

FIRST QUARTER 2024 RESULTS

Milan, May 9th 2024

SPEAKERS



Rob Koremans
Chief Executive
Officer



Luigi La Corte
Chief Financial
Officer



STRONG START TO THE YEAR ACROSS THE BUSINESS

- **Q1 2024 results** show a very **strong start to the year**, with **Net Revenue** at **€ 607.8 million, +10.2% vs PY** or **+10.9% like-for-like¹ at CER** (+6.3% ex Türkiye); adverse FX impact in Q1 2024 of € 31.2 million (-5.7%), mostly from Turkish lira, offset by price inflation:
 - **SPC at € 395.5 million, +9.3% vs PY** or **+10.1% like-for-like¹ at CER** (+2.7% ex Türkiye) vs strong Q1 2023; growth driven by Urology franchise (including € 27.5 million contribution from Avodart® and Combodart® / Duodart®²) and strong start of sales in Türkiye and to international distributors, with phasing patterns similar to Q1 2023
 - **RRD at € 197.5 million, +13.1% vs PY** or **+13.9% at CER**; Endo +33.8% with continued patient uptake & positive pricing in US, Onco +22.1% driven by Qarziba® and Sylvant® volume expansion; Metabolic -9.0% mainly due to GX pressure
- **EBITDA³ of € 244.0 million or 40.2%** margin, reflecting strong revenue and operating leverage
- **Adjusted Net Income⁴ of € 163.7 million, +5.6% vs PY**, higher operating profit absorbing an increase of financial expenses (including € 2.7 million of unrealized FX losses) and higher tax rate
- **Free Cash Flow⁵ of € 147.1 million (+€ 43.7 million vs PY)** and strong EBITDA bring **leverage to 1.75x EBITDA pro-forma⁶**
- **Good progress on key R&D pipeline projects:** osilodrostat (Isturisa®) sNDA submission for Cushing's syndrome label extension in the US planned for Q3 2024; NDA for Signifor® LAR submitted in China
- **Financial targets** previously provided for 2024 and 2025 confirmed, with Group strategy, capital allocation and dividend policy remaining unchanged

1) Pro-forma growth calculated excluding Q1 2024 revenue of Avodart® and Combodart® / Duodart®

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

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

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

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

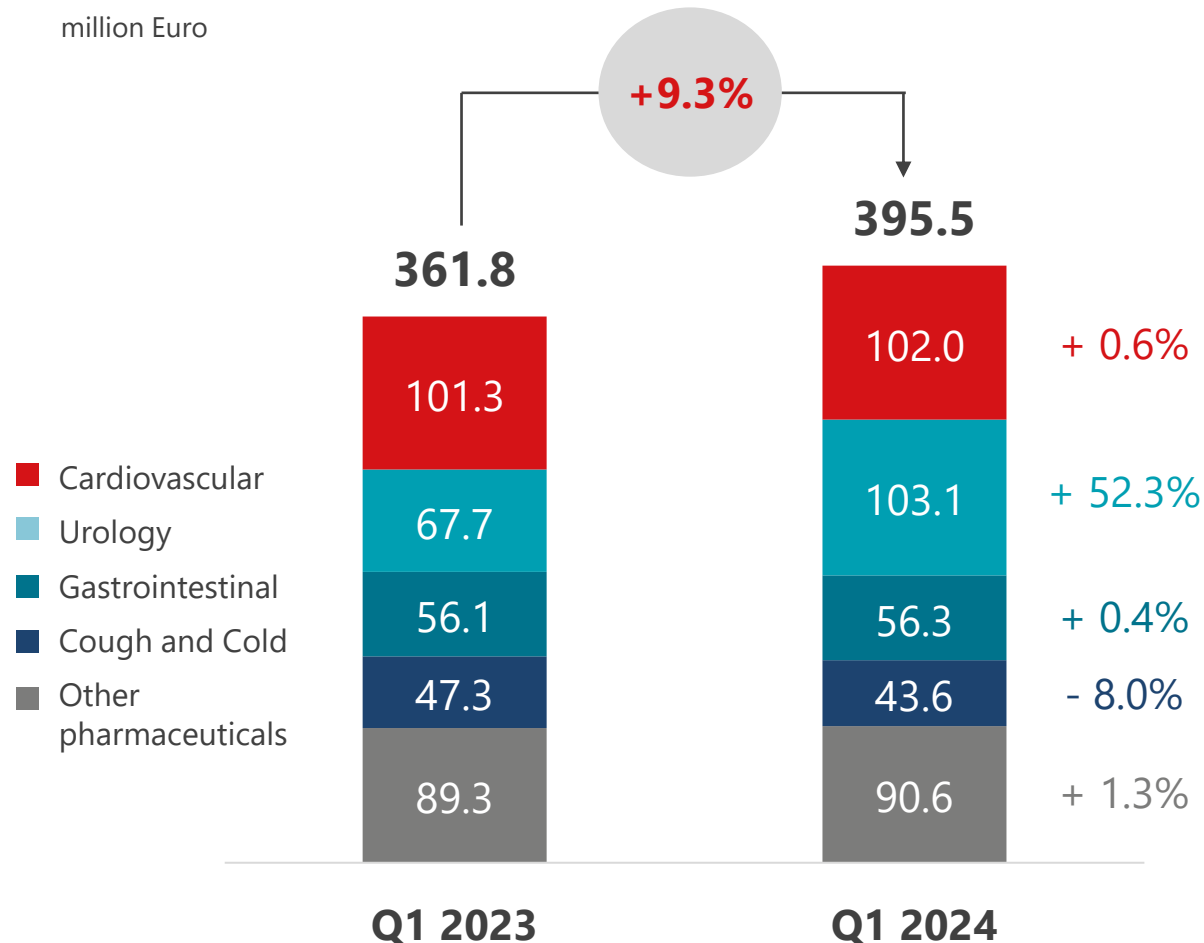
6) Pro-forma considering the contribution of Avodart® and Combodart® / Duodart® for the last twelve months



