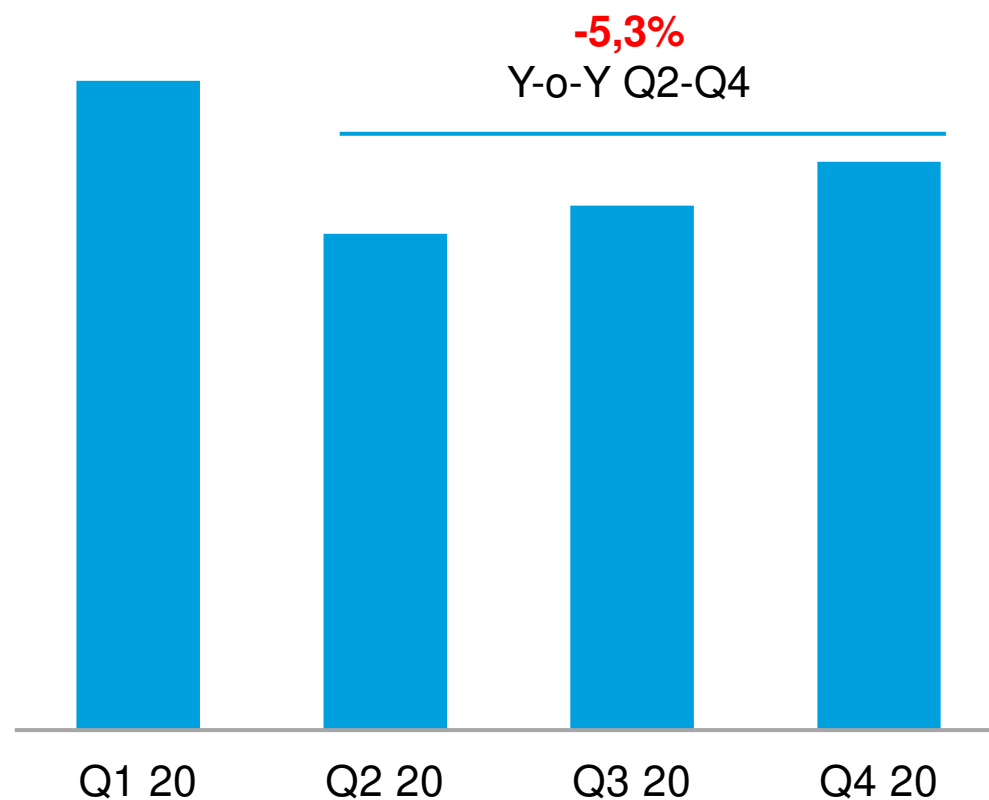


Covid-19 has affected the growth of the total OTC Market in 2020

German OTC market (2020A)



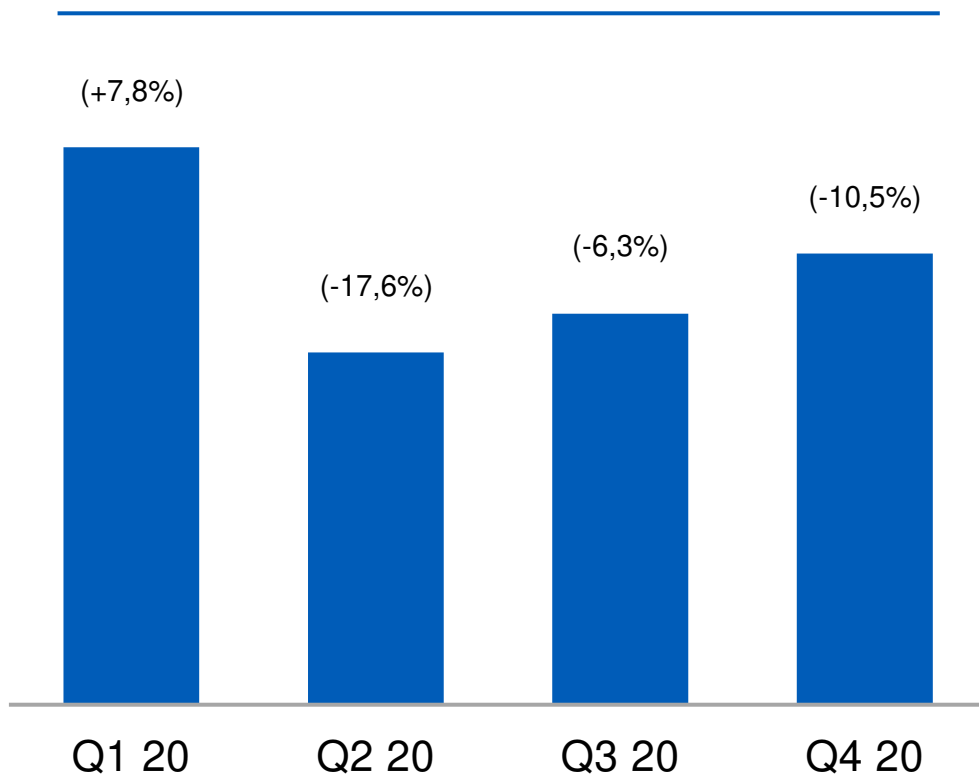
German OTC market per quarter (2020A)



Natural OTC Market especially affected due to cough & cold category. PharmaSGP performs stable in this environment.

