



# ANNUAL RESULTS 2022

March 23, 2023



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This document was prepared by Vetoquinol for the sole purpose of presenting the annual results for the year 2022 on March 23, 2023.

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This document does not contain any quantified results forecasts.

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** 2022 Highlights

**02** 2022 Consolidated financial statements

**03** Strategy and outlook

## ANNUAL FINANCIAL INDICATORS



**€540m**  
Group sales  
**+3.6%**  
(reported data)



**€304m**  
Essentials sales  
**+4.5%**  
(reported data)



**€118m**  
EBITDA  
**21.9%** of sales



**€63m**  
Cash flow generation



# 01

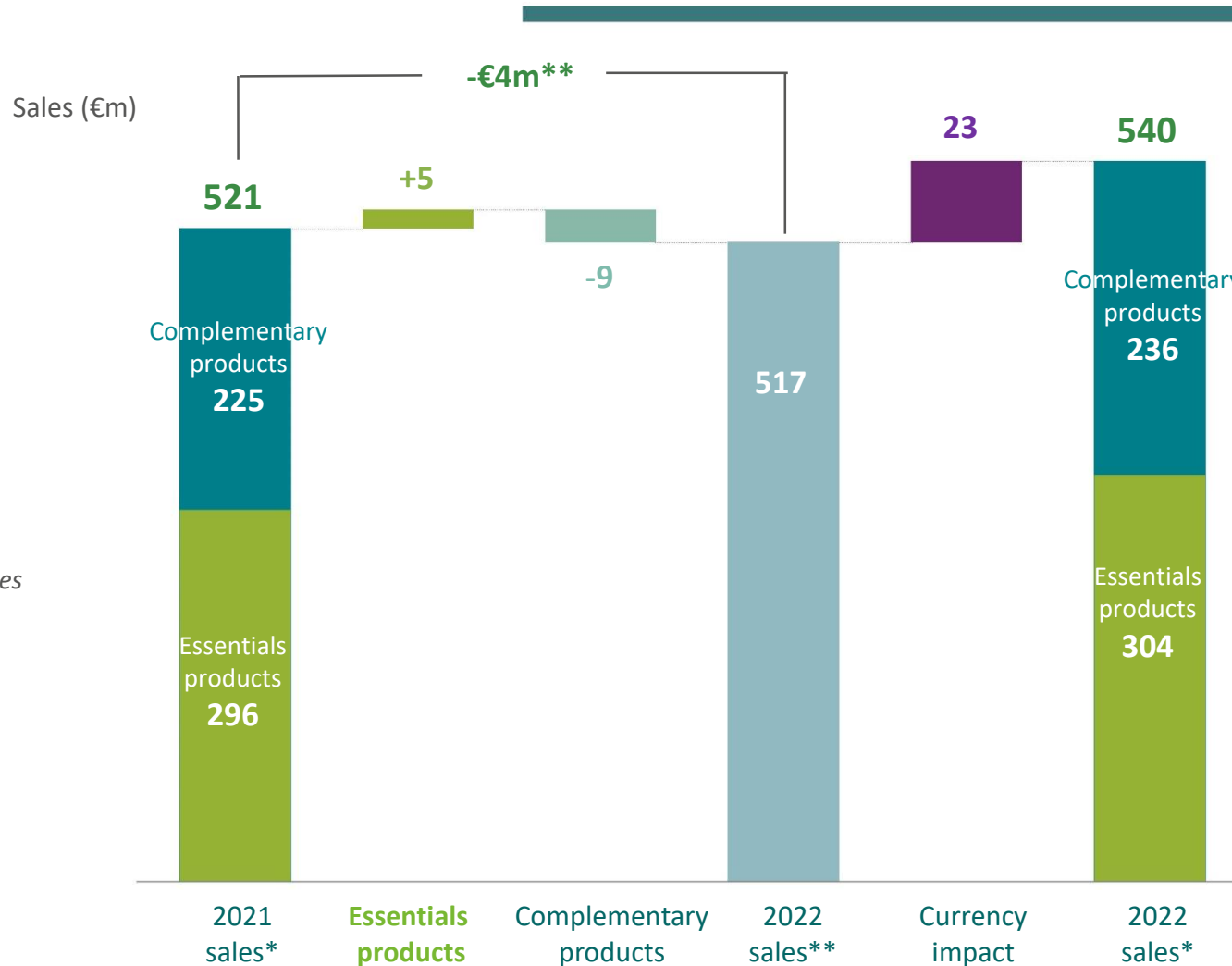
## 2022 HIGHLIGHTS

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# 2022 SALES EVOLUTION



