



Business Update *Q1 2022*

April 29th 2022

Highlights



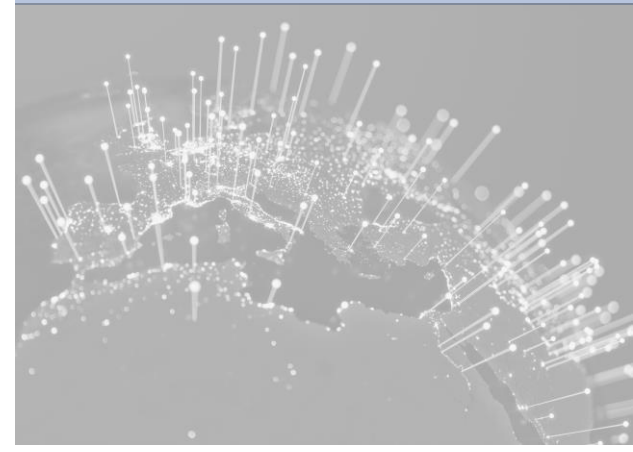
Sales performance Q1 2022



Financials



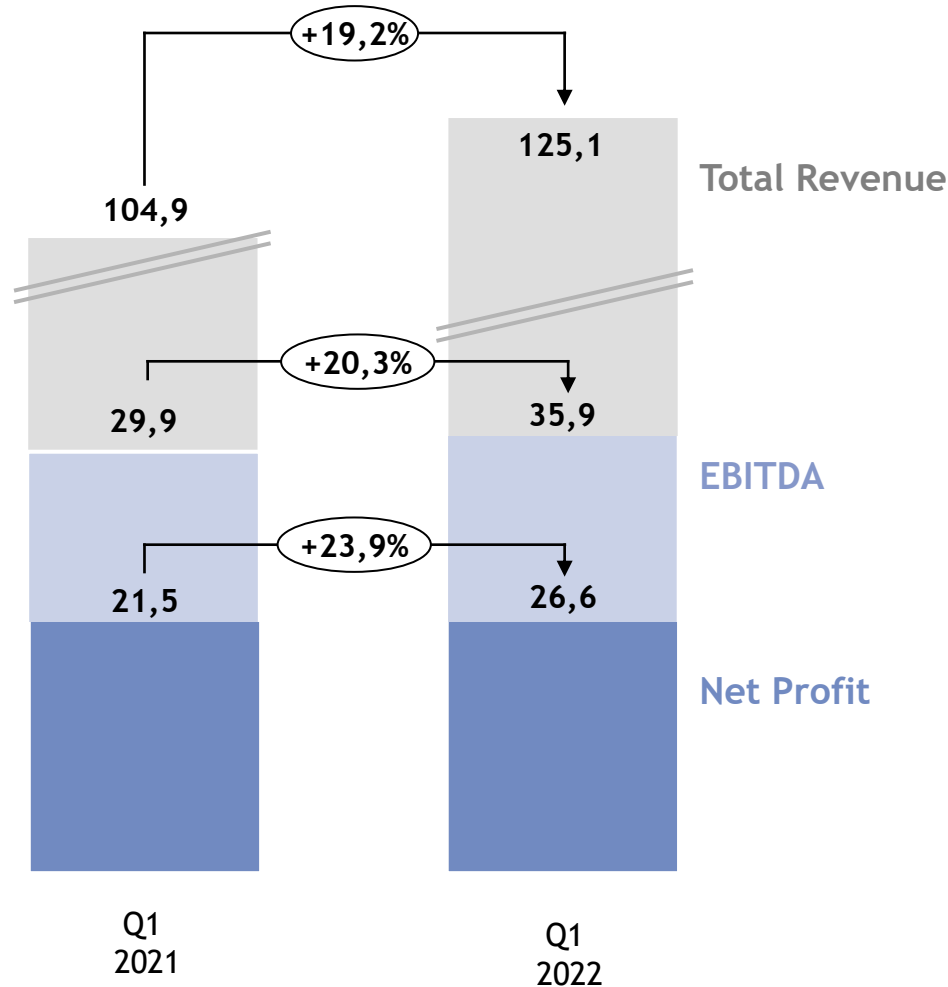
2022 Guidance



Key financial results and highlights

Highlights 2022

(M€)



Very good start of 2022: strong growth in line with expectations thanks to growth drivers in Pharma: Outlicensing and LATAM

- Good growth of the 3 main molecules (49.3M / +19%): bilastine (32.9M / +23%), Calcifediol (12.4M / 13%) and mesalazine (4.0M +10%)
- Most of the growth of the main molecules comes from licenses, with the expected recovery of Bilastine in Japan where there were no orders in Q1 2021 due to an overstock position.
- The direct business of International Pharma continues to grow at double digit, driven by LATAM subsidiaries as well as Exports and Africa.
- The rest of the business areas also show topline growth in line with the budget.

