



Fast-growing CDMO
developing high-margin
ophthalmic product pipeline for
Canadian & USA markets

INVESTOR PRESENTATION

June 28, 2024

Forward-Looking Statements & Non-GAAP Measures



This presentation may contain forward-looking statements within the meaning of applicable Canadian securities legislation. These forward-looking statements include, among others, statements with respect to our objectives, goals and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may", "will", "could", "should", "would", "suspect", "outlook", "believe", "plan", "anticipate", "estimate", "expect", "intend", "forecast", "objective" and "continue" (or the negative thereof), and words and expressions of similar import, are intended to identify forward-looking statements.

Any such statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected in these forward-looking statements. For more information on the risk factors related to these forward-looking statements, please refer to the ongoing quarterly filings of LSL Pharma Group Inc. available on SEDAR+ at www.sedarplus.ca.

Forward-looking statements speak only as of the date of such information, as the case may be, and may be superseded by subsequent events. LSL Pharma Group Inc. does not intend, and does not assume any obligation, to update these forward-looking statements whether as a result of information, future events or otherwise.

This presentation refers to EBITDA, adjusted EBITDA, EBITDA margin, adjusted EBITDA margin, and adjusted gross margin, which are non IFRS financial measures. Please refer to "Non-IFRS financial measures" and "Reconciliation of Adjusted EBITDA" sections in the Management's Discussion and Analysis for the year ended December 31, 2023 and 2022 and for the six-month period ended March 31, 2024 and 2023

Who we are

- Fast Growing CDMO with **strong proprietary Ophthalmic product pipeline**
- Listed on TSXV in March 2023 (RTO)
- **+\$24M** raised over last 16 months to strengthen Balance Sheet and Fund Growth Capex
- CDMO segment provides short-term **M&A opportunity**
- Revenue growth to drive **profitability** in early 2024



3 Manufacturing Plants Stable Revenue & Significant Growth Opportunity



CDMO / Solid dosage Manufacturing Plant



- Founded in 1997 / **Acquired in 2017**
- Manufacturing Solid dosage form (tablets, capsules, powder)
- Private label customers and CDMO for **Canadian / US** generic players
- Recent site expansion offers **300%+** excess capacity

CDMO / Solid, liquid and powder dosage Manufacturing Plant



- Founded in 1994 / **Acquired in June 2024**
- Manufacturing and commercialization liquid and solid dosage form (blisters, encapsulation, sachet & jar filling)
- Private label customers, CDMO and direct sales

Sterile Ophthalmic Manufacturing Plant



- Founded in 1988 / **Acquired in 2020**
- Development / manufacturing / commercialization of sterile eye-care products (ointments and drops)
- **6 products launches expected over next 3 years for Canada & US**
- **1 US/FDA approval expected for Q4 2024**

CDMO Business

*Leveraging newly created capacity and
M&A to boost profitability*



LSL
LABORATOIRE INC.



V
VIRAGE SANTÉ INC.

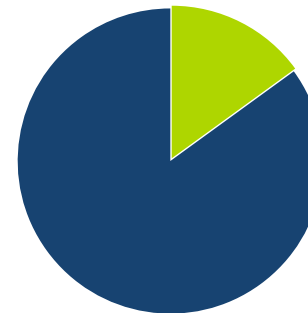
LSL Laboratory - Solid dosage CDMO



- CDMO & private labels for 25+ years
- Expertise in formulation and development of delayed-release tablets and complex coatings
- Strong sales distribution in Qc, with expansion potential for ROC & US
- Projecting **35%+** revenue CAGR next 5 years



Revenue Segmentation



- 85% CDMO
- 15% Private label

2024 + Growth Drivers

- ➔ Relocation in a new 22,000 sq.ft. plant completed in Q4 2023 (**↑300%** capacity)
- ➔ New Capex: broaden service offering / leverage capacity
- ➔ New services to help consolidate client relationships



Virage Santé

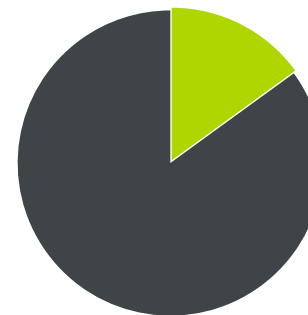
Solid, liquid, powder & capsule forms CDMO



