



# Webinar Presentation 1st quarter of 2013

July 2013



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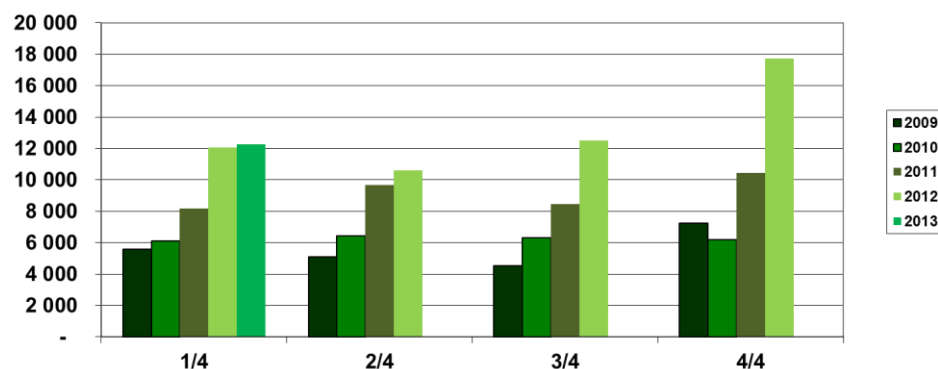
# 1st Quarter

# Sales in 1st Quarter

Record as usual

- Unaudited sales worth 12.6 million lats (18 million euros);
- Highest ever first quarter sales of the company;
- Impact of consolidation 1,7 million lats (2.5 million euros)
- Twice above levels of 2010, 1/3 above levels of 2011.

Sales by Quarters, Thsnd. LVL

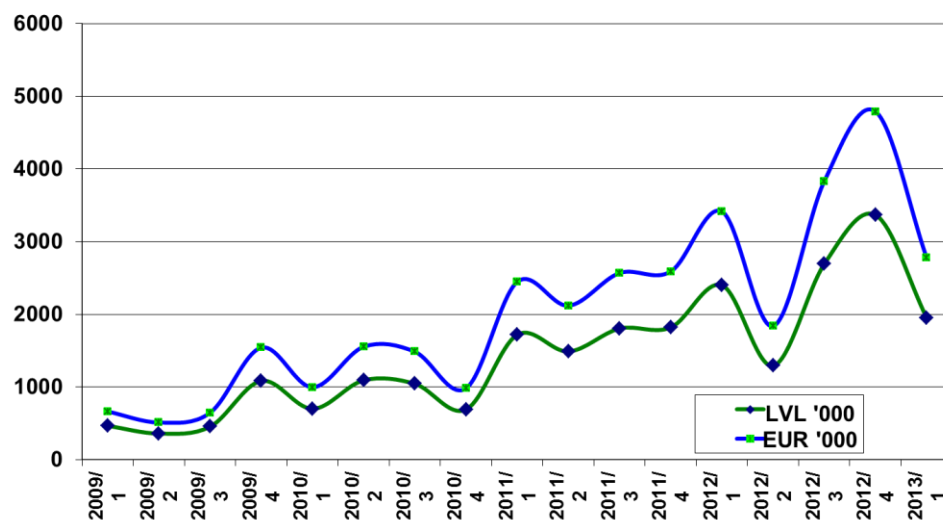


# Profit of 1st Quarter

A small step back

- Preliminary at 2 million lats (2.8 million euros);
- Two months of absence of Ukraine left an impact;
- Almost twice as high as year ago;
- Still, one of the best quarters in corporate history.

