



ANNUAL RESULTS 2021

March 24, 2022



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Vetoquinol makes no commitment or guarantee that it will meet its targets or any aim that it may state in its business plans.

While Vetoquinol believes that its targets are reasonable, readers are reminded that these objectives are subject to risks and uncertainties, including those described in the “Risk factors” section of the Universal Registration Document.



01 2021 Highlights

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03 Strategy and outlook



01

2021 HIGHLIGHTS

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FINANCIAL INDICATORS



€521m
Group sales
+22.3%
(constant FX rates)



€296m
Essentials sales
+33.3%
(constant FX rates)



€101m
EBIT before depr. of acq. assets
+54.5%



€63m
Net income
Group share
12.1% of sales



€90m
Cash flow
generation

VETOQUINOL OUTPERFORMS A VERY DYNAMIC 2021 MARKET



Strong growth in the global animal health market
Up about **10%***

Positive impact of Covid-19
Increase of pets veterinary care



Vetoquinol's activity growth **2x higher** than the market

Demonstration of the Group's agility and flexibility during the Covid-19 health crisis
Mobilisation of the teams
Solidity of the industrial model balanced over 3 continents

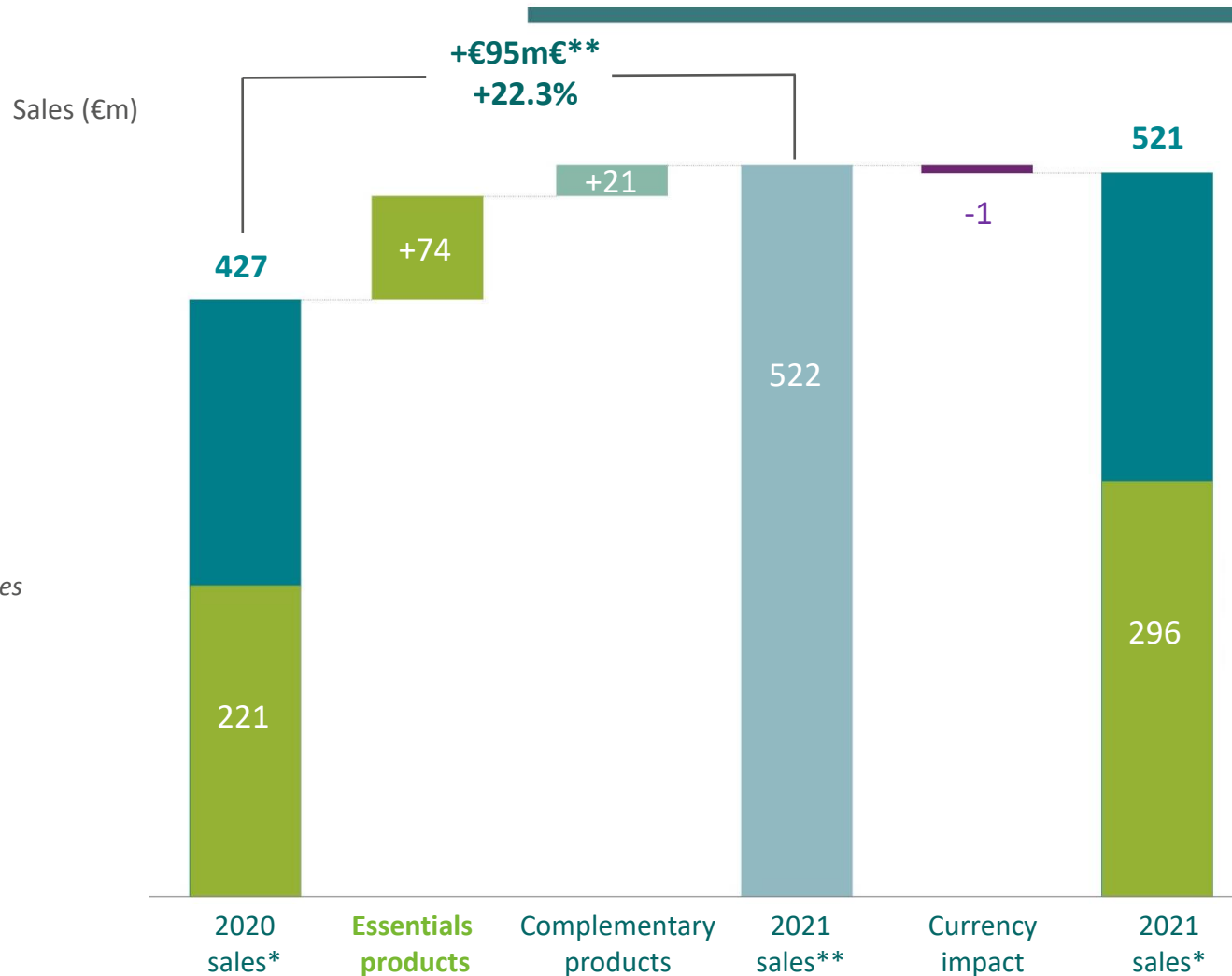
* source Vetoquinol

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STRONG GROWTH MOMENTUM IN 2021



