2023 FIRST HALF RESULTS

Milano, July 28th 2023

RECORDATI

FIRST HALF RESULTS CONFIRM STRONG MOMENTUM OF THE GROUP; NEW AGREEMENT WITH GSK FURTHER STRENGTHENS SPC PORTFOLIO

- **First half results confirm the excellent momentum of the Group**, thanks to strong performance of all business, with **robust growth across both SPC and RRD and continued delivery of sector leading margins**
- **Net Revenue at € 1,044.3 million is +17.0% vs PY or +15.4% on a like-for-like [1] basis at CER**
  - **SPC at € 668.9 million, +10.2% vs PY or +15.0% at CER** (+8.8% excluding Türkiye), growing ahead of relevant markets and with growth across all regions and core therapeutic areas
  - **RRD at € 344.4 million, +32.2% vs PY or +15.5% like for like [1] at CER**, with Endocrinology growing by 38.2%, Oncology contributing € 95.6 million (+13.1% pro forma) and with resilient Metabolic revenue
- **Net Revenue impacted by strong FX headwind** (particularly from devaluation of TRY), **impacting by -€ 30 million, mostly in Q2**
- **EBITDA [2] of € 406.2 million remains strong at 38.9%**, reflecting strong revenue performance, resilient gross margin and benefit from efficiency initiatives
- **Adjusted Net Income [3] of € 287.4 million, +27.9% vs PY**, driven by the positive operating results and lower financial expenses, which benefits from € 4.7 million FX gains in H1 2023 vs € 18.7 million FX losses in H1 2022
- **Free Cash Flow [4] of € 261.7 million, +€ 43.0 million vs PY,** with Net debt [5] of € 1,326.2 million, **leverage at 1.8x EBITDA**
- **Key R&D pipeline projects progressing to plan**
- **Agreement with GSK complements and strengthens SPC urology franchise,** with addition of Avodart and Combodart in 21 countries
- **Despite strong FX headwinds, on track to deliver on upgraded Full year 2023 guidance as provided in May**

1) Pro-forma growth calculated adding Q1 2022 revenue of EUSA Pharma
2) Net income before income taxes, financial income and expenses, non-recurring items, and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)
3) Net income excluding amortization and write-downs of intangible assets (except software) and goodwill, non-recurring items, non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3) and monetary net gains/losses from hyperinflation (IAS 29), net of tax effects
4) Operating cash flow excluding financing items, milestones, dividends, purchases of treasury shares net of proceeds from exercise of stock options
5) Cash and cash equivalents, less bank debts and loans, which include the measurement at fair value of hedging derivatives

SPC UROLOGY FRANCHISE – AGREEMENT FOR THE DISTRIBUTION OF AVODART® AND COMBODART® IN EUROPE

Transaction overview

- **Agreement with GSK** to commercialize **Avodart** and **Combodart/Duodart across** 21 countries[1], mainly in Europe
- **Operations to start on a country-by-country** basis progressively upon completion of the **relevant transition activities** (majority expected by end of 2023)
- **Long term commercialization agreement,** subject to certain performance conditions

Key financials

- Upfront payment of **€ 245 million, recognizing revenue and margins** upon country-by-country transition; **GSK will receive income on an ongoing basis for the supply of both products**
- **Deal expected to be fully accretive from 2024, with € 10-20 million revenue** and positive EBITDA contribution **in 2023**

Products

- **Post-LoE originator brands,** being **market leaders** in the global **dutasteride** and **dutasteride+tamsulosin fixed dose combination market.** Approved in more than 85 Countries globally
- **Approx. € 115 million annual sales** in 2022 in the **21 European countries**, of which **70%** from **Spain** and **Italy,** declining in recent years after LoE, with **ambition to stabilize** and grow in key markets

Avodart® dutasteride	- **Dutasteride** - **First launched in 2003, LoE in 2017**
COMBODART® (dutasteride/tamsulosin HCl) Capsules	- **Dutasteride / tamsulosin** fixed-dose combination - First launched in **2010, LoE** in **04/2020**

Indications: Treatment of moderate to severe symptoms of benign prostatic hyperplasia (BPH); Reduction in the risk of acute urinary retention (AUR) and surgery in patients with moderate to severe symptoms of BPH.

