



PharmaSGP – Preliminary results 2020

March 31st, 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

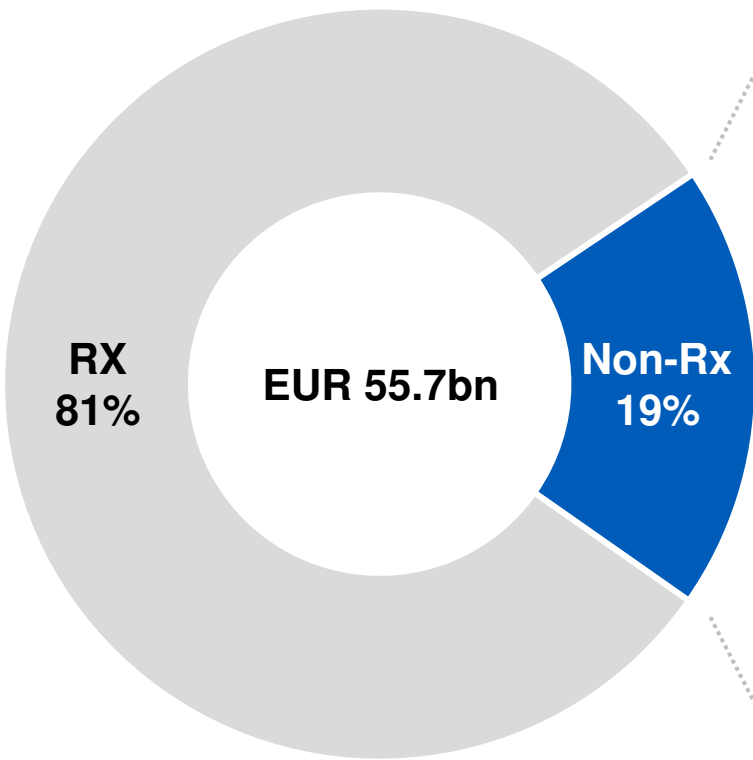
~6%

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



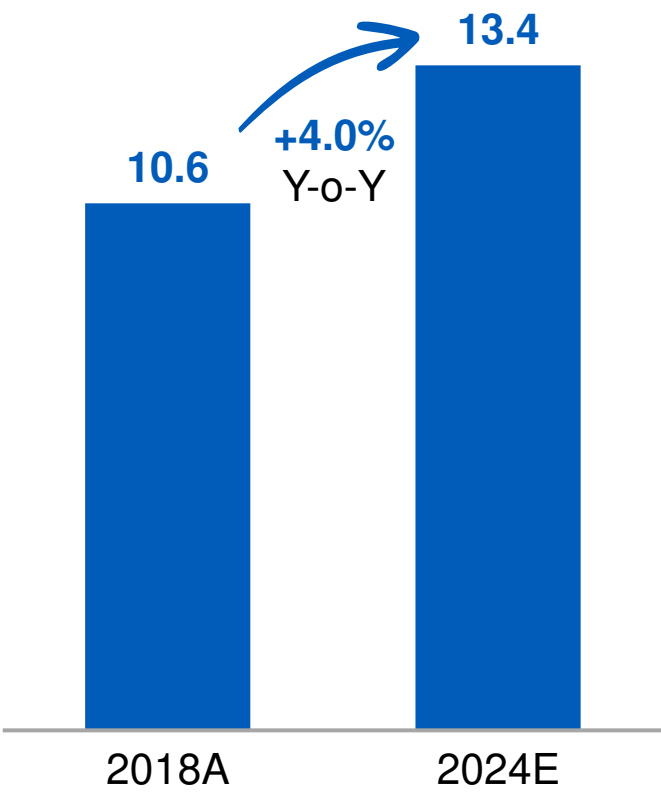
German self-medication market is huge and growing with a mid term growth estimate of 4%

German drug market (2018A)



German Non-Rx market growth

in EUR bn

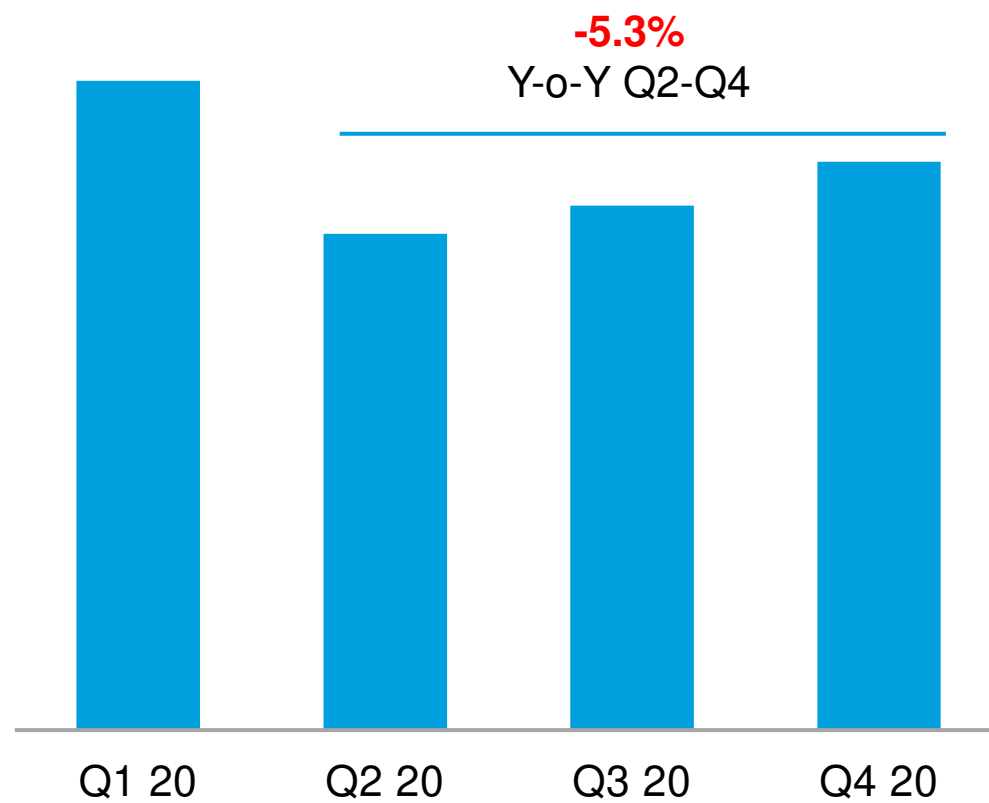


Covid-19 has affected the growth of the total OTC Market in 2020

German OTC market (2020A)

