**Press Release**
**Paris, 30th July 2024**

# H1 2024 Results

## Focus-27 strategic plan on track with timely execution of the operational roadmap

- **Net Sales down 9.6% year-on-year – Core EBITDA margin at 10.6%**
- **Accelerated commercial momentum with clients other than Sanofi, with Net Sales up 2.9%, excluding the Brindisi site, where production was temporarily suspended**
- **Enhanced effectiveness across the entire organization, with sizeable improvements in industrial efficiencies**
- **€10 million Free Cash Flow before financing, driven by strengthened financial discipline**
- **FY 2024 guidance confirmed**

*" Our H1 actions set the foundations of our more agile, streamlined, and value-creating model. Over the past months, with the entire organization's support, we have made significant progress in deploying the four strategic pillars of our operational roadmap. Thanks to a comprehensive mitigation plan, we will resume shipment and production in Brindisi in the coming weeks."* ***said Ludwig de Mot, Chief Executive Officer of EUROAPI****. "Confident in the collective success of our plan, we are in advanced discussions with our stakeholders to finalize the financing of FOCUS-27 in the coming weeks, which will pave the way for long-term profitable growth."*

**€448.7 million in Net Sales, down by 9.6%[1],** shaped by the strong decrease in volumes from Sanofi and the suspension of production in Brindisi, **which overshadowed the positive momentum of sales to clients other than Sanofi**

- **Brindisi GMP license reactivated mid-July;** shipments and production to restart gradually during Q3 2024
- **Signature of a major CMO commercial phase contract** with a global animal health company and **a development and manufacturing agreement** with Priothera, a biotechnology company specializing in oncology

**€47.6 million Core EBITDA, with a 10.6% Core EBITDA margin**, down from 12.6% in H1 2023. Price increases and product mix, industrial efficiencies, and the impact of the revised commercial contractual clauses with Sanofi over the period partially offset the unfavorable fixed-cost absorption. **€(1.4) million EBITDA, including €47.2 million exceptional costs** related to the implementation of FOCUS-27.

**€(170.2) million Net Debt** compared to €(171.0) million at the end of December 2023, with **€10.0 million Free Cash Flow before financing**, compared to €(111.2) million for the same period last year, driven notably by

- **Controlled CAPEX** (€61.3 million, of which 56% dedicated to growth)
- **Improved Operating Working Capital** thanks to a rigorous inventory reduction program and better cash collection

**€(34.8) million Net income,** compared to **€62.8** million in H1 2023

[1] All comments in this press release are made compared to H1 2023 figures unless stated otherwise

## H1-2024 Key figures

| *(in € millions)* | H1-2024 | H1-2023 |
|---|---|---|
| **Net Sales** | **448.7** | **496.6** |
| *Year-on-year change in %* | *-9.6%* | *+2.6%* |
| **Gross profit** | **98.0** | **97.0** |
| *Gross Profit Margin* | *21.8%* | *19.5%* |
| **EBITDA** | **(1.4)** | **52.1** |
| **Core EBITDA** | **47.6** | **62.5** |
| *Core EBITDA Margin* | *10.6%* | *12.6%* |
| **Net Income** | **(34.8)** | **62.8** |
| **Basic EPS (in euros)** | **(0.37)** | **0.67** |

## 2024 outlook confirmed

- **Between 8% and 11% decrease in 2024 Net Sales** compared to 2023 on a comparable basis, with a second-half performance slightly exceeding that of the first half due to a phasing impact in CDMO.
- **Core EBITDA margin objective expected between 4% and 7%.** The positive impact in H1 of the revised contractual clauses with Sanofi will be lower in the second half.

## FOCUS-27 plan in action

The execution of FOCUS-27 is on track, with several initiatives launched during the first half, and the discussions with the Revolving Credit Facility banking syndicate to finalize the financing announced on June 26, 2024, are in the advanced stage.

- **Streamlined value-added portfolio**
  - List of the discontinued 13 APIs communicated to our clients; phase-out roadmap almost completed
  - Accelerated momentum in Opiates, prompted by improving competitive positions
- **Focused CDMO offer**
  - Solid and qualitative new late-stage projects with 3 marketed small molecules for large and mid-size pharma and food companies (including GMP intermediates).
  - Increasing momentum in large molecules, with 5 early-stage projects in H1, mainly from large pharma companies, including 4 promising new oligonucleotides and 1 peptide-PMO conjugate project.
- **Rationalized industrial footprint**
  - Ramp down of workshops initiated in Frankfurt (9 APIs to be discontinued), and Vertolaye (2 APIs to be discontinued)
  - Inventory reduction program on track
  - Haverhill divestment process well advanced; completion expected in 2025
- **Organizational transformation**
  - Headcount reduction plan initiated 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.