Dutasteride *is an oral, selective, irreversible inhibitor of type 1 and type 2 5α-reductase (5AR), the intracellular enzyme that converts testosterone to dihydrotestosterone (DHT) in the prostate gland; as a result, dutasteride reduces intraprostatic and serum levels of DHT, decreasing prostate volume.*

Tamsulosin *is a selective α1-adrenoceptor antagonist (α1-blocker). The effects of tamsulosin are targeted for the smooth muscle receptors of the prostate, bladder and urethra. Blocking this receptor relaxes the smooth muscle of the bladder and urethra to improve urine flow and symptoms.*

1) Top 10 countries by revenue Spain, Italy, Greece, Switzerland, Germany, Portugal, France, Belgium, UK, Ireland and others

STRATEGIC RATIONALE OF NEW AGREEMENT

STRENGTHENING RECORDATI LEADERSHIP IN BENIGN PROSTATIC HYPERPLASIA (BPH)

- ✓ Two **leading** and **well-established originator brands** in core therapy area of urology
- ✓ **Synergistic** with Urorec, addressing different patient needs, strengthening leading BPH portfolio
- ✓ **Leveraging** on **our proven competitive commercial platform in Europe** (no additional salesforce)
- ✓ **Fully in line with our strategy** in Specialty & Primary Care

Urology portfolio

	Avodart® dutasteride ✓	COMBODART® (dutasteride/tamsulosin HCl) Capsules ✓	UROREC® Silodosin
Prostate Volume	**increased**	**increased**	not critical
Symptoms	**absent / mild**	**moderate to severe**	moderate to severe
Molecules	**5α-reductase inhibitors (5-ARIs): Dutasteride (AVODART);** finasteride.	1. α1-blocker with 5-ARI: **tamsulosin+dutasteride (Combodart);** tamsulosin+finasteride; doxazosin+finasteride; 2. α1-blocker with muscarinic receptor antagonist	α1-blockers: Silodosin (UROREC); alfuzosin; doxazosin; tamsulosin; terazosin
Therapeutic objective	**Stop / slow down** prostate volume increase	1. **Fast relief** of symptoms 2. **Stop / slow** down prostate volume increase	Fast relief of symptoms

Other products

Eligard® (leuprolide acetate) for injectable suspension

Mictonorm® Propiverin Hidroklorür

Vitaros® (alprostadil cream)

