



H1-2024 results Presentation

July 31st, 2024

open possibilities



Ludwig de Mot
Chief Executive Officer



Evelyne Nguyen
Chief Financial Officer

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H1 2024 Operational performance

Ludwig de Mot
Chief Executive Officer





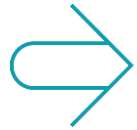
- Portfolio optimization phase out agreed with customers
- Commercial acceleration in Opiates
- Solid and qualitative momentum in CDMO
- Ramp down of workshops initiated in Frankfurt and Vertolaye
- Haverhill divestment process well advanced, completion expected in 2025
- Headcount reduction plan implemented in Haverhill following the decrease in volumes of Sevelamer
- Continued enhancement of the management teams across the group, including the reorganization of the Executive leadership team



Positive momentum of sales to clients other than Sanofi offset by the strong decline in volumes demand from Sanofi and the suspension of production in Brindisi



Solid Commercial activity in both API Solutions and CDMO (new contracts, cross selling, new projects) paving the way for long term growth



Brindisi GMP licence reactivated, shipments and production to resume gradually throughout Q3

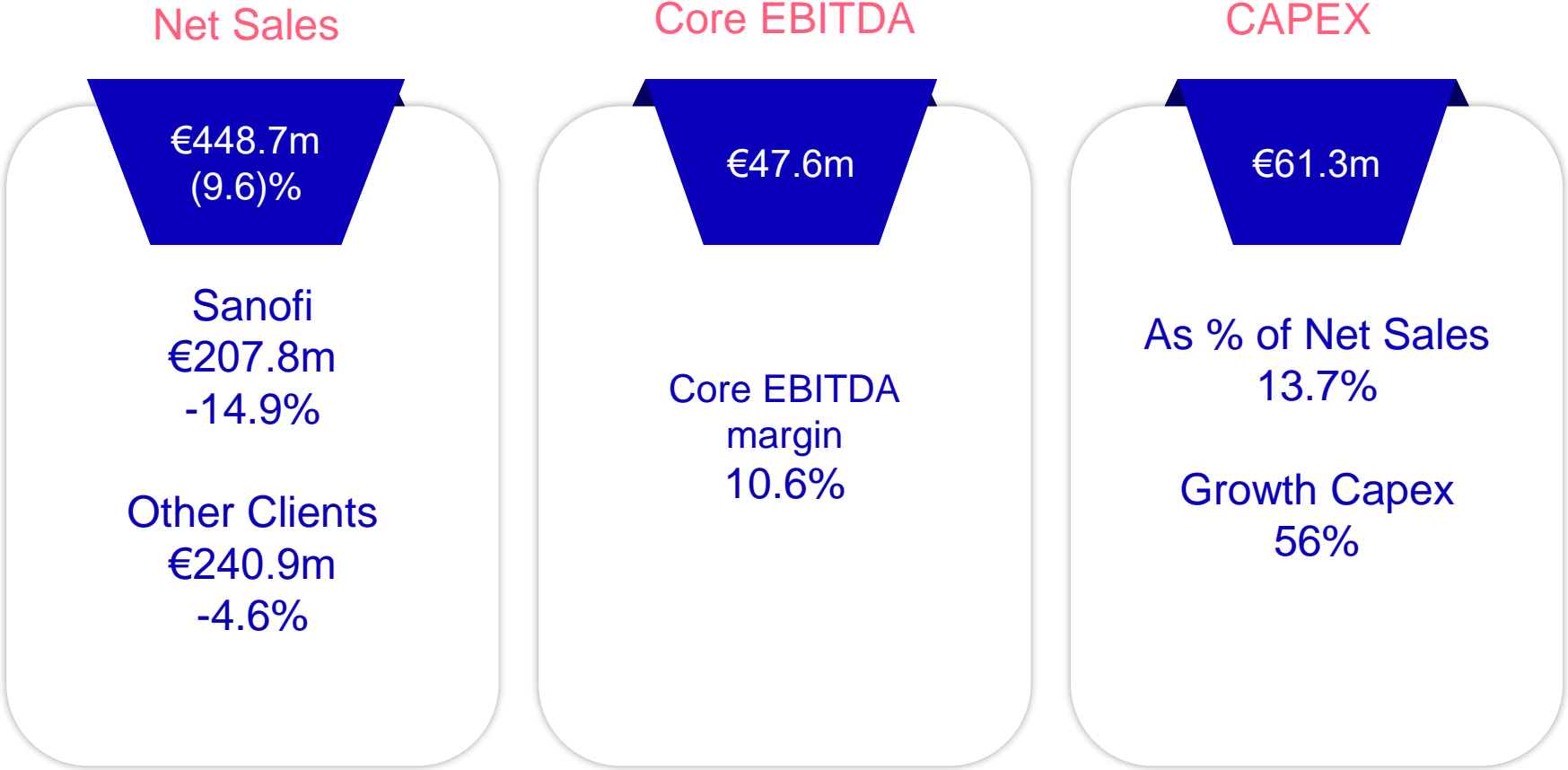


Core EBITDA margin positively impacted by prices increases and product mix, improved industrial efficiencies, and the revised contractual clauses with Sanofi which partially offset unfavourable fixed cost absorption and higher OPEX

