Eco Animal Health Group plc

Exclusive sheep vaccine licensing agreement

13 August 2026

Eco Animal Health announces that it has signed a perpetual, exclusive, licence agreement with Vaxinano S.A. for Vaxinano's sheep vaccine against *Toxoplasmosis*, enabling Eco Animal Health to complete the development and commercialise this late-stage vaccine across key sheep markets. The vaccine is designed to prevent reproductive failure caused by *Toxoplasma gondii*, a widespread disease in sheep causing abortion, stillbirth or weakened lambs. The Group estimates peak annual revenue contribution in the UK and Europe alone of c.£10.0m.

Eco Animal Health will pay Vaxinano a small upfront licence fee followed by a future development milestone payment and royalties on commercial sales; all development is included within the established Group planned R&D budget, including the upfront licence fee. Commercial rollout is supported by Eco Animal Health's well-established distribution network, initially in the UK and Europe and subsequently beyond, offering a de-risked incremental contribution to earnings.

Established in 2016, based near Lille, Vaxinano specialises in the development nasal spray nanoparticle vaccines (i.e. not injected), which are highly stable and free of chemical additives, for both human and animal application. In addition to Toxoplasmosis the company has focused on pathogens including *Leishmaniasis* (transmitted by sandflies), and *E.coli* bacteria. The company's proprietary *Stellar-NP™* technology delivers inactivated ('dead' or non-infectious) pathogens which retain structures which the immune system can recognise, i.e. 'train' the immune system in the classic vaccination process.

The clear commercial opportunity for Eco Animal Health is underlined by limitations in the application of the current licensed toxoplasmosis vaccine, Toxovax®, manufactured by Merk & Co, which as a live attenuated S48 strain which must be handled with care, has a short active life (10 days post-manufacture and 2 hours post reconstitution) and must be administered c.3 weeks before mating. The safety and efficacy of the Vaxinano vaccine is established beyond proof of concept.

Eco Animal Health recently reported strong FY26 results (July 15 ED report 'FY26 results ahead of expectations'). In addition, its late-stage ECOVAXXIN® MS (February ED report 'ECOVAXXIN® MS commercialisation begins') was officially launched for EU rollout in Madrid on 1st July highlighting accelerating steps towards commercialisation of a range of new products.

Our **Fair Value remains 180p/share**.

Key financials and valuation metrics

Yr to 31 March (£m)	2024A	2025A	2026A	2027E	2028E
Revenue	89.4	79.6	87.5	91.2	95.8
EBITDA (adj.)	8.0	7.3	8.5	8.5	9.4
Pre-Tax Profit (adj.)	4.0	3.5	5.8	5.2	6.4
EPS (rptd. basic)	1.5	2.5	3.3	3.1	5.2
EPS (adj. dil. p)	2.3	1.9	3.4	3.3	5.5
Net cash / (debt)	22.4	25.0	25.4	25.0	24.8
EV/EBITDA	4.3x	4.8x	4.1x	4.1x	3.7x
EV/Rev	0.4x	0.4x	0.4x	0.4x	0.4x
P/E	38.3x	46.4x	25.9x	27.3x	16.2x

Source: Company data, Equity Development estimates. [1]Net cash is pre IFRS16.

Company data

EPIC	EAH.L
Price (last close)	103p
52 weeks Hi/Lo	117p/72p
Market cap	£70m
ED Fair Value / share	180p
Net cash / (debt) 2026A	£25.4m
Avg. daily volume (3m)	81,701

Share price, p

Source: Investing.com

Description

Founded in 1995, ECO Animal Health specialises in the development, registration and distribution of pharmaceutical products for animal health markets worldwide, notably disease, bacterial infection and parasitic prevention for pigs, cattle, sheep and poultry.

The Group addresses markets in China and the Far East, SE Asia, North America, Latin America and Europe, and derives c.90% of revenue from its enteric and respiratory antibiotic Aivlosin®, for the treatment of diseases in pigs and poultry.

