

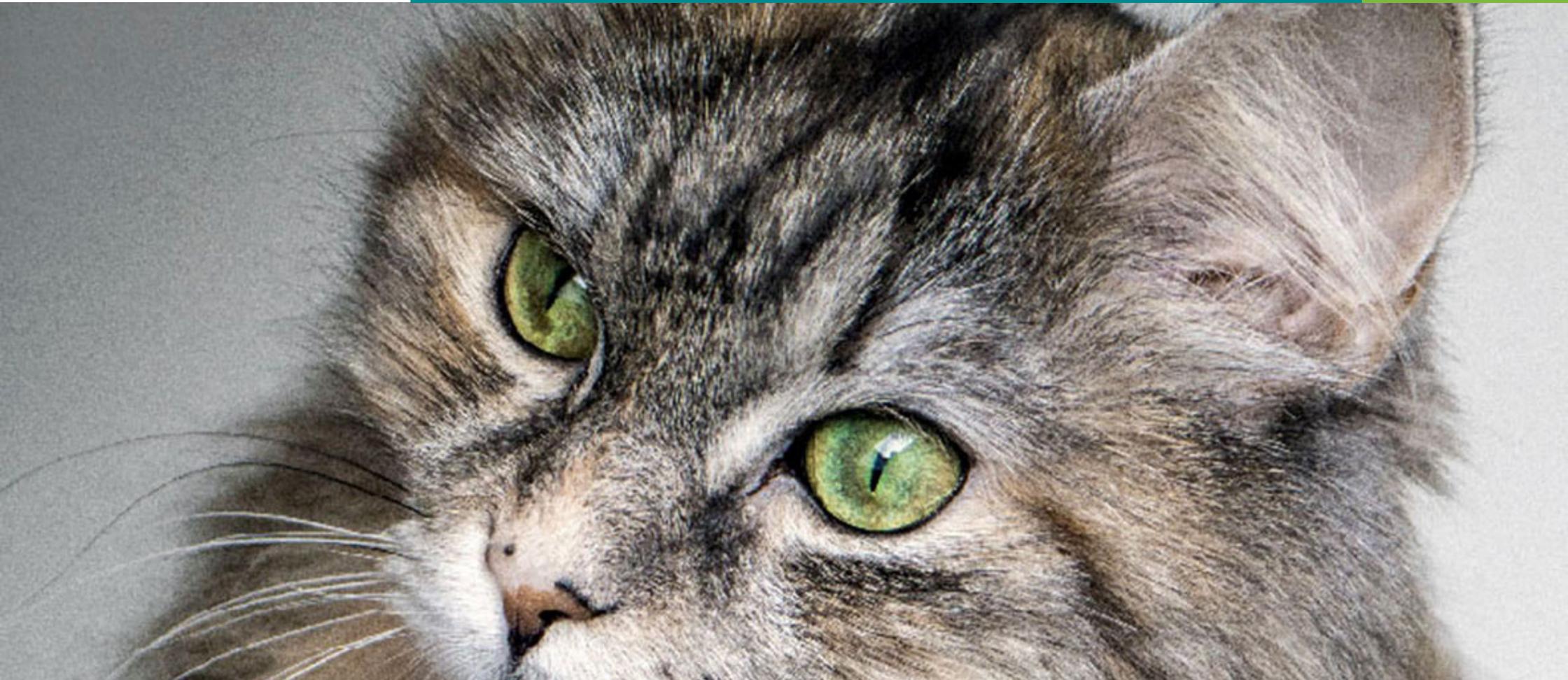


ANNUAL RESULTS 2023

| MARCH 20, 2024



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Warning



This document was prepared by Vetoquinol for the sole purpose of presenting the annual results for the year 2023 on March 20, 2024.

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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.

