

**FIRST NINE MONTHS 2023 AHEAD OF PLAN:  
REVENUE +13.0%, EBITDA<sup>(1)</sup> +15.4%, ADJUSTED NET INCOME<sup>(2)</sup> +14.2%  
2025 REVENUE AND PROFITS EXPECTED TO EXCEED TARGETS SET IN FEBRUARY 2023**

- Consolidated net revenue of € 1,556.2 million in the first nine months of 2023, +13.0% or +13.8% on a like-for-like basis<sup>(3)</sup> and at constant exchange rates
- EBITDA<sup>(1)</sup> of € 595.6 million, +15.4%, with margin on revenue of 38.3%
- Net income of € 304.5 million, up 26.1%
- Adjusted net income<sup>(2)</sup> of € 406.6 million, up 14.2%
- Free cash flow<sup>(4)</sup> at € 391.8 million, +€ 45.5 million vs prior year
- Net financial position<sup>(5)</sup>: net debt at € 1,504.3 million, 1.9x EBITDA (pro forma)
- Fast transition of Avodart® and Combodart® / Duodart® sales and distribution, already completed in five markets in Q3, contributing net revenue of € 3.8 million
- 2023 financial results now expected to be at high end of upgraded guidance provided in May
- Expect to exceed 2025 targets set in February 2023, with current portfolio expected to deliver revenue of over € 2.4 billion by 2025, with EBITDA margin of +/- 37%
- Resolution to distribute an interim 2023 dividend of € 0.57 per share
- Further recognition of ESG progress, with "A" rating awarded by MSCI ESG Research and "C+ with Prime status" from ISS ESG

Milan, November 7<sup>th</sup>, 2023 – The Board of Directors of Recordati S.p.A. approved the Group's Interim Report on 30<sup>th</sup> September 2023, representing additional voluntary financial reporting<sup>(6)</sup>. The Report was prepared using the assessment, measurement and recognition criteria prescribed by international accounting standards (IFRS). The Group's Interim Report dated 30<sup>th</sup> September 2023 will be available tomorrow at the company's offices and on the company's website ([www.recordati.com](http://www.recordati.com)), and can also be viewed on the authorised storage system 1Info ([www.1Info.it](http://www.1Info.it)).

### Financial highlights

- **Consolidated net revenue** in the first nine months of 2023 was € 1,556.2 million, +13.0% compared to the same period of 2022 or +13.8% on a like-for-like<sup>(3)</sup> basis at CER, driven by the excellent performance of all business areas, with both Specialty & Primary Care and Rare Diseases continuing to post double-digit organic growth (at CER). These results have been achieved despite strong FX headwinds over recent months, with an adverse FX impact in the first nine months of € 59.6 million (-4.3%) mainly affecting Specialty & Primary Care. The Specialty & Primary Care portfolio contributed revenues of € 985.5 million in the first nine months of 2023, growing 8.1% or 13.4% on a like-for-like<sup>(3)</sup> basis and at constant exchange rates. This also includes the first sales of Avodart® and Combodart®/Duodart® of € 3.8 million, following completion of the distribution agreement with GSK in July, with five markets completing transition activities at the end of September. Eligard® and other key promoted products continued to grow ahead of the reference markets with robust sales of cough and cold medicines, following an exceptionally strong performance in the first half of the year. Revenue of the Rare Diseases segment in the first nine months of 2023 totaled € 530.7 million, up 23.5% versus same period of prior year (or up 14.9% on a like-for-like<sup>(3)</sup> basis at CER).

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Milano, Monza, Brianza and Lodi Comp. Reg. No. 00748210150  
Tax Code/VAT No. 00748210150  
Milano R.E.A. No. 401832

Company subject to the Management and Coordination Activity of Rossini Luxembourg S.à.r.l

Revenues in the first nine months of the rare oncology portfolio acquired in 2022 were € 150.2 million, growing by 16.0% on a pro-forma basis<sup>(3)</sup> and already achieving the full year 2023 target set at the time of the acquisition. Performance in the quarter also reflects continued growth in sales of Signifor® and Isturisa® (totaling € 176.1 million, up 39.1% versus same period of prior year), as well as continued resilient sales of the metabolic franchise, with good growth of Panhematin® and limited erosion on Carbaglu® from generic entries in US.