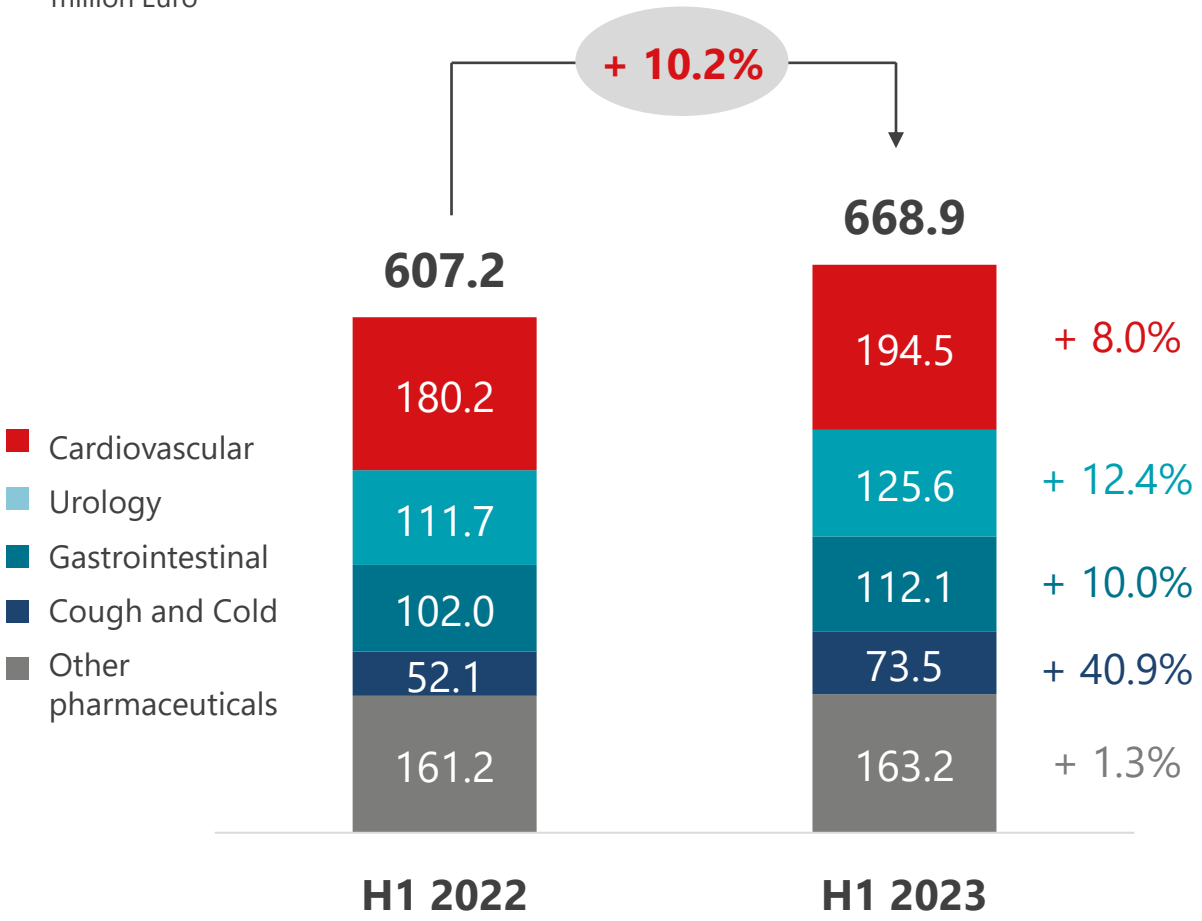
URISPAS®

virirec

Fortacin

CONTINUED ROBUST UNDERLYING GROWTH IN SPC, ABSORBING STRONG FX HEADWIND IN Q2

Pharmaceutical Revenue [1] H1 2023 vs H1 2022



Key highlights

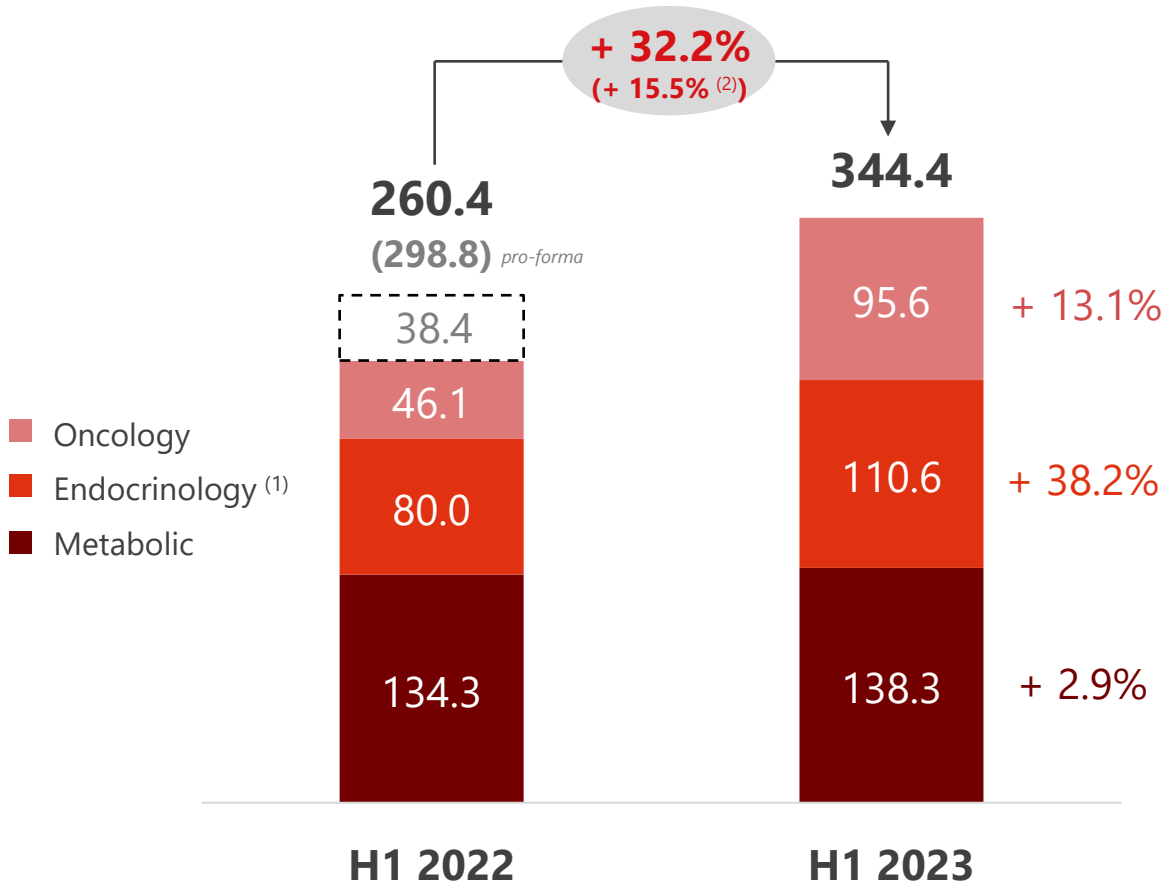
- **Double-digit growth** in the first half **driven by volume** through **enhanced in-market competitiveness** across all key markets and supported by **exceptional Cough & Cold season in Q1;** overall FX headwind of -8% in Q2 (TRY, RUB)
- **Cardiovascular:** First half sales still reflect Q1 phasing benefits on international **lercanidipine** sales, **strong Reselip® uptake** in France with **metoprolol** and **pitavastatin** sales **broadly stable**
- **Urology:** Growth driven by **continued strong performance of Eligard®**, continuing to increase share across markets since re-launch, with **new device launch initiating in Q3**. Robust growth of **silodosin** sales after LoE stabilization
- **Gastrointestinal: Double digit growth of our OTC portfolio**, including **Procto-Glyvenol®** and **probiotics**, combined with strong underlying growth of **Casen-RX** portfolio
- **Cough & Cold** sales remain significantly above pre-pandemic levels also reflecting **competitive growth of both RX and OTC products,** with sales in Q2 returning closer to 2022 levels

