

GALDERMA

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PRESS RELEASE

Galderma delivers record net sales of 3.259 B USD in the first nine months of 2024, demonstrates significant innovation progress, confirms and narrows its full year net sales guidance

Ad hoc announcement pursuant to Art. 53 LR

Zug, Switzerland, October 24, 2024 – Galderma Group AG (SIX:GALD), the pure-play dermatology category leader, today announced its sales performance for the first nine months of 2024, reporting record net sales and significant progress across its product categories and key future growth drivers.

- **Record net sales:** Achieved 3.259 billion USD in net sales during the first nine months of 2024, up +9.2% year-on-year in constant currency¹, predominantly driven by volume growth, complemented by favorable mix. Galderma also achieved the highest third quarter net sales in its history
- **Broad-based growth:** Continued performance across all product categories with sustained double-digit growth in Injectable Aesthetics and Dermatological Skincare, with constant currency year on-year growth of 10.6% for Injectable Aesthetics, 10.6% for Dermatological Skincare, and 2.9% for Therapeutic Dermatology for the first nine months of 2024
- **Focused strategic execution:** Continued progress against the company's growth-focused Integrated Dermatology Strategy, advancing all its product categories and future growth drivers through key approvals and bringing to market new products, including Nemluvio® (nemolizumab) for adult patients with prurigo nodularis in the U.S.
- **New promising clinical data:** Reaffirmed commitment to leading in dermatology with the release of new data, including nemolizumab late-breaking results from ARCADIA and OLYMPIA clinical trial programs in atopic dermatitis and prurigo nodularis
- **2024 full year guidance confirmed and narrowed on net sales:** Full year net sales growth expected to be in the range of 8.8-9.5% year-on-year at constant currency (previously expected towards the upper end of the 7-10% growth range at constant currency), and for Core EBITDA margin expected to be in line with 2023 at constant currency

“By executing on our unique Integrated Dermatology Strategy, Galderma continues its strong growth trajectory, driven by momentum behind our science-based premium brands. The exciting progress with our late-stage pipeline with key regulatory approvals and differentiated innovations positions Galderma for continued strong growth. Combined with our high-performing commercial execution and increasing penetration in existing and new key markets, this sets the stage for further growth acceleration and value creation.”

FLEMMING ØRNSKOV, M.D., MPH
CHIEF EXECUTIVE OFFICER
GALDERMA

Delivering strong commercial performance

In the first nine months of 2024, Galderma achieved record net sales of 3.259 billion USD, representing year-on-year net sales growth of 9.2% at constant currency, primarily driven by volume growth, complemented by favorable mix.

Net sales growth was widespread across product categories and geographies. All product categories grew, with notable sustained double-digit growth in Injectable Aesthetics and Dermatological Skincare.

Growth is increasingly driven by Galderma's larger reporting geography, International, representing 59% of Group sales at the end of the nine-month period and where Galderma remains underpenetrated. International markets maintained double-digit growth momentum fueled by strong performance across major markets, with, notably, China continuing its strong trajectory across both Injectable Aesthetics and Dermatological Skincare. The U.S. grew single digits during the first nine months of the year despite a softer market environment, impacted by the continued softness in Fillers and more cautious consumer consumption in the Dermatological Skincare market segment.

Injectable Aesthetics

Injectable Aesthetics net sales for the first nine months of the year were 1,698 million USD, with year-on-year growth of 10.6% at constant currency.

Both Injectable Aesthetics sub-categories achieved double-digit growth. Neuromodulators net sales were 926 million USD, up 10.4% year-on-year at constant currency, while Fillers and Biostimulators net sales were 772 million USD, up 10.9% year-on-year at constant currency.

Growth for the product category was supported by strong performance in both International markets and the U.S., noting that International continued its double-digit growth trajectory. Neuromodulators experienced particularly strong demand in Europe and Latin America, while Fillers was impacted with market softness despite some markets with strong growth such as in Asia Pacific. Biostimulators continued its strong, broad-based growth trajectory supported by the successful Sculptra® launch in Thailand earlier this year and strong demand across key markets, with notable outperformance in the Middle East.

Dermatological Skincare

Dermatological Skincare net sales for the first nine months of the year were 990 million USD, growing by 10.6% year-on-year at a constant currency basis.

Growth was driven by its two flagship brands, Cetaphil® and Alastin®. Cetaphil growth was particularly strong in International markets more than offsetting lower consumer consumption in the U.S., while Alastin continued its strong U.S. growth across channels.

Therapeutic Dermatology

Therapeutic Dermatology net sales for the first nine months of the year were 571 million USD, with year-on-year growth of 2.9% on a constant currency basis.

Growth was mainly driven by continued momentum in International markets, which offset the anticipated decline in the U.S., impacted by ongoing genericization. In addition, Galderma recorded its first sales for Nemludio® (nemolizumab), which was made available in August after the U.S. Food and Drug Administration (FDA) approval with priority review for adults with

prurigo nodularis. This represents an important milestone, which sets Galderma up for strong growth in Therapeutic Dermatology and in the U.S..

