

EastPharma



FINANCIAL PERFORMANCE REVIEW 31.12.2017

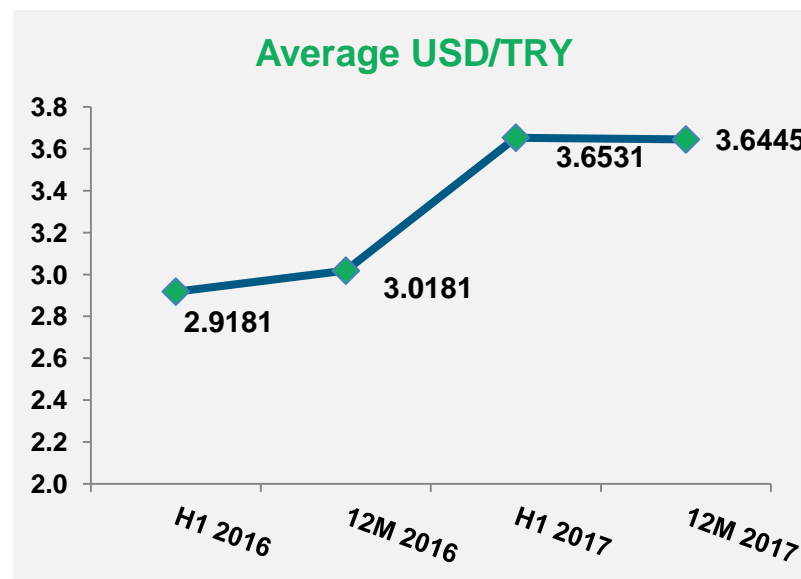
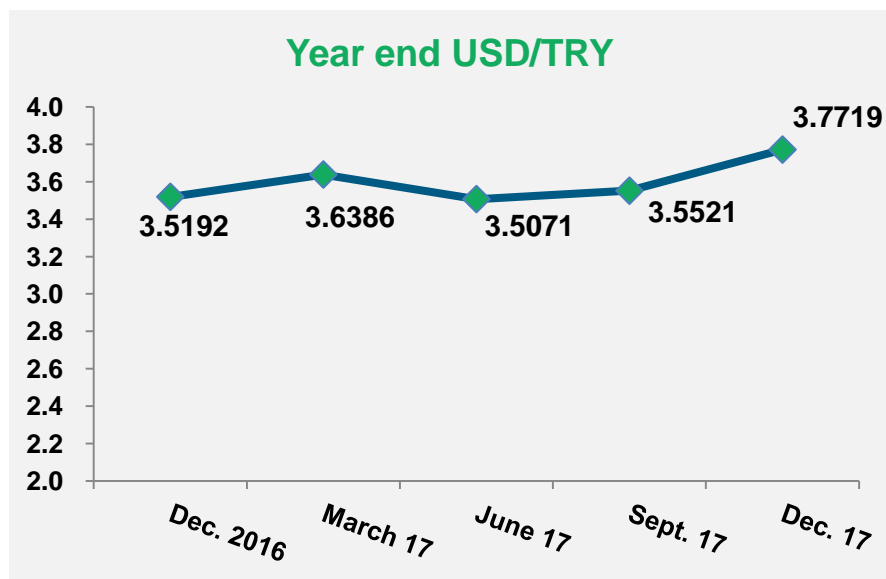
INVESTOR CONFERENCE CALL
12 MARCH 2018

PHILIPP HAAS
CHAIRMAN & CEO

MESUT CETIN
DIRECTOR & CFO

USD / TRY Exchange Rate

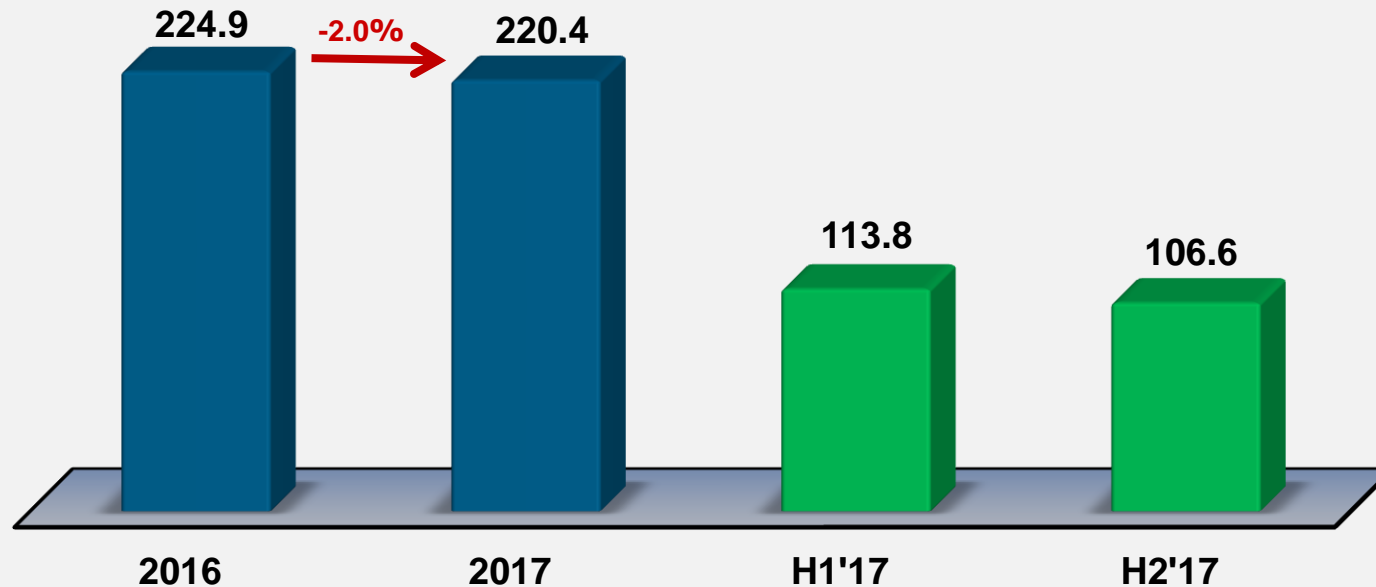
- The year end USD/TRY exchange rate deteriorated by 7.2%; 3.5192 as of 31 December 2016, 3.7719 as of 31 December 2017.
- The average USD/TRY exchange rate deteriorated by 20.8%; 3.0181 for 12M 2016, 3.6445 for 12M 2017.



