



# **INTERIM REPORT – 2024 H1**

Neopharmed Gentili S.p.A.

Unaudited Consolidated Interim Financial Report as of and for the six-month period ended June 30, 2024.

## CONTENTS

|  |    |
|--|----|
| INTRODUCTION.....  | 3  |
| PRESENTATION OF FINANCIAL INFORMATION.....                     | 4  |
| KEY FINANCIAL INFORMATION .....                                | 5  |
| CERTAIN KEY PERFORMANCE MEASURES.....                          | 7  |
| ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS..... | 8  |
| DISCLAIMER.....  | 11 |
| ANNEX A .....  | 12 |

## INTRODUCTION

In the six-month period ended June 30, 2024, Revenues from sales increased by €7.9 million, or 6.0%, from €132.8 million for the six-month period ended June 30, 2023, to €140.7 for the six-month period ended June 30, 2024. This increase was primarily driven by the consistent and solid overperformance of Cardiovascular products.

Like-for-Like revenues from sales increased by €9.4 million, or 7.3% (excluding Xelevia and Velmetia due to patent cliff). The consistent growth of our business allowed us to maintain a resilient profitability and a consistently high Adjusted EBITDA Margin of 41.9% for the twelve-month period ended June 30, 2024.

As of the date of this interim financial report, there have been no material changes to our business, risk factors, management team, principal shareholders, related party transactions or indebtedness, other than the decision of CEO Eric Falcand to step down from his position for personal reasons as announced the 18<sup>th</sup> of July 2024. Alessandro Del Bono, founder and shareholder, who led the company prior to Eric's appointment and is the current Chairman of the Board, will continue leading the company until a new CEO is appointed by the Board of Directors.

## PRESENTATION OF FINANCIAL INFORMATION

### Financial Information in the Interim Financial Report

On March 28, 2023, Neon BidCo S.p.A. (“**BidCo**”) completed the acquisition of Neopharmed Holding S.p.A. (“**HoldCo**”) and indirectly acquired control over us (the “**Neopharmed Acquisition**”). On December 13, 2023, BidCo and HoldCo completed a reverse merger with us, which became effective from January 1, 2024. As a result, we are now the sole surviving entity and we are indirectly controlled by investment funds Ardian and NB Renaissance, which own 84.2% of the shares of Neon Topco S.p.A., a holding company that in turn indirectly controls us through the intermediate holding companies Novum Holdco S.p.A. and Neon MidCo S.p.A.. We are a wholly owned subsidiary of Neon Midco S.p.A. The remaining shares of Neon Topco S.p.A. are owned by the Del Bono family (through the intermediate holding company Mediolanum Farmaceutici S.p.A., which owns 14.4% of Neon Topco S.p.A.’s shares) and certain managers that collectively own 1.4% of Neon Topco S.p.A.’s shares. Valeas Industria Chimica e Farmaceutica S.p.A. (“**Valeas**”) is our sole subsidiary. We own 100% of the share capital of Valeas and have consolidated it in our financial statements. Prior to completion of the Neopharmed Acquisition, we reported our consolidated financial statements at the level of HoldCo.

The financial information as of June 30, 2024, and as of June 30, 2023, presented in this Interim Financial Report have been prepared in accordance with Italian laws governing the preparation of financial statements, as interpreted and integrated by the accounting principles established by the *Organismo Italiano di Contabilità—OIC* (“**Italian GAAP**”).

In addition, we present in this Interim Financial Report:

1. certain unaudited aggregated financial information of the Group as of and for the year ended December 31, 2023 (the “**Unaudited Aggregated Financial Information**”);
2. certain unaudited financial information of the Group as of and for the last twelve months ended June 30, 2024 (the “**LTM Financial Information**”); and
3. Certain unaudited financial information of the Group, on an adjusted basis to give effect to the issuance of the Notes.

The Unaudited Aggregated Financial Information has been calculated by adding the consolidated income statement and cash flow information of BidCo for the nine months ended December 31, 2023, which has been derived from the audited consolidated financial statements of BidCo and its subsidiaries as of and for the nine months ended December 31, 2023, to the consolidated income statement and cash flow information of HoldCo for the three months ended March 31, 2023, which has been derived from the unaudited interim condensed consolidated financial statements of HoldCo and its subsidiaries as of and for the three months ended March 31, 2023. For additional information, please refer to the “*Presentation of Financial Information*” section of the listing particulars dated as of April 8, 2024, relating to the issuance by the Company of the Notes (the “**Listing Particulars**”, posted on the website of the Luxembourg Stock Exchange).

The LTM Financial Information has been derived by subtracting from the financial information of the Unaudited Aggregated Financial Information as of December 31, 2023, the comparative financial information of the unaudited consolidated condensed pro forma financial statements for the six months ended June 30, 2023 and adding the financial information of the unaudited consolidated condensed financial statements of the Company for the six months ended June 30, 2024.

## KEY FINANCIAL INFORMATION

The following table provides an overview of our key results and certain information of the Group for the twelve months ended June 30, 2024.

|  | <b>Twelve-month<br/>period ended<br/>June 30,<br/>2024</b><br><i>(unaudited)</i> |
|--|--|
| <i>(in € million, except for percentages and ratios)</i>                           |  |
| EBITDA <sup>(1)</sup> .....  | 115.0  |
| Adjusted EBITDA <sup>(2)</sup> .....   | 117.8  |
| Adjusted EBITDA margin <sup>(2)</sup> .....  | 41.9%  |
| As Adjusted Total Gross Financial Indebtedness <sup>(3)</sup> .....                | 763.5  |
| As Adjusted Total Net Financial Indebtedness <sup>(3)</sup> .....                  | 729.1  |
| Structuring Adjusted EBITDA <sup>(4)</sup> .....                                   | 126.5  |
| Structuring Adjusted EBITDA margin <sup>(4)</sup> .....                            | 45.0%  |
| Ratio of Total Gross Financial Indebtedness to Structuring<br>Adjusted EBITDA..... | 6.0x   |
| Ratio of Total Net Financial Indebtedness to Structuring<br>Adjusted EBITDA.....   | 5.8x   |

(1) We define *EBITDA* as the sum of net result for the period, income taxes, financial income and expenses, net and amortization and depreciation.