Reported growth: **+3.6%**

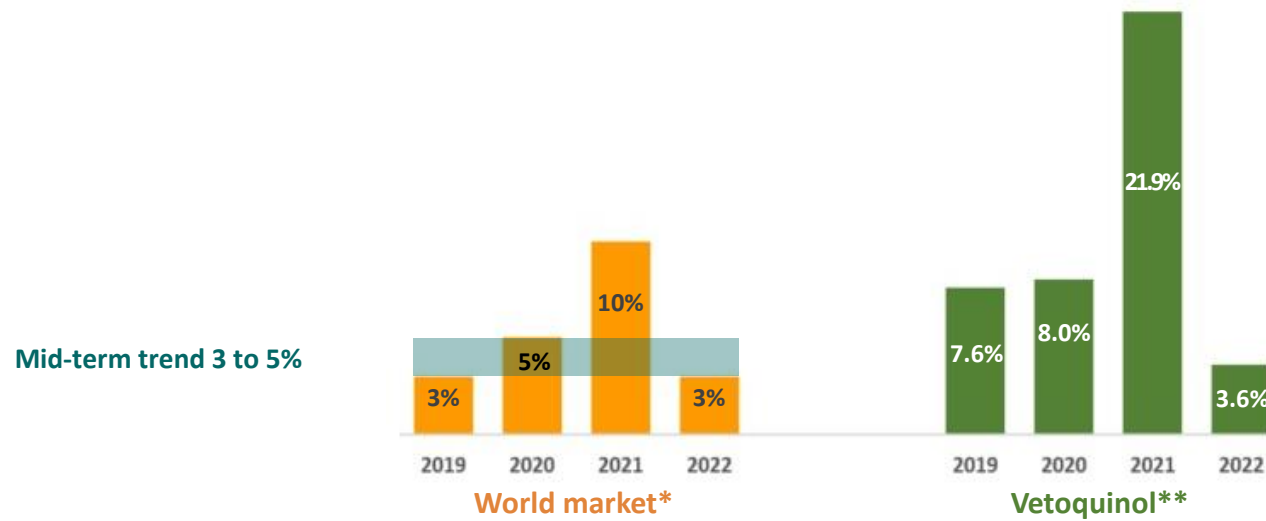
Organic growth: **-0.8%**

Essentials products: **+4.5%**  
reported data

\* reported data  
\*\* at constant exchange rates



## RETURN OF THE WORLD MARKET TO A PRE-PANDEMIC LEVEL



## VETOQUINOL COMPLETES A GOOD YEAR

Outperformance of strategic areas

USA and Asia/Pacific

Successful launches of new Essentials

Offsetting the decline in antibiotics in Europe and one-off declines in Canada and Brazil

\* Vetoquinol estimates

\*\* Reported data

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# LAUNCH OF 2 ESSENTIALS WITH HIGH POTENTIAL



## FELPREVA®

**New long acting parasiticide product for cats**

New disruptive antiparasitic solution combining comfort and simplicity with long-lasting effectiveness

