Financial Reporting

Alternative performance measures 2026

Definitions of alternative performance measures

The annual report, the half year report and other communication to investors contain certain financial performance measures, which are not defined by IFRS Accounting Standards. In addition to information based on IFRS Accounting Standards, management uses these alternative performance measures to assess the financial and operational performance of the Group. Management believes that these non-IFRS financial performance measures provide useful information regarding Galenica's financial and operational performance. Alternative performance measures are used in Galenica's value-based management as the basis for management's incentive and remuneration schemes. Such measures may not be comparable to similar measures presented by other companies. The main alternative performance measures used by Galenica are explained and/or reconciled with the IFRS Accounting Standards measures in this section.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. Totals are calculated using the underlying amount rather than the presented rounded number.

IAS 19 – Employee benefits

The pension plans of Galenica are organised in legally independent pension funds and are based purely on the defined contribution principle as stated in the Swiss «BVG» law. Nevertheless, Galenica's pension plans are classified as defined benefit pension plans under IAS 19. For this reason, Galenica evaluates its performance by adjusting personnel costs as if those plans were defined contribution plans (adjustments for the effects of IAS 19). Furthermore any compensation payments to the pension funds resulting from the integration of acquired companies into the Galenica pension fund are included under this item.

IFRS 16 – Leases

With its large network of retail pharmacies, IFRS 16 has a significant impact on Galenica's income statement, balance sheet and cash flow statement. Galenica adjusts its financial statements for comparability by treating lease agreements as operating leases. All lease expenses are shown evenly under other operating costs, while depreciation, interest on lease liabilities and the corresponding tax effects are removed.

IFRS 3 - Acquisition-related amortisation

Following the acquisition of Diagnostic Group (Labor Team) in financial year 2025, Galenica’s profitability is significantly affected by acquisition-related amortisation of intangible assets such as customer relationships, trademarks or other intangible assets. As these charges do not reflect operational value creation of the acquired business, they are excluded from the alternative performance measures.

One-off effect - Revaluation of associates and joint ventures

Galenica occasionally carries out step acquisitions, which require a revaluation of the previously held investments. Such revaluations as well as other value changes or impairments of investments in associates and joint ventures do not affect operational value creation, they are consequently excluded from the alternative performance measures. No revaluations of associates and joint ventures have been recognised in the first half year 2026.

One-off effect - Gains and losses related to the disposal or closure of business units

The discontinuation of the production activities at Bichsel have a significant impact on Galenica’s results. As these effects are not related to Galenica’s continuing business operations, they are excluded from the alternative performance measures.

Organic growth of net sales

Organic growth of net sales shows the development of net sales for the operating segments Products & Care and Logistics & IT excluding the effects of acquisitions, new license agreements, openings and closures of pharmacies (effect of net expansion). It provides a "like-for-like" comparison with previous periods. In the business area "Pharmacies Omni-Channel", organic growth of net sales is calculated only including points of sales with a full year period comparison. In the other business areas, organic growth of net sales is calculated only including existing business activities with a full year period comparison.

The reporting of net sales has been adjusted to the changed organisational and management structure. For comparability, net sales for the previous period has been adjusted.

Logistics & IT - Organic growth of net sales first half of 2026

in thousand CHF	Wholesale	Logistics & IT Services	**Logistics & IT** [1]
Net sales	1,647,250	38,867	**1,684,913**
Change to previous period	4.3%	−0.8%	**4.2%**
Effect of net expansion	–	–	**–**
In % of net sales of previous period	0.0%	0.0%	**0.0%**
Net sales excluding effect of net expansion	**1,647,250**	**38,867**	**1,684,913**
Organic growth of net sales	**4.3%**	**−0.8%**	**4.2%**

1) Including eliminations of intercompany net sales

Products & Care - Organic growth of net sales first half of 2026

in thousand CHF	Pharmacies Omni-Channel	Products & Brands	Services & Production	Diagnostics	**Products & Care** [1]
Net sales	756,902	91,181	63,377	62,157	**967,197**
Change to previous period	6.2%	−9.8%	9.4%		**11.5%**
Effect of net expansion	13,786 [2]	–	–	62,157 [3]	**75,943**
In % of net sales of previous period	1.9%	0.0%	0.0%		**8.8%**
Net sales excluding effect of net expansion	**743,116**	**91,181**	**63,377**	**–**	**891,254**
Organic growth of net sales	**4.3%**	**−9.8%**	**9.4%**		**2.7%**

1) Including eliminations of intercompany net sales
2) The effect of net expansion is calculated only including point of sales and business activities without a full year period comparison (acquisitions, openings and closure of pharmacies)
3) The effect of net expansion is calculated only including business activities without a full year period comparison (acquisitions and new license agreements)

Logistics & IT - Organic growth of net sales first half of 2025 (restated)

in thousand CHF	Wholesale	Logistics & IT Services	**Logistics & IT** [1]
Net sales	1,579,581	39,199	**1,617,621**
Change to previous period	5.6%	1.8%	**5.5%**
Effect of net expansion	–	–	**–**
In % of net sales of previous period	0.0%	0.0%	**0.0%**
Net sales excluding effect of net expansion	**1,579,581**	**39,199**	**1,617,621**
Organic growth of net sales	**5.6%**	**1.8%**	**5.5%**

1) Including eliminations of intercompany net sales

Products & Care - Organic growth of net sales first half of 2025 (restated)

in thousand CHF	Pharmacies Omni-Channel	Products & Brands	Services & Production	**Products & Care** [1]
Net sales	712,957	101,069	57,931	**867,330**
Change to previous period	5.2%	0.7%	4.3%	**4.6%**
Effect of net expansion	11,691 [2]	5,266 [3]	–	**16,957**
In % of net sales of previous period	1.7%	5.2%	0.0%	**2.0%**
Net sales excluding effect of net expansion	**701,266**	**95,804**	**57,931**	**850,373**
Organic growth of net sales	**3.5%**	**–4.5%**	**4.3%**	**2.6%**

1) Including eliminations of intercompany net sales
2) The effect of net expansion is calculated only including point of sales without a full year period comparison (acquisitions, openings and closure of pharmacies)
3) The effect of net expansion is calculated only including business activities without a full year period comparison (acquisitions and new license agreements)

Adjusted consolidated statement of income

Galenica's consolidated statement of income is adjusted as described in the section definitions of alternative performance measures.