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Annual financial indicators



529 M€
Group sales
Stable
at constant exchange
rates



313 M€
Essentials sales
+4,5%
at constant exchange
rates



113 M€
EBITDA
21.3% of sales



89 M€
Cash-flow generation

Evolution of communication principles

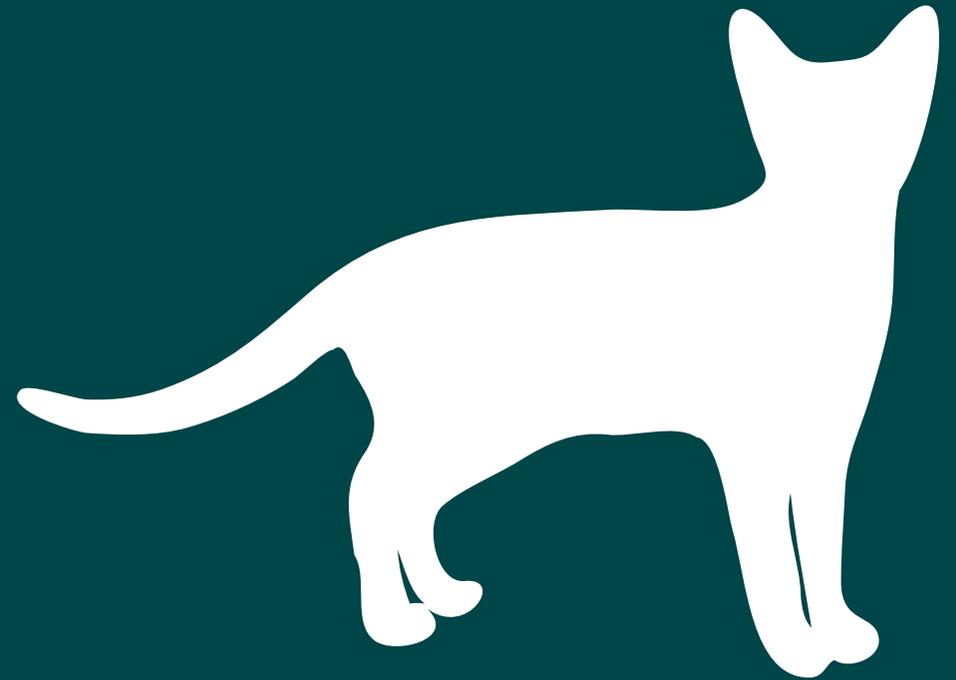


- ▶ Changes to the financial communication calendar
 - Enable industry comparisons without time lags
 - Simultaneously publish sales and financial results
 - Publication of sales and half-year results on September 12, 2024

- ▶ Publication of sales in the United States
 - Information now material (> **20%** of Group sales)
 - Improves the understanding of the Vetoquinol's strategy by displaying its two growth engines



Highlights of 2023



Different dynamics between H1 and H2 2023



▶ Reported growth of **+1.5%** in H2 2023 vs. **-5.6%** in S1

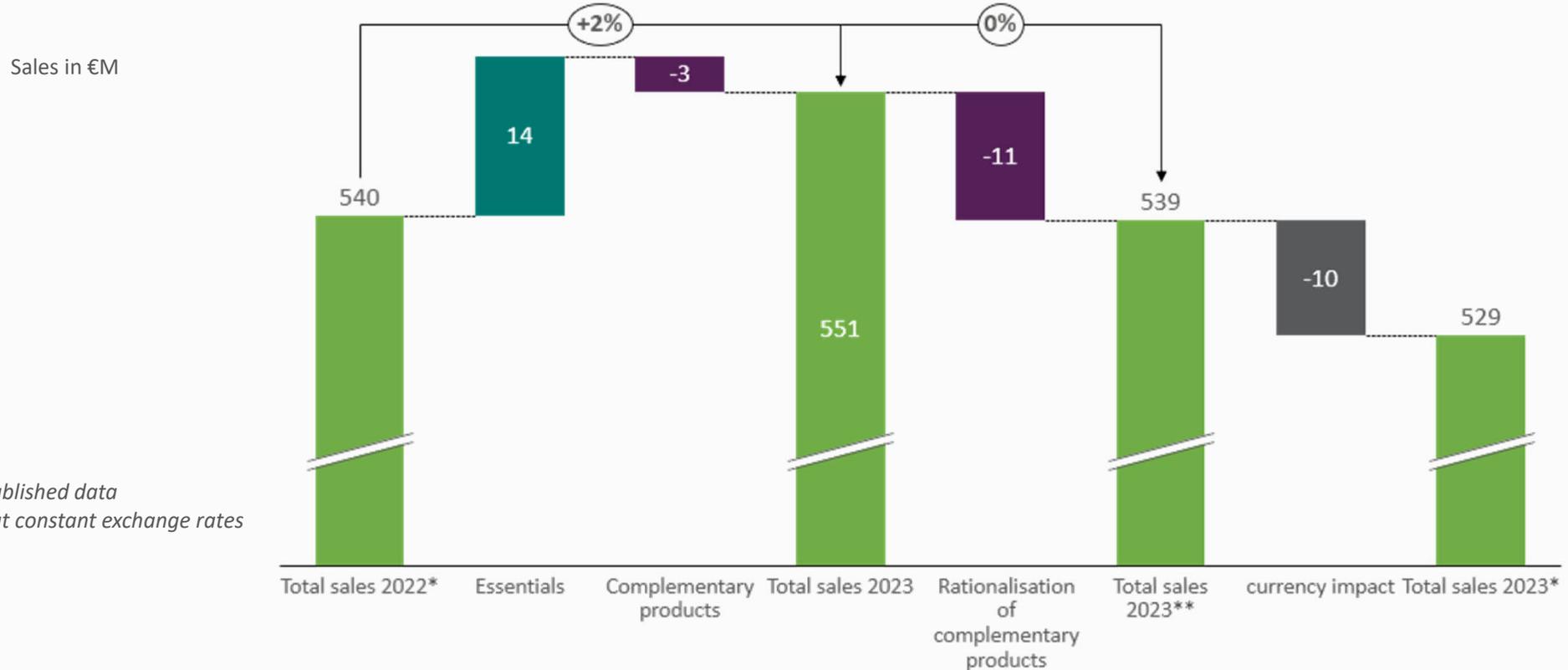
▶ H1 2023 impacted by ERP changeover, mainly in Europe

