DCAT® GLOBAL SUMMIT

EUROPEAN PHARMA MARKET INTELLIGENCE AND FINANCIAL OUTLOOK

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European Pharma trends to 2030

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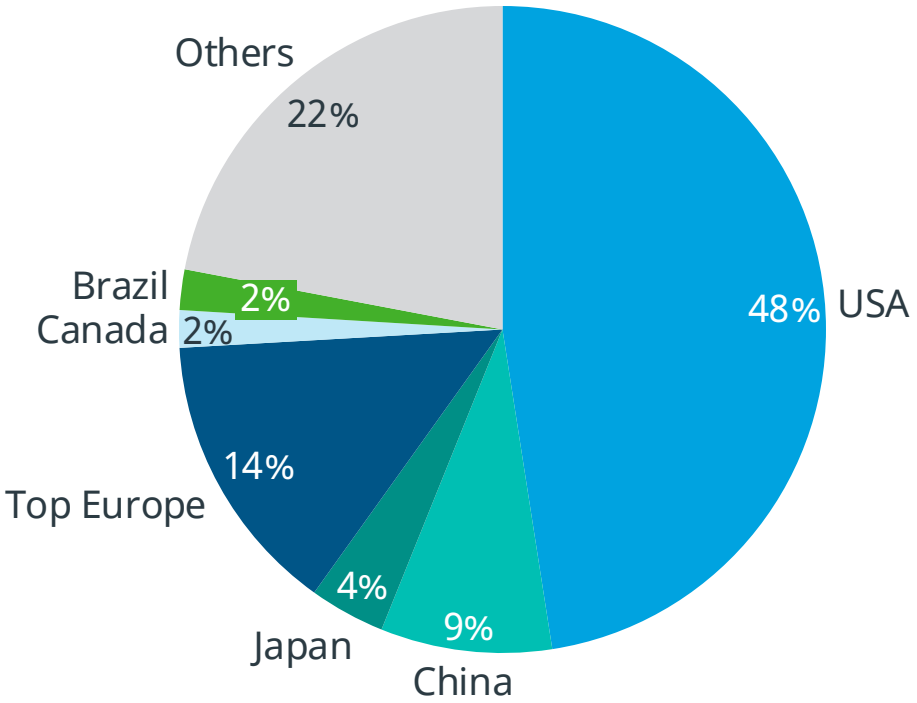
Agenda

- **Europe in a global context**
- Market pressures and outlook
- Opportunities for Pharma
- Conclusions

The Global Pharma market is concentrated: ten countries have ~80% of medicine sales and it's not going to change by 2030

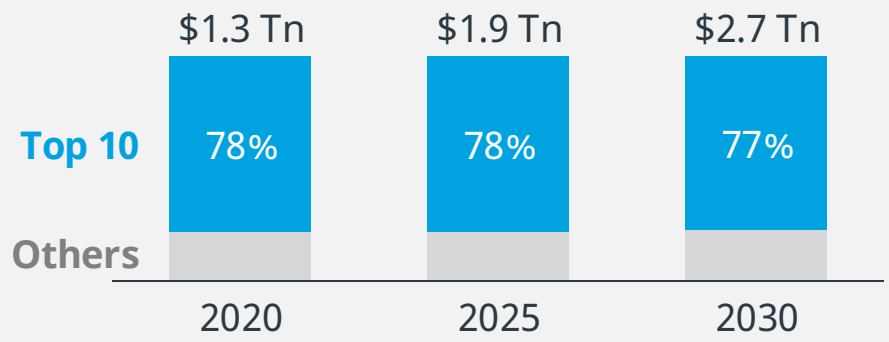
Global medicine market size by country[1]
(Gross ex-MNF sales, 2025)



*These markets are additionally estimated to account for **80% of net sales globally[2]***

Core market focus is projected to remain stable

Forecast global sales share of top 10 markets[1]
Gross ex-MNF sales



There is a significant Health Equity problem

*Between 2019-2024, median annual cost of treatment at launch for brands increased with **+24% CAGR[3]***

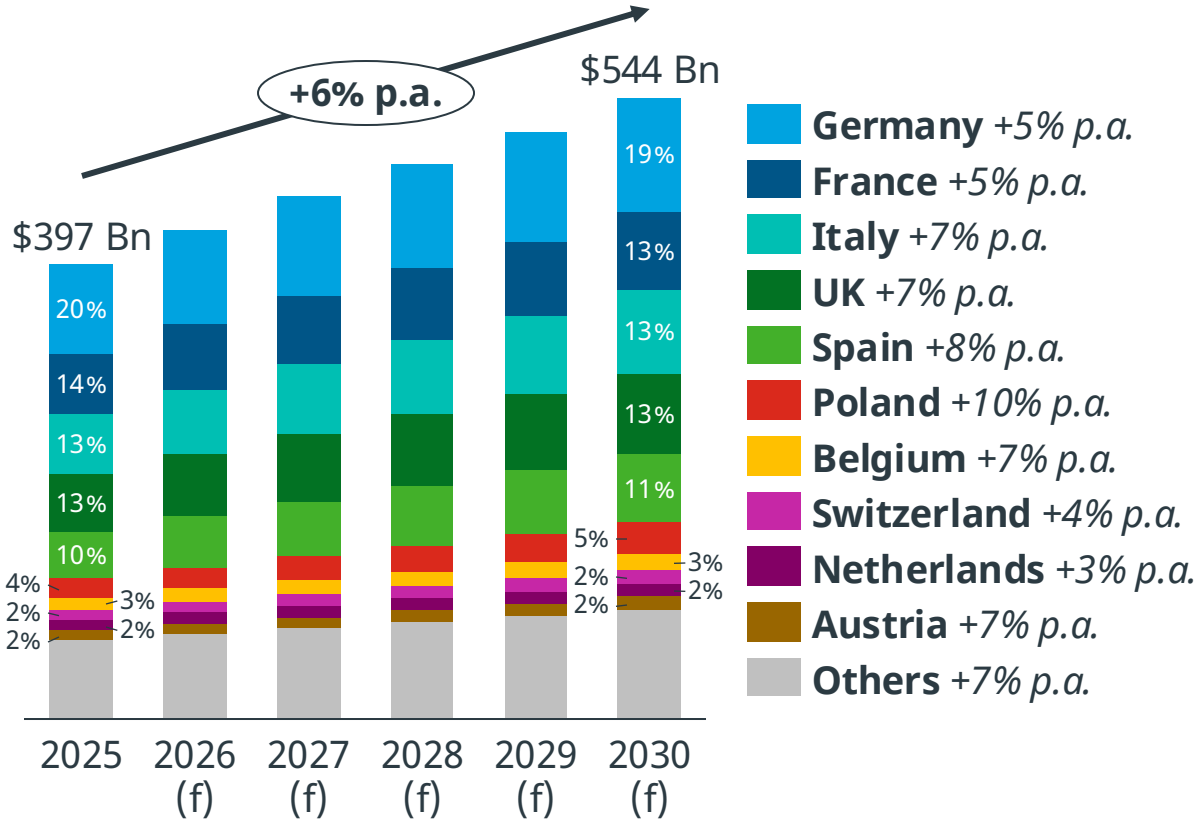
Source: (1) IQVIA Institute Global Use of Medicines Jan 2026 (Market Prognosis, MIDAS); Top Europe = Germany, France, Italy, UK, Spain; (2) IQVIA ForecastLink; (3) IQVIA Institute, Use of Medicines in the US 2025

European fundamentals are sound

Although rationing and heavy emphasis on generics/biosimilars, insatiable demand

Europe: #2 pharma Rx market globally…

(LC $, Bn; gross ex-MNF, calendar year)[1]



- **Germany** *+5% p.a.*
- **France** *+5% p.a.*
- **Italy** *+7% p.a.*
- **UK** *+7% p.a.*
- **Spain** *+8% p.a.*
- **Poland** *+10% p.a.*
- **Belgium** *+7% p.a.*
- **Switzerland** *+4% p.a.*
- **Netherlands** *+3% p.a.*
- **Austria** *+7% p.a.*
- **Others** *+7% p.a.*

…with attractive fundamentals[2]

EU+ Population **534 Mn**

Rx market Europe by 2030 **$544Bn**

EMA **1** Regulatory regime for **27 EU member states** (450 Mn people)

10%+ **Healthcare spend** share of **GDP** (Western Europe), >OECD avrg

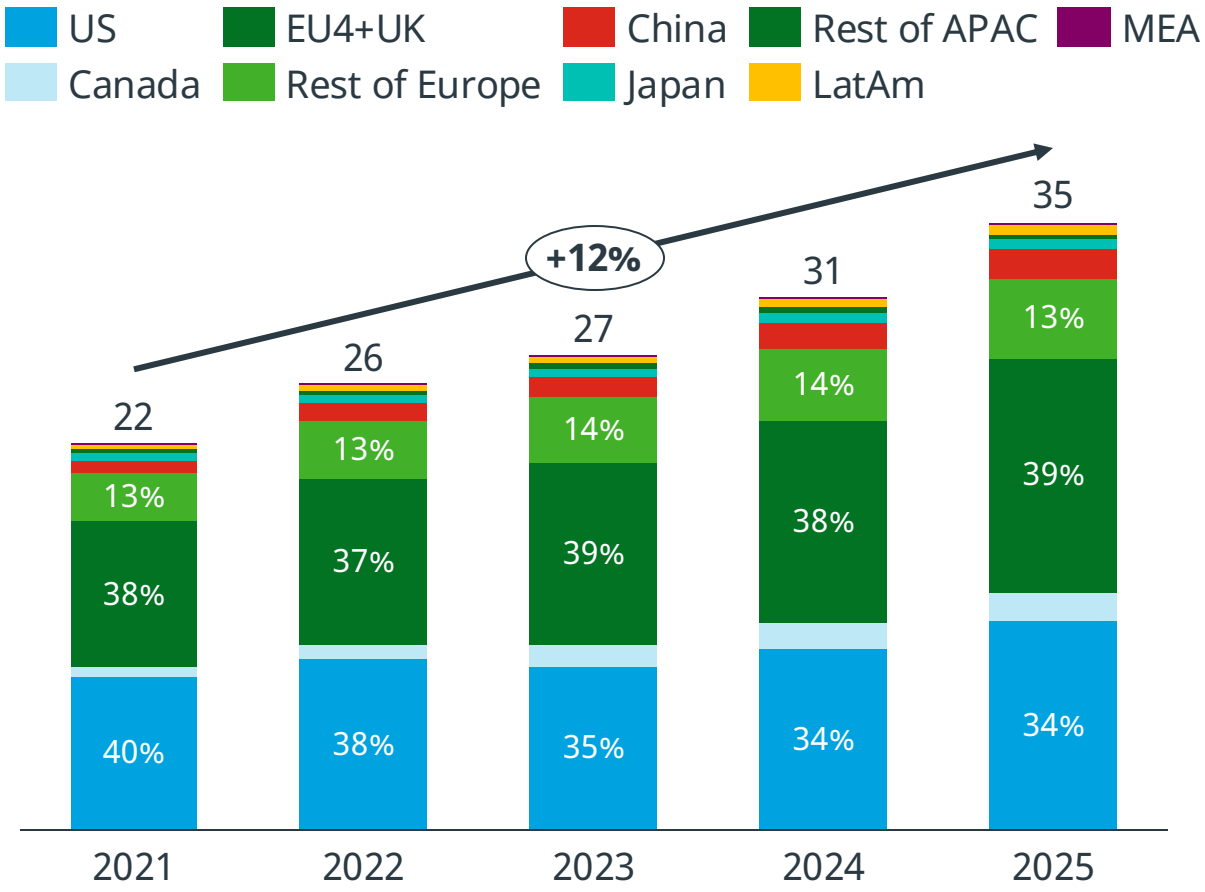
~100% **Near-universal** coverage of cost for core healthcare services