(2) We define *Adjusted EBITDA* as EBITDA for the relevant period adjusted for certain special items, which include non-recurring positive and negative components recorded during the period (as detailed in the table below). When Adjusted EBITDA is presented for the twelve months ended June 30, 2024, on a pro forma basis, it is calculated as Adjusted EBITDA giving effect to certain pro forma adjustments which reflect the pro forma adjustments as a result of the Neopharmed Acquisition and the drawdown of the financing necessary to complete such acquisition and refinance the indebtedness existing at the Neopharmed Acquisition date.

We define *Adjusted EBITDA Margin* as the ratio of Adjusted EBITDA to Total Revenues and is used by the Group as a supplemental measure of operating performance.

The following table reconciles Net result for the period, presented in our financial statements prepared in accordance with Italian GAAP, to EBITDA and EBITDA to Adjusted EBITDA for the six months ended June 30, 2023, and the six months ended June 30, 2024.

|   | <b>BidCo</b>                                    | <b>Pro Forma</b>   | <b>Neopharmed Gentili</b>  |  |
|---|---|--|--|--|
| <i>(in € million)</i>                                     | <b>Year ended<br/>December<br/>31,<br/>2023</b> | <b>For the six-month<br/>period ended<br/>June 30,<br/>2023<br/><i>(unaudited)</i></b> | <b>For the six-month<br/>period ended<br/>June 30,<br/>2024<br/><i>(unaudited)</i></b> | <b>For the twelve-<br/>month ended<br/>June 30,<br/>LTM<br/><i>(unaudited)</i></b> |
| Net result for the period.....                            | (56.3)  | (16.1)   | (74.9)   | (115.1)  |
| Income taxes.....   | 7.5   | 8.8  | 9.7  | 8.5  |
| Financial income and expenses, net.....                   | 74.6  | 26.7   | 78.3   | 126.2  |
| Amortization, depreciation.....                           | 88.1  | 36.7   | 44.1   | 95.5   |
| <b>EBITDA</b> .....                                       | <b>113.9</b>                                    | <b>56.1</b>  | <b>57.2</b>  | <b>115.0</b>   |
| Costs for services Adjustments <sup>(a)</sup> .....       | 2.8   | 0.8  | 1.1  | 3.1  |
| Personnel expenses Adjustments <sup>(b)</sup> .....       | 0.6   | 0.3  | 0.1  | 0.4  |
| Other operating expenses Adjustments <sup>(c)</sup> ..... | 0.2   | 0.4  | 0.0  | (0.2)  |
| Other income Adjustments <sup>(d)</sup> .....             | (0.9)   | (0.4)  | (0.2)  | (0.6)  |
| <b>Adjusted EBITDA</b> .....                              | <b>116.6</b>                                    | <b>57.2</b>  | <b>58.4</b>  | <b>117.8</b>   |

(a) *Costs for services Adjustments* mainly include costs relating to non-recurring advisory services related to certain acquisitions.

(b) *Personnel expenses Adjustments* mainly include severance costs.

(c) *Other operating expenses Adjustments* mainly include, for the six months ended June 30, 2023, donations to the Red Cross for the earthquake in Syria, and, for the six months ended June 30, 2024, costs for legal disputes.

(d) *Other income Adjustments* mainly include, for the six months ended June 30, 2023, exceptional revenues from compensation for contractual breaches by a supplier, and, for the six months ended June 30, 2024, one-off sales of equipment.

(3) We define *As Adjusted Total Gross Financial Indebtedness* as Total Gross Financial Indebtedness (excluding the impact of amortized costs) as of the date indicated.

We define *As Adjusted Total Net Financial Indebtedness* as Adjusted Total Gross Financial Indebtedness of the Issuer less Cash and Cash Equivalents, each as of the date indicated

|   | <b>BidCo</b>              | <b>Neopharmed<br/>Gentili</b> |
|---|---------------------------|-------------------------------|
|   | <b>As of December 31,</b> | <b>As of June 30,</b>         |
|   | <b>2023</b>               | <b>2024</b>                   |
|   |                           | <i>(unaudited)</i>            |
| <i>(in € million)</i>                                   |                           |                               |
| Current financial indebtedness .....                    | (32.8)                    | (13.5)                        |
| Non-current financial indebtedness <sup>(a)</sup> ..... | (669.9)                   | (737.2)                       |
| <b>Total Gross Financial Indebtedness</b> .....         | <b>(702.7)</b>            | <b>(750.6)</b>                |
| Cash and Cash Equivalent.....                           | 3.6                       | 34.3                          |
| <b>Total Net Financial Indebtedness</b> .....           | <b>(699.1)</b>            | <b>(716.3)</b>                |

(a) Non-current financial indebtedness as of June 30, 2024, is shown net of the effect of the amortized costs in the amount of €12.8 million.

- (4) We define *Structuring Adjusted EBITDA* as Adjusted EBITDA for the twelve months ended June 30, 2024, calculated on a pro forma basis derived from the unaudited pro forma consolidated financial information of the Group for the financial year ended December 31, 2023 and further adjusted to give effect to certain one-off positive and negative components during the year ended December 31, 2023, in order to give full-year effect to certain expected cost savings from the envisaged Valeas facility dismissal, the secured one-off renegotiations of certain supply contracts on more favorable terms, and the impact of the commitment fees under the Existing Revolving Credit Facility and the Existing Undrawn Committed Unitranche Notes (as such terms are defined in the Listing Particulars) accrued and accounted for in 2023.

