



2022 Half Year Results

September 1, 2022

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Karl Rotthier
Chief Executive Officer



Antoine Delcour
Chief Financial Officer



Cécile Maupas
Chief CDMO Officer



Guillaume Rosso
Investor Relations

Agenda

- 1 - Business highlights**
- 2 - Environment, Social and Governance update**
- 3 - Financial performance**
- 4 - 2022 outlook and guidance**
- Q&A session



Business highlights

Karl Rotthier - CEO

1

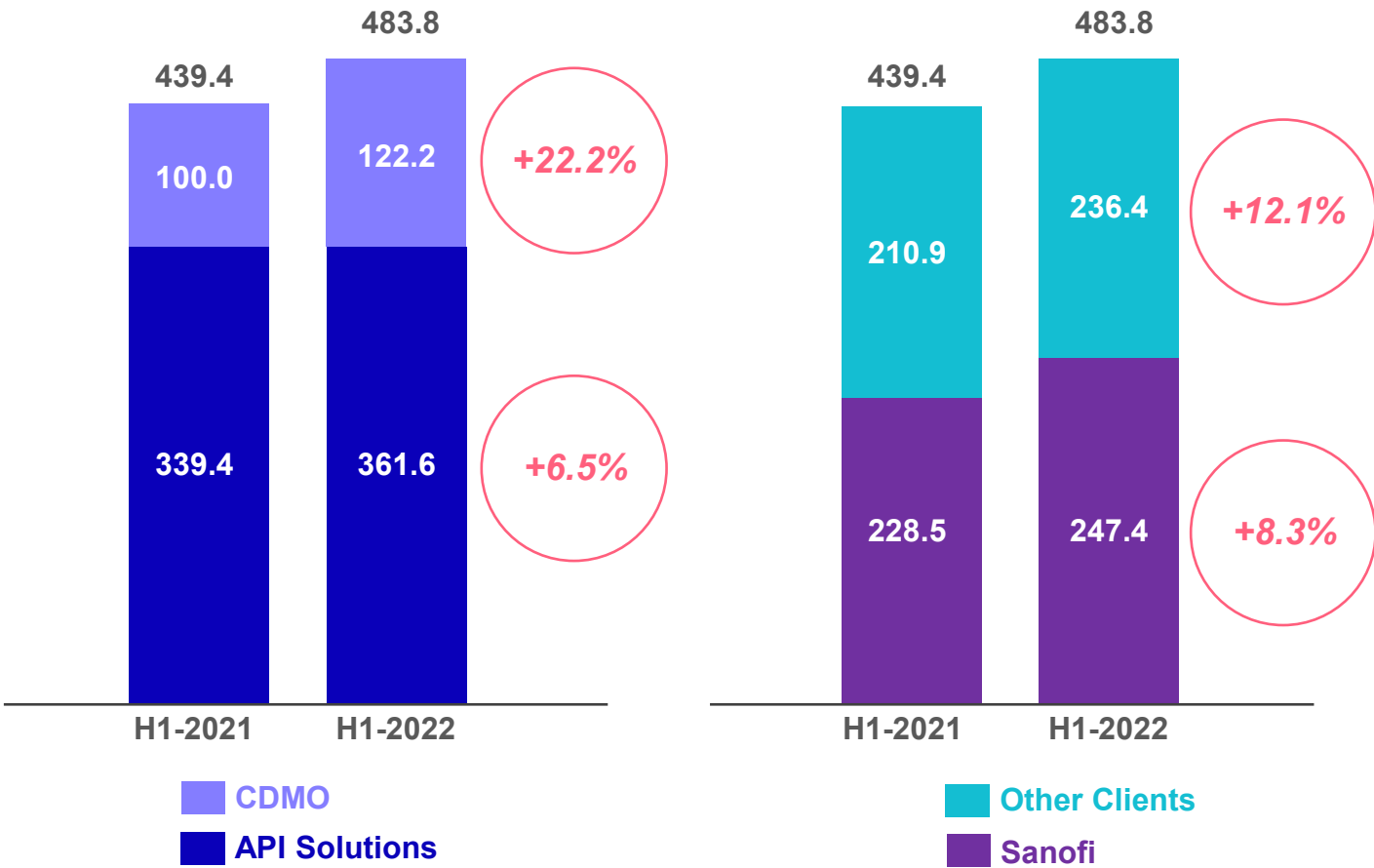
- Listing on May 6, 2022, and inclusion in SBF 120 and CAC Mid 60
- Solid double-digit sales performance in H1-2022, reaching €483.8m, despite challenging macroeconomic and geopolitical environment
- Profitability improved with a Core EBITDA¹ margin at 14.5% (+ 128 bps versus H1-2021)
- Strong commercial momentum in CDMO with a number of RFPs received in H1-2022 almost equal to the full year 2021, translating into 19 projects won, notably in oligonucleotides and peptides
- Commercial strategy for API Solutions to Other Clients starting to deliver with price adjustment initiatives and increased cross-selling
- 2022 guidance confirmed for net sales (~ €1bn) and Core EBITDA margin (≥14%), capex guidance updated to ~14% (versus 12% previously). In the current context, confidence in achieving mid-term financial objectives