Notes: Europe defined as EU27, UK, Switzerland and Norway
Source: (1) IQVIA Institute Market Prognosis Rx bound excluding vaccines, gross level– exclusive of discounts and rebates; (2) World Bank, OECD Health at a glance, 2024; IQVIA Thought Leadership analysis

Biosimilar sales are driven predominantly by Europe and set to increase

Global biosimilar gross sales by region[1]

(LC $, Bn; gross ex-MNF, MAT Q3)



Select biologics with LoE in the next 5 years[2]*:

KEYTRUDA® (pembrolizumab) Injection 100 mg

OPDIVO® (nivolumab)

Cosentyx® (secukinumab)

Pr taltz® (ixekizumab)

Entyvio® vedolizumab

ORENCIA® (abatacept) Injection for Intravenous Use Injection for Subcutaneous Use

OCREVUS® ocrelizumab 300MG/10ML INJECTION FOR IV

trulicity® dulaglutid för injektion

Repatha® (evolocumab) injection 140 mg/mL

LoE – Loss of Exclusivity

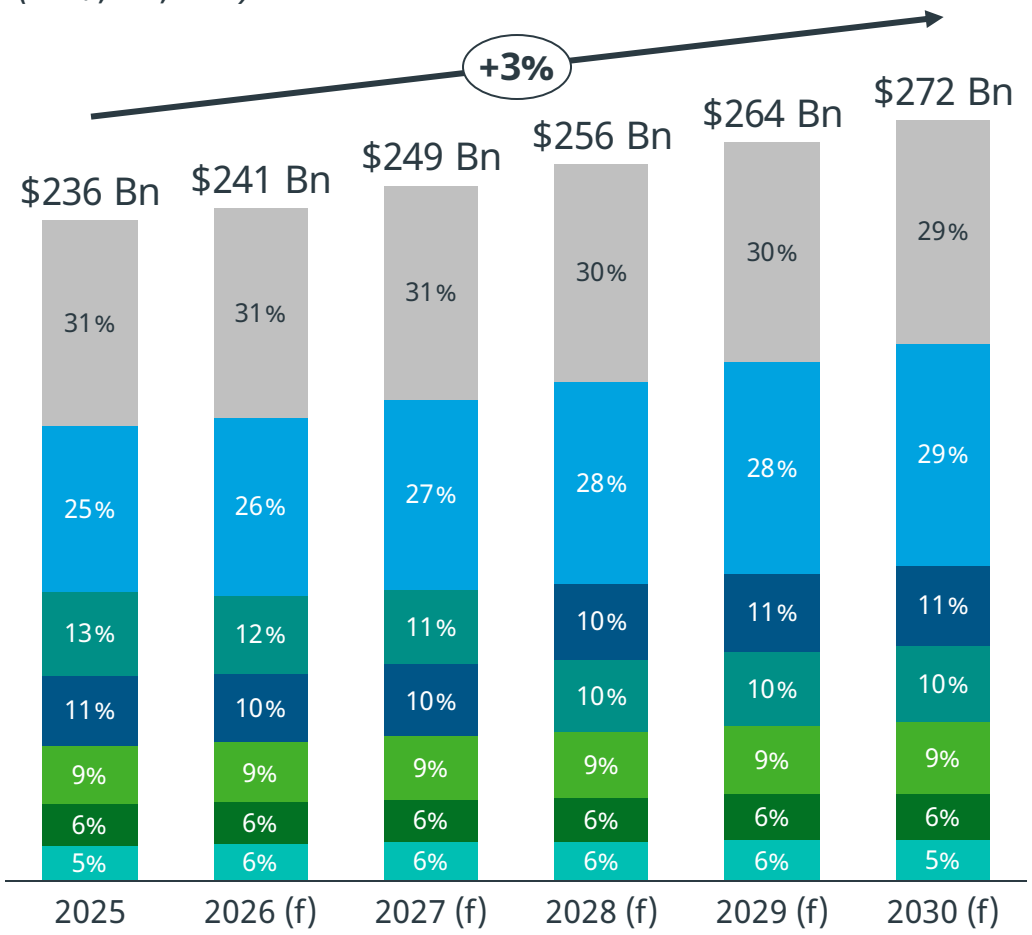
Source: (1) IQVIA MIDAS, Rx only products, Argentina and Türkiye excluded due to Fx fluctuations; EU4+UK = France, Germany, Italy, Spain, UK; (2) Assessing the Biosimilar Void in the U.S.

*Biologics with forecasted pre-expiry sales >$2.5Bn by expiry year

Forecasts suggest obesity and CNS growth will accelerate in Europe while growth in other therapeutic areas slows

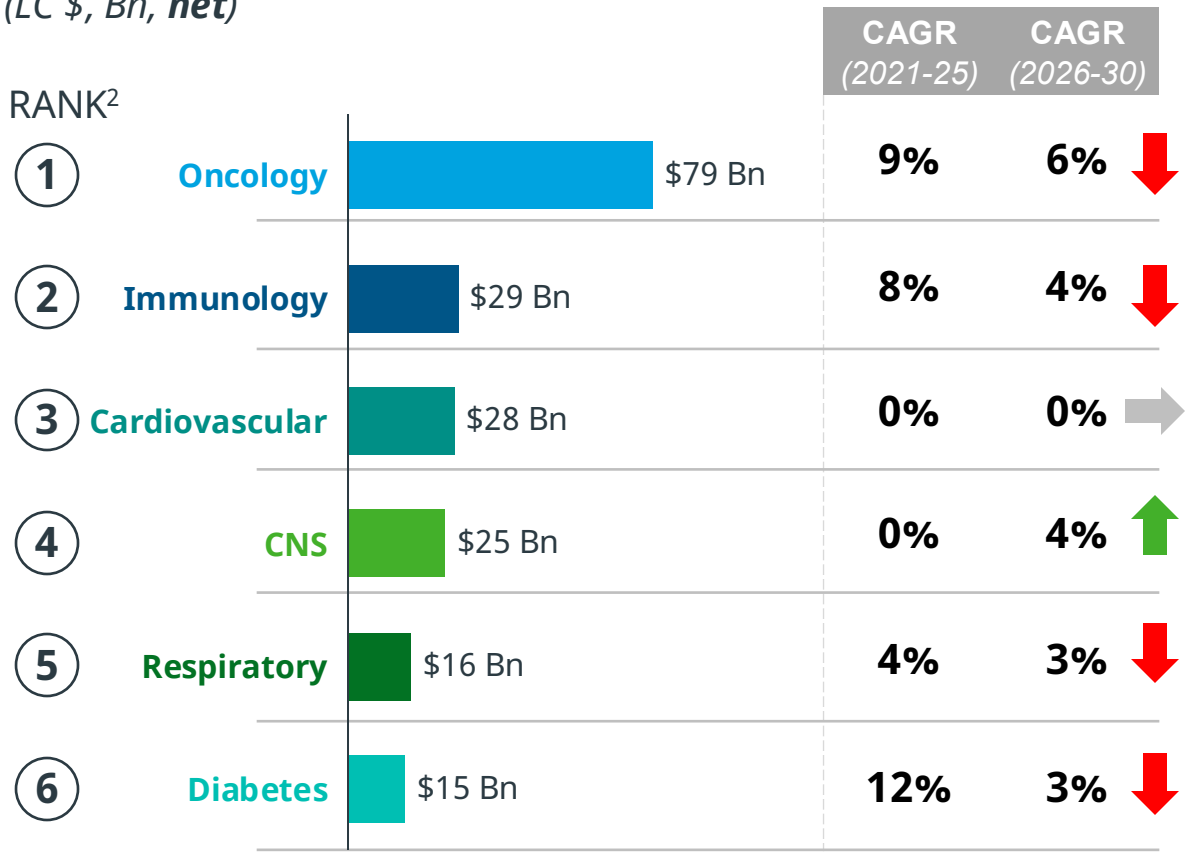
Europe, forecasted top therapy areas by spend[1]

*(LC $, Bn; **net**)*



Europe, forecasted top therapy areas 2030 spending[1]

*(LC $, Bn, **net**)*

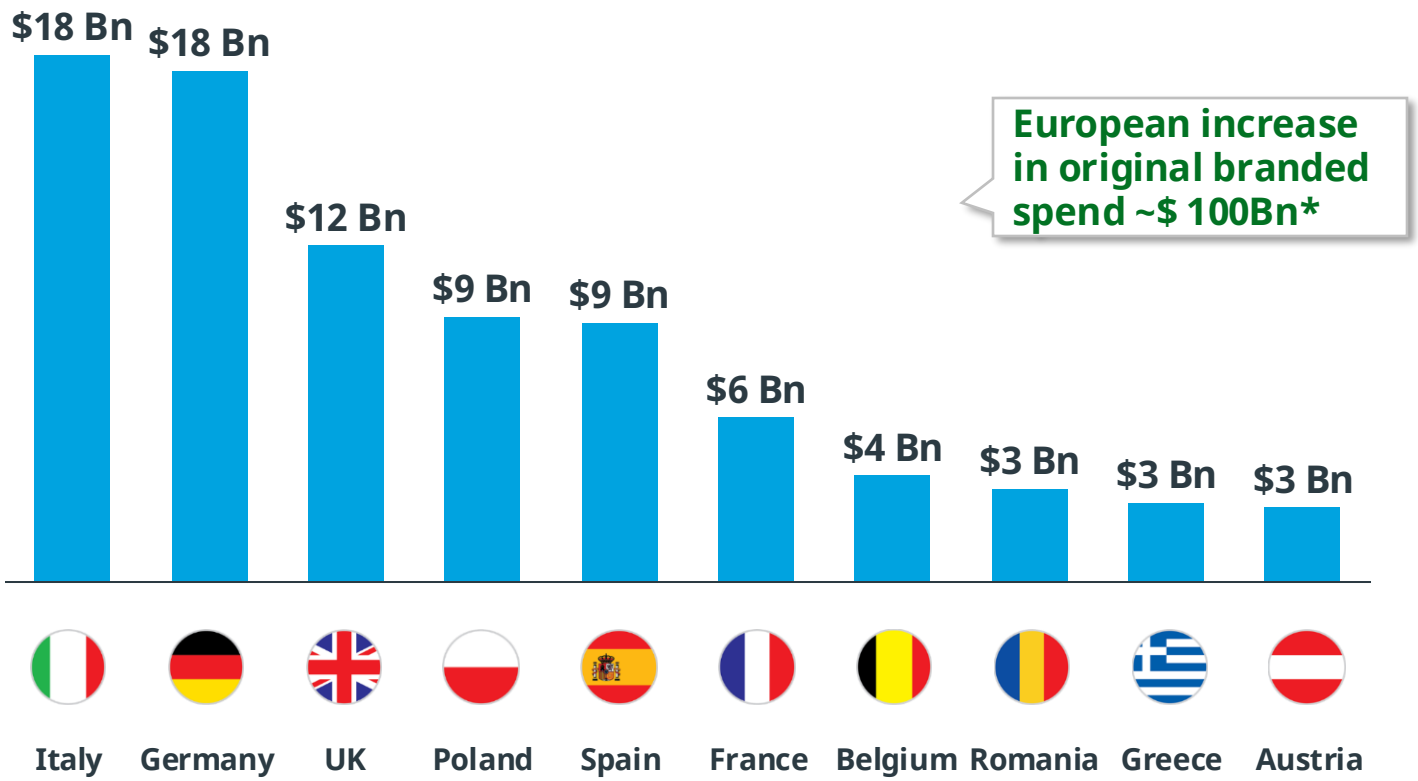


*For Obesity, large variance in analyst expectations[2]; **topline IQVIA Institute forecast global gross estimate $100-200Bn***

