

Gedeon Richter Q1 2024 Earnings Report

14 May 2024

Q1 2024 highlights – 2024 guidance fully reiterated

2024
guidance

Pharma Revenues (CER*)
to grow „low-to-mid-teens“% EUR 2.15-2.25bn

➤ **Q1 2024 CER revenue growth +15.5%** (nearly 3ppt FX headwind in Q1), at the high end of the FY guidance range

Clean EBIT (CER*) EUR 725-750mn

➤ **Q1 2024 CER Clean EBIT at EUR 178mn (+17%)**, in line with guidance range, if considering some seasonality/phasing

Q1

HUF 200.1bn
(EUR 0.52bn)

Pharma sales

↑ +12.6%

HUF 65.0bn
(EUR 167mn)

Clean EBIT²

↑ +10.5%

HUF 63.6bn
(EUR 164mn)

EBIT¹

↑ +17.5%

HUF 52.7bn

Free Cash-flow³

↑ +13.6 HUFbn

HUF 373

EPS

↑ +77.6%

15.9%

Return on Equity⁴

↑ +0.4ppt

¹ **EBIT:** Profit/loss from operations

² **Clean EBIT (cEBIT):** Gross profit less op. expenses (S&M, G&A, R&D) less clawback plus milestone income. cEBIT reflects the profitability of the core business, excl. one-offs

³ **Free Cash Flow:** Operating Cash flow after changes in Net Working Capital plus interest received less Capex (PP&E)

⁴ **Return on Equity:** Cumulative net profit for the last 4 quarters divided by the actual quarter's equity

* CER (constant exchange rate) calculation is based on 2023 actual FX rate (HUFEUR = 382)

Financial and operational highlights



Financial highlights

- Pharma revenues were at HUF 200bn (EUR 515mn) in Q1 2024, up 13% YoY
- CER (ex-FX) revenue growth was 16%, at the high end of the FY 2024 guidance range; the nearly 3ppt FX headwind in the period was due to the 19% weaker RUB YoY, only partly offset by the weaker HUF
- Ex-FX sales growth was driven by continued very strong (20%+) growth of both cariprazine (CNS) and the WHC segment. BIO revenues also jumped from a low base.
- Gross profit (pharma) grew by 13% to HUF 141bn and gross margin marginally improved (by 0.2ppt) to 70.2% in Q1 2024 despite the adverse FX
- Clean EBIT (pharma) reached HUF 64bn (EUR 166mn), up 9% YoY, while CER (ex-FX) Clean EBIT reached EUR 178mn, up 17%, in line with the full-year guidance range
- Free cash flow (before M&A) amounted to HUF 53bn in Q1 2024, a significant, 35% increase YoY, helped by the strong operating cash flow and the realized FX gains (vs. large FX losses a year ago)
- M&A (Formycon) and a small buyback used up bulk of the FCF, leading to a small net cash accumulation
- The AGM approved the payment of HUF 78.8bn dividend (approx. 423 DPS) from 2023 net profit. This payment is expected to take place during Q2 2024.

Business drivers and key events

- Acquisition of a 9.08% stake in leading biosimilar developer Formycon (FYB) for EUR 82.8mn (Jan 2024)
- Acquisition of HELM's interest in the German biological assets, assuming 100% ownership of RHB (Richter-Helm BioLogics) and RHT (Richter-Helm BioTec) for a cash payment of EUR 112.4mn (not yet closed)
- Offer submitted to acquire certain assets from Mithra Pharmaceuticals; negotiations ongoing

Steroids in wastewater – well below the safety threshold

Pharmaceuticals in the environment - steroids

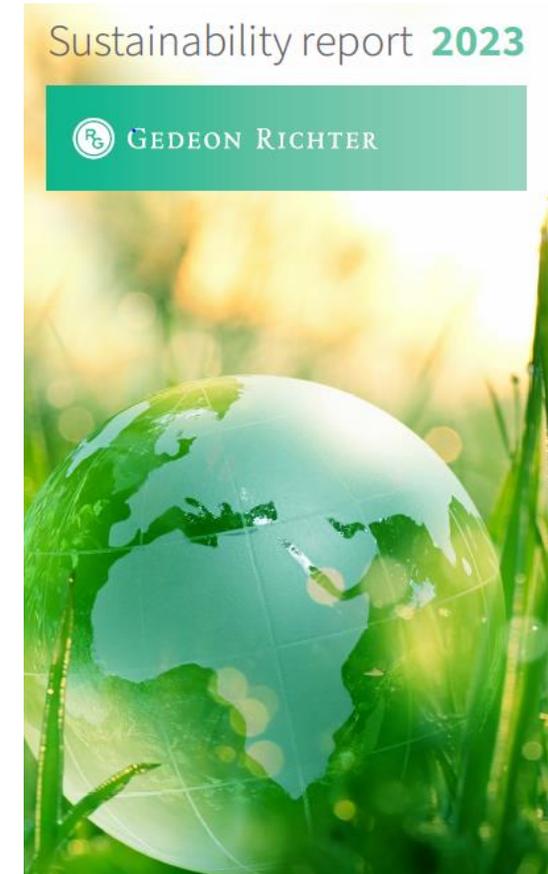
- Following the working out and acceptance of a risk assessment system and methodology, we rolled out a voluntary steroid active substance monitoring and measurement system at our major steroid production sites in the last three years
- We are monitoring wastewater steroid content based on an annual measurement plan. We plan to further roll out this monitoring system to non-steroid APIs as well
- For all APIs tested, the amount released into the environment was at least one order of magnitude smaller than the value with a potentially harmful effect on the environment

API	Site	Roll-out	PEC/PNEC* (acceptable value <1)
desogestrel	Budapest	2023	0.11
drospirenone	Dorog	2022	0.00015
estetrol	Dorog	2022	0.000042
estradiol-17β-acetate	Dorog	2023	0.000000357577
estradiol methylether acetate	Budapest	2023	0.064196071
17β-estradiol	Dorog	2023	0.002145461
norelgestromin	Dorog	2021	0.0011
norethisterone	Dorog	2023	0.0016

* PEC = Predictive Environmental Concentration
PNEC = Predictive non-effective Concentration

Sustainability reporting: 2023 report published + prep for CSRD

- Richter published its 2023 Sustainability Report on 26 April 2024 along with its Annual Report
- Preparation has already begun for the 2024 reporting, first time application of EU's CSRD and the European Sustainability Reporting Standards (ESRS)
- A Double Materiality Assessment – according to ESRS - is in progress to reassess and define the relevant and material topics and data points for the sustainability reporting

