

ANNUAL REPORT 2025

RECORDATI S.p.A.

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RECORDATI INDUSTRIA CHIMICA E FARMACEUTICA S.p.A.

Company subject to management and co-ordination by Rossini Luxembourg S.à.r.l.

Registered Office: 1 Via Matteo Civitali, Milan

Fully paid-up share capital: € 26,140, 644.50

Tax identification number and Milan Company Registration No. 00748210150

The Company prepares the consolidated financial statements for the Recordati Group.

BOARD OF DIRECTORS

Elected by a Shareholders' Meeting dated 29th April 2025, in office until the date of the Shareholders' Meeting held to approve the 2027 Annual Report.

ANDREA RECORDATI

Chairman

ROBERT KOREMANS

Chief Executive Officer

DIVA MORIANI

Lead Independent
Director

STEPHEN SANDS

Independent

LUIGI LA CORTE

JOANNA LE COUILLIARD

Independent

GIAMPIERO MAZZA

PIERGIORGIO PELUSO

Independent

CATHRIN PETTY

KIM STRATTON

BOARD OF STATUTORY AUDITORS

Elected by a Shareholders' Meeting dated 21st April 2023, in office until the date of the Shareholders' Meeting held to approve the 2025 Annual Report.

ANTONIO SANTI

Chairman

EZIO SIMONELLI

SILVIA MINA

Statutory Auditors

ANDREA BALELLI

Alternate auditor

INDEPENDENT AUDITORS

EY S.p.A. Engaged by a Shareholders' Meeting of 29th April 2020 for the financial years 2020-2028.





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REVIEW OF OPERATIONS

To our Shareholders,

The annual report of Recordati Industria Chimica e Farmaceutica S.p.A. (hereinafter also the “Company” or “Recordati”) for the year ended 31st December 2025, which we submit to you for your approval, reports net income of € 317,587 thousand.

The items in the reclassified income statement which shows costs by function are given below with the relative percentage of revenue⁽¹⁾ and the change compared with the previous year:

€ (thousands)	2025	% of revenue	2024	% of revenue	Changes 2025/2024	%
Net revenue⁽¹⁾	613,446	100.0	679,123	100.0	(65,677)	(9.7)
Cost of sales	(263,153)	(42.9)	(268,893)	(39.6)	5,740	(2.1)
Gross profit	350,293	57.1	410,230	60.4	(59,937)	(14.6)
Selling expenses	(90,723)	(14.8)	(88,797)	(13.1)	(1,926)	2.2
R&D expenses	(78,959)	(12.9)	(74,361)	(10.9)	(4,598)	6.2
G&A expenses	(88,245)	(14.4)	(85,592)	(12.6)	(2,653)	3.1
Other income (expense), net	(30,721)	(5.0)	(5,216)	(0.8)	(25,505)	489.0
Operating income	61,645	10.0	156,264	23.0	(94,619)	(60.6)
Dividends	344,319	56.1	283,209	41.7	61,110	21.6
Financial income/(expense), net	(88,203)	(14.4)	(109,058)	(16.1)	20,855	(19.1)
Pre-tax income	317,761	51.7	330,415	48.6	(12,654)	(3.8)
Income taxes	(174)	(0.0)	(9,585)	(1.4)	9,412	(98.2)
Net income	317,587	51.7	320,830	47.2	(3,243)	(1.0)

(1) The item also includes other revenue of € 126 thousand (€ 192 thousand in 2024), mainly related to training grants and rents, which are classified in Note 4 to the financial statements under “Other revenue and income”.

Net revenue came to €613.4 million, down €65.7 million, or 9.7%, compared with €679.1 million in the previous year.

Net sales of products amounted to €544.8 million, down €48.3 million, or 8.1%, compared with €593.1 million in the previous year. This change is mainly attributable to lower sales to subsidiaries in Europe of corporate products, particularly in the cardiovascular sector.

Revenues from services and royalties amounted to €68.6 million, down €17.4 million, or 20.2%, compared with €86.0 million in the previous year.

The fall in this item compared with the previous year is mainly attributable to lower balances charged to subsidiaries relating to transfer price adjustments to products, made for compliance with the arm's length principle.

See note 3 to the financial statements for further details.



The cost of sales amounted to € 263.2 million, down € 5.7 million compared on the previous year due to lower sales volumes. The increase in the cost of sales as a percentage of net revenue, which rose from 39.6% to 42.9%, was a result of a change in the mix of sales revenues compared with the same period in the previous year.

Selling expenses amounted to € 90.7 million (14.8% of net revenue), up € 1.9 million (2.2%) compared with expenses incurred in the previous year. The change is attributable to higher promotional expenses and other selling costs incurred designed to respond more effectively to the development of the business model and to fully exploit market opportunities, notwithstanding the reduction in personnel costs after the commercial reorganisation of the Specialty & Primary Care sector that took place last year.

R&D expenses came to € 79.0 million, accounting for 12.9% of net revenue, up € 4.6 million (6.2%) compared with the expenses incurred in the previous year. The change is the result of personnel costs and other costs incurred to strengthen corporate units to support ongoing projects and geographical expansion.

General and administrative expenses amounted to €88.2 million, accounting for 14.4% of net revenue, an increase of €2.7 million (3.1%) compared with expenses incurred in the previous year.

Other net income and expenses showed a net cost of € 30.7 million and were mainly due to: the recognition of costs of € 12.8 million relating to the payback for Urorec® following a ruling by the Council of State dated 3rd September 2025; costs incurred for ongoing improvements to the sales force of the Specialty & Primary Care sector totalling € 8.6 million; € 6.1 million of write-downs of intangible assets, calculated on the basis of an analyses to determine the recoverability of the value of the asset. The item also reflects a provision for probable costs for remediation work to be carried out at the Campoverde manufacturing site (see notes 7, 8 and 32 to the Financial Statements for further information on other expenses).

Operating profit, amounting to €61.6 million, accounting for 10.0% of net revenue, was down €94.6 million compared with the previous year due to the reduction in gross profit and an increase in other costs and expenses.

Dividends from subsidiaries came to € 344.3 million, up € 61.1 million on 2024 (see note 10 in the notes of the financial statements for further information).

Net financial expenses amounted to € 88.2 million, down € 20.9 million, (19.1%), compared with the previous year. This change is due mainly to lower interest expense payable to subsidiaries, due to the reduction in debt, as well as to lower interest rates on bank loans (see note 11 to the Financial Statements for further details).

The change in taxes of €9.4 million is the result of a reduction and change in the mix of taxable income between dividends from subsidiaries and operating and financial results.

Net income was €317.6 million.



A brief summary is given below of the Net Financial Position, while further details are given in note 43 of the Notes to The Financial Statements.

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Current account sight deposits and other cash and cash equivalents	124,090	135,444	(11,354)
Short-term receivables from Group companies	103,891	81,560	22,331
Receivables for dividends due from Group companies	2,026	-	2,026
Cash and cash equivalents and other short-term receivables	230,007	217,004	13,003
Short-term payables to banks	(19,445)	(18,169)	(1,276)
Loans due within one year	(287,259)	(247,903)	(39,356)
Short-term payables to Group companies	(735,514)	(756,501)	20,987
Current debt	(1,042,218)	(1,022,573)	(19,645)
Net current financial position	(812,211)	(805,569)	(6,642)
Loans – receivable after than one year	550,545	718,458	(167,913)
Loans – payable after one year	(2,060,617)	(2,079,143)	18,526
Long-term loans due to Group companies	-	(83,737)	83,737
Non-current debt	(1,510,072)	(1,444,422)	(65,650)
Net financial position⁽¹⁾	(2,322,283)	(2,249,991)	(72,292)

(1) Inclusive of the fair value of derivatives to hedge foreign exchange rate risk (cash flow hedges), recognised within asset item 23 and liability item 35 with an overall net positive impact of € 975 thousand as at 31st December 2025.

During the year dividends amounting to € 267.6 million were paid to shareholders, treasury shares worth € 112.4 million were purchased, net of sales for the exercise of stock options, and an upfront payment of \$ 25 million was made for the licence and supply agreement with Amarin for the marketing of Vazkepa®.

Capital expenditure on property, plant and equipment came to € 20.7 million and related to investments regarding the Milan headquarters (€ 8.6 million) and the Campoverde di Aprilia plant (€ 12.1 million).

Free cash flow, i.e. operating cash flow excluding financial components, milestones, dividends and share buybacks net of sales from the exercise of stock options, was negative at € 33.2 million in 2025, down € 151.1 million compared with 2024, mainly due to the decrease in EBITDA and higher interest and income tax payments.

With regard to loans, the Company took out new loans in 2025 amounting to € 470.0 million and made repayments totalling € 451.6 million as follows:

- March saw the full advance repayment amounting to € 28.0 million of the loan from Allied Irish Bank which was disbursed in March 2021 and involved semi-annual repayments of the principal from March 2022 to March 2026;
- in June, the loan of € 180.0 million disbursed in May 2021 was renegotiated through its full repayment ahead of its May 2026 maturity date and a new loan was taken out for € 345.0 million, of which € 280.0 million, net of advisory and up-front fees, disbursed on 30th June 2025 and the remaining € 65.0 million was disbursed in August;



- in September, the Company repaid in advance the \$ 50 million tranche of a bond issued by the Company on 30th September 2014 and in addition to the \$ 5 million due under the repayment plan, the remaining \$ 10 million due in 2026 was also repaid;
- In September, an agreement was signed with PGIM Inc., Prudential's Investment Manager, for a \$ 220.0 million Note Purchase and Private Shelf Agreement. In detail, the Multiborrower and Multicurrency Shelf Facility agreement grants the Group the right to issue bonds up to a total maximum of \$ 220.0 million, or the equivalent in €, over the next three years, with pricing to be set at the time of each single drawdown, a maximum term of 20 years and an average life of 15 years. On 30th September 2025, the Company issued a bond for € 125.0 million with a 10-year maturity on the amount.

R&D

The Company strives to promote continuous innovation for the benefit of patients. At the same time, we continue to pay the utmost attention to the safety of the people who rely on our products and to develop targeted risk mitigation programmes to make new indications available. We also aim to extend the geographical reach of existing products to places where we can really make a difference.

The main R&D activities carried out in 2025 in the Specialty & Primary Care area are summarised in the paragraphs below.

Eligard® (leuprorelin acetate)

The marketing authorisation application for Eligard 7.5 mg, 22.5 mg and 45 mg in the United Kingdom received a positive opinion in December 2025, with approval by the MHRA in January 2026. The new device had already been approved in Russia in May 2025.

Vazkepa® (Icosapent Ethyl)

In June 2025, an agreement was signed with Amarin for the acquisition of Vazkepa. Subsequently, in the fourth quarter of 2025, the procedure for transferring the marketing authorisation in the United Kingdom and Switzerland was completed. In November 2025, the EMA also issued a positive opinion on the renewal of the authorisation for the European Union.

LOMEXIN® (fenticonazole)

In February and July 2025, respectively, the re-registrations of Lomexin 600 mg and 1.000 mg vaginal capsules and Lomexin 2% cream for Russia were also completed, in compliance with the new Eurasian Economic Union regulations. The subsequent mutual recognition application was then submitted in Armenia and Kazakhstan. In September 2025, Belgium authorised the transition from prescription-only to over-the-counter status for the 2% vaginal cream and for the 200 mg and 600 mg vaginal capsules. On the other hand, new registration applications have been submitted for Lomexin 600 mg and 1,000 mg vaginal capsules in Gabon, Burkina Faso, Mali and Madagascar.

Activities involving pharmaceuticals for the treatment of rare diseases

The Company carries out support activities for research carried out by other subsidiaries for which they are charged back on the basis of service agreements. In fact the Group is increasingly more committed to R&D for the development of treatments for rare diseases and it has many pharmaceuticals in its pipeline for treating these illnesses at different stages of development.



RISK DISCLOSURES

With regard to an analysis and description of the principal risks and uncertainties, in its capacity as a holding company, the Company is indirectly exposed to the risks to which its subsidiaries are exposed. Therefore, with regard to "Risks related to the external environment", "Strategic and operational risks" and "Legal and compliance risks", see the relevant paragraphs in the dedicated section "Risk assessment and management" in the Management Report of the consolidated annual report.

FINANCIAL RISKS

A specific analysis of the information required under paragraph 3, point 6-*bis* of Art. 2428 of the Italian Civil Code concerning the Company's objectives and policies in respect of financial risk management is given here below.

The Company constantly monitors the financial risks to which it is exposed in order to take immediate mitigation action when necessary.

The company aims to achieve a balanced and prudent financial structure as a fundamental condition for financing internal and external growth, thereby reducing financing costs to a minimum, while maximising returns. Speculative investments in shares, funds or financial assets which might impair the value of companies is not permitted.

The only financial investments admissible are investments in risk free assets and/or funds issued by major financial institutions.

The Company monitors the financial risks to which it is exposed in order to take immediate mitigation action, when necessary, in compliance with the applicable legislation and regulations and it transacts only with banks with a strong credit rating.

On the basis of the above and considering that the related effects would not be significant, no sensitivity analysis has been carried out.

As required by IFRS 7, information is given below on the main financial risks to which the Company is exposed.

Credit risk

Credit risk is exposure to potential losses resulting from commercial counterparties failing to meet their obligations, also in relation to the effects of the prolonged period of economic and financial difficulty.

The Company closely controls its credit exposure through the allocation of credit limits to each single customer and an internal reporting system.

As at 31st December 2025 the credit exposure is not critical due to the large number of counterparties, their geographical distribution and the average amount of each receivable.

More specifically, it is considered that the allowance for doubtful accounts recognised in the balance sheet, amounting to € 791 thousand, is sufficient in relation to the risk of insolvency. It is underlined that gross trade receivables, inclusive of receivables from subsidiaries, amounted to € 215,417 thousand.

Interest rate risk

The Company raises external funds using debt and invests excess cash in money market funds and other financial instruments. The fluctuation of interest rates influences the cost and returns of the debt and investment instruments therefore affecting the Company's net financial charges.

The Company's policy is to limit the risk arising from interest rate fluctuations by establishing medium to long-term loans at fixed or floating interest rates. Any floating rate loans are promptly hedged by using derivative instruments (e.g. interest rate swaps – IRS), used solely for hedging and not speculative purposes. This hedging policy allows the company to reduce the risk attaching to fluctuations in interest rates (as illustrated in note 27).



Foreign currency risk

The Company is exposed to foreign currency fluctuations which can affect its operating results. In particular, the Company is exposed to foreign currency fluctuations on its international sales and financing denominated in currencies other than the euro.

The Company also enters into forward contracts for the purchase and sale of currency in order to hedge amounts at risk. It does this for hedging purposes only and not for speculation.

Liquidity risk

The liquidity risk to which the Company could be exposed consists of the inability to raise sufficient funds for its ongoing business and for the development of its industrial and commercial activities. The two main factors which determine the Company's liquidity are, on the one hand, the resources generated or absorbed by operations and by investments, and on the other, the expiry and renewal terms of debt or the degree of liquidity of financial investments and market conditions.

The Company has a supply of readily available liquidity and substantial credit facilities available granted by a number of leading Italian and international banks.

The maturities of the Company's financial assets and its debt are reported in notes 26, 28, 37 and 38 to the financial statements which discuss cash and cash equivalents, medium to long-term borrowings and short-term debt from banks and other lenders. The Group believes that the funds and credit facilities currently available, in addition to those generated by operations and financing activities, are enough to satisfy investment needs, working capital requirements and the repayment of debts on their natural due dates.

CLIMATE CHANGE RISK

As reported in the consolidated management report, the Company recognises a potential risk relating to climate change over a long-term time horizon and it will continue to monitor this potential risk over the years. As concerns the short and medium-term, in view of the sector, the company has currently classified climate change as a risk with no concrete or substantial impacts on the Company's operations.

OTHER INFORMATION

Company is subject to management and co-ordination by Rossini Luxembourg S.à.r.l, in accordance with Art. 2497 and following of the Italian Civil Code.

Key figures from the financial statements for the year ended 31st December 2024 approved by the company that exercises management and co-ordination are reported in Attachment 6.

Treasury stock consisting of 2,965,916 shares was purchased during the year, for consideration of € 157.1 million and 1,025,570 shares were sold for consideration of € 49.2 million, following the exercise of options under the 2018-2022, 2021-2023 and 2022-2024 stock option plans by Group employees. As at 31st December 2025 the Company held 4,769,267 treasury shares in portfolio with a face value of € 0.125 each, accounting for 2.28% of the share capital.

In compliance with the requirements contained in Art. 4, paragraph 7 of the Regulation on related-party transactions adopted with Consob Resolution 17221 of 12th March 2010 and subsequent amendments and also in Art. 2391-*bis*, paragraph 1 of the Italian Civil Code, the Company reports that it has adopted "Regulations for related-party transactions", the full text of which is available on the Company website at www.recordati.it (in the "Corporate Governance" section), as last updated on 17th June 2021.

For all information on corporate governance, reference is made to the Report on Corporate Governance and Ownership Structure prepared in accordance with Art. 123-*bis* of the Consolidated Finance Law, approved by the Board of Directors at the same time as it approved the Annual Report. Information pursuant to paragraphs 1 and 2 of Art. 123 *bis* of Legislative Decree No. 58/1998 is contained in the separate "Report on



Corporate Governance and Ownership Structure”, the full text of which is available on the company’s website www.recordati.it (in the “Corporate governance” section).

Reference is made for “information concerning the environment and personnel” to the Consolidated Sustainability Statement.

The Company has a secondary headquarters at 4 Via Mediana Cisterna, Campoverde di Aprilia (Latina).

Shares held by directors, statutory auditors, general managers and other key management personnel are reported in the Report on remuneration policies and wages published in accordance with Art. 123-ter of the Consolidated Finance Law.

Reference is made to the information given in the Code of Ethics for details of the principles governing conduct adopted by the Company.

Reference is made to the information given in the Sustainability Statement for details of the company’s approach to sustainability.

Reference is made to note 45 to the financial statements for information required by the Consob (Italian securities market authority) communication dated 28th July 2006 on “atypical and/or unusual transactions”.

The Management report in the consolidated annual report may be consulted for further information on operating activities, development strategies and the business outlook.

RELATED-PARTY TRANSACTIONS

As at 31st December 2025 the Company had a total net debt position of € 7,014 thousand towards Group companies, with credit positions of € 816,735 thousand and debt positions of € 823,749 thousand.

The table below summarises these receivables and payables by nature:

RELATED-PARTY TRANSACTIONS (€ thousand)	Receivables	Payables	Net
Loans	615,312	(48,537)	566,776
Cash Pooling	41,040	(686,977)	(645,937)
Trade	147,364	(83,150)	64,214
Other	13,018	(5,085)	7,933
Total	816,734	(823,749)	(7,015)

Sales, services and royalties to Group companies in 2025 amounted to € 355,336 thousand (€ 422,812 thousand in 2024).

During the year, dividends were declared by Casen Recordati S.L. (€ 123,306 thousand), from Recordati Rare Diseases S.a.r.l. (€ 79,692 thousand), from Recordati AG (€ 53,621 thousand), from Bouchara Recordati (€ 30,000 thousand), from Italcimici S.p.A. (€ 16,821 thousand), from Natural Point S.r.l. (€ 16,000 thousand), from Recordati Ireland Limited (€ 15,000 thousand), from Recordati Romania Srl (€3,952 thousand), from Herbacos Recordati S.r.o (€ 3,201 thousand), from Recordati Polska S.p. z.o.o. (€ 1,998 thousand) and from Opalia Pharma S.A. (€728 thousand).



The following summary is given in the table below in compliance with Consob Resolution No. 15519 of 27th July 2006:

PERCENTAGE OF TRANSACTIONS WITH RELATED PARTIES (€ thousand)	Total	Related Parties (amount)	Related Parties (%)
Percentage of transactions or positions in the balance sheet with related parties			
Trade receivables and other	256,540	160,382	62.52%
Other non-current financial assets	550,545	550,436	99.98%
Short-term financial assets	105,916	105,916	100.00%
Trade payables and other	(221,409)	(88,235)	39.85%
Other short-term financial liabilities	(735,514)	(735,514)	100.00%
Percentage of transactions or positions in the income statement with related parties			
Revenue	618,108	355,342	57.49%
Income from investments	344,319	344,319	100.00%
Costs of purchases and service provision	(389,157)	(64,433)	16.56%
Financial income/(expense), net	(88,203)	7,208	(8.17%)

Transactions and positions with related parties as a percentage of balance sheet items is basically the same as that for the income statement items.

Transactions with related parties are conducted under normal market conditions.

With regard to direct relations during the year with the company that exercises management and coordination, we report that the CEO and some employees of the Recordati Group have been designated as beneficiaries of an incentive scheme, with a vesting period of five years, under which they have purchased shares of Rossini Luxembourg S.à.r.l. at face value, an indirect shareholder of Recordati S.p.A., and they will receive a return at the end of the life of the scheme.

With the exception of the previous point, no other direct business was conducted with the company that carries out management and coordination activities.

NON-EUROPEAN UNION SUBSIDIARIES

In relation to the provisions of articles 15 and 18 of the Markets Regulations concerning the conditions for the listing of the parent companies of companies formed and regulated under the laws of countries that do not belong to the EU and which are of significant importance for the purposes of consolidated financial statements, since 31st December 2024 the regulatory provisions of Art. 15 of the Markets Regulations have applied to the subsidiaries Recordati Ilaç, Sanayi Ve Ticaret A.Ş., Recordati Rare Diseases Inc., Rusfic LLC Recordati AG and Recordati UK LTD (formerly Eusa Pharma Uk Ltd) and the conditions laid down in the aforementioned Art. 15 in relation to which the certification is required from the management body have been satisfied.

SIGNIFICANT TRANSACTIONS, EXCEPTION TO DISCLOSURE OBLIGATIONS

The Company decided to take advantage, with effect from 20th December 2012, of the right not to comply with obligations to publish the reports required when significant extraordinary operations are performed consisting of mergers, demergers, share capital increases through contributions in kind, acquisitions and disposals, in accordance with Art. 70, paragraph 8 and with Art. 71, paragraph 1-*bis* of the Issuers' Regulations issued by Consob with Resolution No. 11971/1999 and subsequent amendments.



BUSINESS OUTLOOK

At the date of preparing the financial statements no corporate events had occurred after the end of the year which might require modifications to be made to the value of assets and liabilities and the amounts in the income statement.

The implementation of company strategies, operations at the beginning of the current year, the potential of our products, the financial strength of the company and the managerial capacities of our personnel lead us to forecast a positive result again in 2026.

We report that, at consolidated level, the market has been informed of continued growth in revenue, EBITDA and Adjusted Net Income, with an expected positive impact also at Company level.

Milan, 19th March 2026

on behalf of the Board of Directors
the Chief Executive Officer
Robert Koremans



FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31ST

DECEMBER 2025

RECORDATI S.P.A.

INCOME STATEMENTS FOR THE YEARS ENDED 31ST DECEMBER 2025 AND 31ST DECEMBER 2024

INCOME STATEMENT

Amounts in euro	Notes	2025	2024
Revenue	3	613,320,245	678,930,869
Other income	4	4,788,254	10,660,692
Total income		618,108,499	689,591,561
Raw materials costs	5	(193,063,110)	(182,689,311)
Personnel costs	6	(115,680,393)	(111,046,220)
Depreciation and amortisation	7	(63,062,686)	(53,704,686)
Other operating expenses	8	(196,094,270)	(183,696,711)
Changes in inventories	9	11,437,467	(2,190,414)
Operating income		61,645,508	156,264,219
Income from investments	10	344,318,510	283,209,292
Financial income/(expense), net	11	(88,203,153)	(109,058,369)
Pre-tax income		317,760,865	330,415,142
Income taxes	12	(174,342)	(9,584,855)
Net income		317,586,522	320,830,287
Earnings per share (in euro)			
Basic		1.546	1.555
Diluted		1.519	1.534

Basic earnings per share are calculated on average shares outstanding in the relative periods, consisting of 205,483,735 shares in 2025 and 206,316,241 shares in 2024. The figures are calculated net of average treasury stock held, which amounted to an average of 3,641,421 shares in 2025 and 2,808,915 shares in 2024.

Diluted earnings per share are calculated taking into account rights granted to the beneficiaries of stock option and performance share plans.

The notes to the financial statements form an integral part of these financial statements.



RECORDATI S.P.A.

BALANCE SHEETS AS AT 31ST DECEMBER 2025 AND 31ST DECEMBER 2024

ASSETS

Amounts in euro	Notes	31 st December 2025	31 st December 2024
Non-current assets			
Property, plant and equipment	13	115,317,529	105,655,162
Goodwill	14	16,944,333	16,944,333
Intangible assets	15	544,449,151	547,309,638
Investments	16	1,857,995,178	1,851,188,778
Other non-current financial assets	17	550,545,359	718,458,401
Deferred tax assets	18	6,474,507	11,844,642
Total non-current assets		3,091,726,057	3,251,400,954
Current assets			
Inventories	19	118,591,913	107,154,445
Trade receivables	20	214,625,500	187,925,835
Other receivables	21	41,914,623	30,463,683
Other current assets	22	2,998,980	2,697,238
Derivatives measured at fair value	23	4,903,239	14,166,162
Receivables for dividends	24	2,025,586	-
Other short-term financial receivables	25	103,890,673	81,559,769
Cash and cash equivalents	26	124,089,812	135,444,133
Total current assets		613,040,326	559,411,265
Total assets		3,704,766,383	3,810,812,219

The notes to the financial statements form an integral part of these financial statements.