We define *Structuring Adjusted EBITDA margin* for the twelve months ended June 30, 2024, as the ratio of Structuring Adjusted EBITDA to Total Revenues, which is used by the Group as a supplemental measure of operating performance.

The following table reconciles Structuring Adjusted EBITDA for the twelve months ended June 30, 2024, to Adjusted EBITDA for the same period.

|  | <b>Year ended<br/>December 31,</b> | <b>Six months<br/>ended June 30,</b> | <b>Six months<br/>ended June 30,</b> | <b>Twelve months<br/>ended June 30,</b> |
|--|------------------------------------|--------------------------------------|--------------------------------------|---|
|  | <b>2023</b>                        | <b>2023</b>                          | <b>2024</b>                          | <b>LTM</b>                              |
|  |                                    | <i>(unaudited)</i>                   | <i>(unaudited)</i>                   | <i>(unaudited)</i>                      |
| <i>(in € million)</i>  |                                    |                                      |                                      |   |
| <b>Adjusted EBITDA, on a pro forma basis</b> .....                             | <b>116.6</b>                       | <b>57.2</b>                          | <b>58.4</b>                          | <b>117.8</b>                            |
| Cost savings from Valeas facility dismissal <sup>(a)</sup> .....               | 2.3                                | 1.1                                  | 0.5                                  | 1.7                                     |
| Supply price renegotiations <sup>(b)</sup> .....                               | 5.2                                | 2.8                                  | 2.6                                  | 5.0                                     |
| Commitment Fees for Existing Revolving Credit Facility<br>and Existing Undrawn |                                    |                                      |                                      |   |
| Committed Unitranche Notes <sup>(c)</sup> .....                                | 2.3                                | 1.1                                  | 0.9                                  | 2.0                                     |
| <b>Structuring Adjusted EBITDA</b> .....                                       | <b>126.4</b>                       | <b>62.3</b>                          | <b>62.4</b>                          | <b>126.5</b>                            |

(a) *Cost savings from Valeas facility dismissal* relate to costs savings that we expect to achieve from the envisaged Valeas facility dismissal and which result primarily from removing property-related and other operating costs, such as rental costs, salaries and other personnel costs and other general and administrative costs.

(b) *Supply price renegotiations* relate to the cost savings we expect to achieve between 2024 and 2025 in connection with the one-off renegotiations of certain supply contracts, which we have already secured.

(c) *Existing Revolving Credit Facility and Existing Undrawn Committed Unitranche Notes commitment fees* represents the commitment fees under the Existing Revolving Credit Facility and the Existing Undrawn Committed Unitranche Notes (as such terms are defined in the Listing Particulars) accrued and accounted for in 2023.

## CERTAIN KEY PERFORMANCE MEASURES

Certain unaudited historical financial information and non-GAAP financial measures and ratios, such as sales, the breakdown of sales by therapeutic areas, product class and channel, have been derived from our internal management reporting used by our management on an ongoing basis (“**Unaudited Management Reporting Data**”).

Sales information in the tables below is derived from Unaudited Management Reporting Data and therefore is not reflective of, and may not be reconciled to, our revenues calculated in accordance with Italian GAAP. Sales shown in these tables give full-year effect to the acquisitions made by us during the year.

### *Sales by Therapeutic Areas*

|                          | Six-month period ended June 30, |                            |
|--------------------------|---------------------------------|----------------------------|
|                          | 2023<br><i>(unaudited)</i>      | 2024<br><i>(unaudited)</i> |
| <i>(in € million)</i>    |                                 |                            |
| Cardiovascular.....      | 52.3                            | 57.8                       |
| Neurology.....           | 27.8                            | 29.2                       |
| Allergo-Respiratory..... | 21.2                            | 21.0                       |
| Musculoskeletal.....     | 11.4                            | 12.4                       |
| Other.....               | 20.0                            | 20.3                       |
| <b>Total .....</b>       | <b>132.8</b>                    | <b>140.7</b>               |

### *Sales by Product Class*

|   | Six-month period ended June 30, |                            |
|---|---------------------------------|----------------------------|
|   | 2023<br><i>(unaudited)</i>      | 2024<br><i>(unaudited)</i> |
| <i>(in € million)</i>                       |                                 |                            |
| Class A (reimbursable; prescribed).....     | 75.2                            | 79.8                       |
| Class C (non-reimbursable; prescribed)..... | 50.1                            | 52.8                       |
| Other*.....                                 | 7.5                             | 8.2                        |
| <b>Total .....</b>                          | <b>132.8</b>                    | <b>140.7</b>               |

\* Includes over the counter products (OTC), food supplements and medical devices.

### *Sales by Channel*

|                       | Six-month period ended June 30, |                            |
|-----------------------|---------------------------------|----------------------------|
|                       | 2023<br><i>(unaudited)</i>      | 2024<br><i>(unaudited)</i> |
| <i>(in € million)</i> |                                 |                            |
| Retail Channel.....   | 128.0                           | 137.4                      |
| Hospital Channel..... | 4.8                             | 3.4                        |
| <b>Total .....</b>    | <b>132.8</b>                    | <b>140.7</b>               |

## ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### Results of Operations

The following table sets forth our profit and loss statement for the six months ended June 30, 2024.