Adjusted consolidated statement of income first half of 2026

in thousand CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjustments IFRS 3	One-off effects [3]	Adjusted
Net sales	**2,136,454**	**–**	**–**	**–**	**–**	**2,136,454**
Products & Care [1]	967,197	–	–	–	–	967,197
Logistics & IT [1]	1,684,913	–	–	–	–	1,684,913
Other income	6,821	–	–	–	–	6,821
Operating income	**2,143,275**	**–**	**–**	**–**	**–**	**2,143,275**
Cost of goods	−1,526,316	–	–	–	1,979	−1,524,338
Personnel costs	−332,908	−4,243	–	–	6,429	−330,723
Other operating costs	−117,256	–	−31,100	–	6,856	−141,500
Share of profit from associates and joint ventures	4,772	−234	9	1	–	4,548
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**171,566**	**−4,477**	**−31,091**	**1**	**15,263**	**151,263**
Products & Care [1]	121,637	–	−30,040	1	15,263	106,861
Logistics & IT [1]	33,506	–	−1,051	–	–	32,455
Group Services [1]	12,229	–	–	–	–	12,229
Depreciation, amortisation and impairment	−83,349	–	29,155	5,432	15,182	−33,579
Earnings before interest and taxes (EBIT)	**88,218**	**−4,477**	**−1,937**	**5,434**	**30,445**	**117,683**
Return on sales (ROS) [2]	4.1%	−0.2%	−0.1%	0.3%	1.4%	5.5%
Products & Care [1]	59,302	–	−1,899	5,434	30,445	93,282
Return on sales (ROS) [2]	6.1%	0.0%	−0.2%	0.6%	3.1%	9.6%
Logistics & IT [1]	25,310	–	−37	–	–	25,272
Return on sales (ROS) [2]	1.5%	0.0%	0.0%	0.0%	0.0%	1.5%
Group Services [1]	−696	–	–	–	–	−696
Net financial result	−7,853	−77	1,395	–	–	−6,534
Earnings before taxes (EBT)	**80,365**	**−4,554**	**−541**	**5,434**	**30,445**	**111,149**
Income taxes	−13,090	775	94	−777	−6,272	−19,270
Profit from continuing operations	**67,275**	**−3,778**	**−447**	**4,657**	**24,173**	**91,880**
Result from discontinued operations	−402	–	–	–	–	−402
Net Profit	**66,872**	**−3,778**	**−447**	**4,657**	**24,173**	**91,477**
Attributable to:						
− Shareholders of Galenica Ltd.	66,353	−3,778	−449	4,515	24,173	90,814
− Non-controlling interests	519	–	1	142	–	663

1) Reported for each operating segment not taking into account eliminations
2) Calculated as EBIT divided by net sales
3) One-off effects from the discontinuation of the production activities at Bichsel

in CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjustments IFRS 3	One-off effects	Adjusted
Earnings per share from continuing operations	1.34	−0.08	−0.01	0.09	0.48	1.83
Diluted earnings per share from continuing operations	1.34	−0.08	−0.01	0.09	0.48	1.83

Adjusted consolidated statement of income first half of 2025 (restated)

in thousand CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjusted
Net sales	**1,995,365**	**–**	**–**	**1,995,365**
Products & Care [1]	867,330	–	–	867,330
Logistics & IT [1][3]	1,617,621	–	–	1,617,621
Other income	8,515	–	–	8,515
Operating income	**2,003,880**	**–**	**–**	**2,003,880**
Cost of goods	−1,444,527	–	–	−1,444,527
Personnel costs	−304,740	2,578	–	−302,162
Other operating costs	−93,661	–	−28,127	−121,789
Share of profit from associates and joint ventures	2,949	12	−55	2,906
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**163,901**	**2,590**	**−28,182**	**138,309**
Products & Care [1][3]	118,149	–	−27,122	91,027
Logistics & IT [1][3]	38,219	–	−1,055	37,164
Group Services [1][3]	10,482	–	−5	10,477
Depreciation, amortisation and impairment	−55,126	–	26,731	−28,395
Earnings before interest and taxes (EBIT)	**108,774**	**2,590**	**−1,451**	**109,914**
Return on sales (ROS) [2]	5.5%	0.1%	−0.1%	5.5%
Products & Care [1][3]	82,367	–	−1,416	80,951
Return on sales (ROS) [2][3]	9.5%	0.0%	−0.2%	9.3%
Logistics & IT [1][3]	30,206	–	−36	30,170
Return on sales (ROS) [2][3]	1.9%	0.0%	0.0%	1.9%
Group Services [1][3]	−913	–	1	−911
Net financial result	−2,272	−59	1,452	−880
Earnings before taxes (EBT)	**106,502**	**2,531**	**1**	**109,034**
Income taxes	−17,858	−453	−9	−18,321
Profit from continuing operations	**88,644**	**2,078**	**−8**	**90,713**
Result from discontinued operations	−9	–	–	−9
Net Profit	**88,635**	**2,078**	**−8**	**90,704**
Attributable to:				
– Shareholders of Galenica Ltd.	88,272	2,078	−9	90,340
– Non-controlling interests	363	–	1	364

1) Reported for each operating segment not taking into account eliminations
2) Calculated as EBIT divided by net sales
3) Figures restated (refer to note 3 of the Consolidated interim financial statements 2026 of the Galenica Group)

in CHF	As reported	Adjustments IAS 19	Adjustments IFRS 16	Adjusted
Earnings per share from continuing operations	1.77	0.04	–	1.81
Diluted earnings per share from continuing operations	1.77	0.04	–	1.81

Free cash flow

The free cash flow shows Galenica's capacity to pay dividends and repay debt. It provides information on the remaining cash and cash equivalents from the operating cash flow, reduced by all lease payments and after consideration of investment activities.