## H1-2024 Net Sales

EUROAPI H1-2024 Net Sales reached €448.7 million, -9.6% versus H1 2023 and -9.3% at Constant Exchange Rates.

### Net sales per type of activity

| *(in € millions)* | H1 | H1-2023 | Change |
|---|---|---|---|
| API Solutions – Other clients | 168.6 | 169.8 | -0.7% |
| API Solutions – Sanofi | 163.7 | 192.7 | -15.0% |
| **API Solutions** | **332.4** | **362.4** | **-8.3%** |
| CDMO – Other clients | 72.3 | 82.7 | -12.7% |
| CDMO – Sanofi | 44.1 | 51.4 | -14.2% |
| **CDMO** | **116.4** | **134.2** | **-13.3%** |
| **Net sales** | **448.7** | **496.6** | **-9.6%** |
| *Total Net Sales – Sanofi* | *207.8* | *244.1* | *-14.9%* |
| *Total Net Sales – Other clients* | *240.9* | *252.5* | *-4.6%* |

### *API Solutions*

API Solutions' net sales decreased by 8.3% to €332.4 million.

- Sales to **Sanofi** decreased by 15.0% due to strong volume decrease, notably in Sevelamer, produced in Haverhill, and the suspension of production in Brindisi. H1 net sales include €29 million related to the revision of the historical MSA contractual clauses agreed with Sanofi in February 2024[2], primarily Buserelin's[3] stock clearance.
- Sales to **Other Clients** decreased by 0.7%, impacted by the temporary suspension of API production in Brindisi. **Excluding Brindisi's site, net sales would have grown 3.4%,** driven by the cross-selling strategy (representing 9.1% of H1 API Solutions sales to Other Clients) and an increased customer base (22 new clients added in H1).

### *CDMO*

CDMO sales decreased by 13.3% to €116.4 million.

- **Sales to Sanofi decreased by 14.2%** on the back of a strong H1 2023 performance, which was boosted by stock replenishment of Pristinamycin, an anti-infective produced exclusively for Sanofi in Elbeuf. H1 2024 sales benefited from the ramp-up of a commercial phase contract in Large Molecules.
- **Sales to Other Clients decreased by 12.7%** due to the temporary suspension of production in Brindisi, which affected a commercial phase contract. H1 2024 performance was also penalized by the downsizing of two large historical commercial phase contracts (approximately -10 M€), which more than offset the increase in revenue from new contracts. **Excluding the impact of Brindisi, total CDMO sales to clients other than Sanofi would have grown by 1.8%, with increased revenues from early-stage projects.**

[2] Full-year expected impact: €38 million (Regulated Agreement approved by the May 22nd AGM)

[3] Buserelin is a large molecule used primarily in the treatment of prostate cancer and endometriosis.

Throughout the semester, **14 new CDMO contracts were signed**, and eight projects were completed, including two in late stage with Sanofi, and two projects were put on hold.

| *(Number of CDMO projects)* | Phase 1 and earlier | Phase 2 | Phase 3 | Commercial Phase | Total |
|---|---|---|---|---|---|
| Large molecules | 7 | 4 | 2 | 4 | **17** |
| Highly potent molecules | 1 | | | 1 | **2** |
| Biochemistry molecules derived from fermentation | 2 | | | 6 | **8** |
| Complex chemical synthesis molecules | 9 | 7 | 7 | 23 | **46** |
| **Total** | **19** | **11** | **9** | **34** | **73** |

## Net Sales per type of molecule

| *(in € million)* | H1-2024 | H1-2023 | Change |
|---|---|---|---|
| Large molecules | 58.8 | 35.0 | +67.9% |
| Highly potent molecules | 47.1 | 43.7 | +7.8% |
| Biochemistry molecules derived from fermentation | 43.7 | 85.5 | -48.8% |
| Complex chemical synthesis molecules | 299.1 | 332.4 | -10.0% |
| **Net Sales** | **448.7** | **496.6** | **-9.6%** |