|   | Pro Forma                    | Neopharmed<br>Gentili        | Change        |                 |
|---|------------------------------|------------------------------|---------------|-----------------|
|   | Six months<br>ended June 30, | Six months<br>ended June 30, |               |                 |
|   | 2023<br><i>(unaudited)</i>   | 2024<br><i>(unaudited)</i>   | 2024 vs 2023  | 2024 vs 2023 %  |
| <i>(in € million)</i>                   |                              |                              |               |                 |
| Revenues from sales.....                | 132.8                        | 140.7                        | 7.9           | 6.0%            |
| Other income.....                       | 1.4                          | 0.7                          | (0.7)         | (47.8%)         |
| <b>Total Revenues.....</b>              | <b>134.2</b>                 | <b>141.5</b>                 | <b>7.2</b>    | <b>5.4%</b>     |
| Costs for raw materials.....            | (31.0)                       | (33.0)                       | (2.0)         | 6.3%            |
| Costs for services.....                 | (29.8)                       | (33.5)                       | (3.8)         | 12.6%           |
| Personnel expenses.....                 | (12.8)                       | (13.2)                       | (0.4)         | 3.2%            |
| Amortization, depreciation.....         | (36.7)                       | (44.1)                       | (7.4)         | 20.3%           |
| Other operating expenses.....           | (4.5)                        | (4.5)                        | 0.0           | (0.8%)          |
| <b>Total production costs.....</b>      | <b>(114.8)</b>               | <b>(128.4)</b>               | <b>(13.6)</b> | <b>11.8%</b>    |
| <b>Operating Income.....</b>            | <b>19.4</b>                  | <b>13.1</b>                  | <b>(6.3)</b>  | <b>(32.5%)</b>  |
| Financial income and expenses, net..... | (26.7)                       | (78.3)                       | (51.6)        | >100%           |
| <b>Income before taxes.....</b>         | <b>(7.3)</b>                 | <b>(65.2)</b>                | <b>(57.9)</b> | <b>&gt;100%</b> |
| Income taxes.....                       | (8.8)                        | (9.7)                        | (1.0)         | 11.0%           |
| <b>Net result for the period.....</b>   | <b>(16.1)</b>                | <b>(74.9)</b>                | <b>(58.8)</b> | <b>&gt;100%</b> |

Revenues from sales increased by €7.9 million, or 6.0%, from €132.8 million for the six months ended June 30, 2023, to €140.7 million for the six months ended June 30, 2024. The change was primarily driven by (i) an increase of €5.4 million, or 10.4%, in sales from cardiovascular drugs, from €52.3 million for the six months ended June 30, 2023, to €57.8 million for the six months ended June 30, 2024. The increase was mainly driven by increased sales of Maoris (+56.8%) and Luvion (+12.0%), which was however partially offset by: (i) a decrease in sales of Xelevia (-58.1%) and Velmetia (-40.2%) due to patent-cliff; and (ii) a decrease in sales of allergeo-respiratory drugs (-1.1%) due to a slowdown in prescriptions.

Other income decreased by €0.7 million, or 47.8%, from €1.4 million for the six months ended June 30, 2023, to €0.7 million for the six months ended June 30, 2024. The decrease was primarily driven by a one-off income of €0.5 million recognized in February 2023 and April 2023.

Costs for raw materials increased by €2.0 million, or 6.3%, from €31.0 million for the six months ended June 30, 2023, to €33.0 million for the six months ended June 30, 2024. The increase was primarily correlated to revenues growth. The percentage of the costs for raw materials on revenues from sales was stable at 23.4%.

Costs for services increased by €3.8 million, or 12.6%, from €29.8 million for the six months ended June 30, 2023, to €33.5 million for the six months ended June 30, 2024. This change was primarily driven by: (i) higher toll manufacturing fees resulting from increased revenues; (ii) an increase in sales force headcount which, in year ended December 31, 2023, was affected by the restructuring of Valeas following its acquisition by the Company; and (iii) higher consulting costs mainly related to business development one-off expenses. The average headcount of external Pharma Representatives increased from 252 for the six months ended June 30, 2023, to 282 for the six months ended June 30, 2024.

Amortization, depreciation increased by €7.4 million, or 20.3%, from €36.7 million for the six months ended June 30, 2023, to €44.1 million for the six months ended June 30, 2024. The increase was primarily driven by goodwill amortization in connection with the recognition of goodwill arising from the Neopharmed Acquisition occurred in March 2023.

Financial income and expenses increased by €51.6 million, or 192.8%, from an expense of €26.7 million for the six months ended June 30, 2023, to €78.3 million for the six months ended June 30, 2024. The increase was primarily driven by (i) reversal of amortized cost (€ 30.1m) related to previous loan and (ii) premium redemption related to the early reimbursement of previous loan (€ 14.1m).



## Cash Flow

The following table illustrates our cash flows from the indicated sources:

|   | <b>Neopharmed<br/>Gentili</b>    |
|---|----------------------------------|
|   | <b>Six months ended June 30,</b> |
|   | <b>2024</b>                      |
|   | <i>(unaudited)</i>               |
| <i>(in € million)</i>   |                                  |
| Cash flow from operating activities (A)* .....                            | 40.7                             |
| Cash flow used in investing activities (B) .....                          | (0.1)                            |
| Cash flow from / (used in) financing activities (C) .....                 | (9.9)                            |
| <b>Increase (decrease) in cash and cash equivalents<br/>(A+B+C) .....</b> | <b>30.8</b>                      |
| <b>Cash and cash equivalents at the beginning of the period .....</b>     | <b>3.6</b>                       |
| <b>Cash and cash equivalents at the end of the period .....</b>           | <b>34.3</b>                      |

\* Cash from operating activities is net of interest, dividends and capital gains/losses from disposal, changes in working capital and other adjustments.

Cash flow from operating activities, amounting to €40.7 million for the six months ended June 30, 2024, is mainly resulting from a decrease in net working capital requirements, which was driven by: (i) an increase in tax payables due to accruals of current corporate tax combined; (ii) a limited increase in trade working capital despite higher revenues. The cash flow from operating activities also includes an interest payment on the Unitranche Notes for an amount of €19.8 million net of interest rate swap settlement.

