

Regulated information

Nazareth (Belgium)/Rotterdam (The Netherlands), 9 February 2023 – 7.00 AM CET

Fagron reports 19% topline growth, 11% increase in REBITDA and free cash flow of €91 million for 2022

Fagron, the leading global player in pharmaceutical compounding today publishes its full year results for the period ending 31 December 2022.

FY 2022 Key Highlights

- **Revenue growth of 10.3% at CER with organic revenue growth of 3.8% at CER to €683.9 million (€676.7 million excluding Boston)**
- **REBITDA increased by 10.5% to €130.7 million; 19.1% REBITDA margin (19.6% excluding Boston)**
- **Combined run-rate of Wichita and Boston sterile outsourcing facilities exceeded US\$110 million**
- **Earnings per share increased by 14.3% to €0.96**
- **Highly cash generative business delivering 57.7% increase in free cash flow to €91.0 million**
- **Five acquisitions completed in line with buy-and-build strategy**
- **Leverage ratio of 1.9x allows sufficient headroom to support disciplined M&A strategy**
- **Outperformed greenhouse gas intensity reduction target as we remain committed to our sustainability agenda**
- **Dividend proposal of €0.25 per share**
- **For FY 2023, we expect mid-to-high single digit organic revenue growth with an increase in profitability, both developing progressively through the year, and one-off capex investments in North America**

Rafael Padilla, CEO of Fagron commented

“The continued resilience of our industry, allied with strong execution capabilities and our teams’ relentless focus on strategic execution enabled us to deliver strong results for the year.”

We expanded our operating profit in the second semester to deliver a margin of 19.8% excluding the impact of the Boston acquisition. For the full year and including the Boston impact, margin came in at 19.1% despite the inflationary pressures. This was driven by the continued and impressive turnaround in EMEA because of positive developments across our traditional and smaller markets. We made further progress in North America with pleasing organic growth supplemented by two sizeable acquisitions that demonstrate our long-term commitment to the region. The combined run-rate of our Wichita and Boston sterile outsourcing facilities exceeded US\$110 million in line with our expectations. Over the course of this year, we have witnessed an industry wide increase in regulatory scrutiny in the US and we have adopted a pragmatic approach to ensure that quality remains our key competitive advantage. The Latin America region has faced numerous external challenges this year and we have taken the necessary actions to ensure we maintain our market leading position and are already seeing benefits, with an expansion of our margin in the second half of the year. Free cash generation was outstanding with 58% growth year over year, further reinforcing the underlying strength of our business model and supporting our ability to maximize stakeholder value over the long term.



Although we expect further macro challenges in 2023, I am confident we will manage these developments and deliver on our ambitions as the global demand for personalizing medicine continues to accelerate and Fagron is best positioned to capitalize on this opportunity.

Finally, Michael Schenck stepped down as non-executive director from our Board. We thank him for his valuable contribution to the Board of Directors.”

FY 2022 Key Financial Figures

| (€ '000) | Revenue per region | | | | | |
|---------------|--------------------|----------------|--------------|--------------|--------------|---------------|
| | FY '22 | FY '21 | Δ | Δ CER | Δ Organic | Δ Organic CER |
| EMEA | 276,409 | 255,103 | 8.4% | 7.8% | 2.7% | 2.2% |
| Latin America | 162,336 | 141,079 | 15.1% | -1.1% | 15.1% | -1.1% |
| North America | 245,136 | 177,626 | 38.0% | 22.9% | 24.0% | 10.5% |
| Group | 683,881 | 573,808 | 19.2% | 10.3% | 12.0% | 3.8% |

| (€ '000) | Revenue per segment | | | | | |
|--|---------------------|---------|-------|-------|-----------|---------------|
| | FY '22 | FY '21 | Δ | Δ CER | Δ Organic | Δ Organic CER |
| Essentials | 332,499 | 287,070 | 15.8% | 7.5% | 5.0% | -2.2% |
| Brands | 115,058 | 102,682 | 12.1% | 2.8% | 11.6% | 1.9% |
| Compounding Services ¹ (CS) | 236,323 | 184,056 | 28.4% | 18.9% | 22.8% | 13.8% |

| (€ '000) | Group | | |
|----------------|---------|---------|---------|
| | FY '22 | FY '21 | Δ |
| REBITDA | 130,724 | 118,339 | 10.5% |
| REBITDA margin | 19.1% | 20.6% | -150bps |
| EPS (€) | 0.96 | 0.84 | 14.3% |
| Free cash flow | 90,961 | 57,688 | 57.7% |

