# Agenda

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Building the leading Swiss healthcare platform over 90 years

Foundation of Galenic as a wholesaler

Organic and acquisition-led expansion of pharmacies network

Creation of AmaVita uniform brand in Switzerland

Acquisition of Anti-Brumm® and Perskindol®

Opening of highly automated distribution centre in Niederbipp

Acquisition of Merfen® and Vita-Merfen®

Acquisition of Pharmapool

Acquisition of Bichsel Group

1927

1995

1996

1999

2000

2002 / 2004

2005

2007

2008

2009

2013

2017

2018

2019

Strategy to engage in the entire Swiss healthcare value chain

Partnership with Alliance UniChem

Joint Venture with Coop Vitality

Acquisition of Mediservice

Acquisition of Sun Store pharmacies

IPO of Galenica Santé

Acquisition of Care product

Acquisition of Bichsel Group
History of resilient growth and margin improvement

**Logistics, HealthCare Information & Retail**

- **2009-19 sales CAGR**: 3.0%
- **2009-19 EBIT CAGR**: 11.5%
- **2009-19 EBIT margin improvement**: +282bps
- **2019 cash conversion**: 75%
- **Employees as of 31 December 2019**: 7'071

**Galenica**

- **2009–19 CAGR**
  - Retail market sales: 1.7%
  - Galenica net sales: 3.0%
  - Galenica EBIT: 11.5%

**Notes**:
- The financial information presented with respect to the financial years ended 31 December 2008 through 2013 has been derived from the audited consolidated financial statements of Galenica AG (now renamed Vifor Pharma AG) and represent its Logistics, Retail and Other (Healthcare Information) businesses, excluding the Pharma business. The Company, a former wholly-owned subsidiary of Galenica AG (now renamed Vifor Pharma AG), prepared combined financial statements for the financial years ended 31 December 2014, 2015 and 2016. Accordingly, the financial information derived from the combined financial statements of the Company and from the consolidated financials of Galenica AG (now Vifor Pharma AG) for its Logistics, Retail and Other (Healthcare Information) businesses, excluding the Pharma business, for prior periods may not be fully comparable.
- Not including Verfora (former Vifor Consumer Health).
- Retail market sales include direct and indirect pharmaceutical sales through pharmacies, self-dispensing doctors and drugstores (IQVIA Market Prognosis 2019-2023, Switzerland; published September 2019).
- **2013 financials as per 2014 financial statements due to changed segment structure (Galenica Santé is reported as a separate segment since 2014). Financials not adjusted to include Products & Brands.**
- Calculated as (EBITDA-capex)/EBITDA. 2014-18 EBITDA excludes IAS 19 expense and 2019 EBITDA excludes IAS 19 expense and effects of IFRS 16 leasing; capex includes investments in tangible and intangible assets, details adjustments, Annual Report 2019, pages 95, 96 and 97.
- Adoption of IFRS15 starting from 2017.
History of share price since IPO

- **Initial trade price**: 7 April 2017, CHF 43.00
- **IPO offer price**: CHF 39.00
- **28.02.20**: CHF 64.95
Galenica is the leading healthcare provider in Switzerland

2019 net sales  CHF3’301 million
2019 EBIT  CHF167 million

Health & Beauty

Retail

Market position²

- Leading domestic network of own, joint venture and independent partner pharmacies
- Provision of health and beauty products, patient advice and new services through our pharmacy network as well as via different online offerings

Products & Brands

Consumer Health market position²

- Broad range of own, exclusive and partner products for consumer health, beauty and well-being
- Strong sales and marketing force in Switzerland

Services

Market position²

- Leading provider of specialised pre-wholesale and wholesale distribution services
- Specialised databases and solutions for clinical decision support

1 Excludes IAS 19 and IFRS 16 effects, Details adjustments, Annual Report 2019, page 95
2 Services based on sales reported at ex-manufacturer price level as of MAT December 2019. Source: IQVIA Market Prognosis 2019-2023, Switzerland; Retail based on number of pharmacies. Source: IQVIA Market Prognosis 2019-2023, Switzerland, pharmaSuisse 2019 and company websites; Products & Brands based on IQVIA MAT December 2019 sales value for OTC, Patient Care, Personal Care and Nutritional products

March 2020 © Galenica Group
Operating in a stable and attractive Swiss healthcare market with favourable long-term fundamentals

**Resilient, stable Swiss healthcare retail sector**

By value−CHF6.1bn

- 2009-19 CAGR 1.7%¹
- 2019-23 CAGR 1.5%³

By volume−187 million packs

- 25.4% Pharmacies
- 48.3% Physicians
- 25.3% Hospitals
- 64.9% Drugstores

**Pharmacists play a crucial role in the provision of medicines**

- Indispensable role in one of the world's highest quality health care systems, providing drugs, advice and services
- Continued efforts by government and health insurers to make pharmacists the first point of contact
- Growing importance to meet consumer trends towards more personalized healthcare and self-medication

Source:
1. IQVIA, Pharmamarkt Schweiz; YTD December 2019, IQVIA Market Prognosis 2019-2023, Switzerland; published September 2019
2. Total market without hospitals
3. IQVIA Market Prognosis 2019-2023, Switzerland; published September 2019
### Experienced management team with proven track record

