



Looking at the future

Capital Markets Day 2022

March 22nd 2022

2021 Key year



Future growth strategy



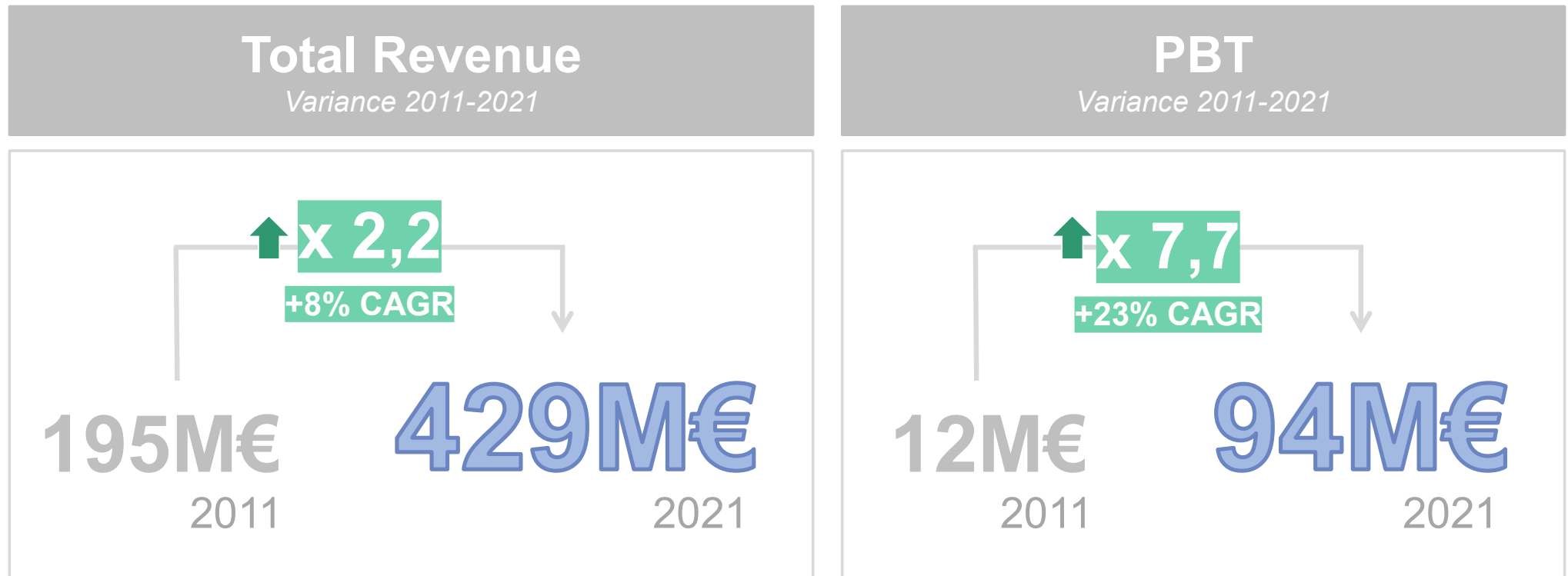
Sustainable horizon: Faes Farma's value proposition



2021: Exceeding expectations in a key year

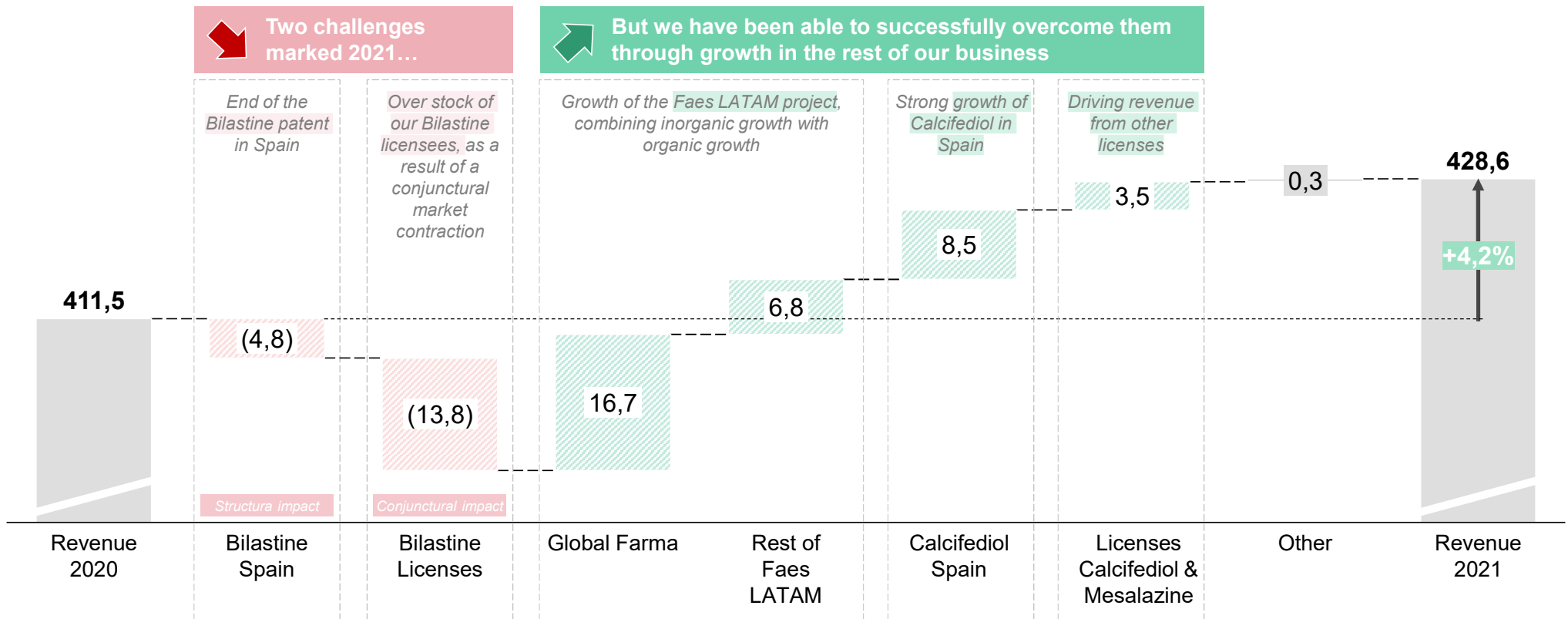
	Guidance 2021 ²		Final results 2021
Net Sales¹	Single digit growth <i>vs. 2020 (380M€)</i>		399M€ +5%
PBT <i>Profit before tax</i>	Between 87M€ - 91M€ <i>vs. 2020 (85M€)</i>		94M€ +11%

Track record of 10 years of profitable growth ...



In 2021 we have successfully overcome the greatest challenges of the last 10 years, Bilastine in Spain and over stock post Covid-19

Total Revenue [2020-2021, M€]



... leveraging on the strong growth of Faes LATAM, Calcifediol in Spain and licenses of other products

Faes LATAM

Revenue 2021 vs. 2020

+66%



+23,5M€
Revenue

+7,4M€
EBITDA

Record results in terms of revenue contribution and EBITDA, reaching **c.€59M in revenue**

Calcifediol In Spain

Revenue 2021 vs. 2020

+31%



+8,5M€
Revenue

+4,4M€
EBITDA

Leading vitamin D molecule in Spain, reaching c.€36.4M in revenue

Licenses Calcifediol & Mesalazine

Revenue 2021 vs. 2020

+139%



+3,5M€
Revenue

+1M€
EBITDA

Strategic **product licenses**, achieving **historic results**, with revenues of c.€12.5M

