



# Business update Q1 2024

April 2024



# Index

**1//**  
**Overview**

**2//**  
**Business  
update Q1  
2024**

**3//**  
**Results Q1 2024  
and Outlook**



# 1// Overview Q1 2024

# Highlights

## BUSINESS PERFORMANCE

Positive start of 2024, with revenue growth driven mainly by pharma's strong performance in Spain and international markets.

## FINANCIAL POSITION

Double-digit profit growth contributing to an increase in cash generation now that the final phases of the Derio and ISF industrial investments have been reached.

## R&D&i

Preparation of bilastine parenteral dossier validation (submission to German Agency BfArM Q3 2024).  
New studies and publications to expand pediatric use of bilastine.  
Positive progress in the clinical phases of the 2 mesalazine projects.

## ESG

Initiated the Dual Materiality analysis, which provides a two-way approach: knowing how our operations impact the environment (environmental and social), and how these external factors affect our financial performance.

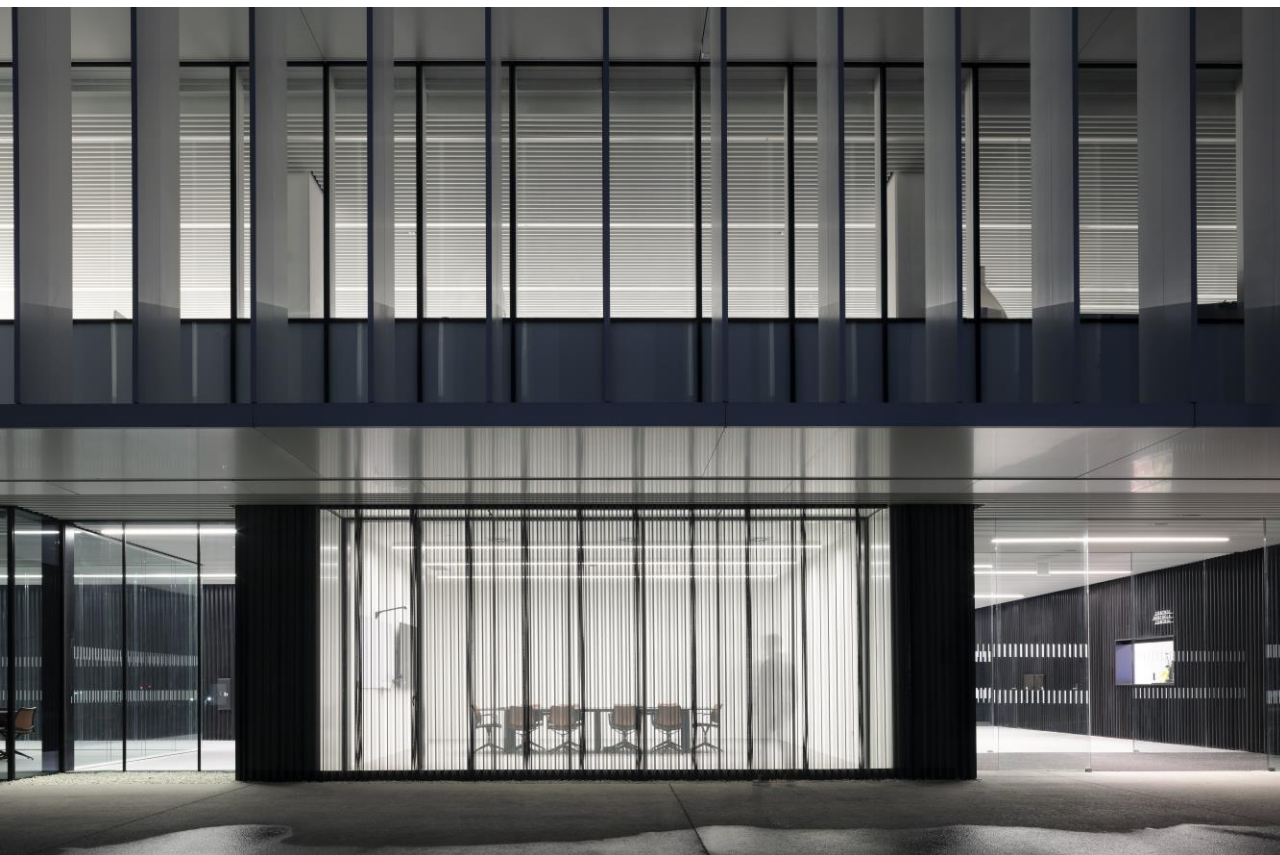
# Key figures

Total Income	139,4 M€ +7%	EBITDA*	41 M€ +10%
Income top 3 molecules	58,3 M€ +5%	EBIT**	35,9 M€ +10%
Total international income	80,4 M€ +6%	Net profit	30,4 M€ +10%

\*Operating profit before depreciation and amortization

\*\* Operating profit





2//

# Business update Q1 2024

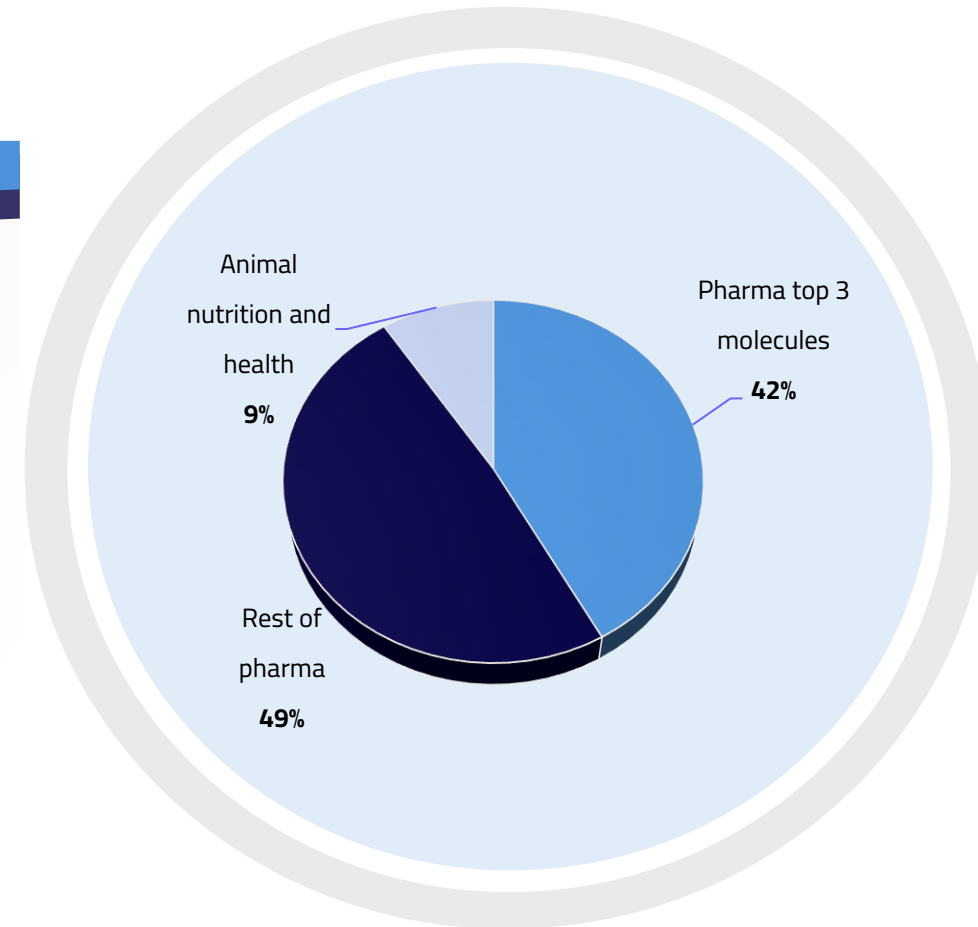
# Solid growth across the entire pharma portfolio