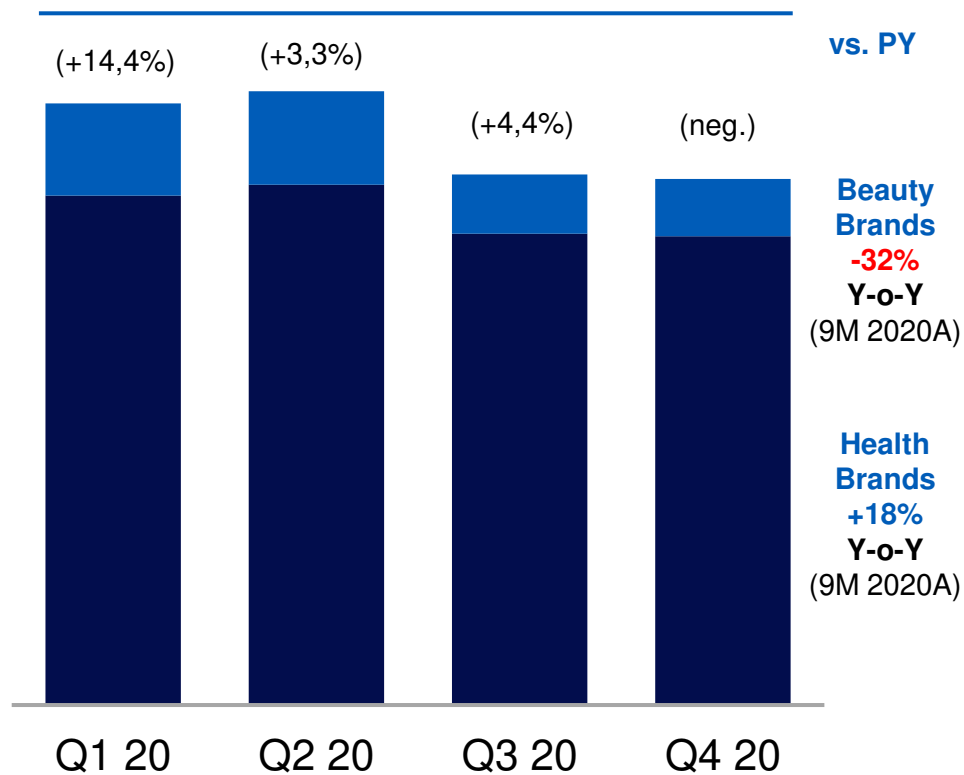
German Natural OTC market (2020A)

-6,1%
Y-o-Y



PharmaSGP Sales (2020E)