- **Large molecules** increased by 67.9% to €58.8 million, driven by the stock clearance of Buserelin, and the ramp-up of a commercial phase contract in Large Molecules with Sanofi.
- **Highly potent molecules** were up 7.8% to €47.1 million on the back of a low comparison base in H1 2023, which was impacted by the suspension of Prostaglandins' production.
- **Biochemistry molecules derived from fermentation** decreased 48.8% to €43.7 million. While H1 2023 performance was boosted by stock replenishment of Pristinamycin, H1 2024 was impacted by the temporary suspension of API production in Brindisi.
- **Complex chemical synthesis molecules** decreased by 10.0% to €299.1 million, mainly impacted by the decreasing volume demand from Sanofi.

## Financial performance

| *(in € million)* | H1-2024 | H1-2023 |
|---|---|---|
| **Net Sales** | **448.7** | **496.6** |
| Other revenues | 2.2 | 1.9 |
| **Gross profit** | **98.0** | **97.0** |
| *Gross Profit Margin* | *21.8%* | *19.5%* |
| **EBITDA** | **(1.4)** | **52.1** |
| Non-recurring costs | 49.0 | 10.4 |
| **Core EBITDA** | **47.6** | **62.5** |
| *Core EBITDA Margin* | *10.6%* | *12.6%* |
| **Operating Income** | **(33.4)** | **16.0** |
| *Finance revenues/costs* | *(8.1)* | *(3.3)* |
| **Income before tax** | **(41.5)** | **12.6** |
| Income tax expense | 6.7 | 50.1 |
| **Net income/(loss)** | (34.8) | 62.8 |
| **EPS (in euros)** | **(0.37)** | **0.67** |
| Average number of shares outstanding (in millions) | 94.3 | 93.9 |
| **Fully diluted EPS (in euros)** | **(0.37)** | **0.66** |
| Average number of shares after dilution (in millions) | 95.9 | 95.5 |

**Gross profit was €98.0 million,** compared to €97.0 million in H1 2023, with the gross profit margin up 231 basis points year-on-year to 21.8%. The exceptional impact of Buserelin's stock clearance, positive price and mix effect, lower energy and raw materials prices, and improved industrial performance more than offset unfavorable fixed-cost absorption as we sold in H1 24 products manufactured at the peak level of the past 18 months inflation cycle.

**Core EBITDA amounted to €47.6 million, down 23.8% compared to €62.5 million in H1 2023. The core EBITDA margin was 10.6%, compared to 12.6% in H1 2023.** The increase in OPEX was mostly driven by the company's transformation and reorganization.

**EBITDA was €(1.4) million compared to €52.1 million in H1 2023**. The 49.0 million non-recurring costs include €47.2 million in exceptional items[4], of which

- €33.8 million of idle costs[5] linked to the execution of FOCUS-27, 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.

| *Key components of the change in Core EBITDA margin* | H124/H123 in percentage points (rounded figures) |
|---|---|
| **H1 2023 Core EBITDA margin** | **12.6%** |
| Volume | -0.0 pts |
| Price and Mix | +3.0 pts |
| Impact of Buserelin's stock clearance | +2.1 pts |
| Industrial performance | +2.4 pts |
| Energy and Raw Materials | +1.2 pts |
| Unfavorable fixed cost absorption | -5.5 pts |
| Other Gross Margin impacts | -1.9 pts |
| OPEX | -2.9 pts |
| Brindisi site, including the impact of the suspension of production | -0.3 pts |
| **H1 2024 Core EBITDA margin** | **10.6%** |

[4] See appendix page 13
[5] Under-activity triggered by the implementation of FOCUS-27

**Operating Income** was €(33.4) million compared to €16.0 million in H1 2023.

**Financial income** was €(8.1) million, compared with €(3.3) million in H1 2023, due notably to the increase in interest rates and the full drawdown of the RCF. **Income before tax** was €(41.5) million[6]. **Net income** was €(34.8) million in H1 2024.

