



RECORDATI

AGENDA

▶ Recordati strategy and value proposition

▶ First half 2024 results and full year 2024 guidance

- Appendix



UNIQUE AND DIVERSIFIED GLOBAL PLAYER IN RARE DISEASES AND EUROPEAN PARTNER OF CHOICE IN SPECIALTY PHARMA

RECORDATI IN NUMBERS – FY 2023

million Euro

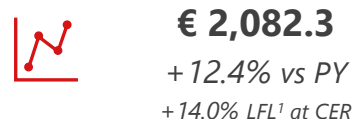
EMPLOYEES



MARKETS



REVENUE



EBITDA²



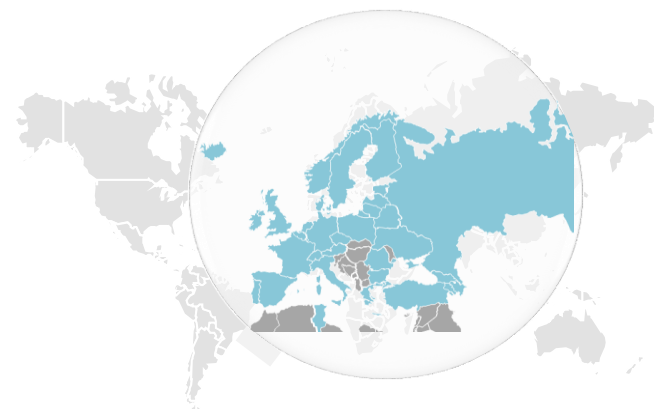
ADJ. NET INCOME³



LEVERAGE⁴



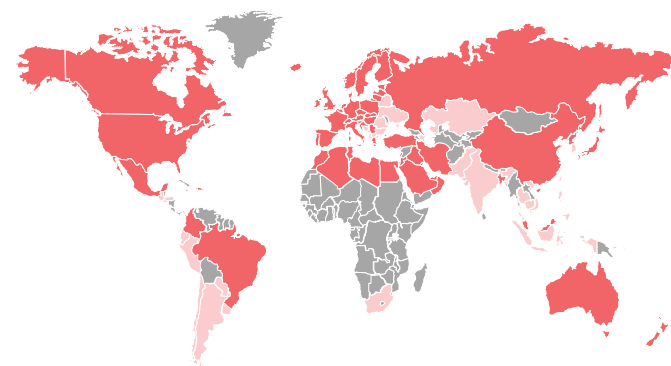
ESG RECOGNITION



Specialty & Primary Care

66% of Revenue

EBITDA margin 34.2%



Rare Diseases

34% of Revenue

EBITDA margin 42.3%

1) Pro-forma growth calculated excluding FY 2023 revenue of Avodart® and Combodart®/Duodart® (SPC) and adding Q1 2022 revenue of EUSA Pharma (RRD)

2) 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 according to 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

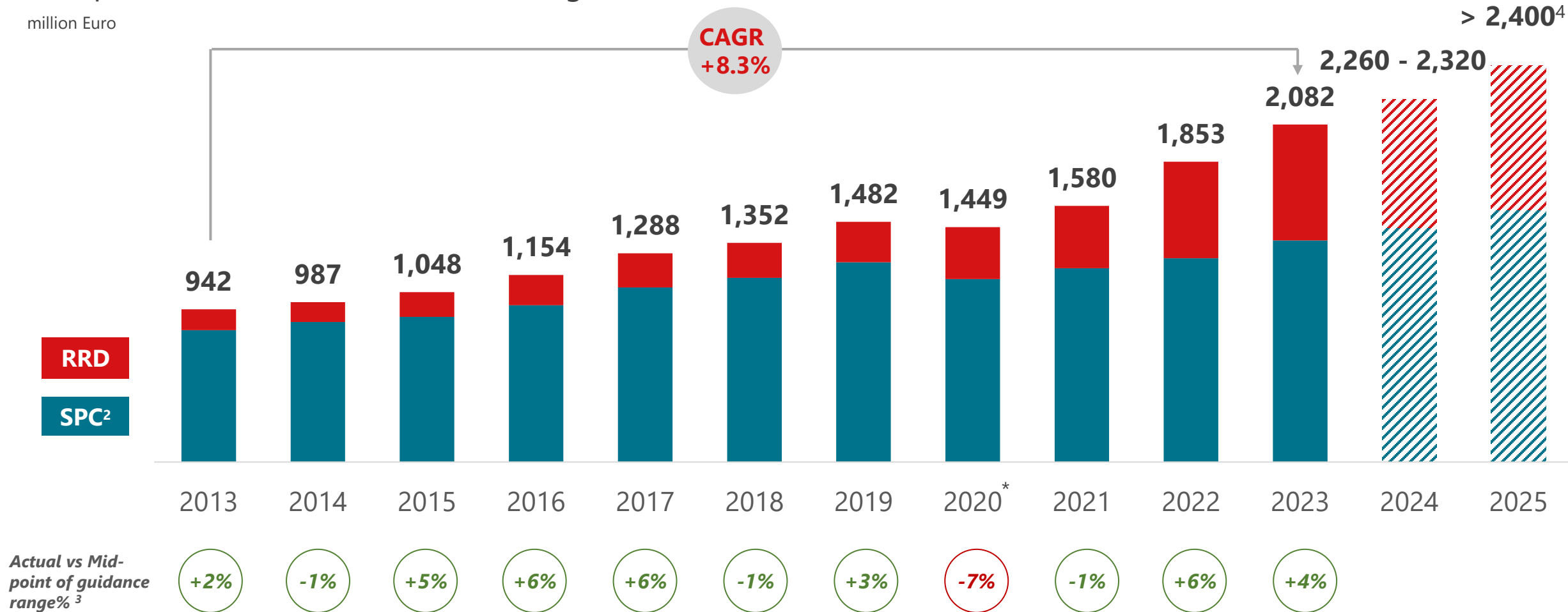
4) Pro-forma considering the contribution of Avodart® and Combodart®/Duodart® for the last twelve months



DELIVERING HIGH SINGLE DIGIT GROWTH, CONSISTENTLY ON PLAN, WITH AVERAGE ROIC¹ OF 15-20% OVER LAST DECADE

Group Revenue 2013-2025 - actual and guidance

million Euro



*2020 figures impacted by LOE on silodosin and on pitavastatin (and COVID-19 pandemic)

1) Return on invested capital avg. 2013-2023, source Bloomberg, Factset estimates and Company elaborations

2) Including Chemical Division

3) Delta calculated on actual FY Revenues vs mid-point of Revenue guidance range given at the beginning of the year (February)

4) On track to exceed the 2025 targets set in February 2023, with current portfolio alone (including sales of Avodart® and Combodart®/Duodart®) now expected to deliver Revenue in excess of € 2.4 billion in 2025, sustaining an EBITDA margin of +/- 37%



PROVEN AND SUSTAINABLE BUSINESS MODEL



Unique combination of **resilient** and **cash flow generative branded Specialty & Primary Care** business (**RX, OTC**) alongside a **high growth global Rare Disease** business (US now Group's largest unit)



