

**Better health.
Within reach.
Every day.**

Hikma Pharmaceuticals PLC
2023 Full Year Results



hikma.

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Our strategy for growth

Strive for excellence



People and responsibility

Diversify and differentiate

Enhance

operational efficiencies and embrace new technologies, maintaining our high-quality levels

Leverage

our broad portfolio and strong commercial capabilities

Develop

a more differentiated pipeline

Expand

into adjacent businesses and geographies

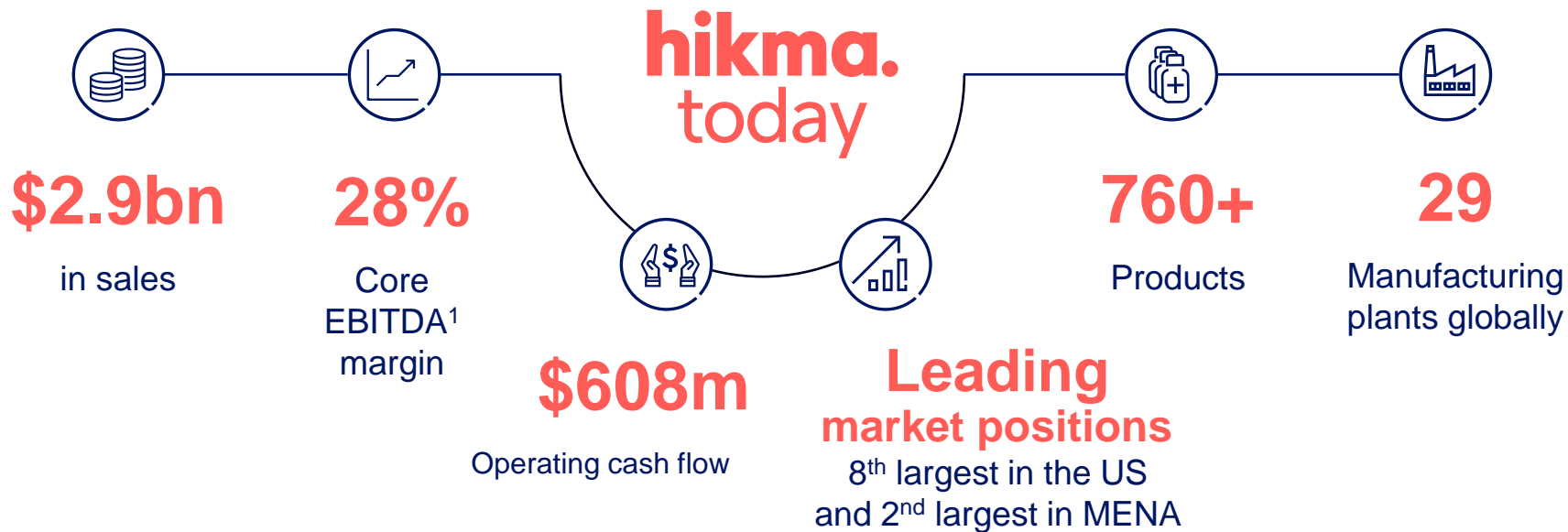
Empower

our people and cultivate a unified culture

Act

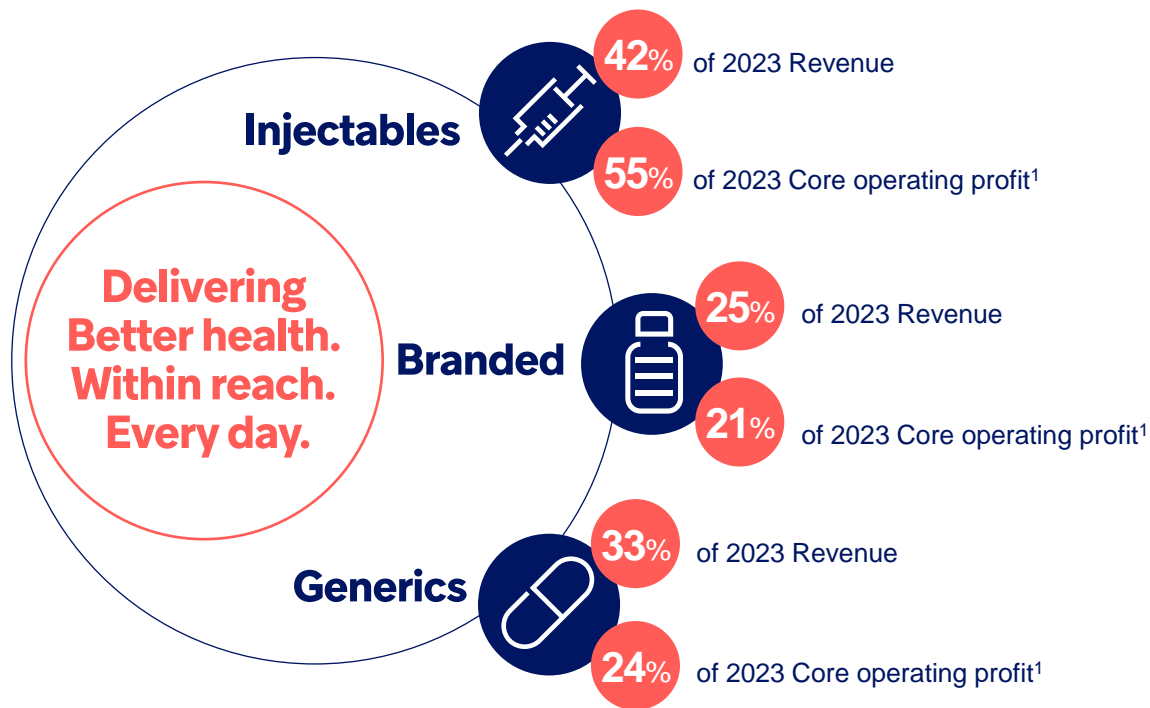
responsibly across our local markets and communities

Hikma today



¹ Core EBITDA is earnings before interest, tax, depreciation, amortisation, impairment charges and unwinding of acquisition related inventory step-up, adjusted for exceptional items and other adjustments. Core EBITDA is a non-IFRS measure, see 2023 preliminary press release for a reconciliation to reported IFRS results.