Negative impacts due to the end of the bilastine patent in Spain and the macroeconomic impact in Animal Nutrition & Health offset by the rest of the business

- Growth in Spain (+3%) despite the end of the patent, driven by the volumen growth of bilastine plus the positive evolution of Hidroferol, the Respiratory line and the Healthcare business.
- The Animal Nutrition and Health business continues to grow in income, driven by the business in Iberia, but is impacted by the reduction in our subsidiaries and the increase in COGS in raw materials.

Leading to a strong quarter in terms of profit

- Double digit percentage growth in profitability KPIs.
- Slower increase in expenses than in revenues in Q1. In the coming quarters this favourability will phase out in line with the budget.

Income Statement

(Thousands €)

	MARCH 2022	% sales	MARCH 2021	% sales	% change 2022/2021
Total Income	125.118		104.924		19,2%
Ordinary income/sales	116.210		94.969		22,4%
Other operating income	8.908	7,7%	9.955	10,5%	-10,5%
Cost of sales	(41.690)	35,9%	(33.374)	35,1%	24,9%
Gross margin	83.428	71,8%	71.550	75,3%	16,6%
Personnel expenses	(22.786)	19,6%	(20.237)	21,3%	12,6%
Other operating expenses	(24.723)	21,3%	(21.452)	22,6%	15,3%
EBITDA	35.919	30,9%	29.861	31,4%	20,3%
Deprec. & impairment of fixed assets	(4.315)	3,7%	(3.944)	4,2%	9,4%
EBIT	31.604	27,2%	25.917	27,3%	21,9%
Financial profit/(loss)	182	0,2%	(4)	0,0%	-
Profit before taxes	31.786	27,4%	25.913	27,3%	22,7%
Corporate Tax	(5.015)	4,3%	(4.427)	4,7%	13,3%
Consolidated profit	26.771	23,0%	21.486	22,6%	24,6%
Minority interests	(152)	0,1%	0	-	-
Profit to the Parent Company	26.619	22,9%	21.486	22,6%	23,9%

