



# Almirall S.A. and Subsidiary Companies **(Almirall Group)**

## **Consolidated management report** (Year ended 31 December 2025)

*(Translation of a report originally issued in Spanish.  
In the event of discrepancy, the Spanish language version prevails)*

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## 1. **Summary of the year: main milestones**

The financial year ending 31 December 2025 was characterised by an increase in net turnover, mainly due to the performance of the Group's dermatology portfolio in Europe.

Growth is mainly being led by products marketed under the brand names Ebglyss (for treating moderate to severe atopic dermatitis), Ilumetri (for treating moderate to severe plaque psoriasis), and Wynzora (for treating mild to moderate psoriasis). In particular, the growth of Ebglyss is marked by the contribution from Germany, together with new launches in other European territories. By year-end 2025, Ebglyss is present in the main European markets.

In the geopolitical and commercial sphere, international tensions have intensified during 2025, although without generating direct or significant impacts on the Group's operations. The conflicts in Ukraine and the Middle East continue to drag on, mainly affecting energy markets and some global supply chains, but without material repercussions on the Group's activity.

In the specific case of Spain, in 2024 the Strategy of the Pharmaceutical Industry for the 2024-2028 period was approved, which seeks to integrate innovation, production and access to medicines, while taking into account sustainability and control of health spending. At the close of the 2025 fiscal year, some measures have been announced (such as the creation of the Interministerial Committee responsible for implementing and monitoring the Strategy and changes related to the Profarma Plan), but they have not yet been applied and there is still uncertainty about the impact on the Group's operations in Spain.

Finally, regulatory initiatives in the USA—including the possible implementation of international reference pricing and new tariffs on imported pharmaceutical products—could lead, globally in the pharmaceutical sector, to significant price and margin decreases, could increase commercial complexity and could affect the global strategy for launches and R&D funding, especially for companies with limited local production. As at 31 December 2025, the direct and indirect potential impact of these measures has been assessed, thereby concluding that the tariff policies have not had, nor is it foreseen that they will have, a significant impact on the Group's operations or strategy and that they do not affect the fair value of its financial assets or liabilities as at the reporting date. Additionally, it should be noted that the United States accounts for less than 5% of the Group's net turnover.

From the perspective of R&D activities, no relevant regulatory event has occurred and no significant new development agreements have been signed during the year. Projects in the early stage of development continue to progress as planned and, during this period, the compound Anti-IL1RAP (for the treatment of hidradenitis suppurativa) has progressed to Phase II. Likewise, the goal remains to have six Proof-of-Concept (PoC) studies underway before the end of 2026.

Of the upcoming milestones, we highlight the transition to Phase I of a bispecific antibody (anti-IL-13 and OX-40L) for the treatment of atopic dermatitis, as well as the start of a Phase III study with lebrikizumab (active ingredient of Ebglyss) for nummular eczema, a pathology with significant unmet medical needs. Additionally, various studies related to lebrikizumab are being conducted, both by Almirall and its commercial partner, Lilly.

The dividend proposed by the Board of Directors on 21 February 2025 was approved at the General Meeting of Shareholders held on 9 May 2025. The payment of the dividend has been implemented as a flexible dividend in which shareholders have been offered the choice between receiving newly issued Parent Company shares or the cash amount equivalent to the dividend. The cash payment was chosen by 66.7% of the rights holders (which entailed a disbursement of €26.2 million), while the remaining 33.3% opted to receive new shares at the unit par value, which were issued as a capital increase. On 11 June 2025, a total of 1,316,840 new shares of the Parent Company from this flexible dividend were admitted to trading on the Barcelona, Madrid, Bilbao and Valencia stock exchanges.