1) Excluding Chemicals € 30.9 million in H1 2023 and € 24.8 million H1 2022
Note: details on corporate products in Appendix

ENDO AND ONCO FRANCHISE DRIVE DOUBLE-DIGIT GROWTH OF RARE DISEASES WITH RESILIENT METABOLIC SALES

Revenue H1 2023 vs H1 2022

million Euro



Key highlights

- **Endocrinology:** continued strong uptake of **Isturisa®** in US, EU and RoW markets behind recent reimbursements and solid double-digit growth of **Signifor®**
- **Oncology:** strong volume growth of **Qarziba®** in EMEA and RoW and **Sylvant®** across all regions
- **Metabolic:** Continued strong volume growth of **Panhematin®** in US with slow erosion on **Carbaglu®** from recent generic entries in US. **Ledaga®** and **Juxtapid®** also providing double-digit growth in EU and Japan
- **Pipeline opportunities on track:**
  - Phase II study of pasireotide in **Post-Bariatric Hypoglycemia (PBH)** on track to start Q3 2023
  - **Qarziba®** development plan toward US Biologics License Application (BLA) on track with on going activities in preparation for FDA Type C meeting in H2 2023
  - **REC 0559** phase II study enrolment proceeding to plan, data read out confirmed in Q2 2024
  - **Carbaglu®** officially approved in China in June, awaiting national reimbursement approval, preparing for launch in early 2024

1) Of which Signifor® and Signifor® LAR of € 50.3 million and Isturisa® of € 60.3 million
2) Pro-forma growth at CER calculated adding Q1 2022 revenue of EUSA Pharma

ALL REGIONS DELIVERING SOLID GROWTH

COMPOSITION OF REVENUE BY GEOGRAPHY

(million Euro)	H1 2023	H1 2022	Change %
Italy	**157.5**	143.8	*9.5*
U.S.A.	**150.9**	118.5	*27.3*
France	**95.7**	84.7	*13.0*
Germany	**78.0**	82.2	*(5.1)*
Spain	**76.7**	69.3	*10.7*
Portugal	**29.6**	27.2	*8.7*
Türkiye	**45.0**	35.3	*27.5*
Russia, other CIS countries and Ukraine	**70.5**	50.3	*40.2*
Other CEE countries	**73.6**	62.5	*17.7*
Other W. Europe countries	**70.9**	64.7	*9.5*
North Africa	**21.2**	19.0	*11.8*
Other international sales	**143.7**	110.0	*30.6*
TOTAL PHARMACEUTICALS	**1,013.3**	867.7	*16.8*
CHEMICALS	**30.9**	24.8	*24.6*

(In local currency, million)	H1 2023	H1 2022	Change %
U.S.A. (USD)	**163.1**	129.6	*25.8*
Türkiye (TRY)	**1,224.0**	519.0	*135.8*
Russia (RUB)[1]	**4,041.1**	3,231.6	*25.0*

1) Net revenue in local currency in Russia exclude sales of products for rare diseases

H1 2023 P&L – CONTINUING TO DELIVER SECTOR LEADING MARGINS

OPERATING LEVERAGE AND COST DISCIPLINE SUSTAIN EBITDA AT 38.9% OF REVENUE

(million Euro)	H1 2023	H1 2022	Change %
Revenue	**1,044.3**	**892.5**	*17.0*
Gross Profit	**732.3**	**624.6**	*17.2*
as % of revenue	70.1	70.0	
Adjusted Gross Profit(1)	**753.2**	**641.5**	*17.4*
as % of revenue	72.1	71.9	
SG&A Expenses	295.6	266.8	*10.8*
as % of revenue	28.3	29.9	
R&D Expenses	119.0	99.3	*19.8*
as % of revenue	11.4	11.1	
Other Income (Expense), net	(4.2)	(26.2)	*(84.0)*
as % of revenue	(0.4)	(2.9)	
Operating Income	**313.4**	**232.3**	*34.9*
as % of revenue	30.0	26.0	
Adjusted Operating Income(2)	**338.2**	**275.5**	*22.8*
as % of revenue	32.4	30.9	
Financial income/(Expenses), net	(24.6)	(38.1)	*(35.6)*
as % of revenue	(2.4)	(4.3)	
Net Income	**227.6**	**151.4**	*50.3*
as % of revenue	21.8	17.0	
Adjusted Net Income(3)	**287.4**	**224.8**	*27.9*
as % of revenue	27.5	25.2	
EBITDA(4)	**406.2**	**334.9**	*21.3*
as % of revenue	38.9	37.5	