2021 Key year



Future growth strategy

A. Strategy **Pharma**

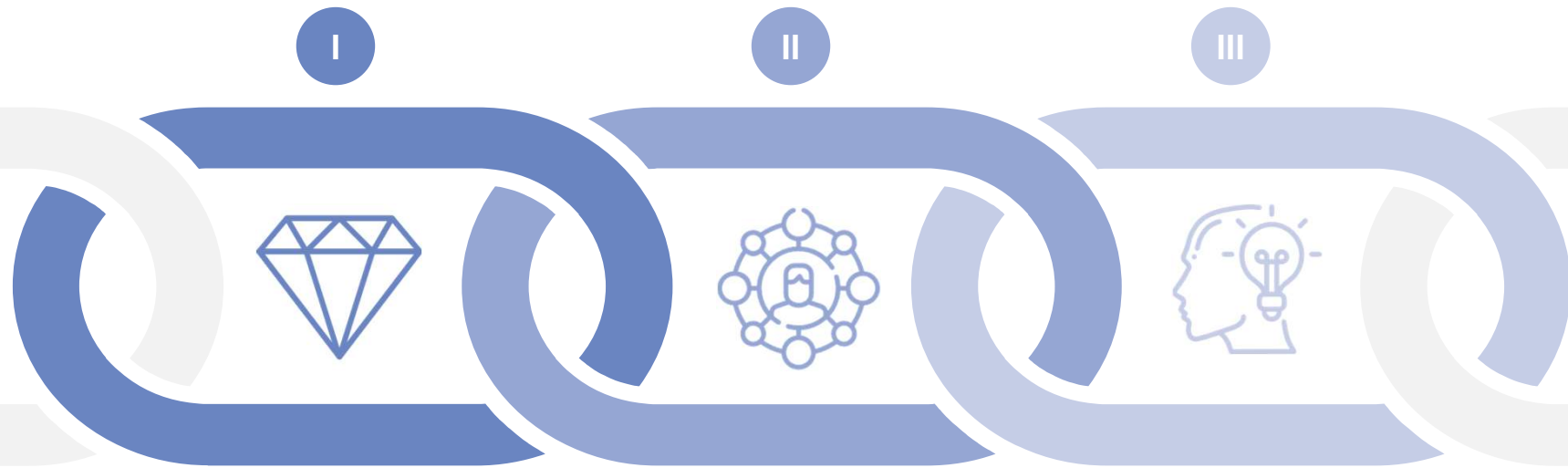
B. Strategy **Animal
Nutrition & Health**

C. **Industrial Projects**

Sustainable horizon: Faes Farma's value proposition



Our growth strategy in Pharma is based on three pillars

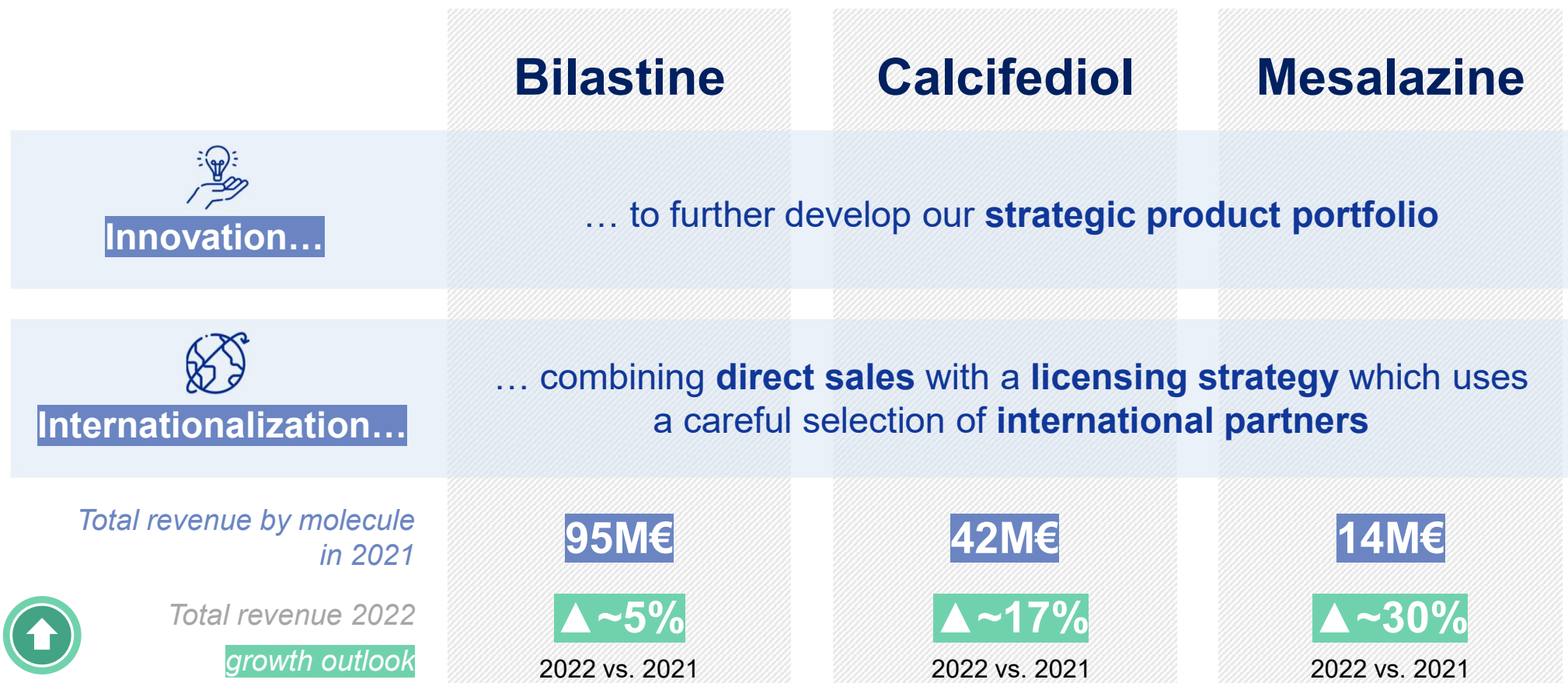


Growing our strategic
product lines





Adding value to our
direct sales model

Renewed and
determined
**commitment to
research**

Pillar I: Growth related to our strategic product lines based on innovation and internationalization




Bilastine, a leading antihistamine with a great future ahead

-  **95M€**
Total revenue Bilastine in 2021
-  **Best-selling antihistamine** in prescription markets where we are present¹
-  **>5.000M** doses sold since 2015
-  **Leading Brand** or number 2 in various of the main markets worldwide
-  **12,4%** share² in the global antihistamine market

 **Bilastine revenue will continue to grow beyond 2022**




 **Launches** in the short-medium term in two³ of the six **main markets**⁴ for antihistamines



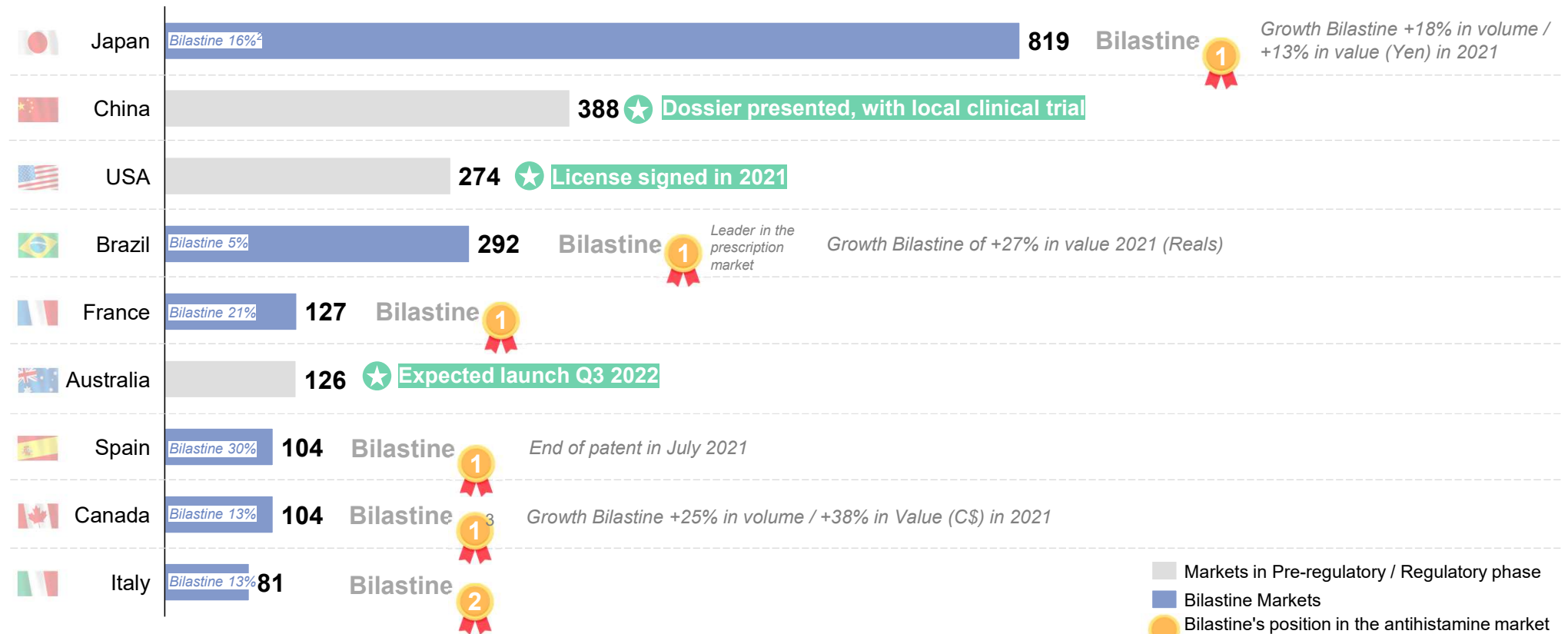
Launch of the largest **product range** of a modern antihistamine