- **Adjusted operating income**<sup>(7)</sup> of € 491.6 million, an increase of 16.0% compared to the first nine months in 2022, with a ratio to sales of 31.6%, reflecting the robust revenue performance and continued strong cost discipline and efficiency initiatives which have offset the impact of inflation, investment behind new franchises and increased amortisation charges. **Operating income** was € 438.8 million, up 23.3% over the same period of the previous year, absorbing gross margin-related charges arising from the unwind of the fair value step up of the acquired rare oncology inventory of € 47.5 million (vs € 35.6 million in 2022) and non-recurring costs of € 5.4 million, mainly arising from streamlining activities within the sales area of Specialty and Primary Care, significantly reduced vs 2022 levels.
- Thanks to the strong operating performance, **EBITDA**<sup>(1)</sup> was € 595.6 million, up 15.4% compared to the first nine months of 2022, and with a margin on revenue of 38.3% (vs 37.5% in the nine months of 2022).
- **Adjusted net income**<sup>(2)</sup> was € 406.6 million, +14.2% over the same period in 2022, at 26.1% of revenue. Financial Expenses were € 49.1 million, up by € 2.9 million or 6.3% compared to the same period of the previous year, driven by higher interest expenses partially offset by lower FX losses (€ 0.3 million FX losses in first nine months of 2023 vs € 18.2 million losses in 2022).
- **Net income** was € 304.5 million, up 26.1% over the same period in 2022, at 19.6% of revenue, with increase reflecting strong operating performance and the lower non-recurring expenses, absorbing in the third quarter a non-monetary adjustment to the unwind of the fair value of acquired oncology inventory due to the higher product sales.
- **Free cash flow**<sup>(4)</sup> was € 391.8 million for the period, an increase of € 45.5 million versus the same period of last year, absorbing both the increase in working capital driven by higher revenue and higher cash interest expense.
- **The net financial position**<sup>(5)</sup> as of 30<sup>th</sup> September 2023 recorded net debt of € 1,504.3 million, or 1.9x EBITDA (pro-forma, assuming contribution of Avodart® and Combodart®/Duodart® for twelve months), compared to net debt of € 1,419.9 million on 31<sup>st</sup> December 2022. In the third quarter, an upfront payment of € 245.0 million was made for the sales and distribution agreement with GSK to commercialize Avodart® (dutasteride) and Combodart®/Duodart® (dutasteride/tamsulosin) and € 70.0 million was paid to Tolmar International Ltd. After approval of the variation for the new device to administer Eligard®; in addition to this, USD 20 million of residual Isturisa® milestones to Novartis and dividends for € 129.1 million to shareholders were paid previously in the year.
- **Shareholders' equity** was € 1,725.0 million.

## Management Comments

*"The performance of the business during the first nine months of 2023 has been excellent, with strong momentum across the Group. We have continued to deliver double-digit organic growth across Specialty & Primary Care and Rare Diseases with underlying operating profits growing despite strong FX headwinds over recent months. We now expect FY 2023 results at the high end of the guidance range provided in May. Thanks to this continued strong business momentum, we now expect to exceed the 2025 targets set at the start of this year, with revenue of our current portfolio expected to exceed € 2.4 billion in 2025, continuing to sustain a sector-leading EBITDA margin of +/- 37%."* **commented Chief Executive Officer Rob Koremans.**

## Corporate development news and other key events

On 20<sup>th</sup> July 2023, Recordati announced an agreement with GSK to commercialize Avodart® (dutasteride) and Combodart®/Duodart® (dutasteride/tamsulosin) across 21 countries, mainly in Europe, excluding only those where GSK already has a distribution agreement in place. Avodart® and Combodart®/Duodart® are marketed products, presented as oral form (capsules), indicated for the treatment of moderate to severe symptoms of benign prostatic hyperplasia (BPH) and for the reduction in the risk of acute urinary retention (AUR) and surgery in patients with moderate to severe symptoms of BPH. Avodart® and Combodart®/Duodart® are leading and well-established brands, post loss of exclusivity, that enlarge and complete Recordati's proven presence in the urology space, significantly reinforcing the competitiveness of the Group's offer. Both brands are synergistic with Recordati's urology portfolio, complementing Urorec® and Eligard®.

