

Ecully, February, 24, 2022

2021 ANNUAL RESULTS

PCAS (Euronext Paris: PCA), a specialist in developing and producing complex molecules for life sciences and innovative technologies, has announced the publication of its consolidated results as of December 31, 2021.

<i>in millions of euros</i>	2020	2021
Net sales	194.1	187.0
EBITDA (*)	10.7	-4.6
<i>EBITDA margin</i>	<i>5.5%</i>	<i>-2.5%</i>
Current operating income (*)	-10.8	-28.2
<i>Current operating income margin</i>	<i>-5.5%</i>	<i>-15.1%</i>
Other operating income and expenses	-0.2	-0.4
Operating income	-11.0	-28.6
Financial result	-1.6	-2.9
Taxes	-2.4	-9.0
Net result	-14.9	-40.5

(*) of which research tax credit (CIR): 4.3 M€ in 2020 and 4.1 M€ in 2021

Audit procedures have been performed and auditor's report is in progress of being issued.

Results

The PCAS Group has generated consolidated net sales of €187.0 million as of December 31, 2021, a 3.7% decrease compared to the same period during the previous financial year (-2.6% at a constant exchange rate).

The Pharmaceutical Synthesis business generated sales of €119.6 million, a 11.5% decrease compared to 2020 (a 10.5% decrease at a constant exchange rate). The strong decrease in sales of hydro-alcoholic solutions, compared to peak consumption in 2020, as well as lower volumes on several other products, notably from the Limay site, could not be compensated as initially expected by the increase in Estetrol volumes due to the difficulties faced in the production of this molecule manufactured on behalf of Mithra at the new highly active pharmaceutical drug production workshop located in Villeneuve-La-Garenne.

Net sales of Fine Specialty Chemicals totaled €67.4 million, a 14.4% increase compared to 2020 (+15.7% at a constant exchange rate). All activities experienced strong growth in their sales, notably with a very strong demand in Electronics and Lubricants, and strong recovery in Cosmetics. Supply and logistics difficulties have been closely monitored and had therefore a limited impact on sales. Demand for new projects continues to show a good dynamic.

The delay in Estetrol sales, as well as a level of revenue that is still broadly insufficient to cover the additional fixed costs incurred at several production plants in recent years in order to improve the quality of manufacturing processes, are the main reasons explaining an EBITDA of -€4,6 million, compared to €10,7 million in 2020, representing a margin of -2.5% vs. 5.5% in 2020. The resulting current operating income was also sharply down at -€28.6 million, compared to -€11.0 million in 2020.

The financial result showed a loss of €2.9 million in 2021, compared to a €1.6 million loss in 2020.

In 2021 the corporate income tax expense included an expense of €6.3m due to the cancellation of deferred tax assets on tax loss carryforwards, due to a lower profit forecast for the years to come for the Group's French entities.

The PCAS Group's net result was a loss of €40.5 million in 2021, compared to a loss of €14.9 million in 2020.

The Group's net debt (including net current account credit balance with Seqens) totaled €172.7 million vs. €133.4 million at December 31, 2020.

Outlook

The whole PCAS Group team, with the support of its shareholder Seqens for the financing of its activities and its development, are fully mobilized for a return to positive results in 2023.



NEXT FINANCIAL DISCLOSURE:
2021 Shareholder's Meeting, May 24, 2022

ABOUT PCAS

PCAS specializes in the development and production of complex molecules for life sciences and innovative technologies. With about 11% of its net sales earmarked for R&D and a large international footprint, PCAS is the preferred industrial partner for market-leading major global groups. Boasting especially high standards, the company offers a growing range of proprietary products and solutions in leading-edge segments. PCAS generated net sales of €187.0 million in 2021 and employs nearly 1200 people in six countries.

To find out more about PCAS: www.pcas.com



PCAS

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