~1%
Y-o-Y

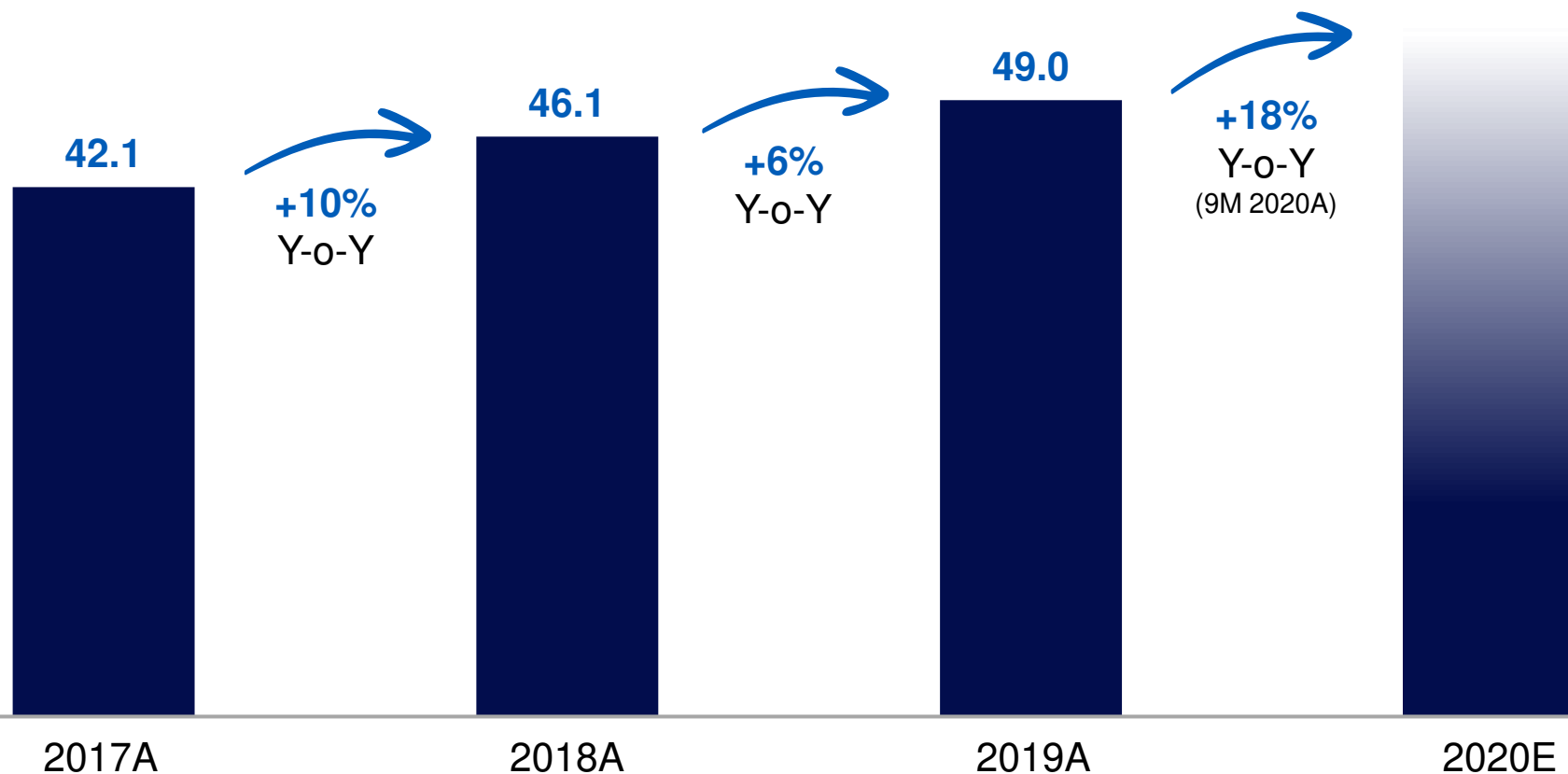


Continued growth of Health Brands is a result of PharmaSGP's Pan-European brand-building platform



PharmaSGP Health Brands Sales

in EUR mn



We have created a unique Pan-European platform that allows us to easily integrate and grow brands across all markets successfully.



