

# Quarterly Statement Q1 2023/2024

for the period  
from 1 October 2023  
to 31 December 2023

“We started the new financial year on a high note with both business segments showing positive development. As expected, our Drug Delivery Systems business continued to grow strongly. This proves that our strategy focusing on high-value solutions is the right one. In addition, our Drug Containment Solutions business achieved a good profitability with a margin at the previous year’s level. On this basis, we are embarking on another successful year for SCHOTT Pharma.”

Andreas Reisse,  
Chief Executive Officer of  
SCHOTT Pharma AG & Co. KGaA

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# SCHOTT Pharma reports good start into financial year 2023/2024

- Q1 2023/2024 revenues of EUR 232m; increase of 8 % yoy at constant currencies
- Q1 2023/2024 EBITDA margin of 27.9 % at constant currencies
- Share of strong-margin high-value solutions (HVS) further increased to 53 %
- Guidance for financial year 2023/2024 confirmed

## Performance Indicators at a glance

		Q1 2023/2024		Q1 2022/2023
		Reported	Constant currencies	Reported
Revenue	in EUR m	232	242	225
Revenue growth	in %	3.1	7.5	-1
HVS revenue share	in %	53	-	45
EBITDA	in EUR m	73	67	63
EBITDA margin	in %	31.3	27.9	28.1
EBIT	in EUR m	58	-	51
Profit for the period	in EUR m	45	-	38
Earnings per share	in EUR	0.29	-	0.25
Free cash flow	in EUR m	37	-	8

  

		31 Dec 2023		30 Sep 2023
Equity ratio	in %	58.1	-	56.2
Headcount (as of the reporting date)		4,687	-	4,646

<sup>1</sup> Since comparative figures for the financial year 2021/2022 were taken from Combined Financial Statements, no figure is shown here.

# Business Performance and Key Financial Indicators

## Results of Operations

SCHOTT Pharma generated revenue of EUR 232.3m in the first quarter of 2023/2024, equalling reported year-on-year revenue growth of 3.1% and constant-currency revenue growth of 7.5%.

This solid result was driven by strong demand for HVS products and confirms our strategic focus. Revenue distribution by segment was as follows:

(in EUR m)	Q1 2023/2024	Q1 2022/2023	Change in %	
			Actual	Constant Currencies
Drug Containment Solutions (DCS)	129.0	142.6	-9.5%	-2.6%
Drug Delivery Systems (DDS)	103.4	82.7	25.0%	25.0%
Reconciliation/consolidation	-0.1	-0.1	-62.5%	-62.5%
<b>SCHOTT Pharma revenue</b>	<b>232.3</b>	<b>225.2</b>	<b>3.1%</b>	<b>7.5%</b>

Revenue in the DCS segment was 9.5% lower year-on-year, finishing the quarter at EUR 129.0m. In constant currencies, DCS Revenue decreased by 2.6%. This was mainly due to customers temporarily destocking pharmaceutical vials since the third quarter of the previous year, i.e. cutting down on the safety stocks they had built up during the pandemic. However, we were able to increase revenue in the other two product categories, ampoules and cartridges.

The DDS segment saw remarkable revenue growth on the back of the strong demand for prefillable syringes. Revenue in this segment grew by 25.0% compared with the first quarter of the previous year. This is attributable to the fast and successful expansion of our manufacturing capacities and also reflects the consistently strong demand from our customers. Exchange rate effects were negligible.

Geographically speaking, the highest revenue growth was seen in the EMEA region. For an overview of revenue distribution by regions, please refer to the following table:

(in EUR m)	Q1 2023/2024	Q1 2022/2023	Change
EMEA	128.2	109.3	+18.9
Asia and South Pacific	37.1	39.9	- 2.8
North America	47.9	54.6	-6.7
South America	19.1	21.5	-2.4
<b>SCHOTT Pharma revenue</b>	<b>232.3</b>	<b>225.2</b>	<b>+7.0</b>

SCHOTT Pharma's EBITDA increased by 14.8% to EUR 72.7m in the period under review, resulting in an improved EBITDA margin of 31.3%, up from 28.1% in the first quarter of the previous year. In constant currencies, EBITDA climbed by 6.5% to EUR 67.5m, which translates into an EBITDA margin of 27.9%. Exchange rate effects largely resulted from the US dollar and Swiss franc moving against the euro and from the valuation of forward foreign exchange contracts. Exchange rate effects recognised in profit or loss are reported under the "Reconciliation/consolidation" item.