RECORDATI S.P.A.

BALANCE SHEETS AS AT 31ST DECEMBER 2025 AND 31ST DECEMBER 2024

EQUITY AND LIABILITIES

Amounts in euro	Notes	31 st December 2025	31 st December 2024
Equity			
Share capital	27	26,140,645	26,140,645
Additional paid-in capital	27	83,718,523	83,718,523
Treasury stock	27	(239,379,359)	(131,570,438)
Statutory reserve	27	5,228,129	5,228,129
Other reserves	27	291,957,466	222,245,778
Revaluation reserve	27	2,602,228	2,602,229
Interim dividend	27	(128,782,972)	(123,948,886)
Net income	27	317,586,522	320,830,287
Total equity		359,071,182	405,246,267
Non-current liabilities			
Loans – due after one year	28	2,061,590,673	2,090,155,851
Employee benefit obligations	29	3,211,926	3,667,452
Other non-current financial liabilities	30	-	83,736,822
Total non-current liabilities		2,064,802,599	2,177,560,125
Current liabilities			
Trade payables	31	145,623,021	127,101,336
Other current payables	32	75,786,189	43,931,330
Tax liabilities	33	3,295,867	20,252,565
Provisions	34	10,126,352	9,289,715
Derivatives measured at fair value	35	3,843,525	4,857,871
Borrowings - due within one year	36	287,258,548	247,903,167
Payables to banks	37	19,445,345	18,168,894
Other short-term payables	38	735,513,755	756,500,949
Total current liabilities		1,280,892,602	1,228,005,827
Total equity and liabilities		3,704,766,383	3,810,812,219

The notes to the financial statements form an integral part of these financial statements.



RECORDATI S.P.A.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31ST DECEMBER 2025 AND 31ST DECEMBER 2024

€ (thousands)	2025	2024
Net income	317,587	320,830
Gains/(losses) on cash flow hedges, net of tax	1,672	(1,403)
Valuation of employee benefits pursuant to IAS 19, net of tax	(190)	85
Financial assets measured at fair value through other comprehensive income	(3,583)	(3,995)
Other changes, net of tax	(142)	(142)
Other items recognised in equity	(2,243)	(5,456)
Comprehensive income	315,344	315,374
Data per share (in euro)		
Basic	1.5346	1.529
Diluted	1.5079	1.508

Basic earnings per share are calculated on average shares outstanding in the relative periods, consisting of 205,483,735 shares in 2025 and 206,316,241 shares in 2024. The figures are calculated net of average treasury stock held, which amounted to an average of 3,641,421 shares in 2025 and 2,808,915 shares in 2024.

Diluted earnings per share are calculated taking into account rights granted to the beneficiaries of stock option and performance share plans.

The notes to the financial statements form an integral part of these financial statements.



RECORDATI S.P.A.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED 31ST DECEMBER 2025 AND 31ST DECEMBER 2024

€ (thousands)	Share capital	Additional paid-in capital	Treasury stock	Statutory reserve	Other reserves			Revaluation reserves	Interim dividend	Net (loss)/income for the year	Total
					Sundry reserves	Reserve for derivatives	Stock option reserve - Performance shares reserve and/or Other IAS reserves				
Balance as at 31st December 2023	26,141	83,718	(127,970)	5,228	89,678	(286)	167,050	2,602	(117,396)	224,017	352,782
Allocation of 2023 net income as per shareholders' resolution dated 22.04.2024											
<i>Dividends distributed</i>					(23,457)				117,396	(224,017)	(130,078)
<i>Retained earnings</i>											0
Sales of treasury stock			115,423				(22,752)				92,671
Repurchase of treasury stock			(119,023)								(119,023)
Dividends expired					14						14
Interim dividends									(123,949)		(123,949)
Comprehensive income					(142)	(1,403)	(3,911)			320,830	315,374
Stock option valuation reserve							6,118				6,118
Performance shares valuation reserve							11,337				11,337
Balance as at 31st December 2024	26,141	83,718	(131,570)	5,228	66,093	(1,689)	157,842	2,602	(123,949)	320,830	405,246
Allocation of 2024 net income as per shareholders' resolution of 29.04.2025											
<i>Dividends distributed</i>					58,928				123,949	(320,830)	(137,953)
<i>Retained earnings</i>											0
Sales of treasury stock			49,246				(4,685)				44,561
Repurchase of treasury stock			(157,055)								(157,055)
Dividends expired					15						15
Interim dividends									(128,783)		(128,783)
Comprehensive income					(142)	1,672	(3,773)			317,587	315,344
Stock option valuation reserve							2,472				2,472
Performance shares valuation reserve							15,224				15,224
Balance as at 31st December 2025	26,141	83,718	(239,379)	5,228	124,894	(17)	167,080	2,602	(128,783)	317,587	359,071

The notes to the financial statements form an integral part of these financial statements.



RECORDATI S.P.A.

CASH FLOW STATEMENT FOR THE YEARS ENDED 31ST DECEMBER 2025
AND 31ST DECEMBER 2024

€ (thousands)	2025	2024
OPERATING ACTIVITIES		
Net income	317,587	320,830
Income taxes	174	9,585
Net interest	87,027	109,857
Income from investments	(344,319)	(283,209)
Depreciation and impairment of property, plant and equipment	14,038	12,875
Amortisation and impairment of intangible assets	49,024	40,830
Equity-settled share-based payment transactions	6,116	6,639
Other non-cash items	16,364	(1,968)
Changes in other assets and other liabilities	5,201	30,266
Cash flow from/(used in) operating activities before changes in working capital	151,212	245,705
Change in inventories	(11,437)	2,190
Change in trade receivables	(26,700)	(43,045)
Change in trade payables	18,522	28,868
Change in working capital	(19,615)	(11,987)
Interest received	14,895	5,332
Interest paid	(129,371)	(100,713)
Income taxes paid	(29,675)	(3,287)
Cash flow from/(used in) operating activities	(12,554)	135,050
INVESTMENT ACTIVITIES		
Investments in property, plant and equipment	(20,716)	(17,219)
Disposals of property, plant and equipment	5	3
Investments in intangible assets	(31,163)	(10,909)
Disposals of intangible assets	-	2,301
Investments in subsidiaries	-	(5)
Dividends received	342,321	283,209
Change in financial receivables	164,091	(686,614)
Changes in other short-term receivables	2,709	(10,809)
Cash flow from/(used in) investing activities	457,247	(440,043)



RECORDATI S.P.A.

CASH FLOW STATEMENT FOR THE YEARS ENDED 31ST DECEMBER 2025
AND 31ST DECEMBER 2024

€ (thousands)	2025	2024
FINANCING ACTIVITIES		
New loans	470,000	1,020,000
Repayment of loans	(451,048)	(312,927)
Payment of lease liabilities	(1,467)	(1,310)
Change in short-term payables to banks and other lenders	(4,179)	(82,303)
Loans received from/(repaid to) subsidiaries	(127,176)	68,277
Changes in other short-term payables	37,873	209
Dividends paid	(267,556)	(253,718)
Repurchase of treasury stock	(157,055)	(119,023)
Sales of treasury stock	44,561	92,670
Cash flow from/(used in) financing activities	(456,047)	411,875
Change in cash and cash equivalents	(11,354)	106,882
Net cash and cash equivalents at beginning of year	135,444	28,562
Cash and cash equivalents at year-end	124,090	135,444

The notes to the financial statements form an integral part of these financial statements.



RECORDATI S.P.A.

INCOME STATEMENT IN ACCORDANCE WITH CONSOB RESOLUTION NO. 15519 OF 27TH JULY 2006

INCOME STATEMENT

Amounts in euro	2025		2024	
		of which related parties		of which related parties
Net revenue	613,320,245	355,336,157	678,930,869	422,812,192
Other income	4,788,254	6,000	10,660,692	148,792
Total income	618,108,499		689,591,561	
Raw materials costs	(193,063,109)	(34,986,369)	(182,689,311)	(27,059,596)
Personnel costs	(115,680,393)		(111,046,220)	
Depreciation and amortisation	(63,062,686)		(53,704,686)	
Other operating expenses	(196,094,270)	(29,446,655)	(183,696,711)	(33,592,962)
Changes in inventories	11,437,467		(2,190,414)	
Operating income	61,645,508		156,264,219	
Income from investments	344,318,510	344,318,510	283,209,292	283,209,292
Financial income/(expense), net	(88,203,153)	7,207,584	(109,058,369)	(34,001,864)
Pre-tax income	317,760,865		330,415,142	
Income taxes	(174,342)		(9,584,855)	
Net income	317,586,523		320,830,287	



RECORDATI S.P.A.

BALANCE SHEET IN ACCORDANCE WITH CONSOB RESOLUTION N. 15519
OF 27TH JULY 2006

ASSETS

Amounts in euro	31st December 2025		31st December 2024	
		of which related parties		of which related parties
Non-current assets				
Property, plant and equipment	115,317,529		105,655,162	
Goodwill	16,944,333		16,944,333	
Intangible assets	544,449,151		547,309,638	
Investments	1,857,995,178		1,851,188,778	
Other non-current financial assets	550,545,359	550,435,907	718,458,401	718,372,834
Deferred tax assets	6,474,507		11,844,642	
Total non-current assets	3,091,726,057		3,251,400,954	
Current assets				
Inventories	118,591,913		107,154,445	
Trade receivables	214,625,500	147,363,717	187,925,835	127,270,761
Other receivables	41,914,623	13,018,079	30,463,683	14,704,671
Other current assets	2,998,980		2,697,238	
Derivatives measured at fair value	4,903,239		14,166,162	
Receivables for dividends	2,025,586	2,025,586	-	-
Other short-term financial receivables	103,890,673	103,890,673	81,559,769	81,559,769
Cash and cash equivalents	124,089,812		135,444,133	
Total current assets	613,040,326		559,411,265	
Total assets	3,704,766,383		3,810,812,219	



RECORDATI S.P.A.

BALANCE SHEET IN ACCORDANCE WITH CONSOB RESOLUTION N. 15519
OF 27TH JULY 2006

EQUITY AND LIABILITIES

Amounts in euro	31 st December 2025		31 st December 2024	
		of which related parties		of which related parties
Equity				
Share capital	26,140,645		26,140,645	
Additional paid-in capital	83,718,523		83,718,523	
Treasury stock	(239,379,359)		(131,570,438)	
Statutory reserve	5,228,129		5,228,129	
Other reserves	291,957,466		222,245,778	
Revaluation reserve	2,602,228		2,602,229	
Interim dividend	(128,782,972)		(123,948,886)	
Net income	317,586,522		320,830,287	
Total equity	359,071,182		405,246,267	
Non-current liabilities				
Loans – due after one year	2,061,590,673		2,090,155,851	
Employee benefit obligations	3,211,926		3,667,452	
Other non-current financial liabilities	-	-	83,736,822	83,736,822
Total non-current liabilities	2,064,802,599		2,177,560,125	
Current liabilities				
Trade payables	145,623,021	83,149,933	127,101,336	57,001,208
Other current payables	75,786,189	5,085,133	43,931,330	6,013,205
Tax liabilities	3,295,867		20,252,565	
Provisions	10,126,352		9,289,715	
Derivatives measured at fair value	3,843,525		4,857,871	
Borrowings – due within one year	287,258,548		247,903,167	
Payables to banks	19,445,345		18,168,894	
Other short-term financial liabilities	735,513,755	735,513,755	756,500,949	756,500,949
Total current liabilities	1,280,892,602		1,228,005,827	
Total equity and liabilities	3,704,766,383		3,810,812,219	



RECORDATI S.P.A.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2025

1. GENERAL INFORMATION

These financial statements as at and for the year ended 31st December 2025, have been prepared by Recordati Industria Chimica e Farmaceutica S.p.A. (hereinafter the “Company” or “Recordati”), and they were approved by the Board of Directors on 19th March 2026 which authorised their publication.

Recordati Industria Chimica e Farmaceutica S.p.A. is a listed joint-stock company registered and with service address in Italy. These financial statements are available at the registered address of the Company at 1 Via Matteo Civitali, Milan.

The Company’s activities include the development, production and marketing of pharmaceutical products or of pharmaceutical chemicals. The Company operates in a broad and diverse context which includes general medicine, specialist medicine, self-medication and rare diseases. In addition to being present in the cardiovascular field and in that of hypertension in particular, Recordati is also active in that of urology, with treatments for benign prostatic hyperplasia and male functional disorders, and in psychiatry.

The annual company financial statements comprise the income statement, the balance sheet, the statement of other comprehensive income, the statement of changes in equity, the cash flow statement and these notes to the financial statements.

The annual financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union and also by regulations issued to implement Art. 9 of Legislative Decree No. 38/2005. Details of the accounting standards adopted by the Company are given in note 2 to the financial statements.

The presentation adopted by the Company for the income statement in the separate company annual financial statements classifies revenues and expenses by nature. The distinction between the principle of current and non-current has been adopted for the presentation of assets and liabilities in the balance sheet. The indirect method was used to prepare the cash flow statement.

These financial statements are presented in euro (€) and all amounts in the notes to the statements are rounded to the nearest thousand euro unless otherwise stated.

SEGMENT REPORTING

The Company’s only operating segment is the Specialty & Primary Care segment. Furthermore, the pharmaceutical chemicals business is considered an integral part of the Specialty & Primary Care segment because from an organisational and strategic viewpoint it is involved principally in the production of the active ingredients required to produce pharmaceuticals.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In compliance with Legislative Decree No. 38 of 28th February 2005 (which implements the options provided for by Art. 5 of Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19th July 2002 concerning the application of international accounting standards), the annual company financial statements have been prepared by applying the International Financial Reporting Standards (IFRS) issued or revised by the International Accounting Standards Board (IASB) and endorsed by the European Union and also the regulations issued in implementation of Art. 9 of Legislative Decree No. 38/2005. These annual financial statements have been prepared using the same accounting standards as those applied in the last annual financial statements. The Company has not adopted any new standard, interpretation or amendment in advance that has been issued, but is not yet in force.



The financial statements have been prepared on a going concern basis, because the Directors have found no cash flow, operational or other indicators to suggest that the company might face difficulties in its ability to meet its obligations in the foreseeable future and in the next twelve months in particular. Account has been taken of the impacts, and also the potential impacts, resulting from the Russian-Ukraine crisis when making estimates and the related assumptions required to draft this financial report. The Group operates on the Russian market, in compliance with the regulations in force, and on the Ukrainian market with revenues in 2025 amounting to 5.9% and to 0.7% respectively of the Group's total revenue.

The Group constantly monitors developments in the conflict, as well as possible developments in the geopolitical environment and their consequences on business strategies in order to adopt mechanisms to safeguard its competitiveness, investments, performance and resources. The same approach is also adopted to the potential impacts of any changes to US legislation that might affect the pharmaceutical sector.

In view of studies performed when preparing this financial report and also in consideration of the achievement of its expected results in the sector to which it belongs, no factors have been identified to-date which might have any significant impact on the financial statements.

Adoption of new standards

The accounting standards adopted for the preparation of this financial report are consistent with those used for the preparation of the financial report for the year ended 31st December 2024, except for the adoption of new standards and amendments effective from 1st January 2025. The Company has not adopted any new standard, interpretation or amendment in advance that has been issued, but is not yet in force.

A description of new standards, interpretations and amendments for which application is mandatory from 1st January 2025 is given below. On the basis of assessments carried out these have had no significant impacts on the annual financial statements as at and for the year ended 31st December 2025.

Amendments to IAS 21: Lack of exchangeability

The amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" state how an entity should consider whether a currency is exchangeable and how to determine the spot exchange rate when a currency is not exchangeable. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

Standards issued but not yet in force

Standards and interpretations that had already been issued but were not yet in force at the date of preparation of the Company's financial statements are illustrated below. The Company intends to adopt these standards and interpretations, if applicable, when they come into force.

- *IFRS 18 - Presentation and Disclosures in Financial Statements*

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of the income statement, including specific totals and subtotals. Furthermore, entities will have to classify all costs and income within the income statement into five categories: operating, investing, financing, income taxes and discontinued operations, where the first three categories are new.

The standard also requires disclosure based on the new definition of management-defined performance measures (MPMs), subtotals of costs and revenues, and it includes new provisions for the aggregation and disaggregation of financial information based on the identified roles of the primary financial statements (PFS) and notes.



In addition, amendments have been made to IAS 7 Cash Flow Statements, which include changing the starting point for determining cash flows from operating activities using the indirect method from profit or loss to operating profit or loss and removing the option to classify cash flows from dividends and interest. Furthermore, consequential amendments have been made to several other accounting standards.

IFRS 18, and amendments to other standards, are effective for financial years beginning on or after 1st January 2027, but early application is permitted but only if disclosed. IFRS 18 will be applied retrospectively.

The Company is currently working to identify the impacts that the changes will have on its financial statements and notes to the financial statements. Preliminary assessments of the main expected impacts on the Company's balance sheet are as follows:

- rental income, changes in fair value relating to investment property and the share of profits of a subsidiary and a joint venture will be classified under "investment" in the income statement;
 - foreign exchange differences will be classified within the category in which the related income and expenses that gave rise to the exchange difference were classified and new supplementary information will be introduced with reference to: a) management defined performance measures; b) costs by nature if these costs are presented by function in the "operating" category in the statement of profit/(loss) for the year; c) a reconciliation for each item in the income statement between the amounts restated in accordance with IFRS 18 and those previously presented in accordance with IAS 1;
 - interest income and interest expense will be classified under investment and financing activities, respectively, in the cash flow statement.
- *IFRS 19 – Subsidiaries without Public Accountability: Disclosures*

In May 2024, the IASB issued IFRS 19, which allows eligible entities to opt for a reduction in their disclosure requirements while continuing to apply the provisions for recognition, measurement and presentation in other IFRS accounting standards. In order to be eligible at the end of the year, an entity must be a subsidiary as defined under IFRS 19, it must not have "public accountability" and must have a parent company (ultimate or intermediate) which prepares consolidated financial statements, available to the public, drawn up in compliance with IFR accounting standards.

IFRS 19 will become effective for financial years beginning on or after 1st January 2027, with the possibility of early application.

As the Company's shares are publicly listed, the Company is not eligible for the application of IFRS 19."

- *Amendments to the classification and Measurement of the financial Instruments – Amendments to IFRS 9 and IFRS 7*

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, entitled Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The changes include:

- a clarification according to which a financial liability is derecognised at the "settlement date" and the introduction of an accounting policy choice (if specific conditions are satisfied) to derecognise financial liabilities settled through electronic payment systems before the settlement date;
- additional guidance on how to assess contractual cash flows for financial assets with environmental, social and governance (ESG) or similar characteristics;
- clarification on the characteristics of a "non-recourse feature" and which are characteristics of contractually linked instruments;



- the introduction of disclosure requirements for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods beginning on or after 1st January 2026, with early adoption permitted only for the classification of financial assets and related disclosures.

The Company does not expect the amendments to have a significant impact on the consolidated financial statements.

- *Annual Improvements to IFRS Accounting Standards - Volume 11*

In July 2024, the IASB issued nine limited-scope amendments as part of its periodic maintenance of IFRS. The amendments include clarifications, simplifications, corrections or changes aimed at improving consistency in the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and the related Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.

The amendments will take effect for administrative periods beginning on or after 1st January 2026. Early adoption is permitted, provided that adequate information is provided.

These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

- *Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7*

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7, Contracts Referencing Nature-dependent Electricity. The changes apply solely to contracts that refer to this type of electricity and:

- they clarify the application of own-use requirements for contracts falling within their scope of application;
- they modify the requirements for the designation of a hedged item in a cash flow hedge relationship for the contracts in question;
- they introduce new disclosure requirements to enable investors to understand the effects of such contracts on a company's financial performance and cash flows.

The amendments will take effect for administrative periods beginning on or after 1st January 2026. Early adoption is permitted, provided that adequate information is provided.

The amendments relating to the own-use exception must be applied retrospectively, while those relating to hedge accounting must be applied prospectively to new designated hedging relationships from the date of first-time adoption. Furthermore, the amendments to the disclosures required by IFRS 7 must be implemented in conjunction with the amendments to IFRS 9. If an entity does not restate comparative information, it may not present comparative disclosures.

The Company does not expect these changes to have a significant impact on its financial statements.

Use of estimates

The preparation of financial statements requires estimates and assumptions to be made by directors based on the best possible assessments that have an impact on the values of revenue, expenses, assets and liabilities in the balance sheet and disclosure of contingent assets and liabilities as at the balance sheet date. If in the future those estimates and assumptions should differ from the actual circumstances, they shall be modified appropriately in accordance with the changes in the circumstances.



A brief description is given below of those items in the financial statements which more than others require greater discretion on the part of directors in making estimates and for which a change in the conditions underlying the assumptions used could have a significant impact on financial data.

- *Investments in subsidiaries:* in compliance with the accounting standards applied, investments in subsidiaries are subject to impairment testing to ascertain whether a reduction in value has occurred, which is recognised with a write-down, when indicators exist which predict difficulty in realising the relative recoverable amount. Testing whether the aforementioned indicators exist requires the directors to make subjective assessments based on information available within the Company and on the market and on historical experience. Furthermore, if it is found that potential impairment may have occurred, the Company proceeds to measure it by using the measurement techniques considered most appropriate. Accurate identification of indicators of potential impairment and estimates to calculate it depend on factors which may change over time thereby influencing assessments and estimates made by the directors.
- *Goodwill:* according to the accounting standards applied by the Company, goodwill is subject to an annual impairment test to ascertain whether a reduction in value has occurred. That test requires the use of discretionary assessments by directors based on the information available within the Company and on the market as well as on past experience. These assessments also depend on factors which may change over time, thereby influencing assessments and estimates made by Management. Furthermore, if it is found that potential impairment may have occurred, the Company proceeds to measure it by using the measurement techniques considered most appropriate.
- *Provisions:* in some circumstances the decision as to whether or not a present obligation (legal or constructive) exists is not easy to make. Management assesses these circumstances on a case-by-case basis in combination with an estimate of the funds required to meet the obligation. When Management considers that it is only possible that a liability will arise, then the risks are reported in a special section of the report on commitments and risks without any recognition of a provision.
- *Deferred tax assets:* recognition must be supported by a plan to recover these assets based on hypotheses and assumptions that Management considers reasonable.
- *Inventories:* stock that may be obsolete or that has a slow turnover is periodically tested for impairment and is written down where the net realisable value is less than the carrying amount. Write-downs are based on assumptions and estimates resulting from experience and historical results.
- *Financial instruments:* trade receivables are adjusted by the relative allowances for bad debts to take account of their actual recoverable amount. Calculation of the amount of write-downs requires Management to make subjective assessments with account therefore taken of past events, current conditions and forecasts of future economic conditions.

Generally, methods for measuring the fair value of financial instruments for accounting or disclosure purposes are summarised below with reference made to the main categories of financial instruments to which they apply:

- derivative instruments: appropriate pricing models are used based on market values for interest rates;
- loans and borrowings and unlisted financial assets: the discounted cash flow method (based on the present value of expected cash flows in consideration of current interest rates and credit ratings) is used for financial assets with maturities of greater than one year for measurement of the fair value on first-time recognition. Subsequent recognition is carried out using the amortised cost method;
- listed financial instruments: the market price as at the reporting date is used.



IFRS 13 requires the fair value of financial instruments to be measured by classifying them on the basis of a hierarchy of levels laid down by the standard itself, which reflects the degree of observability of the market inputs used in the calculation of the fair value.

The following levels are identified:

- Level 1: unadjusted quotations recorded on active markets for assets or liabilities subject to measurement;
- Level 2: inputs that are not quoted prices as per level 1, but which are observable on the market, either directly (as in the case of prices) or indirectly (i.e. because they are derived from prices);
- Level 3: inputs that are not based on observable market data.

Balance Sheet

Property, plant and equipment – Property, plant and equipment is recognised at historic cost net of the relative accumulated depreciation and any accumulated impairment. Subsequent costs are only capitalised when it is probable that the future economic rewards will flow to the Company. The costs for ordinary maintenance and repairs are recognised through profit or loss at the time at which they are incurred.

The carrying amount of property, plant and equipment is subject to impairment testing to measure any loss in value when events or situations occur which indicate that the carrying amount of the assets can no longer be recovered (see paragraph on impairment for details).

Depreciation is calculated on a straight-line basis using rates which are held to be representative of the estimated useful life of the assets:

- Industrial buildings 2.5% - 5.5%
- Plant & machinery 10% - 17.5%
- Other equipment 12% - 40%

The depreciation of an asset begins when it is installed and is ready for use or, in the case of self-constructed assets, when the assets have been completed and are ready for use.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Leases – The Company has applied IFRS 16 using the modified retrospective approach.

Accounting model for the lessee – At the start of a contract or when changes are made to a contract that contains a lease component, the Company allocates the consideration for the contract to each lease and non-lease component on the basis of the relative prices. At the date of inception of a lease contract, the Company recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost inclusive of the amount of the initial lease liability, adjusted for payments due for leasing carried out at the date of or before the date of inception, plus the direct costs incurred and an estimate of the costs that the lessee will have to bear for disassembly and removal of the underlying assets and to restore the underlying assets or the site in which it is located, net of lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the date of inception until the end of the lease contract unless the lease transfers ownership of the underlying asset to the Company at the end of the lease contract or, considering the cost of the right-of-use asset, it is expected that the Company will exercise its purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, calculated on the same basis as that used for property, plant equipment. Furthermore, standard practice is followed to reduce the value of the right-of-use asset for impairment and it is adjusted to reflect any changes resulting from subsequent measurements of the lease liability.



