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# Faes Farma

## Financial Results & Business Update

*Full Year 2021*

February 2022



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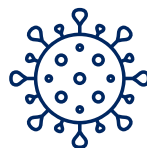
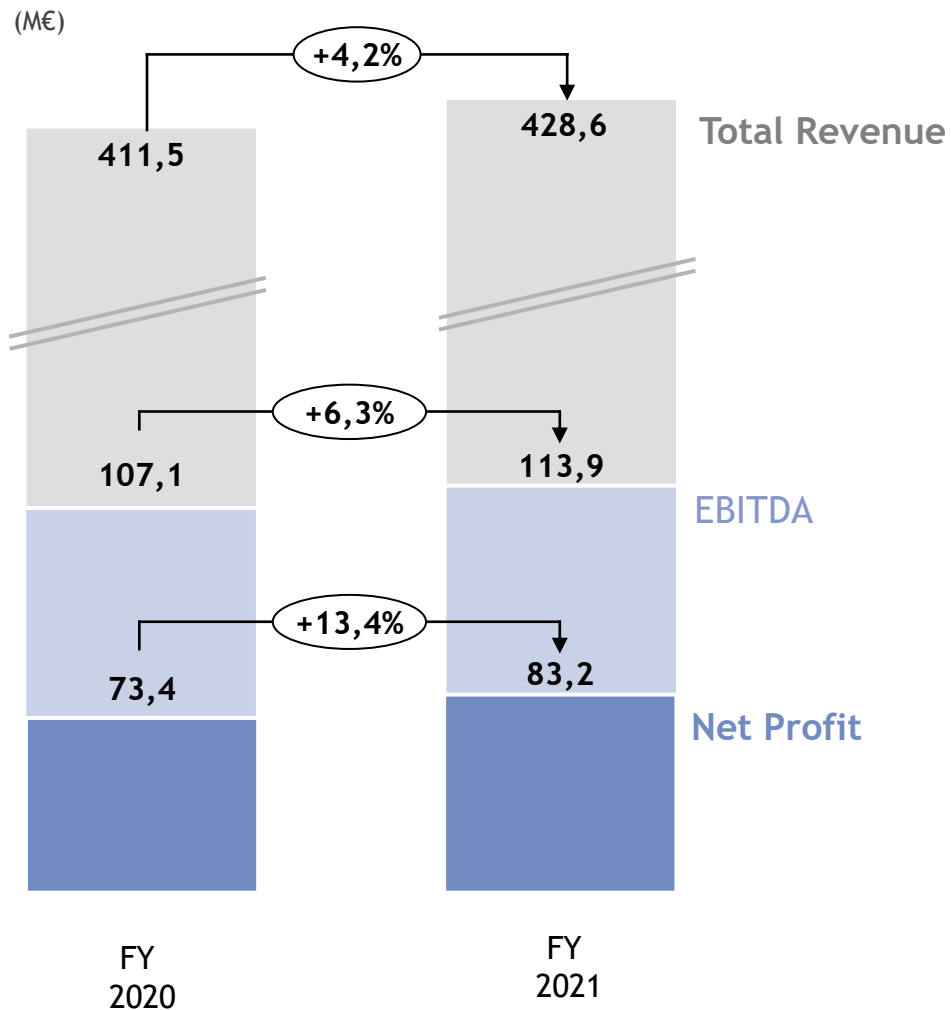
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# Key financial results and highlights

## Highlights: 2021



## 2021 Challenges: Covid-19 Impact & Expiry of the bilastine patent in Spain (2021) and the rest of Europe (2022)

- Negative impact (-14M€) in bilastine licences driven by:
  - Order reduction in Japan related to 2020 overstock after the sales slowdown due to Covid- 19. Orders are back to normal since September while 'sell out' YTD December continues to perform very well: +13% in Yen and market share hitting 16,1%.
  - Order reduction of bilastine in Europe related to the upcoming patent expiry (2022).
  - License agreement signed with Hikma for USA, yet this does not compensate for effects mentioned above.
- Negative impact on bilastine in Spain due to the patent expiry in July (price reduction -45%). Partially offset by an increase in unit sales (+9,5% - IQVIA Dec '21).

