

## Hikma pre-close aide-memoire, 9 December 2024

Disclaimer: *Hikma has prepared this aide-memoire ahead of entering its close period. This document includes a summary of relevant information that we have publicly communicated previously and/or made available to the market otherwise. The comments below have been extracted from their original source and, therefore, by definition, they should only be taken as speaking as at the date they were initially made. No new information is given, and there will be no comment on current trading or further guidance provided. The inclusion of the extracted comments below should not be taken to indicate that they will not be updated in the future.*

### Full year 2024 guidance:

- Remain on track to deliver strong results in 2024 – after upgrading Group guidance in its 2024 interim results statement, published on 8 August 2024, Hikma reiterated this revised guidance in its November trading update, published on 7 November 2024:
  - **Group: revenue growth in the range of 6% to 8% and core operating profit in the range of \$700 million to \$730 million**
    - *Upgraded on 8 August 2024 from previous guidance of 4% to 6% revenue growth and \$660 million to \$700million core operating profit*
  - **Injectables:** excluding Xellia, continue to expect Injectables **revenue growth between 6% and 8%** and **core operating margin in the range of 36% to 37%**
  - **Branded: revenue growth between 6% to 8% on reported basis (high single digits in constant currency) and core operating margin around 25%**
    - *Upgraded on 8 August 2024 from previous guidance of revenue growth of mid to high single-digits in constant currency, or low-single digits on a reported basis and slight growth in reported core operating profit*
  - **Generics: revenue to grow between 5% to 7% and for core operating margin to be between 16% and 17%**
    - *Upgraded on 8 August 2024 from previous guidance of revenue growth of 3% to 5% and core operating margin to be in the mid-teens*
  - Other financial guidance: continue to expect Group core net finance expense to be around \$91 million, the core effective tax rate to be in the range of 22% to 23% and Group capital expenditure to be in the range of \$140 million to \$160 million.

### H1 vs H2 phasing:

- Injectables: continue to expect revenue and profit growth to be weighted towards the second half of the year, primarily due to the timing of fulfilling CMO business. As expected, and as stated in the November trading update, published on 7 November 2024, growth has accelerated in the second half of the year
- Branded: continue to expect revenue and core operating profit to be weighted towards the first half of the year, driven by the timing of tender deliveries in H1, particularly for our high-value oncology products, and an increase in operating costs in H2
- Generics: continue to expect higher R&D costs in the second half

### Continued strategic momentum across the Group:

- Closed the Xellia acquisition on 10 September 2024. Expect a revenue contribution of around \$20 million in 2024, in line with previously set-out expectations. As a reminder and as stated in the

Xellia acquisition announcement, published on 17 June 2024, Hikma expects the current Xellia in-market products to contribute around \$75 million revenue on an annualized basis, and for the acquisition to be neutral to Group core earnings in the first 12 months following closing and accretive thereafter. We are now working on integrating the business and upgrading the Bedford, Ohio manufacturing facility.

- Announced a new contract manufacturing (CMO) business win – signed a meaningful new long-term agreement with a global pharma company. Subject to FDA approval, we expect to begin commercial production for their partner in 2027. This will support medium-term revenue growth and profitability for Generics, while improving utilization of our Columbus, Ohio facility. This win demonstrates our excellence in manufacturing and our strong quality track record. This is inline with the strategy we set out for the Generics business. It also helps us create a more consistent performance and smooth out any cyclicality.
- Continue to launch new products across the Group. In North America in our Injectables business, we launched ten products in the year to date, with more expected towards the end of the year

Hosted MENA meet the management event at Casablanca, Morocco site:

- Attendees toured our facilities. In addition, senior members of the Middle East and North Africa (MENA) team presented on our Branded and MENA Injectables businesses, our strategy and how we are uniquely placed to continue to deliver profitable growth in the region. Materials are available on our website here: <https://www.hikma.com/investors/results-and-presentations/>
- Provided medium-term guidance for the Branded business and MENA Injectables:
  - Branded: expect revenue to grow at a five-year CAGR of 7% to 8% in constant currency and for core EBIT margins to be in the mid-20s
  - MENA Injectables: expect revenue to grow at a low double-digit five-year CAGR in constant currency

Consensus:

- The Company publishes consensus on its website, which it keeps up to date. This can be access here: <https://www.hikma.com/investors/company-compiled-consensus/>

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