Europe defined as EU27, UK, Switzerland and Norway.
Sources: (1) IQVIA Forecast Link (company reported analyst consensus) extracted 22nd April 2026; (2) ; (2) JPMorgan, IBBA, Danske Bank, Goldman Sachs
DCAT | European Pharma Trends to 2030 | Graham Lewis

In Europe ~$100Bn innovative growth is forecast to 2030

2025-2030 Ranked Country Growth, Original Branded Products[1]
*(LC $, Bn; **gross** ex-MNF)*



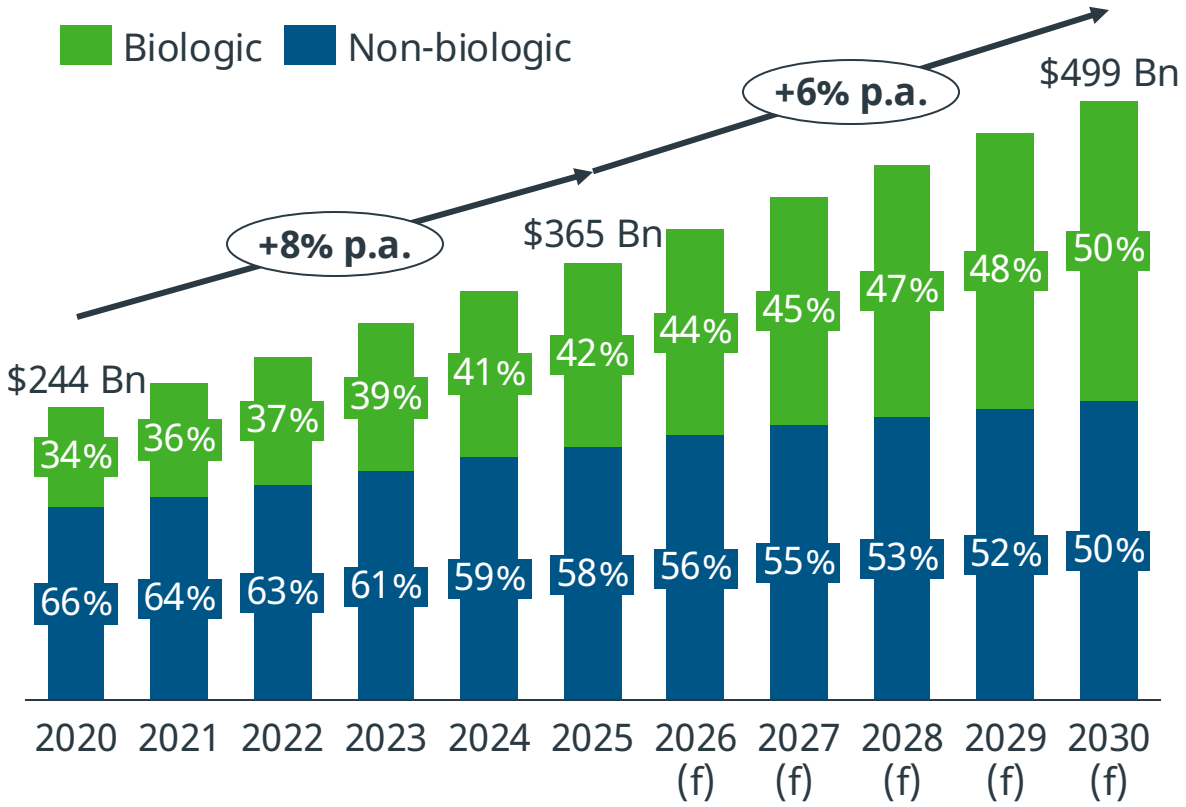
- Overall launches of new medicines are declining in Europe as **stricter access criteria bites**
- There is **growing health inequity across Europe**
- US administration strategies pose a **challenge to future European access for new innovations**
- **Acceptance of OOP** for obesity medications may be an indication of a new source of future finance

Note innovative products do not include vaccines
Source: (1) IQVIA Market Prognosis, IQVIA Institute Global Use of Medicines 2026
DCAT | European Pharma Trends to 2030 | Graham Lewis

Biologic share of sales is continuing to rise, although growth rate forecast suggests slowdown

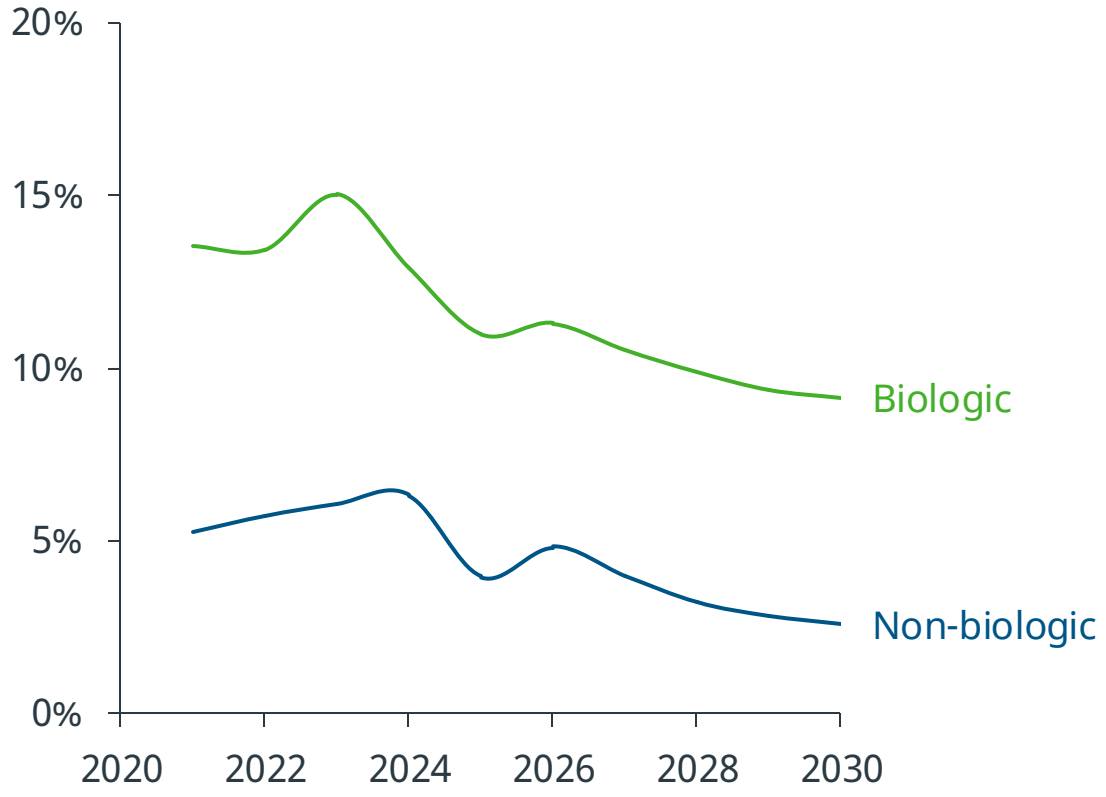
Europe Rx market split by product type

*(LC $, Bn; **gross ex-MNF**)*



Europe Rx market growth by product type

*(%; **gross ex-MNF**)*

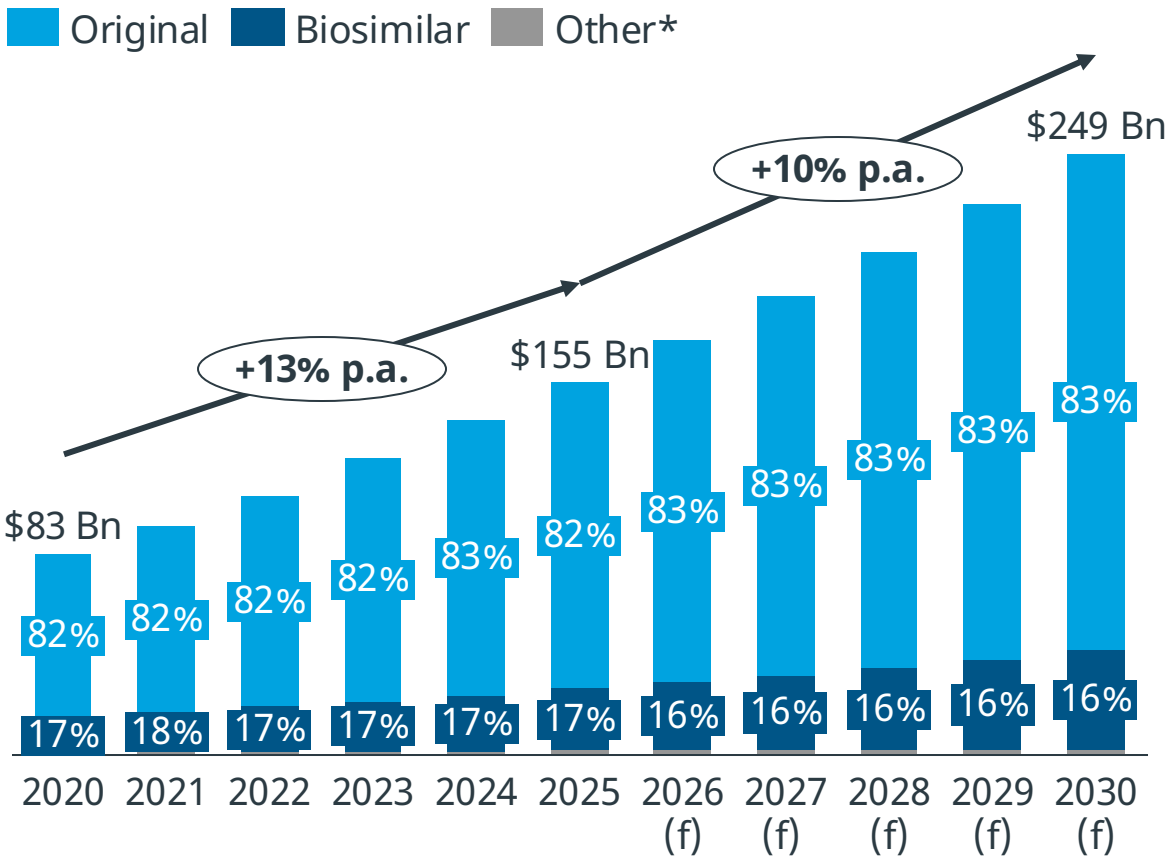


Europe defined as EU27, UK, Switzerland and Norway.
Source: (1) IQVIA Institute Market Prognosis