#### Marc Werner
**CEO**
- CEO from 1st April 2020
- 23 years industry experience
- Joined Galenica 2020
- Previously, Head Marketing & Sales division and Member of the Group Executive Board at Swisscom

#### Felix Burkhard
**CFO**
- CFO since 2017
- 29 years industry experience of which 25 years at Galenica
- Joined Galenica in 1995
- Previously, Head of Strategic Projects of Galenica Group and Head of Retail Business Sector

#### Daniele Madonna
**Head of Retail Business sector**
- Pharmacist
- 18 years industry experience of which 16 years at Galenica
- Previously Store Manager, Regional Sales Manager and CEO of the joint venture Coop Vitality

#### Thomas Szuran
**Head of Products & Brands Business sector**
- 23 years industry experience
- Joined Galenica 2019
- Previously, CEO at Biomed AG, President at ASSGP

#### Christoph Amstutz
**Head of Services Business sector**
- 32 years industry experience of which 13 years at Galenica
- Joined GloboPharm in 2007 (led integration process into Galenica)
- Previously, Head of G-Pharma & Alloga and Business Unit Head at Bristol-Myers Squibb
2 Our ambition and self-perception

Galenica: The first choice for health, beauty and wellbeing.
Our Strategy - the power of 3 drives sustained value creation

- Leverage leading positions to promote higher margin and exclusive products
- Further expand and optimise retail network on- and offline (omni-channel)
- Drive efficiency through one single process for all three pharmacy formats

Products & Brands

Retail

Leverage

Growth

Support

Services

- Leverage scale advantages to develop new, value-added services
- Continue to drive synergies across the entire organisation

Develop and launch own and partner brands and products for pharmacies

Click & Collect

Loyalty cards

2016

2017

2018

2019

medifilm

GDP-qualified fleet

e-health

DERMAFORA +

P&G

Our Strategy - the power of 3 drives sustained value creation

March 2020 © Galenica Group
The largest pharmacy retailer in Switzerland

Network of chains (# of pharmacies as of 31 December 2019) Webshop

- **AMAVITA** 176
  - Largest branded pharmacy network by number of pharmacies in Switzerland
- **PHARMACIE SUN STORE** 94
  - The first Swiss pharmacy chain
- **COOP Vitalité** 84
  - Joint venture (49:51) with Coop, the 2nd largest retail group in Switzerland
- **Winconcept** 157
  - Service provider for independent pharmacies under Feelgood's brand
- **MEDISERVICE** 1
  - Specialty pharmacy focused on home healthcare for patients with chronic illnesses
- **bichsel** 1
  - Specialty pharmacy with manufacture of individual medicines & medical devices and home care services

Competitive positioning—#1 market position

By number of pharmacies:

- **GALENICA** 157
  - 9%
- **Total # of pharmacies as of 2018 1'806**
  - ~5.8x more pharmacies than next competitor

Net sales performance (CHFm)

- **Sales**
  - 2014: CHF 1'251
  - 2015: CHF 1'308
  - 2016: CHF 1'349
  - 2017: CHF 1'387
  - 2018: CHF 1'431
  - 2019: CHF 1'516

CAGR 3.9%

Health & Beauty

- **Sales**
  - 2014: CHF 1'335
  - 2015: CHF 1'393
  - 2016: CHF 1'437
  - 2017: CHF 1'479
  - 2018: CHF 1'525
  - 2019: CHF 1'621

- **EBIT margin**
  - 2014: 6.0%
  - 2015: 6.4%
  - 2016: 6.5%
  - 2017: 6.7%
  - 2018: 7.2%
  - 2019: 7.6%

---

1. Amavita figures include 6 majority holdings in other pharmacies
2. Based on 1976 Federal Court law permitting non-pharmacists to own a pharmacy for the first time
3. Includes 7 Amavita partnerships
4. Based on number of pharmacies. Source: pharmaSuisse 2020, IQVIA Market Prognosis 2019-2023, Switzerland; published September 2019 and company websites
5. Own includes 84 pharmacies through joint venture with Coop; independent includes 7 Amavita partners
6. Retail pharmacy sales for Galenicare on a like-for-like basis, including Amavita and Sun Store pharmacies only. Swiss market average based on pharmaSuisse 2020, Roka 2018 (financial year 2017)
7. H&B post-inter-segmental eliminations

March 2020 © Galenica Group
Ongoing pharmacy network consolidation and optimisation

- Proven track record of delivering synergies through streamlining of business processes and creating value through acquisitions and network optimisation

- Demonstrated M&A track record with an average of 10 pharmacies acquired and 8 net pharmacies added per year over the last 8 years