The Company measures lease liabilities at the present value of the payments due for the lease not paid at the date of inception, discounted using the interest rate implicit in the lease. If it is not possible to calculate that rate easily, the Company uses the incremental borrowing rate. Generally, the Company uses the incremental borrowing rate as the discount rate.

The Company's incremental borrowing rate is calculated on the basis of interest rates obtained from various external sources of financing, which are then adjusted to reflect the terms and conditions of the lease and the type of asset leased.

Payments due for the lease included in the measurement of the lease liability are comprised of:

- fixed payments (including "in-substance" fixed payments);
- variable lease payments due that depend on an index or a rate, initially measured using an index or rate as at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, the payments due for a lease period where the Company has the option to extend it if the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease in advance, unless the Company is reasonably certain that it will not terminate the lease in advance.

Lease liabilities are measured at amortised cost using the effective interest rate criteria and are measured again: if there is a change in the future payments due for the lease resulting from a change in an index or rate; if there is a change in the amount that the Company expects will be due under residual value guarantees; or if the Company changes its assessment of whether or not it will exercise a purchase, extension or termination option; or if there is a change in the "in-substance" fixed payments due.

When a lease liability is remeasured, the lessee makes a corresponding change to the relative right-of-use asset. If the carrying amount of a right-of-use asset is reduced to zero, the lessee recognises that change in net income for the year.

The Company recognises right-of-use assets which do not satisfy the requirement to be defined as investment property within the item "Property, plant and equipment" in the balance sheet and lease liabilities within the item "Loans".

Short-term leases and leases of low-value assets – The Company has decided not to recognise right-of-use assets and lease liabilities relating to low-value assets and short-term leases, including computer equipment. The Company recognises the relative payments due for these leases as an expense on a straight-line basis over the lease term.

Intangible assets – An intangible asset is recognised only if it can be identified, if it is probable that it will generate future economic rewards and its cost can be measured reliably. Intangible assets are recognised at purchase cost, net of amortisation calculated on a straight-line basis and on the basis of their estimated useful life which, however, cannot exceed 20 years. Patents, licences and know-how are amortised from the year of the first sale of the relative products. Amortisation of distribution and licence rights is generally calculated over the duration of the contract using the following percentages held to be representative of the estimated useful life of the assets:

- patents and sales authorisations: 5% - 33%.
- distribution licences, trademarks and similar rights: 5% - 25%

Goodwill – Goodwill arising from acquisitions and/or mergers is allocated to the individual cash-generating unit to which it belongs. A cash-generating unit to which goodwill has been allocated shall be tested for impairment annually, and whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit with the recoverable amount of the unit. If the recoverable amount of the unit exceeds the carrying amount of the unit, the unit and the goodwill allocated to that unit shall be regarded as not impaired. If the carrying amount of the unit exceeds the recoverable amount of the unit, the entity shall recognise the impairment loss. The main assumptions used to calculate the value in use regard the expected



operating cash flows during the period over which the calculation is made, the discount rate and the growth rate of the single cash generating unit considered.

Impairment – At each balance sheet date, or more frequently if necessary, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the greater of net selling price and value in use. In measuring value in use, the estimated future cash flows are discounted to their present value using a discount rate net of tax that reflects current market assessments of the time value of the money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be lower than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised. A reversal of an impairment loss is recognised as income immediately.

Investments in subsidiaries – Investments in subsidiaries, which are those entities over which the Company holds control, are recognised at cost of purchase adjusted for impairment. Positive differences arising at the time of purchase between the purchase cost and the quota of the equity at present values held in the subsidiary attributable to the Company are therefore included in the carrying amount of the investment.

In compliance with the accounting standards applied, in the presence of specific impairment indicators the value of investments in subsidiaries, measured on the basis of the cost criterion, is subject to impairment testing. More specifically, the value of investments is tested for impairment if the stated value of the investment in the separate financial statements is greater than the carrying amount of the net assets of the investment, with account also taken of the effects of any implicit gains recognised and tested in the consolidated financial statements. For the purposes of impairment testing, the carrying amount of investments is compared with the recoverable amount, defined as the higher of the value in use and the fair value less costs to sell. If the recoverable amount of an investment is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount. The reduction constitutes impairment and is recognised through profit and loss.

For the purposes of the impairment testing, the fair value is measured on the basis of the market value of the investment, regardless of the percentage of ownership. For investments in unlisted companies, the fair value is measured on the basis of valuation techniques, including the market-multiples approach.

The value in use on the other hand is measured by applying the “discounted cash flow - equity side” criterion, which consists of calculating the present value of future cash flows which it is estimated will be generated by the subsidiary, inclusive of cash flows from operating activities and the consideration resulting from the final sale of the investment, net of the financial position as at the measurement date.

When calculating estimated future cash flows, the Company takes due consideration of risks related to climate change issues, inclusive of the applicable regulations. It assesses whether they could have a significant impact on the estimate of the recoverable amount and where necessary this includes the impacts on cash flow forecasts for the estimate of value in use.

If the necessary conditions for a previous write-down are reversed, the carrying amount of the investment is also reversed with recognition through profit and loss, up to the limits of the original cost.

According to IFRS 2, incentive plans for the employees of subsidiaries constitute an increase in the value of the relative investments. That increase in value consists of the fair value of the options on the grant date and



it is recognised as an increase in the investments at constant rates over the period between the grant and the vesting date, with the balancing entry recognised directly in equity.

Financial instruments

Recognition and measurement

Trade receivables and debt securities in issue are recognised at the time they are originated. All other financial assets and liabilities are recognised initially on the date they are traded and that is when the Company becomes a party to the contract underlying the financial instrument. The following are exceptions to this: trade receivables that do not contain a significant financial component, financial assets and liabilities that are initially recognised at more or less fair value or, if lower, at the present value of the minimum payments due for leases. On initial recognition, trade receivables which do not have a significant financial component are recognised at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified on the basis of its measurement: amortised cost; fair value recognised through the comprehensive income (FVOCI) – debt security; (FVOCI) – equity; or at fair value recognised through profit or loss (FVTPL).

Financial assets are not reclassified after their initial recognition unless the Company modifies its business model for the management of financial assets. In this case all the financial assets concerned are reclassified on the first day of the financial year after the business model is changed.

A financial asset must be measured at amortised cost if both the following conditions are met and it is not designated as at FVTPL:

- it is held as part of a business model the objective of which is to hold it in order to collect the relative contractual cash flows;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding to be repaid.

A financial asset must be measured at FVOCI if both the following conditions are met and it is not designated as at FVTPL:

- it is held as part of a business model the objective of which is achieved both by the collection of the contractual cash flows and by the sale of the financial assets;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding to be repaid.

On the initial recognition of a security that is not held for trading, the Company may make an irrevocable choice to recognise subsequent changes in fair value through other comprehensive income. The choice is made for each asset.

All financial assets not classified as recognised at amortised cost or at FVOCI are recognised, as stated previously, at FVTPL. They include all derivatives. On initial recognition, the Company may irrevocably designate a financial asset as measured at fair value through profit or loss if by doing so it eliminates or significantly reduces an accounting mismatch which would otherwise result from the measurement of the financial asset at amortised cost or at FVOCI.



Financial assets: subsequent measurement and profits and losses

- **Financial assets measured at FVTPL**

These assets are subsequently measured at fair value. Net profits and losses, inclusive of dividends or interest received, are recognised through profit or loss.

- **Financial assets at amortised cost**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, gains and losses on foreign exchange rates and impairment are recognised through profit and loss as are any profits or losses resulting from derecognition.

- **Debt securities measured at FVOCI**

These assets are subsequently measured at fair value. Interest income measured using the effective interest rate method, gains and losses on foreign exchange rates and impairment are recognised through profit or loss. Other net profits and losses are recognised through comprehensive income. On derecognition accumulated gains or losses recognised through other comprehensive income are reclassified as recognised through profit or loss.

- **Equities measured at FVOCI**

These assets are subsequently measured at fair value. Dividends are recognised through profit or loss unless they clearly represent a recovery in the value of the investment. Other net profits and losses are recognised through other comprehensive income and are never reclassified as recognised through profit or loss.

Financial liabilities: classification, subsequent measurement and profits and losses

Financial liabilities are classified as recognised at amortised cost or at FVTPL. A financial liability is classified as recognised at FVTPL when it is held for trading, is a derivative or is designated as such on initial recognition. Financial liabilities recognised at FVTPL are measured at fair value and any changes in their value, inclusive of interest expense, are recognised through profit or loss. Other financial liabilities are subsequently recognised at amortised cost using the effective interest method. Interest expense and gains and losses on foreign exchange rates are recognised through profit or loss, as are any profits or losses resulting from derecognition.

Derecognition**Financial assets**

Financial assets are derecognised when the contractual rights to the cash flows from them expire, when the contractual right to receive the cash flows as part of a transaction in which all the risks and rewards of ownership of the financial asset are transferred or when the Company neither transfers nor maintains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset.

The company is involved in transactions that involve the transfer of assets recognised in its accounts, but retains all or substantially all the risks and rewards arising from the transferred asset. In these cases the assets transferred are not derecognised.



Financial liabilities

The Company derecognises a financial liability when the obligation specified in the contract is discharged or cancelled or expires. The Company also derecognises a financial liability when there is a change in the terms of the contract and the cash flows of the modified liability are substantially different. In this case a new financial liability is recognised at fair value on the basis of the modified terms of the contract.

The difference between the carrying amount of the financial liability extinguished and the consideration paid (inclusive of assets that do not consist of cash transferred or liabilities taken on) is recognised through profit or loss.

Netting

Financial assets and liabilities can be netted and the amount resulting from that netting is recognised if, and only if, at the time the Company has the legal right to net the amounts and intends either to settle the balance on a net basis or realise the asset and settle the liability at the same time.

Derivatives and hedges (hedge accounting)

The Company uses derivatives to hedge its positions that involve foreign exchange and interest-rate risks. Derivatives are initially measured at fair value. After initial recognition, derivatives are measured at fair value and the relative changes are usually recognised through profit or loss.

The Company designates some derivatives as hedging instruments to hedge against changes in cash flows relating to highly probable transactions resulting from fluctuations in foreign exchange and interest rates and some derivatives and non-derivative financial liabilities as instruments to hedge against foreign exchange risk on a net investment in a foreign operation. At the start of the designated hedging relationship the Company documents its risk management objectives, the hedging strategy, the economic relationship, the hedging instrument and whether changes in the cash flows of the item hedged and of the hedging instrument are offset against each other.

Cash flow hedges

When a derivative is designated as an instrument to hedge against changes in cash flows, the effective portion of the changes in the fair value of the hedging derivative is recognised through other comprehensive income and stated in the cash flow hedge reserve. The effective portion of the changes in fair value of a hedging derivative that is recognised through other comprehensive income is limited to the cumulative change in fair value of the instrument hedged, at present value, since the inception of the hedge. The ineffective portion of changes in the fair value of the derivative is recognised immediately through profit or loss.

When the hedge ceases to meet the qualifying criteria or the hedging instrument is sold, expires or is exercised then hedge accounting is discontinued prospectively. When cash flow hedge accounting ceases, the amount that has accumulated in the cash flow hedge reserve remains in equity until, for a hedge that involves recognition of a non-financial asset or liability, it is included in the cost of the non-financial asset or liability at the time of initial recognition or, for cash flow hedges, it is recognised through profit or loss in the financial year or in the subsequent financial years in which the expected cash flows hedged have an effect on profit or loss.

If future hedged cash flows are no longer envisaged, the amount must be immediately reclassified from the cash flow hedge reserve and from reserve for hedging costs to profit or loss.



Hedging for net investments

When a derivative or a non-derivative financial liability is designated as a hedging instrument for a net investment in a foreign operation, for derivatives, the effective portion of the change in the fair value of the derivative or, for a non-derivative instrument, the gains or losses on exchange rates, are recognised through other comprehensive income and are stated in the currency translation reserve in equity. The ineffective portion is recognised immediately through profit or loss. The amount recognised through other comprehensive income is reclassified to profit or loss on the disposal of the following operation.

Inventories – Inventories are stated at the lower of cost or market value, where the market value of raw materials and subsidiaries is their replacement cost while that related to finished goods and work-in-process is their net realizable value.

Inventories of raw materials and supplies are measured at their average weighted purchase cost including costs incurred in bringing the inventories to their location and condition at year-end.

Inventories of work-in-process and finished goods are measured at their average weighted manufacturing cost which includes the cost of raw materials, consumables, direct labour and indirect costs of production, exclusive of general expenses.

Inventories are written down if the net realisable value is lower than cost as described above or in the case of obsolescence resulting from slow moving stocks.

Cash and cash equivalents – These consist of cash at banks on sight and readily marketable short-term investments and they are measured at market value.

Equity – Equity instruments issued by the Company are recorded at the amount of the proceeds received. All transactions of a capital nature between the Company and parties that exercise their rights and duties in their capacity as shareholders are recognised within that item.

Dividends declared by the Company are recognised as a liability at the time of approval of the resolution to distribute them.

The cost and selling prices of treasury shares are recognised directly in equity and therefore gains and losses on sales are not recognised through profit or loss.

Provisions for employee benefits – Employee benefits are recognised in the balance sheet on the basis of measurements performed as prescribed by IAS 19. The liabilities recognised in the balance sheet for post-employment benefit schemes represent the present value of the defined benefit obligation, as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost. More specifically, the “Projected Unit Credit Method” is used.

All actuarial gains and losses are recognised directly through other comprehensive income and stated in equity. Until 31st December 2006 the post-employment benefit provisions of Italian companies were considered defined benefit plans. The regulations governing those indemnities were amended by Law 296 of 27th December 2006 (2007 Finance Act) and subsequent amendments made in early 2007. In view of those changes and for companies with at least 50 employees in particular, those indemnities are only to be treated as defined benefit plans for the amounts that matured prior to 1st January 2007 (and not yet paid at the balance sheet date), while subsequent to that date they are treated as a defined contribution plan.

Provisions – Provisions are recognised when the Group has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Foreign currencies – Transactions in currencies other than the euro are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in those currencies are retranslated at the rates prevailing on the balance sheet date. Gains and losses on exchange rates are recognised through profit or loss for the period. Non-monetary assets and liabilities, measured at historical cost expressed in foreign currency, are not retranslated on the balance sheet date.



Income statement

The expenses are stated on an aggregate basis in the income statement “by nature”. The choice of this method of presentation is based on the nature of the Company as both a holding and an operating company. The objective is to both optimise and simplify general accounting practices and all the relative compliance activity required by Italian tax regulations.

Revenue – Revenue is measured with account taken of the consideration specified in the contract with the customer. It is recognised when control over the goods or services is transferred and it is stated net of returns, discounts and rebates.

Information on the nature and timing of the satisfaction of performance obligations in contracts with customers and the relative policies for recognition of revenues is given below.

Revenue is mainly comprised of the sales of products and income from license agreements. Sales of products are shown by the net amount of the invoice, less the estimated amounts for discounts and returns, and they are recognised when the control of the goods has been transferred to third parties. This usually occurs when ownership passes to the customer, on shipment or on receipt of the goods, depending on the specific conditions of the sale.

Revenue arising from licensing agreements includes income generated by agreements to collaborate on products for which the Company has granted determined rights under licence but in which it retains a significant economic interests, through, for example, the ordinary sale of finished products. The revenue may take the form of up-front payments, profit-sharing and royalties. When control of the right to use intangible assets is transferred at the beginning of an agreement, the revenue is recognised in one single amount. If the substance of an agreement gives the right of access to intangible assets, the revenues are recognised over time, usually on a straight-line basis for the entire term of the contract. If the Company provides services, such as for example the supply of products, the revenue is recognised for the entire period of the service provision. Revenue linked to the achievement of a sales target by a licensee is recognised in one single amount when the target is reached. Revenue for royalties is recognised in one single amount when the right to receive them vests.

Research and development expenses – R&D expenses are charged to the income statement in the year in which they are incurred in accordance with IAS 38, except in cases where they are capitalised in accordance with that same standard. More specifically, IAS 38 requires development costs to be capitalised if the technical and commercial feasibility for the sale of the products subject to development has been determined with a high probability of success and if future economic rewards are probable. Those expenses include amounts due under collaboration agreements with third parties.

Share based payment transactions – According to IFRS 2, incentive plans for employees constitute a part of the remuneration of the beneficiaries, the cost of which is given by the fair value of the options on the grant date. It is recognised through profit or loss at constant rates over the period between the grant and the vesting date, with the balancing entry recognised directly in equity.

Financial income and expense – These include interest income and expense, foreign exchange gains and losses, both realised and unrealised, and differences arising from the valuation of securities. Interest income and expense is recognised through profit and loss for the period to which it relates using the effective interest rate method.

Taxation – Taxation on income constitutes the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year and tax rates in force at the date of the balance sheet are applied.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will



be available against which deductible temporary differences can be used. Such assets and liabilities are not recognised if the temporary difference arises from goodwill.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised. Deferred tax is recognised directly through profit or loss, except when it relates to items recognised directly in equity, in which case the deferred tax is also recognised in equity.

Deferred tax assets and liabilities are netted when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Earnings per share – Earnings per share is the net profit for the period attributable to ordinary shareholders divided by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by adjusting the average weighted number of outstanding shares for the effects of all the potential dilutive ordinary shares.



3. NET REVENUE

Net revenue for the year ended 31st December 2025 amounted to € 613,320 thousand (€ 678,931 thousand for the year ended 31st December 2024), as detailed below:

€ (thousands)	2025	2024	Changes 2025/2024
Net sales	544,808	593,095	(48,287)
Royalties and up-front payments	5,374	5,404	(30)
Revenue from services	63,138	80,432	(17,294)
Total	613,320	678,931	(65,611)

The € 48,287 thousand reduction in net product sales compared with the previous year was caused mainly by lower sales to subsidiaries in Europe of corporate products, especially in the cardiovascular sector.

Revenues from services were down € 17,294 thousand on the previous year (see the relative table that follows later in the notes for further details).

Net sales revenue was as follows:

€ (thousands)	2025			2024		
	Italy	Abroad	TOTAL	Italy	Abroad	TOTAL
Pharmaceuticals	217,314	262,499	479,813	220,659	313,485	534,144
Pharmaceutical chemicals	1,764	56,534	58,298	1,290	55,678	56,968
Other	730	5,967	6,697	1,375	608	1,983
Total net revenue	219,808	325,000	544,808	223,324	369,771	593,095

Sales of pharmaceutical products in Italy were down 1.5% on the previous year due in particular to the expiry of the Transact Lat[®] licence in 2025 and the decline in sales of Avodart[®] due to a greater sell-in in 2024. This reduction was partially offset by the continued growth of OTC products. More specifically, an increase in sales of Magnesio Supremo[®] occurred during the year, achieved through the Company's network of agents in pharmacies and large-scale retail outlets, based on the distribution agreement in place with the subsidiary Natural Point S.r.l., which owns the rights to the product.

The 16.3% year-on-year reduction in sales of pharmaceutical products abroad was mainly due to lower sales to subsidiaries in Europe, as already mentioned above.

Sales of chemical and pharmaceutical products rose by 2.3% on the previous year, mainly due to an average increase in prices, which offset the negative impact of the exchange rate resulting from the depreciation of the US dollar against the euro, which had a negative impact on value of exports.

The item "Other" relating to foreign sales in 2025 includes margin sharing for sales of Vazkepa made by Amarin on behalf of the Company amounting to € 5,651 thousand.



Net revenue by geographical area was as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Europe	559,592	626,662	(67,070)
<i>of which Italy</i>	222,222	227,454	(5,232)
Australasia	42,239	40,272	1,967
America	10,195	11,042	(847)
Africa	1,294	955	339
Total	613,320	678,931	(65,611)

Net sales included sales of products to subsidiaries, which amounted to € 286,824 thousand (€ 337,167 thousand in 2024), as detailed below:

€ (thousands)	2025	2024	Changes 2025/2024
Recordati Ireland Ltd.	88,980	144,868	(55,888)
Innova Pharma S.p.A.	30,350	31,690	(1,340)
Casen Recordati S.L.	26,433	30,416	(3,983)
Recordati Pharma GmbH	22,838	20,598	2,240
Laboratoires Bouchara Recordati S.a.s.	21,471	24,298	(2,827)
Recordati Polska Sp. z o.o.	17,840	17,165	675
Recordati Romania S.r.l.	15,200	9,055	6,145
Herbacos Recordati s.r.o.	15,092	13,565	1,527
Recordati İlaç Sanayi Ve Ticaret A.Ş.	9,421	5,958	3,463
Jaba Recordati S.A.	9,184	10,619	(1,435)
Recordati Rare Diseases S.à.r.l.	6,334	5,580	754
Rusfic LLC	6,051	5,179	872
Recordati AB	5,694	5,527	167
Recordati BV	3,126	3,034	92
Recordati AG	2,801	5,378	(2,577)
Recordati Pharmaceuticals Ltd.	2,620	651	1,969
Recordati Austria GmbH	1,718	1,631	87
Recordati Hellas Pharmaceuticals S.A.	1,692	1,643	49
Opalia Pharma S.A.	56	34	23
Recordati Ukraine LLC	(77)	280	(357)
Total	286,824	337,167	(50,343)

All trade with subsidiaries was conducted under normal market conditions.



Revenues for royalties, services and up-front payments amounting to € 68,512 thousand (€ 85,836 thousand in 2024), are composed as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Casen Recordati S.L.	18,100	22,940	(4,840)
Herbacos Recordati s.r.o.	749	1,008	(259)
Innova Pharma S.p.A.	1,156	937	219
Italchimici S.p.A.	754	535	219
Jaba Recordati S.A.	2,929	2,032	897
Laboratoires Bouchara Recordati S.a.s.	1,833	1,867	(34)
Natural Point S.r.l.	391	404	(13)
Opalia Recordati S.a.r.l.	295	179	116
Recordati AB	1,144	1,027	117
Recordati AG	3,848	4,769	(921)
Recordati Austria GmbH	454	248	206
Recordati BV	1,170	1,154	16
Recordati Hellas Pharmaceuticals S.A	1,810	2,177	(367)
Recordati Ilaç Sanayi Ve Ticaret A.Ş.	1,304	1,159	145
Recordati Ireland Ltd.	17,839	27,955	(10,116)
Recordati Pharma GmbH	3,012	2,936	76
Recordati Pharmaceuticals Ltd.	654	971	(317)
Recordati Polska S.p. z.o.o.	718	704	14
Recordati Rare Diseases Inc.	1,265	1,160	105
Recordati Rare Diseases S.à.r.l.	952	684	268
Recordati Romania S.r.l.	5,262	3,172	2,090
Recordati UK LTD	1,929	7,029	(5,100)
Recordati Ukraine LLC	130	128	2
Others	814	467	347
Total services and royalties to subsidiaries	68,512	85,645	(17,133)
Royalties and up-front payments	-	191	(191)
Total services and royalties to non-Group entities	-	191	(191)
Total revenue from services and royalties	68,512	85,836	(17,324)

Revenues for royalties from and services provided to subsidiaries related mainly to contracts under the "Group Service Agreement" for services provided on behalf of subsidiaries, to "Supply and Distribution Agreements" for the distribution of GSK products and to the adjustment of product transfer prices in compliance with the arm's length principle.



The decrease in the item compared with the previous year was €17,324 thousand. The main changes with regard to the subsidiaries and the types of service are as follows:

- revenues from Recordati Ireland Ltd included € 15,342 thousand (€ 25,436 thousand in 2024) for adjustments to intercompany transfer prices made for compliance with the arm's length principle and payments received for the use of its know-how granted to Recordati Ireland Ltd;
- revenues from Casen Recordati S.L. were down €4,840 thousand, mainly due to transfer-price adjustments on products for compliance with the arm's length principle;
- revenues from Recordati UK LTD were down €5,100 thousand, mainly due to the success fee charged to the subsidiary in 2024 following the successful completion of the acquisition of Enjaymo®;
- revenues from Recordati AG were down € 921 thousand, mainly due to fewer chargebacks for R&D activities and transfer price adjustments on products for compliance with the arm's length principle;
- revenues from Recordati Romania S.r.l. rose by €2,090 thousand as a result of transfer price adjustments on products to comply with the arm's length principle.

Services and royalties to non-Group entities fell to zero because the previous year the last quota of up-front payments resulting from licence and distribution contracts had been received.

4. OTHER INCOME

Other income for the year ended 31st December 2025 amounted to € 4,788 thousand, down € 5,873 thousand on the previous year (€ 10,661 thousand for the year ended 31st December 2024). The item mainly includes chargebacks to subsidiaries for costs incurred on their behalf, non-recurring income and prior year income, in addition to grants for training courses, insurance refunds and chargebacks and to employees for the use of hire cars.

The year-on-year decrease was due to the combined effect of the following factors: lower income from chargebacks to subsidiaries, down € 3,359 thousand, lower prior year income, down € 1,780 thousand, and lower other income down € 734 thousand, mainly due to lower "4.0, Research and Development and Innovation" tax credits and lower gains from the disposal of assets.