## Compensated by solid growth engines

- Total group sales growth ahead of the 2021 plan, thanks to:
  - Significant growth of global sales of calcifediol +36% (mainly in Spain) and +21% in mesalazine (mainly Licenses).
  - Double digit growth in LATAM subsidiaries (+19% organically without the acquisition of Global Farma +16,7M EUR) and export (+15%).
  - Sales exceeding the plan in Animal Nutrition and Health (+6%).

## Record net result for the 7th year in a row

- The 2021 profit growth exceeds topline growth, reaching records in all key measures.
- 10 consecutive years of absolute net profit growth with a 19% CAGR (2011-2021).

# Income Statement

(Thousands €)

	DECEMBER 2021	% sales	DECEMBER 2020	% sales	% change 2021/2020
<b>Total Income</b>	<b>428.641</b>		<b>411.487</b>		<b>4,2%</b>
Ordinary income/sales	398.557		380.240		4,8%
Other operating income	30.084	7,5%	31.247	8,2%	-3,7%
Cost of sales	(146.160)	36,7%	(140.403)	36,9%	4,1%
<b>Gross margin</b>	<b>282.481</b>	<b>70,9%</b>	<b>271.084</b>	<b>71,3%</b>	<b>4,2%</b>
Personnel expenses	(85.033)	21,3%	(83.136)	21,9%	2,3%
Other operating expenses	(83.537)	21,0%	(80.811)	21,3%	3,4%
<b>EBITDA</b>	<b>113.911</b>	<b>28,6%</b>	<b>107.137</b>	<b>28,2%</b>	<b>6,3%</b>
Deprec.& impairment of fixed assets	(19.634)	4,9%	(20.366)	5,4%	-3,6%
<b>EBIT</b>	<b>94.277</b>	<b>23,7%</b>	<b>86.771</b>	<b>22,8%</b>	<b>8,7%</b>
Financial profit/(loss)	(289)	0,1%	(1.889)	0,5%	-84,7%
<b>Profit before taxes</b>	<b>93.988</b>	<b>23,6%</b>	<b>84.882</b>	<b>22,3%</b>	<b>10,7%</b>
Corporate Tax	(10.775)	2,7%	(11.506)	3,0%	-6,4%
<b>Consolidated profit</b>	<b>83.213</b>	<b>20,9%</b>	<b>73.376</b>	<b>19,3%</b>	<b>13,4%</b>
Minority interests	56		827		
<b>Profit to the Parent Company</b>	<b>83.157</b>		<b>72.549</b>		<b>14,6%</b>

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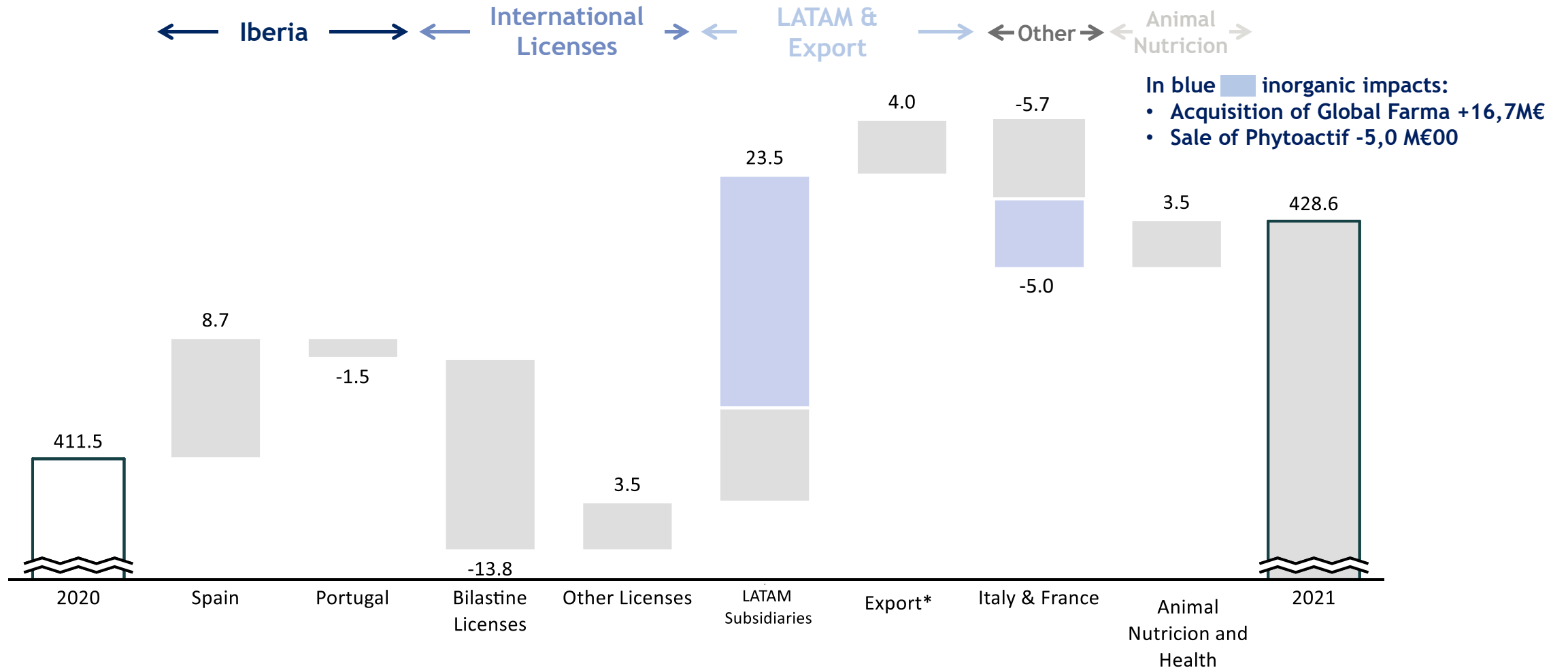
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Financials