Vetoquinol outperforms the animal health market

Organic growth: **+13.7%**

Very strong growth in Essentials products: **+34%**

Essentials products: **57%** of 2021 revenues

* reported data
** at constant exchange rates

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SUCCESSFUL INTEGRATION OF DRONTAL® AND PROFENDER®



Ramp-up of parasiticides products exceeds expectations

Expansion of Drontal® and Profender® ranges: Canada, Australia and Switzerland





Imoxi®

Parasiticide product: ready-to-use solution and broad spectrum topical broad spectrum formula - US launch

Protection that pets need against fleas, heartworms and intestinal parasites



Phovia®

Disruptive and innovative dermatological product for dogs and cats - worldwide launch since May 2021

Improving the quality of life of pets and of their owners
Local, non-invasive application in the clinic





02

2021 CONSOLIDATED FINANCIAL STATEMENTS

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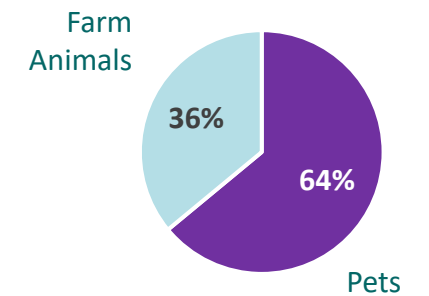
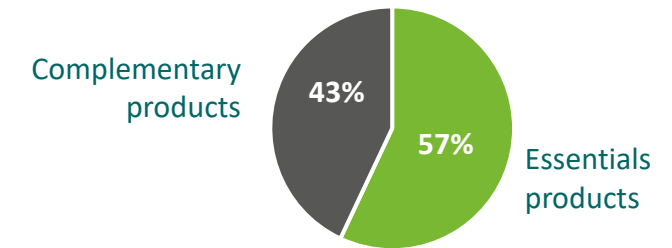
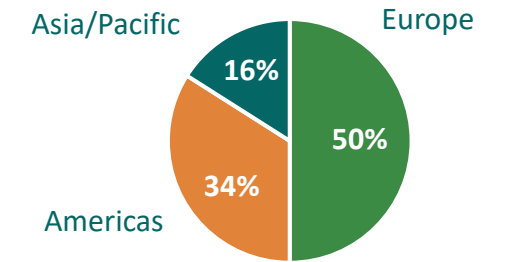
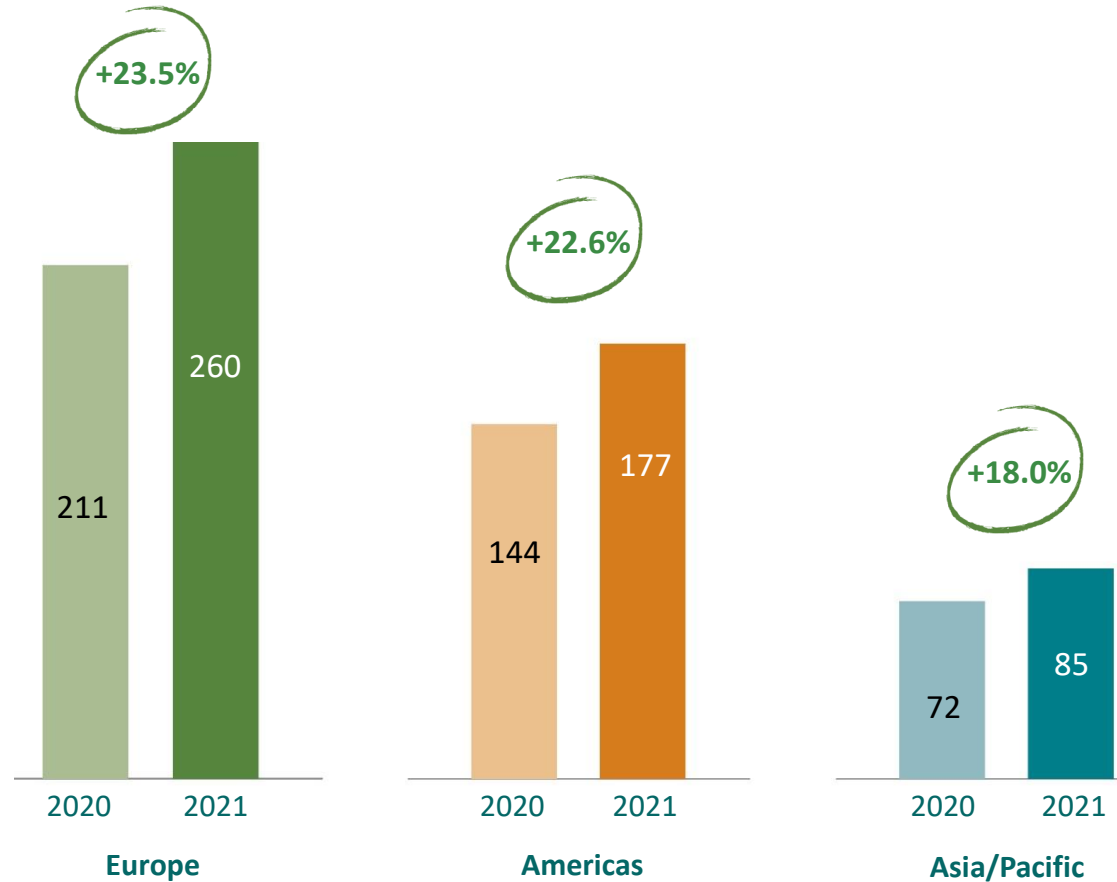
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2021 SALES