The two products have been commercialized by GSK in the territories licensed to Recordati, with annual sales in 2022 in the region of approximately € 115 million. Recordati made an upfront payment of € 245 million and will start recognizing revenue and margins on a country-by-country basis progressively upon completion of the relevant transition activities.

In September, Recordati has completed the transition of sales and distribution activities in five markets, which have contributed to the Group's net revenue for € 3.8 million in Q3 2023. Two additional markets transitioned in October and most of the others are expected to be finalized by the end of Q4 2023. As previously announced, the deal is expected to be fully accretive by 2024 and is now expected to deliver revenue at the higher end of € 10-20 million target range communicated for 2023, with positive EBITDA contribution.

Expansion of the Group's footprint in China continues to progress. On 28<sup>th</sup> September 2023, Isturisa® New Drug Application (NDA) was submitted to the Chinese agency. This follows approval, on June 27<sup>th</sup> 2023, of the Marketing Authorization for Carbaglu®, with first commercial sales now expected by the end of 2023.

As part of the development path aimed to obtain FDA approval of a Biologics License Application (BLA) for the registration of Qarziba® in the United States, preparatory activities are ongoing for a Type C Meeting with the FDA, scheduled in late November 2023.

During the third quarter of 2023, Recordati initiated the phase II study for pasireotide in the treatment of Post-Bariatric Hypoglycemia, with the start of patient enrolment expected in November 2023.

Patient enrolment in the global phase II study in neurotrophic keratitis for REC 0559 is proceeding according to plan and is expected to be completed by the end of 2023, with data read out expected in the second quarter of 2024.

Consistent with the ambition to strengthen capabilities to pursue affordable innovation and support our life cycle management programs, on 16<sup>th</sup> October 2023 Recordati announced the appointment of Milan

Zdravkovic as its Executive Vice President of Research & Development (R&D). His expertise spans a wide range of therapeutic areas, including diabetes, obesity, immunology, hematology, and infectious diseases, and with experience from both rare and non-rare diseases.

Recordati's focus and efforts in driving the Group's ESG strategy were further recognized in June 2023, when the inclusion in the FTSE4GOOD Index series was reconfirmed alongside the "Platinum" rating by EcoVadis. Furthermore, MSCI ESG Research confirmed Recordati's A rating in August 2023 and the Group was rated C+ with Prime status by ISS ESG in September 2023, awarded to companies with a leading sustainability performance in their industry.

## **Business outlook**

Thanks to the strong results achieved across the business, despite the growing FX headwinds, we now expect financial results for FY 2023 at the high end of the upgraded range for the year announced on May 11<sup>th</sup>, which foresaw revenue of between € 2,050 million and € 2,090 million, EBITDA<sup>(1)</sup> of between € 750 million and € 770 million and adjusted net income<sup>(2)</sup> of between € 490 million and € 500 million.

Given the strong organic growth momentum, combined with the expected contribution of Avodart® and Combodart®/Duodart®, the Group is on track to exceed the 2025 guidance previously communicated in February, with the expectation that the current portfolio can deliver revenue in excess of € 2.4 billion in FY 2025, with EBITDA margin of +/-37%. Key elements of the Group strategy remain unchanged, combining organic growth with targeted M&A and Business Development.

## **Additional resolutions**

### *Interim dividend 2023*

The Board of Directors passed a resolution to distribute an interim 2023 dividend to shareholders of € 0.57 (gross of tax withholdings) per share outstanding at the ex-dividend date, thus excluding treasury stock held in the Company's portfolio on that date. The 2023 interim dividend will be payable as of 22 November 2023 (record date 21 November 2023), with coupon no. 32, to shareholders registered on 20 November 2023.