¹ Previously Compounding Services and Premium Pharmaceuticals



Financial Review

Income statement

| (€ '000) | FY 2022 | FY 2021 | Δ |
|---|----------------|----------------|--------------|
| Net revenue | 683,881 | 573,808 | 19.2% |
| Gross margin | 402,586 | 336,285 | 19.7% |
| <i>As % of net revenue</i> | 58.9% | 58.6% | 30bps |
| Operating costs | 270,062 | 214,651 | 25.8% |
| <i>As % of net revenue</i> | 39.5% | 37.4% | 210bps |
| Subscription rights costs | 1,799 | 3,295 | -45.4% |
| EBITDA before non-recurrent result | 130,724 | 118,339 | 10.5% |
| <i>As % of net revenue</i> | 19.1% | 20.6% | -150bps |
| Non-recurrent result | 2,665 | -1,569 | 269.8% |
| EBITDA | 133,389 | 116,770 | 14.2% |
| <i>As % of net revenue</i> | 19.5% | 20.3% | -80bps |
| Depreciation and amortization | 35,480 | 29,332 | 21.0% |
| EBIT | 97,909 | 87,438 | 12.0% |
| <i>As % of net revenue</i> | 14.3% | 15.2% | -90bps |
| Financial result | -10,140 | -10,618 | -4.5% |
| Profit before taxes | 87,769 | 76,820 | 14.3% |
| Taxes | -17,703 | -15,442 | 14.6% |
| Net profit | 70,066 | 61,378 | 14.2% |
| Net profit per share (€) | 0.96 | 0.84 | 14.3% |
| Average number of outstanding shares | 72,874,673 | 72,643,423 | |

| (€ '000) | H2 2022 | H2 2021 | Δ |
|---|----------------|----------------|--------------|
| Net revenue | 355,316 | 297,221 | 19.5% |
| Gross margin | 212,015 | 174,695 | 21.4% |
| <i>As % of net revenue</i> | 59.7% | 58.8% | 90bps |
| Operating costs | 143,892 | 110,886 | 29.8% |
| <i>As % of net revenue</i> | 40.5% | 37.3% | 320bps |
| Subscription rights costs | 720 | 1,476 | -51.2% |
| EBITDA before non-recurrent result | 67,402 | 62,333 | 8.1% |
| <i>As % of net revenue</i> | 19.0% | 21.0% | -200bps |
| Non-recurrent result | 3,465 | -862 | 502.1% |
| EBITDA | 70,868 | 61,471 | 15.3% |
| <i>As % of net revenue</i> | 19.9% | 20.7% | -80bps |
| Depreciation and amortization | 19,760 | 14,748 | 34.0% |
| EBIT | 51,108 | 46,723 | 9.4% |
| <i>As % of net revenue</i> | 14.4% | 15.7% | -130bps |
| Financial result | -7,954 | -4,521 | 75.9% |
| Profit before taxes | 43,154 | 42,202 | 2.3% |
| Taxes | -8,387 | -7,772 | 7.9% |
| Net profit | 34,767 | 34,430 | 1.0% |
| Net profit per share (€) | 0.48 | 0.47 | 2.1% |
| Average number of outstanding shares | 72,889,027 | 72,856,527 | |



Revenue

Consolidated revenue increased by 19.2% (10.3% at constant exchange rates) compared to 2021 to €683.9 million. Organic revenue growth was 12.0% (3.8% at constant exchange rates) compared to 2021.