A well diversified, global generic pharmaceutical business with strong platform for growth



Injectables

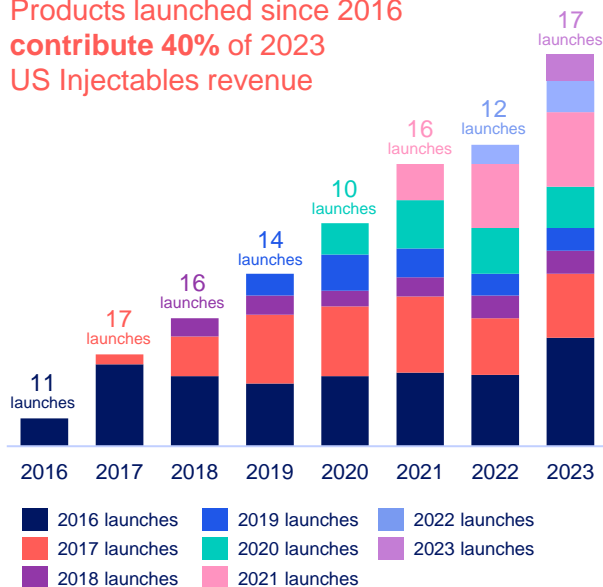


Injectables - benefitting from a growing portfolio in the US and investing for the future



Benefitting from an expanding portfolio

Products launched since 2016 contribute 40% of 2023 US Injectables revenue



Expanding capacity to capture growth opportunities



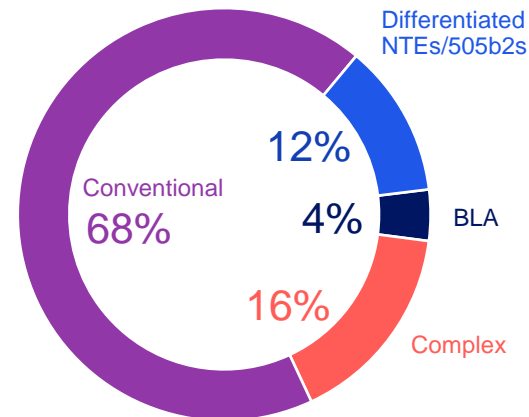
New high-speed filling lines in Cherry Hill and Portugal, now fully operational

15%
to
20%

filling capacity added annually

Enhancing pipeline

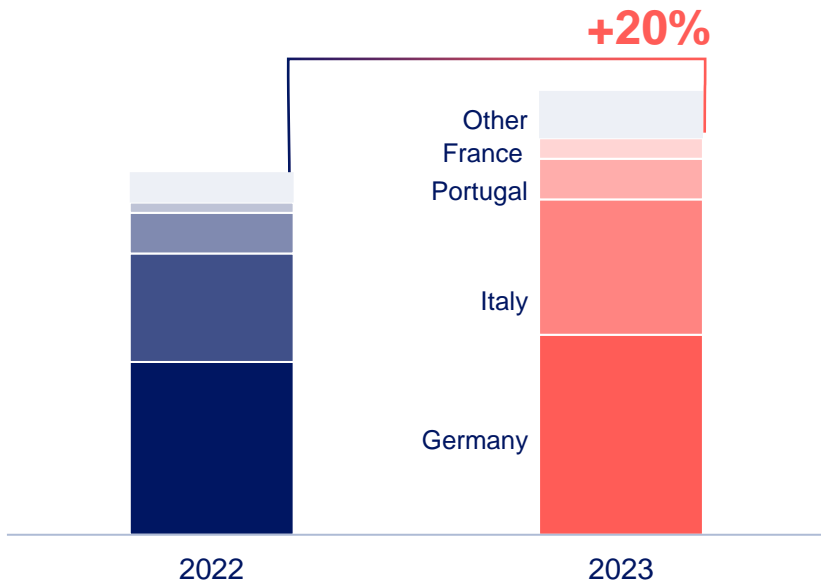
75 Projects



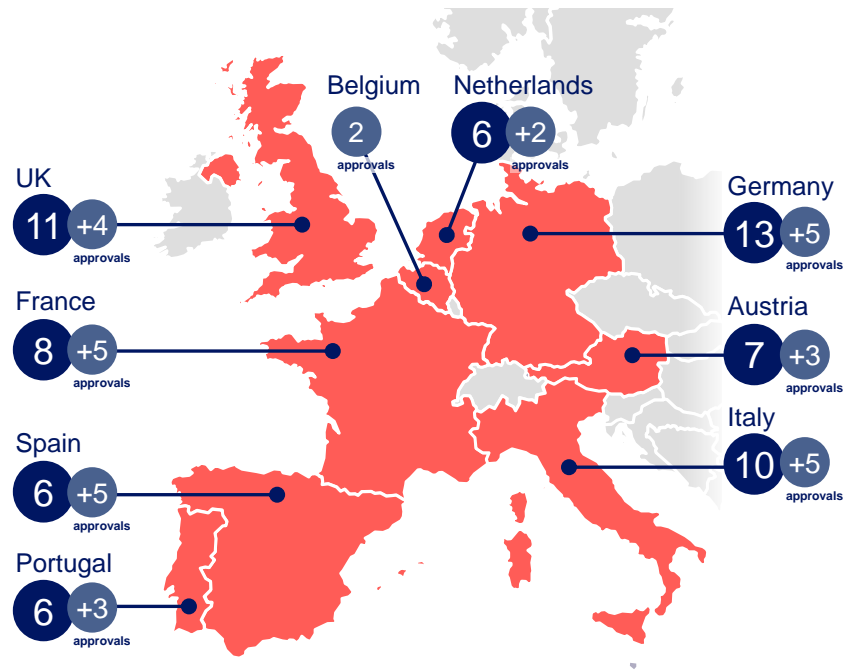
Injectables - strengthening foothold in Europe and expanding into new markets