Free cash flow

in thousand CHF	1.1.–30.6.2026	1.1.–30.6.2025
Cash flow from operating activities before working capital changes	154,596	152,399
Payment of lease liabilities	−27,915	−26,558
Cash flow from operating activities before working capital changes adjusted	**126,681**	**125,842**
Working capital changes	−93,818	−43,465
Cash flow from operating activities adjusted	**32,863**	**82,377**
Cash flow from investing activities without M&A [1]	−38,037	−31,865
Free cash flow before M&A	**−5,174**	**50,512**
Cash flow from M&A [2]	−18,927	−34,378
Free cash flow	**−24,100**	**16,134**

1) Cash flow from investing activities without net cash flow from business combinations and net cash flow from sale of subsidiaries
2) Net cash flow from business combinations and net cash flow from sale of subsidiaries

CAPEX

in thousand CHF	1.1.–30.6.2026	1.1.–30.6.2025
Investments in property, plant and equipment	15,411	15,097
Investments in intangible assets	15,929	12,538
CAPEX	**31,340**	**27,635**

Cash conversion

	1.1.–30.6.2026	1.1.–30.6.2025
Cash conversion [1]	79.3%	80.0%

1) Calculated as EBITDA adjusted less CAPEX divided by EBITDA adjusted

Capital management

Galenica manages and monitors its capital at Group level. The objective is to ensure business continuity, enhance long-term enterprise value, provide appropriate returns to investors, and secure funding for future investments benefiting patients and customers.

Galenica defines the capital that it manages as invested interest-bearing liabilities and equity. Galenica uses a system of financial controls based on various key performance indicators. Capital is monitored, for example, based on the gearing, which expresses net debt as a percentage of shareholders' equity including non-controlling interests and is communicated regularly to management as part of internal reporting. The debt coverage expresses net debt as a multiple of adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA). Debt coverage ratio provides information about the creditworthiness of the Group. Galenica has no covenants requiring a minimum level of debt coverage.

Total assets and shareholders' equity are adjusted for the cumulative effects of the IAS 19, IFRS 16 and IFRS 3 adjustments and net debt is adjusted for lease liabilities.

Total assets

in thousand CHF	30.06.2026	30.06.2025
Total assets	**3,324,363**	**3,063,503**
Cumulative effects of IAS 19 adjustments	−2,285	−1,294
Cumulative effects of IFRS 16 adjustments	−221,210	−228,919
Cumulative effects of IFRS 3 adjustments	8,626	–
Total assets adjusted	**3,109,495**	**2,833,289**

Net debt

in thousand CHF	30.06.2026	30.06.2025
Current financial liabilities [1]	289,127	81,337
Current lease liabilities	54,975	53,460
Non-current financial liabilities [1]	589,311	519,816
Non-current lease liabilities	174,637	182,672
Cash and cash equivalents	−39,605	−67,068
Interest-bearing receivables	−1,891	−1,163
Net debt	**1,066,554**	**769,054**
Lease liabilities (current and non-current)	−229,612	−236,132
Net debt adjusted	**836,941**	**532,922**

1) Excluding non-interest-bearing financial liabilities

Shareholders' equity

in thousand CHF	30.06.2026	30.06.2025
Shareholders' equity	**1,414,955**	**1,446,305**
Cumulative effects of IAS 19 adjustments	14,973	12,410
Cumulative effects of IFRS 16 adjustments	5,311	5,791
Cumulative effects of IFRS 3 adjustments	7,395	–
Shareholders' equity adjusted	**1,442,634**	**1,464,505**

Equity ratio

	30.06.2026	30.06.2025
Equity ratio [1]	42.6%	47.2%
Equity ratio adjusted [2]	46.4%	51.7%

1) Calculated as shareholders' equity divided by total assets
2) Calculated as shareholders' equity adjusted divided by total assets adjusted

Gearing

	30.06.2026	30.06.2025
Gearing [1]	75.4%	53.2%
Gearing adjusted [2]	58.0%	36.4%

1) Calculated as net debt divided by shareholders' equity
2) Calculated as net debt adjusted divided by shareholders' equity adjusted

Debt coverage

	30.06.2026	30.06.2025
Debt coverage [1]	3.0 x	2.3 x
Debt coverage adjusted [2]	2.7 x	1.9 x

1) Calculated as net debt divided by moving annual total of the previous 12 months EBITDA
2) Calculated as net debt adjusted divided by moving annual total of the previous 12 months EBITDA adjusted

Consolidated interim financial statements 2026

Consolidated statement of income

in thousand CHF	1.1.–30.6.2026	1.1.–30.6.2025
Net sales	2,136,454	1,995,365
Other income	6,821	8,515
Operating income	**2,143,275**	**2,003,880**
Cost of goods	–1,526,316	–1,444,527
Personnel costs	–332,908	–304,740
Other operating costs	–117,256	–93,661
Share of profit from associates and joint ventures	4,772	2,949
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**171,566**	**163,901**
Depreciation, amortisation and impairment	–83,349	–55,126
Earnings before interest and taxes (EBIT)	**88,218**	**108,774**
Financial income	705	5,544
Financial expenses	–8,557	–7,816
Earnings before taxes (EBT)	**80,365**	**106,502**
Income taxes	–13,090	–17,858
Profit from continuing operations	**67,275**	**88,644**
Result from discontinued operations	–402	–9
Net profit	**66,872**	**88,635**
Attributable to:		
– Shareholders of Galenica Ltd.	66,353	88,272
– Non-controlling interests	519	363

in CHF	1.1.–30.6.2026	1.1.–30.6.2025
Earnings per share		
Earnings per share	1.33	1.77
Diluted earnings per share	1.33	1.77
Earnings per share from continuing operations		
Earnings per share from continuing operations	1.34	1.77
Diluted earnings per share from continuing operations	1.34	1.77

