

**RECORDATI BOARD APPROVES THE 2022 ACCOUNTS,
CONFIRMING STRONG CONSOLIDATED FINANCIAL RESULTS:
REVENUE +17.3%, EBITDA⁽¹⁾ +11.7%, ADJUSTED NET INCOME⁽²⁾ +11.5%
2022 DIVIDEND € 1.15 (+4.5%)**

- *2022 Financial Year Results confirm the preliminary figures announced on 21st February 2023:*
 - Net revenue € 1,853.3 million, +17.3%
 - EBITDA⁽¹⁾ € 672.8 million, +11.7%
 - Adjusted net income⁽²⁾ € 473.3 million, +11.5%
 - Net Income € 312.3 million, -19.1%
 - Free cash flow⁽³⁾ at € 439.0 million
 - Net debt⁽⁴⁾ at € 1,419.9 million
 - Shareholder equity € 1,546.2 million
- *Dividend for 2022 € 1.15 per share, of which € 0.55 already paid*
- *2022 consolidated non-financial statements and 2023 ESG objectives approved*
- *Other key proposals to the Shareholders' Meeting:*
 - *adoption of a new long-term incentive plan for 2023-2025 denominated "2023-2025 Performance Shares Plan"*
 - *renewal of the authorisation to purchase and dispose of treasury shares*

Milan, 16th March 2023 – Recordati's Board of Directors approved the consolidated financial statements for the year 2022 as well as Recordati S.p.A.'s accounts according to ESEF reporting format and the 2022 corporate governance and ownership report as required by art. 123bis of the Consolidated Law on Financial Intermediation. The financial statements at, and for the year ended, 31st December 2022 and the aforesaid report as well as the reports issued by the independent and by the statutory Auditors will be made available, by 30th March, in compliance with the terms of the law, at the company's head office and published on the company's website www.recordati.com and can also be viewed on the authorized storage system 1Info (www.1Info.it). The Board of Directors also approved the consolidated non-financial statements, pursuant to Legislative Decree n. 254/2016, dated 31st December 2022 which will be made available in the same manner.

2022 consolidated financial results

As already reported in the preliminary results published on 21st February, consolidated net revenue in 2022 reached € 1,853.3 million, +17.3% compared to 2021, including € 136.0 million from the rare oncology product portfolio acquired with EUSA Pharma. Organic⁽⁵⁾ revenue growth was 8.1% driven by strong underlying performance across both business units. Specialty & Primary Care grew ahead of relevant markets and Rare Diseases segment grew in total by just over 55%, thanks to the acquisition of EUSA Pharma and strong growth of Endo franchise. EBITDA rose to € 672.8 million, up 11.7% over 2021, with a margin of 36.3%.

Net Income at € 312.3 million reflected substantial non-recurring costs and non-cash IFRS 3 adjustments, due mainly to EUSA Pharma acquisition and organisational restructuring costs of the Specialty & Primary Care segment. Adjusted Net Income, which excludes these effects, reached € 473.3 million, growing 11.5% over last year.

The Group achieved strong free cash flow at € 439.0 million, over 90% of Adjusted Net Income.

RECORDATI INDUSTRIA CHIMICA E FARMACEUTICA S.p.A.

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TAX CODE/VAT NO. 00748210150

Company subject to management and coordination by Rossini Luxembourg S.à.r.l

Thanks to excellent operating results and strong cash generation, the Group's net debt as of 31st December was € 1,419.9 million, with a ratio to EBITDA of just over 2, down from around 2.4 immediately after the close of the EUSA acquisition.

Dividend

Based on the results obtained and consistent with the Company dividend policy, the Board of Directors will propose a dividend to shareholders of € 0.60 per share, in full balance of the interim 2022 dividend of € 0.55, for all shares outstanding at the ex-dividend date, excluding treasury shares in the portfolio at that date (payment on 24 May 2023 and record date 23 May 2023), with ex-dividend on 22 May 2023 (against presentation of coupon no. 31). The full 2022 dividend is therefore € 1.15 per share (€ 1.10 per share in 2021).

Renewed ESG commitment

The Board of Directors also approved the consolidated non-financial statements dated 31st December 2022 and the ESG objectives for 2023. The focus and efforts in driving Recordati's ESG strategy have been further recognized by the upgrade to "Robust" score in the overall ESG Assessment provided by Moody's ESG Solutions and the improved rating from "Gold" to "Platinum" by EcoVadis. Furthermore, the inclusion in the FTSE4GOOD Index Series and in the MIB ESG Index, promoted by Euronext and Borsa Italiana, has been reconfirmed, together with the A rating by MSCI ESG Research.