Q3 highlights: making significant headway across all product categories and future growth drivers

Galderma continued to make strong progress during the third quarter of 2024 across its product categories, securing key regulatory approvals and launching new products expected to further fuel its growth trajectory.

In Injectable Aesthetics, Galderma completed its European decentralized procedure (DCP), resulting in a positive decision for Relfydess™ (RelabotulinumtoxinA, previously referred to as QM1114). Relfydess is indicated for the temporary improvement in the appearance of moderate-to-severe glabellar lines (frown lines) at maximum frown and lateral canthal lines (crow's feet) seen at maximum smile, alone or in combination, in adult patients under 65 years, when the severity of these lines has an important psychological impact on the patient. Following the successful completion of the DCP, national approvals in the 16 concerned countries are now under finalization with approvals already received in five European markets as well as in Australia. As a further update to neuromodulators, the arbitration proceeding initiated by Galderma against Ipsen at the International Chamber of Commerce (ICC) related to the territorial scope of the Azzalure® and Dysport® commercial partnership under the 2007 European development and distribution agreement has now been completed. The Tribunal of the ICC issued a final award in October 2024, reaffirming the scope of Galderma's exclusive distribution rights with respect to Azzalure and Dysport. The award confirmed Galderma's rights to commercialize Azzalure and Dysport in certain additional countries, including in Eastern Europe and Central Asia, that had been in dispute between the parties but dismissed Galderma's claim for monetary compensation related to the timing of the transfer of such rights. Galderma and Ipsen continue to work in close partnership to grow Azzalure and Dysport sales in the territories of their commercial alliance.

In the biostimulator sub-category of Injectable Aesthetics, Galderma received approval for Sculptra in China, one of the world's fastest growing aesthetics markets. As the first and original biostimulator, with a unique PLLA-SCA™ formulation that activates the skin's natural power to revitalize collagen production for a more youthful appearance, Sculptra further completes our portfolio offering in China.

In Dermatological Skincare, Galderma continued to invest behind Cetaphil's growth, with a re-energized brand, focused retailer execution, and a digital-first activation. This included upgraded placement in Walmart in the U.S. with a multi-channel activation. Galderma also introduced in the U.S. the new Cetaphil Gentle Exfoliating line to provide gentle chemical exfoliation that is suitable for daily use, even on the most sensitive skin. The launch campaign of this new Cetaphil line, developed with dermatologists, featured Gen-Z influencer Katie Fang, as part of its strengthened advocacy-driven strategy. In the peri-procedure skincare category, Alastin continued its focused execution in the U.S., along with further expanding its international footprint with the launch of Alastin in Brazil and Colombia in September.

In Therapeutic Dermatology, the U.S. FDA approved Nemluvio (nemolizumab) as a pre-filled pen for subcutaneous injection for the treatment of adults with prurigo nodularis. Nemluvio was granted Breakthrough Therapy Designation in December 2019 and Priority Review in February 2024 by the U.S. FDA, a status reserved for medicines with the potential to significantly improve the treatment of serious conditions. Following approval, Nemluvio was administered in the first patient within two days and has since been prescribed by approximately 1,100 healthcare professionals for this rare condition. Nemluvio is also under review by the U.S. FDA for the treatment of adults with moderate-to-severe atopic dermatitis, with a decision anticipated later this year. Marketing authorization applications for Nemluvio in both prurigo nodularis and atopic dermatitis are currently under review by multiple regulatory authorities, including the European

Medicines Agency and Health Canada, as well as in Australia, Singapore, Switzerland, and the United Kingdom, via the Access Consortium framework.

Further differentiating the broadest dermatology portfolio with breakthrough science

Galderma reaffirmed its leadership in dermatology with a strong presence at key industry events, showcasing its innovative, science-based portfolio that spans the full spectrum of the fast-growing dermatology market.

At the 33rd European Academy of Dermatology and Venereology (EADV) Congress, Galderma presented 30 abstracts featuring data on prurigo nodularis, atopic dermatitis, sensitive skin and acne. This included late-breaking data from the ARCADIA and OLYMPIA clinical trial programs investigating nemolizumab in atopic dermatitis and prurigo nodularis. These new findings build on previously published results from the robust phase III ARCADIA and OLYMPIA clinical trial programs and demonstrate nemolizumab's long-term efficacy and safety in atopic dermatitis and durability in prurigo nodularis.

Full results from nemolizumab's phase III ARCADIA 1 and 2 clinical trials in atopic dermatitis were published in *The Lancet*. These trials evaluated the efficacy and safety of nemolizumab in combination with background topical corticosteroids (TCS), with or without topical calcineurin inhibitors (TCI), versus placebo in combination with TCS, with or without TCI, in adolescent and adult patients with moderate-to-severe atopic dermatitis. The trials met their co-primary and all key secondary endpoints, showing that nemolizumab significantly improved skin lesions, itch and sleep disturbance by Week 16 when compared to placebo, with significant itch relief observed as early as Week 1.