Revenue from own products¹



Number of launches by country

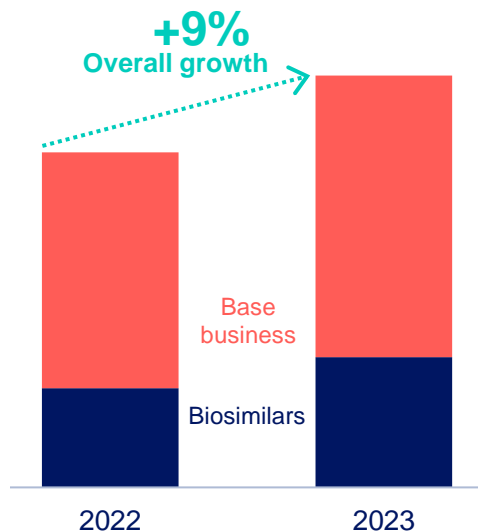


¹ Excludes contract manufacturing

Injectables - growing our market share in MENA and improving access to important medicines



MENA Injectables total revenue



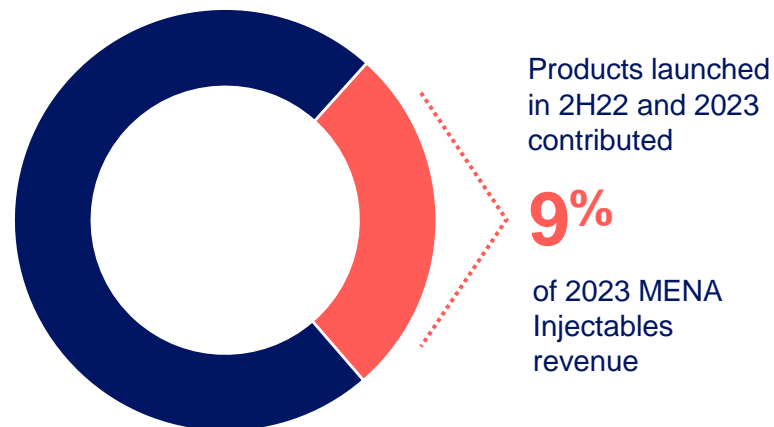
Base business:

- Launching new products, including anti-infective, blood management and oncology products
- Benefitting from our broad portfolio and strong market position, enabling us to capture higher volumes in key markets

Biosimilars:

- Grew our market share in existing portfolio
- Continued to launch biosimilars into new markets

Contribution from new launches



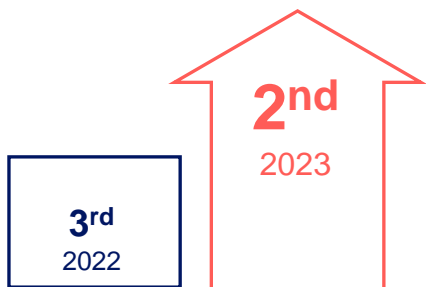
Branded



Branded - strong market position and growing portfolio of chronic medications

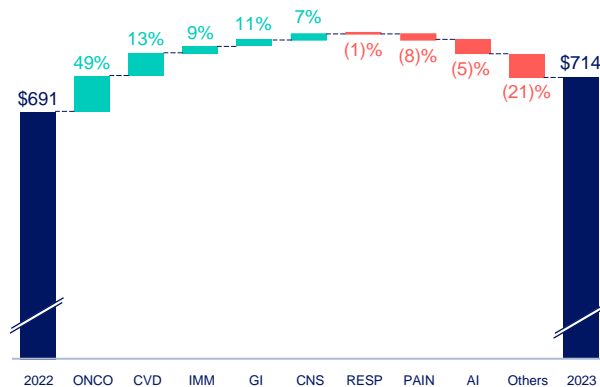


Gaining market share



Moved in ranking from 3rd to 2nd largest pharmaceutical company in MENA by sales¹

Growth is driven by high value medications including chronic treatments



Investing in enhancing our manufacturing footprint



Expand capacity, adding scale and automation across our sites



Extend capabilities in key markets, including cephalosporin plant in Morocco and general formulation plant in Algeria