Gross margin

Gross margin increased by 19.7% to €402.6 million in 2022. Gross margin as a percentage of revenue increased 30 basis points compared to 2021 to 58.9%. Operating costs excluding the costs of subscription rights as percentage of revenue amounted to 39.5% in 2022, an increase of 210 basis points compared to 2021. The costs of subscription rights decreased by 45.4% compared to 2021 to €1.8 million.

EBITDA and EBITDA margin

REBITDA (i.e., EBITDA before non-recurring result) increased by 10.5% (2.6% at constant exchange rates) compared to 2021 to €130.7 million. REBITDA as a percentage of revenue decreased 150 basis points compared to 2021 to 19.1%. The non-recurring result amounted to €2.7 million in 2022 and related mainly to acquisition and restructuring costs offset by the badwill of the acquisition of the 503B facility in Boston (€5.5 million) and the release of contingent liabilities related to acquisitions in North America. EBITDA increased by 14.2% compared to 2021 to €133.4 million. EBITDA as a percentage of revenue decreased 80 basis points compared to 2021 to 19.5%.

Depreciation and amortization

Depreciation and amortization increased by 21.0% compared to 2021 to €35.5 million.

EBIT and EBIT margin

EBIT increased by 12.0% compared to 2021 to €97.9 million. EBIT as a percentage of revenue decreased 90 basis points compared to 2021 to 14.3%.

Profit before tax and tax expenses

Profit before tax increased by 14.3% compared to 2021 to €87.8 million. The effective tax rate as a percentage of profit before taxes was 20.2% in 2022 compared to 20.1% in 2021. The effective cash tax rate was 19.9% in 2022 compared to 24.2% in 2021.

Net profit and EPS

Net profit increased by 14.2% compared to 2021 to €70.1 million. Earnings per share increased by 14.3% compared to 2021 to €0.96.



Balance sheet

| (€ '000) | 31-12-2022 | 31-12-2021 |
|------------------------------------|------------|------------|
| Intangible fixed assets | 463,401 | 411,075 |
| Property, plant, and equipment | 143,596 | 128,626 |
| Deferred tax assets | 24,785 | 22,545 |
| Financial fixed assets | 4,210 | 1,556 |
| Financial instruments | 13,277 | 1,197 |
| Other fixed assets | 3,731 | 1,710 |
| Operational working capital | 71,203 | 59,070 |
| Other working capital | -30,347 | -26,646 |
| Equity | 410,518 | 325,466 |
| Provisions and pension obligations | 4,763 | 6,112 |
| Financial instruments | 181 | 103 |
| Deferred tax liabilities | 4,352 | 2,510 |
| Net financial debt | 274,042 | 264,941 |

Cash flow, working capital and net debt

Operating working capital as a percentage of revenue amounted to 10.2%, a decrease of 10 basis points year-on-year and a decrease of 190 basis points compared to the number per 30 June 2022, mostly driven by inventory and operational improvements in all regions and higher factoring.

Net financial debt increased by €9.1 million to €274.0 million as at 31 December 2022. The net financial debt/REBITDA ratio was 1.9x at year-end 2022 compared to 2.2x at 30 June 2022.

Net operational capex decreased by 10.8% compared to 2021 to €18.5 million (2.7% of revenue). Capex mainly related to investments in existing and new facilities.

Free cash flow increased by 57.7% compared to 2021 to €91.0 million.



Business Review

EMEA

| (€ '000) | FY '22 | FY '21 | Δ | Δ CER | Δ Organic | Δ Organic CER |
|----------------------|----------------|----------------|-------------|-------------|-------------|---------------|
| Essentials | 149,635 | 142,894 | 4.7% | 4.5% | 0.9% | 0.6% |
| Brands | 46,130 | 39,047 | 18.1% | 17.7% | 3.0% | 2.6% |
| CS | 80,643 | 73,162 | 10.2% | 9.2% | 6.0% | 5.0% |
| Total revenue | 276,409 | 255,103 | 8.4% | 7.8% | 2.7% | 2.2% |

| (€ '000) | FY '22 | FY '21 | Δ |
|----------------|--------|--------|-------|
| REBITDA | 60,575 | 55,619 | 8.9% |
| REBITDA margin | 21.9% | 21.8% | 10bps |

Organic revenue growth in the EMEA region was 2.2% at constant exchange rates with total growth at constant exchange rates of 7.8% (reported 8.4%) to €276.4 million for the year. This positive performance in the region shows the strengthening of our commercial approach, recovery of elective care and continued progress of pricing pass through, across all our segments.