<table>
<thead>
<tr>
<th>Year</th>
<th>Pharmacies acquired</th>
<th>Net pharmacies added¹</th>
<th>Total own Pharmacies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>10</td>
<td>11</td>
<td>300</td>
</tr>
<tr>
<td>2013</td>
<td>20</td>
<td>12</td>
<td>312</td>
</tr>
<tr>
<td>2014</td>
<td>5</td>
<td>6</td>
<td>318</td>
</tr>
<tr>
<td>2015</td>
<td>2</td>
<td>0</td>
<td>318</td>
</tr>
<tr>
<td>2016</td>
<td>13</td>
<td>11</td>
<td>329</td>
</tr>
<tr>
<td>2017</td>
<td>6</td>
<td>8</td>
<td>337</td>
</tr>
<tr>
<td>2018</td>
<td>10</td>
<td>8</td>
<td>345</td>
</tr>
<tr>
<td>2019</td>
<td>11</td>
<td>11</td>
<td>356</td>
</tr>
</tbody>
</table>

1 Includes the impact of acquisitions with concurrent mergers, new openings and closings

Widely spread pharmacy network covers every Region in Switzerland
Diversified product portfolio for health, beauty and wellbeing

Galenicare’s retail product offering in % of sales

- **Beauty**: 37%
- **Nutrition, Personal and Patient Care**: 18%
- **OTC medicines**: 17%
- **Prescription medicines**: 12%
  - **of which originals**: 4%
  - **of which generics**: 12%
  - **of which service fees**: 53%

1 Sales YTD December 2019, includes Amavita and Sun Store pharmacies, without Mediservice, Winconcept and Coop Vitality
Leading role in Consumer Health with broad and innovative product portfolio

Portfolio

- Consumer Health & Skincare brands
  - VERFORA
- Exclusive partner brands
  - Health & beauty
  - VICKS, ORAL-B, Clearblue, LIERAC
- OTC retail own brands
  - G-Pharma

Highlights

- Preferred Consumer Healthcare partner for Swiss Pharmacies & Drugstores
- Broad Consumer Healthcare Sales & Training force -> Distribution partner of choice
- Expanding portfolio of own and exclusive brands & products
- Ability to leverage Galenicare Retail platform to distribute VERFORA brands

Competitive position: #1 Consumer Healthcare¹ market position

<table>
<thead>
<tr>
<th>Product Line</th>
<th>No.</th>
<th>Market Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ORAL PAIN REMEDIES⁵</td>
<td>1</td>
<td>35%</td>
</tr>
<tr>
<td>TOPICAL PAIN REMEDIES⁵</td>
<td>3</td>
<td>14%</td>
</tr>
<tr>
<td>COUGH &amp; COLD REMEDIES⁵</td>
<td>2</td>
<td>16%</td>
</tr>
</tbody>
</table>

Net sales performance (CHFm)³

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>80⁴</td>
<td>84⁴</td>
<td>89⁴</td>
<td>89⁴</td>
<td>92⁶</td>
<td>102⁴</td>
</tr>
</tbody>
</table>

Growth on a comparable basis

CAGR 5.0%

1. Includes OTC, Patient Care, Personal Care and Nutritional products
2. Based on IQVIA Sell Out MAT Dec 2019 streetprice - net sales incl. VAT, price actually paid by final customer
3. 2014-16 net sales on a comparable basis including 12 month Verfora (former Vifor Consumer Health) sales and G-Pharma adjustment
4. Adjusted for disposal of Equazen® in November 2015
5. Market shares in categories are shown for Verfora (former Vifor Consumer Health), not including OTC retail own brands
6. Adoption of IFRS15 starting from 2017.
Leader in pre-wholesale and wholesale distribution, supported by an innovative healthcare information business

Services

**Alloga**
- Pre-wholesale outsourced storage and distribution
- Logistics services to pharmaceutical and various healthcare clients

**Galexis**
- Wholesale distribution with three modern sites; main site at Niederbipp operates at c.70% automation
- Supplies to pharmacies, self-dispensing doctors’ practices, drugstores, nursing homes and hospitals

**ufd**
- One-stop shop
- Prepared medication in blisters

**medifilm**
- Product master data and scientific databases
- IT platforms relating to electronic medication process
- Software solutions and services for pharmacies

**HCI Solutions**
- Systemically relevant information and databases
- Solutions for safe and cost-effective provision and application of medicines

### Competitive positioning - #1 market position

<table>
<thead>
<tr>
<th>Pre-wholesale market share %</th>
<th>Wholesale market share % (pharmacy)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alloga No. 2</td>
<td>Galexis No. 2</td>
</tr>
<tr>
<td>2.5x larger than next competitor</td>
<td>2.0x larger than next competitor</td>
</tr>
</tbody>
</table>

### Net sales performance (CHFm)

<table>
<thead>
<tr>
<th>Year</th>
<th>Alloga</th>
<th>Galexis</th>
<th>EBIT margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>2'171</td>
<td>2'245</td>
<td>1.7</td>
</tr>
<tr>
<td>2015</td>
<td>2'329</td>
<td>2'362</td>
<td>1.7</td>
</tr>
<tr>
<td>2016</td>
<td>2'372</td>
<td></td>
<td>1.9</td>
</tr>
<tr>
<td>2017</td>
<td>2'441</td>
<td></td>
<td>1.8</td>
</tr>
</tbody>
</table>