Best-in-class financial profile with consistent track record of growth at scale



Strong franchises with **no material loss of exclusivity exposure**



Disciplined R&D focused on **targeted late stage** rare disease programs



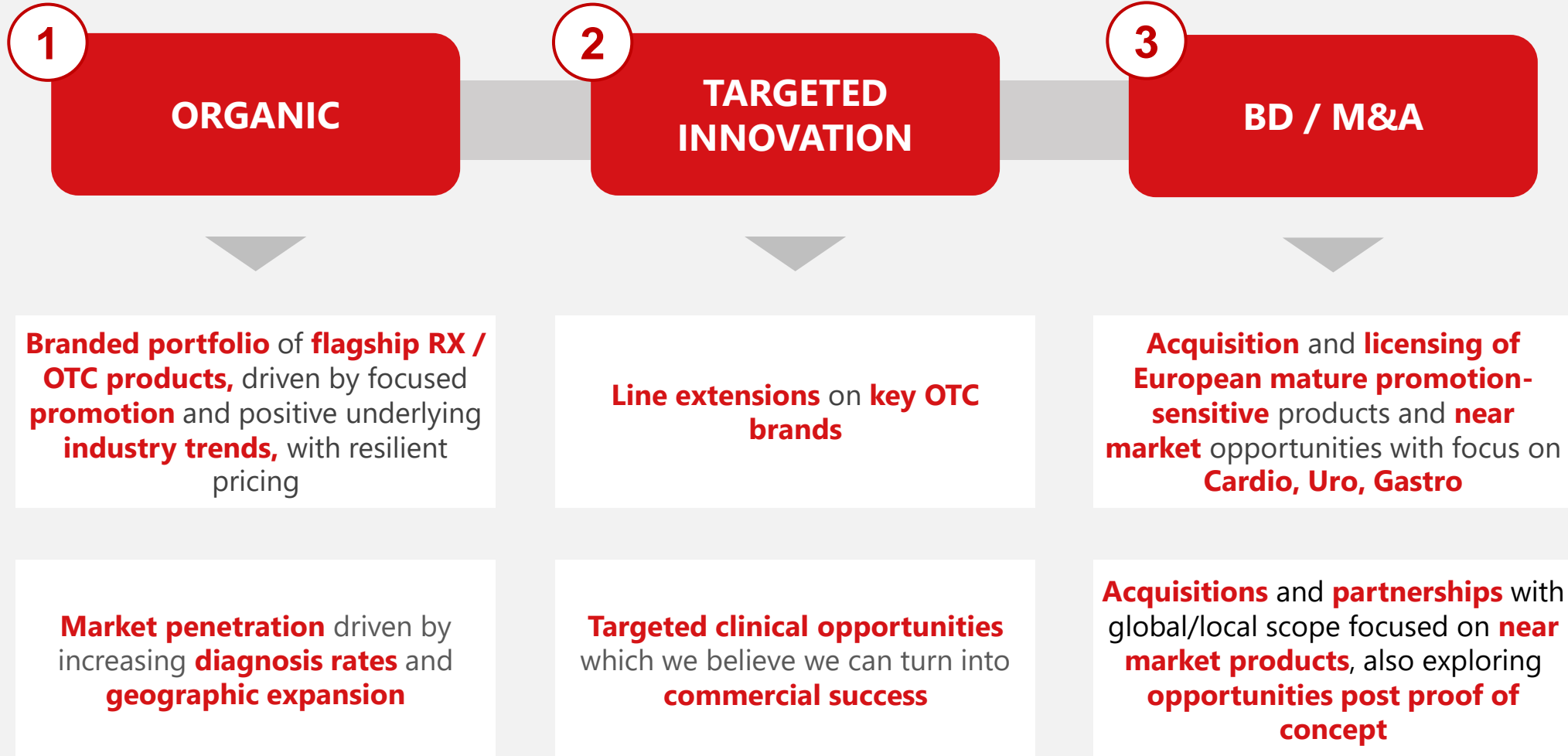
Proven **M&A and integration capabilities** to complement organic growth



World class management team with **strong track record** of delivering **profitable growth, in line with plans**



THREE DRIVERS OF GROWTH



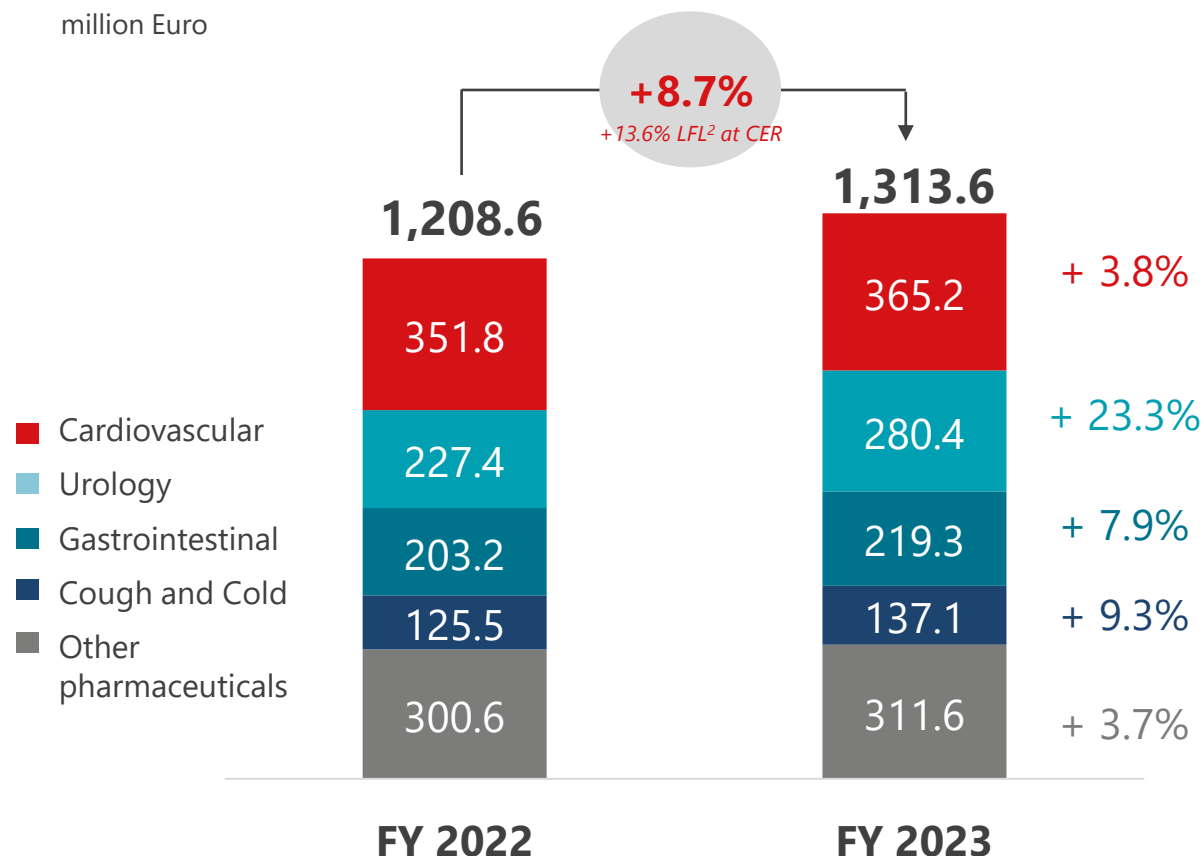
THE EUROPEAN PARTNER OF CHOICE

Specialty & Primary Care

Strong organic growth ahead of relevant markets...

Pharmaceutical Revenue¹ FY 2023 vs FY 2022

million Euro



...driven by commercial excellence

- **Fully integrated regional player** with direct presence in **30+ countries**, having significant scope and scale with **cost effective** and **competitive commercial capabilities** in every market, **resulting into market outperformance** with promoted portfolio (103% Evolution Index)³
- Go to partner for **promotionally sensitive Established Brands** and new near market opportunities in core areas of **Cardiovascular, Urology** and **Gastroenterology**, with **~1,500 salespeople**
- Focus on **local and Regional flagship Brands** in **OTC** to drive **organic** and **inorganic profitable** growth balancing digital innovation and clinical advocacy
- Portfolio expected to grow organically **mid-single digit at CER**, driven by **several growth drivers in RX and OTC⁴** with a **stable core of mature brands and negligible LOE risk**

1) Excluding Chemicals € 54.0 million in FY 2023 and € 48.9 million in FY 2022

2) Pro-forma growth calculated excluding FY 2023 revenue of Avodart® and Combodart® / Duodart® (SPC)