# Challenges of bilastine in Licenses and Spain fully offset by other business areas

Revenue evolution per business area [FY 2020 - FY 2021, M€]



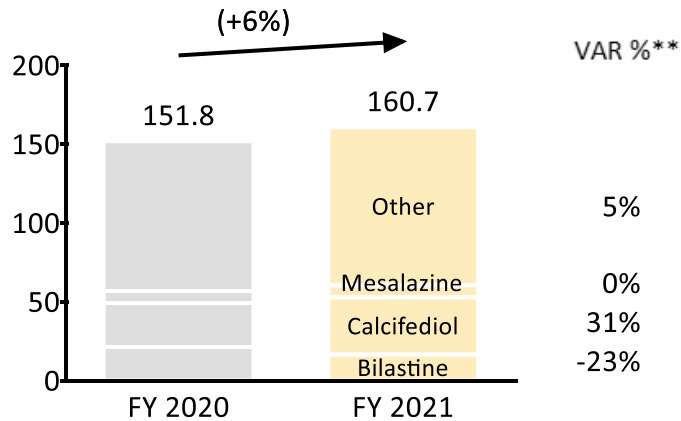
\*Includes Export, API and Nigeria  
 Spain includes Others

# Sales performance Spain- Outperforming the market driven by Calcifediol

## Spain

(M€)

Total Revenue FY 21 vs FY 20



Market sales Spain (IQVIA)

TOTAL PHARMA MARKET*	
MARKET ESPAÑA	FAES FARMA
+3,5%	+6,2%

PRESCRIPTION MARKET*	
MARKET ESPAÑA	FAES FARMA
+3,6%	+6,3%

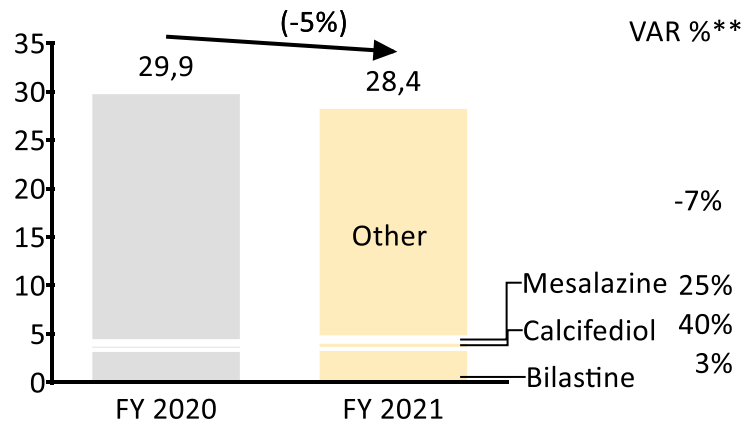
- Sales growth in all three channels with a total of +6%, especially in prescription (+8%). Recovery in the healthcare channel (+4%).
- Performance well ahead of the market trend thanks to the continued positive trend of calcifediol (31% sell out, 30% sell in) and the contribution of the respiratory franchise.
- Bilastine sales in units grew +9,5% in 2021. The negative impact on sell in is completely related to the price reduction of -45% since July.