1) Gross profit adjusted from impact of non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)
2) Net income before income taxes, financial income and expenses, non-recurring items, and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)
3) Net income excluding amortization and write-downs of intangible assets (except software) and goodwill, non-recurring items, non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3) and monetary net gains/losses from hyperinflation (IAS 29), net of tax effects
4) Net income before income taxes, financial income and expenses, depreciation, amortization and write-downs of property, plant and equipment, intangible assets and goodwill, non-recurring items and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)

STRONG H1 2023 CASH FLOW – AHEAD OF PRIOR YEAR

(million Euro)	**H1 2023**	H1 2022	*Change*
EBITDA[1]	**406.2**	334.9	*71.3*
Movements in working capital	(76.7)	(17.8)	*(58.9)*
Changes in other assets & liabilities	(5.4)	(11.1)	*5.7*
Interest received/(paid)	(26.3)	(8.1)	*(18.2)*
Income Tax Paid	(34.9)	(42.5)	*7.6*
Other	8.5	(29.3)	*37.8*
Cash flow from Operating activities	**271.4**	226.1	*45.3*
Capex (net of disposals)	(9.7)	(7.4)	*(2.3)*
Free cash flow[2]	**261.7**	218.7	*43.0*
Acquisition of subsidiaries	-	(653.8)	*653.8*
Increase in intangible assets (net of disposals)	(26.3)	(54.0)	*27.7*
Disposals of assets	3.0	-	*3.0*
Dividends paid	(127.0)	(119.5)	*(7.5)*
Purchase of treasury shares (net of proceeds)	1.2	(16.6)	*17.8*
Other financing cash flows[3]	131.2	754.4	*(623.2)*
Change in cash and cash equivalents	**243.8**	129.2	*114.6*

1) Net income before income taxes, financial income and expenses, depreciation, amortization and write-downs of property, plant and equipment, intangible assets and goodwill, non-recurring items and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)

2) Operating cash flow excluding financing items, milestones, dividends, purchases of treasury shares net of proceeds from exercise of stock options

3) Opening of financial debts net of repayments and currency translation effect on cash and cash equivalents. 2022 amount also includes values from EUSA Pharma: cash and cash equivalents for € 53.2 million and loan repaid for (€ 78.2 million)

SOLID NET FINANCIAL POSITION – LEVERAGE AT 1.8x LTM EBITDA

AVODART AND COMBODART PAYMENT FINANCED VIA NEW CLUB LOAN FACILITY

(million Euro)	**30 JUN 2023**	31 DEC 2022	Change
Cash and cash equivalents	**528.6**	284.7	243.9
Short-term debts to banks and other lenders	**(15.9)**	(83.4)	67.5
Loans and leases – due within one year(1)	**(375.9)**	(289.0)	(86.9)
Loans and leases – due after one year(1)	**(1,463.0)**	(1,332.2)	(130.8)
NET FINANCIAL POSITION (2)	**(1,326.2)**	(1,419.9)	93.7

1) Includes the fair value measurement of the relative currency risk hedging instruments (cash flow hedge)
2) Cash and cash equivalents, less bank debts and loans, which include the measurement at fair value of hedging derivatives

ON TRACK TO DELIVER ON UPGRADED FY 2023 GUIDANCE

	FY 2022 Actual	FY 2023 Target *As revised May 11th*
Revenue	**1,853.3**	**2,050 – 2,090**
EBITDA (1) *margin on sales*	**672.8** *36.3%*	**750 – 770** *+/- 37%*
Adjusted Net Income (2) *margin on sales*	**473.3** *25.5%*	**490 – 500** *+/- 24%*

Outlook H2

- **Revenue:**
  - Mid-single digit growth of SPC (at CER)
  - Double-digit growth of RRD (at CER)
  - FX headwind approx. -5% in H2 (vs -3.3% in H1)
  - € 10-20 million expected from Avodart and Combodart
- **EBITDA:**
  - Strong underlying margins
  - Historical phasing of spend and FX headwinds
  - Step up in R&D activities
  - Minimum (positive) contribution from deal with GSK
- **Adj. Net Income:**
  - Step up expected in financial expenses (estimated FY 2023 ~ € 65 million, with some volatility due to FX)
  - FY tax rate ~ 22%