1. Based on market share. Source: IQVIA Market Prognosis 2019-2023,
2. Prescription products
3. Good Distribution Practice
5. 2017 including one-off effect, ROS without one-off effect 1.8%
6. 2019 excludes effects of IFRS 16 leasing, details adjustments, Annual report 2019, page 95

March 2020 © Galenica Group
Long-term track record of sustainable growth and attractive cash generation …

<table>
<thead>
<tr>
<th>Logistics, HCl &amp; Retail¹,⁴</th>
<th>Galenica</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2009–19 CAGRs</strong></td>
<td></td>
</tr>
<tr>
<td>Retail market sales²</td>
<td>1.7%</td>
</tr>
<tr>
<td>Galenica net sales</td>
<td>3.0%</td>
</tr>
<tr>
<td>Galenica EBIT³</td>
<td>11.5%</td>
</tr>
<tr>
<td><strong>Net sales (CHFm)</strong></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>2'467</td>
</tr>
<tr>
<td>2010</td>
<td>2'526</td>
</tr>
<tr>
<td>2011</td>
<td>2'603</td>
</tr>
<tr>
<td>2012</td>
<td>2'661</td>
</tr>
<tr>
<td>2013</td>
<td>2'766</td>
</tr>
<tr>
<td>2014</td>
<td>2'826</td>
</tr>
<tr>
<td>2015</td>
<td>2'915</td>
</tr>
<tr>
<td>2016</td>
<td>3'009</td>
</tr>
<tr>
<td>2017</td>
<td>3'141</td>
</tr>
<tr>
<td>2018</td>
<td>3'165</td>
</tr>
<tr>
<td>2019</td>
<td>3'301</td>
</tr>
<tr>
<td><strong>Reported EBIT (CHFm)³</strong></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>56</td>
</tr>
<tr>
<td>2010</td>
<td>73</td>
</tr>
<tr>
<td>2011</td>
<td>73</td>
</tr>
<tr>
<td>2012</td>
<td>93</td>
</tr>
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<td>2013</td>
<td>99</td>
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<td>2014</td>
<td>117</td>
</tr>
<tr>
<td>2015</td>
<td>126</td>
</tr>
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<td>2016</td>
<td>134</td>
</tr>
<tr>
<td>2017</td>
<td>148</td>
</tr>
<tr>
<td>2018</td>
<td>154</td>
</tr>
<tr>
<td>2019</td>
<td>167</td>
</tr>
</tbody>
</table>

Source: Company information, Galenica Annual Reports, IQVIA (former IMS Health)
Notes: The financial information presented with respect to the financial years ended 31 December 2008 through 2013 has been derived from the audited consolidated financial statements of Galenica AG and represent its Logistics, Retail and Other (Healthcare Information) businesses, excluding the Pharma business (please refer to the footnote on page 4)
1 Not including Verfora (former Vifor Consumer Health)
2 Retail market includes direct and indirect pharmaceutical sales through retail pharmacies, self-dispensing doctors and mail-order services (IQVIA Market Prognosis 2019-2023, Switzerland; published September 2019)
3 2014-16 EBIT from combined financial statements, 2017 and 2018 EBIT, excludes IAS 19 expense, 2019 excludes IAS 19 expense and effects of IFRS 16 leasing, details adjustments, Annual report 2019, pages 95 and 96
4 2013 financials as per 2014 financial statements due to changed segment structure (Galenica Santé is reported as a separate segment since 2014). Financials not adjusted to include Products & Brands
5 Calculated as (EBITDA-capex)/EBITDA. 2014-19 EBITDA excludes IAS 19 and IFRS 16 adjustment; capex includes investments in tangible and intangible assets, details adjustments, Annual report 2019, pages 95, 96 and 97
6 Adoption of IFRS15 starting from 2017.
7 2017 cash conversion without acquisition trademark Merfen 78%
8 2017 EBIT including one-off effect (CHFm 7.0), comparable EBIT CHFm 141.3

- Above market growth
- History of margin improvement
- Attractive cash flow generation
- Well-invested infrastructure
... demonstrating strong performance in both segments

### Health & Beauty

<table>
<thead>
<tr>
<th>Net sales (CHFm)</th>
<th>EBIT adjusted (CHFm)</th>
<th>EBIT margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009A...2013A</td>
<td>42</td>
<td>10.8%</td>
</tr>
<tr>
<td></td>
<td>63</td>
<td></td>
</tr>
<tr>
<td>2014A</td>
<td>80</td>
<td>4.0%</td>
</tr>
<tr>
<td>2015A</td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>2016A</td>
<td>93</td>
<td></td>
</tr>
<tr>
<td>2017A</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>2018A</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>2019A</td>
<td>124</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

### Services

<table>
<thead>
<tr>
<th>Logistics and HCI</th>
<th>CAGRs</th>
<th>Services</th>
<th>CAGRs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009A...2013A</td>
<td>13</td>
<td>2'105</td>
<td>0.6%</td>
</tr>
<tr>
<td>2014A</td>
<td>35</td>
<td>2'158</td>
<td>28.7%</td>
</tr>
<tr>
<td>2015A</td>
<td>36</td>
<td>2'171</td>
<td>2.4%</td>
</tr>
<tr>
<td>2016A</td>
<td>36</td>
<td>2'245</td>
<td></td>
</tr>
<tr>
<td>2017A</td>
<td>40</td>
<td>2'329</td>
<td></td>
</tr>
<tr>
<td>2018A</td>
<td>51</td>
<td>2'362</td>
<td></td>
</tr>
<tr>
<td>2019A</td>
<td>45</td>
<td>2'372</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2'441</td>
<td>4.4%</td>
</tr>
</tbody>
</table>