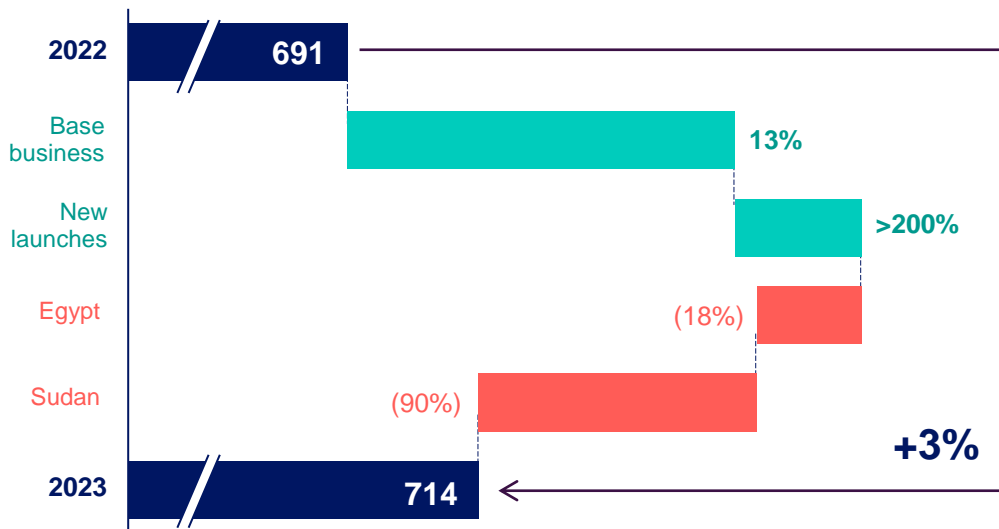
Expand warehouse capacity across key markets

¹ Based on internal analysis by Hikma using IQVIA MIDAS® Monthly value sales data for Kuwait, KSA, UAE, Jordan, Lebanon, Egypt, Tunisia, Algeria and Morocco, MAT Dec 2023, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved
Hikma Pharmaceuticals PLC

Branded - delivering growth supported by our strong commercial capabilities and new launches



Revenue drivers



What drove our business

Base business:

- Benefitting from our broad product portfolio and strong commercial capabilities
- Strong performance in most of our 17 markets, primarily driven by our oncology portfolio
- Absorbing headwinds due to the devaluation of the Egyptian Pound and halting our operations in Sudan and

New launches:

- Continue to grow our portfolio of products for chronic illnesses
- Launches include oncology, diabetes and gastrointestinal products

Generics



Generics - strong commercial and operational capabilities enabling us to capture market opportunities



2023 key highlights



Captured market opportunities supported by broad portfolio and flexible manufacturing capabilities



Benefitted from volume growth and an improving pricing environment



Launched new products, including the authorised generic of sodium oxybate



Strengthened our contract manufacturing pipeline with several new contract wins



Gaining momentum for Kloxxado, our 8mg naloxone nasal spray

Generics - world-class infrastructure supporting development and manufacturing



State-of-the-art manufacturing facility in Columbus Ohio



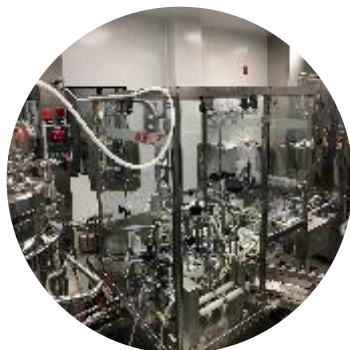
FDA/EMA-licensed facility with ability to ship internationally



On-site product and analytical development and quality control labs

Nasal sprays

- #1 generic nasals manufacturer by volume¹
- Multi-technology facility with full supply chain capabilities
- Dedicated equipment and resources to make unit- and bi-dose products



¹ IQVIA MAT December 2023 by volume

Differentiated local manufacturing capabilities

Development

Manufacturing capabilities

Oral solids

Oral liquids

Nasal sprays

Dry powder inhalers

Cytotoxic/high containment

Controlled substances

Warehouse/distribution

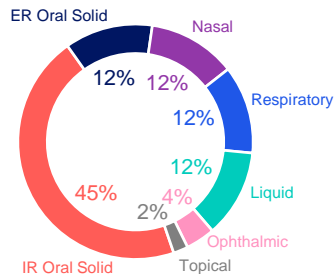
U.S.
(Columbus, OH)



Generics - building a diversified portfolio while leveraging manufacturing strength to improve business resilience



Research & Development



49 Programmes in Generics¹

- Add more complex generics within our core expertise (e.g. nasal sprays and inhalation)
- Invest in new launches for the medium term, to improve portfolio breadth and plant utilisation
- Leverage R&D, API and CRO capabilities in Jordan to strengthen competitive advantage

Grow our specialty portfolio

 **Kloxxado** (naloxone HCl)
nasal spray 8 mg

 **Ryaltris**TM | 15mg/5ml
(ciclesonide hydrochloride and mometasone furoate monohydrate nasal spray)

 **Mitigare**[®]
Icathicine, Capsules

- Build traction in Kloxxado - a key foundational product in the specialty portfolio
- Grow Ryaltris nasal spray through 2024 allergy seasons
- Seek further specialty opportunities through BD and targeted R&D

Maximise our base business



- Grow and defend our in-line portfolio, ensuring we can respond quickly to market disruptions
- Leverage our market-leading customer service to ensure efficient sales and operations
- Improve operational capabilities and flexibility to support commercial opportunities

Leverage Columbus for contract manufacturing



- Partner with 'big pharma' to leverage capacity at our Columbus site
- Leverage our quality and reliability – key requirements for successful CMO
- Opportunity for CMO to be a foundational element of Hikma's Generics business

1. Pipeline as at 31 December 2023



Finance

Khalid Nabils, Chief Financial Officer

Group financial highlights

	2022	2023	% change
Core ¹ revenue	\$2,517 million	\$2,875 million	14%
Core gross profit	\$1,265 million	\$1,407 million	11%
Core operating profit	\$596 million	\$707 million	19%
Core EBITDA ²	\$695 million	\$811 million	17%
Core profit attributable to shareholders	\$406 million	\$492 million	21%
Core basic earnings per share	181 cents	223 cents	23%
Dividend per share	56 cents	72 cents	29%