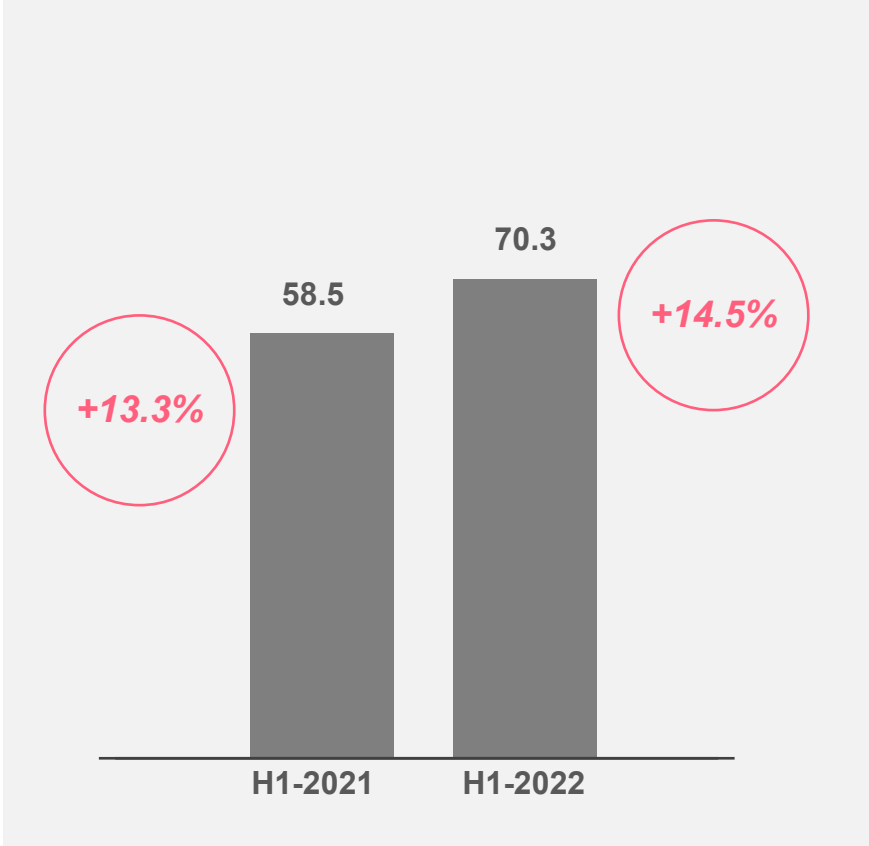
- First day of trading on EURONEXT Paris on May 6, 2022
- Joined SBF120 and CAC Mid 60 on June 17, 2022

Solid H1 performance with net sales at €483.8m, up +10.1% and core EBITDA margin at 14.5% (+128 bps)

