



Investor Presentation

London, 13 August 2018

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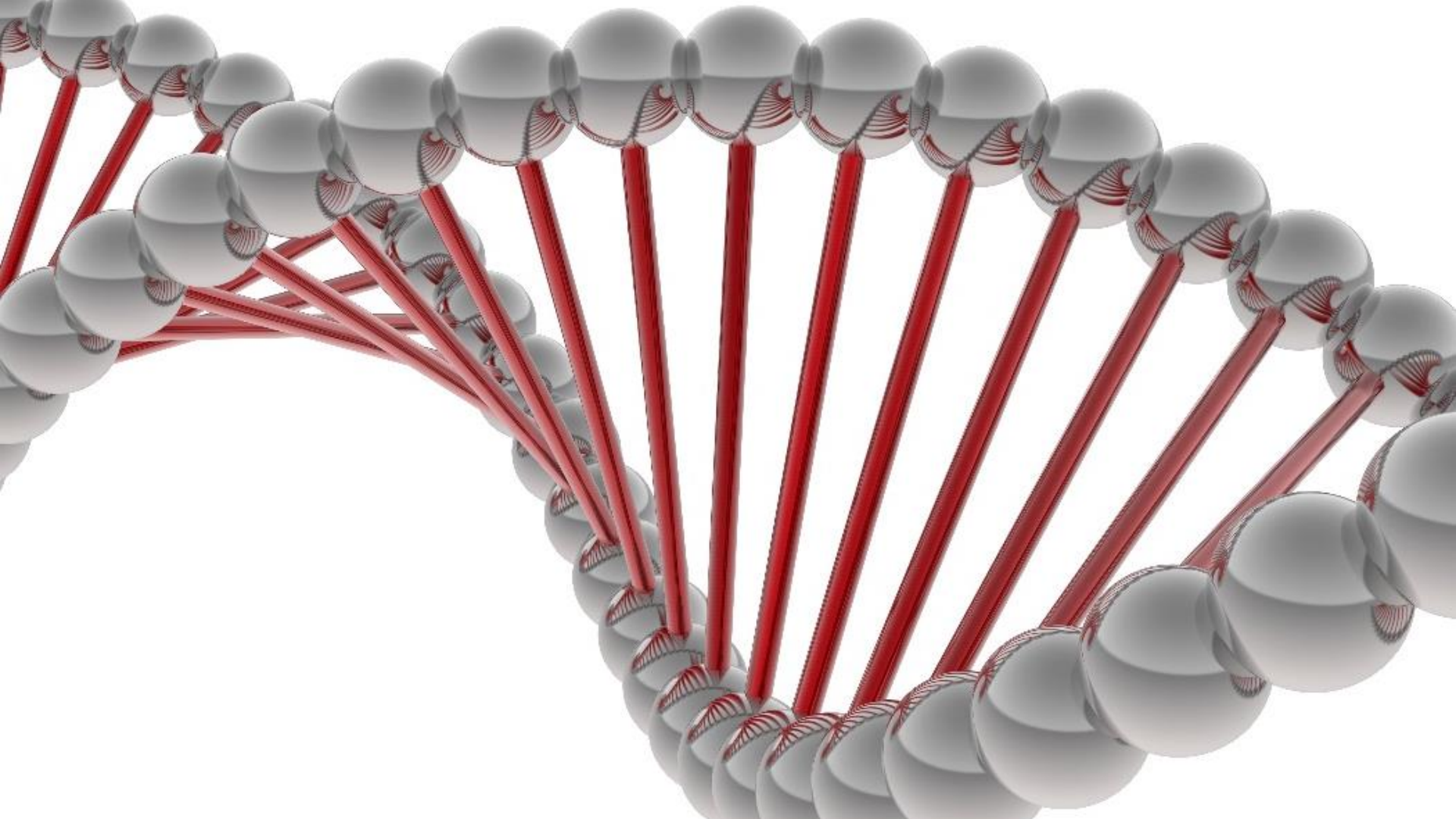
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Everyone is Unique