Highlights



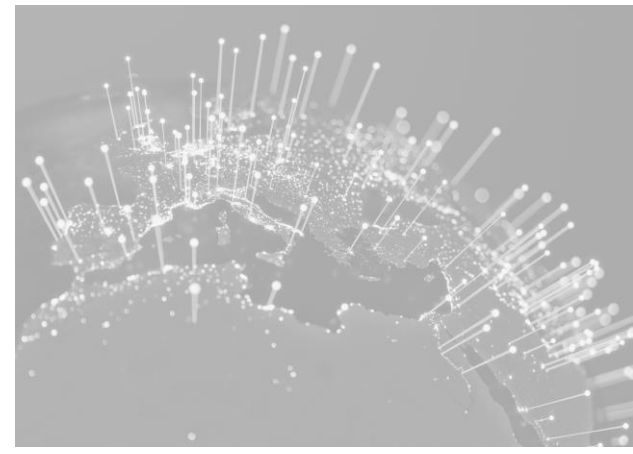
Sales performance Q1 2022



Financials

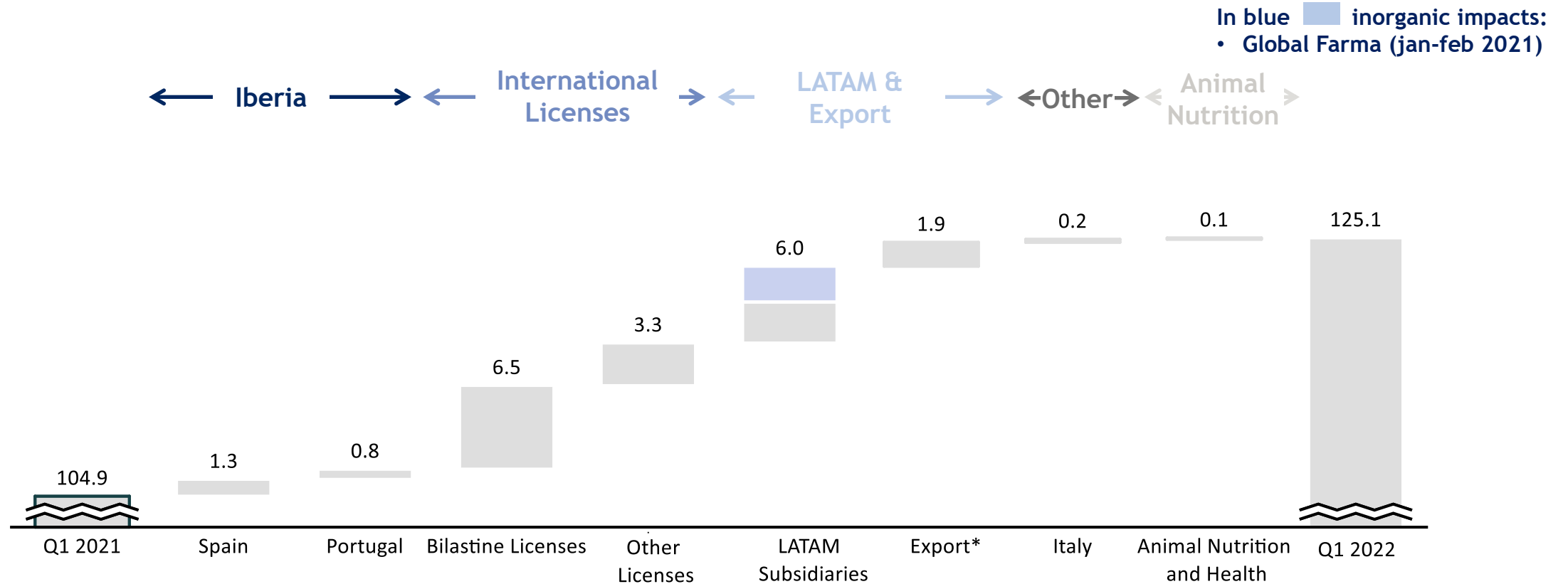


2022 Guidance



Recovery of bilastine in the Japanese market and good performance in Latin America

Revenue evolution per business area [Q1 2021 - Q1 2022, M€]



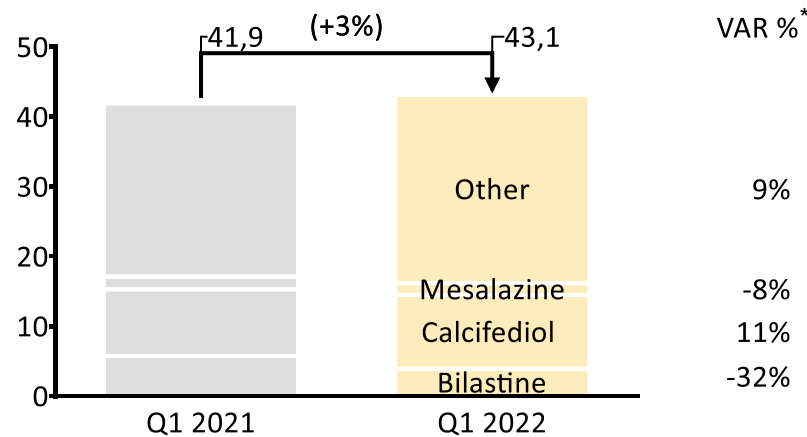
*Includes Export, API and Nigeria
Includes a correction in the comparison with 2021 due to the transfer of sales from Exports to Global Farma

Sales performance Spain - The impact of the end of the bilastine patent is fully compensated by the rest of the portfolio

Spain

(M€)

Total Revenue Q1 22 vs Q1 21



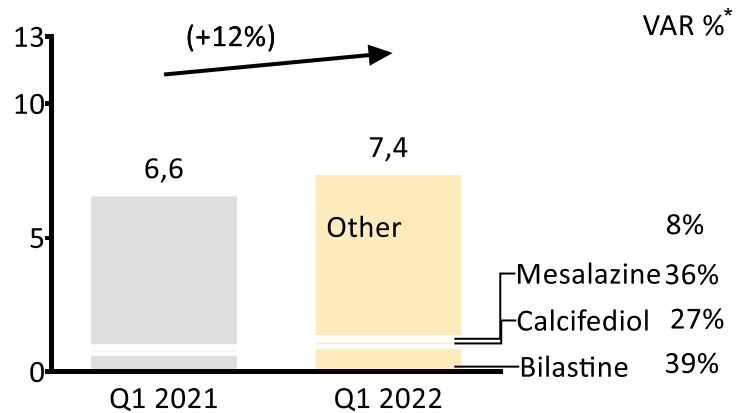
- Drop in Bilaxten (income -31%) due to the end of the patent is partially offset by the increase in volume (+23%), reaching a market share of 23,5% in value for the molecule (Faes Farma+licensee).
- Continued good performance of Hydroferol (+11%)
- Significant growth in the Respiratory line(+56%) and in the Healthcare business (+15%)

