

Hikma has strong start to 2024, with continued momentum across all businesses. Full year guidance reiterated

London, 25 April 2024 - Hikma Pharmaceuticals PLC (Hikma, Group), the multinational pharmaceutical group, today provides an update on current trading ahead of its Annual General Meeting.

Riad Mishlawi, Hikma's CEO, said:

"Hikma has had a strong start to 2024, with continued growth and momentum across the Group. Our three businesses are performing well, underpinned by our strong commercial and operational capabilities. We are launching new products and expanding our manufacturing capacity, which will drive sustainable future growth."

Group

The Group had a strong and encouraging start to the year, supported by all three business segments.

We expect Group revenue to grow in the range of 4% to 6% and for core operating profit to be in the range of \$660 million to \$700 million in 2024, in line with prior guidance.

Injectables

Our global Injectables business has had a good start to the year. In the US, the breadth of our portfolio, new launches, and our new high speed filling lines are enabling us to capture new market opportunities. In Europe, we are benefitting from good demand for our own products and we continue to make progress in new markets. We are also seeing solid growth across our MENA markets, supported by our biosimilar portfolio and recent launches.

We have launched three products year-to-date in the US and are expanding our global manufacturing capacity, including strengthening our sterile manufacturing capabilities in MENA.

We continue to expect 2024 Injectables revenue to grow in the range of 6% and 8% and for core operating margin to be between 36% and 37%.

Branded

Building on recent momentum, Branded has had a strong start to the year, supported by a growing product portfolio and our commercial and operational strength in the MENA region. We are seeing strong demand across our MENA markets and increased sales both for our portfolio of oncology medicines and for those medicines used to treat chronic illnesses.

In 2023 we became the second largest pharmaceutical company in MENA by sales¹. We are investing in R&D to launch more complex and first-to-market products. We are also gaining market share in key therapeutic areas - we are the sixth largest supplier of new generation type II diabetes products and second largest for multiple sclerosis therapies². We are investing in enhancing our manufacturing capacity and capabilities, strengthening our position as a local manufacturer and supplier of high-quality medicines with industry-leading global expertise.

For 2024, we continue to expect Branded revenue to grow in the mid- to high-single digits in constant currency, or low-single digits on a reported basis. Given the strong performance in the year to date, we now expect slight growth in reported core operating profit.

Generics

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Our Generics business is performing well. This reflects a robust performance from our broad product portfolio and recent launches. We are focusing on building a differentiated portfolio and pipeline for this business, as well as leveraging our state-of-the-art facility in Columbus, Ohio.

Last week, Hafrun Fridriksdottir was appointed as President of the Generics business. Hafrun brings more than 25 years of strong leadership and deep pharmaceutical industry experience to her new role, with a particular emphasis on research and development, successful pipeline expansion and new product introductions, making her well positioned to lead Hikma's Generics business in its next phase of growth.

We continue to expect Generics revenue to grow in the range of 3% to 5% in 2024. We expect 2024 core operating margin to be in the mid-teens, reflecting the increase in royalties payable on our authorised generic of sodium oxybate.

Final dividend

Subject to approval at today's Annual General Meeting, we will be paying a final dividend of 47 cents per share. The final dividend brings the total dividend for the full year 2023 to 72 cents per share, an increase of 29% on 2022. This equates to a payout ratio of around 32%, which is above our historical range of 20% to 30%. We intend to progressively increase our dividend, with a payout ratio in the range of 30% to 40%, reflecting the Board's confidence in the long-term growth prospects for the Group and our ongoing commitment to return cash to shareholders.

We will announce our interim results for the six months ended 30 June 2024 on 8 August 2024.

Further information

Hikma will hold a live Q&A conference call for sell-side analysts at 9:00am BST. A recording and transcript will be made available on the Company's website.

To join via conference call please dial:

United Kingdom (Local): +44 20 3936 2999

United Kingdom (Toll-Free): +44 800 358 1035

[Global Dial-In Numbers](#)

Access Code: **565272**

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About Hikma

Hikma Pharmaceuticals PLC (LSE: HIK) (NASDAQ Dubai: HIK) (OTC: HKMPY) (LEI:549300BNS685UXH4JI75) (rated BBB-/stable S&P and BBB-/positive Fitch)

Hikma helps put better health within reach every day for millions of people around the world. For more than 45 years, we've been creating high-quality medicines and making them accessible to the people who need them. Headquartered in the UK, we are a global company with a local presence across North America, the Middle East and North Africa (MENA) and Europe, and we use our unique insight and expertise to transform cutting-edge science into innovative solutions that transform people's lives. We're committed to our customers, and the people they care for, and by thinking creatively and acting practically, we provide them with a broad range of branded and non-branded generic medicines. Together, our 9,100 colleagues are helping to shape a healthier world that enriches all our communities. We are a leading licensing partner, and through our venture capital arm, are helping bring innovative health technologies to people around the world. For more information, please visit: www.hikma.com

Forward-looking statements

Hikma cautions shareholders that any forward-looking statements or projections made by Hikma, including those made in this announcement, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Such factors include, but are not limited to, those risk factors described in the "Principal risks and uncertainties" section in Hikma's latest Annual Report. Where included, such statements have been made by or on behalf of Hikma in good faith based upon the knowledge and information available to the Directors on the date of this announcement. Accordingly, no assurance can be given that any particular expectation will be met and Hikma's shareholders are cautioned not to place undue reliance on any forward-looking statements. Other than in accordance with its legal or regulatory obligations (including under the UK Market Abuse Regulation and the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority), Hikma does not undertake to update any forward-looking statements contained in this announcement to reflect any changes in events, conditions or circumstances on which any such statement is based or to correct any inaccuracies which may become apparent in any such forward-looking statements.

[1] IQVIA MDAS Pharma Index MAT Feb-2024. Retail + Hospital. Excluding Milks and diagnostics. Excluding Lebanon.

² IQVIA MDAS Pharma Index MAT Feb-2024. Retail + Hospital. Excluding Milks and diagnostics. Excluding Lebanon. Excluding F & G NFC1

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