No grants for investments recognised in the income statement have been received for the last five years.



5. RAW MATERIALS COSTS

Costs for raw materials and goods for the year ended 31st December 2025 amounted to € 193,063 thousand (€ 182,689 thousand for the year ended 31st December 2024) and were composed as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Raw materials and goods:	176,510	165,633	10,877
<i>from licensing-in agreements</i>	102,607	100,232	2,375
<i>from others</i>	73,903	65,400	8,503
Packaging materials	9,709	10,225	(516)
Others and consumables	6,844	6,831	13
Total	193,063	182,689	10,374

The change in purchases of raw materials, goods and other materials is due to changes in the production mix to meet sales forecasts and changes in stock per product as well as the impact of increases in inflation occurring on purchasing markets.

Other costs include purchases from Natural Point S.r.l. (€ 16,222 thousand), from Recordati Ireland Ltd (€10,099) thousand, from Italcimici S.p.A. (€ 6,041 thousand), from Casen Recordati S.L. (€ 2,350 thousand), Innova Pharma S.p.A. (€ 263 thousand) and from Recordati İlaç Sanayi Ve Ticaret A.Ş. (€ 11 thousand), resulting in total purchases from subsidiaries of € 34,986 thousand.

6. PERSONNEL COSTS

Personnel costs, which amounted to € 115,680 thousand in 2025 (€ 111,046 thousand in 2024) were composed as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Wages and salaries	78,173	75,765	2,408
Social security payments	24,033	21,848	2,185
Salary resulting from stock option plans	489	2,083	(1,594)
Salary resulting from performance share plans	5,628	4,557	1,071
Other costs	7,357	6,794	563
Total	115,680	111,046	4,634

The expense for incentive plans (stock options and performance shares) results from the application of IFRS 2, which requires the measurement of those instruments in the plans as a component of the wages of the beneficiaries and recognition of the cost calculated in that way through profit and loss.

Stock option plans resulted in a cost of € 489 thousand in 2025, while costs relating to the long-term incentive plan named the "2023-2025 Performance Shares Plan" amounted to € 5,628 thousand.

The increase in Wages and Salaries and related Social Charges compared to the previous financial year is attributable to both the fixed and the variable component of labor costs, as well as the different mix of personnel employed on average in the Company.



Certain Group employees have been designated as beneficiaries of an incentive scheme, with a vesting period of five years, granted and fully financed by Rossini Luxembourg S.à r.l., an indirect shareholder of Recordati S.p.A.. They will benefit from a return at the end of the scheme and if the performance goals are met. Recognition, in accordance with IFRS 2, resulted in a charge recognised in the income statement for 2025 of € 1,152 thousand, which also includes the incentive scheme granted by Rossini Luxembourg S.à.r.l. to the CEO of the Recordati group.

Other costs included the quotas for the year of the leaving indemnity charges destined to pension funds in accordance with the legislation introduced by Law 296 of 27th December 2006.

Average workforce figures for the Company are shown in the table below:

	2025	2024	Changes 2025/2024
Executives	103	100	3
Office workers	632	626	6
Manual workers	347	352	(5)
Total	1,082	1,078	4

Details of numbers of personnel employed by the Company at the end of the year are also reported:

	2025	2024	Changes 2025/2024
Executives	105	101	4
Office workers	627	645	(18)
Manual workers	342	349	(7)
Total	1,074	1,095	(21)



7. DEPRECIATION AND AMORTISATION

The item “Amortisation, depreciation and write-downs” amounted to € 63,063 thousand in 2025 (€ 53,705 thousand in 2024) and included € 42,952 thousand for the amortisation of intangible assets, € 6,072 thousand for write-downs of intangible assets, € 13,841 thousand for depreciation of property, plant and equipment and € 198 thousand for write-downs of property, plant and equipment, as reported below:

€ (thousands)	2025	2024	Changes 2025/2024
Patent rights and marketing authorisations	9,379	9,379	-
Distribution, licenses, trademarks and similar rights	33,573	31,451	2,122
Total intangible amortisation	42,952	40,830	2,122
Distribution, licenses, trademarks and similar rights	6,072	-	6,072
Total intangible write-downs	6,072	-	6,072
Industrial buildings	1,680	1,572	108
General plant	692	650	42
Accelerated depreciation machinery	5,392	4,777	615
Normal depreciation machinery	2,202	1,987	215
Miscellaneous laboratory equipment	1,470	1,443	27
Office furnishings and machines	59	88	(29)
Electronic equipment	606	549	57
Vehicles for internal transport	24	7	17
Improvements to leased assets	113	113	-
Rights of use (IFRS 16)	1,603	1,689	(86)
Total depreciation of property, plant equipment	13,841	12,875	966
Normal depreciation machinery	198	-	198
Total write-downs of property, plant and equipment	198	-	198
Total amortisation, depreciation and write-downs	63,063	53,705	9,358

The increase in the amortisation of intangible assets relates mainly to greater amortisation of S/4 Hana software licences and the amortisation of distribution rights for Vazkepa® (icosapent ethyl), acquired in the first half of 2025 from Amarin with amortisation of € 554 thousand in 2025 (see note 15 – Intangible Assets – for further details).

We also report that during the year the Company wrote down intangible assets for a total of € 6,072 thousand, of which € 4,494 thousand related to the corporate product Reagila® and € 1,578 thousand to the product Colopeg®, calculated on the basis of analyses of the recoverability of the value of the assets. In addition, machinery used in the production of Isocef® was also written down by € 198 thousand when its production was discontinued.



8. OTHER OPERATING EXPENSES

Other operating expenses in 2025 came to € 196,094 thousand (€183,697 thousand in 2024). They were composed as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Royalties payable to non-Group licensors	32,849	32,375	474
Consultancy, services from non-Group entities and other expenses	25,655	29,206	(3,551)
Meetings and scientific publications, market surveys and expenses for medical and scientific communications and advertising	14,154	12,849	1,305
Payback Urorec 20-25	12,762	-	12,762
External processing*	10,020	11,982	(1,962)
Utilities and similar (motor fuel, gas, water, etc.)	8,921	10,702	(1,781)
Company reorganisation costs	8,586	2,008	6,578
Commissions on sales to agents and logistics commissions	8,469	8,084	385
Sundry personnel costs	7,621	6,945	676
Transport and storage	6,639	6,085	554
IT system services and IT connections	6,096	5,267	829
Maintenance	4,582	4,543	39
Directors' fees	2,990	3,005	(15)
Destruction of industrial waste, cleaning and sanitisation	2,684	2,307	377
Sundry taxation and product registration taxes	2,536	2,367	169
Remediation works	2,300	-	2,300
Other Costs	9,783	12,379	(2,596)
Total from non-Group entities	166,647	150,104	16,543
Transfer price margin charges from subsidiaries	11,889	17,843	(5,954)
Intercompany operating expenses and royalties*	17,558	15,750	1,808
Total from intercompany expenses	29,447	33,593	(4,146)
Total other operating expenses	196,094	183,697	12,397

* For 2024, we report the reclassification of € 3,299 thousand out of "External processing" into "Intercompany operating expenses and royalties", of which € 2,394 thousand from the subsidiary Casen Recordati S.L. and € 905 thousand from the subsidiary Laboratoires Bouchara Recordati S.a.s.

Compared with the previous year, costs payable to non-Group entities showed an overall increase of € 12,397 thousand, mainly due to the following:

- a cost of € 12,762 thousand, recognised as payback on Urorec® following a ruling published by the Council of State on 3rd September 2025 (see note 32 for further information).
- higher company reorganisation costs of € 6,578 thousand, mainly following expenses incurred to streamline the sales force in the Specialty & Primary Care segment, the result of continuous efforts to focus our sales strategy on pharmacists and specialist doctors in our main Therapeutic Areas.



- a provision of €2,300 thousand for probable expenses in relation to remediation works to be carried out at the Campoverde production site;
- greater other costs of €1,025 thousand, relating mainly to higher costs for Payback (1.83%) and allowances for doubtful accounts;
- lower costs payable for consultancy, services from non-Group entities and other expenses of € 3,551 thousand, due to lower chargebacks by subsidiaries and other consultancy and services from non-Group entities. These costs include the fees paid to the independent auditors, for which details are provided in Attachment 7 in compliance with Art. 149-*duodecies* of the Consob Issuers' Regulations.
- lower costs for external processing amounting to € 1,962 thousand mainly due to a decrease in the purchase price of production materials;
- utility costs down by € 1,780 thousand due to a fall in energy costs.

Details are given in the relative parts of the Remuneration Report (published in accordance with Art. 123-*ter* of the Consolidated Finance Law) of the following: the remuneration of directors, statutory auditors, general managers and other key management personnel and also shares held in the Company by, and incentive plans for, those same persons.

The item "sundry taxation" amounting to € 2,536 thousand (€ 2,367 thousand in 2024), is composed as follows:

€ (thousands)	2025	2024
Contribution under Decree Law No. 269/2003	259	216
Government licence tax	470	451
IMU (municipal property and service tax)	394	389
Stamp duties and similar	14	15
Sundry taxes	1,399	1,296
Total	2,536	2,367

In compliance with Decree Law 269 of 30th September 2003 converted into Law 326 of 24th November 2003, a contribution was paid in April amounting to 7% of the expenses incurred in the previous year for advertising activities, self-certified by the Company within the legal time limits. Taxes for government licences were attributable to the maintenance of and changes to registrations for ethical and self-medication products and to the registrations of new products. Sundry taxes include Tari (refuse tax), convention and congress registration taxes and Campoverde duties.

Total costs payable to group companies, which came to € 29,447 thousand, (€ 33,593 thousand in 2024) showed a net decrease of € 4,146 thousand year-on-year, the result of € 5,954 thousand of lower product transfer price adjustments to comply with the arm's length criterion (totalling € 11,889 thousand in 2025), and of € 1,808 thousand of greater "Intercompany operating expenses and royalties", which totalled € 17,558 thousand in 2025). The latter composed as follows at year-end:

- Royalties paid of € 147 thousand, of which € 83 thousand to Recordati Ireland Ltd and € 64 thousand to Recordati Rare Diseases Inc.;



- Costs for processing services amounted to € 3,696 thousand, of which € 3,474 thousand was payable to Casen Recordati S.L. and € 222 thousand to Laboratoires Bouchara Recordati S.a.s.;
- Costs for various services amounted to € 10,692 thousand, of which € 5,045 thousand payable to Recordati AG, € 2,347 thousand to Recordati UK LTD, € 796 thousand to Casen Recordati S.L., € 774 thousand to Recordati BV, € 476 thousand to Laboratoires Bouchara Recordati S.a.s., € 460 thousand to Recordati Ireland Ltd, € 432 thousand to Recordati Pharma GmbH, € 235 thousand payable to Recordati Bulgaria Ltd and € 127 thousand payable to Recordati Rare Diseases Germany GmbH;
- Co-promotion costs of € 398 thousand, solely in relation to Innova Pharma S.p.A.;
- Costs for sales services amounted to € 2,625 thousand, of which € 1,236 thousand payable to Recordati BV, €876 thousand to Recordati Pharmaceuticals Ltd, €365 thousand to Recordati AG and €148 thousand to Recordati Polska.

9. CHANGES IN INVENTORIES

In 2025, the item changes in inventories recorded a net positive balance of € 11,437 thousand (a net negative balance of € 2,190 thousand in 2024). The item was composed as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Raw materials, ancillary materials, consumables and stocks	903	(1,359)	2,262
Intermediates and work-in-process	1,323	4,006	(2,683)
Finished products	9,211	(4,837)	14,048
Total	11,437	(2,190)	13,627

10. INCOME FROM INVESTMENTS

In 2025 income from investments amounted to € 344,319 thousand (€ 283,209 thousand in 2024) and consisted entirely of dividends declared by subsidiaries. In detail dividends were declared by Casen Recordati S.L. (€ 123,306 thousand), by Recordati Rare Diseases S.a.r.l. (€ 79,692 thousand), by Recordati AG (€ 53,621 thousand), by Recordati (€ 30,000 thousand), by Italchimici S.p.A. (€ 16,821 thousand), by Natural Point S.r.l. (€ 16,000 thousand), by Recordati Ireland Limited (€ 15,000 thousand), by Recordati Romania Srl (€3,952 thousand), by Herbacos Recordati S.r.o (€ 3,201 thousand), by Recordati Polska S.p. z.o.o. (€ 1,998 thousand) and by Opalia Pharma S.A. (€728 thousand).

These dividends were collected during the year, with the exception of those declared by the subsidiary Recordati Polska S.p. z.o.o, which will be collected in 2026.



11. FINANCIAL INCOME (EXPENSE), NET

In 2025 financial income/(expense) showed net expense of € 88,203 thousand (net expense of € 109,058 thousand in 2024). The item was composed as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Foreign exchange gains (losses)	(1,400)	1,067	(2,467)
Interest income from subsidiaries	35,482	5,447	30,035
Interest expense payable to subsidiaries	(28,274)	(39,449)	11,175
Interest expense on long-term loans	(87,077)	(75,768)	(11,309)
Interest expense on bond debt	(7,677)	(7,137)	(540)
Net interest on short-term financial positions	3,079	10,286	(7,207)
Bank charges	(1,755)	(2,937)	1,182
Costs for adjustment of employee benefit provisions (IAS 19)	(129)	(116)	(13)
Interest expense on lease liabilities (IFRS16)	(452)	(452)	(0)
Total	(88,203)	(109,058)	20,855

The item recorded a reduction in net expense of € 20,855 thousand, mainly due to the combined effect of the following factors:

- an increase in net interest income from subsidiaries of € 30,035 thousand, mainly due to higher interest on loans and in particular the loan granted at the end of 2024 to Recordati UK LTD as part of the transaction to acquire Enjaymo®;
- a decrease of € 11,175 thousand in interest payable to subsidiaries, due to lower interest on cash pooling operations and loans;
- an increase in interest expense on loans and bond issues of € 11,849 thousand, mainly attributable to interest payable on the € 850 million loan taken out at the end of 2024 for the transaction to acquire Enjaymo®, which more than offset the reduction in interest payable on other loans, which decreased both as a result of the decline in interest rates and the progressive repayment of the principal;
- a decrease in net interest income on short-term positions of € 7,207 thousand, mainly due to lower net income on derivative instruments and lower interest on short-term deposits.
- a fall in net foreign exchange gains (losses) of € 2,467 thousand, caused mainly by a write-down of the Russian ruble;

In 2025 the item “Foreign exchange gains (losses)” recorded net losses of € 1,400 thousand (net gains of € 1,067 thousand in 2024) of which € 1,142 thousand related to net gains realised during the year and € 2,542, thousand to net unrealised losses resulting from the valuation as at 31st December 2025 of receivables and payables in foreign currency.



Details of “Interest income from subsidiaries” amounting to € 35,482 thousand (€ 5,447 thousand in 2024) are as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Recordati UK Ltd	33,978	3,341	30,637
Recordati AG	373	1,355	(982)
Recordati Ireland Ltd.	1	105	(104)
Recordati Rare Diseases Japan K.K.	179	97	82
Recordati Netherlands B.V.	705	340	365
Other	245	209	36
Total	35,482	5,447	30,035

This interest income is composed of interest of € 34,718 thousand on loans and € 764 thousand from the centralised cash pooling treasury system in operation at the Company since 2007 on the basis of which monthly interest receivable and payable calculated on the net daily balance is recognised at market rates. As at 31st December 2025 both long-term loans were outstanding, with Recordati UK LTD (€ 536,856) and Recordati Rare Diseases Japan K.K. (JPY €2,500,000 thousand) (JPY €3,700 thousand), as well as short-term loans with Recordati Rare Diseases Australia Pty Ltd (AUD €3,700 thousand), Recordati Rare Diseases Comercio Medicamentos Ltda (€ 1,800 thousand) and Recordati UK LTD (€51,318 thousand).

Details of “Interest expense payable to subsidiaries” amounting to € 28,274 thousand (€ 39,449 thousand in 2024) are as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Casen Recordati S.L.	3,846	6,330	(2,484)
Recordati Netherlands B.V.	-	165	(165)
Recordati UK LTD	2,761	3,362	(601)
Italchimici S.p.A.	436	1,187	(751)
Natural Point S.r.l.	873	1,204	(331)
Recordati Pharma GmbH	2,304	2,525	(221)
Recordati Rare Diseases Inc.	6,247	8,952	(2,705)
Recordati Rare Diseases Italy S.r.l.	175	694	(519)
Recordati Rare Diseases Middle East FZ LLC	277	1,096	(819)
Recordati Rare Diseases S.a.r.l.	5,040	7,220	(2,180)
Rusfic LLC	2,897	2,063	834
Other intercompany companies	3,417	4,651	(1,234)
Total	28,274	39,449	(11,175)

This interest expense consists of € 7,099 thousand on loans granted by subsidiaries and € 21,175 thousand relating to the centralised cash pooling system.

As at 31st December 2025 short-term loans were outstanding from Recordati Rare Diseases Inc (USD 25,000 thousand), Recordati Pharmaceuticals Ltd (GBP 7,500 thousand) and from Recordati Rare Diseases Middle East FZ LLC (€ 16,500 thousand).

Interest expense in respect of personnel leaving indemnities (Italian *trattamento fine rapporto* scheme) relates to the interest cost component of the adjustment to the relative provision in compliance with IAS 19.



12. INCOME TAXES

In 2025 income taxes recognised in the income statement amounted to € 174 thousand (€ 9,585 thousand in 2024). The item was composed as follows:

€ (thousands)	2025	2024	Changes 2025/2024
Current taxation			
IRES (corporate income tax)	(5,575)	11,548	(17,123)
IRAP (regional tax on production)	-	2,237	(2,237)
"Patent Box" tax relief	-	(3,006)	3,006
Prior year taxation	61	141	(80)
Tax assessment 2018-2019	748	-	748
Total current taxation	(4,766)	10,920	(15,686)
Deferred taxation			
Provision for deferred tax assets/liabilities, net	(3,213)	(1,815)	(1,398)
Use of prior year deferred tax assets/liabilities	8,153	6,492	1,661
"Patent Box" tax relief	-	(6,012)	6,012
Total deferred taxation	4,940	(1,335)	6,275
Total	174	9,585	(9,411)

The "Patent Box" tax relief is zero because the agreement entered into with the Revenue Agency on 21st October 2021 for the economic contribution for the period 2021-2024 terminated in 2024.

The Company reported negative IRES and IRAP taxable income for the period ended 31st December 2025, which is why current taxation fell substantially compared with the previous year. Furthermore, the company made no provision, compared with the previous year, for the implementation of the Pillar Two regulations (see note 21 "Other receivables" for further details).

We report that €748 thousand of additional taxation due was recognised during the year following assessments relating to the tax years 2018 and 2019 (see note 21 "Other receivables" for further details).

The provision for deferred tax (assets)/liabilities of € 3,213 thousand is composed as follows:

	2025		2024	
	Temporary differences	Tax impact	Temporary differences	Tax impact
Deferred tax assets				
Provisions (inclusive of agent customer indemnities)	(4,907)	(1,177)	(5,906)	(1,417)
Costs relating to future years	(1,516)	(364)	(1,386)	(333)
Write-down of inventories	(1,113)	(267)	(269)	(65)
Write-down of fixed assets	(6,270)	(1,505)	-	-
Dividends not received	416	100	-	-
Total	(13,390)	(3,213)	(7,561)	(1,815)
Deferred tax assets/liabilities, net		(3,213)		(1,815)



Uses of deferred tax assets and deferred tax liabilities from previous years, amounting to € 8,153 thousand, is reported below:

	2025		2024	
	Temporary differences	Tax impact	Temporary differences	Tax impact
Use (advance) and deferred				
“Patent Box” tax relief	20,547	6,075	17,882	5,288
Provisions (inclusive of agent customer indemnities)	6,481	1,555	1,243	298
Write-down of inventories	720	173	2,216	532
Other	1,458	350	1,524	374
Total	29,206	8,153	22,865	6,492
Use (advance) and deferred		8,153		6,492

The reconciliation between the current tax rate for income tax levied on the Company and the actual tax rate incurred is as follows:

	2025	2024
Tax rate applicable for IRES (corporate income tax)	24.0	24.0
Dividends from subsidiaries	(24.7)	(19.6)
Sundry items	0.1	0.1
Pillar Two	0.0	0.1
Effective tax rate for IRES	(0.6)	4.6
IRAP (regional tax on production)	0.4	1.0
“Patent Box” tax relief	0.0	(2.8)
Prior year taxes	0.0	0.0
Tax assessment 2018-2019	0.2	0.0
Tax rate on pretax net income	0.1	2.9



13. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, net of accumulated depreciation, amounted to € 115,318 thousand as at 31st December 2025 (€ 105,655 thousand at 31st December 2024).

The table below, which also includes the value of right-of-use lease assets in application of IFRS 16, shows the items of which the overall balance is composed and the changes that occurred in the reporting period.

€ (thousands)	Land and buildings	Plant and machinery	Other equipment	Improvements to leased assets	Construction in progress	Total
Cost of acquisition						
Balance as at 31.12.24	59,635	217,939	54,624	1,471	24,647	358,316
Additions	355	4,144	896	-	18,311	23,706
Disposals	-	(993)	(798)	-	-	(1,791)
Reclassifications	2,811	11,419	2,107	-	(16,337)	-
Balance as at 31.12.25	62,801	232,509	56,829	1,471	26,621	380,231
Accumulated depreciation and write-downs						
Balance as at 31.12.24	39,996	169,993	42,550	122	-	252,661
Depreciation for the period	2,101	8,405	3,222	113	-	13,841
Disposals	-	(991)	(796)	-	-	(1,787)
Write-downs for the period	-	198	-	-	-	198
Reclassifications	-	-	-	-	-	-
Balance as at 31.12.25	42,097	177,605	44,976	235	-	264,913
Carrying amount						
31st December 2025	20,704	54,904	11,853	1,236	26,621	115,318
31st December 2024	19,639	47,946	12,074	1,349	24,647	105,655

In 2025 total additions of € 23,706 thousand and gross disposals of € 1,791 thousand were recorded as follows:

- the additions consisted of € 14,423 thousand for work carried out at the Campoverde plant in Aprilia, € 8,703 thousand for investments in the headquarters and plants in Milan, and €580 thousand for new motor vehicle finance leases entered into during the year;
- disposals, gross of provisions for depreciation released, amounted to € 993 thousand for the disposal of plant, machinery, sundry equipment and other assets and to € 798 thousand for motor vehicle finance leases terminated during the year.

Depreciation for the year, amounting to € 13,841 thousand, was calculated on all depreciable assets using rates which are held to be representative of the estimated useful life of the assets.

The write-downs, amounting to € 198 thousand, relate to the machinery used for the production of Isocef®, following the discontinuation of the marketing of the product.



The table below shows the amounts for right-of-use lease assets in accordance with accounting standard IFRS 16. These rights relate mainly to motor vehicles used by pharmaceutical sales representatives who work in local areas. We report that no restrictions exist on title and property, plant and equipment pledged as security for liabilities.

€ (thousands)	Land and buildings	Plant and machinery	Other equipment	Total
Cost of acquisition				
Balance as at 31.12.24	5,457	1,211	4,631	11,299
Additions	-	-	580	580
Disposals	-	(946)	(757)	(1,703)
Reclassifications	-	-	-	-
Balance as at 31.12.25	5,457	265	4,454	10,176
Accumulated depreciation and write-downs				
Balance as at 31.12.24	701	1,058	1,856	3,615
Depreciation for the period	420	118	1,064	1,602
Disposals	-	(946)	(757)	(1,703)
Reclassifications	-	-	-	-
Balance as at 31.12.25	1,121	230	2,163	3,514
Net amount				
31st December 2025	4,336	35	2,291	6,662
31st December 2024	4,756	153	2,775	7,684

14. GOODWILL

The item goodwill, amounting to € 16,944 thousand, was unchanged compared with 31st December 2024. As already reported, goodwill arose from the allocation of the purchase price paid as part of the acquisition on 21st December 2022 from V.I.M. G. Ottaviani S.p.A. of a business unit related to the pharmaceutical speciality Telefil[®], indicated for the treatment of erectile dysfunction and benign prostatic hyperplasia.

As reported in the preceding note 2, "Summary of significant accounting policies", goodwill is not amortised systematically but is tested for impairment at least once per year to determine its recoverable amount. Goodwill has been allocated to the cash-generating unit to which it belongs. A cash-generating unit to which goodwill has been allocated shall be tested for impairment annually, and whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit. If the recoverable amount of the unit exceeds the carrying amount of the unit, the unit and the goodwill allocated to that unit shall be regarded as not impaired. If the carrying amount of the unit exceeds the recoverable amount of the unit, the entity shall recognise the impairment loss.

The recoverable amount was determined by calculating the value in use of the cash-generating unit on the basis of the discounted cash flows ("DCF Analysis") derived from the expected operating cash flows during the period over which the calculation is made (2026-2030) and the cash flows beyond this period, according to the expected net operating income model in perpetuity.

The main assumptions used to calculate the value in use regard the expected operating cash flows during the period over which the calculation is made, the discount rate and the growth rate.



Forecasts of operational cash flows for the specific period used for the calculation (2026-2030) were taken from the 2026 budget, and for the years 2027 to 2030, from specific forecasts for the cash generating unit subject to impairment testing, approved by the Board of Directors on 19th March 2026.