Sales performance Portugal : Recovery of the healthcare sector

Portugal

(M€)

Total Revenue Q1 22 vs Q1 21



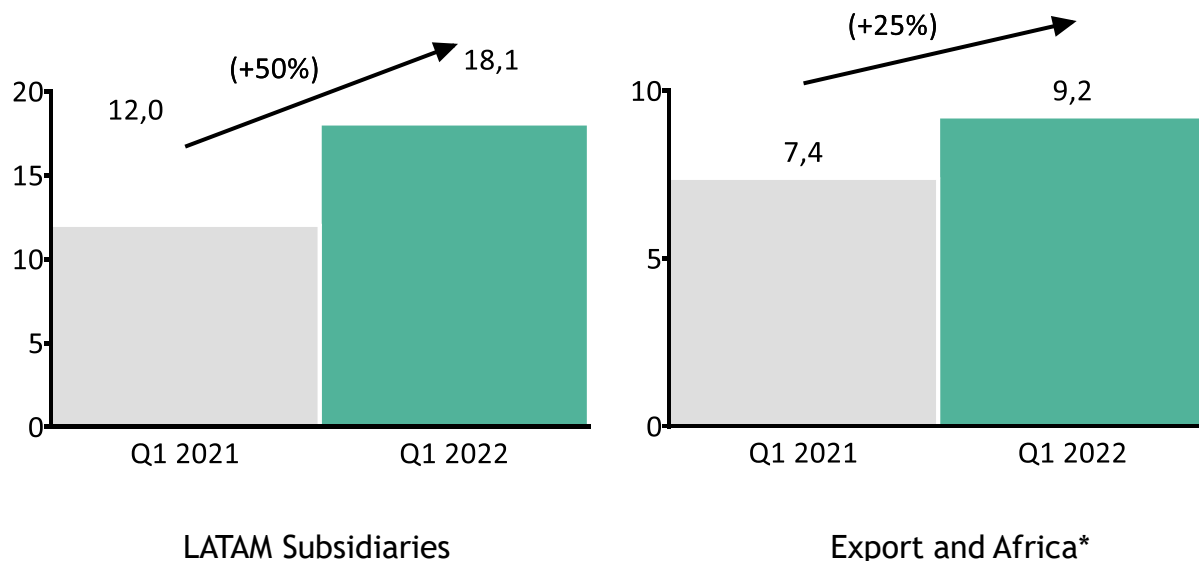
- General recovery of sales in the Portuguese subsidiary compared to a quarter in 2021 still impacted by Covid-19.
- Growth is especially driven by the prescription area with a good contribution of the three main molecules.

LATAM as the main driver of international growth

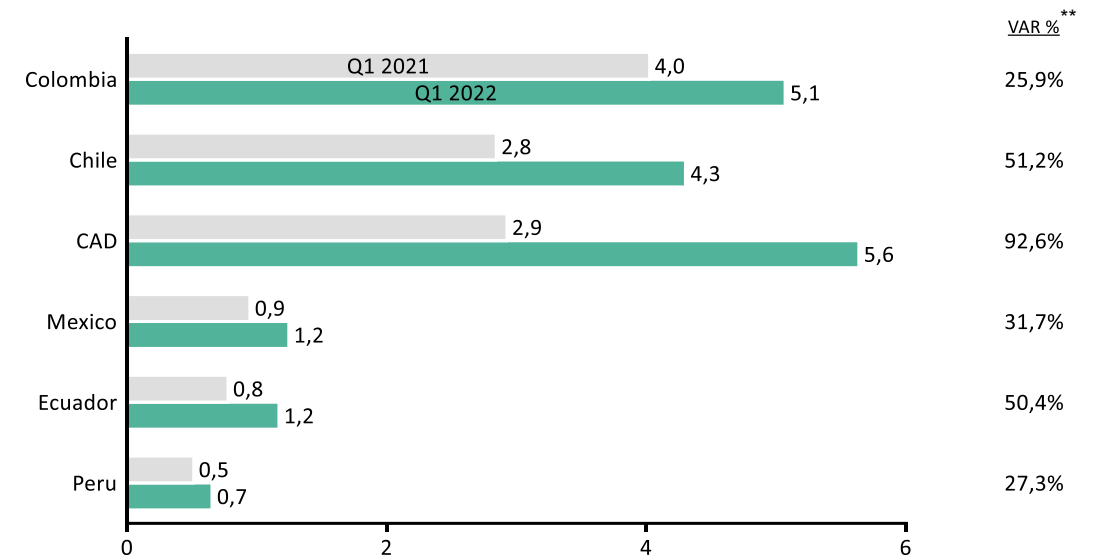
LATAM and Export

(M€)

Total Revenue Q1 22 vs Q1 21



LATAM subsidiaries



- Significant sales increase in all Latam subsidiaries, also excluding the inorganic effect in Global Farma (we do not include Jan-Feb 2021).
- Export and Africa grow in line with the positive evolution of the past years.