Net sales¹ growing +10.1%

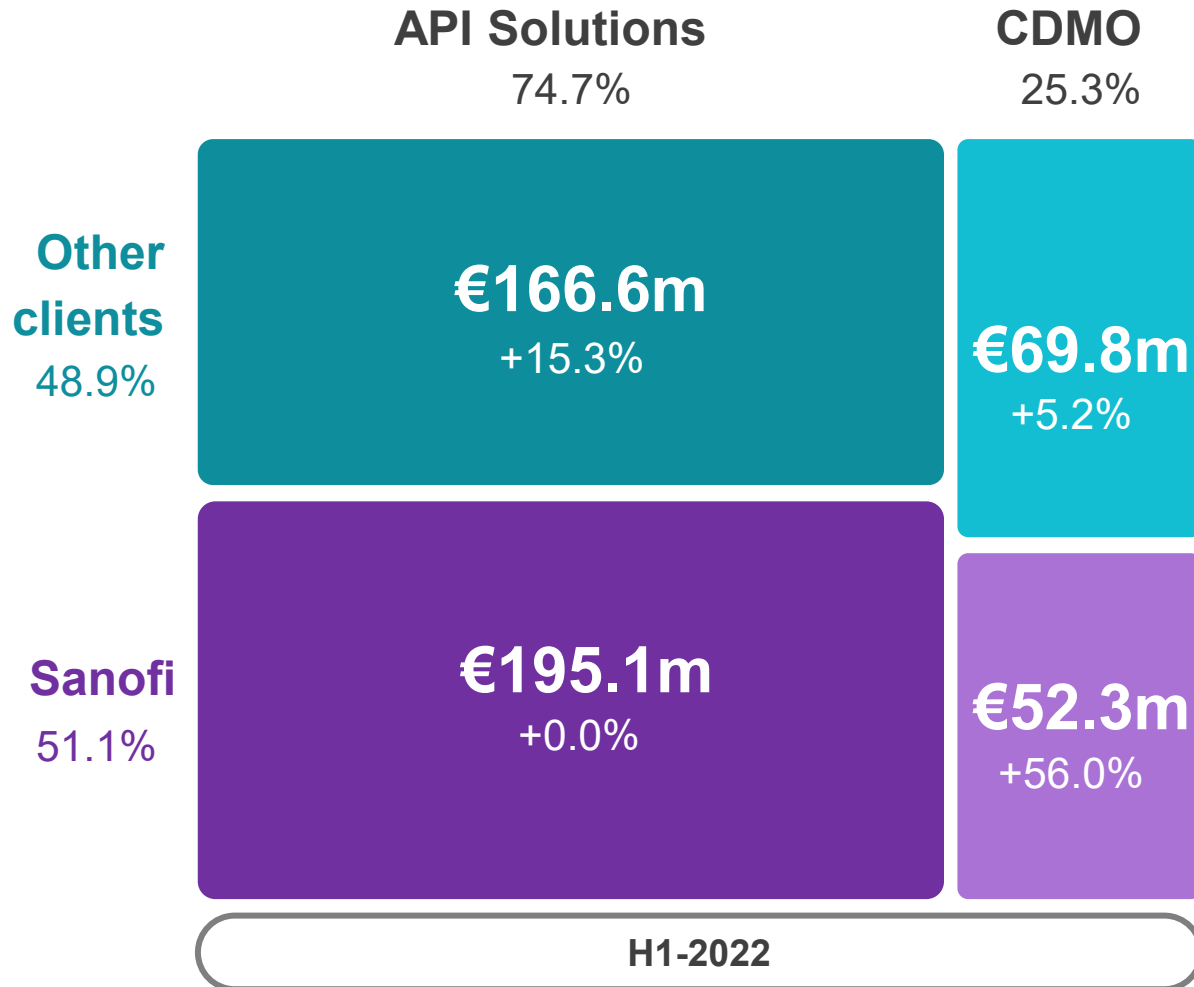


Core EBITDA and core EBITDA margin¹



Note 1 : All figures presented for H1-2021 are restated key performance measures as defined in the listing prospectus and presented at published rates for all years.

Core business activities growing as the commercial strategy is being executed







Strong momentum in CDMO business

- Sanofi late-stage pipeline and commercial products increased contribution
- Existing commercial contracts with other clients ramping-up
- CDMO projects won to generate revenue in subsequent semesters (~6 months time lag)

API Solutions commercial excellence strategy starting to deliver

- Post Covid-19 volumes recovery
- Price adjustments starting to deliver in a worldwide inflationary environment
- Contractual clauses activated on Sanofi sales

Portfolio reshaping in progress with strong contribution from large molecules

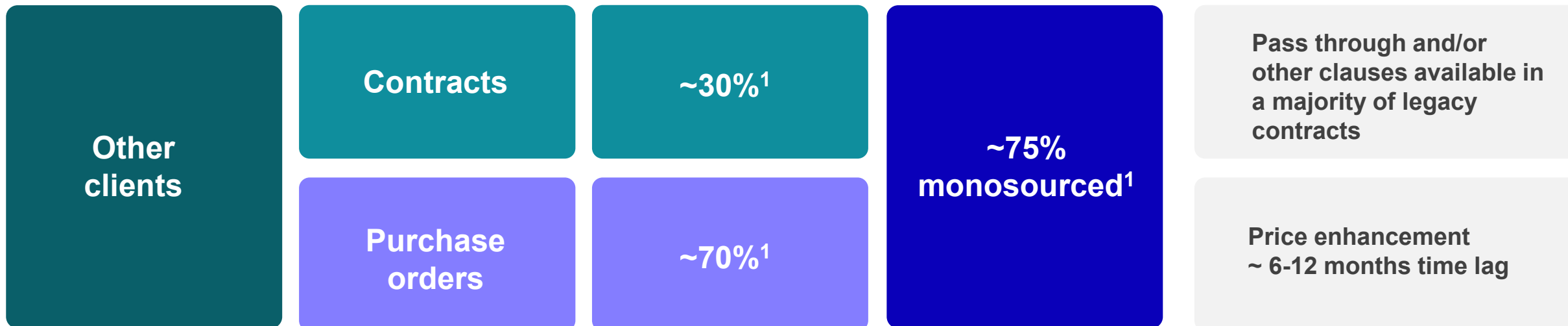
	Per type of molecule	H1-2022	%	Key drivers
	Large molecules ¹	€47.9m	+431.1%	Oligonucleotides driving steep increase for a US biotech and for Sanofi CDMO products
	Highly potent molecules ¹	€47.1m	-6.9%	Good business dynamic for prostaglandins more than offset by lower demand for animal health APIs
	Biochemistry molecules derived from fermentation	€65.4m	-13.2%	Transformation of the Brindisi site and one-off production issue in Elbeuf
	Complex chemical synthesis molecules ¹	€323.4m	+6.2%	Normalization of client demand in a context of Covid-19 slowdown
	Net sales²	€483.8m	+10.1%	