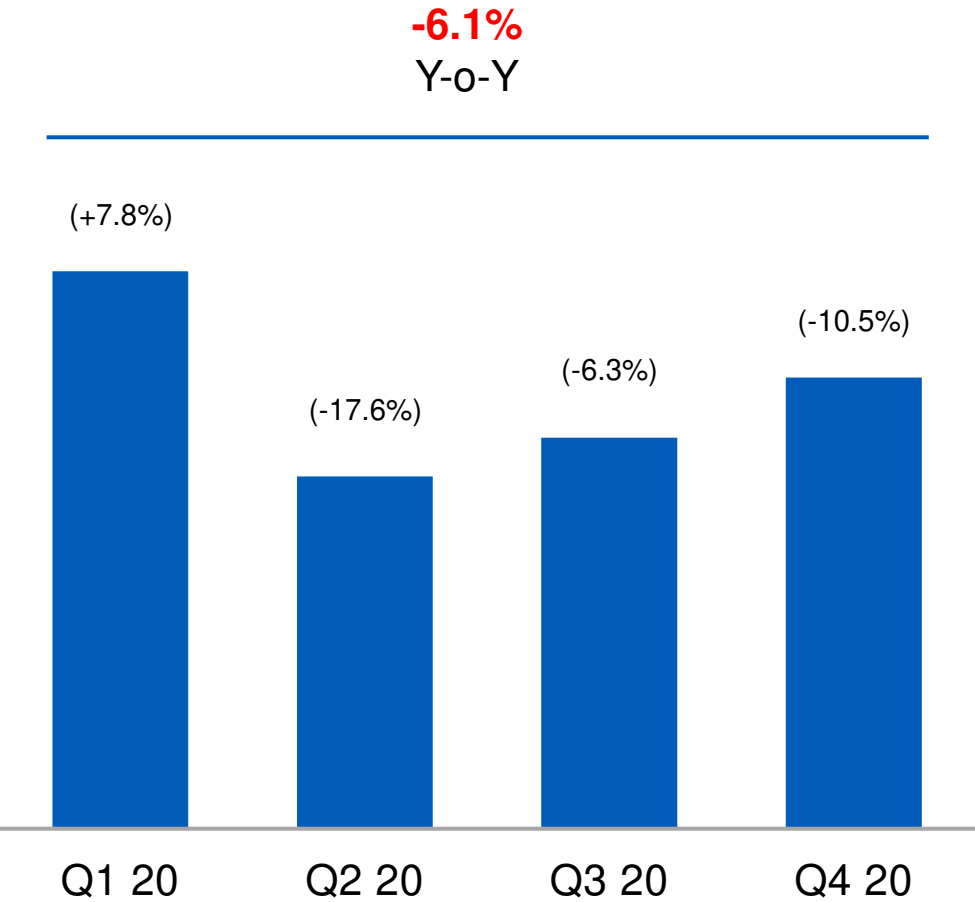


German OTC market per quarter (2020A)

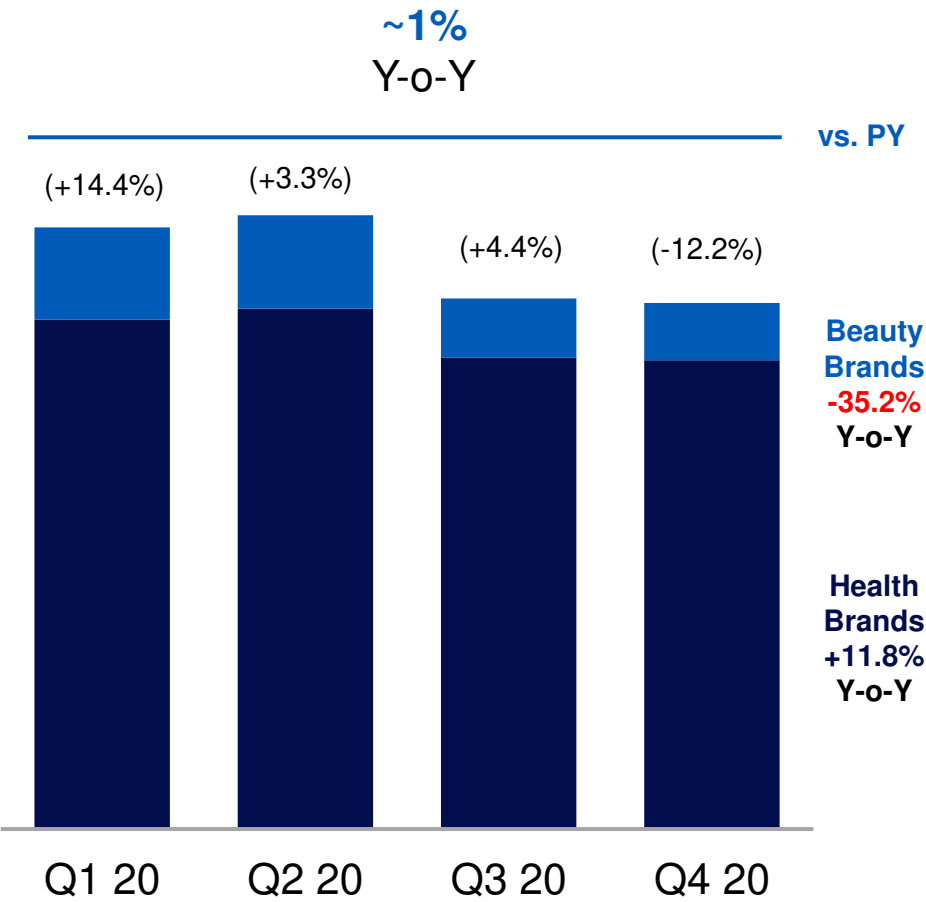


Natural OTC Market especially affected due to cough & cold category. PharmaSGP performs stable in this environment.

