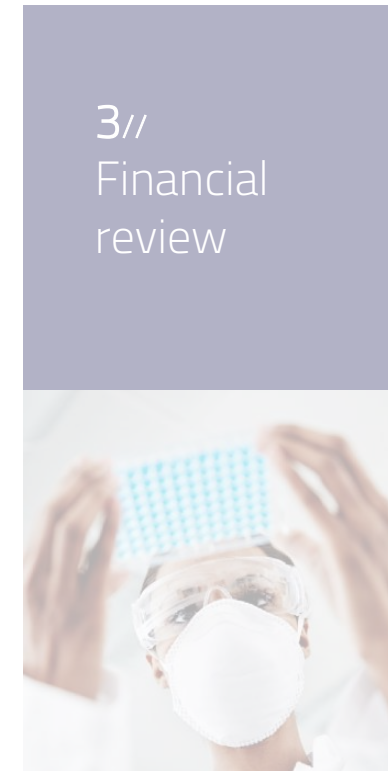


# Caring for tomorrow, today

**Business results**  
2023



# Index





**Business  
Performance**

**International markets**, both direct sales and licensing, continue to be the growth drivers. Strong evolution of **bilastine (+10%) and calcifediol (+11%), both reaching record annual revenues.**



**Financial  
Position**

**11<sup>th</sup> consecutive year of growth in revenues and profits.**  
**Net profit of almost 92 m€**, a new record.  
**97M€ of capital investments** in 2023, mainly for the new production plant in Derio.



**R&D&i**

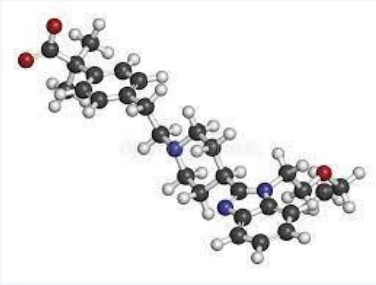
**Launch of bilastine ophthalmic** in Spain and Portugal and other European Markets via licenses.  
Approval in China for the commercialization of **Bilastine** (launch in 2024).  
Advances in **innovation** and the submission for registration of **Calcifediol weekly**.



**ESG**

In line with our commitment to sustainability and regulatory compliance, in 2023 the new pharmaceutical plant in Derio (Bizkaia) obtained **LEED Gold certification.**  
**Ingaso and Tecnovit Equality Plans** have been approved.

## R&D&i



### Investigation advancing

New molecule research advances in **regulatory preclinical phases**, possibility of clinical trials in 2025-2026



### Innovation advancing

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



### Calcifediol weekly dose

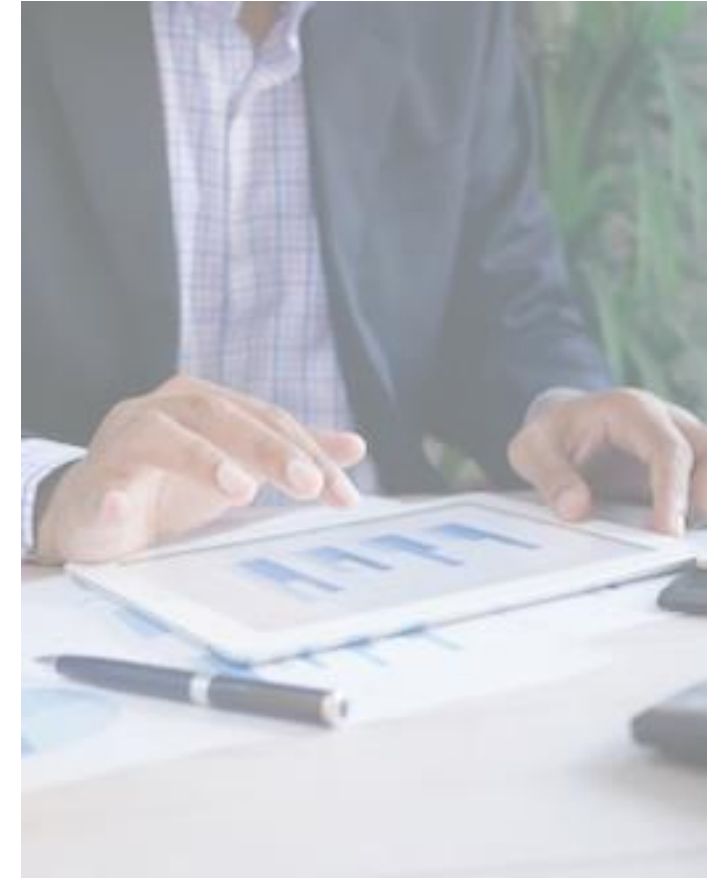
Dossier submitted for registration in 2023 on the basis of strong clinical trial results, with launch planned for 2025.