Unaudited figures

Consolidated statement of comprehensive income

in thousand CHF	1.1.–30.6.2026	1.1.–30.6.2025
Net profit	**66,872**	**88,635**
Translation differences	–54	–30
Items that may be reclassified subsequently to profit or loss	**–54**	**–30**
Remeasurement of net defined benefit plans	–4,233	6,345
Income taxes from remeasurement of net defined benefit plans	805	–1,142
Share of other comprehensive income from associates and joint ventures	–293	264
Loss on equity instruments at fair value through other comprehensive income	–2,224	–80,726
Income taxes from fair value measurement on equity instruments at fair value through other comprehensive income	1,832	241
Items that will not be reclassified to profit or loss	**–4,113**	**–75,017**
Other comprehensive income/(loss)	**–4,168**	**–75,048**
Comprehensive income	**62,705**	**13,587**
Attributable to:		
– Shareholders of Galenica Ltd.	62,185	13,224
– Non-controlling interests	519	363

Unaudited figures

Consolidated statement of financial position

in thousand CHF		30.06.2026		31.12.2025
Cash and cash equivalents		39,605		115,507
Trade and other receivables		629,502		526,776
Inventories		396,374		385,401
Prepaid expenses and accrued income		49,646		42,213
Current assets	**33.5%**	**1,115,128**	**32.4%**	**1,069,897**
Property, plant and equipment		255,596		274,420
Right-of-use assets		221,440		237,066
Intangible assets		1,429,905		1,413,869
Investments in associates and joint ventures		138,615		147,888
Financial assets		154,433		149,264
Deferred tax assets		9,245		4,735
Non-current assets	**66.5%**	**2,209,235**	**67.6%**	**2,227,243**
Assets	**100.0%**	**3,324,363**	**100.0%**	**3,297,140**
Financial liabilities		292,943		215,422
Lease liabilities		54,975		55,311
Trade and other payables		508,054		499,667
Income tax payables		21,913		30,934
Accrued expenses and deferred income		149,877		124,823
Provisions		14,846		6,782
Current liabilities	**31.4%**	**1,042,608**	**28.3%**	**932,939**
Financial liabilities		604,239		601,543
Lease liabilities		174,637		188,687
Deferred tax liabilities		67,373		71,157
Employee benefit liabilities		17,257		17,344
Provisions		3,294		468
Non-current liabilities	**26.1%**	**866,800**	**26.7%**	**879,200**
Liabilities	**57.4%**	**1,909,408**	**55.0%**	**1,812,138**
Share capital		5,000		5,000
Reserves		1,407,026		1,476,901
Equity attributable to shareholders of Galenica Ltd.		**1,412,026**		**1,481,901**
Non-controlling interests		2,929		3,100
Shareholders' equity	**42.6%**	**1,414,955**	**45.0%**	**1,485,002**
Liabilities and shareholders' equity	**100.0%**	**3,324,363**	**100.0%**	**3,297,140**

2026 figures are unaudited

Consolidated statement of cash flows

in thousand CHF	1.1.–30.6.2026	1.1.–30.6.2025
Profit from continuing operations	67,275	88,644
Income taxes	13,090	17,858
Depreciation, amortisation and impairment	83,349	55,126
Net loss on disposal of non-current assets	–78	–152
Increase in provisions and employee benefit assets and liabilities	6,426	1,060
Net financial result	7,853	2,272
Share of profit from associates and joint ventures	–4,772	–2,949
Share-based payments	2,399	2,552
Interest received	498	645
Interest paid	–3,247	–3,304
Other net financial receipts/(payments)	82	–205
Dividends received	8,902	5,668
Income taxes paid	–27,180	–14,817
Cash flow from operating activities before working capital changes	**154,596**	**152,399**
Change in trade and other receivables	–106,268	–120,178
Change in inventories	–8,870	5,927
Change in trade and other payables	7,943	59,090
Change in other net current assets	13,377	11,695
Working capital changes	**–93,818**	**–43,465**
Cash flow from operating activities	**60,778**	**108,934**
Investments in property, plant and equipment	–19,404	–15,222
Investments in intangible assets	–15,130	–14,488
Investments in financial assets	–11,025	–6,963
Proceeds from sale of property, plant and equipment and intangible assets	154	320
Proceeds from sale of financial assets	7,368	4,487
Net cash flow from business combinations	–18,927	–34,378
Cash flow from investing activities	**–56,964**	**–66,242**
Dividends paid	–125,015	–114,823
Purchase of treasury shares	–6,826	–6,530
Proceeds from sale of treasury shares	272	233
Proceeds from financial liabilities	147,012	88,766
Repayment of financial liabilities	–64,194	–46,382
Payment of lease liabilities	–27,915	–26,558
Cash flow from discontinued operations	–3,040	–
Cash flow from financing activities	**–79,706**	**–105,295**
Effects of exchange rate changes on cash and cash equivalents	–10	–11
Decrease in cash and cash equivalents	**–75,901**	**–62,614**
Cash and cash equivalents as at 1 January	115,507	129,682
Cash and cash equivalents as at 30 June	**39,605**	**67,068**