Brands and Essentials revenue was supported by successful innovative product launches and the improved product availability driven by the completed transition to our Polish GMP repackaging facility. In Essentials, we saw impressive revenue growth in some of our smaller markets, such as Denmark, advancing in revenue diversification across the region.

In Compounding Services, the revenue acceleration is reflective of the continuing normalization of the market, our solid market position in this segment and the success of our Curaphar acquisition. Performance in the Netherlands continued its evolution in line with expectations, supported by contract renewals, the reinforcement of our registration capabilities and progression in passing on price increases. Our emerging countries South-Africa and Israel have shown tremendous growth and offer upside potential over the mid-term.

While the inflationary pressures sustained in the second half of 2022, pricing pass-through progressed along with operational benefits, which resulted in the anticipated improvement of our REBITDA margin in the period. There remains some delay in passing on price increases linked to the longer-term contracts that are more common in Europe than in other regions we operate in.

Latin America

| (€ '000) | FY '22 | FY '21 | Δ | Δ CER | Δ Organic | Δ Organic CER |
|----------------------|----------------|----------------|--------------|--------------|--------------|---------------|
| Essentials | 112,923 | 101,018 | 11.8% | -4.0% | 11.8% | -4.0% |
| Brands | 46,544 | 37,471 | 24.2% | 5.9% | 24.2% | 5.9% |
| CS | 2,869 | 2,590 | 10.8% | 11.9% | 10.8% | 11.9% |
| Total revenue | 162,336 | 141,079 | 15.1% | -1.1% | 15.1% | -1.1% |



| (€ '000) | FY '22 | FY '21 | Δ |
|----------------|--------|--------|--------|
| REBITDA | 28,885 | 30,549 | -5.4% |
| REBITDA margin | 17.8% | 21.7% | -390ps |

Reported revenue growth in the Latin American region was 15.1% to €162.3 million for the year, supported by the continued positive exchange rate impact. At constant exchange rates, revenue declined by 1.1% reflecting the end market softness and increased competitive pressure enduring through the year.

Organic revenue development at constant exchange rates of the Essentials segment reflects the softness in demand and the impact of our focus at maintaining market share in a heightened competitive environment. The Brands segment showed nice organic revenue growth at constant exchange rates supported by innovative product launches and improved product availability, further strengthening its contribution to overall revenue. Compounding Services continued its strong organic revenue growth, supported by customer wins and increasing orders from existing customers.

Compared to – the exceptionally strong - 2021 the region's REBITDA margin showed the impact of the challenging macro-economic environment. While the pricing pressure barely changed, the new GMP repackaging facility in Brazil and the progress made in the centralization of the distribution network supported product availability and efficiency in the second half of the year, resulting in improved profitability for the second semester.

North America

| (€ '000) | FY '22 | FY '21 | Δ | Δ CER | Δ Organic | Δ Organic CER |
|----------------------|----------------|----------------|--------------|--------------|--------------|---------------|
| Essentials | 69,941 | 43,158 | 62.1% | 44.3% | 1.8% | -9.4% |
| Brands | 22,384 | 26,164 | -14.4% | -23.8% | 5.0% | -6.5% |
| CS | 152,810 | 108,304 | 41.1% | 25.7% | 34.5% | 19.8% |
| Total revenue | 245,136 | 177,626 | 38.0% | 22.9% | 24.0% | 10.5% |

| (€ '000) | FY '22 | FY '21 | Δ |
|----------------|--------|--------|--------|
| REBITDA | 41,265 | 32,171 | 28.3% |
| REBITDA margin | 16.8% | 18.1% | -130ps |

Organic revenue growth in the North American region was 10.5% at constant exchange rates with total growth at constant exchange rates of 22.9% (reported 38.0%) to €245.1 million for the year, perpetuating a distinctive performance and further strengthening our position in this growing market.