- CDMO & private labels for 30 years
- Modern equipment for manufacturing and packaging nutraceutical products: sachets, capsules, loose powders, blisters, liquids
- Strong sales distribution in Qc, with expansion potential for ROC & US



Revenue Segmentation



- 80% CDMO
- 20% Private label



2024 + Growth Drivers

- At present, the company is operating at 60% of its capacity based on the current book of order
- Veterinary products for CDMO clients
- Synergy with LSL Laboratory = cost savings

Sterile Ophthalmic Operations

Developing High-Margin First-to-market Eye-care generic products PIPELINE



Steri-Med

Sterile manufacturing of ophthalmic products

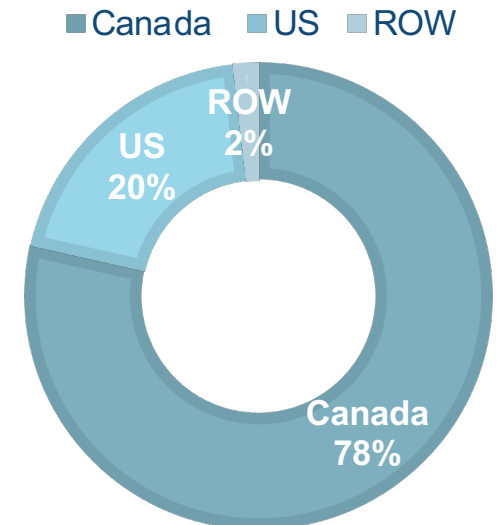


- Unique Sterile Manufacturing Capabilities
- **35+** years of expertise in the development and manufacturing of sterile ophthalmic products
- **Health Canada certified**
- **US-FDA certification (in progress)**
- High-demand, high-margin products with strong domestic, USA and international demand

2024 + Growth Drivers

- New Capex: broaden service offering and increase capacity (**↑200%**)
- US Partnership: help capture significant US opportunities
- R&D capabilities: for CAD / US / EU co-development
- New manufacturing line : planned for 2025 (**↑400%**)

Revenue Split FY-24



Ophthalmic pipeline High-Margin / High-Volume Products



Products	Type	Market	Status	Target Launch			FY-28 target Revenues	# Players
				FY-24	FY-25	FY-26		
Erythromycin	Rx	Canada	Approved		Marketed		4-6	LSL + 1 player
Sterisporin	OTC	Canada	Approved		Marketed		3-5	LSL alone
Avaclyr	RX	USA (Fera)	Filed FDA	☑			2-4	no generic
SMO-01	OTC	Canada	Approved		☑		2-3	no generic
SMO-02	OTC	USA /Canada	pre-filing		☑		4-6	no generic
SMO-03	OTC	Canada	pre-filing		☑		2-3	no generic
SMO-04	Rx	USA /Canada	pre-filing			☑	10-12	no generic
SMO-05	Rx	USA /Canada	pre-filing			☑	4-6	no generic
Others (6)	OTC	Canada	DIN		☑	☑	5-8	no generic
							\$36-53M	

- **6 product launches planned over next 3 years**
- **Targeting annual revenues of \$30-45M by FY-28**

Aggregate Market
Size CAD/US
\$250-300M

Developing First-to-Market Ophthalmic Generic Products



- Growing lucrative niche market
- **60+** off-patent Ointments / Eye drops products face NO / limited generic competition in Canada / US / Europe
- Innovator: Lack of competition / maximum pricing
- **Steri-Med** has the expertise and capabilities to develop sterile eye-care products
- **Steri-Med** to leverage existing relationships with Canadian retailers and US Partnership with **Fera**

Favorable economics vs Brands

- ➔ Established market allows for rapid market share gains
- ➔ Expecting limited price erosion due to limited competition
- ➔ Limited sales force and launch costs
- ➔ \$500k avg. development cost per product