## Key figures

Total Income	<b>+2,5%</b> 473 M€	EBITDA*	<b>+1,2%</b> 122 M€
Income top 3 molecules	<b>+8%</b> 183 M€	EBIT**	<b>+1,3%</b> 103 M€
Total International income	<b>+6%</b> 263 M€	Net profit	<b>+2,5%</b> 92 M€

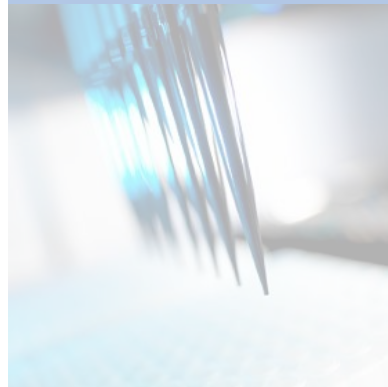
\*Operating profit before depreciation and amortization

\*\*Operating profit



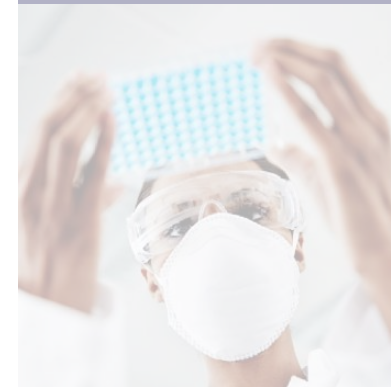
# Index

1//  
Overview



2//  
Business  
evolution  
2023

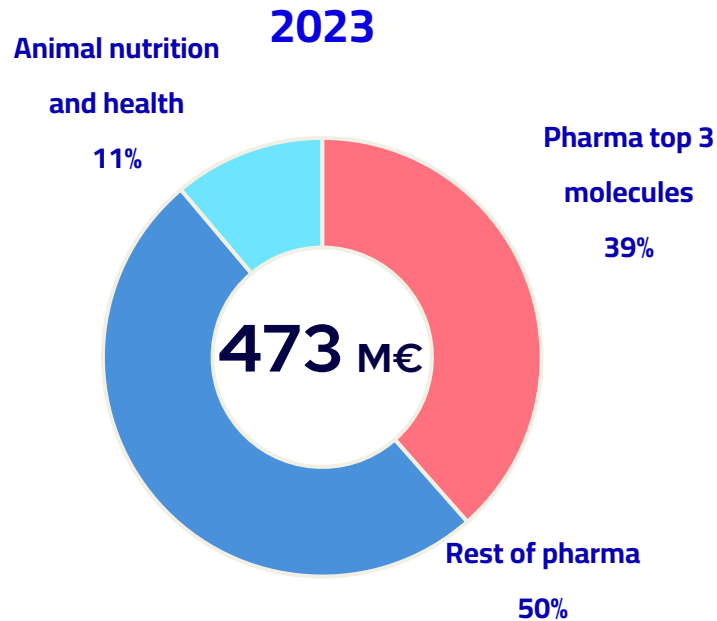
3//  
Financial  
review



## Growth driven by the top molecules

### Total income by product line

Pharma business 89% / Animal Nutrition and health 11%



M€

Total income by portfolio line	2023	2022	%
<b>Pharma</b>	<b>420,4</b>	<b>402,5</b>	<b>4%</b>
Pharma top 3 molecules	182,8	169,4	8%
Rest of Pharma	237,6	233,1	2%
<b>Animal Nutrition and Health</b>	<b>52,7</b>	<b>59,3</b>	<b>-11%</b>
<b>Total</b>	<b>473,1</b>	<b>461,7</b>	<b>2%</b>