SPECIALTY & PRIMARY CARE: CONTINUED ORGANIC GROWTH WITH UROLOGY ACCELERATING

Pharmaceutical Revenue Q1 2024 vs Q1 2023¹

million Euro



Key highlights

- **Robust growth of +9.3% or +10.1% like-for-like² at CER** (+2.7% excluding Türkiye) vs strong Q1 2023, continued overperformance of promoted portfolio vs relevant markets (104% Evolution Index³)
- **Cardiovascular:** Continued strong uptake of Reselip[®] in France and steady growth of pitavastatin and metoprolol in Central & Eastern Europe, offset by slight decline of lercanidipine
- **Urology:** Becoming largest franchise with smooth transition of Avodart[®] and Combodart[®]/Duodart^{®4} as well as **double-digit organic growth** driven by **Eligard[®]**, with continued market share gains and seamless launch of new device across most markets
- **Gastrointestinal:** In line with previous year, supported by solid growth of Procto-Glyvenol[®]
- **Cough & Cold:** Volumes in line with pre-Covid levels, with decrease vs exceptional Q1 2023 due to adverse FX in relevant markets

¹ Excluding Chemicals € 14.8 million in Q1 2024 and € 14.9 million in Q1 2023

² Pro-forma growth calculated excluding Q1 2024 revenue of Avodart[®] and Combodart[®] / Duodart[®]

³ IQVIA March YTD Evolution Index on promoted and reminder products in SPC territories (except Russia data from February YTD)

⁴ Trademarks are owned by or licensed to the GSK group of companies. Transition of commercialization effectively completed in most of the territories