Cash flow from financing activities, amounting to €9.9 million for the six months ended June 30, 2024, is mainly resulting from: (i) the issuance of senior secured fixed rate and senior secured floating rate notes with related transaction costs; (ii) the premium redemption of Unitranche Notes; and (iii) a decrease in short-term payables to banks.

The following table illustrates our total net financial indebtedness:

|   | <b>BidCo</b>              | <b>Neopharmed<br/>Gentili</b> |
|---|---------------------------|-------------------------------|
|   | <b>As of December 31,</b> | <b>As of June 30,</b>         |
|   | <b>2023</b>               | <b>2024</b>                   |
|   |                           | <i>(unaudited)</i>            |
| <i>(in € million)</i>                                   |                           |                               |
| Current financial indebtedness .....                    | (32.8)                    | (13.5)                        |
| Non-current financial indebtedness <sup>(a)</sup> ..... | (669.9)                   | (737.2)                       |
| <b>Total Gross Financial Indebtedness.....</b>          | <b>(702.7)</b>            | <b>(750.6)</b>                |
| Cash and Cash Equivalent.....                           | 3.6                       | 34.3                          |
| <b>Total Net Financial Indebtedness .....</b>           | <b>(699.1)</b>            | <b>(716.3)</b>                |

Total net financial indebtedness, net of amortized cost, increased to €716.3 million as of June 30, 2024. The increase was primarily driven by the issuance of senior secured fixed rate and senior secured floating rate notes with related transaction costs with consequent redemption of previous Unitranche Notes.

## Net Working Capital and New Invested Capital

The following table sets forth the components of the net working capital as of December 31, 2023, and June 30, 2024.

|  | <b>BidCo</b>              | <b>Neopharmed Gentili</b> |
|--|---------------------------|---------------------------|
|  | <b>As of December 31,</b> | <b>As of June 30,</b>     |
|  | <b>2023</b>               | <b>2024</b>               |
|  |                           | <i>(unaudited)</i>        |
| <i>(in € million)</i>                      |                           |                           |
| Inventory .....                            | 36.7                      | 41.2                      |
| Trade receivables.....                     | 45.2                      | 39.4                      |
| Trade payables.....                        | (33.3)                    | (32.2)                    |
| <b>Trade working capital.....</b>          | <b>48.7</b>               | <b>48.4</b>               |
| Other current assets and liabilities ..... | 13.9                      | 3.0                       |
| <b>Net working capital .....</b>           | <b>62.5</b>               | <b>51.3</b>               |

Net working capital decreased to €51.3 million as of June 30, 2024. The decrease was primarily driven by higher tax payables due to accruals of current corporate tax combined with a slight decrease in trade working capital despite higher revenues.

The following table sets forth the components of our net invested capital as of December 31, 2023, and June 30, 2024.

|   | <b>BidCo</b>              | <b>Neopharmed Gentili</b> |
|---|---------------------------|---------------------------|
|   | <b>As of December 31,</b> | <b>As of June 30,</b>     |
|   | <b>2023</b>               | <b>2024</b>               |
|   |                           | <i>(unaudited)</i>        |
| <i>(in € million)</i>                         |                           |                           |
| Net working capital .....                     | 62.5                      | 51.3                      |
| Intangible assets .....                       | 1,290.6                   | 1,246.7                   |
| Property, plant and equipment .....           | 2.5                       | 2.3                       |
| Other non-current assets and liabilities..... | (38.7)                    | (41.7)                    |
| <b>Net invested capital .....</b>             | <b>1,316.9</b>            | <b>1,258.6</b>            |

Net invested capital decreased to €1,258.5 million as of June 30, 2024. The variation was primarily driven by a decrease in intangible assets as consequence of amortization.

|   | <b>Twelve months</b>      | <b>Six months</b>     |
|---|---------------------------|-----------------------|
|   | <b>ended December 31,</b> | <b>ended June 30,</b> |
|   | <b>2023</b>               | <b>2024</b>           |
|   |                           | <i>(unaudited)</i>    |
| Property, plant and equipment expenditures.....         | 0.3                       | 0.0                   |
| Intangible assets expenditures .....                    | 1.5                       | 0.0                   |
| <b>Capital expenditures .....</b>                       | <b>1.8</b>                | <b>0.1</b>            |
| Trademarks and marketing authorizations.....            | —                         | —                     |
| M&A acquisitions .....                                  | —                         | —                     |
| <b>Capital expenditures excluding Acquisitions.....</b> | <b>1.8</b>                | <b>0.1</b>            |

Capital expenditures on property, plant and equipment and intangible assets are not material in the six months ended June 30, 2024.

## DISCLAIMER

### Forward-Looking Information

Certain information in this interim financial report may constitute “forward-looking statements” within the meaning of the securities laws of the United States and certain other jurisdictions, including prospective financial information and forecasts. All statements other than statements of historical fact contained in this interim financial report are forward-looking statements. Words such as “believe,” “anticipate,” “estimate,” “expect,” “intend,” “predict,” “project,” “could,” “may,” “will,” “plan,” “seek,” “continue” or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved and that actual results will differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. In addition, even if actual results are consistent with the forward-looking statements contained in this interim financial report, those results or developments may not be indicative of results or developments in subsequent periods.

Such forward-looking statements speak only as of the date on which they are made. Accordingly, we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Furthermore, we do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

All future written and oral forward-looking statements attributable to the Group, or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section and contained in the Listing Particulars, including the cautionary statements set forth under the sections “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” thereof. In light of these risks, the actual results of the Group could differ materially from any forward-looking statements contained in this Interim Financial Report. None of the information contained on the Group’s website is incorporated by reference into or otherwise deemed to be linked to this Interim Financial Report.

### Notice

This Interim Financial Report constitutes a public disclosure of inside information under Regulation (EU) No 596/2014, as amended.

