



Slight decline in first-quarter revenue primarily due to a base effect as well as a context of market slowdown

Public release on April 17, 2023 after market close

KEY FIGURES			
Revenue 1 st quarter 2023	Growth at constant exchange rates and scope ¹	Growth at constant exchange rates	Overall change
€314.8M	-1.3% of which companion animals -3.1% farm animals -1.0%	-1,3%	-1.0%

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's), 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 revenue in the first quarter amounted to €314.8 million, down slightly by -1.0% at real rates and -1.3% at constant exchange rates compared to the same period in 2022. This change is mainly due to an unfavorable base effect in a context of market slowdown. To a lesser extent, this quarter was also impacted by inventory effects observed in distribution at the end of 2022 in anticipation of price increases implemented at the beginning of this year.

In Europe, business was down slightly by -1.4% at real rates (-0.7% at constant exchange rates), mainly impacted by France and the United Kingdom, which sales' downturn was offset by the good momentum observed in Northern and Southern Europe, showing respective increases of +4.7% and +3.2% at constant exchange rates. In Asia Pacific, decline at real rates is -3.3% (-0.4% at constant exchange rates): strong sales in farm animals' products were behind the solid growth in Australia and New Zealand (+10.1% and +8.8% respectively at constant exchange rates), which offset the decline in Asian countries. Business in the United States remains stable at +0.2% at real exchange rates, and is down -4.4% at constant exchange rates, primarily driven by a base effect and to a lesser extent by a distribution inventory reduction in the first quarter of 2023. Excluding Chile, Latin America recorded the Group's strongest growth at +21.9% at real rates (+13.0% at constant exchange rates), driven in particular by the strong contribution of Brazil and Mexico (+19.4% and +17.8% respectively at constant exchange rates). Finally, business at our subsidiary in Chile is down -38.3% at real rates (-41.1% at constant exchange rates), due to the poor performance of the aquaculture segment with no sales of a parasiticide product in distribution² since July 2022, as well as the sharp drop in sales of antibiotic ranges and, to a lesser extent, vaccines.

In terms of species, the companion animals segment shows an overall decrease of -2.5% (-3.1% at constant exchange rates), mainly due to the dermatology and parasiticide ranges while the petfood range grew by +10%. The farm animal segment recorded a slight decrease of -1.6% (-1.0% at constant exchange rates), mainly due to the decrease in aquaculture (-43.1% at constant exchange rates) and, to a lesser extent, to the decrease in the swine segment (-4.8% at constant exchange rates), which was largely offset by the ruminant sector, which increased by +5.3% at constant exchange rates. On another note, our toll manufacturing activity grew significantly with +44.2% at constant exchange rates.

2023 Outlook

Taking into account the base effect, we confirm as of today our revenue growth forecasts of between 4% and 6% at constant exchange rates and scope. The 2023 ratio of "Current operating profit, before depreciation of assets arising from acquisitions" to "revenue" is also confirmed around 13%-14% at constant exchange rates. Finally, excluding potential acquisitions, and at constant exchange rates, our cash position is expected to remain constant compared to the end of 2022.

² Following the withdrawal by the Chilean Maritime Authority of the market authorization for this product in July of 2022

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5,400
EMPLOYEES

+5.2% compared to 2021



SALES
SUBSIDIARIES
IN 33 COUNTRIES



SALES
2022
6th WORLDWIDE

Ranking of veterinary drug manufacturers
+9.6% at constant exchange rates and scope compared to 2021



PRODUCTION
SITES
IN 10 COUNTRIES



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