Note

1 Managerial reporting has been adapted in 2022 and specific reclassifications were performed among molecules type. For more information, please refer to "Investors Presentations" section of the Investor Relations website

2 As from Jan 2022, other revenues include activities and services which are not EUROAPI core activities (not related to the manufacturing and/or distribution of APIs, including regulatory support)

Several levers activated in H1-2022 at topline and operational levels to navigate current environment



Pass through clause for certain key raw materials^{2 3}
Energy price sharing clause³

Industrial and operational performance plans to manage costs

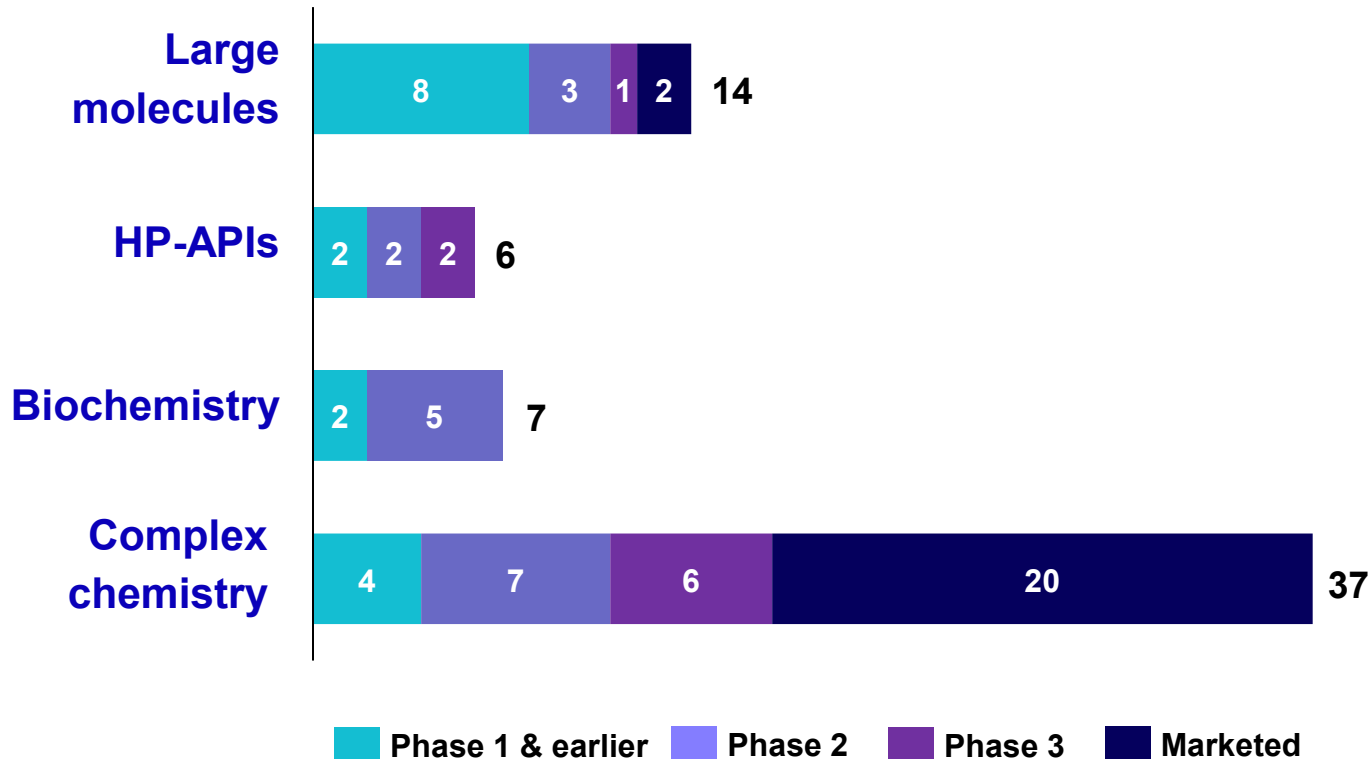
Note:

1 Excluding Sanofi and based on 2021 figures

2 Clause is applicable for price increases ranging 20 – 50% compared with their reference price set in 2020. Should prices increase beyond 50%, parties will have to negotiate a new clause in good faith

3 Applicable from January 1, 2022, to December 31, 2026

Out of 64 CDMO projects in pipeline, about 1/3 added in H1-2022 Acceleration in large molecules, notably in oligonucleotides