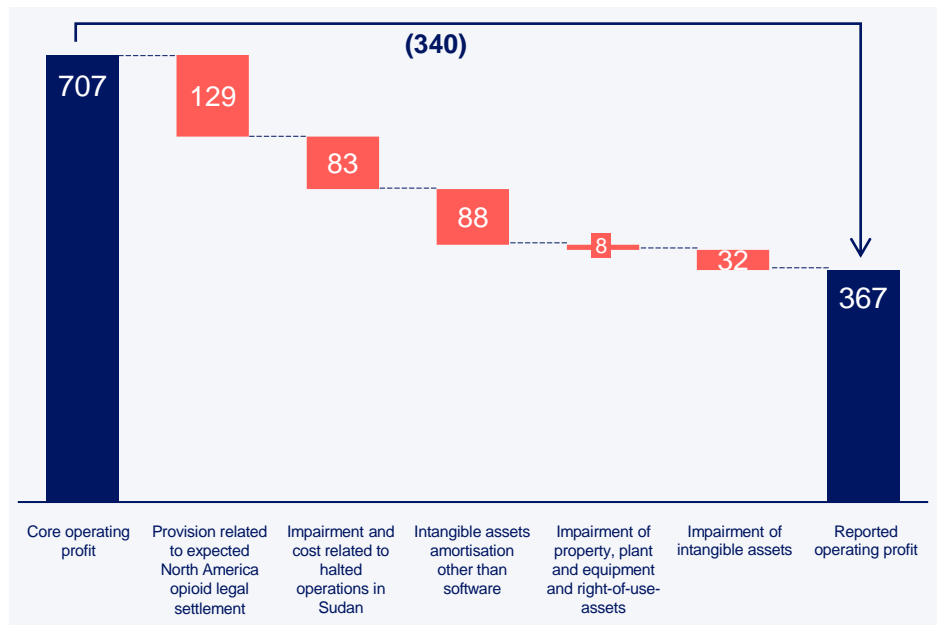
¹ Core results throughout the document are presented to show the underlying performance of the Group, excluding the exceptional items and other adjustments set out in Note 5 of the Group consolidated financial statements. Core results are a non-IFRS measure and a reconciliation to reported IFRS measures is provided in our 2023 preliminary results press release

² Core EBITDA is earnings before interest, tax, depreciation, amortisation, impairment charges and unwinding of acquisition related inventory step-up, adjusted for exceptional items and other adjustments. Core EBITDA is a non-IFRS measure, see 2023 preliminary press release for a reconciliation to reported IFRS results.

³ For reported figures refer to the appendix

2023 exceptional items and other adjustments

Bridge between 2023 core and reported operating profit (\$million)



Key items:



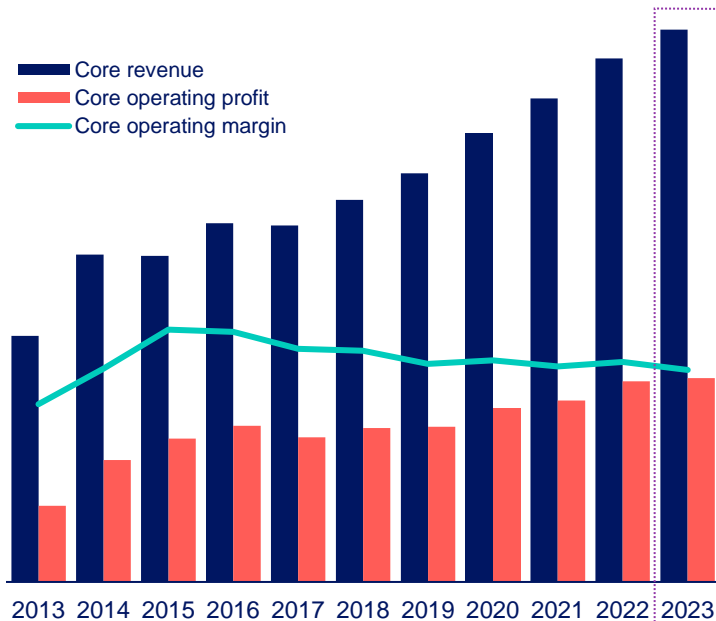
Reached an agreement in principle to resolve the vast majority of opioid related cases brought against Hikma in the US. The agreed upon settlement is not an admission of wrongdoing or legal liability. The Group booked a total provision of \$129 million to cover the expected settlement amount for all related cases in North America.



Halted operations in Sudan, which represented less than 3% of Group revenue in 2022, as a result of the ongoing conflict in the country. This resulted in \$83 million of impairment and costs