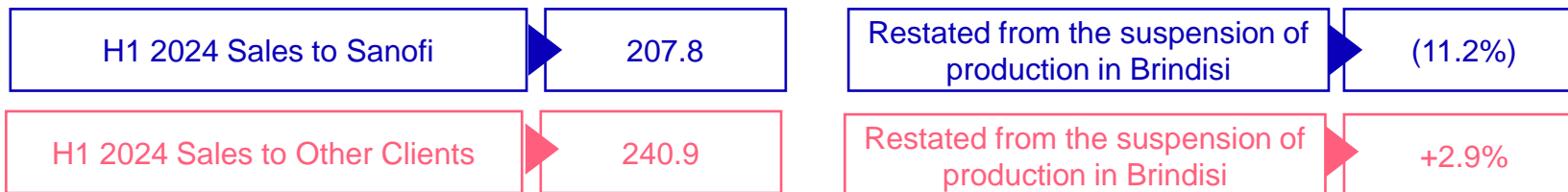
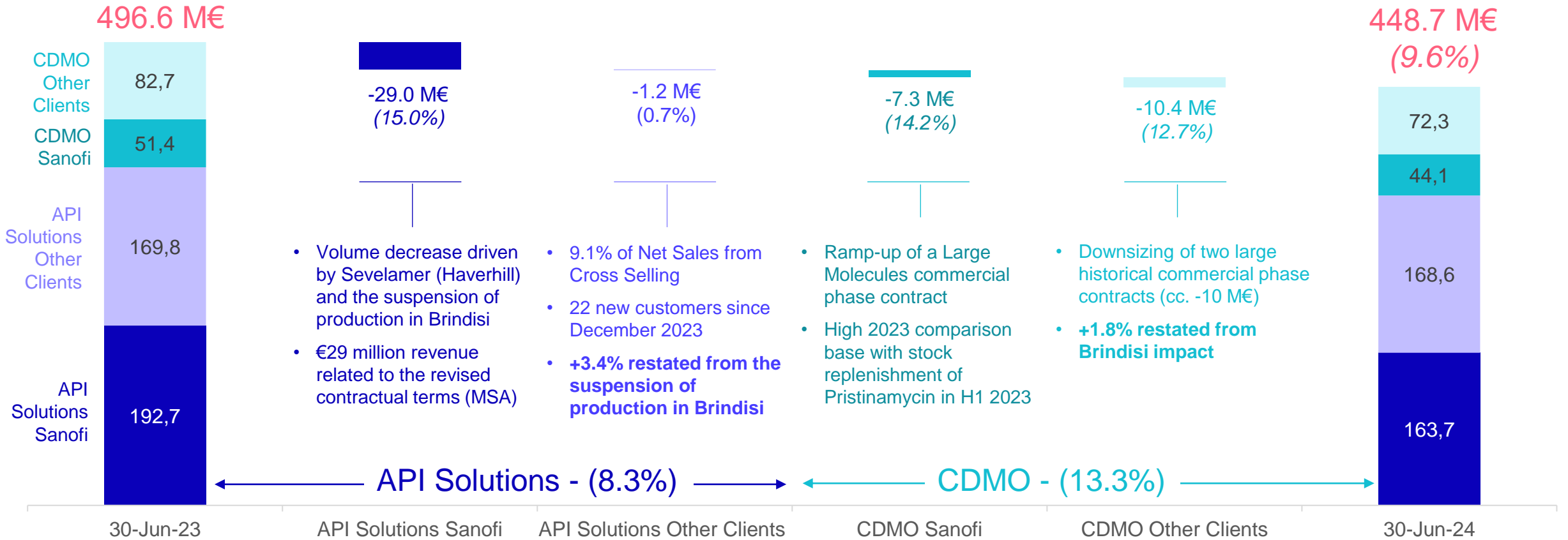


Improved financial discipline with controlled CAPEX, reduced inventories, and better cash management