Vetoquinol innovation – Europe Launch in 2022



## SIMPLERA®

**FDA-approved Essential for the treatment of otitis externa in dogs**

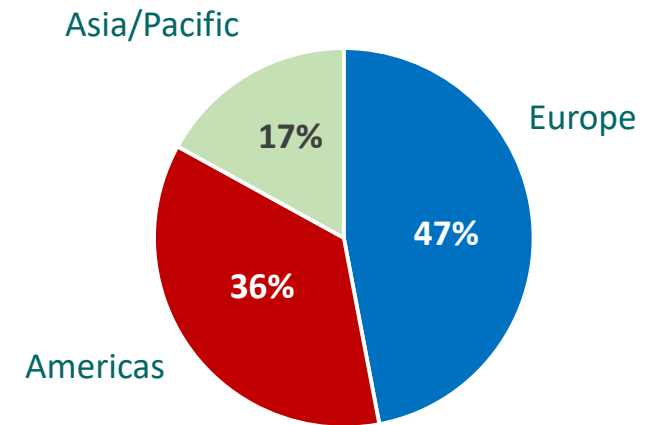
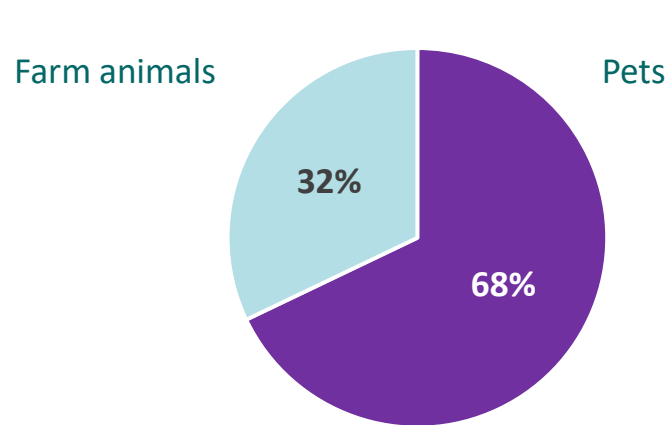
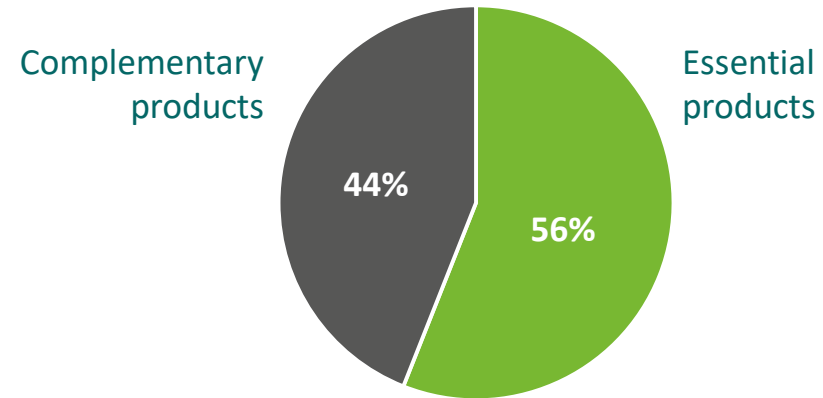
Simplified, single-dose treatment effective for 30 days