German Natural OTC market (2020)



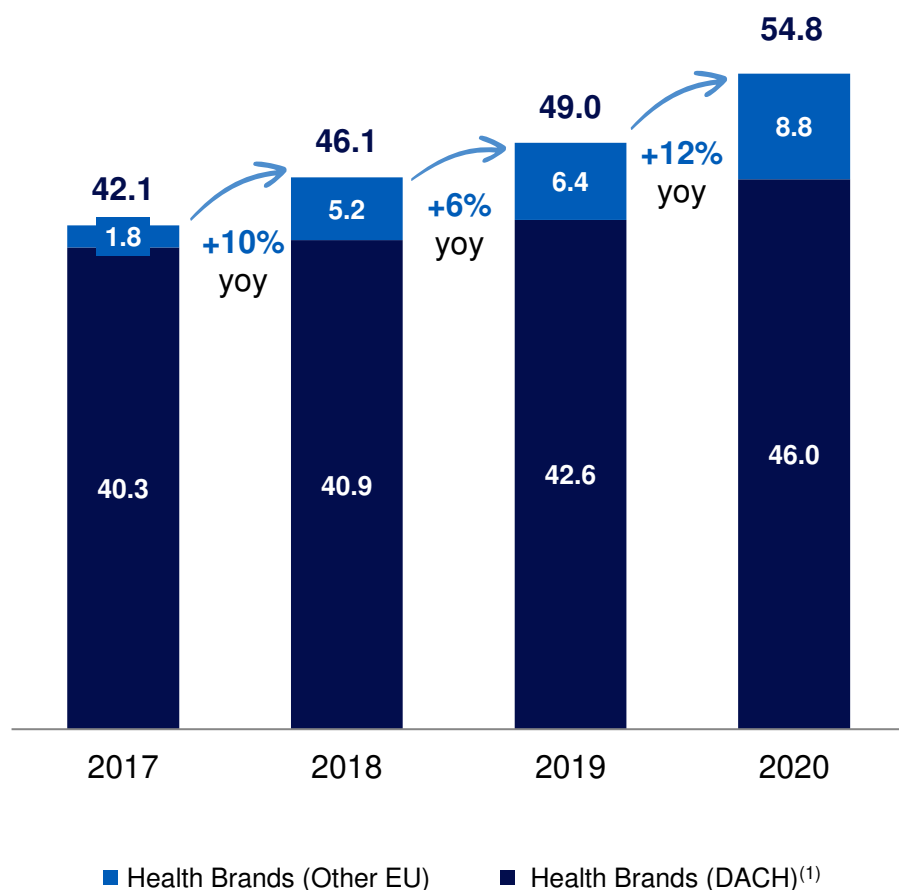
PharmaSGP Sales (2020)



Strong performance driven by our Health Brands and increasing international footprint