 **Double digit growth** in markets in Asia, Canada and LATAM

We have a leadership position in the main markets, with an outlook of further geographical expansion

Top antihistamine markets Faes Farma and presence of Bilastine [R6A¹, 2021, M€]



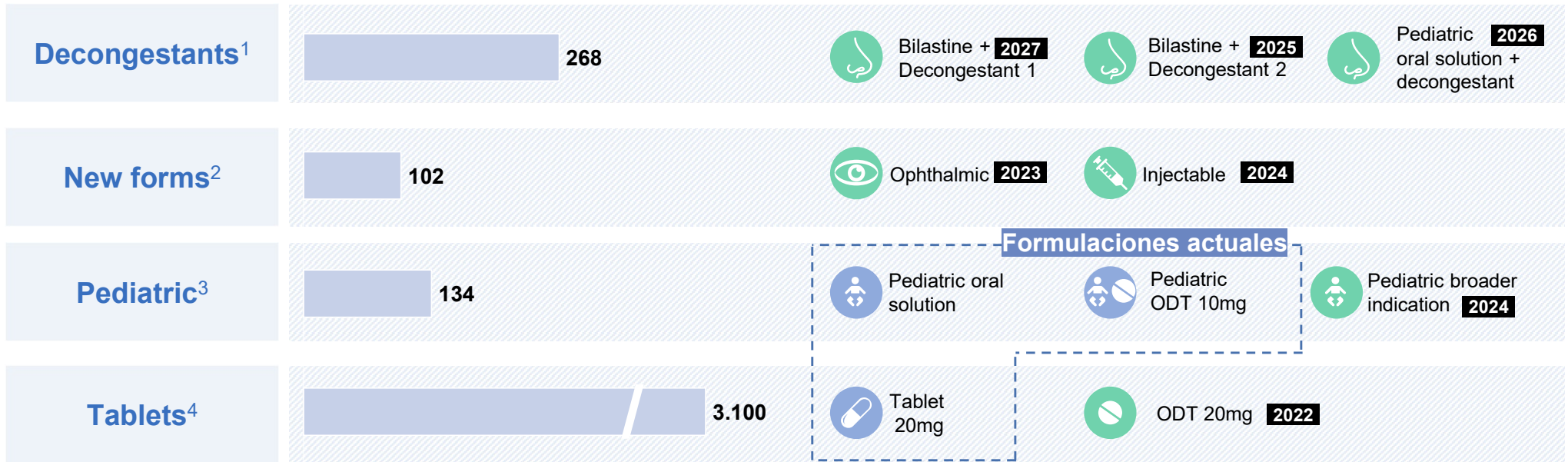
Notes: (1) Global prescription and OTC (solids and liquids) market, excluding India, Germany and Russia; (2) Market shares in value. Source: IQVIA. (3) Position in Canada #1 in the prescription antihistamine market, #2 including OTC

At the same time, we continue to develop the franchise through innovation

Antihistamine market size[M€, 2021]


Portfolio and pipeline of the Bilastine franchise

Year of first launch




Notes: Not all shapes will be available in all regions; (1) Total R1B (Antihistamine + Decongestant), considering Rx market; (2) Total S1G Rx (Antihistamine eye drops), considering Rx market; (3) Total Pediatric (R6A liquid forms), considering the Rx market; (4) R6A oral market (solid), considering the total market (Rx and OTC). Source: IQVIA.


Calcifediol, with greater efficacy in the treatment of pro-hormone D deficiency, will continue to sustain strong growth in the future




42M€
Total revenue of Calcifediol in 2021




1.750M€ global market of Vitamin D



25% CAGR₁₅₋₂₁ of the Calcifediol molecule, versus 19% CAGR of the total market



Advantages of **potency** and **speed of action** with a patented formulation



Recent and ongoing clinical trials with publications in major conferences and journals

 **Calcifediol will continue to grow in current markets and through new launches**



Strong growth trends in key markets (Spain, Italy, Portugal)



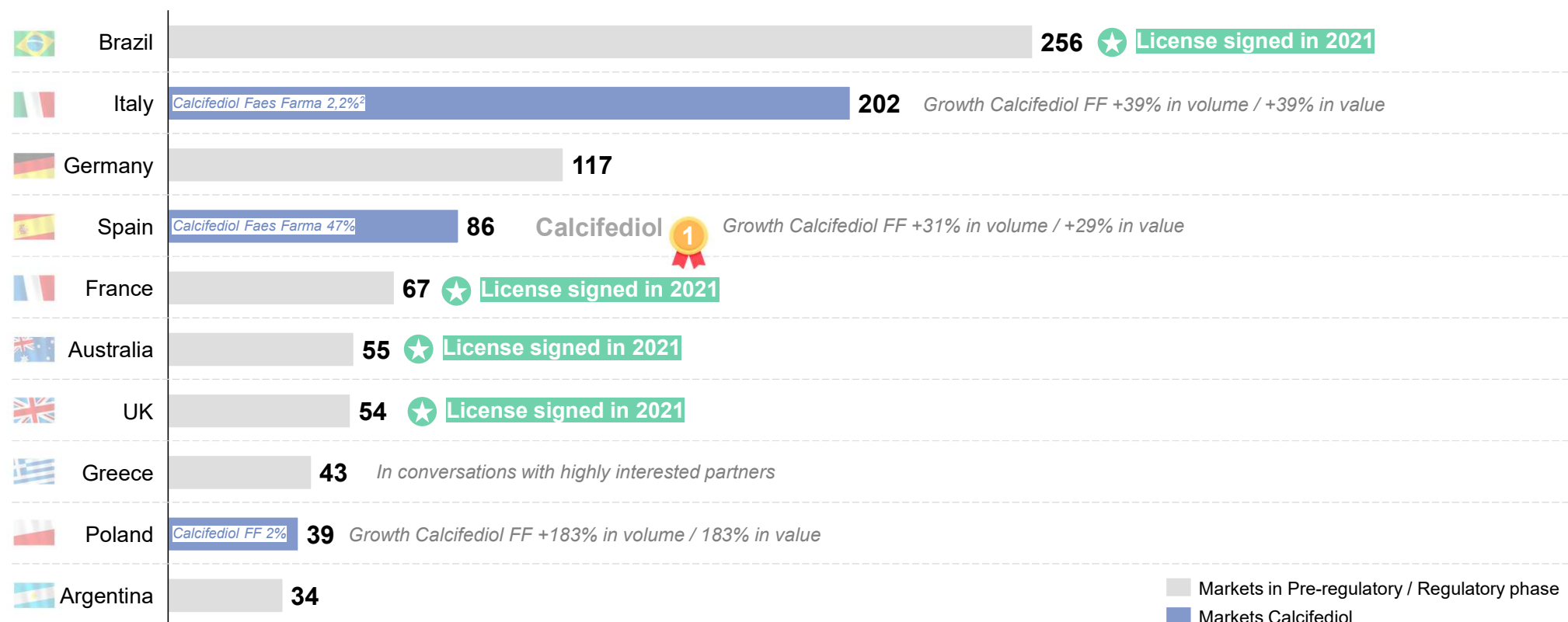
Launches in **new markets** in **Europe & LATAM** (agreements signed in 2021 for marketing in 19 countries)



Development of the portfolio towards forms of greater efficacy and safety, and development of combinations

We have a leading position in our main markets, and we will continue to grow via upcoming launches