Vetoquinol innovation - US launch 2023





# PROFITABLE BUSINESS DYNAMICS IN 2022



# STRONG OPERATIONAL PERFORMANCE



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# 02

## 2022 CONSOLIDATED FINANCIAL STATEMENTS

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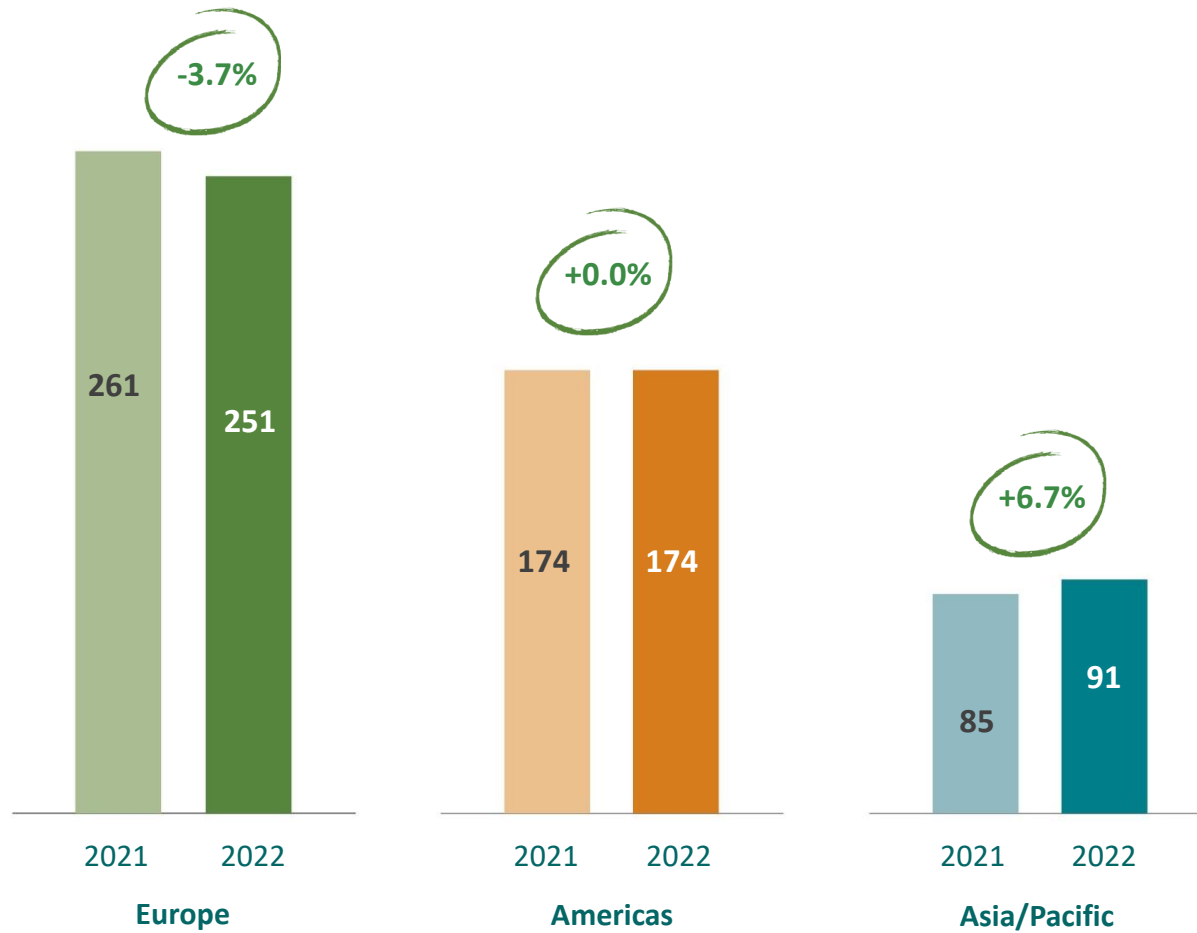
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## 2022 SALES BY STRATEGIC TERRITORY



Sales (€m)  
At constant exchange rates



# INCOME STATEMENT



€m	12/31/2022	% sales	12/31/2021	% sales	Change
<b>Sales</b>	<b>539.8</b>		<b>521.3</b>		
<b>Gross margin on purchases</b>	<b>381.2</b>	<b>70.6</b>	<b>371.9</b>	<b>71.3</b>	<b>+2.5%</b>
External expenses	(109.0)	(20.2)	107.7	(20.7)	
Personnel expenses	(152.4)	(28.2)	(147.6)	(28.3)	
Taxes and duties	(7.2)	(1.3)	(6.0)	(1.1)	
Other income and expenses	5.5	1.0	10.0	1.9	
Depreciation, amortization and provisions	(19.6)	(3.6)	(19.8)	(3.8)	
<b>EBIT before depreciation of acquired assets</b>	<b>98.6</b>	<b>18.3</b>	<b>100.8</b>	<b>19.3</b>	<b>-2.2%</b>
<b>Amortization of intangible assets arising from acquisitions</b>	<b>(14.1)</b>	<b>(2.6)</b>	<b>(14.1)</b>	<b>(2.7)</b>	
<b>EBIT</b>	<b>84.6</b>	<b>15.7</b>	<b>86.8</b>	<b>16.6</b>	<b>-2.5%</b>

