

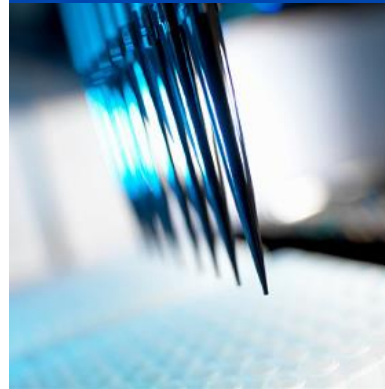
Caring for today and tomorrow

Business update
H1 2023

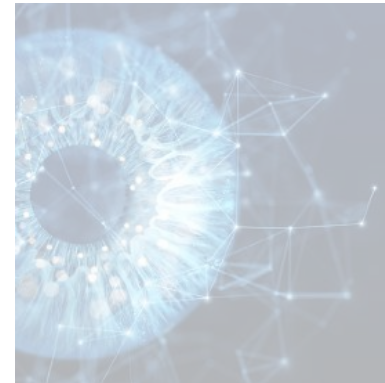


Index

1//
Overview



2//
Evolution
H1 2023



3//
Financial
review



Highlights



Business Performance

International business areas (+9%), both direct sales and licensing, continue to be the growth driver. Very positive performance of **bilastine (+12%) and calcifediol (+12%)**.



Financial Position

Net profit of €53m in the first half of the year, in line with same period last year.

59M€ of investments made in the first semester.



R&D&I

Launch of **bilastine ophthalmic** in Spain.

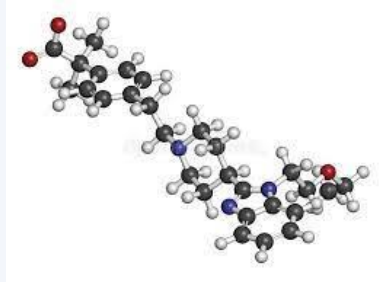
Approval in China for the commercialization of Bilastine (launch 2024).

Advances in **innovation projects** and submission for registration of **Calcifediol weekly**.



ESG

In line with the implementation of the ESG Strategy and regulatory compliance, progress has been made in obtaining information, analysing the degree of **eco-design** and taking action on product packaging



Launch of Bilastine Ophthalmic in Spain: May 2023

Approval of Bilastine in China, launch 2024



Innovation breakthroughs

Two key innovation projects have entered the clinical phase: mesalazine 1500 and mesalazine granules.



Calcifediol weekly dose

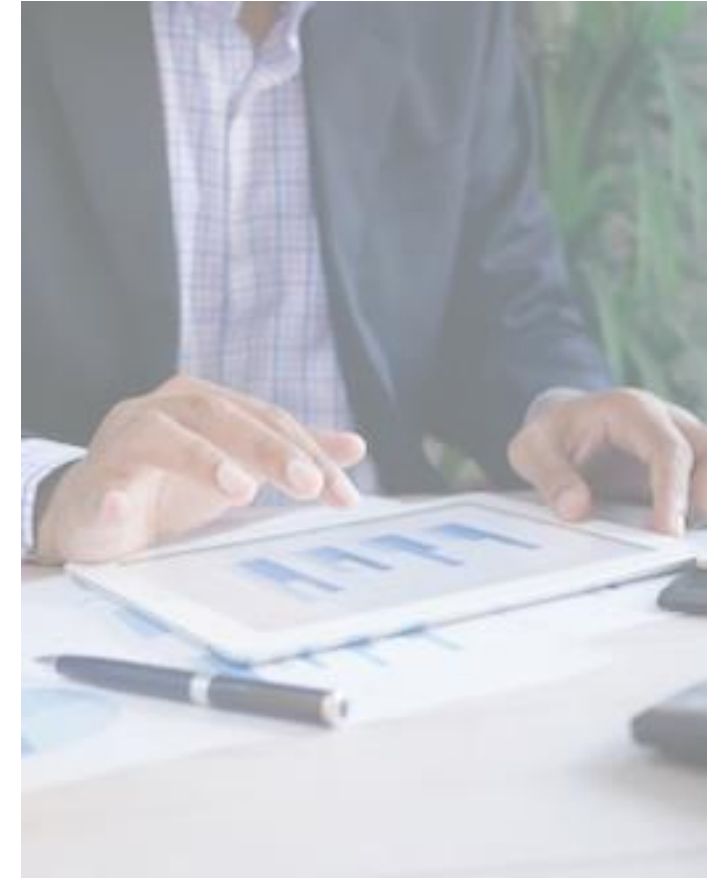
Dossier submitted in Q2 2023 for registration based on good 4-month clinical trial results. The excellent results recently obtained at 12 months in this clinical trial will be included during the dossier evaluation in Q4 2023.