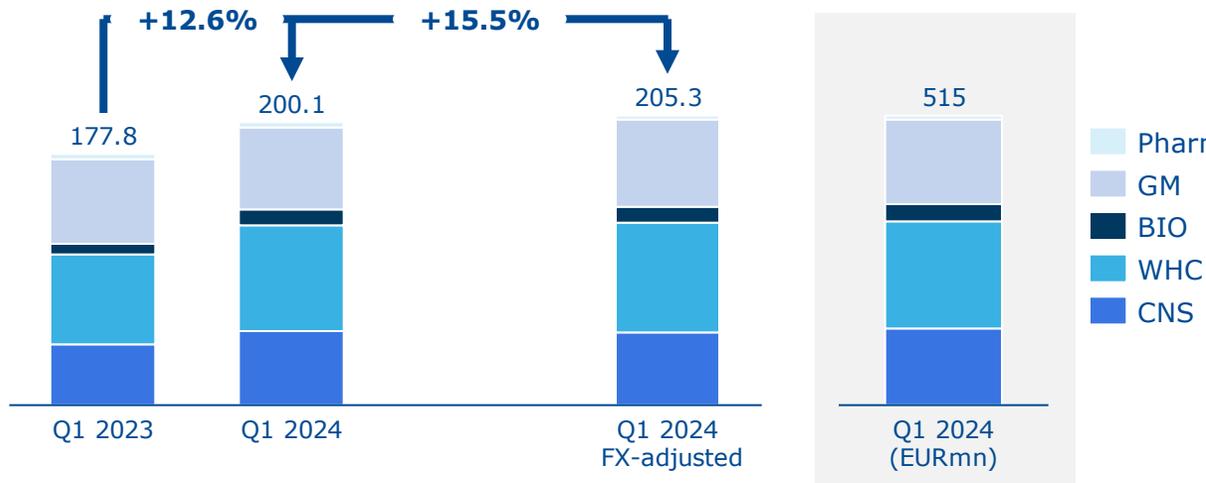


Financial Highlights

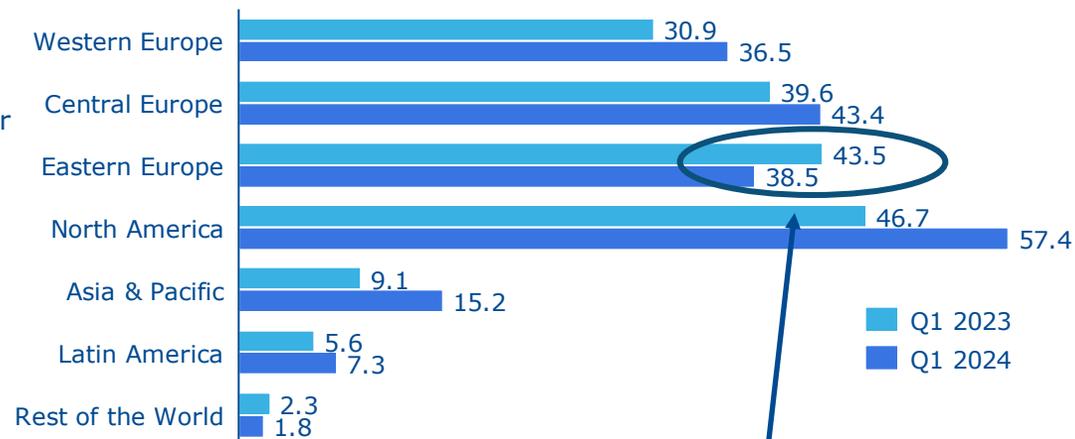


Pharmaceutical revenues (ex-FX) rose by 16% in Q1 2024

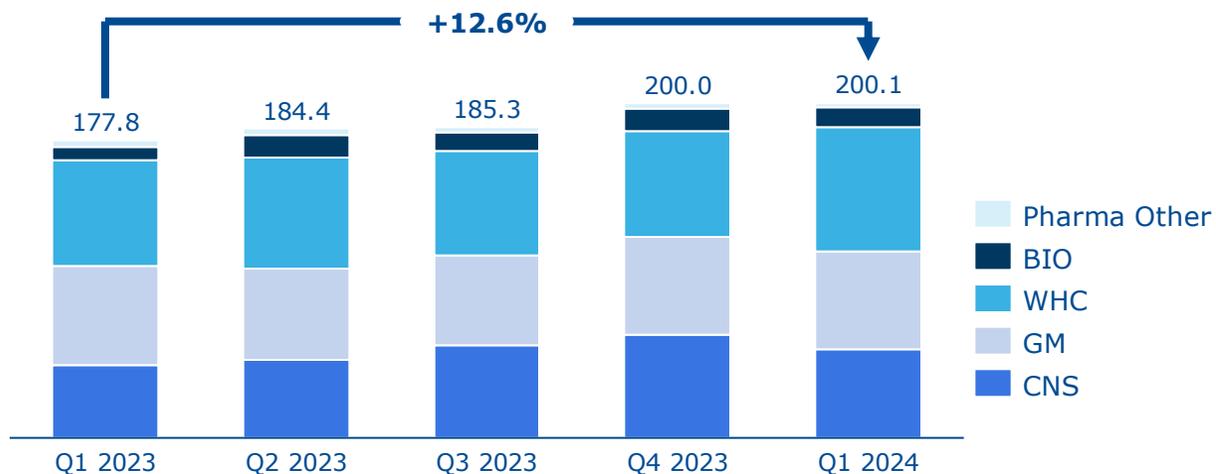
Pharmaceutical Revenues, cumulative (HUF bn, EUR mn)



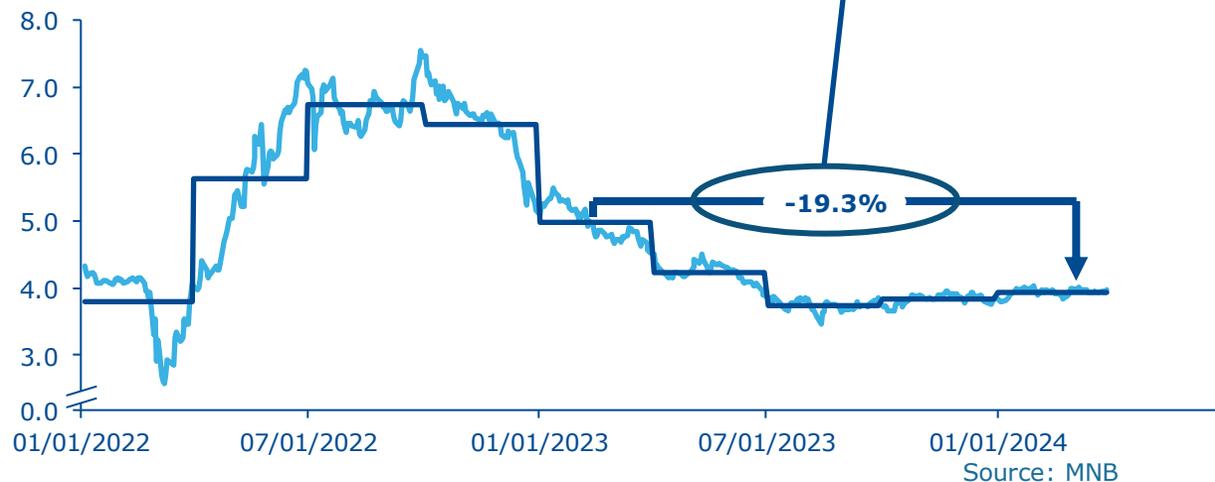
Pharmaceutical Revenues by region (HUF bn)



Pharmaceutical Revenues (HUF bn)

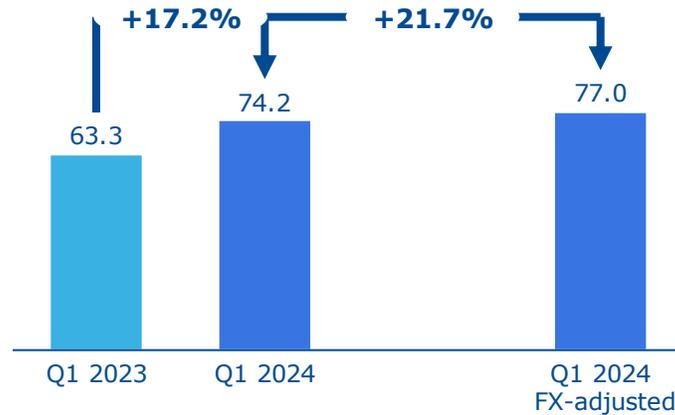


RUBHUF exchange rate

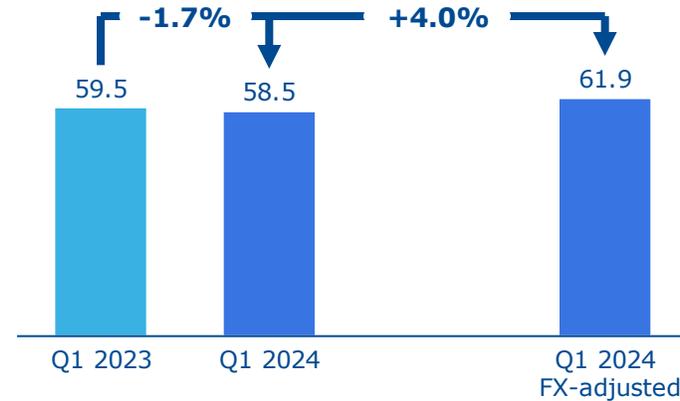


Outstanding WHC, normalizing BIO and strong Reagila® drove internal performance in Q1

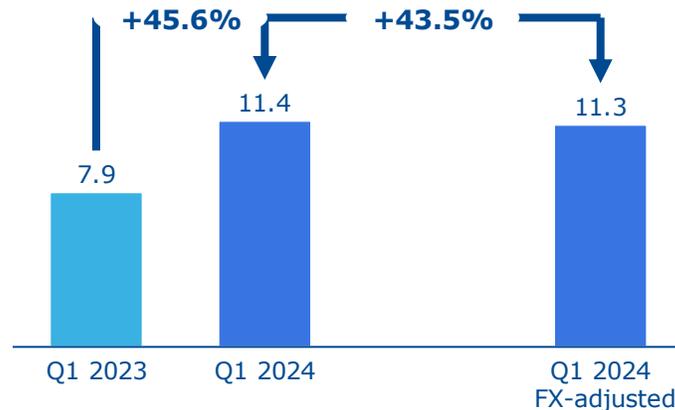
WHC Revenues



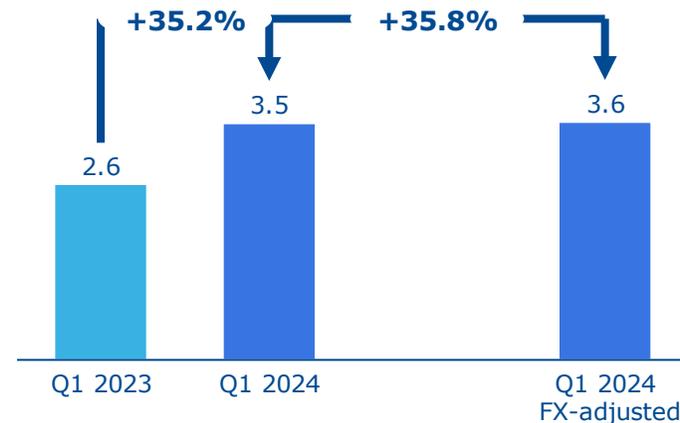
GM Revenues



BIO Revenues



CNS ex-Vraylar Revenues

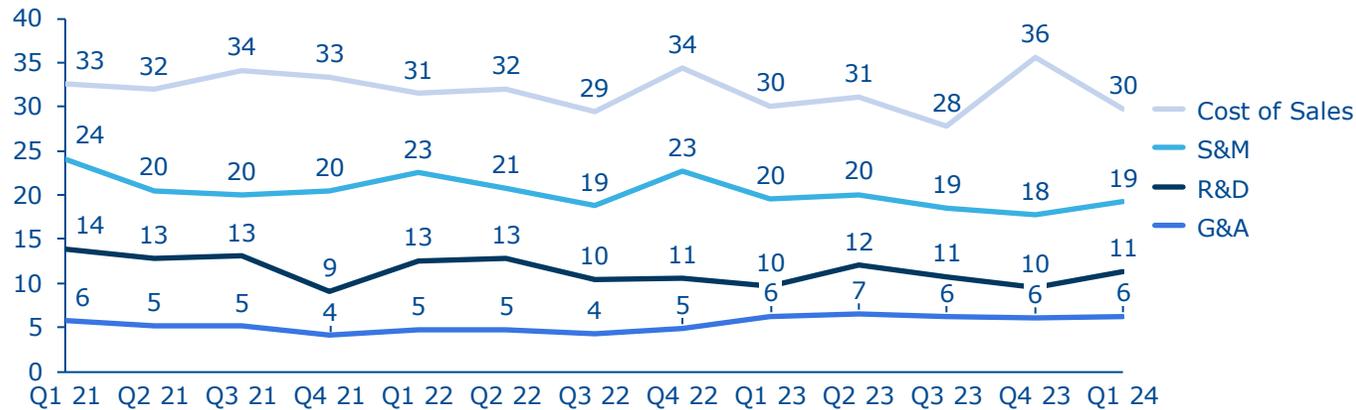


Key messages

- **WHC** revenue growth accelerated in Q1 2024 on the back of very strong performance in China, LatAm and North America, to some extent driven by the timing of product delivery. The traditional portfolio also generated material growth, and the ramping sales of new, innovative products (like Drovelis® and Ryeqo®) remained impressive.
- **GenMed** sales were held back by continued FX headwind (weak RUB), while ex-FX growth was affected by shipment schedules in Q1; new product launches continued
- **BIO** revenues jumped YoY, as CDMO revenues improved from a low base and Terrosa® sales kept on growing
- **CNS (ex-Vraylar)** performance remained robust, as Reagila® sales continued to rise dynamically (+35%) both in our own network and at partners