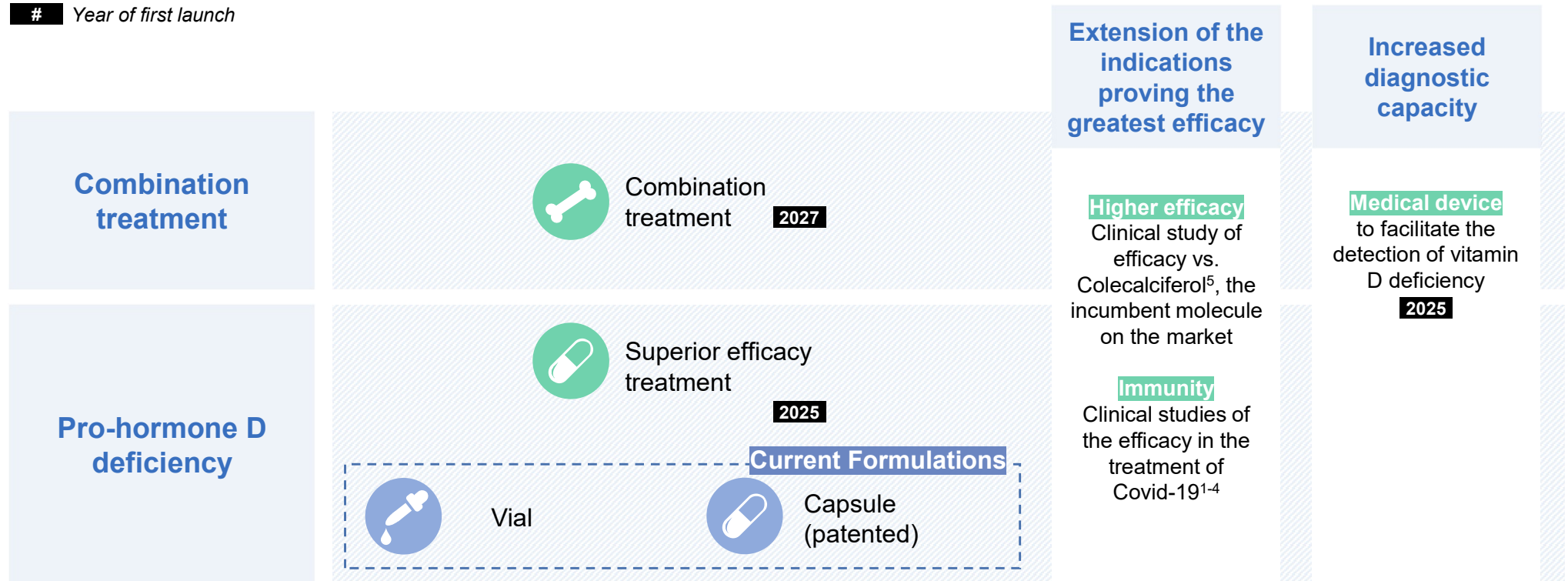
Faes Farma top markets for vitamin D and presence of Calcifediol¹ [2021, M€]



We are developing a portfolio of forms of greater efficacy and in combination for the treatment with pro-hormone D

Portfolio and pipeline of the Calcifediol franchise

Year of first launch



Mesalazine, baseline treatment for mild-moderate ulcerative colitis with multiple launches planned



900M€

Total global market of Mesalazine



Backbone of Ulcerative Colitis Treatment

first line in all therapeutic guidelines



Highly successful launch in 2021 (eg. Poland: reaching 8% share in the first 3 months)



Mesalazine will continue to grow to have the widest range of formulations for this molecule



Development of the most complete portfolio of Mesalazine: tablet, high-dose tablet, multi-dose granules and topical forms



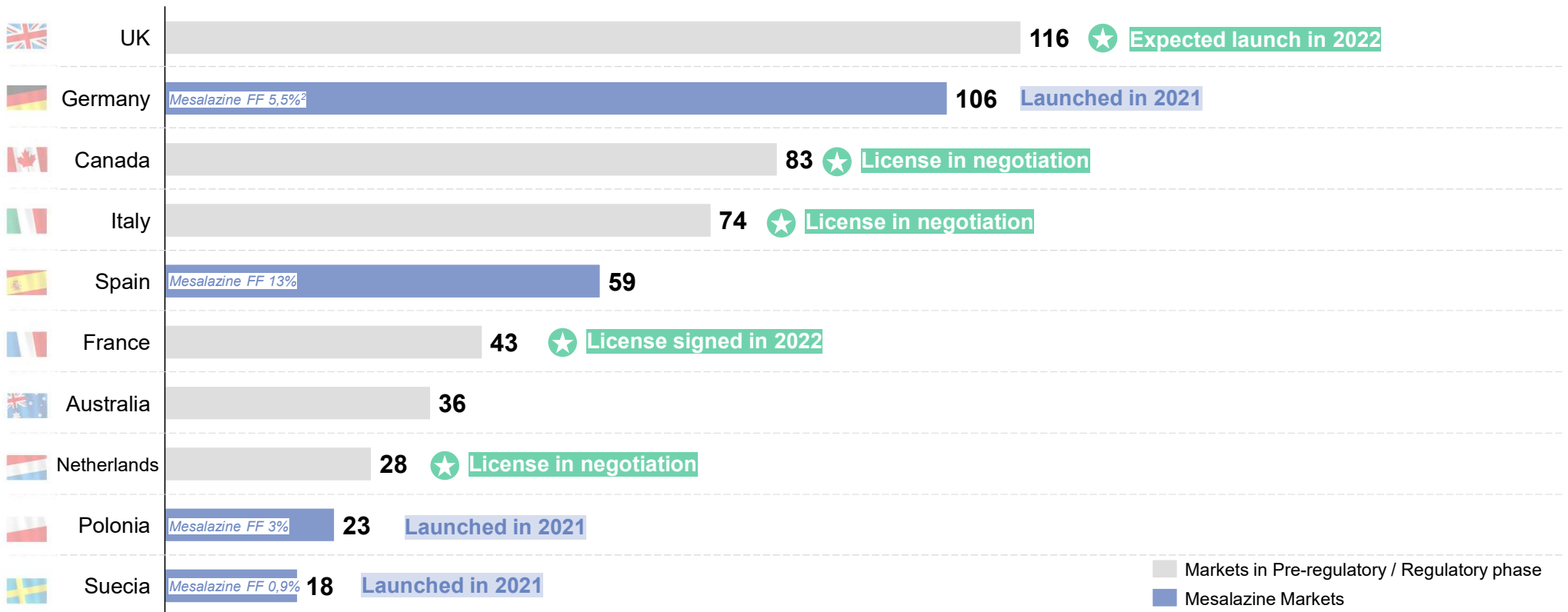
Launches in **new markets in Europe in 2021:** Germany, Poland, Nordics



We aspire to **become the third player globally** with Mesalazine granule technology

In addition, we are expanding our geographic footprint in key markets and strengthening our position

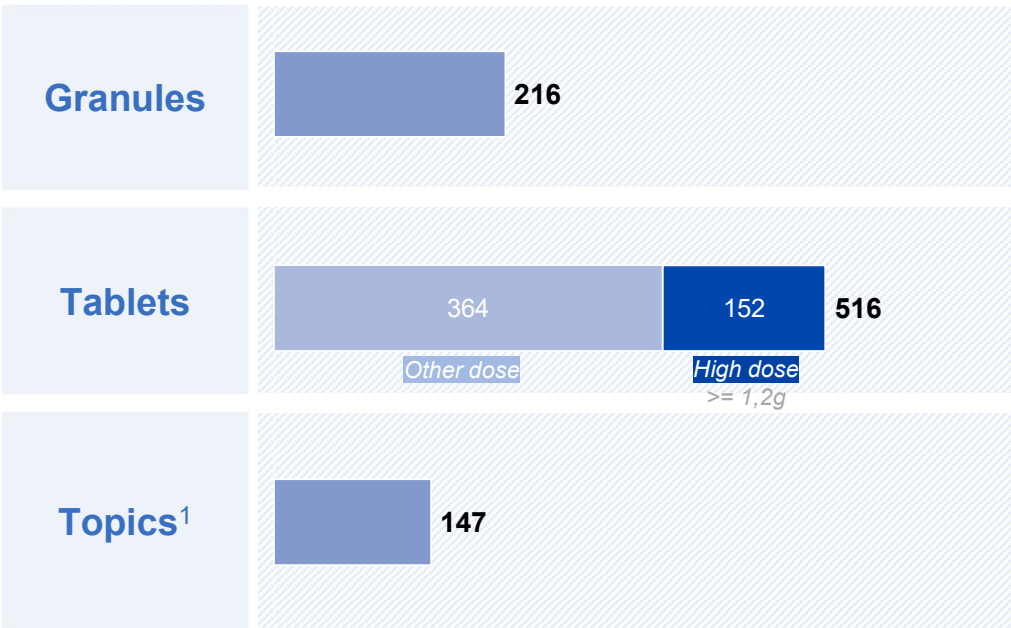
Top Faes Farma markets for Mesalazine and presence of Mesalazine Faes Farma¹ [2021, M€]