EastPharma Sales Performance (IFRS) – 31.12.2017

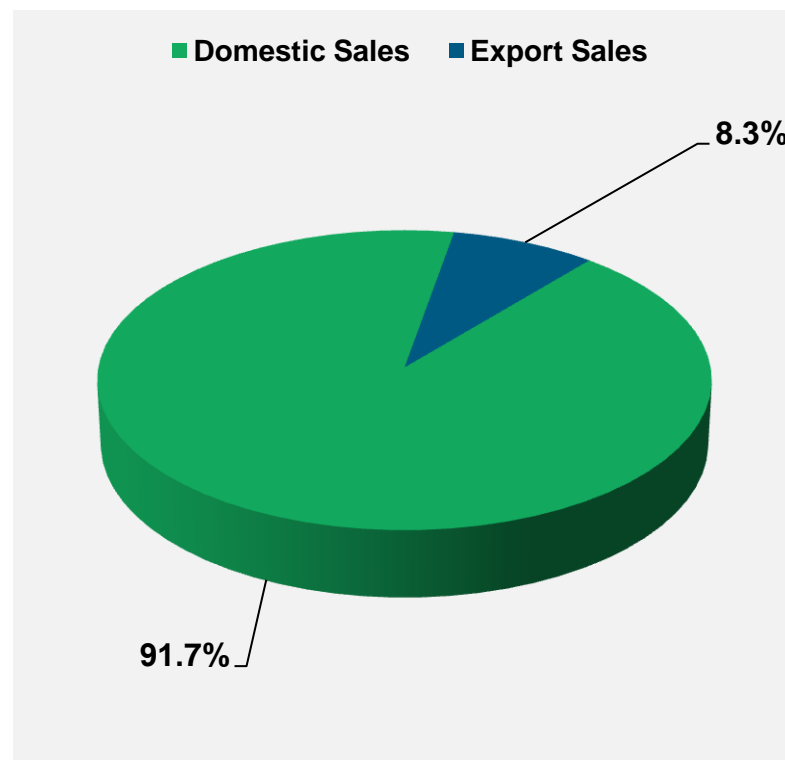
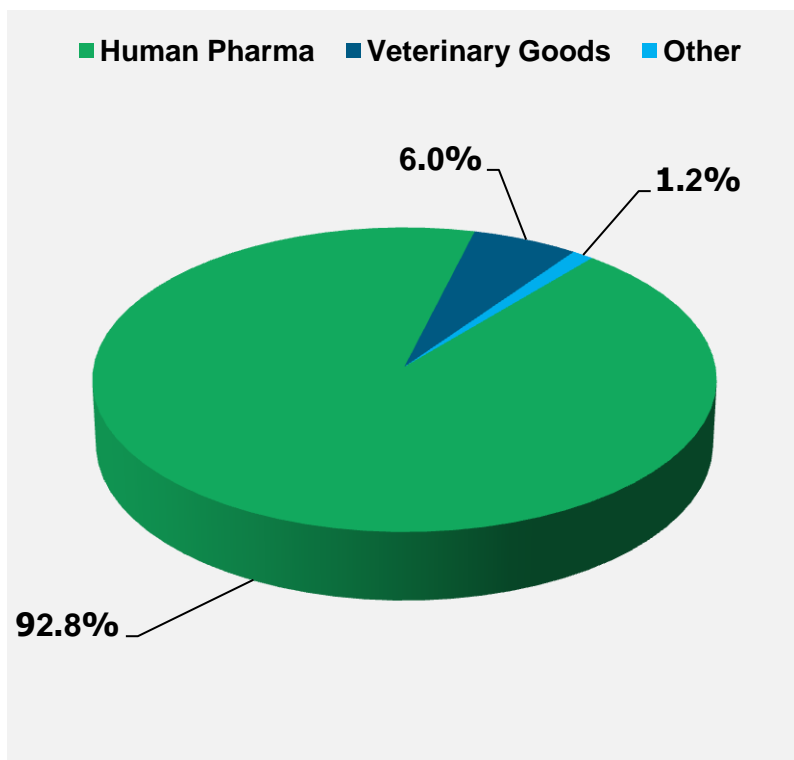
- Revenues in 12M 2017 reached to US\$ 220.4mn (TRY 802.8mn) vs US\$ 224.9mn (TRY 676.0mn) in 12M 2016.
- 2.0% year-on-year decrease in US\$
 - 18.8% year-on-year increase in TRY

Revenues : (\$, mn)



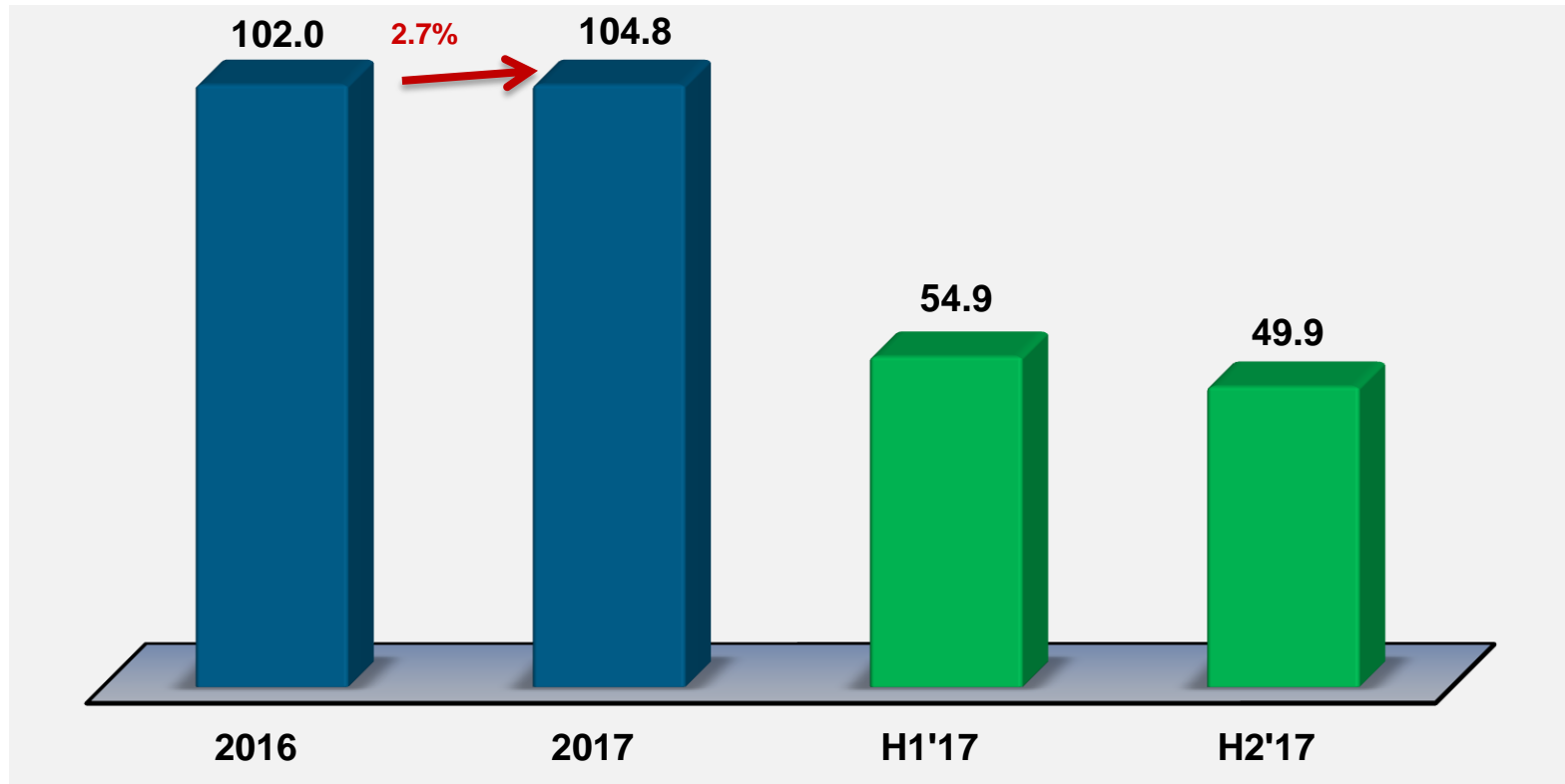
EastPharma Sales Performance (IFRS) – 31.12.2017