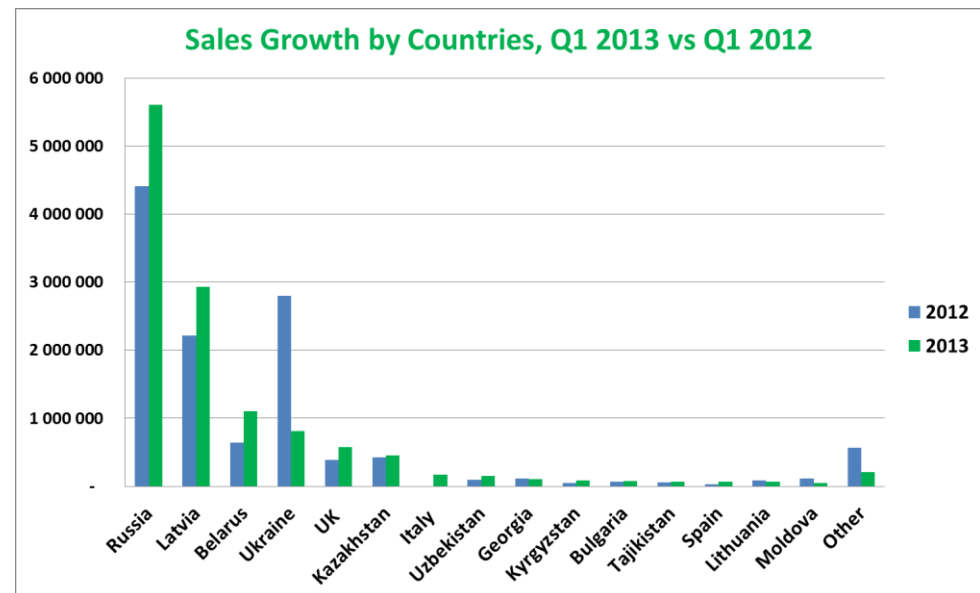
Profit by Quarters



# Growth Drivers: Markets

Leaders perform

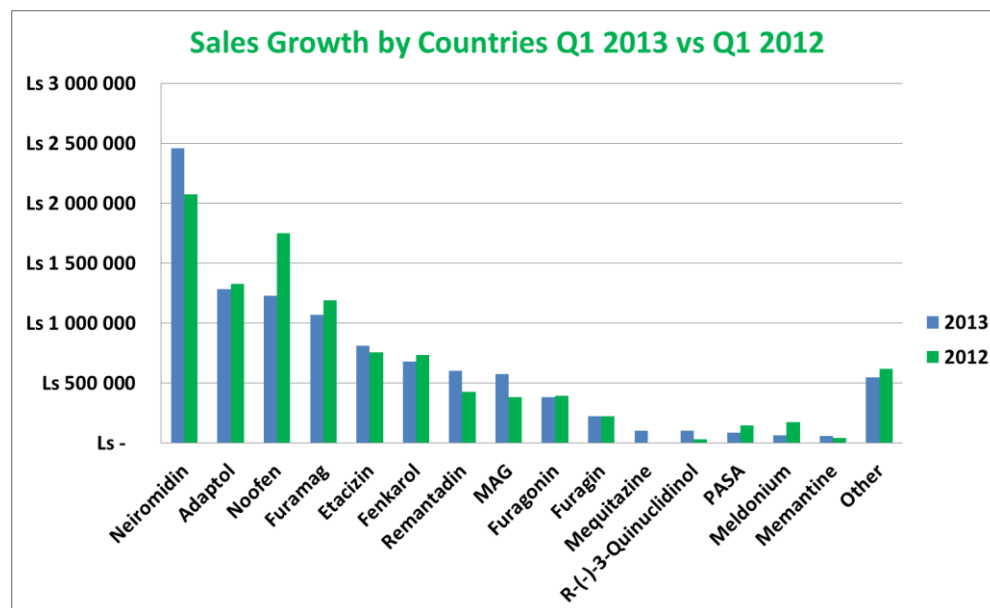
- In Q4 sales were made to 29 countries in 5 continents;
- 11 out of 15 markets were growing;
- No «one ofs»;
- Ukraine shrunk as expected, influencing overall sales and profits.