Unaudited figures

Consolidated statement of changes in equity

in thousand CHF	Share capital	Treasury shares	Retained earnings	Equity attributable to shareholders of Galenica Ltd.	Non-controlling interests	Equity
Balance as at 31 December 2024	**5,000**	**–12,495**	**1,556,189**	**1,548,694**	**3,150**	**1,551,844**
Net profit			88,272	88,272	363	88,635
Other comprehensive loss			–75,048	–75,048	–	–75,048
Comprehensive income			**13,224**	**13,224**	**363**	**13,587**
Dividends			–114,757	–114,757	–359	–115,117
Transactions on treasury shares		–1,611	–4,822	–6,433		–6,433
Share-based payments			2,675	2,675		2,675
Change in non-controlling interests			12	12	–263	–251
Balance as at 30 June 2025	**5,000**	**–14,106**	**1,452,521**	**1,443,415**	**2,890**	**1,446,305**
Balance as at 31 December 2025	**5,000**	**–15,055**	**1,491,956**	**1,481,901**	**3,100**	**1,485,002**
Net profit			66,353	66,353	519	66,872
Other comprehensive loss			–4,168	–4,168	–	–4,168
Comprehensive income			**62,185**	**62,185**	**519**	**62,705**
Dividends			–124,706	–124,706	–309	–125,015
Transactions on treasury shares		–1,635	–5,146	–6,781		–6,781
Share-based payments			2,472	2,472		2,472
Change in non-controlling interests			–3,046	–3,046	–381	–3,427
Balance as at 30 June 2026	**5,000**	**–16,690**	**1,423,716**	**1,412,026**	**2,929**	**1,414,955**

Unaudited figures

On 21 April 2026, the Annual General Meeting approved a dividend payment of CHF 124.7 million for the financial year 2025 (previous year: CHF 114.8 million), corresponding to CHF 2.50 per registered share (previous year: CHF 2.30). For this purpose, CHF 1.25 was taken from the reserves from capital contributions (previous year: CHF 1.15) and CHF 1.25 from retained earnings (previous year: CHF 1.15) of Galenica Ltd. The dividend was paid out to the shareholders on 27 April 2026.

Notes to the consolidated interim financial statements of the Galenica Group

1. Group organisation

General information
Galenica is a fully-integrated healthcare service provider in Switzerland. The network includes the densest pharmacy network in Switzerland and is also a provider of wholesale and pharmaceutical logistics. Further the group develops and distributes its own healthcare products as well as the brands of business partners. The Galenica Group's portfolio is supplemented by services in the home care sector, diagnostics and digital solutions for healthcare professionals.

The parent company is Galenica Ltd., a Swiss public limited company with its headquarters in Bern. The registered office is at Untermattweg 8, 3027 Bern, Switzerland. Shares in Galenica Ltd. are traded on the SIX Swiss Exchange under securities no. 36067446 (ISIN CH0360674466).

The Board of Directors released the consolidated interim financial statements 2026 on 5 August 2026 for publication.

2. Accounting principles

Basis of preparation
The unaudited consolidated interim financial statements of Galenica have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board (IASB), as well as the interpretations of the IFRS Interpretations Committee (IFRIC) and the provisions of Swiss law. The consolidated interim financial statements have been prepared using the same accounting principles as the consolidated financial statements for the year ending 31 December 2025 and comply with IAS 34 – Interim Financial Reporting. The consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ending 31 December 2025 as they update previously reported information.

Galenica's consolidated interim financial statements are prepared in Swiss francs (CHF) and, unless otherwise indicated, figures are rounded to the nearest CHF 1,000.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. Totals are calculated using the underlying amount rather than the presented rounded number.

Foreign currencies are not material for the consolidated interim financial statements.

Estimation uncertainty, assumptions and judgments
The preparation of the Group's consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and the disclosure of contingent liabilities as at the reporting date. Although these estimates and assumptions are made on the basis of all available information and with the greatest of care, the actual results may differ.

Seasonal influences on operations
Sales in the business sectors in which Galenica operates are usually not significantly influenced by seasonal or cyclical fluctuations during the financial year.

Income taxes
Current income taxes are based on an estimate of the expected income tax rate for the full year.

Amendments to IFRS Accounting Standards

As at 1 January 2026 Galenica adopted the following amended IFRS Accounting Standards:

– Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

– Annual Improvements to IFRS Accounting Standards - Volume 11

These changes have no material impact on the financial position, financial performance and cash flows of Galenica nor on disclosures in these consolidated interim financial statements. Galenica has not early adopted any other standard or interpretation that has been issued but is not yet effective.

Future amendments to IFRS Accounting Standards

Galenica has not early adopted any of the following amendment to standards or interpretations that are potentially relevant for Galenica. Galenica intends to apply the new or amended standard for the first time in the financial year beginning on the date shown below:

- IFRS 18 – Presentation and Disclosure in financial statements (1 January 2027)

Galenica is currently working to identify all the impacts the introduction of IFRS 18 will have on the financial statements and related notes.

3. Operating segment information

Basis of preparation (Adjustments & Eliminations)

Galenica adjusts its internal reporting compared with the reported IFRS results to enhance comparability by neutralising certain IFRS-driven valuation effects that management considers to be outside operational performance.

– Under IFRS 16, lease contracts—particularly relevant due to Galenica's extensive pharmacy network—significantly affect the balance sheet and the income statement. For management reporting, leases are treated as operating leases, with all lease expenses recognised evenly in operating costs, while depreciation, interest and the related tax effects are removed.

– Following recent acquisitions, depreciation, amortisation and impairment arising from IFRS 3 purchase price allocations are excluded from operational performance metrics. This adjustment applies prospectively from the 2025 financial year.

– Value changes of investments in associates or joint ventures, as they do not reflect normal operating activities and may distort period-to-period comparability.

– Income statement items arising from the discontinuation of production activities at Bichsel are excluded from segment reporting as these effects are not related to continuing business operations.