Adequate consideration has been given in the forecast of cash flows to the effects of the Russia-Ukraine conflict and from any amendments to US legislation and, in light of the analysis performed, on the basis of the results forecast and the resilience of the pharmaceutical industry no significant impacts have been identified, in the current situation, on our measurement of the CGUs. However, given the complexity of the situation and the uncertainty surrounding the development of the crisis and amendments to US legislation, the Company monitors developments constantly.

As also reported in the consolidated management report regarding potential risk relating to climate change, in view of the sector in which the Company operates, Recordati has concluded that the risk has no concrete or substantial impacts on the operations of the Company and that therefore it has no significant impact on the recoverable amount of the asset. It was therefore not considered necessary to carry out any sensitivity analysis on the potential impacts resulting from that risk and the Company will continue to monitor this potential risk over the years.

The discount rate used for estimation purposes was the weighted average cost of capital, net of tax, which reflects current market assessments of the cost of money and the specific risk associated with the Specialty and Primary Care cash-generating unit. That rate was 7.72%.

The growth rate adopted for the period following the explicit forecast period was estimated on a prudent basis.

Impairment test carried out following the procedures described for the cash generating unit, was examined and approved by the Board Directors on 19th March 2026.

The value in use for the CGU was in fact substantially greater than the carrying amount recognised in the financial statements as at 31st December 2025 and therefore no impairment of goodwill was recognised.

Furthermore, as required by the impairment methodology approved by a Board of Directors meeting held on 19th March 2026, a sensitivity analysis was conducted to show the possible impact on the value of the headroom available when the following parameters change: long-term growth rate (+/- 0.5%), growth in operating income (+/- 10%) and the discount rate (+/- 0.5%). The result of the analysis confirmed the absence of impairment losses.



15. INTANGIBLE ASSETS

Intangible assets, net of accumulated amortisation, amounted to € 554,449 thousand as at 31st December 2025 (€ 547,310 thousand as at 31st December 2024).

The table below shows the items of which the overall balance is composed and the changes that occurred during the reporting period.

€ (thousands)	Patent rights and marketing authorisations	Distribution, licences, trademarks and similar rights	Other	Assets under construction and advances	Total
Cost of acquisition					
Balance as at 31.12.24	212,204	527,876	13,231	10,397	763,708
Additions	-	24,194	-	21,968	46,162
Disposals	-	-	-	-	-
Reclassifications	-	7,727	-	(7,727)	-
Balance as at 31.12.25	212,204	559,797	13,231	24,638	809,870
Accumulated amortisation and write-downs					
Balance as at 31.12.24	99,495	103,672	13,231	-	216,398
Amortisation for the period	9,379	33,572	-	-	42,951
Write-downs for the period	-	6,072	-	-	6,072
Disposals	-	-	-	-	-
Reclassifications	-	-	-	-	-
Balance as at 31.12.25	108,874	143,316	13,231	-	265,421
Net amount					
31st December 2025	103,330	416,481	-	24,638	544,449
31st December 2024	112,709	424,204	-	10,397	547,310

In 2025 total additions of € 46,162 thousand were recognised relating to the following investments:

- € 22,166 thousand in relation to the exclusive licence and supply agreement signed on 24th June 2025 with Amarin to market the cardiovascular drug Vazkepa[®] (icosapent ethyl) across 59 countries, with a focus in Europe;
- € 15,000 thousand relating to the corporate product Reagila[®], for the milestone to be recognised in 2026 upon the almost certain achievement of the sales targets set out in the contract;
- € 6,259 thousand related to the implementation of the S/4 Hana management software;
- € 2,737 thousand related to the development and improvement of computer apps used by various corporate functions.

Amortisation, which totalled € 42,951 thousand, was calculated on all amortisable assets on the basis of their finite useful life and for a period not exceeding 20 years.

We also report write-downs of € 6,072 thousand, relating to the corporate product Reagila[®] (€ 4,494 thousand) and the product Colopeg[®] (€ 1,578 thousand), determined on the basis of specific analyses of the recoverability of the value of the assets.



16. INVESTMENTS

Investments as at 31st December 2025 amounted to € 1,857,995 thousand (€ 1,851,189 thousand as at 31st December 2024), of which € 1,844,303 thousand related to investments in subsidiaries and € 13,692 thousand to other investments held by the Company.

Please refer:

- to Attachment 1 for details of changes occurring during the reporting period;
- to Attachment 2 for the percentage interests and the number of shares or quotas held;
- to Attachment 3 for a comparison between the carrying amount of the investments and the corresponding pro-rata equity;
- to Attachment 4 for a detailed summary of both directly and indirectly controlled subsidiaries with the sales revenue and net income for each company. All the investments reported regard share capital with voting rights.

The increase compared with 31st December 2024 is mainly due to the following changes:

- an increase of € 10,427 thousand due to adjustments to the carrying amount of investments by an amount corresponding to the cost of the instruments granted to the employees of investees, in accordance with IFRS 2, as part of the incentive plans of which € 831 thousand in relation to the cost of stock options and € 9,596 thousand in relation to the cost of performance shares. According to IFRS 2, incentive plans for the employees of subsidiaries constitute an increase in the value of the relative investments. That increase in value consists of the fair value of the options on the grant date and it is recognised as an increase in the investments at constant rates over the period between the grant and the vesting period, with the balancing entry recognised directly in equity;
- a decrease of € 3,621 thousand due to the fair value adjustment as at 31st December 2025 of the investment in the British company PureTech Health p.l.c., specialised in investments in start-up companies dedicated to innovative therapies, medical devices and new research technologies. The shares of this company have been admitted for listing on the London stock exchange since 19th June 2015 and the total fair value as at 31st December 2025 of the 9,554,140 shares held was € 13,688 thousand. The value of the investment was consequently decreased compared with that recognised as at 31st December 2024 (€ 17,308 thousand) with the balancing entry, net of tax, recognised in other comprehensive income (in equity) in line with the accounting treatment in previous years.

In compliance with the accounting standards applied, in the presence of specific impairment indicators the value of investments in subsidiaries, measured on the basis of the cost criterion, is subject to impairment testing.

More specifically, the value of investments is tested for impairment if the stated value of the investment in the separate financial statements is greater than the carrying amount of the net assets of the investment, with account also taken of the effects of any implicit gains recognised and tested in the consolidated financial statements. For the purposes of impairment testing, the carrying amount of investments is compared with the recoverable amount, defined as the higher of the value in use and the fair value less costs to sell.



We report the discount rates used for carrying out impairment tests for each of the investments subject to testing as follows:

Investment	Discount rate
Accent LLC	13.35 %
Recordati UK	7.44%

Forecasts of operational cash flows for the specific period used for the calculation (2026-2030) were taken from the 2026 budget approved by the Board of Directors of the company on 17th February 2026, and for the years 2026 to 2030, from specific forecasts, approved by the Board of Directors on 19th March 2026. Adequate consideration has been given in the forecast of cash flows to the effects of the Russia-Ukraine conflict. The impairment test found no need to write down the book value of the investment.

17. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets as at 31st December 2025 amounted to € 550,545 thousand (€ 718,458 thousand as at 31st December 2024) and mainly included the long-term portions of loans receivable from the subsidiaries Recordati UK LTD (€ 536,856 thousand) and RRD Japan (€ 13,580 thousand).

Long-term security deposits amounting to € 109 thousand were also recognised.

18. DEFERRED TAX ASSETS

Deferred tax assets as at 31st December 2025 amounted to € 6,475 thousand (€ 11,845 thousand as at 31st December 2024), a decrease of € 5,370 thousand during the year.

The composition and changes in this item during the year were as follows:

€ (thousands)	2025	2024
Balance as at 1 st January	11,845	10,045
Increases	4,390	8,318
Uses	(9,760)	(6,518)
Balance as at 31st December	6,475	11,845

€ (thousands)	Balance as at 31.12.2024	Provision	Use	Balance as at 31.12.2025
Write-down of fixed assets	-	1,505	-	1,505
Valuation of derivatives	533	1,078	(1,606)	5
Provisions (inclusive of agent customer indemnities)	2,195	1,178	(1,555)	1,818
Write-down of inventories	210	267	(173)	304
Valuation of investments	(43)	38	-	(5)
Benefit from 2023 "Patent box" tax relief	3,104	-	(3,104)	-
Benefit from 2024 "Patent box" tax relief	6,012	-	(2,972)	3,040
Dividends not received	-	(100)	-	(100)
Other	(165)	424	(350)	(91)
Total	11,845	4,390	(9,760)	6,475



The balance includes a decrease in deferred tax assets relating to components of profits and losses recognised in equity amounting to € 430 thousand, negative as at 31st December 2025 (an increase of € 465 thousand as at 31st December 2024).

No deductible temporary differences, unused tax losses or unused tax credits for which deferred tax assets are not recognised existed as at 31st December 2025.

19. INVENTORIES

Inventories amounted to € 118,592 thousand at 31st December 2025 (€ 107,154 thousand at 31st December 2024). Details and changes during the year are shown below:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Raw materials, ancillary materials, consumables and stocks	23,639	22,799	840
Intermediates and work-in-process	33,473	32,150	1,323
Finished products and goods	61,480	52,205	9,275
Total	118,592	107,154	11,438

Final inventories are sufficient to meet expected future requirements and they are stated net of the related provision for obsolescence, which as at 31st December 2025 amounted to € 1,434 thousand, a significant increase compared with the amount as at 31st December 2024 (€ 1,042 thousand).

The increase is attributable to sales mix expectations.

20. TRADE RECEIVABLES

Trade receivables amounted to € 214,626 thousand as at 31st December 2025 (€ 187,926 thousand as at 31st December 2024), as reported below:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Trade receivables from subsidiaries	147,364	127,271	20,093
Trade receivables from non-Group entities:	68,053	61,679	6,374
<i>Italy</i>	53,098	47,564	5,534
<i>Abroad</i>	14,955	14,115	840
	215,417	188,950	26,467
Allowance for doubtful accounts	(791)	(1,024)	233
Total trade receivables	214,626	187,926	26,700

An overall net increase of € 26,700 thousand was recorded compared with the previous year, of which € 6,374 thousand related to greater receivables from non-Group customers and € 20,093 thousand to greater receivables from subsidiaries.

The exposure calculated on receivables from non-Group customers stood at 91 days outstanding as at 31st December 2025, compared with 75 days as at 31st December 2024.



The increase in receivables from non-Group entities and the relative index compared with the previous year is also attributable to the greater impact of the reduction in sales in the fourth quarter in the Specialty & primary care sector in Italy.

Trade receivables include the adjustment to the year-end exchange rate for items denominated in currencies other than the euro, which in the 2025 resulted in the recognition of negative exchange differences of €154 thousand.

Receivables from subsidiaries amounted to € 147,364 thousand as at 31st December 2025. They arose from the supply of goods and services and were composed as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Casen Recordati S.L.	32,635	23,172	9,463
Herbacos Recordati s.r.o.	3,541	4,199	(658)
Innova Pharma S.p.A.	5,499	5,911	(412)
Italchimici S.p.A.	536	269	267
Jaba Recordati S.A.	3,085	4,220	(1,135)
Laboratoires Bouchara Recordati S.a.s.	3,057	1,959	1,098
Natural Point S.r.l.	186	173	13
Opalia Pharma S.A.	323	190	133
Recordati AB	5,009	1,580	3,429
Recordati AG	4,563	5,164	(601)
Recordati Austria Gmbh	835	439	396
Recordati BV	2,388	1,302	1,086
Recordati Hellas Pharmaceuticals S.A	1,090	1,528	(438)
Recordati İlaç Sanayi Ve Ticaret A.Ş.	2,816	3,802	(986)
Recordati Ireland Ltd.	28,372	42,316	(13,944)
Recordati Pharma GmbH	8,521	6,505	2,016
Recordati Pharmaceuticals Ltd.	1,432	746	686
Recordati Polska S.p. z.o.o.	3,390	3,227	163
Recordati Rare Diseases Inc.	1,266	1,180	86
Recordati Rare Diseases S.à.r.l.	3,706	899	2,807
Recordati Romania S.r.l.	9,471	4,504	4,967
Recordati UK LTD	19,393	11,091	8,302
Recordati Ukraine LLC	134	131	3
Rusfic LLC	5,229	2,398	2,831
Others	887	367	520
Total	147,364	127,271	20,093

The trade receivables from Recordati Ireland Ltd. amounting to € 28,372 thousand (€ 42,316 thousand as at 31st December 2024), included the amounts charged back under a Commercial and Management Service Agreement. The year-on-year decrease was mainly the result of the year-end transfer price adjustment, down € 10,094 thousand, made for compliance with the arm's length criterion.



Receivables from Casen Recordati S.L., amounting to € 32,635 thousand (€ 23,172 thousand as at 31st December 2024), are mainly comprised of receivables relating to the "Group Service Agreement" and the "Supply and Distribution Agreement" for the contract entered into with GSK, as well as receivables for the year-end adjustment of transfer prices to comply with the arm's length criterion. The increase in this item compared with the previous year (€ 9,463 thousand) is mainly due to the Supply and Distribution Agreement and the year-end adjustment of transfer prices.

Receivables from Recordati UK LTD, amounting to € 19,393 thousand (€11,091 thousand as at 31st December 2024), mainly include receivables for interest on the loan granted at the end of 2024 as part of the transaction to acquire Enjaymo®.

Receivables from Recordati Romania S.r.l., amounting to €9,471 (€4,504 thousand as at 31st December 2024), are mainly due to the year-end adjustment of transfer prices to comply with the arm's length criterion.

Other changes are attributable to automated netting procedures for outstanding intercompany positions, by which intercompany items are automatically netted against each other each month and the relative balances settled.

Changes in the allowance for doubtful accounts in 2025: are given below:

€ (thousands)	2025	2024
Balance as at 1 st January	1,024	1,010
Use for losses on receivables	(673)	(65)
Addition for the year	440	79
Balance as at 31st December	791	1,024

The Company uses a matrix to measure losses on trade receivables from individual customers, which is composed of a very high number of small balances.

Losses on receivables are estimated by using a method based on the probability of the deterioration of the receivables through the different stages of default. It considers exposures in different categories based on the credit risk characteristics they hold in common, such as for example geographical area and duration of the relationship with the customer. The following table provides information on exposure to credit risk for trade receivables from non-Group entities as at 31st December 2025.

€ (thousands)	Gross receivables
Current (not past due)	59,524
1-30 days past due	3,140
31-60 days past due	1,089
61-90 days past due	1,043
Over 90 days past due	3,257
Total trade receivables, gross	68,053

The total amount of the allowance for doubtful accounts is considered appropriate in relation to potential insolvency risks.



The composition of trade receivables in foreign currency is as follows:

	31.12.2025		31.12.2024	
	Currency(000)	€(000)	Currency(000)	€(000)
Receivables in US\$	6,947	5,968	5,481	5,126
Receivables in CHF	1,258	1,356	2,145	2,293
Receivables in RON	45,805	8,995	20,062	4,032
Receivables in CZK	62,801	2,589	75,657	2,995
Receivables in PLN	10,525	2,485	10,609	2,465
Receivables in GBP	913	1,042	413	499
Receivables in RUB	466,710	5,129	271,994	2,476
Receivables in TRY	33,444	662	89,111	2,424
Credits in SEK	-	-	659	57

21. OTHER RECEIVABLES

Other receivables as at 31st December 2025 amounted to € 41,915 thousand (€ 30,464 thousand as at 31st December 2024) and they were composed as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Tax income	21,810	3,283	18,527
From subsidiaries	13,018	14,705	(1,687)
Advances to employees and agents	134	2,301	(2,167)
Other	6,953	10,175	(3,222)
Total other receivables	41,915	30,464	11,451

Tax receivables, amounting to € 21,810 thousand (€ 3,283 thousand as at 31st December 2024), were composed as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Receivables for current taxes from the tax consolidation (IRES - corporate income tax)	11,718	-	11,718
Receivables for current taxation	301	861	(560)
VAT	6,724	-	6,724
Receivables from foreign VAT tax authorities	131	125	6
Tax credits for research	2,936	2,296	640
Total tax receivables	21,810	3,283	18,527

The substantial increase compared with the previous year is mainly because as at 31st December 2025 the Company reported IRES receivables from the tax consolidation (€ 11,718 thousand) and VAT receivables (€ 6,724 thousand), whereas at the end of the previous year, the Company had a debit balance in respect of the two aforementioned items.



The IRES tax credit from tax consolidation of € 11,718 thousand (a debt of € 13,606 thousand at 31st December 2024) mainly arises from IRES advance payments made during the year (€ 16,000 thousand) and withholding tax credits (€ 1,854 thousand), partially offset by tax provisions for the period made by all companies participating in the tax consolidation (€6,189 thousand). The resulting debt of € 13,606 thousand outstanding as at 31st December 2024 was paid in full on 30th June 2025.

Current tax credits, amounting to €301 thousand, include IRAP (regional tax on production) credits of € 876 thousand, offset by a liability of € 457 thousand for additional taxes payable following an assessment for the 2019 financial year and a net liability of € 118 thousand for the adjustment to the global minimum tax (Pillar Two). No advance payments were made during the 2025 financial year, but payments of €58 thousand were recorded for the global minimum tax (Pillar Two).

Receivables from subsidiaries, amounting to € 13,018 thousand, include receivables for the tax consolidation from Natural Point S.r.l. (€ 6,572 thousand), Italcimici S.p.A. (€ 5,592 thousand) and Recordati Rare Diseases Italy S.r.l. (€ 851 thousand). Residual amounts include receivables for various credits to be received from Recordati Ireland Ltd. (€2 thousand) and Recordati Austria GmbH (€1 thousand).

Advances to employees and agents, amounting to € 134 thousand (€ 2,301 thousand as at 31st December 2024), include advances to employees and advances to the expense fund for pharmaceutical sales representatives. The decrease compared with the previous year is mainly due to the repayment of loans granted to some employees who exercised stock options at the end of 2024.

Receivables from others, amounting to € 6,953 thousand mainly include the receivables for charges to be made to GSK (€2,880 thousand) for the "Strategic Amount" under the framework agreement signed in 2023. We also report receivables for advances to suppliers (€ 2,303 thousand), and receivables for charges to be issued (€ 1,770 thousand).

22. OTHER CURRENT ASSETS

Other current assets amounted to € 2,999 thousand as at 31st December 2025 (€ 2,697 thousand as at 31st December 2024) and related mainly to prepaid expenses incurred.

23. FAIR VALUE OF HEDGING DERIVATIVES (CURRENT ASSETS)

As at 31st December 2025 the value of derivatives classified within this item stood at € 4,903 thousand (€ 14,166 thousand as at 31st December 2024).

The market value (fair value) as at 31st December 2025 of a cross currency swaps entered into by the Company with Unicredit to hedge the \$ 25 million tranche of a bond issued on 30th September 2014 resulted in a total asset of € 1,369 thousand. That value represents the potential benefit resulting from a lower value in euro of the future cash flows in United States dollars in terms of principal and interest, due to an appreciation of the foreign currency with respect to the time of finalising the loan and acquiring the hedge instrument.

We report that in September, the \$ 50 million tranche of the bond issued by the Company on 30th September 2014 was repaid early, which led to the simultaneous repayment of the cross-currency swap entered into with Mediobanca to convert the original debt into € 37.3 million. As a consequence, the fair value measurement of the hedge, which as at 31st December 2024 was positive by € 4.3 million and directly recognised as an increase in equity and an increase in the asset item "Fair value of hedging derivatives" was reduced to nil with a reversal of the accounting entry.

The interest rate swaps to hedge the medium and long-term loans measured at fair value as at 31st December 2025 gave rise to a total asset of € 2,952 thousand which represents the unrealised benefit of paying the currently expected variable rates for the duration of the loans instead of the rates agreed.



The fair value as at 31st December 2025 of forward contracts entered into to hedge currency risks on the loan granted to the company Recordati Rare Diseases Japan (€ 483 thousand) was recognised through profit or loss.

The market value (fair value) as at 31st December 2025 of forward contracts entered into to hedge currency risks on loans with the company Recordati Pharmaceuticals Ltd (€ 63 thousand) was recognised through profit or loss.

The market value (fair value) as at 31st December 2025 of some forward contracts entered into to hedge currency risks on trading positions was positive by € 36 thousand loans and the change for the year was recognised through profit and loss.

The fair value of these hedging derivatives is measured at level 2 of the hierarchy set out in financial reporting standard IFRS 13. The fair value is equal to the present value of the estimated future cash flows. The estimated future cash flows at a floating interest rate are based on listed interest-rate swaps, futures prices and interbank rates. The estimated cash flows are discounted using a yield curve which reflects the reference interbank rate applied by market participants for the measurement of interest-rate swaps.

24. RECEIVABLES FOR DIVIDENDS

Receivables for dividends as at 31st December 2025 amounted to € 2,026 thousand (a nil balance as at 31st December 2024) and was comprised solely of dividends to be received from the subsidiary Recordati Polska S.p. Z.o.o.. These receivables will be collected in 2026.

25. OTHER SHORT-TERM FINANCIAL RECEIVABLES

Other short-term receivables as at 31st December 2025 amounted to € 103,891 thousand (€ 81,560 thousand as at 31st December 2024) and are comprised solely of receivables from subsidiaries as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Laboratoires Bouchara Recordati S.a.s.	5,559	-	5,559
Recordati AB	1,145	1,059	86
Recordati AG	169	410	(241)
Recordati Netherlands B.V.	34,337	21,081	13,256
Recordati UK LTD	58,450	56,645	1,805
Recordati Rare Diseases Australia Pty Ltd	2,161	2,267	(106)
Recordati Rare Disease Japan K.K.	193	17	176
Recordati Rare Diseases Comercio De Medicamentos LTDA.	1,877	81	1,796
Total	103,891	81,560	22.331



The item includes:

- receivables for cash pooling from Recordati Netherlands B.V. (€ 34,337 thousand), Laboratoires Bouchara Recordati S.a.s. (€ 5,559 thousand) and Recordati AB (€ 1,145 thousand);
- loans receivable from Recordati AG (CHF 157,587), Recordati Rare Diseases Comercio De Medicamentos Ltda (€ 1,877,102), Recordati Rare Diseases Japan K.K (JPY 35,532,904), Recordati Rare Diseases Australia Pty Ltd (AUD 3,798,951) and Recordati UK LTD (€ 58,450,484).

Interest is paid on these loans at market rates.

26. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31st December 2025 amounted to € 124,090 thousand (€ 135,444 thousand as at 31st December 2024) and consisted of current account sight deposits and short-term bank deposits, as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Current-account sight deposits	123,859	134,558	(10,699)
Petty cash	2	4	(2)
Proceeds from derivative instruments	229	883	(654)
Cash and cash equivalents	124,090	135,444	(11,354)



27.EQUITY

A summary of changes in the equity accounts is reported in the relative statement. Following the entry into force of Legislative Decree No. 6/2003, which amended the Italian Civil Code, the table contained in Attachment 5 was introduced, which gives the composition of reserves on the basis of availability for use and distribution.

Share capital

The share capital as at 31st December 2025 amounting to € 26,141 thousand, was fully paid up and was composed of 209,125,156 ordinary shares with a par value of € 0.125 each. It remained unchanged during the course of 2025

Additional paid-in capital

Additional paid-in capital amounted to € 83,718 thousand as at 31st December 2025 and remained unchanged compared with 31st December 2024.

The adoption of international accounting standards resulted in the elimination of revaluation reserves amounting to € 68,644 thousand. The tax obligation on these (untaxed – taxation suspended) was transferred to the additional paid-in capital reserve.

Treasury stock

The treasury stock reserve amounted to € 239,379 thousand as at 31st December 2025 (€ 131,570 thousand as at 31st December 2024), and represents the value of the 4,769,267 treasury shares held in portfolio (2,828,921 as at 31st December 2024).

The net change during the year was € 107,809 thousand and was due to the sale of 1,025,570 shares for € 49,246 thousand at the service of the incentive plans and the purchase of 2,965,916 shares for € 157,055 thousand.

Statutory reserve

The statutory reserve as at 31st December 2025 amounted to € 5,228 thousand and remained unchanged compared with 31st December 2024, because the limit set by Art. 2430 of the Italian Civil Code had been reached.

Other reserves

Other reserves as at 31st December 2025 totalled € 291,957 thousand (€ 222,246 thousand as at 31st December 2024). The composition and changes in this item are shown below:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Gain on merger	30,204	30,204	-
Extraordinary reserve	73,253	14,451	58,802
Reserve under Art.13 par.6 Legislative Decree No. 124/1993	99	99	-
Extraordinary VAT concession reserve	517	517	-
Research and investment grants	17,191	17,191	-
Non-distributable reserve for investments in southern Italy	3,632	3,632	-
International accounting standards reserve	167,078	157,841	9,237
Total	291,974	223,935	68,039
<i>Fair value of derivatives</i>	(17)	(1,689)	1,672
Total other reserves	291,957	222,246	69,711



Gain on merger

The merger gain reserve as at 31st December 2025 amounted to € 30,204 thousand and was unchanged since 31st December 2024.

Extraordinary reserve

The extraordinary reserve as at 31st December 2025 amounted to € 73,253 thousand (€ 14,451 thousand as at 31st December 2024). The increase of € 58,802 thousand compared with the previous year is due to the following:

- the allocation of € 58,928 thousand of the remaining profit for 2024, after the distribution of dividends, as decided by a shareholders' resolution of 29th April 2025;
- a decrease of € 141 thousand relating to the adjustment to the debt for the acquisition of the shareholding in Opalia Pharma SA;
- an increase of € 15 thousand for the allocation of dividends not paid and expired.