## ANNEX A

### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2024

- **Income Statement for the six-month period ended June 30, 2024.**

| in units of Euro   | Neopharmed Gentili                        | Pro forma                                 |
|--|---|---|
|  | For the six-month period ended<br>June 30 | For the six-month period ended<br>June 30 |
|  | 2024<br><i>(Unaudited)</i>                | 2023<br><i>(Unaudited)</i>                |
| <b>A) Production value</b>   |   |   |
| 1) Revenues from sales and services  | 140,742,975                               | 132,808,504                               |
| 2) Change in inventories of work in progress and finished products         | 8,387,476                                 | 4,963,531                                 |
| 5) Other revenues and income, with separate indication of operating grants | 749,627                                   | 1,435,455                                 |
| <i>Operating grants</i>  | -   | -   |
| <i>Others</i>  | 749,627                                   | 1,435,455                                 |
| <b>Total Value of Production</b>   | <b>149,880,077</b>                        | <b>139,207,489</b>                        |
| <b>B) Costs of production</b>  |   |   |
| 6) Costs for raw and ancillary materials, consumables and goods            | (37,512,803)                              | (39,982,147)                              |
| 7) Costs for services  | (31,495,613)                              | (27,795,813)                              |
| 8) Costs for use of third-party assets                                     | (2,027,598)                               | (1,964,989)                               |
| 9) Cost of personnel:  | (13,241,618)                              | (12,827,036)                              |
| <i>9-a) wages and salaries</i>   | (8,744,844)                               | (8,493,479)                               |
| <i>9-b) social security charges</i>  | (3,620,091)                               | (3,560,360)                               |
| <i>9-c) termination indemnity</i>  | (621,781)                                 | (609,531)                                 |
| <i>9-e) other costs</i>  | (254,902)                                 | (163,666)                                 |
| 10) Amortisation, depreciation and write-downs:                            | (44,124,360)                              | (36,681,583)                              |
| <i>10-a) amortisation of intangible assets</i>                             | (43,988,123)                              | (36,540,784)                              |
| <i>10-b) amortization of property, plant and equipment</i>                 | (136,237)                                 | (140,799)                                 |
| 11) Change in inventories of raw and ancillary materials                   | (3,890,868)                               | 3,969,734                                 |
| 12) Accruals to provisions for risks                                       | -   | -   |
| 14) Other operating expenses   | (4,472,546)                               | (4,507,597)                               |
| <b>Total Costs of production</b>   | <b>(136,765,405)</b>                      | <b>(119,789,430)</b>                      |
| <b>DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)</b>              | <b>13,114,673</b>                         | <b>19,418,059</b>                         |
| <b>C) Financial income and expenses</b>                                    |   |   |
| 16) Other financial income   | 65,349                                    | 13,339                                    |
| d) Income other than the above   | 65,349                                    | 13,339                                    |
| <i>other</i>   | 65,349                                    | 13,339                                    |
| 17) Financial charges  | (78,484,720)                              | (26,756,661)                              |
| <i>Other</i>   | (78,484,720)                              | (26,756,661)                              |
| 17-bis) Foreign Exchange Gains/Losses                                      | (22,561)                                  | (499)                                     |
| <b>Total financial income and expenses</b>                                 | <b>(78,441,932)</b>                       | <b>(26,743,821)</b>                       |
| <b>D) Value adjustments of financial assets</b>                            |   |   |
| 18) Revaluations   | 132,215                                   | -   |
| <i>18-d) of derivatives financial instruments</i>                          | 132,215                                   | -   |
| 19) Write-downs  | -   | -   |
| <i>19-d) of financial derivatives</i>                                      | -   | -   |
| <b>Total value adjustments of financial assets</b>                         | <b>132,215</b>                            | <b>-</b>                                  |
| <b>Profit before taxes (A-B+/-C+/-D)</b>                                   | <b>(65,195,044)</b>                       | <b>(7,325,762)</b>                        |
| <b>20) Current, Deferred and Prepaid Income Taxes for the Year</b>         |   |   |
| Current income taxes   | (9,187,128)                               | (8,225,128)                               |
| Income taxes related to the previous years                                 | -   | -   |
| Deferred income taxes  | (541,942)                                 | (543,081)                                 |
| Prepaid income taxes   | -   | -   |
| <b>Total income taxes for the year, current, deferred and prepaid</b>      | <b>(9,729,070)</b>                        | <b>(8,768,209)</b>                        |
| <b>Profit/(loss) for the year</b>  | <b>(74,924,114)</b>                       | <b>(16,093,971)</b>                       |

