

NASDAQ: PROC



3Q23 & 9M23 Financial Results



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3Q23 & 9M23 Highlights



3Q23 Results

Strong demand of RX
8% YoY growth in RX
11% YoY growth in OTC

New Products

\$106M in net revenues from **new products** in 9M23
~34% **Renewal rate**
Launches of Ciferol, Dolofen Xtra, Dol B-Vit, Rosuplus

Value Creation Initiatives

Multiple **Value-Creation initiatives** fully implemented, with recurring savings of approximately **\$15 million**

In-House R&D Capabilities Driving Attractive Growth Opportunities

34%
Renewal rate

\$40M

Net revenues launched products in 3Q23

5%

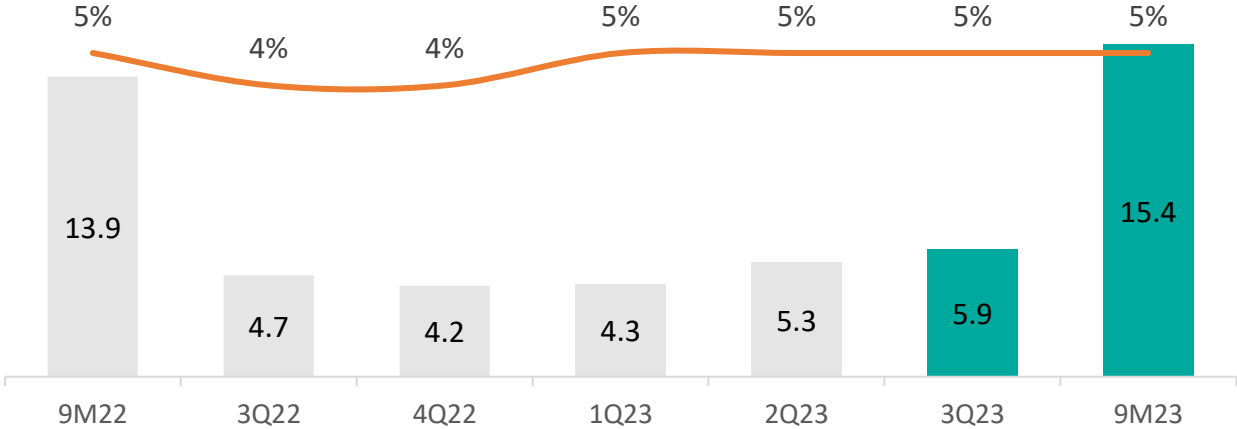
of net revenues invested in R&D



Relevant R&D Expenditure

~5% of Net Revenues invested annually in R&D

R&D Expenses (% of Net Revenues)





