Inspired by patients.
Driven by science.

Key modelling data for UCB full-year results 2023 and reminders for 2024

As of January 15, 2024

The UCB IR Team has compiled the following items to assist capital market participants in preparation of the upcoming full-year results 2023 publication, scheduled for February 28, 2024.

This document contains forward-looking statements, including, without limitation, statements containing the words "potential", "believes", "anticipates", "expects", "intends", "plans", "seeks", "estimates", "may", "will", "continue" and similar expressions. These forward-looking statements are based on current plans, estimates and beliefs of management. All statements, other than statements of historical facts, are statements that could be deemed forward-looking statements, including estimates of revenues, operating margins, capital expenditures, cash, other financial information, expected legal, arbitration, political, regulatory or clinical results or practices and other such estimates and results. By their nature, such forward-looking statements are not guaranteeing future performance and are subject to known and unknown risks, uncertainties, and assumptions which might cause the actual results, financial condition, performance or achievements of UCB, or industry results, to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements contained in this document.

Important factors that could result in such differences include but are not limited to: global spread and impacts of wars and pandemics, changes in general economic, business and competitive conditions, the inability to obtain necessary regulatory approvals or to obtain them on acceptable terms or within expected timing, costs associated with research and development, changes in the prospects for products in the pipeline or under development by UCB, effects of future judicial decisions or governmental investigations, safety, quality, data integrity or manufacturing issues; potential or actual data security and data privacy breaches, or disruptions of our information technology systems, product liability claims, challenges to patent protection for products or product candidates, competition from other products including biosimilars, changes in laws or regulations, exchange rate fluctuations, changes or uncertainties in tax laws or the administration of such laws, and hiring and retention of its employees. There is no guarantee that new product candidates will be discovered or identified in the pipeline, or that new indications for existing products will be developed and approved. Movement from concept to commercial product is uncertain; preclinical results do not guarantee safety and efficacy of product candidates in humans. So far, the complexity of the human body cannot be reproduced in computer models, cell culture systems or animal models. The length of the timing to complete clinical trials and to get regulatory approval for product marketing has varied in the past and UCB expects similar unpredictability going forward. Products or potential products which are the subject of partnerships, joint ventures or licensing collaborations may be subject to disputes between the partners or may prove to be not as safe, effective or commercially successful as UCB may have believed at the start of such partnership. UCB's efforts to acquire other products or companies and to integrate the operations of such acquired companies may not be as successful as UCB may have believed at the moment of acquisition. Also, UCB or others could discover safety, side effects or manufacturing problems with its products and/or devices after they are marketed. The discovery of significant problems with a product similar to one of UCB's products that implicate an entire class of products may have a material adverse effect on sales of the entire class of affected products. Moreover, sales may be impacted by international and domestic trends toward managed care and health care cost containment, including pricing pressure, political and public scrutiny, customer and prescriber patterns or practices, and the reimbursement policies imposed by third-party payers as well as legislation affecting biopharmaceutical pricing and reimbursement activities and outcomes. Finally, a breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of UCB's data and systems.

Given these uncertainties, the public is cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements are made only as of the date of this document, and do not reflect any potential impacts from the evolving conflicts, wars, pandemics, as well as any other adversity, unless indicated otherwise. The company continues to follow the development diligently to assess the financial significance of these events, as the case may be, to UCB.

UCB expressly disclaims any obligation to update any forward-looking statements in this document, either to confirm the actual results or to report or reflect any change in its forward-looking statements with regard thereto or any change in events, conditions or circumstances on which any such statement is based, unless such statement is required pursuant to applicable laws and regulations.