RFPs received in H1-2022 almost equaling full year 2021

64

CDMO projects (incl. commercial phase)^{1 2}

19

Projects added to pipeline of which:

- 7 large molecules
- 1 HP-API
- 2 biochemistry
- 9 complex chemistry

Note:

1 As of June 30, 2022, the CDMO pipeline comprised 22 existing commercial projects (from before carve out), 23 new projects won by the CDMO teams in 2021 and 19 projects won in H1-2022.
2 Several CDMO projects have been reclassified from Complex chemical synthesis to large molecules as per change in management reporting

Environment, Social & Governance update

Karl Rotthier - CEO

2



Offer safe products and a resilient & responsible supply chain

We provide high quality products and strive to be a reliable partner in the pharmaceutical supply chain.



Accelerate innovation for environmental sustainability

We propose innovative processes and services sustainable by design.



Create a safe & multicultural workplace

We offer our employees safety and a fulfilling environment for all.



Uphold best in class corporate governance

We work continuously with our internal and external stakeholders to promote compliance and fair practices.

Setting the foundations to build a robust ESG trajectory

Key milestones achieved since January 2022

EUROAPI ESG journey

ENVIRONMENT

SOCIAL

GOVERNANCE

Secure 2030 CO2 emission reduction commitment with Elbeuf biomass boiler investment 🔍

Brindisi ISO 14001 and 45001 certification¹

Launch of PSCi² audits on three manufacturing sites

Corporate culture and values

Employee shareholding plan 🔍

Signature of the Responsible Care charter

Parental leave extended in January 2022

One hour stop for safety

Appointments of Rodolfo Savitzky effective Sept 1, 2022, and of two employee representatives

Signature of the UN Global Compact charter

Anti-corruption & Bribery Protocols initiated, and whistleblower line implemented

Code of Ethics roll-out

Note

- 1 ISO 14001 certification update and 45001 new certification
- 2 Pharmaceutical Supply Chain initiative

🔍 Details in following slides

Employees shareholding plan : align employees' interests with EUROAPI performance



Participation rate : 67.60%

France: 91.55% and Germany: 69.15%

action2022

7
eligible
countries ¹

> 3 300
eligible
employees

*We believe that involving our employees in our long-term development is critical. As such, this plan reaffirms the goal that motivates us all:
to grow EUROAPI together*

Note:

¹ France, Germany, UK, Hungary, Italy, USA, Japan. In other countries a cash contribution will be implemented

Biomass boiler: milestone investment to meet -30% CO₂ emission ambition by 2030



- Construction of a biomass boiler in Elbeuf with a capacity of **140,000 tons of steam generation per year** (use of local wood waste vs gas currently)
- Significant **decarbonization project** with an optimized conception to make use of all potential energies available:
 - Reduce by -76% site CO₂ emissions
 - Cogeneration enabling green electricity production
 - Potential to supply heating to local communities
 - €10.4m financial support through France Relance framework
- Reduced exposure to **energy fluctuations** and availability
- **Synergistic** with vitamin B12 additional capacities and COGS reduction program