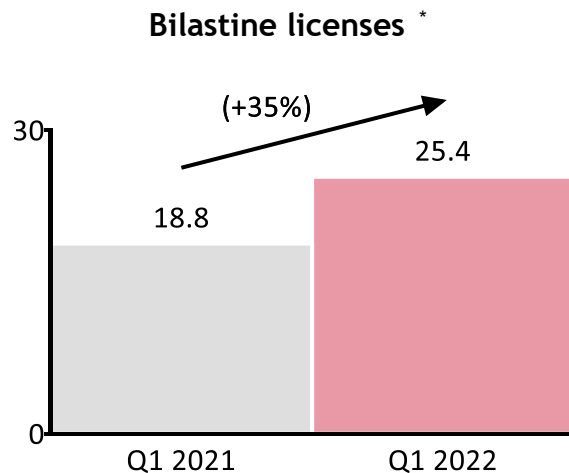
Licenses

Bilastine: Back to normal order activity in Japan

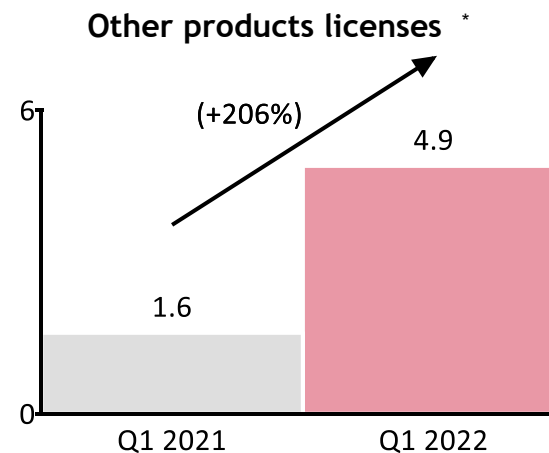
Other products: Continued strong growth trend

International Licenses

(M€)



- Growth mainly due to the stock regularization of Taiho (Japan) in Q1 2021.
- Despite the late dispersal of pollen in Japan that has impacted total sales of antihistamines in Q1, the share of bilastine continues to grow strongly (close to 20% in March).
- Very positive evolution in relevant mature markets such as Brazil and Canada.



Calcifediol (+23% vs 2021)

- Sell-out growth of licensees (Italy, Belgium, Poland and the Netherlands) of +25%.
- Launch preparation in new markets (Romania, Estonia, Latvia, Lithuania).
- Application for regulatory approval of the product in relevant markets such as Brazil, UK, Indonesia, etc.

Mesalazine (+113% vs 2021)

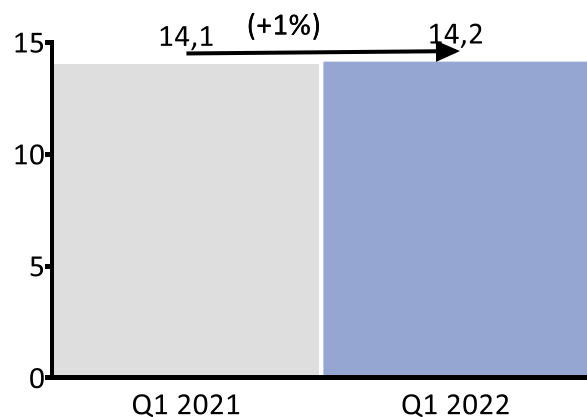
- Agreement signed for the license of mesalazine in France.
- Gradual penetration continues, at different speeds, in the markets already launched (Poland, Germany, Finland, Sweden, Denmark and Norway).

Animal Nutrition and Health maintains its topline despite the uncertainty in the sector due to the raw materials crisis

