

---

# 1 year after the IPO

Pleasing growth on a solid foundation  
with multiple prospects

Jean-Claude Clémenton  
CEO

Analysts' Conference, 13 March 2018

## Pleasing performance thanks to all Business sectors

---

### Galenica Group:

in million CHF

Sales:	3,214.2	+ 6.8%
EBIT <sup>1)</sup> :	148.2	+ 10.5%
Net profit <sup>1)</sup> :	124.4	
Dividend <sup>2)</sup> :	CHF 1.65 per share	

1) Excluding the effects of IAS 19

2) Proposal to the Annual General Meeting on 9 May 2018

# Corporate Executive Committee

Established management team with together 75 years of experience at Galenica



**Jean-Claude Cléménçon**  
CEO



**Felix Burkhard**  
CFO



**Daniele Madonna**  
Head Retail



**Torvald de Coverly Veale**  
Head Products & Brands



**Christoph Amstutz**  
Head Services

## Retrospect



## Further progress on our 3 development axes

---



**Expansion**

The graphic for the Expansion axis consists of four chevron-shaped segments pointing to the right. The first segment is dark blue and contains the word 'Expansion' in white. The subsequent three segments are in shades of blue, with the last being the lightest.

**Innovation**

The graphic for the Innovation axis consists of four chevron-shaped segments pointing to the right. The first segment is dark blue and contains the word 'Innovation' in white. The subsequent three segments are in shades of blue, with the last being the lightest.

**Efficiency**

The graphic for the Efficiency axis consists of four chevron-shaped segments pointing to the right. The first segment is dark blue and contains the word 'Efficiency' in white. The subsequent three segments are in shades of blue, with the last being the lightest.

# EXPANSION

## 2017: expansion in all Business sectors

### Retail

#### 8 new locations

- Own pharmacies: **337**
- Total network: ~ **500**



### Products & Brands

#### New products and partnerships

- Merfen® and Vita-Merfen®
- Beauty brands: Lierac, Phyto
- Partner brands: Excilor, Adler Schüssler mineral salts



### Services

#### Acquisitions

- Pharmapool
- New exclusive partnerships with Clarins and Coty





## 2017: the pharmacy goes online

### Websites:

Around 1.2 million visitors to all websites

### Start of Click & Collect:

- Coop Vitality: July 2017
- Amavita & Sun Store: September 2017

### Online orders:

- 12,500 orders via webshops
- Of which **20% already** via Click & Collect in just 4 months
- Around 12,000 products on offer (Q1 2018)



# INNOVATION

## 2017: new services for clients and partners

### Services



### Aprioris



### Uninterrupted cold chain (Deep freeze) cold chain (down to -80°C)



### Documedis®



### New products



### Med-Center





## 2017: synergies developed and consistently utilised

---

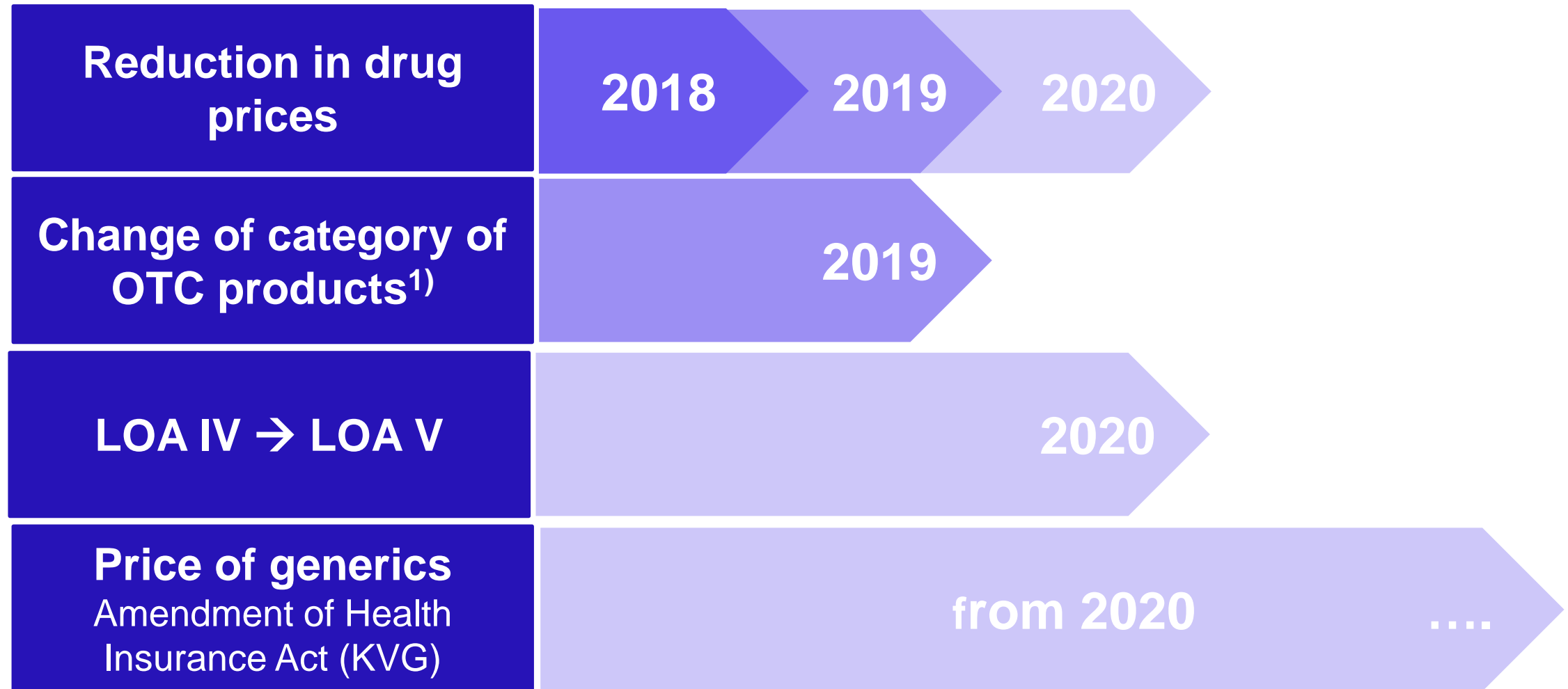
1. New ERP project  
(pre-wholesale and wholesale)
2. Triapharm<sup>®</sup> introduced throughout the Group  
(incl. direct invoicing)
3. Back-office functions in Retail centralised  
and further process adjustments