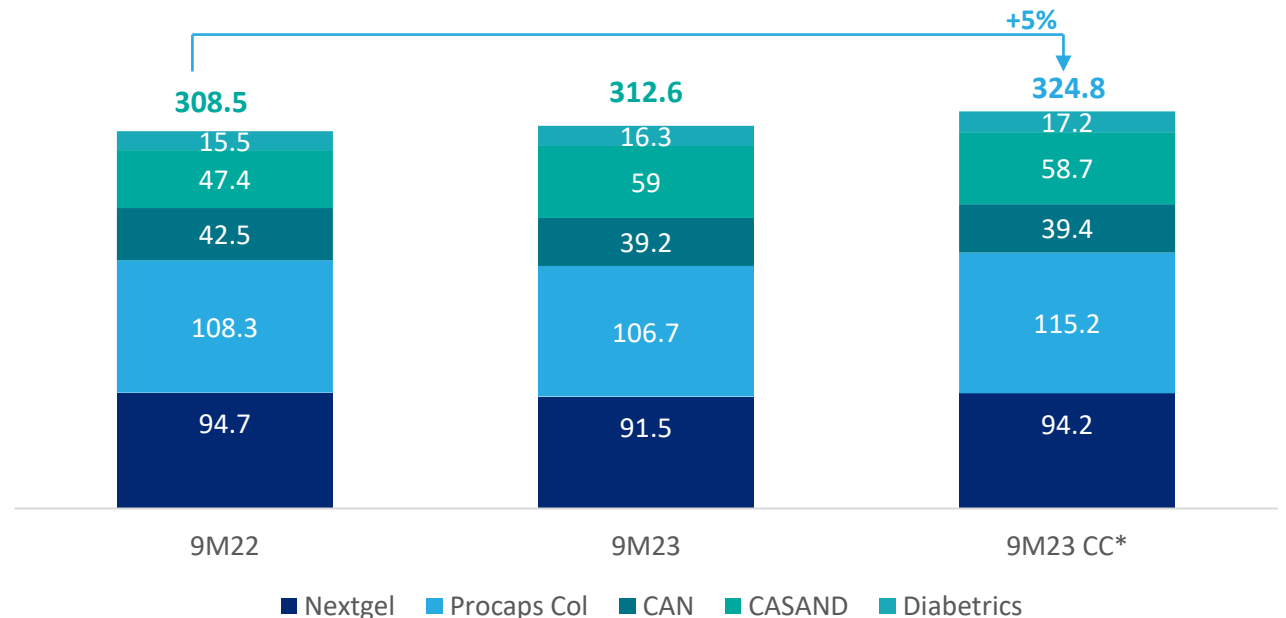
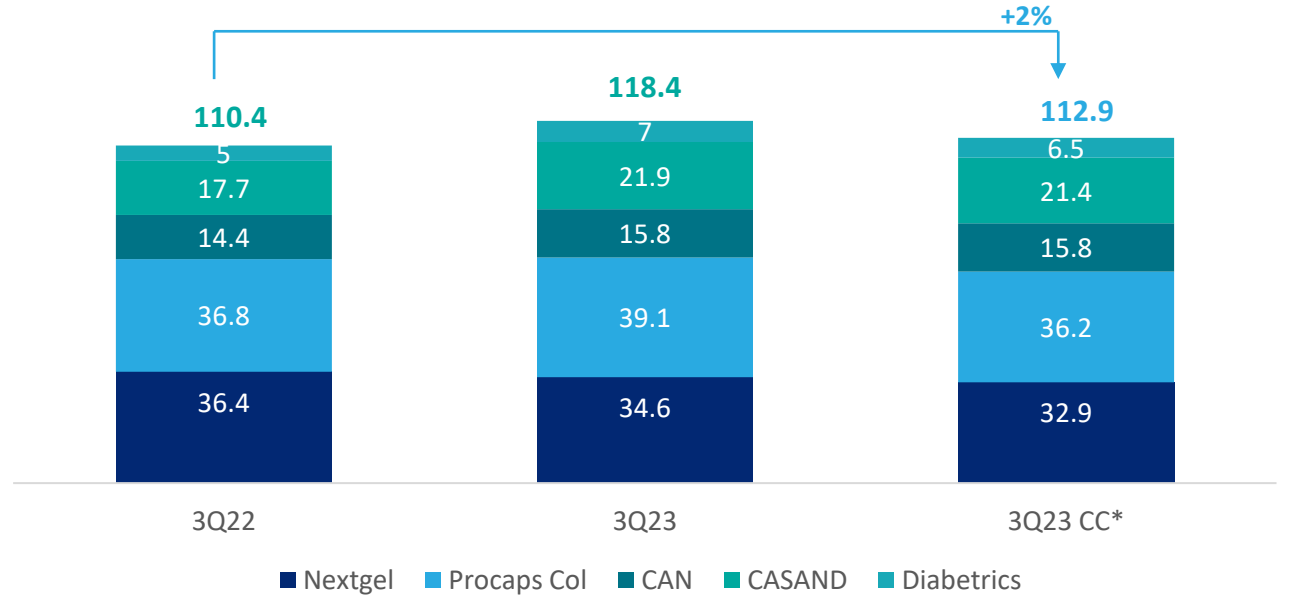
Net Revenue Performance by SBU

Constant currency growth across most business segments



Growth was driven by:

- 3Q23 Net revenues positively impacted by positive performance of Rx, Clinical Specialty and OTC portfolios, offset by:
 - Nextgel CDMO order phasing
 - Rymco ceased operations
- 9M23 Net revenues positively impacted by positive performance of RX and Clinical Specialties portfolios, offset by same comments above
- Procaps Colombia: demand increase of its leading brands and positive rollout of new products
- Nextgel: negatively impacted by phasing of product orders and product development services