▶ Reversal of growth momentum in H2 thanks to Essential products

▶ Solid performance in the United States

Sales in €M
at constant
exchange rates

Vetoquinol's 2023 business

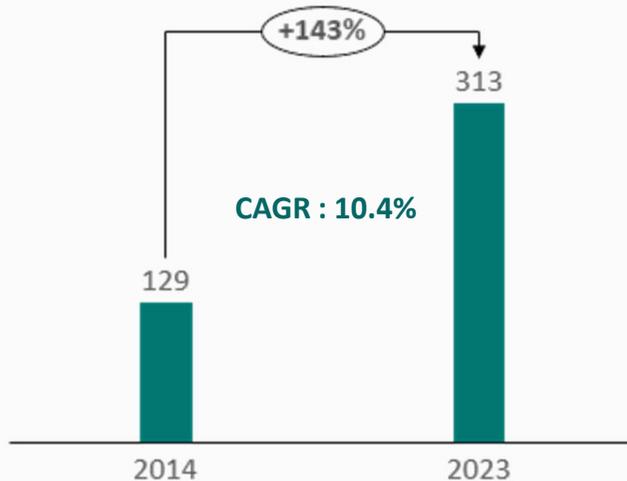


Growth momentum for Essentials



- ▶ Essential products: **+4.5%** growth and **59%** of Vetoquinol's 2023 sales
 - A product range that meets the most common needs of veterinarians, with international reach and leadership potential

Essential products sales in €M



Nb Essentials	2014	2023
SALES > €5 M	13	34

➔ Higher profitability of Essential products

Promising development of 2 new Essentials



► Felpreva®

- New long-lasting, broad-spectrum antiparasitic solution for cats



► Simplera®

- Single-dose treatment for external otitis in dogs



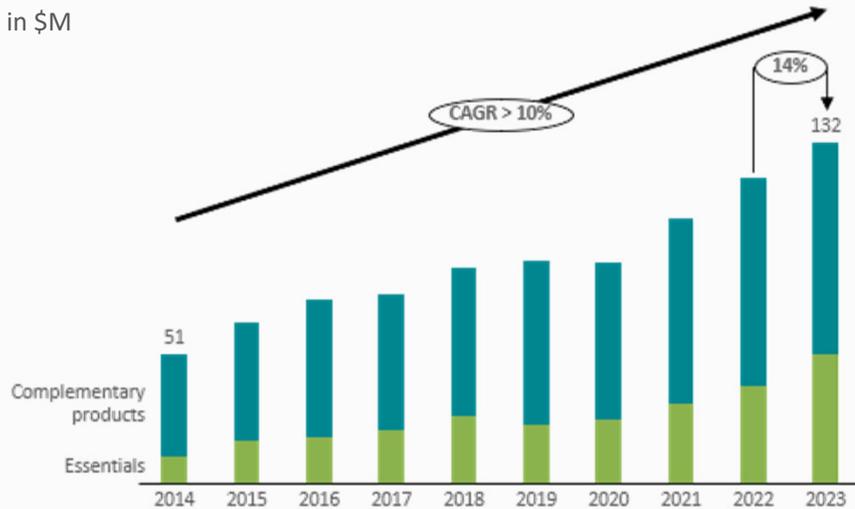
Sustained development in the United States