3) IQVIA December YTD Evolution Index on promoted and reminder products

4) RX 47% and OTC 16% of FY 2023 revenue



A GLOBAL RARE DISEASES BUSINESS

Rare Diseases

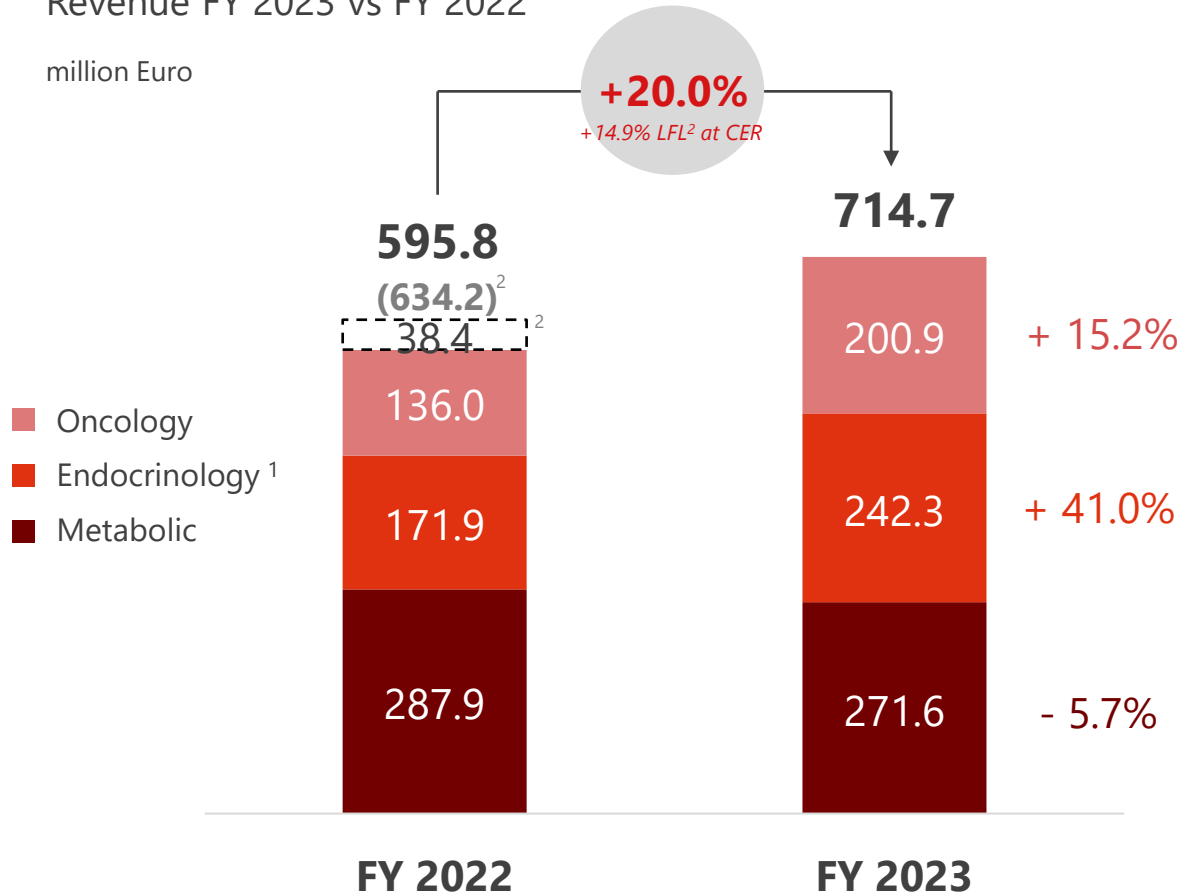


R&D pipeline
focus on slide 11

Double-digit growth driven by Endo and Onco...

Revenue FY 2023 vs FY 2022

million Euro



...and by patient and physician awareness

- **One** of the **few truly global rare diseases businesses**, with **direct presence in key geographies**: North America, EU, Japan, Australia/NZ, China, Latin America, South Korea
- Portfolio of **>20 Orphan and Ultra-orphan** products across three therapeutic areas: **Endocrinology, Oncology** and **Metabolic**
- Plans on track for further **geographic expansion** (LATAM and rest of Asia)
- Expect to continue delivering **double-digit growth** at CER, driven by Endocrinology, Oncology and increased international presence

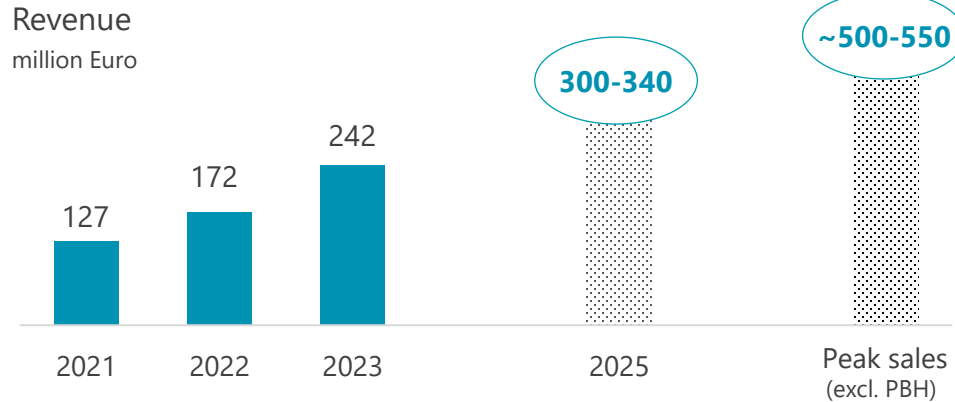
1) Of which Signifor® and Signifor® LAR of € 102.9 million and Isturisa® of € 139.5 million
2) Pro-forma growth calculated adding Q1 2022 revenue of EUSA Pharma (RRD) of €38.4 million



RARE ENDO AND ONCO PORTFOLIO POSITIONED FOR STRONG GROWTH IN MID-LONG TERM

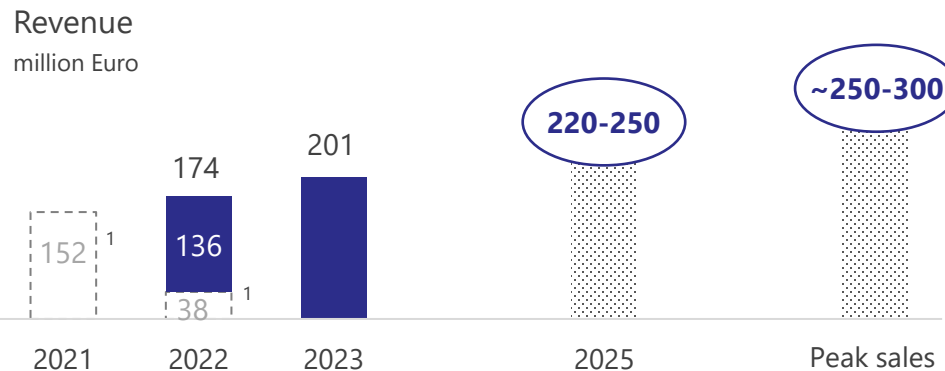
Key drivers

ENDOCRINOLOGY



- **Isturisa² increased patient uptake**, leveraging long-term efficacy / safety data and maximizing treatment adherence
- **Signifor LAR** second line medical treatment in Acromegaly
- **Potential Peak sales:** Isturisa on track to exceed € 400 million and Signifor/Signifor LAR €100-150 million (excluding PBH)
- **Pasireotide ph. II** opportunity in Chronic condition in post-bariatric surgical patients (**PBH**); potential additional peak sales of >€ 150 million³
- **China expansion:** Regulatory filing done for Isturisa in Sept. 2023 (decision expected in Q4 2024); Signifor LAR submitted in March 2024 and decision expected mid-2025

ONCOLOGY



- **Qarziba improved further penetration in EMEA / LAC** and ambition to **enter the US market** in Relapsed / Refractory High-Risk Neuroblastoma patients
- Improving **iMCD diagnosis** for **Sylvant**, ensuring long-term retention
- **Potential Peak sales:** ~€ 250-300 million, including Qarziba in US
- **Potential new indications opportunities** under evaluation for both **Qarziba** and **Sylvant**

1) EUSA Pharma results consolidated as of Q2 2022 in Recordati financials
 2) Approved in Europe and internationally for Cushing Syndrome, in US for Cushing Disease only
 3) PBH peak sales estimates non-risk adjusted



UPCOMING R&D PIPELINE MILESTONES



ONGOING PROGRAMS

PROGRAM	UPCOMING MILESTONE
Osilodrostat (Isturisa)	• Cushing's Syndrome US  FDA regulatory decision on sNDA expected in mid-2025
Pasireotide	• Post-Bariatric Hypoglycaemia (PBH)  Phase 2 enrollment completion by end 2024 / early 2025

Dinutuximab beta (Qarziba®)	• High Risk relapsed/refractory Neuroblastoma US  Meeting with the FDA to discuss further analysis of clinical data is expected in mid-2025
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REC 0559 / MT8*	• Moderate/ severe Neurotrophic Keratitis  Preliminary top-line data from the Phase 2 trial shows the primary endpoint of complete corneal healing was not met
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ADDITIONAL OPPORTUNITIES

Dinutuximab beta (Qarziba®)	• Ewing sarcoma  Clinical trial investigating the safety, dose and early signs of effect expected to start in first half of 2025
Siltuximab (Sylvant)	• Cytokine release syndrome (CAR-T patients)  Under evaluation, pending preliminary discussion with FDA