Brands and Essentials reported revenue growth was supported by the acquisition of Letco, partly offset by the divestment of our CMO business. Organic revenue growth of the Essentials segment at constant exchange rates was impacted by the accelerated integration of Letco and a deliberate slowdown of sales as part of our remediation plan following the FDA audit at our St. Paul facility.

Organic revenue growth of Compounding Services at constant exchange rates showed a recovery in the fourth quarter, driven by strong revenue growth at Anazao and our Wichita and Boston sterile outsourcing facilities combined exceeding US\$110 million year-end run rate in line with expectations. In the fourth quarter we saw early signs of the syringe shortage caused by the global vaccination programs easing, but we continue to closely monitor the situation into 2023.



The initial dilutive impact of the Letco and Boston acquisition curtailed the REBITDA margin for the region while we have been able to pass on most of the inflationary increases to our customers.

Finally, implementation of our remedial action plan at the St. Paul facility progresses well and we submit monthly update reports with the FDA, ensuring our commitment to bring the audit to a satisfactory closure.

M&A Developments

Integration of all acquisitions closed during the year, being the 503B facility in Boston (USA), Letco (USA), Pharma-pack (Belgium), Curaphar (the Netherlands), and Hiperscan (Germany), is progressing in line with expectations.

Organizational Developments

Michael Schenck stepped down as non-executive director, effective year-end 2022. His position will not be filled at this time.

ESG Developments

In 2022 Fagron made further progress in realizing our ESG targets. The implementation of energy-saving measures progressed as did the electrification of our vehicle fleet. We realized a 20% reduction of our greenhouse gas intensity compared to 2019, considerably better than the targeted 15% reduction. In December 2022, we submitted science-based emission reduction targets for validation by the Science Based Targets initiative to meet the goals of the Paris Agreement of limiting global warming to 1.5°C.

In the second half of 2022, we conducted our bi-annual global employee survey with an all-time high 89% participation rate and a sustainable engagement score of 84% with improved scores on 13 of the 16 categories. This reflects the appreciation by our employees of the good follow-up of the focus areas that came out of the 2020 survey, such as communication and learning & development.

Finally, while our product portfolio expanded further, revenue growth increased and the units of compounded medicine supplied more than doubled in the year, the number of class 1 recalls remained stable in 2022.

| Climate impact (Scope 1, 2 and business travel) | 2022 ² | 2019 ³ | Δ | Unit |
|---|-------------------|-------------------|--------|---|
| Greenhouse gas emissions (location based) | 13,204 | 13,135 | 0.5% | Tons CO ₂ eq |
| Greenhouse gas intensity (location based) | 20.5 | 25.7 | -20.2% | Kt CO ₂ eq per €m revenue at CER |

| Social and Governance indicators | 2022 | 2021 |
|--|-------|-------|
| Fatalities due to accident at work | 0 | 0 |
| Accident at work resulting in long-term injury ⁴ | 0 | 0 |
| Class 1 recalls: possible serious side effects ⁵ | 1 | 1 |
| Class 2 recalls: possible minor side effects ⁵ | 7 | 2 |
| Class 3 recalls: fails to meet quality specifications, no expected side effects ⁵ | 3 | 2 |
| Women in management roles | 40.6% | 40.7% |

² Preliminary results: reviewed FY numbers will be published in the 2022 annual report.

³ All environmental targets are versus financial year 2019.

⁴ Long-term injury is an injury where the employee is not fully recovered within six months.

⁵ Number of recalls in 2021 excludes the number of recalls at Fagron France.