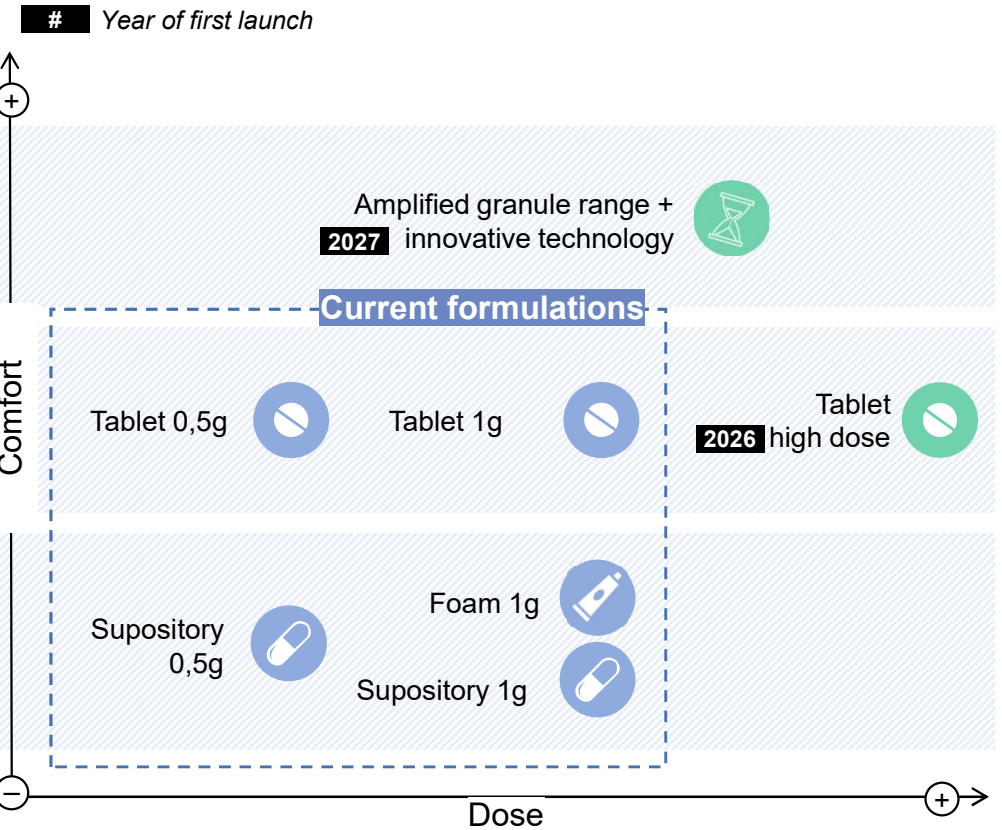
Notes: (1) Global market for Mesalazine prescription and OTC (solid, liquid and rectal), excluding China and Australia; (2) Quota in securities within the competitive market.

We are also developing the most complete range of Mesalazine

Ulcerative Colitis Treatment Market Size [M€]



Portfolio and pipeline of the Mesalazine franchise



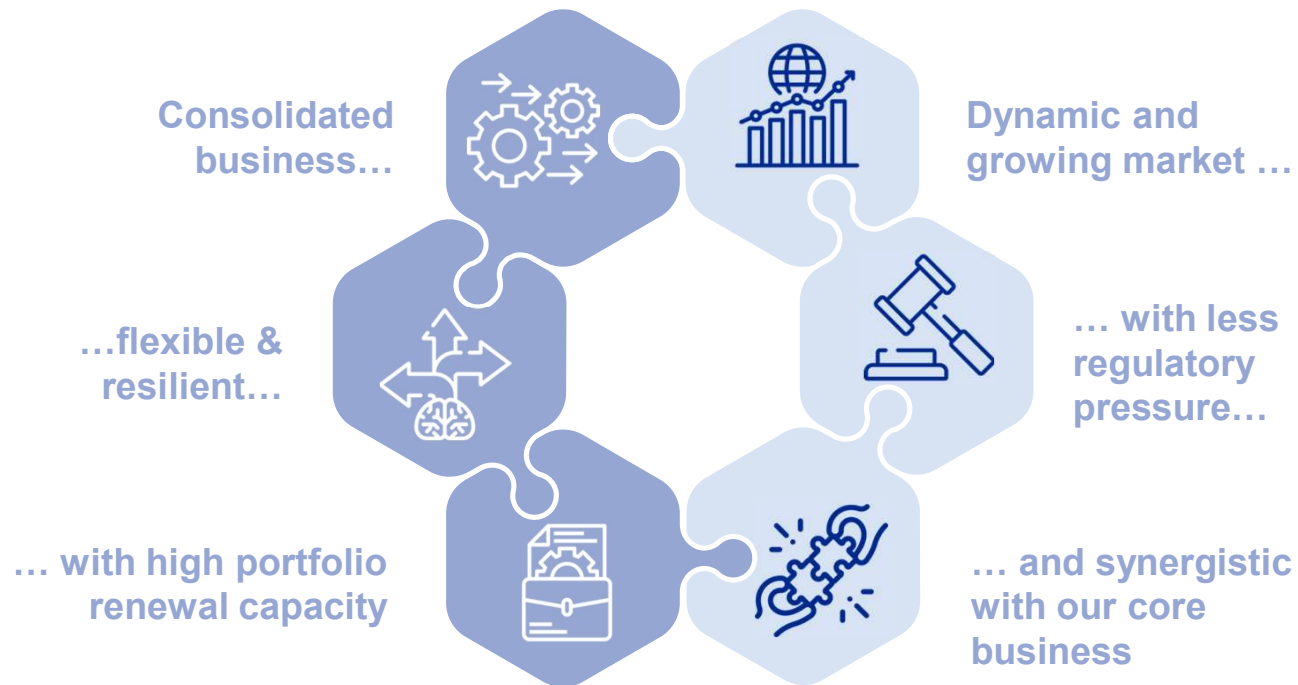
Our strategic product lines are still pending launch in markets with a value of >€1,700M



Notes: Market size is not equivalent to potential Faes Farma sales. (1) IQVIA 2021 FY - Total R6A Solids Market Sales, Rx R6A Liquids, Rx R1B and Rx S1G Market Sales; (2) IQVIA 2021 FY - Total sales of all world markets for Calcifediol, Colecalcifediol and Ergocalciferol. Does not include Eldecalcitol (Japan); (3) IQVIA 2021 FY Total Mesalazine prescription market sales excluding US, China, Korea, Japan and India markets.

Pillar II: Adding value to our direct sales model

**Pharma
Spain**



**Faes
LATAM**

Our Pharma business in Spain is one of our great engines, highly resilient and flexible



Characteristics

A consolidated business...