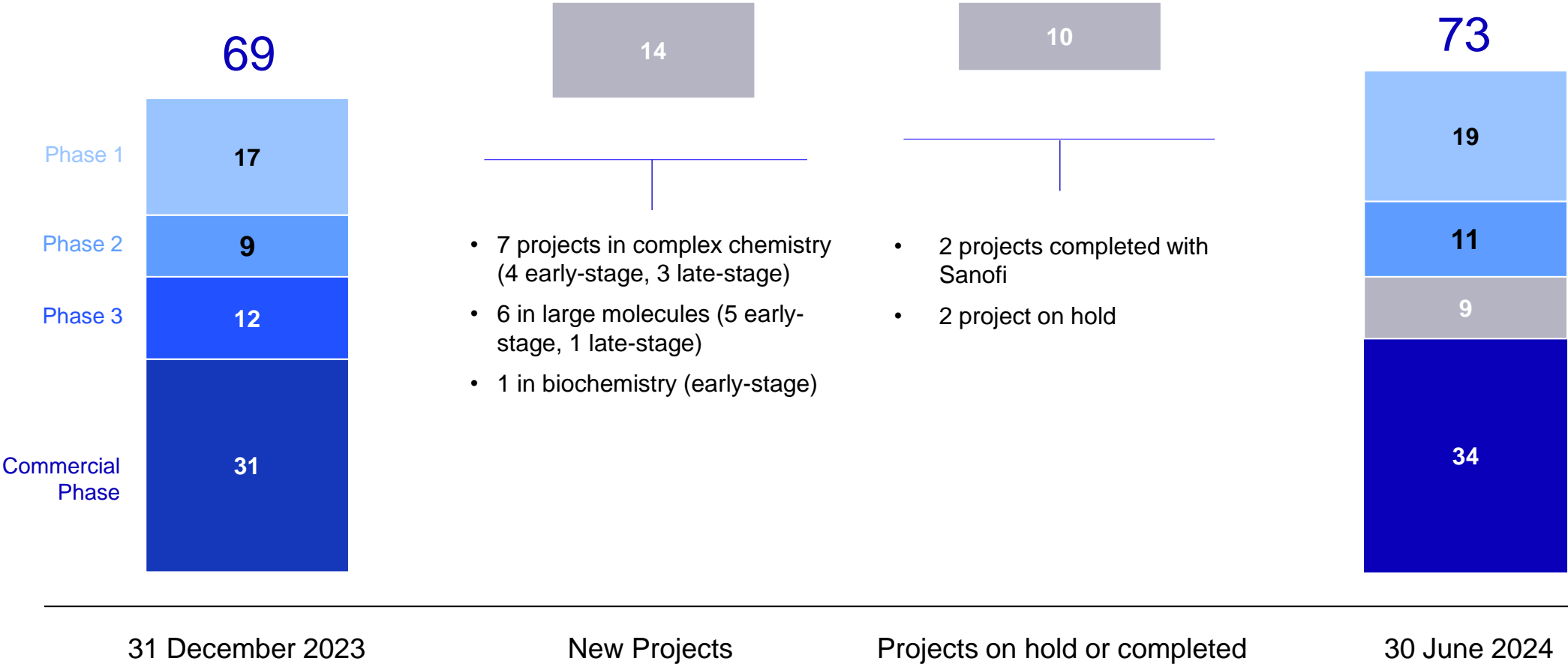
H1 2024 key operational figures



H1 2024 Consolidated Net Sales

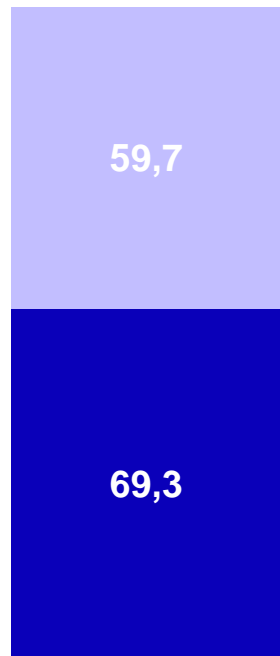


H1 2024 CDMO projects portfolio



H1-2024 CAPEX

FY 23
€129.0 m

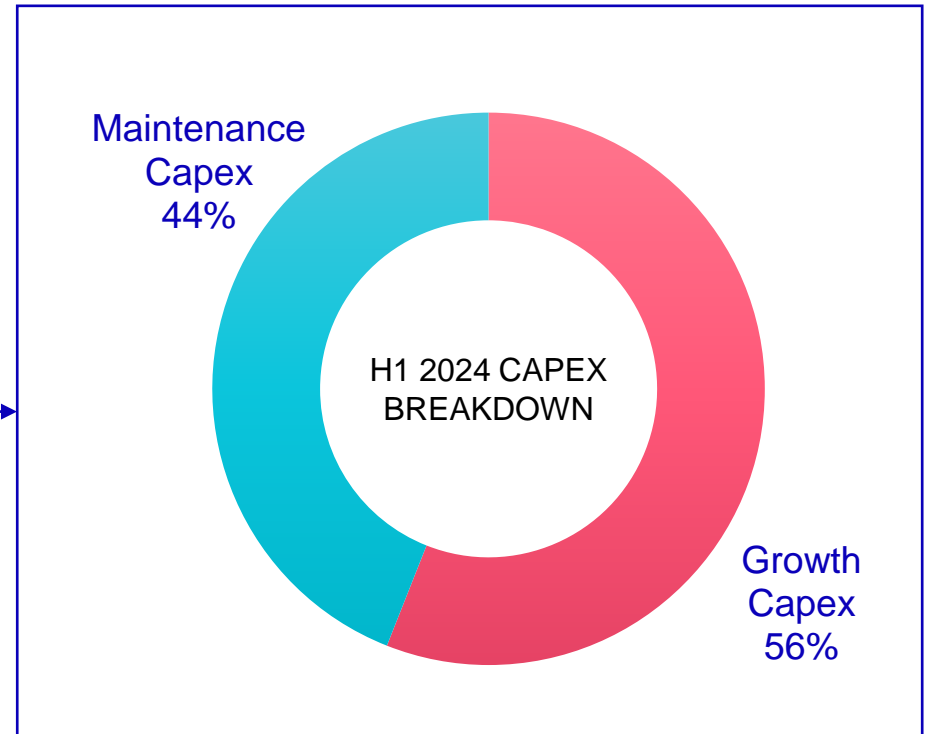


2023

■ H1 ■ H2



2024



H1 2024 Financial performance

Evelyne Nguyen
Chief Financial Officer