## Net Debt Position and Cash Flow

| *(in € million)* | 30 June 2024 |
|---|---|
| **Net cash/(Debt) position – December 2023** | **(171.0)** |
| **Cash Flow from Operating activities** | **71.2** |
| **Of which change in Working Capital** | ***66.1*** |
| • *(Increase)/decrease in inventories* | *4.1* |
| • *(Increase)/decrease in trade receivables* | *40.0* |
| • *Increase/(decrease) in trade payables* | *(16.2)* |
| • *Other current assets and liabilities* | *38.3* |
| **Cash Flow from Investing Activities** | **(61.3)** |
| *of which CAPEX* | *(61.3)* |
| **Cash Flow from Financing activities** | *(8.3)* |
| **Exchange rate** | *(0.9)* |
| **Net Cash/(Debt) position – June 2024** | **(170.2)** |

**The decrease in Net Debt position,** €(170.2) million compared to a €(171.0) million at the end of December 2023, was notably driven by Working Capital, including the improvement in inventories. Improved cash collection drove the change in Trade receivables, with DSO down to 53 compared to 56 in December 2023 and 70 in H1 2023. Other current assets and liabilities include a €27 million variation in VAT tax reimbursement.

**Capex reached €(61.3) million (13.7% of Net Sales),** of which 56% were dedicated to growth projects, including increased capacities for Peptides and Oligonucleotides, Vitamin B12, and Prostaglandins.

**Free Cash Flow before financing activities was €10.0 million, compared to €(111.2) million at the end of June 2023**.[7]

| *(in € million)* | 30 June 2024 | 31 December 2023 |
|---|---|---|
| **Bank Cash Balances** | **282.8** | **34.5** |
| Revolving Credit Facilities | (453.0)[8] | (205.5) |
| **Net Debt Position** | **(170.2)** | **(171.0)** |

Net Debt to Core EBITDA restated for IFRS 16 was 2.38x, below the RCF covenant of 4.0x.

[6] H1 2023 income tax included €46.8m deferred tax income related to the revaluation of EUROAPI's Hungarian assets.
[7] See detailed in Consolidated Cash Flow Statement page 12
[8] RCF: €451 million + €2 million accrued interests

## ESG Roadmap

EUROAPI ESG roadmap is on track to achieve its 2030 goals and has recently achieved:

- 100% of its sites certified ISO14001 (environment management) and ISO50001 (energy management).
- CDP score B, which indicates that the group is addressing the environmental impacts of its business and ensures good environmental management.

## Main H1 2024 events

- **On January 25, 2024**, EUROAPI announced that it had initiated a pivotal collaboration with SpiroChem, a leading Contract Research Organization (CRO).
- **On March 14, 2024**, EUROAPI announced the pause of API production at the Brindisi site in Italy after identifying quality control deficiencies and decided to suspend its full-year 2024 guidance.
- **On May 23, 2024**, EUROAPI announced a Contract Manufacturing Organization (CMO) agreement with a global animal health company to supply key veterinary product. The total contract value is expected to range between €130 and 150 million over 2025-2029.
- **On June 6, 2024**, EUROAPI received official notification from the European Commission that it had been selected as one of the 13 companies eligible to share up to EUR 1 billion in total public funding under the Important Project of Common European Interest (IPCEI) dedicated to the pharmaceutical sector.
- **On June 18, 2024**, EUROAPI announced the implementation of a 5-year development and manufacturing agreement with Priothera, a biotechnology company specializing in treating hematological malignancies and improving CAR-T cell therapies.
- **On June 26, 2024**, EUROAPI
    - detailed the FOCUS-27 strategy and announced its target to generate €75 million to €80 million annual run-rate incremental Core EBITDA by the end of 2027. More detail on EUROAPI's website: EUROAPI is moving ahead with its FOCUS-27 plan, setting the foundations for future profitable growth | EUROAPI
    - announced that the Brindisi site will progressively resume shipments and production during Q3 2024.

## Glossary and definition of non-GAAP indicators

### 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 before Financing activities corresponds to the sum of Cash Flow from Operating Activities and Cash Flow from Investing Activities as presented in the consolidated statement of Cash Flow.

### Months on Hand (MOH)

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

### New clients

Clients representing at least €50 thousands of net sales on the year.

### Cross Selling

Selling a different product to an existing client that is already buying one or several products from EUROAPI.

### Early-stage and Late-stage projects

Early-stage: pre-clinical, phase 1, and phase 2
Late-stage: phase3, in validation, and commercial

## Presentation of H1-2024 results

An analysts' conference call will be held by EUROAPI's management tomorrow (31 July 2024) at 8:30 a.m. CET via an audio webcast (live and replay), and the results presentation will be available on the corporate website 2024 Half year results | EUROAPI

## Financial agenda (all dates to be confirmed)

- 11 February 2025: FY 2024 Results
- 21 May 2025: 2025 AGM
- 29 July 2025: H1 2025 results

### About EUROAPI

EUROAPI is focused on reinventing active ingredient solutions to sustainably meet customers' and patients' needs around the world. We are a leading player in active pharmaceutical ingredients with approximately 200 products in our portfolio, offering a large span of technologies while developing innovative molecules through our Contract Development and Manufacturing Organization (CDMO) activities.

