

**RECORDATI: CONTINUED DOUBLE-DIGIT GROWTH IN THE FIRST HALF OF 2024 -  
REVENUE +13.5%, EBITDA<sup>(1)</sup> +11.5%, ADJUSTED NET INCOME<sup>(2)</sup> +4.7%**

- Consolidated net revenue of € 1,185.7 million in the first half, +13.5% or +10.2% on a like-for-like basis<sup>(3)</sup> and at constant exchange rates (CER)
- EBITDA<sup>(1)</sup> of € 452.9 million, +11.5%, revenue margin of 38.2%
- Adjusted net income<sup>(2)</sup> of € 301.0 million, +4.7%
- Net income of € 225.4 million, -1.0%
- Free cash flow<sup>(4)</sup> at € 256.6 million, -€ 5.1 million vs prior year
- Net debt<sup>(5)</sup> at € 1,469.4 million, just below 1.8x EBITDA pro-forma<sup>(6)</sup>
- Isturisa® sNDA submitted in June for Cushing's syndrome label extension in the U.S., regulatory decision expected mid-2025
- Financial targets for 2024 adjusted upward to reflect current business performance

Milan, July 30<sup>th</sup>, 2024 – The Board of Directors of Recordati S.p.A. approved the interim financial statements as of June 30<sup>th</sup>, 2024, pursuant to Art. 154-ter of Italian Legislative Decree 58/1998 and subsequent amendments, prepared in accordance with said Decree and the CONSOB Issuers Regulation. The statements were prepared in accordance with International Accounting Standard (IAS) 34 requirements for interim reporting, based on the assessment, measurement and recognition criteria set by the IFRSs. The interim financial statements on June 30<sup>th</sup>, 2024 – as well as the Independent Auditors' report on such statements - will be available within the legal deadline 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 authorized storage system 1Info ([www.1Info.it](http://www.1Info.it)).

**Rob Koremans, Chief Executive Officer of Recordati**, commented: "The strong momentum of the business continued into the second quarter across both Specialty and Primary Care and Rare Diseases. The outlook for the remainder of the year looks equally positive, and we have thus revised upward our guidance for FY 2024. We are excited about the significant opportunities for further growth of our rare Endocrinology and Oncology franchises and the sustainable solid growth of our Specialty & Primary Care portfolio."

**H1 2024 Financial highlights**

- **Consolidated net revenue** for the first half of 2024 was € 1,185.7 million, up 13.5% versus the first half of 2023 or 10.2% on a like-for-like<sup>(3)</sup> basis at CER. This was driven by strong business momentum across both Specialty & Primary Care and Rare Diseases. The adverse impact of FX for the first half of 2024 was € 22.2 million (-2.1%), easing in the second quarter primarily due to the stabilization of the Turkish lira (which de-valued sharply in the second quarter of 2023).
  - **Specialty & Primary Care** revenue totaled € 754.8 million in the first half of 2024, growing 12.8% or 7.6% on a like-for-like<sup>(3)</sup> basis at CER (+2.2% excluding Türkiye)

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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

against a very robust first half of 2023. This reflects strong performance across all therapeutic areas, particularly the Urology franchise thanks to the double-digit growth of Eligard® and the € 57.3 million contribution of Avodart® and Combodart®/Duodart®<sup>(7)</sup>.