From Net Sales to Core EBITDA

In € millions

	H1-2024	H1-2023
Net sales	448.7	496.6
Gross profit	98.0	97.0
<i>Gross profit margin</i>	<i>21.8%</i>	<i>19.5%</i>
Core EBITDA	47.6	62.5
<i>Core EBITDA margin</i>	<i>10.6%</i>	<i>12.6%</i>
Non-recurring items	49.0	10.4
EBITDA	(1.4)	52.1

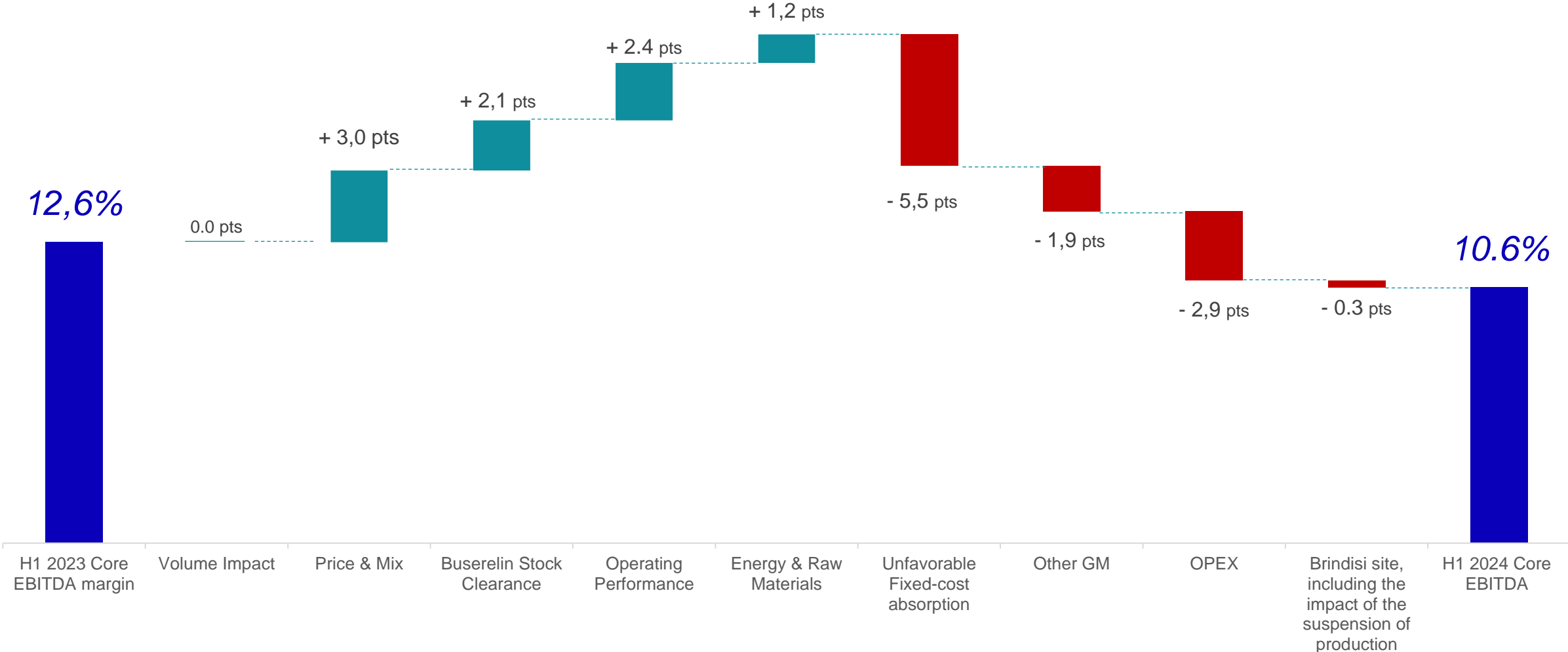
47.2 million in exceptional items linked to FOCUS-27 plan

