

Lure

March 20, 2025



ANNUAL RESULTS 2024

Annual sales: €539m (+2.2% at constant exchange rates)**Essential products sales: €328m (+4.6% at constant exchange rates)****Net result, Group share: €59m (10.9% of sales)****EBITDA: €104m (19.3% of sales)****Cash flow generation: €86m**

Matthieu Frechin, Chairman and CEO of Vetoquinol, commented: "In 2024, we delivered a solid financial year, combining growth in almost all our reference markets, high profitability and sustained cash generation. We have achieved this performance while absorbing the sometimes significant uncertainties, such as in the United States this year, as well as the cost of transforming the Group. This is due to the strength of our model built around Essentials, which have achieved an annual average growth above 8% since 2014, and to our reactive management, which enables us to adapt quickly to changing economic conditions.

We will therefore actively pursue the implementation of this strategy in 2025, while paying particular attention to the uncertainties arising from recent geopolitical upheavals.

FOR FURTHER INFORMATION
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The Board of Directors of Vetoquinol SA met on March 18, 2025 to review business activity and approved the financial statements for the year ended December 31, 2024. The audit procedures are currently being finalized by the Statutory Auditors.

Vetoquinol sales for FY 2024 totaled €539 million, up 1.9% on a reported basis and 2.2% at constant exchange rates. Foreign exchange had a negative impact of €1.9m.

The program to simplify the Complementary products portfolio had a negative impact on Vetoquinol's annual sales of around €8m for the year, or around -1.5% of sales.

Sales of Essential products totaled €328 million, up 4.6% on a reported basis and at constant exchange rates. These products, the key drivers of the Group's strategy, confirmed their solid growth momentum. However, this figure does not reflect their real performance given the unavailability in the 1st half-year of one of the main Essential product ranges in the United States. Since the launch of this strategy in 2014, sales of Essentials have more than doubled, posting an average annual growth of over 8%. They now account for 61% of Group sales. In addition to their growth momentum, these products have a higher gross margin than complementary products.



Geographically, Europe (+5.1%), Asia Pacific/Rest of World (+4.1%) and the Americas excluding the United States (+3.1%) grew on a reported basis.

Europe, the Group's largest market accounting for almost 50% of sales, turned in a solid performance, driven in particular by Essential products.

In the United States, sales were down 6.9% at constant exchange rates. Two factors explain this trend. On the one hand, the market was disrupted by short-term arbitrages by local distributors at the end of the first half, and on the other hand, sales were affected by the unavailability in the first half of one of the main Essential product ranges due to a subcontracting problem. A solution was found, but due to the intense competition in this market, the return to normal is taking place gradually. The decline in business in 2024 does not call into question the strategic importance of the United States for the Group. In the long term, it will remain the Group's 1st market, notably because of the potential it offers for the development of Essentials, which currently account for just over 40% of sales in the United States.

Sales of products for companion animals (€378 million) rose by 2% at constant exchange rates and accounted for 70% of the Group's sales. Sales to farm animals came to €162 million, up 2.8% at constant exchange rates.

The margin on purchases rose slightly to 72.0% compared with fiscal 2023. The product mix, and particularly the continued growth of Essential products, as well as higher prices, contributed to this increase, despite inflation in purchasing costs for raw materials and subcontracted products.

Other purchases and external charges rose by €7.0 million, or 6.6%, compared with FY 2023. This increase is due to more sustained activity and an inflationary context.

Personnel costs rose by €10.2m (+6.5%) and represented 31.1% of sales in 2024 (vs. 29.7% in 2023). This increase is essentially due to the rise in payroll (salary increases in fiscal 2024). The number of employees at December 31, 2024 was 2,501 (2,483 at end-December 2023).

Depreciation and amortization charges related to the application of IFRS 16 generated a depreciation expense of €6.1m vs. €5.9m at end December 2023.

EBIT before amortization of intangible assets acquired amounted to €89.0m, up €4.0m, representing 16.5% of 2024 sales (2023: €85.0m, 16.1% of sales).

Depreciation of assets acquired amounted to €12.9m, vs. €13.4m at the end of December 2023. These mainly comprise depreciation of assets linked to the Drontal® and Profender® products.

Group EBIT rose by €4.5 million to €76.1 million (14.1% of sales) from €71.6 million in 2023.

R&D expenses in fiscal 2024 amounted to €43.7m, or 8.1% of sales vs. 7.6% in fiscal 2023. This increase reflects the Group's determination to step up investment over the long term to support innovation and the ongoing development of Essential products.