## INCOME STATEMENT (CONTINUED)



€m	12/31/2022	% sales	12/31/2021	% sales	Change
EBIT	84.6	15.7	86.8	16.6	
Non-recurring operating income and expenses	(10.6)	-	(0.5)	-	
<b>Operating income</b>	<b>74.0</b>	<b>13.7</b>	<b>86.3</b>	<b>16.6</b>	<b>-14.3%</b>
Net financial result	(1.3)		0.2	-	
Income before tax	72.7	13.5	86.5	16.6	
Income tax	(24.7)	(4.7)	(23.8)	(4.6)	
Earnings/(loss) of associates	-	-	0.1	-	
<b>Net income Group share</b>	<b>48.0</b>	<b>8.9</b>	<b>62.9</b>	<b>12.1</b>	<b>-23.7%</b>
<b>EBITDA</b>	<b>118.0</b>	<b>21.9</b>	<b>119.3</b>	<b>22.9</b>	<b>-1.1%</b>

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## CONSOLIDATION OF EBITDA AT A HIGH LEVEL IN 2022



€m	12/31/2022	12/31/2021
<b>Net income before equity method (only in 2021)</b>	<b>48.0</b>	<b>62.7</b>
Income tax expense	24.7	23.8
Net financial items	1.3	(0.2)
Provisions recorded under non-recurring operating income and expenses	10.4	(0.8)
Provisions and write-backs	2.1	1.0
Depreciation and amortization (including IFRS 16)	31.5	32.9
<b>EBITDA</b>	<b>118.0</b>	<b>119.3</b>
<b>% of sales</b>	<b>21.9%</b>	<b>22.9%</b>

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## CASH FLOW: SIGNIFICANT IMPROVEMENT IN H2 2022



€m	12/31/2022	12/31/2021
<b>Consolidated net income</b>	<b>48.0</b>	<b>62.9</b>
Free cash flow before net cost of debt and tax	116.2	119.5
Cash flow from operating activities	62.8	89.7
Cash flow used by investing activities	(21.5)	(33.4)
Cash flow from/used by financing activities	(16.1)	(120.8)*
Impact of foreign exchange variations	0.2	3.3
<b>Change in cash and cash equivalents</b>	<b>25.5</b>	<b>(61.2)</b>

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\* *Reminder: full repayment of the debt related to the acquisition of Drontal® and Profender®*