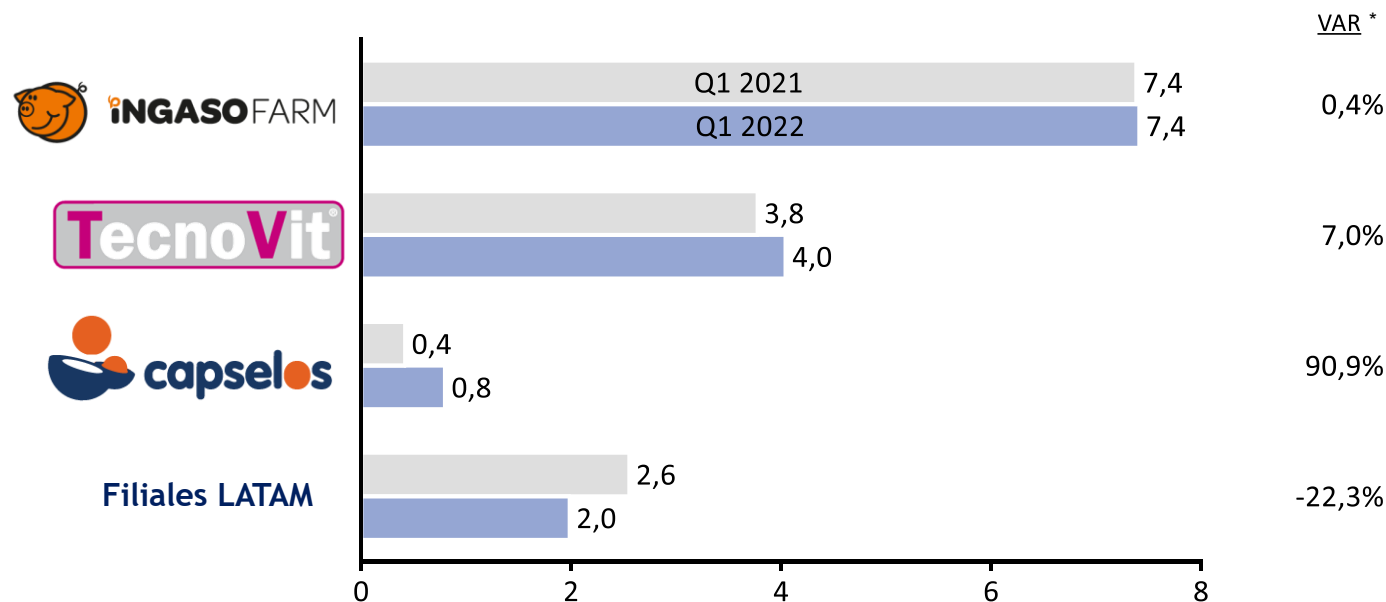
Animal Nutrition and Health

(M€)

Total Revenue Q1 22 vs Q1 21



- Increase in sales in the animal nutrition and health area in Iberia (+5.8%).
- Impact of inflation on total product costs (+13%).
- Uncertainty in the sector due to logistical problems and prices of raw materials, especially impacting the international area (subsidiary sales -22%).