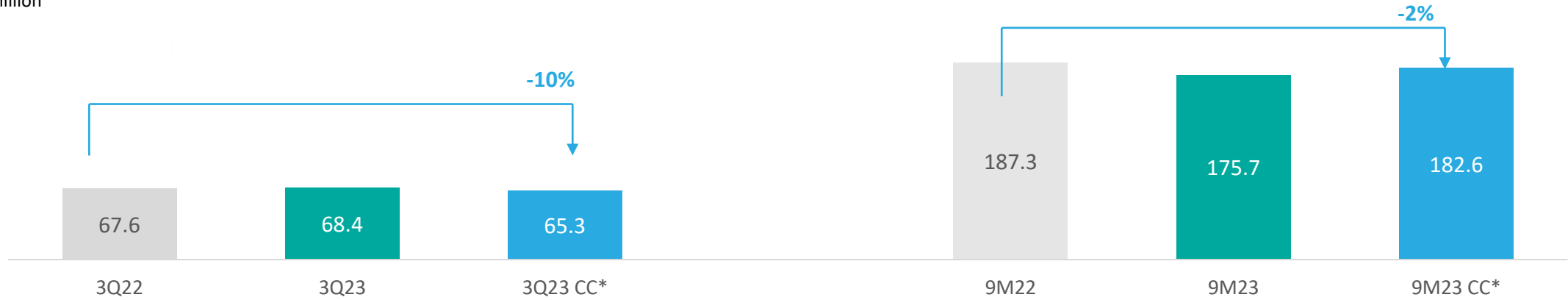


2Q23 & 1H23 Gross Profit & Contribution Margin



Gross Profit

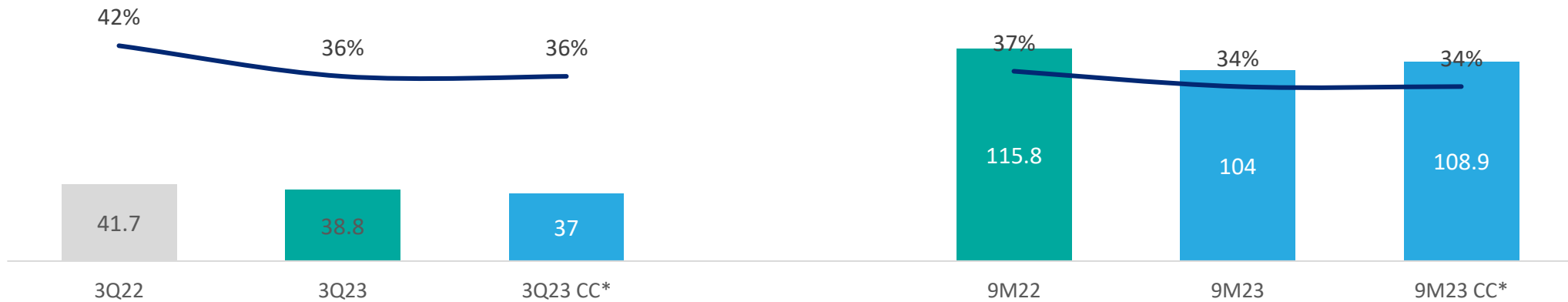
US\$ million



Contribution Margin

US\$ million

Contribution Margin (% of Net Revenues)



* On a constant currency basis



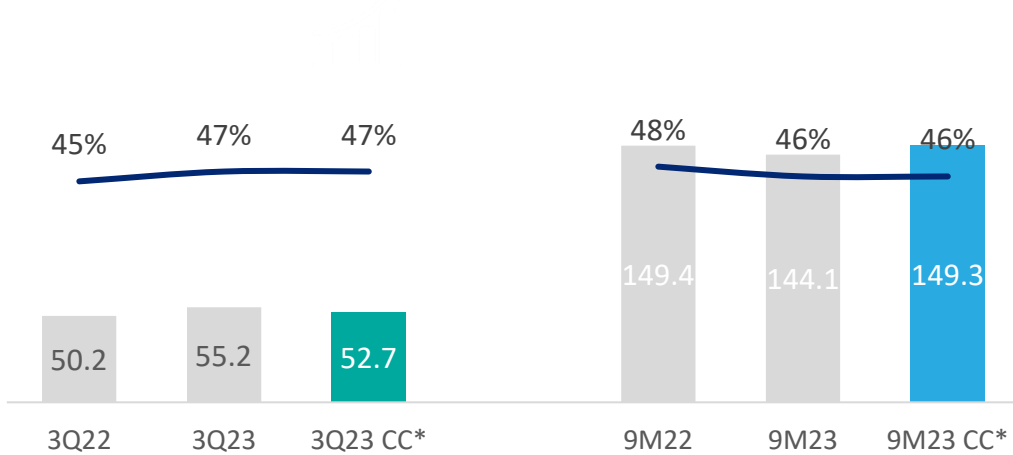
2Q23 & 1H23 Operating Expenses & Adjusted EBITDA



Total SG&A Expenses

SG&A expenses (% of Net Revenues)