Revenues Breakdown:



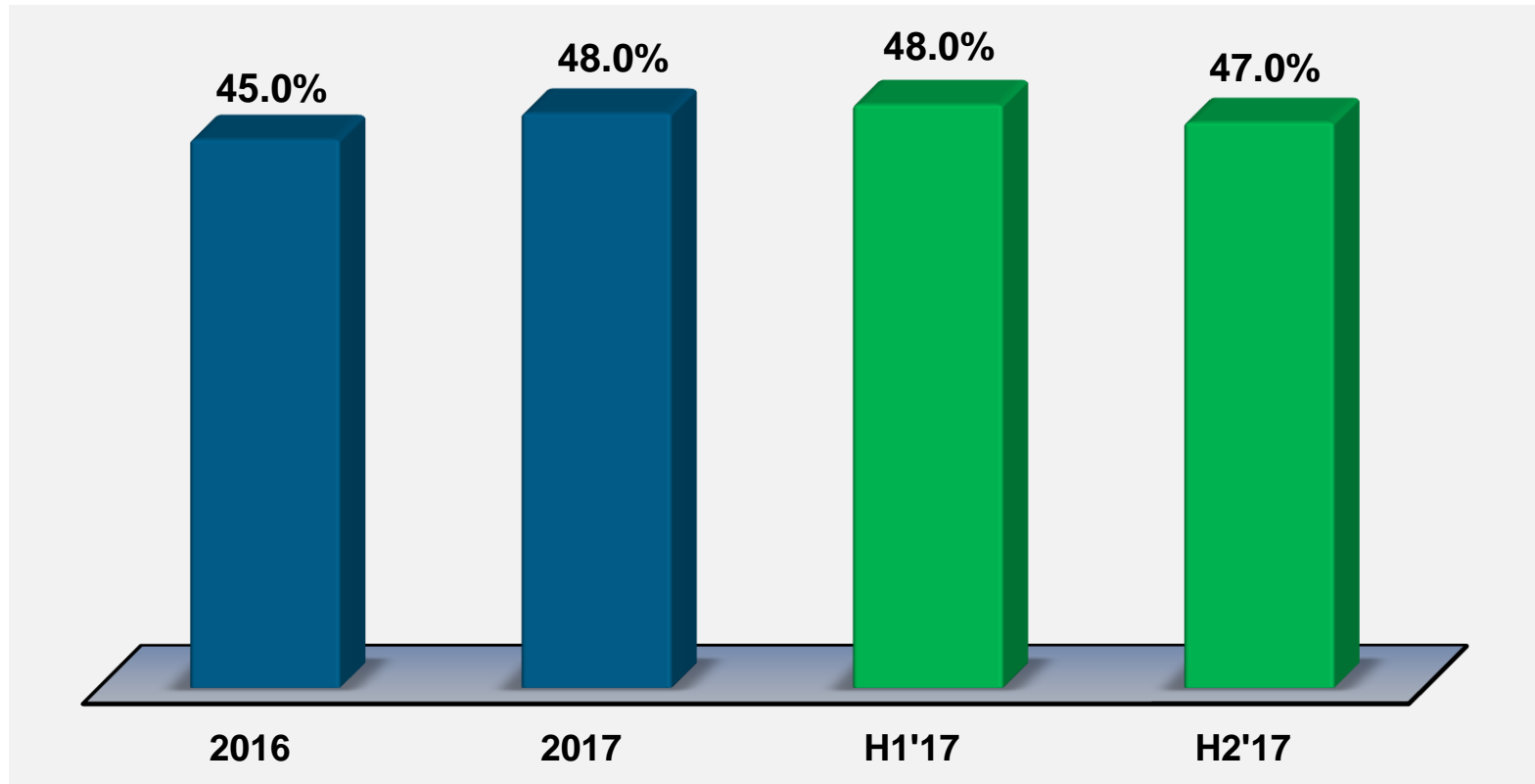
EastPharma Financial Performance (IFRS) – 31.12.2017

Gross Profit : (\$, mn)



EastPharma Financial Performance (IFRS) – 31.12.2017

Gross Profit Margin:



EastPharma Financial Performance (IFRS) – 31.12.2017

➤ OPEX Comparision: (\$, 000)

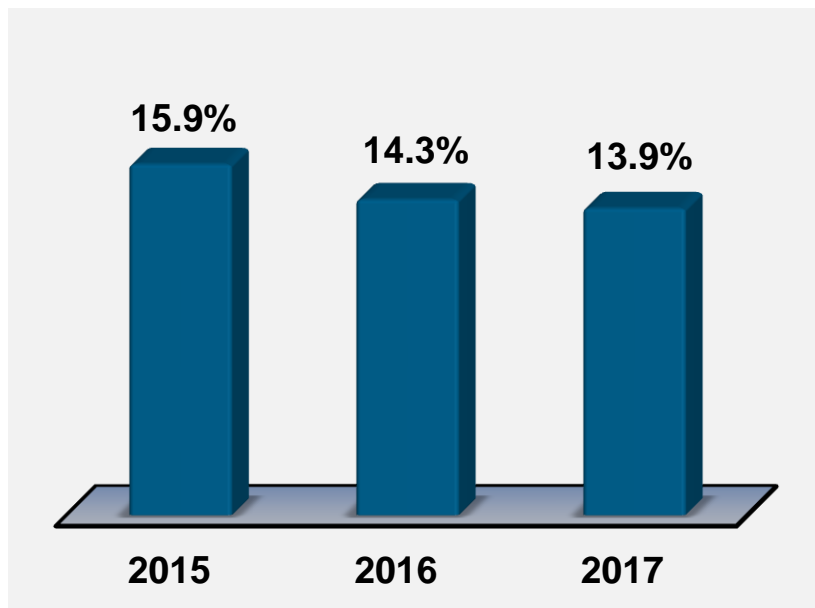
OPERATING EXPENSES

	<u>12M 2016</u>	<u>12M 2017</u>	<u>Change %</u>
S&M EXPENSES	(32,102)	(30,586)	(4.7)%
G&A EXPENSES	(27,007)	(24,761)	(8.3)%
R&D EXPENSES	<u>(4,065)</u>	<u>(8,306)</u>	<u>104.4 %</u>
	<u>(63,174)</u>	<u>(63,653)</u>	<u>0.8 %</u>