US Partnership with Fera Pharmaceuticals to drive Short & Long-term Benefits



- USA Based Specialty Pharma focused on high-margin Ophthalmology products
- Majority owned / controlled by Frank J. DellaFera (US Pharma Veteran - former President & CEO of **Sandoz USA** (world's largest generic pharma))
- Agreement for Co-development / Co-marketing of first-to-market generic ophthalmic products
- Partnership to represent **20%+** of Steri-Med's revenues in 2024 (**100%** increase vs 2023)
 - ➔ **One** product sold (temporary approval from FDA due to major shortage)
 - ➔ Awaiting FDA approval on **2nd** product by Q4 2024
 - ➔ Expecting 3-5 more product launches by end of FY-27

2023 Corporate & Financial Highlights



- Listed on the TSXV in March 2023
- Revenues of \$10M compared to \$8.2M in 2022
- Temporary approval by the FDA to supply US hospitals with Steri-Med product
- Gross profit of \$1.6M compared to a loss of \$2.2M in 2022
- Adjusted EBITDA (L) of \$0.6M compared to \$1.5M in 2022
- Relocation of the LSL operations to a new 22,000 sq. ft. plant
- 1st new product filed with the US-FDA for approval expected in Q4-2024

2024 Corporate & Financial Highlights (to date)



- **Record revenues** of \$4.2M compared to \$2.0M in 2022 (up 106%)
- **Record gross margin** of \$1.1M compared to \$0.4M in 2022
- EBITDA of \$0.5M compared to a loss of \$4.7M in 2022
- Closing in March & April \$10,2M non-brokered private placements
- New capex added to leverage capacity at LSL & Steri-Med
- Non-brokered private placement of \$1,5M closed on June 27, 2024
- Final tranche to close in July including debt conversion

Corporate Priorities

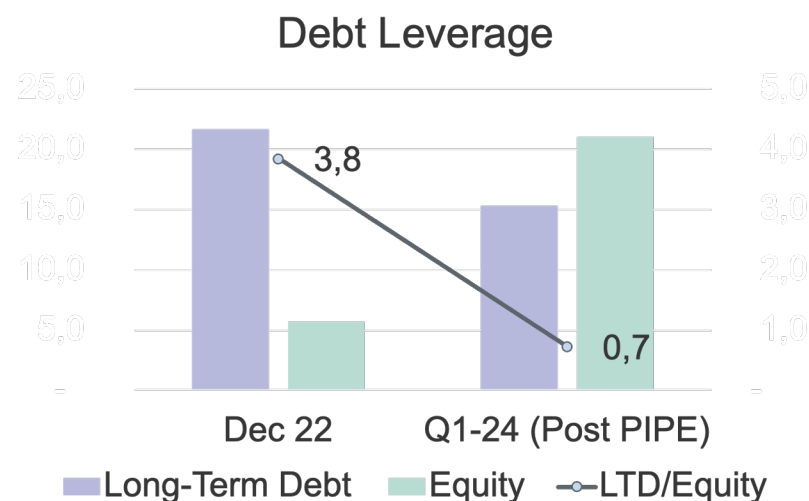
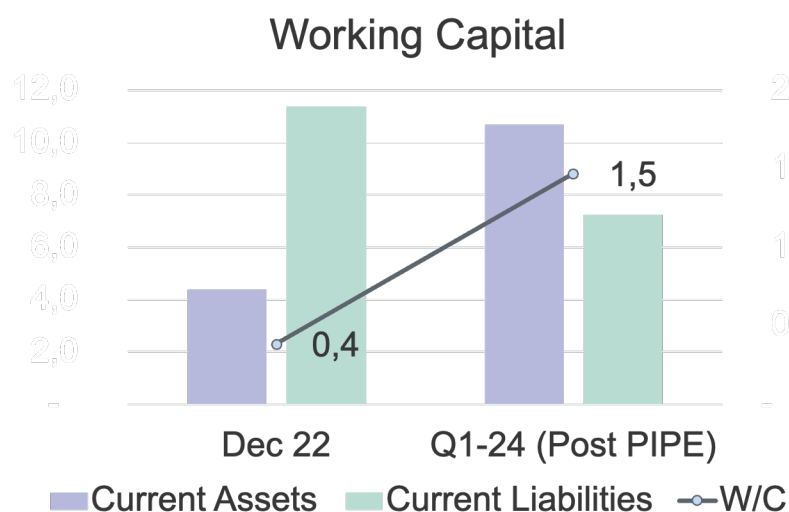
→ Fixing Balance Sheet