# Growth Drivers: Products

Ukraine effect obvious

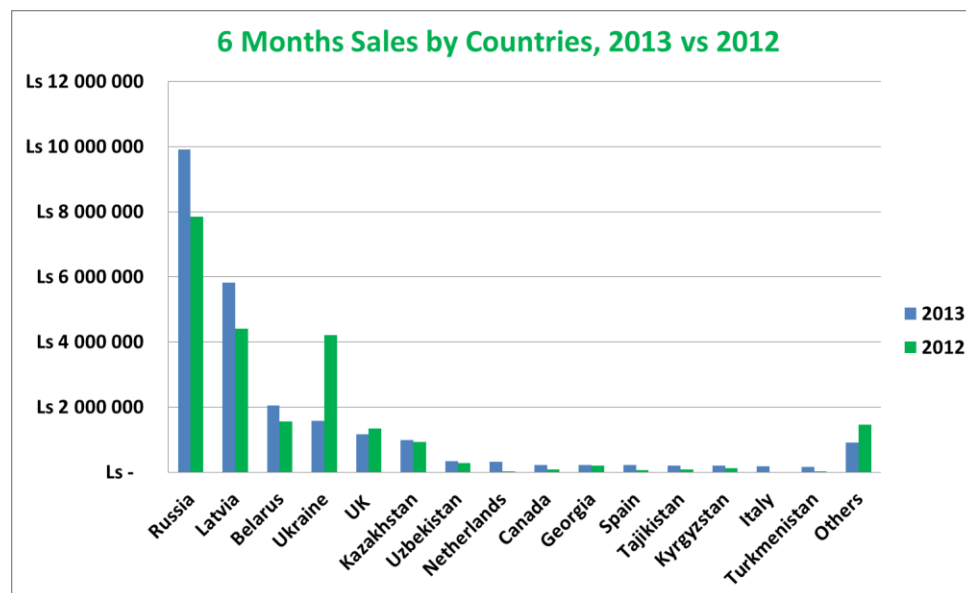
- 7 of 15 are growing;
- Mainly those well sold to Ukraine are falling;
- Mequitazine new on radars;
- Quinuclidinol grew by more than 200%, MAG by 50%, Remantadin by 40%, Memantine by 31%, neiromidin by 19%.



# Sales in 6 Months

Growth behind the schedule

- Consolidated 24.4, unconsolidated 21 million lats;
- Both represent 8% growth;
- Only Ukraine and the UK falling;
- 42% of annual target met, with Ukraine sales absent 4 out of 6 months.





# Silvanols



**silvanols**



# Caring for your health since 1994

- In 1994, the founder of the company, Dr.Chem Ieva Leimane, named the newly established company “Silvanols” after the discovery made by the outstanding Latvian chemist, Augusts Ošiņš in 1930s;
- Leimane developed a unique water-soluble base which served as a foundation for the creation of the first original products by SIA Silvanols in 1995, including OSTEOGELS®, RINO GELS® and TROMBOGELS®;
- The first export market was Estonia, exports started in 2008;
- Since May 2013, the main owner of Silvanols is JSC Olainfarm holding 70,88% of shares, other owners are private individuals, Ieva Leimane, Agris Auce and Sandra Ivanova.



# silvanols




- Professional team of 49 employees;
- Expert in field of cough & cold;
- Unique product portfolio: over 50 products for all ages;
- GMP (Good Manufacturing Practice) certified production unit;
- Silvanols products are available in more than 10 countries around the world;
- ISO certified management system (ISO 9001 & ISO 22000).







# PRODUCTS:

we know - health matters



 Medical Devices;  
 OTC pharmaceuticals;  
 Food Supplements.

 Natural Balsams & Syrups;  
 Sprays;  
 Capsules;  
 Gels.



# MAIN EXPORT PRODUCTS:



we know - health matters

- **Faringo Spray**- fast and efficient in the treatment of sore throats, combination of 3 oils;
- **Laringo Spray**- fast and efficient in eliminating sore throats, also has a local anaesthetic and therefore painkilling effect, based on propolis and calendula tincture;
- **Relaxen** - syrup that promotes emotional balance, after everyday stress, facilitates healthy sleep, stabilises mood;
- **Sinustrong**- syrup, promotes health of the upper respiratory pathways and maintenance of the body's general protection against harmful conditions of external environment;
- **Panasil**- product containing magnesium, potassium and other mineral substances;