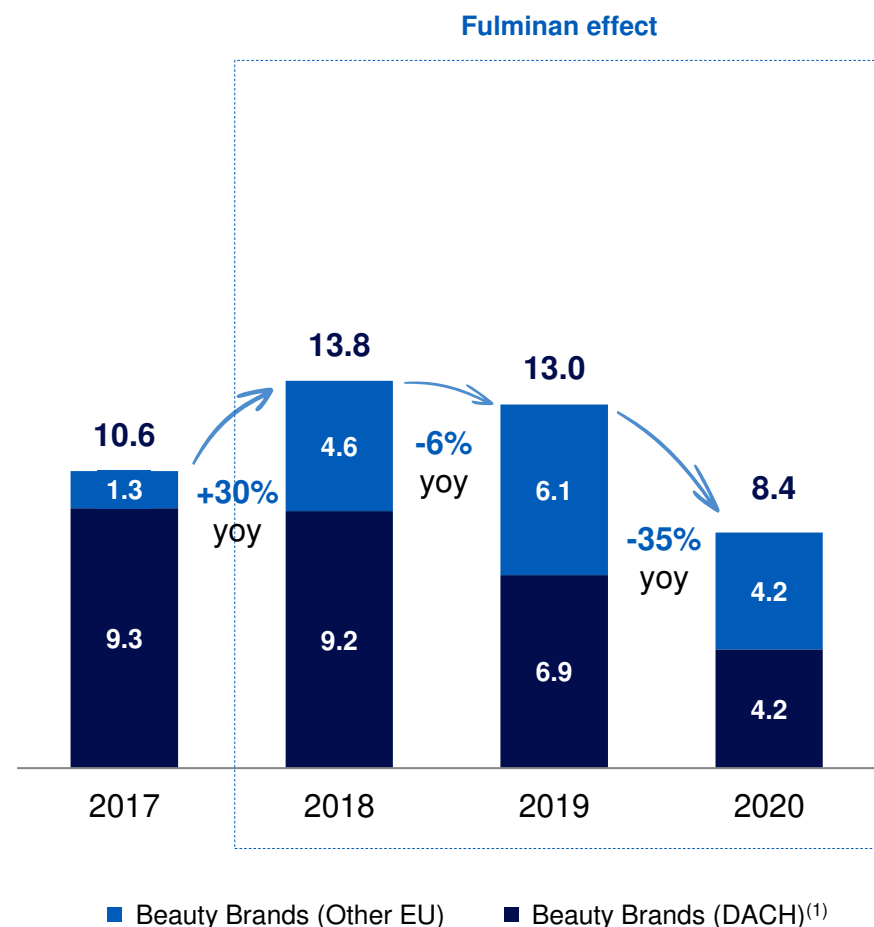
Revenue development Health Brands

in EUR m



Revenue development Beauty Brands

in EUR m



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