Project Capex

~€14m net over 4 years¹



Core EBITDA Impact

Accretive from 2024 onwards



Payback

5+ years



IRR¹

~25%

Note

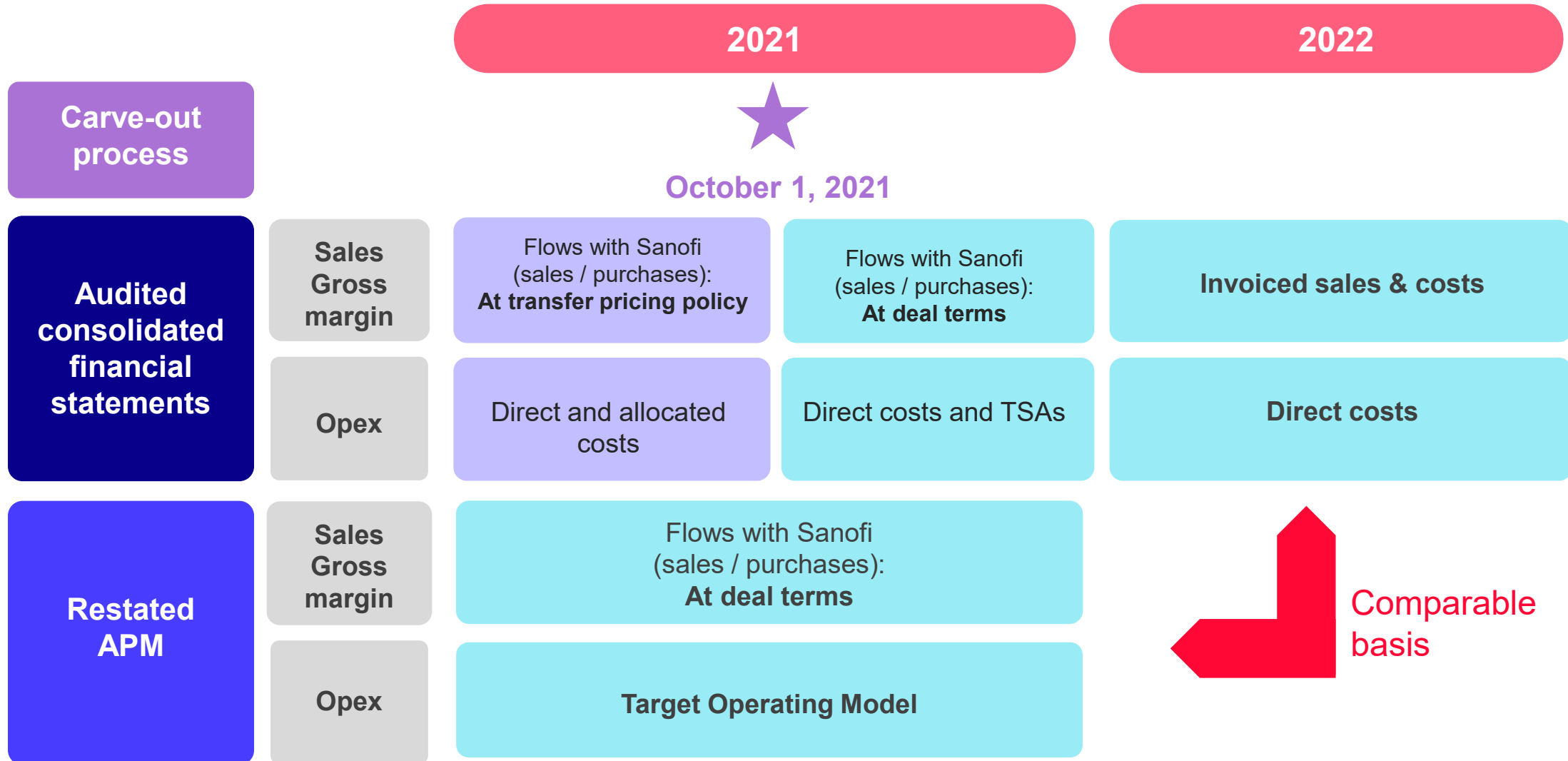
¹ €24.6m gross capex before €10.4m financial support from the French Government within the framework of *France Relance* plan operated by ADEME

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Financial performance