Pharmaceutical Art





FSBA
Hoogeveen, NL



FCS Belgium
Bornem, BE



Pharmaline
Oldenzaal, NL



Fagron Greece
Trikala, GR



Infinity Pharma
Campinas, BR



EMERGENCY USE ONLY
NO ENTRY

Fagron Sterile Services
Wichita, US

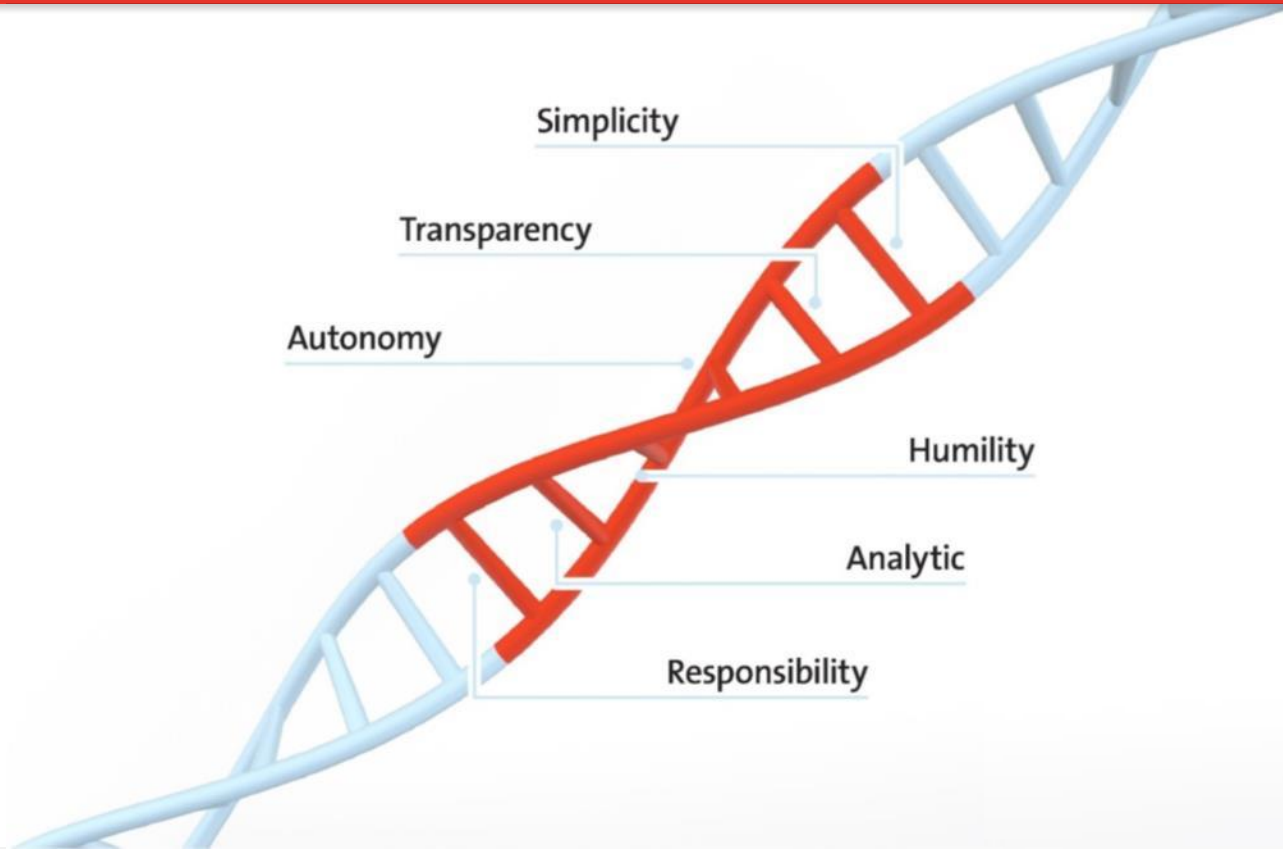
Fagron South Africa Johannesburg - South Africa



