



Growth in revenue in the first half of 2022 of +12.0% at comparable exchange rates (+16.4% at real rates), driven by good performance in all areas

Press release on July 19, 2022, after close of stock market trading

KEY FIGURES			
Revenue in first half of 2022 - Provisional	Growth at constant exchange rates and scope ¹	Growth at constant exchange rates	Overall change
€616.4 million	+12.0% including companion animals +14.2% food-producing animals +9.9%	+12.0%	+16.4%

¹ Growth at constant exchange rates and scope corresponds to organic growth of sales, excluding exchange rate variations, by calculating the indicator for the financial year in question and the indicator for the previous financial year on the basis of identical exchange rates (the exchange rate used is the previous financial year), and excluding change in scope, by calculating the indicator for the financial year in question on the basis of the scope of consolidation for the previous financial year.

Quarterly consolidated revenue

Our second-quarter revenue reached €298.3 million, or a +13.5% increase compared to the same period in 2021. At constant exchange rates, growth was +7.8%, driven by good performance in both the companion animals and food producing animals segments, in a context of market slowdown. It should be noted that our actual performance for the quarter was favorably impacted by the appreciation of certain currencies, such as the US dollar, the Indian rupee, the Brazilian real, and the Mexican peso. At area level, our growth is mainly driven by the performance of the United States, particularly in the dental and dermatology ranges and recently launched products range (Clomicalm, Itrafungol, the petfood and the food producing animals range), by that of the Asia-Pacific zone, where India and Australia continue to benefit from a favorable momentum, and finally Latin America, driven by double-digit growth in Brazil and Mexico.

Cumulative consolidated revenue at the end of June

For the first half of the year overall, our revenues were €616.4 million, compared with €529.4 million, representing an overall increase of +16.4% compared with the same period in 2021. Adjusted for the favorable impact of exchange rates, revenue shows growth of +12.0%. This growth benefited in part from a favorable baseline effect representing 1 point of growth in revenue, attributable to new products acquired starting in the second quarter of 2021.

All areas are growing organically at the end of June. It should be noted, however, that double-digit growth in Europe has stalled in the last quarter, due to the slowdown in the market as anticipated in our annual outlook. Thus, the sales in this area increased by +6.8% at real rates (+6.2% at constant rates), thanks mainly to the contribution of the United Kingdom, France and Italy. The area is supported by the strong dynamism of companion animals ranges (in particular petfood, specialties, and vaccines), which compensate for the withdrawal of ranges intended for food producing animals. In Asia-Pacific, the development at real rates is +19.8% (+15% at constant exchange rates). Australia and India are driving growth in the region, generating more than 85% of the latter, in particular on products destined for cattle, which makes it possible to largely compensate for the withdrawal of China, which was heavily impacted by lockdowns at the beginning of the year and which, despite a rebound since May, remains down at the end of June. In Latin America, activity grew by +25.1% at real rates (+14.6% at constant exchange rates), thanks in particular to contributions from Brazil and Mexico. Finally, in the United States, activity increased by +32.2% (+19.9% at constant exchange rates). It benefits from sustained sales on new products launched in 2021 (Clomicalm and Itrafungol) and those launched in early 2022 (petfood, and Tulissin for the food producing animals segment), as well as good performance on the dental and dermatology ranges.

In terms of species, revenue in the companion animal segment grew overall by +17.9% at real rates (+14.2% at constant exchange rates), mainly driven by very good double-digit growth in the petfood, specialty, dermatology and hygiene ranges, as well as vaccines for dogs and cats. The food producing animals segment also showed strong growth of +15.0% at real rates (+9.9% at constant exchange rates), mainly driven by the ruminant sector (+14.2% at constant exchange rates); and the aquaculture segment (+5.1% at constant rates) compared to the same period in 2021.

Covid-19 health crisis and the war in Ukraine

We continue to face significant production, logistical and supply constraints with regard to certain intermediaries, and more recently, significant inflationary impacts on our costs (energy, raw materials, transportation, etc.).



Outlook

The activity in the first half of the year reinforces our perspective. Revenue growth at constant rates and scope should be in the range of 5% to 10%. The ratio of “current operating profit before depreciation of assets arising from acquisitions” to “revenue” should be around 15% at constant exchange rates, despite the inflationary impacts (with a deliberate overinvestment in R&D of approximately 1 percentage point of revenue compared to 2021). Finally, our debt relief should be around €60 million, excluding dividends, at constant scope and exchange rates.

CONSOLIDATED FIGURES Non-audited figures in millions of euros	2022	2021	Growth	Growth at constant exchange rates ¹	Growth at constant exchange rates and scope ¹
First quarter revenue	318.1	266.5	+19.3%	+16.2%	+16.2%
Second quarter revenue	298.3	262.9	+13.5%	+7.8%	+7.8%
Revenue for first half year	616.4	529.4	+16.4%	+12.0%	+12.0%

A lifelong commitment to animal health

At Virbac, we provide innovative solutions to veterinarians, farmers and animal owners in more than 100 countries around the world. Covering more than 50 species, our range of products and services enables us to diagnose, prevent and treat the majority of pathologies. Every day, we are committed to improving the quality of life of animals and to shaping the future of animal health together.



**5,100
EMPLOYEES**
+4.4% compared to 2020



**SALES
SUBSIDIARIES
IN 33 COUNTRIES**

**59%
COMPANION
ANIMALS**



**41%
FOOD
PRODUCING
ANIMALS**

**1 064 M€
SALES
2021
6th WORLDWIDE**

Ranking of veterinary drug manufacturers
+18.4% at constant exchange rates and scope compared to 2020



**PRODUCTION
SITES
IN 10 COUNTRIES**



**R&D
CENTERS ON
5 CONTINENTS**