- €33.8 million of idle costs, including the ramp-down of two workshops in Frankfurt started in H1 2024 and reduced inventories in Vertolaye
- €9.0 million of internal and external costs related to the transformation of the company
- €4.4 million of employee-related expenses, including redundancy plans

H1 2024 Results

Change in Core EBITDA margin

Rounded figures



From EBITDA to Net Income and EPS

In € millions

	H1-2024	H1-2023
EBITDA	(1.4)	52.1
Depreciation and Amortization	32.0	36.1
Operating Income	(33.4)	16.0
Financial Result	(8.1)	(3.3)
Income before Tax	(41.5)	12.6
Income Tax expenses	6.7	50.1
Net Income	(34.8)	62.8
Number of shares outstanding	94.3	93.9
Basic EPS	(0.37)	0.67
Diluted EPS	(0.37)	0.66

Financial results negatively impacted by the increase in interest rates, and the full drawdown of the RCF

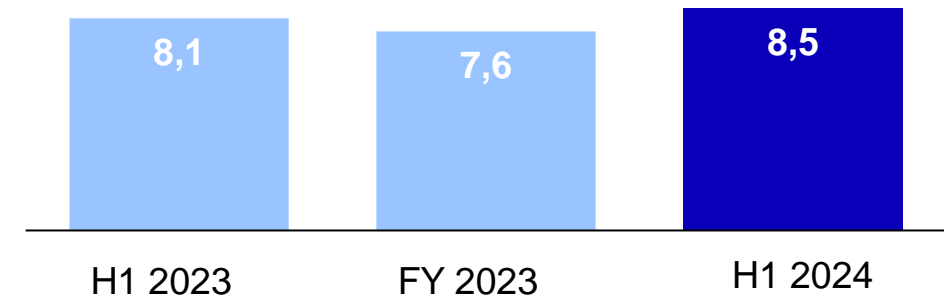
H1 2023 income tax included €46.8m deferred tax assets related to EUROAPI Hungary's assets

Working capital

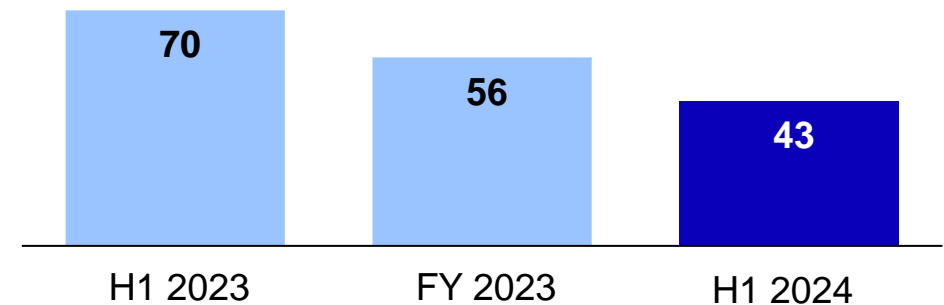
In € millions

	June 2024	December 2023	June 2023
Working Capital	671.8	701.5	741.0
Of which inventories	638.7	644.8	667.8
Of which trade receivables	176.7	216.3	238.0
Of which trade payables	(143.6)	(159.6)	(164.8)