Antoine Delcour - CFO



Strong improvement of key financial metrics

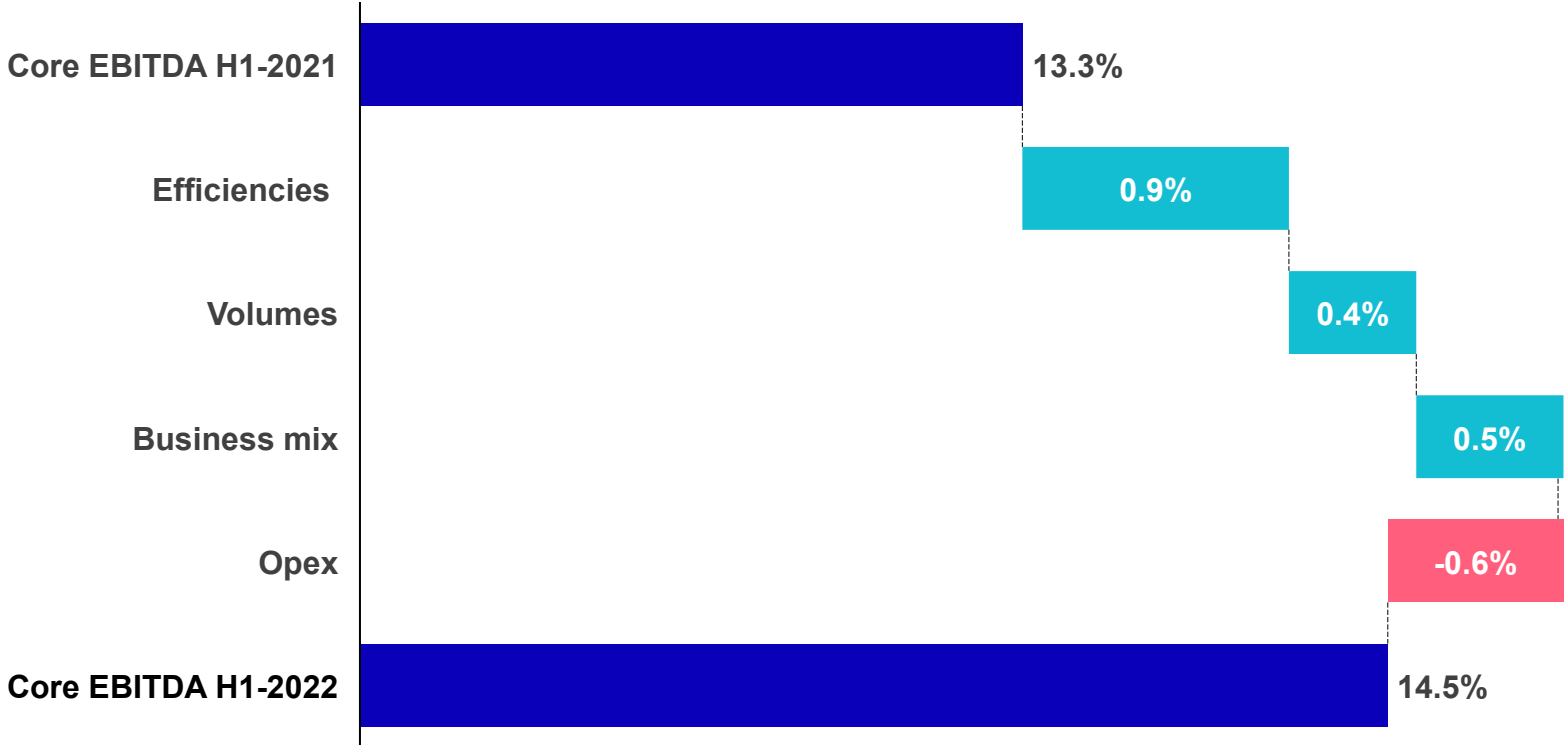
	H1-2022	H1-2021	Change
Net sales	483.8	439.4	+10.1%
Gross profit	97.7	81.5	+19.9%
<i>As a % of net sales</i>	<i>20.2%</i>	<i>18.6%</i>	<i>164 bps</i>
Core EBITDA	70.3	58.5	+20.2%
<i>As a % of net sales</i>	<i>14.5%</i>	<i>13.3%</i>	<i>128 bps</i>
Net income	16.7	n.a.¹	n.a.