Sales (€m)
At constant exchange rates



INCOME STATEMENT



€m	12/31/2021	% sales	12/31/2020	% sales	Change
Sales	521.3		427.5		+21.9%
Gross margin on purchases	371.9	71.3	299.4	70.0	+24.2%
External expenses	107.7	20.7	(82.8)	(19.4)	
Personnel expenses	(147.6)	(28.3)	(130.2)	(30.5)	
Taxes and duties	(6.0)	(1.1)	(6.3)	(1.5)	
Other income and expenses	10.0	1.9	3.3	0.8	
Depreciation, amortization and provisions	(19.8)	(3.8)	(18.2)	(4.3)	
EBIT before depreciation of acquired assets	100.8	19.3	65.3	15.3	+54.5%
Amortization of intangible assets arising from acquisitions	(14.1)	(2.7)	(9.1)	(2.1)	
EBIT	86.8	16.6	56.2	13.1	+54.5%

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H2 2021 MARKED BY INCREASED EXPENDITURES



Continued strong growth in revenues

Sustained activity to prepare new Essentials product launches : strong increase in marketing expenses

Spending to build strong and global brands

INCOME STATEMENT (CONTINUED)



€m	12/31/2021	% sales	12/31/2020	% sales	Change
EBIT	86.8	16.6	56.2	13.1	
Non-recurring operating income and expenses*	(0.5)	-	(19.1)	-	
Operating income	86.3	16.6	37.1	8.7	+132.6%
Net financial items	0.2	-	(1.5)	-	
Income before tax	86.5	16.6	35.6	8.3	
Income tax	(23.8)	(4.6)	(16.6)	(3.9)	
Earnings/(loss) of associates	0.1	-	0.3	-	
Net income Group share	62.9	12.1	19.2	4.5	+226.9%
EBITDA	119.3	22.9	83.9	19.6	+42.2%

* including €15 million impairment of goodwill in Brazil in 2020

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STRONG EBITDA GROWTH IN 2021



€m	12/31/2021	12/31/2020
Net income before equity method	62.7	18.9
Income tax expense	23.8	16.6
Net financial items	(0.2)	1.5
Provisions recorded under non-recurring operating income and expenses	(0.8)	19.5
Provisions and write-backs	1.0	1.4
Depreciation and amortization (including IFRS 16)	32.9	25.9
EBITDA	119.3	83.9
% of sales	22.9%	19.6%

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€m	12/31/2021	12/31/2020
Consolidated net income	62.9	19.2
Free cash flow before net cost of debt and tax	119.5	83.3
Cash flow from operating activities	89.7	92.2
Cash flow used by investing activities	(33.4)	(145.1)
Cash flow from/used by financing activities	(120.8)	102.0
Impact of foreign exchange variations	3.3	(3.3)
Change in cash and cash equivalents	(61.2)	+45.8

** including acquisition of Drontal® and Profender® in 2020*

*** repayment of the €110 million loan in H1 2021*

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WORKING CAPITAL



€m	12/31/2021	12/31/2020
Inventories	111.6	85.5
Trade and other receivables	87.2	88.6
Trade and other payables	(140.8)	(116.0)
Other net working capital	(1.4)	(2.7)
Working capital	56.6	55.4