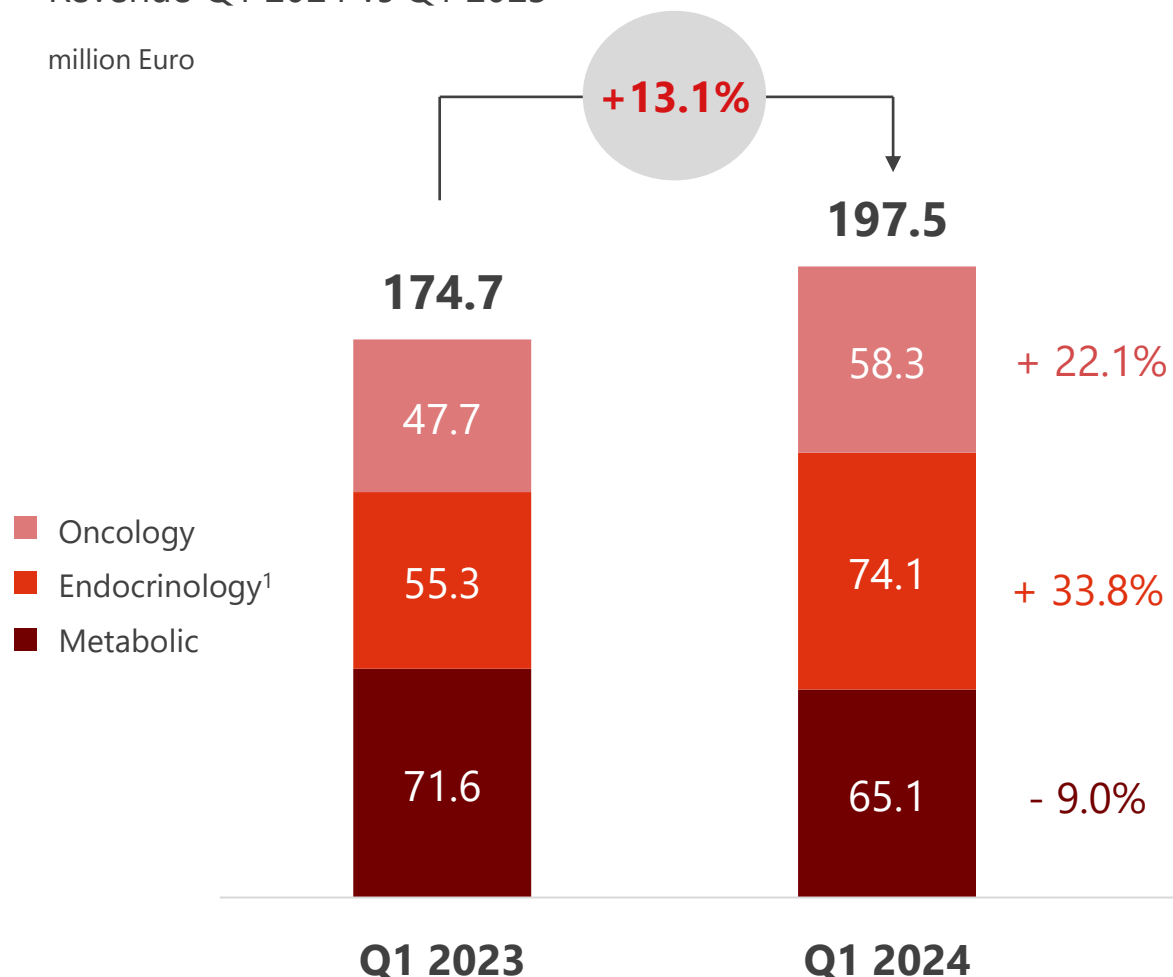
Note: details on corporate products in Appendix



RARE DISEASES: ONCO AND ENDO FRANCHISES DRIVE DOUBLE-DIGIT GROWTH

Revenue Q1 2024 vs Q1 2023

million Euro



¹) Of which Signifor® and Signifor® LAR of € 28.1 million and Isturisa® of € 46.0 million

²) Supplemental New Drug Application

³) Supplemental Biologics License Application

Key highlights

- **Strong double-digit growth** in Q1 2024, **+13.1% vs PY** or **+13.9% at CER**, driven by **key growth franchises** (Onco & Endo)
- **Oncology**: Driven by increased penetration of both **Qarziba®** and **Sylvant®**, with continued Qarziba® patient expansion in Europe, ahead of expectations, and in rest of the world
- **Endocrinology**: Strong new patient uptake across all regions for **Isturisa®** and continued double-digit growth of **Signifor®**; **China NDA** submitted in **March 2024** for **Signifor LAR®** (decision expected mid-2025); **Isturisa®** regulatory decision in China expected in Q4 2024
- **Metabolic**: Slowdown mainly due to generic price erosion on Carbaglu® in US and EMEA with some phasing of Panhematin®
- **Good progress across key development programs**:
 - Osilodrostat (Isturisa®) for Cushing's syndrome in US – Following positive interaction with the FDA and the Orphan Drug Designation, expect to submit sNDA² during Q3 2024
 - REC 0559 Ph2 data read-out by mid-2024; FDA meeting to discuss data analysis plan for potential sBLA³ for dinutuximab beta (Qarziba®) in US by end of Q2 2024



ALL REGIONS DELIVERING SOLID GROWTH

(million euro)	Q1 2024	Q1 2023	Change %
U.S.A	90.0	77.3	16.4
Italy	89.8	80.5	11.6
Spain	52.6	36.0	46.2
France	46.0	49.1	(6.4)
Germany	41.5	41.9	(1.0)
Russia, other CIS countries and Ukraine	41.2	43.3	(4.8)
Türkiye	37.3	33.1	12.9
Portugal	16.1	15.6	2.7
Other C.E.E. countries	41.4	36.1	14.6
Other W.Europe countries	39.8	37.5	5.9
North Africa	12.7	10.4	22.6
Other international sales	84.7	75.7	12.0
TOTAL PHARMACEUTICALS	593.0	536.5	10.5
CHEMICALS	14.8	14.9	(0.4)

in local currency, million	Q1 2024	Q1 2023	Change %
U.S.A (USD)	97.7	82.9	17.8
Türkiye (TRY)	1,249.9	675.2	85.1
Russia (RUB) ¹	2,489.8	2,313.6	7.6