153M€ in revenue¹

30% Market share **Bilastine**²

47% Market share **Calcifediol**²

...with high contribution to our margin

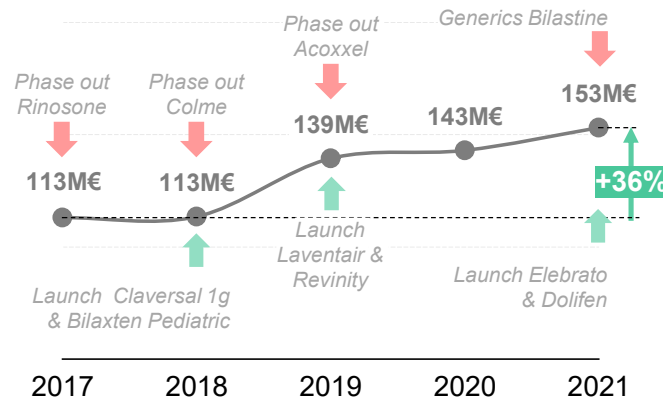
>25% of EBITDA margin



Evolution



Proven portfolio strength and renewal capacity

Evolution of total revenue Pharma Spain



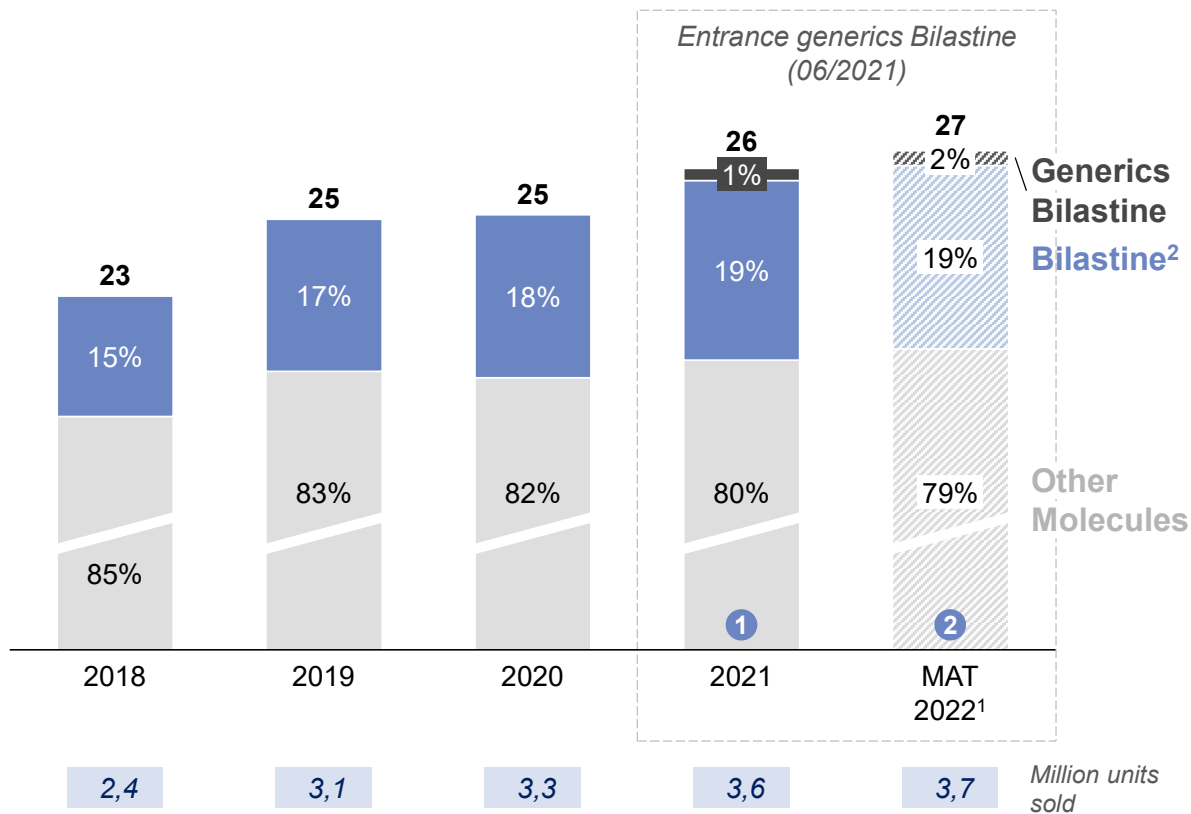
Outlook

New launches planned, to renew the portfolio:

-  **7 launches** of new innovative formats in the strategic product lines by 2026
-  Reinforcement of the portfolio via **In-licenses**

In 2021 we have faced our greatest challenge, managing to grow in share with Bilastine despite the entry of generics in Spain

Antihistamine market in Spain [2018-2022E, Million units sold]



- 1 • 06/2021: **end of patent of Bilastine** in Spain, lower prices negatively impact revenues
- We managed **to keep growing** in units sold, **improving our market share**
- 2 • 2022: continuing the positive trend, demonstrating the **resilience and our Brand's position** in the Spanish national market

Likewise, we are reinforcing our direct sales business in LATAM, where we have strong growth prospects



Characteristics

- Presence in 6 of the main LATAM markets
- Dynamic and **growing** markets, with **less regulatory and price pressure**
- A business with great synergies with our **core business**: obtaining **synergies of know-how, economies of scale and back office**




Evolution

x6 in revenues **in the past 5 years** (52% CAGR₁₆₋₂₁)

- **+37M€** from **inorganic growth** (BCN Medical & Global Farma)
- **+20M€** from **organic growth** and via **synergies** (23% CAGR₁₆₋₂₁)



Outlook

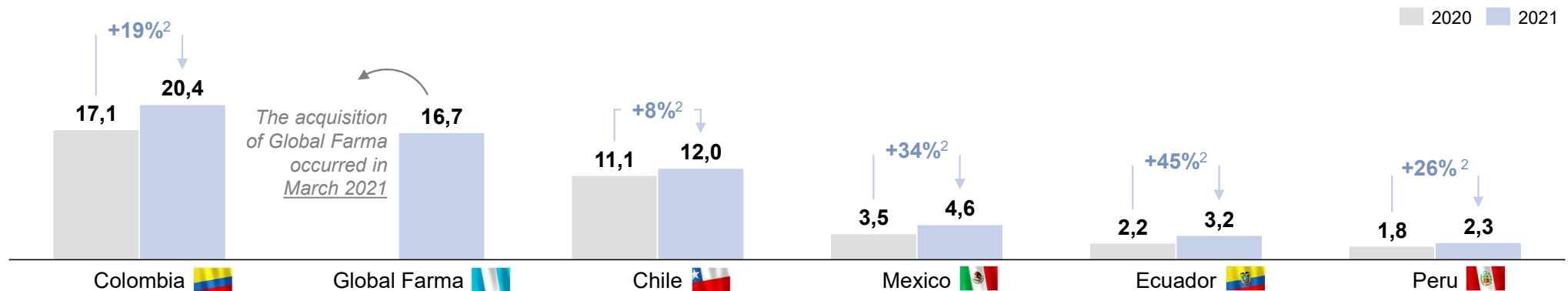
 Expected sales **growth at double digit** in the medium term

 **Top 25** pharma player in our markets¹

We aspire to become one of the Top 25 pharma players in our LATAM markets

Evolution of total subsidiary revenues Faes LATAM [M€]

Objetivo 2025: be part of **Top 25 pharmaceuticals** in our markets¹ and continue to improve **EBITDA towards 20% in 2025**



- **Pharmaceutical 21%**, with the third highest growth (+34%³)
- **Calcifediol launch** in 2021 and headcount expansion in 2022

- **Pharmaceutical 28%** in Central America-Caribbean, with the **highest** sales growth in 2021 (+33%³).
- **18° in Guatemala**
- **Organizational expansion** in 2022

- **Pharmaceutical 36%**, second highest sales growth in the market³
- **Calcifediol 2nd best launch** in 2021
- **Leadership position** in **Mesalazine** and **Bilastine #2** antihistamine

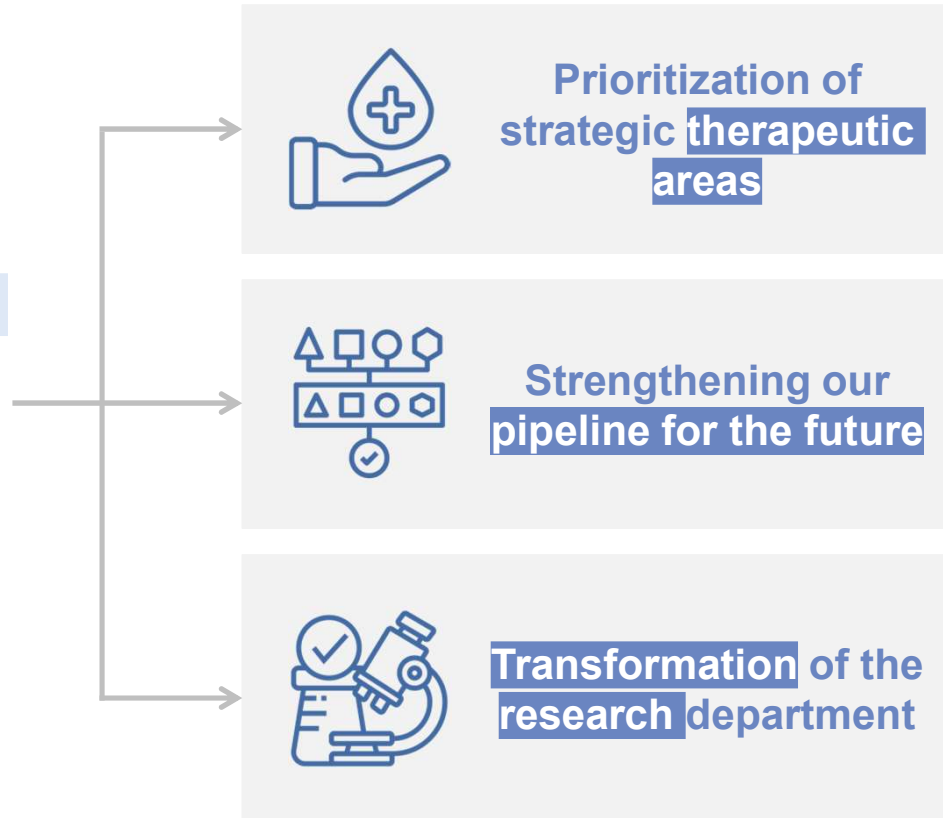
- **Calcifediol in process of registration**, in the **second biggest market** for Vitamin D in LATAM (**26 M€**, growing +274%)