Taking action for health by enabling access to essential therapies inspires our 3,650 people every day. With strong research and development capabilities and six manufacturing sites, all located in Europe, EUROAPI ensures API manufacturing of the highest quality to supply customers in more than 80 countries. EUROAPI is listed on Euronext Paris; ISIN: FR0014008VX5; ticker: EAPI). Find out more at www.euroapi.com and follow us on LinkedIn.

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***Forward-Looking Statements***

*Certain information contained in this press release is forward looking and not historical data. These forward-looking statements are based on opinions, projections and current assumptions including, but not limited to, assumptions concerning the Group's current and future strategy, financial and non-financial future results and the environment in which the Group operates, as well as events, operations, future services or product development and potential. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans" and similar expressions. Forward looking statements and information do not constitute guarantees of future performances, and are subject to known or unknown risks, uncertainties and other factors, a large number of which are difficult to predict and generally outside the control of the Group, which could cause actual results, performances or achievements, or the results of the sector or other events, to differ materially from those described or suggested by these forward-looking statements. These risks and uncertainties include those that are indicated and detailed in Chapter 3 "Risk factors" of the Universal Registration Document filed with the French Financial Markets Authority (Autorité des marchés financiers, AMF) on April 5, 2024. These forward-looking statements are given only as of the date of this press release and the Group expressly declines any obligation or commitment to publish updates or corrections of the forward-looking statements included in this press release in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based.*

# Appendix

## Consolidated Income Statement

| *(in € millions)* | 30-Jun-24 | 30-Jun-23 |
|---|---|---|
| Net sales | 448.7 | 496.6 |
| Other revenues | 2.2 | 1.9 |
| Cost of sales | (352.9) | (401.4) |
| **Gross profit** | **98.0** | **97.0** |
| Selling and distribution expenses | (18.7) | (21.3) |
| Research and development expenses | (13.9) | (13.3) |
| Administrative and general expenses | (46.6) | (42.8) |
| Other operating income | 1.3 | 0.7 |
| Impairment of assets | (3.9) | |
| Restructuring costs and similar items | (49.7) | (4.3) |
| **Operating income** | **(33.4)** | **16.0** |
| Financial expenses | (11.2) | (5.3) |
| Financial income | 3.1 | 1.9 |
| **Income/(loss) before tax** | **(41.5)** | **12.6** |
| Income tax expense | 6.7 | 50.1 |
| **Net income/(loss)** | **(34.8)** | **62.8** |
| Number of shares outstandings | 94.3 | 93.9 |
| EPS | (0.37) | 0.67 |
| Diluted number of shares | 95.9 | 95.5 |
| EPS diluted | (0.37) | 0.66 |

## Consolidated Balance Sheet

| *(in € millions)* | 30-Jun-24 | 31-Dec-23 |
|---|---|---|
| Goodwill | 4.6 | 4.6 |
| Property, plant and equipment | 469.0 | 468.9 |
| Right-of-use assets | 35.2 | 37.2 |
| Intangible assets | 38.9 | 34.2 |
| Other non-current assets | 6.7 | 9.0 |
| Deferred tax assets | 85.7 | 79.2 |
| **Non-current assets** | **640.2** | **633.1** |
| Inventories | 638.7 | 644.8 |
| Trade receivables | 176.7 | 216.3 |
| Other current assets | 57.5 | 83.7 |
| Cash and cash equivalents | 282.8 | 34.5 |
| **Current assets** | **1,155.8** | **979.3** |
| **Total assets** | **1,795.9** | **1,612.4** |

| *(in € millions)* | 30-Jun-24 | 31-Dec-23 |
|---|---|---|
| Equity attributable to owners of the parent | 889.5 | 927.7 |
| **Total equity** | **889.5** | **927.7** |
| Non-current lease liabilities | 14.5 | 15.5 |
| Provisions | 155.3 | 158.6 |
| Other non-current liabilities | 0.0 | 0.0 |
| Deferred tax liabilities | 0.8 | 1.6 |
| **Non-current liabilities** | **170.6** | **175.7** |
| Trade payables | 143.6 | 159.6 |
| Other current liabilities | 135.1 | 139.3 |
| Current lease liabilities | 4.3 | 4.6 |
| Short-term debt and other financial liabilities | 452.8 | 205.4 |
| **Current liabilities** | **735.9** | **508.9** |
| **Total equity and liabilities** | **1,795.9** | **1,612.4** |