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



STRONG REVENUE AND OPERATING LEVERAGE SUSTAIN EBITDA MARGIN AT 40%, IN LINE WITH PRIOR YEAR

(million Euro)	Q1 2024	Q1 2023	Change %
Revenue	607.8	551.4	10.2
Gross Profit	415.6	387.7	7.2
as % of revenue	68.4%	70.3%	
Adjusted Gross Profit¹	429.9	398.9	7.7
as % of revenue	70.7%	72.4%	
SG&A Expenses	156.5	150.4	4.0
as % of revenue	25.7%	27.3%	
R&D Expenses	67.3	60.5	11.3
as % of revenue	11.1%	11.0%	
Other Income (Expense), net	(4.9)	(4.3)	14.6
as % of revenue	(0.8%)	(0.8%)	
Operating Income	186.9	172.6	8.3
as % of revenue	30.7%	31.3%	
Adjusted Operating Income²	202.0	186.6	8.3
as % of revenue	33.2%	33.8%	
Financial income/(Expenses), net	(25.7)	(12.6)	n.s.
as % of revenue	(4.2%)	(2.3%)	
Net Income	123.6	124.0	(0.3)
as % of revenue	20.3%	22.5%	
Adjusted Net Income³	163.7	155.0	5.6
as % of revenue	26.9%	28.1%	
EBITDA⁴	244.0	220.8	10.5
as % of revenue	40.2%	40.0%	

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

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

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

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



EBITDA GROWTH AND REDUCED WORKING CAPITAL ABSORPTION DRIVE STRONG FREE CASH FLOW

(million Euro)	Q1 2024	Q1 2023	Change
EBITDA¹	244.0	220.8	23.2
Movements in working capital	(46.0)	(77.9)	31.9
Changes in other assets & liabilities	(14.9)	(10.3)	(4.6)
Interest received/(paid)	(19.4)	(16.4)	(3.0)
Income tax paid	(14.3)	(12.3)	(2.0)
Other	1.6	4.0	(2.4)
Cash Flow from Operating Activities	151.0	107.9	43.1
Capex (net of disposals)	(3.9)	(4.5)	0.6
Free cash flow²	147.1	103.4	43.7
Increase in intangible assets (net of disposals)	(4.1)	(12.5)	8.4
Disposals of assets	-	3.0	(3.0)
Dividends paid	(0.7)	(6.1)	5.4
Purchase of treasury shares (net of proceeds)	4.6	(4.1)	8.7
Other financing cash flows ³	(74.0)	(137.1)	63.1
Change in cash and cash equivalents	72.9	(53.4)	126.3

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

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

3) Opening of financial debts net of repayments and currency translation effect on cash and cash equivalents



SOLID NET FINANCIAL POSITION – LEVERAGE OF ~1.75x LTM EBITDA (PRO-FORMA)³

(million Euro)	31 MAR 24	31 DEC 23	Change
Cash and cash equivalents	294.7	221.8	72.9
Short-term debts to banks and other lenders	(34.1)	(99.9)	65.8
Loans and leases - due within one year ¹	(369.1)	(353.7)	(15.4)
Loans and leases - due after one year ¹	(1,323.8)	(1,347.6)	23.8
NET FINANCIAL POSITION²	(1,432.3)	(1,579.4)	147.1




1) Includes the fair value measurement of the relative currency risk hedging instruments (cash flow hedge)