The Independent Auditor EY S.p.A. has issued the opinion required by Art. 2433 – bis, paragraph 5 of the Italian Civil Code, which is available at the company's offices.

The Directors' Report and Recordati S.p.A. financial statements as of 30th September 2023, based on which the latter's Board of Directors resolved the distribution of the interim dividend, are available at the company's office and website ([www.recordati.com](http://www.recordati.com)), and can also be viewed on the authorized storage system 1Info ([www.1Info.it](http://www.1Info.it)).

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

<sup>(2)</sup> Net income excluding the amortization and write-down 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 pursuant to IFRS 3, and monetary net gains/losses from hyperinflation (IAS 29), net of tax effects.

<sup>(3)</sup> Pro-forma growth calculated adding Q1 2022 revenue of EUSA Pharma (RRD) and excluding Q3 2023 revenue of Avodart® and Combodart®/Duodart® (SPC).

<sup>(4)</sup> Operating cash flow excluding financing items, milestones, dividends, purchases of treasury shares net of proceeds from exercise of stock options.

<sup>(5)</sup> Cash and cash equivalents, less bank debts and loans, which include the measurement at fair value of hedging derivatives.

<sup>(6)</sup> Please note that Italian Legislative Decree 25/2016, which implements Directive 2013/50/EU, no longer stipulates the submission of an interim management report, which was previously required in terms of paragraph 5 of Art. 154-ter of Italian Legislative Decree 58/1998.

<sup>(7)</sup> Net income before income taxes, financial income and expenses and non-recurring items, 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-

## Conference Call

Today, **7<sup>th</sup> November**, at **4:00 p.m. CET (3:00 p.m. GMT)**, Recordati management will host a conference call with the financial community to present the results for the first nine months of 2023. The dial-in numbers for the conference call service are:

Italy + 39 02 802 09 11, toll free 800 231 525

UK + 44 1 212818004, toll free (44) 0 800 0156371

USA +1 718 7058796, toll free (1) 1 855 2656958

France +33 1 70918704

Germany +49 6917415712

Callers are invited to dial in 10 minutes before the conference call begins. If you require conference operator assistance to connect, please dial \*0.

The slides that will be referenced during the call will be available at [www.recordati.com](http://www.recordati.com) under Investors/Company Presentations.

The audio conference live webcast will also be available at the following [link](#).

**Recordati** (Reuters RECI.MI, Bloomberg REC IM) is an international pharmaceutical group listed on the Italian Stock Exchange (ISIN IT 0003828271) uniquely structured to bring treatment across specialty and primary care, consumer healthcare, and rare diseases. We believe that health, and the opportunity to live life to the fullest, is a right, not a privilege. We want to support people in unlocking the full potential of their life. We have fully integrated operations across research & development, chemical and finished product manufacturing through to commercialisation and licensing. Established in 1926, Recordati operates in approximately 150 countries across EMEA, Americas and APAC regions. At the end of 2022, Recordati employed more than 4,300 people and consolidated revenue of € 1,853.3 million. For more information, please visit [www.recordati.com](http://www.recordati.com).

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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 the consolidated results,  
prepared in accordance with International Financial Reporting Standards (IFRS)  
(€ thousands)

