

Press release

Ad hoc announcement pursuant to Art. 53 LR

Date 24 October 2023
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Media Relations: Christina Hertig, Head of Corporate Communications
Subject Updated mid-term guidance

Galenica Investor Day: Updated mid-term guidance and strategy update

At today's Investor Day, Galenica is presenting its updated mid-term guidance. Galenica is raising its mid-term growth forecast and now expects annual net sales growth of between 3% and 5%. Furthermore, Galenica is confirming its mid-term targets for return on sales (ROS)¹ at over 9.5% in the Products & Care segment and up to 2% in the Logistics & IT segment. At its Investor Day, Galenica will also provide in-depth insights into its strategic programmes and show how it intends to tap into additional growth potential through innovation.

Galenica is raising its mid-term growth forecast and now expects net sales to grow by 3% to 5% in the next years. To date, Galenica had expected sales to grow faster than the expected market growth of 1% to 2%.

Galenica is confirming its mid-term targets for return on sales (ROS)¹ at over 9.5% in the Products & Care segment and up to 2% in the Logistics & IT segment. Galenica aims to achieve these targets in its centenary year 2027 with an EBIT² of over CHF 250 million. Due to an intensive final phase of the ERP project in the Logistics & IT segment, scheduled to be completed in 2025, ongoing investments in the digital Omni-Channel infrastructure as well as further investments in staff as a basis for the Group's successful further development, Galenica expects a stable development of its return on sales (ROS)¹ up to 2025.

Galenica assumes that the level of investments³ will remain stable over the next years and continues to aim for net debt² of around +/-2x EBITDA². Galenica continues to pursue a policy of at least stable dividends that grow in line with results.

The current guidance for the 2023 financial year, with sales growth of between 3% and 6% and EBIT² at roughly prior year level (based on the restated figures from the previous year) remains unchanged.

Innovation as a driver of growth

At today's Investor Day in Zurich, the Executive Committee will provide in-depth insights into current business activities and specific measures for implementing the strategic programmes under the umbrella of innovation. These include the further development of the Omni-Channel strategy, e.g. by connecting online and offline channels, the relevance of services in pharmacies and at home, and the introduction and development of digital medication solutions. Another focus is on the sustainable development of pharmaceutical logistics, which includes ensuring patient safety and security of supply in Switzerland.

The presentations from Investor Day 2023 are available on the Galenica [website](#). A recording will be available at galenica.com following the event.

Galenica Investor Day will start at 9.30 a.m. (CEST) on 24 October 2023. Participate at the Investor Day online: [Webcast](#)

Galenica Ltd.

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1 ROS = EBIT adjusted (excluding the effect of IAS 19 and IFRS 16) / net sales, based on ROS 2023 excluding extraordinary factors
2 Adjusted (excluding the effect of IAS 19 and IFRS 16)
3 Investments in property, plant and equipment and intangible assets

Dates for the diary

18 January 2024: Publication of Galenica Group sales 2023
12 March 2024: Publication of Galenica Group annual results 2023
10 April 2024: Annual General Meeting of Galenica Ltd.

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Welcome to the Galenica network!

Our ambition is to meet the needs of patients and customers in the Swiss healthcare market in a seamless, efficient and personalised way. To achieve this, we operate the Galenica network with over 20 Business Units, the strongest partners in the Swiss healthcare market. We offer fully integrated solutions both for customers and patients as well as for pharmacies, drugstores, medical practices, hospitals, retirement and nursing homes, home care providers, wholesalers, pharmaceutical companies, health insurance funds and other partners. Galenica is listed on the Swiss Stock Exchange (SIX Swiss Exchange, GALE, security number 36,067,446). Additional information concerning Galenica can be found at www.galenica.com.