- ▶ United States: **>20%** of Vetoquinol's 2023 sales
 - 1st world market: 1st Group market

U.S. share of Group sales more than doubled

U.S. sales in \$M



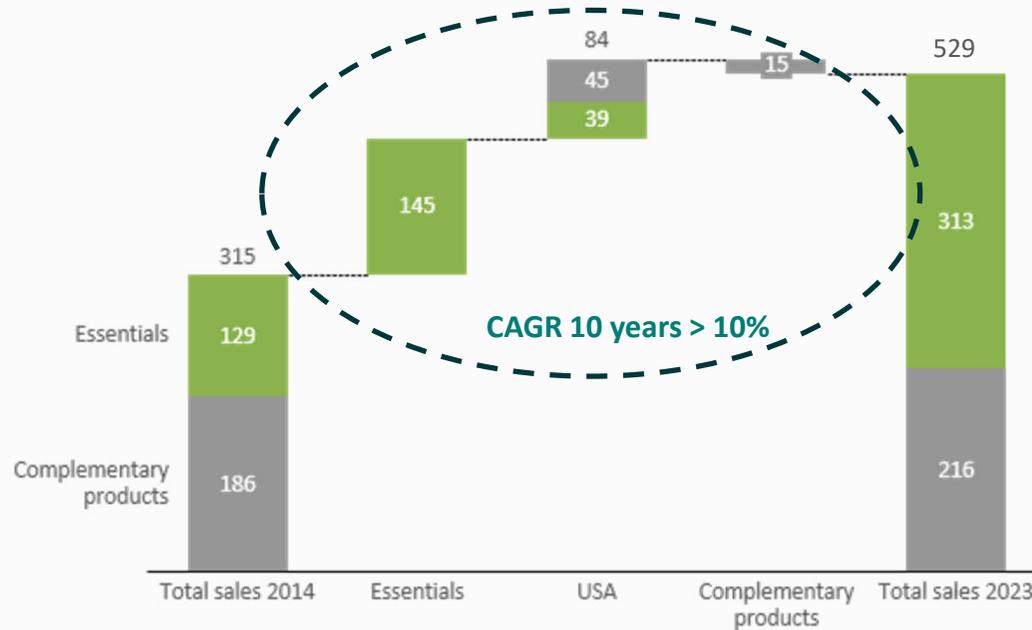
Performance from 2014 to 2023

- ➔ Market share gains
- ➔ Sales United States **>x2**
- ➔ Double-digit CAGR
- ➔ Essentials sales **x5**
- ➔ Workforce **x2**

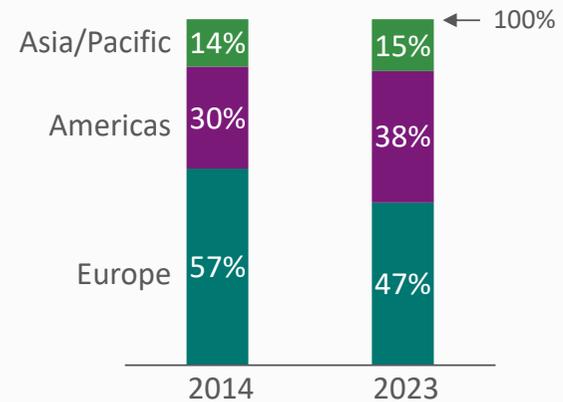
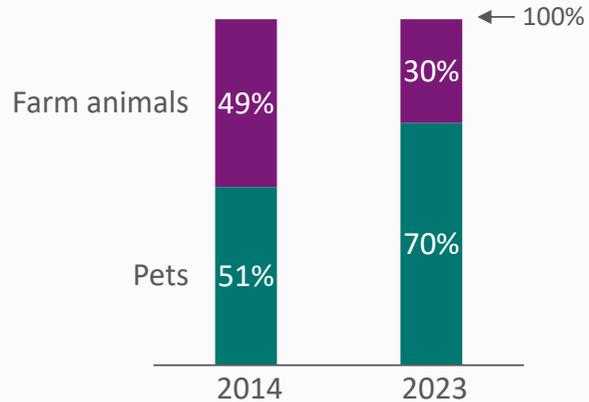
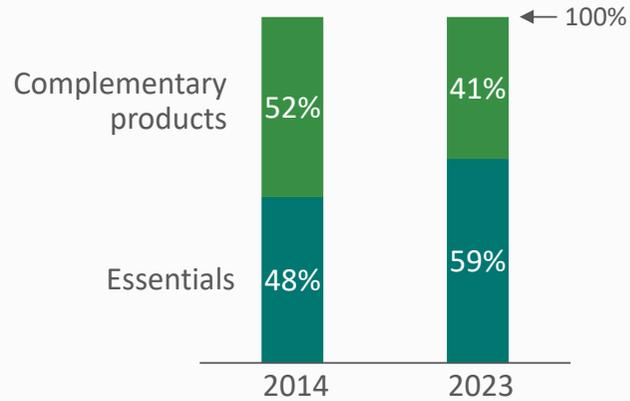
Development strategy based on on 2 key drivers