Highlights



Sales performance Q1 2022



Financials

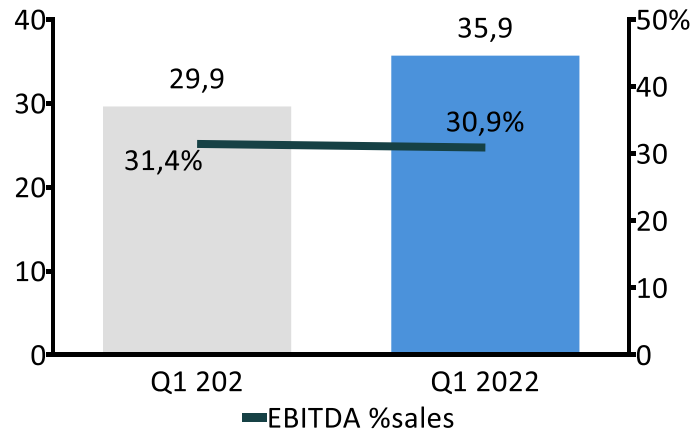


2022 Guidance

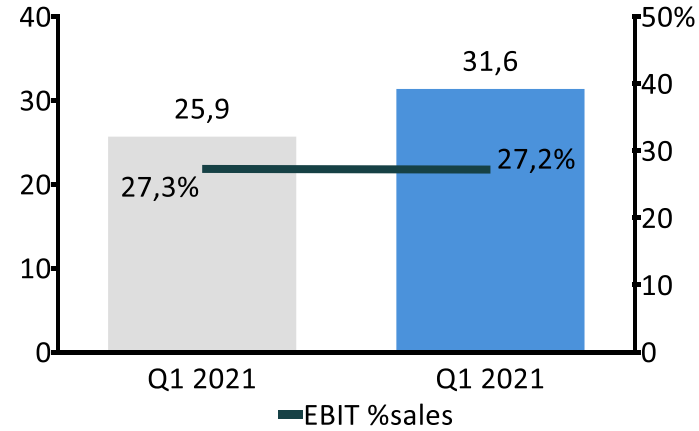


Earning performance

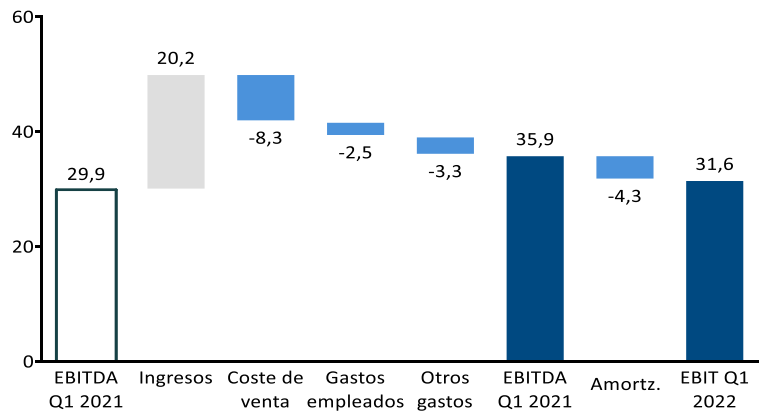
EBITDA Q1 22 vs Q1 21 (M€)



EBIT Q1 22 vs Q1 21 (M€)



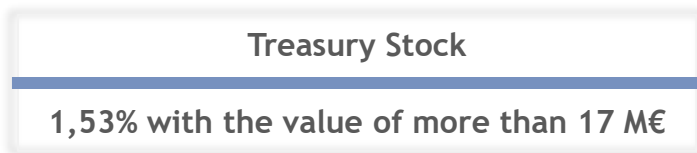
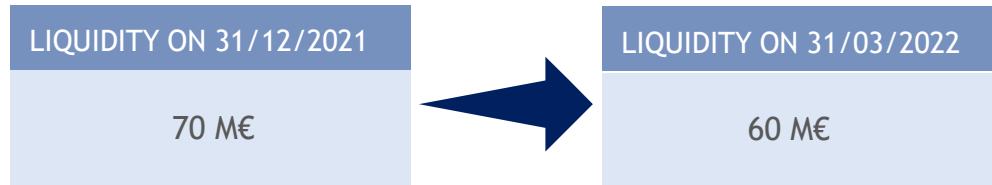
EBITDA evolution Q1 22 (M€)



- Significant improvement of the absolute profit KPIs. In the first quarter, the increase in expenses is proportionally less than in income. This trend will phase out in the next quarters.
- Despite the general impact on costs of inflation, the level of profitability % is in line with last year.

Cash position

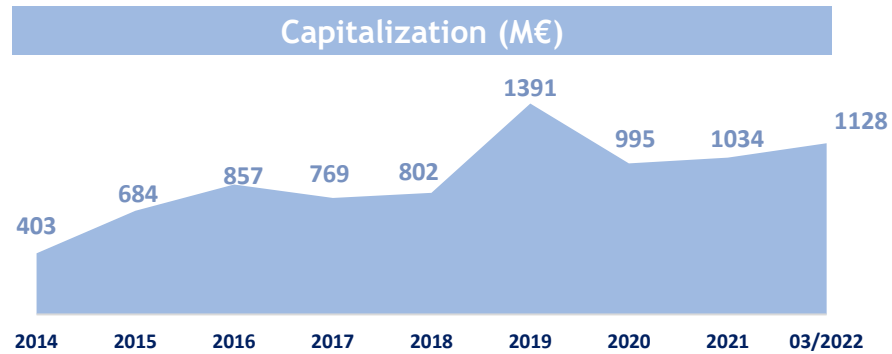
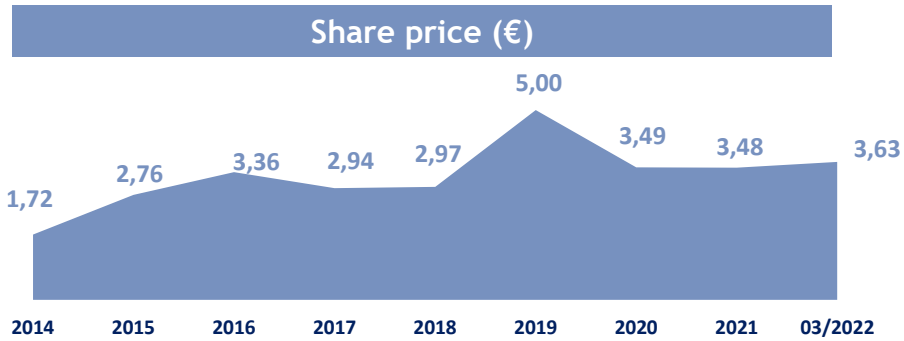
Reduction in liquidity as a result of investments



- The reduction in liquidity is the result of the strategic plan for 2021: investment in R&D, a new manufacturing plant.
- In 2022-2024 we plan material investments related to the construction of the new manufacturing plants (pharmaceutical plant in Biscay, Spain and Animal Nutrition and Health in Huesca, Spain), as well as, continued investments in R&D.