Total income by portfolio line

M €

	Q1 2024	Q1 2023	%
<b>Pharma</b>	<b>126,5</b>	<b>116,4</b>	<b>9%</b>
Pharma top 3 molecules	58,3	55,5	5%
Rest of Pharma	68,2	61,0	12%
<b>Animal Nutrition and Health</b>	<b>12,9</b>	<b>13,6</b>	<b>-5%</b>
<b>Total</b>	<b>139,4</b>	<b>130,1</b>	<b>7%</b>

Data are rounded



# Evolution top 3 molecules

**BILASTINE**

38,9 M€  
+5%

Growth in all business areas driven by both new ophthalmic and orodispersible presentations, as well as, the international performance of the original tablet formats.

**CALCIFEDIOL**

15,2 M€  
+6%

Growth led by the LATAM subsidiaries where sales doubled compared to Q1 2023.

**MESALAZINE**

4,2 M€  
+4%

The performance in the international markets offset the slight decline in the Spanish market.



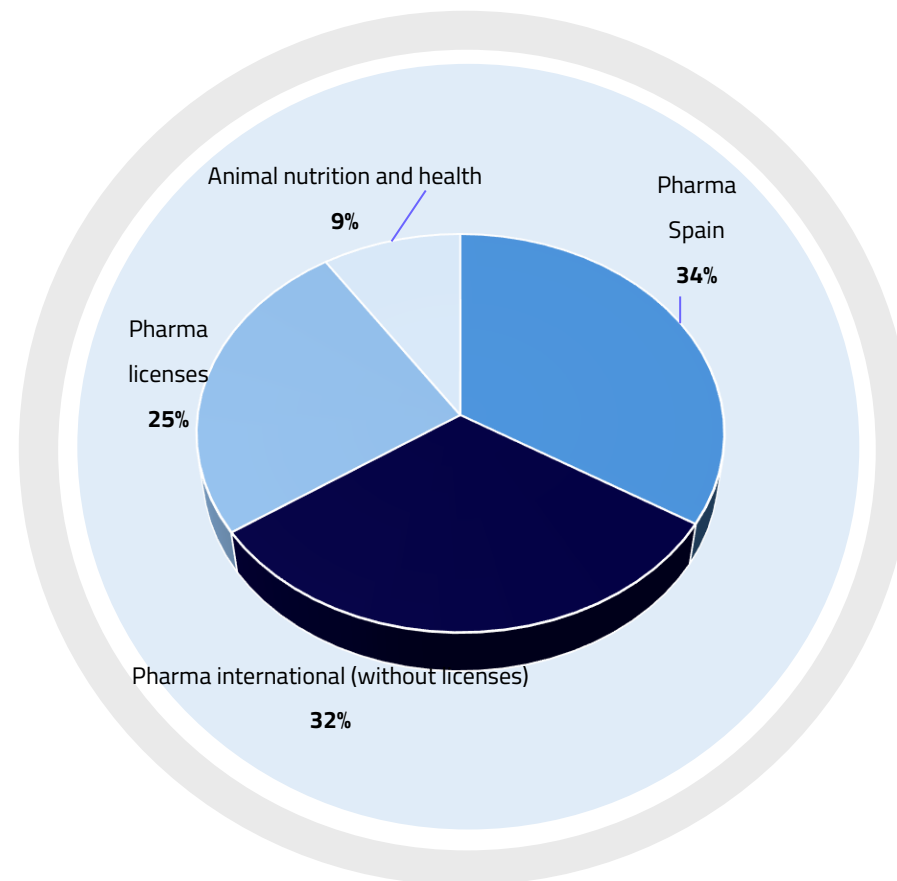
# Growth driven by Pharma areas, with particularly strong performance in Spain