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

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



ON TRACK TO DELIVER ON FY 2024 GUIDANCE

	FY 2023 Actual	FY 2024 Target	KEY ASSUMPTIONS CONFIRMED
Revenue <i>yoy growth</i>	2,082.3 +12.4%	2,260–2,320	 Continued robust revenue growth momentum: <ul style="list-style-type: none"> ○ SPC to deliver mid-single digit organic growth (at CER) ○ RRD to deliver double-digit organic growth (at CER) ○ Avodart® and Combodart® / Duodart® revenue of ~€ 115 million³ ○ FX headwind of approx. -2 / -3% (vs 2023)
EBITDA¹ <i>margin on sales</i>	769.6 37.0%	830–860 +/- 37%	 EBITDA margin of +/- 37% <ul style="list-style-type: none"> ○ Expect phasing similar to historical trends ○ Slight increase in R&D costs expected Q2 – Q4 vs. Q1 to support key programs
Adjusted Net Income² <i>margin on sales</i>	524.6 25.2%	550–570 +/- 24.5%	 Adjusted Net Income of +/- 24.5% <ul style="list-style-type: none"> ○ Slight increase in Financial Expenses vs. FY 2023 (excl. FX gains / losses) but stepping down in later part of the year ○ Increase in OECD tax rates (Ireland, Switzerland, UAE)

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

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

3) Trademarks are owned by or licensed to the GSK group of companies. Total revenue booked by Recordati expected to be ~€ 115 million in FY 2024 versus € 25.6 million in FY 2023