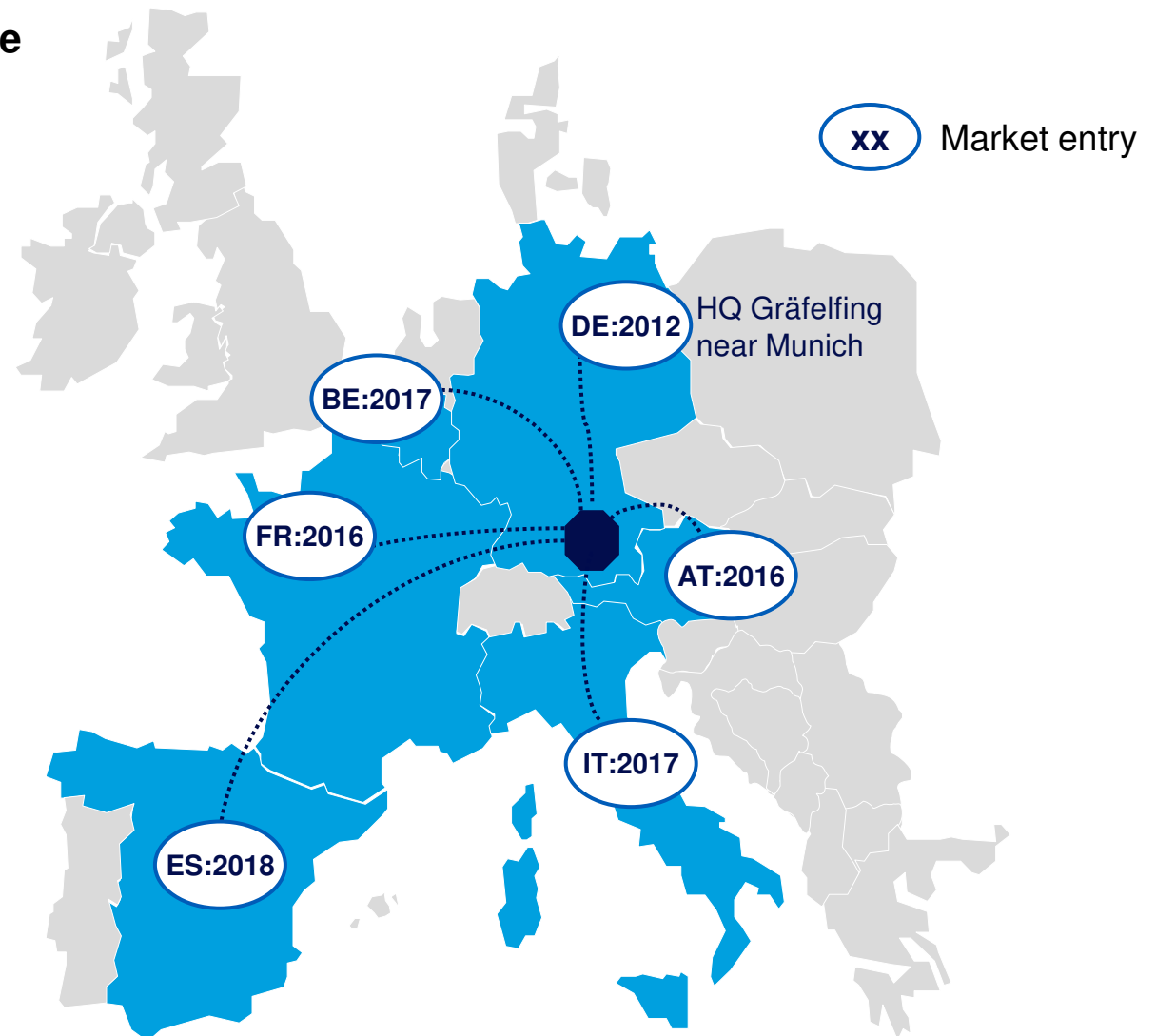
1

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

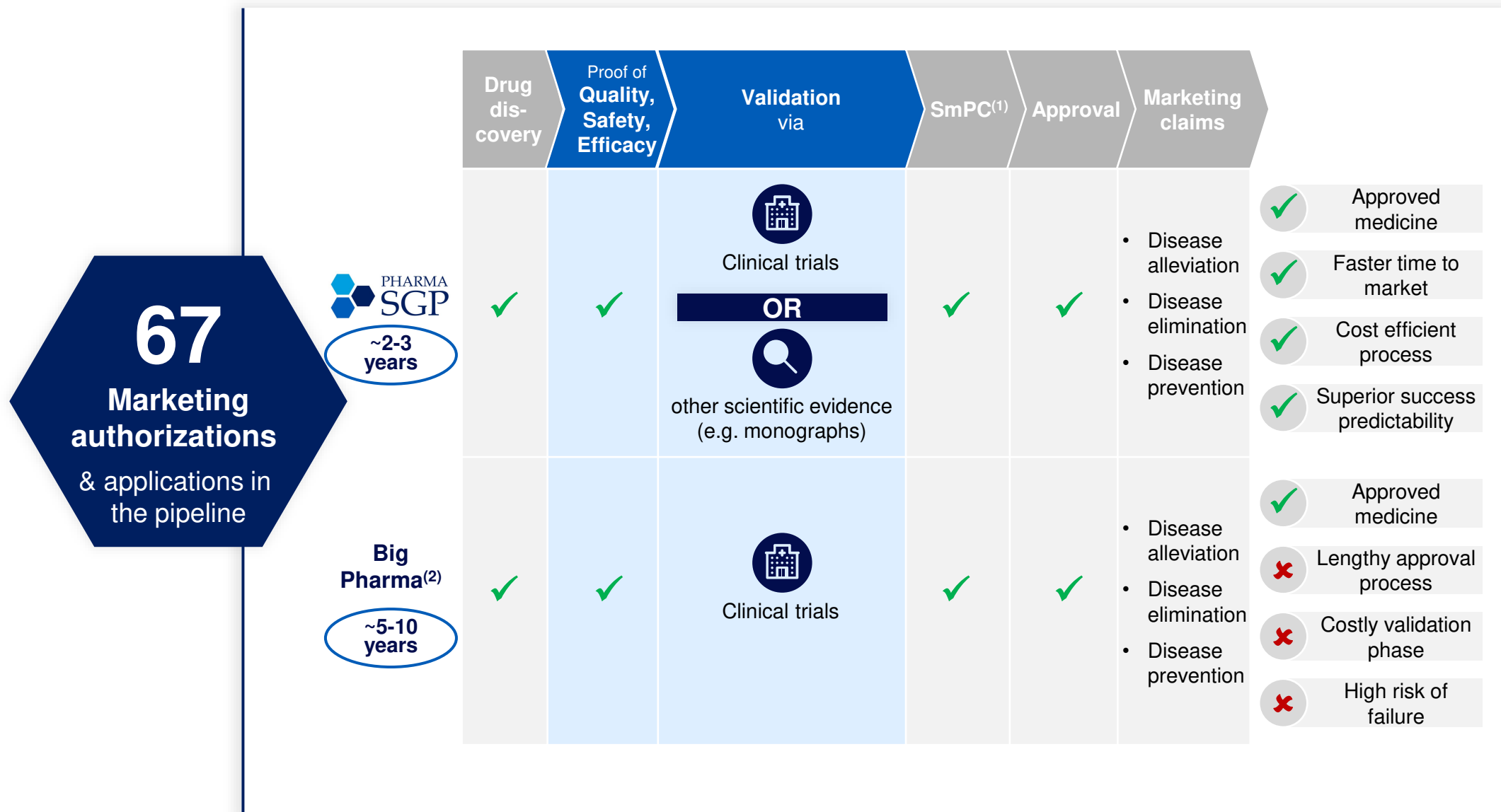
Full control via in-house PharmaSGP purchase and QS team