Inventory - Months on Hand¹



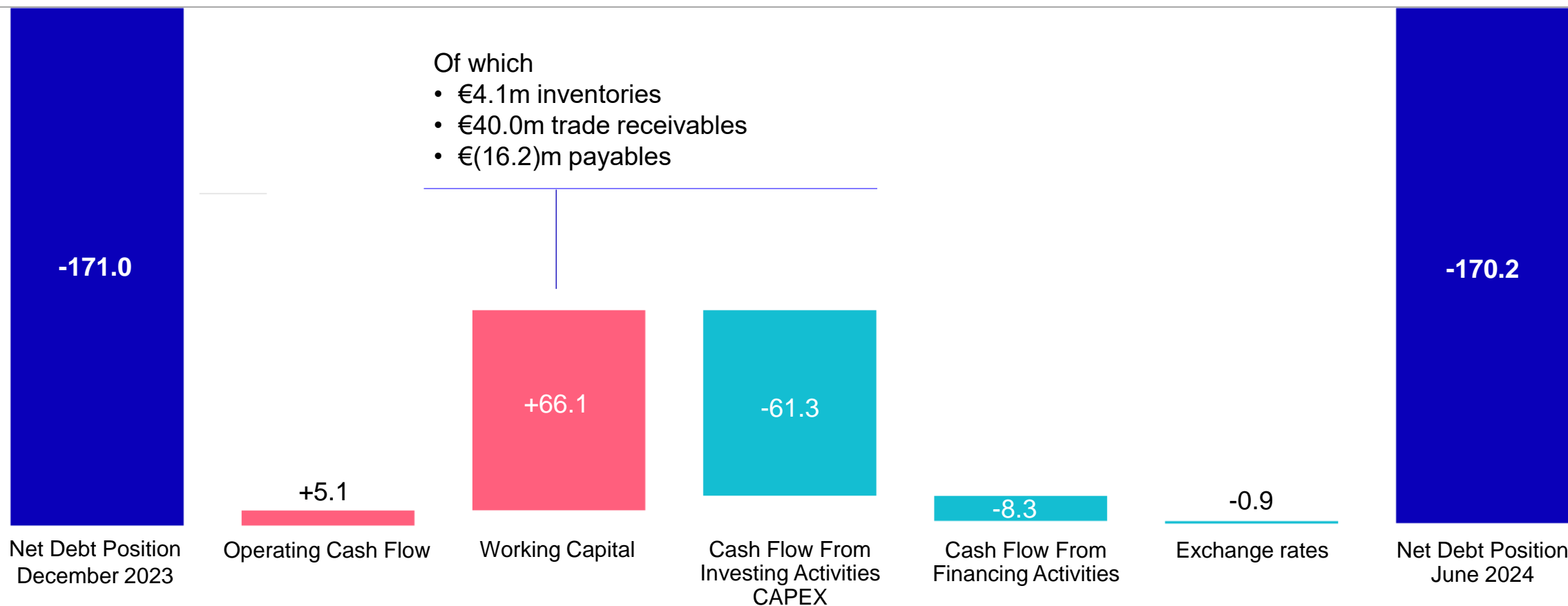
Receivables – DSO²



1. MOH: Months on Hands-Inventories in value on Net Sales
 2. DSO: Receivables in Day of Sales

Net Debt evolution

€ millions, rounded figures



€10.0 m Free Cash-Flow before financing
 Net Debt on Core EBITDA end of June 2024*: 2.38x

*As per RCF covenant definition – See glossary

2024 outlook

Ludwig de Mot
Chief Executive Officer



2024 outlook confirmed

Underlying assumptions

- Downsizing of two large CMO contracts
- Continued decrease in sales to Sanofi
- Phasing impact in the CDMO business

- Impact of the suspension of APIs production in Brindisi

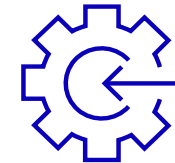
- A material impact of the company's transformation and early restructuring costs, including industrial under-activity resulting from the execution of the FOCUS 27 project

- Improvement in Working Capital, driven by a significant reduction in inventories, mainly in the second half



Between 8% and 11% decrease in Net Sales on a comparable basis

The second-half performance should exceed that of the first half due to phasing impact



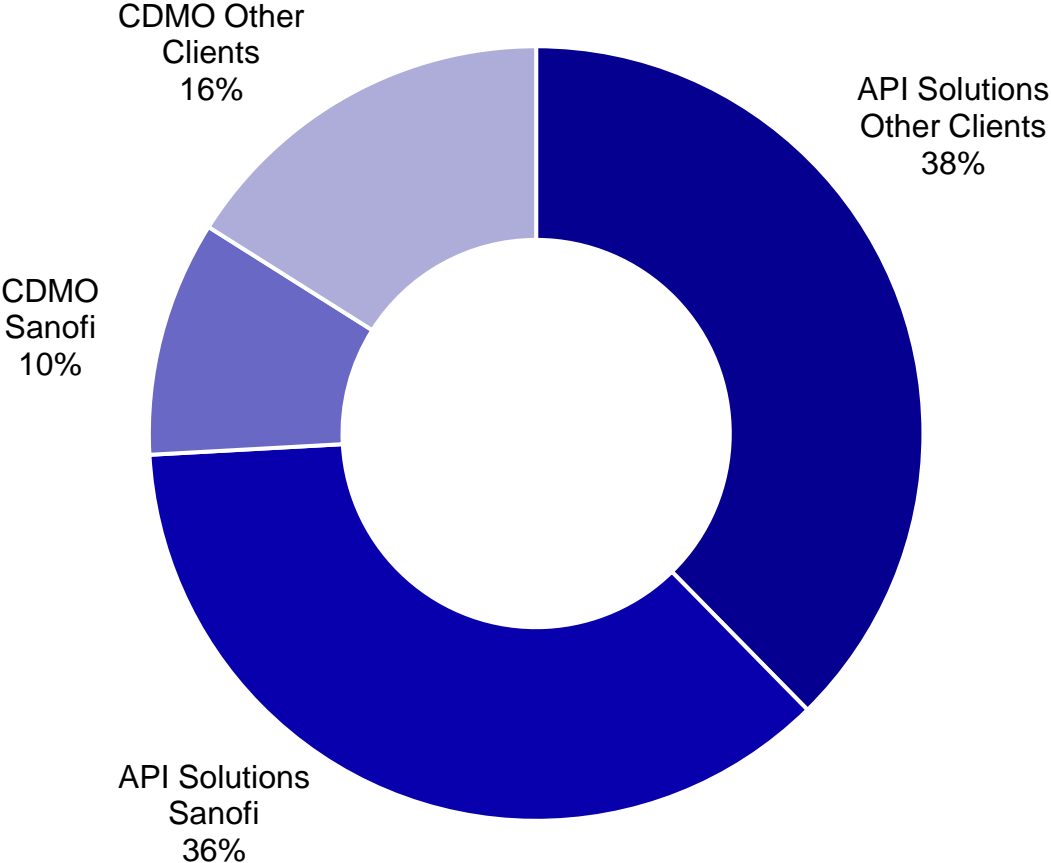
Between 4% and 7% Core EBITDA margin. The positive impact of the revised contractual clauses with Sanofi will be lower in the second half.

