



Revenue growth at the end of September at +2.8% at constant exchange rates and scope thanks to a strong activity rebound in the third quarter (+7.8% at constant exchange rates and scope)

Press release issued on October 23, 2023 after market close

KEY FIGURES			
Revenue Nine months, 2023	Growth at constant exchange rates and scope ¹	Growth at constant exchange rates	Overall change
€925.3 million	+2.8% of which companion animals +1.1% farm animals +5.0%	+2.8%	+0.4%

¹growth 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 one from the previous financial year), 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

During the third quarter, our revenue reached €314.8 million, sharply on the rise by +7.8% at constant exchange rates. At real exchange rates, our activity grew by +3.3% compared to the same period of 2022. All geographies contributed to this *momentum*: Europe's revenue increased by +6.4% at constant rates, driven by the Benelux countries (+14.9% at constant rates) and France (+4.6% at constant rates) where our petfood range recorded double digits growth, as well as the countries of Southern Europe, particularly Spain (+23.9% at constant rates) where ruminant vaccines sales grew strongly. In Asia Pacific, the evolution at constant rates of +9.2% is mainly explained by the success of our farm animal ranges, both in Australia and India (respectively +19.6% and +10.8% at constant rates). Latin America (+11.2% at constant rates) benefits from the contribution of Mexico (+11.4% at constant rates) and the remarkable performance of Colombia (+39.5% at constant rates) while Chile returned to growth (+13.1% at constant rates) mainly thanks to the sales of a single parasiticide product for which demand has recently been growing considerably. Finally, the North America zone grew by +3.8% at constant rates, notably thanks to the companion animals segment and the dermatology range.

Cumulative consolidated revenue at the end of September

At the end of September, our turnover amounted to €925.3 million compared to €921.2 million, an overall increase at real rates of +0.4% compared to the same period of 2022 and +2.8% at constant exchange rates. In a context of market growth normalization observed for several quarters now and despite two adverse intrinsic one-off effects - temporary limitation of our production capacities for companion animal vaccines and cyber attack which occurred on June 19 - excluding unfavorable exchange rates impact, our growth of +2.8% demonstrates the resilience of our business model driven by the relentless engagement of our teams. Europe (+3.9% at constant rates) and Asia Pacific (+4.5% at constant rates) remain the main geographies driving this organic growth dynamic. In Europe, the main contributors to this performance are firstly France (+7.4% at constant rates), then the countries of the Northern Europe zone (+2.5% at constant rates) led by Germany, as well as the countries of the Southern Europe zone where more than half of the growth is achieved in Spain. In Asia Pacific, the good *momentum* of our farm animal range continues to fuel our growth in Australia (+11.7% at constant rates) and India (+4.2% at constant rates). Marked by a base effect coupled with distributors' destocking and sustained sales of our products towards veterinary clinics, our activity in the United States (-0.4% at constant rates) is relatively stable. Notwithstanding the very good growth dynamics observed in Mexico, Colombia and Brazil, the Latin America zone (-1.1% at constant rates) was penalized by the sharp decline of the aquaculture segment observed in Chile during the first half of the year.

In terms of species, the companion animal segment grew overall by +1.1% at constant rates (-0.2% at actual rates), strongly impacted by a drop in companion animal vaccine sales offset by good *momentum* of petfood and specialty ranges. The farm animal segment posted a +5.0% growth at constant exchange rates (+1.0% at actual rates), driven by both the ruminant (+8.5% at constant rates) and pigs sectors (+7.0% at constant rates) which are performing well.

Outlook

Given the significant rebound in sales observed in the third quarter, a margin on production costs higher than expected as well as the confirmed delay in certain expenses, particularly R&D, revenue growth at constant rates and scope is now expected in a range between 2% and 4% while the ratio of "current operating income before amortization of assets resulting from acquisitions" to "revenue" should now consolidate in a range between 13.5 % and 14.5% at constant exchange rates. Finally, at constant exchange rates, our net cash position at the end of December 2023 should improve by €30m compared to the same position at the end of December 2022, excluding acquisitions and impact of the share buyback plan.



CONSOLIDATED FIGURES Non-audited figures in millions of euros	2023	2022	Growth	Growth at constant exchange rates ¹	Growth at constant exchange rates and scope ¹
First quarter revenue	314.8	318.1	-1.0%	-1.3%	-1.3%
Second-quarter revenue	295.7	298.3	-0.9%	+2.1%	+2.1%
Third-quarter revenue	314.8	304.9	+3.3%	+7.8%	+7.8%
Revenue at the end of September	925.3	921.2	+0.4%	+2.8%	+2.8%

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.



**5,400
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**



**R&D
CENTERS ON
5 CONTINENTS**