Biosimilars just short of 20% sales currently and growth set to accelerate

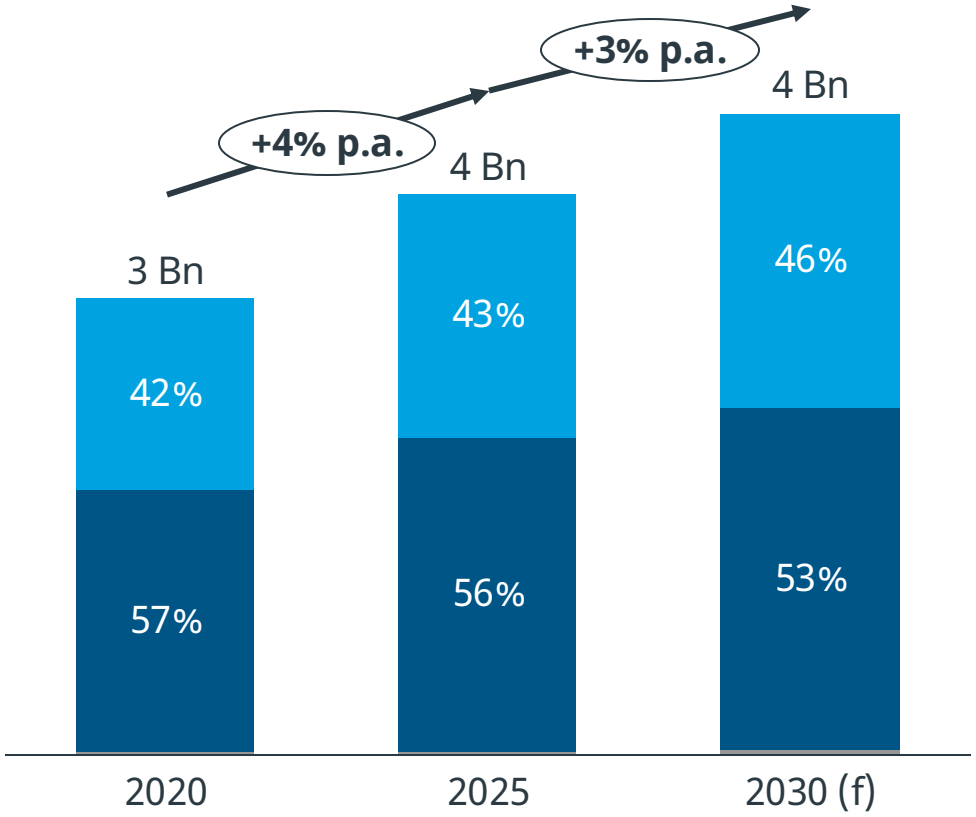
Europe Rx market split by product type

*(LC $, Bn; **gross ex-MNF; biologic**)*



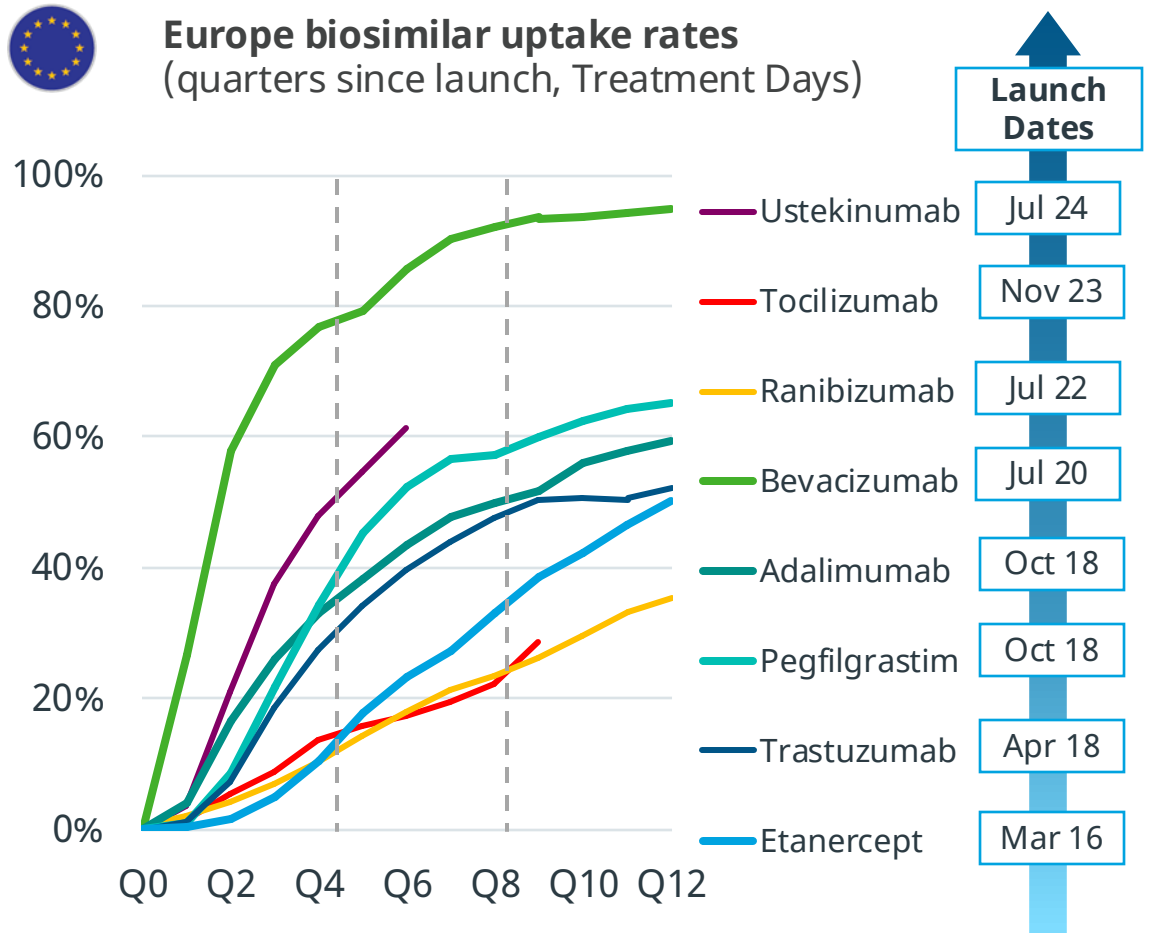
Europe Rx market growth by product type

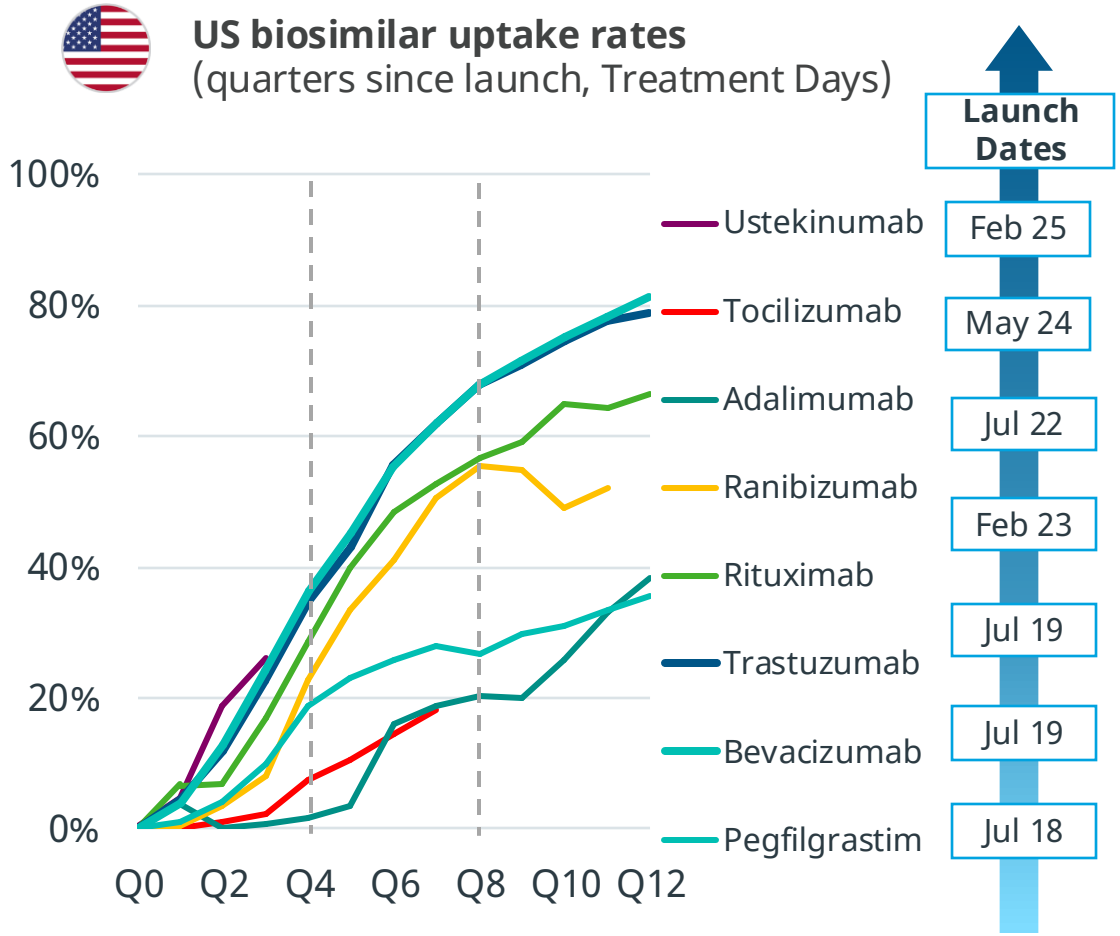
*(volume, Bn; **SU; biologic**)*



Europe defined as EU27, UK, Switzerland and Norway. *Not specifically classified e.g., products without protected original brand.
Source: (1) IQVIA Institute Market Prognosis