Opex increased by 17% YoY, driven by R&D (clinical programs)

Operating costs as a % of Pharma revenues (%)



Operating costs (pharma) (HUFbn)



Operating costs as a % of Pharma revenues (%)

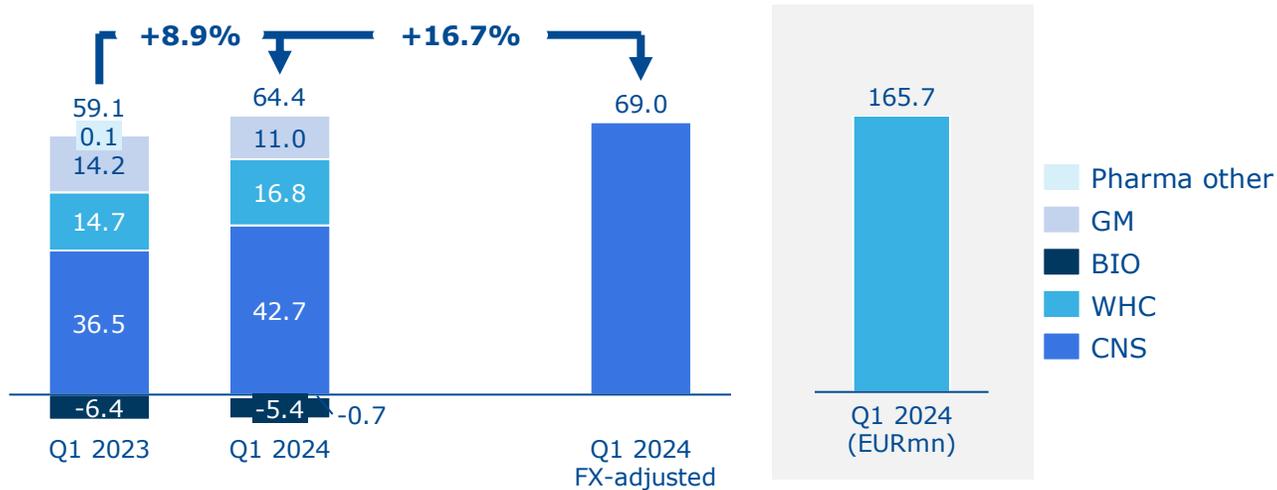


Key messages

- Cost of Sales as a % of sales was almost unchanged YoY, implying close to flat gross margin
- Operating expenses rose by 17% YoY in Q1 2024, outpacing the growth of revenues, primarily due to materially higher R&D expenses
- R&D expenses increased by 33% YoY, driven by the CNS and BIO businesses, where a strong pipeline of clinical programs continued to progress
- Sales & Marketing expenses rose by 11%, the largest increase observed in China related to the intensified sales efforts
- G&A expenses rose by 13%, partly reflecting general cost inflation in Hungary and also costs incurred on efficiency projects

Clean EBIT (ex-FX) increased by 17% in Q1 2024

Pharmaceutical Clean EBIT, cumulative (HUF bn, EUR mn)



Key messages

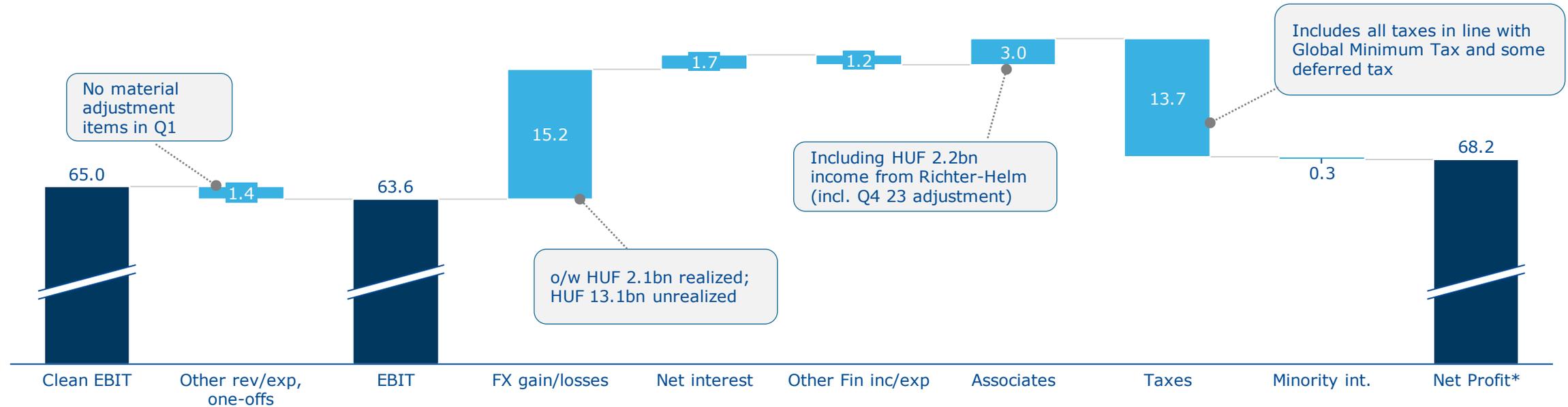
- Clean EBIT (pharma) rose by 9% YoY in Q1 2024 to HUF 64.4bn, as the RUB weakness remained a headwind in Q1 vs. the base period
- FX-adjusted Clean EBIT increased by 17% YoY to HUF 69bn, reflecting the underlying strength of the business; this is in line with the full-year guidance considering some seasonality/phasing effect
- Small milestone revenue (HUF 1.2bn) supported Clean EBIT in Q1 2024 vs almost none a year ago; this was more than offset by higher clawback YoY (in the WHC segment)
- CNS and WHC were the key drivers for the earnings growth in Q1 on the back of continued strength in Vraylar® and across the bulk of the WHC portfolio
- BIO losses narrowed slightly YoY, as CDMO revenues rose from a low base and Terrosa® kept on growing, more than offsetting higher R&D expenses
- GenMed Clean EBIT (and profit margins) was hit by adverse FX movements (19% weaker RUB YoY)

Pharmaceutical Clean EBIT (HUF bn)



Below-the-line: large FX gains boost net profit; normalized taxes

Net Profit in Q1 2024, below-Clean EBIT items (HUF bn)

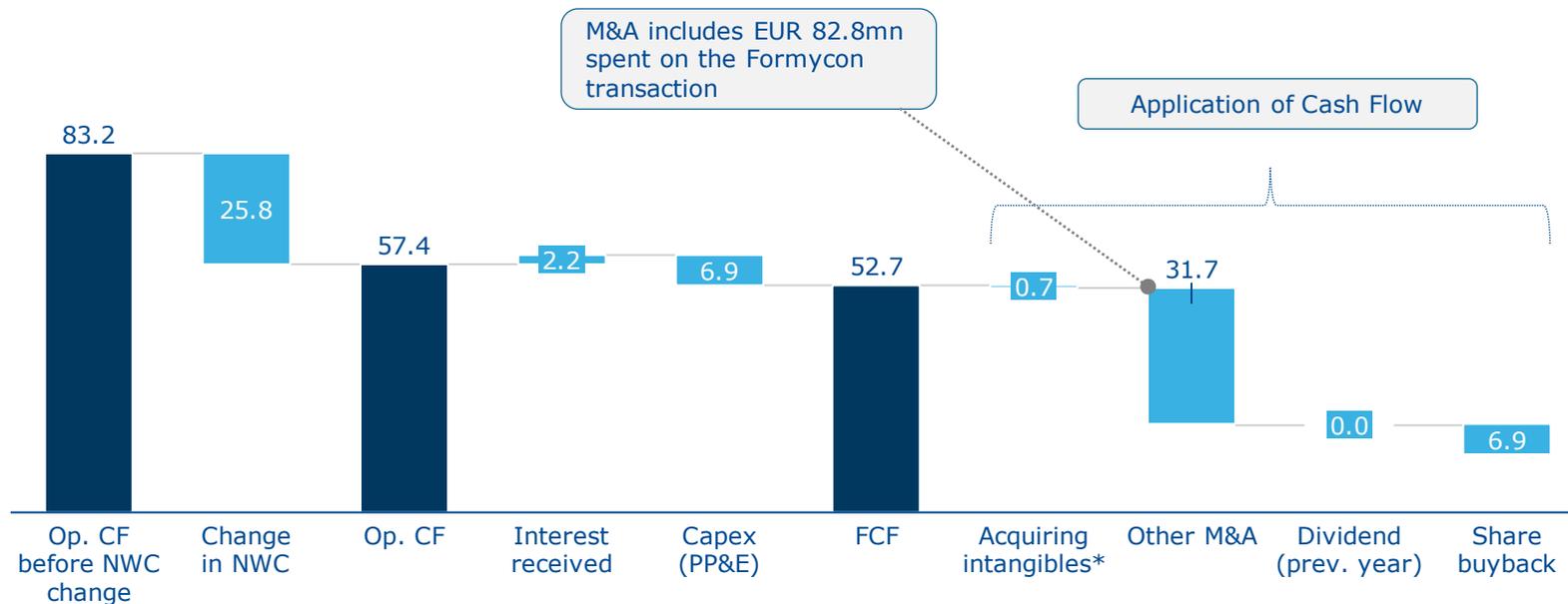


Key messages

- Significant FX gains – predominantly unrealized - boosted the net income in Q1 2024 (vs. large FX losses a year ago) on the back of the weaker HUF at the end of the period. FX gains are primarily related to working capital items.
- Taxes are accounted for in accordance with the Global Minimum Tax (15%); some higher-tax countries bring effective tax rate slightly higher, while utilizing deferred tax assets reduces the cash tax payment somewhat
- Net profit came in at HUF 68.2bn, a very significant 74% increase YoY, due to higher operating profits and the FX losses turning into FX gains this year