US\$ million



Total SG&A OPEX and Adjusted EBITDA

- SG&A expenses positively impacted by the execution of the Value Creation Initiatives implemented from February onwards
- Adjusted EBITDA impacted by effects in gross margin and higher comparison base
- Continuous work on price increases, product mix and containing costs

Adjusted EBITDA

US\$ million



* On a constant currency basis



Balance Sheet & Indebtdeness



US\$ Millions	2022	9M23
Cash and equivalents	43.0	17.6
Trade and other receivables	126.7	143.1
Inventories	96.8	98.2
Other current assets	30.9	39.5
Total current assets	297.4	298.4
Property, plants and equipments	113.0	137.4
Intangible assets	32.2	41.3
Other non-current assets	17.6	21.5
Total non-current assets	162.7	200.2
Total assets	460.2	498.6
Short term debt	257.5	69.2
Hedge	-	3.1
Accounts payable	90.187	89.759
Other current liabilities	20.7	40.8
Total current liabilities	368.4	202.9
Long term debt	28.4	220.7
Warrant liability	10.9	2.9
Shares held in escrow	40.1	23.3
Other non-current liabilities	14.3	10.3
Total non-current liabilities	93.7	257.2
Total liabilities	462.1	460.1
Equity	(1.9)	38.5

Highlights

- **Cash on hand** impacted by working capital and debt service
- **Net leverage** mostly impacted by lower Adjusted EBITDA and decrease in cash

Indebtdeness

USD\$MM	2022	9M23
Short term	257.5	69.2
Long term	28.4	220.7
Gross debt	285.9	289.9
Cash and equivalents	43.0	17.6
Net debt	242.9	272.4
LTM Adj. EBITDA	70.1	61.8
Net debt / Adj, EBITDA	3.5x	4.4x



Reconciliation of Adjusted EBITDA



<i>U\$ million</i>	3Q23	%NR	3Q22	%NR	Δ%
Net Income	8.2	6.9%	22.6	20.5%	-63.7%
Financial expenses	3.0	2.5%	(22.7)	-20.6%	n.a.
Income tax	3.2	2.7%	7.8	7.1%	-58.6%
D&A	5.0	4.2%	4.0	3.6%	24.2%
EBITDA	19.4	16.4%	11.7	10.6%	66.3%
FX translation adjustments ¹	(2.5)		9.0		n.a.
Transaction expenses ²	-		1.3		n.a.
Other expenses ³	5.1		0.9		474.4%
Adjusted EBITDA	22.0	18.6%	22.8	20.7%	-3.7%
<i>Adjusted EBITDA margin</i>	<i>18.6%</i>	<i>18.6%</i>	<i>20.7%</i>		<i>-211.7 bps</i>

<i>U\$ million</i>	9M23	%NR	9M22	%NR	Δ%
Net Income	41.8	13.4%	32.1	10.4%	30.1%
Financial expenses	8.1	2.6%	(18.5)	-6.0%	n.a.
Income tax	16.5	5.3%	11.1	3.6%	48.4%
D&A	13.0	4.2%	12.4	4.0%	5.0%
EBITDA	79.4	25.4%	37.1	12.0%	114.1%
FX translation adjustments ¹	(16.9)		12.2		n.a.
Transaction expenses ²	(19.3)		7.4		n.a.
Other expenses ³	8.1		2.9		174.9%
Adjusted EBITDA	51.3	16.4%	59.6	19.3%	-13.9%
<i>Adjusted EBITDA margin</i>	<i>16.4%</i>		<i>19.3%</i>		<i>-1931.3 bps</i>

(1) Foreign currency translation adjustments represent the reversal of exchange losses we recorded due to foreign currency translation of monetary balances of certain of our subsidiaries from U.S. dollars into the functional currency of those subsidiaries as of September 30, 2023 and 2022.

(2) Transaction expenses for the period ended September 30, 2023 primarily include the one-time settlement with third parties with respect to certain matters in favor of the Company of approximately \$19.3 million. For the period ended September 30, 2022, these expenses primarily include: (i) consulting and legal fees and expenses related to acquisitions and other transactions in the amount of \$0.2 million, (ii) consulting and legal fees and expenses related to operations in the amount of \$0.8 million, (iii) incremental director & officer policy insurance costs incurred of \$0.3 million in connection with the Business Combination.

(3) Other expenses consist of business transformation initiatives implemented during both periods.