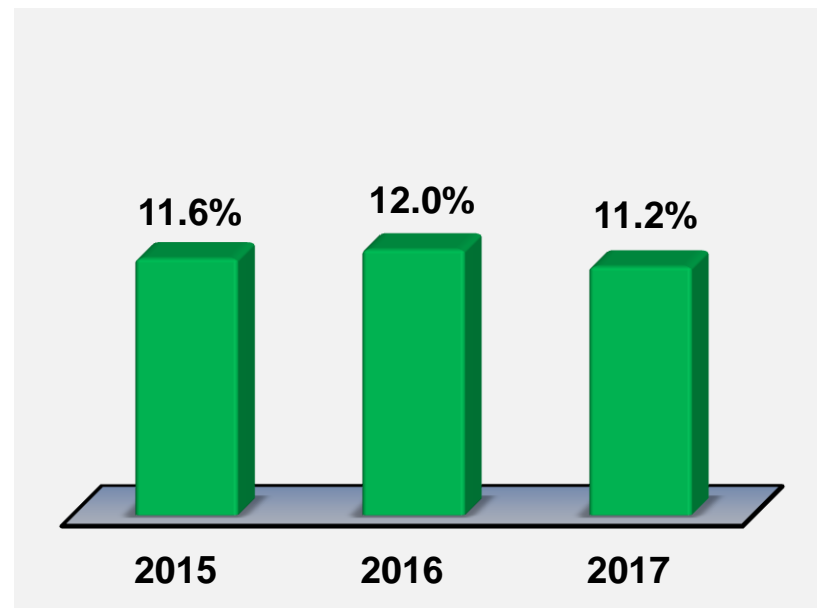
EastPharma Financial Performance (IFRS) – 31.12.2017

Expense Ratios :

Marketing Expenses:



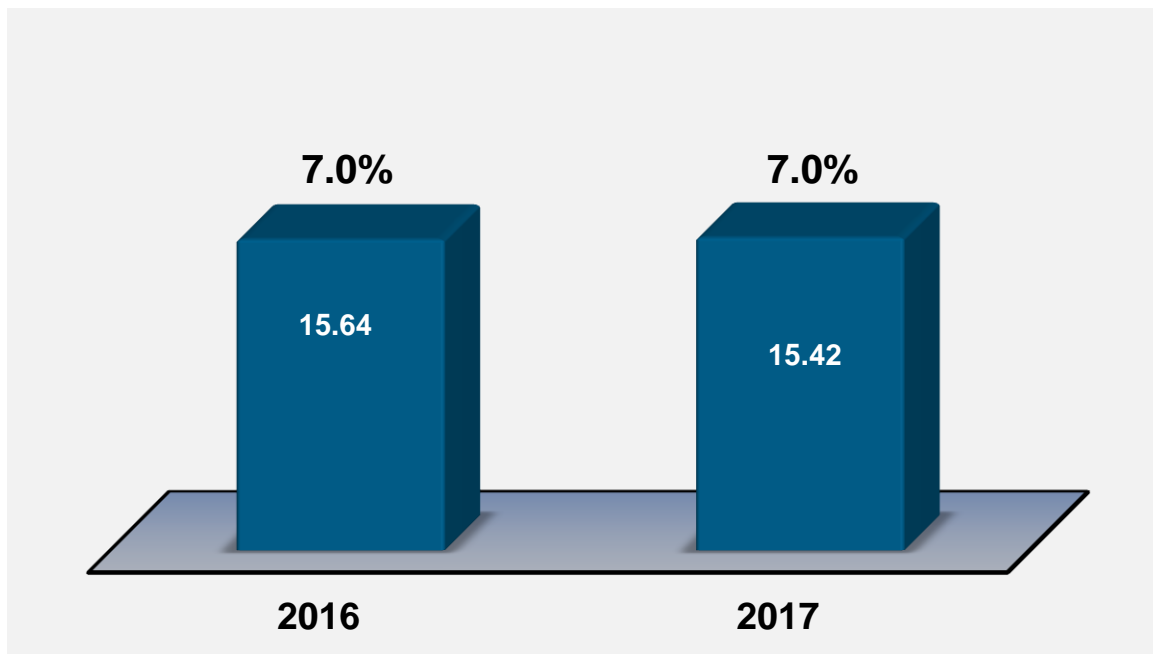
General Administration Expenses:



EastPharma Financial Performance (IFRS) – 31.12.2017

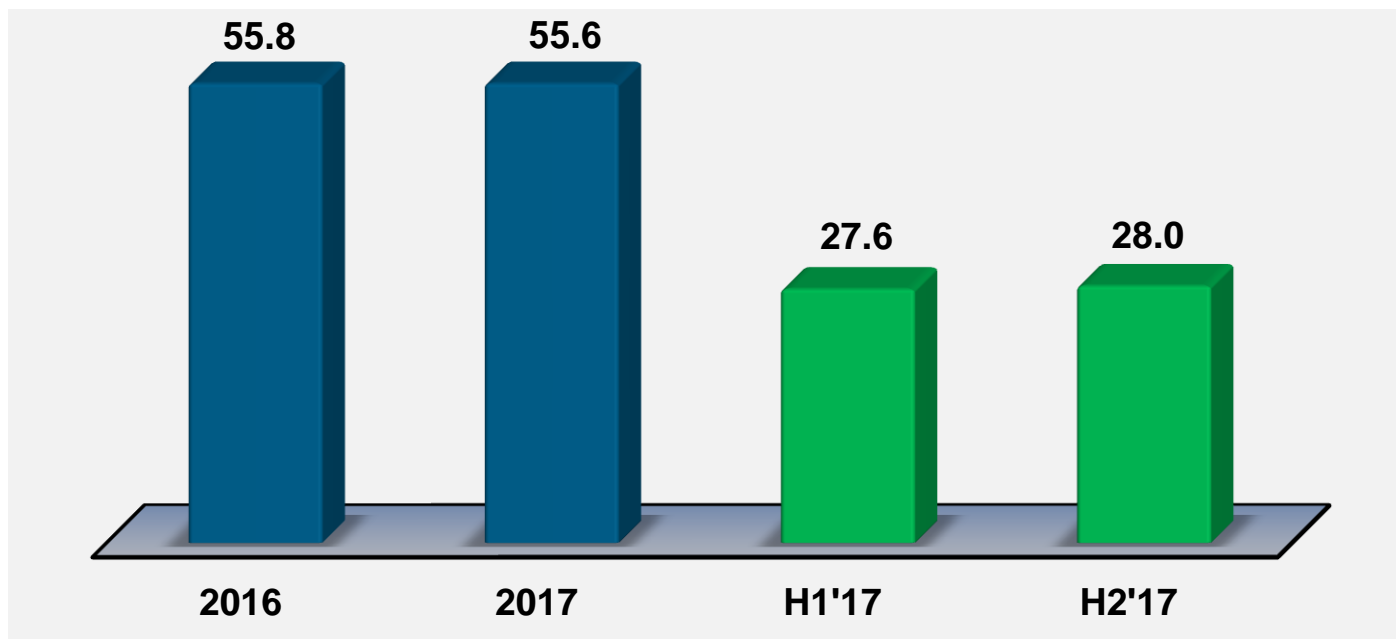
R&D Investments: (\$, mn)