Fagron: Global Leader in Personalized Medicine



Fagron Family Rules



Fagron Values



Customer
is number 1



Speed of
execution



Entrepreneurship



Creativity



Quality

Fagron Strategy

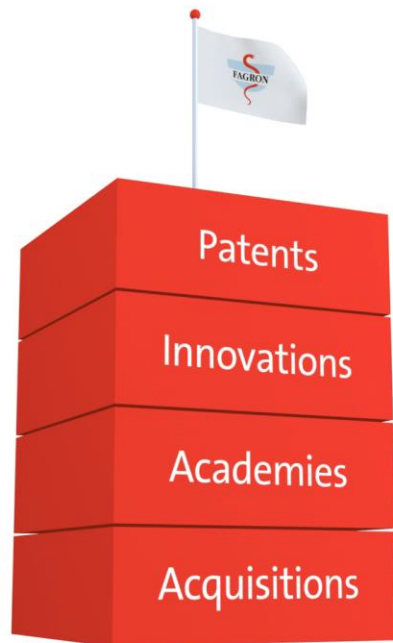


Fagron Strategy



Fagron Strategy







Fagron Leadership Team



Market Size and Position



Fagron Hellas

Trikala - Greece



Market Size



* All estimates on market size and market position in this presentation are company estimates



Market Size

Personalized medicine ~\$ 4.5b

Essentials & Brands ~10%