# Galenica Group

---



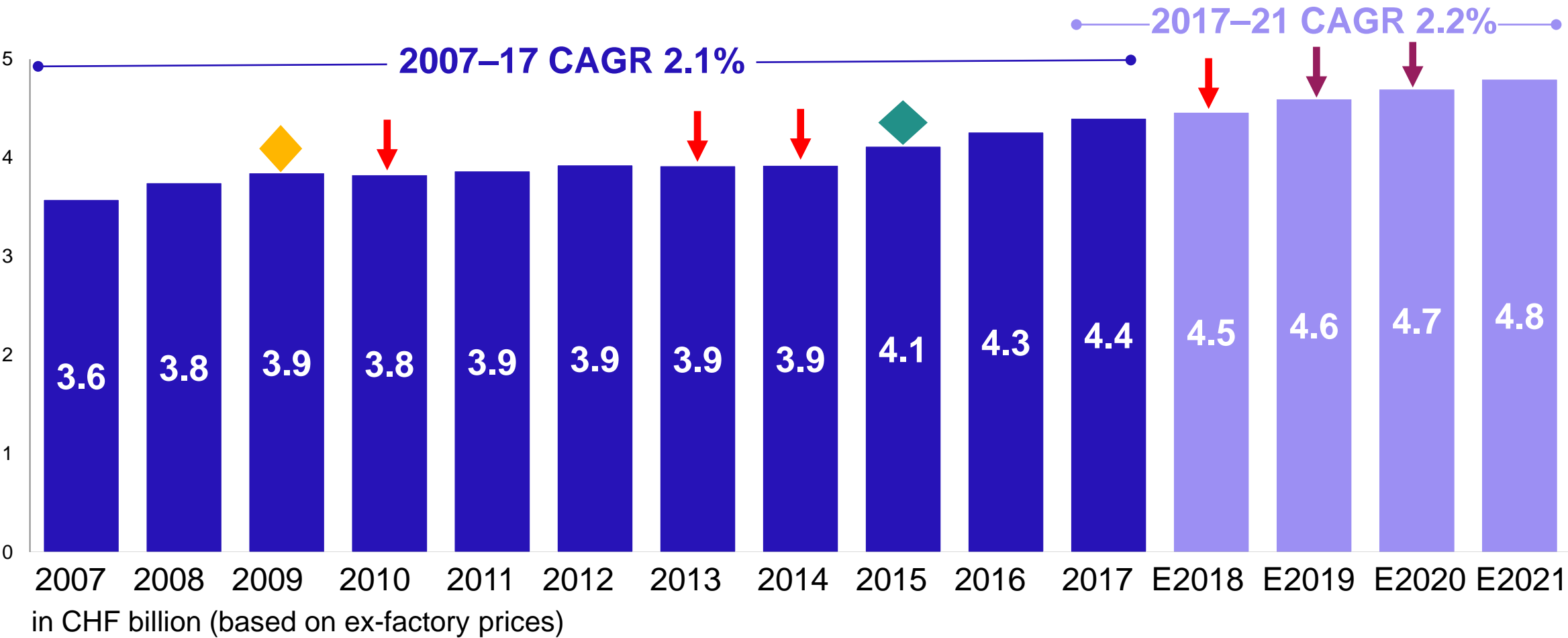
# Authorities: measures and projects



<sup>1)</sup> Swissmedic categories C, D

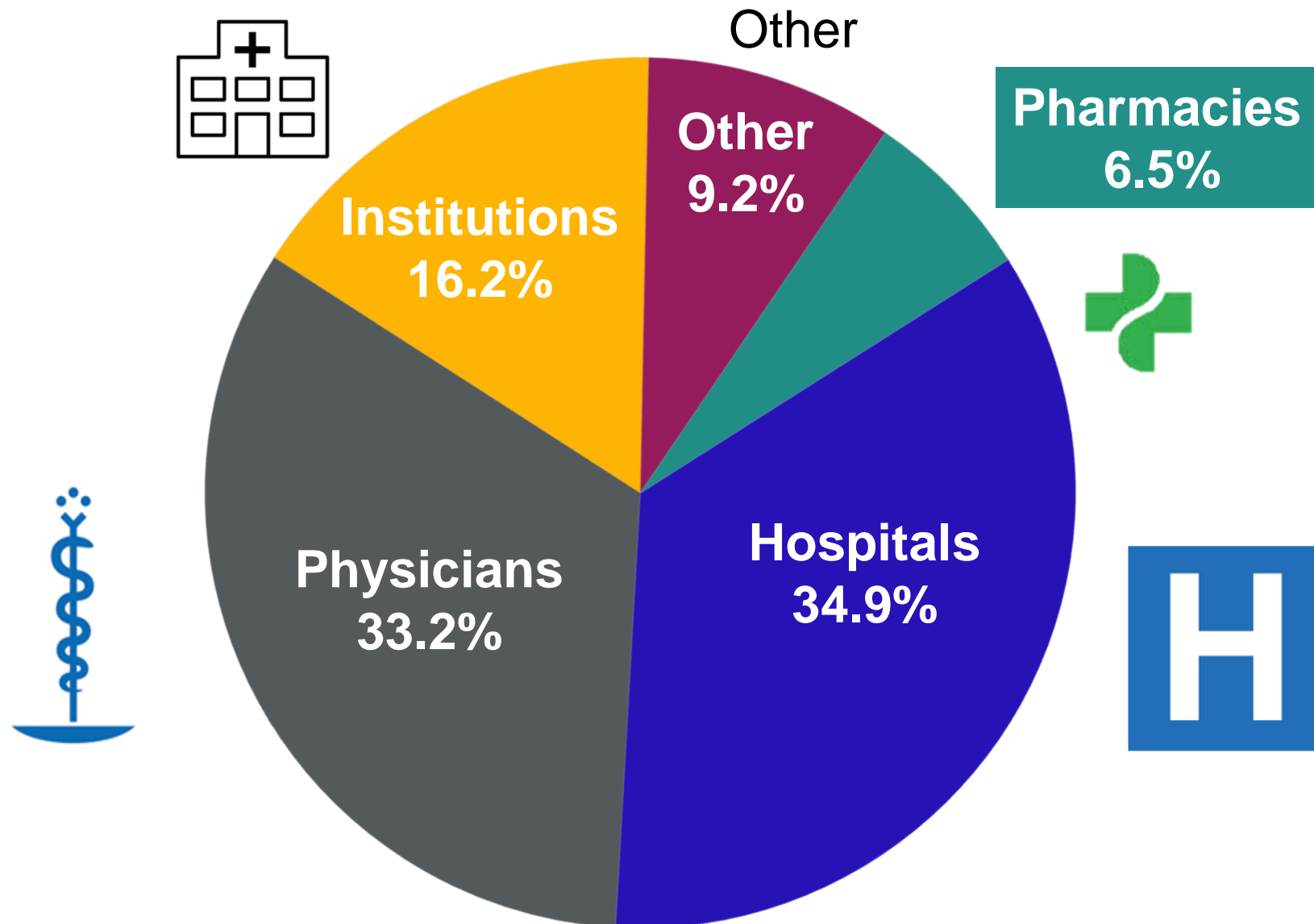
# Market outlook 2018 – 2021

## Development of the pharmaceutical market (excluding hospitals)



- Financial crisis
- Discontinuation of minimum exchange rate by SNB
- Government-mandated price reductions
- Planned government-mandated price reductions