| <b>INCOME STATEMENT</b>                         | <b>First nine months<br/>2023</b> | <b>First nine months<br/>2022</b> | <b>Change %</b> |
|---|-----------------------------------|-----------------------------------|-----------------|
| <b>NET REVENUE</b>                              | <b>1,556,174</b>                  | <b>1,377,542</b>                  | <b>13.0</b>     |
| Cost of sales                                   | (490,495)                         | (422,804)                         | 16.0            |
| <b>GROSS PROFIT</b>                             | <b>1,065,679</b>                  | <b>954,738</b>                    | <b>11.6</b>     |
| Selling expenses                                | (345,506)                         | (331,226)                         | 4.3             |
| Research and development expenses               | (182,239)                         | (155,700)                         | 17.0            |
| General and administrative expenses             | (93,630)                          | (80,542)                          | 16.2            |
| Other income/(expenses), net                    | (5,553)                           | (31,389)                          | (82.3)          |
| <b>OPERATING INCOME</b>                         | <b>438,751</b>                    | <b>355,881</b>                    | <b>23.3</b>     |
| Financial income/(expenses), net                | (49,054)                          | (46,163)                          | 6.3             |
| <b>PRE-TAX INCOME</b>                           | <b>389,697</b>                    | <b>309,718</b>                    | <b>25.8</b>     |
| Income taxes                                    | (85,205)                          | (68,260)                          | 24.8            |
| <b>NET INCOME</b>                               | <b>304,492</b>                    | <b>241,458</b>                    | <b>26.1</b>     |
| <b>Adjusted gross profit <sup>(1)</sup></b>     | <b>1,113,167</b>                  | <b>990,380</b>                    | <b>12.4</b>     |
| <b>Adjusted operating income <sup>(2)</sup></b> | <b>491,608</b>                    | <b>423,741</b>                    | <b>16.0</b>     |
| <b>Adjusted net income <sup>(3)</sup></b>       | <b>406,566</b>                    | <b>355,870</b>                    | <b>14.2</b>     |
| <b>EBITDA <sup>(4)</sup></b>                    | <b>595,573</b>                    | <b>516,154</b>                    | <b>15.4</b>     |
| Net income attributable to:                     |                                   |                                   |                 |
| Equity holders of the Parent                    | 304,492                           | 241,458                           | 26.1            |
| Non-controlling interests                       | 0                                 | 0                                 | 0               |
| <b>EARNINGS PER SHARE</b>                       |                                   |                                   |                 |
| Basic <sup>(5)</sup>                            | € 1.481                           | € 1.174                           | 26.1            |
| Diluted <sup>(6)</sup>                          | € 1.456                           | € 1.155                           | 26.1            |

<sup>(1)</sup> 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.

<sup>(2)</sup> 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 according to IFRS 3.

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

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

<sup>(5)</sup> Earnings per share (EPS) are based on average shares outstanding during the respective period, 205,654,663 in 2022 and 205,792,226 in 2021. These amounts are calculated deducting treasury shares in the portfolio, the average of which was 3,470,493 shares in 2022 and 3,332,930 shares in 2021.

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

| <b>COMPOSITION OF NET REVENUE</b> | <b>First nine months<br/>2023</b> | <b>First nine months<br/>2022</b> | <b>Change %</b> |
|-----------------------------------|-----------------------------------|-----------------------------------|-----------------|
| <b>Total revenue</b>              | <b>1,556,174</b>                  | <b>1,377,542</b>                  | <b>13.0</b>     |
| Italy                             | 234,304                           | 210,054                           | 11.5            |
| International                     | 1,321,870                         | 1,167,488                         | 13.2            |

**RECORDATI GROUP**

(€ thousands)

Reconciliation of Net income to EBITDA<sup>(1)</sup>

|  | First nine months 2023 | First nine months 2022 |
|--|------------------------|------------------------|
| Net income                                     | 304,492                | 241,458                |
| Income taxes                                   | 85,205                 | 68,260                 |
| Financial income/(expenses), net               | 49,054                 | 46,163                 |
| Non-recurring operating expenses               | 5,369                  | 32,218                 |
| Non-cash charges from PPA inventory uplift     | 47,488                 | 35,642                 |
| <b>Adjusted operating income<sup>(2)</sup></b> | <b>491,608</b>         | <b>423,741</b>         |
| Amortization and write-downs                   | 103,965                | 92,413                 |
| <b>EBITDA<sup>(1)</sup></b>                    | <b>595,573</b>         | <b>516,154</b>         |