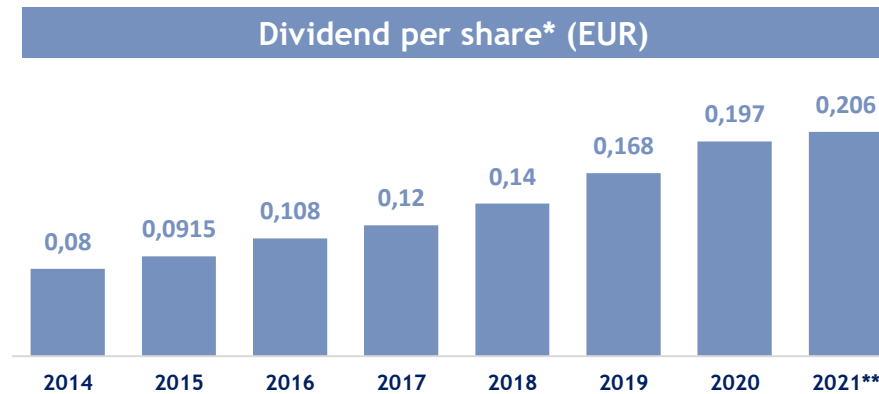
Faes Farma share evolution

Evolution of the share price and capitalization



Capitalization stability

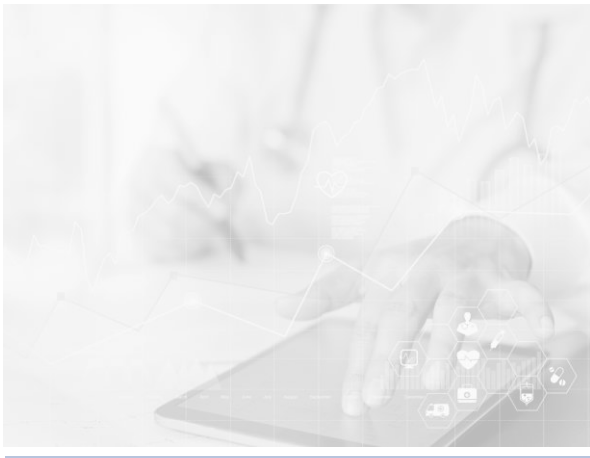
Dividend increases in line with the company results



*Dividend related to payments in the year

** Pending payment of the complementary dividend

Highlights



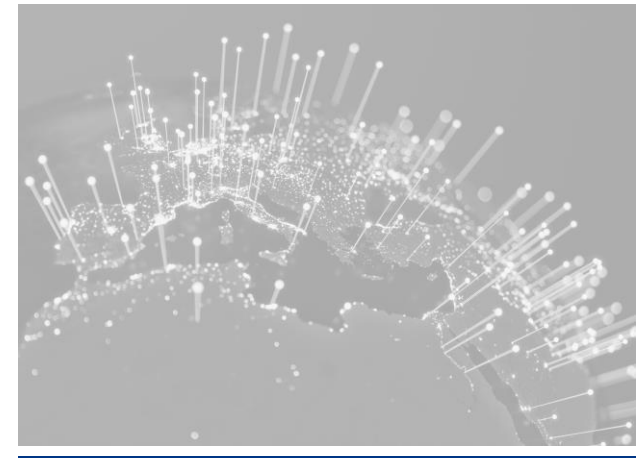
Sales performance Q1 2022






Financials



Guidance 2022



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

	<p>Bilastine Licenses</p> <p>▲ Revenues > 10%</p> <p>Recovery of order volumen in Japan: Growth in top and bottom line</p>
	<p>Licenses Calcifediol and Mesalazine</p> <p>▲ Revenues > 50%</p> <p>Launches in new markets, as well as, growth in current markets</p>
	<p>Faes LATAM</p> <p>▲ Revenues > 15%</p> <p>Growth momentum continues in revenue and margins</p>



<p>Net Sales¹</p>	<p>Growth of ~8% vs. 2021</p> <p>2021: 399M€ 2022E: 422M€ - 437M€</p>
<p>PBT <i>Profit before Tax</i></p>	<p>Growth of ~10% vs. 2021</p> <p>2021: 94M€ 2022E: 100M€ - 104M€</p>
<p>Net Profit</p>	<p>Growth of ~11% vs. 2021</p> <p>2021: 83M€ 2022E: 89M€ - 93M€</p>

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