# Sales performance Portugal : gradual recovery post Covid 19

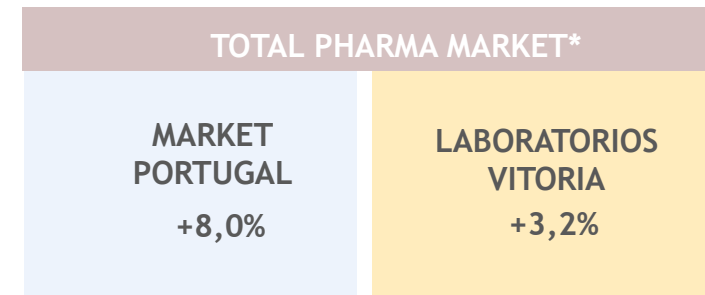
## Portugal

(M€)

### Total Revenue FY 21 vs FY 20



### Market sales Portugal(IQVIA)



- 2021 continued to see an impact from Covid-19 with a gradual recovery in the second semester.
- Negative impact in 'sell in' due to the end of the license with Tillots (-1,2M€).

\* Source IQVIA until December

\*\*The percentages are calculated using euro figures

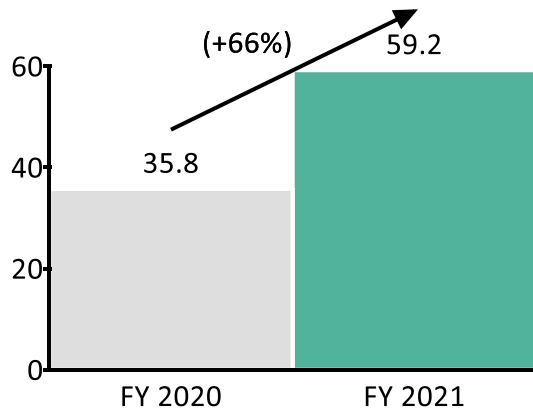


# LATAM drives the international growth in 2022

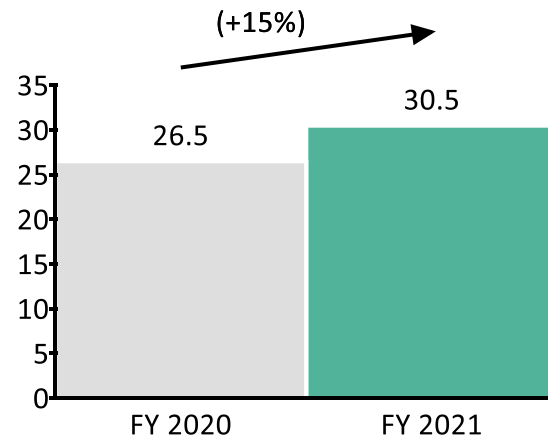
## LATAM and Export

(M€)