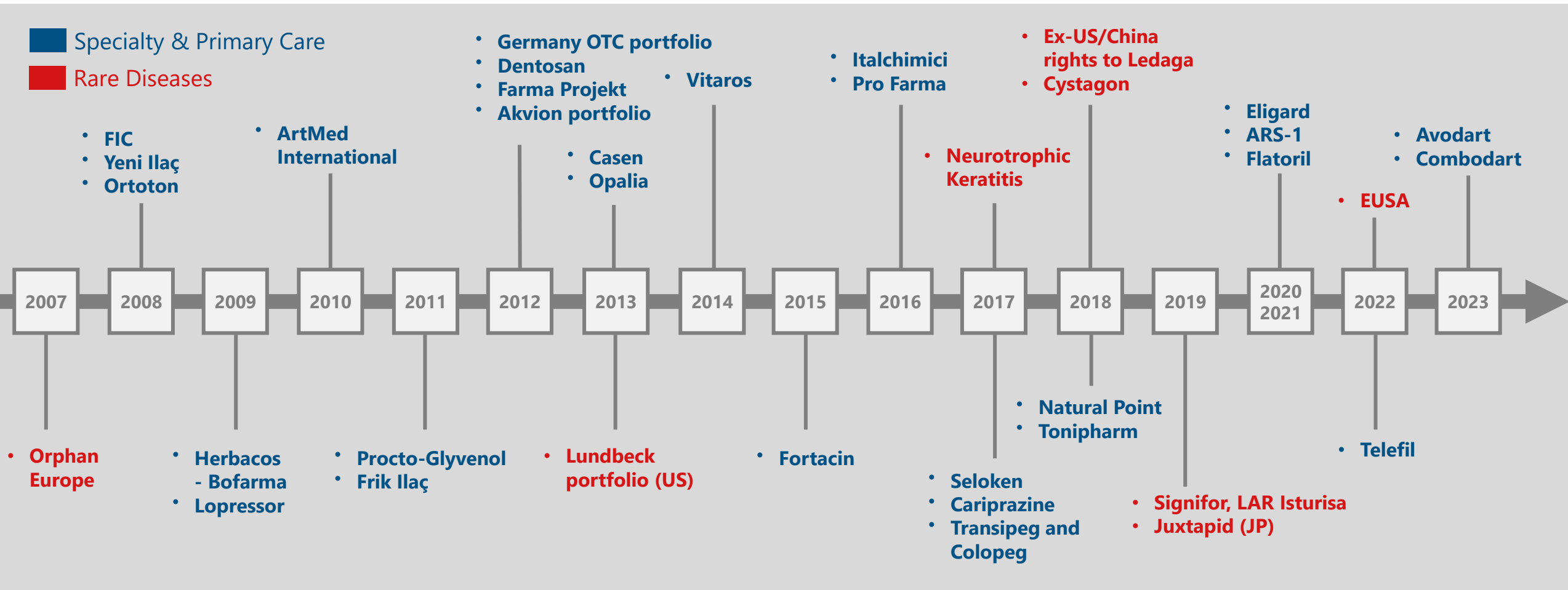
Legend

 ENDO	 ONCO	 META
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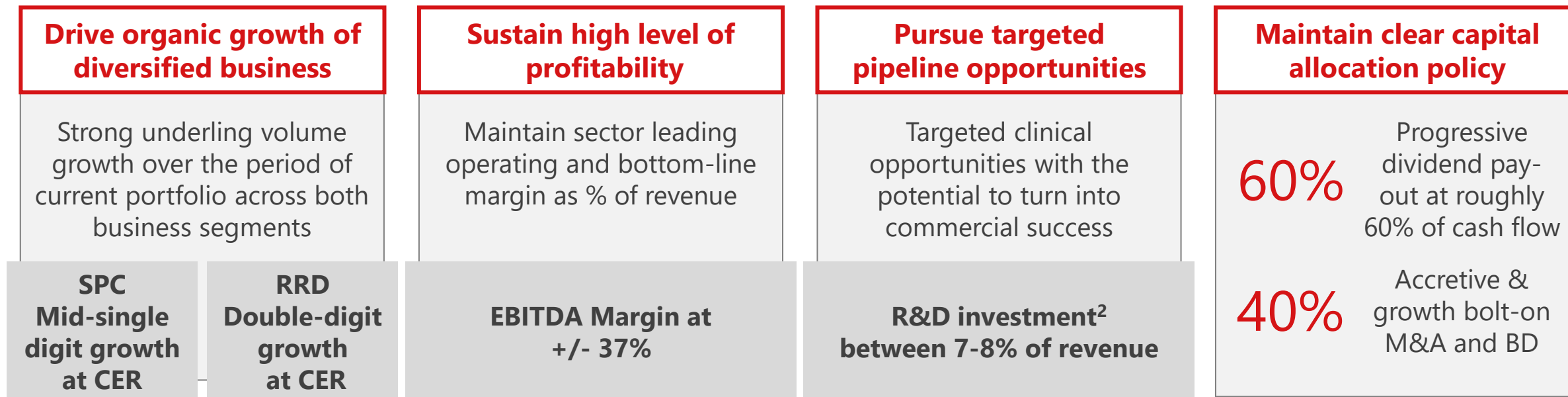
Note: Filing dates planning estimates, subject to study read outs and regulatory feedback
 * In-licensed from MimeTech

ACCRETIVE AND GROWTH BD / M&A TO COMPLEMENT ORGANIC GROWTH

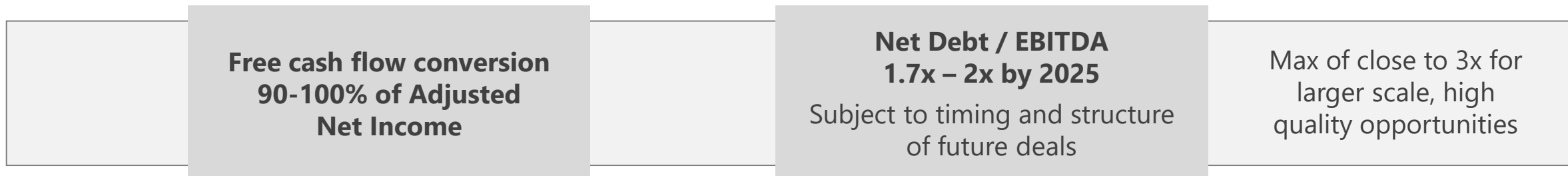
Long track record of successful execution, with fast and effective integration



CLEAR VALUE PROPOSITION, WELL POSITIONED FOR CONTINUED SUCCESS



Strong cash flow generation & robust balance sheet



Note: financial planning assumptions provided up to 2025
 1) With current portfolio alone
 2) Excluding amortization



AGENDA

Recordati strategy and value proposition

First half 2024 results and full year 2024 guidance

- Appendix



STRONG MOMENTUM IN H1 2024 ACROSS THE BUSINESS

- **H1 2024 results** show **strong momentum of the Group**, with **Net Revenue** at **€ 1,185.7 million, +13.5% vs PY** or **+10.2% like-for-like¹ at CER**; adverse FX impact in H1 2024 was € 22.2 million (-2.1%), easing in Q2 primarily due to TRY stabilization:
 - **SPC at € 754.8 million, +12.8% vs PY** or **+7.6% like-for-like¹ at CER** vs high H1 2023; growth driven by Urology franchise (including € 57.3 million contribution from Avodart[®] and Combodart[®] / Duodart^{®2}) with double-digit growth of Eligard[®] and resilient established Cardiovascular portfolio
 - **RRD at € 399.3 million, +15.9% vs PY** as reported and at **CER**, driven by continued strength of Endo +38.3% and Onco +22.7% franchises, with erosion of Metabolic reducing
- **EBITDA³ of € 452.9 million, +11.5% vs PY or 38.2% margin**, reflecting strong revenue and operating leverage on opex, with negative product / country mix and the consolidation of Avodart[®] and Combodart[®] / Duodart[®], diluting gross profit margin in Q2
- **Adjusted Net Income⁴ of € 301.0 million, +4.7% vs PY**, absorbing the increase in interest expenses and tax rate
- **Strong EBITDA and Free Cash Flow⁵ of € 256.6 million** (-€ 5.1 million vs PY), maintain **leverage at just below 1.8x EBITDA pro-forma⁶** after May dividend
- **Isturisa[®] sNDA** submitted in June for **Cushing's syndrome label extension in the US**, decision expected mid-2025
- **Financial targets for 2024 adjusted upward** to reflect current performance

1) Pro-forma growth calculated excluding H1 2024 revenue of Avodart[®] and Combodart[®] / Duodart[®]

2) Trademarks are owned by or licensed to the GSK group of companies. Transition of commercialization effectively completed in all the territories

3) 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 according to 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