- **Rare Diseases** revenue totaled € 399.3 million in the first half of 2024, up 15.9% as compared to the first half of 2023, both as reported and at CER, driven by growth of key franchises Oncology and Endocrinology. The Endocrinology franchise achieved net revenue of € 152.9 million, growing by 38.3% and reflecting the strong performance of Isturisa® and double-digit growth of Signifor®. The Oncology franchise achieved net revenue of € 117.2 million, growing by 22.7%, mainly driven by Qarziba® with continued growth also of Sylvant®. Both franchises continue to show substantial further growth potential.
- **Adjusted operating income**<sup>(8)</sup> was € 370.4 million for the first half of 2024, up 9.5% over the previous year, and 31.2% of net revenue versus 32.4% in the same period last year. **Operating income** was € 338.5 million in the first half of 2024, up 8.0% over the first half of 2023, absorbing gross margin-related non-cash charges of € 27.0 million (versus € 20.9 million in first half 2023), arising from the unwind of the fair value step up of the acquired rare oncology inventory. Non-recurring costs were € 2.4 million, reduced versus € 3.9 million in the first half of 2023.
- **EBITDA**<sup>(1)</sup> was € 452.9 million for the first half of 2024, up 11.5% compared to the first half of 2023, and 38.2% of net revenue (versus 38.9% for the first half of 2023), with strong revenue and operating leverage in part offset by a reduction of adjusted gross profit margin due to the consolidation of Avodart® and Combodart®/Duodart® and adverse product / country mix.
- **Financial expenses** were € 46.8 million, up by € 22.2 million compared to the previous year, including € 7.5 million in FX losses, mostly unrealized, compared to gains of € 4.7 million in the first half of 2023.
- **Adjusted net income**<sup>(2)</sup> was € 301.0 million, at 25.4% of revenue, up by 4.7% compared to the same period of 2023, with higher adjusted operating income partially offset by the increase in financial expenses and of the tax rate, following statutory tax rate increase in some countries. **Net income** was € 225.4 million, at 19.0% of revenue, decreased by 1.0% versus first half of 2023, with the higher tax rate and financing expenses offsetting the higher operating income.
- **Free cash flow**<sup>(4)</sup> was € 256.6 million for the first half of 2024, a decrease of € 5.1 million versus the first half of 2023, with higher EBITDA offset by higher interests and income taxes paid.
- **Net debt**<sup>(5)</sup> as of 30<sup>st</sup> June 2024 was € 1,469.4 million, or leverage of just below 1.8x EBITDA pro-forma<sup>(6)</sup>, compared to net debt of € 1,579.4 million on 31<sup>st</sup> December 2023.
- **Shareholders' equity** was € 1,804.7 million.

## Pipeline Development

**Isturisa® U.S.:** Recordati submitted the supplemental New Drug Application (sNDA) for the label extension of osilodrostat (Isturisa®) for Cushing's syndrome in June 2024, with a regulatory decision expected in mid-2025.

**Dinutuximab beta (Qarziba®) U.S.:** The Group had a positive meeting with the FDA defining a potential regulatory pathway for a Biologics License Application (BLA) in relapsed/refractory high-risk neuroblastoma, requiring further analysis and some additional clinical data. A meeting with the FDA to discuss the analysis of the data is expected in mid-2025.

**REC-0559:** Preliminary top-line data from the Phase 2 REC-0559 trial for the treatment of neurotrophic keratitis shows the primary endpoint of complete corneal healing was not met. The company will review options for REC-0559 with partner MimeTech.

### Business outlook

Considering the strong results to date and continued momentum of the business, the previously announced targets for FY 2024 are adjusted upward as follows:

- Net revenue between € 2,300 and € 2,340 million (was € 2,260 to € 2,320 million)
- EBITDA<sup>(1)</sup> between € 845 and € 865 million (was € 830 to € 860 million); margin of +/- 37%
- Adjusted net income<sup>(2)</sup> between € 560 and € 580 million (was € 550 to € 570 million); margin of +/- 24.5%

The Group remains on track to deliver the previously announced financial targets for FY 2025 of over € 2.4 billion in revenue with the current portfolio and sustaining an EBITDA margin of +/- 37%.

<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 excluding H1 2024 revenue of Avodart® and Combodart®/Duodart®.

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

<sup>(7)</sup> Trademarks are owned by or licensed to the GSK group of companies. Transition of commercialization effectively concluded.

<sup>(8)</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

Recordati will host a conference call today, **July 30<sup>th</sup>** at **4:00 p.m. CEST (3:00 p.m. GMT)** to present the results for the first half of 2024. 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

Participants are invited to dial in 10 minutes before conference time. If conference operator assistance is required 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** is an international pharmaceutical group listed on the Italian Stock Exchange (XMIL: REC), with roots dating back to a family-run pharmacy in Northern Italy in the 1920s. We are uniquely structured to provide treatments across specialty and primary care, and rare diseases. Our fully integrated operations span clinical development, chemical and finished product manufacturing, commercialisation and licensing. We operate in approximately 150 countries across EMEA, the Americas and APAC with over 4,450 employees. We believe that health is a fundamental right, not a privilege. Today, our purpose of “unlocking the full potential of life” aims at empowering individuals to live life to the fullest, whether addressing common health challenges or the rarest.