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In number of days	40	47
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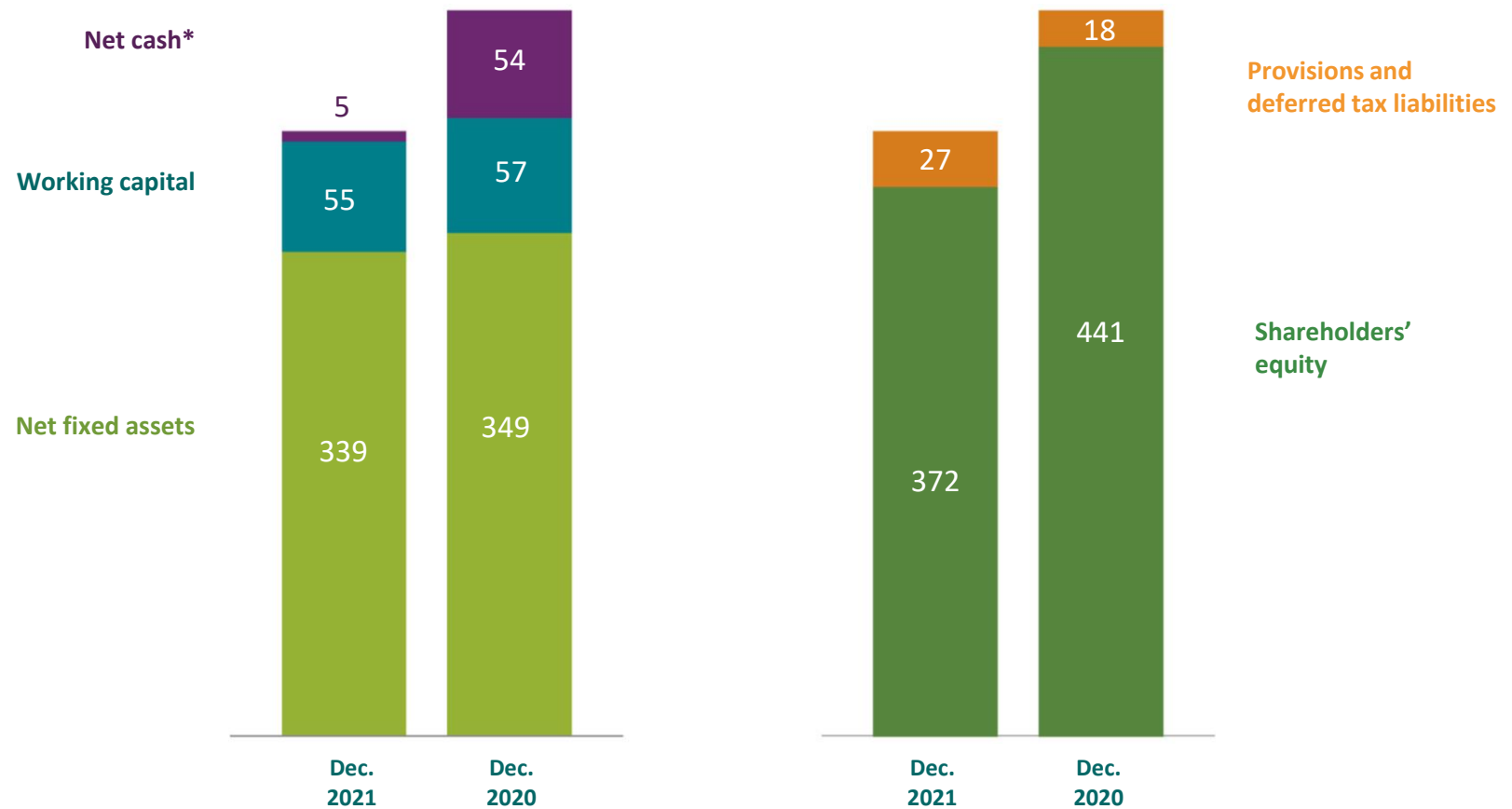
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STRENGTHENED FINANCIAL STRUCTURE