Data are presented rounded

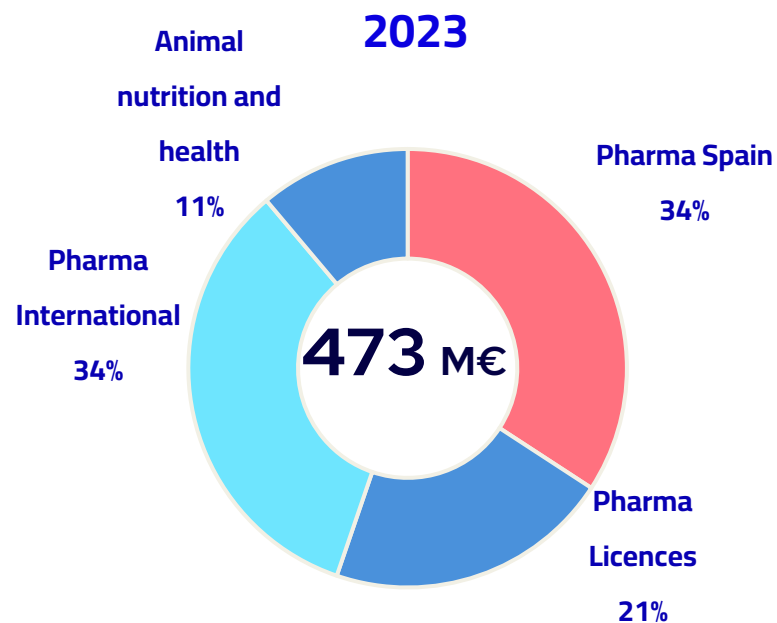
## Sales evolution top 3 molecules

 <p>BILASTINE</p>	<p><b>+10%</b> 120,4 M€</p>	<p><b>Growth in all major markets to a new annual revenue record:</b></p> <ul style="list-style-type: none"><li>• Growth in Spain and Portugal driven by new launches.</li><li>• Bilastine license sales continues to grow despite the end of patent in Europe.</li><li>• Good organic growth in Latam subsidiaries (+5.5M / +50%).</li><li>• Launch of Bilastine Ophthalmic and ODT in direct markets Spain and Portugal and other European markets via licenses.</li><li>• Bilastine <b>approval in China</b>, launch 2024.</li></ul>
 <p>CALCIFEDIOL</p>	<p><b>+11%</b> 49,9 M€</p>	<p><b>Continued solid performance</b> in the markets in which it is present. <b>Sustainable growth in Spain and stronger growth especially in international</b> (via new licences) and in Latin American subsidiaries.</p>
 <p>MESALAZINE</p>	<p><b>-17%</b> 12,5 M€</p>	<p>Growth in <b>international subsidiaries and exports</b>, offset by a stock adjustment effect in Poland in 2022 and the negative trend in Spain.</p>



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

### Total income by business area and geography



M€

Total income by business area	2023	2022	%
<b>Pharma</b>	<b>420,4</b>	<b>402,5</b>	<b>4%</b>
Pharma Spain	161,8	160,2	1%
Pharma International (without licences)	159,1	146,8	8%
Pharma Licences	99,6	95,5	4%
<b>Animal Nutrition and Health</b>	<b>52,7</b>	<b>59,3</b>	<b>-11%</b>
<b>Total</b>	<b>473,1</b>	<b>461,7</b>	<b>2%</b>

Total income by geography*	2023	2022	%
<b>International</b>	<b>263,3</b>	<b>248,9</b>	<b>6%</b>
<b>National</b>	<b>209,8</b>	<b>212,8</b>	<b>-1%</b>
<b>Total</b>	<b>473,1</b>	<b>461,7</b>	<b>2%</b>

\* **Domestic:** Revenues Pharma Spain+ NySA Spain + Licencias out Spain

**International:** Subsidiaries + exports + Licences out (outside Spain)




# Spain Pharma – 8% growth without the effect of the discontinuation of Ristaben&Ristfor



Total income			
M€	2023	2022	%var
<b>Spain Pharma</b>	<b>161,8</b>	<b>160,2</b>	<b>1%</b>
<b>Prescription</b>	<b>103,4</b>	<b>105,3</b>	<b>-2%</b>
Bilastine	15,3	13,9	
Calcifediol	38,8	37,7	
Mesalazine	7,0	7,6	
Other Products	42,2	46,1	
<b>Healthcare &amp; Consumer</b>	<b>58,4</b>	<b>54,9</b>	<b>6%</b>