▶ Vetoquinol's growth since 2014 has come from Essentials and the United States



Business shaped by these 2 engines



Structural transformations

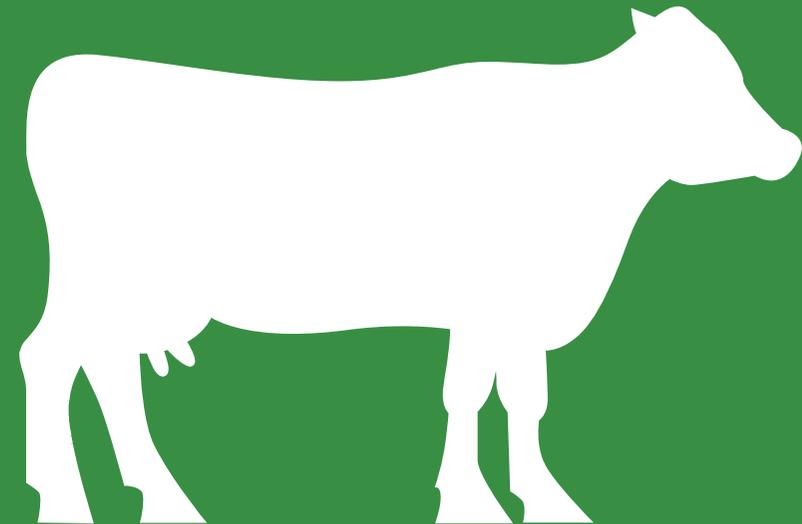


- ▶ ERP
 - Major step towards harmonizing the Group's subsidiaries
 - Supporting development and meeting customer expectations
- ▶ Logistics outsourcing
 - Massification and optimization of logistics
 - Scalability
- ▶ Increased investment in R&D
 - Willingness to sustainably increase R&D investment to support innovation
 - R&D investment: **7.6%** of sales 2023





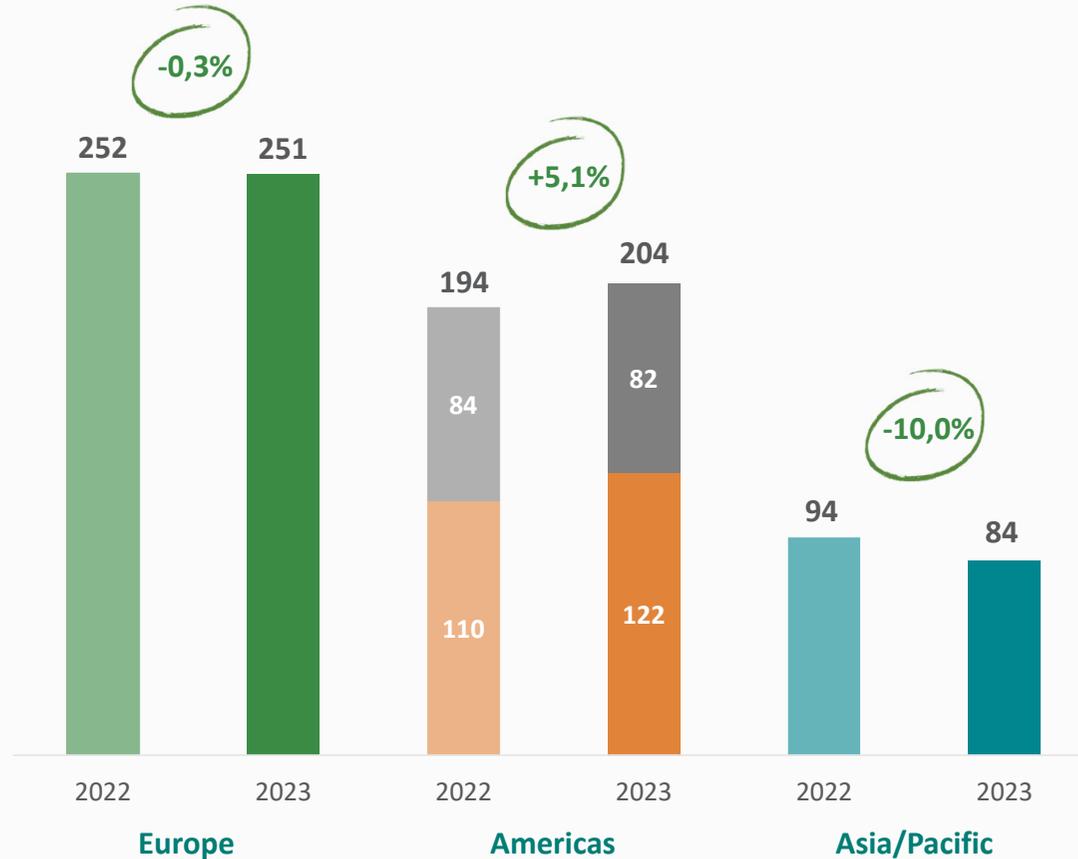
Consolidated financial statements for 2023



