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SCHOTT Pharma delivers on 2023 targets and continues profitable growth trajectory

- FY 2023: Revenues up 9% yoy to EUR 899m, EBITDA increase of 9% to EUR 239m, maintaining high EBITDA margin of 26.6%
- Strategic shift towards strong-margin high-value solutions (HVS) further accelerated, representing 48% of full year revenues
- For FY 2024, SCHOTT Pharma expects organic revenue growth of 9% – 11% and an EBITDA margin at fiscal year 2023 level

SCHOTT Pharma, a pioneer in pharma drug containment solutions and delivery systems, has achieved all targets in its first fiscal year as a public company. In the fiscal year 2023¹, the company increased revenues by 9% to EUR 899m (FY 2022: EUR 821m). The company's EBITDA for the full year increased in line with the topline growth to EUR 239m (+9% yoy), enabling SCHOTT Pharma to maintain its high EBITDA margin of 26.6%. Following record investments, free cash flow in FY 2023 still amounted to EUR 10m. "With our 2023 results, we have delivered on all our targets and have proven that SCHOTT Pharma is a highly profitable business. Achieving these milestones just shortly after our IPO and in a dynamic environment is further proof of the success of our strategy and the strong execution power of our team", said Andreas Reisse, CEO of SCHOTT Pharma.

"We are well on track with our strategic shift towards high-value solutions and by reaching a new record high of 48% we outperformed our ambition. We have invested heavily in production capacities to manufacture innovative products and meet growing demand. After a good start in fiscal year 2024, we are confident to maintain our strong business momentum. We will continue to benefit from key pharma trends and the overall market growth for injectable drugs", said Almuth Steinkühler, CFO of SCHOTT Pharma.

Execution on growth strategy – capacity expansion and high-value product launches

In 2023, SCHOTT Pharma continued to deliver on its strategy and achieved several milestones along the pillars *expansion* and *innovation*.

SCHOTT Pharma has continued to expand its production capacity in Germany to meet the growing demand for drug delivery systems, which are part of the strong-margin high-value solutions. The expansion is ahead of schedule and already enabled additional growth in the fiscal year 2023. Further

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expansions in other regions, including the new site for prefillable glass syringes in Hungary, as well as an expansion of the production capacities for sterile cartridges in Switzerland, and for sterile vials in the U.S., are well on track.

On the innovation side, SCHOTT Pharma successfully introduced two leading innovations to the market that serve the pharma megatrends Glucagon-like peptide-1 (GLP-1) and mRNA. SCHOTT TOPPAC® freeze is the first drug delivery system to safely store and protect drugs down to -100°C. With this pioneering prefillable polymer syringe, SCHOTT Pharma addresses an extensive drug development pipeline, such as mRNA-based formulations. Shortly after its launch, SCHOTT TOPPAC® freeze won the Pharma Innovation Award 2023. The company also announced the availability of cartriQ® ready-to-use cartridges for clinical and commercial filling of various drugs. More precisely, the small volume cartridges are particularly suitable for administering insulin and GLP-1 drugs, which are used to treat diabetes and obesity, while the large volume cartridges are suitable to store high-value biologics to treat cancer or Parkinson's disease, for example.

In September 2023, SCHOTT Pharma was successfully listed on the Frankfurt Stock Exchange with the largest IPO in Germany in 2023 and the largest healthcare IPO in Europe in the past five years. Just after three months following the IPO, SCHOTT Pharma joined the DAX family by entering the SDAX.

High-value solutions as key driver for profitable growth

SCHOTT Pharma's strong revenue growth was primarily driven by the continued positive performance of the Drug Delivery Systems (DDS) segment. Revenues in this segment increased by 54% to EUR 344m in FY 2023 following the high demand for prefillable syringes. As a result, the share of revenue from high-value solutions increased by 9 percentage points to a new record high of 48%, which was well above the target of mid-40s%.

As expected, revenues in the Drug Containment Solutions (DCS) segment were impacted by the temporary destocking effect for vials at the customers, and decreased by 7% to EUR 558m. The product categories ampoules and cartridges continued to increase.

Strong profitability while record investments in capacity expansion

SCHOTT Pharma's EBITDA in FY 2023 performed in line with the strong revenue increase. As a result, the company's EBITDA margin of 26.6% remained at the high level of FY 2022. The EBITDA development in the DDS segment was fueled by the high demand for syringes and surged in FY 2023 to EUR 129m (FY22: EUR 73m). This enabled SCHOTT Pharma to over-compensate the temporary destocking effect and the resulting underutilization in vials, which affected the bottom line in the DCS segment. EBITDA in this segment decreased to EUR 109m.