The apparent tax rate was 27.7% (vs. 34.4% at end December 2023). Restated for non-recurring items, the tax rate was 28.7%.

EBITDA stood at €104.3 million at December 31, 2024, or 19.3% of sales vs. 20.3% at end 2023 (restated for non-recurring items in Brazil of €6.0 million).

Net income for the Vetoquinol Group came to €58.7 million, or 10.9% of 2024 sales, after taking into account non-recurring items of €1.2 million and net financial income of €3.7 million.

At the end of December 2024, the Vetoquinol Group had an overall net cash position of €185.2 million (including IFRS 16), up €55.2 million at the end of 2023.

The Board of Directors has proposed a dividend of €0.89 per share to the Annual General Meeting of Shareholders on May 22, 2025.

The 2024 Annual Results presentation is available on the Vetoquinol website:
<https://vetoquinol.com/fr/investisseurs>

Next publication: Q1 2025 sales, April 24, 2025 after market close

ABOUT VETOQUINOL

Vetoquinol is a leading international player in animal health, with operations in Europe, the Americas and Asia/Pacific.

Independent and a pure player, Vetoquinol innovates, develops and markets veterinary medicines and non-medicated products for farm animals (cattle, pigs) and companion animals (dogs, cats).

Since its creation in 1933, Vetoquinol has combined innovation and geographic diversification. The strengthening of the product portfolio and acquisitions in high-potential territories ensure hybrid growth for the Group. At December 31, 2024, Vetoquinol employed 2,501 people.

Vetoquinol has been listed on Euronext Paris since 2006 (mnemonic code: VETO). The Vetoquinol share is eligible for the French PEA and PEA-PME personal equity plans.

APPENDIX

Sales by quarter

€m	2024	2023	Change on a reported basis	Change at constant exchange rates
Q1 sales	133.6	145.4	-8,1%	-8,1%
Q2 sales	130.8	110.9	+18.0%	+17.8%
Q3 sales	133.7	135.8	-1.5%	-0.6%
Q4 sales	141.1	137.2	+2.8%	+3.4%
FY sales	539.2	529.3	+1.9%	+2.2%

Sales by strategic territory

€m	2024	2023	Change on a reported basis	Change at constant exchange rates
Europe	263.6	250.9	+5.1%	+4.2%
Americas excl. USA	80.6	78.2	+3.1%	+6.4%
USA	112.2	120.6	-7.0%	-6.9%
Asia Pacific / Rest of the world	82.9	79.6	+4.1%	+5.6%
FY sales	539.2	529.3	+1.9%	+2.2%

Summary income statement

€m	31/12/2024	31/12/2023	Variation
Total sales	539.2	529.3	+1.9%
<i>of which Essentials</i>	327.6	313.3	+4.6%
EBIT before depreciation of assets acquired	89.0	85.0	+4.7%
<i>in % of total sales</i>	16.5	16.1	
Net income. Group share	58.7	55.6	+5.6%
<i>in % of total sales</i>	10.9	10.5	
EBITDA	104.3	113.0	-7.7%
<i>in % of total sales</i>	19.3	21.3	

EBITDA reconciliation

€m	31/12/2024	31/12/2023
Net income before equity method	58.7	55.6
Income tax expense	22.3	21.6
Net financial result	(3.7)	(2.6)
Provisions recognized in other operating income and expenses	(1.6)	3.6
Provisions and write backs	(3.5)	3.5
Depreciation and amortization (including IFRS 16)	32.0	31.6
EBITDA	104.3	113.0

ALTERNATIVE PERFORMANCE INDICATORS

Vetoquinol Group management believes that these indicators, which are not defined by IFRS, provide additional information that is relevant to shareholders in their analysis of the Group's underlying trends, performance and financial position. These indicators are used by management to analyze performance.

Essentials products: The products referred to as "Essentials" comprise veterinary drugs and non-medical products sold by the Vetoquinol Group. They are existing or potential market-leading products designed to meet the daily requirements of vets in the companion animal or farm animal sector. They are intended for sale worldwide and their scale effect improves their economic performance.

Constant exchange rates: Application of the previous period's exchange rates to the current financial year, all other things remaining equal.

Organic growth: Organic growth refers to growth in Vetoquinol's sales due to an increase in sales volume and/or prices in year N compared with year N-1, at constant exchange rates and scope of consolidation.

EBIT before amortization of acquired assets: This KPI isolates the non-cash impact of depreciation charges on intangible assets arising from mergers and acquisitions.

Net cash and cash equivalents: Net cash corresponds to cash and cash equivalents after deduction of bank overdrafts and bank loans in compliance with IFRS 16.