Source: Company information, Galenica Annual Reports
Note: The financial information presented with respect to the financial years ended 31 December 2008 through 2013 has been derived from the audited consolidated financial statements of Galenica AG and represent its Logistics, Retail and Other (Healthcare Information) businesses, excluding the Pharma business (please refer to the footnote on page 4)

1 Adoption of IFRS 15 starting from 2017.
2 2017 including one-off effects (CHFm 7.0), comparable EBIT CHFm 43.6 and ROS 1.8%.

March 2020 © Galenica Group
2019 in figures

Result improved – dividend increased

→ Strong sales growth

→ Profitability enhanced

→ Dividend increased

<table>
<thead>
<tr>
<th>Galenica Group:</th>
</tr>
</thead>
<tbody>
<tr>
<td>In CHF million</td>
</tr>
<tr>
<td>Sales: 3,301.0</td>
</tr>
<tr>
<td>EBIT(^1): 166.9</td>
</tr>
<tr>
<td>Net profit(^2): 134.2</td>
</tr>
<tr>
<td>Dividend(^3): CHF 1.80 per</td>
</tr>
</tbody>
</table>

1) Excluding the effects of IAS 19 and IFRS 16, Details of the adjustments in the Annual Report 2019, pages 95
2) Net profit comparable, adjusted and excluding one-off effects of deferred taxes, Annual Report 2019, pages 95, 96, 118 and 119
3) Proposal to the Annual General Meeting on 19 May 2020
Galenica is well equipped...

- Unique logistics
- Largest market access
- Own products
Omni-Channel

...and networked with all healthcare market participants across all channels
Expansion 2019

Retail: expansion of all channels

+11 own pharmacies in 2019!
- Own pharmacies: 356
- Total network: 513

> 60,000 products available online!

Acquisitions of Bichsel Group and Curarex Swiss
## Expansion 2019 Retail

<table>
<thead>
<tr>
<th></th>
<th>Majority Holdings (mainly Amavita, Sun Store)</th>
<th>Minority Holdings (mainly Coop Vitality)</th>
<th>Total own Pharmacies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1.2019</td>
<td>266</td>
<td>79</td>
<td>345</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>+ 9</td>
<td>+ 2</td>
<td>+ 11</td>
</tr>
<tr>
<td>Openings</td>
<td>+ 2</td>
<td>+ 6</td>
<td>+ 8</td>
</tr>
<tr>
<td>Restructurings</td>
<td>- 6</td>
<td>- 2</td>
<td>- 8</td>
</tr>
<tr>
<td>31.12.2019</td>
<td>271</td>
<td>85</td>
<td>356</td>
</tr>
</tbody>
</table>
5 Products & Brands: Partnerships and portfolio further developed
Outlook expansion 2020

5 Retail: further strengthen all channels

<table>
<thead>
<tr>
<th>Year</th>
<th>POS</th>
<th>Number of Products Online</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>337</td>
<td>10,000*</td>
</tr>
<tr>
<td>2018</td>
<td>345</td>
<td>40,000*</td>
</tr>
<tr>
<td>2019</td>
<td>356</td>
<td>&gt; 60,000*</td>
</tr>
<tr>
<td>2020</td>
<td>375</td>
<td>&gt; 100,000*</td>
</tr>
</tbody>
</table>

* Number of products online
Outlook expansion 2020

Products & Brands: … it doesn't stop there!
Integration of Documedis® into software systems of pharmacies, physicians and care homes

CDS check in three additional hospitals

2020: Documedis® interface to EPR (electronic patient record)
New ERP solution at Alloga and Galexis

Modernisation of Lausanne-Ecublens distribution centre at Galexis
Long-term outlook

From multi-channel to omni-channel …
Sales growth above market and profitability further enhanced

<table>
<thead>
<tr>
<th></th>
<th>Net sales (in million CHF)</th>
<th>EBIT adjusted¹) (in million CHF)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>H1</td>
<td>H2</td>
</tr>
<tr>
<td></td>
<td>1'566</td>
<td>1'599</td>
</tr>
<tr>
<td>H1</td>
<td>49%</td>
<td>49%</td>
</tr>
<tr>
<td>H2</td>
<td>51%</td>
<td>51%</td>
</tr>
<tr>
<td>2018</td>
<td>3'165</td>
<td>+4.3%</td>
</tr>
<tr>
<td>2019</td>
<td>3'301</td>
<td></td>
</tr>
</tbody>
</table>

¹) Details of the adjustments in the Annual Report 2019, pages 95 and 96
### EBITDA and EBIT adjustments