– Defined benefit plans and long-service awards resulted from IAS 19 are recognised at Group level.

Operating segment information first half of 2025

Operating segment information of the interim financial statement 2025 has been restated to the changed organisational and management structure and the internal financial reporting to the CODM.

Operating segment information first half of 2026

Operating segment information first half of 2026

in thousand CHF	Products & Care	Logistics & IT	Group Services	Adjustments & Eliminations	Galenica Group
Net sales	**967,197**	**1,684,913**	**77,483**	**–593,139**	**2,136,454**
– of which intersegmental net sales	55,754	463,574	73,810	–593,139	–
– of which net sales to third parties	911,443	1,221,338	3,673	–	2,136,454
Cost of goods	–507,620	–1,532,518	–	513,822	–1,526,316
Personnel costs	–220,817	–65,283	–46,113	–696	–332,908
Share of profit from associates and joint ventures	4,276	313	–	182	4,772
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**106,861**	**32,455**	**12,229**	**20,022** [1]	**171,566**
Depreciation, amortisation and impairment	–13,580	–7,182	–12,925	–49,662 [2]	–83,349
Earnings before interest and taxes (EBIT)	**93,282**	**25,272**	**–696**	**–29,640**	**88,218**
Interest income					537
Interest expense					–7,539
Other net financial result					–851
Earnings before taxes (EBT)					**80,365**
Income taxes					–13,090
Profit from continuing operations					**67,275**
Assets	**1,984,673**	**1,232,518**	**480,102**	**-372,930** [3]	**3,324,363**
Investments in associates and joint ventures	139,951	585	–	–1,920	138,615
Liabilities	**425,835**	**742,475**	**1,069,210**	**-328,113** [4]	**1,909,408**
Investments in property, plant and equipment	10,958	2,379	2,074	–	15,411 [5]
Investments in intangible assets	2,474	4,139	9,623	–307	15,929 [6]
Employees as at 30 June (FTE)	4,781	1,307	535	–	6,623

1) Including lease expense adjustment (IFRS 16) of CHF 31.1 million, One-off effects from the discontinuation of the production activities at Bichsel of CHF -15.3 million and effects of IAS 19 from defined benefit plans and long-service awards of CHF 4.5 million
2) Including depreciation and impairment of right-of-use asset adjustment (IFRS 16) of CHF -29.2 million, depreciation and impairment of intangible asset adjustment resulted from IFRS 3 of CHF -5.4 million and One-off effects from the discontinuation of the production activities at Bichsel of CHF -15.2 million
3) Of which elimination of intercompany positions of CHF -567.5 million, considering right-of-use assets (IFRS 16) of CHF 221.2 million, intangible assets (IFRS 3) of CHF -8.6 million and other unallocated amounts of CHF -18.0 million
4) Of which elimination of intercompany positions of CHF -567.5 million, considering lease liabilities (IFRS 16) of CHF 226.5 million and other unallocated amounts of CHF 12.9 million
5) Of which non-cash investments of CHF 1.8 million
6) Of which non-cash investments of CHF 4.3 million

Operating segment information first half of 2025 (restated)

Operating segment information first half of 2025 (restated)

in thousand CHF	Products & Care	Logistics & IT	Group Services	Adjustments & Eliminations	Galenica Group
Net sales	**867,330**	**1,617,621**	**74,751**	**−564,336**	**1,995,365**
– of which Intersegmental net sales	57,439	435,436	71,461	−564,336	–
– of which net sales to third parties	809,891	1,182,185	3,290	–	1,995,365
Cost of goods	−465,817	−1,467,441	–	488,730	−1,444,527
Personnel costs	−194,335	−64,751	−44,494	−1,161	−304,740
Share of profit from associates and joint ventures	2,779	90	–	80	2,949
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**91,027**	**37,164**	**10,477**	**25,233** [2]	**163,901**
Depreciation, amortisation and impairment	−10,076	−6,994	−11,388	-26,668 [3]	−55,126
Earnings before interest and taxes (EBIT)	**80,951**	**30,170**	**−911**	**−1,435**	**108,774**
Interest income					620
Interest expense					−6,286
Other net financial result					3,394
Earnings before taxes (EBT)					**106,502**
Income taxes					−17,858
Profit from continuing operations					**88,644**
Assets [1]	**1,984,800**	**955,905**	**567,801**	**-211,366** [4]	**3,297,140**
Investments in associates and joint ventures [1]	149,427	271	–	−1,809	147,888
Liabilities [1]	**397,978**	**548,298**	**1,036,720**	**-170,858** [5]	**1,812,138**
Investments in property, plant and equipment	8,417	4,781	1,899	–	15,097 [6]
Investments in intangible assets	1,044	4,359	7,209	−74	12,538 [7]
Employees as at 30 June (FTE)	4,359	1,236	530	–	6,125

1) Figures as at 31 December 2025
2) Including lease expense adjustment (IFRS 16) of CHF 28.2 million and effects of IAS 19 from defined benefit plans and long-service awards of CHF -2.6 million
3) Including depreciation and impairment of right-of-use asset adjustment (IFRS 16) of CHF -26.7 million
4) Of which elimination of intercompany positions of CHF -426.8 million, considering right-of-use assets (IFRS 16) of CHF 236.8 million, intangible assets (IFRS 3) of CHF -3.2 million and other unallocated amounts of CHF -18.2 million
5) Of which elimination of intercompany positions of CHF -426.8 million, considering lease liabilities (IFRS 16) of CHF 242.6 million and other unallocated amounts of CHF 13.4 million
6) Of which non-cash investments of CHF 1.3 million
7) Of which non-cash investments of CHF 2.2 million

4. Business combinations

In the first half of 2026, the scope of consolidation has changed as a result of the following transactions:

Acquisition of pharmacies. Galenica acquired 100% of the interests in pharmacies at various locations in Switzerland. Upon acquisition, most of the pharmacies were merged with Galenicare Ltd.