QUESTIONS & ANSWERS



APPENDIX



COMPOSITION OF REVENUE

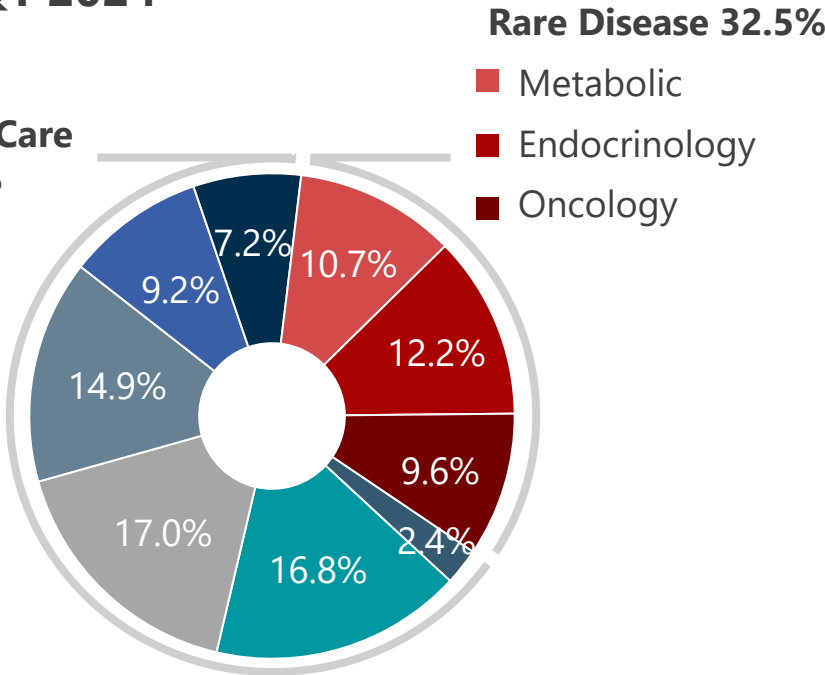
DIVERSIFIED PORTFOLIO AND FOOTPRINT

Therapeutic Areas

Total Revenue Q1 2024

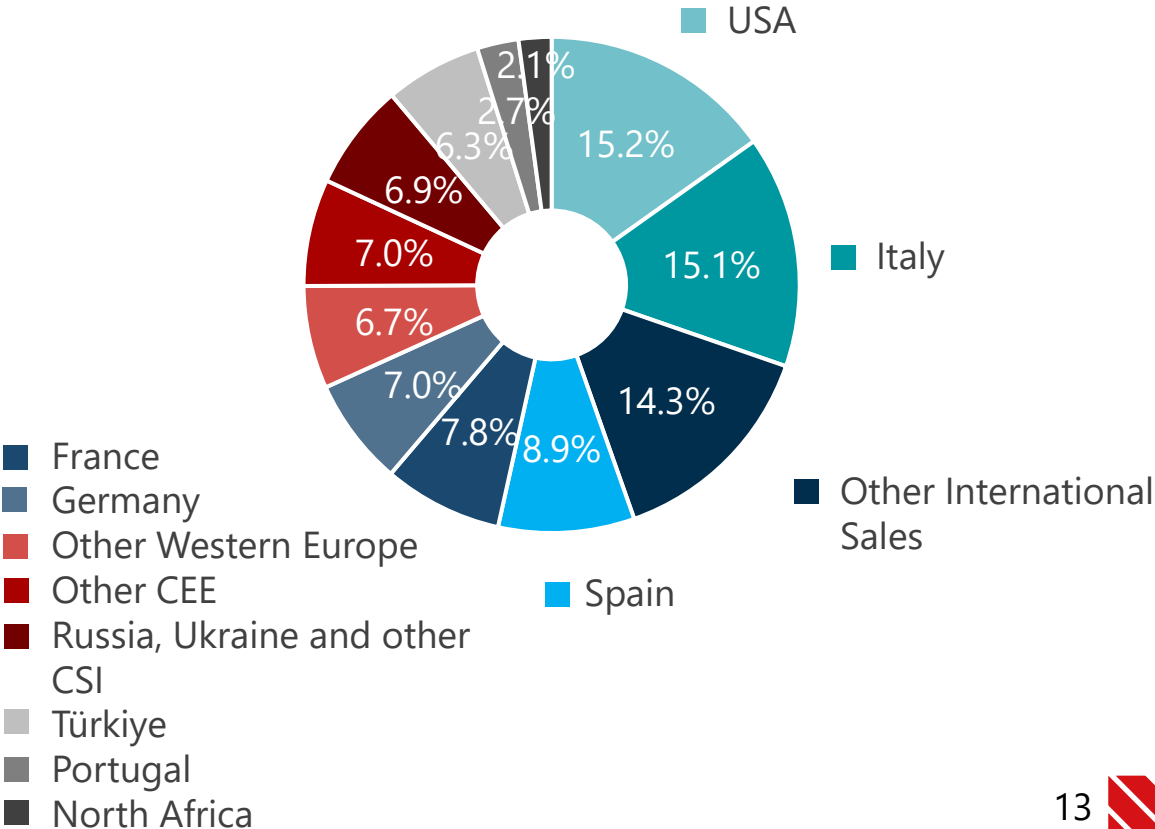
Specialty and Primary Care (incl. Chemicals) 67.5%

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



Geographic

Pharmaceutical Revenue Q1 2024



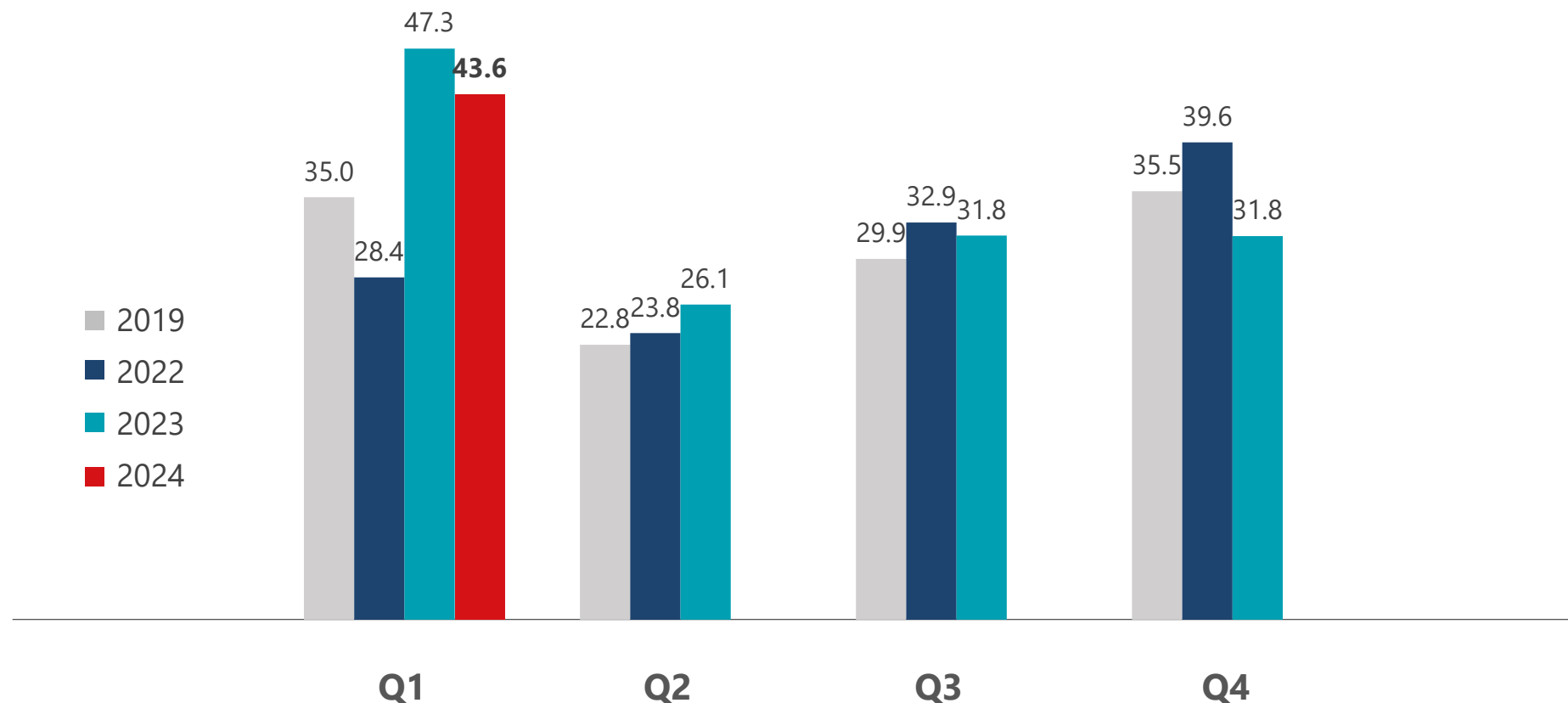
Note: Total OTC of € 95.3 million in Q1 2024 and € 95.5 million in Q1 2023
Subsidiaries' local product portfolios of € 61.5 million in Q1 2024 and € 65.4 million in Q1 2023