European rate of uptake biosimilars is higher vs. US



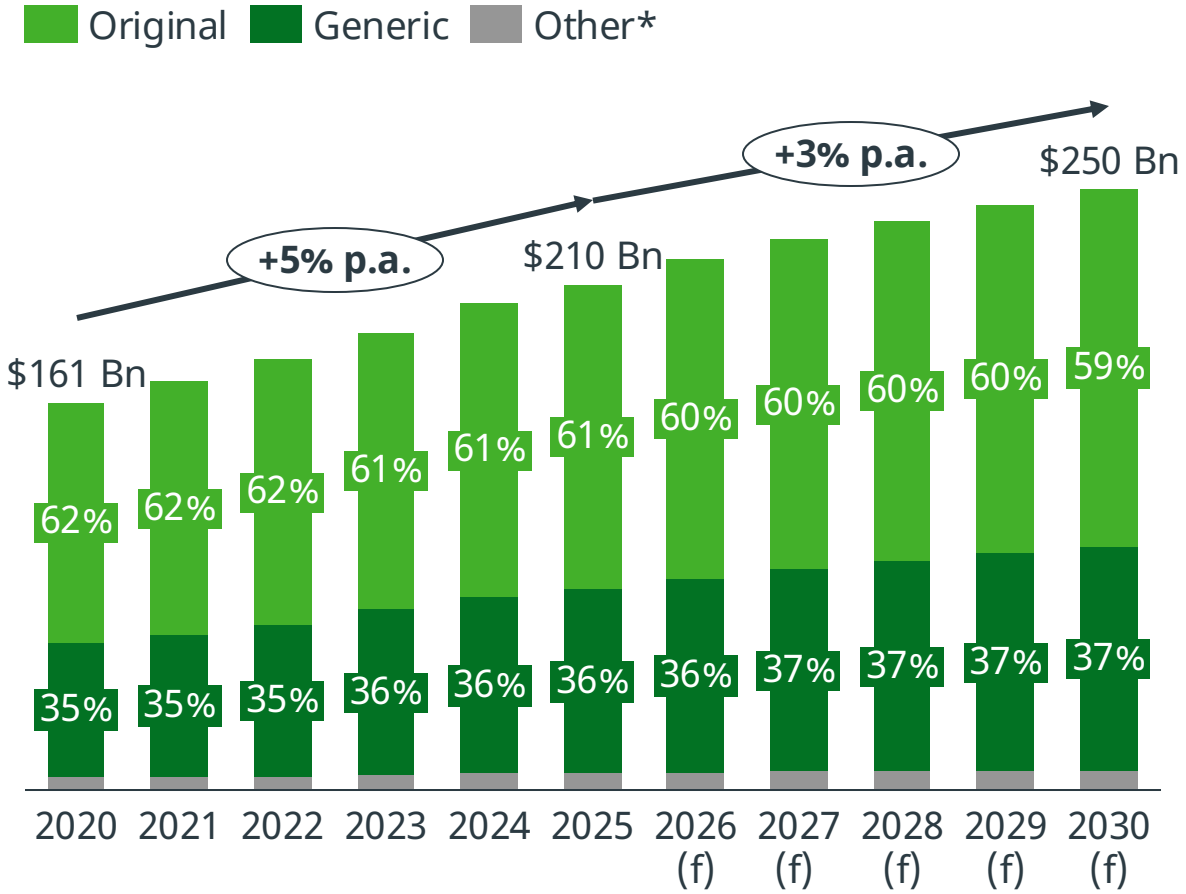


Notes: Includes subcutaneous formulations for rituximab, trastuzumab and infliximab.
Source: IQVIA Thought Leadership BioPulse, IQVIA MIDAS

Generics as a proportion of small molecule sales are anticipated to hold relatively steady at ~35-40%: volume exceeds 70% by 2030

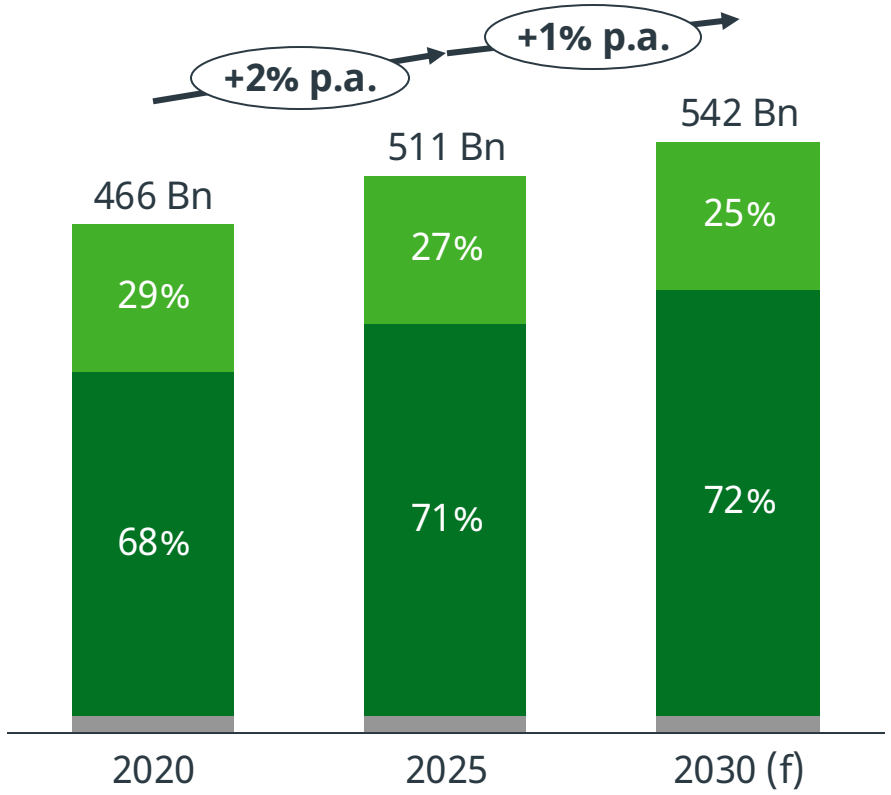
Europe Rx market split by product type

*(LC $, Bn; **gross ex-MNF; small molecule**)*



Europe Rx market volume by product type

*(volume standard units; Bn; **small molecule**)*



Europe defined as EU27, UK, Switzerland and Norway. *Not specifically classified e.g., products without protected original brand.
Source: (1) IQVIA Institute Market Prognosis

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- **Market pressures and outlook**
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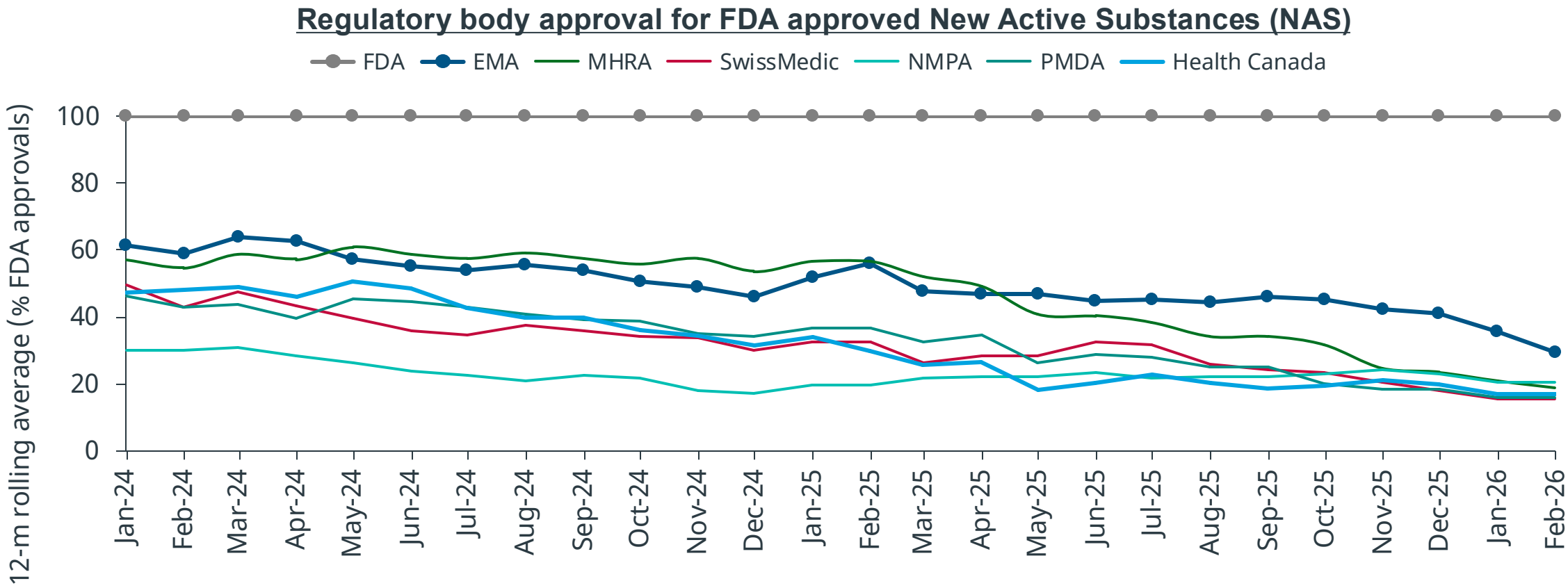
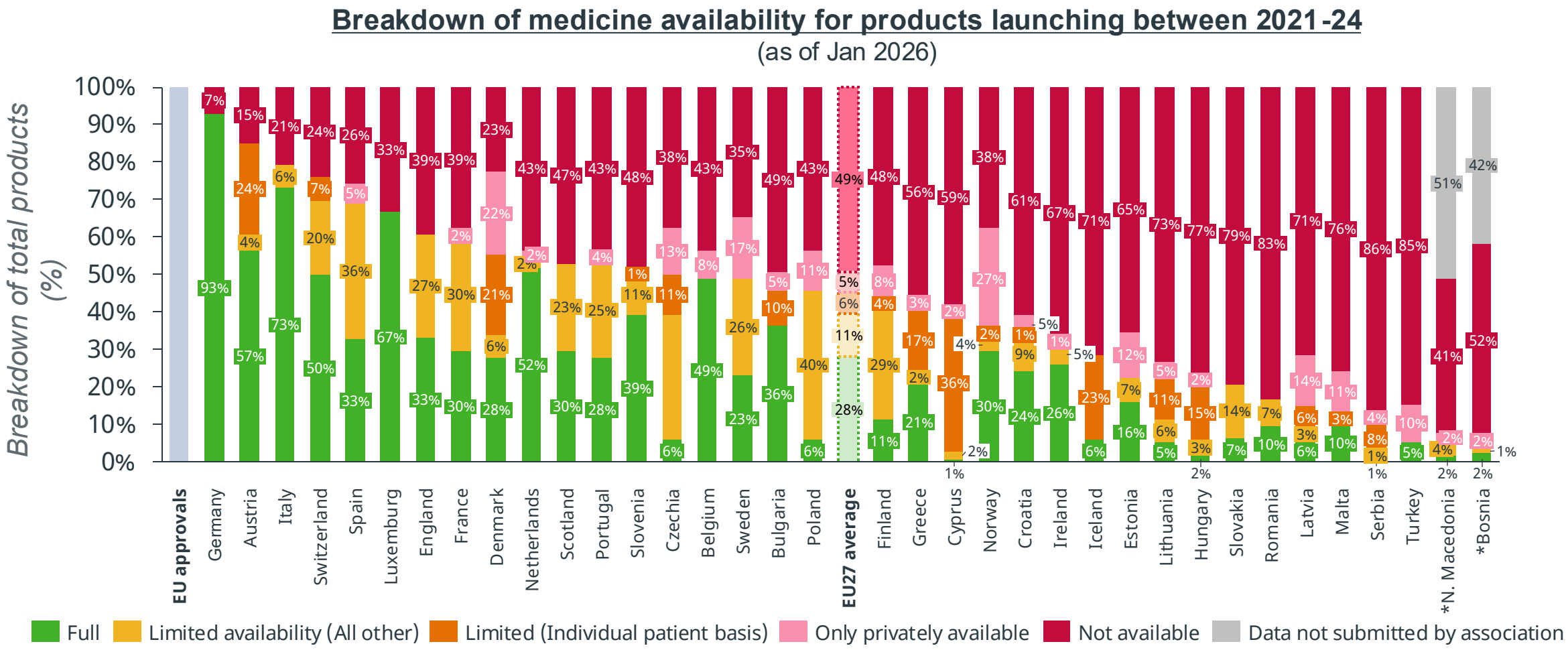
There is a decline in European approvals of new active substances, accelerating from the start of 2026