Free Cash Flow: robust operating CF, more NWC build and M&A

Free Cash Flow in Q1 2024 (HUF bn)



Key messages

- Free Cash Flow generation improved significantly and FCF was HUF 52.7bn in Q1 2024, 35% higher YoY
- Stronger operations and FX losses a year turning into some realized FX gains supported FCF in Q1 2024
- A HUF 26bn increase in NWC mitigated the FCF improvement, which was driven by a seasonal decline in payables and higher inventories, partly driven by a rescheduled turnaround in Biotechnology
- FCF was primarily used for funding M&A (Formycon transaction) and to a smaller extent for share buybacks, implying very small net cash accumulation in Q1
- The AGM approved the payment of HUF 78.8bn as regular dividend from 2023 net profit. This payment is expected to take place during Q2 2024.

Cash Conversion Cycle | days



The trend in Cash Conversion Cycle is distorted by the divestiture of the Romanian wholesale and retail business last year (material decline in revenue/CoGS)
The like-for-like increase in CCC days was 28 days YoY and 6 days vs end-2023

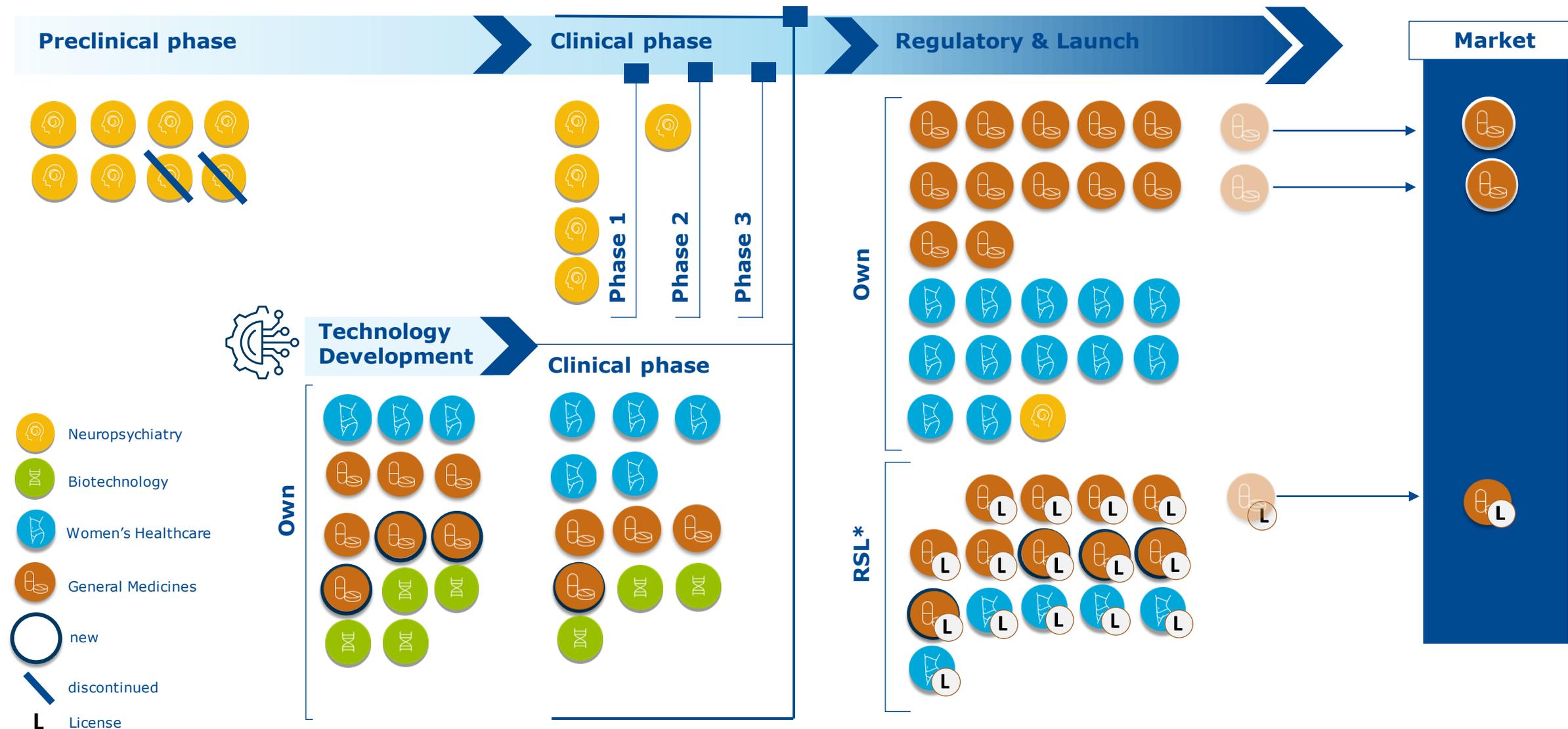


Research and Development

R&D



R&D pipeline – changes during Q1 2024



* Ready-to-Sell Licensed pipeline



Neuropsychiatry

CNS



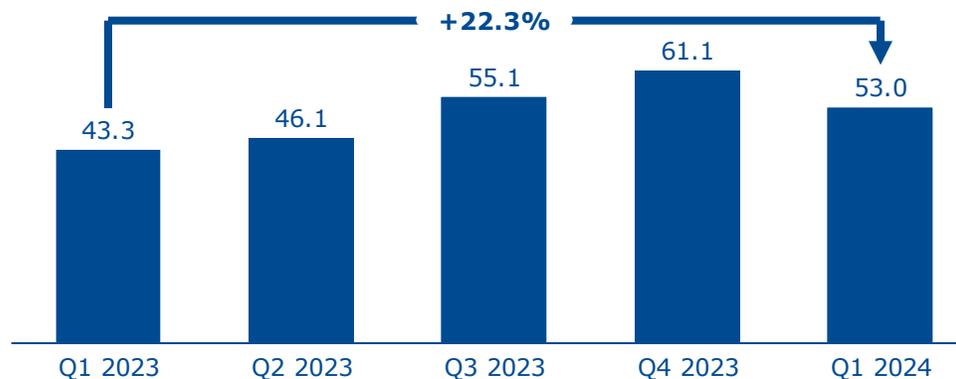
Cariprazine revenues grew 22% in Q1 2024

CNS HUF mn	Q1 2023	Q1 2024	Ch. % YoY
Revenues	43 295	52 968	22
Cost of Sales	-215	-376	75
Gross Profit	43 080	52 592	22
<i>Gross Margin %</i>	99.5	99.3	
Sales & Marketing	-796	-1 010	27
G&A	-181	-245	35
R&D	-5 366	-8 291	55
Clawback	-275	-356	29
Milestone income	0	50	
Clean EBIT	36 462	42 740	17
<i>cEBIT Margin %</i>	84.2	80.7	

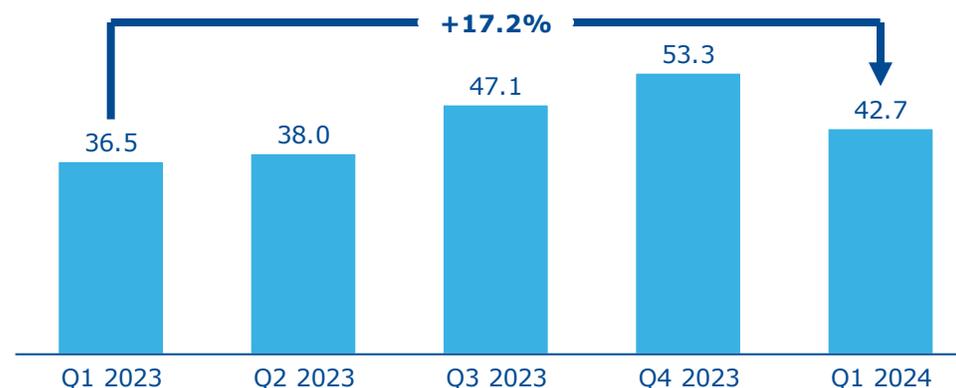
Key messages

- Revenues of the CNS segment increased by 22% YoY in Q1 2024
- R&D expenses rose significantly YoY in line with the progress of the clinical pipeline that currently consists of 4 Phase 1 and 1 Phase 2 programs, the strongest pipeline for Richter in recent years. Higher R&D spending led to somewhat more modest growth in cEBIT
- Vraylar® sales by AbbVie continued to grow double-digit, by 24% in Q1 2024 YoY reaching a global sales of USD 694mn within the AbbVie territory (of which USD 692mn was generated in the US)
- Richter's Reagila revenues also grew at strong double-digit rate of 35% in Q1 2024 YoY

Revenue (HUFbn)