2023 sales by strategic territory



Sales in €M
at constant exchange rates



United States
Outside the U.S.

Income statement



In €M	31/12/2023	% of sales	31/12/2022	% of sales	Variation
Sales figures	529,3		539,8		
Gross margin on purchases	373,6	70,6	381,2	70,6	-1,9%
External expenses	(107,3)	(20,2)	(109,0)	(20,2)	
Personnel expenses	(157,3)	(29,7)	(152,4)	(28,2)	
Taxes & duties	(7,6)	(1,4)	(7,2)	(1,3)	
Other income and expenses	5,4	1,0	5,5	1,0	
Depreciation, amortization and provisions	(21,8)	(4,1)	(19,6)	(3,6)	
EBIT before amortization of acquired assets	85,0	16,1	98,6	18,3	-13,7%
Amortization of intangible assets arising from acquisition	(13,4)	(2,5)	(14,1)	(2,6)	
EBIT	71,6	13,5	84,6	15,7	-15,3%

Net income, Group share: +15.7%



In €M	31/12/2023	% of sales	31/12/2022	% of sales	Variation
EBIT	71,6	13,5	84,6	15,7	-15,3%
Non recurring income and expenses	2,6	-	(10,6)	-	
Operating income	74,3	14,0	74,0	13,7	+0,3%
Net financial result	2,6	0,4	(1,3)	-	
Profit before tax	76,9	14,5	72,7	13,5	
Income tax	(21,3)	(4,0)	(24,7)	(4,7)	
Net income, Group share	55,6	10,5	48,0	8,9	+15,7%
EBITDA	113,0	21,3	118,0	21,9	-4,3%

EBITDA > 20% of sales



In €M	31/12/2023	31/12/2022
Net income before equity method	55,6	48,0
Income tax expense	21,3	24,7
Net financial result	(2,6)	1,3
Provisions recognized under non recurring income and expenses	3,6	10,4
Provisions and write backs	3,5	2,1
Depreciation and amortization (including IFRS 16)	31,6	31,5
EBITDA	113,0	118,0
% of sales	21,3%	21,9%

* Favourable impact of Brazil +1.2pt

Solid cash flow generation



In €M	31/12/2023	31/12/2022
Consolidated net income	55,6	48,0
Free cash flow before cost of net financing costs and tax	110,9	116,2
Cash flow from operating activities	89,4	62,8
Cash flow from investing activities	(18,9)	(21,5)
Cash flow from financing activities* (in millions of euros)	(15,5)	(16,1)
Impact of changes in exchange rates	(2,4)	0,2
Change in cash and cash equivalents	52,6	25,5