Half-Year 2023 results

Latest data here

Guidance 2023

Revenue: €5.15 - 5.35bn
Adjusted EBITDA: 22.5 - 23.5%
Core EPS: €3.40 - 3.80
R&D expenses flat in absolute terms
Tax rate expected around 20%
Guidance includes €145mn from BD activities in Q1/2023 (see below)

Main drivers for guidance 2023

Underlying performance of the existing product portfolio,
FINTEPLA® sales growth, VIMPAT® annualized loss of exclusivity effects
Continued investments into several launches, inflation impacts
Zogenix acquisition becoming earnings accretive

Guidance 2025

Revenue: at least €6bn
Adjusted EBITDA: low- to mid-thirties %
Improved ESG rating performance

Consensus

Latest VisibleAlpha consensus available on our website

bimekizumab/BIMZELX®

Global peak sales guidance of >€4bn announced in October 2023
Reaching over 15,000 patients as of Q4 2023

US: Approved for Psoriasis (PSO) in October, launched in November; Submissions for Psoriatic Arthritis (PsA), Ankylosing Spondylitis (AS), non-radiographic Axial Spondylarthritis (nr-axSpA) and Hidradenitis Suppurativa (HS) in progress and will be announced upon filing acceptance
EU: Launched for PSO; PsA and axial Spondyloarthritis (AS & nr-axSpA) approved in June; HS under review in the EU with feedback expected in H1/2024
Japan: Launched for PSO; Approved for PsA, AS and nr-axSpA in December; Filed for HS in Q4/2023

New 3-year data for PSO and real-world data presented in October
52-week data for PsA in TNFi refractory patients presented in June
5-year data for AS presented in November
HS phase 3 data presented in March, with further details presented in October

brivaracetam/BRIVIACT®

US: Loss of exclusivity February 2026[1]
EU: Loss of exclusivity August 2026[1]
Japan: Filed for Epilepsy in Q3/2023

CIMZIA®

Peak sales guidance: >€2.0bn by 2024 – achieved in 2022
US: Loss of exclusivity February 2024[1]
EU: Loss of exclusivity October 2024[1]
Current assumption for first possible biosimilar market entry: Early 2027 (no listing on clinicaltrials.gov as of now)
Data on Rheumatoid Arthritis (RA) patients with high Rheumatoid Factor (RF) levels presented in November

EVENITY®

Evenity is being developed and commercialized in collaboration with Amgen globally, as well as with Astellas in Japan
UCB books the EU sales and EU OPEX, Amgen books US, Japan and RoW sales, details on slide 23 in our Facts & Figures
50/50 net profit split booked in "Other operating income"
Amgen reported Q3/2023 net sales of US$ 307mn (Slide 10 in Amgen's Q3 presentation), sales annualizing at >US$ 1bn

FINTEPLA®

Approved in EU for treatment of Lennox-Gastaut syndrome (LGS) in February
Japan: Filed for LGS in Q2/2023

NEUPRO®

Sales now included in "Established Brands", after loss of exclusivity in 2021
US: Loss of reformulation patent in April
EU: Generic competition since Q4 2023

rozanolixizumab/RYSTIGGO®

US: Approved for generalized Myasthenia Gravis (gMG) in June following priority review by FDA, launched in July
EU: Approved for generalized Myasthenia Gravis (gMG) in January 2024 following Positive CHMP opinion in November
Japan: Approved for gMG in September

VIMPAT®

US: Loss of exclusivity March 2022
Sales erosion approximately -80% over the first 12 months as expected
EU: Loss of exclusivity September 2022
Sales erosion faster than original expectation of -50% over the first 24 months

zilucoplan/ZILBRYSQ®

US: Approved for gMG in September
EU: Approved for gMG in December
Japan: Approved for gMG in September
Global launches starting Q1/2024

M&A and BD activities

Sale of an established brands portfolio of 5 prescription medicines, in a variety of non-core therapeutic categories commercialized in Europe, for €145mn in Q1/2023. This sale is included in the guidance for 2023.

Tax outlook beyond 2023

OECD minimum tax rate of 15% will come into effect in 2024.
Existing R&D incentive regimes are expected to allow UCB to be effectively taxed at 15% in R&D supportive countries (minimum rate), while taxation in countries with higher headline tax rate (e.g., US) will remain in place
Together with tax losses carried forward (>€ 4bn as of end 2022, page 267 in our Integrated Annual Report 2022), UCB expects maintaining an effective tax rate between 15% and 20% in 2024 and 2025.
As of 2026, we expect the tax rate to stabilize around 20%.

Debt financing

In November, UCB successfully completed the offer for a €300mn retail bond with a maturity of 6 years.

ESG

Commitment to Net Zero emissions in June

Pipeline

Pipeline on our website
Uate due February 28, 2024

[1] Loss of exclusivity dates are indicative.