The above mentioned developments led to the following EBITDA distribution by segment:

(in EUR m)	Q1 2023/2024	Q1 2022/2023	Change in %	
			Actual	Constant Currencies
Drug Containment Solutions (DCS)	26.9	28.8	-6.8%	4.5%
Drug Delivery Systems (DDS)	39.6	32.8	20.8%	18.8%
Reconciliation/consolidation	6.2	1.7	267.1%	-195.0%
<b>SCHOTT Pharma EBITDA</b>	<b>72.7</b>	<b>63.3</b>	<b>14.8%</b>	<b>6.5%</b>

The DCS segment reported EBITDA of EUR 26.9m (Q1 2022/2023: EUR 28.8m) and an EBITDA margin of 20.8%. In constant currencies, EBITDA was even higher than in the same quarter of the previous year, while the EBITDA margin stood at 21.7%. The early introduction of efficiency measures largely offset the negative effects of lower capacity utilisation in the production of pharmaceutical vials. In addition, government grants received in the first quarter of 2023/2024 contributed EUR 1.7m to EBITDA.

The DDS segment succeeded in increasing its EBITDA by EUR 6.8m to EUR 39.6m, leading to a strong EBITDA margin of 38.3% (constant currencies: 37.7%). This positive development is due to significant revenue growth and resulting operating economies of scale.

In the first quarter of 2023/2024, SCHOTT Pharma's cost of sales rose by 3.1% in line with revenue, resulting in a gross profit margin on a par with the previous year's level of 36.1%. The ratio of selling and general administrative expenses to revenue is up slightly year-on-year (13.6% compared with 13.4% in the same period of the previous year). This was mainly driven by administrative costs, which were adjusted as a consequence of the IPO in September 2023.

Total other operating income and expenses increased by EUR 6.4m to EUR 9.6m, largely due to exchange rate gains growing by EUR 2.8m to EUR 7.9m year-on-year. A further EUR 1.7m can also be attributed to government grants received during the first quarter of 2023/2024, now that the conditions for eligibility have been met. Other operating income also includes cost reimbursements in connection with the IPO in the amount of EUR 2.2m, with underlying costs in the same amount being recognised in other operating expenses. Such reimbursements are made by SCHOTT Group entities under a cost assumption agreement concluded in the 2022/2023 financial year.

A lower balance for "Financial receivables – SCHOTT Group" and "Financial payables – SCHOTT Group" (i.e. cash pool payables and receivables vis-à-vis SCHOTT Group) compared with the first quarter of the previous year had an effect of EUR -0.7m on the financial result. The key driver here was the acquisition of shares in SCHOTT Poonawalla Pvt. Ltd., Mumbai, India, during the third quarter of the 2022/2023 financial year for a purchase price of EUR 124.5m.

Income tax expenses climbed by EUR 0.2m year-on-year to EUR 11.1m. As profit before income taxes increased by EUR 6.6m, this means a lower tax rate of 20.0% compared with 22.3% in the same period of the previous financial year. This decline is largely due to deferred tax liabilities of EUR 1.2m recognised in the first quarter of the previous year in connection with expected dividend distributions over the next twelve months.

Overall, profit for the period increased from EUR 38.2m to EUR 44.5m and earnings per share rose to EUR 0.29 (previous year: EUR 0.25).

## Financial Position

(in EUR m)	Q1 2023/2024	Q1 2022/2023	Change
Cash flows from operating activities	66.0	27.8	+38.2
Cash flows from investing activities	-28.6	-20.3	-8.4
Cash flows from financing activities	-39.6	-5.9	-33.6

At EUR 66.0m, cash flows from operating activities were markedly higher than in the previous year (EUR 27.8m), benefiting from EUR 6.4m profit growth in the first quarter and a EUR 2.1m year-on-year increase in non-cash depreciation, amortisation and impairment of non-current assets. Advance payments made by customers for future serial deliveries, which were EUR 22.0m higher than in the first quarter of 2022/2023, also had a positive impact on cash flows from operating activities. A reduction in trade receivables from third parties and SCHOTT Group by EUR 14.0m due to reporting date effects led to another increase compared with the previous year. These effects were partially offset by changes in provisions and accrued liabilities amounting to EUR -6.9m. Personnel-related accrued liabilities are lower in the first quarter of each year due to Christmas bonuses and other bonus payments. Cash outflows were higher than in the same quarter of the previous year, mainly due to an additional inflation compensation bonus being paid in the first quarter of 2023/2024; this had been promised to employees in September 2023.

Cash flows from investing activities rose by EUR -8.4m to EUR -28.6m year-on-year as a result of increased investments (EUR +8.2m) in the purchase of property, plant and equipment and intangible assets. The DDS segment accounted for 67% of capital expenditure in the first quarter of 2023/2024. As in the 2022/2023 financial year, investments focused on capacity expansion, especially on the construction and expansion of manufacturing locations.