* Including IFRS 16

Continuous control of Working Capital

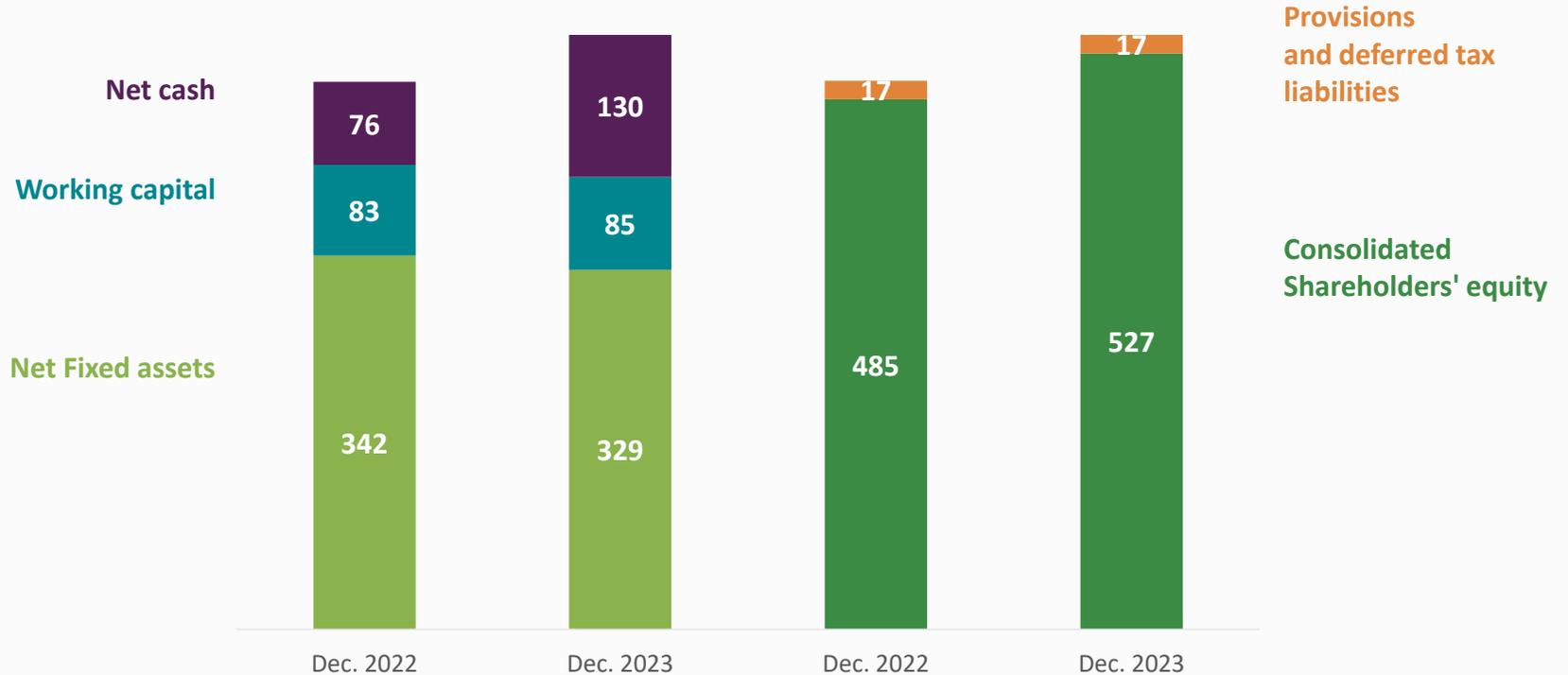


In €M	31/12/2023	31/12/2022
Inventories	103,5	116,1
Trade and other receivables	99,4	85,4
Trade and other payables	(126,0)	(125,9)
Other net working capital items	8,2	7,9
Working capital	85,0	83,4
Working capital in days (per due date)	55 days	58 days