Key figures

Total Income	+3% 253 M€	EBITDA*	= 71 M€
Income top 3 molecules	+10% 104 M€	EBIT**	= 62 M€
International income	+9% 142 M€	Net Profit	= 53 M€

*Operating profit before depreciation and amortization

**Operating profit



Index

1//
Overview



2//
Evolution
H1 2023

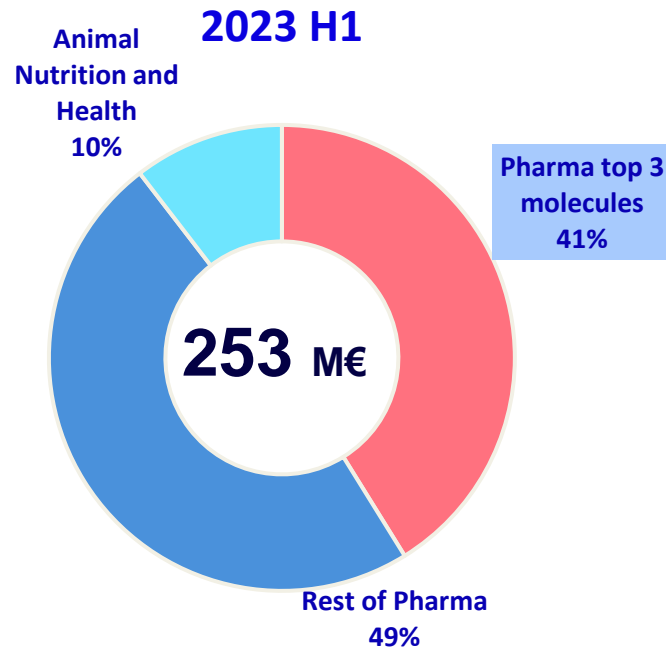
3//
Financial
review



Double-digit growth in top molecules

Total income by product line

Pharma business 90% / Animal nutrition and health 10%



M€

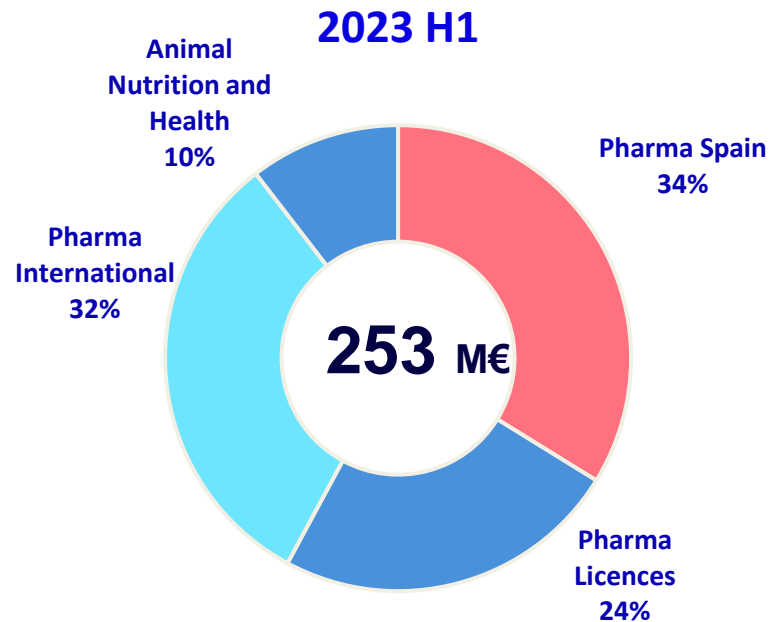
Total income by portfolio line	H1 2023	H1 2022	%
Pharma	226,6	216,3	5%
Pharma top 3 molecules	104,1	94,4	10%
Rest of Pharma	122,4	122,0	0%
Animal Nutrition and Health	26,4	29,7	-11%
Total	253,0	246,0	3%

