



GEDEON RICHTER

Richter announces its long-term strategy

Budapest, 5 March 2025 - Gedeon Richter („Richter”) announces that its Board of Directors reviewed and approved its new long-term strategy, Richter 2035.

Managing the patent cliff, building Richter for the next decade

The new long-term strategy defines the way – along with the tasks and targets – how Richter plans to navigate for success amidst the loss of exclusivity of cariprazine towards the end of the decade. It also attempts to depict what kind of Richter is being built for the next decade(s) for its patients, employees, communities and its shareholders. Richter wants to capitalize on positive trends in the industry and to build on the internal capabilities it created over the last few years. This would allow the company to significantly increase its size, while reducing its environmental footprint, to continue to improve quality of life globally.

Innovative & Affordable with a strong therapeutic focus

The 2035 strategy revolves around two strategic pillars. This symbolizes Richter’s ambitions to be a global thought-leader and innovator in some well-defined scientific fields (“Innovative”), while at the same time working hard to make medicines and treatments accessible to an ever-wider range of patients globally (“Affordable”). In Neuropsychiatry, research is underway to find and develop the next blockbuster molecule, while in Women’s Healthcare Richter wants to further build its portfolio of innovative treatments across existing and new therapeutic segments. The biotechnology and generics platforms will constitute a strong base with massive synergy potential to build a competitive and growing Affordable pillar along well-defined therapeutic areas in Europe.

Women’s Healthcare (WHC) – becoming the largest revenue and earnings contributor by 2035

Richter expects to double its WHC revenues as well as its R&D investments and significantly improve its profitability by 2035 by maximizing the potential of the current portfolio and launching innovative products. As thought leaders in women's healthcare, Richter is committed to address unmet medical needs by developing and delivering market-leading solutions in its established therapeutic segments (contraception, fertility, endometriosis and menopause), while also introducing novel therapies in urinary tracts, PCOS and women's oncology. Leveraging its fully integrated value chain with the recently established proprietary research and its ability to embrace external innovation, Richter will also broaden its geographic focus by increasing its presence in the US and strengthen its position in Western Europe.

Neuropsychiatry (CNS) – working to introduce the next blockbuster molecule

Richter will focus on maximizing the value of Cariprazine by its loss of exclusivity, while also ensuring CNS remains a value-adding business in the 2030s and 40s. The existing unmet need, the enormous social cost of mental disorders, the ever-increasing demand for treatments (including growing disease awareness) and promising innovations continue to make original research in neuropsychiatry an attractive proposition. Richter will leverage its unparalleled discovery platform and pre-clinical capability, its collaboration with AbbVie and its well-established local ecosystem to build a healthy pipeline of projects and to develop a new molecule with blockbuster potential.

[Chemical Works of Gedeon Richter Plc.](#)

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General Medicines (GenMed) – harnessing speed and scale to expand patient access

Richter expects to double its GenMed revenues by 2035, achieve 20%+ Clean EBIT margin much earlier, while significantly increasing its portfolio freshness index to above 15% and raising its R&D spend to 7% of revenues. Large-scale and high-value LoEs (loss of exclusivity) in the relevant therapeutic areas (Cardiovascular, traditional CNS, Blood Therapies and Diabetes/Obesity) create attractive growth prospects (6% generics market CAGR in 2025-35 in Europe despite prevailing price erosion) in the short- and medium-term alike. Operational excellence in core regions combined with synergies between small and large molecule capabilities will enable Richter to expand its geographic reach into Western Europe and deliver integrated therapeutic solutions for patients and healthcare providers.

Biotechnology (Biotech) – the fastest growing segment scaling up and turning profitable

Biosimilars are the fastest growing pharma subsegment – driven by the biological LoEs. The expected multiple product launches and the expanded CDMO capacity will also make Biotech the fastest growing business of Richter with strong double-digit growth through 2035. Key therapeutic area focus includes attractive markets of immunology and musculoskeletal. Richter targets reaching profitable operations by 2027 and will keep on scaling up the business by additional launches (both own developed and in-licensed), ultimately establishing Richter as a solid, reliable biosimilar player. The CDMO business remains a key margin contributor, as Richter continues to provide development and manufacturing services across the full spectrum of biologics.

Financials – more than doubling non-CNS revenues by 2035; 20%+ Clean EBIT margin

Richter expects to increase its non-CNS revenues at an annual average growth rate of 7-8% to around EUR 3.2-3.5bn by 2035. Any royalty income from the neuropsychiatry (CNS) pipeline and/or from external innovation/M&A represent additional upside. Significant efforts will be made, and multiple levers pulled to bring non-CNS Clean EBIT margin to the targeted 20%+ level by 2030-31 and to improve it further by 2035. The closing of the income gap and the scaling up of Biotechnology, the portfolio building in WHC and GenMed, improved commercial effectiveness and ongoing operational excellence and efficiency improvement projects, supported by a renewed governance and talent framework will all contribute to materially raising profitability in the next 5-10 years.

Capital allocation priorities – R&D, external innovation and shareholder distribution

Building and strengthening the strategic platforms and businesses will remain the priority for the board and management. This will require that we step up investments in innovation, both internally (R&D) and externally (M&A, licensing). Richter also remains committed to providing an attractive and predictable income stream to shareholders, while retaining a strong balance sheet and sufficient flexibility to execute growth. Based on the 2025-35 financial outlook, Richter sees an EUR 200mn annual base dividend as sustainable even post-LoE, with significant upside to dividends in the first half of the strategy period.

“What sets Gedeon Richter apart from other companies in the industry is our ability to draw strength from our rich past while continuously renewing ourselves. We have abundantly proven this in recent years. This unique capability allows us to create high intellectual added value on a global scale. Growth is essential to achieving our strategic ambitions, but we recognize that financial metrics are not the only measure of success. Our balanced approach is key to maximizing social impact while minimizing environmental ‘side effects’. With the expertise, passion, and dedication of our team, I am confident that we will achieve the strategic goals presented today and continue to earn the trust of our patients, employees, communities, and shareholders into the 2030s.” said Gábor Orbán, CEO of Richter.

You can find more details about Gedeon Richter's 2035 strategy in the [presentation](#) published on our website this morning.

About Gedeon Richter

Gedeon Richter Plc. (www.gedeonrichter.com), headquartered in Budapest/Hungary, is a major pharmaceutical company in Central Eastern Europe, with an expanding direct presence in Western Europe, China, Latin America, and Australia. Having reached a market capitalization of EUR 4.7bn (USD 4.9bn) by the end of 2024, Richter's consolidated sales were approximately EUR 2.2bn (USD 2.3bn) during the same year. The product portfolio of Richter covers many important therapeutic areas, including Women's Healthcare, Central Nervous System, and Cardiovascular areas. Having the largest R&D unit in Central Eastern Europe, Richter's original research activity focuses on CNS disorders. With its widely acknowledged steroid chemistry expertise, Richter is a significant player in the Women's Healthcare field worldwide. Richter is also active in biosimilar product development, manufacture and commercialization.

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