Solid, debt-free financial structure



Data in €M



* Including IFRS 16, i.e. €15m

Summary of 2023 results



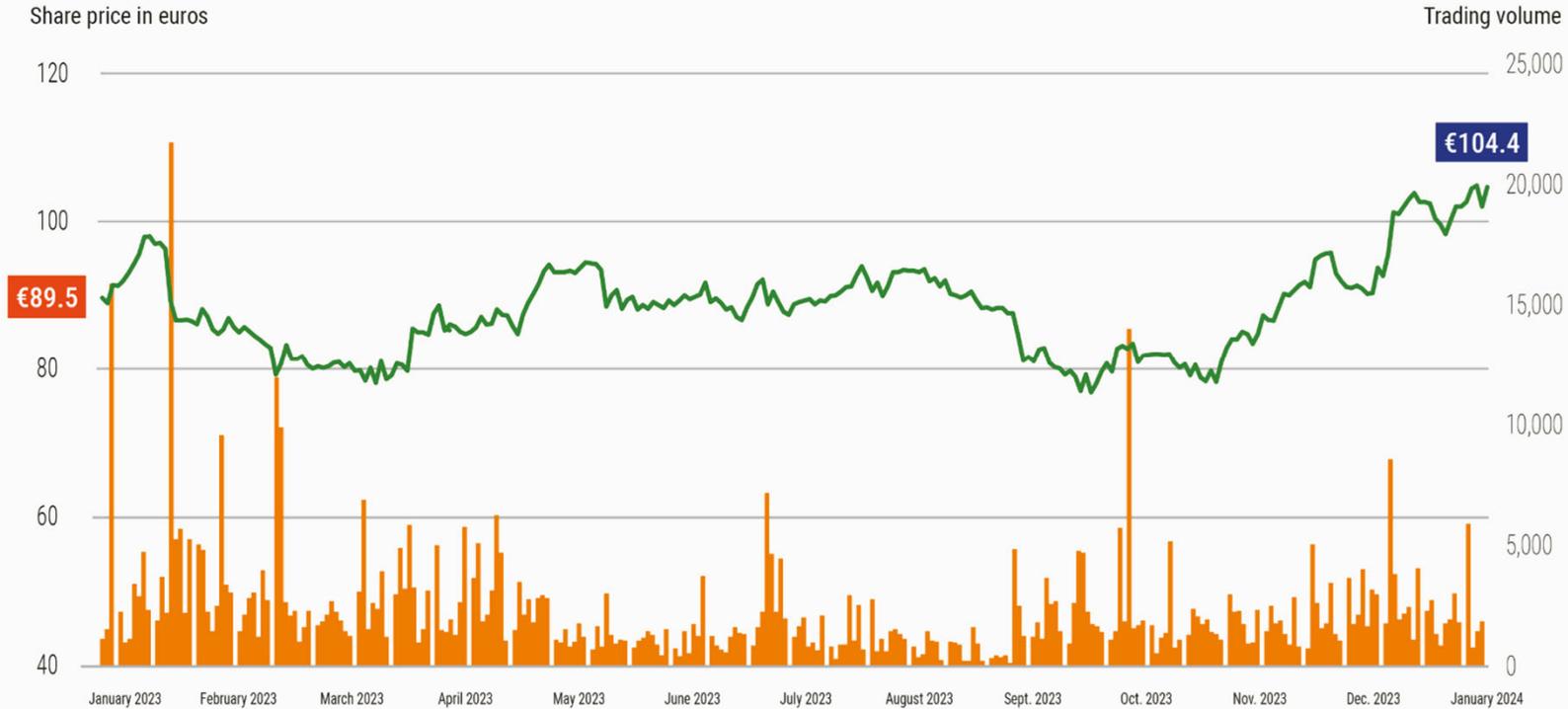
Solid foundations

- ▶ Gross margin on purchases maintained
- ▶ Increase in R&D expenses
- ▶ Positive non-recurring impact in Brazil
- ▶ Efficient working capital management
- ▶ Solid cash generation

Long-term CSR commitment

- ▶ Sustainable development in the DNA of Vetoquinol
- ▶ Consolidation of Vetoquinol employee safety great results
- ▶ Reduction of carbon intensity (scope 1 and 2)
- ▶ Increase of the recycling rate of industrial waste

Vetoquinol on the stock market



► Proposed dividend of **€0.85/share** to the Annual General Meeting of May 28, 2024



Strategy and outlook



Roll-out of the AMBITION 2026 plan



▶ Development of Essential products

- Ramp-up of new Essentials
- Territory extensions
- Preparing for future launches

▶ Further strengthening of the Group in the United States

- Expanding the sales force
- Ramp-up of Essential products

▶ Continued transformation of the Group

Some Essential products





- ▶ Business not comparable between 2024 and 2023 (base effect)
- ▶ Sales growth in line with the market
- ▶ Operating profitability and cash generation
- ▶ Seeking external growth



Financial communication agenda



April 29, 2024	Sales 1 st quarter 2024 (after market close)
May 28, 2024	Annual Shareholders' Meeting
June 6, 2024	Dividend payment
September 12, 2024	Sales and interim results 2024 (after market close)
October 30, 2024	Sales 3 rd quarter 2024 (after market close)

Animal health laboratory listed on Euronext Paris since 2006
ISIN code: FR0004186856 - Mnemonic code: VETO
Vetoquinol is PEA and PEA-PME eligible



Questions and answers



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