### Total Revenue FY 21 vs FY 20

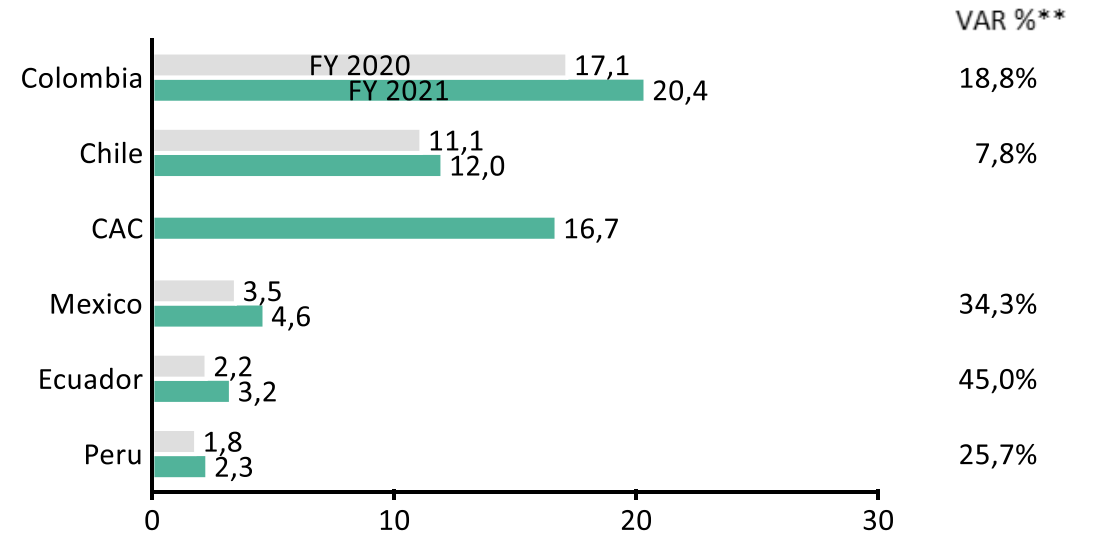


LATAM Subsidiaries



Export\*

### LATAM subsidiaries



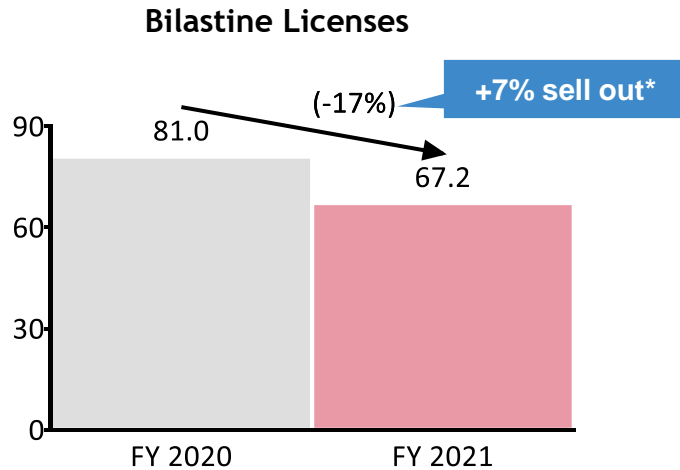
- The acquisition of Global Farma (Central America & Caribbean) contributed from March until December 16,7M€ in sales, resulting in total growth in LATAM +66 %. Organic growth of the other units is +19%.
- Exports grow in line with the positive evolution of the past years.

# Licenses

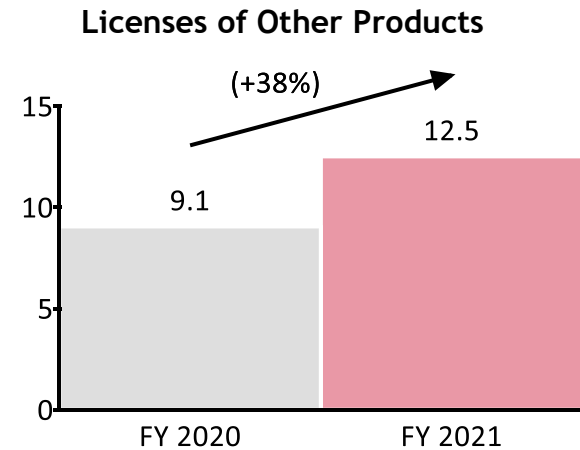
Bilastine: Negative impact as expected in Japan. Positive achievement of the agreement with Hikma USA  
 Other products: Very good sales growth from new licenses (+38%)

## International Licenses

(M€)



- The export to Taiho in Japan have been in line with expectations, resuming orders since Q3 (July and September) with a normalized stock level.
- Sales growth of bilastine in the local market of Japan of +13% in Yen while the anti histamine market declined by -4%. Market share above 16% full year 2021 and 18% in the month of December.
- License agreement signed with Hikma for future business in the USA.



### Calcifediol (+48% vs 2020)

- Sell-out growth from our partners (Italy, Belgium and Poland) + 54%.
- Recent launch in November in The Netherlands.
- Various license agreements signed, including: France, UK, Ireland, Switzerland, 14 central European markets, Russia, Brasil, Australia and Indonesia for future comercialization.

### Mesalazina (+1036% vs 2020)

- Launches in Germany, Poland, Sweden, Norway and Denmark.
- In Poland since its launch (September until December), Salaza reached 11% market share in units.