Next event

AGM, September 2026

Mike Jeremy (Analyst)
0207 065 2690
mike.jeremy@equitydevelopment.co.uk

Hannah Crowe
0207 065 2692
hannah@equitydevelopment.co.uk

P&L

Year to 31 March (£m)	H1 25A	H2 25A	H1 26A	H2 26A	FY24A	FY25A	FY26A	FY27E	FY28E
Revenue	**33.2**	**46.4**	**39.4**	**48.1**	**89.4**	**79.6**	**87.5**	**91.2**	**95.8**
Gross	**13.4**	**22.6**	**19.6**	**22.9**	**37.7**	**35.9**	**42.5**	**42.4**	**44.5**
	40.3%	*48.6%*	*49.6%*	*47.7%*	*42.1%*	*45.1%*	*48.6%*	*46.5%*	*46.5%*
COGS	(19.8)	(23.9)	(19.8)	(25.2)	(51.7)	(43.7)	(45.0)	(48.8)	(51.2)
Other income	0.1	0.0	0.1	0.0	0.1	0.1	0.1	0.0	0.0
R&D	(2.4)	(1.6)	(2.7)	(2.6)	(4.2)	(4.0)	(5.3)	(5.1)	(5.1)
Admin	(13.4)	(15.3)	(15.8)	(15.9)	(29.4)	(28.7)	(31.7)	(31.5)	(32.6)
Impairment/Other	1.0	(0.1)	0.0	0.0	(0.7)	1.0	0.0	0.0	0.0
Sum Op-ex	(14.5)	(17.1)	(18.4)	(18.4)	(34.1)	(31.6)	(36.8)	(37.0)	(38.1)
Sh-based payments	(0.2)	(0.2)	(0.3)	(0.1)	(0.4)	(0.4)	(0.3)	(0.4)	(0.4)
Forex	1.2	(0.4)	0.2	(0.3)	0.6	0.7	(0.2)	0.0	0.0
EBIT (rptd.)	(1.2)	5.5	1.2	4.6	3.5	4.3	5.7	5.5	6.4
EBIT (adj.)	**(2.0)**	**5.8**	**1.4**	**4.6**	**4.6**	**3.7**	**6.0**	**5.8**	**6.8**
Margin	*N.M.*	*12.5%*	*3.6%*	*9.6%*	*5.1%*	*4.7%*	*6.9%*	*6.4%*	*7.1%*
Amortisation	(0.6)	(0.6)	(0.6)	(0.6)	(1.2)	(1.2)	(1.1)	(1.3)	(1.3)
Depreciation RoU	(0.3)	(0.4)	(0.3)	(0.3)	(0.7)	(0.7)	(0.7)	(0.7)	(0.6)
Depreciation	(0.5)	(0.5)	(0.5)	(0.4)	(1.0)	(1.0)	(0.9)	(1.1)	(1.1)
EBITDA (rptd.)	1.3	6.5	2.7	5.5	6.9	7.9	8.2	8.5	9.4
EBITDA (adj)	**0.4**	**6.9**	**3.0**	**5.6**	**8.0**	**7.3**	**8.5**	**8.5**	**9.4**
Margin	*1.3%*	*14.8%*	*7.5%*	*11.6%*	*9.0%*	*9.2%*	*9.8%*	*9.4%*	*9.8%*
Financial income	0.1	0.1	0.0	0.0	0.2	0.1	0.1	0.1	0.1
Financial expense	(0.3)	(0.1)	(0.2)	(0.2)	(0.8)	(0.5)	(0.4)	(0.8)	(0.6)
Associate	0.0	0.0	0.0	(0.0)	0.1	0.1	0.0	0.1	0.1
PBT (rptd.)	(1.4)	5.4	1.1	4.4	3.0	4.0	5.4	4.8	6.0
PBT (adj.)	**(2.3)**	**5.7**	**1.3**	**4.4**	**4.0**	**3.5**	**5.8**	**5.2**	**6.4**
Tax	(0.3)	(1.0)	(0.3)	(1.4)	(1.0)	(1.4)	(1.8)	(1.3)	(1.5)
PAT (rptd.)	(1.8)	4.4	0.7	2.9	2.0	2.6	3.7	3.5	4.5
PAT (adj.)	(2.6)	4.7	1.0	3.0	3.1	2.1	4.0	3.9	4.9
Basic wtd. Av. shares (m)					67.7	67.6	67.2	67.2	67.2
Diluted wtd. av. shares (m)					69.1	69.4	69.5	69.5	69.5
EPS rptd. basic (p)					1.55	2.49	3.26	3.06	5.23
EPS rptd. dil. (p)					1.52	2.43	3.15	2.96	5.06
EPS adj. basic (p)					2.37	1.97	3.55	3.37	5.70
EPS adj. dil. (p)					**2.32**	**1.92**	**3.44**	**3.25**	**5.51**

Source: Company data. Equity Development estimates.