Reserve under Art. 13, paragraph 6 of Legislative Decree No. 124/1993

As at 31st December 2025 this reserve amounted to € 99 thousand and remained unchanged compared with 31st December 2024.

Extraordinary VAT concession reserve

This reserve (Laws 675/1977, 526/1982, 130/1983 and 64/1986), amounting to € 517 thousand, relates to special VAT allowances on investments and is unchanged compared with 31st December 2024.

Research and investment grants

This reserve amounted to € 17,191 thousand and was unchanged compared with 31st December 2024. The grants will be subject to taxation if they are used for purposes other than to cover losses, which, however, is not planned by the Company. The assets corresponding to the grants received from the Ministry of Industry and Commerce (formerly Asmez) have been depreciated.

Non-distributable reserve for investments in southern Italy

This reserve amounted to € 3,632 thousand and remained unchanged compared with 31st December 2024.

International accounting standards reserve

The international accounting standards reserve amounted to € 167,078 thousand as at 31st December 2025 (€ 157,841 thousand as at 31st December 2024) and was composed as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Reversal of non-current asset revaluations	40,479	40,479	-
Revaluation of investments	43,054	43,054	-
Inventories	463	463	-
Employee benefit obligations	(191)	(1)	(190)
Stock options	33,423	32,934	489
Adjustment to investments for stock options	34,382	33,551	831
Performance shares	11,334	5,707	5,627
Adjustment to investments for performance shares	18,230	8,634	9,596
Rossini Luxembourg S.à.r.l. incentive scheme	7,144	5,992	1,152
Reserve to adjust entries for merged company	24	24	-
Financial instrument adjustment reserve	6,174	9,757	(3,583)
Sales of treasury stock	(27,438)	(22,753)	(4,685)
Total	167,078	157,841	9,237



- the *employee benefit obligations* reserve, negative, amounting to € 191 thousand (negative by € 1 thousand as at 31st December 2024), shows the valuation as at the date of the employee benefits provision in accordance with IAS 19;
- the *stock options* reserve, amounting to € 33,423 thousand (€ 32,934 thousand as at 31st December 2024), which was measured in accordance with IFRS 2, relates to the cost for stock options issued and granted after 7th November 2002 and which have not yet been exercised;
- the reserve for *Adjustments to investments for stock options*, amounting to € 34,382 thousand (€ 33,551 thousand as at 31st December 2024), also includes the cost of stock options for employees of subsidiaries, the value of which, in accordance with IFRS 2, was recognised as an increase in the value of the investments of the companies in which these employees work;
- the *Performance shares reserve*, amounting to € 11,334 thousand (€ 5,707 thousand as at 31st December 2024), which was measured in accordance with IFRS 2, relates to the cost for performance shares granted on 27th June 2023 and 9th May 2024;
- the reserve for *Adjustments to investments for performance shares*, amounting to € 18,230 thousand, (€ 8,634 thousand as at 31st December 2024), also includes the cost of performance shares for employees of subsidiaries, the value of which, in accordance with IFRS 2, was recognised as an increase in the value of the investments in the companies in which these employees are employed;
- the *Rossini Luxembourg S.à.r.l. incentive plan reserve*, amounting to € 7,144 thousand (€ 5,992 thousand as at 31st December 2024) relates to the charge calculated in accordance with IFRS 2 for the incentive plan from which some employees benefited and under which they purchased Rossini Luxembourg S.à.r.l. shares at their nominal value;
- the *Financial instrument adjustment reserve*, amounting to € 6,174 thousand (€ 9,757 thousand as at 31st December 2024), is a result almost entirely of the adjustment as at the value date, net of tax, of the value of the investment in PureTech Health Plc, a company listed on the London Stock Exchange;
- the *Sale of treasury stock reserve*, which was negative by € 27,438 thousand (the balance was negative by € 22,753 thousand as at 31st December 2024), contains the difference between the amount paid by Group employees who exercised options as part of stock option plans and the carrying amount of the treasury stock recognised in the balance sheet in accordance with international accounting standards;

Reserve for derivatives

In accordance with the provisions of IFRS 9, this reserve is comprised of the following: the balancing entry of the amounts for the assets resulting from measurement at market value of cross-currency swaps of a cash flow hedge nature, the balancing entry of the amount recognised through profit or loss to offset movements in the exchange rate at the end of the year relating to a hedged loan in foreign currency and the liabilities resulting from the measurement at the market value of interest rate swaps also of a cash flow hedge nature. The amount as at 31st December 2025, net of tax, was negative by € 17 thousand.

Revaluation reserve

The revaluation reserve as at 31st December 2025 amounted to € 2,602 thousand and was unchanged compared with 31st December 2024. The item includes revaluation balances pursuant to Law No. 413/1991.

For tax purposes we also report that as at 31st December 2025 the untaxed (suspended taxation) reserves amounted to € 87,826 thousand (as indicated in Attachment 5) and were composed as follows:

- € 15,964 thousand for the Research and investment grant reserve, net of the taxed portion;
- € 517 thousand for the Extraordinary VAT concession reserve
- € 99 thousand for the Reserve under Art.13 par.6 Legislative Decree No. 124/1993 (Law establishing pension funds);



- € 71,246 thousand for Revaluation reserves, net of substitute taxes. Of these reserves € 68,644 thousand were derecognised in compliance with international accounting standards and the non-taxability was transferred to the additional paid-in capital reserve.

In accordance with international accounting standard IAS 12, no deferred taxes have been recognised within these suspended reserves as their distribution has not yet been approved and is not expected.

Incentive plans

Two stock option plans were in place in favour of certain Group employees as at 31st December 2025: the 2008-2022 plan with options granted on 3rd August 2018 and the 2021-2023 plan with options granted on 6th May 2021, 1st December 2021 and 24th February 2022.

The strike price of the options is the average of the company's listed share price during the 30 days prior to the grant date. The options vest in four tranches over five years, starting in the second year for the earliest grants and three years, in one lump sum, for the 2021 and 2022 grants and will expire if not exercised by the end of the eighth year following the year granted.

During the first half of 2023 the 2021-2023 plan was revoked, limited to the grant of options scheduled for 2023 under that plan, without therefore affecting the validity and effectiveness of the plan for the options granted in 2021 and 2022.

However, options cannot be exercised if employees leave the Company before they are vested.

Details of stock options outstanding as at 31st December 2025 are given in the table below.

Grant date	Strike price (€)	Options outstanding as at 1.1.2025	Granted during 2025	Options exercised during 2025	Options cancelled and expired	Options outstanding as at 31.12.2025
03-Aug-18	30.73	716,000	-	(199,666)	-	516,334
06-May-21	45.97	1,270,398	-	(490,305)	(3,000)	777,093
01-Dec-21	56.01	130,000	-	-	-	130,000
24-Feb-22	47.52	2,786,000	-	(333,864)	(54,000)	2,398,136
Total		4,902,398	-	(1,023,835)	(57,000)	3,821,563

Certain Group employees have been designated as beneficiaries of an incentive scheme, with a vesting period of five years, granted and fully financed by Rossini Luxembourg S.à r.l., an indirect shareholder of Recordati S.p.A.. They will benefit from a return at the end of the scheme and if the performance goals are met.

Recognition, in accordance with IFRS 2, resulted in a charge recognised in the income statement for 2025 of € 1,152 thousand, which also includes the incentive scheme granted by Rossini Luxembourg S.à r.l. to the CEO of the Recordati group.

In 2023, the Company adopted a new long-term incentive plan named the “2023-2025 Performance Shares Plan” in favour of certain Group employees. The plan involves three grants of rights to receive shares in the Company free of charge, one for each year covered by the plan, which, after a vesting period of three years, will allow the grantees to receive shares in the Company in an amount of up to 175% of the original allocation, depending on the performance of certain performance indicators. These rights, however, will lapse if employees leave the company before the end of the vesting period. The grants were made on 27th June 2023 consisting of 440,485 rights, on 9th May 2024 consisting of 437,634 rights and on 8th May 2025 consisting of 511,380 rights. The cost to the Company as at 31st December 2025, calculated in accordance with IFRS 2, was €5,628 thousand.



28. LOANS

Loans outstanding as at 31st December 2025 and 31st December 2024 are summarised in the table below.

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Bond subscribed in dollars by the investor Pricoa Capital Group (Prudential)	12,162	36,442	(24,280)
Bond subscribed by the investor Pricoa Capital Group (Prudential)	109,375	125,000	(15,625)
Loan granted by Allied Irish Bank at a floating interest rate repayable in semi-annual instalments commencing from 2022 and until 2026	-	28,000	(28,000)
Loan granted by a pool of national and international lenders, led by Mediobanca, at a floating interest rate repayable in a single payment in 2026	-	180,000	(180,000)
A syndicated loan at a floating interest rate repayable in semi-annual instalments commencing on 31 st March 2023 and repayable by 2 nd February 2027	428,600	568,600	(140,000)
Bond subscribed in euro with the investor Pricoa Capital Group (Prudential)	75,000	75,000	-
Loan granted by Cassa Depositi e Prestiti at a floating interest rate and repayable in semi-annual instalments starting from October 2025 for 70% and from April 2033 for the remaining 30%	47,667	50,000	(2,333)
Loan agreement signed with a pool of national and international lenders, led by Mediobanca, at a floating interest rate repayable in increasing semi-annual instalments, commencing from 2024 and to be fully repaid by May 2028	296,250	355,000	(58,750)
Loan from HSBC Continental Europe, at a floating interest rate, repayable in semi-annual instalments starting on 31 st August 2025 with the last on 29 th February 2029	61,250	70,000	(8,750)
A syndicated loan at a floating interest rate repayable in semi-annual instalments commencing on 31 st March 2027 and until 30 th October 2029	850,000	850,000	-
Loan granted by a pool of national and international lenders, led by Mediobanca, at a floating interest rate repayable in a single payment in 2030	345,000	-	345,000
Bond loan subscribed in with PGMI Inc. (Investment Manager of Pricoa Capital Group (Prudential)	125,000	-	125,000
Total amortised cost of loans	2,350,304	2,338,042	12,262
Portion due within one year	(285,930)	(246,522)	(39,408)
Portion due after one year	2,064,374	2,091,520	(27,146)
Expenses relating to loans	(9,111)	(8,527)	(584)
Portion due after one year, net of costs	2,055,263	2,082,993	(27,730)
Long-term lease liabilities (IFRS 16)	6,328	7,163	(835)
Total	2,061,591	2,090,156	(28,565)



Long-term lease liabilities include long-term liabilities arising from the application of IFRS 16, amounting to €6,328 thousand (€ 7,163 thousand as at 31st December 2024), representing an obligation to make payments under existing lease contracts.

As at 31st December 2025 these outstanding loans, inclusive also of the current portions, amounting to € 287,259 thousand (see note 36), totalled € 2,348,859 thousand (€ 2,338,059 thousand as at 31st December 2024). The net increase of € 10,791 thousand compared with 31st December 2024, was the result of new loans amounting to € 470,000 thousand, repayments for the year of € 451,048 thousand, a decrease of € 886 thousand in lease liabilities in application of IFRS 16, the effect of the foreign currency translation of the amount for the bond subscribed in USD with Prudential (a decrease of € 6,691 thousand) and the adjustment of liabilities according to the amortised cost criterion (an increase of € 584 thousand).

The portions of the loans due after 31st December 2026 will be repaid, on the basis of the repayment schedules, in the following years:

Maturity	€ (thousands)
2027	597,226
2028	404,943
2029	435,921
2030	377,092
2031 and subsequent years	240,081
Total loans	2,055,263
Long-term lease liabilities (IFRS 16)	6,328
Total	2,061,591

We report the following with regard to 2025:

- March saw the full early repayment of the loan from Allied Irish Bank which was disbursed in March 2021 and involved semi-annual repayments of the principal from March 2022 to March 2026;
- in June, the loan of €180.0 million disbursed in May 2021 was renegotiated through its full repayment in advance of its May 2026 maturity date and a new loan taken out for €345.0 million, again from a consortium of domestic and international lenders led by Mediobanca. The main terms and conditions of the new loan are a floating interest rate equal to the 6-month Euribor (with a zero floor) plus a fixed spread with repayment of the principal in a single instalment on 25th June 2030. The disbursement of the amount of € 280.0 million, net of advisory and up-front fees, took place on 30th June 2025, while the remaining € 65.0 million was disbursed in August;
- in September, the Company repaid in advance the \$ 50 million tranche of a bond issued by the Company on 30th September 2014 and in addition to the \$ 5 million due under the repayment plan, the remaining \$ 10 million due in 2026 was also repaid. At the same time, the cross currency swap hedging agreement entered into with Mediobanca for the conversion of the original debt into €37.3 million was terminated, of which €3.7 million related to the instalment due in September 2025 and €7.5 million to those originally scheduled for 2026. The fair value measurement of the hedge, which as at 31st December 2024 was positive by € 4.3 million and directly recognised as an increase in equity and an increase in the asset item "Fair value of hedging derivatives" was reduced to nil with a reversal of the accounting entry (see note 23).



- In September, an agreement was signed with PGIM Inc., Prudential's Investment Manager, for a \$ 220.0 million Note Purchase and Private Shelf Agreement. In detail, the Multiborrower and Multicurrency Shelf Facility agreement grants the Group the right to issue bonds up to a total maximum of \$ 220.0 million, or the equivalent in €, over the next three years, with pricing to be set at the time of each single drawdown, a maximum term of 20 years and an average life of 15 years. On 30th September 2025, the Company issued a bond for € 125.0 million with a 10-year maturity on the amount.

Details of loans outstanding as at 31st December 2025 (gross of the relative expenses)

- a) A bond subscribed by the Company on 30th September 2014, relating to a tranche of \$ 25 million, at a fixed rate, repayable semi-annually from 30th March 2023 and maturing on 30th September 2029.

During the year \$ 3.6 million was repaid and the total remaining debt as at 31st December 2025 amounted to \$ 14.3 million. The conversion of the debt as at 31st December 2025 (totalling € 12,162 thousand) resulted in a net decrease in the liability of € 5,022 thousand compared with 31st December 2024, therefore a greater amount than the instalments repaid (€2,664 thousand), due to the depreciation of the US dollar against the Company's accounting currency in 2025.

The loan was hedged by a cross currency swap, with the original debt converted into a total of €18.7 million (€10.7 million as at 31st December 2025) at a lower fixed rate.

The measurement of the hedge at fair value as at 31st December 2025, was positive on aggregate by € 1,369 thousand and was recognised directly as an increase in equity and an increase in the asset item "Fair value of hedging derivatives" (see note 23).

The bond is subject to covenants and failure to comply with them may result in the immediate call of the bond. The financial covenants subject to measurement on a quarterly basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

- b) A bond was issued by the Company in May 2017 for a total of € 125.0 million, at a fixed rate, repayable annually from 31st May 2025 and maturing on 31st May 2032. The outstanding debt as at 31st December 2025 amounted to € 109.4 million.

The bond is subject to covenants and failure to comply with them may result in the immediate call of the bond. The financial covenants subject to measurement on a quarterly basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

- c) A loan agreement for a total of € 800.0 million was negotiated by the Company in two stages in 2022, granted by a consortium of domestic and international lenders.

The main terms and conditions of the loan are a floating interest rate equal to the 6-month Euribor (with a zero floor) plus a spread, floating on the basis of a step up/step down mechanism as a function of changes in the leverage ratio, and a life of five years, with repayments of the principal in semi-annual instalments starting from 31st March 2023, with the last instalment payable on 3rd February 2027.

The outstanding debt as at 31st December 2025 amounted to € 428.6 million. Starting in July 2022, the loan was partially and progressively hedged by an interest rate swap (a cash flow hedge), which converted the hedged portion to a fixed interest rate.

The measurement of the derivatives at fair value as at 31st December 2025 was positive in some cases by a total of € 287 thousand recognised directly as an increase in equity and an increase in the asset item "Derivatives measured at fair value" (see note 23), and in other cases it was negative by a total of € 1,103



thousand, recognised directly as a decrease in equity and an increase in the liability item "Derivatives measured at fair value" (see Note 35)

The loan contract contains financial covenants which, if not complied with, may result in the immediate call of the loan. The financial covenants subject to measurement on a semi-annual basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

- d) A bond issued by the Company on 12th September 2022 totalling € 75.0 million was placed privately and fully with companies belonging to the Prudential group. The main terms and conditions are a fixed interest rate with semi-annual interest payments and a term of 12 years, with repayment of the principal in five annual instalments starting in September 2030 and ending on 12th September 2034. This transaction, designed to continue with the acquisition of medium to long-term funds to support the Group's further growth, enabled it to benefit from attractive market conditions. It has standard terms and conditions, common to the US private placement market, substantially in line with those of a bond issued by the Company in 2017.

The loan contract contains financial covenants which, if not complied with, may result in the immediate call of the loan. The financial covenants subject to measurement on a semi-annual basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

- e) A loan totalling € 50.0 million negotiated by the Company in April 2023 with Cassa Depositi e Prestiti. The main terms and conditions are a floating interest rate equal to the 6-month Euribor (with a zero floor) plus a spread, semi-annual payment of interest and a life of 10 years with semi-annual repayments at constant rates starting in October 2025 for 70% of the principal and repayment in April 2033 for the remaining 30%. The outstanding debt as at 31st December 2025 amounted to € 47.7 million. The loan contract contains financial covenants which, if not complied with, may result in the immediate call of the loan. The financial covenants subject to measurement on a semi-annual basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

- f) A loan agreement totalling € 400.0 million was signed on 16th May 2023 by Recordati S.p.A. with a pool of eight national and international lenders, which included Mediobanca in the role of lead coordinator, with an individual quota of € 50.0 million. The loan consists of two independent loans of € 300.0 million and € 100.0 million each, both at an interest rate equal to the 6-month Euribor (with zero floor), plus a floating step up/step down spread based on changes in the leverage ratio with semi-annual interest payments and a term of five years. The € 300.0 million loan was disbursed on 14th June 2023 and will be repaid in half-yearly instalments of increasing value starting in April 2024, with final repayment in May 2028. The outstanding debt as at 31st December 2025 amounted to €206.3 million. The loan was partially hedged by an interest rate swap (a cash flow hedge), which converted the hedged portion to a fixed interest rate. Measurement of the fair value of the derivative instruments at 31st December 2025 was negative by € 1,743 thousand and this was recognised directly as a reduction in equity and an increase in the liability item "Fair value of hedging derivatives" (see note 35). The €100.0 million loan, consisting of a Capex Line that can be used within 18 months to finance specific investments, was disbursed on 13th November 2024,



with half of the principal to be repaid in equal six monthly instalments starting in October 2025 and the remaining half in May 2028. The outstanding debt as at 31st December 2025 amounted to € 90.0 million. The loan contract contains covenants which, if not complied with, may result in the immediate call of the loan. The financial covenants subject to measurement on a quarterly basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

The loan agreement contains ESG-linked parameters starting in 2024, which, if met, will allow a reduction in the interest rate charged.

- g) A loan agreement for € 70.0 million entered into on 1st March 2024 by the Company with HSBC Continental Europe, at a floating interest rate equal to the 6-month Euribor (with a zero floor), plus a spread floating on the basis of a step up/step down mechanism as a function of changes in leverage ratio, and a term of five years with repayments of the principal in semi-annual instalments starting from 31st August 2025 with the last instalment on 29th February 2029. The outstanding debt as at 31st December 2025 amounted to €61.3 million.

The loan contract contains financial covenants which, if not complied with, may result in the immediate call of the loan. The financial covenants subject to measurement on a quarterly basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

- h) A loan agreement signed on 30th October 2024 by the Company with Mediobanca, UniCredit and Natixis, for the acquisition of Enjaymo[®] rights, for a maximum total of € 850.0 million, with payment of € 700.0 million guaranteed in equal amounts. Immediately afterwards, a syndication process was commenced, which, through the involvement of additional banks, enabled an additional € 150.0 million to be raised and, at the same time, the total value of € 850.0 million to be redistributed among the participants. The main terms and conditions are a floating interest rate equal to the 6-month Euribor (with a zero floor) plus a spread, floating on the basis of a step up/step down mechanism as a function of changes in the leverage ratio, and a life of five years, with repayments of the principal in semi-annual instalments starting from 31st March 2027, with the last instalment payable on 30th October 2029. The disbursement, net of structuring and up-front fees, took place in the last quarter of 2024. The loan was partially hedged by an interest rate swap (a cash flow hedge), which converted the hedged portion to a fixed interest rate. The measurement of the hedging instruments at fair value as at 31st December 2025 was positive by € 2,665 thousand and was recognised directly as an increase in equity and an increase in the asset item "Fair value of hedging derivatives" (see note 17).

The loan contract contains financial covenants which, if not complied with, may result in the immediate call of the loan. The financial covenants subject to measurement on a quarterly basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.



- i) A loan agreement for € 345.0 million was entered into by the Company on 25th June 2025, disbursed by a consortium of domestic and international lenders led by Mediobanca. The main terms and conditions involve a floating interest rate equal to the 6-month Euribor (with a zero floor) plus a fixed spread with repayment of the principal in a single instalment on 25th June 2030. The disbursement of the amount of € 280.0 million, net of advisory and up-front fees, took place on 30th June 2025, while the remaining € 65.0 million was disbursed in August.

The loan contract contains financial covenants which, if not complied with, may result in the immediate call of the loan. The financial covenants subject to measurement on a quarterly basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

- j) A bond issued by the Parent Company on 30th September 2025 for €125.0 million. The main terms and conditions involve a fixed interest rate with semi-annual repayments of the interest and a term of 10 years with repayment in a single instalment on 28th September 2035.

The bond is subject to covenants and failure to comply with them may result in the immediate call of the bond. The financial covenants subject to measurement on a quarterly basis are as follows:

- the ratio of consolidated net debt to consolidated EBITDA (for a period of twelve consecutive months) must be less than 3.00 to 1.00;
- the ratio of consolidated EBIT to consolidated net interest expense (for a period of twelve consecutive months) must exceed 3.00 to 1.00.

Those conditions were fulfilled.

29. EMPLOYEE BENEFIT OBLIGATIONS

The balance as at 31st December 2025 amounted to € 3,212 thousand (€ 3,667 thousand as at 31st December 2024), a decrease of € 455 thousand compared with the previous year.

€ (thousands)	31.12.2025	31.12.2024
Balance as at 1 st January	3,667	3,886
Additions for the year	129	116
Use during the year	(764)	(268)
Adjustment to the measurement of employee benefit obligation provisions (IAS 19)	180	(67)
Balance as at 31st December	3,212	3,667

The balance of the provision for employee benefit obligations as at 31st December 2025 is the same as the amount determined by measuring the provision as at 31st December 2025 in accordance with IAS 19.

The calculations carried out, which used actuarial parameters updated as at 31st December 2025, found a smaller liability and resulted in the recognition of an adjustment of € 180 thousand to the provision compared with the figure as at 31st December 2025, which was stated, net of tax, in the statement of comprehensive income, recognised in equity, as required by the relative accounting standard.

30. OTHER NON-CURRENT FINANCIAL LIABILITIES

Other non-current financial liabilities as at 31st December 2025 were nil (€ 83,737 as at 31st December 2024). In the previous year, this item included the long-term portions relating to loans from the subsidiaries Recordati Rare Diseases Inc., Herbacos Recordati s.r.o. and Recordati Pharmaceuticals Ltd.



31. TRADE PAYABLES

Trade payables as at 31st December 2025 amounted to € 145,623 thousand (€ 127,101 as at 31st December 2024), an increase of € 18,522 thousand compared with the previous year, mainly due to greater payables to subsidiaries.

The item also includes end-of-period provisions for invoices to be received and is composed as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Suppliers, subsidiaries	83,150	57,001	26,149
Suppliers, Italy	33,349	30,869	2,480
Suppliers, Italy for invoices to be received	8,759	9,774	(1,015)
Suppliers, abroad	8,430	15,001	(6,571)
Suppliers, abroad for invoices to be received	11,935	14,456	(2,521)
Total trade payables	145,623	127,101	18,522

There were no concentrations of large debts to a single or a small number of suppliers.

Details of trade payables to subsidiaries are as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Casen Recordati S.L.	35,086	19,635	15,451
Herbacos Recordati s.r.o.	118	654	(536)
Innova Pharma S.p.A.	620	1,054	(434)
Italchimici S.p.A.	1,185	604	581
Jaba Recordati S.A.	558	1,910	(1,352)
Laboratoires Bouchara Recordati S.a.s.	1,893	4,386	(2,493)
Natural Point S.r.l.	1,331	813	518
Recordati A.B.	1,225	1,138	87
Recordati AG	5,102	4,853	249
Recordati BVBA	4,587	3,211	1,376
Recordati Hellas Pharmaceuticals S.A.	4,728	2,129	2,599
Recordati Ireland LTD	3,664	2,890	774
Recordati Pharma GmbH	4,527	2,475	2,052
Recordati Pharmaceuticals LTD	1,365	276	1,089
Recordati Polska S.p. z.o.o.	538	-	538
Recordati Rare Diseases Germany GmbH	1,252	475	777
Recordati Rare Diseases Middle East FZ LLC	1,497	1,690	(193)
Recordati Romania S.R.L.	1,176	152	1,024
Recordati UK LTD	2,347	2,177	170
Rusfic LLC	10,102	5,877	4,225
Other subsidiaries	249	602	(353)
Total payables to subsidiaries	83,150	57,001	26,149



The increase in this item compared with the previous year is mainly due to the Strategic Amount under the Supply and Distribution Agreement entered into with subsidiaries following the 2023 agreement entered into with GSK.