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

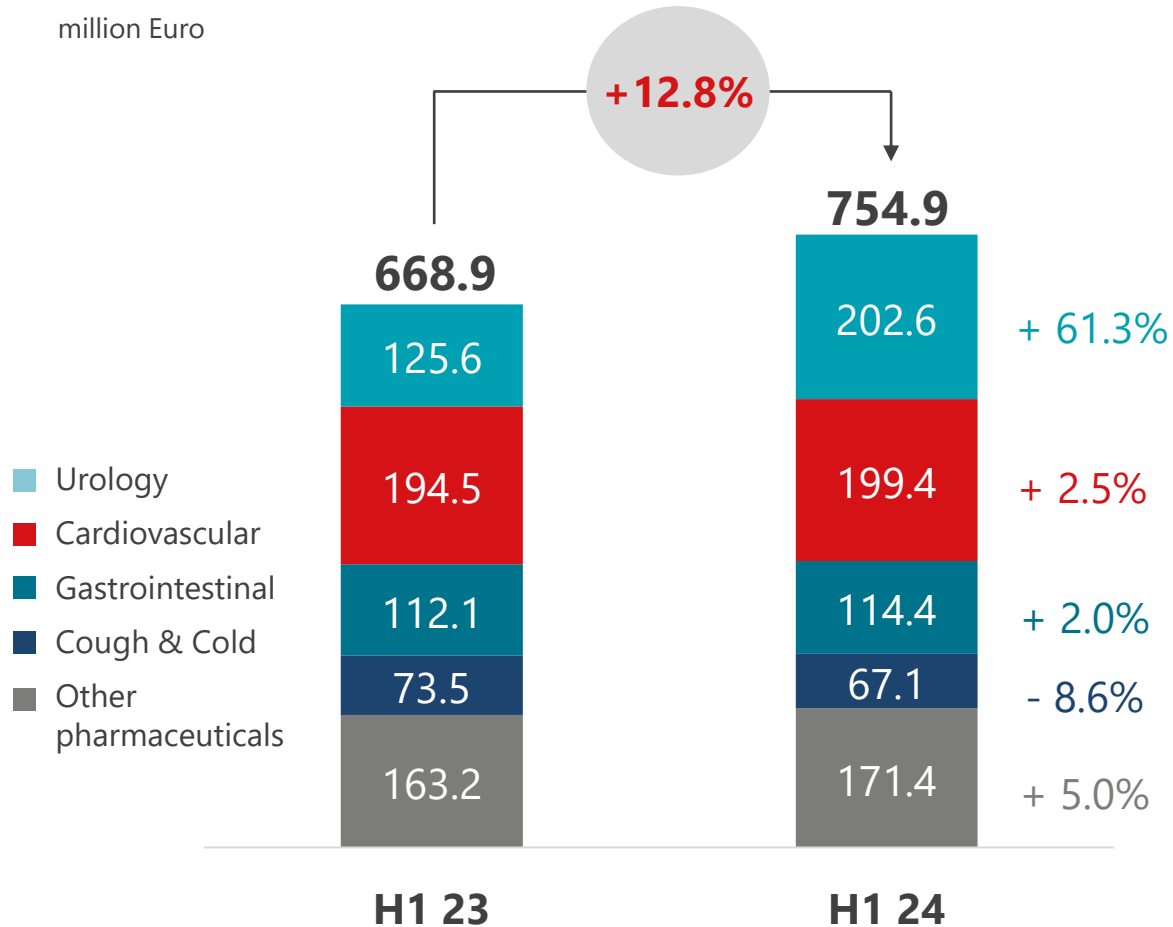
6) Pro-forma considering the contribution of Avodart[®] and Combodart[®] / Duodart[®] for the last twelve months



SPECIALTY & PRIMARY CARE: STRONG ORGANIC GROWTH DRIVEN BY UROLOGY, WITH RESILIENT CARDIO PORTFOLIO

Pharmaceutical Revenue H1 2024 vs H1 2023¹

million Euro



Key highlights

- **Continued strong growth +12.8% vs PY or +7.6% like-for-like² at CER** (+2.2% excl. Türkiye) vs robust H1 2023; promoted products continued to outperform the solid mid-single digit growth of relevant markets (104% Evolution Index³)
- **Urology: Eligard[®]** continued to gain share and sustained the **+15% like-for-like² growth** of the **Urology** franchise, with the leading Benign Prostatic Hyperplasia portfolio also growing thanks to strong contribution of **Avodart[®] and Combodart^{®4}** (€ 57.3 million) and return to growth of **silodosin**
- **Cardiovascular:** CEE region saw solid growth of **metoprolol** while sales of other mature products (lercanidipine, pitavastatin) remained resilient. **Reselip[®]** in France continued to gain market share
- **Milder flu season** affecting **Cough & Cold** and **GI** portfolios, impacted also by adverse FX in relevant markets, but with sustained competitiveness

¹ Excluding Chemicals € 31.5 million in H1 2024 and € 30.9 million in H1 2023

² Pro-forma growth calculated excluding H1 2024 revenue of Avodart[®] and Combodart[®] / Duodart[®]

³ IQVIA May YTD Evolution Index on promoted and reminder products in SPC territories

⁴ Trademarks are owned by or licensed to the GSK group of companies. Transition of commercialization effectively concluded