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SCHOTT Pharma realized strong profitability while continuing its strategic expansion of production capacities, in particular in Germany, Switzerland, Hungary, and the U.S.. Therefore, the majority (87%) of the investments in FY 2023, totaling EUR 176m, were attributable to growth investments. For FY 2023 the company's profit for the period amounted to EUR 152m, resulting in earnings per share of EUR 1.01, up 21% compared to the previous year. The Management Board and Supervisory Board will propose a dividend of EUR 0.15 per share for FY 2023 at the Annual General Meeting on March 14, 2024. That would result in a payout ratio of 15%, which is at the mid-point of the company's guidance.

Outlook

In 2024, SCHOTT Pharma will continue to pursue its strategic priorities along the pillars expansion and innovation. This includes further accelerating its capacity expansion and increasing the share of revenues of high-value solutions through innovations. Growth drivers will continue to be some of the most important pharma trends: These are mainly GLP-1, mRNA, homecare, ADCs, and subcutaneous drug administration, which SCHOTT Pharma serves with its products. In addition, the company continuously develops solutions to ensure the safe and easy storage and administration of injectable drugs to patients all over the world. The company expands its production capacities with a focus on Europe and the U.S..

On the back of this, SCHOTT Pharma expects continued strong growth in organic revenue within a range of 9% – 11% for the fiscal year 2024¹. The company also aims for stable profitability reflected in its EBITDA margin, which is expected approximately at the same level as in the prior year.

In addition to the 2024 guidance, the company confirms its mid-term outlook with a revenue CAGR above 10% and an EBITDA margin in the lower 30s% range in line with the expansion of the HVS share.

For additional news about SCHOTT Pharma please visit our [media center](#).

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Key figures Q4 and FY 2023

(in EUR m)	Q4 22	Q4 23	Δ yoy	FY22	FY23	Δ yoy
Revenues	203	229	13%	821	899	9%
HVS revenue share (in %)				39%	48%	+9pp
EBITDA	48	52	7%	220	239	9%
EBITDA margin (in %)	23.8%	22.6%		26.8%	26.6%	
EBIT	36	38	7%	164	192	17%
EBIT margin (in %)	17.5%	16.5%	-0.9pp	20.0%	21.4%	+1.4pp
Cash flow from operating activities	77	44	-34	182	182	0
Cash flow from investing activities	-48	-87	-39	-142	-171	-29
Free cash flow	29	-43	-72	40	10	-30
Total cash CAPEX	-59	-89	-30	-153	-176	-23
Earnings per share (in EUR)	0.17	0.23	36%	0.83	1.01	21%

¹The fiscal year runs from October to September.

Webcast

Andreas Reisse (CEO) and Dr. Almuth Steinkühler (CFO) will speak at an analyst and investor conference call at 10:00 a.m. CET on 26 January 2024 to discuss the Q4 and 2023 results. The audio webcast can be followed via a [conference call](#). The accompanying presentation can also be downloaded on the IR website: <https://www.schott-pharma.com/investor-relations/>

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About SCHOTT Pharma

Human health matters. That is why SCHOTT Pharma designs solutions grounded in science to ensure that medications are safe and easy to use for people around the world. The portfolio comprises drug containment solutions and delivery systems for injectable drugs ranging from prefillable glass and polymer syringes to cartridges, vials, and ampoules. Every day, a team of over 4,600 people from over 60 nations works at SCHOTT Pharma to contribute to global healthcare. The company is represented in all main pharmaceutical hubs with 16 manufacturing sites in Europe, North and South America, and Asia. With over 1,000 patents and technologies developed in-house and a state-of-the-art R&D center in Switzerland, the company is focused on developing innovations for the future. SCHOTT Pharma AG & Co. KGaA is headquartered in Mainz, Germany and listed on the Frankfurt Stock Exchange as part of the SDAX. It is part of SCHOTT AG, which is owned by the Carl Zeiss Foundation. In light of this spirit, SCHOTT Pharma is committed to sustainable development for society and the environment and has the strategic goal of becoming climate-neutral by 2030. Currently, SCHOTT Pharma has over 1,800 customers including the top 30 leading pharma manufacturers for injectable drugs and generated revenue of EUR 899 million in the fiscal year 2023.

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Pictures



An employee inspects a prefillable glass syringe.
Image: SCHOTT Pharma/Oana Szekely



Andreas Reisse, CEO, and Dr. Almuth Steinkühler, CFO of SCHOTT Pharma.
Image: SCHOTT Pharma/Oana Szekely



An employee holds a prefillable polymer syringe above a nest and tub.
Image: SCHOTT Pharma/Oana Szekely