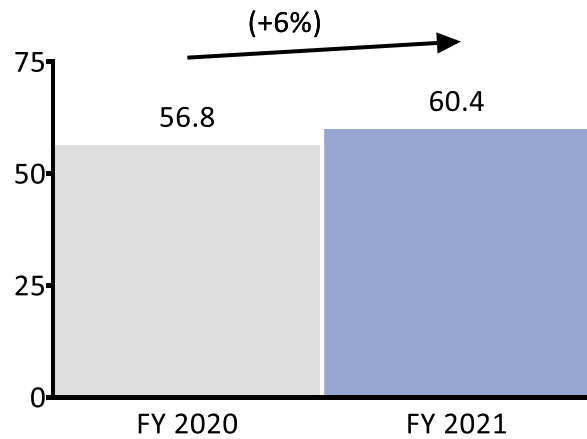
\* Bilastine Data (20mg tablets) IQVIA until December from markets where our partners sell

# Animal Nutrition and Health finishes 2021 ahead of Plan

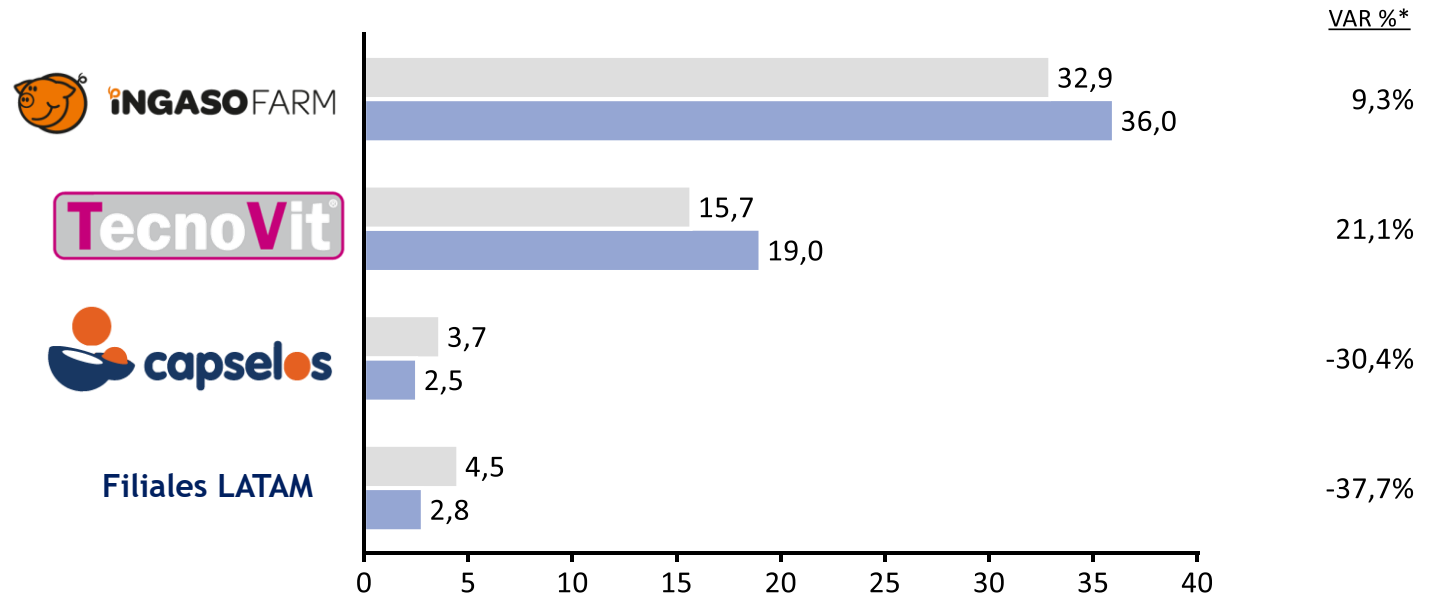
## Animal Nutrition and Health

(M€)

### Total Revenue FY 21 vs FY 20



- Good sales performance in the core subsidiaries Ingaso and Tecnovit in Iberia.
- Sales slightly above internal target.
- Reduction of sales in LATAM subsidiaries due to the negative impact of Covid-19 on the price of meat, which has caused the closure of some producers. Capselos sales reduction is related to customers focusing on their sales in LATAM and Southeast Asia.