Sales evolution top 3 molecules

BILASTINE	+12% 70,6 M€	Growth in all main markets: Very good half-year growth in Spain (+16%) driven by market growth and launch of the ophthalmic format. Highlights in the rest of the world were LATAM (+71%) and Licensing (+6%).
CALCIFEDIOL	+12% 26,4 M€	The positive trend continues in the markets in which the molecule is present. Growth is driven especially internationally via new licences and in the LATAM subsidiaries.
MESALAZINE	-5,3% 7,2 M€	Growth in international subsidiaries and exports weighed down by a stock adjustment effect in Poland in 2022 and the negative trend in Spain.

Growth driven by pharma and international markets, accounting for 56% of total revenues

Total income by business area



M€

Total income by business area	H1 2023	H1 2022	%
Pharma	226,6	216,3	5%
Pharma Spain	85,5	87,9	-3%
Pharma International (without licences)	80,1	72,1	11%
Pharma Licences	60,9	56,4	8%
Animal Nutrition and Health	26,4	29,7	-11%
Total	253,0	246,0	3%

Total income by geography*	H1 2023	H1 2022	%
International	142,6	130,7	9%
National	110,4	115,3	-4%
Total	253,0	246,0	3%

* **Domestic:** Revenues Pharma Spain + NySA Spain + Licences out Spain
International: Subsidiaries + exports + Licences out (outside Spain)

Spain Pharma – 9% growth without the effect of the discontinuation of Ristaben&Ristfor



Total income			
M€	2023 H1	2022 H1	%var
Spain Pharma	85,5	87,9	-3%
Prescription	54,4	59,1	-8%
Bilastine	10,2	8,7	
Calcifediol	20,9	20,5	
Mesalazine	3,5	3,7	
Other Products	19,8	26,1	
Healthcare & Consumer	31,1	28,7	8%

Data are presented rounded

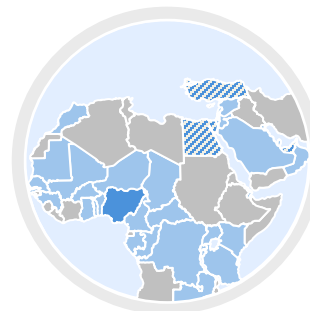
Highlights H1 2023

- ✓ **Evolution in line** with expectations
- ✓ **Prescription:** Good performance of **Bilastine**. The **respiratory line** continued to grow significantly, largely offsetting the end of licence of Ristaben & Ristfor (-9.3m).
- ✓ **Healthcare and Consumer** performed positively, especially Ricola, Profaes and Cannaben.

International Pharma (without licences) – LATAM and MEA key growth drivers (+11%)

Total income

M€	2023 H1	2022 H1	%var
International (without licences)	80,1	72,1	11%
Subsidiaries LATAM	41,5	36,4	14%
Central America Dominican R	12,8	11,9	
Colombia	9,1	10,7	
Chile	9,5	7,2	
Mexico	5,1	2,7	
Ecuador	3,4	2,4	
Peru	1,7	1,5	
Subsidiaries Europe	21,3	20,7	3%
Portugal	16,7	16,0	
Italy	4,6	4,8	
Middle East and Africa	13,1	11,1	18%
Direct exports	12,3	10,7	
Nigeria	0,6	0,4	
Dubai	0,3	0,0	
Exports ROW*	4,2	3,9	7%



Highlights H1 2023

- ✓ **Subsidiaries Latam:**

Mexico (+91%) positively impacted by the expansion of the commercial team and the performance of the main products.