From a liquidity standpoint, the Group ended the year with a cash position that amounted to €337.8 million (€377.1 million at 31 December 2024). This evolution is explained by:

- A robust cash flow from operating activities (+€174.5 million), in line with the operating profit but partially offset by interim corporate income tax payments (mainly in Germany and Switzerland) and a certain increase in working capital, especially in receivables and inventories, as a consequence of the increase in net turnover.
- Net payments from investing activities (-€126.7 million) resulting mainly from various licence payments accruing at the end of 2024 (€49.6 million) and the aforementioned milestone linked to the Ichnos agreement, partially offset by recoveries from the Covis contract.
- Net payments from financing activities (-€87.1 million) due to refinancing of the unsecured bonds maturing in 2026 (with a net decrease impact of €55 million), the quarterly amortisations of the loan with the European Investment Bank and payment of the dividend, partially offset by the collections of the margin

call linked to the Equity swap contract and the receipt of funds corresponding to loans for financing R&D activities by the Ministry of Science and Technology of Spain.

## **2. Corporate Development**

During fiscal year 2025, the corporate development agreements that were reached and the significant events that occurred were as follows:

- On 31 January 2025, an agreement has been signed corresponding to the divestment of Algidol® and the Sekisan® licence in Spain. As a result, the Group has collected €12 million, with certain unconditional future collections pending.
- On 2 December 2025, the “Standard & Poor’s” agency issued a new report increasing the credit rating of Almirall S.A. (corporate rating) from BB to BB+, with a stable outlook.
- On 17 December 2025, the Parent Company concluded and disbursed an issuance of senior unsecured bonds for an aggregate nominal amount of €250 million at a fixed annual interest rate of 3.75%, maturing on 15 June 2031.

## **3. Evolution of the main figures of the consolidated income statement**

- Operating income amounted to €1,114.5 million (+12.5%) due to:
  - Net turnover amounted to €1,108.1 million, showing an increase of 12.4% thanks to the growth of dermatological products in Europe (led by Ilumetri, Ebglyss and Wynzora).
  - Other income amounted to €6.5 million, increasing thanks mainly to income derived from grants.
- R&D expenses for the year amounted to €138.2 million (+11% compared to 2024) due to the progress of the various developments under way, especially those linked to the agreements with Ichnos and Novo Nordisk, along with other proprietary molecules.
- All other operating expenses increased as a result of the commercial deployment of Ebglyss (launched in various territories throughout 2024 and the first half of 2025).
- Personnel expenses increased due to wage increases and to new hires in the year, mainly due to the commercial deployment for the launch of Ebglyss in new territories.
- Repayments amounted to €151.2 million (+8.7%), increasing mainly due to the Ilumetri sales milestone accrued at the end of 2024.
- The net financial result improved mainly due to the positive valuation of the derivative linked to the Equity swap (due to the increase in the share price).
- As a result of the preceding, the consolidated net profit for the year amounted to €46.2 million, a significant increase compared to the €10.1 million from 2024.

## **4. Consolidated balance sheet. Financial position**

The main changes in the Consolidated Balance Sheet as at 31 December 2025 compared to the end of fiscal year 2024 are described below:

- The heading of Intangible assets has decreased slightly as a result mainly of depreciation and the negative effect of the US dollar on assets linked to the US business, partially offset by the additions for the year, among which the milestones for sales of Ilumetri and Ebglyss stand out.
- Trade receivables and inventories have remained stable compared to the close of 2024, despite the significant increase in the net amount of turnover. In the specific case of debtors, the increase in trade balances has been offset by the collection, in 2025, of various loans granted by the Ministry of Science and Technology of Spain for financing R&D activity, which were pending collection as of 31 December 2024.
- The position of cash and other liquid assets as of 31 December 2025 amounts to €337.8 million, dropping by about €40 million compared to the close of 2024, mainly due to the refinancing of the unsecured bonds that matured in September 2026, with a net impact of €55 million less in cash. For that reason, the net debt has remained at levels similar to the close of 2024.
- The deferred income heading has increased as a result of the renewal of the agreement signed in July 2025 with the existing business partner in territories mainly in Eastern Europe. The amount corresponds

mainly to €20 million collected upon the signing of the agreement, and it will be posted to the consolidated income statement on a straight-line basis in the period from 2026 to 2030.

- Financial debt has decreased as a result of the aforementioned refinancing of unsecured bonds. The new bonds issued for an amount of €250 million represent a reduction of €50 million compared to the previous ones. In addition, during the year, €10 million of the loan with the European Investment Bank have been amortised.

