



## Exceptional increase in revenue in the first half of 2021, with +21.3% at comparable exchange rates and scope (+14% at constant exchange rates and actual scope), driven by very solid performance in all areas and good market dynamics

Press release on July 20, 2021, after market close

KEY FIGURES			
Revenue in first half of 2021 - Provisional	At constant exchange rates and scope <sup>1</sup>	Growth at constant exchange rates	Overall change
<b>€529.4 M</b>	<b>+21.3%</b> where companion animals <b>+24.3%</b> food producing animals <b>+17.7%</b>	<b>+14.0%</b>	<b>+10.7%</b> <b>+17.9% excl. Sentinel</b>

<sup>1</sup> Growth at constant exchange rates and scope is the organic growth of sales, excluding the impact of exchange rate changes, by calculating the indicator for the financial year in question and that for the previous financial year on the basis of identical exchange rates (the exchange rate used is that in effect for the previous financial year), and excluding the impact of changes 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, and by excluding only the sales of Sentinel, a product transferred on July 1, 2020, for the two financial years in question.

### Quarterly consolidated revenue

Our second-quarter revenue hit €262.9 million, a steep +18.3% increase, excluding Sentinel (+14% at actual scope), from the same period in 2020. At constant exchange rates and scope, growth rose to +20%, propelled by the execution of our strategy, our excellent performance in all the geographical areas in which we operate, and outstanding momentum in the first months of 2021 in the animal health sector (visits to veterinarians, number of companion animal adoptions, rebound of the food producing animal segment, etc.). Our growth over the period was mainly driven by the performance of Europe and the Asia-Pacific area, which benefited from a favorable base effect over the quarter and contributed to approximately 80% of the quarter's growth. In Europe, all countries supported our growth, particularly France, the United Kingdom, Germany, the Scandinavian countries, Spain, and Italy, which had exceptional performances in the companion animal segment (vaccines, petfood, and specialty products). In Asia-Pacific, India alone drove more than half of the quarter's growth, thanks to products for ruminants (food supplements and parasiticides). Latin America benefited from strong momentum in Brazil and Mexico, broadly compensating for the withdrawal of aquaculture activities in Chile. Finally, the United States grew over the quarter, excluding Sentinel, thanks to Iverhart and specialty products.

### Cumulative consolidated revenue at the end of June

For the first half of the year overall, our revenues were €529.4 million, compared with €478.3 million, representing an overall increase of +17.9% excluding Sentinel (+10.7% at actual scope) compared with the same period in 2020. Excluding the unfavorable impact of exchange rates, revenues rose by +21.3% excluding Sentinel (+14% at actual scope).

All areas had double-digit organic growth at the end of June, reflecting both the sector's momentum and the successful execution of our strategic plan — thanks largely to the ongoing commitment of our teams. In Europe, revenue grew by +18.4% at real rates (+18.7% at constant exchange rates). The main contributors to this performance were France, the United Kingdom, Export activities, Italy, Benelux, Spain, and Germany, driven by strong momentum in the companion animal ranges (particularly the specialty ranges, petfood, and the rebound in vaccines). In Asia-Pacific, real-rate growth was up +23.5% (+26% at constant exchange rates). India continues to drive the area's growth, alone accounting for over half; Australia, New Zealand, Vietnam, and China also had a hand in the area's very strong growth. In the United States, first-half activity excluding Sentinel grew by +24.3% (+36.4% at constant exchange rates). The U.S. had sustained growth over all ranges and particularly specialty products, Iverhart, the dental range, which, in addition to the sales to the clinics, benefited from the strong development of its online sales; and recently launched products (Clomicalm, Senergy, Itrafungol and Stelfonta). In Latin America, apart from Chile, business grew by +19.8% at real rates (+31.5% at constant exchange rates), reflecting strong contributions from Brazil and Mexico. Finally, in Chile, activity in the first half was down by -19.1% at real rates (-15.1% at constant exchange rates), due to the drop in salmon smolts put in the water last year as a result of the health crisis and restaurant closings.

**In terms of species**, companion animal activities grew by +24.3% overall at constant exchange rates excluding Sentinel (8.7% at constant exchange rates and actual scope, and +5.8% at actual exchange rates and scope), essentially driven by the remarkable double-digit growth of the specialty ranges (including Clomicalm, Movoflex, Stelfonta), internal parasiticides, petfood, dermatology, dental, and by the rebound of the vaccine range for dogs and cats from the first half of 2020, which had been strongly impacted by our production and shortage problems. It should be noted that sales of Itrafungol and Clomicalm, products acquired in March 2021, represented around €4 million in sales over the period from March to June. The food producing animal segment also showed strong growth, at +17.7% at constant exchange rates (+14.2% at actual exchange rates), mainly driven by the ruminants sector (up +25.9% at constant exchange rates) and the swine-poultry sector (+10.0% at constant exchange rates), while the aquaculture sector is, as explained above, significantly down (by -11.6% at constant exchange rates) compared to the same period in 2020.

## Outlook

We currently anticipate like-for-like revenue growth (excluding the impact of Sentinel's sale) of 10% to 14% (7% to 11% at constant exchange rates and real scope), and a ratio of "current operating profit before depreciation of assets arising from acquisitions" over "revenue" of around 15% at constant exchange rates. We also anticipate an unfavorable impact of exchange rates on revenue of approximately €13 million associated with currency depreciation.

So far, the health crisis has not had an overly negative impact on the animal health sector, but, as explained above, we have implemented a set of measures and day-to-day oversight to prevent and limit its potential impacts. In addition, our extensive presence in terms of geographic areas and species, our highly diversified product portfolio, our varied distribution channels, the very strong responsiveness and adaptability of the teams throughout our organizational model, and the robustness of our financial situation are the perfect assets for us to ride out the pandemic. However, we are remaining vigilant to new developments in the coming months and are well placed to address them.

CONSOLIDATED FIGURES Non-audited figures in millions of euros	2021	2020	Growth	Growth at constant exchange rates <sup>1</sup>	Growth at constant exchange rates and scope <sup>1</sup>
Revenue for 1 <sup>st</sup> quarter	266.5	247.7	+7.6%	+12.3%	+22.6%
Revenue for 2 <sup>nd</sup> quarter	262.9	230.6	+14.0%	+15.8%	+20.0%
<b>Revenue for first half year</b>	<b>529.4</b>	<b>478.3</b>	<b>+10.7%</b>	<b>+14.0%</b>	<b>+21.3%</b>
<b>Revenue excluding Sentinel</b>	<b>521.9</b>	<b>442.6</b>	<b>+17.9%</b>	<b>+21.3%</b>	<b>+21.3%</b>

## A lifelong commitment to animal health

At Virbac, we make innovative solutions available 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 can 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.



**R&D  
CENTERS ON  
5 CONTINENTS**



**SALES  
SUBSIDIARIES  
IN 33 COUNTRIES**



**SALES  
2020**  
+5.7% at constant exchange rates and scope compared to 2019



**PRODUCTION  
SITES  
IN 10 COUNTRIES**



**4,900  
EMPLOYEES**