Further Board resolutions

Further to the matters already approved by the Board of Directors in the meeting of 10 March regarding the call for the Shareholders' Meeting on 21 April 2023 and, in particular, regarding the proposal to the Shareholders on the renewal of the Board of Statutory Auditors, due to expire with the Shareholders' Meeting (the relevant Directors' Report was already issued on the same date)⁽⁶⁾, the Board of Directors have approved the following further deliberation proposals to be submitted to the Annual Shareholders Meeting:

- approval of the report on remuneration policies and payments made:
 - a) subject to binding resolution on the first section relative to remuneration policy;
 - b) subject to non-binding resolution on the second section relative to 2022 payments made.
- the adoption of a new long-term incentive plan for 2023-2025 denominated "2023-2025 Performance Shares Plan", in line with prevalent market practice, subject to the revocation of the 2021-2023 Stock Options Plan for the assignment of stock options scheduled for 2023;
- renewal of the authorisation to purchase and dispose of treasury shares until the Shareholders' Meeting that will approve the financial statements as at 31 December 2023.

With regard to the proposal to renew the authorisation to purchase and dispose of treasury shares until the Shareholders' Meeting that will approve the financial statements as at 31 December 2023, it should be noted that this proposal, as in previous years, fulfils multiple purposes:

- (i) aims concerning the fulfilment of obligations arising from the stock option plans already adopted by the Company and from other incentive plans based on financial instruments that may be approved in the future (including the 2023-2025 Performance Shares Plan submitted for the approval of the next Shareholders' Meeting);

(ii) business aims: the authorisation of the purchase of treasury shares, where granted, may facilitate transactions such as the sale, transfer or exchange of treasury shares for equity purchases and/or the conclusion of agreements with strategic partners that fall within the Group's expansion objectives;

(iii) aims to support the liquidity of Recordati ordinary shares, in order to facilitate the regular performance of security trading operations and to avoid price fluctuations that are not in line with market trends.

The maximum of number of shares available for purchase is 4,000,000 and, in any case, on the condition that, at any time, the total par value of the treasury shares held by the Company never exceeds one fifth of the share capital, also taking into account any shares owned by subsidiaries, for a potential maximum outlay of € 200,000,000, with a minimum price not less than the par value of one Recordati share (€ 0.125) and a maximum price not greater than the average of the official stock exchange prices in the five sessions prior to the purchase, plus 5%. Purchases may be completed through the assignment of specific positions to specialised intermediaries and must be performed in compliance with applicable law and according to the practices permitted by Consob in line with the provisions of art. 13 of EU Regulation 596/2014, where applicable.

At 15 March 2023, the Company has 3,768,552 shares in treasury stock, which amounts to 1.8% of the current share capital.

Within the terms of current legal and regulatory provisions, the additional Directors' Reports supporting the Shareholders' Meeting agenda items and any additional documentation on those items will be made available on the Company website and on the authorised storage mechanism 1Info (www.1Info.it).

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

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

⁽³⁾ Operating cash flow excluding financing items, milestones, dividends, purchases of treasury shares net of proceeds from exercise of stock options.

⁽⁴⁾ Cash and cash equivalents, less bank debts and loans, which include the measurement at fair value of hedging derivatives.

⁽⁵⁾ Revenue excluding newly acquired rare oncology franchise (EUSA Pharma) and considering like for like sales treatment for Eligard® in 2022 vs 2021 (pre SOTC transition), at constant exchange rate.

⁽⁶⁾ Please refer to the Company press release dated 10 March 2023.

Recordati (Reuters RECI.MI, Bloomberg REC IM), established in 1926, is an international pharmaceutical group listed on the Italian Stock Exchange (ISIN IT 0003828271), with a total staff of more than 4,300, dedicated to the research, development, manufacturing and marketing of pharmaceuticals. Headquartered in Milan, Italy, Recordati has operations in Europe, Russia and other countries of the CIS, Ukraine, Turkey, North Africa, the United States, Canada, Mexico, some South American countries, Japan, Australia and New Zealand, China and South Korea. An efficient field force of medical representatives promotes a wide range of innovative pharmaceuticals, both proprietary and under licence, from a number of therapeutic areas, including a global specialised business, dedicated to rare diseases. Recordati is a partner of choice for new product licences for its territories. Recordati is committed to the research and development of new specialties with a focus on treatments for rare diseases. Consolidated revenue for 2022 was € 1,853.3 million, operating income was € 437.3 million and net income was € 312.3 million.

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This document contains forward-looking statements relating to future events and future operating, economic and financial results of the Recordati group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Actual results may therefore differ materially from those forecast as a result of a variety of reasons, most of which are beyond the Recordati group's control. The information on the pharmaceutical specialties and other products of the Recordati group contained in this document is intended solely as information on the activities of the Recordati Group, and, as such, it is not intended as a medical scientific indication or recommendation, or as advertising.

