



Press release issued on December 19, 2022 before financial market opening

As we continue to execute our 2030 strategic plan, we have made the decision to continue to accelerate in 2023 on two key dimensions: R&D and capital expenditures. In order to maximize the long-term value of our rich R&D portfolio and in-line with our strategic priorities, we intend to boost in 2023 our R&D investment to around 8.5% of our revenues. In parallel, and in order to prepare for the future, to accompany Virbac's growth and to increase our medium-term productivity we intend to increase our capital expenditure investments in 2023 to around €100 million. This will include possible € 20-25 million one-time real estate investments in France that will allow us to expand our footprint to prepare for the development of our operations for the next decades. Finally, we continue to execute on the other dimensions of our 2030 Strategic Plan including our commercial focus on our Virbac Busters, the geo-extensions of our key products as well as our entry into new markets such as petfood and livestock in the USA, or parasiticides and petfood in China.

As such, in 2023, the ratio of "current operating income, before depreciation of assets arising from acquisitions" (EBIT Adjusted) to "revenue" should consolidate between 13% to 14% at constant exchange rates with a growth in revenue at constant rates and scope anticipated between 4% to 6%. This deterioration in our EBIT adjusted ratio is primarily the result of our deliberate acceleration of our R&D investments as a ratio to revenues since the beginning of 2022 representing, in 2023, ~+2 percentage points compared to 2021 and +~1 percentage point compared to 2022. Consequently, we anticipate our cash position to remain constant at the end of 2023 when compared to 2022.

In the medium term, our objective of reaching 20% of EBIT adjusted ratio by 2025-2030 remains unchanged with the assumption of a R&D "ratio to revenues" at around 6.5%¹ (vs around 8.5%¹ expected in 2023 given our deliberate additional investments). The timing continues to be dependent upon mainly external growth contribution (M&A), success rate of our R&D projects, as well as top-line dynamics (impacted by external market conditions).

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

Virbac: Euronext Paris - subfund A –ISIN code: FR0000031577 / MNEMO: VIRP
Financial Affairs Department: tel. 04 92 08 71 32 - email: finances@virbac.com - Website: corporate.virbac.com

¹ After the benefit of French Research Tax Credit