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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 for 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)

INCOME STATEMENT	First half 2024	First half 2023	Change %
<b>NET REVENUE</b>	<b>1,185,667</b>	<b>1,044,272</b>	<b>13.5</b>
Cost of sales	(383,881)	(311,954)	23.1
<b>GROSS PROFIT</b>	<b>801,786</b>	<b>732,318</b>	<b>9.5</b>
Selling expenses	(247,703)	(233,794)	5.9
Research and development expenses	(139,135)	(119,043)	16.9
General and administrative expenses	(73,682)	(61,841)	19.1
Other income/(expenses), net	(2,732)	(4,196)	(34.9)
<b>OPERATING INCOME</b>	<b>338,534</b>	<b>313,444</b>	<b>8.0</b>
Financial income/(expenses), net	(46,787)	(24,574)	90.4
<b>PRE-TAX INCOME</b>	<b>291,747</b>	<b>288,870</b>	<b>1.0</b>
Income taxes	(66,377)	(61,299)	8.3
<b>NET INCOME</b>	<b>225,370</b>	<b>227,571</b>	<b>(1.0)</b>
<b>Adjusted gross profit <sup>(1)</sup></b>	<b>828,751</b>	<b>753,204</b>	<b>10.0</b>
<b>Adjusted operating income <sup>(2)</sup></b>	<b>367,926</b>	<b>338,249</b>	<b>8.8</b>
<b>Adjusted net income <sup>(3)</sup></b>	<b>301,047</b>	<b>287,431</b>	<b>4.7</b>
<b>EBITDA <sup>(4)</sup></b>	<b>452,936</b>	<b>406,181</b>	<b>11.5</b>
Net income attributable to:			
Equity holders of the Parent	225,370	227,571	(1.0)
Non-controlling interests	-	-	n.s.
<b>EARNINGS PER SHARE (euro)</b>			
Basic <sup>(5)</sup>	1.092	1.108	(1.4)
Diluted <sup>(6)</sup>	1.078	1.088	(0.9)

<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, 206.299.160 in 2024 and 205.421.410 in 2023. These amounts are calculated deducting treasury shares in the portfolio, the average of which was 2.825.996 shares in 2024 and 3.703.746 shares in 2023.

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

COMPOSITION OF NET REVENUE	First half 2024	First half 2023	Change %
<b>Total revenue</b>	<b>1,185,667</b>	<b>1,044,272</b>	<b>13.5</b>
Italy	179,582	161,294	11.3
International	1,006,085	882,978	13.9

Pending completion of independent audits

## RECORDATI GROUP

(€ thousands)

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

	First half 2024	First half 2023
Net income	225,370	227,571
Income taxes	66,377	61,299
Financial income/(expenses), net	46,787	24,574
Non-recurring expenses	2,427	3,919
Non-cash charges from PPA inventory uplift	26,965	20,886
<b>Adjusted operating income<sup>(2)</sup></b>	<b>367,926</b>	<b>338,249</b>
Depreciation, amortization and write-downs	85,010	67,932
<b>EBITDA<sup>(1)</sup></b>	<b>452,936</b>	<b>406,181</b>

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

	First half 2024	First half 2023
Net income	225,370	227,571
Amortization and write-downs of intangible assets (excluding software)	68,193	52,561
Tax effect	(15,377)	(11,152)
Non-recurring operating expenses	2,427	3,919
Tax effect	(562)	(957)
Non-cash charges from PPA inventory uplift	26,965	20,886
Tax effect	(6,741)	(5,229)
Monetary net (gain)/losses from hyperinflation (IAS29)	1,016	(887)
Tax effect	(244)	719
<b>Adjusted net income<sup>(3)</sup></b>	<b>301,047</b>	<b>287,431</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 (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 (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.