MHRA (UK) - Medicines and Healthcare products Regulatory Agency; NMPA (China) - National Medical Products Administration; PMDA (Japan) - Pharmaceuticals and Medical Devices Agency.
Source: EFPIA Regulatory Approval Indicator; IQVIA Institute, NAS dashboard (2021-2025). NAS defined as products where at least one active ingredient was novel at the time of first global launch. Vitamins, cosmetic products and reformulations without a novel active ingredient are excluded. Analysis also excludes COVID-19 products and NAS belonging to the following ATC classes: ATC K, ATC T and V. Vaccines were assessed at the disease level; only the first authorised vaccine per disease was classified as a NAS. Products are matched based on approval status, regardless of differences in approved indications.

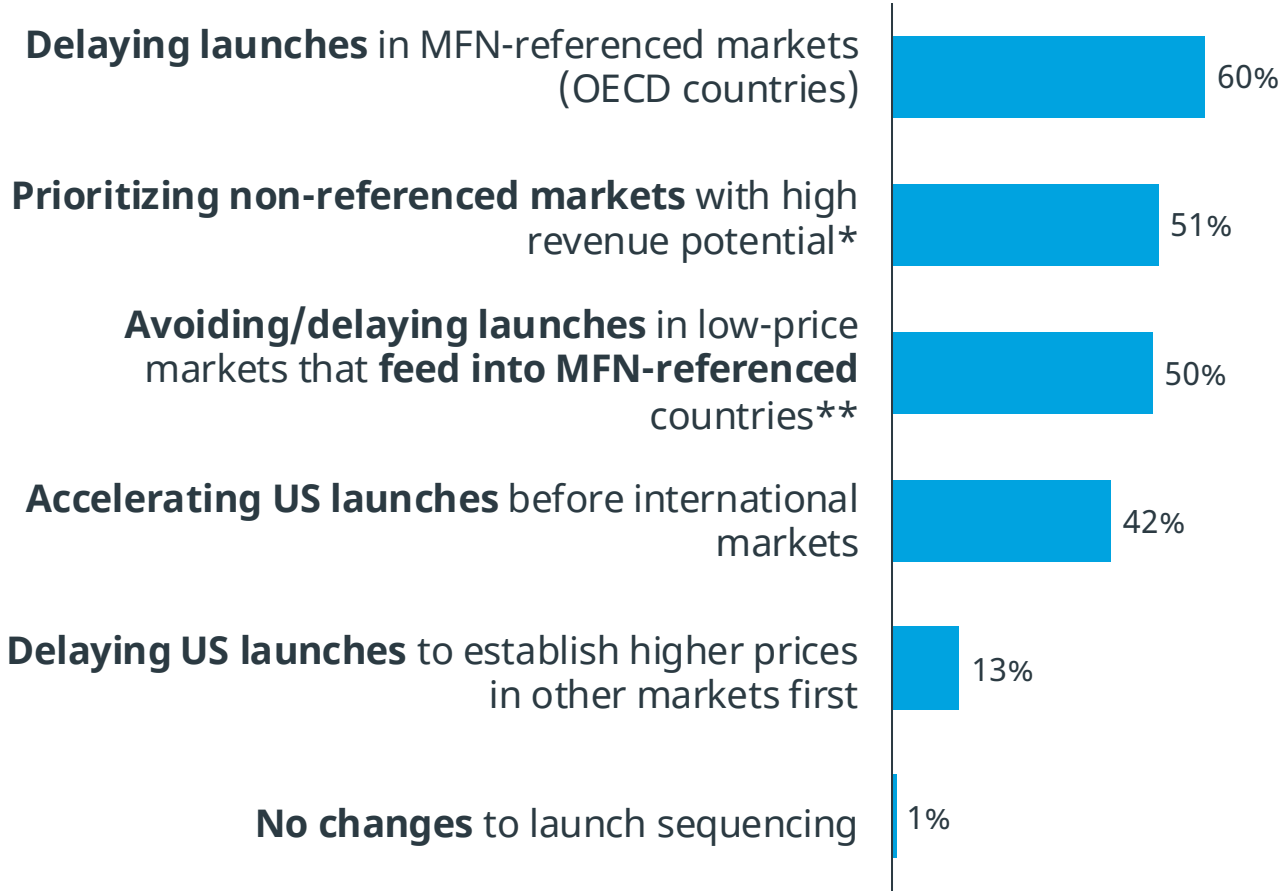
Growing health inequity in Europe and MFN could make it worse



European Union average: 76 products available (45%) ; Limited Availability (17% of all products); †Country specific definitions are listed in the appendix. Details surrounding early access schemes are provided in slide 72. *Countries with asterisks did not complete a full dataset and therefore availability may be unrepresentative.

Manufacturers are already responding to MFN with two schools emerging: US first versus international reshuffle

Reuters survey: How has your organization changed its global launch sequencing strategy in response to MFN?[1]



Industry is already responding to MFN pressures…

Amgen announced withdrawal of **PCSK9 inhibitor Repatha** in February 2026, owing to changed global pricing conditions

Despite EMA approval of Insmed's Brinsupri in November 2025, **European HTA processes were delayed**

Statement from CEO William H Lewis indicates: *The strategy is to launch in EU and JP. We want clarity on the MFN policies that are coming forward now…*

Source: (1) Reuters events results "The Pharma MFN Pulse Q4 2025 survey", sample size 72; (2) IQVIA analysis. Notes: *E.g., China, Brazil, Saudi Arabia, UAE; **E.g., Slovakia, Bulgaria, Croatia, Latvia, Malta

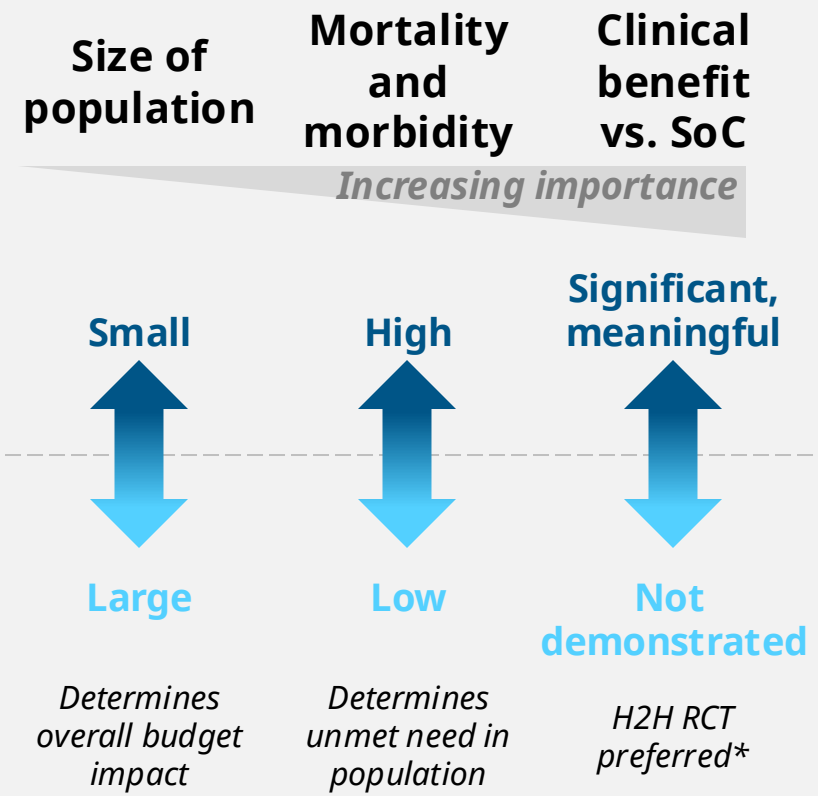
Ultimately, exposure and risk will be at the indication and product level

In Europe, **pressures have been growing** on governments to spend more on healthcare *(e.g., 32 company coalition sent a letter to European Commission President demanding a shift in European pharmaceutical policy[1])*

The UK-US agreement demonstrates that even a historically conservative, highly cost-effectiveness driven market is theoretically **willing to increase spend**

Drivers of pricing decision-making

Simplified approach harmonizing key features of EU4+UK



Diverging product categories

Perceived high-value products will face increased willingness to pay US comparable prices

Demonstrated by UK attempt to give Health Secretary discretion to advise on cost-effectiveness thresholds for drug assessment[2]

Products deemed insufficient will be subject to inflexible and restrictive pricing