# MAIN EXPORT PRODUCTS:




we know - health matters

 **Bronhosil-** a natural syrup for health of respiratory tract;


 **Bronhonie-** natural medicinal herbal syrup for strengthening health of respiratory pathways;



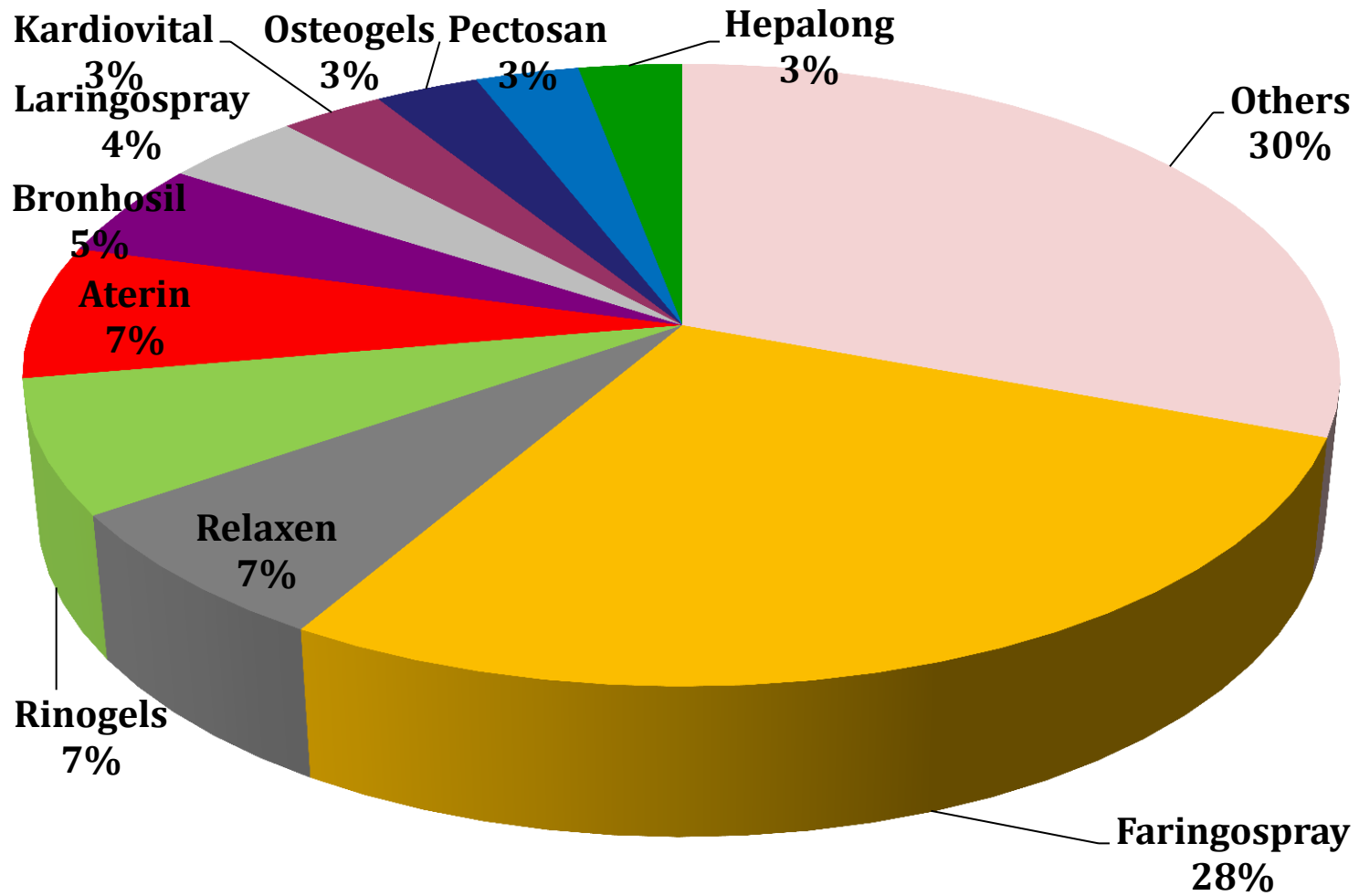
 **Pectosan-** herbal syrup, positively impacts respiratory pathways;