Core revenue and core operating profit performance over 10 years



Core revenue and core operating profit performance for 2023



Revenue

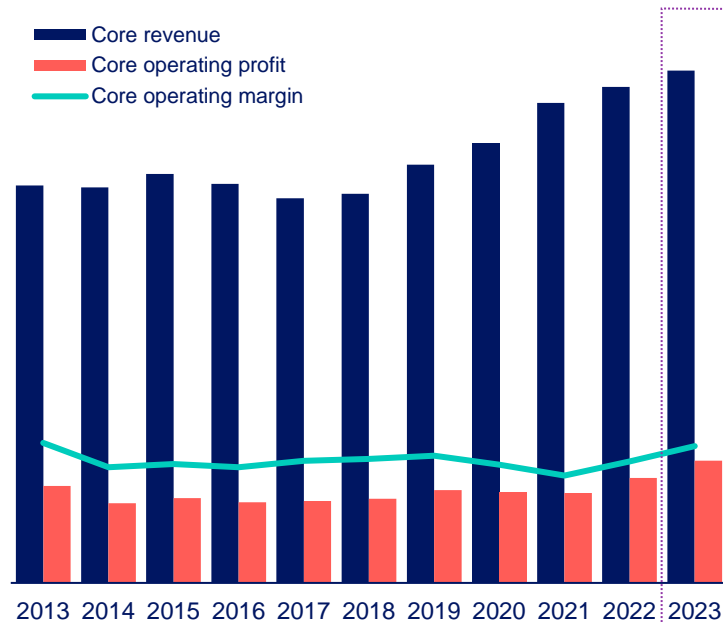
- ⊕ Benefitting from good demand for our portfolio in North America, recent launches and the contribution from Custopharm and Teligent's assets more than offset increased competition
- ⊕ Good growth in Europe, reflecting demand for own products, including shortages
- ⊕ Strong growth in MENA driven by good demand for our portfolio across most of our markets, including for our biosimilar products, fully offsetting loss of sales due to halting our operations in Sudan

Core operating profit

- ⊖ Product and geographic mix
- ⊖ Increase in costs due to inflationary pressures
- ⊕ Good control of costs



Core revenue and core operating profit performance over 10 years



Core revenue and core operating profit performance for 2023



Revenue

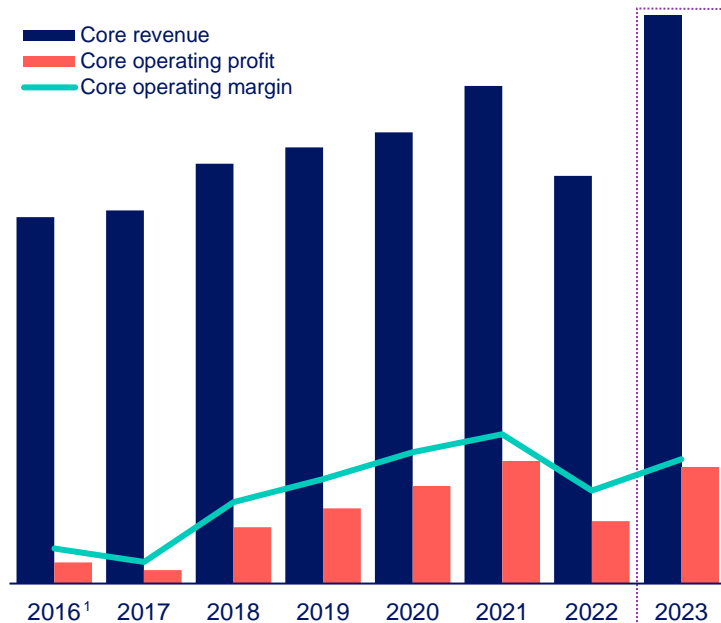
- ⊕ Good growth across most markets
- ⊕ Benefitting from our focus on chronic medications, particularly our growing oncology portfolio
- ⊖ Loss of sales due to halting our operations in Sudan

Core operating profit

- ⊕ Improvement in product mix
- ⊖ Currency devaluation in Egypt



Core revenue and core operating profit performance since Columbus acquisition



Core revenue and core operating profit performance for 2023



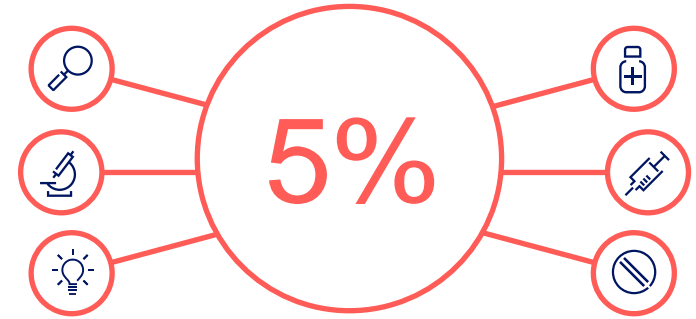
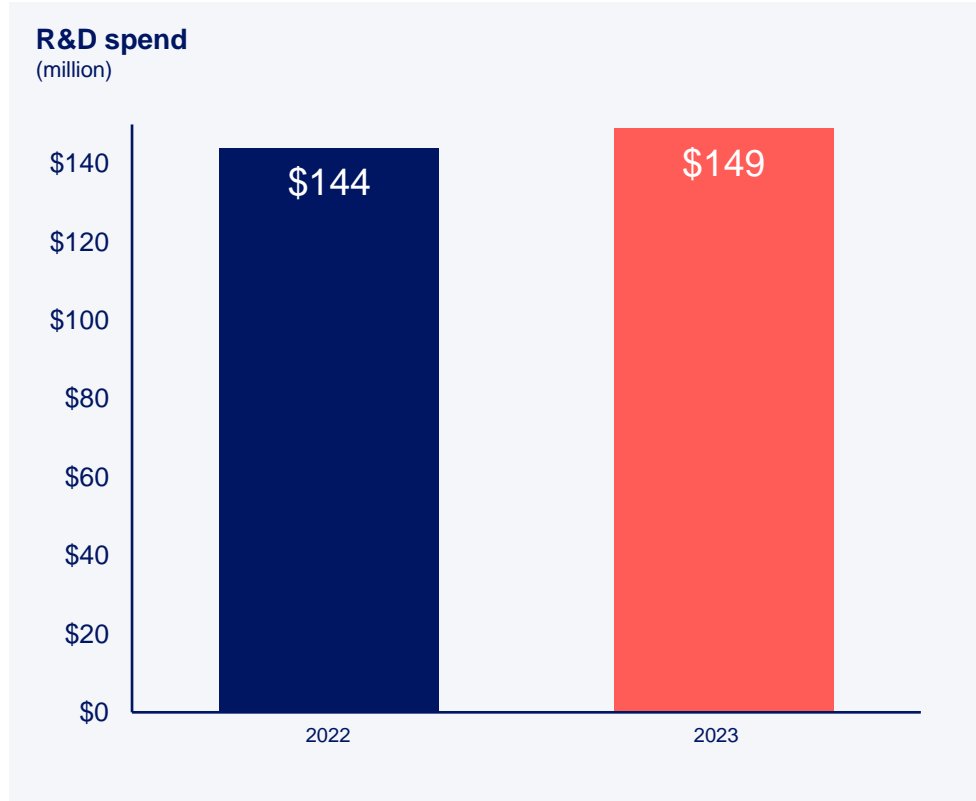
Revenue