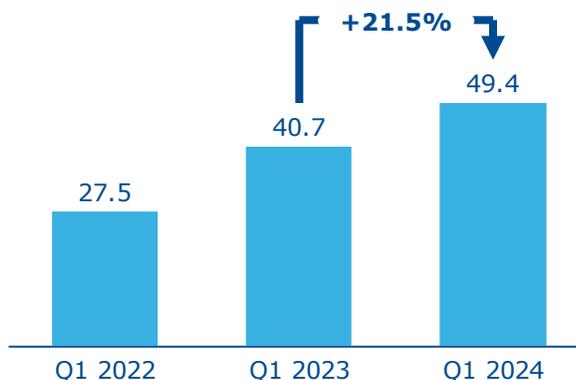


Clean EBIT (HUFbn)



Robust growth continued in the US, WEU and CEU

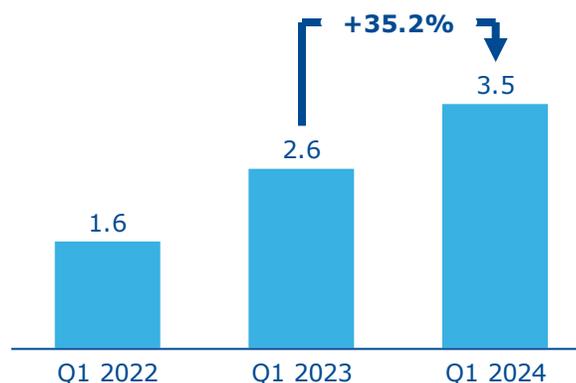
Vraylar®



Key messages

- Royalty income from Vraylar® in Q1 2024 approached HUF 50bn with an impressive, 20%+ growth YoY
- Based on AbbVie's expectations, estimated net sales in 2024 is c. USD 3.4bn* and peak sales prior patent expiry may approach USD 5bn

Reagila®



Key messages

- **Reagila®** sales continued to grow, both within Richter's and other licensed territories (ex-AbbVie)
- **Reagila®** became the leading brand in the Central European region within oral atypical antipsychotics with a ~7% market share in value (IQVIA data)



Women's Healthcare

WHC



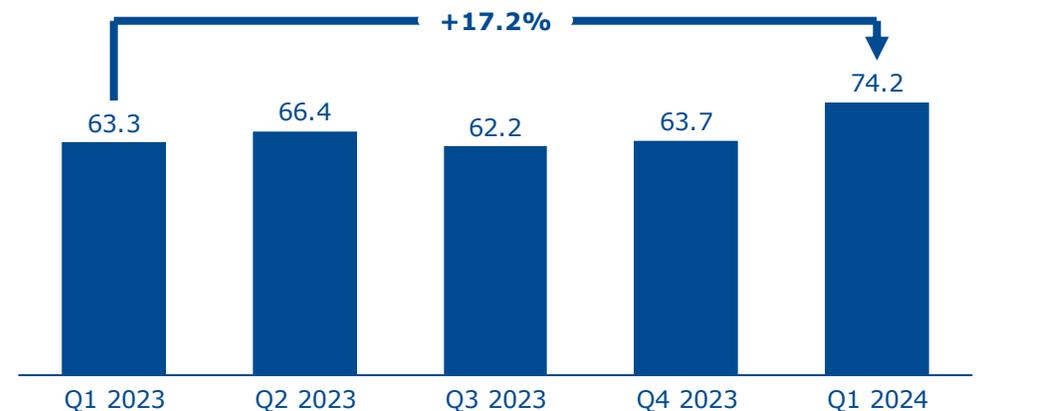
Very strong top-line growth and decent profitability in Q1

WHC HUF mn	Q1 2023	Q1 2024	Ch. % YoY
Revenues	63 320	74 188	17
Cost of Sales	-18 343	-23 253	27
Gross Profit	44 977	50 935	13
<i>Gross Margin %</i>	71.0	68.7	
Sales & Marketing	-19 955	-22 657	14
G&A	-5 164	-6 222	20
R&D	-4 026	-3 138	-22
Clawback	-1 097	-2 230	103
Milestone income	8	118	
Clean EBIT	14 743	16 806	14
cEBIT Margin %	23.3	22.7	

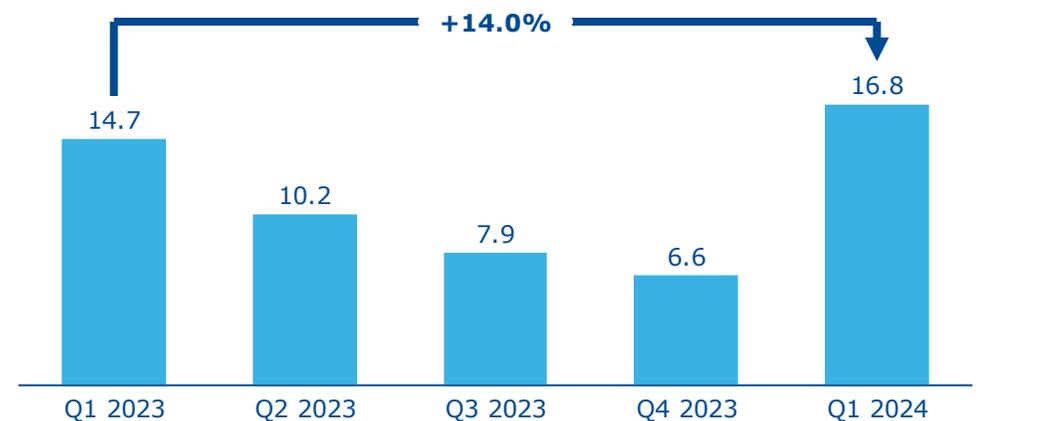
Key messages

- WHC revenues rose by 17% YoY in Q1 2024 despite 4.5ppt FX headwind (on the weak RUB, also reflected by a decline in EEU sales), as both new, innovative products and oral contraceptives had strong performance
- Sales growth were particularly robust in APAC (driven by China), LatAm and North America, also positively impacted by the timing of shipments
- Uterine fibroids treatment area supported by new endometriosis indication of Ryeqo and Menopause management remained solid sales drivers through 2024 with constantly increasing demand
- Clean EBIT rose by 14% YoY in Q1 2024, despite profitability was affected by FX (weak RUB) and higher clawback; Clean EBIT margin stood at 22.7% in Q1

Revenue (HUFbn)



Clean EBIT (HUFbn)



Highlighted brands | EVRA successful brand building continues; Bemfola is temporarily weaker

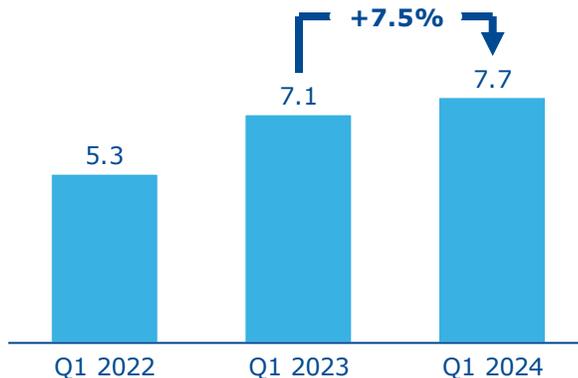
Bemfola®



Key messages

- **Bemfola®** sales are facing temporary headwinds due to some supply chain challenges in certain territories
- Sales growth of the fertility franchise is also reinforced by new product launches (Cyclogest® and Ganirelix) and fast market share penetration

EVRA®



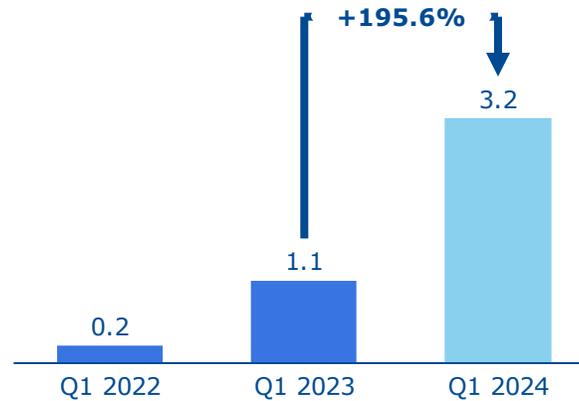
Key messages

- Continued sales growth of **Evra®** is driven by successful relaunch campaigns in major European markets and strong performance in the LatAm region
- Strong sales performance in Mexico, Poland and Italy in 1Q 2024

Highlighted brands | UF reimbursement and Endometriosis indication drive the jump in Ryeqo sales



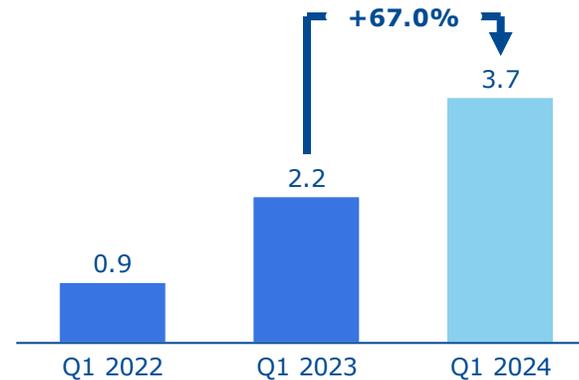
Ryeqo®



Key messages

- **Ryeqo®** solid growth was driven by Uterine Fibroids reimbursement progress and upcoming Endometriosis roll out
- In Italy and Spain regional market access on Uterine Fibroid is to be finalized in 2Q 2024
- Symptomatic treatment of Endometriosis and its reimbursement has been granted in 4 EU countries
- Germany reached EUR 1mn monthly sales