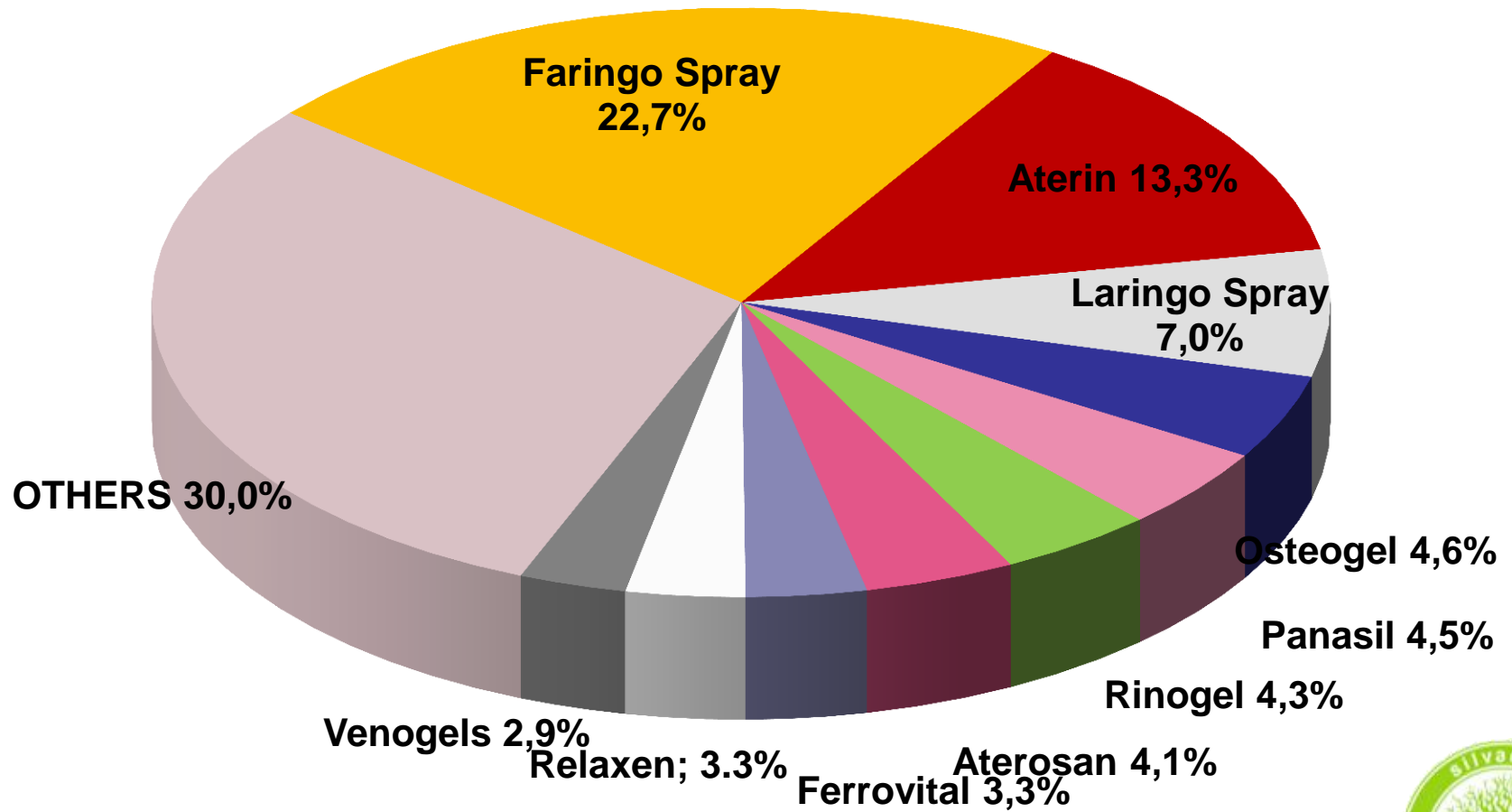
 **Astmosil-** A complex for bronchial and pulmonary health, advisable for smokers;

 **Asterin-** helps maintain a normal level of cholesterol in the blood when taking the recommended daily dose, which provides the body with 10 mg of monacolin.