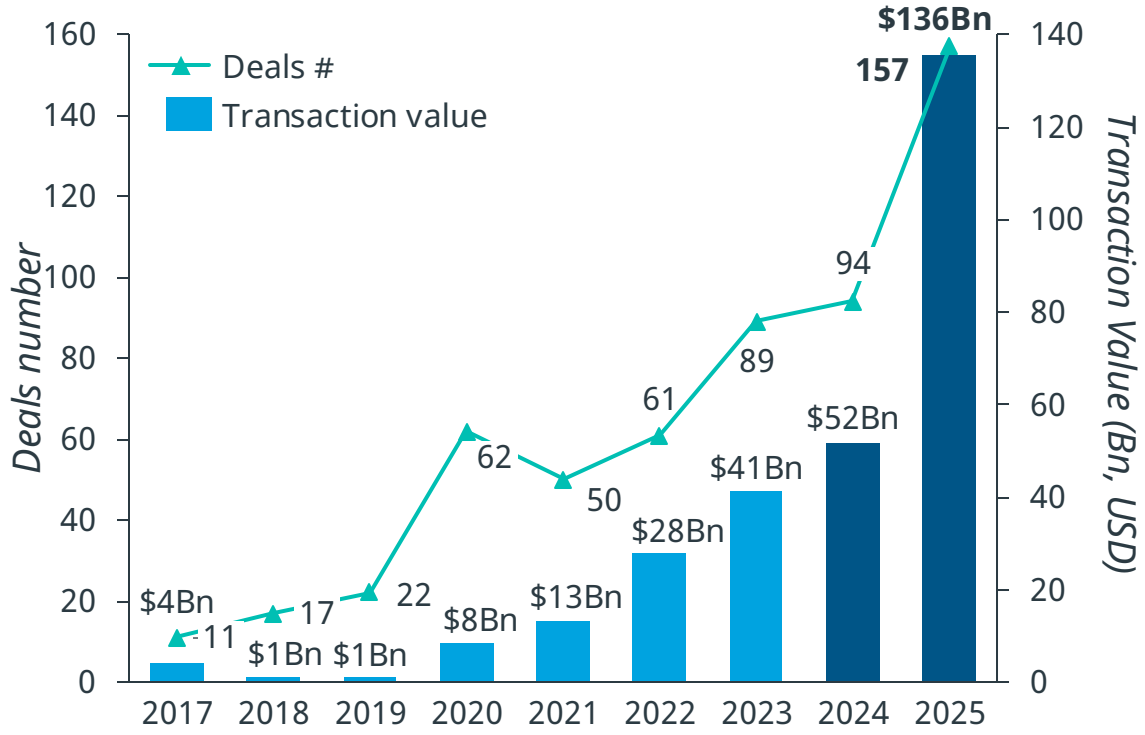
E.g. Vazkepa (icosapent ethyl) in Germany *withdrawn from market following assessment of no added benefit for CVD vs. background lipid-lowering therapy (statins ± ezetimibe),* ***price negotiations capped at €250/yr****, less than one tenth of the requested price[3]*

CVD – Cardiovascular Disease; H2H – Head-to-Head; RCT – Randomized Clinical Trial; SoC – Standard of Care.; *Recognition of limitations in rare disease assessments
Source: (1) Pharmaceutical Technology News Article, April 2025; (2) Guardian April 2026; (3) Vazkepa assessment (G-BA, 2022)

China has a growing presence in development; will this extend to commercial presence as it is now in the car industry?

Pharma increasingly looking to China innovation

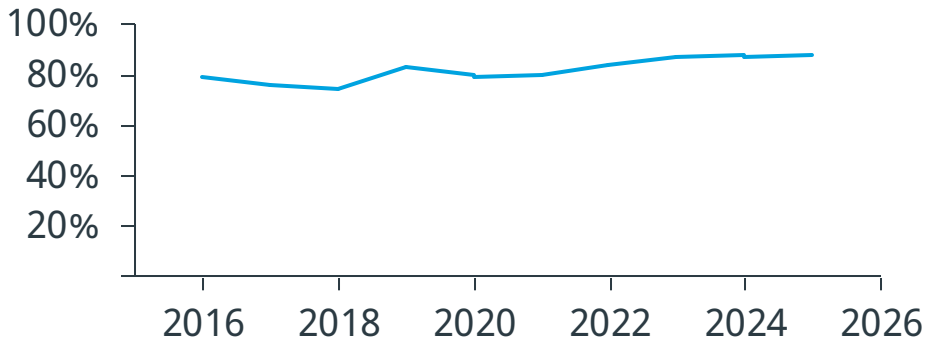
License-out deals of China originated innovative assets[1]
(2017-2024)



Will Chinese biotechs grow global ambitions?

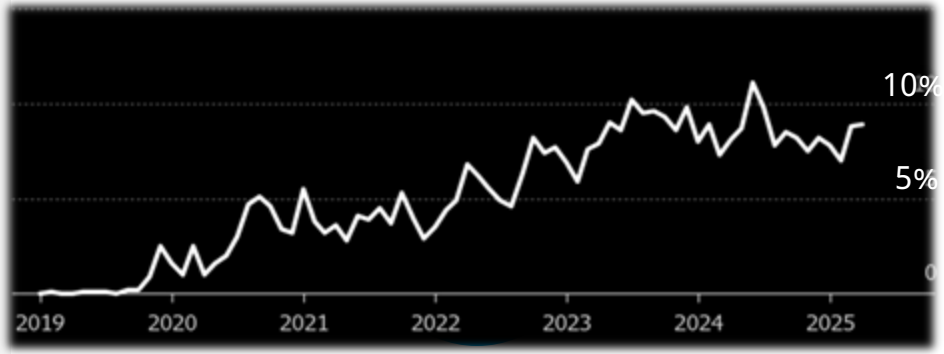
We are a long way from most Chinese companies 'going global'

Share of Chinese company trials in China only[4]



...but electric vehicles provide an inspiring story

EV registrations by CN MNFs as % European market[3]:



Abbreviations: TA – Therapy Area
Source: 1) PharmaGo Database; Desktop research; IQVIA analysis; 3) Dataforce (Bloomberg); 4) Citeline Trialtrove, Jan 2026; IQVIA Institute, Apr 2026.

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Pharma is beginning to respond to the very real pressures among those responsible for paying the bill

Success requires finding ways to support strained systems

Alleviate pressures on healthcare systems

E.g., time spent in hospital setting, patient use and persistence, increased simplicity (manufacture, supply, usage), potential digital enhancement

Finding efficiencies to optimize delivery

Supply chain optimization across, development, manufacturing

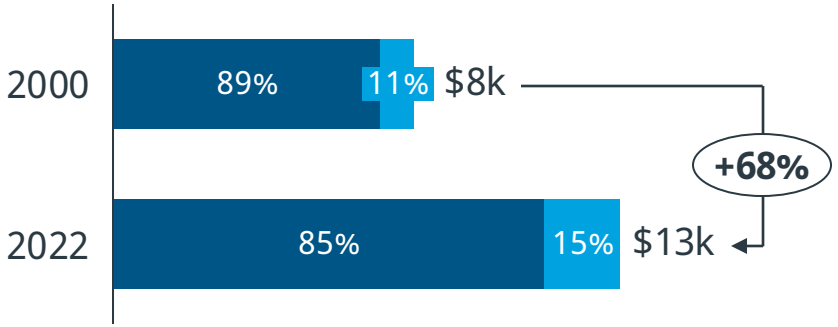
Healthcare priorities are to shift management to an ambulatory setting and reduce costs in the hospital setting

Hospitalization is driving healthcare expenditure increases…

Per capita spending in real PPP, USD[1]

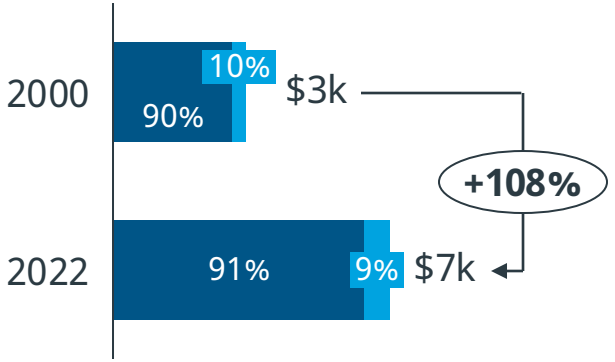
Drug spend | Other healthcare spend

example



Drugs account for just **20%** growth from 2000 to 2022

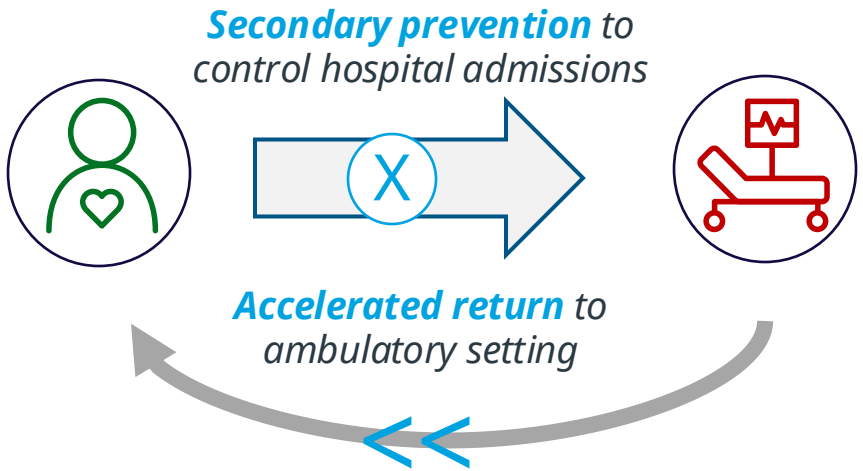
example



Drugs account for just **8%** growth from 2000 to 2022

Anticipated increase with cost-effectiveness threshold increase

…so products that reduce patient admission and accelerate return to ambulatory setting are preferred



Abbreviations: CMS – Centers for Medicare & Medicaid Services; PPP – Purchasing Power Parity; RWE – Real-World Evidence
Sources: 1) IQVIA Institute for Human Data Science, Jul 2025; (2) Kamuda Stratejik Yonetim
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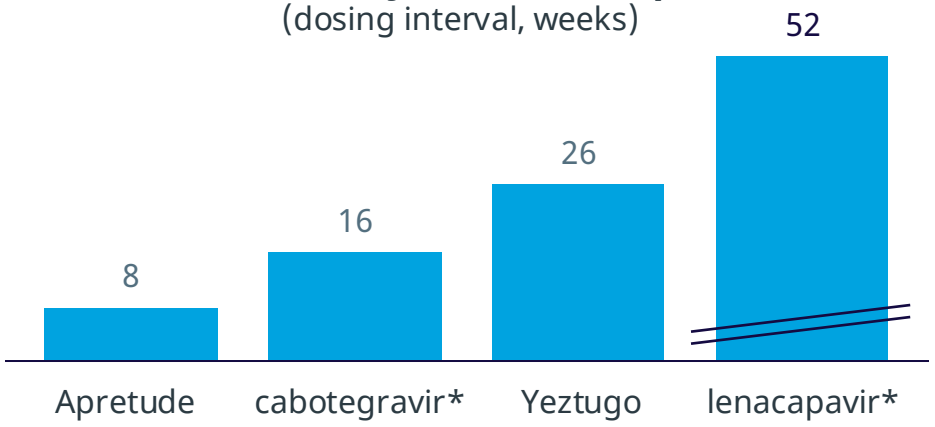
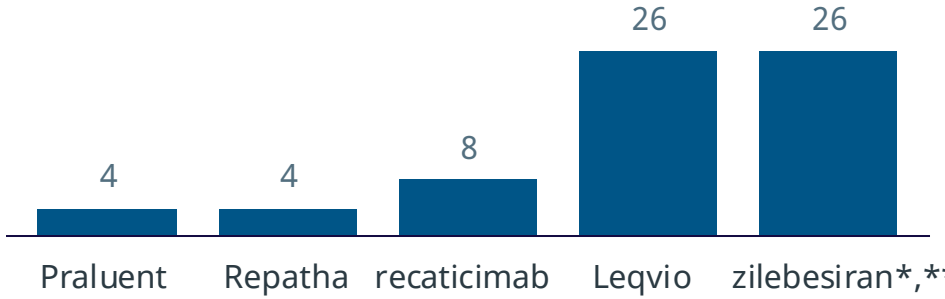
Long-acting injectables reduce the burden of frequent treatment for patients and healthcare systems