Drovelis®



Key messages

- **Drovelis®** the company's key contraceptive kept solid growth across all territories, sales uptake was in line with expectations
- Higher than expected market share penetration continues in CEU region and growth is uninterrupted in Germany and Spain
- Considerable uptake achieved in midsize LatAm markets. Peru launched in 1Q 2024



Biotechnology

BIO



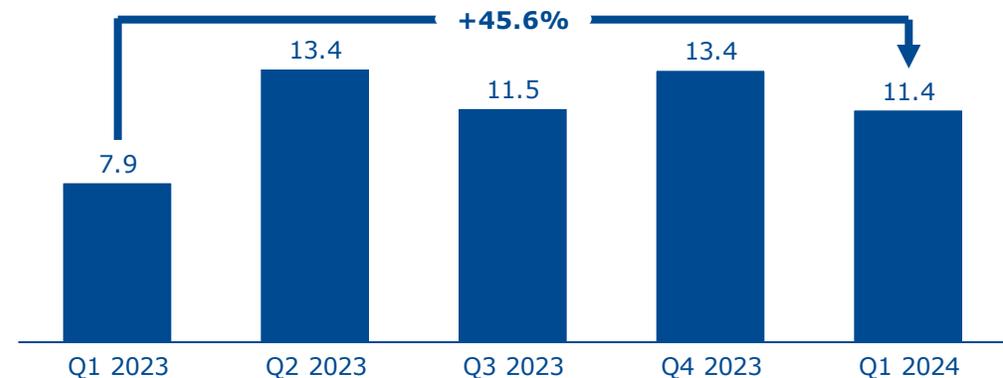
Revenues up strongly, margins improve despite higher R&D

BIO HUF mn	Q1 2023	Q1 2024	Ch. % YoY
Revenues	7 858	11 441	46
Cost of Sales	-6 087	-6 510	7
Gross Profit	1 771	4 931	178
Gross Margin %	22.5	43.1	
Sales & Marketing	-1 534	-1 753	14
G&A	-597	-912	53
R&D	-5 957	-8 666	45
Clawback	-53	-109	106
Milestone income	0	1 068	
Clean EBIT	-6 370	-5 441	-15
cEBIT Margin %	-81.1	-47.6	

Key messages

- Revenues jumped by 46% in Q1 2024 driven by higher CDMO revenues from a low base and continued growth of Terrosa®
- Gross profit almost tripled YoY, which along with some milestone income more than offset a large increase in R&D expenses and led to narrower Clean EBIT loss YoY
- Richter's denosumab biosimilar program (RGB-14) is on track with all clinical activities completed and dossier submission preparations nearing completion
- Richter's tocilizumab biosimilar program (RGB-19) has successfully completed Phase 1 of the clinical program in collaboration with our co-development partner
- Work is in progress on CMC development of other biosimilar assets in the Rheumatology and Immunology therapeutic space

Revenue (HUFbn)



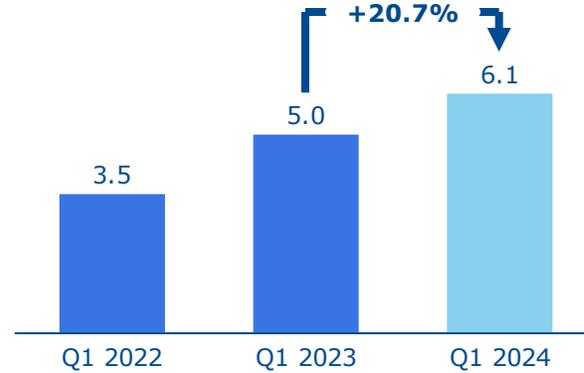
Clean EBIT (HUFbn)



Both CDMO and Terrosa contributed to strong revenue growth



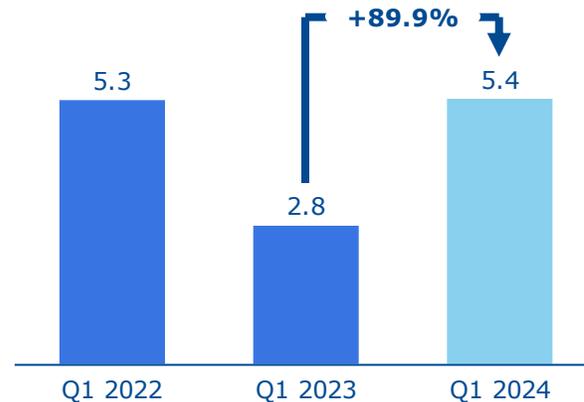
Terrosa®



Key messages

- **Terrosa®** revenues increased by 21% in Q1 2024 YoY, driven by the strong sales performance in Central Europe, LatAm and the APAC region
- Further geographical expansion of **Terrosa®** is planned this year and the launch of a new pre-filled pen to the European markets will accelerate
- CDMO revenues jumped from an unusually low Q1 2023 base. Q1 2024 was supported by both RHB revenues and Richter's own CDMO revenues coming from services delivered through the mammalian cell expression-based platform in Hungary

CDMO activities





General Medicines

GM

Revenues and EBIT still affected by the RUB weakness

GM HUF mn	Q1 2023	Q1 2024	Ch. % YoY
Revenues	59 467	58 473	-2
Cost of Sales	-25 611	-26 411	3
Gross Profit	33 856	32 062	-5
<i>Gross Margin %</i>	56.9	54.8	
Sales & Marketing	-12 150	-12 609	4
G&A	-4 871	-4 904	1
R&D	-1 801	-2 635	46
Clawback	-810	-906	12
Milestone income	0	0	
Clean EBIT	14 224	11 008	-23
<i>cEBIT Margin %</i>	23.9	18.8	

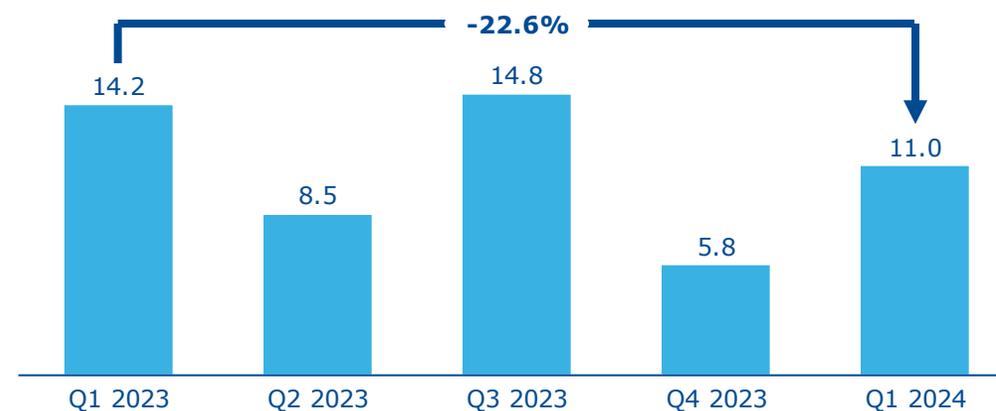
Key messages

- Revenues declined slightly in HUF-terms in Q1 2024 YoY, driven primarily by RUB weakness (a total of -6ppt negative FX impact on sales), more than offsetting small positive price and volume/mix impact
- Central European sales remained strong and in line with recent growth trends, while Eastern European sales were affected in Q1 by delivery schedules and some seasonality
- The FX headwind and higher R&D expenses led to 23% lower Clean EBIT in Q1 2024 YoY; FX-adjusted Clean EBIT margin would still have been 20%+

Revenue (HUFbn)

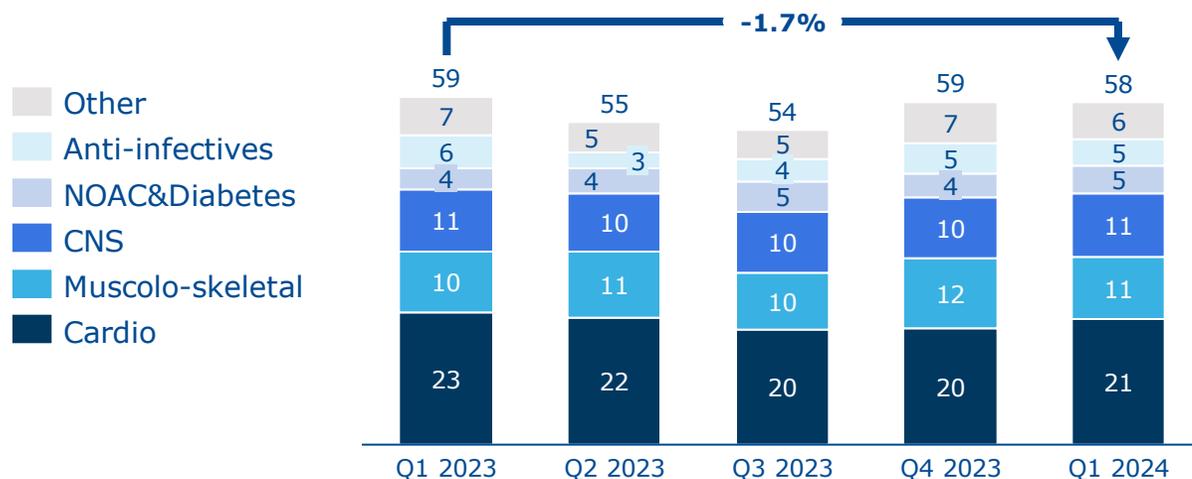


Clean EBIT (HUFbn)