- 12M 2017 R&D Investment / Revenues: 7.0%
- 12M 2016 R&D Investment / Revenues: 7.0%



EastPharma Financial Performance (IFRS) – 31.12.2017

EBITDA : (\$, mn)



EBITDA Margin:	24.8%	25.2%	24.3%	26.2%
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➤ EBITDA is USD 55.6mn in 12M 2017 (EBITDA margin of 25.2% vs 24.8% in 12M 2016)

EastPharma Financial Performance (IFRS) – 31.12.2017

EBITDA :

US\$ (000)	<u>12M 2016</u>	<u>12M 2017</u>
Net Profit	18,467	27,822
Investment revenue	(17,116)	(16,325)
Finance cost	33,702	32,322
Tax expense	5,794	2,369
Depreciation	<u>14,905</u>	<u>9,437</u>
EBITDA	55,752	55,625

EastPharma Financial Performance (IFRS) – 31.12.2017

US\$	1 January – 31 December 2016	1 January – 31 December 2017
Revenue	224,916,958	220,429,718
Cost of sales	(122,937,251)	(115,677,214)
Gross profit	101,979,707	104,752,504
<i>Gross profit margin</i>	<i>45%</i>	<i>48%</i>
Operating expenses	(63,173,514)	(63,653,468)
Investment Revenue	17,116,174	16,324,691
Finance Cost (net)	(33,702,210)	(32,321,707)
Other gain and losses	2,041,265	5,089,019
Profit before tax	24,261,422	30,191,039
Tax expense	(5,793,935)	(2,368,581)
Current tax expense	(836,294)	(1,220,540)
Deferred tax expense	(4,957,641)	(1,148,041)
Net profit for the period	18,467,487	27,822,458

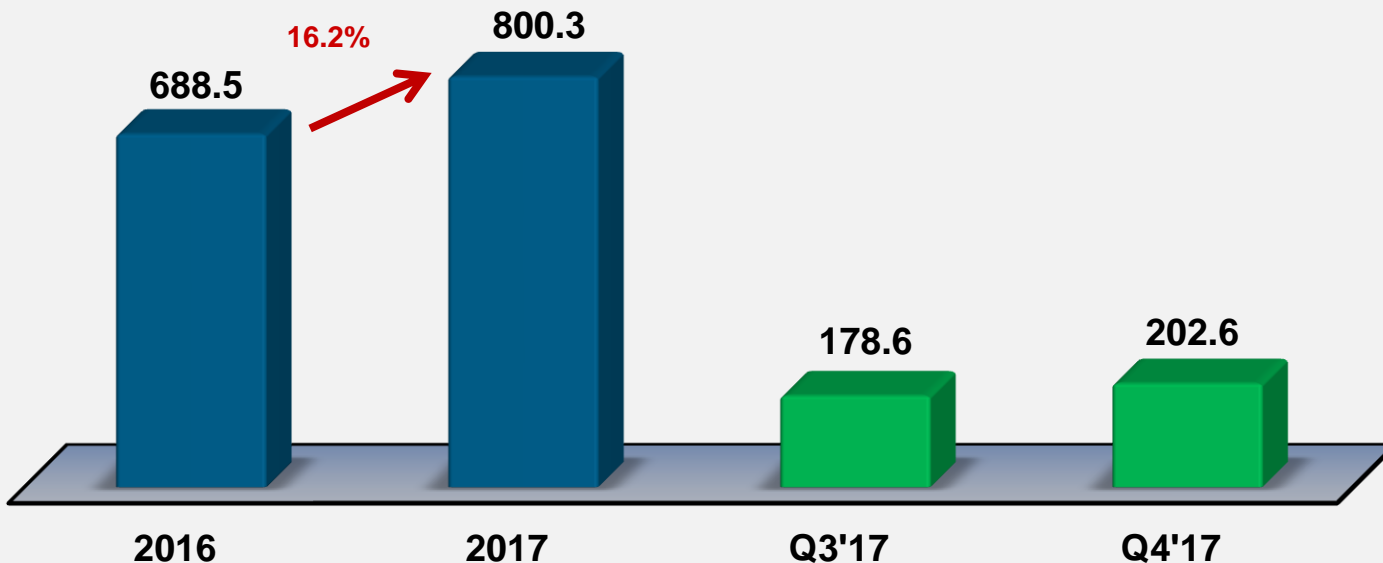
**DEVA Holding Financial Performance
(Capital Markets Board of Turkey - CMB)
31.12.2017**



DEVA Holding Sales Performance (CMB) – 31.12.2017

Revenues : (TRY, mn)