Reconciliation of Net income to Adjusted Net income<sup>(3)</sup>

|  | First nine months 2023 | First nine months 2022 |
|--|------------------------|------------------------|
| Net income   | 304,492                | 241,458                |
| Amortization and write-downs of intangible assets (excluding software) | 81,180                 | 71,502                 |
| Tax effect   | (17,405)               | (14,238)               |
| Non-recurring operating expenses                                       | 5,369                  | 32,218                 |
| Tax effect   | (1,340)                | (8,491)                |
| Non-cash charges from PPA inventory uplift                             | 47,488                 | 35,642                 |
| Tax effect   | (11,881)               | (6,772)                |
| Monetary net (gain)/losses from hyperinflation (IAS29)                 | (1,759)                | 5,619                  |
| Tax effect   | 422                    | (1,068)                |
| <b>Adjusted net income<sup>(3)</sup></b>                               | <b>406,566</b>         | <b>355,870</b>         |

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

<sup>(2)</sup> Net income before income taxes, financial income and expenses and non-recurring items, 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.

<sup>(3)</sup> Net income excluding the 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 pursuant to IFRS 3, and monetary net gains/losses from hyperinflation (IAS 29), net of tax effects.

**RECORDATI GROUP**

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

| <b>ASSETS</b>                                 | <b>30.09.2023</b> | <b>31.12.2022</b> |
|---|-------------------|-------------------|
| Property, plant and equipment                 | 172,976           | 159,184           |
| Intangible assets                             | 1,939,786         | 1,758,173         |
| Goodwill                                      | 778,655           | 780,057           |
| Other equity investments and securities       | 20,220            | 28,871            |
| Other non-current assets                      | 17,455            | 9,556             |
| Deferred tax assets                           | 79,037            | 76,895            |
| <b>TOTAL NON-CURRENT ASSETS</b>               | <b>3,008,129</b>  | <b>2,812,736</b>  |
| Inventories                                   | 401,645           | 424,080           |
| Trade receivables                             | 421,755           | 361,898           |
| Other receivables                             | 55,273            | 63,915            |
| Other current assets                          | 23,661            | 15,387            |
| Derivative instruments measured at fair value | 18,817            | 23,603            |
| Cash and cash equivalents                     | 302,280           | 284,734           |
| <b>TOTAL CURRENT ASSETS</b>                   | <b>1,223,431</b>  | <b>1,173,617</b>  |
| Non-current assets held for sale              | 0                 | 12,470            |
| <b>TOTAL ASSETS</b>                           | <b>4,231,560</b>  | <b>3,998,823</b>  |

**RECORDATI GROUP**

Summary of the consolidated results,  
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(€ thousands)

| <b>EQUITY AND LIABILITIES</b>  | <b>30.09.2023</b> | <b>31.12.2022</b> |
|--|-------------------|-------------------|
| Share capital  | 26,141            | 26,141            |
| Share premium reserve  | 83,719            | 83,719            |
| Treasury shares  | (126,986)         | (149,559)         |
| Reserve for derivative instruments                                       | 5,689             | 5,249             |
| Translation reserve  | (260,370)         | (205,018)         |
| Other reserves   | 58,828            | 62,260            |
| Profits carried forward  | 1,633,500         | 1,524,099         |
| Net income   | 304,492           | 312,336           |
| Interim dividend   | 0                 | (112,979)         |
| <b>Shareholders' equity attributable to equity holders of the Parent</b> | <b>1,725,013</b>  | <b>1,546,248</b>  |
| Shareholders' equity attributable to non-controlling interests           | 0                 | 0                 |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>  | <b>1,725,013</b>  | <b>1,546,248</b>  |
| Loans - due after one year   | 1,377,512         | 1,341,549         |
| Provisions for employee benefits   | 19,141            | 19,418            |
| Deferred tax liabilities   | 154,255           | 167,865           |
| <b>TOTAL NON-CURRENT LIABILITIES</b>                                     | <b>1,550,908</b>  | <b>1,528,832</b>  |
| Trade payables   | 252,826           | 224,703           |
| Other payables   | 157,372           | 251,136           |
| Tax liabilities  | 70,897            | 33,615            |
| Other current liabilities  | 5,501             | 5,740             |
| Provisions for risks and charges   | 16,923            | 16,209            |
| Derivative instruments measured at fair value                            | 13,836            | 17,369            |
| Loans - due within one year  | 396,632           | 291,546           |
| Short-term debts to banks and other lenders                              | 41,652            | 83,425            |
| <b>TOTAL CURRENT LIABILITIES</b>   | <b>955,639</b>    | <b>923,743</b>    |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>                        | <b>4,231,560</b>  | <b>3,998,823</b>  |