Q&A session

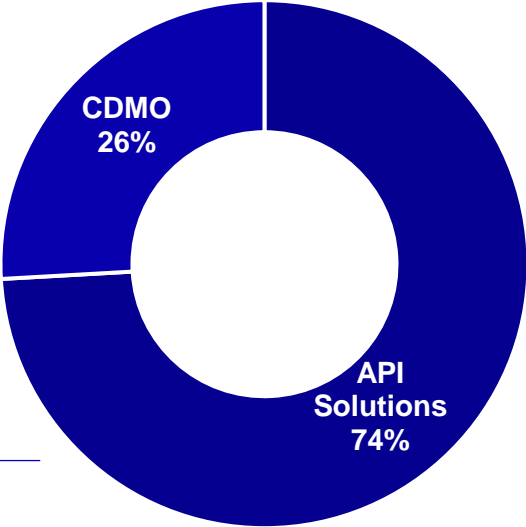


Appendix

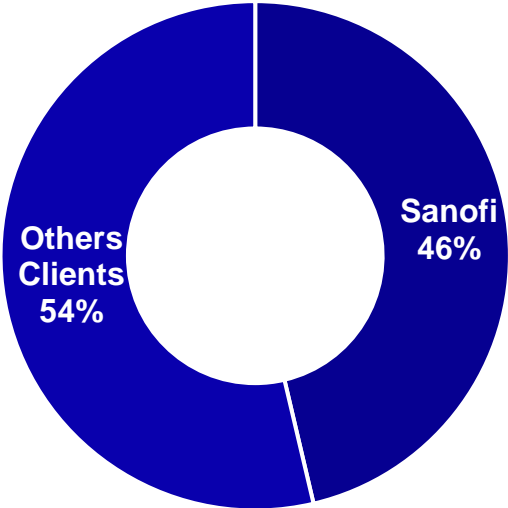


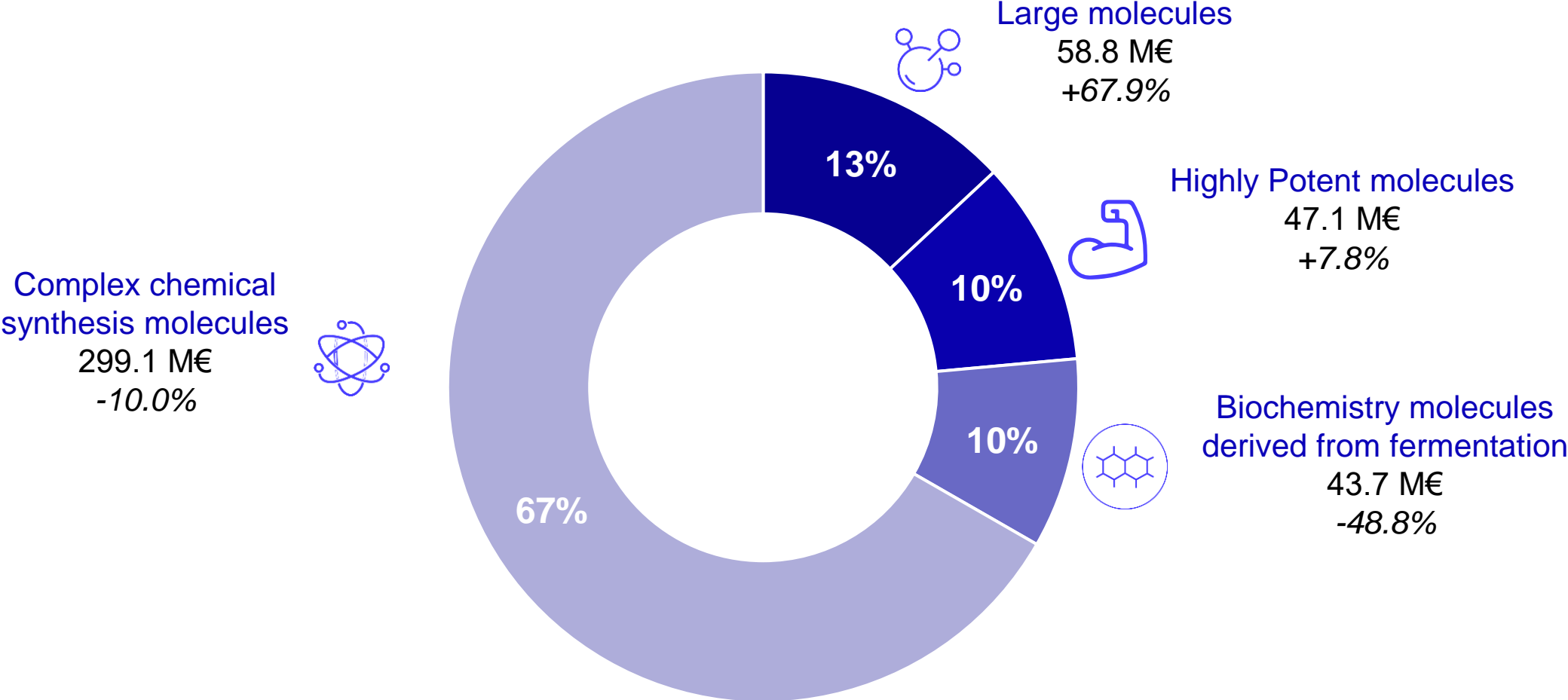


By Activity



By Customer

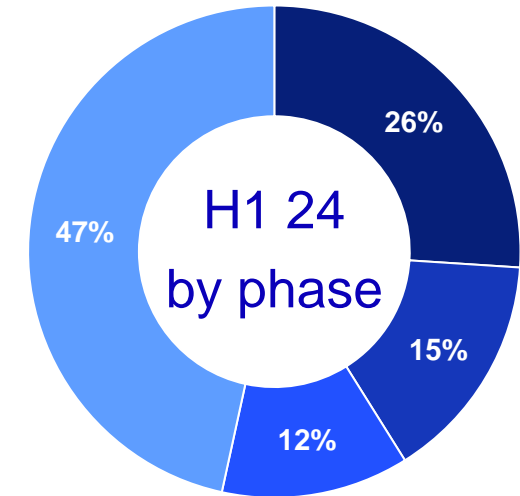




CDMO projects portfolio at the end of June 2024

Portfolio gradually de-risked towards commercial phase projects

■ Phase 1 and earlier ■ Phase 2 ■ Phase 3 ■ Commercial



EBITDA and Core EBITDA

EBITDA corresponds to operating income (loss) restated for depreciation and amortization and net impairment of intangible assets and property, plant and equipment.

Core EBITDA thus corresponds to EBITDA restated for restructuring costs and similar items (excluding depreciation and write-downs), allocations net of reversals of unutilized provisions for environmental risks, and other items not representative of the Group's current operating performance or related to the effects of acquisitions or disposals.