- ⊕ Good performance from the base business with improving volumes and pricing environment
- ⊕ Exceptionally strong contribution from the launch of the authorised generic of sodium oxybate

Core operating profit

- ⊕ Improved product mix
- ⊖ Investing back into this business, particularly in sales and marketing, as we continue to build our specialty business, and in R&D

Expanding and enhancing our product pipeline

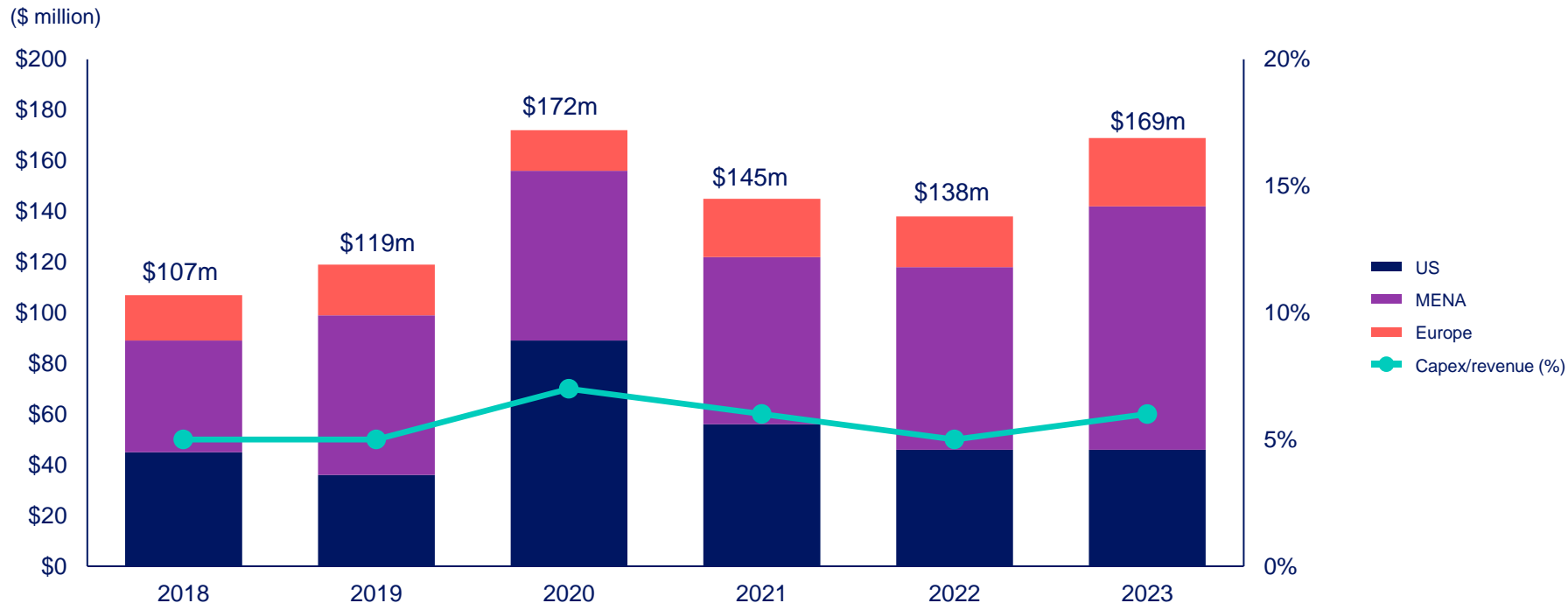


**of Group core revenue
invested in R&D**

Continue to invest in building a pipeline of differentiated products.

Continuing to invest in the maintenance, upgrade and expansion of our facilities across the Group

