



2020 annual results

- Revenue in line with forecasts despite the health crisis:
 - › -12.8% at current exchange rates at €712.3 million
 - › -10.0% at constant exchange rates (CER) ⁽¹⁾
- Resilient EBITDA⁽²⁾ margin at 14.1%
- Proposed dividend maintained at €0.70/share
- Higher free cash flow at €40 million with significant working capital improvement
- Reduction of net debt to €257 million
- Confirmation of the strategic roadmap in 2021:
 - › Strong growth in Interventional Imaging and delivery systems
 - › Reinforcement of the Group's positions in the APAC region
 - › Finalization of clinical studies and continuation of industrial investments for Gadopichlenol
 - › Continued investments in Artificial Intelligence
- A favorable financial outlook:
 - › Revenue expected to increase in 2021 despite an ongoing health crisis
 - › Extension of 50% of the cost reduction implemented in 2020

Press release

Villepinte, March 24, 2021 – Guerbet (FR0000032526), a global specialist in contrast agents and solutions for medical imaging, is announcing its consolidated annual results for 2020.

On March 24, 2021, the Board of Directors approved the financial statements for the financial year ended December 31, 2020. The audit procedures have been completed, and the statutory auditors' report is being prepared.

Revenue in line with forecasts despite a health crisis

The postponement of certain examinations and non-essential radiological procedures had a significant impact on activity, resulting in a contraction of the market. In this difficult environment, the Group has managed to maintain its market share by continuing to serve its customers to preserve patient health.

As of December 31, 2020, reported revenue was €712.3 million, down 12.8% from December 31, 2019, including a substantial negative forex impact of €23.1 million. Revenue at constant exchange rates (CER) was down 10.0%, as the Group expected.

Diagnostic Imaging revenue was down 11.4% at CER. It totaled €615.2 million compared with €719.4 million at December 31, 2019, down 14.5% at current exchange rates.

- **MRI** sales decreased 15.3% at CER and 17.2% at current exchange rates to €227.6 million. This decline was due to a negative volume effect directly related to the health crisis and, to a lesser extent, an adverse price effect in Europe related to the generic form of Dotarem®.
- **X-ray** revenue was down 8.8% at CER. It totaled €385.3 million at current exchange rates, down 12.6% from 2019, with Xenetix® showing good resistance throughout the year.

Interventional Imaging revenue was down 1.5% at CER (-2.7% at current exchange rates), still driven by Lipiodol® sales up nearly 1% at CER. The segment's revenue totaled €73.5 million at current exchange rates compared with €75.5 million in 2019.

EBITDA in line with expectations thanks to rigorous cost discipline

In millions of euros Consolidated financial statements (IFRS)	2019 Reported	2020 Reported
Revenue	816.9	712.3
EBITDA	111.5	100.7
<i>% of revenue</i>	<i>13.7%</i>	<i>14.1%</i>
Operating income	51.7	41.3
<i>% of revenue</i>	<i>6.3%</i>	<i>5.8%</i>
Net income	37.3	17.7
<i>% of revenue</i>	<i>4.6%</i>	<i>2.5%</i>
Net debt	296.5	256.6

As of December 31, 2020, the Group's EBITDA remained above €100 million, representing a margin of 14.1% compared with 13.7% in 2019. This performance was in keeping with the Group's expectations.

In an unprecedented health crisis, the Group managed to react to maintain the quality of its financial balances by ramping up the cost control discipline already initiated in recent years as part of the Cost-to-Win plan. Over the 2020 financial year, the decrease in structural costs was just under €30 million, plus €9 million in manufacturing cost improvements. Fifty percent of the achieved savings will be extended through the 2021 financial year.

The industrial organization was optimized with the sale of the Montreal manufacturing plant on July 15, 2020. This will further reduce manufacturing costs in 2022 and 2023.

At December 31, 2020, operating income totaled €41.3 million for a margin of 5.8%.

Net income is at €17.7 million compared with €37.3 million for the 2019 financial year. This decrease is primarily explained by significant negative forex effects and the write down of the Canadian subsidiary's assets for €4.4 million following the sale of the Montreal production plant.