Market Position FCS-sterile



~7%

Market Position E&B

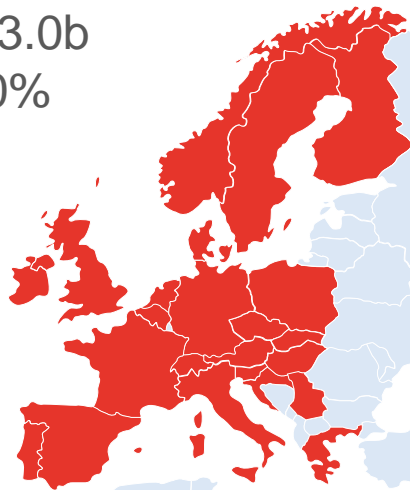


~12%

Market Size

Personalized medicine ~\$ 3.0b

Essentials & Brands ~10%



Market Position FCS NL



Market Position E&B





Market Position E&B



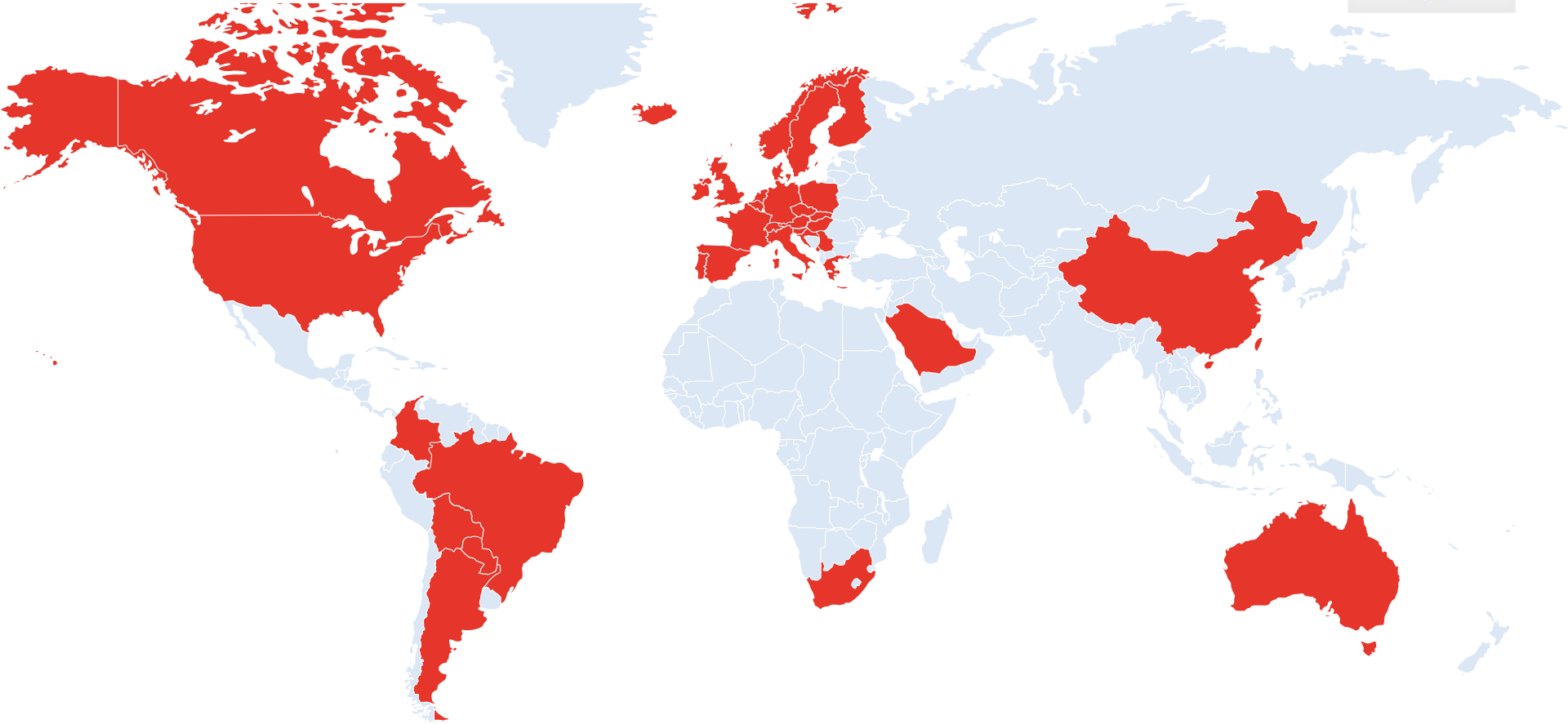
~50%



Market Size

Personalized medicine ~\$ 1.8b

Essentials & Brands ~10%



Fagron Innovations



Fagron Technologies Jundiai - Brazil



- Digital solutions for compounding pharmacies
- Market leader in Brazil (>50%)
- Launch in US scheduled for 2019