The composition of the payables in foreign currency is as follows:

	31.12.2025		31.12.2024	
	Currency(000)	€(000)	Currency(000)	€(000)
Payables in CAD	1	1	1	1
Payables in CHF	4,786	5,150	4,277	4,536
Payables in CZK	2,863	118	13,731	544
Payables in GBP	1,312	1,503	800	965
Payables in HUF	1,189	3	1,189	3
Payables in JPY	(800)	(6)	-	-
Payables in ILS	-	-	3	1
Payables in PLN	1,103	261	102	24
Payables in RON	5,991	1,176	756	152
Tables in RUB	937,956	10,619	693,586	7,669
Payables in SEK	13,317	1,227	13,149	1,143
Payables in TND	21	6	21	6
Payables in USD	2,478	1,936	4,889	4,598

The adjustment of trade payables in non-euro currencies resulted in the recognition of net positive exchange rate differences of € 530 thousand.

32. OTHER CURRENT PAYABLES

Other current payables as at 31st December 2025 amounted to € 75,786 thousand (€ 43,931 thousand as at 31st December 2024). The composition and changes in the individual items are as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Payables to non-group entities for the acquisition of Opalia Pharma S.A.	3,964	3,822	142
Employees	19,403	19,665	(262)
Social security	10,014	9,572	442
Commissions to agents	981	948	33
Payables to AIFA (Italian Medicines Agency)	18,877	879	17,998
Payables to shareholders for dividends to be paid	345	1,181	(836)
Other payables to subsidiaries	5,085	6,013	(928)
Other payables	17,117	1,851	15,266
Total other current payables	75,786	43,931	31,855

The significant increase compared with the previous year is mainly due to two factors:

- recognition within other payables of € 15,000 thousand for the milestone to be paid in 2026 upon the almost certain achievement of the sales targets set out in the contract for Reagila®;
- recognition within payables to the Italian Medicines Agency (AIFA) of the € 14,382 thousand payback on the Urorec® product following the ruling published on 3rd September 2025, in which the Council



of State definitively rejected the Company's appeal against the unfavourable ruling of the Regional Administrative Court (TAR) of Lazio on 19th June 2024, against which the Company had appealed against the request received from the Italian Medicines Agency (AIFA) to provide proof of payment made as annual payback on sales of the medicine Urorec[®]. Following this request, a dispute had arisen concerning the different interpretations of the application of the agreement signed at the time between the Company and AIFA, as well as the possibility of extending it. The Company had in fact argued that the payback obligation would cease to apply from 2020, highlighting procedural flaws and the negative economic impact of including Urorec[®] in the transparency list from February 2020. The Council of State examined the Company's arguments presented in order of priority and held that the agreement with AIFA was automatically renewed for the two-year periods subsequent to 31st December 2019. The Court also rejected the claims that certain actions undertaken after 2021 should be regarded as having terminated the agreement. As a result, the Company remains liable for payment of the payback on Urorec[®] for a total amount of € 18,003 thousand. In accordance with the requirements of the relative accounting standards, the Company has therefore increased the provision previously recognised in relation to this matter.

Payables to non-Group entities regard the acquisition of a further 10% of the share capital of Opalia Pharma S.A., reclassified into short-term liabilities on the basis of contractually agreed call and put options. The fair value of this purchase option is measured at level 2 because the valuation model considers the present value of the expected payments.

Amounts due to employees include amounts accrued and not paid, vacations accruing and not taken and bonuses for presence and for achieving objectives.

Social security payables not only include contribution expenses for those periods but also the amount due to pension institutes for December.

Amounts payable to agents include € 31 thousand in commissions for foreign agents.

In addition to the provision mentioned above, payables to AIFA include the provision for the payback (1.83%) relating to the second half of 2025.

Details of other payables to subsidiaries are as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Casen Recordati S.L.	1,157	3,657	(2,500)
Herbacos Recordati s.r.o.	314	132	182
Innova Pharma S.p.A.	751	-	751
Laboratoires Bouchara Recordati S.a.s.	179	131	48
Natural Point S.r.l.	159	-	159
Recordati AG	601	-	601
Recordati Hellas Pharmaceuticals S.A.	409	768	(359)
Recor.Pharmaceuticals Ltd	240	129	111
Recordati Rare Diseases Italy S.r.l.	1,059	532	527
Other subsidiaries	216	664	(448)
Total other payables to subsidiaries	5,085	6,013	(928)

The decrease in payables to Casen Recordati S.L. is due to the lower provision made for the "Strategic Amount" for the fourth quarter of 2025, lower than that made for the fourth quarter of 2024, under the Supply and Distribution Agreement following the agreement entered into in 2023 with GSK.



Finally, in addition to the € 15,000 thousand payable for the Reagila® milestone, other payables include payables for credit notes to be issued (€ 798 thousand) and sundry payables, including contributions due in Bulgaria and Hungary for Eligard®, local taxes and various charges to be received.

33. TAX LIABILITIES

Tax liabilities as at 31st December 2025 amounted to € 3,296 thousand (€ 20,253 thousand as at 31st December 2024). The composition and changes in this item are as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Liabilities for employee withholding taxes	2,861	4,497	(1,636)
Liabilities for self-employed and associate workers' withholding taxes	435	150	285
Payables for current taxes from the tax consolidation (IRES - corporate income tax)	-	13,606	(13,606)
VAT liabilities	-	1,995	(1,995)
Other liabilities	-	5	(5)
Total tax liabilities	3,296	20,253	(16,957)

The substantial decrease compared with previous years is because as at 31st December 2024 the Company had IRES payables from the tax consolidation (€ 13,606 thousand) and VAT payables (€1,995 thousand), whereas at the end of the current year, the Company had a credit balance in respect of the two aforementioned items (see note 21 – Other receivables for further details).

34. PROVISIONS

Provisions as at 31st December 2025 amounted to € 10,127 thousand (€ 9,290 thousand as at 31st December 2024). The composition and changes in this item are as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
For taxes	144	144	-
For agent customer indemnities	1,653	1,642	11
For other risks	8,330	7,504	826
Total provisions	10,127	9,290	837

The provision for taxes, unchanged compared with the previous year, arises from the merger of the former parent company FIMEI S.p.A. and is maintained on the balance sheet to cover any possible liabilities.

Other risks include provisions for goods returns, litigation and sundry risks and include € 4.7 million relating to remediation and safety works to be carried out at the Campoverde site. As at 31st December 2024, provisions for other risks included €3.6 million relating to the dispute with the Italian Medicines Agency over the payback on the product Urorec® (see notes 8 and 32), reclassified in the current financial year within other payables following the settlement of the dispute and the total amount to be paid.



35. DERIVATIVES MEASURED AT FAIR VALUE (CURRENT LIABILITIES)

As at 31st December 2025, the value of derivatives classified within this item amounted to € 3,844 thousand (€ 4,858 thousand as at 31st December 2024).

The fair value as at 31st December 2025 of the interest rate swaps to hedge medium and long-term loans gave rise to a total liability of € 2,846 thousand, which represents the missed opportunity to pay in future the currently expected floating rates for the term of the loans instead of the rates agreed.

The fair value measurement relates to interest rate swaps entered into by the Company to hedge interest rates on the following loans:

- a loan agreement for € 1,743 thousand signed in May 2023 with a consortium of eight national and international lenders, including Mediobanca in the role of lead coordinator;
- € 1,103 thousand for a loan totalling € 800.0 million, negotiated in 2022 by the Company in two stages. It should be noted that this loan was partially hedged (for € 348.4 million) and that the negative fair value measurement relates only to the interest rate swaps to hedge a €199.2 million portion (the fair value measurement of the interest rate swaps on the remaining € 149.2 million was positive).

The market value (fair value) as at 31st December 2025 of forward contracts entered into to hedge currency risks on loans with the company Recordati Rare Diseases Inc. was negative by € 857 thousand and the change for the year was recognised through profit and loss.

The fair value as at 31st December 2025 of a forward contract entered into to hedge currency risks on a loan to the company Rusfic LLC, was negative by € 81 thousand and the change for the year was recognised through profit and loss.

The market value (fair value) as at 31st December 2025 of forward contracts entered into to hedge currency risks on a loan with the company Rare Diseases Australia Pty Ltd was negative by € 5 thousand and the change for the year was recognised through profit and loss.

The market value (fair value) as at 31st December 2025 of forward contracts entered into to hedge currency risk on sales positions was negative by €55 thousand, and the change for the year was recognised through profit and loss.

The fair value of these hedging derivatives is measured at level 2 of the hierarchy set out in financial reporting standard IFRS 13 (see note 2). The fair value is equal to the present value of the estimated future cash flows. The estimated future cash flows at a floating interest rate are based on listed interest-rate swaps, futures prices and interbank rates. The estimated cash flows are discounted using a yield curve which reflects the reference interbank rate applied by market participants for the measurement of interest-rate swaps.



36. LOANS – DUE WITHIN ONE YEAR

The short-term portions of loans outstanding as at 31st December 2025, totalling € 287,258 thousand (€ 247,903 thousand as at 31st December 2024) are reported as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Bond subscribed in dollars by the investor Pricoa Capital Group (Prudential)	3,038	13,062	(10,024)
Bond subscribed in euro by the investor Pricoa Capital Group (Prudential)	15,625	15,625	-
Loan granted by Allied Irish Bank at a floating interest rate repayable in semi-annual instalments commencing from 2022 and until 2026	-	8,000	(8,000)
A syndicated loan at a floating interest rate repayable in semi-annual instalments commencing on 31 st March 2023 and repayable by 2 nd February 2027	172,600	140,000	32,600
Loan granted by Cassa Depositi e Prestiti at a floating interest rate and repayable in semi-annual instalments starting from October 2025 for 70% and from April 2033 for the remaining 30%	4,667	2,335	2,332
Loan agreement signed with a pool of national and international lenders, led by Mediobanca, at a floating interest rate repayable in increasing semi-annual instalments, commencing from 2024 and to be fully repaid by May 2028	72,500	58,750	13,750
Loan from HSBC Continental Europe, at a floating interest rate, repayable in semi-annual instalments starting on 31 st August 2025 with the last on 29 th February 2029	17,500	8,750	8,750
Total loans due within one year	285,930	246,522	39,408
Current portion of lease liabilities (IFRS 16)	1,328	1,381	(53)
Total	287,258	247,903	39,355

This item includes short-term liabilities resulting from the application of the financial reporting standard IFRS 16, amounting to € 1,329 thousand (€ 1,381 thousand as at 31st December 2024), which represent an obligation to make payments under existing lease contracts.



37. PAYABLES TO BANKS

Short-term liabilities to banks amounted to € 19,446 thousand as at 31st December 2025 (€ 18,169 thousand as at 31st December 2024).). The composition and changes in this item are as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Current account overdrafts	651	1,363	(712)
Expenses on derivative instruments	524	218	306
Interest on loans	15,688	15,137	551
Interest on bonds	2,583	1,451	1,132
Total	19,446	18,169	1,277

This item shows a slight increase compared with the previous year (€1,227 thousand), mainly due to higher accrued interest payable on bonds, as a result of the issue on 30th September 2025 of a new €125.0 million bond.



38. OTHER SHORT-TERM PAYABLES

Other short-term payables as at 31st December 2025 amounted to € 735,514 thousand (€ 756,501 thousand as at 31st December 2024).

The item includes payables to subsidiaries only, of which € 686,977 thousand related to payables arising from centralised treasury activities (cash pooling) and € 48,537 thousand related to loans payable, as follows:

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Bouchara Recordati S.a.s.	21,929	22,975	(1,046)
Casen Recordati S.L.	82,592	158,494	(75,902)
Fic Médical S.a.r.l.	237	240	(3)
Innova Pharma S.p.A.	8,316	11,057	(2,741)
Italchimici S.p.A.	10,700	15,120	(4,420)
Jaba Recordati S.A.	6,023	7,499	(1,476)
Laboratoires Bouchara Recordati S.a.s.	0	8,353	(8,353)
Natural Point S.r.l.	33,940	29,744	4,196
Recordati BVBA	46	2,293	(2,247)
Recordati Hellas Pharmaceuticals S.A.	7,378	7,483	(105)
Recordati Ireland Ltd.	78,988	738	78,250
Recordati Pharma GmbH	105,770	76,003	29,767
Recordati Rare Diseases Germany GmbH	7,500	10,311	(2,811)
Recordati Rare Diseases Inc.	2	3	(1)
Recordati Rare Diseases Italy Srl	3,482	2,723	759
Recordati Rare Diseases S.a.r.l.	272,391	165,427	106,964
Recordati Rare Diseases Spain S.L.	4,286	4,024	262
Recordati UK LTD	27,824	125,354	(97,530)
Rusfic LLC	15,573	12,037	3,536
Total cash pooling	686,977	659,878	27,099
Herbacos Recordati s.r.o.	-	10	(10)
Recordati Pharmaceuticals LTD	9,119	644	8,475
Recordati Rare Diseases Middle East FZ LLC	17,377	16,806	571
Recordati Rare Diseases Inc.	22,041	79,163	(57,122)
Total loans	48,537	96,623	(48,086)
Total other short-term payables	735,514	756,501	(20,987)



39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

As required by IFRS 7, a comparison of the carrying amounts as at 31st December 2025 and the fair values of financial assets and liabilities is given below.

€ (thousands)	Carrying amount	Fair value
Financial assets		
Other short-term financial receivables	103,891	103,891
Cash and cash equivalents and other current assets	127,089	127,089
Other non-current financial assets	550,545	550,545
Trade receivables	214,626	214,626
Other receivables	41,915	41,915
Derivatives measured at fair value	4,903	4,903
Financial liabilities		
Loans	2,348,848	2,027,823
- at fixed interest rates	308,893	301,463
- at fixed rate hedged by cross currency swaps (CCS)	12,132	12,244
- at floating rate hedged with interest rate swaps (IRS)	2,020,167	2,020,167
- liability for the application of IFRS 16	7,656	7,656
Trade payables	145,623	145,623
Other current payables and tax liabilities	79,082	79,082
Derivatives measured at fair value	3,844	3,844
Payables to banks	19,445	19,445
Other short-term payables	735,514	735,514

40. SEGMENT REPORTING

Reporting by business segment, presented in compliance with IFRS 8 – Operating segments – has been performed according to the same accounting policies employed in the presentation of the consolidated financial statements of the Group where, following the acquisition of Recordati Rare Diseases, two main segments have been identified: the Specialty & Primary Care segment and the rare diseases pharmaceuticals segment, which relates to the whole of Recordati Rare Diseases. Consequently the only business segment that exists for Recordati S.p.A. is the Specialty & Primary Care segment. Furthermore, the pharmaceutical chemicals business is considered an integral part of the Specialty & Primary Care segment because from an organisational and strategic viewpoint it is involved principally in the production of the active ingredients required to produce pharmaceuticals.

41. LITIGATION AND CONTINGENT LIABILITIES

The Company is a party to certain minor legal actions and disputes, the outcomes of which are not expected to result in any liability. The amount for contingent liabilities, currently considered “possible”, is not significant.

Some licence agreements relating to the acquisition of the rights to Vazkepa® and Reagila® involve future milestone payments when specified conditions are met, the materialisation of which are still uncertain, with



the result that the contractually agreed payments are currently merely potential. The estimated value of the additional payments as at 31st December 2025 is approximately € 143 million, relating to Vazkepa® (\$ 150 million) and Reagila® (€15 million), linked to commercial milestones related to the potential achievement of certain net revenue thresholds at or above the expectations of peak total annual sales.

42. NET FINANCIAL POSITION

For full disclosure on the Company's financial position, the following table is given which summarises its net financial position:

The situation is in line with the CONSOB Alert No. 5/21 of 29th April 2021 concerning compliance with "Guidelines on disclosure obligations in accordance with the Prospectus Regulation" published by the ESMA on 4th March 2021 with document ESMA32-382-1138.

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Current account sight deposits and other cash and cash equivalents	124,090	135,444	(11,354)
Short-term receivables from Group companies	103,891	81,560	22,331
Receivables for dividends due from Group companies	2,026	-	2,026
Cash and cash equivalents and other short-term receivables	230,007	217,004	13,003
Short-term payables to banks	(19,445)	(18,169)	(1,276)
Loans due within one year	(287,259)	(247,903)	(39,356)
Short-term payables to Group companies	(735,514)	(756,501)	20,987
Current debt	(1,042,218)	(1,022,573)	(19,645)
Net current financial position	(812,211)	(805,569)	(6,642)
Receivables - due after than one year	550,545	718,458	(167,913)
Loans – due after one year	(2,060,617)	(2,079,143)	18,526
Long-term payables due to Group companies	-	(83,737)	83,737
Non-current debt	(1,510,072)	(1,444,422)	(65,650)
Net financial position⁽¹⁾	(2,322,283)	(2,249,991)	(72,292)

(1) Inclusive of the fair value of derivatives to hedge foreign exchange rate risk (cash flow hedges), recognised within asset item 23 and liability item 35 with an overall net positive impact of € 975 thousand as at 31st December 2025.



43. NON-RECURRING SIGNIFICANT EVENTS AND TRANSACTIONS

In compliance with Consob communication of 28th July 2006 a summary is given in the table below of the main events, transactions and actions which are non-recurring and which do not repeat frequently in the usual course of business.

The overall net impact of such occurrences on the profit and loss, balance sheet and cash flow of the Company was negative by € 20,941 thousand.

€ (thousands)	31.12.2025	31.12.2024	Changes 2025/2024
Restructuring	(8,139)	(561)	(7,578)
Payback Urorec 20-25	(12,762)	-	(12,762)
Other non-recurring costs	(40)	-	(40)
Total non-recurring income/(expense)	(20,941)	(561)	(20,380)

44. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

In compliance with CONSOB communication of 28th July 2006, the Company performed no atypical and/or unusual transactions in 2025, as defined in that same communication, according to which atypical and/or unusual transactions are those which because of their significance or importance, the nature of the counterparties, the content of the transaction, the way in which the transfer price is decided and the timing of the event (close to the end of the financial year) might give rise to doubts concerning: the accuracy and completeness of the information in the financial statements, a conflict of interests, the security of the company's assets, the protection of the interests of minority shareholders.

45. RELATED-PARTY TRANSACTIONS

As at 31st December 2025 the Company had a total net debt position of € 7,015 thousand towards Group companies, with credit positions of € 816,734 thousand and debt positions of € 823,749 thousand.

The table below summarises these receivables and payables by nature:

RELATED-PARTY TRANSACTIONS (€ thousand)	Receivables	Payables	Net
Loans	615,312	(48,537)	566,766
Cash pooling	41,040	(686,977)	(645,937)
Trade	147,364	(83,150)	64,214
Other	13,018	(5,085)	7,933
Total	816,735	(823,749)	(7,015)

Sales, services and royalties to Group companies in 2025 amounted to € 355,336 thousand (€ 422,812 thousand in 2024).

During the year, dividends were devlared by Casen Recordati S.L. (€ 123,306 thousand), Recordati Rare Diseases S.a.r.l. (€ 79,692 thousand, Recordati AG (€ 53,621 thousand), Bouchara Recordati (€ 30,000 thousand), from Italchimici S.p.A. (€ 16,821 thousand), Natural Point S.r.l. (€ 16,000 thousand), from Recordati Ireland Limited (€ 15,000 thousand), from Recordati Romania Srl (€ 3,952 thousand), from Herbacos Recordati S.r.o. (€ 3,201 thousand), from Recordati Polska S.p. z.o.o. (€ 1,998 thousand) and from Opalia Pharma S.A. (€ 728 thousand).



The following summary is given in the table below in compliance with Consob Resolution No. 15519 of 27th July 2006:

PERCENTAGE OF TRANSACTIONS WITH RELATED PARTIES (€ thousand)	Total	Related Parties (amount)	Related Parties (%)
Percentage of transactions or positions in the balance sheet with related parties			
Trade receivables and other	256,540	160,382	62.52%
Other non-current financial assets	550,545	550,436	99.98%
Short-term financial assets	105,916	105,916	100.00%
Trade payables and other	(221,409)	(88,235)	39.85%
Other short-term payables	(735,514)	(735,514)	100.00%
Percentage of transactions or positions in the income statement with related parties			
Revenue	618,108	355,342	57.49%
Income from investments	344,319	344,319	100.00%
Costs of purchases and service provision	(389,157)	(64,433)	16.56%
Financial income/(expense), net	(88,203)	7,208	(8.17%)

Transactions and positions with related parties as a percentage of balance sheet items is basically the same as that for the income statement.

Transactions with related parties are conducted under normal market conditions.

With regard to direct relations during the year with the company that exercises management and coordination, we report that some employees of the Recordati Group have been designated as beneficiaries of an incentive scheme, with a vesting period of five years, under which they have purchased shares of Rossini Luxembourg S.à.r.l. at face value, an indirect shareholder of Recordati S.p.A., and they will receive a return at the end of the life of the scheme.

With the exception of the previous point, no other direct business was conducted with the company that carries out management and coordination activities.

In compliance with disclosure obligations set out in Art. 38 of Legislative Decree No. 127/91, we report that fees paid to directors and statutory auditors for carrying out their functions during the course of 2025 amounted to € 2,519 thousand and € 170 thousand respectively.

Details of total remuneration received by directors and key management personnel are given in the table below.

€ (thousands)	2025	2024
Fixed remuneration	2,648	2,555
Non-monetary benefits	78	69
Bonuses and other incentives	1,239	1,776
Share-based payments	2,004	2,013
Total	5,969	6,413



The remuneration includes salaries and non-monetary benefits. Key management personnel also participate in incentive schemes.

Following extraordinary operations involving the life of the Company in relation to the sale of their controlling interest by the Recordati family to a consortium of investment funds controlled by CVC Capital Partners VII Limited, on 28th February 2019 the Board of Directors of the Company, appointed by a Shareholders' Meeting held on 5th February 2019, noted the management and co-ordination exercised by Rossini Luxembourg S.à.r.l. over Recordati S.p.A. pursuant to articles 2497 and following of the Italian Civil Code.

We report that Rossini Luxembourg S.à.r.l. was formed on 14/05/2018. Key figures from the financial statements for the year ended 31st December 2024 approved by the company that exercises management and co-ordination are reported in Attachment 6.

The direct parent of the Company forms part of a consortium of investment funds controlled by CVC Capital Partners.

46. IMPORTANT EVENTS AFTER THE REPORTING PERIOD

At the date of preparing the financial statements no corporate events had occurred after the end of the year which might require modifications to be made to the value of assets and liabilities and the amounts in the income statement.

On 28th February 2026, a conflict broke out in the Persian Gulf region involving several countries. Although the Group operates only in certain parts of the affected Middle East region, it continues to monitor the course of the conflict and geopolitical developments to assess their potential impact on its personnel, supply chain and activities.

47. PROPOSAL FOR THE ALLOCATION OF NET INCOME FOR THE YEAR

A proposal is made for the net income for the year, amounting to € 317,586,523 to be allocated as follows:

- distribution to shareholders of a dividend of € 0.71 per share, as the balance on the interim dividend for the financial year 2025 of € 0.63, on each of the shares outstanding on the ex dividend date, 18th May 2026, exclusive of treasury stock held in portfolio on that date, with payment on 20th May 2026 and record date on 19th May 2026. The total dividend per share proposed for the financial year 2025 therefore amounts to € 1.34 per share (€ 1.27 per share in 2024);
- allocation to the extraordinary reserve of the remaining net income.



RECORDATI S.P.A.

ATTACHMENT 1

STATEMENT OF CHANGES IN DIRECT INVESTMENTS

€ (thousands)	Balance as at 31 st December 24	Acquisitions	Mergers	Fair value measurement	IFRS 2 Stock option measurement	IFRS2 Performance shares measurement	Balance as at 31 st December 25
Investments in subsidiaries							
Casen Recordati S.L. – Spain	276,615				136	1,061	277,812
Innova Pharma S.p.A. – Italy	10,566				-	-	10,566
Bouchara Recordati S.a.s. – France	133,225				98	625	133,948
Recordati Pharmaceuticals Ltd. – United Kingdom	11,916				13	135	12,064
Recordati Hellas Pharmaceuticals S.A. – Greece	5,183				8	70	5,261
Herbacos Recordati s.r.o. – Czech Republic	20,221				12	128	20,361
Recordati Polska Sp. z.o.o. – Poland	21,351				47	433	21,831
Italchimici S.p.A. – Italy	106,294				-	-	106,294
Natural Point S.r.l. – Italy	83,656				3	-	83,659
Recordati AG – Switzerland	208,902				90	1,946	210,938
Recordati Rare Diseases Canada Inc. – Canada	245				-	-	245
Recordati Rare Diseases Inc. – United States	8,598				160	2,890	11,648
Recordati Rare Diseases S.A. de C.V. – Mexico	996				3	(39)	960
Recordati Rare Diseases Comercio Medicamentos Ltda – Brazil	304				3	52	359
Recordati Ireland Ltd (Ireland)	2,247				32	180	2,459
Opalia Pharma S.A. – Tunisia	19,982				-	-	19,982
Recordati Romania Srl – Romania	1,806				8	77	1,891
Recordati Pharma GmbH – Germany	88,423				24	362	88,809
Accent LLC – Russian Federation	66,707				-	-	66,707
Recordati Ukraine LLC – Ukraine	0				0	0	0
Recordati Bulgaria Ltd – Bulgaria	67				2	-	69
Recordati (Beijing) Pharmaceutical Co., Ltd – China	860				3	-	863
Recordati UK LTD – United Kingdom	707,916				92	329	708,337
Recordati Rare Diseases S.a.r.l. – France	57,791				97	1,347	59,235
Recordati Argentina S.r.l. – Argentina	5				-	-	5
	1,833,876	-	-	-	831	9,596	1,844,303
Investments in other companies:							
Sifir S.p.A. – Reggio Emilia	-						-
Consorzio Dafne – Reggello (Florence)	2						2
Consorzio Nazionale Imballaggi – Rome	-						-
DGT – United States	-						-
PureTech Health p.l.c. – United Kingdom	17,308			(3,620)			13,688
Miacomet Inc.	-						-
Standard Biotoools Inc. – United States	3			(1)			2
	17,313	-	-	(3,621)	831	-	13,692
Total	1,851,189	-	-	(3,621)	831	9,596	1,857,995



RECORDATI S.P.A.