Improved financial structure and proposed dividend of €0.70/share

As of December 31, 2020, equity totaled €364 million. Free cash flow further improved to €39.9 million, bringing the Group's net financial debt to €256.6 million compared with €296.5 million at the end of 2019, resulting in a net debt/EBITDA ratio of 2.55 at the end of 2020 compared with 2.66 at the end of 2019 (including IFRS16).

The Board of Directors will propose a dividend of €0.70 per share to the shareholders at the General Meeting on May 28, 2021.

Press release

2021: Continued transformation and momentum for the Group

Although the future of the health situation remains uncertain, the Group remains confident that it will find its way back to growth in 2021.

After an expected declining first quarter, Guerbet anticipates revenue growth for 2021 starting in the second quarter. The Group will be able to count on:

- The continued robust performance of Lipiodol®
- The growth of delivery systems and consumables
- The growth of sales in the APAC region

In the coming months, the Group's activity is also expected to be affected by the acceleration of sales of the generic form of Dotarem® in the United States. However, the Group believes that the impact will be limited with movements in Dotarem® volumes and prices expected to be comparable with Europe, where the generic form has already been available for more than three years.

The Group also announced positive results for the two phase-III clinical studies with Gadopiclenol, a new gadolinium-based (Gd) macrocyclic contrast agent for MRI, intended to be administered at a lower dose of Gd than with existing agents. The Group aims to obtain the first marketing authorizations (MA) in 2023. As a reminder, the phase III studies are intended to validate the efficacy and safety of Gadopiclenol in a large number of patients compared with a reference product.

Alongside its sales growth, Guerbet will continue its savings plan efforts, sustaining 50% of the cost reductions achieved in 2020, with the ambition of improving its EBITDA rate in the medium term and ensuring strong, lasting growth for the Group.

(1) At constant exchange rates: amounts and rates of growth are calculated by canceling out the exchange rate effect, which is defined as the difference between the indicator's value for period N, converted at the exchange rate for period N-1, and the indicator's value for period N-1.

(2) EBITDA: Operating income + net amortization, depreciation, and provisions.

Upcoming events:

Reporting of Q1 2021 revenue

April 22, 2021, after trading

About Guerbet

Guerbet is a leader in medical imaging worldwide, offering a comprehensive range of pharmaceutical products, medical devices, and digital and AI solutions for diagnostic and interventional imaging to improve patient diagnosis and treatment. A pioneer in contrast media for 95 years, with more than 2,600 employees worldwide, Guerbet continuously innovates and devotes 10% of its sales to research and development in four centers in France, Israel, and the United States. Guerbet (GBT) is listed on Euronext Paris (segment B – mid caps) and generated €712 million in revenue in 2020. For more information about Guerbet, please visit www.guerbet.com.

Press release

Forward-looking statements

Certain information contained in this press release does not reflect historical data but constitutes forward-looking statements. These forward-looking statements are based on estimates, forecasts, and assumptions, including but not limited to assumptions about the current and future strategy of the Group and the economic environment in which the Group operates. They involve known and unknown risks, uncertainties, and other factors that may result in a significant difference between the Group's actual performance and results and those presented explicitly or implicitly by these forward-looking statements.

These forward-looking statements are valid only as of the date of this press release, and the Group expressly disclaims any obligation or commitment to publish an update or revision of the forward-looking statements contained in this press release to reflect changes in their underlying assumptions, events, conditions, or circumstances. The forward-looking statements contained in this press release are for illustrative purposes only. Forward-looking statements and information are not guarantees of future performance and are subject to risks and uncertainties that are difficult to predict and are generally beyond the Group's control. These risks and uncertainties include but are not limited to the uncertainties inherent in research and development, future clinical data and analyses (including after a marketing authorization is granted), decisions by regulatory authorities (such as the US Food and Drug Administration or the European Medicines Agency) regarding whether and when to approve any application for a drug, process, or biological product filed for any such product candidates, as well as their decisions regarding labeling and other factors that may affect the availability or commercial potential of such product candidates. A detailed description of the risks and uncertainties related to the Group's activities can be found in Chapter 4.8 "Management and risk factors" of the Group's Universal Registration Document filed with the AMF (French financial markets authority) under number D-20-0369 on April 28, 2020, available on the Group's website (www.guerbet.com).

For more information about Guerbet, please visit www.guerbet.com

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