>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

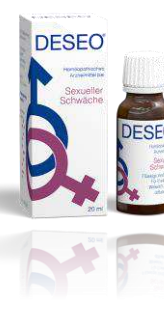
RubaXX®
Cannabis



in market for
Non-RX
hemp products

Urology

DESEO®



in market
for sexual
weakness

Urology

Neradin®



in market
for sexual
weakness

Cardio-
vascular

TAUMEA®



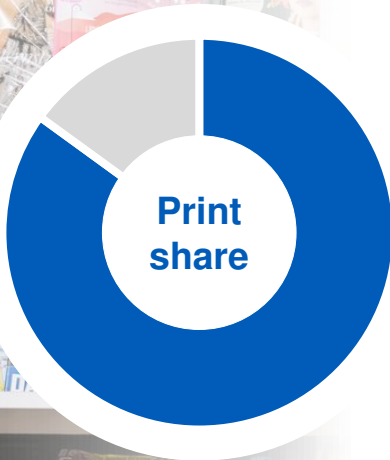
in market for
vertigo
treatment

5

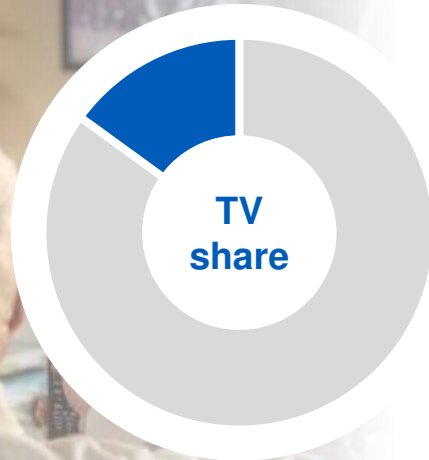
111m