Outlook

Assuming no significant changes in current market conditions, we expect a mid-to-high single digit organic revenue growth and an increase in profitability both developing progressively through 2023.

To facilitate further growth and enhance operational excellence of our 503A business in North America (Anazao, Tampa), we will invest a total of US\$18 million with the majority spent in 2023 on top of our regular maintenance capex spend of around 3 to 3.5% of revenue.

We remain committed to our disciplined acquisition strategy in all regions where we are active as part of Fagron's growth strategy.

Our medium-term objectives remain unchanged.

Dividend

The Board of Directors will propose to the General Meeting of Shareholders a gross dividend of €0.25 per share for 2022.

Statement by the statutory auditor

The statutory auditor, Deloitte Bedrijfsrevisoren BV, represented by Ine Nuyts, has confirmed that the audit procedures have been substantially completed. The audit procedures revealed no material adjustments that should be applied to the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated cash flow statement as included in this press release.

Webcast

Rafael Padilla (CEO) and Karin de Jong (CFO) will elaborate on the full year 2022 results in a conference call starting at 9.30 AM CET. Registration to the webcast is available via this [link](#). The presentation by means of which they will explain the developments will be available to download from the Fagron [website](#) from 8.00 AM CET.

Financial calendar 2023

| | |
|-----------------|-----------------------------------|
| 13 April 2023 | Trading update first quarter 2023 |
| 3 August 2023 | Half year results 2023 |
| 12 October 2023 | Trading update third quarter 2023 |

Results and trading updates are published at 7.00 AM CET.

Further information

Karen Berg
Global Investor Relations Manager
Tel. +31 6 53 44 91 99
karen.berg@fagron.com

About Fagron

Fagron is a leading global company active in pharmaceutical compounding, focusing on delivering personalized medicine to hospitals, pharmacies, clinics, and patients in 30+ countries around the world.

Belgian company Fagron NV has its registered office in Nazareth and is listed on Euronext Brussels and Euronext Amsterdam under the ticker symbol 'FAGR'. Fagron's operational activities are managed by the Dutch company Fagron BV, which is headquartered in Rotterdam.



Important information regarding forward-looking statements

Certain statements in this press release may be deemed to be forward-looking. Such forward-looking statements are based on current expectations and are influenced by various risks and uncertainties. Consequently, Fagron cannot provide any guarantee that such forward-looking statements will, in fact, materialize and cannot accept any obligation to update or revise any forward-looking statement as a result of new information, future events or for any other reason.

In the event of differences between the English translation and the Dutch original of this press release, the latter prevails.



Development net financial debt

| (€ '000) | |
|---|----------------|
| Net financial debt on 31 December 2021 | 264,941 |
| Operational cash flow | -109,458 |
| Capital increases | -453 |
| Acquisitions and subsequent payments for acquisitions | 58,957 |
| Proceeds from shareholdings sold | -3,226 |
| Investments | 18,497 |
| Dividends paid | 14,571 |
| Net interests | 11,907 |
| Exchange rate differences | 9,372 |
| Impact IFRS 16 | 8,934 |
| Net financial debt on 31 December 2022 | 274,042 |



Consolidated income statement

| (€ '000) | 2022 | 2021 |
|---|----------------|----------------|
| Operating income | 695,346 | 577,918 |
| Revenue | 683,881 | 573,808 |
| Other operating income ⁶ | 11,466 | 4,110 |
| Operating expenses | 597,437 | 490,481 |
| Trade goods | 281,374 | 237,523 |
| Services and other goods | 116,342 | 88,789 |
| Employee benefit expenses | 158,130 | 132,503 |
| Depreciation and amortization | 35,480 | 29,332 |
| Other operating expenses | 6,111 | 2,334 |
| Operating profit | 97,909 | 87,438 |
| Financial income | 8,833 | 2,780 |
| Financial expenses | -18,973 | -13,397 |
| Profit before tax | 87,769 | 76,820 |
| Taxes | -17,703 | -15,442 |
| Profit for the period | 70,066 | 61,378 |
| Attributable to: | | |
| Equity holders of the company (net result) | 69,612 | 61,004 |
| Non-controlling interests | 454 | 375 |
| Profit (loss) per share attributable to shareholders during the period | | |
| Profit (loss) per share (€) | 0.96 | 0.84 |
| Diluted profit (loss) per share (€) | 0.96 | 0.84 |

⁶ The increase relates mainly to the badwill of the acquisition of the 503B facility in Boston (€5.5 million).