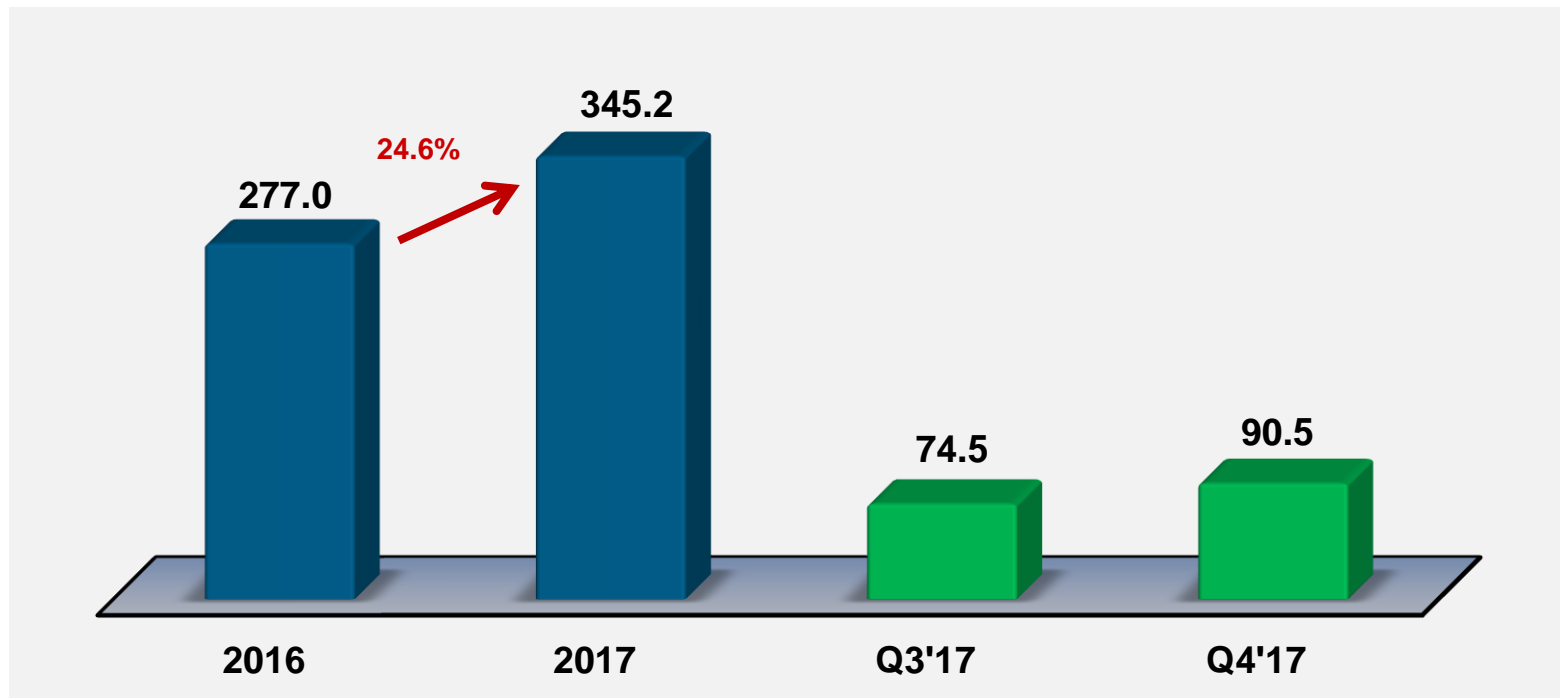
- 16.2% year-on-year increase
- 13.4% quarter-on-quarter increase



DEVA Holding Sales Performance (CMB) – 31.12.2017

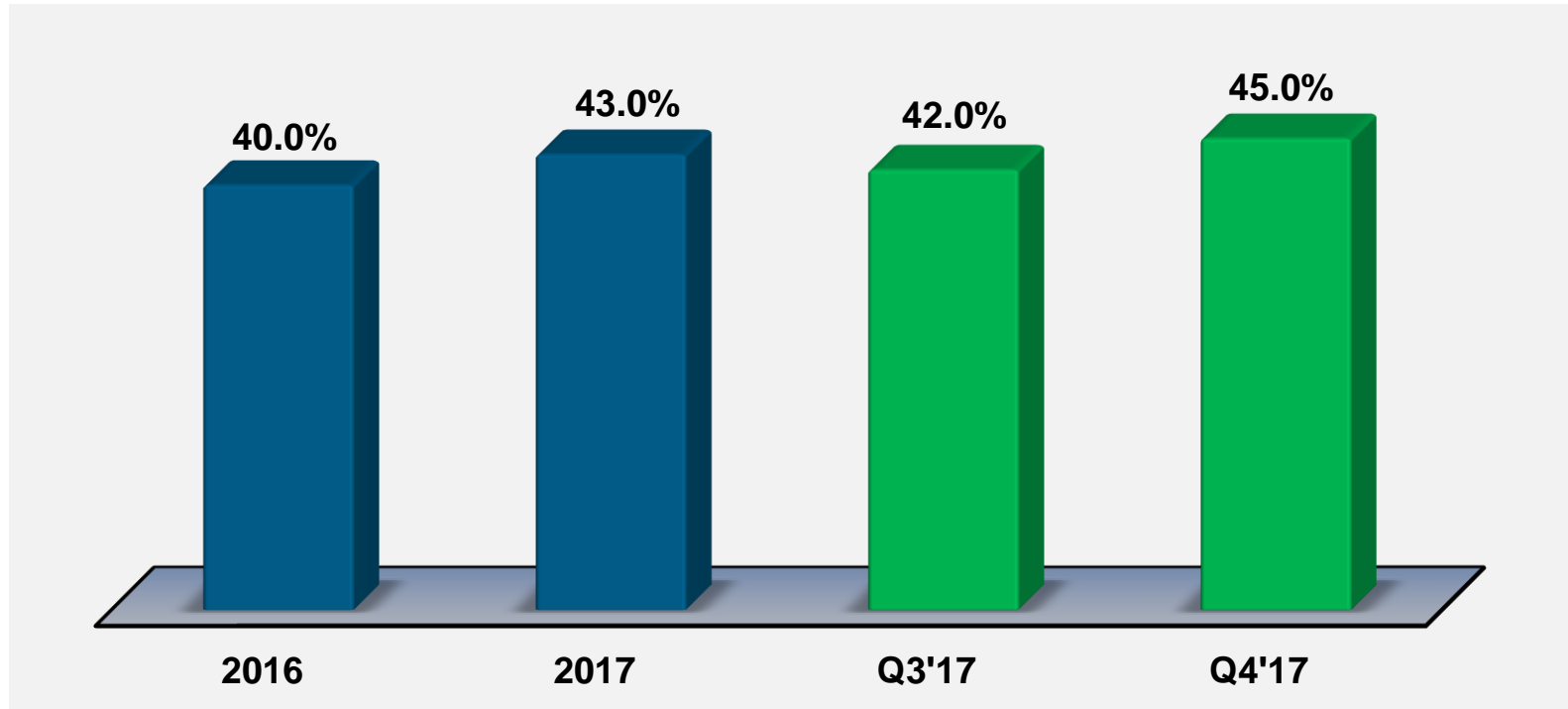
Gross Profit : (TRY, mn)

- 24.6% year-on-year increase
- 21.5% quarter-on-quarter increase



DEVA Holding Sales Performance (CMB) – 31.12.2017

Gross Profit : (TRY, mn)



DEVA Holding Sales Performance (CMB) – 31.12.2017

➤ OPEX Comparision: (\$, 000)