1) Net income before income taxes, financial income and expenses, depreciation, amortization and write-downs of property, plant and equipment, intangible assets and goodwill, non-recurring items and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)

2) Net income excluding amortization and write-downs of intangible assets (except software) and goodwill, non-recurring items, non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3) and monetary net gains/losses from hyperinflation (IAS 29), net of tax effects

QUESTIONS & ANSWERS

APPENDIX

CORPORATE PRODUCTS

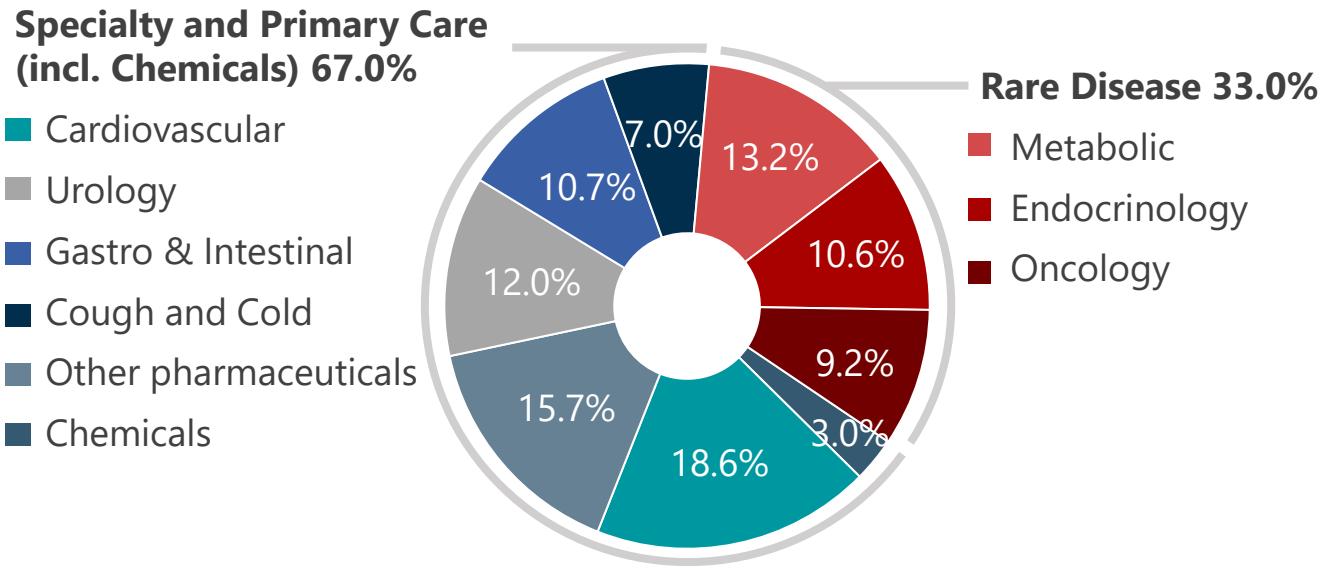
(million Euro)	**H1 2023**	H1 2022	*Change %*
Zanidip® and Zanipress® (lercanidipine+enalapril)(1)	**103.5**	86.6	*19.5*
Seloken®/Seloken® ZOK/Logimax® (metoprolol/metoprolol+felodipine)	**49.0**	48.5	*1.1*
Urorec® (silodosin)	**35.8**	31.1	*15.0*
Livazo® (pitavastatin)	**24.5**	23.5	*4.2*
Eligard®	**55.0**	51.5	*6.7*
Other corporate products(2)	**178.9**	148.3	*20.7*
Rare Diseases	**344.4**	260.4	*32.2*

1) of which Zanidip® € 84.9 million in H1 2023 and € 67.2 million in H1 2022
2) Includes the OTC corporate products for an amount of € 73.4 million in H1 2023 and € 62.7 million in H1 2022; Total OTC € 177.7 million in H1 2023 and € 155.4 million in H1 2022