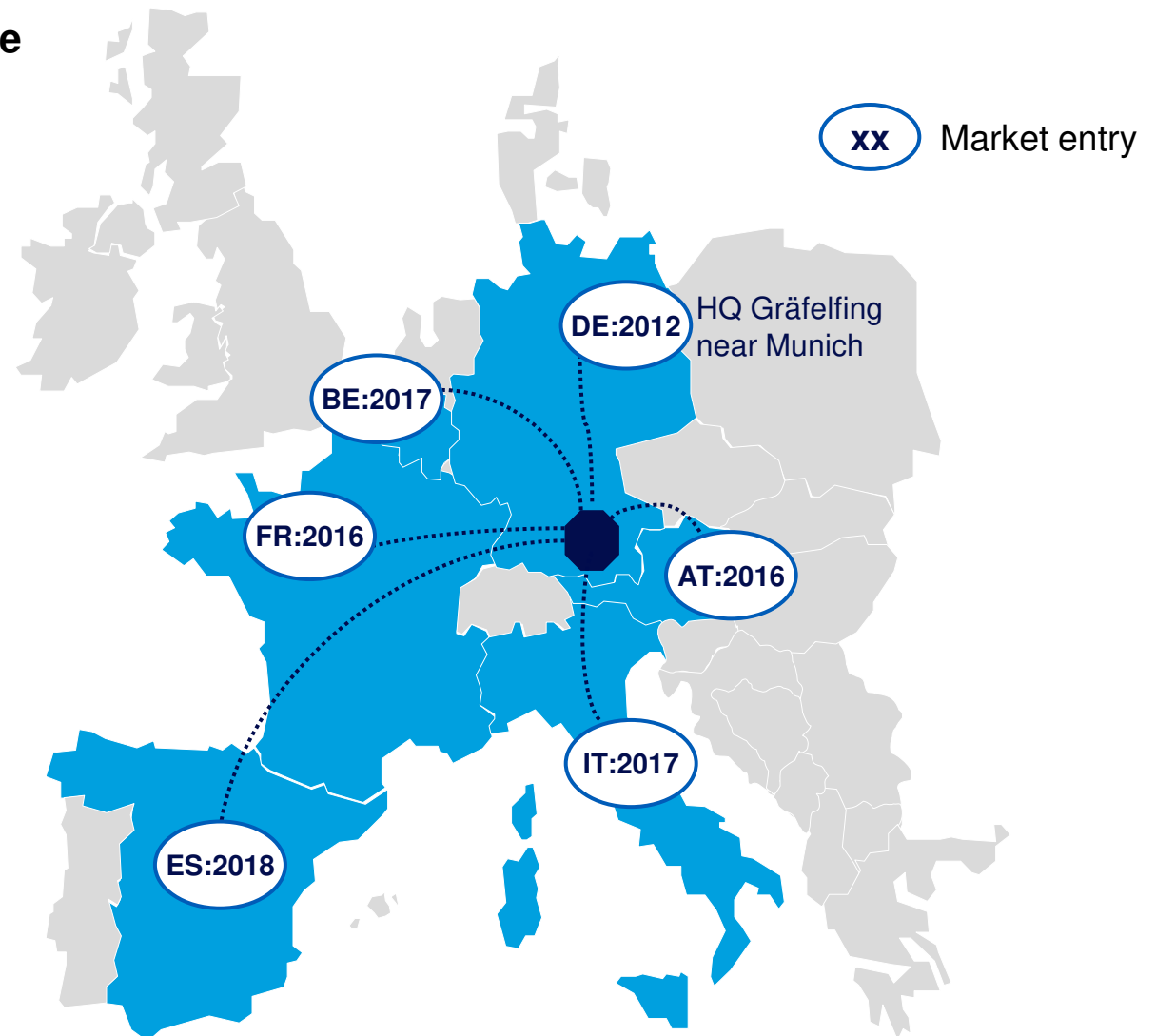
1

Proven asset-light and scalable business model combined with highly efficient and established operations

Our international presence

1 HQ

6 operating countries



2 Highly diversified Pan-European supply chain

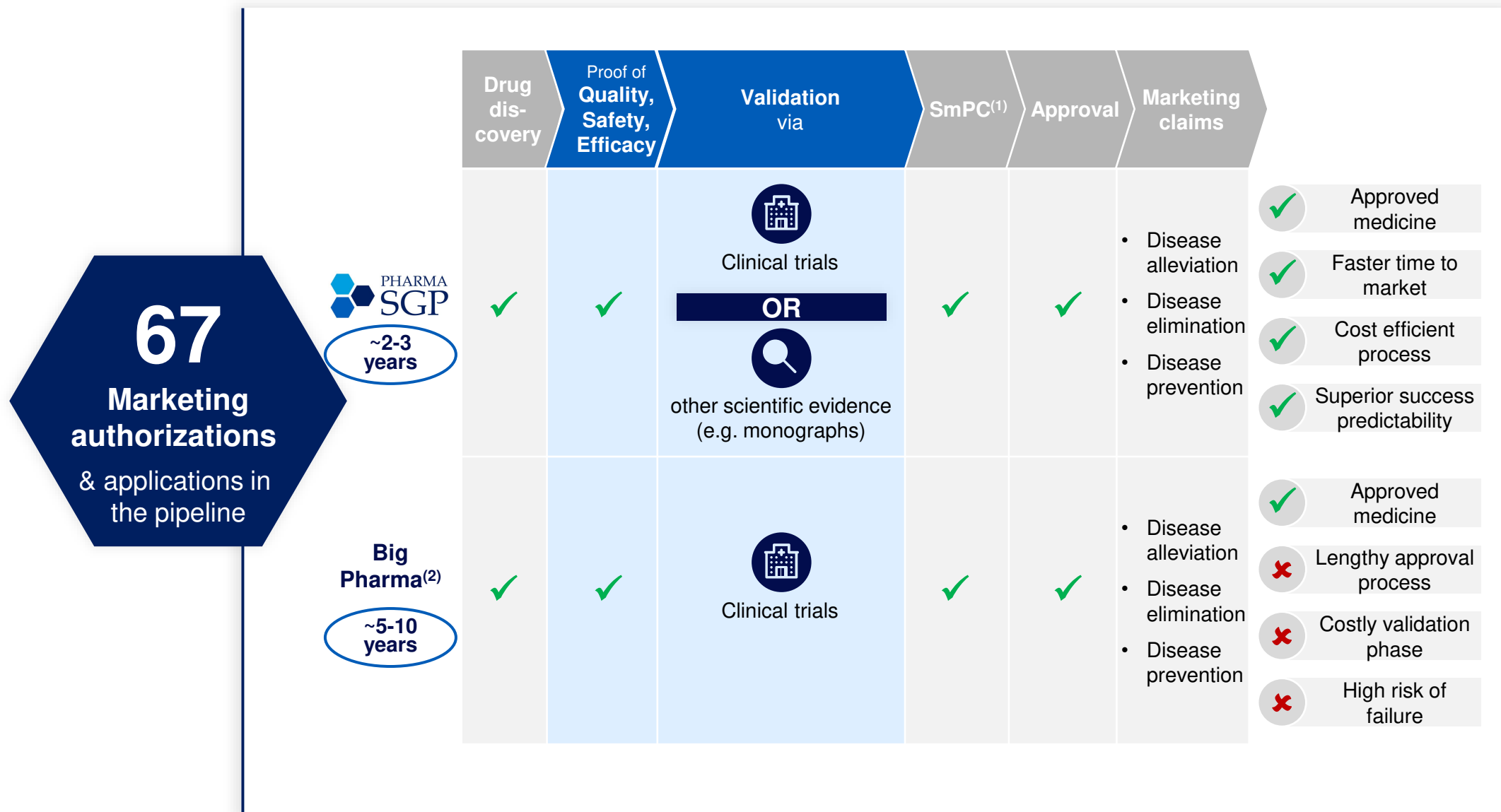
Full control via in-house PharmaSGP purchase and QS team