Cash flows from financing activities amounted to EUR -39.6m compared with EUR -5.9m in the corresponding prior-year period. Cash flows of EUR -37.8m (Q1 2022/2023: EUR -3.3m) resulted primarily from changes to the items "Financial receivables – SCHOTT Group" and "Financial payables – SCHOTT Group", which comprise the cash pool payables and receivables vis-à-vis SCHOTT Group. Since SCHOTT Pharma entities are entitled to draw down liquidity to finance their operating business as per the cash pool agreements, cash pool transactions have the character of a financing transaction and are therefore generally classified as financing activities. Further cash outflows included the allocation to plan assets of EUR -1.9m (Q1 2022/2023: EUR -1.5m).

All in all, net change in cash and cash equivalents was EUR -2.2m compared with the reporting date of 30 September 2023. Taking into consideration changes resulting from exchange rate fluctuations, which reduced cash and cash equivalents by a total of EUR 0.9m, cash and cash equivalents stood at EUR 21.3m as of 31 December 2023.

## NET ASSETS

Non-current assets rose by EUR 12.6m to EUR 776.1m compared with 30 September 2023. This increase is mainly due to the EUR 15.3m growth in intangible assets and property, plant and equipment. Capital expenditure totalling EUR 28.5m was offset by a depreciation of EUR 14.6m and disposals of non-current assets in the amount of EUR 0.1m. In addition, currency effects resulted in a decrease of EUR 1.1m, while inflationary adjustments at our Argentinian subsidiary led to an increase of EUR 2.6m. Capital expenditure focused on the expansion of manufacturing capacities in the DDS segment.

Current assets were reduced by EUR 3.1m compared with 30 September 2023, mainly driven by trade receivables from third parties and SCHOTT Group as well as contract assets, which went down by EUR 11.9m due to reporting date effects. Cash and cash equivalents decreased by EUR 3.0m. (For an explanation of this decrease, please refer to the explanations in the Financial Position section above.) This was offset by the item "Financial receivables – SCHOTT Group", which increased by EUR 9.9m due to the positive free cash flow. SCHOTT Pharma's inventories rose by EUR 2.9m as a result of increased business volumes and inventory being stocked up to safeguard the Company's ability to deliver.

SCHOTT Pharma's equity amounted to EUR 721.2m as of the reporting date (30 September 2023: EUR 692.2m) and the equity ratio increased from 56.2% to 58.1% as of the same date. This can be attributed to the combined effect of a EUR 29.0m increase in equity and a EUR 9.5m increase in total assets. The main factor driving the positive equity development was profit for the period, which came in at EUR 44.5m in the first quarter of 2023/2024. At the same time, equity was reduced by currency translation effects of EUR 7.5m and actuarial losses from pension provisions amounting to EUR 8.0m.

Non-current liabilities increased by EUR 33.2m to EUR 221.7m. Other non-financial liabilities, which comprise only advance payments received on orders (EUR 91.9m; 30 September 2023: EUR 66.1m), were the main driving factor for the increase in non-current liabilities, reflecting higher advance payments made by our customers for future serial deliveries. Service costs for the first quarter of 2023/2024 and the fall in the average discount rate combined to push up pension provisions to EUR 27.5m as of the reporting date (EUR +8.7m).

Current liabilities went down by EUR 52.7m to EUR 298.5m compared with 30 September 2023. The item "Financial payables – SCHOTT Group", which was reduced by EUR 24.6m as a result of the positive free cash flow, was the main factor driving the fall in current liabilities. In addition, accrued liabilities decreased by EUR 18.7m in the first quarter of 2023/2024, in particular due to Christmas bonuses, inflation compensation and other bonus payments to our employees, while trade payables due to third parties and SCHOTT Group were reduced by EUR 13.2m as of the reporting date.

# Report on Changed Forecasts

We confirm our initial Forecast made in the Annual Report 2022/2023.

Key financial performance indicator	Baseline	Forecast
	2022/2023 financial year	2023/2024 financial year
Organic revenue growth	EUR 898.6m	9 % to 11 %
EBITDA margin	26.6 %	Roughly at the previous year's level

For detailed information on the forecasts for the 2023/2024 financial year, please refer to the Combined Management Report of the Annual Report 2022/2023, beginning on page 36.

The opportunity and risk situation has not changed significantly since 30 September 2023. Taking all planned or implemented measures into account, there were no identifiable risks at the time of reporting that would individually or collectively jeopardise SCHOTT Pharma's existence. For detailed information on SCHOTT Pharma's risk management system and the opportunity and risk situation, please refer to the Combined Management Report of the Annual Report 2022/2023, beginning on page 37.