**RECORDATI GROUP**

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

| <b>CASH FLOW STATEMENT</b>   | <b>First nine months 2023</b> | <b>First nine months 2022</b> |
|--|-------------------------------|-------------------------------|
| <b>OPERATING ACTIVITIES</b>  |                               |                               |
| Net income   | 304,492                       | 241,458                       |
| Income taxes   | 85,206                        | 68,260                        |
| Net interest   | 48,158                        | 19,583                        |
| Depreciation of property, plant and equipment  | 21,577                        | 19,675                        |
| Amortization of intangible assets  | 82,304                        | 70,563                        |
| Write-downs  | 84                            | 2,175                         |
| Equity-settled share-based payment transactions  | 7,515                         | 6,036                         |
| Other non-monetary components  | 55,772                        | 49,242                        |
| Change in other assets and other liabilities   | (20,538)                      | (5,759)                       |
| <b>Cash flow generated/(used) by operating activities before change in working capital</b> | <b>584,570</b>                | <b>471,233</b>                |
| Change in:   |                               |                               |
| - inventories  | (31,681)                      | (30,379)                      |
| - trade receivables  | (73,753)                      | (30,925)                      |
| - trade payables   | 30,082                        | 21,114                        |
| <b>Change in working capital</b>   | <b>(75,352)</b>               | <b>(40,190)</b>               |
| Interest received  | 3,923                         | 1,026                         |
| Interest paid  | (50,314)                      | (14,385)                      |
| Income taxes paid  | (53,282)                      | (55,992)                      |
| <b>Cash flow generated/(used) by operating activities</b>                                  | <b>409,545</b>                | <b>361,692</b>                |
| <b>INVESTMENT ACTIVITIES</b>   |                               |                               |
| Investments in property, plant and equipment   | (17,998)                      | (15,987)                      |
| Disposals of property, plant and equipment   | 329                           | 547                           |
| Investments in intangible assets   | (345,597)                     | (67,697)                      |
| Disposals of intangible assets   | 287                           | 511                           |
| Acquisition of holdings in subsidiaries*   | 0                             | (653,759)                     |
| Sale of non-current assets held for sale   | 3,000                         | 0                             |
| <b>Cash flow generated/(used) by investment activities</b>                                 | <b>(359,979)</b>              | <b>(736,385)</b>              |
| <b>FINANCING ACTIVITIES</b>  |                               |                               |
| Opening of loans   | 348,256                       | 1,357,032                     |
| Repayment of loans   | (214,701)                     | (738,467)                     |
| Payment of lease liabilities   | (8,116)                       | (7,355)                       |
| Change in short-term debts to banks and other lenders                                      | (45,008)                      | (8,768)                       |
| Dividends paid   | (129,071)                     | (120,017)                     |
| Purchase of treasury shares  | (6,483)                       | (39,138)                      |
| Sale of treasury shares  | 19,681                        | 9,149                         |
| <b>Cash flow generated/(used) by financing activities</b>                                  | <b>(35,442)</b>               | <b>452,436</b>                |
| <b>Change in cash and cash equivalents</b>   | <b>14,124</b>                 | <b>77,743</b>                 |
| Opening cash and cash equivalents  | 284,734                       | 244,578                       |
| Currency translation effect  | 3,422                         | 24,288                        |
| <b>Closing cash and cash equivalents</b>   | <b>302,280</b>                | <b>346,609</b>                |

\*Acquisition of EUSA Pharma (UK) Limited (653,759): working capital (182,384), fixed assets (534,756), goodwill (150,850), other assets and liabilities 132,621, loans 81,610.

**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 Company's documentation, books and accounting records.