Prescriber



Customer



Pharmacy



Phytocomplex that
promotes relaxation

1

Improves quality of sleep

2

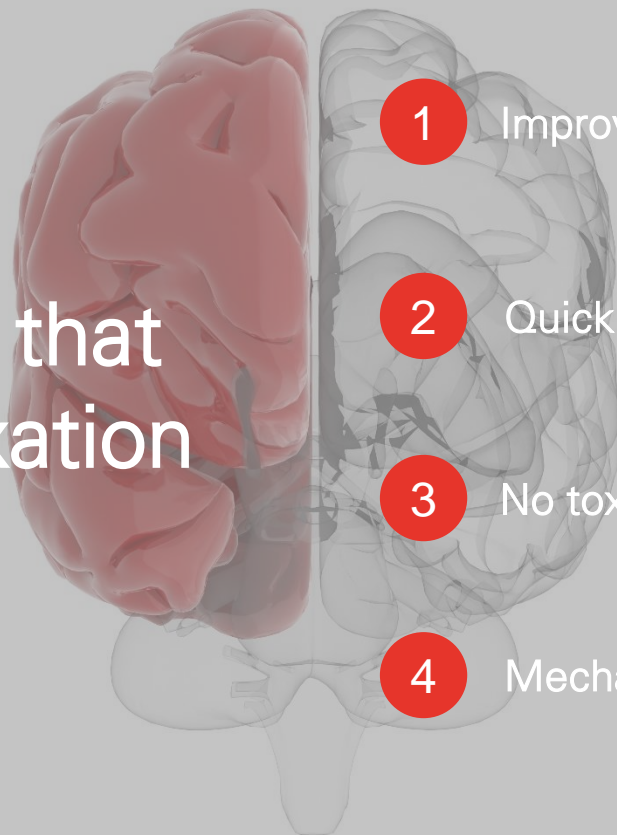
Quick effect

3

No toxicity

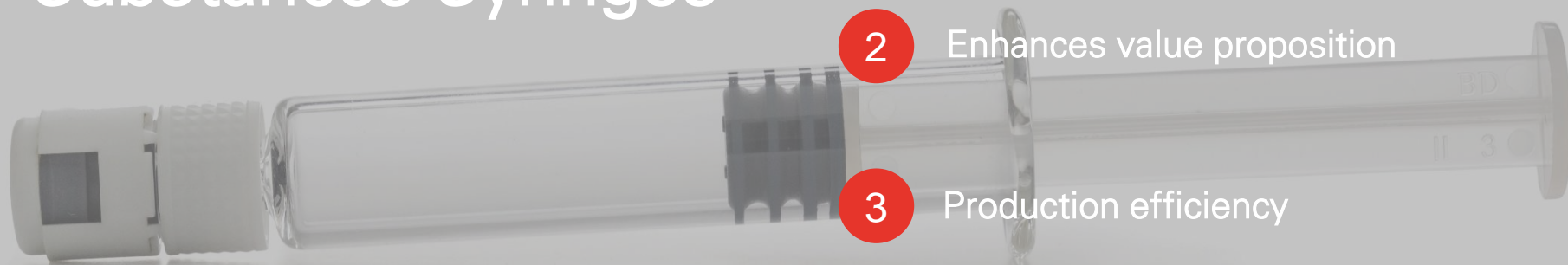
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Mechanism of action



- 1 Use of **genetic information** to diagnose, prevent and cure
- 2 Identification of genetic variations for more **effective** personalized treatments
- 3 Focus on **3 key markets**: Personal genomics, clinical genetics and clinical sequencing

Sterile **Controlled** Substances Syringes



1 Acceleration of top-line growth

2 Enhances value proposition

3 Production efficiency

4 Project timeline: Q1-2019

H1-2018 Results



Fagron US

Minneapolis - US



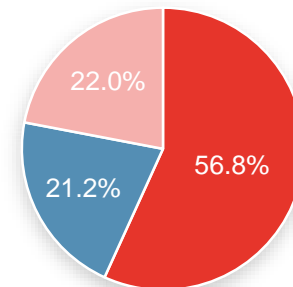
H1-2018 Headlines



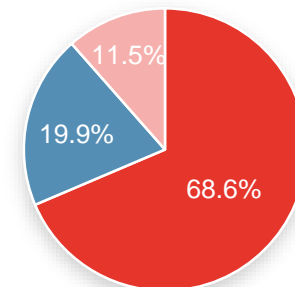
Financial

- Turnover increased 5.0% (12.1% CER) to € 230.9m
- REBITDA increased 1.1% (6.9% CER) to € 48.7m
- Recurrent net profit increased 6.6% to € 22.3m
- Operational cash flow of € 34.4m
- Net financial debt/REBITDA ratio of 2.72

Turnover



REBITDA



■ Europe* ■ South America ■ North America

* Including HL Technology and Rest of the World.