>50
third party
suppliers

- 1 CMOs from large to small and secondary suppliers (e.g. testing, ingredient sourcing, packaging)
- 2 Longstanding partnerships with CMOs
- 3 CMOs are responsible for production and quality issues
- 4 Highest quality standards / suppliers are mainly GMP certified
- 5 Regional scalability through standardized processes



3 Strong regulatory know-how and expertise



4

Strong DTC marketing machine and proven track record in building leading consumer brands

6

Leading
category
brands

Neuralgic
pain

Restaxil®



in market for
neuralgic pain

Nociceptive
pain

RubaXX®



in market for
nociceptive pain

Cannabis

RubaXX®
Cannabis



in market for
Non-RX
hemp products

Urology

DESEO®



in market
for sexual
weakness

Urology

Neradin®



in market
for sexual
weakness

Cardio-
vascular

TAUMEA®



in market for
vertigo
treatment

5

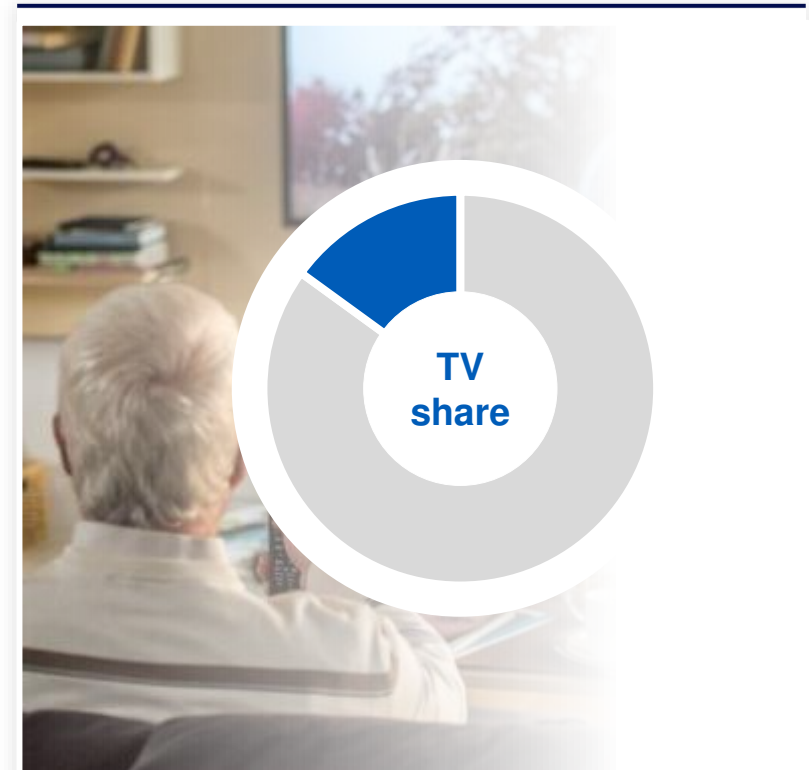
High target audience reach combined with exceptional commercial rates

111m
consumer
reach/
month

Print



TV



Strong financial profile provides significant room for internal and external financing