RECORDATI GROUP

Summary of consolidated results prepared in accordance with International Financial Reporting Standards (IFRS)
(thousands of €)

INCOME STATEMENT	2022	2021	Change %
NET REVENUE	1,853,307	1,580,074	17.3
Cost of sales	(566,737)	(427,727)	32.5
GROSS PROFIT	1,286,570	1,152,347	11.6
Selling expenses	(462,665)	(396,394)	16.7
Research and development expenses	(220,102)	(166,138)	32.5
General and administrative expenses	(109,493)	(84,495)	29.6
Other income/(expenses), net	(56,984)	(15,130)	n.s.
OPERATING INCOME	437,326	490,190	(10.8)
Financial income/(expenses), net	(35,891)	(26,841)	33.7
PRE-TAX INCOME	401,435	463,349	(13.4)
Income taxes	(89,099)	(77,383)	15.1
NET INCOME	312,336	385,966	(19.1)
Adjusted gross profit ⁽¹⁾	1,336,381	1,152,347	16.0
Adjusted operating income ⁽²⁾	536,060	504,616	6.2
Adjusted net income ⁽³⁾	473,306	424,647	11.5
EBITDA ⁽⁴⁾	672,750	602,253	11.7
Net income attributable to:			
Equity holders of the Parent	312,336	385,966	(19.1)
Non-controlling interests	0	0	0.0
EARNINGS PER SHARE	2022	2021	Change %
Basic	€ 1.519	€ 1.874	(18.9)
Diluted	€ 1.494	€ 1.846	(19.1)

(1) Gross profit adjusted from impact of non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory according to IFRS 3.

(2) Net income before income taxes, financial income and expenses, non-recurring items and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3).

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

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

(5) Earnings per share (EPS) are based on average shares outstanding during the respective period, 205,582,127 for 2022 and 206,011,089 for 2021. These amounts are calculated deducting treasury shares, the average of which was 3,543,029 for 2022 and 3,114,067 for 2021.

(6) Diluted earnings per share is calculated by taking into account stock options granted to employees.

COMPOSITION OF REVENUE	2022	2021	Change %
Total	1,853,307	1,580,074	17.3
Italy	277,322	265,361	4.5
International	1,575,985	1,314,713	19.9

Pending completion of independent and statutory audits.

RECORDATI GROUP

(€ thousands)

Reconciliation of Net income to EBITDA⁽¹⁾

	2022	2021
Net income	312,336	385,966
Income taxes	89,099	77,383
Financial income/(expenses), net	35,891	26,841
Non-recurring operating expenses	48,923	14,426
Non-cash charges from PPA inventory uplift	49,811	-
Adjusted operating income⁽²⁾	536,060	504,616
Depreciation, amortization and write-downs ⁽³⁾	136,690	97,637
EBITDA⁽¹⁾	672,750	602,253

Reconciliation of Net income to Adjusted Net income⁽³⁾

	2022	2021
Net income	312,336	385,966
Amortization and write-downs of intangible assets (excluding software)	107,415	70,696
Tax effect	(20,209)	(14,734)
Non-recurring operating expenses	48,923	14,426
Tax effect	(12,984)	(3,936)
Non-cash charges from PPA inventory uplift	49,811	-
Tax effect	(9,781)	-
Monetary net (gain)/losses from hyperinflation (IAS 29)	(4,506)	-
Tax effect	2,301	-
Non-recurring tax income	0	(27,771)
Adjusted net income⁽⁴⁾	473,306	424,647

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

⁽²⁾ Net income before income taxes, financial income and expenses, non-recurring items and non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3).

⁽³⁾ 2022 includes amortisation of € 18.5 million from EUSA Pharma and write-downs of € 10.9 million of impairment of assets (including goodwill of Turkey business following monetary revaluation).

⁽⁴⁾ Net income excluding amortization and write-downs of intangible assets (except software) and goodwill, non-recurring items, non-cash charges arising from the allocation of the purchase price of EUSA Pharma to the gross margin of acquired inventory (IFRS 3), monetary net gains/losses from hyperinflation (IAS 29), net of tax effects.

Pending completion of independent and statutory audits.

RECORDATI GROUP

Summary of consolidated results prepared in accordance with International Financial Reporting Standards (IFRS)
(thousands of €)

ASSETS	31.12.2022	31.12.2021
Property, plant and equipment	159,184	131,120
Intangible assets	1,758,173	1,138,786
Goodwill	780,057	553,209
Other equity investments and securities	28,871	34,124
Other non-current assets	9,556	32,937
Deferred tax assets	76,895	75,922
TOTAL NON-CURRENT ASSETS	2,812,736	1,966,098
Inventories	424,080	228,732
Trade receivables	361,898	307,778
Other receivables	63,915	44,880
Other current assets	15,387	12,984
Derivative instruments measured at fair value	23,603	11,149
Cash and cash equivalents	284,734	244,578
TOTAL CURRENT ASSETS	1,173,617	850,101
Non-current assets held for sale	12,470	-
TOTAL ASSETS	3,998,823	2,816,199

Pending completion of independent and statutory audits.