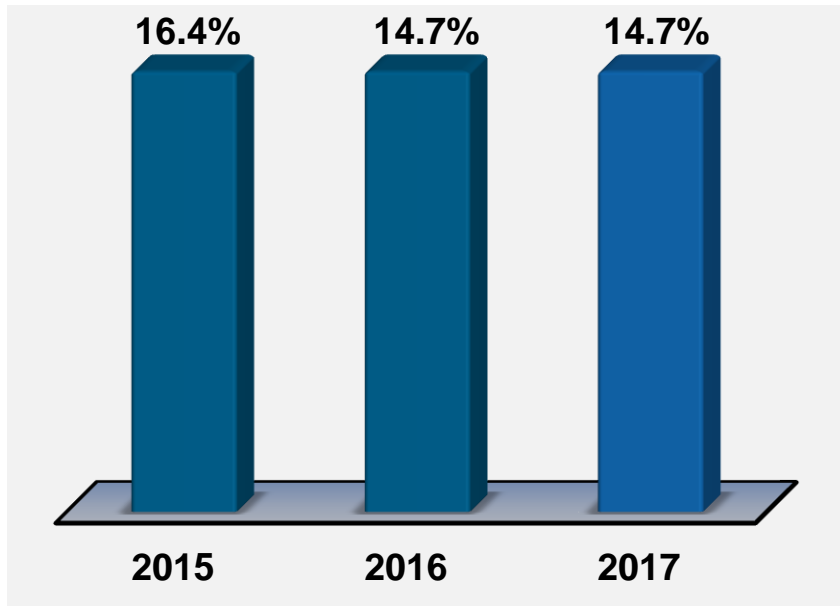
OPERATING EXPENSES

	<u>12M 2016</u>	<u>12M 2017</u>	<u>Change %</u>
S&M EXPENSES	(101,329)	(117,878)	16.3 %
G&A EXPENSES	(54,021)	(68,746)	27.3 %
R&D EXPENSES	<u>(11,962)</u>	<u>(28,831)</u>	<u>141.0 %</u>
	<u>(167,312)</u>	<u>(215,455)</u>	<u>28.8 %</u>

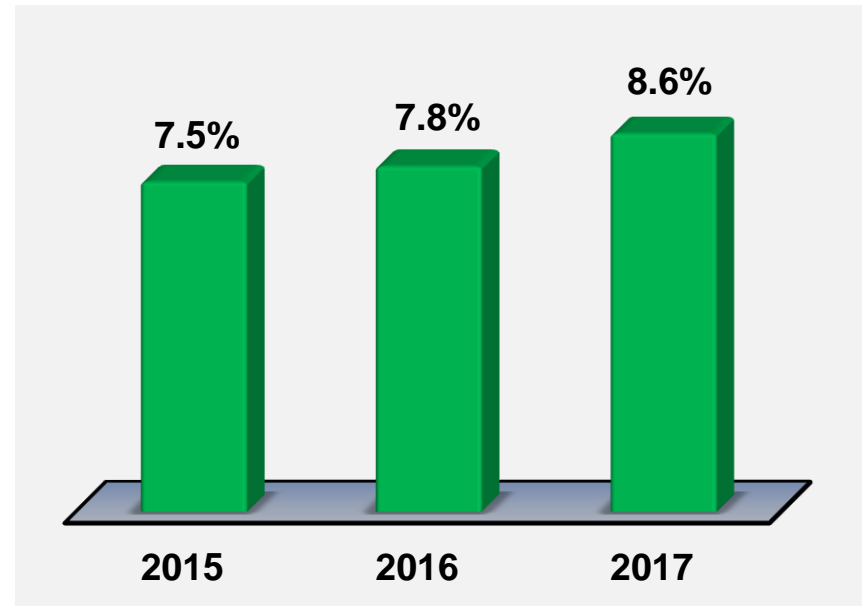
DEVA Holding Sales Performance (CMB) – 31.12.2017

Expense Ratios :

Marketing Expenses:



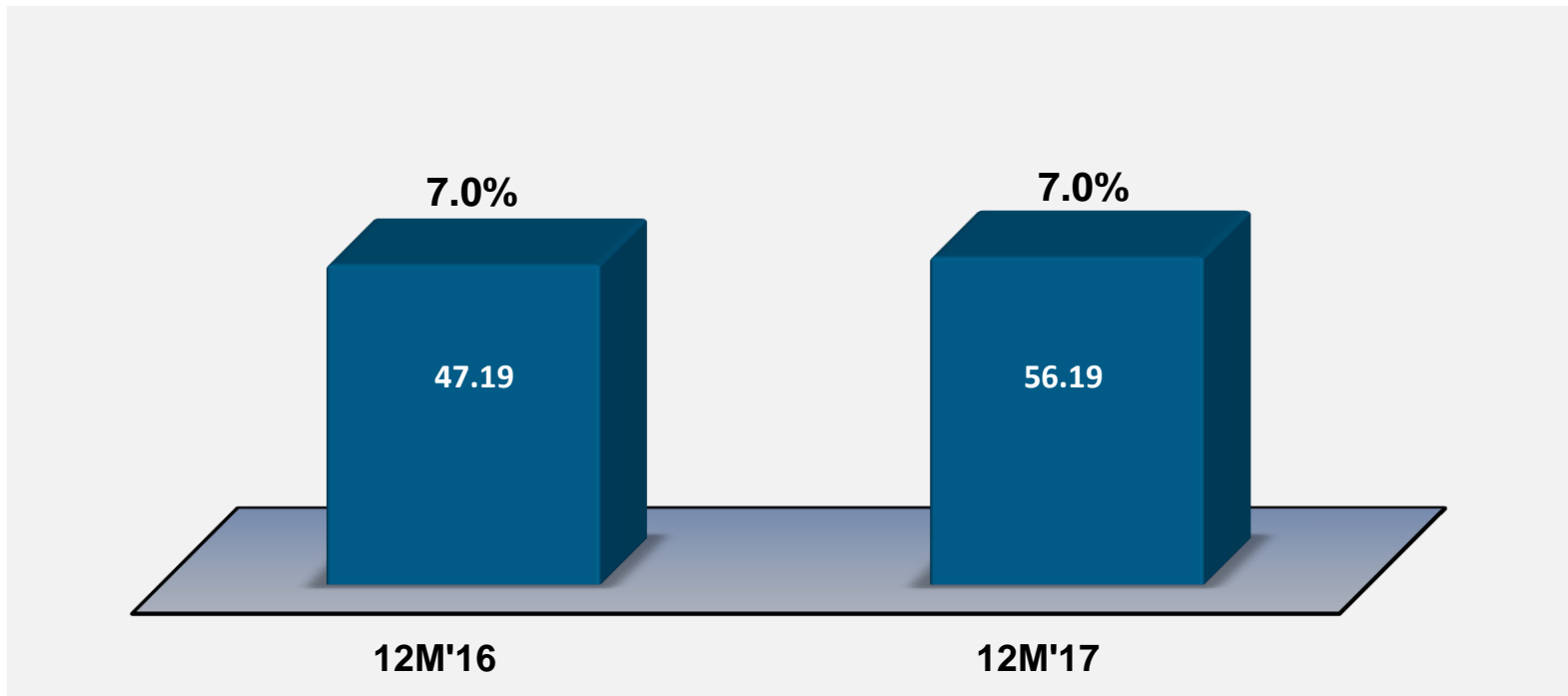
General Administration Expenses:



DEVA Holding Sales Performance (CMB) – 31.12.2017

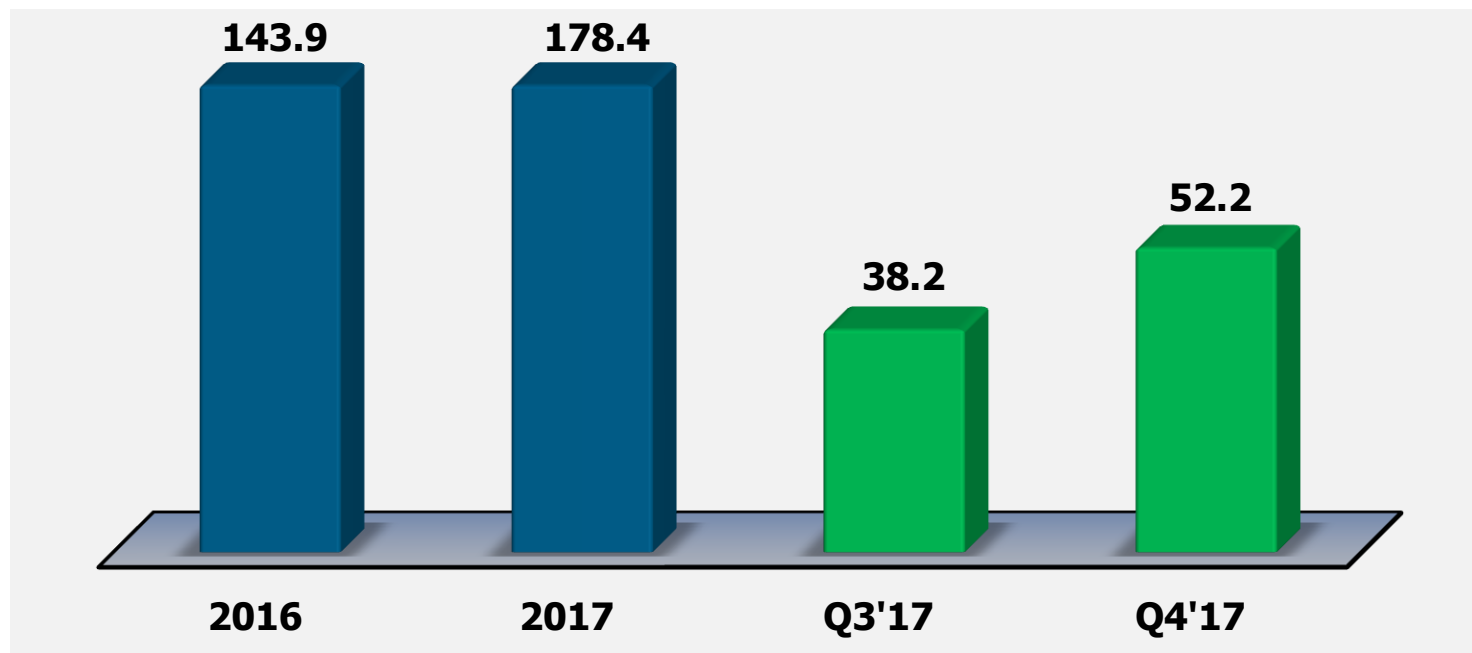
R&D Investments: (\$, mn)

- 12M 2017 R&D Investment / Revenues: 7.0%
- 12M 2016 R&D Investment / Revenues: 7.0%



DEVA Holding Sales Performance (CMB) – 31.12.2017

EBITDA : (TRY, mn)



EBITDA Margin: 20.9%	22.3%	21.4%	22.8%
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➤ EBITDA is TRY 178.4mn in 12M 2017 (EBITDA margin of 22.3% vs 20.9% in 12M 2016)

DEVA Holding Sales Performance (CMB) – 31.12.2017

EBITDA :

TRY (000)	<u>12M 2016</u>	<u>12M 2017</u>	<u>Q3 2017</u>	<u>Q4 2017</u>
Net Profit	60,331	92,543	19,478	32,546
Finance expense / income (adjusted)	44,410	52,982	13,185	11,051
Tax expense	11,645	2,037	(2,573)	(323)
Depreciation	<u>27,470</u>	<u>30,888</u>	<u>8,079</u>	<u>8,890</u>
EBITDA	143,856	178,450	38,169	52,164

DEVA Holding Sales Performance (CMB) – 31.12.2017

DEVA CBM PROFIT & LOSS TABLE

	12M 2016	12M 2017	Q3 2017	Q4 2017
Revenue	688,456,364	800,295,112	178,605,282	202,573,082
Cost of revenue (-)	(411,499,247)	(455,093,332)	(104,147,702)	(112,110,324)
GROSS PROFIT	276,957,117	345,201,780	74,457,580	90.462.758
Marketing, sales and distribution expenses (-)	(101,329,121)	(117,878,135)	(25,750,852)	(33,324,624)
General administration expenses (-)	(54,020,445)	(68,745,707)	(19,057,481)	(14,848,188)
Research and development expenses (-)	(11,962,392)	(28,830,671)	(1,672,862)	(11,491,264)
Other operating income / expenses (-)	12,391,674	15,584,915	3,323,976	8,313,573
OPERATING PROFIT	122,036,833	145,332,182	31,300,361	39,112,255
Income / expense from investing activities	1,710,458	9,441,305	474,710	9,480,235
OPERATING PROFIT BEFORE FINANCE EXPENSE	123,747,291	154,773,487	31,775,071	48,592,490
Finance expense (-)	(51,771,290)	(60,193,739)	(14,870,456)	(16,369,446)
PROFIT BEFORE TAXATION	71,976,001	94,579,748	16,904,615	32,223,044
Tax expense	(11,644,900)	(2,037,073)	2,573,301	322,563
Current tax expense	-	(904,478)	2,542,479	(324,775)
Deferred tax charge	(11,644,900)	(1,132,595)	30,822	647,338
PROFIT FOR THE PERIOD	60,331,101	92,542,675	19,477,916	32,545,607

Q&A session ?



THANK YOU FOR YOUR INTEREST

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