**Strong,
profitable
growth**

**Industry leading
EBIT margin**

**Capex and
working capital
light**

**Highly
cash generative
business model**

**Lean balance
sheet**

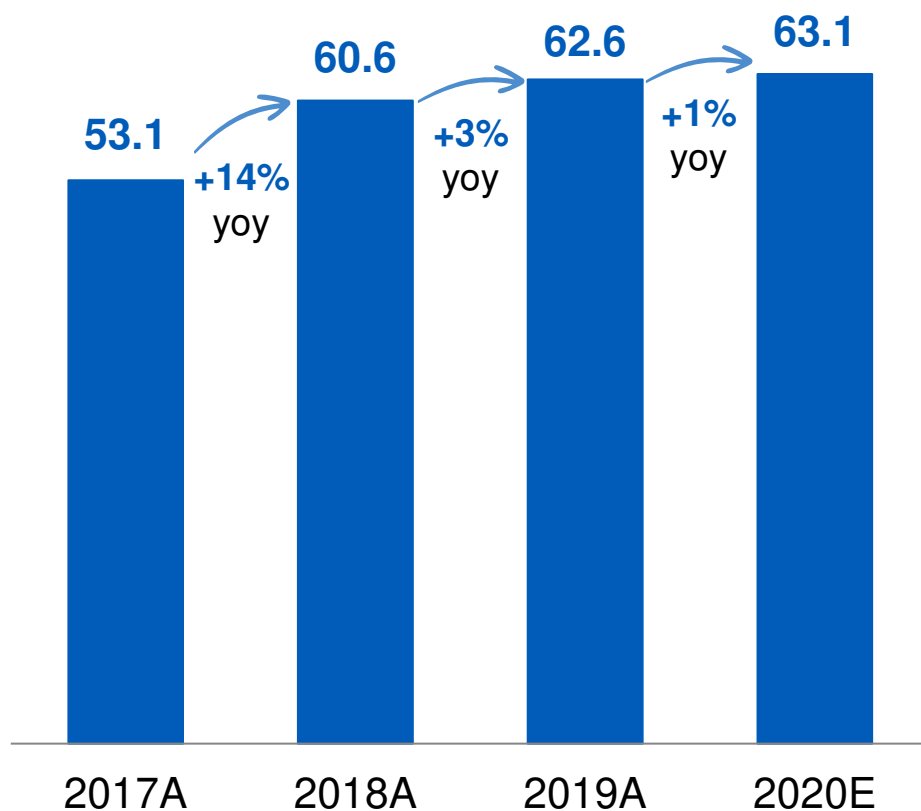
Debt free



We steer our business to constantly achieve a high growth and EBIT margin – one-time Covid-19-effect in 2020 (Q4)

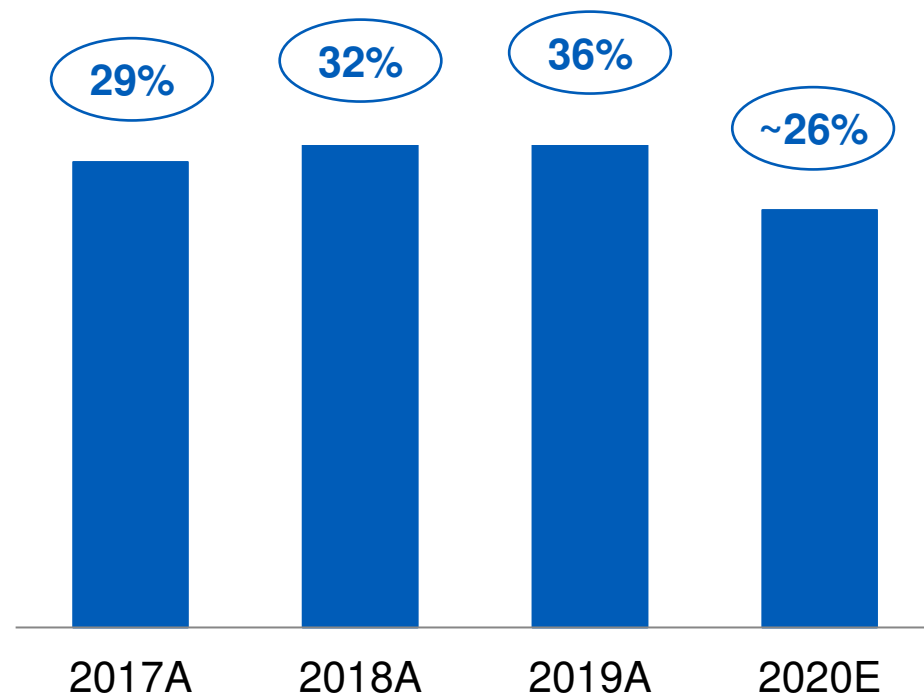
Revenues 2017A – 2020E

in EUR m



EBIT Margin 2017A – 2020E (adjusted EBIT)

in %



We have a clear growth strategy focusing on leveraging our unique platform in Europe!