ATTACHMENT 2

SUMMARY STATEMENT OF DIRECT INVESTMENTS

€ (thousands)	Balance as at 31 st December 2025	Percentage ownership	Number of shares or quotas possessed
Investments in subsidiaries			
Casen Recordati S.L. – Spain	277,812	100.00	2,389,660
Innova Pharma S.p.A. – Italy	10,566	100.00	960,000
Bouchara Recordati S.a.s. – France	133,948	100.00	10,000
Recordati Pharmaceuticals Ltd. – United Kingdom	12,064	100.00	15,000,000
Recordati Hellas Pharmaceuticals S.A. – Greece	5,261	100.00	1,005,000
Herbacos Recordati s.r.o. – Czech Republic	20,361	100.00	1
Recordati Polska Sp. z.o.o. – Poland	21,831	100.00	90,000
Italchimici S.p.A. – Italy	106,294	100.00	7,646,000
Natural Point S.r.l. – Italy	83,659	100.00	1
Recordati AG – Switzerland	210,938	100.00	650,000
Recordati Rare Diseases Canada Inc. – Canada	245	100.00	1,000
Recordati Rare Diseases Inc. – United States	11,648	100.00	100
Recordati Rare Diseases S.A. de C.V. – Mexico	960	100.00	49,999
Recordati Rare Diseases Comercio De Medicamentos Ltda – Brazil	359	100.00	166
A Recordati Ireland Ltd – Ireland	2,459	100.00	200,000
Opalia Pharma S.A. – Tunisia	19,982	90.00	612,000
Recordati Romania Srl – Romania	1,891	100.00	500,000
Recordati Pharma GmbH – Germany	88,809	55.00	1
Accent LLC – Russian Federation	66,707	100.00	1
Recordati Ukraine LLC – Ukraine	0	0.01	1
Recordati Bulgaria Ltd – Bulgaria	69	100.00	50
Recordati (Beijing) Pharmaceutical Co., Ltd – China	863	100.00	1
Recordati UK LTD – United Kingdom	708,337	100.00	10
Recordati Rare Diseases S.a.r.l. – France	59,235	84.00	4,580
Recordati Argentina S.r.l. – Argentina	5	5.00	446,525
	1,844,303		
Investments in other companies:			
Consorzio Dafne – Reggello (Florence)	2	1.16	1
Consorzio Nazionale Imballaggi – Rome	0	n,s,	1
DGT – United States	0	n,s,	n,s,
PureTech Health p.l.c. – United Kingdom	13,688	3.70	9,554,140
Miacomet Inc.	0	n,s	n,s
Standard Biotools Inc. – United States	2	n,s	1,698
	13,692		
Total	1,857,995		



RECORDATI S.P.A.

ATTACHMENT 3

COMPARISON BETWEEN THE CARRYING AMOUNT OF DIRECT INVESTMENTS IN SUBSIDIARIES AND THEIR VALUATION USING THE EQUITY METHOD

€ (thousands)	Share capital	31.12.2025 Equity	31.12.2025 Net income (loss)	Percentage ownership	Corresponding pro-rata equity (A)	Carrying amount (B)	Valuation at equity (C)
Investments							
Casen Recordati S.L. – Spain	238,966	402,809	46,146	100.00%	402,809	277,812	515,334
Innova Pharma S.p.A. – Italy	1,920	10,563	(2,557)	100.00%	10,563	10,566	10,836
Bouchara Recordati S.a.s. – France	4,600	59,804	27,554	100.00%	59,804	133,948	267,292
Recordati Pharmaceuticals Ltd. – United Kingdom	17,190	15,398	228	100.00%	15,398	12,064	14,361
Recordati Hellas Pharmaceuticals S.A. – Greece	10,050	13,730	3,565	100.00%	13,730	5,261	12,651
Herbacos Recordati s.r.o. – Czech Republic	1,056	20,857	3,680	100.00%	20,857	20,361	33,928
Recordati Polska Sp. z.o.o. – Poland	1,066	30,915	8,215	100.00%	30,915	21,831	42,461
Italchimici S.p.A. – Italy	7,646	62,486	12,961	100.00%	62,486	106,294	133,466
Natural Point s.r.l. – Italy	10	75,034	18,537	100.00%	75,034	83,659	102,924
Recordati AG – Switzerland	69,787	622,816	199,445	100.00%	622,816	210,938	642,100
Recordati Rare Diseases Canada Inc. – Canada	218	3,629	576	100.00%	3,629	245	1,739
Recordati Rare Diseases Inc. – United States	10,195	471,671	62,073	100.00%	471,671	11,648	189,972
Recordati Rare Diseases S.A. de C.V. – Mexico	769	3,180	86	100.00%	3,180	960	1,504
Recordati Rare Diseases Comercio De Medicamentos Ltda – Brazil	0	2,148	1,647	100.00%	2,148	359	(2,334)
Recordati Ireland Ltd – Ireland	200	217,911	82,993	100.00%	217,911	2,459	184,550
Opalia Pharma S.A. – Tunisia	2,844	35,374	5,340	90.00%	31,836	19,982	55,110
Recordati Romania Srl – Romania	981	11,892	4,819	100.00%	11,892	1,891	10,110
Recordati Pharma GMBH – Germany	600	194,834	27,175	55.00%	107,159	88,809	112,235
Accent LLC – Russian Federation	0	428	22	100.00%	428	66,707	17,904
Recordati Ukraine LLC – Ukraine	21	4,133	445	0.01%	0	0	0
Recordati Bulgaria Ltd – Bulgaria	26	201	26	100.00%	201	69	201
Recordati (Beijing) Pharmaceutical Co., Ltd – China	694	1,849	627	100.00%	1,849	863	923
Recordati UK LTD - United Kingdom*	0	323,276	97,669	100.00%	323,276	708,337	782,711
Recordati Rare Diseases S.a.r.l. – France	420	326,366	84,978	84.00%	274,148	59,235	275,016
Recordati Argentina S.r.l. – Argentina	83	165	10	5.00%	8	5	9
	369,343	2,911,467	686,258		2,763,747	1,844,303	3,405,003

* The carrying amount of the investment has not been adjusted to bring it into line with the amount calculated using the equity method because, amongst other things, the results of the annual impairment test showed that the difference was not to be considered an indicator of permanent impairment.



RECORDATI S.P.A.

ATTACHMENT 4

SUMMARY INFORMATION ON SUBSIDIARIES

Subsidiaries	Headquarters	Currency	Share capital	Net income (loss) 2025	Equity as at 31/12/2025	Revenue 2025
INNOVA PHARMA S.p.A. <i>Marketing and sales of pharmaceuticals</i>	Italy	€(000)	1,920	(2,557)	10,563	42,142
CASEN RECORDATI S.L. <i>Marketing and sales of pharmaceuticals</i>	Spain	€(000)	238,966	46,146	402,809	213,380
BOUCHARA RECORDATI S.A.S. Research, production and sales of pharmaceuticals	France	€(000)	4,600	27,554	59,804	19,691
REC.RARE DISEASES COMERCIO DE MEDICAMENTOS LTDA. <i>Dormant, holds pharmaceutical marketing rights in Brazil</i>	Brazil	BRL(000)	-	10,602	13,824	77,063
RECORDATI RARE DISEASES Inc. <i>Research, production and sales of pharmaceuticals</i>	USA	USD(000)	11,979	72,936	554,213	624,862
RECORDATI IRELAND LTD <i>Research, production and sales of pharmaceuticals</i>	Ireland	€(000)	200	82,993	217,911	305,932
LABORATOIRES BOUCHARA RECORDATI S.A.S. <i>Research, production and sales of pharmaceuticals</i>	France	€(000)	14,000	13,059	44,675	197,262
RECORDATI PHARMA GmbH <i>Marketing and sales of pharmaceuticals</i>	Germany	€(000)	600	27,175	194,834	104,412
RECORDATI PHARMACEUTICALS LTD <i>Marketing and sales of pharmaceuticals</i>	United Kingdom	GBP(000)	15,000	199	13,436	12,703
RECORDATI HELLAS PHARMACEUTICALS S.A. <i>Marketing and sales of pharmaceuticals</i>	Greece	€(000)	10,050	3,565	13,730	23,521
JABA RECORDATI S.A. <i>Marketing and sales of pharmaceuticals</i>	Portugal	€(000)	2,000	10,860	22,110	68,062
JABAFARMA PRODUTOS FARMACÊUTICOS S.A. <i>Marketing of pharmaceuticals</i>	Portugal	€(000)	50	210	1,093	960
BONAFARMA PRODUTOS FARMACÊUTICOS S.A. <i>Marketing of pharmaceuticals</i>	Portugal	€(000)	50	304	2,016	2,640
RECORDATI RARE DISEASES MIDDLE EAST FZ LLC <i>Marketing and sales of pharmaceuticals</i>	United Arab Emirates	€(000)	20	252	22,037	1,173
RECORDATI A.B. <i>Marketing and sales of pharmaceuticals</i>	Sweden	SEK(000)	100	17,272	62,016	370,248
RECORDATI RARE DISEASES S.A.R.L. <i>Research, production and sales of pharmaceuticals</i>	France	€(000)	420	84,978	326,366	396,729
NATURAL POINT S.r.l. <i>Marketing and sales of pharmaceuticals</i>	Italy	€(000)	10	18,537	75,034	41,111
RECORDATI AUSTRIA GmbH <i>Marketing and sales of pharmaceuticals</i>	Austria	€(000)	35	736	2,711	5,404



Subsidiaries	Headquarters	Currency	Share capital	Net income (loss) 2025	Equity as at 31/12/2025	Revenue 2025
RECORDATI RARE DISEASES UNITED KINGDOM LTD <i>Marketing and sales of pharmaceuticals</i>	United Kingdom	GBP(000)	50	123	1,360	5,473
RECORDATI BULGARIA LTD <i>Marketing and sales of pharmaceuticals</i>	Bulgaria	BGN(000)	50	51	392	731
RECORDATI RARE DISEASES GERMANY GmbH <i>Marketing and sales of pharmaceuticals</i>	Germany	€(000)	26	4,561	5,494	78,761
RECORDATI RARE DISEASES SPAIN S.L. <i>Marketing and sales of pharmaceuticals</i>	Spain	€(000)	1,775	1,412	4,679	38,429
RECORDATI RARE DISEASES ITALY S.R.L. <i>Marketing and sales of pharmaceuticals</i>	Italy	€(000)	40	969	13,066	42,121
RECORDATI BVBA <i>Marketing and sales of pharmaceuticals</i>	Belgium	€(000)	19	1,710	1,960	39,587
FIC MEDICAL S.A.R.L. <i>Marketing of pharmaceuticals</i>	France	€(000)	174	113	1,062	3,151
HERBACOS RECORDATI s.r.o. <i>Research, production and sales of pharmaceuticals</i>	Czech Republic	CZK(000)	25,600	89,189	505,504	1,077,474
RECORDATI SK s.r.o. <i>Marketing and sales of pharmaceuticals</i>	Slovak Republic	€(000)	33	66	637	2,128
RUSFIC LLC <i>Marketing and sales of pharmaceuticals</i>	Russian Federation	RUB(000)	3,560	1,202,847	6,547,481	12,367,762
RECOFARMA İLAÇ Ve Hammaddeleri Sanayi Ve Ticaret L.Ş. <i>Marketing of pharmaceuticals</i>	Turkey	TRY(000)	-	10,249	-	50,255
RECORDATI ROMANIA S.R.L. <i>Marketing and sales of pharmaceuticals</i>	Romania	RON(000)	5,000	24,560	60,612	155,581
RECORDATI İLAÇ Sanayi Ve Ticaret A.Ş. <i>Research, production and sales of pharmaceuticals</i>	Turkey	TRY(000)	2,754,508	253,390	3,963,078	5,883,623
RECORDATI POLSKA Sp. z o.o <i>Marketing and sales of pharmaceuticals</i>	Romania	PLN(000)	4,500	34,675	130,492	342,257
ACCENT LLC <i>Holds pharmaceutical marketing rights</i>	Russian Federation	RUB(000)	20	2,018	39,743	3,600
RECORDATI UKRAINE LLC <i>Marketing of pharmaceuticals</i>	Ukraine	UAH(000)	1,032	22,151	205,812	800,187
CASEN RECORDATI Portugal Unipessoal Ltd <i>Marketing and sales of pharmaceuticals</i>	Portugal	€(000)	100	111	1,284	744
OPALIA PHARMA S.A. <i>Research, production and sales of pharmaceuticals</i>	Tunisia	TND(000)	9,656	18,127	120,086	112,265
OPALIA RECORDATI SARL <i>Marketing of pharmaceuticals</i>	Tunisia	TND(000)	20	2,293	13,816	6,287
RECORDATI RARE DISEASE S.A. DE CV <i>Marketing of pharmaceuticals</i>	Mexico	MXN(000)	16,250	1,807	67,156	145,412



Subsidiaries	Headquarters	Currency	Share capital	Net income (loss) 2025	Equity as at 31/12/2025	Revenue 2025
RECORDATI RARE DISEASE COLOMBIA S.A.S <i>Marketing of pharmaceuticals</i>	Colombia	COP(000)	150,000	2,553,980	26,991,636	78,508,446
RECORDATI RARE DISEASE CANADA INC. <i>Marketing of pharmaceuticals</i>	Canada	CAD(000)	350	926	5,839	18,550
RECORDATI RARE DISEASE JAPAN K.K. <i>Marketing of pharmaceuticals</i>	Japan	JPY(000)	90,000	32,874	1,516,589	10,340,717
RECORDATI RARE DISEASE AUSTRALIA Pty Ltd. <i>Marketing of pharmaceuticals</i>	Australia	AUD(000)	200	1,448	3,699	13,988
ITALCHIMICI S.p.A. <i>Marketing and sales of pharmaceuticals</i>	Italy	€(000)	7,646	12,961	62,486	38,872
RECORDATI AG <i>Marketing and sales of pharmaceuticals</i>	Switzerland	CHF(000)	65,000	185,763	580,091	438,282
RECORDATI (BEIJING) PHARMACEUTICAL CO. Ltd. <i>Marketing of pharmaceuticals</i>	China	CNY(000)	5,706	5,157	15,214	85,276
RECORDATI RARE DISEASES FZCO ⁽²⁾ <i>Marketing and sales of pharmaceuticals</i>	United Arab Emirates	€(000)	39	4,270	7,474	26,965
RECORDATI UK Ltd <i>Marketing and sales of pharmaceuticals</i>	United Kingdom	€(000)	-	97,669	323,276	388,079
EUSA PHARMA (CH) GMBH <i>Marketing of pharmaceuticals</i>	Switzerland	CHF(000)	20	-	41	-
RECORDATI NETHERLANDS B.V. <i>Marketing and sales of pharmaceuticals</i>	Netherlands	€(000)	-	1,079	2,091	103,578
EUSA PHARMA DENMARK APS (DENMARK) <i>Marketing and sales of pharmaceuticals</i>	Denmark	DKK(000)	-	-	-	-
RECORDATI KOREA Co. Ltd. <i>Marketing and sales of pharmaceuticals</i>	South Korea	KRW(000)	100,000	181,435	1,233,488	10,458,612
RECORDATI ARGENTINA S.r.l. <i>Marketing and sales of pharmaceuticals</i>	Argentina	ARS(000)	89,305	87,578	317,537	1,708,911
RECORDATI RARE DISEASE MENA RHQ <i>Marketing and sales of pharmaceuticals</i>	Saudi Arabia	SAR(000)	500	146	646	2,003



RECORDATI S.P.A.

ATTACHMENT 5

DETAILS OF ITEMS IN SHAREHOLDERS' EQUITY

€ (thousands)	Amount	Availability for use	Amount available	Amount distributable without tax effects	Amount distributable with tax effects	Summary of uses over the preceding three years		Notes
						Replenishment of losses	Other uses	
Share capital	26,141							
Additional paid-in capital	83,718	A B C	83,718	15,074	68,644			1
Revaluation reserve	2,602	A B C	2,602	-	2,602			
Statutory reserve	5,228	B	-	-	-			
Treasury stock reserve	(239,379)		(239,379)	(239,379)	-			
Other reserves								
Gain on merger	30,204	A B C	30,204	30,204	-			
Extraordinary reserve	73,253	A B C	73,253	73,253	-		(30,243)	2
Reserve under Art. 13 par. 6 Legislative Decree No. 124/1993	99	A B C	99	-	99			
Research and investment grants	17,191	A B C	17,191	1,227	15,964			3
Extraordinary VAT concession reserve	517	A B C	517	-	517			
Southern Italy investment fund	3,632							
IAS reserve	167,061	A B C	167,061	167,061	-		(22,752)	2
Interim dividends	(128,783)		(128,783)	(128,783)	-			
Net income (loss) for the period	317,587	A B C	317,587	317,587	-			
Total equity	359,071		324,070	236,244	87,826		0 (52,995)	

Legend:

- A for share capital increase
- B to replenish losses
- C to distribute to shareholders

Notes:

- 1 The additional paid-in capital reserve may be distributed when the statutory reserve has reached one fifth of the share capital.
- 2 The decrease is due to the difference between the amount paid by Group employees who exercised options under the stock option plans and the value of treasury shares recognised in the financial statements in the last three years.
- 3 The research and investment grant reserve has already been subject to taxation of € 1,227 thousand.



RECORDATI S.P.A.

ATTACHMENT 6

SUMMARY OF THE LATEST FINANCIAL STATEMENTS APPROVED BY THE COMPANY THAT EXERCISES MANAGEMENT AND COORDINATION

Annual financial statements of the company Rossini Luxembourg S.à.r.l.	Amounts in euro 31.12.2024	Amounts in euro 31.12.2023
Income statement		
Revenue		
Operating costs	(111,155)	(103,869)
Taxes	(7,820)	(8,385)
Net income (loss) for the year	(118,975)	(112,254)
Assets		
Non-current assets	1,097,330,982	1,098,330,981
Current assets	2,478,786	1,584,783
Total assets	1,099,809,768	1,099,915,765
Equity and Liabilities		
Equity		
Share capital	1,108,568	1,108,568
Reserves	1,099,417,178	1,099,417,178
Prior year net income (losses)	(629,892)	(517,638)
Net income (loss) for the year	(118,975)	(112,254)
Total equity	1,099,776,879	1,099,895,854
Liabilities		
Current liabilities	32,889	19,911
Total liabilities	32,889	19,911
Total equity and liabilities	1,099,809,768	1,099,915,765





RECORDATI S.P.A.

ATTACHMENT 7

DISCLOSURE OF AUDITORS' FEES FOR ACCOUNTING AUDITS AND OTHER SERVICES

Type of service	Firm that provided the service	Fees in €
Accounting audit	Auditor of the Company	253,064
Due diligence services	Auditor of the Company	0
Signing declarations and certifications	Auditor of the Company	147,216



CERTIFICATION IN RESPECT OF THE FINANCIAL STATEMENTS

UNDER ARTICLE 154-BIS OF LEGISLATIVE DECREE 58/98

1.

The undersigned, Robert Koremans, in his capacity as Chief Executive Officer, and Niccolò Giovannini, as the Manager responsible for the preparation of the financial statements of Recordati S.p.A., pursuant to the provisions of article 154-*bis*, clauses 3 and 4, of Legislative Decree No. 58 of 24th February 1998, hereby attest

- the adequacy in relation to the characteristics of the company and
- the effective application,

of the administrative and accounting procedures applied in the preparation of the separate company financial statements for the financial year 2025.

2.

They also attest that:

2.1

The financial statements as at 31st December 2025:

- have been prepared in accordance with the international accounting standards, recognised by the European Union pursuant to Regulation (EC) 1606/2002 of the European Parliament and Council, dated 19th July 2002;
- correspond to the amounts shown in the Company's accounts, books and records;
- provide a fair and correct representation of the financial conditions, results of operations and cash flows of the issuer.

2.2

The report on operations includes a reliable operating and financial review of the Company as well as a description of the main risks and uncertainties to which it is exposed.

Milan, 19th March 2026

The Chief Executive Officer

Robert Koremans

The Manager responsible
for preparing the Company's financial reports
Niccolò Giovannini





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Recordati Industria Chimica e Farmaceutica S.p.A.

Financial statements as at 31 December 2025

**Independent auditor's report pursuant to article 14 of
Legislative Decree n. 39, dated 27 January 2010, and article
10 of EU Regulation n. 537/2014**



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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014 (Translation from the original Italian text)

To the Shareholders of
Recordati Industria Chimica e Farmaceutica S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Recordati Industria Chimica e Farmaceutica S.p.A. (the Company), which comprise the statement of financial position as at 31 December 2025, and the statement of income, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:



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Key Audit Matter	Audit Response
<p>Recoverability of the book value of investments in subsidiaries</p> <p>As of 31 December 2025, the investments in subsidiaries recorded in the Company's financial statements amount to Euro 1.844 million.</p> <p>In case of specific impairment indicators, the value of investments in subsidiaries, recorded at cost, is tested for impairment by the directors. For the purpose of impairment testing, the value of the investments in subsidiaries is compared with the recoverable amount, defined as the higher of the fair value less costs to sell and the value in use. The processes as well as the methods of evaluation and calculation of the recoverable amount of investments in subsidiaries are based on assumptions, sometimes complex, which imply, by their nature, estimates by the directors, especially with regard to the forecast of future cash flows, the determination of the discount rates and growth rates adopted beyond the period with explicit forecasts.</p> <p>Considering the significance of the item, the judgment requested and the complexity of the assumptions adopted in the estimation of the recoverable amount of investments in subsidiaries, we assessed this matter as a key audit matter.</p> <p>Financial statements disclosures related to this matter are reported in the note "2. Summary of significant accounting policies" and in particular in the note "16. Investments", which describes the composition of the balance as of 31 December 2025, as well as the methodology used to assess the recoverable amount of investments in subsidiaries, with specific reference to the valuation methodology and the assumptions used.</p>	<p>Our audit procedures related to the key audit matter included, among the others:</p> <ol style="list-style-type: none">i. the analysis of the procedure adopted by the Company and the methodology applied in connection with identification and evaluation of any reduction in the value of investments in subsidiaries, taking into account the impairment test procedure approved by the Board of Directors of the Company on 17 February 2026;ii. the analysis of the differences between the value of investments in subsidiaries and the corresponding value of the net assets of the subsidiaries, also considering the outcome of the activities performed to assess the recoverability of goodwill in the consolidated financial statements;iii. the analysis of the reasonableness of the expected cash flows underlying the impairment test approved by the Board of Directors of the Company;iv. the assessment of the quality of forecasts as compared to the historical accuracy of the previous forecasts;v. the sensitivity analysis on key assumptions in order to identify the changes in assumptions that could have a significant impact on the valuation of the recoverable amount. <p>Our procedures were performed with the support of our experts in valuation techniques, who analyzed the valuation methodologies adopted, verified the mathematical accuracy of the calculation models and evaluated the reasonableness of the criteria adopted to determine the discount rates and growth rates applied beyond the period with explicit forecasts.</p> <p>Finally, we analyzed the disclosures provided in the financial statements of the Company as of 31 December 2025.</p>



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Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.



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However, future events or conditions may cause the Company to cease to continue as a going concern;

- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Recordati Industria Chimica e Farmaceutica S.p.A., in the general meeting held on 29 April 2020, engaged us to perform the audits of the financial statements for each of the years ending 31 December 2020 to 31 December 2028.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Recordati Industria Chimica e Farmaceutica S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the financial statements as at 31 December 2025 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at 31 December 2025 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.



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Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-bis) and e-ter) of Legislative Decree n. 39 dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Recordati Industria Chimica e Farmaceutica S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Recordati Industria Chimica e Farmaceutica S.p.A. as at 31 December 2025, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the Report on Operations and in certain specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998.

In our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, are consistent with the financial statements of Recordati Industria Chimica e Farmaceutica S.p.A. as at 31 December 2025.

Furthermore, in our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-ter), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, 31 March 2026

EY S.p.A.

Signed by: Giovanni Luca Guerra, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.