<table>
<thead>
<tr>
<th>EBITDA (in million CHF)</th>
<th>EBIT (in million CHF)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>260.3</td>
</tr>
<tr>
<td>Adjustment IAS 19</td>
<td>0.1</td>
</tr>
<tr>
<td>Adjustment IFRS 16</td>
<td>-50.0</td>
</tr>
<tr>
<td><strong>EBITDA adjusted</strong></td>
<td>210.4</td>
</tr>
</tbody>
</table>

1) Details of the adjustments in the Annual Report 2019, pages 95 and 96
# Profitability significantly improved

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBIT und EBIT margin adjusted(^1)</strong> (in CHF million / %)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Galenica Group</td>
<td>166.9 5.1%</td>
<td>154.1 4.9%</td>
<td>+8.3%</td>
</tr>
<tr>
<td>Health &amp; Beauty</td>
<td>123.7 7.6%</td>
<td>110.4 7.2%</td>
<td>+12.1%</td>
</tr>
<tr>
<td>Services</td>
<td>44.7 1.8%</td>
<td>44.2 1.9%</td>
<td>+1.1%</td>
</tr>
</tbody>
</table>

\(^1\) Excluding effects of IAS19 and IFRS16, details of the adjustments in the Annual Report 2019, pages 95 und 96
Health & Beauty segment

Strong EBIT margin improvement

Net sales (in million CHF)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net sales</th>
<th>EBIT adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,525</td>
<td>+4.8%</td>
</tr>
<tr>
<td>2019</td>
<td>1,621</td>
<td>+7.7%</td>
</tr>
</tbody>
</table>

EBIT adjusted\(^1\) (in million CHF)

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>+12.1%</td>
</tr>
</tbody>
</table>

\(^1\) Details of the adjustments in the Annual Report 2019, pages 95 and 96
Retail Business sector

Strong impact of expansion on sales growth

**Net sales** (in million CHF)

<table>
<thead>
<tr>
<th></th>
<th>H1</th>
<th>H2</th>
<th>2018</th>
<th>H1</th>
<th>H2</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>696</td>
<td>735</td>
<td>1'431</td>
<td>726</td>
<td>790</td>
<td>1'516</td>
</tr>
</tbody>
</table>

*Elements of growth:*

**Expansion**\(^{1)}\):

- H1: +2.6%
- H2: +5.1%
- 2018: +6.1%
- 2019: +5.6%

**Organic**\(^{2)}\):

- H1: +0.5%
- H2: -0.7%
- 2018: +1.4%
- 2019: +0.4%

*thereof impact of price cuts*\(^{3)}\):

- H1: -1.6%
- H2: -1.9%
- 2018: -1.8%
- 2019: -1.8%

→ Effect of expansion on sales growth: +5.6%

→ thereof: +3.2% Bichsel, +1.0% Bahnhof-Apotheke Zürich, +1.4% others

→ Continuous growth of generic (like-for-like):

→ in value: +5.8% → in volume: +9.1% (substitution rate 70%)

---

\(^{1)}\) Calculated for points of sale without full-year comparison period 2018 and 2019, Annual Report 2019, page 94

\(^{2)}\) Price reductions on reimbursable medications (SL), calculated with 2018 volumes, Annual Report 2019, page 94

\(^{3)}\) Consolidated net sales less expansion effect, Annual Report 2019, page 94
Products & Brands Business sector

Pleasing sales growth above market

Net sales (in million CHF)

→ Sales growth of 11.4% in the Swiss Market thanks to the new distribution of P&G brands Vicks® and Metamucil® and the launch of Dermafora®, other sales stable
Services Business sector

Strong sales growth in H2 2019

Net sales (in million CHF)

- Growth of 3.4% in the pharmacy wholesale market (portion 64%)
  - thereof 1.3% thanks to the expansion of Retail business sector
- Growth of 2.2% in the physician wholesale market (portion 25%)

EBIT adjusted\(^1\) (in million CHF)

1\(^{st}\) Details of the adjustments in the Annual Report 2019, pages 95 and 96
2\(^{nd}\) Mandatory price reductions of reimbursed medications of the specialities list (SL), calculated based on volumes 2018, Annual Report 2019, page 94
# Financial result and taxes

## Financial result (in million CHF)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted 1)</td>
<td>-1.9</td>
<td>-3.2</td>
</tr>
<tr>
<td>Effects of IAS19 and IFRS16 1)</td>
<td>-0.2</td>
<td>-2.9</td>
</tr>
</tbody>
</table>

## Taxes (in million CHF)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted 1)</td>
<td>36.8</td>
<td>56.2</td>
</tr>
<tr>
<td>Excluding one-off effects 2)</td>
<td>-19.5</td>
<td>-29.7</td>
</tr>
<tr>
<td>One-off effects of deferred taxes 2)</td>
<td>17.6%</td>
<td>18.2%</td>
</tr>
</tbody>
</table>

---

1) Details of the adjustments of IAS19 and IFRS16 effects, in the Annual Report 2019, pages 95 and 96

2) Details of taxes and one-off effects of deferred taxes, in the Annual Report 2019, pages 118 and 119
Comparable net profit improved

Net profit (in million CHF)