## **5. Risk factors**

Noteworthy risk factors that may affect the achievement of business targets are as follows:

- Pressures related to price reductions, reimbursement conditions, contributions to the healthcare system or more restrictive regulations, which could increase with growing government budget deficits on the horizon and with a potential overall worsening of the macroeconomic conditions in European countries.
- Supply shortages due to increased geopolitical and macroeconomic volatility and/or greater physical risks as a consequence of accelerated climate change.
- Difficulties in attaining the sustainability goals related to third parties in the supply chain and higher transition costs due to the more restrictive regulations issued by regulatory bodies for meeting climate change targets.
- Cyberattacks or security incidents that could allow access to confidential information or could cause a disruption of business activities.
- Impairment of intangible assets and goodwill due to lower-than-projected revenue streams.
- Inability to have a sufficiently balanced and differentiated R&D pipeline in its various phases, either with internal or external innovation, to nurture the portfolio of products.
- Difficulties in attracting and retaining talent.

In addition, the Consolidated Non-Financial Information Statement and Sustainability Information of Almirall S.A and its subsidiaries for the 2025 financial year explains the Group's risk management system (section 1.1.4).

## **6. Financial risk management and use of hedging instruments**

### **Interest rate risk**

As of 31 December 2025, most of the Group's debt is at a fixed rate, which minimises the risk of a possible increase in interest rates. The main debt instruments are as follows:

- On 27 March 2019, the Parent Company arranged a loan facility with the European Investment Bank (EIB) for up to €120 million to fund its research and development efforts, with the objective of providing cutting-edge innovation and differentiated therapies in the area of medical dermatology. The first tranche of €80 million was granted on 17 April 2019 at a fixed interest rate of 1.35%, with 32 equal repayments of principal between 17 July 2021 and 17 April 2029, with the latter date being the final maturity. Due to the issue of new debt, the interest rate increased by 0.30%, and therefore the interest rate is 1.65%.
- On 17 December 2025, the Parent Company proceeded to conclude and disburse an issuance of senior unsecured bonds for an aggregate nominal amount of €250 million at a fixed annual interest rate of 3.75%, maturing on 15 June 2031.
- The Group has taken out a revolving credit facility, which accrues interest at a variable rate tied to the Euribor, but at 31 December 2025 and 2024, it had not drawn down any amount.

### **Exchange rate risk**

The Group is exposed to exchange rate risk on certain transactions arising from its business activities. Monthly, the Group analyses the expected incoming and outgoing payments in foreign currencies, as well as the evolution and trends in these currencies. This exchange rate risk is mainly related to cash inflows in dollars for sales of finished product; cash inflows and outflows derived from the transaction with Covis; outflows in dollars for the licensing agreements with Athenex, Lily or Sun Pharma; outflows in dollars for clinical trials; purchases of raw materials and royalty payments in yen and dollars. The most relevant foreign currency in which the Group operates is the US dollar.

## **Liquidity risk**

The Group determines its cash requirements using two fundamental forecasting tools that operate according to different time frames.

On the one hand, a monthly cash budget is established for one year, based on the forecast financial statements for the current year, and deviations from the forecast are analysed on a monthly basis.

And on the other hand, medium- and long-term liquidity planning and management is based on the Group's Strategic Plan, which covers a five-year time frame.

Cash surpluses in foreign currencies are invested in deposits when payments are expected to be made in that currency, mainly US dollars.

The financing instruments include a series of covenants that, in the event of default, could result in a demand for immediate payment of these financial liabilities. The Group periodically assesses fulfilment therewith (as well as expected fulfilment, so that it may take corrective measures, if necessary). As of 31 December 2025, all covenants have been complied with.

The Group manages liquidity risk prudently, maintaining sufficient cash and marketable securities, as well as arranging committed credit facilities for an amount sufficient to support expected needs.

## **7. Trends for the year 2026**

For fiscal year 2026, the growth trajectory of the biological product portfolio is expected to continue, with Ebglyss for the treatment of atopic dermatitis and Ilumetri for psoriasis. It should be noted that Ebglyss has already been launched in the main European markets as of 31 December 2025. Within the dermatological portfolio, other outstanding products are Wynzora and Klisyri, the former for the treatment of psoriasis and the latter for the treatment of actinic keratosis. They are expected to continue growing significantly.