Q1 2024 COUGH & COLD – GOOD START OF THE YEAR BELOW Q1 2023 DUE TO ADVERSE FX

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

million Euro



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



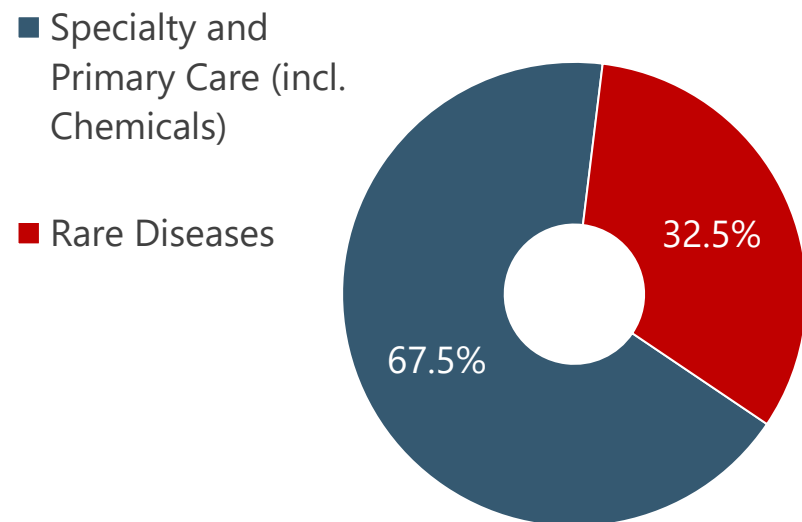
MAIN PRODUCTS SALES

(million Euro)	Q1 2024	Q1 2023	Change %
Zanidip® and Zanipress® (lercanidipine+enalapril) ¹	54.6	56.8	(3.9)
Eligard® (leuprorelin acetate)	33.5	28.5	17.8
Avodart® (dutasteride) and Combodart®/Duodart® (dutasteride/tamsulosin) ²	27.5	-	n.s.
Seloken®/Seloken® ZOK/Logimax® (metoprolol/metoprolol+felodipine)	26.3	24.4	8.1
Urorec® (silodosin)	19.6	18.8	4.6
Livazo® (pitavastatin)	14.4	12.8	12.7
Other corporate products ³	98.1	92.5	6.1
Rare Diseases	197.5	174.7	13.1

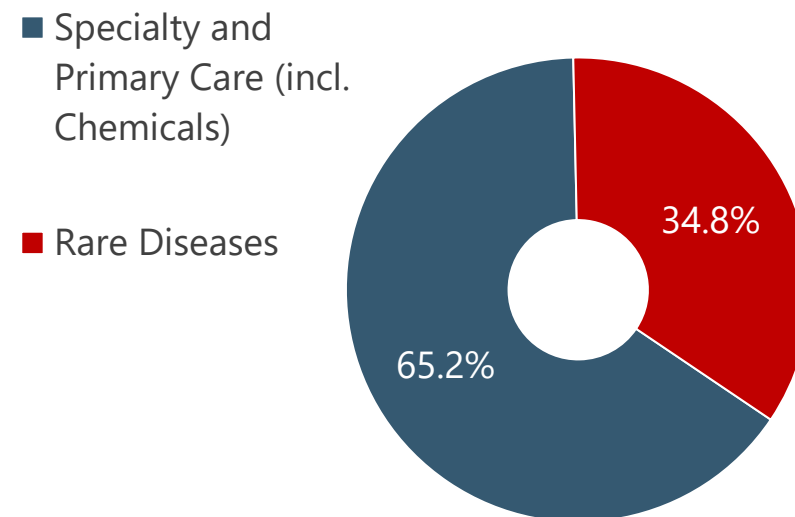
1) of which Zanidip® € 46.5 million in Q1 2024 and € 46.9 million in Q1 2023
 2) Trademarks are owned by or licensed to the GSK group of companies
 3) Includes the OTC corporate products for an amount of € 37.5 million in Q1 2024 and € 34.7 million in Q1 2023; Total OTC € 95.3 million in Q1 2024 and € 95.5 million in Q1 2023