The total purchase consideration amounted to CHF 14.3 million, of which CHF 12.5 million was settled in cash. A deferred consideration in the amount of CHF 1.8 million was recognised, which is due in the second half year of 2026. The fair value of the provisional net identifiable assets amounts to CHF 2.8 million at the acquisition date. The goodwill of CHF 11.5 million was allocated to the operating segment Products & Care and corresponds to the added value of the pharmacies based on their locations and the know-how of the employees gained. Transaction costs were not material.

Acquisition of Puravita AG. On 5 January 2026, Galenica acquired an additional 32.91% of the shares in the Swiss company Puravita AG, which had previously been accounted for as an investment in an associate and Galenica now holds 80% of the interests in Puravita. Puravita is specialised in operating an online shop in the drugstore sector and in particular in the over-the counter range. The remaining 20% of the shares were retained by the previous owner. Non-controlling interests have been measured at the proportionate share of net identifiable assets. The remaining shareholders have a put option to sell their shares to Galenica which gives rise to a non-current financial liability in the amount of CHF 3.0 million.

The purchase consideration amounted to CHF 3.4 million and was fully settled in cash. The fair value of the net identifiable assets amounted to CHF 3.6 million at the acquisition date of which CHF 0.7 million were recognised as non-controlling interests. The goodwill of CHF 5.4 million was allocated to the operating segment Products & Care and corresponds to the added value based on the synergies with the existing pharmacy network and its online shops. Transaction costs were not material.

Business combinations

in thousand CHF	Puravita	Pharmacies	2026 Total
Cash and cash equivalents	996	785	1,780
Trade receivables	161	1,493	1,654
Inventories	1,208	921	2,129
Other current assets	2,040	–	2,040
Property, plant and equipment	157	352	509
Right-of-use assets	–	1,925	1,925
Intangible assets	1,812	1,014	2,826
Financial assets	–	25	25
Other current and non-current assets	–	271	271
Trade payables	−2,781	−711	−3,492
Financial liabilities	–	−487	−487
Lease liabilities	–	−1,925	−1,925
Net deferred tax liabilities	147	−293	−145
Other current and non-current liabilities	−143	−562	−705
Fair value of net assets	**3,597**	**2,807**	**6,404**
Goodwill	5,362	11,491	16,854
Non-controlling interests	−719	–	−719
Fair value of previously held interests	−4,850	–	−4,850
Purchase consideration	**3,390**	**14,298**	**17,688**
Cash acquired	−996	−785	−1,780
Deferred consideration	–	−1,797	−1,797
Net cash flow from current business combinations	**2,394**	**11,717**	**14,111**
Payment of consideration due to previous business combinations			4,816
Net cash flow from business combinations			**18,927**

Pro forma figures for acquisitions made in the first half of 2026

Since their inclusion in Galenica's scope of consolidation, the businesses acquired contributed net sales of CHF 18.4 million and an operating result (EBIT) of minus CHF 0.6 million to the Group's results. If these acquisitions had occurred on 1 January 2026, they would have contributed additional net sales of CHF 1.6 million and no material EBIT impact.

5. Net sales

Net sales first half of 2026

Based on the changed organisational and management structure of Galenica, the internal reporting and disaggregation of net sales has been adjusted accordingly. Net sales information for the previous period has been restated to conform to the new presentation.

Net sales first half of 2026

in thousand CHF	Sale of goods	Sale of services	**Total net sales**	Intersegmental net sales	**Total net sales to third parties**	of which sale of goods to third parties	of which sale of services to third parties
Pharmacies Omni-Channel	709,198	47,704	**756,902**	−8,226	**748,676**	709,139	39,537
Products & Brands	88,347	2,834	**91,181**	−44,572	**46,608**	43,945	2,663
Services & Production	60,816	2,560	**63,377**	−9,372	**54,005**	51,453	2,552
Diagnostics	–	62,157	**62,157**	−3	**62,154**	–	62,154
Products & Care [1]	**854,330**	**112,868**	**967,197**	**−55,754**	**911,443**	**804,536**	**106,907**
Wholesale	1,642,826	4,424	**1,647,250**	−460,726	**1,186,525**	1,182,855	3,669
Logistics & IT Services	21	38,846	**38,867**	−4,053	**34,814**	42	34,772
Logistics & IT [1]	**1,642,847**	**42,066**	**1,684,913**	**−463,574**	**1,221,338**	**1,182,897**	**38,441**
Group Services	–	77,483	**77,483**	−73,810	**3,673**	–	3,673
Eliminations [2]	−509,743	−83,395	**−593,139**	593,139	**–**	–	–
Galenica Group	**1,987,433**	**149,021**	**2,136,454**	**–**	**2,136,454**	**1,987,433**	**149,021**

1) Including eliminations of intercompany net sales
2) Eliminations of intersegmental net sales

Net sales first half of 2025 (restated)

Net sales first half of 2025 (restated)

in thousand CHF	Sale of goods	Sale of services	**Total net sales**	Intersegmental net sales	**Total net sales to third parties**	of which sale of goods to third parties	of which sale of services to third parties
Pharmacies Omni-Channel	661,488	51,469	**712,957**	−7,538	**705,419**	661,492	43,927
Products & Brands	98,062	3,008	**101,069**	−46,781	**54,288**	51,442	2,846
Services & Production	55,396	2,535	**57,931**	−7,748	**50,183**	47,661	2,522
Products & Care [1]	**812,490**	**54,840**	**867,330**	**−57,439**	**809,891**	**760,596**	**49,295**
Wholesale	1,574,451	5,130	**1,579,581**	−432,668	**1,146,913**	1,143,060	3,853
Logistics & IT Services	−11	39,210	**39,199**	−3,927	**35,272**	9	35,262
Logistics & IT [1]	**1,574,437**	**43,184**	**1,617,621**	**−435,436**	**1,182,185**	**1,143,070**	**39,115**
Group Services	–	74,751	**74,751**	−71,461	**3,290**	–	3,290
Eliminations [2]	−483,261	−81,075	**−564,336**	564,336	**–**	–	–
Galenica Group	**1,903,666**	**91,700**	**1,995,365**	**–**	**1,995,365**	**1,903,666**	**91,700**