Consolidated statement of comprehensive income

| (€ '000) | 2022 | 2021 |
|---|---------------|---------------|
| Net profit for the financial year | 70,066 | 61,378 |
| Other comprehensive income | | |
| Items that will not be reclassified to net profit (loss) | | |
| Re-measurements of post-employment benefit obligations | 1,964 | 315 |
| Tax relating to items that will not be reclassified | -491 | -79 |
| Items that may be subsequently reclassified to net profit (loss) | | |
| Interest hedge | 7,384 | - |
| Currency translation differences | 18,468 | 8,968 |
| Other comprehensive income for the year | 27,325 | 9,222 |
| Total comprehensive income for the year | 97,391 | 70,600 |
| Attributable to: | | |
| Shareholders | 96,936 | 70,225 |
| Non-controlling interests | 454 | 375 |



Consolidated statement of financial position

| (€ '000) | 2022 | 2021 |
|---|----------------|----------------|
| Non-current assets | 653,000 | 566,709 |
| Goodwill | 429,768 | 380,411 |
| Intangible fixed assets | 33,633 | 30,665 |
| Property, plant, and equipment | 104,086 | 92,338 |
| Leasing and similar rights | 39,510 | 36,287 |
| Financial fixed assets | 4,210 | 1,556 |
| Financial instruments | 13,277 | 1,197 |
| Other fixed assets | 3,731 | 1,710 |
| Deferred tax assets | 24,785 | 22,545 |
| Current assets | 318,010 | 233,711 |
| Inventories | 108,337 | 90,834 |
| Trade receivables | 60,722 | 51,897 |
| Other receivables | 23,614 | 20,335 |
| Cash and cash equivalents | 125,337 | 70,646 |
| Total assets | 971,010 | 800,421 |
| Equity | 410,518 | 325,466 |
| Shareholders' equity (parent) | 404,692 | 320,105 |
| Non-controlling interests | 5,826 | 5,361 |
| Non-current liabilities | 389,484 | 329,892 |
| Provisions | 2,024 | 1,783 |
| Pension obligations | 2,739 | 4,329 |
| Deferred tax liabilities | 4,352 | 2,510 |
| Borrowings | 346,673 | 290,586 |
| Lease liabilities | 33,697 | 30,684 |
| Current liabilities | 171,009 | 145,062 |
| Borrowings | 9,461 | 6,796 |
| Lease liabilities | 9,548 | 7,522 |
| Trade payables | 97,856 | 83,660 |
| Tax liabilities for the current year | 7,993 | 7,211 |
| Other current taxes, remuneration and social security | 30,777 | 23,723 |
| Other current payables | 15,191 | 16,046 |
| Financial instruments | 181 | 103 |
| Total liabilities | 560,493 | 474,954 |
| Total equity and liabilities | 971,010 | 800,421 |