- **Pharmaceutical 49%**, growing +40%³ 2021
- **Organizational expansion** in 2022

- **Pharmaceutical 55%**, growing +58%³ in 2021

Pillar III: Renewed and determined commitment to research to continue guaranteeing our long-term value

We are **reinforcing the R&D department**, making a **renewed commitment to research**



We are employing applied research (drug discovery) on our strategic therapeutic areas

Strategic therapeutic areas



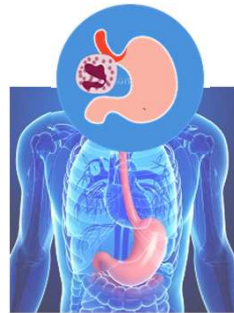
Chronic Urticaria

Market: 754M€
CAGR: 10%



Ulcerative Colitis

Market : 5kM€
CAGR: 6%



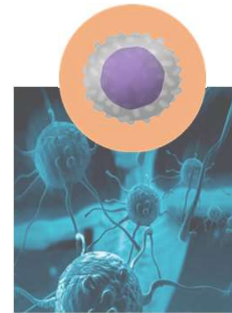
Eosinophilic esophagitis

Market : 180M€
CAGR: 25%



Chronic Rhinosinusitis with nasal polyps

Market : 872M€
CAGR: 5,6%



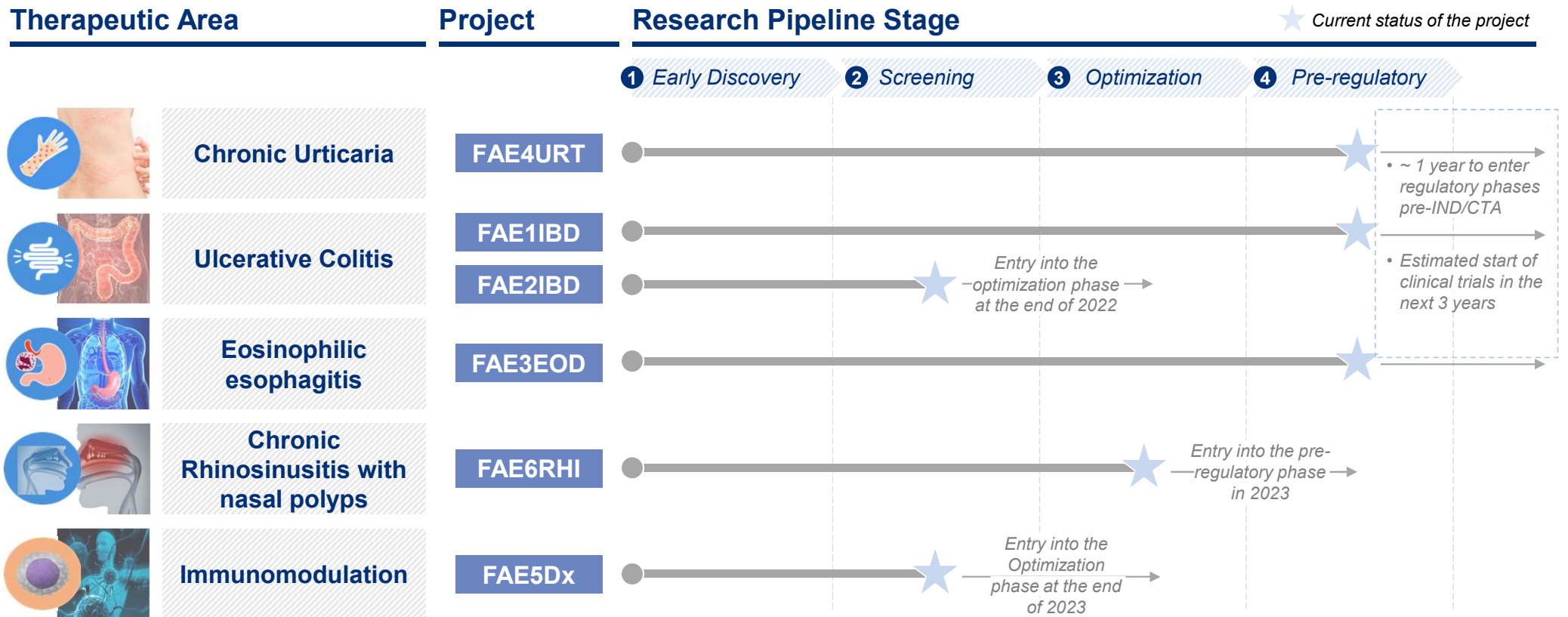
Immuno-modulation

Market ¹: 90-115kM€
CAGR: 9%

Our therapeutic areas are **aligned with the company's long-term strategy**, and share three key criteria:

- **Rising prevalence...**
Targeting a growing market
- **... with a big impact on quality of life ...**
Compliance in treatment
- **... in clear areas with unmet needs**
Gaps in the standard of care

We continue to strengthen our *drug discovery* pipeline in our strategic therapeutic areas



We are transforming our applied research department (*drug discovery*)



Increased investments

Progressive increase in investment in **project development and infrastructure**:

- Increased levels of investment in **infrastructure and development** (x1,5 2021 vs. 2020)
- Increase in **the number of projects**
- New **molecular biology area** and infrastructure
- **Animal Pharmacology Unit**



Flexibility

- Constant **monitoring** and follow-up of **projects**
- Selection of projects through their **strategic fit** in our therapeutic areas
 - Developments based on the same pathological mechanism, allowing **resource efficiency and agility**



Recruitment of external talent

By **recruiting top-level profiles** and **collaborating** with entities in the sector :

- Recruitment of senior researchers with **international experience**
- Collaboration with **prestigious Universities and Technological Centers** in the R&D ecosystem



Integration in the scientific ecosystem

Integration via:

- Access to **technological platforms** created under the **European infrastructure development programs**
- Presence in national and EU committees for the development of **strategic programs in biomedical needs**