## CONTROL OF WORKING CAPITAL OVER THE YEAR 2022

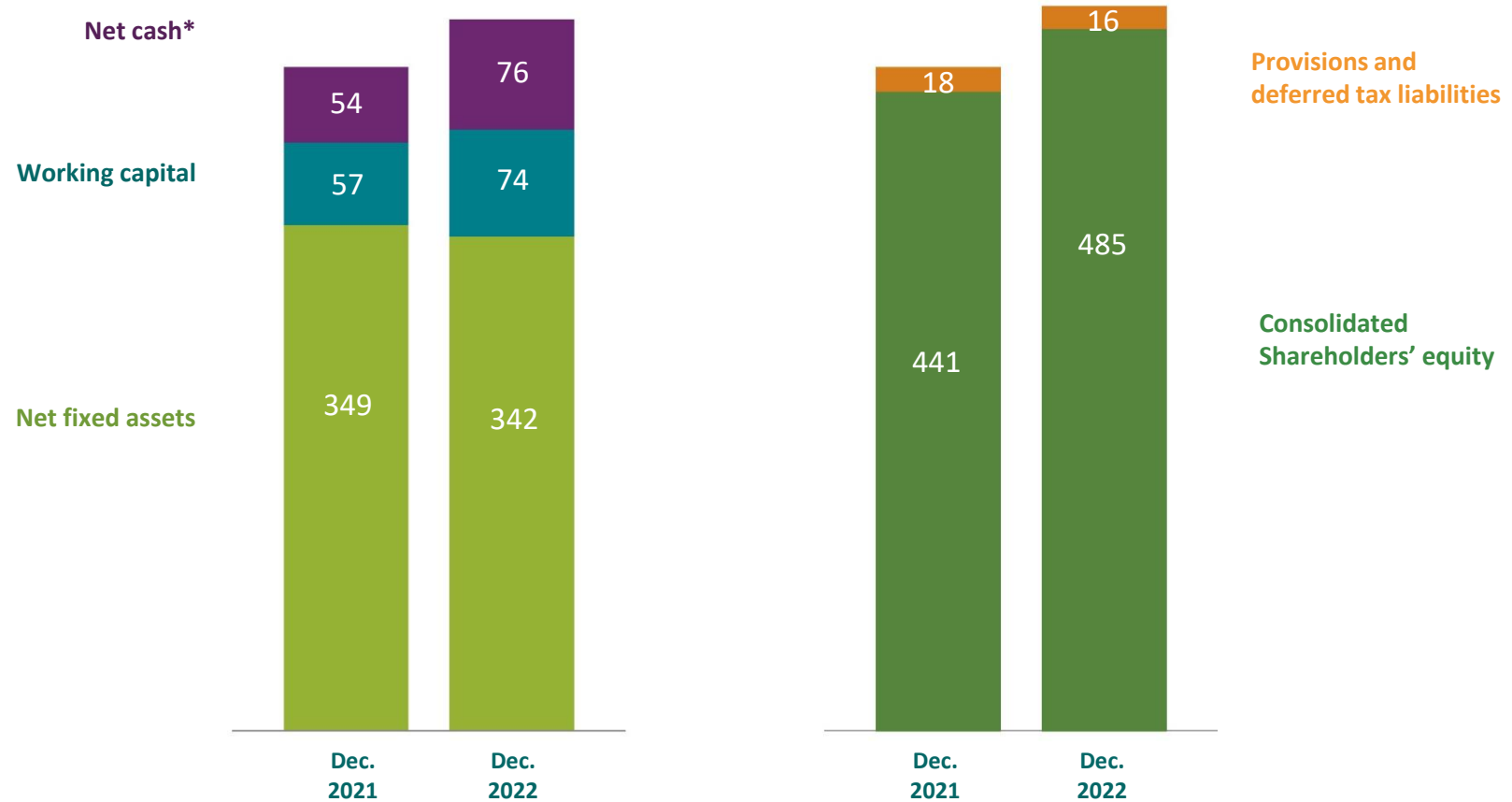


€m	12/31/2022	12/31/2021
Inventories	116.1	111.6
Trade and other receivables	85.3	87.2
Trade and other payables	(125.9)	(140.8)
Other net working capital	(1.9)	(1.4)
<b>Working capital</b>	<b>73.6</b>	<b>56.6</b>
<b>Working capital in days (per due date)</b>	<b>51 days</b>	<b>40 days</b>

# STRONG AND DEBT-FREE FINANCIAL STRUCTURE



€m



\* including IFRS 16

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# 03

## STRATEGY AND OUTLOOK

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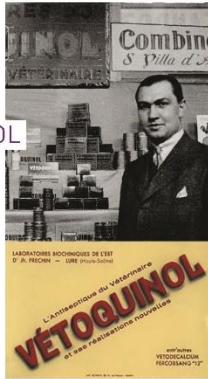
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**1933**