Reconciliation of Contribution Margin



	USD\$MM	3Q22	9M22	3Q23	9M23
Nextgel	Net Revenues	36.4	94.7	34.6	91.531
	COGS	(16.8)	(41.7)	(17.7)	(47.8)
	Gross Profit	19.6	53.0	16.857	43.719
	<i>Gross margin %</i>	53.8%	56.0%	48.7%	47.8%
	Sales and marketing expenses	(3.6)	(9.3)	(3.5)	(10.4)
	Contribution margin	16.0	43.7	13.379	33.352
<i>Contribution margin %</i>	43.8%	46.1%	38.7%	36.4%	
Procaps Col	Net Revenues	36.8	108.3	39.1	106.708
	COGS	(16.8)	(48.9)	(19.5)	(55.4)
	Gross Profit	20.1	59.4	19.604	51.272
	<i>Gross margin %</i>	54.4%	54.9%	50.1%	48.0%
	Sales and marketing expenses	(7.4)	(21.948)	(10.6)	(21.920)
	Contribution margin	12.6	37.5	9.02601	29.352
<i>Contribution margin %</i>	34.6%	39.6%	26.1%	27.5%	
CAN	Net Revenues	14.4	42.5	15.8	39.166
	COGS	(5.6)	(15.5)	(4.1)	(11.6)
	Gross Profit	8.8	27.1	11.638	27.585
	<i>Gross margin %</i>	61.2%	63.6%	73.7%	70.4%
	Sales and marketing expenses	(5.6)	(15.5)	(8.8)	(16.2)
	Contribution margin	3.2	11.6	2.793	11.431
<i>Contribution margin %</i>	22.1%	27.2%	17.7%	29.2%	

	USD\$MM	3Q22	9M22	3Q23	9M23
CASAND	Net Revenues	17.7	47.4	21.9	58.962
	COGS	(1.7)	(6.8)	(3.3)	(9.4)
	Gross Profit	16.0	40.6	18.574	49.531
	<i>Gross margin %</i>	90.3%	85.7%	84.7%	84.0%
	Sales and marketing expenses	(7.9)	(20.7)	(5.2)	(19.5)
	Contribution margin	8.1	19.9	13.326	29.996
<i>Contribution margin %</i>	45.5%	42.0%	60.8%	50.9%	
Diabetrics	Net Revenues	5.0	15.5	7.0	16.262
	COGS	(1.9)	(8.3)	(5.3)	(12.7)
	Gross Profit	3.1	7.3	1.729	3.545
	<i>Gross margin %</i>	61.8%	46.8%	24.7%	21.8%
	Sales and marketing expenses	(1.2)	(4.1)	(1.4)	(3.7)
	Contribution margin	1.857	3.196	0.318	(0.114)
<i>Contribution margin %</i>	37.3%	20.6%	4.5%	-0.7%	
Total	Net Revenues	110.4	308.5	118.4	312.629
	COGS	(42.8)	(121.1)	(50.0)	(137.0)
	Gross Profit	67.6	187.3	68.403	175.653
	<i>Gross margin %</i>	61.2%	60.7%	57.8%	56.2%
	Sales and marketing expenses	(25.9)	(71.7)	(29.4)	(71.6)
	Contribution margin	41.7	115.6	38.962	104.045
<i>Contribution margin %</i>	38%	37%	32.9%	33.3%	



Use of Constant Currency



As exchange rates are an important factor in understanding period-to-period comparisons, we believe the presentation of certain financial metrics and results on a constant currency basis in addition to the IFRS reported results helps improve investors' ability to understand our operating results and evaluate our performance in comparison to prior periods. Constant currency information is non-IFRS financial information that compares results between periods as if exchange rates had remained constant period-over-period. We use results on a constant currency basis as one measure to evaluate our performance. We currently present net revenue on a constant currency basis. We calculate constant currency by calculating three month-end period for the three months and six months ended June 30, 2023 using prior-period (three months and six months ended June 30, 2022) foreign currency exchange rates. The functional foreign currencies for the primary regional markets where we operate, such as the Colombian Peso and the Brazilian Real, were adjusted on a constant currency basis at the exchange rates of COP\$3,914.46 per U.S. \$1.00 and R\$5.0782 per U.S. \$1.00, for the three months and six months ended June 30, 2022. We generally refer to such amounts calculated on a constant currency basis as excluding the impact of foreign exchange. These results should be considered in addition to, not as a substitute for, results reported in accordance with IFRS. Results on a constant currency basis, as we present them, may not be comparable to similarly titled measures used by other companies and are not measures of performance presented in accordance with IFRS.



Thank you

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