## Total income by business areas

M €	Q1 2024	Q1 2023	%
<b>Pharma</b>	<b>126,5</b>	<b>116,4</b>	<b>9%</b>
Pharma Spain	47,4	41,6	14%
Pharma International (without licences)	44,0	40,2	9%
Pharma Licences	35,1	34,6	1%
<b>Animal Nutrition and Health</b>	<b>12,9</b>	<b>13,6</b>	<b>-5%</b>
<b>Total</b>	<b>139,4</b>	<b>130,1</b>	<b>7%</b>

## Total income by geography\*

M €	Q1 2024	Q1 2023	%
<b>National</b>	<b>59,0</b>	<b>53,9</b>	<b>9%</b>
<b>International</b>	<b>80,4</b>	<b>76,2</b>	<b>6%</b>
<b>Total</b>	<b>139,4</b>	<b>130,1</b>	<b>7%</b>



Data are rounded

\* **National:** Income pharma Spain + NySA Spain + Licences out Spain  
**International:** Subsidiaries + exports + Licences out (outside Spain)

# Pharma Spain. Strong start of the year in all sales channels



## INCOME SPAIN PHARMA

M €	Q1 2024	Q1 2023	%var
<b>Spain Pharma</b>	<b>47,4</b>	<b>41,6</b>	<b>14%</b>
<b>Prescription</b>	<b>30,2</b>	<b>27,5</b>	<b>10%</b>
Bilastine	4,3	4,1	
Calcifediol	11,5	11,3	
Mesalazine	1,7	1,8	
Other Products	12,8	10,4	
<b>Healthcare &amp; Consumer</b>	<b>17,1</b>	<b>14,1</b>	<b>21%</b>

Data are rounded

## Highlights Q1 2024

### PRESCRIPTION

Good performance in the first quarter. Bilastine offsets price reductions with new ophthalmic and orodispersible formats. The respiratory franchise consolidates (+22%) while calcifediol continues to grow modestly.

### HEALTHCARE & CONSUMER

Good evolution of the different products, especially those related to respiratory and digestive pathologies.

# Pharma International (without licenses). Good performance especially in the new MEA project



INCOME INTERNATIONAL (without licenses)			
M €	Q1 2024	Q1 2023	%var
<b>International (without licenses)</b>	<b>44,0</b>	<b>40,2</b>	<b>9%</b>
<b>Subsidiaries LATAM</b>	<b>20,5</b>	<b>20,0</b>	<b>2%</b>
Central American Caribbean	6,7	6,3	
Colombia	4,0	3,8	
Chile	3,7	4,6	
Mexico	3,4	2,7	
Ecuador	2,0	1,7	
Peru	0,7	0,8	
<b>Subsidiaries Europe</b>	<b>11,1</b>	<b>10,5</b>	<b>7%</b>
Portugal	8,9	8,2	
Italy	2,2	2,3	
<b>Middle East- Africa</b>	<b>9,3</b>	<b>6,5</b>	<b>42%</b>
Direct export	7,9	6,0	
Gulf	1,3	0,2	
Nigeria	0,1	0,3	
<b>Export ROW*</b>	<b>3,1</b>	<b>3,2</b>	<b>-3%</b>

Data are rounded  
\* Rest of the world

## Highlights Q1 2024

### Faes LATAM

- Good growth in **Mexico and Ecuador** due to the performance of Calcifediol.
- Moderate growth in **Central America** (Global Farma) and **Colombia**, where growth returned after the market contraction in 2023. In both cases, the product mix had a positive impact on the margin.
- In **Chile** there was a temporary decline in sales due to the (expected) loss of a product tender.

### Faes OMA

- Total sales to the Gulf (Novosci + Faes Export to the area) grew +1m €.
- Sub-Saharan Africa: + €1.2m growth
- Nigeria decreases in € due to Naira devaluation

# Licenses. Moderate growth in line with expectations



## INCOME LICENSES

M €	Q1 2024	Q1 2023	%var
<b>Licenses</b>	35,1	34,6	1%
<b>Bilastine</b>	28,6	28,0	2%
<b>Other products</b>	6,5	6,6	-1%

Data are rounded

## Highlights Q1 2024

### LICENSES BILASTINE

Bilastine licensing performance remains positive, despite the maturity of the product, underpinned by:

- Strong sell out in core markets at the start of 2024, such as Canada (+38%) or Japan.
- Growth in newer markets such as Australia, China and Germany.
- The impulse provided by the new life-cycle products of the molecule.