€m



* including IFRS 16

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STRENGTHENING VETOQUINOL'S FUNDAMENTALS



Growth of Essentials products **+34%**, higher than the animal health market

Sustained cash flow generation: **€90 million**

Strong financial structure

Equity of **€441 million**, up €69 million

Net cash position of **€54 million**

Gearing of **-12%**

Strong debt capacity

CREATION OF SHAREHOLDER VALUE



Stock market price

Growth of **+54.2%** in 2021



Shareholders at December 31, 2021

Independent family-owned laboratory

Shareholders' meeting of May 19, 2022

Proposed dividend of **€0.80** per share





Gaïa Rating 2021: **81/100** vs 76/100 in 2020

Health and safety: a core concern for Vetoquinol

Ensuring employee safety during the Covid-19 health crisis

Preventing risk situations

LTAR* 2021: **3.6**

** LTAR (TF1) number of working accidents resulting in work stoppage in relation to per million hours worked*

Consolidation of the gender equality index

Professional equality 2021 (France): **87/100**

Plan to reduce CO₂ emissions per €m of sales (scope 1 & 2)



03

STRATEGY AND OUTLOOK

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2010-2021: A SUCCESSFUL TRANSFORMATION



Essentials products, the driving force behind Vetoquinol's strategy

56.7% of 2021 revenues of €521 million

Building strong and global brands

Focusing strategy

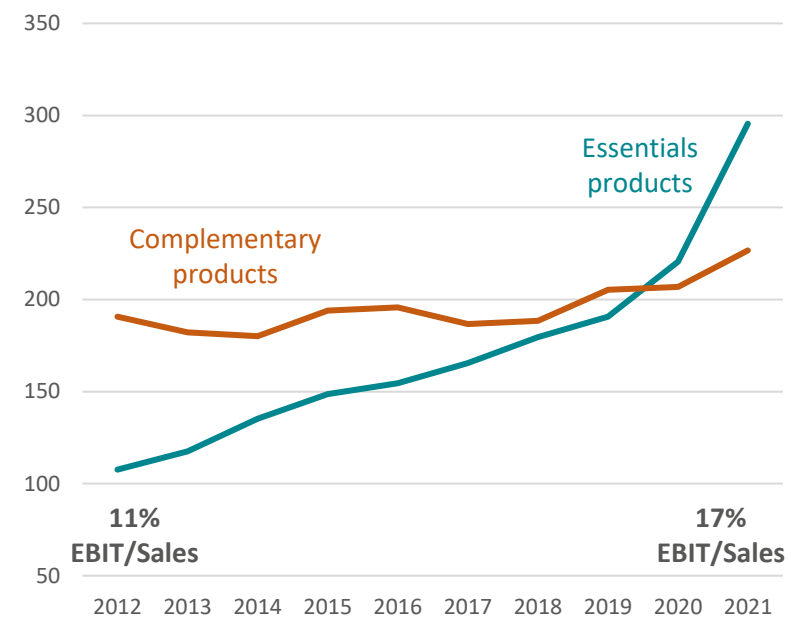
Species: pets and livestock

Therapeutic areas: 6 therapeutic segments

Territories: major global animal health countries

Improved profitability profile

Strong cash flow generation



FELPREVA[®], LAUNCH IN PROGRESS



Therapeutic field: antiparasitic

Species: cats

Territory: Europe 2022 launch



Innovation in parasite protection for cats

Simple prescription and 3 months protection in one spot-on application

Effective against internal and external parasites

Increased confidence in owner's compliance with treatment

GEOPOLITICAL RISK - RUSSIAN-UKRAINIAN CONFLICT



At this stage of the conflict, Vetoquinol's exposure is low

No direct presence (subsidiary, branch, plant, workforce)

Activity in Russia and Ukraine <1% of Group revenues

Net trade receivables <1% of total receivables as of 12/31/2021

Few purchases made from these 2 countries

Consequences of economic tensions

Risk of inflation in raw material purchase costs, energy costs and logistics costs



Major program of Essentials product launches

Deployment of the new 2022-2026 strategic plan

Strengthened potential for external growth

Ambition for profitable growth in a market back to normality, while remaining prudent (Covid-19 and Russian-Ukrainian conflict)

FINANCIAL COMMUNICATION AGENDA



April 13, 2022	Q1 2022 sales (after market close)
May 19, 2022	General Meeting of Shareholders
July 20, 2022	Q2 2022 sales (after market close)
September 15, 2022	Half-Yearly Results 2022 (before stock exchange)
October 12, 2022	Q3 sales (after market close)
January 18, 2023	Annual sales 2022 (after market close)

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Animal health company listed on Euronext Paris since 2006
ISIN code: FR0004186856 - symbol: VETO
The Vetoquinol share is eligible for the French PEA and PEA-PME personal equity plan.



Questions and Answers

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IRELAND | AUSTRIA | CZECH REPUBLIC | SWEDEN | UNITED STATES | CANADA | MEXICO | BRAZIL | INDIA | SOUTH KOREA |
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