



Business Update  
*H1 2022*

28 July 2022

## Highlights



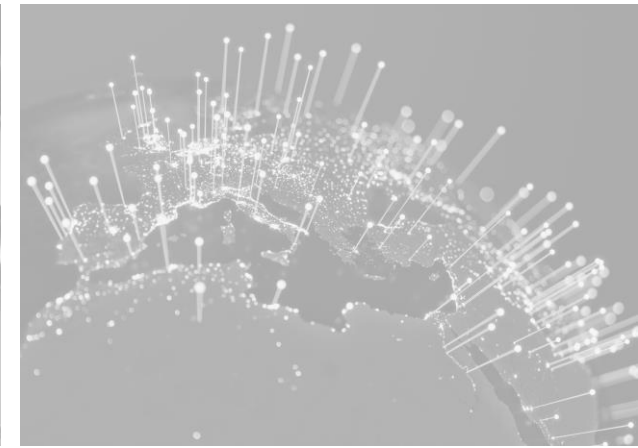
## Evolution S1 2022



## Financial review



## Guidance 2022



# Highlights

## Business

- Licensing, Pharma Spain and International Pharma as growth drivers
- Double-digit growth in the top 3 molecules (+27%)
- Cost inflation in Animal Nutrition and Health due to the macroeconomic situation

## Financials

- Double-digit Earnings growth despite cost inflation

## R&D

- Approval of bilastine Ophthalmic in Europe, launch planned Q2 2023
- Progress in the regulatory phase of Bilastine ODT
- Launch of bilastine in Australia in July 2022

## ESG

- Reinforcement of the sustainability team
- More diverse and independent Board of Directors.
- CEO/Presidents role separation announces as of mid 2024.