Cashflow

Year to 31 March (£m)	H1 25A	H2 25A	H1 26A	H2 26A	FY24A	FY25A	FY26A	FY27E	FY28E
PBT (rptd.)	(1.4)	5.4	1.1	4.4	3.0	4.0	5.4	4.8	6.0
Finance (net)	0.3	0.1	0.1	0.2	0.6	0.3	0.3	0.7	0.5
Forex	1.2	(0.4)	0.2	(0.3)	0.6	0.7	(0.2)	0.0	0.0
Amortisation	0.6	0.6	0.6	0.6	1.2	1.2	1.1	1.3	1.3
Depreciation RoU	0.3	0.4	0.3	0.3	0.7	0.7	0.7	0.7	0.6
Depreciation	0.5	0.5	0.5	0.4	1.0	1.0	0.9	1.1	1.1
Impairment/Other	0.0	(1.0)	0.0	0.0	0.1	(1.0)	0.0	0.0	0.0
Associate	(0.0)	(0.0)	(0.0)	0.0	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)
Sh-based payments	0.2	0.2	0.3	0.1	0.4	0.4	0.3	0.4	0.4
Other	(0.7)	0.7	0.0	0.0	0.3	0.0	0.0	0.0	0.0
Operating Cash Flow	**0.8**	**6.5**	**3.0**	**5.6**	**7.7**	**7.3**	**8.5**	**8.9**	**9.8**
(Inc)/Dec inventories	(0.2)	2.2	(1.4)	2.7	4.7	2.1	1.2	(2.7)	(0.0)
(Inc)/Dec receivables	5.3	(1.1)	5.1	0.9	(5.0)	4.2	6.0	(2.3)	(0.8)
Inc/(Dec) payables	(5.6)	4.2	(6.7)	1.2	2.5	(1.3)	(5.5)	5.8	0.1
Provisions	(0.3)	0.2	0.3	(0.4)	0.6	(0.1)	(0.1)	(0.1)	(0.1)
Ch working capital	(0.8)	5.6	(2.8)	4.4	2.8	4.9	1.6	0.6	(0.8)
Cash from operations	**(0.0)**	**12.2**	**0.2**	**9.9**	**10.5**	**12.2**	**10.1**	**9.5**	**9.0**
Interest paid	(0.1)	(0.1)	(0.1)	0.1	(0.5)	(0.2)	(0.0)	0.0	0.0
Tax (paid)/received	0.6	(2.1)	(1.1)	(1.3)	(0.6)	(1.5)	(2.5)	(1.2)	(1.3)
Net from operations	0.5	10.0	(1.1)	8.7	9.4	10.5	7.7	8.3	7.7
PPE	(0.1)	(0.3)	(0.1)	(0.1)	(0.5)	(0.4)	(0.2)	(0.5)	(0.6)
Sale of PPE/operations	0.4	(0.1)	0.0	0.0	1.1	0.3	0.0	0.0	0.0
Capitalised R&D	(1.8)	(2.9)	(1.9)	(1.7)	(4.1)	(4.6)	(3.6)	(4.0)	(4.0)
Finance	0.1	0.1	0.0	0.0	0.2	0.1	0.1	0.1	0.1
Net used in investing	(1.4)	(3.2)	(1.9)	(1.8)	(3.4)	(4.6)	(3.7)	(4.4)	(4.5)
Net OpFCF	**(0.9)**	**6.8**	**(3.0)**	**0.0**	**6.0**	**5.9**	**4.0**	**3.9**	**3.3**
Shares issued	0.0	0.0	0.0	(0.8)	0.0	0.0	(0.8)	0.0	0.0
Interest on leases	(0.2)	(0.0)	(0.1)	(0.2)	(0.3)	(0.3)	(0.3)	(0.5)	(0.1)
Leases	(0.3)	(0.4)	(0.4)	(0.3)	(0.6)	(0.6)	(0.7)	(0.8)	(0.4)
Dividends	(1.1)	0.0	(2.5)	0.0	(2.8)	(1.1)	(2.5)	(3.0)	(3.0)
Net cash from financing	(1.6)	(0.4)	(2.9)	(1.3)	(3.7)	(2.0)	(4.2)	(4.3)	(3.5)
Net increase in cash	**(2.5)**	**6.4**	**(5.9)**	**5.7**	**2.3**	**3.9**	**(0.2)**	**(0.4)**	**(0.3)**
Cash start	22.4	18.3	25.0	18.6	21.7	22.4	25.0	25.4	25.0
Forex	(1.6)	0.3	(0.4)	1.1	(1.6)	(1.3)	0.7	0.0	0.0
Cash end	**18.3**	**25.1**	**18.6**	**25.4**	**22.4**	**25.0**	**25.4**	**25.0**	**24.8**

Source: Company data. Equity Development estimates.