Operational Review H1-2018



Florien

Piracicaba – Brazil



Consolidated Turnover

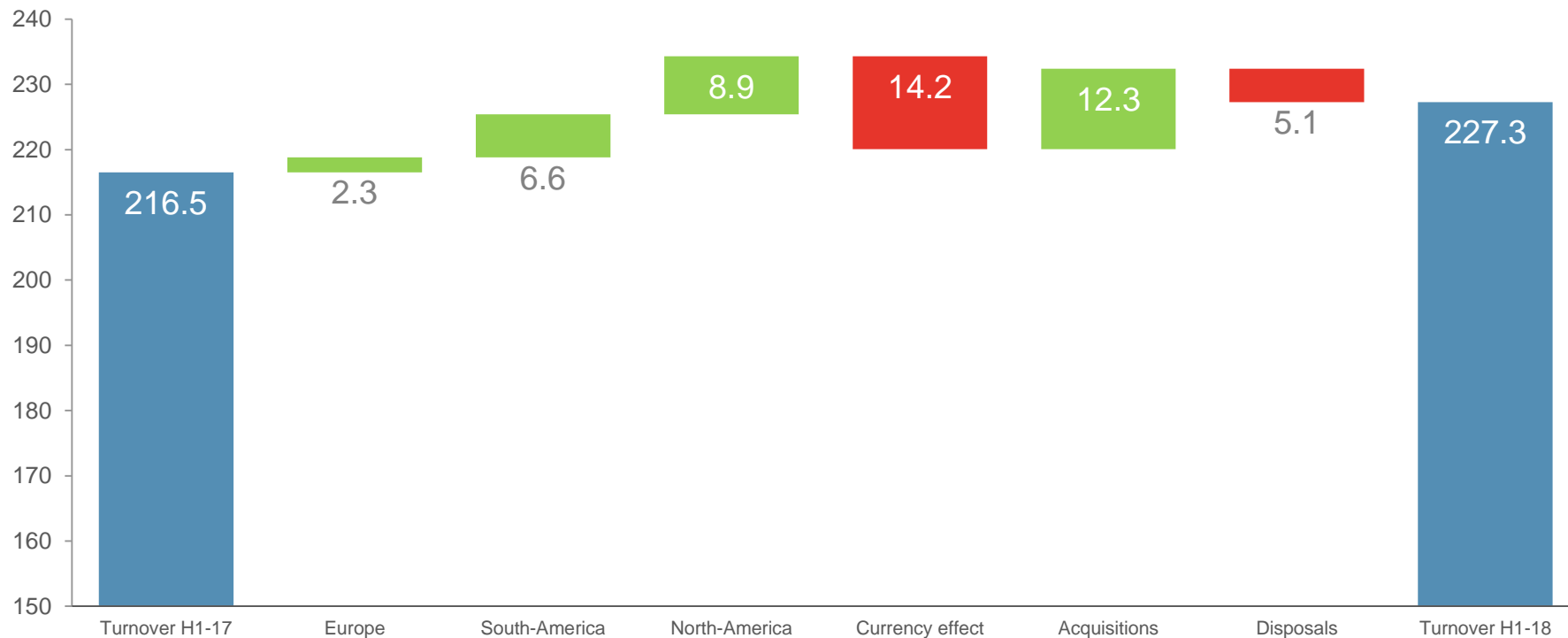


(x € 1,000)	H1-2018	H1-2017	Total growth	Total growth CER	Organic growth	Organic growth CER
Fagron	227,285	216,551	+5.0%	+12.1%	+1.7%	+8.4%
HL Technology	3,638	3,461	+5.1%	+14.2%	+5.1%	+14.2%
Total	230,923	220,012	+5.0%	+12.1%	+1.7%	+8.5%

CER = constant exchange rates

- Organic turnover growth CER of 8.5%
- Organic turnover growth CER in all regions
- Growth acceleration in North- and South-America in Q2

Turnover Development



(x € 1,000)	H1-2018	H1-2017	Δ
Turnover	127,536	127,220	+0.2%
REBITDA	32,667	32,724	-0.2%
REBITDA margin	25.6%	25.7%	

CER = constant exchange rates

- Organic turnover growth CER of 1.9%
- REBITDA decreases 0.2%; margin decreases 10bps to 25.6%
- Focus on innovative products resulted in strong growth of Brands
- Temporarily reduction of capacity in one of the Dutch compounding facilities to be able to invest in further increasing the quality of the facility and processes

(x € 1,000)	H1-2018	H1-2017	Δ
Turnover	48,880	49,450	-1.2%
REBITDA	9,691	10,054	-3.6%
REBITDA margin	19.8%	20.3%	

CER = constant exchange rates

- Organic turnover growth CER of 13.3%
- REBITDA decreases 3.6%; margin decreases 50bps to 19.8%
- Strong turnover growth driven by:
 - Growth of underlying markets and growth in number of compounding pharmacies (+8.8% to 7,545)
 - Focus on the development and introduction of innovations and patented concepts
- 25 new innovations introduced during Consulfarma in Brazil
- All Chemistry fully integrated and rebranded to Organic Compounding