Cash Flow before Financing activities

Cash Flow from Operating Activities + Cash Flow from Investing Activities

Months on Hand (MOH)

Net Inventory value at the of the period divided by Net Sales

Early-stage and Late-stage projects

- Early-stage: pre-clinical, phase 1, and phase 2
- Late-stage: phase 3, in validation, and commercial

RCF Covenant

The RCF loan agreement includes a covenant stipulating that the ratio of total net debt to consolidated core EBITDA may not exceed 4.0

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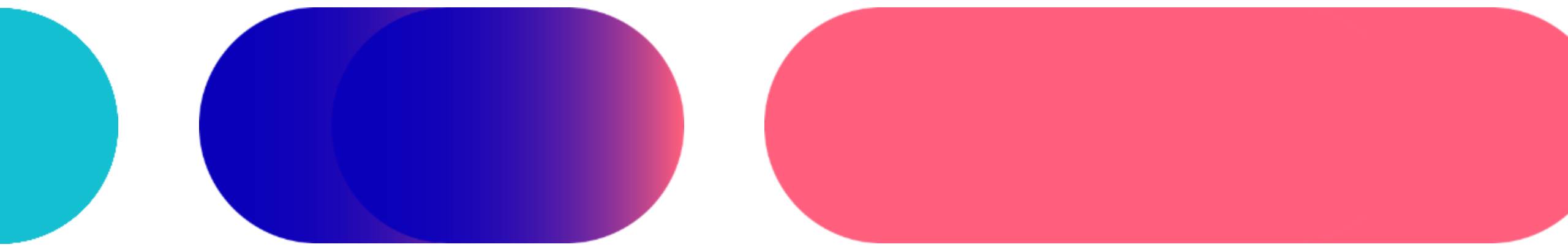
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Thank you!

Merci - Danke - Grazie - Köszönöm - Obrigada - Спасибо - ありがとうございます



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