2018

147.7
124.7
-33.2

2019

125.3
134.2
+7.7%

-15.1%

One-off deferred tax effects¹)
Net profit comparable, adjusted²) and excluding one-off effects of deferred taxes¹)
Effects of IAS19 and IFRS16²)

¹) Details of taxes and one-off effects of deferred taxes, in the Annual Report 2019, pages 118 and 119
²) Details of the adjustments of IAS19 and IFRS16 effects, in the Annual Report 2019, pages 95 and 96
Galenica Group

Investments in efficiency projects

Investments in million CHF

<table>
<thead>
<tr>
<th>Year</th>
<th>Investments in Intangible Assets</th>
<th>Investments in Tangible Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>22.6</td>
<td>27.4</td>
</tr>
<tr>
<td>2019</td>
<td>18.9</td>
<td>34.2</td>
</tr>
</tbody>
</table>

% of net sales: 1.6%
Cash conversion¹): 74%
Cash conversion¹): 75%

¹) Calculated as (EBITDA adjusted - CAPEX)/EBITDA adjusted, EBITDA adjusted excluding effects of IAS19 and IFRS16, CAPEX includes investments in tangible and intangible assets, Annual report, pages 95, 96 and 97
### Galenica Group

#### Solid free cash flow

<table>
<thead>
<tr>
<th>in million CHF</th>
<th>2019</th>
<th>2018</th>
<th>Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flow from operating activities before working capital changes</strong></td>
<td>237.4</td>
<td>181.0</td>
<td>+56.4</td>
</tr>
<tr>
<td>Payment of lease liabilities</td>
<td>-47.6</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flow from operating activities before working capital changes adjusted</strong></td>
<td>189.8</td>
<td>181.0</td>
<td>+8.8</td>
</tr>
<tr>
<td>Working capital changes</td>
<td>13.0</td>
<td>-7.5</td>
<td></td>
</tr>
<tr>
<td><strong>Cash flow from operating activities adjusted</strong></td>
<td>202.8</td>
<td>173.5</td>
<td>+29.3</td>
</tr>
<tr>
<td>Cash flow from investing activities without M&amp;A</td>
<td>-57.8</td>
<td>-49.8</td>
<td></td>
</tr>
<tr>
<td><strong>Free cash flow before M&amp;A</strong></td>
<td>145.0</td>
<td>123.7</td>
<td>+21.3</td>
</tr>
<tr>
<td>Cash flow from M&amp;A</td>
<td>-77.1</td>
<td>-37.7</td>
<td></td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>67.9</td>
<td>86.0</td>
<td>-18.0</td>
</tr>
</tbody>
</table>

1) Details of free cash flow in the Annual Report 2019, page 97
Galenica Group
Balance sheet strengthened

(in million CHF)

Debt coverage\(^1\) 2.0x

Debt coverage adjusted\(^2\) 1.5x

\[\begin{array}{c|c|c}
\text{Year} & \text{Debt} & \text{Equity} \\
2018 & 934 & 996 & -62 \\
2019 & 1'000 & 1'053 & 557
\end{array}\]

\[\begin{array}{c|c|c}
\text{Year} & \text{Effect of IFRS16}\(^3\)} & \text{Net debt adjusted}\(^3\)} & \text{IAS19 and IFRS16 effects on equity}\(^3\)} \\
2018 & 300 & 231 & 231 \\
2019 & 326 & &
\end{array}\]

\(1\) Net debt / EBITDA, Annual Report 2019, page 99
\(3\) Detail of the adjustments in the Annual Report 2019, page 98
### Galenica Group

#### Value based management

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Dev. %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Invested Capital</strong></td>
<td>1'417.2</td>
<td>1'311.8</td>
<td>+8.0%</td>
</tr>
<tr>
<td><strong>Average Invested Capital</strong></td>
<td>1'364.5</td>
<td>1'279.8</td>
<td>+6.6%</td>
</tr>
<tr>
<td><strong>Return on Invested Capital (ROIC)</strong></td>
<td>9.8%</td>
<td>9.7%</td>
<td></td>
</tr>
<tr>
<td><strong>Net Operating Profit after Tax (NOPAT)</strong></td>
<td>133.3</td>
<td>124.0</td>
<td>+7.5%</td>
</tr>
<tr>
<td><strong>Cost of Capital</strong></td>
<td>-85.3</td>
<td>-80.0</td>
<td>-6.6%</td>
</tr>
<tr>
<td><strong>Galenica Economic Profit (GEP)</strong></td>
<td>48.0</td>
<td>44.1</td>
<td>+9.0%</td>
</tr>
</tbody>
</table>

1) Details on value based management in the Annual Report 2019, page 100
2) Calculated with NOPAT in % of average invested capital, Annual Report 2019, page 100
3) Calculated with average invested capital multiplied with WACC (6.25%), Annual Report 2019, page 100
Value (ex-factory): CHF 6'136.5 million
CHF +165.2 million / +2.8%

Volume (packs): 187.1 million
+0.5 million / +0.3%

Source: APO/SDRO/SPI Index, Swissmedic A, B, C, D
Medicines Swissmedic lists A, B, C, D, sold from suppliers and wholesalers to hospitals, physicians and drugstores