- **Balance Sheet as of June 30, 2024**

|   | <b>Neopharmmed Gentili</b> | <b>BidCo</b>             |
|---|----------------------------|--------------------------|
|   | <b>As of June 30</b>       | <b>As of December 31</b> |
|   | 2024<br><i>(Unaudited)</i> | 2023                     |
| <b>Assets - in units of Euro</b>  |                            |                          |
| <b>B) NON-CURRENT ASSETS</b>  |                            |                          |
| <b>I Intangible assets (net of accumulated amortisation)</b>              |                            |                          |
| 3) Industrial patent and intellectual property rights                     | 196,445                    | 233,751                  |
| 4) Concessions, licenses, trademarks and similar rights                   | 460,571,674                | 480,252,907              |
| 5) Goodwill   | 783,211,223                | 807,341,723              |
| 6) Fixed assets in progress and advances                                  | 1,962,128                  | 1,936,960                |
| 7) Other intangible assets  | 716,233                    | 828,123                  |
| <b>Total Intangible assets</b>  | <b>1,246,657,703</b>       | <b>1,290,593,464</b>     |
| <b>II Property, plant and equipment (net of accumulated depreciation)</b> |                            |                          |
| 1) Lands and buildings  | 1,520,121                  | 1,520,121                |
| 2) Plants and equipment   | 446,991                    | 504,935                  |
| 3) Industrial and commercial equipment                                    | 6,413                      | 9,774                    |
| 4) Other tangible assets  | 343,475                    | 415,596                  |
| <b>Total property, plant and equipment</b>                                | <b>2,317,001</b>           | <b>2,450,425</b>         |
| <b>III Investments</b>  |                            |                          |
| <b>1 Equity investments in</b>  |                            |                          |
| 1d-bis) Other companies   | 18                         | 18                       |
| <b>2 Receivables</b>  | 3,555,266                  | 3,555,266                |
| 2d-bis) Due from others   | 3,555,266                  | 3,555,266                |
| Due in the next financial year  | 2,938                      | 2,938                    |
| Due beyond the next financial year  | 3,552,328                  | 3,552,328                |
| 4) Derivatives  | 2,497,743                  | -                        |
| <b>Total Investments</b>  | <b>6,053,027</b>           | <b>3,555,284</b>         |
| <b>TOTAL NON-CURRENT ASSETS</b>   | <b>1,255,027,730</b>       | <b>1,296,599,173</b>     |
| <b>C) CURRENT ASSETS</b>  |                            |                          |
| <b>I Inventories</b>  |                            |                          |
| 1) Raw, ancillary and consumable materials                                | 10,482,426                 | 14,293,683               |
| 2) Work in progress and semifinished products                             | 190,848                    | 58,227                   |
| 4) Finished work and goods for resale                                     | 30,518,929                 | 22,343,686               |
| <b>Total inventories</b>  | <b>41,192,203</b>          | <b>36,695,595</b>        |
| <b>II Receivables</b>   |                            |                          |
| 1) Receivables from customers (net of bad debt provision)                 | 39,444,193                 | 45,221,122               |
| Due in the next financial year  | 39,444,193                 | 45,221,122               |
| Due beyond the next financial year  | -                          | -                        |
| 5-bis) Tax receivables  | 5,530,679                  | 9,558,130                |
| Due in the next financial year  | (762,182)                  | 3,265,269                |
| Due beyond the next financial year  | 6,292,861                  | 6,292,861                |
| 5 ter) Deferred tax assets  | 14,074,728                 | 14,616,670               |
| 5 quater) Receivables due from others                                     | 433,844                    | 377,438                  |
| Due in the next financial year  | 433,844                    | 377,438                  |
| Due beyond the next financial year  | -                          | -                        |
| <b>Total receivables</b>  | <b>59,483,444</b>          | <b>69,773,360</b>        |
| <b>IV Cash and cash equivalents</b>                                       |                            |                          |
| 1) Bank and post office deposits  | 34,312,730                 | 3,559,632                |
| 2) Cheques  | -                          | -                        |
| 3) Cash on hand   | 2,367                      | 800                      |
| <b>Total cash and cash equivalents</b>                                    | <b>34,315,097</b>          | <b>3,560,432</b>         |
| <b>TOTAL CURRENT ASSETS</b>   | <b>134,990,744</b>         | <b>110,029,387</b>       |
| <b>D) ACCRUED INCOME AND PREPAID EXPENSES</b>                             | <b>3,006,447</b>           | <b>2,352,020</b>         |
| <b>TOTAL ASSETS</b>   | <b>1,393,024,922</b>       | <b>1,408,980,581</b>     |

|   | <b>Neopharmmed Gentili</b> | <b>BidCo</b>             |
|---|----------------------------|--------------------------|
|   | <b>As of June 30</b>       | <b>As of December 31</b> |
|   | 2024<br><i>(Unaudited)</i> | 2023                     |
| <b>Liabilities - in units of Euro</b>                       |                            |                          |
| <b>A) Shareholders' equity</b>                              |                            |                          |
| I Share capital   | 1,161,212                  | 2,699,669                |
| II Share premium reserve                                    | 222,328,887                | 580,286,146              |
| IV Legal reserve  | 232,242                    | -                        |
| VI Other reserves   | 125,746,237                | 107,668,575              |
| VII Reserve for hedging transactions for expected cash flow | 1,882,675                  | -                        |
| VIII Profits (losses) carried forward                       | 271,875,492                | (21,721,282)             |
| IX Profit (loss) for the year                               | (74,924,114)               | (47,589,037)             |
| <b>Total Group shareholders' equity</b>                     | <b>548,302,631</b>         | <b>621,344,072</b>       |
|   | -                          | -                        |
| <b>B) Provisions for risks and charges</b>                  |                            |                          |
| 1) for pensions and similar obligations                     | 2,107,781                  | 1,979,589                |
| 2) for taxes, including deferred                            | 26,718,542                 | 26,124,013               |
| 3) derivative financial instruments liabilities             | -                          | -                        |
| 4) Others   | 9,881,974                  | 7,499,658                |
| <b>Total Provision for Risks and Charges</b>                | <b>38,708,297</b>          | <b>35,603,260</b>        |
|   | -                          | -                        |
| <b>C) Employees termination indemnity</b>                   | <b>3,033,822</b>           | <b>3,067,902</b>         |
|   | -                          | -                        |
| <b>D) Payables</b>  |                            |                          |
| 4) Payables to banks  | 750,639,881                | 702,657,165              |
| <i>Due in the next financial year</i>                       | <i>13,458,861</i>          | <i>32,769,504</i>        |
| <i>Due beyond the next financial year</i>                   | <i>737,181,020</i>         | <i>669,887,661</i>       |
| 6) Advances   | 168,335                    | 97,440                   |
| <i>Due in the next financial year</i>                       | <i>168,335</i>             | <i>97,440</i>            |
| <i>Due beyond the next financial year</i>                   | -                          | -                        |
| 7) Payables to suppliers                                    | 32,247,438                 | 33,257,467               |
| <i>Due in the next financial year</i>                       | <i>32,247,438</i>          | <i>33,257,467</i>        |
| <i>Due beyond the next financial year</i>                   | -                          | -                        |
| 12) Tax payables  | 14,802,043                 | 8,911,294                |
| <i>Due in the next financial year</i>                       | <i>14,802,043</i>          | <i>8,911,294</i>         |
| <i>Due beyond the next financial year</i>                   | -                          | -                        |
| 13) Payables to welfare and social security institutions    | 2,321,989                  | 2,188,135                |
| <i>Due in the next financial year</i>                       | <i>2,321,989</i>           | <i>2,188,135</i>         |
| <i>Due beyond the next financial year</i>                   | -                          | -                        |
| 14) Other payables  | 2,531,843                  | 1,326,249                |
| <i>Due in the next financial year</i>                       | <i>2,531,843</i>           | <i>1,326,249</i>         |
| <i>Due beyond the next financial year</i>                   | -                          | -                        |
| <b>Total Payables</b>                                       | <b>802,710,422</b>         | <b>748,437,750</b>       |
|   | -                          | -                        |
| <b>E) ACCRUED INCOME AND PREPAID EXPENSES</b>               | <b>269,750</b>             | <b>527,597</b>           |
| <b>TOTAL LIABILITIES</b>                                    | <b>1,393,024,922</b>       | <b>1,408,980,580</b>     |