Acquisition profile: We have clear investment criteria



Acquisition profile

Financial profile

- At least 5-year commercialization
- Overall sales potential: up to 50m EUR

Established brands/product portfolios

- Stand-alone
- Incorporated in a target company

Acquisition type

- Share deal
- Asset deal

Target markets

- All European markets
- Mid-/long-term: markets outside Europe

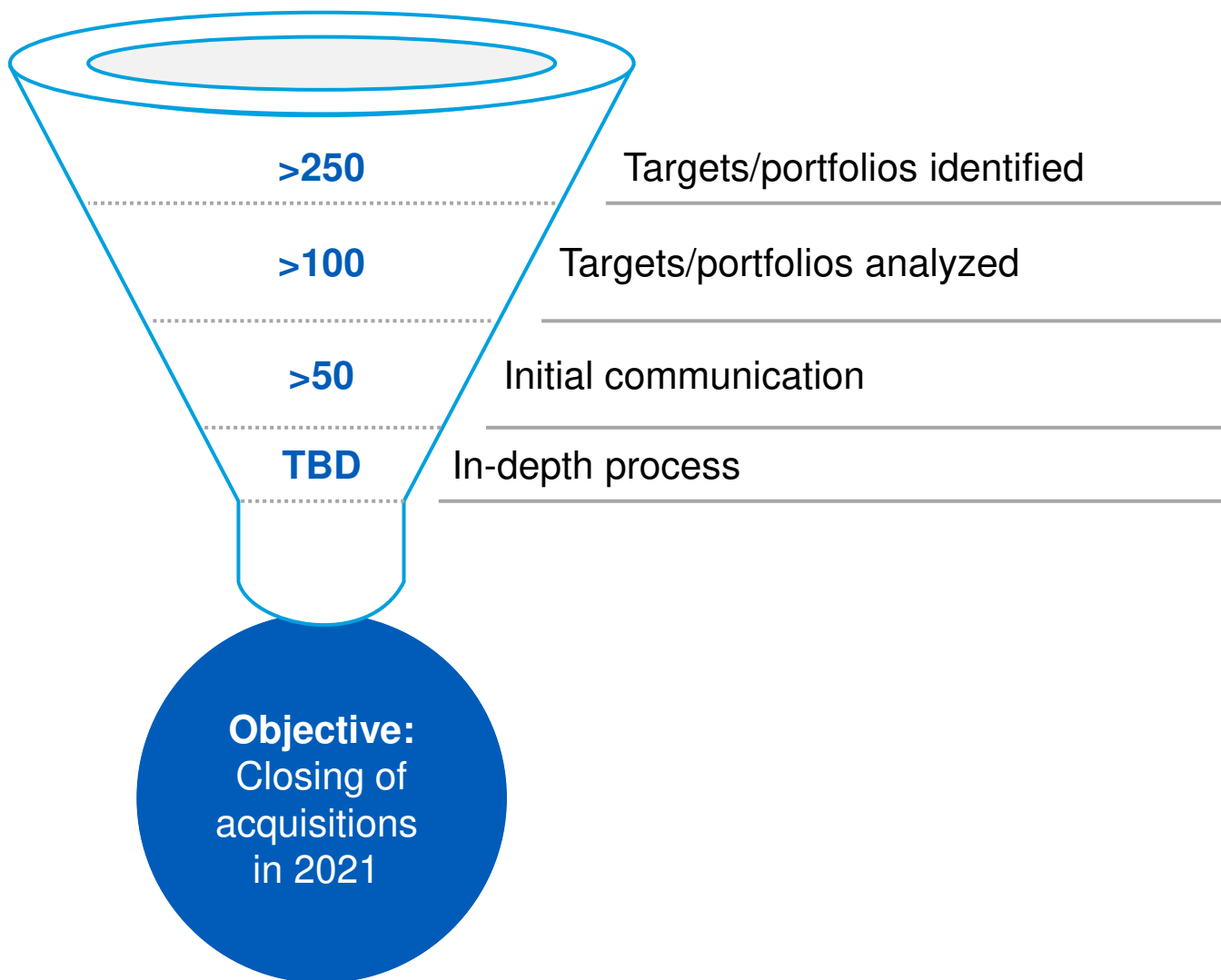
Brand/portfolio characteristics

- Focus: Chronic indications
- Extension of existing and new indications
- D2C responsiveness
- Focus: „health“ – „beauty“ also allowed