Data are presented rounded

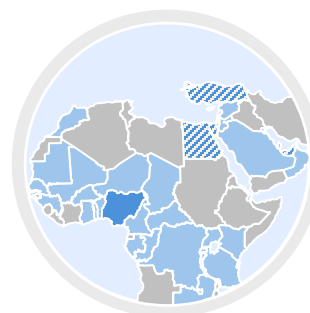
## Highlights 2023

- 
**Slightly more positive** evolution than expected.
- 
**Prescription:** Notable performance of **bilastine**, despite the price reduction in Q4, driven by the launch of the ophthalmic format. Significant growth in the **respiratory line**, largely offsetting the termination of the Ristaben & Ristfor license (-10.3m).
- 
**Healthcare and Consumer** Positive developments during the year, especially in products such as Ricola, Arcid, Profaes and Cannaben.

## International Pharma (without licenses) – Latam and MEA key growth drivers (+8%)

### Total income

M€	2023	2022	%var
<b>International (without licences)</b>	<b>159,1</b>	<b>146,8</b>	<b>8%</b>
<b>Subsidiaries LATAM</b>	<b>85,6</b>	<b>79,2</b>	<b>8%</b>
Central America Dominican	26,6	25,6	
Colombia	20,2	22,3	
Chile	18,8	15,8	
Mexico	10,9	7,4	
Ecuador	6,5	5,2	
Peru	2,5	2,8	
<b>Subsidiaries Europe</b>	<b>40,3</b>	<b>40,3</b>	<b>0%</b>
Portugal	32,2	31,1	
Italy	8,1	9,1	
<b>Middle East and Africa</b>	<b>25,9</b>	<b>21,2</b>	<b>22%</b>
Direct exports	22,8	20,4	
Nigeria	0,9	0,8	
Persian Gulf	2,2	0,0	
<b>Exports ROW*</b>	<b>7,3</b>	<b>6,2</b>	<b>18%</b>



### Highlights 2023



#### Latam subsidiaries:

**Mexico (+47%)** positively impacted by the large expansion of the commercial team and the performance in the main products.

Sales in **Colombia** were weighed down by the reform of the healthcare system, which affected the institutional area.



**Europe subsidiaries:** Portugal offset the impact in bilastine 20 mg due to generic competition with new launches in ophthalmic and ODT and a good performance in calcifediol, mesalazine and deflazacort.



**MEA subsidiaries:** Growth in all areas, especially in African territories. Integration of Novosci (Persian Gulf) from May. Reinforcement of commercial teams to support new launches in the second half of 2023.

Data are presented rounded

\*Rest of the world

## Licenses – good overall performance of the different licenses

Total income			
M€	2023	2022	%var
<b>Licenses</b>	<b>99,6</b>	<b>95,5</b>	<b>4%</b>
<b>Bilastine</b>	<b>83,9</b>	<b>80,1</b>	<b>5%</b>
<b>Other products</b>	<b>15,6</b>	<b>15,4</b>	<b>2%</b>

Data are presented rounded



### Highlights 2023



#### Bilastine:

- Strong growth in sell out in markets such as Turkey (+172%) and Canada (+30%)
- In Japan, the growth in volume (sell-out +24%) offset the negative impact of lower prices and exchange rates.
- Lower impact than expected in Europe related to the entry of generics.



**Other products: Calcifediol**, revenues grew due to milestones and first orders for new launches (UK, France, Poland and Baltic countries). **Citicoline** continued to grow in Italy. **Mesalazine**, although impacted by a stock adjustment in Poland, saw local sell out increase.