## Key figures

Total Income

**+18%**

246 M€

Income top 3 molecules

**+27%**

94 M€

EBITDA

**+12%**

71 M€

EBIT

**+13%**

62 M€

Net profit

**+13%**

53 M€

Capitalization\*

**+17%**

1.206 M€

## Highlights



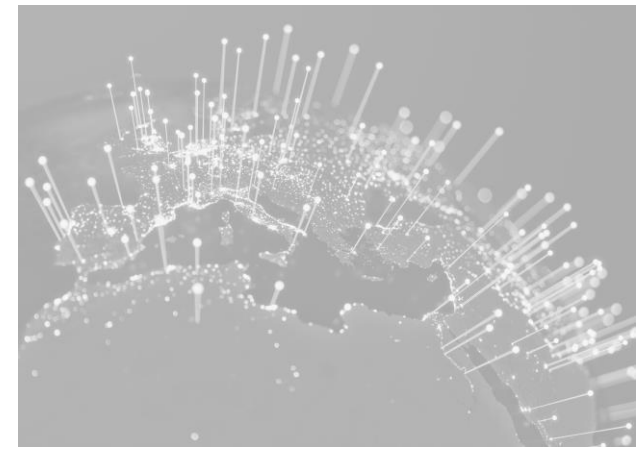
## Evolution H1 2022



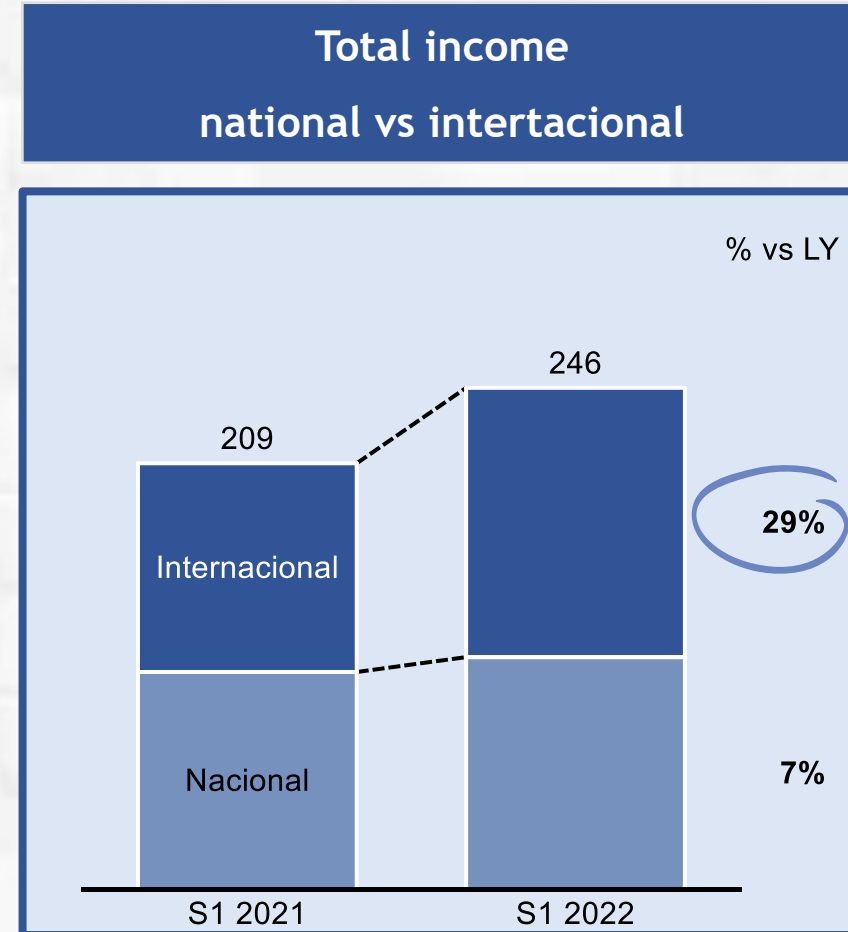
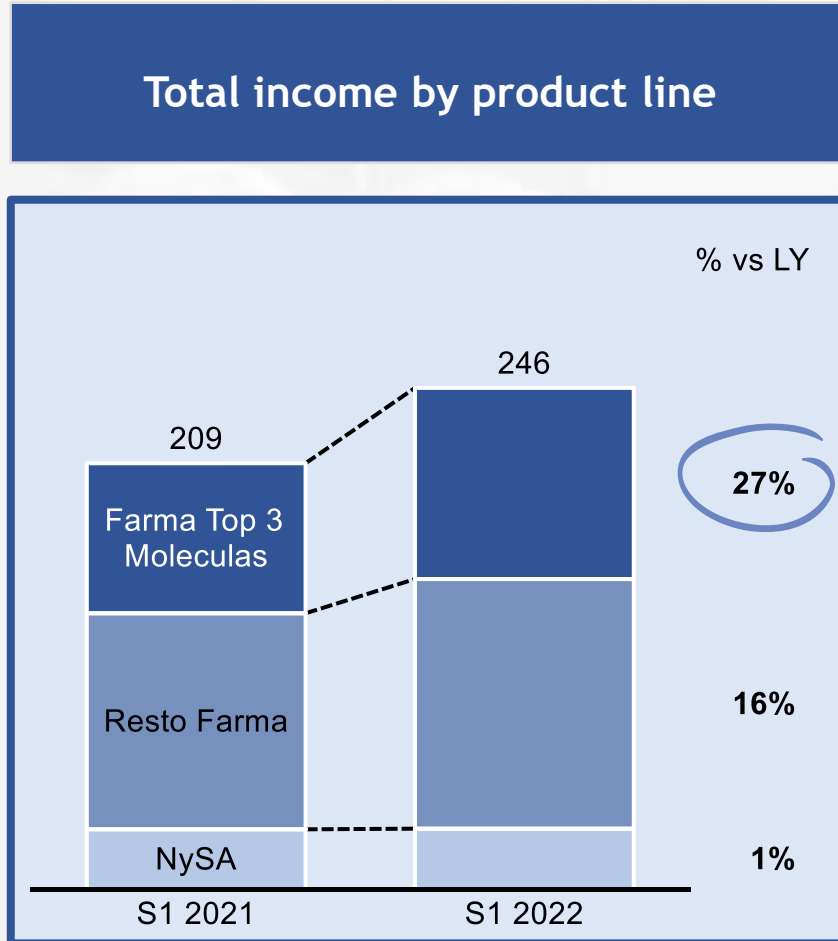
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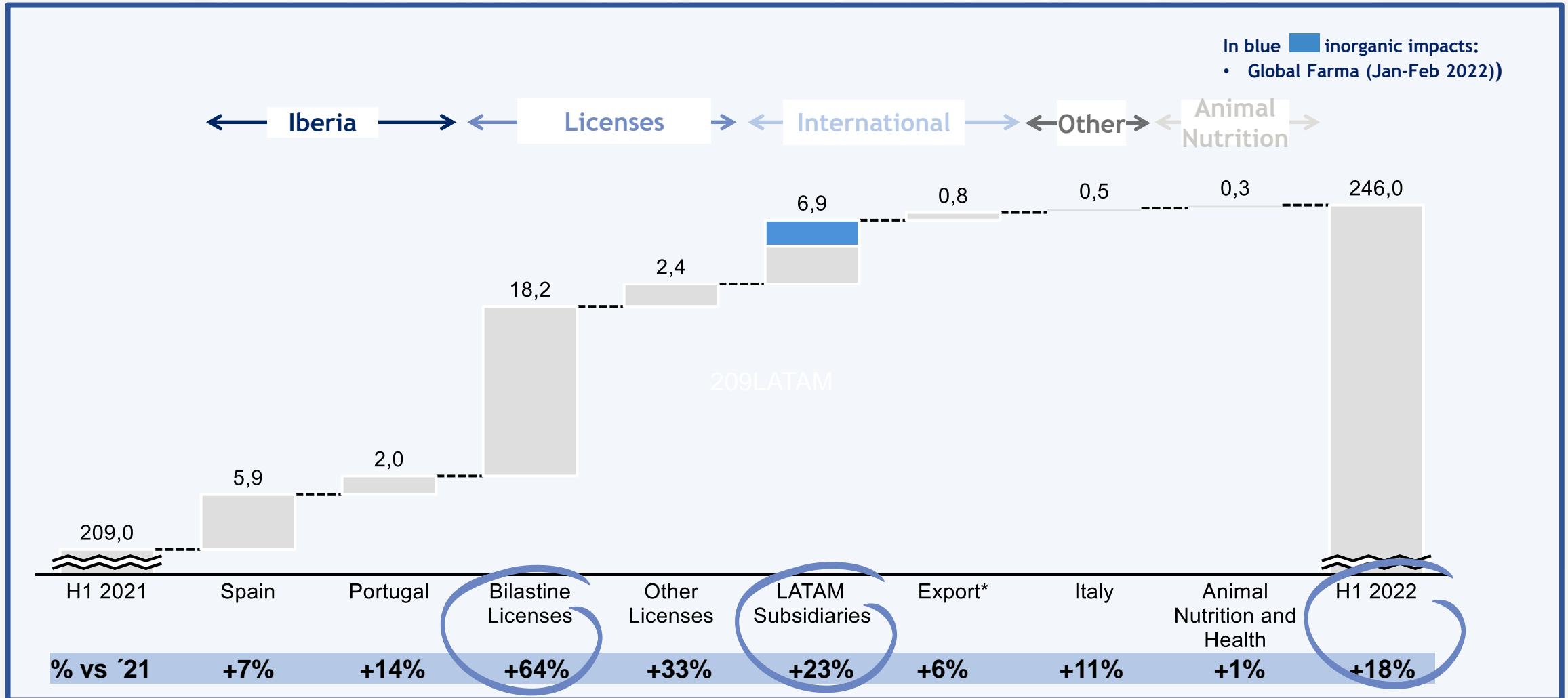