Note: details on corporate products in Appendix

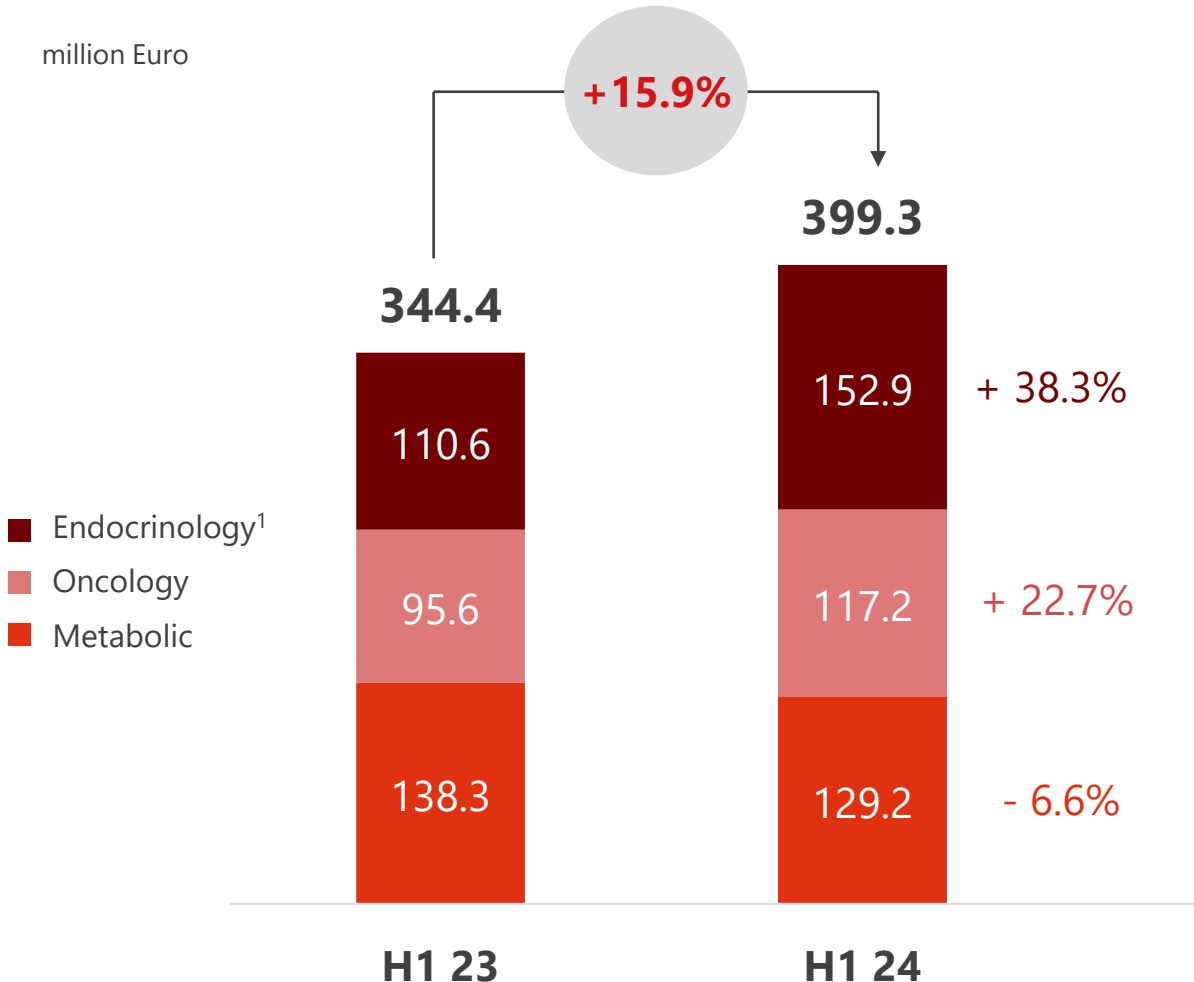


RARE DISEASES: ONCO AND ENDO FRANCHISES CONTINUE TO SHOW SIGNIFICANT GROWTH AND FUTURE POTENTIAL

Key highlights

Revenue H1 2024 vs H1 2023

million Euro



- **Double-digit growth** in H1 2024, **+15.9% vs PY** as reported and at CER, driven by strong momentum of **key growth franchises Endo and Onco**
- **Endocrinology**
 - **Isturisa**: Continued double-digit growth driven by strong new patient uptake across all regions
 - **Signifor**[®]: US and EU continue to drive double-digit growth with new patients added across key markets (US, Germany, France, Italy, CEE)
- **Oncology**: Increased penetration of **Qarziba**[®] in Europe and in rest of the world, ahead of expectations, and of **Sylvant**[®] in the US and several EU countries
- **R&D Update**:
 - **Isturisa US**: sNDA² for Cushing's syndrome submitted in June 2024, with regulatory decision expected in mid-2025
 - **Dinutuximab beta (Qarziba**[®]) **U.S.**: Potential regulatory pathway defined for a Biologics License Application (BLA) in relapsed/refractory high-risk neuroblastoma, requiring additional analysis and clinical data (next FDA interaction expected in mid-2025)
 - **REC-0559**: Preliminary top-line data from the Phase 2 REC-0559 trial for the treatment of neurotrophic keratitis shows the primary endpoint of complete corneal healing was not met

1) Of which Signifor[®] and Signifor[®] LAR of € 56.6 million and Isturisa[®] of € 96.3 million
2) Supplemental New Drug Application



ALL REGIONS DELIVERING SOLID GROWTH

(million euro)	H1 2024	H1 2023	Change %
U.S.A	184.1	150.9	22.0
Italy	176.3	157.5	11.9
Spain	109.4	76.7	42.6
France	90.3	95.7	(5.6)
Germany	81.4	78.0	4.3
Russia, other CIS countries and Ukraine	71.8	70.5	1.9
Türkiye	70.0	45.0	55.6
Portugal	32.6	29.6	10.2
Other C.E.E. countries	82.0	73.6	11.5
Other W.Europe countries	81.4	70.9	14.9
North Africa	24.3	21.2	14.1
Other international sales	150.5	143.7	4.7
TOTAL PHARMACEUTICALS	1,154.2	1,013.3	13.9
CHEMICALS	31.5	30.9	1.9

in local currency, million	H1 2024	H1 2023	Change %
U.S.A (USD)	199.1	163.1	22.1
Türkiye (TRY)	2,278.4	1,224.0	86.1
Russia (RUB) ¹	4,212.7	4,041.1	4.2

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



CONTINUED DOUBLE-DIGIT GROWTH OF REVENUE AND EBITDA

(million Euro)	H1 2024	H1 2023	Change %
Revenue	1,185.7	1,044.3	13.5
Gross Profit	801.8	732.3	9.5
as % of revenue	67.6%	70.1%	
Adjusted Gross Profit¹	828.8	753.2	10.0
as % of revenue	69.9%	72.1%	
SG&A Expenses	321.4	295.6	8.7
as % of revenue	27.1%	28.3%	
R&D Expenses	139.1	119.0	16.9
as % of revenue	11.7%	11.4%	
Other Income (Expense), net	(2.7)	(4.2)	(34.9)
as % of revenue	(0.2%)	(0.4%)	
Operating Income	338.5	313.4	8.0
as % of revenue	28.6%	30.0%	
Adjusted Operating Income²	367.9	338.2	8.8
as % of revenue	31.0%	32.4%	
Financial income/(Expenses), net	(46.8)	(24.6)	90.4
as % of revenue	(3.9%)	(2.4%)	
Net Income	225.4	227.6	(1.0)
as % of revenue	19.0%	21.8%	
Adjusted Net Income³	301.0	287.4	4.7
as % of revenue	25.4%	27.5%	
EBITDA⁴	452.9	406.2	11.5
as % of revenue	38.2%	38.9%	

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 OPERATING CASH FLOW OFFSET BY HIGHER INTEREST & TAX PAYMENTS

(million Euro)	H1 2024	H1 2023	Change
EBITDA¹	452.9	406.2	46.7
Movements in working capital	(73.6)	(76.7)	3.1
Changes in other assets & liabilities	(20.9)	(5.4)	(15.5)
Interest received/(paid)	(39.1)	(26.3)	(12.8)
Income tax paid	(54.7)	(34.9)	(19.8)
Other	2.6	8.5	(5.9)
Cash Flow from Operating Activities	267.2	271.4	(4.2)
Capex (net of disposals)	(10.6)	(9.7)	(0.9)
Free cash flow²	256.6	261.7	(5.1)
Increase in intangible assets (net of disposals)	(9.0)	(26.3)	17.3
Disposals of assets	-	3.0	(3.0)
Dividends paid	(128.8)	(127.0)	(1.8)
Purchase of treasury shares (net of proceeds)	(7.7)	1.2	(8.9)
Other financing cash flows ³	(132.3)	131.2	(263.5)
Change in cash and cash equivalents	(21.2)	243.8	(265.0)

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



SOLID NET FINANCIAL POSITION WITH LEVERAGE JUST BELOW 1.8x LTM EBITDA (PRO-FORMA)³

(million Euro)	30-Jun-24	31-dic-23	Change
Cash and cash equivalents	200.6	221.8	(21.2)
Short-term debts to banks and other lenders	(50.3)	(99.9)	49.6
Loans and leases - due within one year ¹	(272.7)	(353.7)	81.0
Loans and leases - due after one year ¹	(1,347.0)	(1,347.6)	0.6
NET FINANCIAL POSITION²	(1,469.4)	(1,579.4)	110.0

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

3) Pro-forma considering the contribution of Avodart® and Combodart®/Duodart® for the last twelve months



2024 TARGETS ADJUSTED UPWARD TO REFLECT CURRENT PERFORMANCE

	FY 2023 Actual	FY 2024	
		Previous	NEW
Revenue <i>yoy growth</i>	2,082.3 +12.4%	2,260 – 2,320	2,300 – 2,340
EBITDA¹ <i>margin on sales</i>	769.6 37.0%	830 – 860 +/- 37%	845 – 865 +/- 37%
Adjusted Net Income² <i>margin on sales</i>	524.6 25.2%	550 – 570 +/- 24.5%	560 – 580 +/- 24.5%

▲ **Robust revenue across business units tracking slightly ahead of plan**

- **SPC** confirmed to deliver mid-single digit organic growth (at CER), despite milder C&C
- **RRD** delivering strong double-digit organic growth (at CER), with **Endocrinology** and **Oncology** franchises demonstrating significant further growth potential
- **FY 2024 FX headwind** ~-2%

▲ **EBITDA margin confirmed at +/-37%**

▲ **Adjusted Net Income growth** absorbing increase in financing costs and tax rates