1) Including eliminations of intercompany net sales
2) Eliminations of intersegmental net sales

6. Significant events

In March 2026 Galenica decided to discontinue Bichsel's production division. The production activities at the site are expected to cease by end of August 2026. The closure does not lead to a discontinuation of a major line of business. As a consequence of the decision, the Group recognised restructuring costs in the amount of CHF 12.0 million in the first half of 2026, primarily relating to personnel expenses and site-related costs. In addition, impairment losses of CHF 17.2 million were recognised on property, plant and equipment as well as inventories and CHF 1.3 million were recognised on impairment losses related to right of use assets. The restructuring costs and impairment losses are included in the consolidated income statement under personnel costs, depreciation and impairment and other operating costs. The total impact on EBIT for the first half of 2026 amounted to CHF 30.4 million. No further material financial effects are expected beyond those recognised as at 30 June 2026.

7. Fair values of financial assets and financial liabilities

Fair value

in thousand CHF	30.06.2026 Carrying amount	30.06.2026 Fair value	31.12.2025 Carrying amount	31.12.2025 Fair value
Bond (level 1 of the fair value hierarchy)	769,330	785,577	769,288	785,520

With the exception of the bonds the carrying amounts of all financial instruments approximate to the fair value or fair value disclosure is not required (lease liabilities).

As at 30 June 2026 Galenica holds equity instruments designated at fair value through other comprehensive income including a 10.4% (previous year end: 10.4%) investment in the listed (level 1 of the fair value hierarchy) company Redcare Pharmacy N.V., Netherlands, with a fair value of CHF 129.8 million (CHF 131.0 million as at 31 December 2025) and other investment in non-listed (level 3 of the fair value hierarchy) companies with a fair value of CHF 0.3 million (CHF 1.3 million as at 31 December 2025). These investments were irrevocably designated at fair value through other comprehensive income as Galenica considers these investments to be strategic in nature. Galenica recognised in the consolidated statement of comprehensive income a remeasurement loss of CHF 2.2 million (previous year: loss of CHF 80.7 million as at 30 June 2025).

Fair value of financial instruments (level 3 of the fair value hierarchy)

Fair value of contingent consideration liabilities from business combinations (level 3 of the fair value hierarchy)

in thousand CHF	2026	2025
1 January	**4,150**	**30,907**
Change in fair value (recognised in profit or loss)	–	–4,257
Payments (cash out)	–4,150	–22,500
30 June / 31 December	**–**	**4,150**

Fair value of equity instruments designated at fair value through other comprehensive income (level 3 of the fair value hierarchy)

in thousand CHF	2026	2025
1 January	**1,330**	**3,181**
Change in fair value (recognised in other comprehensive income)	–1,012	–1,851
30 June / 31 December	**318**	**1,330**

Fair value and sensitivity analysis of contingent consideration liabilities from discontinued operations

Determining the contingent consideration liability in connection with the sale of Mediservice forecasted gross margin of the discontinued operation was identified as key assumptions. During 2025, a post-transaction review was conducted together with Mediservice's strategic partners. As a result of this review, the original contractual arrangement relating to the contingent consideration was amended, in particular by extending its duration. Consequently, the contingent consideration liability related to discontinued operations was increased by CHF 0.5 million. An initial tranche of the contingent consideration liability was paid in the current financial period in the amount of CHF 3.0 million (previous year: none). Accordingly Galenica has recorded the amount of CHF 2.5 million (previous year: CHF 5.1 million as at 31 December 2025) as other liability in the consolidated statement of financial position.

Sensitivity analysis of contingent consideration liabilities from business combinations (level 3 of the fair value hierarchy)

An initial tranche of the contingent consideration liability arising from the business combination of Bahnhof Apotheke Langnau was settled during financial year 2025 with an amount of CHF 9.0 million. The remaining tranche is contingent upon the net sales achieved by the acquired business in the years 2026 and 2027. Galenica has recorded no amount as contingent consideration liability based on assumed probability-adjusted net sales. The possible future cash outflows range between zero and CHF 20.0 million. An increase of 20% in the expected net sales of the acquired business 2026 and 2027 would increase the contingent consideration liability by CHF 5.0 million.

The contingent consideration liability arising from the business combination of Aquantic was fully settled in January 2026 for CHF 4.2 million.

8. Contingent liabilities and commitments

Galenica signed a purchase agreement to acquire a pharmacy within the next few months. The purchase price will be fixed at the time of transfer of ownership based on net asset value and discounted cash flow. The total purchase consideration is estimated at CHF 1.2 million and is due with the closing of the transaction. The resulting payment obligation is expected to become due in the second half of 2026.

9. Subsequent events

The following business combinations occurred between 30 June 2026 and 5 August 2026, the date that the consolidated interim financial statements were released for publication.

Acquisition of pharmacies. Galenica acquired 100% of the interests in pharmacies at various locations in Switzerland.

The purchase consideration was CHF 1.9 million and the fair value of the provisional net assets resulting from these additions was estimated at CHF 0.6 million at the acquisition date. Since the transactions were concluded shortly before the consolidated financial statements were issued, no further information was available to disclose the additional information required by IFRS Accounting Standards.

There were no further significant events after the reporting date.