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**

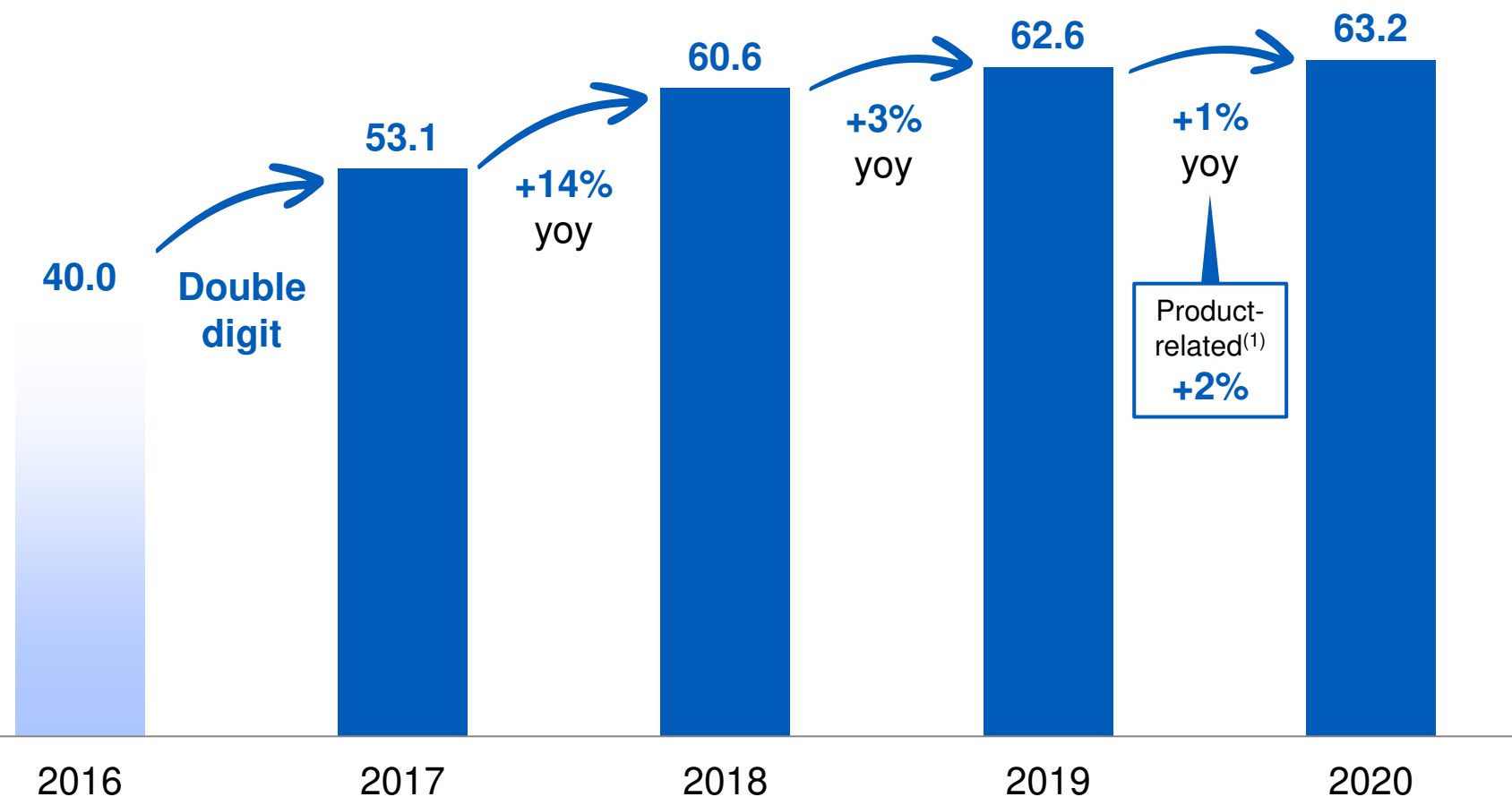
Debt free



Strong y-o-y top-line growth impacted by Covid-19 in 2020

Revenues 2017 – 2020

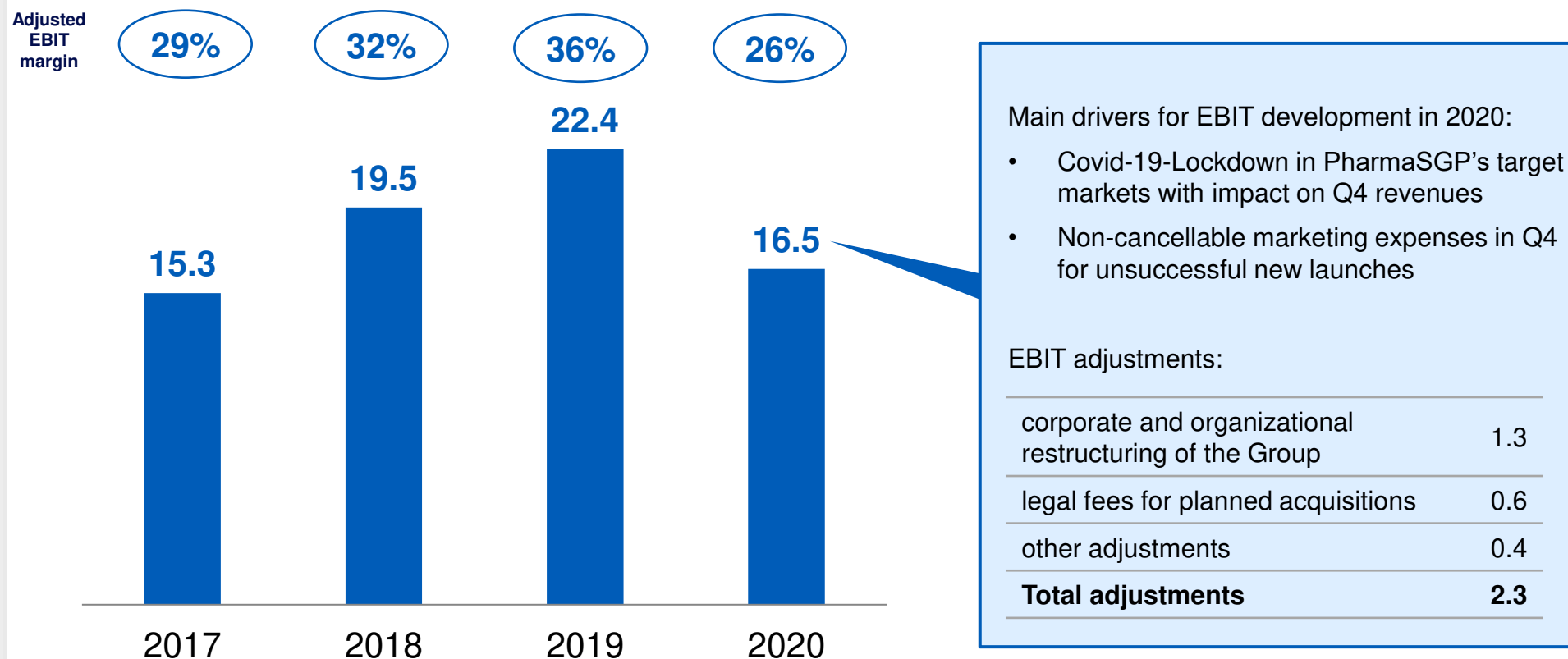
in EUR m



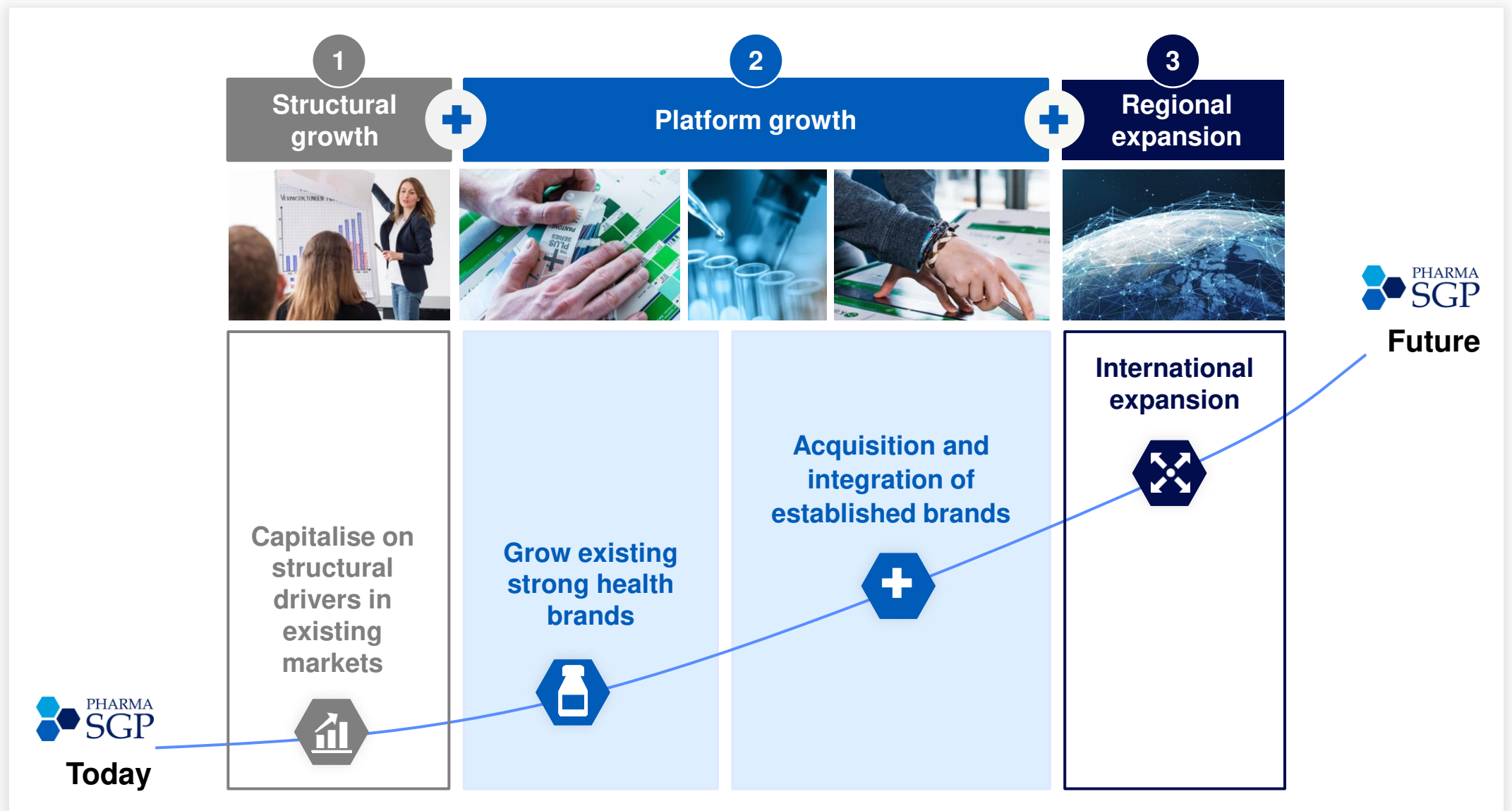
We steer our business to constantly achieve a high EBIT margin

Group adjusted EBIT development 2017 – 2020

(in EURm)