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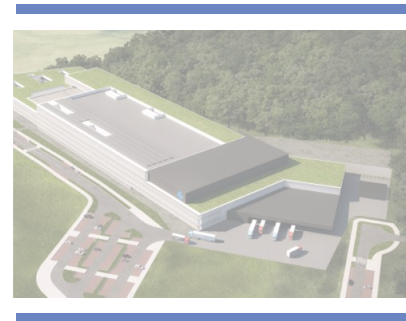
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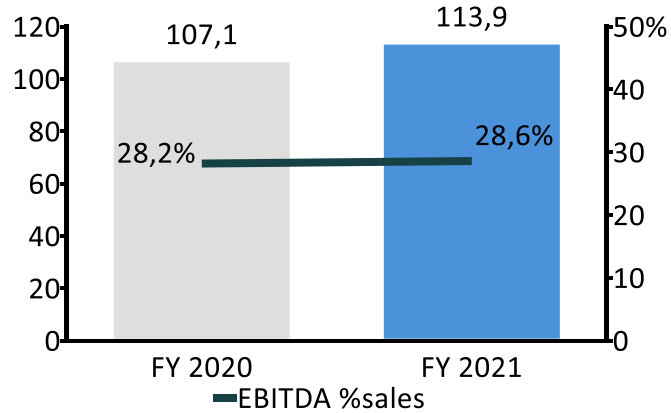
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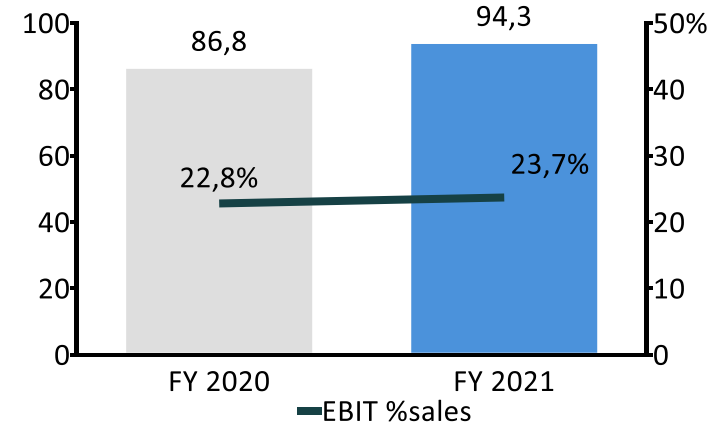
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# Earning performance