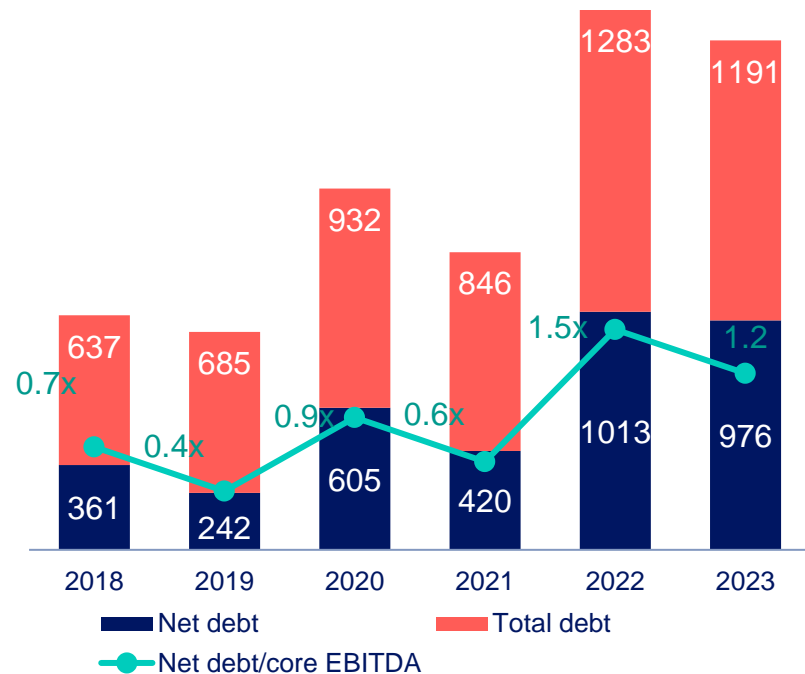
Capex by region



Cash flow and balance sheet

Debt and leverage

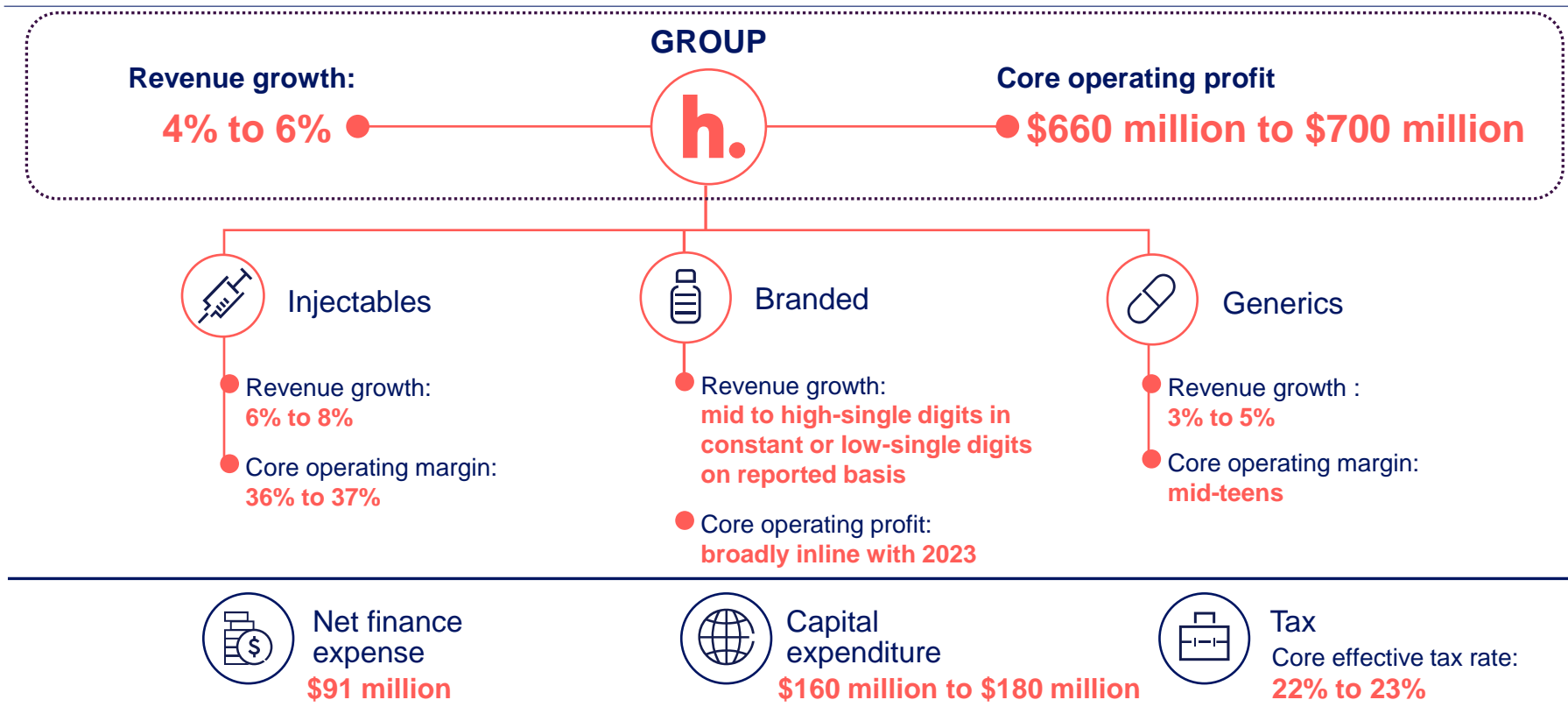
(millions)



Operating cash flow

	2022	2023
Operating cash flow	530	608
Operating cash flow/revenue	21%	21%

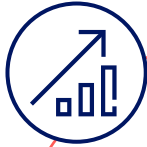
2024 full year guidance





2023

Double-digit revenue and operating profit growth



Continued investment for future growth



A year of **strong growth** and **significant progress**

Impressive core EBITDA margin of 28%



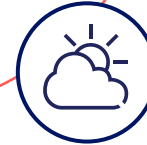
New product launches and partnerships expanding portfolio



Strong progress in all three businesses



Positive 2024 outlook



hikma.

Appendix



Group reported financial highlights

	2022	2023	% change
Revenue	\$2,517 million	\$2,875 million	14%
Gross profit	\$1,238 million	\$1,390 million	12%
Operating profit	\$282 million	\$367 million	30%
Profit attributable to shareholders	\$188 million	\$190 million	1%
Basic earnings per share	84 cents	86 cents	2%