Our forecast is based on various assumptions. It excludes portfolio measures but assumes that exchange rates will remain constant, that the geopolitical and global economic situation, global supply chains, inflation and energy supply will not deteriorate and that there will be no further relevant pandemic-related restrictions.

SCHOTT Pharma's actual performance may deviate positively or negatively from our forecasts, either due to the risks and opportunities described in our Annual Report 2022/2023 (Report on Risks and Opportunities of the Combined Management Report) or because our expectations and assumptions fail to materialise.

Mainz, Germany, 28 February 2024

SCHOTT Pharma AG & Co. KGaA,  
represented by the Management Board of SCHOTT Pharma Management AG

Andreas Reisse

Dr. Almuth Steinkühler



# Consolidated Statement of Income

for the Period from 1 October 2023 to 31 December 2023

(in EUR thousands)	Q1 2023/2024	Q1 2022/2023
<b>Revenue</b>	<b>232,251</b>	<b>225,216</b>
Cost of sales	-148,502	-144,004
<b>Gross profit</b>	<b>83,749</b>	<b>81,212</b>
Selling expenses	-20,073	-20,396
General administrative expenses	-11,426	-9,671
Research and development costs	-6,277	-6,598
Other operating income	14,967	7,778
Other operating expenses	-5,383	-4,562
Share of profit from investments accounted for using the equity method	2,473	2,993
<b>Operating profit (EBIT)</b>	<b>58,030</b>	<b>50,756</b>
Interest income	989	847
Interest expenses	-2,554	-1,294
Net other financial result	-816	-1,226
<b>Financial result</b>	<b>-2,381</b>	<b>-1,673</b>
<b>Profit before income taxes</b>	<b>55,649</b>	<b>49,083</b>
Income tax expenses	-11,130	-10,926
<b>Profit for the period</b>	<b>44,519</b>	<b>38,157</b>
thereof attributable to non-controlling interests	107	16
thereof attributable to limited liability shareholders of SCHOTT Pharma AG & Co. KGaA	44,412	38,141
<b>Earnings per share (in EUR), based on the share of profit for the period attributable to limited liability shareholders of SCHOTT Pharma AG &amp; Co. KGaA</b>		
Basic	0.29	0.25
Diluted	0.29	0.25

# Consolidated Statement of Financial Position

as of 31 December 2023

## Assets

(in EUR thousands)	31 Dec 2023	30 Sep 2023
<b>Non-current assets</b>		
Intangible assets	29,920	30,941
Property, plant and equipment	654,113	637,805
Investments accounted for using the equity method	78,849	79,055
Deferred tax assets	12,609	14,828
Other financial assets	17	18
Other non-financial assets	620	843
	<b>776,128</b>	<b>763,490</b>
<b>Current assets</b>		
Inventories	141,853	138,943
Contract assets	63,692	58,208
Trade receivables	147,091	156,652
Trade receivables – SCHOTT Group	988	8,838
Financial receivables – SCHOTT Group	45,369	35,485
Income tax assets	3,067	3,953
Other financial assets	10,616	8,521
Other non-financial assets	31,217	33,381
Cash and cash equivalents	21,339	24,357
	<b>465,232</b>	<b>468,338</b>
<b>Total assets</b>	<b>1,241,360</b>	<b>1,231,828</b>

## Equity and Liabilities

(in EUR thousands)	31 Dec 2023	30 Sep 2023
<b>Equity</b>		
Subscribed capital	150,615	150,615
Capital reserves	494,481	494,481
Generated Group equity	73,348	36,953
Accumulated other Group equity	873	8,382
<b>Equity attributable to limited liability shareholders of SCHOTT Pharma AG &amp; Co. KGaA</b>	<b>719,317</b>	<b>690,431</b>
Non-controlling interests	1,861	1,748
	<b>721,178</b>	<b>692,179</b>
<b>Non-current liabilities</b>		
Provisions for pensions and similar commitments	27,476	18,777
Provisions for income taxes	2,152	3,557
Other provisions	5,869	6,001
Deferred tax liabilities	25,803	24,822
Other financial liabilities	68,493	69,207
Other non-financial liabilities	91,918	66,139
	<b>221,711</b>	<b>188,503</b>
<b>Current liabilities</b>		
Other provisions	6,970	5,263
Accrued liabilities	40,285	59,003
Trade payables	51,940	60,529
Trade payables – SCHOTT Group	25,508	30,115
Financial payables – SCHOTT Group	112,839	137,474
Income tax liabilities	19,676	20,397
Other financial liabilities	6,360	9,100
Other non-financial liabilities	34,893	29,265
	<b>298,471</b>	<b>351,146</b>
<b>Total equity and liabilities</b>	<b>1,241,360</b>	<b>1,231,828</b>