# Growth driven by pharma's top 3 molecules and international business



# Revenue growth in all business areas

Contribution to revenue evolution by business area [H1 2021 - H1 2022, M€]



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

## Double-digit growth for the top 3 molecules

Income Bilastina

**+38%**

63 M€

Income Calcifediol

**+12%**

24 M€

Income Mesalazina

**+5%**

7 M€

- Bilastine grows in revenue despite the decline in Spain related to the patent expiry.
- The potential of other products continues to show that there is life beyond bilastine.



# Spain - Offsetting the end of the bilastine patent through strong performance of other products

## Total income (M€)

	2021 H1	2022 H1	%var
<b>Spain Pharma</b>	<b>81,3</b>	<b>87,4</b>	<b>7%</b>
Medical Visit	55,3	57,8	4%
Bilastine	11,1	8,7	-22%
Calcifediol	18,6	20,8	12%
Mesalazine	3,7	3,5	-5%
Rest	21,9	24,8	13%
Healthcare & Consumer	26,0	29,6	14%

The drop in Bilaxten due to the end of the patent is partially offset by the increase in volume.

Hidroferol continues its growth trend.

Significant growth in Respiratory line(+68%) and in the Healthcare business (+14%).

## Portugal - Return to normal healthcare market conditions

### Total income (M€)

	2021 H1	2022 H1	%var
<b>Portugal</b>	<b>14,0</b>	<b>16,0</b>	<b>14%</b>
Bilastine	1,7	2,4	45%
Calcifediol	0,4	0,5	29%
Mesalazina	0,2	0,3	32%
Rest	11,8	12,8	9%

Overall sales recovery compared to a half year of 2021 still impacted by Covid-19.

## International - LATAM as the main growth driver

Total income (M€)			
	2021 H1	2022 H1	%var
<b>LATAM</b>	<b>29,5</b>	<b>36,4</b>	<b>23%</b>
Subsidiaries			
Central America Dominican	9,6	11,9	24%
Colombia	9,7	10,7	10%
Chile	5,7	7,2	27%
Mexico	1,8	2,7	45%
Ecuador	1,5	2,4	59%
Perú	1,2	1,5	23%
<b>Exports and Africa</b>	<b>14,2</b>	<b>15,0</b>	<b>6%</b>

Significant increase in sales in all the Latam subsidiaries.

Exports and Africa grow, continuing the trajectory of recent years.

# Licences

Bilastine: Strong growth in markets outside Europe  
 Other products: maintaining high double digit growth

## Total income (M€)

	2021 H1	2022 H1	%var
<b>Licenses</b>	<b>35,7</b>	<b>56,4</b>	<b>58%</b>
Bilastine	28,4	46,7	64%
Other products	7,3	9,7	33%

### BILASTINE

- Growth in Japan due to Taiho recovery after stock regularization.
- Very positive performance in markets such as Asia-Pacific (+44%), Brazil (+74%) and Canada (+36%).

### OTHER PRODUCTS

- Strong growth continues.

# Animal Nutrition and Health - Maintains its sales despite the uncertainty of the sector due to the raw materials crisis



## Total income (M€)

	2021 H1	2022 H1	%var
<b>Animal nutrition and health</b>	<b>29,4</b>	<b>29,8</b>	<b>1%</b>
Ingaso Farm	17,1	17,4	2%
Tecnovit	9,0	9,9	10%
Capselos	1,7	1,3	-27%
LATAM Subsidiaries	1,6	1,2	-26%

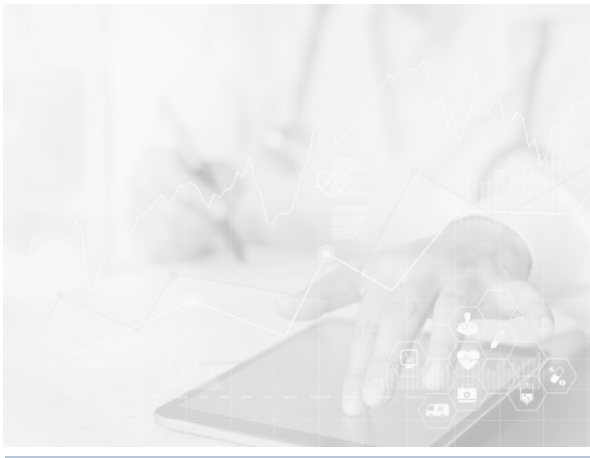
Animal nutrition and health sales growth in Iberia

Impact of the product cost inflation (+9%) partially offset by increases in sales prices.

Impact on Capselos due to higher product prices and lower orders from a key human supplement customer.

Impact on international subsidiaries due to logistical problems and price inflation related to the economic situation.

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# Income Statement

(Thousands €)	JUNE 2022	% of sales	JUNE 2021*	% of sales	% change 2022/2021
<b>Total Income</b>	<b>246.045</b>		<b>209.040</b>		<b>17,7%</b>
Ordinary income /sales	231.000		192.213		20,2%
Other operating income	15.045	6,5%	16.827	8,8%	-10,6%
Cost of sales	-80.586	34,9%	-66.816	34,8%	20,6%
<b>Gross margin</b>	<b>165.459</b>	<b>71,6%</b>	<b>142.224</b>	<b>74,0%</b>	<b>16,3%</b>
Personnel expenses	-46.914	20,3%	-42.646	22,2%	10,0%
Other operating expenses	-47.591	20,6%	-36.453	19,0%	30,6%
<b>EBITDA</b>	<b>70.954</b>	<b>30,7%</b>	<b>63.125</b>	<b>32,8%</b>	<b>12,4%</b>
Deprec. & impairment of fixed assets	-9.095	3,9%	-8.232	4,3%	10,5%
<b>EBIT</b>	<b>61.859</b>	<b>26,8%</b>	<b>54.893</b>	<b>28,6%</b>	<b>12,7%</b>
Financial profit loss	369	0,2%	-38	0,0%	-1.071,1%
<b>Profit before tax</b>	<b>62.228</b>	<b>26,9%</b>	<b>54.855</b>	<b>28,5%</b>	<b>13,4%</b>
Corporate tax	-9.173	4,0%	-7.963	4,1%	15,2%
<b>Consolidated Profit</b>	<b>53.055</b>	<b>23,0%</b>	<b>46.889</b>	<b>24,4%</b>	<b>13,1%</b>
Minority Interests	148	0,1%	17	0,0%	
<b>Profit to the Parent Company</b>	<b>52.907</b>	<b>22,9%</b>	<b>46.909</b>	<b>24,4%</b>	<b>12,8%</b>