In **Colombia**, we are still awaiting the reform of the healthcare system, which affects the institutional channel.
- ✓ **Subsidiaries Europe:** Portugal offset the decline in bilastine via very good performance in calcifediol, mesalazine and deflazacor.
- ✓ **Subsidiaries MEA:** Growth in all areas, especially in African territories. Integration of Novosci (Dubai) in May. Reinforcement of sales teams to support new launches in the second half of the year

Licences - good overall performance of the different licenses

Total income			
M€	2023 H1	2022 H1	%var
Licenses	60,9	56,4	8%
Bilastine	50,0	46,7	7%
Other products	10,9	9,7	12%

Data are presented rounded



Highlights H1 2023

- ✓ **Bilastine:** Of note is the growth in sell-out in markets such as Asia Pacific (+39%), Canada (+38%) and Japan (+12%). Lower impact than expected in Europe due to the entry of generics.
- ✓ **Other products:** In **calcifediol**, revenues grew due to milestones and first orders for new launches (UK, France, Poland and Baltics). **Citicoline** continued to grow in Italy. In **mesalazine**, although impacted by a stock adjustment in Poland, local sell out increased

Animal nutrition and health – Challenging first semester

Total income			
M€	2023 H1	2022 H1	%var
Animal nutrition and health	26,4	29,7	-11%
Ingaso Farm	15,0	17,4	
Tecnovit	10,3	9,9	
Capselos	0,6	1,3	
LATAM Subsidiaries	0,5	1,2	

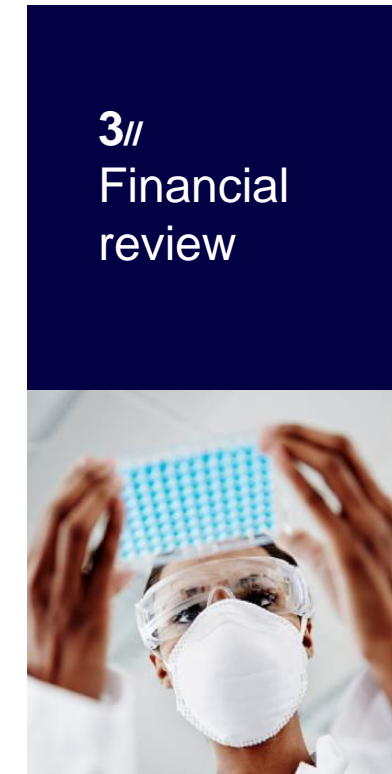
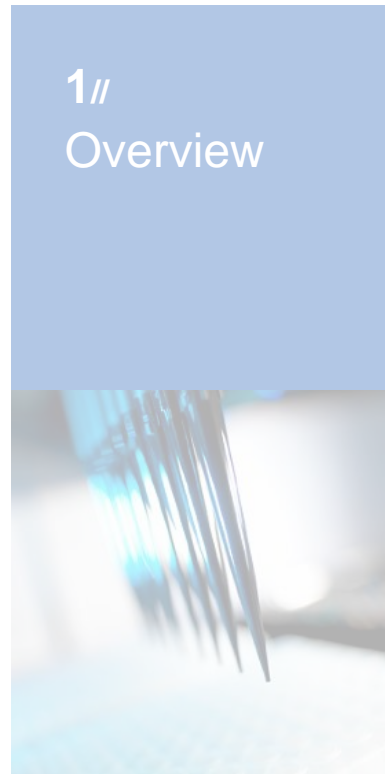
Data are presented rounded



Highlights H1 2023

- ✓ **Ingaso:** sales continue to suffer from the decline in the number of pigs in Spain, a situation that is expected to recover in the second half of the year.
- ✓ **Tecnovit:** recovery of international markets and maintenance of the domestic market.
- ✓ **Capselos:** drop in sales in the Food (human) area, with expectations of recovery in the second half of the year.
- ✓ **Subsidiaries Latam:** Shift of business model towards distributor sales.