Q1 2024 RESULTS BY OPERATING SEGMENTS

Total Revenue Q1 2024



EBITDA¹ Q1 2024



Margin on Revenue:

Rare Diseases: EBITDA¹ 43.0%

Specialty and Primary care: EBITDA¹ 38.8%

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













UPCOMING R&D PIPELINE MILESTONES



ONGOING PROGRAMS

ADDITIONAL OPPORTUNITIES

PROGRAM		UPCOMING MILESTONE	
Osilodrostat ()	• Cushing’s Syndrome US		Submit sNDA filing during Q3 2024
	Pasireotide	• Post-Bariatric Hypoglycaemia (PBH)	 Phase 2 enrollment completion by end 2024 / early 2025
	Dinutuximab beta ()	• High Risk relapsed/refractory Neuroblastoma US	 Further interactions with FDA by end of Q2 2024
	REC 0559 / MT8*	• Moderate/severe Neurotrophic Keratitis	 Phase 2 trial top-line data read-out in mid-2024
	Dinutuximab beta ()	• Ewing sarcoma	 Under evaluation
	Siltuximab ()	• Cytokine release syndrome (CAR-T patients)	 Under evaluation

Legend

ENDO

ONCO

META

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

Q1 2024 RESULTS – ADJUSTING ITEMS

Reconciliation of Net income to EBITDA¹

(million Euro)	Q1 2024	Q1 2023	Change %
Net Income	123.6	124.0	(0.3)
Income Taxes	37.6	36.0	
Financial (income)/expenses, net	25.7	12.6	
<i>o/w net FX (gains)/losses²</i>	2.7	(0.6)	
<i>o/w net monetary (gains)/losses from application of IAS 29 (Türkiye)</i>	3.2	(0.8)	
Non-recurring expenses	0.8	2.8	
Non-cash charges from PPA inventory uplift	14.3	11.2	
Adjusted Operating Income³	202.0	186.6	8.3
Depreciation, amortization and write downs	42.0	34.2	
EBITDA¹	244.0	220.8	10.5

Reconciliation of Reported Net income to Adjusted Net income⁴

(million Euro)	Q1 2024	Q1 2023	Change %
Net income	123.6	124.0	(0.3)
Net monetary (gains)/losses (IAS 29 Türkiye)	3.2	(0.8)	
Non-recurring expenses	0.8	2.8	
Non-cash charges from PPA inventory uplift	14.3	11.2	
Amortization and write-downs of intangible assets (exc. software)	34.0	26.4	
Tax effects	(12.3)	(8.6)	
Adjusted Net income⁴	163.7	155.0	5.6

Summary of key items

- **FX losses of € 2.7 million** in Q1 2024 vs € 0.6 million gains in Q1 2023
- **Net monetary losses of € 3.2 million** from application of IAS 29 (Türkiye) in 2024, vs € 0.8 million gains in Q1 2023
- **Non-recurring costs of € 0.8 million, significantly reduced** vs prior year (mainly residual EUSA Pharma integration costs)
- **Non-cash charges** at the level of gross margin arising from IFRS3 Purchase Price Allocation of **EUSA Pharma** (from unwind of acquired inventory) of **€ 14.3 million in Q1 2024** vs. € 11.2 million in Q1 2023, due to higher sales
- **D&A and write downs of assets: increase of € 7.8 million**, mainly driven by amortization of GSK products (€ 4.1 million) and Ledaga[®] write down of assets for Japan (€ 2.0 million)

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

² FX losses and FX driven consolidation adjustments

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

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



COMPANY DECLARATIONS, DISCLAIMERS AND PROFILE

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

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

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

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

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

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

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