Galderma also announced a memorandum of understanding with L'Oréal in August 2024 to work towards a new research and development collaboration. The partnership being explored, with discussions ongoing and progressing well, would focus on complementary research projects aimed at developing advanced, future-proof technologies with direct applications in dermatology. At the same time, Galderma welcomed L'Oréal as a new shareholder with its acquisition of a 10% stake in Galderma, following an agreement between Sunshine SwissCo AG (a consortium led by EQT), Abu Dhabi Investment Authority (ADIA) and Auba Investment Pte. Ltd.

Strengthening Galderma's financial profile

Underscoring its continued strong performance and momentum since its Initial Public Offering (IPO) in March 2024, Galderma was added to the Swiss Market Index Mid (SMIM), which lists the 30 next most liquid and largest equity instruments traded at SIX that are not in SMI, as well as to the FTSE Global Equity Index Series (GEIS), both effective from September 23, 2024. These listings further highlight Galderma's growing prominence in the market, adding to its earlier inclusion in the MSCI World Index and STOXX Europe 600 Index.

In addition, Galderma successfully issued an inaugural bond with a total amount of CHF 500 million through a dual tranche offering, the net proceeds of which were used for the partial refinancing of its existing Bank Term Loan issued at IPO and general purposes. The issuance was leverage-neutral and doesn't affect the leverage and interest cash expense for the second half of 2024, as communicated on July 25, 2024.

Confirming full year guidance

In light of the strong performance achieved in the first nine months of the year and expected for the last quarter of the year, Galderma is confirming and narrowing its net sales full year guidance to a net sales growth of 8.8-9.5% year-on-year at constant currency, which was

previously raised towards the upper end of the 7-10% growth range at constant currency. Full year Core EBITDA margin is confirmed to be in line with 2023 at constant currency.

Webcast details

Galderma will host its financial results call today at 14:00 CEST to discuss nine-month results and respond to questions from financial analysts. Investors and the public may access the webcast by registering on the Galderma Investor Relations website at <https://investors.galderma.com/events-presentations>.

Appendix

Net sales by product category and geography

<i>In million USD</i>	First 9 months net sales		Year-on-year growth	
	2023	2024	Constant currency	Reported
Group total	3,009	3,259	9.2%	8.3%
<i>By product category</i>				
Injectable Aesthetics	1,552	1,698	10.6%	9.4%
Neuromodulators	845	926	10.4%	9.7%
Fillers & Biostimulators	707	772	10.9%	9.1%
Dermatological Skincare	900	990	10.6%	10.0%
Therapeutic Dermatology	557	571	2.9%	2.5%
<i>By geography</i>				
International	1,697	1,914	14.5%	12.8%
U.S.	1,313	1,345	2.5%	2.5%

Notes and references

1. Constant currency year-on-year growth is defined as the annual growth rate of net sales excluding the impact of exchange rates movements and excluding hyperinflation economies. The impact of changes in foreign exchange rates are excluded by translating all reported revenues during the two periods at average exchange rates in effect during the previous year.

Forward-looking statements

Certain statements in this announcement are forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "plans", "targets", "aims", "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "continues", "should" and similar expressions. These forward-looking statements reflect, at the time, Galderma's beliefs, intentions and current targets/ aims concerning, among other things, Galderma's results of operations, financial condition, industry, liquidity, prospects, growth and strategies and are subject to change. The estimated financial information is based on management's current expectations and is subject to change. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial consequences of the plans and events described herein. Actual results may differ from those set forth in the forward-looking statements as a result of various factors (including, but not limited to, future global economic conditions, changed market conditions, intense competition in the markets in which Galderma operates, costs of compliance with applicable laws, regulations and standards, diverse political, legal, economic and other conditions affecting Galderma's markets, and other factors beyond the control of Galderma). Neither Galderma nor any of their respective shareholders

(as applicable), directors, officers, employees, advisors, or any other person is under any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak of the date of this announcement. Statements contained in this announcement regarding past trends or events should not be taken as a representation that such trends or events will continue in the future. Some of the information presented herein is based on statements by third parties, and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, reasonableness, accuracy, completeness or correctness of this information or any other information or opinions contained herein, for any purpose whatsoever. Except as required by applicable law, Galderma has no intention or obligation to update, keep updated or revise this announcement or any parts thereof.

About Galderma

Galderma (SIX: GALD) is the pure-play dermatology category leader, present in approximately 90 countries. We deliver an innovative, science-based portfolio of premium flagship brands and services that span the full spectrum of the fast-growing dermatology market through Injectable Aesthetics, Dermatological Skincare and Therapeutic Dermatology. Since our foundation in 1981, we have dedicated our focus and passion to the human body's largest organ – the skin – meeting individual consumer and patient needs with superior outcomes in partnership with healthcare professionals. Because we understand that the skin we are in shapes our lives, we are advancing dermatology for every skin story. For more information: www.galderma.com

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