→ Profitability

→ Sustainable Growth



Fixing the Balance Sheet

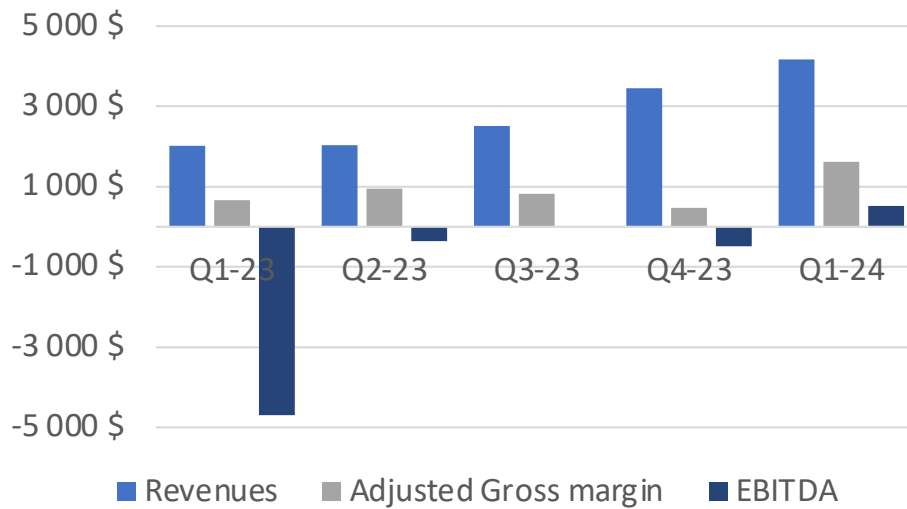


- Improved Financial performance and fund raising has transformed our Financial metrics
- \$24M raised since December 2022 including \$3,7M of Debt conversion

Growth and profitability for FY-24



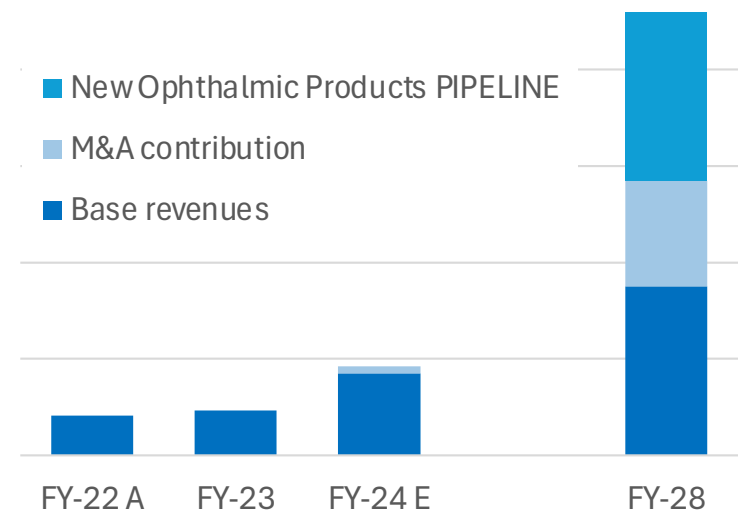
Quarterly Performance 2023-24



- Sequential improvement since RTO
- Leveraging capacity will drive profitability early 2024

Revenue projections

(for illustration purposes)



- New CAPEX to boost organic growth
- M&A could contribute ~40% of top line in 5 years

Growth Strategy

1. CDMO Business

- Organic growth / leveraging capacity
- Leverage existing client relationship to offer expanded product offering
- **M&A opportunities will provide scale, leverage infrastructure and create significant synergies**

2. Ophthalmic Manufacturing Business

- Take full advantage of existing plan capabilities
- Development pipeline of **first-to-market** generic eye-care products
- Leverage **FERA** Partnership for existing and new products for the US market

Focusing on strategic and profitable M&A opportunities

Developing ophthalmic products for the Canadian, USA & Int'l Markets

Continue to develop the client base (new clients & products)