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



APPENDIX



COMPOSITION OF REVENUE

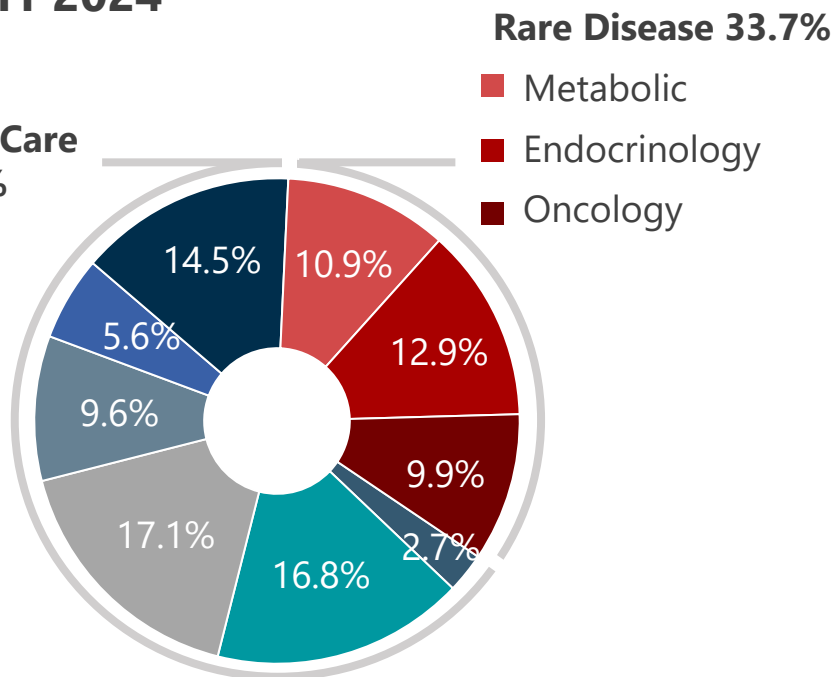
DIVERSIFIED PORTFOLIO AND FOOTPRINT

Therapeutic Areas

Total Revenue H1 2024

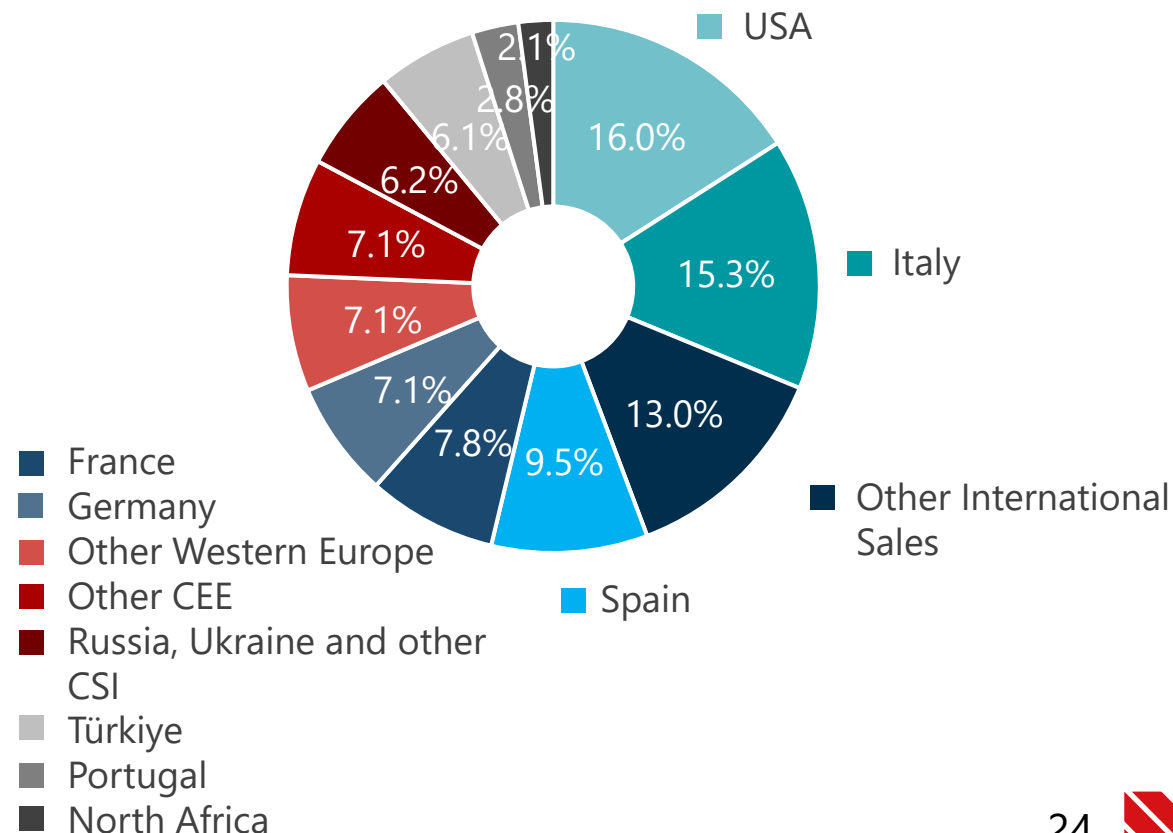
Specialty and Primary Care (incl. Chemicals) 66.3%

- Cardiovascular
- Urology
- Gastro & Intestinal
- Cough and Cold
- Other areas
- Pharmaceutical chemicals



Geographic

Pharmaceutical Revenue H1 2024



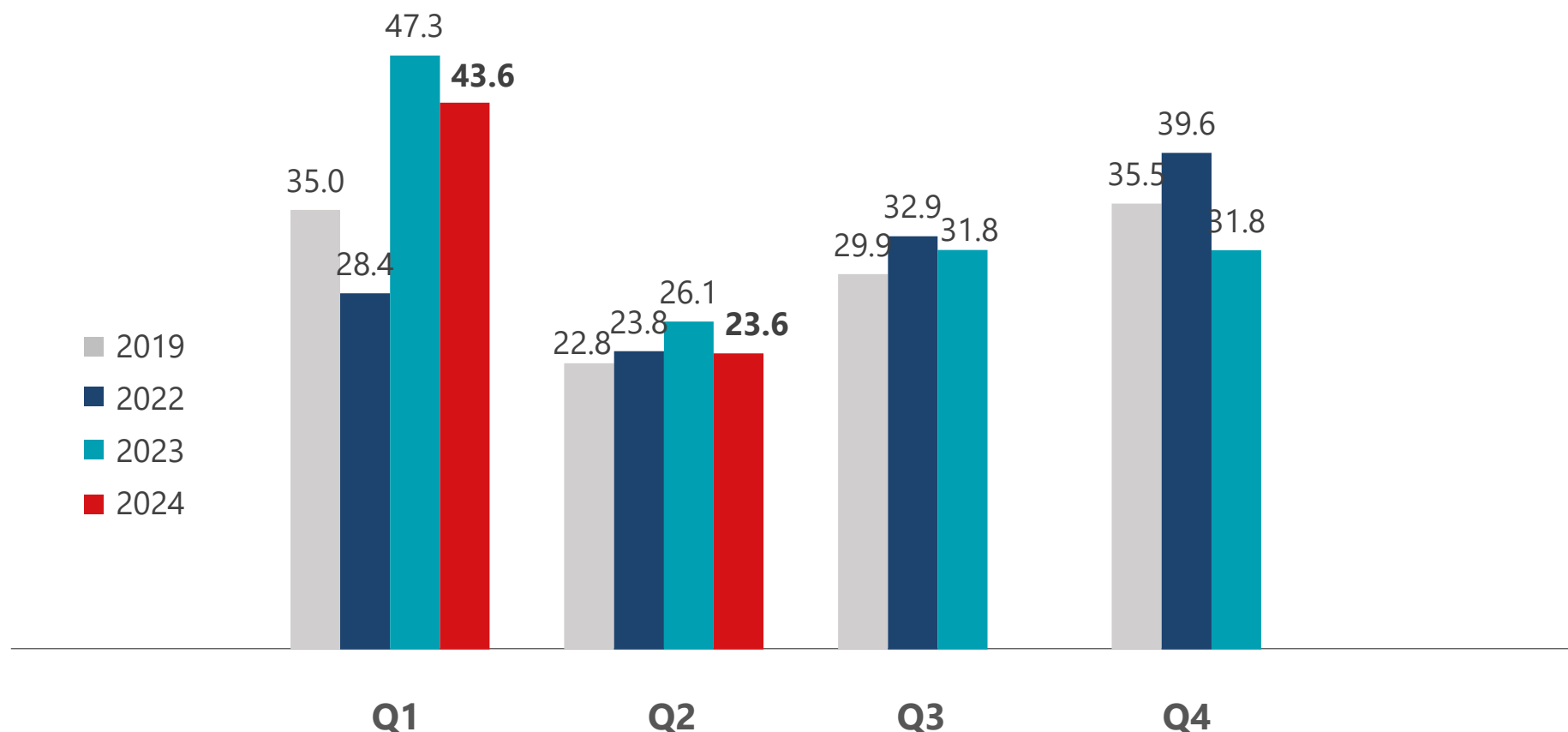
Note: Total OTC of € 178.2 million in H1 2024 and € 177.7 million in H1 2023
 Subsidiaries' local product portfolios of € 121.8 million in H1 2024 and € 114.4 million in H1 2023



