

In accordance with the provisions of article 226 of Law 6/2023, of March 17, on Securities Markets and Investment Services (the "LMVSI") and other concordant provisions, **FAES FARMA, S.A.** In compliance with the Securities Market Law, it informs the **NATIONAL SECURITIES MARKET COMMISSION** the following:

PRIVILEGED INFORMATION

Faes Farma, S.A. has signed a contract for the acquisition of SIFI S.p.A, strengthening its leadership in ophthalmology and expanding its global presence

Faes Farma, S.A., announces that it has today signed a purchase agreement, subject to conditions precedent, for the acquisition of 100% of the shares of SIFI, an Italian pharmaceutical company specializing in ophthalmology, for €270 million enterprise value.

The acquisition of SIFI is fully aligned with the M&A strategy announced by Faes Farma, consolidating its position in a key therapeutic area such as ophthalmology and bolstering its international footprint.

The transaction allows Faes Farma to access SIFI's three businesses:

Consolidated Ophthalmic Pharmaceutical Business:

SIFI brings a portfolio of more than 60 ophthalmic solutions, including five recent launches, with a presence in 60 countries and minimal overlap with the portfolio of EDOL (an ophthalmic company recently acquired by Faes Farma). This is complemented by an innovative intraocular lens business in Europe and Asia.

In 2024, this business segment generated approximately €100 million in revenue and €20 million in EBITDA, which do not include income from the recent signed CMO agreements and the launch of Akantior in Europe in 2024.

Third-Party Manufacturing Unit (CMO):

SIFI has two state-of-the-art plants in Italy, specializing in the production of ophthalmic medications and intraocular lenses. These facilities have recently secured several long-term agreements, ensuring additional recurring revenue of approximately €20 million annually in the medium term.

Akantior: Innovative Therapy Product for Ultra Rare Diseases

Akantior, patented until 2040, has recently been approved by the EMA for the indication of Acanthameba Keratitis (AK), a rare and severe corneal infection affecting around 3,000 patients annually in Europe and the U.S. The product was launched in Germany in October 2024, with other key European markets to follow shortly.

At the same time, it is in the pre-registration phase in the U.S. with the FDA with orphan drug designation.

Synergies and Perspectives

Integrating SIFI will enable Faes Farma to offer one of the most comprehensive ophthalmology portfolios in the industry, with a complementary geographic presence that aligns with its inorganic growth strategy. This strengthens Faes Farma's regional positioning in Europe, with direct operations in Italy, France, Germany, Spain, Romania, Turkey and Mexico.

Additionally, SIFI's facilities will optimize Faes Farma's industrial capabilities, enhancing operational efficiency.

Faes Farma's entry into the promising rare disease treatment market through Akantior further underscores its strategic growth.

Financial impact and next steps

The transaction values SIFI at €270 million upfront Enterprise Value plus earn out payments related to Akantior linked to certain sales levels in Europe that exceed forecasts. The maximum amount of the earn-outs would be in total €50.5 million spread over six milestones/payments until 2041. In addition, there is a potential payment of €30 million conditional on the commercial launch of Akantior in the US plus one digit to low two-digit tiered payments on US net sales following until the expiration of the patent in the US, or US loss of exclusivity.

EV/EBITDA is projected to be single digit when factoring in SIFI's significant near-term growth potential initiatives (signed CMO contracts and launch of Akantior in Europe in particular) and will progressively decrease as synergies realize. The transaction is expected to be EPS accretive in 2026.

The transaction will be fully financed with debt, maintaining the Net Debt/ Pro-Forma EBITDA ratio below 2x, without affecting the dividend policy.

The transaction is expected to close in the third quarter of 2025, subject to approval by competition and foreign investment authorities and the extraordinary shareholders' meeting, which will be convened in the coming days.

Attached is a press release that will be distributed to the media today.

June 10th, 2025

Faes Farma Acquires SIFI: A Transformational Step Aligned With 2030 Ambitions and Strategy.

- This acquisition consolidates Faes Farma as a leader in ophthalmology, incorporating a broad portfolio in this key therapeutic area.
- It enhances the Group's international expansion, facilitating direct entry into new European markets.
- Faes Farma incorporates Akantior, a recently EMA-approved product for treating ultra-rare diseases with significant potential in the US.

Bilbao, June 10th, 2025.- Faes Farma, S.A. has signed a purchase agreement, subject to conditions precedent, to acquire 100% of SIFI S.p.A ("SIFI"), an Italian pharmaceutical company specializing in ophthalmology for €270 million enterprise value.

The integration of SIFI, alongside Edol, a leading Portuguese laboratory recently acquired by Faes Farma, positions ophthalmology as a pivotal area for the Group. With these two acquisitions, the ophthalmology segment represents approximately 20% of the Group's total portfolio pro-forma revenue.

"The acquisition of SIFI represents a transformational step in our 2030 ambition and strategy. It strengthens our position in ophthalmology, a therapeutic area with significant growth potential, and accelerates our international expansion with direct access to new markets in Europe. This milestone demonstrates our commitment to building a stronger, more global and innovative Faes Farma, offering a broader range of solutions aligned with the needs of professionals and patients.", stated **Eduardo Recoder de la Cuadra**, CEO of Faes Farma.

"This transaction represents a strategic milestone that validates the strength of our business model, and the potential that lies ahead. SIFI has a strong track record of bringing innovative treatments for ophthalmic patients since its foundation. We are confident that the partnership with Faes Farma, a company with similar values and culture to ours, will accelerate growth, unlock synergies, and enhance long-term value for all stakeholders, first and foremost by expanding global access to the medicines and devices we provide for ophthalmic patients.", stated **Fabrizio Chines**, CEO of SIFI.