Pending completion of independent audits

# RECORDATI GROUP

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

<b>ASSETS</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
Property, plant and equipment	183,019	178,657
Intangible assets	1,857,744	1,938,197
Goodwill	790,033	778,350
Other equity investments and securities	20,754	21,555
Other non-current assets	15,245	12,458
Deferred tax assets	88,925	76,674
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,955,720</b>	<b>3,005,891</b>
Inventories	405,928	404,831
Trade receivables	492,435	445,193
Other receivables	99,761	99,401
Other current assets	29,436	19,924
Derivative instruments measured at fair value	16,855	11,079
Cash and cash equivalents	200,579	221,812
<b>TOTAL CURRENT ASSETS</b>	<b>1,244,994</b>	<b>1,202,240</b>
<b>TOTAL ASSETS</b>	<b>4,200,714</b>	<b>4,208,131</b>

Pending completion of independent audits

## RECORDATI GROUP

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

<b>EQUITY AND LIABILITIES</b>	<b>30.06.2024</b>	<b>31.12.2023</b>
Share capital	26,141	26,141
Share premium reserve	83,719	83,719
Treasury shares	(124,356)	(127,970)
Reserve for derivative instruments	3,951	(286)
Translation reserve	(273,626)	(264,700)
Other reserves	63,455	61,219
Profits carried forward	1,800,082	1,636,451
Net income	225,370	389,214
Interim dividend	0	(117,396)
<b>Shareholders' equity attributable to equity holders of the Parent</b>	<b>1,804,736</b>	<b>1,686,392</b>
Shareholders' equity attributable to non-controlling interests	0	0
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>1,804,736</b>	<b>1,686,392</b>
Loans - due after one year	1,352,308	1,353,216
Provisions for employee benefits	21,291	21,239
Deferred tax liabilities	135,160	144,208
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1,508,759</b>	<b>1,518,663</b>
Trade payables	263,648	263,979
Other payables	178,871	174,407
Tax liabilities	93,577	67,110
Other current liabilities	4,941	5,307
Provisions for risks and charges	15,872	16,596
Derivative instruments measured at fair value	4,971	19,993
Loans - due within one year	275,049	355,752
Short-term debts to banks and other lenders	50,290	99,932
<b>TOTAL CURRENT LIABILITIES</b>	<b>887,219</b>	<b>1,003,076</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>4,200,714</b>	<b>4,208,131</b>

Pending completion of independent audits



## RECORDATI GROUP

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

<b>CASH FLOW STATEMENT</b>	<b>First half 2024</b>	<b>First half 2023</b>
<b>OPERATING ACTIVITIES</b>		
Net income	225,370	227,571
Income taxes	66,377	61,300
Net interest	37,399	28,462
Depreciation of property, plant and equipment	15,591	13,866
Amortization of intangible assets	64,873	54,066
Write-downs	4,546	0
Equity-settled share-based payment transactions	6,117	3,933
Other non-monetary components	35,304	25,529
Change in other assets and other liabilities	(20,897)	(5,355)
<b>Cash flow generated/(used) by operating activities before change in working capital</b>	<b>434,680</b>	<b>409,372</b>
Change in:		
- inventories	(29,464)	(33,507)
- trade receivables	(44,355)	(63,934)
- trade payables	172	20,693
<b>Change in working capital</b>	<b>(73,647)</b>	<b>(76,748)</b>
Interest received	2,920	2,583
Interest paid	(42,027)	(28,860)
Income taxes paid	(54,762)	(34,896)
<b>Cash flow generated/(used) by operating activities</b>	<b>267,164</b>	<b>271,451</b>
<b>INVESTMENT ACTIVITIES</b>		
Investments in property, plant and equipment	(11,263)	(9,913)
Disposals of property, plant and equipment	732	209
Investments in intangible assets	(9,102)	(26,560)
Disposals of intangible assets	38	267
Sale of non-current assets held for sale	0	3,000
<b>Cash flow generated/(used) by investment activities</b>	<b>(19,595)</b>	<b>(32,997)</b>
<b>FINANCING ACTIVITIES</b>		
Opening of loans	144,609	348,371
Repayment of loans	(226,801)	(139,695)
Payment of lease liabilities	(5,996)	(5,688)
Change in short-term debts to banks and other lenders	(48,676)	(70,481)
Dividends paid	(128,752)	(127,043)
Purchase of treasury shares	(37,563)	(6,483)
Sale of treasury shares	29,843	7,676
<b>Cash flow generated/(used) by financing activities</b>	<b>(273,336)</b>	<b>6,657</b>
<b>Change in cash and cash equivalents</b>	<b>(25,767)</b>	<b>245,111</b>
Opening cash and cash equivalents	221,812	284,734
Currency translation effect	4,534	(1,277)
<b>Closing cash and cash equivalents</b>	<b>200,579</b>	<b>528,568</b>

Pending completion of independent 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 Company's documentation, books and accounting records.