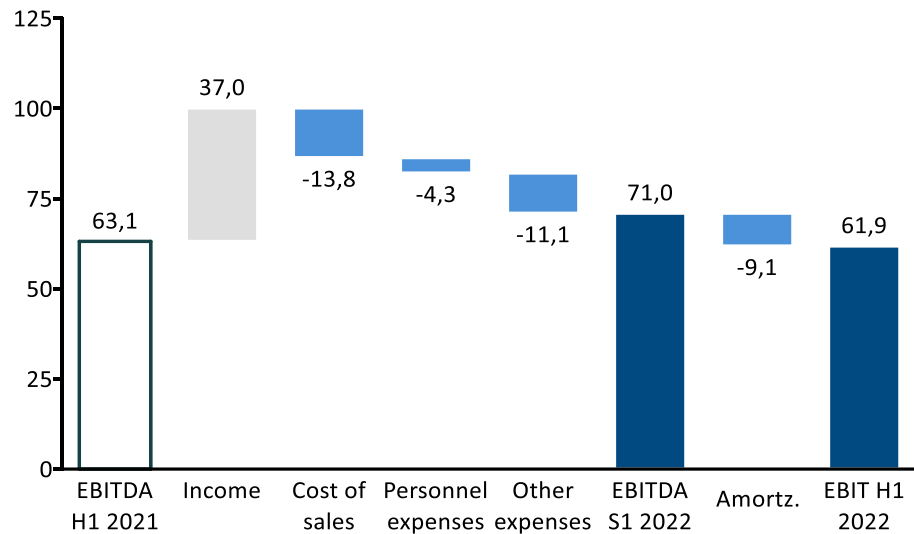
→ Increase in comercial expenses

→ Full half-year Global Farma amortization

→ Exchange rate variances

# EBITDA evolution

## EBITDA Movements H1 22 (M€)



- Gross margin impact driven especially by COGS inflation in Animal Nutrition and Health and bilastine patent expiry in Spain.
- Increase in commercial expenses due to the return to normal activity post covid and the impact of 2 months of additional expenses following the acquisition of Global Farma in March 2021.
- R&D expenses increased +7% to 10.1M€ in June.
- The above mentioned impacts lower the EBITDA margin slightly to 30.7%, still above estimates thanks to the good performance of revenues.



# H1 2022 Cash flow

(Thousands €)

	1H 2022
Profit before taxes	62.228
Depreciation and amortization	9.095
Other operations	-10.104
Cash generated by operating activities	61.219
Cash generated by investing activities	-36.157
Cash generated by financing activities	-18.707
Cash flow generated during the period	6.355
Cash at 31/12/2021	70.254
Cash at 30/06/2022	76.609

Payment of taxes and change in working capital, especially driven by stocks.

The investments are mainly related to the new pharmaceutical production plant in Derio.

January and June dividend payments.

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# Guidance for 2022 remains unchanged, continuing strong growth and creating shareholder value

<b>Turnover</b>	Growth of <b>~8%</b> vs. 2021	2022E: 422M€ - 437M€
<b>PBT</b> <i>Profit before tax</i>	Growth of <b>~10%</b> vs. 2021	2022E: 100M€ - 104M€
<b>NP</b> <i>Net Profit</i>	Growth of <b>~11%</b> vs. 2021	2022E: 89M€ - 93M€

# Moving towards the future...

## Developments H1 2022

Very solid results in H1

Corporate Governance:

- Improved independence and diversity levels in the board
- Long term incentive plans implemented, partly linked to the share evolution

Plan to improve communication with investors and analysts

Elaboration of the sustainability strategy

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