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

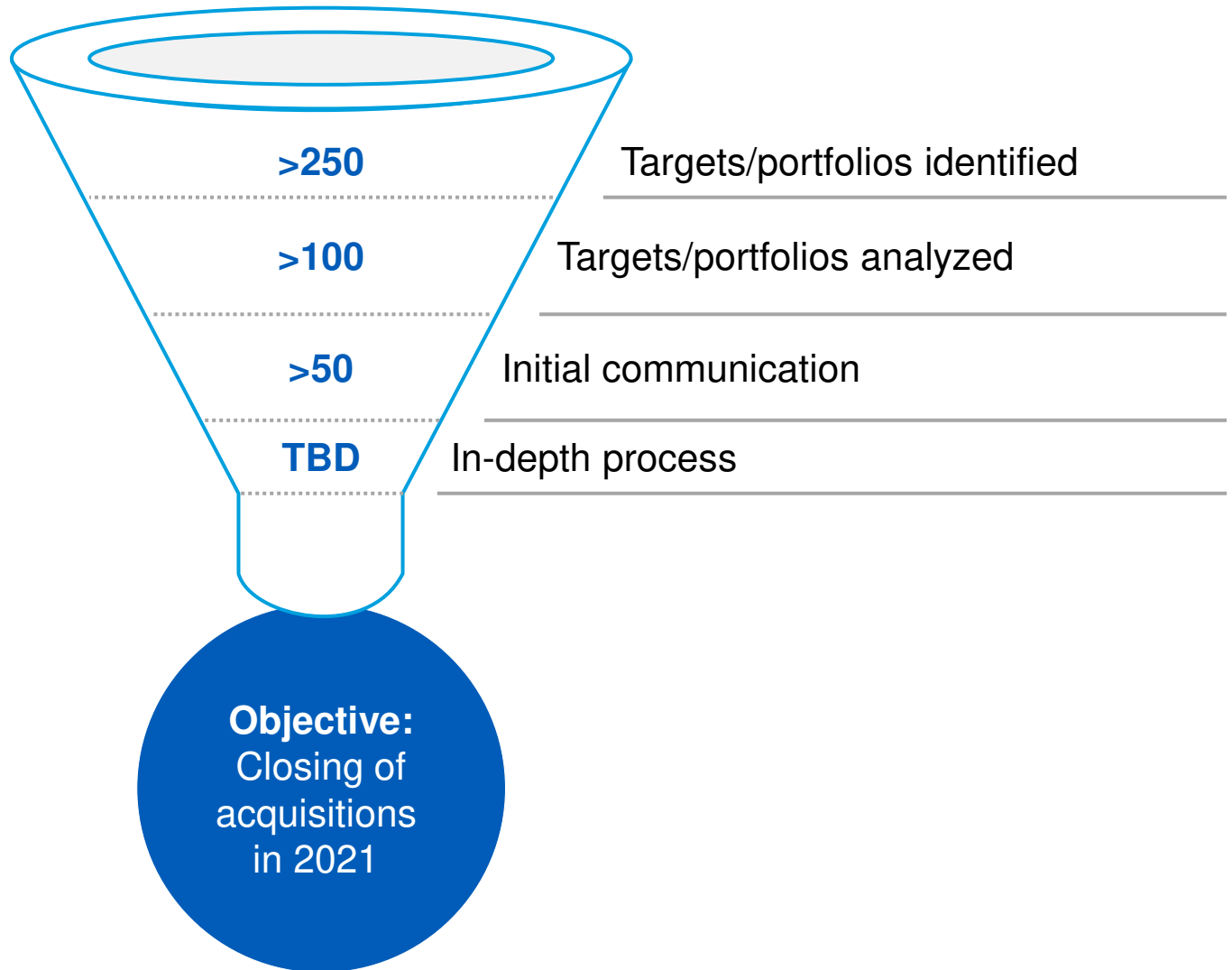
Brand/portfolio characteristics

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

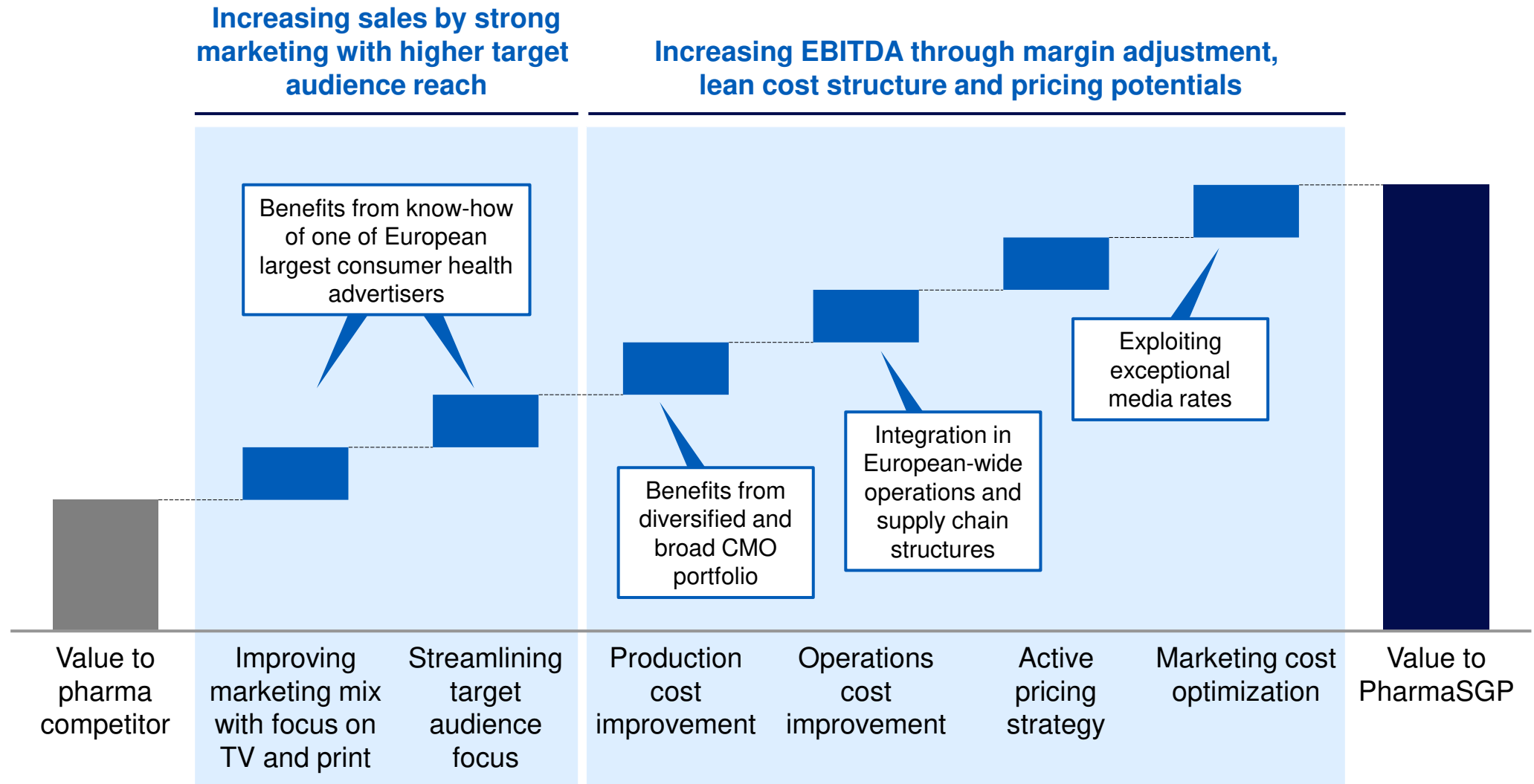
M&A status – high activity along the funnel

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



Forecast 2021

Key performance indicators

- Total revenue between EUR 56 million and EUR 60 million
 - stable to slightly positive development of Health category
 - decline in Beauty category
- Adjusted EBIT margin 27-30%

Key assumptions

- No further Covid-19 disruption in the second half-year 2021
- Not taken into account: possible acquisitions



**“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.”**