RECORDATI GROUP

Summary of consolidated results prepared in accordance with International Financial Reporting Standards (IFRS)
(thousands of €)

EQUITY AND LIABILITIES	31.12.2022	31.12.2021
Share capital	26,141	26,141
Share premium reserve	83,719	83,719
Treasury shares	(149,559)	(126,981)
Reserve for derivative instruments	5,249	(974)
Translation reserve	(205,018)	(213,086)
Other reserves	62,260	60,207
Profits carried forward	1,524,099	1,275,962
Net income	312,336	385,966
Interim dividend	(112,979)	(109,329)
Shareholders' equity attributable to equity holders of the Parent	1,546,248	1,381,625
Shareholders' equity attributable to non-controlling interests	0	0
TOTAL SHAREHOLDERS' EQUITY	1,546,248	1,381,625
Loans - due after one year	1,341,549	760,473
Provisions for employee benefits	19,418	21,010
Deferred tax liabilities	167,865	26,675
TOTAL NON-CURRENT LIABILITIES	1,528,832	808,158
Trade payables	224,703	177,925
Other payables	251,136	145,170
Tax liabilities	33,615	29,543
Other current liabilities	5,740	6,508
Provisions for risks and charges	16,209	21,396
Derivative instruments measured at fair value	17,369	14,156
Loans - due within one year	291,546	223,061
Short-term debts to banks and other lenders	83,425	8,657
TOTAL CURRENT LIABILITIES	923,743	626,416
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,998,823	2,816,199

Pending completion of independent and statutory audits.

RECORDATI GROUP

Summary of consolidated results prepared in accordance with International Financial Reporting Standards (IFRS)
(thousands of €)

CASH FLOW	2022	2021
OPERATING ACTIVITIES		
Net income	312,336	385,966
Income taxes	89,101	77,383
Net interest	30,679	17,752
Depreciation of property, plant and equipment	27,289	25,294
Amortization of intangible assets	98,467	72,291
Write-downs	10,934	52
Equity-settled share-based payment transactions	8,251	5,082
Other non-monetary components	70,751	12,925
Change in other assets and other liabilities	(16,811)	(15,516)
Cash flow generated/(used) by operating activities before change in working capital	630,997	581,229
Change in:		
- inventories	(65,801)	17,506
- trade receivables	(21,175)	(43,786)
- trade payables	25,589	46,335
Change in working capital	(61,387)	20,055
Interest received	1,938	291
Interest paid	(20,093)	(18,279)
Income taxes paid	(89,764)	(91,646)
Cash flow generated/(used) by operating activities	461,691	491,650
INVESTMENT ACTIVITIES		
Investments in property, plant and equipment	(23,887)	(21,852)
Disposals of property, plant and equipment	1,156	161
Investments in intangible assets	(72,452)	(65,508)
Disposals of intangible assets	1,318	4
Acquisition of holdings in subsidiaries	(673,259)	(304)
Cash flow generated/(used) by investment activities	(767,124)	(87,499)
FINANCING ACTIVITIES		
Opening of loans	1,356,970	219,065
Repayment of loans	(803,543)	(288,546)
Payment of lease liabilities	(10,225)	(9,153)
Change in short-term debts to banks and other lenders	67,296	(1,259)
Dividends paid	(230,602)	(216,742)
Purchase of treasury shares	(52,267)	(101,820)
Sale of treasury shares	13,648	42,512
Cash flow generated/(used) by financing activities	341,277	(355,943)
Change in cash and cash equivalents	35,844	48,208
Opening cash and cash equivalents	244,578	188,230
Currency translation effect	4,312	7,661
Effect of merger	-	479
Closing cash and cash equivalents	284,734	244,578

Pending completion of independent and statutory audits.

RECORDATI S.P.A.

Summary of consolidated results prepared in accordance with International Financial Reporting Standards (IFRS)
(thousands of €)

	2022	2021	Change %
Revenue	512,310	464,719	10.2
Operating income	109,521	123,842	(11.6)
Pre-tax income	233,534	231,182	1.0
Net income	219,234	219,109	0.1

	31.12.2022	31.12.2021
Non-current assets	2,395,113	1,564,822
Current assets	424,456	394,287
TOTAL ASSETS	2,819,569	1,959,109
Shareholders' equity	362,987	400,644
Non-current liabilities	1,283,440	718,494
Current liabilities	1,173,142	839,971
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,819,569	1,959,109

Pending completion of independent and statutory audits.

Declaration by the Manager responsible for preparing the company's financial reports

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