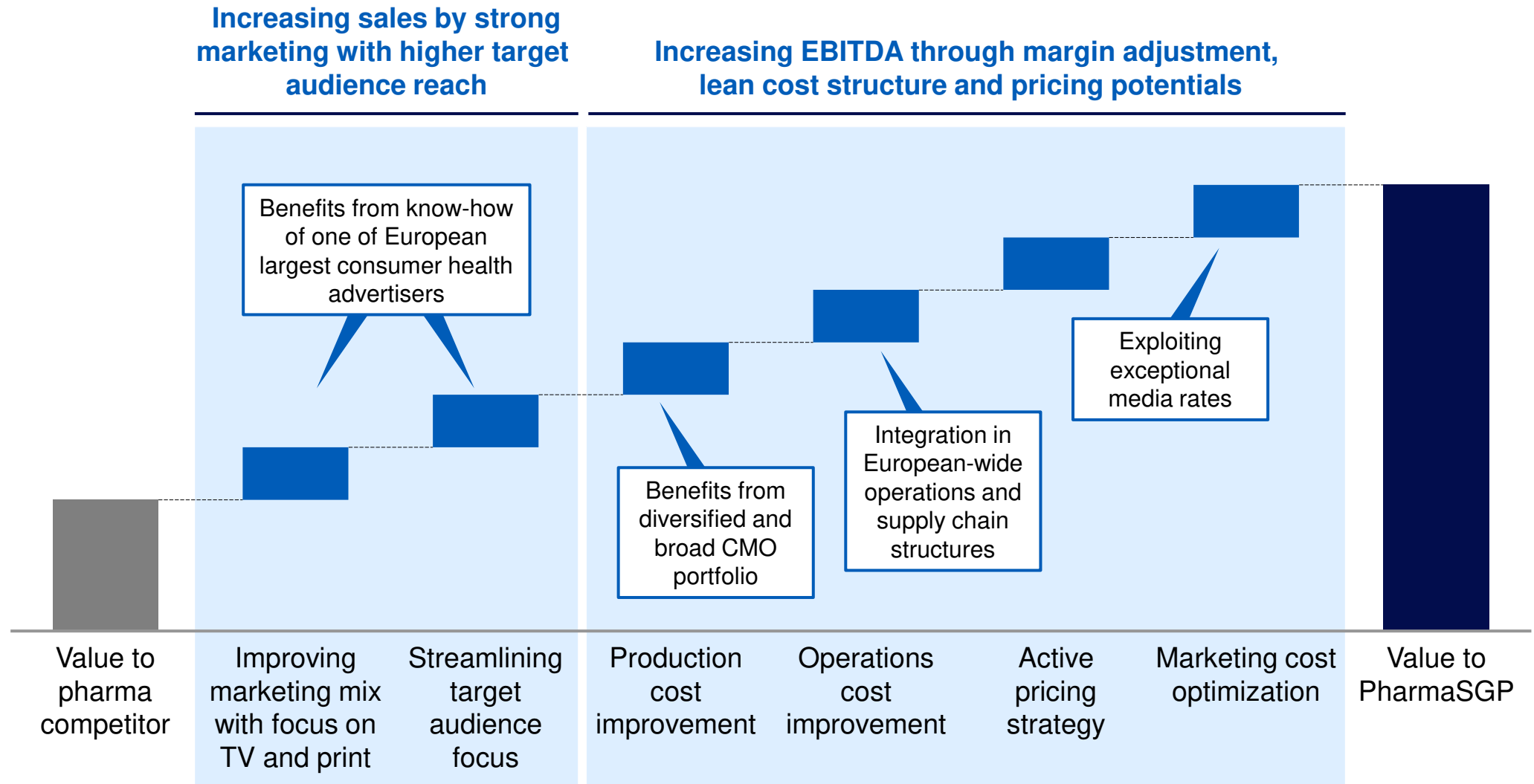
M&A status – high activity along the funnel

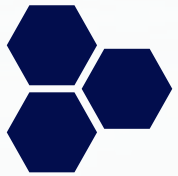
Deal aspiration

- Dedicated team established
- Structured and continuous process with highest management attention
- Targeting via
 - investment network (investment banks, pharma consultancies) established for all EU markets
 - Direct targeting via business networks



Value creation based on sales and margin optimization





**“OUR GOAL AS A TRUSTED PARTNER FOR CONSUMERS WITH
CHRONIC CONDITIONS: LEADING COMPANY IN EUROPE
WITH THE BROADEST PORTFOLIO OF LEADING OTC
BRANDS IN THEIR CATEGORY.”**