# Top Domestic Products 2012

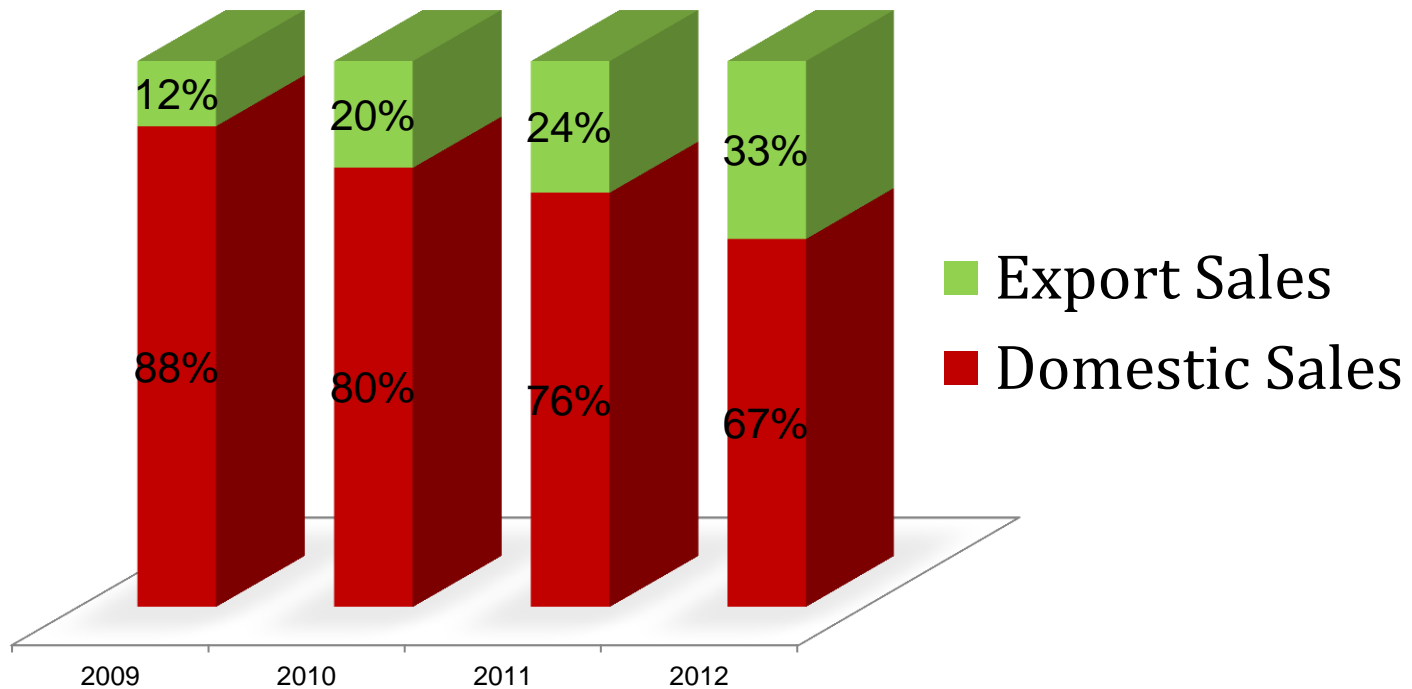


# Top Export Products 2012



# Export vs Domestic Sales

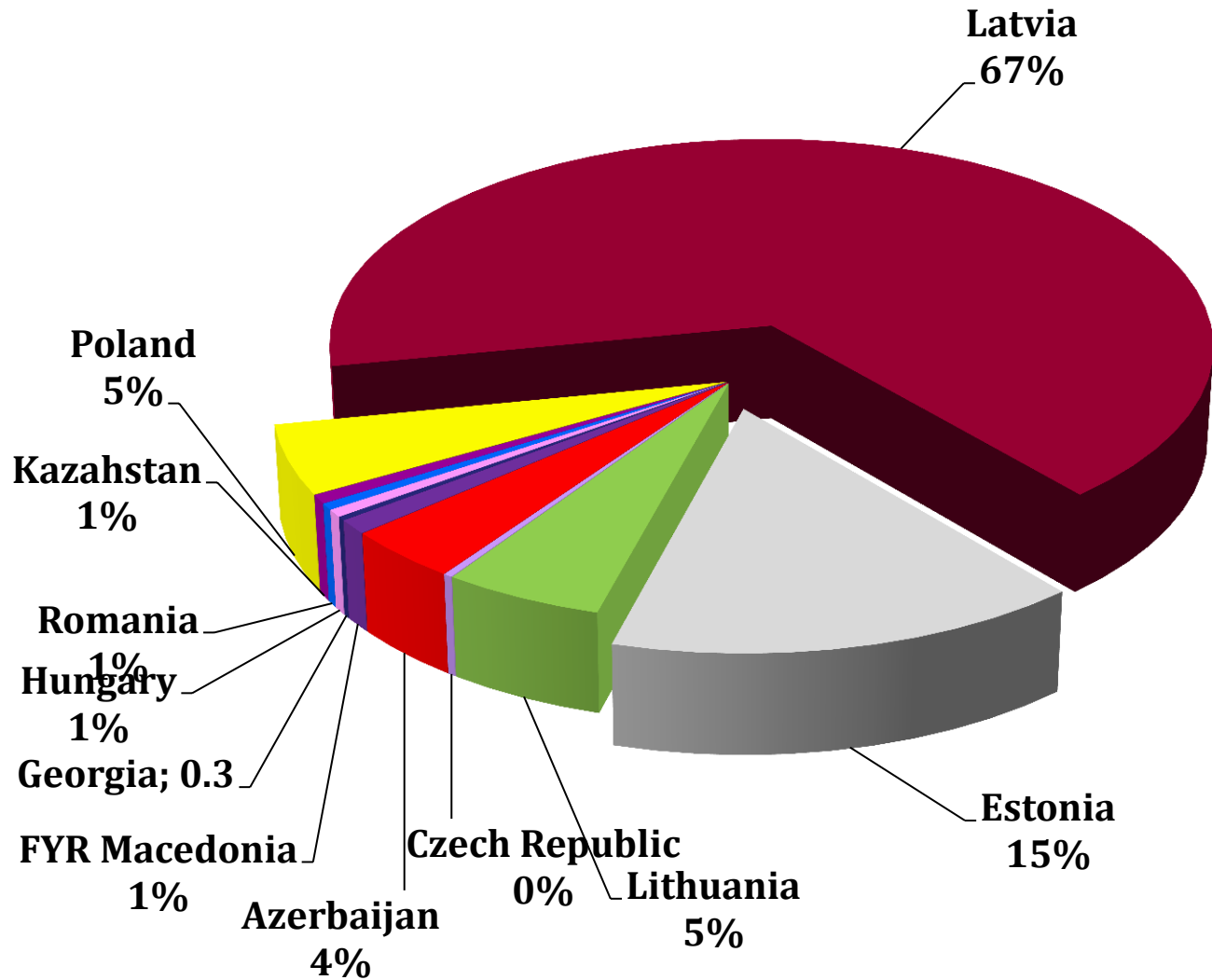
## 2008-2012\*



\* % of Total sales of the year



# Main Markets 2012



# Main Financial Data

## 2009-2012, EUR






	2009	2010	2011	2012
Sales	1 287 457	1 902 469	2 722 214	2 836 107
Domestic	1 133 935	1 531 090	2 066 644	1 912 547
Export	153 522	371 380	655 570	923 559
Net profit	134 719	142 479	318 151	193 222
DA	55 795	60 674	79 981	158 888
IT (incl deffered)	34 059	32 908	31 942	8 943
Assets	498 096	724 588	1 711 555	2 176 658
Equity	281 436	412 656	753 354	945 056
Liabilities	216 661	311 932	958 202	1 231 602

	2009	2010	2011	2012
EBITDA	224 573	236 062	430 074	361 052
EBIT	168 778	175 387	350 093	202 164
ROE	48%	35%	42%	20%
ROA	27%	20%	19%	9%
Net profit Margin	10%	7%	12%	7%
EBITDA Margin	17%	12%	16%	13%



# Management Board



-  **Ieva Leimane**- founder of Silvanols, chemist, PhD
-  **Ugis Kletnieks**- R&D leader, MBA, 30 years in pharmacy and finance business, MD;
-  **Gints Plismanis**- Export Director, 18 years in pharmacy business, MD;
-  **Viesturs Gurtlavs**- Executive Director, 17 years in finance business;
-  **Salvis Lapins**- representative of Olainfarm, finance and pharmacy professional since 1995.



# Future Prospects



Developing markets: China, Austria, Kuwait, Vietnam, Hungary, France, Finland and the CIS





# A Study

# Why are Webinars Helpful?

Experience of OlainFarm

Next day after webinar	Price change	Other days since 09.12.2011	Price change
09.12.2011	-0,20%	375 sessions	104,93%
07.03.2012	3,45%		
08.06.2012	1,02%		
06.09.2012	2,03%		
11.12.2012	-0,57%		
07.03.2013	0,25%		
16.05.2013	-0,80%		
Average	0,74%	Average	0,28%

Conclusion: Webinars help increasing the price for your shares **almost three times faster** than when you do not hold them! (☺)

# Questions and Answers

Are always welcome

- In between webinars, please contact me at:
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  - Cellular: +371 2 6448873 ;
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# Thank you!

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