# Consolidated Statements of Cash Flow

| *(in € millions)* | 30-Jun-24 | 30-Jun-23 |
|---|---|---|
| **Net income / (loss)** | **(34.8)** | **(62.8)** |
| Depreciation & amortization | 32.0 | 36.1 |
| Net change in current & deferred taxes | (6.7) | (50.1) |
| Other profit or loss items with no cash effect and reclass of interest | 14.7 | 8.2 |
| **Operating cash flow before changes in working capital** | **5.1** | **56.9** |
| (Increase)/decrease in inventories | 4.1 | (66.0) |
| (Increase)/decrease in trade receivables | 40.0 | 30.1 |
| Increase/(decrease) in trade payables | (16.2) | (49.0) |
| Net change in other current assets and other current liabilities | 38.3 | (10.3) |
| **Net cash provided by operating activities** | **71.2** | **(38.2)** |
| Acquisitions of property, plant and equipment and intangible assets | (61.3) | (73.1) |
| Acquisition of shares on consolidated entities, net of cash acquired | | - |
| Sales/Acquisitions to/from Group entities | 0.0 | - |
| **Net cash (used in) investing activities** | **(61.3)** | **(73.1)** |
| Capital increases | - | - |
| Repayment of lease liabilities | (2.7) | (4.6) |
| Net change in short-term debt | 246.0 | 100.0 |
| Finance costs paid | (4.1) | (2.0) |
| Acquisitions and disposals of treasury shares | (0.0) | (0.2) |
| Other net cash flow arising from financing activities | (0.3) | (0.0) |
| **Net cash provided by financing activities** | **238.8** | **93.2** |
| Impact of exchange rates on cash and cash equivalents | (0.5) | 0.6 |
| **Net change in cash and cash equivalents** | **248.3** | **(17.5)** |
| **Cash and cash equivalents at beginning of period** | **34.5** | **74.5** |
| **Cash and cash equivalents at end of period** | **282.8** | **57.0** |

## Reconciliation of Consolidated Operating Income (EBIT) to restated Core EBITDA

| *(in € millions)* | 30-Jun-24 | 30-Jun-23 |
|---|---|---|
| **Operating income** | **(33.4)** | **16.0** |
| Depreciation and amortization | 32.0 | 36.1 |
| **EBITDA** | **(1.4)** | **52.1** |
| Restructuring costs and similar items (excluding depreciation and amortization) | 47.2 | 4.3 |
| *Of which idle costs* | *33.8* | |
| *Of which employee-related expenses* | *4.4* | |
| *Of which internal and external costs related to FOCUS-27, and transformation* | *9.0* | *4.3* |
| Allocations net of reversals of unutilized provisions for environmental risks | (0.2) | (0.3) |
| Other | 2.0 | 6.3 |
| **Core EBITDA** | **47.6** | **62.5** |
| ***Core EBITDA*** | ***10.6%*** | ***12.6%*** |

- Idle costs are mainly affecting
  - Vertolaye, with the inventory reduction program being the main business factor, as well as the discontinuation of 2 APIs,
  - Frankfurt, with the decision to discontinue 9 APIs (the ramp down of two workshops has already started in 2024).
- Employee-related expenses of €4.4 million include the impact of the redundancy plan announced in EUROAPI UK and severance payments in connection with the renewal of the Executive leadership teams.

Restructuring costs correspond to expenses incurred in connection with the transformation or reorganization of the EUROAPI Group's operations and support functions. These costs include collective redundancy plans, compensation awarded to third parties for the early termination of contracts, commitments made in connection with transformation and reorganization decisions, and idle costs related to the temporary shutdown of sites or production lines associated with such programs.
They also include accelerated depreciation charges arising from closures of production facilities (including leased facilities), and losses on any resulting asset disposals.
In addition, restructuring costs and similar items comprise expenses (both internal and external) incurred in connection with FOCUS-27.