(x € 1,000)	H1-2018	H1-2017	Δ
Turnover	50,869	39,880	+27.6%
REBITDA	5,610	5,452	+2.9%
REBITDA margin	11.0%	13.7%	

CER = constant exchange rates

- Organic turnover growth CER of 22.3%
- REBITDA increases 2.9%; margin decreases 270bps to 11.0%
- REBITDA margin decreased due to the FTE increase at FSS-Wichita
- FCS-sterile performing in-line with expectations
 - Organic growth CER of 27.5% (Q2-18: 34.6%)
 - FSS-Wichita CER: +76.2% (Q2-18: 90.9%)
- Essentials/Brands:
 - Organic growth CER of 7.6%, driven by all activities
 - Good progress on integration of Humco

Financial Review H1-2018



Pharmaline

Oldenzaal – The Netherlands



2017 Financial Review



Turnover
(in € million)
230.9

- Turnover increases 5.0% or 12.1% at CER
- Organic increase of 1.7% or 8.5% at CER

Gross margin
(in € million)
141.9

- Gross margin increased by € 5.0m (+3.7%)
- Gross margin as percentage of turnover decreased to 61.5% due to the renewal of contracts in H2-17 and the sale of the French pharmacy
- Gross margin increased 70bps compared to H2-17

Operating costs
(in € million)
-93.3

- Operating costs as a percentage of turnover remained unchanged and amounted to 40.4% in H1-18
- Operating costs increased by 5.1%, mainly due to the acquisition and integration of Humco and the increase of FTE at FSS in Wichita

2017 Financial Review



REBITDA
(in € million)
48.7

- REBITDA increased by 1.1% (+6.9% CER) to € 48.7m
- REBITDA as percentage of turnover decreased by 80bps to 21.1%

Non-recurring
(in € million)
-4.7

- Non-recurring result amounts to -€ 4.7m and consists of the settlement with the former owners of JCB Laboratories (US), dismissal costs and acquisition costs

EBITDA
(in € million)
44.0

- EBITDA decreased by 6.8% to € 44.0m due to the increase in non-recurring elements (mainly JCB settlement)

2017 Financial Review



DA
(in € million)
-9.5

- DA amounted to € 9.5m, an increase of 8.6% compared to H1-17, partly due to amortization of the Humco brand

EBIT
(in € million)
34.5

- EBIT decreased by 10.3% to € 34.5m

Fin. result
(in € million)
-10.5

Financial result decreased by 21.2% to € 10.5m

The decrease was mainly due to the repayment of the bond in July 2017, offset by FX-results and higher debt due to the Humco acquisition