## Where do healthcare costs go?

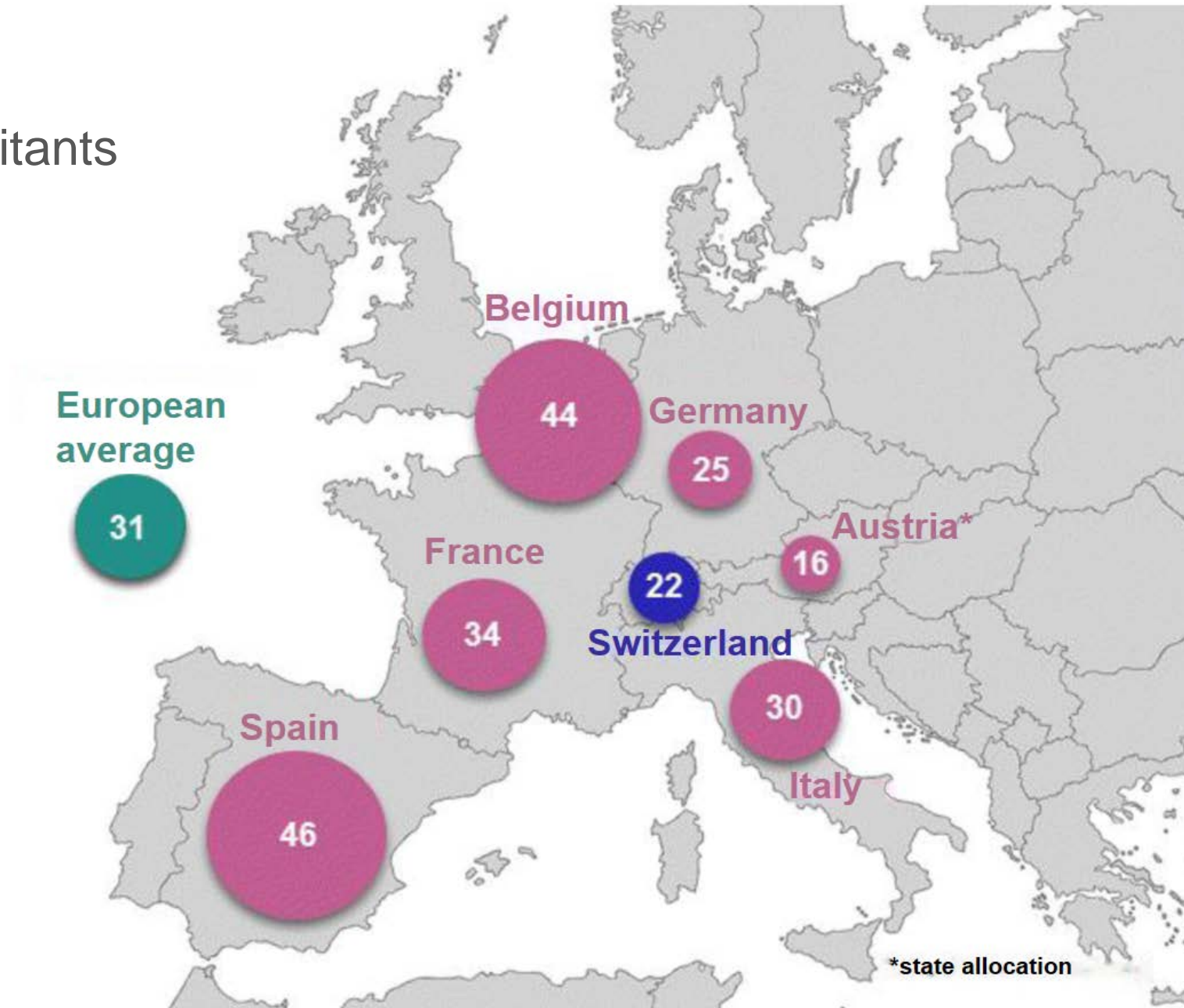




# Pharmacy density in Europe

## Switzerland has comparatively low density

Nb of pharmacies  
per 100,000 inhabitants



Source: PGEU Database 2016

# Galenica Group

---



# Focus for 2018: closer to the customer





# Outlook for 2018

## Strengthening of offering and online distribution in Retail

New since January 2018:

care  <sup>®</sup>  
product

- Strong online presence
- Growing market
- Focus on needs of target groups



# Outlook for 2018

## From July 2018 – “Bahnhof Apotheke” pharmacy in Zurich main station



Q4 2017

337

Q1 2018

339

????? ..

350



# Outlook for 2018

## New brand identity



# Outlook for 2018

## Further development

### Retail:

- E-Shops and Click & Collect
- Process improvement
- Pharmacy network
- Pilot projects



### Products & Brands

- Development of current portfolio
- Acquisitions and new representations



### Services:

- ERP implementation
- Services
- Documedis®
- New blister packaging machines



Expansion

Efficiency

Innovation



# Thank you for placing your trust in us!