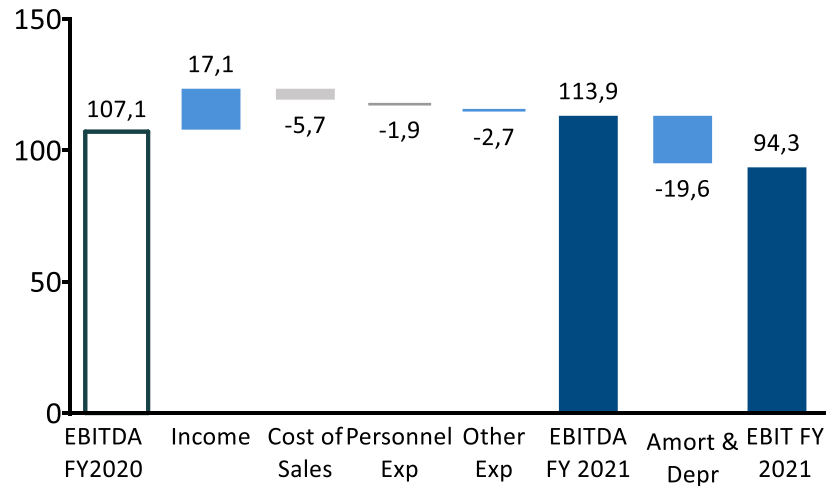
**EBITDA FY 21 vs FY 20 (M€)**



**EBIT FY 21 vs FY 20 (M€)**



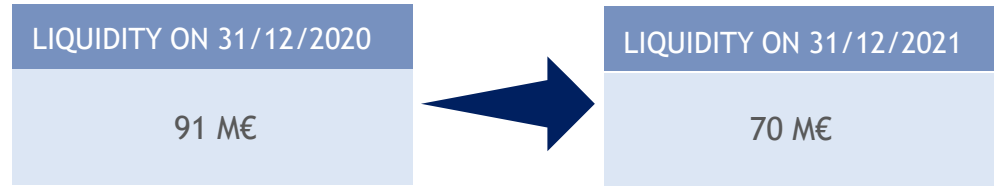
**EBITDA evolution FY 21 (M€)**



- Positive movements in the income statement, ahead of the 2021 Plan, despite the negative impact on topline from Covid-19 and the price reductions in Japan and Spain.
- Slight increase in expenses related to inflation and gradual recovery of commercial activities.

# Cash position

## Reduction in liquidity as a results of investments



Treasury Stock  
1,53 % with the value of more than 15 M€

- The reduction in liquidity is the result of the strategic plan for 2021: investment in R & D, a new manufacturing plant and M&A activity (Global Farma in Guatemala).

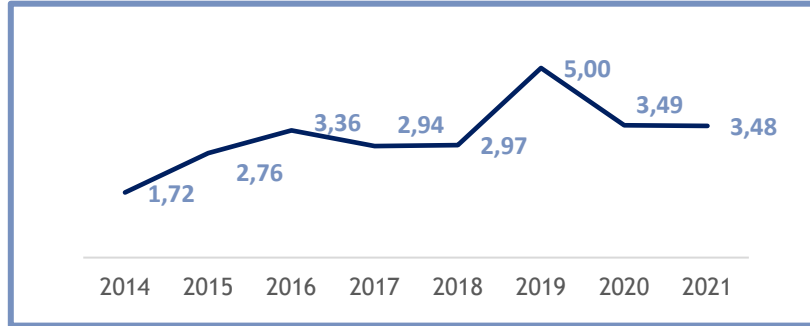


- In 2022-2024 we plan material investments related to the construction of the new manufacturing plants (pharmaceutical plant in Biscay and Animal Nutrition and Health in Huesca), as well as, continued investments in R&D.

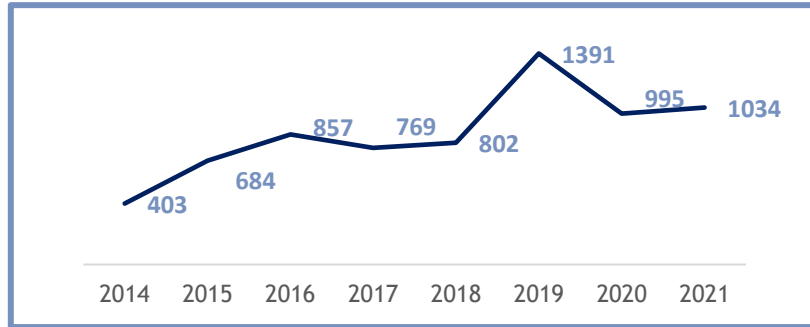
# Faes Farma share evolution

## Evolution of the share price and capitalization

Share Price (€)

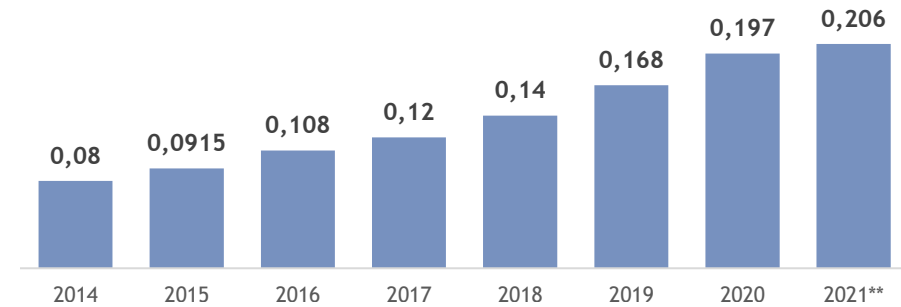


Capitalization (M€)



- Slight increase in capitalization in 2021.
- Dividend increases in line with the companies results.
- Total 2021: 0,206 euros/share (scrip + complementary to be paid in June 2022).

DIVIDEND PER SHARE\* (EUR)



\*Dividend related to payments in the year

\*\* Pending payment of the complementary dividend

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