

RNS Number : 3236H  
Animalcare Group PLC  
27 July 2023

**ANIMALCARE GROUP PLC**  
**("Animalcare" or the "Group" or the "Company")**

**Half Year Trading Update and Notice of Interim Results**

**27 July 2023.** Animalcare Group plc (AIM: ANCR), the international animal health business, provides the following unaudited trading update for the six months ended 30 June 2023 ahead of publishing its interim results on 26 September 2023.

**Trading overview**

Animalcare is pleased to report strong gross margins and improved cash generation in the first half of 2023 during a period of some moderation in veterinary demand across Europe.

Revenues are expected to be approximately £36.7m for H1 2023 (vs. H1 2022: £38.3m), an overall c. 4% decline at AER (c. 7% decline at CER) for the period. However, the Board remains confident that the Group will deliver revenue in line with market expectations for this full year and demonstrate revenue growth versus 2022.

Companion Animals sales benefited from an enthusiastic customer response to the recently launched Plaqtiv+ oral health range and increased momentum from the Identicare business. This was offset by wholesaler destocking in certain territories and phasing of customer orders, the latter also impacting our International Partners revenues in respect of Production Animals products. Equine sales increased during the period in which we took Danilon, one of our largest brands, back into the UK business. The Group continues to invest in sales and marketing activities to drive Daxocox uptake.

We expect underlying EBITDA margin to be ahead of FY 2022 (18.3%) through a combination of strong gross margins and disciplined management and allocation of SG&A costs as the Group continues to gain from its strategic focus on a more streamlined portfolio of profitable products.

As anticipated, cash conversion rate improved markedly to approximately 50% leading to a further reduction in net debt to around £4.0m as of 30 June 2023 (31 December 2022: £5.4m), comfortably below the target leverage ratio of one to two times underlying EBITDA. This equips Animalcare with the financial strength and flexibility to continue the pursuit of value-creating opportunities through M&A, partnerships and pipeline deals such as the VHH antibody research alliance with Orthros Medical.

**Jenny Winter, Chief Executive Officer said:** *"Animalcare made positive progress on margins and cash conversion, despite some moderation in demand during the first half, and we continue to expect revenue growth for the full year. Looking further ahead, we remain confident in the prospects of the Group and the long-term fundamentals of the animal health sector and continue to employ our strong financial position to invest in drivers of growth."*

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.*

Supplied by © Euroland.com  
Terms of Service | Cookie Policy

**Animalcare Group plc**

Jenny Winter, Chief Executive Officer  
Chris Brewster, Chief Financial Officer

+44 (0)1904 487 687  
[communications@animalcaregroup.com](mailto:communications@animalcaregroup.com)

**Stifel Nicolaus Europe Limited**

(Nominated Adviser & Joint Broker)

Ben Maddison  
Nick Adams  
Nicholas Harland  
Francis North

+44 (0)20 7710 7600

**Panmure Gordon**

(Joint Broker)

*Corporate Finance*

Freddy Crossley/Emma Earl

*Corporate Broking*

Rupert Dearden

+44 (0)20 7886 2500

**About Animalcare** [www.animalcaregroup.com](http://www.animalcaregroup.com)

Animalcare Group plc is a UK AIM-listed international development-focused veterinary sales and marketing organisation. Animalcare operates in seven countries and exports to approximately 40 countries in Europe and worldwide. The Group is focused on bringing new and innovative products to market through its own development pipeline, partnerships and via acquisition.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [rns@lseg.com](mailto:rns@lseg.com) or visit [www.rns.com](http://www.rns.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

TSTMZGZNNVLGFZM