Balance sheet

Year to 31 March (£m)	H1 25A	H2 25A	H1 26A	H2 26A	FY24A	FY25A	FY26A	FY27E	FY28E
Intangibles Net	39.6	41.8	43.2	44.3	38.4	41.8	44.3	47.0	49.7
PPE net	4.3	4.0	3.6	3.4	4.8	4.0	3.4	2.8	2.3
RoU Assets Net	3.3	3.4	4.7	4.5	3.7	3.4	4.5	8.2	11.1
Property Investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Investments	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Deferred Tax	1.3	1.1	1.1	1.5	1.4	1.1	1.5	1.5	1.5
Sum Fixed Assets	**48.8**	**50.7**	**52.9**	**54.1**	**48.5**	**50.7**	**54.1**	**59.8**	**64.9**
Inventories	16.7	14.6	16.0	13.5	17.0	14.6	13.5	16.2	16.3
Trade receivables	26.8	28.5	24.0	24.0	32.2	28.5	24.0	26.2	27.0
Tax assets, other	1.2	1.9	2.5	2.5	3.2	1.9	1.6	0.0	0.0
Cash, Equivalents	18.3	25.0	18.6	25.4	22.4	25.0	25.4	25.0	24.8
Sum Current Assets	**63.0**	**69.9**	**61.1**	**65.4**	**74.7**	**69.9**	**64.5**	**67.5**	**68.0**
Total Assets	111.7	120.6	114.0	119.5	123.3	120.6	118.6	127.3	132.9
Trade payables	(10.8)	(15.1)	(9.8)	(11.9)	(17.4)	(15.1)	(11.9)	(17.7)	(17.8)
Provisions	(5.1)	(5.0)	(5.5)	(5.4)	(5.9)	(5.0)	(5.4)	(5.4)	(5.4)
Tax, Other	(0.9)	(1.7)	(1.1)	(1.5)	(2.0)	(1.7)	(1.5)	(1.5)	(1.5)
Dividends	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)	(0.5)
Sum Current Liabilities	**(16.9)**	**(21.8)**	**(16.4)**	**(18.9)**	**(25.2)**	**(21.8)**	**(18.9)**	**(25.1)**	**(25.2)**
Total Assets less CL	94.9	98.8	97.6	100.6	98.0	98.8	99.7	102.2	107.7
Deferred tax	(1.3)	(0.9)	(0.9)	(0.0)	(1.3)	(0.9)	(0.0)	(0.0)	(0.0)
Leases	(3.1)	(3.2)	(4.3)	(4.2)	(3.4)	(3.2)	(4.2)	(3.4)	(3.4)
Sum Long-term liabilities	**(4.4)**	**(4.0)**	**(5.2)**	**(4.2)**	**(4.7)**	**(4.0)**	**(4.2)**	**(3.4)**	**(3.4)**
Total liabilities	(21.2)	(25.8)	(21.6)	(23.1)	(29.9)	(25.8)	(23.1)	(28.5)	(28.6)
Net Assets	90.5	94.8	92.4	96.4	93.4	94.8	95.5	98.8	104.3
Share Capital	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Share Premium	63.3	63.3	63.3	63.3	63.3	63.3	63.3	63.1	64.1
Reserves	1.2	0.9	0.5	0.2	1.6	0.9	0.2	0.2	0.2
Retained earnings	14.3	17.9	17.8	20.2	15.8	17.9	20.2	23.7	28.3
Non-controlling interests	8.3	9.3	7.6	8.4	9.7	9.3	8.4	8.4	8.4
Equity	**90.5**	**94.8**	**92.4**	**96.4**	**93.4**	**94.8**	**95.5**	**98.8**	**104.3**
Net cash / (debt) pre IFRS16	18.3	25.0	18.6	25.4	22.4	25.0	25.4	25.0	24.8
Net cash / (debt) IFRS16	15.2	21.8	14.3	21.3	19.0	21.8	21.3	21.6	21.4

Source: Company data. Equity Development estimates.

Contacts

Andy Edmond
Direct: 020 7065 2691
Tel: 020 7065 2690
andy@equitydevelopment.co.uk

Hannah Crowe
Direct: 0207 065 2692
Tel: 0207 065 2690
hannah@equitydevelopment.co.uk

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