H1 2024 COUGH & COLD – TREND NORMALIZING AFTER STRONG PERFORMANCE OF LAST YEAR

Cough & Cold¹ – Revenue trend by quarter 2019, 2022, 2023 and 2024

million Euro



1) Includes RX and OTC products among others: Polydexa®, Hexaspray®, Aircort®, Isofra®, Krevall®, Neo Codion®, Exomuc®, Hexalyse®, Rupafin®, Rhinopront®, Otofa®, Acylpyrin®



MAIN PRODUCTS SALES

(million Euro)	H1 2024	H1 2023	Change %
Zanidip [®] and Zanipress [®] (lercanidipine+enalapril) ¹	101.4	103.5	(2.1)
Eligard [®] (leuprorelin acetate)	64.0	55.0	16.5
Avodart [®] (dutasteride) and Combodart [®] /Duodart [®] (dutasteride/tamsulosin) ²	57.3	-	n.s.
Seloken [®] /Seloken [®] ZOK/Logimax [®] (metoprolol/metoprolol+felodipine)	53.1	49.0	8.4
Urorec [®] (silodosin)	40.0	35.8	11.7
Livazo [®] (pitavastatin)	27.1	24.5	10.7
Other corporate products ³	182.8	178.9	2.1
Rare Diseases	399.3	344.4	15.9

1) of which Zanidip[®] € 85.3 million in H1 2024 and € 84.9 million in H1 2023

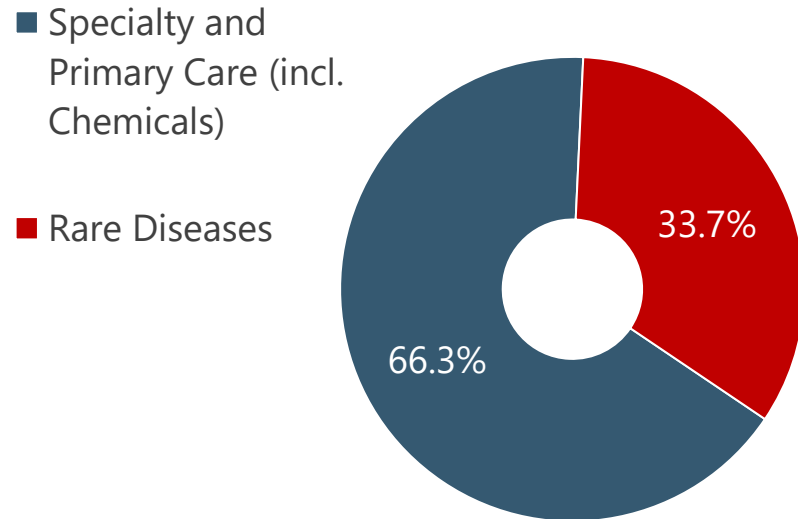
2) Trademarks are owned by or licensed to the GSK group of companies

3) Includes the OTC corporate products for an amount of € 74.3 million in H1 2024 and € 73.4 million in H1 2023; Total OTC € 178.2 million in H1 2024 and € 177.7 million in H1 2023

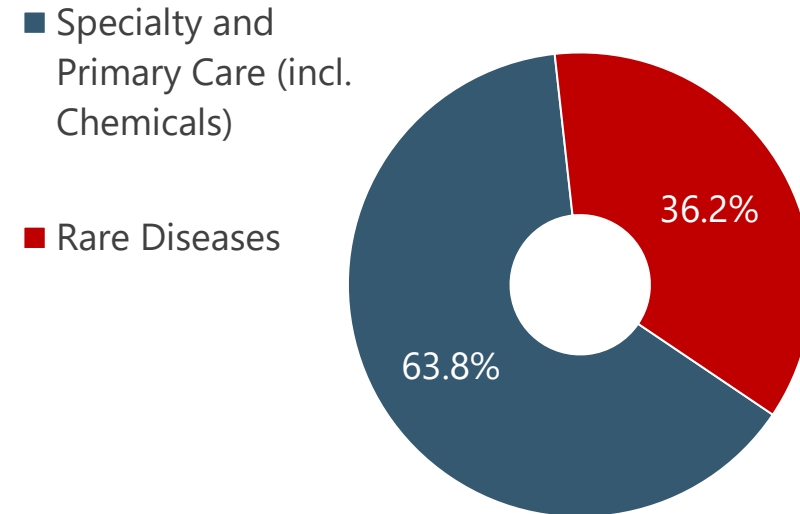


H1 2024 RESULTS BY OPERATING SEGMENTS

Total Revenue H1 2024



EBITDA¹ H1 2024



Margin on Revenue:

Rare Diseases: EBITDA¹ 41.0%

Specialty and Primary care: EBITDA¹ 36.8%

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)



H1 2024 RESULTS – ADJUSTING ITEMS

Reconciliation of Net income to EBITDA¹

(million Euro)	H1 2024	H1 2023	Change %
Net Income	225.4	227.6	(1.0)
Income Taxes	66.4	61.3	
Financial (income)/expenses, net	46.8	24.6	
<i>o/w net FX (gains)/losses²</i>	7.5	(4.7)	
<i>o/w net monetary (gains)/losses from application of IAS 29 (Türkiye)</i>	1.0	(0.9)	
Non-recurring expenses	2.4	3.9	
Non-cash charges from PPA inventory uplift	27.0	20.9	
Adjusted Operating Income³	367.9	338.2	8.8
Depreciation, amortization and write downs	85.0	67.9	
EBITDA¹	452.9	406.2	11.5

Reconciliation of Reported Net income to Adjusted Net income⁴

(million Euro)	H1 2024	H1 2023	Change %
Net income	225.4	227.6	(1.0)
Net monetary (gains)/losses (IAS 29 Türkiye)	1.0	(0.9)	
Non-recurring expenses	2.4	3.9	
Non-cash charges from PPA inventory uplift	27.0	20.9	
Amortization and write-downs of intangible assets (exc. software)	68.2	52.6	
Tax effects	(22.9)	(16.6)	
Adjusted Net income⁴	301.0	287.4	4.7

Summary of key items

- **FX losses of € 7.5 million** in H1 2024 vs € 4.7 million gains in H1 2023
- **Net monetary losses of € 1.0 million** from application of IAS 29 (Türkiye) in H1 2024, vs € 0.9 million gains in H1 2023
- **Non-recurring costs of € 2.4 million** reduced vs prior year (mainly residual EUSA Pharma integration costs and SPC right-sizing)
- **Higher non-cash charges** arising from IFRS3 Purchase Price Allocation of **EUSA Pharma** at € 27.0 million (from unwind of acquired inventory), vs € 20.9 million in 1H 2023
- **D&A and write downs of assets: increase of € 17.1 million** of which € 12.6 amortization (mainly GSK products) and € 4.5 write-downs (Ledaga[®] € 2.0 million and REC-0559 € 2.5 million)

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



COMPANY DECLARATIONS, DISCLAIMERS AND PROFILE

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 by Management. This information, these estimates and assumptions may prove to be incomplete or erroneous, and involve numerous risks and uncertainties, beyond the Company’s control.

These risks and uncertainties include among other things, the uncertainties inherent in pharmaceutical marketing and development, impact of decisions by regulatory authorities, such as the FDA or the EMA, regarding whether and when to approve any drug or biological application that may be filed as well as their decisions regarding labelling and other matters that could affect the availability or commercial potential of our products, the future approval and commercial success of therapeutic alternatives, Recordati’s ability to benefit from external growth opportunities, to complete capital markets or other transactions and/or obtain regulatory clearances, risks associated with intellectual property and any related pending or future litigation and the ultimate outcome of such litigation, trends in exchange rates and prevailing interest rates, volatile economic and capital market conditions, cost containment initiatives by payors of medicines and subsequent changes thereto, and the impact that pandemics, political disruption or armed conflicts or other global crises may have on our business.

Hence, actual results may differ materially from those expressed or implied by such forward-looking statements. All mentions and descriptions of Recordati products are intended solely as information on the general nature of the company’s activities and are not intended to indicate the advisability of administering any product in any particular instance.

Recordati (Reuters RECI.MI, Bloomberg REC IM) is an international pharmaceutical group listed on the Italian Stock Exchange (ISIN IT 0003828271) uniquely structured to bring treatment across specialty and primary care and rare diseases. We believe that health, and the opportunity to live life to the fullest, is a right, not a privilege. We want to support people in unlocking the full potential of their lives. We have fully integrated operations across research & development, chemical and finished product manufacturing through to commercialization and licensing. Established in 1926, Recordati operates in approximately 150 countries across EMEA, Americas and APAC regions. At the end of 2023, Recordati employed over 4,450 people and consolidated revenue of € 2,082.3 million. For more information, please visit www.recordati.com

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.

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