2017 Financial Review



Taxes
(in € million)
-5.2

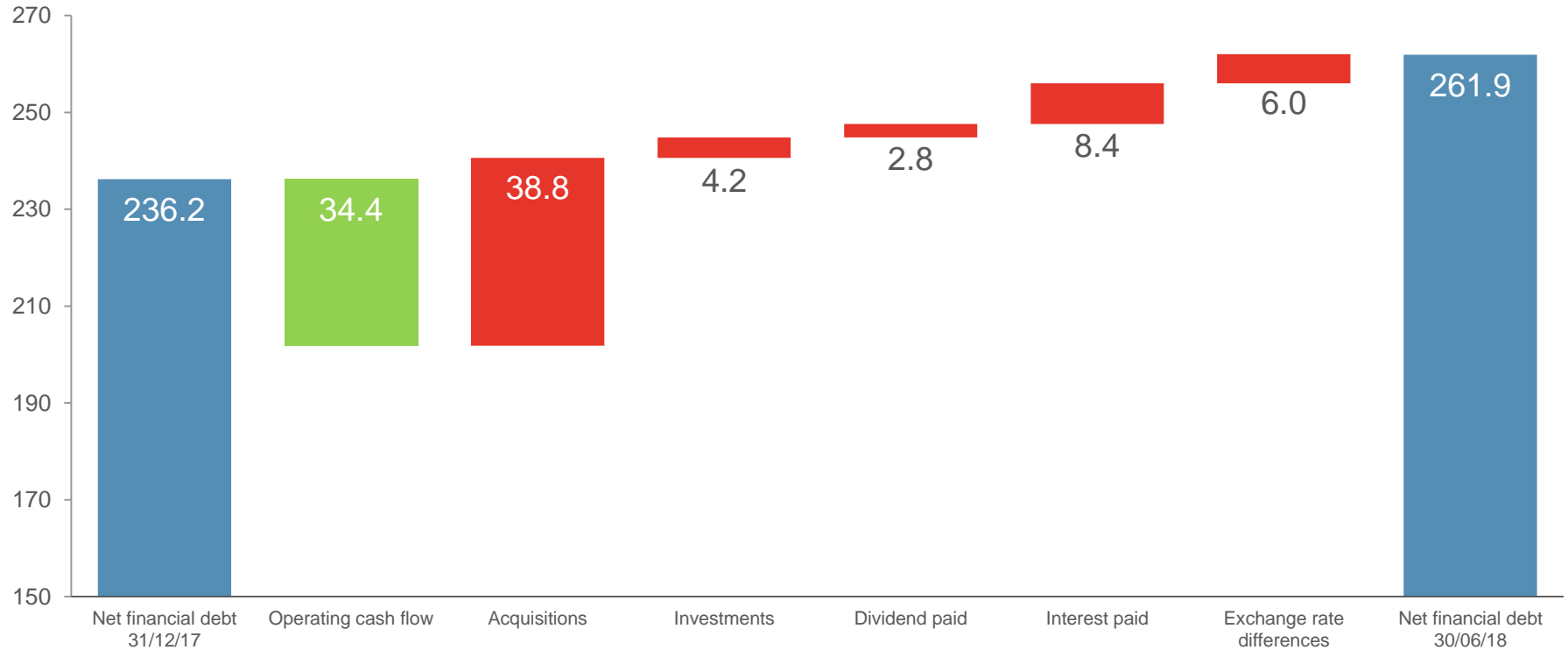
- Effective tax rate amounted to 21.8% compared to 18.6% in H1-17
- Effective cash tax rate amounted to 15.1%

Net profit
(in € million)
18.8

- Net profit amounted to € 18.8m, a decrease of 10.8% compared to H1-17
- Recurrent net profit increased by 6.6% to € 22.3m

Net Financial Debt

consolidated



Summary



- Turnover growth driven by all areas - Acceleration in Q2
- Good progress with integration Humco
- Investing in people, systems and product development to further accelerate growth
- Focus remains on:
 - Continued strong organic growth
 - Targeted acquisitions in our core markets
- Positive about the future and confident that the positive trend will continue in 2018



Shareholder Structure



FSBA

Hoogeveen - The Netherlands



Shareholder Structure



	Number of shares	% of voting rights
Waterland Private Equity Fund VI CV, Balcaen, Fagron	22,656,725	31.54%
Alychlo NV / Marc Coucke	10,749,267	14.96%
JPMorgan Asset Management Holdings Inc.	3,724,539	5.18%
Evermore Global Advisors, LCC	2,203,472	3.07%
Adrianus van Herk	2,171,279	3.00%
Carmignac Gestion	1,492,006	4.65%

- Article 11 of the articles of association of the company specifies that participations must be notified as soon as a threshold of 3%, 5% and any multiple of 5% has been passed
- The number of Fagron shares with voting rights is 71,843,904. The total number of voting rights (denominator) is 71,843,904
- The notification of Carmignac Gestion was received on March 18, 2016 and is based on a denominator of 32,111,827



FAGRON

Important information about forward-looking statements

Certain statements in this presentation may be considered “forward-looking”. Such forward-looking statements are based on current expectations, and, accordingly, entail and are influenced by various risks and uncertainties. The Company therefore cannot provide any assurance that such forward-looking statements will materialize and does not assume an obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.