© IQVIA Switzerland - Swiss pharmaceutical market 2019

March 2020
Generics growth (in volume) in the pharmacy channel 2019

Market with generics potential 56.4 million +0.2%

Market with generics 36.1 million +4.5%

Substitution rate 57%³)
Pharmacies Galenica Group⁴) 70%

Total Packs reimbursable by health insurance

- Patent protected products: 4.4 million / -2.2%
- Products with expired patent protection without generics: 20.3 million / -6.6%
- Generics: 20.6 million / +5.9%
  Pharmacies Galenica Group⁴) +9.1%
- Originals¹): 15.5 million / +2.7%
- Others²): 14.4 million / +4.2%

³) Products with expired patent protection and at least one generic
²) 1. Natural substance (e.g. vitamins, minerals)
   2. Non-therapeutic products (e.g. contraceptives, diet products)
   3. Vaccines
   4. Diagnostics
   5. Biosimilars
   6. Reference products

¹) Source: Market Segmentation, reimbursable products (FOPH) in the pharmacy channel
Monthly calculation basis, delineated market division, data as of December 2019
⁴) Source: Galenica Group

Generics 20.6 million / market with generics 36.1 million = 57%
Consumer healthcare market 2019

- OTC: +2.2%
- Personal care: -0.7%
- Patient care: -1.3%
- Nutrition: +1.0%
- Non-medication products: -0.7%

CHF million
2'515
+1.0%

Source: Pharma Trend for pharmacies and drugstores in Switzerland, streetprices

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### Authorities: measures and projects

<table>
<thead>
<tr>
<th>Measure</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction in drug prices</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Change of category of OTC products¹)</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Sales margin SBR IV → SBR V</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generics prices „Reference price system“</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Swissmedic categories C, D

- SBR IV extended until the end of 2021
- From 2022?
Price reduction rounds 2017 to 2019

Annual savings per channel at public and ex-factory price in million CHF

<table>
<thead>
<tr>
<th>Year</th>
<th>Hospitals</th>
<th>Physicians</th>
<th>Pharmacies</th>
<th>Open objections</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>225</td>
<td>185</td>
<td>116.1</td>
<td>64.8</td>
</tr>
<tr>
<td></td>
<td>44.6</td>
<td>41.0</td>
<td>91.3</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>122</td>
<td>101</td>
<td>78.0</td>
<td>64.6</td>
</tr>
<tr>
<td></td>
<td>13.4</td>
<td>12.1</td>
<td>30.9</td>
<td>24.6</td>
</tr>
<tr>
<td>2019</td>
<td>92</td>
<td>74</td>
<td>51.6</td>
<td>40.5</td>
</tr>
<tr>
<td></td>
<td>14.8</td>
<td>13.3</td>
<td>25.5</td>
<td></td>
</tr>
</tbody>
</table>

Analysis FOPH price reductions 2019 – Source: IQPharma - Input FOPH
Reclassification of OTC’s

- **Category A**: prescription without repetition with a prescription
- **Category B**: prescription with a prescription
- **Category C**: pharmacy only without prescription
- **Category D**: pharmacy & drugstore without prescription
- **Category E**: sale in all shops without prescription

- ~15%
- ~85%

- Category A with a prescription
- Category B with a prescription or pharmacy advice
- Category D specialist retailer
- Category E sale in all shops
Swiss Pharmaceutical market – composition of drug prices

Fixed margin elements help to offset price reductions

Composition of the price of a prescription/ reimbursable drug: c.3/4 of the retail margin secured by fixed elements

<table>
<thead>
<tr>
<th>Ex-factory</th>
<th>~70% – 72% Supplier margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reimbursed</td>
<td>~ 8% LOA – Retail service fees</td>
</tr>
<tr>
<td></td>
<td>~ ~24% Retail + ~5% Wholesale</td>
</tr>
<tr>
<td></td>
<td>~29%</td>
</tr>
</tbody>
</table>

FOPH defines price and margin - Margin covers wholesale and retail

<table>
<thead>
<tr>
<th>Ex factory price (in CHF)</th>
<th>+ price-related surcharge</th>
<th>+ surcharge per pack</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.05-4.99</td>
<td>12.0%</td>
<td>4.00</td>
</tr>
<tr>
<td>5.00-10.99</td>
<td>12.0%</td>
<td>8.00</td>
</tr>
<tr>
<td>11.00-14.99</td>
<td>12.0%</td>
<td>12.00</td>
</tr>
<tr>
<td>15.00-879.99</td>
<td>12.0%</td>
<td>16.00</td>
</tr>
<tr>
<td>880.00-2.569.99</td>
<td>7.0%</td>
<td>60.00</td>
</tr>
<tr>
<td>From 2.570.00</td>
<td>-</td>
<td>240.00</td>
</tr>
</tbody>
</table>

Source: Swissmedic and company information
Note: FOPH stands for Federal Office of Public Health; sets prices based on basket of nine countries and quality aspects
1 Based on Company internal figures.
→ Galenica Group net sales +1% to +3%
→ EBIT (excluding the effects of IAS19 & IFRS16) +3% to +6%
→ Dividend for 2020 at least at prior-year level
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