2024 Corporate Objectives



1. Raise Equity to strengthen the balance sheet & fund the growth
2. Strengthen the Board of Directors and management team
3. Secure the US-FDA certification for Steri-Med plant
4. Advance ophthalmic R&D product pipeline
5. Continue revenues growth and increasing profitability
6. Complete and integrate acquisition

Management Team



François Roberge - President & CEO

- CPA with 30+ years of experience in finance and M&A in pharmaceutical and other businesses
- Previously EVP & CFO at Jamp Pharma for 8 years
- Experienced leader with expertise in manufacturing and marketing of pharmaceutical products



Francis Chenard, Senior VP and COO

- 25+ years of experience in business development and research and development in the pharmaceutical, natural health products and food sectors
- Joined LSL in January 2022.
- Previously – 28 years with Pharmedlab.



Nathalie Toutant – VP Scientific Affairs

- 30+ years of experience in the pharmaceutical industry
- Previously Head of the Department of Scientific Affairs for Jamp Pharma, responsible for identifying opportunities (products and partners), strategic planning and the development of generic products



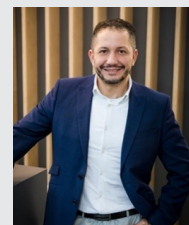
Luc Mainville – EVP, CFO (since Dec. 23)

- 30+ years of experience in Capital Markets, primarily in the Life Science sector. Raised >\$500M, involved in 5 IPO/RTO
- Previously SVP CFO Valeo Pharma, Interim CEO Acerus Pharma, CEO Neopharm Labs, CEO LAB Research
- ex-Partner/SVP KPMG Corporate Finance



Sylvie Laplante – Corporate Quality Director

- 25+ years of experience in the pharmaceutical and food industry, mainly in development and commercial production
- Expertise in quality and cGMP compliance, GMP manufacturing, implementation or improvement of quality and compliance systems, compliance audits and regulatory inspections (FDA, WHO, EMEA, Health Canada)



Sofiane Attal – Plant & Operations Director

- 12 years of experience in production management in the pharmaceutical industry
- Previously worked for Biopharm and the multinational GlaxoSmithKline, holding positions as production manager, continuous improvement and corporate culture leader

Board of Directors



François Roberge – Chairman, President & CEO ^{1,2}

- CPA with 30+ years of experience in finance, M&A in pharmaceutical and other businesses
- Previously EVP & CFO at Jamp Pharma for 8 years
- Experienced leader with expertise in manufacturing and marketing of pharmaceutical products

Frank J. DellaFera – Director

- Founder, President and CEO of Fera Pharmaceuticals, a US based specialty pharmaceutical company focused in eyecare
- Previously CEO and President of Sandoz US, one of the world's largest and most successful generic pharmaceutical companies

Pierre B. Lafrenière – Director ²

- Managing partner and EVP at Oaklins E. Canada
- Has been involved with companies such as Domtar, Rio Tinto Alcan, Lassonde Group, Airex Energy, Bombardier and Bell Helicopter, and has been part of the creation of several investment funds, such as Teralys Capital and Cycle Capital

Mario Paradis ¹

- Actually Interim CFO of EXFO Inc.
- He was Vice President and Chief Financial Officer of Neptune Wellness Solutions from 2015 to 2020. Prior to 2015, he was Vice President and Chief Financial Officer at Atrium Innovations.

Joe Soccodato ¹

- Mr. Soccodato is a Certified Public Accountant
- He is currently the Chief Financial Officer of Jacent, the industry leader in strategic impulse merchandising solutions in US & Canada
- He has 30 years of experience in managing and improving international companies and also worked for some of the world's largest accounting firms

Stuart W. Fowler

- Mr. Fowler received a Bachelor of Arts with Specialization in International Relations, majoring in Economics and Political Science
- He has over 25 years of experience in the Health Sciences space in North America.
- Previously President and General Manager of Allergan Canada (AbbVie) from 2010 to 2015. He is also past-President and General Manager for Alcon Canada from 2016 - 2020

Diane Beaudry ¹

- Certified Professional Accountant and Certified Director by the Institute of Corporate Director has extensive experience in the field of finance and boards of directors.
- Founder and president of Conseil Projection.

¹ Audit Committee members ² Governance Committee members

Thank you !



François Roberge, President & CEO
Luc Mainville, EVP & CFO