# Consolidated Statement of Cash Flows

for the Period from 1 October 2023 to 31 December 2023

(in EUR thousands)	Q1 2023/2024	Q1 2022/2023
Profit for the period	44,519	38,157
Depreciation, amortisation and impairment as well as impairment reversals on non-current assets	14,636	12,545
Changes in provisions and accrued liabilities	-17,620	-10,731
Other non-cash income/expenses	-3,551	-1,306
Net gain or loss on the disposal of intangible assets and property, plant and equipment	-472	-51
Net gain or loss from financial assets	-232	-189
Changes in inventories and advance payments made on inventories	-940	-4,287
Changes in contract assets	-5,484	-8,082
Changes in trade receivables	8,554	-10,720
Changes in trade receivables – SCHOTT Group	7,854	13,144
Changes in other assets	-1,644	-1,463
Changes in advance payments received	27,321	5,371
Changes in trade payables	-8,913	-13,552
Changes in trade payables – SCHOTT Group	-2,718	-2,035
Changes in other liabilities	-952	5,466
Changes in deferred taxes	3,650	3,515
Dividends received from investments accounted for using the equity method	2,000	2,000
<b>Cash flows from operating activities (A)</b>	<b>66,008</b>	<b>27,782</b>
Proceeds from the sale of property, plant and equipment	555	61
Purchase of property, plant and equipment	-28,459	-20,314
Purchase of intangible assets	-18	0
Purchase of financial assets	-683	0
<b>Cash flows from investing activities (B)</b>	<b>-28,605</b>	<b>-20,253</b>
Dividends paid to non-controlling interests	0	-196
Changes in financial receivables – SCHOTT Group	-10,210	-9,681
Changes in financial payables – SCHOTT Group	-27,567	6,348
Cash outflows from allocation to plan assets	-1,881	-1,519
Cash inflows/outflows from financial assets	451	265
Cash inflows/outflows from financial liabilities	338	-217
Cash outflows from repayments of outstanding lease liabilities	-693	-937
<b>Cash flows from financing activities (C)</b>	<b>-39,562</b>	<b>-5,937</b>

(in EUR thousands)	Q1 2023/2024	Q1 2022/2023
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>-2,159</b>	<b>1,592</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>24,357</b>	<b>28,795</b>
- Cheques, cash on hand	7	7
- Bank deposits	24,350	28,788
Change in cash and cash equivalents due to foreign exchange rates	-859	-2,910
<b>Cash and cash equivalents at end of the period</b>	<b>21,339</b>	<b>27,477</b>
- Cheques, cash on hand	11	15
- Bank deposits	21,328	27,462
<b>(in EUR thousands)</b>	<b>Q1 2023/2024</b>	<b>Q1 2022/2023</b>
<b>Additional notes to the Consolidated Statement of Cash Flows<sup>1</sup></b>		
Interest paid	-1,986	-1,184
Interest received	989	847
Income taxes paid	-9,008	-5,932

<sup>1</sup> Included in cash flows from operating activities.

# Other Information

## Financial Calendar

14 March 2024	Annual General Meeting
27 June 2024	Half-yearly financial report as of 31 March 2024
29 August 2024	Quarterly statement as of 30 June 2024
December 2024	Annual Report 2023/2024

## Disclaimer/forward-looking statements

This Quarterly Statement contains numerous forward-looking statements which are based on the Company's assumptions, expectations and intentions. Such statements are indicated by words like "expect", "assume", "intend" or similar wording. These statements are based on the information currently available to management and on the prevailing framework conditions. These may change at any time. The Company accepts no liability that the expectations and assumptions expressed in this report will in fact turn out to be correct in the future. The Company also undertakes no obligation to update any of its forward-looking statements, in order to adjust them to developments after publication of this Quarterly Statement.

## Publication

This Quarterly Statement was published on 29 February 2024. The document is also available in German. In the event of any discrepancies, the German version shall be authoritative and prevail over the English translation.

In the interest of sustainability, the Company's quarterly statements are not available in printed form. All of our quarterly statements are available online in PDF format.

## Rounding, language and formatting

Due to rounding, individual figures in this document and in other documents may not correspond exactly to the totals stated and percentages shown may not exactly reflect the absolute values to which they relate.

Where the masculine form is used in this document, the information nevertheless refers to all persons (male, female, diverse).

## Imprint

Website: [schott-pharma.com](https://schott-pharma.com)

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