- **Net sales growing double digit benefiting from API Solutions and CDMO commercial momentum**
- **Margin expansion sustained by a clear commitment to profitable growth against costs pressure backdrop**
- **Core EBITDA fully benefiting from gross profit improvement**

Note

¹ Net income not part of the restated key performance indicators prepared for readability purposes in H1-2021

Core EBITDA margin improving 128 bps while investing in R&D

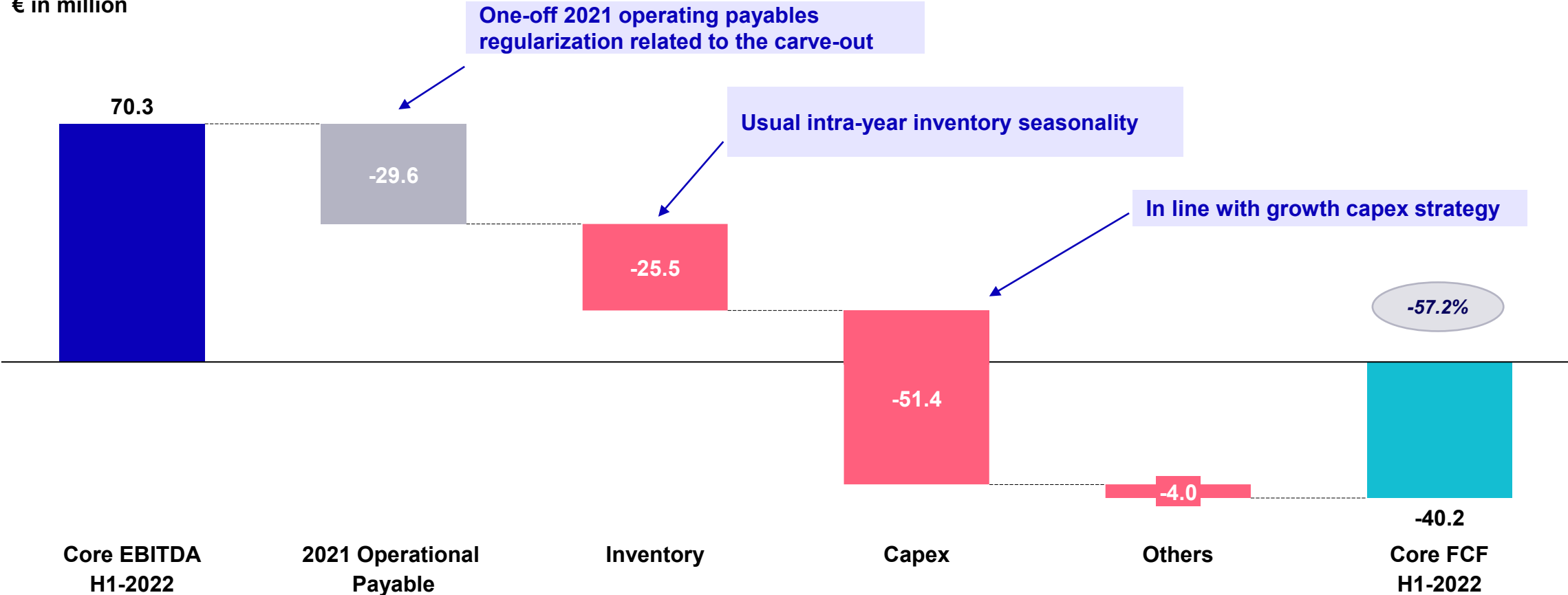


- Price adjustments and operational performance contributing more than inflation
- Costs structure better absorbed by additional volumes
- Higher contribution from more differentiated business segments within API Solutions and favorable CDMO business mix
- R&D ramp-up to support future growth of the company

Note
 1 Efficiencies embed price effect on net sales, impacts of the industrial performance plan, inflation and other impacts included in the gross profit

Core Free Cash Flow¹ generation will start to normalize as from 2023 onwards; 2022 still hampered by one-offs

€ in million



Strong financial flexibility with minimal Revolving Credit Facility drawdown and cash position at €20.2m on June 30, 2022

Note
 1 Please refer to listing prospectus for the definitions of non-GAAP indicators

INVESTMENTS EXECUTION

Acquisition of fixed assets

€ 51.4m in H1-22

2022 capex guidance¹ updated

~14% of net sales

Major projects in progress during H1-2022

Biomass boiler in Elbeuf
Hormones building in Vertolaye
Fexofenadine capacity expansion in Frankfurt
CDMO development capabilities in Budapest

INTERNAL INDICATORS

Payback²

< 3 years for projects
< 7 years for strategic projects

IRR

≥ 25%

Growth

Contribution to net sales and
Core EBITDA margin growth

Note

¹ Defined as acquisitions of property, plant and equipment and intangible assets in the consolidated statement of cash flows excluding acquisition of intangibles related to the Prior Reorganization Transactions and fully financed by Sanofi, divided by the Net Sales of the company during the same period

² As from the first euro spent

2022 outlook and guidance

Karl Rotthier - CEO

4

Net sales

- Price adjustments started in H1-22 and will materialize further in H2-22
- Stronger CDMO sales to Other Clients as CDMO contracts signed in 2021 and early 2022 are in a ramp-up phase
- Softer CDMO sales to Sanofi in H2-22

Cost structure

- Complex macroeconomic and geopolitical environment (inflation on energy and raw materials, supply chain disruption)¹
- Performance optimization plans to mitigate cost pressure
- Energy hedging is finalized as per company policy

Capex

- Maintain growth and performance capex trajectory
- Inflationary pressure on the cost of equipment

Note
1 EUROAPI has a minimal sales and procurement exposure to Russia and Ukraine



Net sales at ~ €1bn

CDMO sales
25 – 30% ¹

Sanofi sales
reduced dependency ¹

Core EBITDA ≥ 14% ¹

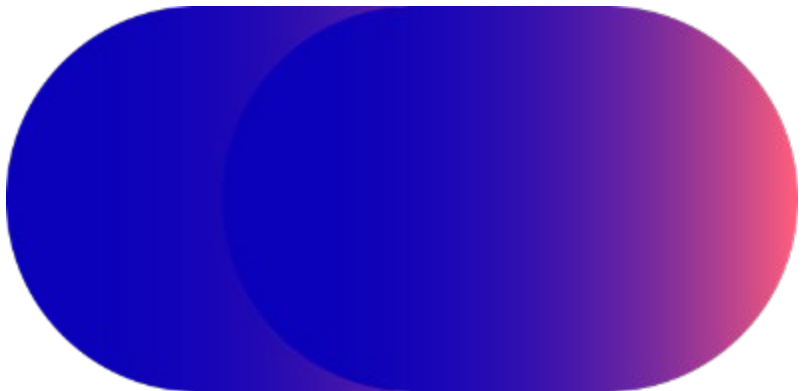
Capex ~ 14% ^{1 2} (versus ~12% previously)

Note:

¹ As a percentage of net sales

² Defined as acquisitions of property, plant and equipment and intangible assets in the consolidated statement of cash flows excluding acquisition of intangibles related to the Prior Reorganization Transactions and fully financed by Sanofi, divided by the Net Sales of the company during the same period

Q&A session



8 – 9 September 2022

Berenberg Pan-European Discovery Conference

27 September 2022

JP Morgan CEO Calls Series

16 November 2022

BNP Paribas Exane MidCap CEO Conference

8 March 2023

2022 Full year results



Thank you!

Merci - Danke - Grazie - Köszönöm - Obrigada - Спасибо - ありがとうございます



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