WELL–DIVERSIFIED REVENUE BASE

Therapeutic Areas

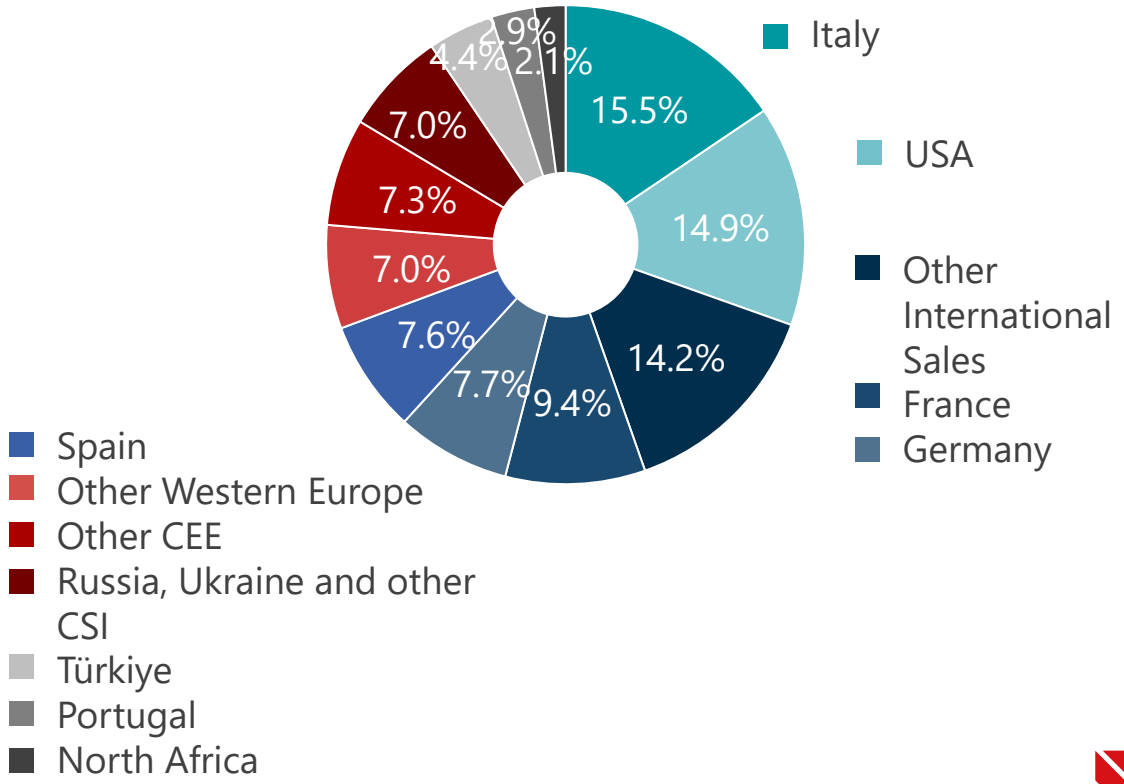
Total Revenue H1 2023



Note: Total OTC of € 177.7 million in H1 2023 and € 155.4 million in H1 2022
Subsidiaries' local product portfolios of € 114.4 million in H1 2023 and € 121.5 million in H1 2022