CREATION OF VETOQUINOL



**1977**

CREATION OF THE FIRST SUBSIDIARY OF THE GROUP IN THE NETHERLANDS



**1980**

INAUGURATION OF A RESEARCH & DEVELOPMENT CENTRE IN FRANCE



**1994**

OUR FIRST STEPS IN THE UNITED STATES, THE LARGEST MARKET FOR ANIMAL HEALTH



**1995**

MARBOCYL® ANTIBIOTIC LAUNCH



**2001**

TRANSFORMATIVE ACQUISITION OF THE SWISS CHASSOT GROUP



**2006**

LISTING ON THE PARIS STOCK MARKET



**2012**

STRATEGY TO FOCUS ON ESSENTIAL PRODUCTS



**2014**

VETOQUINOL SETS UP IN AUSTRALIA AND IS PRESENT ON 5 CONTINENTS



**2020**

ACQUISITION OF PROFENDER® AND DRONTAL® PRODUCTS



**2022**

LAUNCH OF FELPREVA AND SIMPLERA

**Felpreva®**



**NEW SIMPLERA™**  
(florfenicol, terbinafine, mometasone furoate)  
Otic Solution



**2023**

90 YEARS AND A FUTURE TO BUILD TOGETHER



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## VETOQUINOL'S VISION FOR 2033

To be the **most agile** animal health laboratory where employees, experts, partners and customers work together to create customised solutions **for a better planet**.

- ➔ FOCUS MORE, to succeed and accelerate growth over the next 5 years
- ➔ DIFFERENTIATE, to better serve veterinarians, breeders and pet owners
- ➔ OUTPERFORM a resilient animal health market



### 3 AXES OF THE "AMBITION 2026" STRATEGIC PLAN

- Focus on creating sustainable customer-centric offerings focused on strategic segments
- Support sales growth through innovation and marketing
- To be a responsible and committed player with the laboratory's employees and stakeholders in a sustainable vision



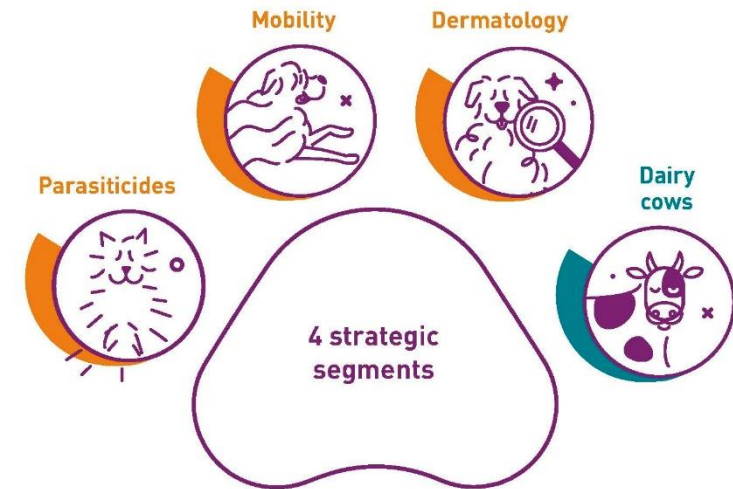
## PROVIDING SOLUTIONS TO ALL CUSTOMERS FOCUSED ON 4 STRATEGIC SEGMENTS

### Focus on 3 animal species

- Pets: **dogs** and **cats**
- Farm animals: **cattle**

### Focus on 4 strategic segments

### Strengthen the offer through external growth







- Resilience of the global animal health market
- Strong development of Essential products (launches and ramp-up)
- Ambition for profitable growth while remaining attentive to developments in the health crisis and the Russian-Ukrainian conflict
- Proposal of a dividend of **€0.80** per share at the Annual General Meeting on May 25, 2023



## FINANCIAL COMMUNICATION AGENDA



April 19, 2023	Q1 2023 Sales (after market close)
May 25, 2023	General Meeting of Shareholders
September 7, 2023	Q2 2023 Sales and Half-Yearly Results (before stock exchange)
October 26, 2023	Q3 2023 Sales (after market close)
January 17, 2024	2023 Annual Sales (after market close)

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.



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# Questions and Answers

March 23, 2023

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FRANCE | GERMANY | UNITED KINGDOM | ITALY | SPAIN | PORTUGAL | BELGIUM | SWITZERLAND | NETHERLANDS | POLAND |  
IRELAND | AUSTRIA | CZECH REPUBLIC | SWEDEN | UNITED STATES | CANADA | MEXICO | BRAZIL | INDIA | SOUTH KOREA |  
CHINA | AUSTRALIA | NEW ZEALAND | JAPAN |

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