

Full-Year 2023 outlook revised downwards Launch of a strategic review Mid-term perspectives suspended¹

Paris – October 9, 2023 - The Board of Directors of EUROAPI met today to review the most recent full-year 2023 results forecasts. As a result of this review, the company provides the following update².

The full-year 2023 outlook is revised downwards³

- Net Sales are now expected to grow between +3% and +5%, compared to +7% to +8% previously,
- Core EBITDA margin is now expected to stand between 9% to 11%, compared to 12.5% to 13.5% previously,
- CAPEX guidance remains unchanged between €120 million and €130 million.

The slowdown of full-year 2023 Net Sales growth compared to initial expectations is primarily driven by:

- For API Solutions: the price optimization strategy has recently been impaired by the changing market environment, with pricing pressure resulting from lower overall inflation and destocking programs from some of our customers.
- For the CDMO activities: Net Sales are expected to grow at a slower pace than anticipated due to weaker sales recognition than expected in Q4. This is notably driven by Biotech companies, with projects delayed, put on hold, or downsized due to funding issues.

The Core EBITDA margin decline is primarily due to

- Lower sales volumes leading to less favorable fixed cost absorption than initially anticipated,
- An unfavorable margin mix for the balance of the year (slowdown of the CDMO business).

Based on these elements, the company is launching a strategic review to adapt the company's operating model. The 2023-2026 mid-term perspectives communicated in March 2023⁴ are suspended. The company intends to provide further information on the outcome of the strategic review on February 29th 2024 at the latest (Full-Year 23 results publication).

¹ See page 3, 08-MARCH-2023 Press Release and EUROAPI's 2022 Universal Registration Document available on EUROAPI's web site.

² This press release refers to EU regulation No. 596/2014 (Market Abuse Regulation).

³ Based on current business conditions and subject to unforeseen events

Conference call today at 06:45 PM CET

EUROAPI management will hold a live audio webcast today at 06:45 PM CET (https://channel.royalcast.com/landingpage/euroapi-eng/20231009_1/). To participate in the Q&A session, please dial in the following numbers:

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About EUROAPI

EUROAPI is focused on reinventing active ingredient solutions to sustainably meet customers' and patients' needs around the world. We are a leading player in active pharmaceutical ingredients with approximately 200 products in our portfolio, offering a large span of technologies while developing innovative molecules through our Contract Development and Manufacturing Organization (CDMO) activities.

Taking action for health by enabling access to essential therapies inspires our 3,450 people every day. With strong research and development capabilities and six manufacturing sites, all located in Europe, EUROAPI ensures API manufacturing of the highest quality to supply customers in more than 80 countries. EUROAPI is listed on Euronext Paris; ISIN: FR0014008VX5; ticker: EAPI). Find out more at www.euroapi.com and follow us on [LinkedIn](#).

Forward-looking statements

Certain information contained in this press release is forward looking and not historical data. These forward-looking statements are based on opinions, projections and current assumptions including, but not limited to, assumptions concerning the Group's current and future strategy, financial and non-financial future results and the environment in which the Group operates, as well as events, operations, future services or product development and potential. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans" and similar expressions. Forward looking statements and information do not constitute guarantees of future performances, and are subject to known or unknown risks, uncertainties and other factors, a large number of which are difficult to predict and generally outside the control of the Group, which could cause actual results, performances or achievements, or the results of the sector or other events, to differ materially from those described or suggested by these forward-looking statements. These risks and uncertainties include those that are indicated and detailed in Chapter 3 "Risk factors" of the Universal Registration Document approved by the French Financial Markets Authority (Autorité des marchés financiers, AMF) on April 14, 2023, under number R.23-009 and the Amendment to Universal Registration Document approved by the AMF on April 25, 2023 under number R.23-015. These forward-looking statements are given only as of the date of this press release and the Group expressly declines any obligation or commitment to publish updates or corrections of the forward-looking statements included in this press release in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based.

Financial Calendar

- February 29th, 2024 (before market opening): Full Year 2023 results

- May 22nd, 2024: Annual Shareholder General Meeting
- July 31st, 2024 (before market opening): H1 2024 Results

Appendix

Mid-term perspectives communicated in March 2023:

- +7% to +8% Net Sales increase on average between 2023 and 2026⁵, driven by double-digit growth of Sales to Other Clients (including API Solutions and CDMO).
- A Core EBITDA margin above 20% in 2026 and above 18% in 2025.
- €510 million Capex investments for the period 2022-2025, 50% to 53% Core Free Cash-Flow conversion by 2025.

⁵ At constant currencies and constant perimeter