Consolidated statement of changes in equity

| (€ '000) | Share capital & share | Other reserves | Treasury shares | Retained earnings | Total | Non-controlling interest | Total equity |
|--|-----------------------|-----------------|-----------------|-------------------|----------------|--------------------------|----------------|
| Balance as of 31 December 2020 | 513,987 | -289,397 | -18,823 | 47,340 | 253,107 | 4,712 | 257,819 |
| Profit for the period | | | | 61,004 | 61,004 | 375 | 61,378 |
| Other comprehensive income | | 8,948 | | | 8,948 | 274 | 9,222 |
| Total comprehensive income for the period | | 8,948 | | 61,004 | 69,951 | 649 | 70,600 |
| Capital increase | 6,798 | | | | 6,798 | | 6,798 |
| Declared dividends | | | | -13,046 | -13,046 | | -13,046 |
| Share-based payments | | 3,295 | | | 3,295 | | 3,295 |
| Balance as of 31 December 2021 | 520,785 | -277,154 | -18,823 | 95,297 | 320,105 | 5,361 | 325,466 |
| Profit for the period | | | | 69,612 | 69,612 | 454 | 70,066 |
| Other comprehensive income | | 27,163 | | | 27,163 | 161 | 27,325 |
| Total comprehensive income for the period | | 27,163 | | 69,612 | 96,775 | 616 | 97,391 |
| Capital increase | 453 | | | | 453 | | 453 |
| Declared dividends | | | | -14,592 | -14,592 | | -14,592 |
| Share-based payments | | 1,799 | | | 1,799 | | 1,799 |
| Balance as of 31 December 2022 | 521,238 | -248,191 | -18,823 | 150,317 | 404,541 | 5,977 | 410,518 |



Consolidated cash flow statement

| (€ '000) | 2022 | 2021 |
|---|----------------|----------------|
| Operating activities | | |
| Profit before taxes from continued operations | 87,769 | 76,820 |
| Taxes paid | -17,454 | -18,614 |
| Adjustments for financial items | 10,140 | 10,618 |
| Total adjustments for non-cash items | 31,143 | 32,297 |
| Total changes in working capital | -2,140 | -22,701 |
| Total cash flow from operating activities | 109,458 | 78,419 |
| Investment activities | | |
| Capital expenditure | -18,497 | -20,731 |
| Investments in existing shareholdings (subsequent payments) and in new holdings | -53,997 | -11,192 |
| Proceeds from shareholdings sold | 3,226 | - |
| Total cash flow from investment activities | -69,269 | -31,923 |
| Financing activities | | |
| Capital increase | 453 | 6,798 |
| Dividends | -14,571 | -13,028 |
| New borrowings | 135,000 | 66,173 |
| Reimbursement of borrowings | -85,727 | -99,488 |
| Payment of lease obligations | -9,396 | -8,334 |
| Interest received | 3,569 | 1,584 |
| Interest paid | -15,476 | -15,353 |
| Total cash flow from financing activities | 13,852 | -61,648 |
| Total net cash flow for the period | 54,042 | -15,152 |
| Cash and cash equivalents – start of period | 70,646 | 84,248 |
| Gains (losses) on currency translation differences | 649 | 1,550 |
| Cash and cash equivalents – end of period | 125,337 | 70,646 |
| Changes in cash and cash equivalents | 54,042 | -15,152 |



Alternative performance indicators

| (€ '000) | 2022 | 2021 |
|--|----------------|----------------|
| Operating profit (EBIT) | 97,909 | 87,438 |
| Depreciation and amortization | 35,480 | 29,332 |
| EBITDA | 133,389 | 116,770 |
| Non-recurring result ⁷ | -2,665 | 1,569 |
| REBITDA | 130,724 | 118,339 |
| Net financial debt | | |
| Borrowings - non-current | 346,673 | 290,586 |
| Lease liabilities - non-current | 33,697 | 30,684 |
| Borrowings - current | 9,461 | 6,796 |
| Lease liabilities - current | 9,548 | 7,522 |
| Cash and cash equivalents | 125,337 | 70,646 |
| Total net financial debt | 274,042 | 264,941 |
| Operational working capital | | |
| Inventories | 108,337 | 90,834 |
| Trade receivables | 60,722 | 51,897 |
| Trade payables | -97,856 | -83,660 |
| Operational working capital | 71,203 | 59,070 |
| Total cash flow from operating activities | | |
| Total cash flow from operating activities | 109,458 | 78,419 |
| Capital expenditure | -18,497 | -20,731 |
| Free cash flow | 90,961 | 57,688 |

⁷ Including the badwill of the acquisition of the 503B facility in Boston (€5.5 million).