Index



Income statement

Thousand €	2023 H1	% of sales	2022 H1	% of sales	%change
Ordinary income (sales)	236.205		231.000		2,3%
Other operating income	16.804	7,1%	15.045	6,5%	11,7%
Tota Income	253.008	107,1%	246.045	106,5%	2,8%
Cost of sales	-78.082	-33,1%	-80.586	-34,9%	-3,1%
Gross margin	174.926	74,1%	165.459	71,6%	5,7%
Personnel expenses	-51.399	-21,8%	-46.914	-20,3%	9,6%
Other operating expenses	-52.119	-22,1%	-47.591	-20,6%	9,5%
Depreciation and impairment fixed asset	-9.472	-4,0%	-9.095	-3,9%	4,1%
EBIT	61.936	26,2%	61.859	26,8%	0,1%
Financial gain/losses	291		369		-21,1%
Profit before tax	62.227	26,2%	62.228	26,8%	0,0%
Corporate tax	-9.245	-3,9%	-9.173	-4,0%	0,8%
Net Profit	52.982	22,3%	53.055	22,8%	-0,1%
Profit to the Parent Company	53.000		52.907		0,2%

Gross margin improvement thanks to favourable product mix and other revenue growth

Personnel expenses mainly due to the increase of in sales force

Other operating expenses Increase in R&D&I, commercial expenses and general inflation

Cash flow. We continue to invest heavily

Thousand €	2023 H1
Profit before tax	62.227
Depreciation and amortisation	9.432
Change in working capital	-15.421
Other adjustments	-4.512
Cash generated from operating activities (a)	51.726
Cash generated by investing activities (b)	-58.595
Cash flow from operating activities (a+b)	-6.869
Cash used in financing (c)	-25.241
Cash flow generated during the period (a+b+c)	-32.110
Cash at 31/12/2022	66.411
Cash at 30/06/2023	34.301

- ➔ **Solid financial position** (€34m) despite high out flow from investments
- ➔ **Investments 59M€** mainly in the 2 new production plants under construction
- ➔ Impact on working capital due to **increase in stocks**

Outlook 2023. In 2023, our business will continue to grow, but we are facing relevant impacts to our P&L

Business Impacts 2023



Faes LATAM Growth: Double digit growth in income and EBITDA

Stabilization of the Animal Health and Nutrition business

Growth of the respiratory franchise (Ellipta) and Healthcare & Consumer channels in Spain



Increased investment in R&D&I to drive key projects

Reinforcement of commercial structure in key geographies to support launches and growth plans

General context of cost inflation

Total Income	Growth of ~5,5% vs. 2022	
	2022: 462M€	2023E: 485M€ - 490M€
EBITDA before R&D&I	Growth of ~4,0% vs. 2022	
	2022: 135M€	2023E: 138M€ - 142M€
EBITDA	MAINTAINING 2022 level	
	2022: 121M€	

Disclaimer

This presentation has been prepared and published by Faes Farma Group and is presented for informational purposes only. This presentation is not a brochure, nor is it an offer or recommendation to make an investment. This presentation does not imply any subscription commitment, nor an offer of financing, nor an offer to sell or to buy Faes Farma shares.

The information included in this presentation has not been verified by independent sources and some of the information is presented in summarized form. No declaration or guarantee, explicit or implicit, are expressed by the Faes Farma Group, nor by its directors, managers, employees or representatives regarding the fairness, precision, completeness or accuracy of the information or opinions expressed in this document, and they should not serve as a reliable support. No member of the Faes Farma Group, nor its directors, managers, employees or representatives will assume any responsibility (due to negligence or any other reason) on account of any loss, damage, cost or prejudice, direct or consequential, that occurs as a result of the use of this presentation or its content or in any other way in relation to the presentation, except with respect to any liability for fraud, whether direct or indirect, explicit or implicit, contractual, criminal, regulatory or otherwise nature, in relation to the accuracy or completeness of the information in relation to the opinions included in this document or any error, omission or inaccuracy included in this presentation.

Faes Farma does not guarantee the accuracy of the information contained in this presentation, nor that it is complete. The information contained herein has been obtained from sources considered trustworthy by Faes Farma, but Faes Farma does not represent or guarantee that it is complete or exact, in particular with regard to data provided by third parties.

This presentation contains information and affirmations or statements with future projections about the Faes Farma Group. Such statements include financial projections and estimates with their underlying assumptions that are not historical facts. In this sense, although the Faes Farma Group considers that the expectations received in such statements are reasonable, warns that the information and statements with future projections are subject to risks and uncertainties, known or unknown, that could cause the evolution of the group's business to be different from that expressed or inferred and condition its materialization.



FAES FARMA

Cuidando el hoy y el mañana