This transaction strengthens Faes Farma's market position and offers significant synergy opportunities. SIFI facilitates entry into new high-growth regions in Europe where they are present, such as Italy, France, Romania, and Turkey, while bolstering Faes Farma's presence in others, such as Spain and Mexico. Furthermore, product integration should unlock cross-selling opportunities, improving growth and margins through operational and cost efficiencies.

The transaction gives Faes Farma access to SIFI's three businesses: 1) Consolidated ophthalmic pharmaceutical business 2) Contract manufacturing unit (CMO) 3) Akantior, an innovative therapy product for ultra-rare diseases recently approved in Europe (2024).

Leading Position in Ophthalmology

SIFI, with more than 90 years of history, boasts a consolidated ophthalmology business, present in more than 60 countries, with core business revenue in 2024 exceeding €100 million and EBITDA of €20 million, excluding sales that will be derived from the recently signed CMO contracts and the launch of Akantior in Europe (first in Germany since October 2024).

SIFI's portfolio of over 60 ophthalmic solutions and five recent launches expands Faes Farma's therapeutic offering and geographic reach complementing Laboratorios Edol portfolio. SIFI also manufactures and markets innovative intraocular lenses in Europe and Asia, allowing Faes Farma to enter the ophthalmic surgery market, expanding its product range and generating new revenue streams.

The acquisition also allows for the integration of SIFI's Third-Party Manufacturing Unit (CMO), which has its own state-of-the-art plant in Italy specializing in the production of ophthalmic medications. SIFI has recently secured contracts with leading international pharmaceutical companies to produce large volumes of products that guarantee recurring revenues of approximately €20 million annually in the medium term. This segment offers Faes Farma the opportunity to leverage SIFI's manufacturing capacity to achieve cost efficiencies and potentially expand into new markets.

Akantior: A Promising Drug For Ultra-Rare Diseases

SIFI's operation enables entry into a very promising strategic market segment of rare disease treatment. Akantior is approved by the European Medicines Agency (EMA) for the treatment of Acanthamoeba Keratitis (AK) in adults and children aged 12 and older. Akantior is the first and only approved therapy for AK anywhere in the world, addressing an ultra-rare, severe, and progressive corneal infection affecting approximately 3,000 patients annually in Europe and the United States.

Launched in Germany in October 2024, plans are underway to expand to other European countries. It is also in the pre-registration phase with the FDA (U.S. Food and Drug Administration) with orphan drug designation.

Ultimately, this acquisition strengthens Faes Farma's leadership in ophthalmology, accelerates its international presence, and positions the Group as one of the most important players in the specialized eye disease treatment globally.

Financial Impact

- The transaction values SIFI at €270 million upfront Enterprise Value plus earn outs related to Akantior linked to certain sales levels in Europe that exceed forecasts. The maximum total amount of the earn-outs would be €50.5 million spread over six milestones/payments until 2041. In addition, there is a potential payment of €30 million conditional on the commercial launch of Akantior in the US plus one digit to low two-digit tiered payments on US net sales following until the expiration of the patent in the US, or US loss of exclusivity.
- Immediate addition of a business generating significant revenue and EBITDA, projecting accelerated margin growth in the short and medium term through international expansion, CMO project execution and Akantior sales in Europe.
- EV/EBITDA is projected to be single digit when factoring in SIFI's significant near-term growth potential initiatives (signed CMO contracts and launch of Akantior in Europe in particular) and will progressively decrease as synergies realize.
- SIFI acquisition expected to be EPS accretive from year one, even before commercial and cost synergies.



- Faes Farma has secured committed debt financing from J.P. Morgan SE to fund the acquisition. Net Debt/Pro-Forma EBITDA ratio will remain below 2x.
- Dividend for 2024 remains unaffected, adhering to 50% pay-out policy going forward.

Closing Conditions

The transaction is expected to close in the third quarter of 2025, subject to approval by competition and foreign investment authorities in the various countries and Faes Farma's extraordinary shareholders' meeting, which will be convened in the coming days.

Advisors

J.P. Morgan SE ("JPM") is acting as Faes Farma's exclusive financial advisor and debt financing provider in connection with the transaction. Cuatrecasas Legal SLP ("Cuatrecasas") and Chiomenti Studio Legale ("Chiomenti") serve as legal advisor and Ernst & Young Servicios Corporativos S.L. ("EY"), Gide Loyrette Nouel ("Gide"), Wolf Theiss Rechtsanwälte GmbH & Co KG ("Wolf Theiss") and A.T. Kearney as due diligence providers for Faes Farma.

Evercore Partners International LLP ("Evercore") and Mediobanca - Banca di Credito Finanziario S.p.A. ("Mediobanca") are acting as exclusive financial advisor to SIFI's shareholders (founding families and 21 Invest SGR S.p.A. on behalf of managed fund 21 Investimenti III ("21 Invest")). Hogan Lovells Studio Legale ("Hogan Lovells") is acting as legal advisor.

Conference Call

A webcast for investors and analysts will begin 11th June 2025 at 10:30 am, Madrid time. Participants can access the call and its details by registering here <https://streamstudio.world-television.com/1506-2832-41780/en>

A recording of the webcast will be available the following days on <https://faesfarma.com/>

About Faes Farma

We are a company with more than 90 years of experience and a presence in more than 130 countries through marketed or licensed products. We combine passion, science, and innovation to transform people's health. We research, produce, and market prescription drugs, healthcare products, and animal nutrition products, and we aspire to become a leading pharmaceutical group in excellence and innovation. At Faes Farma, we are guided by our values: offering top-quality solutions for health and well-being, with the patient as our priority; developing innovative products that adapt to society's needs; and ensuring integrity, transparency, and commitment through responsible management and excellence.

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