### OTHER LICENSES

- Sales to our customers grew 24% in value terms thanks to the recent launches in new markets of Calcifediol, as well as the success of mesalazine in some countries (Poland and the Nordics) and Citicoline (Italy).
- The total revenue comparison vs. 2023 does not yet show this strong organic growth, given that Q1 2023 includes a significant one-off milestone income.

# Animal nutrition and health. We continue to face challenges in the sector



INCOME FARM FAES			
M €	Q1 2024	Q1 2023	%var
<b>Animal nutrition and health</b>	<b>12,9</b>	<b>13,6</b>	<b>-5%</b>
Ingaso Farm	6,9	7,9	
Tecnovit	5,4	5,0	
Capselos	0,4	0,4	
LATAM Subsidiaries	0,2	0,3	

Data are rounded

## Highlights Q1 2024

- Sales continue to be hampered by the lack of piglets due to emerging diseases, a situation that we hope will improve during the year as a result of the measures adopted by the sector.
- Capselos shows results of the new Feed & Food diversification strategy.
- Construction of the new ISF plant is progressing well.





**3//**

## **Results and Outlook**

# Double-digit profit growth

Thousand €	Q1 2024	Q1 2023	%change
Ordinary income (sales)	131.133	118.450	10,7%
Other operating income	7.892	11.612	-32,0%
work carried out by the company for its assets	406	0	-
<b>Tota Income</b>	<b>139.431</b>	<b>130.062</b>	<b>7,2%</b>
Cost of sales	-42.330	-39.149	8,1%
<b>Gross margin</b>	<b>97.100</b>	<b>90.913</b>	<b>6,8%</b>
Personnel expenses	-27.835	-26.286	5,9%
Other operating expenses	-28.301	-27.469	3,0%
Depreciation and impairment fixed assets	-5.047	-4.610	9,5%
<b>EBIT</b>	<b>35.917</b>	<b>32.548</b>	<b>10,4%</b>
<b>Financial gain/losses</b>	<b>132</b>	<b>28</b>	<b>375,4%</b>
Profit before tax	36.049	32.575	10,7%
<b>Corporate tax</b>	<b>-5.602</b>	<b>-4.897</b>	<b>14,4%</b>
<b>Net Profit</b>	<b>30.447</b>	<b>27.679</b>	<b>10,0%</b>
Profit to the Parent Company	30.465	27.615	10,3%

## Highlights Q1 2024

- Margin growth in line with revenues.
- Expenditure growth in Q1 below revenue growth and annual spending expectations.
- Increase in expenses expected in the coming quarters related to increased activity in R&D, production and sales, paired with salary inflation.

# In 2024, even with some major challenges on the horizon, we will continue to grow especially driven by our international business expansion

## Guidance 2024

**Total income** → Growth vs 2023 **6-8%**

**EBITDA** → Growth vs 2023 **3-5%**

### Impacts **+** 2024

- Double-digit growth in **LATAM & MEA**
- Double-digit growth in our **Calcifediol** and **Mesalazine** licenses
- Mid-single-digit growth (above market) of the **Medical Visit, Healthcare and Consumer** businesses in Spain

### Impacts **-** 2024

- Increase in **personnel costs**, as a result of the new labour agreement
- **Depreciation of the Yen** (impact on Bilastine Licensing business)
- Price reduction of **Bilastine in Spain** at the end of 2023.

### Other issues with an impact on the P&L 2024

- Increase in **overheads** due to the start-up of the industrial plant in Derio
- Increased **investments in R&D&I**





**FAES FARMA**

Caring for tomorrow, today

## 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.*