Geographic

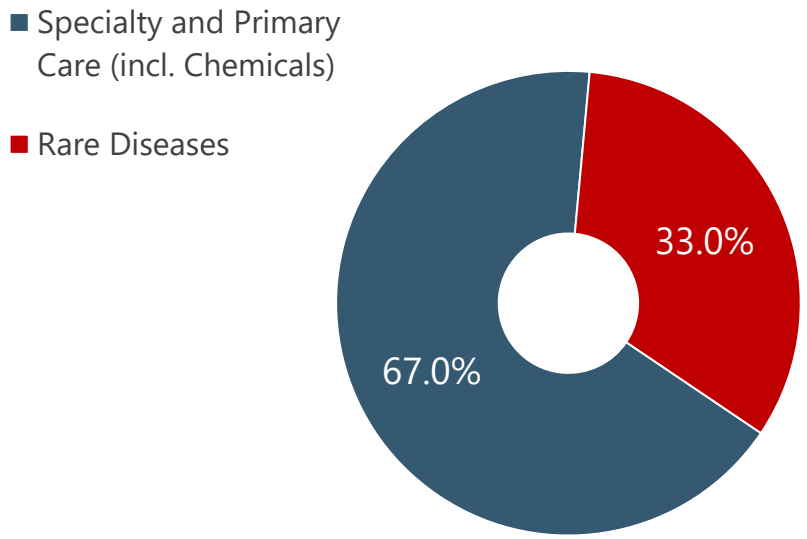
Pharmaceutical Revenue H1 2023



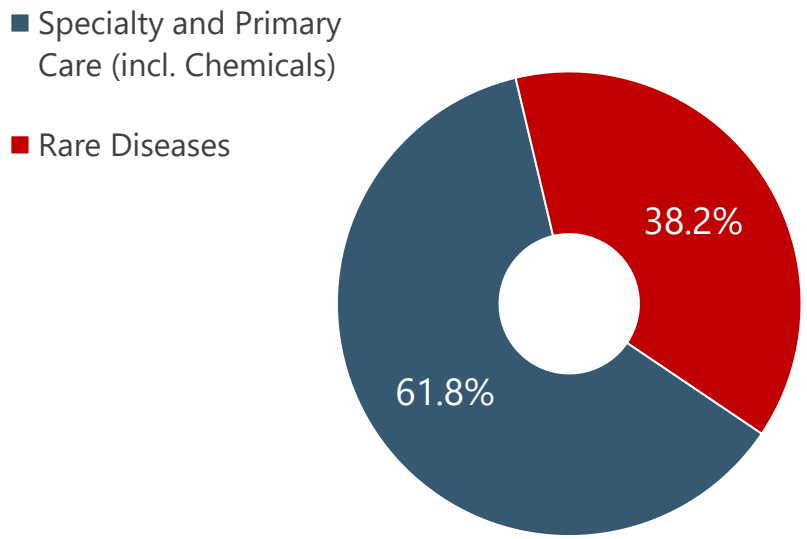
FIRST HALF 2023 RESULTS

OPERATING SEGMENTS

Total Revenue H1 2023



EBITDA H1 2023



Margin on Sales:
Rare Diseases: EBITDA [(1)] 45.0%
Specialty and Primary care: EBITDA [(1)] 35.9%

1) Net income before income taxes, financial income and expenses, depreciation, amortization and write-downs of property, plant and equipment, intangible assets and goodwill, non-recurring items and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)

FIRST HALF 2023 RESULTS – ADJUSTING ITEMS

Reconciliation of Net income to EBITDA [1]

(million Euro)	H1 2023	H1 2022	Change %
Net income	**227.6**	**151.4**	**50.3**
Income taxes	61.3	42.7	
Financial (income)/expenses, net	24.6	38.1	
o/w net FX (gains)/losses [2]	*(4.7)*	*18.7*	
o/w net monetary (gains)/losses from application of IAS 29 (Türkiye)	*(0.9)*	*4.7*	
Non-recurring expenses	3.9	26.4	
Non-cash charges from PPA inventory uplift	20.9	16.9	
Adjusted Operating Income[3]	**338.2**	**275.5**	**22.8**
Depreciation, amortization and write downs	67.9	59.4	
o/w EUSA Pharma	*12.8*	6.6	
o/w write downs of assets	-	2.2	
EBITDA[1]	**406.2**	**334.9**	**21.3**

Reconciliation of Reported Net income to Adjusted Net income [4]

(million Euro)	H1 2023	H1 2022	Change %
Net income	**227.6**	**151.4**	**50.3**
Net monetary (gains)/losses (IAS 29 Türkiye)	(0.9)	4.7	
Non-recurring expenses	3.9	26.4	
Non-cash charges from PPA inventory uplift	20.9	16.9	
Amortization and write-downs of intangible assets (exc. software)	52.5	45.6	
o/w EUSA Pharma	*12.5*	*6.2*	
Tax effects	(16.6)	(20.2)	
Adjusted Net income[4]	**287.4**	**224.8**	**27.9**

Summary of key items

- **FX gains of € 4.7 million** vs € 18.7 million losses in H1 2022 (RUB)
- **Net monetary gains of € 0.9 million** from application of IAS 29 (Türkiye) in H1 2023, vs € -4.7 million losses in 2022
- **Non-recurring costs of € 3.9 million**, mainly for **SPC rightsizing**, significantly reduced vs prior year
- **Non-cash charges** arising from Purchase Price Allocation (IFRS 3) of **EUSA Pharma: € 20.9 million** in H1 2023 at the level of gross margin (from unwind of inventory revaluation), consistent with prior year
- **D&A and write downs of assets:** increase of € 8.5 million, of which **€ 6.2 million from EUSA Pharma**

1) Net income before income taxes, financial income and expenses, depreciation, amortization and write-downs of property, plant and equipment, intangible assets and goodwill, non-recurring items and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)
2) FX losses and FX driven consolidation adjustments
3) Net income before income taxes, financial income and expenses, non-recurring items, and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3)
4) Net income excluding amortization and write-downs of intangible assets (except software) and goodwill, non-recurring items, non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3) and monetary net gains/losses from hyperinflation (IAS 29), net of tax effects

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DECLARATION BY THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS

The manager responsible for preparing the company's financial reports Luigi La Corte declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.

Statements contained in this presentation, other than historical facts, are "forward-looking statements" (as such term is defined in the Private Securities Litigation Reform Act of 1995). These statements are based on currently available information, on current best estimates, and on assumptions believed to be reasonable. This information, these estimates and assumptions may prove to be incomplete or erroneous, and involve numerous risks and uncertainties, beyond the Company's control. Hence, actual results may differ materially from those expressed or implied by such forward-looking statements.
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