## Animal Nutrition and Health–2023 impacted by the market challenges in Iberia

Total income			
M€	2023	2022	%var
<b>Animal nutrition and health</b>	<b>52,7</b>	<b>59,3</b>	<b>-11%</b>
<b>Ingaso Farm</b>	<b>29,8</b>	<b>34,3</b>	
<b>Tecnovit and Cidosa</b>	<b>20,7</b>	<b>19,5</b>	
<b>Capselos</b>	<b>1,4</b>	<b>2,1</b>	
<b>LATAM Subsidiaries</b>	<b>0,7</b>	<b>3,4</b>	

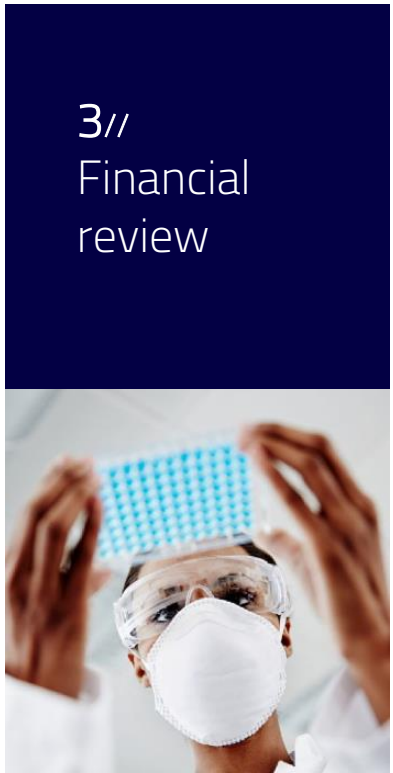
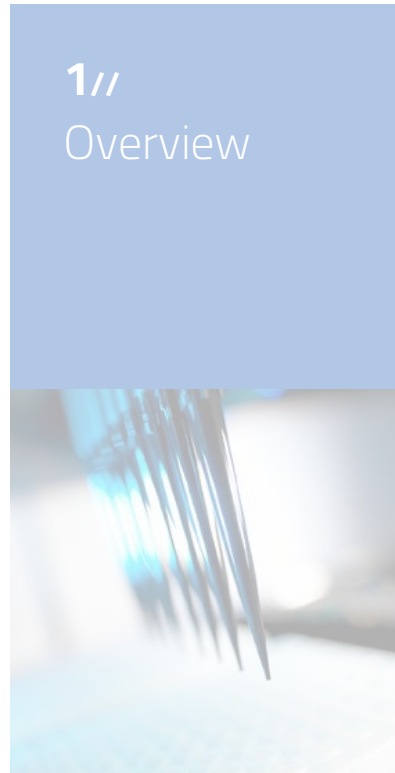
Data are presented rounded



### Highlights 2023

- ✓ General reduction of the market in Iberia mainly due to emerging diseases which reduced the number of piglets in the market. Cost of raw materials stabilised.
- ✓ In Latin America, the impact comes from the change of the business model to distributor sales.

# Index



# Income statement

Thousand €	2023	% of sales	2022	% of sales	% change
Ordinary income (sales)	451.168		438.754		2,8%
Other operating income	21.926	4,9%	22.965	5,2%	-4,5%
<b>Tota Income</b>	<b>473.094</b>	<b>104,9%</b>	<b>461.719</b>	<b>105,2%</b>	<b>2,5%</b>
Cost of sales	-154.050	-34,1%	-156.739	-35,7%	-1,7%
<b>Gross margin</b>	<b>319.044</b>	<b>70,7%</b>	<b>304.980</b>	<b>69,5%</b>	<b>4,6%</b>
Personnel expenses	-96.556	-21,4%	-91.201	-20,8%	5,9%
Other operating expenses	-100.250	-22,2%	-92.586	-21,1%	8,3%
Impairment loss	-26	-1,3%	-439	-21,7%	-94,1%
<b>EBITDA</b>	<b>122.212</b>	<b>-55,5%</b>	<b>120.754</b>	<b>-56,5%</b>	<b>1,2%</b>
Depreciation of fixed assets	-19.398	-4,3%	-19.271	-4,4%	0,7%
<b>EBIT</b>	<b>102.814</b>	<b>22,8%</b>	<b>101.483</b>	<b>23,2%</b>	<b>1,3%</b>
Financial gain/losses	38		-62		-161,3%
<b>Profit before tax</b>	<b>102.852</b>	<b>22,8%</b>	<b>101.421</b>	<b>23,2%</b>	<b>1,4%</b>
Corporate tax	-11.159	-2,5%	-11.973	-2,7%	-6,8%
<b>Net Profit</b>	<b>91.693</b>	<b>20,3%</b>	<b>89.448</b>	<b>20,5%</b>	<b>2,5%</b>
<b>Profit to the Parent Company</b>	<b>91.902</b>	<b>20,4%</b>	<b>89.496</b>	<b>20,4%</b>	<b>2,7%</b>