Diverging performance across TAs in Q1 2024

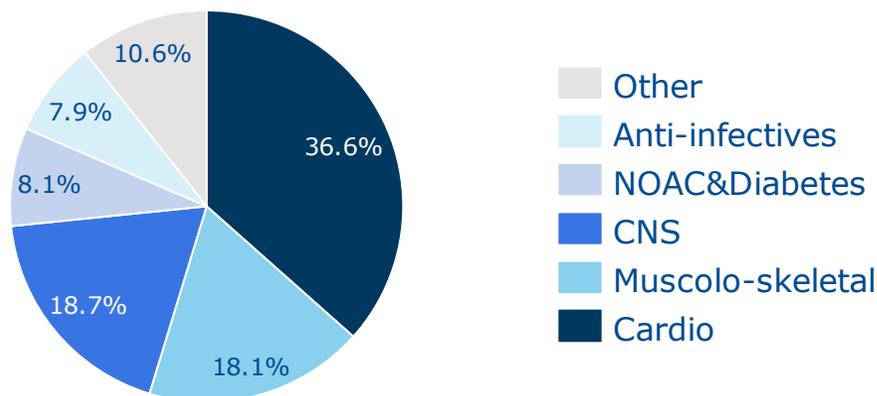
Total GenMed revenue by therapeutic areas (quarterly, HUF bn)



Key messages

- Cardio revenues declined in Q1 2024 YoY as a result of the FX headwind (RUB weakness) and the delivery schedules in Eastern Europe
- Novel oral anticoagulants (NOAC) and Diabetes – a new focus therapeutic area - revenues rose double-digit (both volumes and value) driven by successful new product launches
- Anti-infectives sales were also hit by the weaker RUB and a fairly mild flu season compared to the base period; new product launches partly mitigated the negatives

Total GenMed revenue by therapeutic areas, annual (HUF bn; % in 2024)



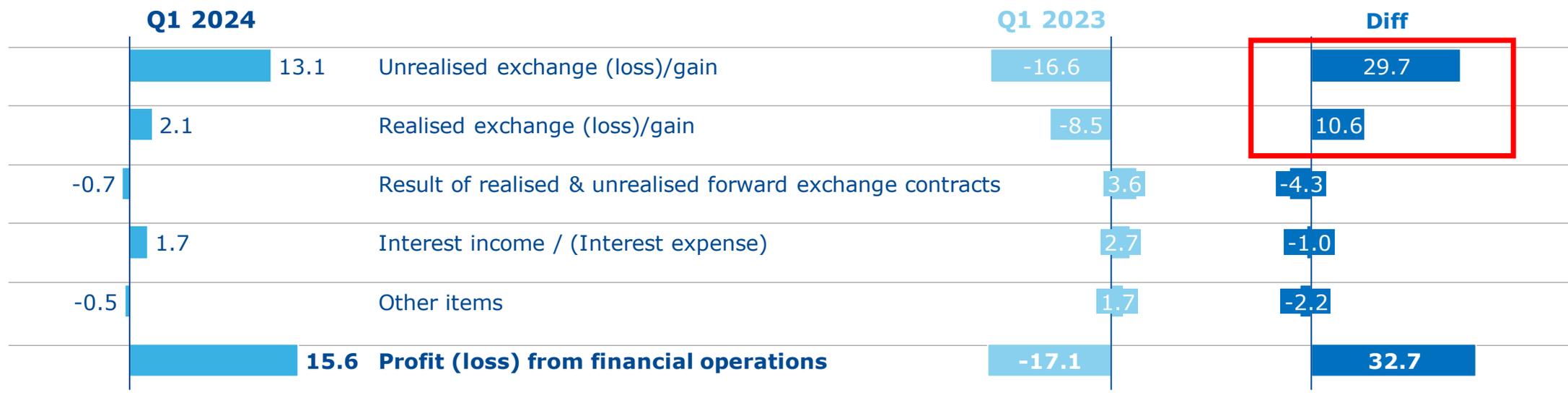
New product launches in Q1 2024

- Cardio: Co-Xeter (Rosuvastatin-Ezetimibe) and Ekvamer geographical expansion
- Anti-infectives: Groprinosin geographical and dosage form extension



Appendix

Significant FX gain (HUF 15bn) in Q1 2024 on the weaker HUF



Key messages

- Net financials turned to a significant gain (HUF 15.6bn) in Q1 2024 from a similar-sized loss (HUF 17.1bn) a year ago, driven by exchange rate movements
- FX gains amounted to HUF 15.2bn in Q1 2024, primarily including unrealized gains on working capital items (receivables and payables), driven by the weakening HUF during Q1 2024 (whereas a year ago large FX losses were booked on the weaker RUB)
- Richter continues to use hedging transactions to mitigate some of the risks resulting from the volatility of the functional currency, but these transactions had only minor impact on net financials in Q1 2024

Business units' P&L in Q1 2024

Q1 2024	 WHC	 CNS	 BIO	 GM	Pharma Other	Pharma	Other	Eliminations	Group total
Revenues	74.2	53.0	11.4	58.5	3.1	200.1	6.0	-2.7	203.4
Cost of Sales	-23.3	-0.4	-6.5	-26.4	-3.1	-59.6	-4.6	3.0	-61.2
Gross Profit	50.9	52.6	4.9	32.1	0.0	140.5	1.4	0.3	142.2
Sales & Marketing	-22.7	-1.0	-1.8	-12.6	-0.5	-38.5	-0.5	0.0	-38.9
General & Administrative	-6.2	-0.2	-0.9	-4.9	-0.3	-12.5	-0.6	0.0	-13.1
Research & Development	-3.1	-8.3	-8.7	-2.6	0.0	-22.7	0.0	0.0	-22.7
Clawback	-2.2	-0.4	-0.1	-0.9	0.0	-3.6	0.0	0.0	-3.6
Milestone income	0.1	0.1	1.1	0.0	0.0	1.2	0.0	0.0	1.2
Clean EBIT	16.8	42.7	-5.4	11.0	-0.7	64.4	0.4	0.3	65.0

Note: The items of the Pharmaceutical segment's profit and loss statement are allocated to the business units by product groups, where direct correspondence exists. For the remaining items, Richter Group uses allocation keys based on historical data and management accounting estimation.

Strategic positioning and vision of the business units



Pharma | Pharmaceuticals segment

Name of the Business Units	Brief description	Key strategic goal	Therapeutic areas
 CNS Neuropsychiatry	Leveraging our world class early phase R&D capability in the central nervous system domain we build a pipeline of small molecule drug candidates mainly in the field of neuropsychiatry.	Maximize the potential of cariprazine, while developing and partnering original R&D projects that provide the basis for revenue and earnings growth beyond 2030.	Neuropsychiatry ¹
 WHC Women's Healthcare	We look after women's health globally by setting trends in female fertility, uterine fibroids / endometriosis, female contraception, vaginal infections, menopause and female technology.	By addressing unmet needs and staying ahead of innovation we aim to become the leading provider of pharmaceutical products for European women by the end of the decade.	Women's Healthcare
 BIO Biotechnology	Leverage our biotechnology platform to develop and manufacture biosimilar drugs for global markets.	By establishing ourselves as a relevant player in the Rheumatology/Osteoporosis TA, we aim to become a solid contributor to corporate profits by the end of this decade. We leverage our biotechnology expertise in providing value to third party clients through our contract development and manufacturing services.	Rheumatology, Osteoporosis
 GM General Medicines	Comprises our established and generic portfolio in various therapeutic areas in the Central and Eastern European regions.	Provide broad access to high quality and affordable medications while remaining a reliable source of revenue growth, scale and margins.	Cardiology, Blood, Diabetes, CNS ²

Other | Other segment

Non-pharmaceutical activities

¹Cariprazine and innovative neuropsychiatry pipeline, ²Off-patent original CNS products and generics

Consolidated Income Statement

2023	Consolidated P&L	Q1 2024	Q1 2023	Change
HUFm		HUFm	HUFm	%
805 158	Revenues	203 432	209 653	-3.0%
199 304	<i>of which royalty</i>	50 611	41 940	20.7%
(283 834)	Cost of Sales	(61 229)	(82 290)	-25.6%
521 324	Gross Profit	142 203	127 363	11.7%
(146 047)	Sales & marketing expenses	(38 937)	(36 906)	5.5%
(50 572)	General & administrative expenses	(13 146)	(12 212)	7.6%
(78 344)	Research & development expenses	(22 730)	(17 150)	32.5%
(56 544)	Other income & expense	(3 650)	(6 859)	-46.8%
(11 623)	<i>of which clawback</i>	(3 601)	(2 235)	61.1%
597	<i>of which milestone income</i>	1 236	8	n.a.
(453)	Reversal of financial impairment of assets	(133)	(105)	26.7%
189 364	EBIT (Profit from operations)	63 607	54 131	17.5%
84 041	Finance income	27 136	21 205	28.0%
(107 999)	Finance costs	(11 516)	(38 334)	-70.0%
(23 958)	Net financial (loss)/income	15 620	(17 129)	
6 134	Share of profit/(loss) of associates and joint ventures	3 042	994	206.0%
171 540	Profit before income tax	82 269	37 996	116.5%
(4 830)	Income and deferred tax	(11 542)	2 543	
(6 059)	Local business tax and innovation contribution	(2 190)	(1 503)	45.7%
160 651	Profit for the period	68 537	39 036	75.6%
	Profit attributable to:			
158 850	Owners of the parent	68 217	39 193	74.1%
1 801	Non-controlling interest	320	(157)	
HUF	Earning per share (EPS)	HUF	HUF	
860	Basic	373	210	77.6%
860	Diluted	373	210	77.6%