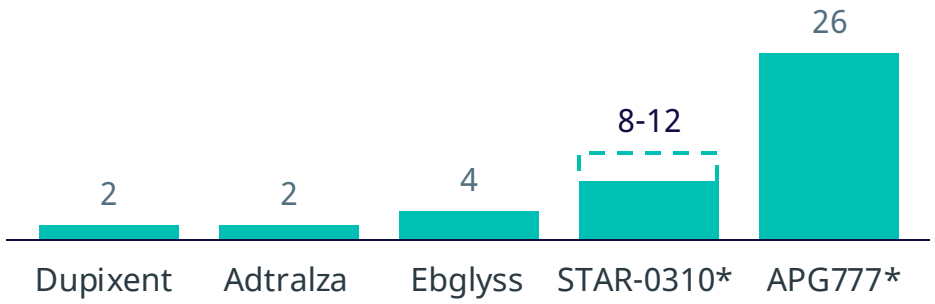
HIV PrEP injectable therapies
(dosing interval, weeks)



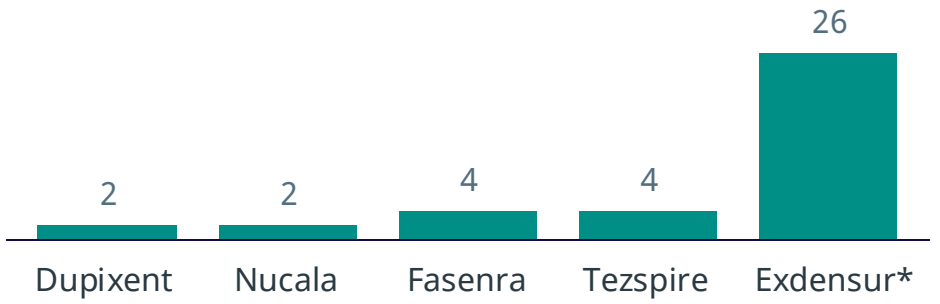
Cardiovascular injectable therapies
(maintenance dosing interval, weeks)



Atopic dermatitis biologic therapies
(maintenance dosing interval, weeks)

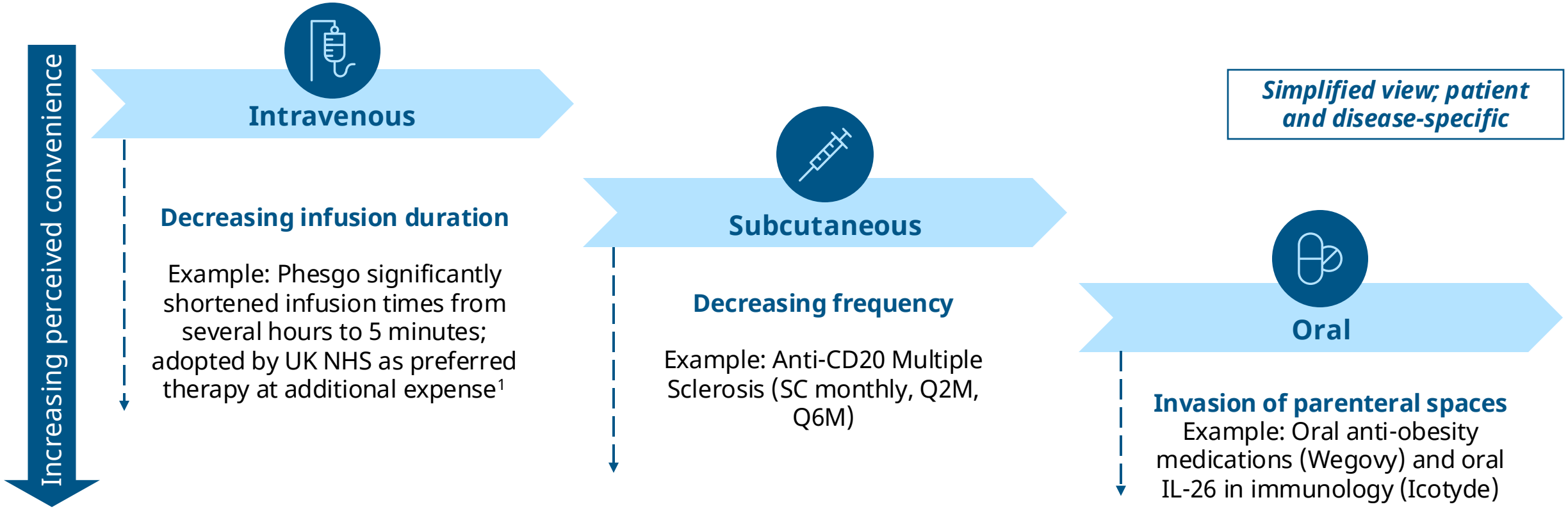


Asthma biologic therapies
(maintenance dosing interval, weeks)



*Assets in development; ** Zilebesiran in development for hypertension; other shown CV products are for dyslipidemia
Source: IQVIA EMEA Thought Leadership Analysis (Blog: Playing the Long Game, August 2025)

Pharma is adapting to develop drugs with easier administration

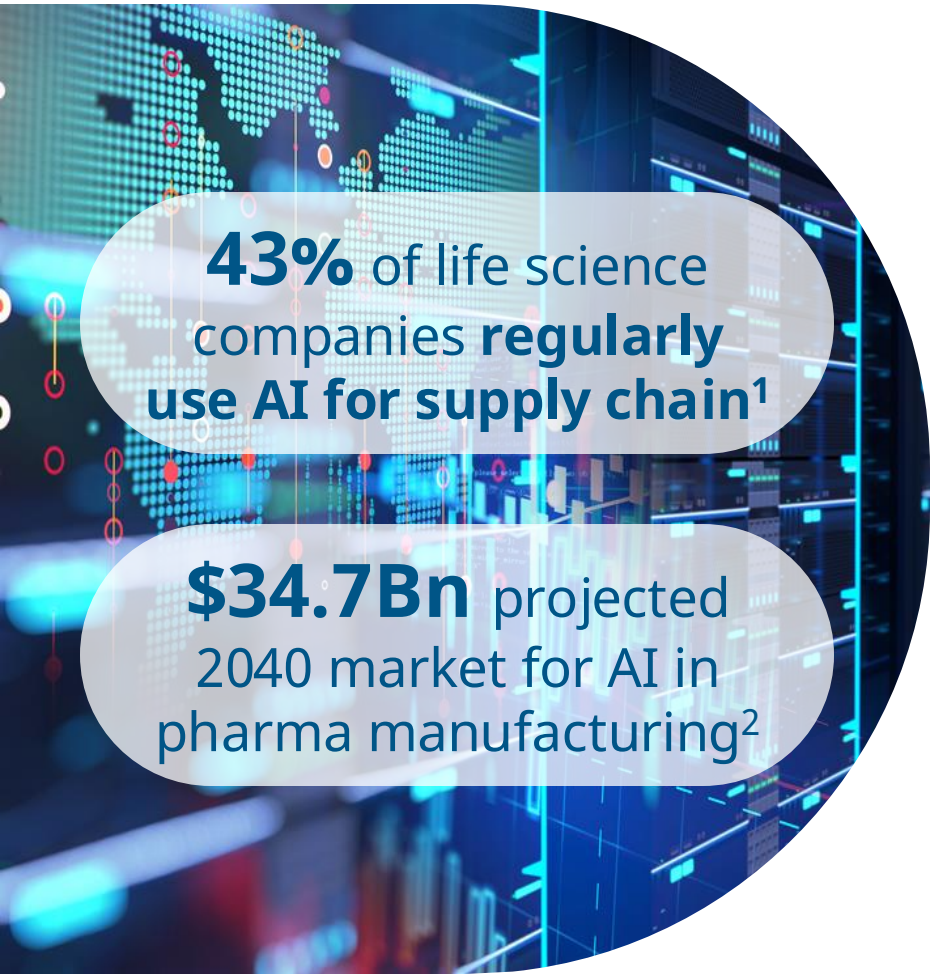


Recent SC launches of legacy IV products demonstrate that uptake is impacted by time and cost savings; for example, Darzlex Faspro (SC) saved 3-5h of administration and new-to-brand prescriptions overtook IV within a year[1]

Further innovation in delivery (E.g., on-body deliverables), **patient support programs, and digital assistance** are additionally explored by pharma companies to **improve patient experience, convenience, and adherence**

(1) US Patient Prescribing Data (LAAD) NHS England

Pharma's next competitive advantage is operational: AI is fundamentally reshaping the supply chain



Summary of top AI workflows[3]

Domain	Top AI Workflow	Patient Impact	Business Impact
PLAN	Demand Forecasting	**Fewer stockouts**; faster crisis response	Improved **planning productivity**, **reduced inventory** surplus
SOURCE	Supplier Risk Monitoring	**Resilient API supply**; quality assurance speed	**Supply risk visibility** and **procurement savings**
MAKE	Real-Time Release Testing	**Days faster access** to critical medicines	**COGS reduction**, improved **equipment effectiveness**
DELIVER	Cold Chain Monitoring	**Safe, potent** biologics and vaccines	**Reduced logistics cost** and inventory write-off

Source: (1) White & Case Life Sciences & AI Report January 2026; (2) Roots Analysis, Up from $1.2Bn in 2026; (3) IQVIA Supply & Operations advisory

All competitors have access to the same tools including AI: the secret to competitive edge are speed, agility, and precision

SPEED

- Flexible team set-up
- Continuous optimization
- Immediate insight capture
- Instantaneous feedback

AGILITY

PRECISION

- AIML-powered decision making
- Real-Time engagement
- Orchestrated omnichannel
- Dynamic segmentation

<u>Technology alone is insufficient:</u> FDA have reinforced that good manufacturing practices require output from AI agents to be reviewed and cleared by human intelligence

Source: (1) FDA Warning Letter, Feb 2026
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Change is accelerating… we must adapt to succeed

1. Despite geopolitical turbulence there is **unlikely to be a significant geographic shift** away from the 10 countries driving majority pharma sales

2. This is **largely caused by access rationing**, or inessential innovation, as ex-US budgets are not sufficient to pay for new products and increasingly stretched due to other priorities

3. **Health inequity is a growing problem** and unlikely to be resolved in the present climate

4. Companies which **directly address healthcare priorities have an advantage** over those who don't

Thank you

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