**Gross margin improvement** driven by a favourable sales mix.

**Increase in personnel expenses** mainly due to the increase in the sales force (Q4 2022).

**Other operating expenses** Increased R&D and commercial expenditure and general inflation.

## Cash Flow. Positive financial position despite record capital investment level

Thousand €	2023
Profit before tax	102.852
Depreciation and amortisation	19.398
Change in working capital	-15.380
Other adjustments	-5.901
<b>Cash generated from operating activities (a)</b>	<b>100.969</b>
<b>Cash generated by investing activities (b)</b>	<b>-97.356</b>
<b>Cash flow from operating activities (a+b)</b>	<b>3.613</b>
<b>Cash used in financing (c)</b>	<b>-35.377</b>
<b>Cash flow generated during the period (a+b+c)</b>	<b>-31.764</b>
<b>Cash at 31/12/2022</b>	<b>66.411</b>
<b>Cash at 31/12/2023</b>	<b>34.647</b>

- **Solid financial position** (34 M€) despite high out flow from investments.
- **Investments 97 M€**, mainly at the Derio plant, whose construction has been completed, and at the Huesca plant, which will be finished in 2024.
- Impact on working capital due to **increase in stock and in revenues.**



# Results 2023. Internal EBITDA targets met despite slower revenue growth

## FORECASTS

<b>Total income</b>	<p>Growth <b>~4,0%</b> vs. 2022</p> <p>2022: 462M€      2023E: 475M€ - 485M€</p>
<b>EBITDA before R&amp;D&amp;i</b>	<p>Growth <b>~4,0%</b> vs. 2022</p> <p>2022: 135M€      2023E: 138M€ - 142M€</p>
<b>EBITDA</b>	<p><b>MAINTENANCE</b> vs. 2022</p> <p>2022: 121M€</p>

## REAL

<p>Growth <b>2,5%</b> vs. 2022</p> <p><b>473M€</b></p>	<p>97% compliance, lower than budgeted revenue growth due to the performance of animal nutrition, Mexico and Colombia vs expectatons.</p>
<p>Growth <b>3,2%</b> vs. 2022</p> <p><b>138 M€</b></p>	<p>Within the expected range.</p>
<p>Growth <b>1,2%</b> vs. 2022</p> <p><b>122M€</b></p>	<p>101% delivery, with record EBITDA of more than EUR 122 million.</p>

## Disclaimer

*This presentation has been prepared and published by Faes Farma Group and is presented for information purposes only. This presentation is not a prospectus and does not constitute an offer or recommendation to make an investment. This presentation does not constitute a commitment to subscribe for, an offer to finance, an offer to sell or an offer to buy Faes Farma securities.*

*The information contained in this presentation has not been independently verified and some of the information is presented in summary form. No representation or warranty, express or implied, is expressed by the Faes Farma Group or its directors, officers, employees or agents as to the fairness, accuracy, completeness or accuracy of the information or opinions expressed herein, and they should not be relied upon. No member of the Faes Farma Group or its relevant directors, officers, employees or agents shall have any liability whatsoever (whether in negligence or otherwise) for any loss, damage, costs or injury, direct or consequential, arising out of or in connection with the use of this presentation or its contents or otherwise in connection with the presentation, except with respect to any liability for fraud, and disclaim any and all liability, whether direct or indirect, express or implied, contractual, tort, statutory or otherwise, with respect to the accuracy or completeness of the information in relation to the opinions contained herein or any errors, omissions or inaccuracies contained in this presentation..*

*Faes Farma does not warrant the accuracy or completeness of the information contained in this presentation. The information contained herein has been obtained from sources believed by Faes Farma to be reliable, but Faes Farma does not represent or warrant that it is complete or accurate, particularly with respect to data provided by third parties.*

*This presentation contains forward-looking information and statements about Faes Farma, S.A. Such statements include projections and financial estimates with underlying assumptions that are not historical facts. Although Faes Farma, S.A. believes that the expectations contained in such statements are reasonable, it is cautioned that forward-looking information and statements are subject to known and unknown risks and uncertainties that could cause the Group's business performance to differ materially from those expressed or implied.*



**FAES FARMA**

Caring for tomorrow, today