Consolidated Balance Sheet - ASSETS

Consolidated Balance Sheet	March 2024	Dec 2023	Change
	HUFm	HUFm	%
ASSETS	1 422 139	1 361 217	4.5%
Non-current assets	861 142	826 304	4.2%
Property, plant and equipment	350 826	347 394	1.0%
Goodwill	33 298	31 903	4.4%
Other intangible assets	228 131	230 383	-1.0%
Investments in associates and joint ventures	16 021	15 177	5.6%
Non-current financial assets at amortised cost	3 761	4 120	-8.7%
Non-current financial assets at FVTPL	74 248	75 839	-2.1%
Non-current financial assets at FVOCI	103 822	71 739	44.7%
Derivative financial instruments	18 941	16 327	16.0%
Deferred tax assets	27 888	29 244	-4.6%
Long term receivables	4 206	4 178	0.7%
Current assets	560 997	534 913	4.9%
Inventories	195 987	177 767	10.2%
Contract assets	7 650	8 103	-5.6%
Trade receivables	211 289	204 968	3.1%
Other current assets	39 291	44 538	-11.8%
Current financial assets at amortised cost	6 417	6 239	2.9%
Current financial assets at FVOCI	1 487	1 454	2.3%
Derivative financial instruments	3 398	9 662	-64.8%
Current tax asset	1 384	1 689	-18.1%
Cash and cash equivalents	94 094	80 493	16.9%

Consolidated Balance Sheet - EQUITY AND LIABILITIES



Consolidated Balance Sheet	March 2024	Dec 2023	Change
	HUFm	HUFm	%
EQUITY AND LIABILITIES	1 422 139	1 361 217	4.5%
Capital and reserves	1 197 727	1 142 581	4.8%
Share capital	18 638	18 638	0.0%
Treasury shares	(36 959)	(29 982)	23.3%
Share premium	15 214	15 214	0.0%
Capital reserves	3 475	3 475	0.0%
Foreign currency translation reserves	49 673	49 533	0.3%
Revaluation reserves for financial assets at FVOCI	1 179	1 999	-41.0%
Cash-flow hedge reserve	(256)	6 546	
Retained earnings	1 134 160	1 065 391	6.5%
Non-controlling interest	12 603	11 767	7.1%
Non-current liabilities	105 987	104 128	1.8%
Borrowings	183	182	0.5%
Deferred tax liability	4 456	3 824	16.5%
Non-current financial liabilities at FVTPL	51 440	54 467	-5.6%
Lease liability	13 887	13 817	0.5%
Derivative financial instruments	15 492	11 413	35.7%
Other non-current liabilities and accruals	13 908	13 866	0.3%
Provisions	6 621	6 559	0.9%
Current liabilities	118 425	114 508	3.4%
Trade payables	36 581	51 301	-28.7%
Contract liabilities	1 809	2 347	-22.9%
Current tax liabilities	9 007	1 974	356.3%
Current financial liabilities at FVTPL	2 410	2 722	-11.5%
Derivative financial instruments	2 033	935	117.4%
Lease liability	4 556	4 428	2.9%
Other current liabilities and accruals	59 888	47 840	25.2%
Provisions	2 141	2 961	-27.7%

Consolidated Cash Flow Statement

Dec 2023	Consolidated cash flow	March 2024	March 2023 adjusted	Change
HUFm		HUFm	HUFm	%
	Operating activities			
171 540	Profit before income tax	82 269	37 996	116.5%
50 808	Depreciation and amortisation	11 568	12 496	-7.4%
5 405	Non cash items	(4 260)	(9 985)	-57.3%
(11 155)	Net interest and dividend income	(1 432)	(2 908)	-50.8%
5 751	Impairment recognised on intangible assets and goodwill	-	-	-
3 548	Other items	14	188	-92.6%
(14 525)	Interest paid	(484)	(111)	336.0%
(9 744)	Income tax paid	(4 478)	(2 859)	56.6%
(11 436)	Gain on disposal of subsidiaries	-	-	-
190 192	Net cash flow from operating activities before changes in working capital	83 197	34 817	139.0%
(66 522)	<i>Movements in working capital</i>	(25 762)	10 631	
(23 196)	(Increase) / decrease in trade and other receivables	1 033	13 924	-92.6%
(27 558)	(Increase) / decrease in inventories	(21 914)	11	
(15 768)	(Increase) / decrease in payables and other liabilities	(4 881)	(3 304)	47.7%
123 670	Net cash flow from operating activities	57 435	45 448	26.4%
	Cash flow from investing activities			
(61 960)	Payments for property, plant and equipment	(6 912)	(9 211)	-25.0%
(32 679)	Payments for intangible assets	(684)	(22 179)	-96.9%
3 057	Proceeds from disposal of property, plant and equipment	499	532	-6.2%
(38 050)	Payments to acquire financial assets	(32 240)	(12 840)	151.1%
71 895	Proceeds on sale or redemption on maturity of financial assets	-	10 802	-100.0%
27 169	Disbursement of loans net	656	7 838	-91.6%
24 844	Interest received	2 160	2 816	-23.3%
21	Dividend receives	-	-	-
(25 131)	Net cash outflow on purchase of group of assets	-	(14 142)	-100.0%
10 831	Net cash inflow from disposal of subsidiaries	-	-	-
(20 003)	Net cash flow to investing activities	(36 521)	(36 384)	0.4%
	Cash flow from financing activities			
(29 799)	(Purchase) / disposal of treasury shares	(6 921)	(628)	n.a.
(72 863)	Dividend paid	(3)	-	
(1 327)	Principal elements of lease payments	(855)	(1 805)	-52.6%
(35 753)	Repayment of borrowings	(70 007)	-	
35 935	Proceeds from borrowings	70 005	-	
(103 807)	Net cash flow (to) / from financing activities	(7 781)	(2 433)	219.8%
(140)	Net increase / (decrease) in cash and cash equivalents	13 133	6 631	98.1%
79 719	Cash and cash equivalents at beginning of year	80 493	79 719	1.0%
(46)	Effect of foreign exchange rate changes on cash and cash equivalents	468	1 215	-61.5%
79 533	Cash and cash equivalents at end of period	94 094	87 565	7.5%

Leadership team



Gábor Orbán
CEO

Appointed Chief Executive Officer from November 1, 2017. Began his professional career as an economist for the National Bank of Hungary and the European Central Bank. He later joined Aegon Asset Management where he worked as a fund manager and the head of the fixed income desk. He served as the state secretary in charge of taxation and the financial sector at the Ministry for National Economy for two and a half years, followed by a year spent at Banque Rothschild where he worked as a consultant. He earned his MA degree at the Budapest University of Economics and studied also in the United States. Richter's Director of Corporate Strategy since September 2016, Chief Operating Officer since 2017. Member of the Company's Board of Directors from April 2017.



István Hamecz
CFO

Graduated at Corvinus University Budapest in 1991. He started his career in the Institute of Economic Policy and Planning of the Ministry of Finance. From 1992 to 1994 researcher at the Institute of Economics of the Hungarian Academy of Sciences (MTA). Between 1994 and 2007 worked at Central Bank of Hungary (MNB) in different positions. From 2001 to 2007 Managing Director in charge of Economic and Monetary Policy at MNB. Between 2007 and 2013 CEO and Chairman of the OTP Fund Management Pte. Ltd. and simultaneously from 2008 to 2012 the member, later Chairman of the Board of Directors at OTP Russia. Managing director in charge of Russia and Ukraine at OTP Bank Plc between 2013 and 2016. Joined Richter in 2020 as Director of Financial Operations, since 2022 Gedeon Richter Plc.'s Chief Financial Officer. Member of Gedeon Richter Plc.'s Board of Directors since April 12, 2022.



Dr István Greiner
R&D Director

Appointed Research Director in 2014. Chemical engineer (M.Sc), a qualified patent attorney, has a PhD and an MBA degree (Open University, UK). Joined Richter in 1984 and has held a number of management positions including Head of Chemical R&D, Head of the Patent Department between 1996 and 1999. In 2001 he was appointed Deputy to the Research Director and from 2006 he also became responsible for the new recombinant biotechnological activity of the Company.

Leadership team



Katalin Erdei
HR Director

After graduating at the University of Szeged from the Faculty of Arts, Katalin Erdei has gained 18 years of experience in the field of human resource management. She worked in various positions at companies such as Győri Keksz Kft, Ferrero Hungary and then Mars Hungary and Global. From 2012, she was a member of the management board at Mars' Hungarian subsidiary and from 2015, she worked as a Regional HR Manager at the European headquarters of Mars Inc, in Germany. She has joined Richter in 2018 to drive the global HR agenda of our Company.



Tibor Horváth
Commercial Director

Appointed Commercial Director in 2017. Has an MSc in Biology and Chemistry and an MBA in Marketing and International Commerce. Joined Richter in 1999 as a market analyst then worked as a licensing manager. In 2005 he was appointed Managing Director of Richter's German subsidiary Gedeon Richter Pharma GmbH, where he worked until August 2017.



Attila Szénási
Chief Operating Officer

Joined the Company in 2019 as Director of Pharmaceutical manufacturing and appointed as Chief Operating Office in 2024. Responsible for production and logistics across the group. Chemical engineer with a degree in organizational management as well. Gained experience in various positions at well known multinational companies in chemical and pharmaceutical industries such as Unilever or Teva and in global environment before entering the Company.



Tamás Szolyák
Director of Global Regulatory Science & Portfolio Management

Joined the company in September 2018 as Head of Regulatory Science. He began his career as a medical representative in 1992. Worked for Novartis and its predecessor companies for 21 years. He filled various positions in sales and marketing. Between 2007 and 2013 he was the General Manager of the Hungarian affiliate of Novartis. Within this period he was the President of AIPM, the local association of innovative companies. From 2013 he focused on healthcare projects, covering development scenarios for the Hungarian primary care system. Joined the Hungarian National Authority of Pharmacy, where he was responsible for regulatory and patient safety matters.

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Financial calendar

| 14 May 2024 – Q1 2024 results
| 6 August 2024 – H1 2024 results
| 12 November 2024 – Q1-Q3 2024 results

 <https://www.gedeonrichter.com/en/>

 <https://www.linkedin.com/company/richter-gedeon-hungary/>

All dates in the table may be subject to change



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