- **Cash Flow for the six-month period ended June 30, 2023**

|  | <b>Neopharmmed Gentili</b>                    |
|--|---|
|  | <b>For the six-month period ended June 30</b> |
|  | 2024  |
|  | <i>(Unaudited)</i>                            |
| <b>in units of Euro</b>  |   |
| <b>A. Cash flows from operating activities</b>   |   |
| Profit/(loss) for the year   | (74,924,114)                                  |
| Income taxes   | 9,729,070                                     |
| Interest expenses / (income)   | 78,441,932                                    |
| <b>1) Profit (loss) for the year before income taxes, interest, dividends and capital gains/losses from disposal</b> | <b>13,246,888</b>                             |
| <b>Adjustments to non-monetary items that do not affect net working capital (NWC)</b>                                |   |
| Accruals to provisions for liabilities   | 3,726,818                                     |
| Amortization and depreciation  | 44,124,360                                    |
| Write-downs due to impairment  | -   |
| Value adjustments of financial assets and of financial derivatives   | (132,215)                                     |
| Other adjustments—increases/(decreases)—for non-monetary items   | (615,068)                                     |
| <b>Total adjustments to non-monetary items that do not affect NWC</b>  | <b>47,103,894</b>                             |
| <b>2) Cash flow before changes in net working capital</b>  | <b>60,350,782</b>                             |
| <b>Changes in net working capital</b>  |   |
| Decrease/(Increase) in inventories   | (4,496,608)                                   |
| Decrease/(Increase) in receivables from customers  | 5,776,928                                     |
| Increase/(Decrease) in payables to suppliers   | (1,010,029)                                   |
| Decrease/(Increase) accrued income and prepaid expenses assets   | (654,426)                                     |
| Increase/(Decrease) accrued income and prepaid expenses liabilities  | (257,847)                                     |
| Decrease/(Increase) in other receivables, payables, accruals and other assets and liabilities                        | 1,924,033                                     |
| <b>Total changes in net working capital</b>  | <b>1,282,051</b>                              |
| <b>3. Cash flows after changes in the net working capital</b>  | <b>61,632,834</b>                             |
| <b>Other adjustments</b>   |   |
| Interest received/(paid)   | (20,228,610)                                  |
| (Income tax paid)  | -   |
| Dividends received   | -   |
| (Use of funds)   | (655,861)                                     |
| Other receipts/(payments)  | -   |
| <b>Total other adjustments</b>   | <b>(20,884,471)</b>                           |
| <b>Cash flow from operating activities (A)</b>   | <b>40,748,363</b>                             |
| <b>B. Cash flows from investing activities</b>   |   |
| <b>Tangible fixed assets</b>   |   |
| (Investments)  | (48,629)                                      |
| Divestments  | 118   |
| <b>Intangible assets</b>   |   |
| (Investments)  | (6,663)                                       |
| Divestments  | -   |
| <b>Financial fixed assets</b>  |   |
| (Investments)  | -   |
| Divestments  | -   |
| <b>Financial assets not held as fixed assets</b>   |   |
| (Investments)  | -   |
| Divestments  | -   |
| (Acquisition of business units net of cash and cash equivalents)   | -   |
| Disposal of business units net of cash and cash equivalents  | -   |
| <b>Cash flow from investing activities (B)</b>   | <b>(55,174)</b>                               |
| <b>C. Cash flows deriving from financing activities</b>  |   |
| <b>Third party capital</b>   |   |
| Increase (decrease) in short-term payables to banks  | (32,561,871)                                  |
| Borrowing of funds   | 736,723,348                                   |
| (Repayment of funds)   | (714,100,000)                                 |
| <b>Equity</b>  |   |
| Paid in capital  | -   |
| Sale/(Purchase) of treasury shares   | -   |
| <b>Cash flow from financing activities (C)</b>   | <b>(9,938,524)</b>                            |
| <b>Increase (decrease) in cash and cash equivalents (A + B + C)</b>  | <b>30,754,665</b>                             |
| <b>Cash and cash equivalents at the beginning of the year</b>  |   |
| Bank and post office deposits  | 3,559,632                                     |
| Cash on hand   | 800   |
| <b>Total cash and cash equivalents at the beginning of the year</b>  | <b>3,560,432</b>                              |
| <b>Cash and cash equivalents at the end of the year</b>  |   |
| Bank and post office deposits  | 34,312,730                                    |
| Cash on hand   | 2,367   |
| <b>Total cash and cash equivalents at the end of the year</b>  | <b>34,315,097</b>                             |