2021 Key year



Future growth strategy

A. Strategy **Pharma**

B. Strategy **Animal
Nutrition & Health**

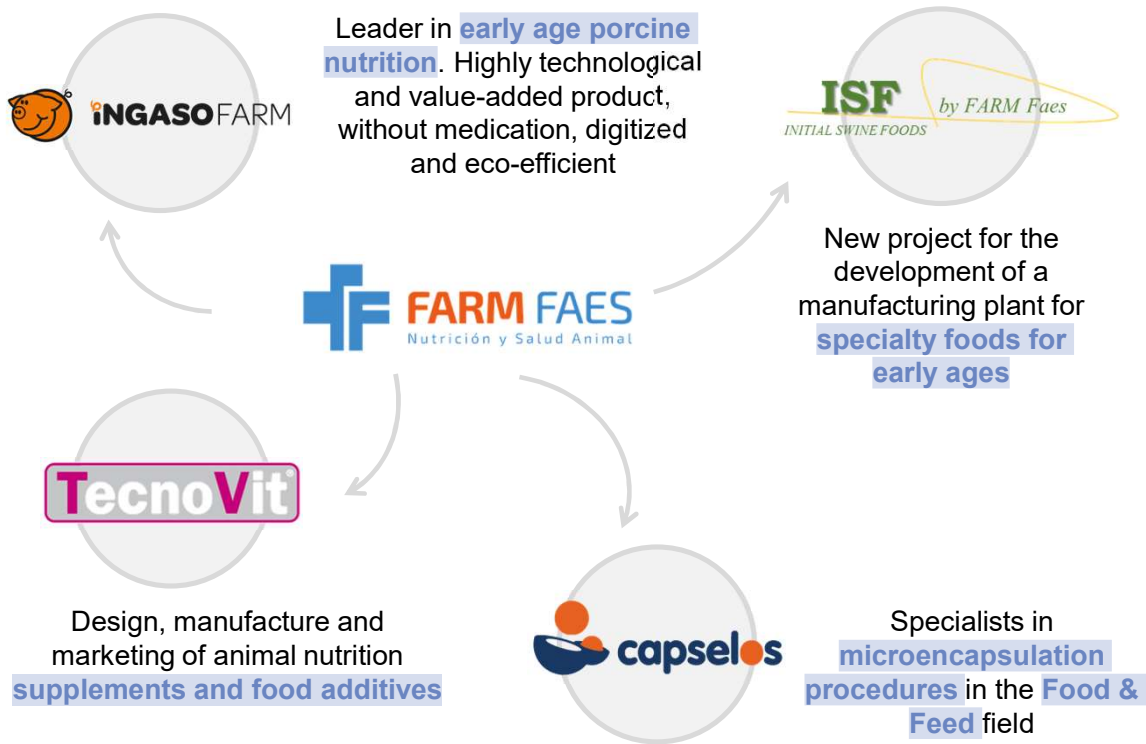
C. **Industrial Projects**

Sustainable horizon: Faes Farma's value proposition



We are leaders in the Animal Nutrition and Health sector, in a segment with high added value and high profitability

Farm Faes Business Vision



Growth levers in the medium term

- ↑ Strengthening of the **solid position in our core business**: early stage piglet nutrition
- ↑ **Capselos** as a fundamental lever for **growth in the Food & Feed** field
- ↑ **ISF**, new factory for specialty nutrition for early ages, as a **lever for vertical integration of the value chain**
- ↑ Consolidation of the **international geographical footprint**

2021 Key year



Future growth strategy

A. Strategy **Pharma**

B. Strategy **Animal
Nutrition & Health**

C. **Industrial Projects**

Sustainable horizon: Faes Farma's value proposition



At Farm Faes, we are reinforcing our industrial capacities to be able to fully manufacture specialty foods for early ages

We will invest **€17M** in a new manufacturing plant for specialty foods for early ages. This strategic decision, which involves **vertical integration** in the value chain, will lead to a boost in the **growth** of our business



The investment represents a **vertical diversification** of our **Animal Nutrition and Health** business



Customer preferences

- We will offer a **finished product**, aligned with the demands of our clients

Regulation

- Alignment with the **increased requirements** in terms of **demedicalization and standardization** of production



Extensive synergies in **commercial networks, clients** and **back-office** functions



We are investing in an ambitious industrial project to accommodate the growth of the Pharma business

We are in the process of **building a new manufacturing plant**, with an estimated investment of >€160M, which will **triple our production capacity** and allow us to **meet our strategic growth plans**



Capacity Expansion

x3

Tripling our **current industrial capacity**



Production efficiency

New Technologies

- **Pharmaceutical plant 4.0: efficiency, quality and safety** (traceability) in the production process

Logistics optimization

- **Expanded storage x4 and automated** with robotic technology for internal transport



Regulatory compliance

Ensuring maximum compliance with **regulatory requirements**



2021 Key year



Future growth strategy



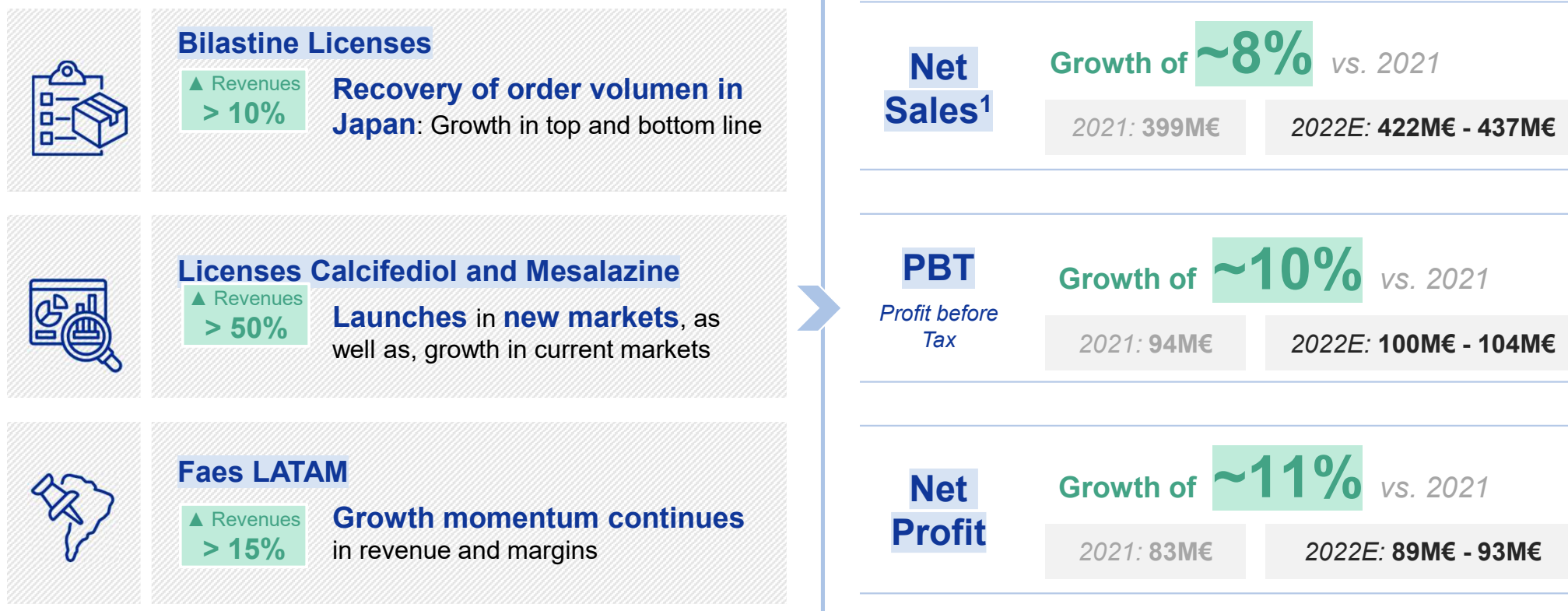
Sustainable horizon: Faes Farma's value proposition

A. Guidance **2022**

B. **ESG** Commitment

C. Faes Farma's **Value Proposition**

In 2022, we will continue to grow strongly and create shareholder value



At Faes Farma, we have a solid commitment to integrating environmental, social and governance objectives

Faes Farma: ESG value and strategic pillars

Aligning our strategic objectives with the Sustainable Development Goals, through **6 ESG strategic areas**



1. Strengthening **governance**



2. Improved **transparency** and relationship with investors



3. **Employees** at the center of our strategy



4. **ESG risk** management



5. Response to **environmental challenges**



6. Contribution to the **sustainability of the health system**

ESG Milestones 2021 Faes Farma

- Group **ESG Diagnosis**
- **Approval of a sustainability policy** that formalizes the ESG commitment



Respect for the environment, **responsible and efficient use of resources** and contribution to the fight against **climate change**



Contribution to improving the **health and well-being** of society as a whole.



Policies and procedures that advocate the integration of best practices of **good governance, ethics, integrity and transparency** in its daily management

What makes Faes Farma a secure value for investors?



High **growth potential of our strategic product lines**, with a bright future ahead in terms of **range development** and **entry into new markets**



Reinforced commitment to the R&D department, redoubling efforts in applied research, and building **a pipeline for the future** to guarantee the generation of long-term value



Diversified business, both in the pharmaceutical field and in other sectors, guaranteeing the **resilience of the company**, and **supporting its future growth**, continuing the path of value creation of the last 10 years



With that, we have the necessary foundations to **continue growing in the future**, consolidating ourselves as **a safe bet for generating long-term value**

Q&A

Q&A





Looking at the future

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