In terms of R&D activities, the focus will be on products that are in the early development stages, linked to agreements with Evotec, Ichnos, Simcere, Etherna, Novo Nordisk and Eloxx. Specifically, the objective remains to have six proof-of-concept (PoC) studies underway before the end of 2026. Of the upcoming milestones, we highlight the transition to Phase I of a bispecific antibody (anti-IL-13 and OX-40L) for the treatment of atopic dermatitis, as well as the start of a Phase III study with lebrikizumab (active ingredient of Ebglyss) for nummular eczema, a pathology with significant unmet medical needs.

Finally, the Group's Management continues to focus on opportunistic acquisition transactions that fit with the Group's business strategy, while always maintaining a prudent financial approach.

## **8. Annual Corporate Governance Report**

The Annual Corporate Governance Report is attached in Annex II of this Consolidated Management Report.

## **9. Management Bodies, Board**

### ***Appointment of directors***

Proposals for the appointment of directors are submitted to the General Shareholders' Meeting (i) at the proposal of the Nominations and Remuneration Commission, in the case of independent directors, and (ii) subject to a report from the Nominations and Remuneration Commission, in the case of other directors, in accordance with the provisions of the Spanish Capital Companies Act.

When a new director is appointed, they must follow the orientation programme for new directors established by the Parent Company, so that they can quickly acquire sufficient knowledge of the Parent Company and of its rules for corporate governance.

When designating external directors, the Board of Directors endeavours to ensure that candidates are chosen who have recognised solvency, competence and experience, given that great care must be taken when filling the posts of independent director provided for in Art. 6 of the Board Regulations. The Board of Directors has approved a specific and verifiable Policy for the Selection of Directors and Composition of the Board of Directors, aimed at favouring an appropriate and balanced composition of the Board, which ensures that proposals for appointment or re-election are based on a prior analysis of the competencies required by said Board and favours diversity of knowledge, experience, age and gender.

Directors affected by proposals for re-election will abstain from taking part in deliberations and from voting on such proposals.

Directors hold office for the term stipulated by the General Shareholders' Meeting, which must be the same for all of them and may not exceed four years. At the end of this term, they may be re-elected one or more times for periods of the same maximum duration.

### **Replacement of directors**

Directors will leave office when the term for which they were appointed has elapsed or when so decided by the General Shareholders' Meeting in the exercise of the powers conferred upon it by law or by the Company's Articles of Association. In any case, the appointment of directors will end when the term has expired and the next General Meeting has been held or when the legal deadline for holding the meeting that must pass a resolution approving the previous year's accounts has elapsed.

The Board of Directors may only propose the dismissal of an independent director before expiry of the term established in the Articles of Association when there is just cause, as determined by the Board following a report from the Nominations and Remuneration Commission. In particular, just cause will be deemed to exist when the director has failed to comply with the duties inherent in their position or has incurred in any of the circumstances that prevent them from holding office as described in the definition of independent director established in the good corporate governance recommendations currently in force.

Directors affected by proposals for dismissal will abstain from taking part in the deliberations and voting on such proposals.

Directors must submit their resignation to the Board of Directors and, if the Board deems it appropriate, officially resign their post in the following cases:

- a) When they leave the executive positions associated with their appointment as director.
- b) When they find themselves in any of the situations resulting in incompatibility or prohibition as stipulated by law.
- c) When they are seriously reprimanded by the Board of Directors for having breached their obligations as directors.
- d) When their continued presence on the Board may jeopardise or damage the interests, credit or reputation of the Parent Company or when the reasons for which they were appointed cease to exist (for example, when a proprietary director sells their stake in the Parent Company).
- e) In the case of independent directors, they may not remain in their posts for a continuous period of more than 12 years, and once this period has elapsed, they must submit their resignation to the Board of Directors and officially resign.
- f) In the case of proprietary directors (i) when the shareholder they represent sells its entire stake and; , likewise (ii) in the corresponding number, when this shareholder reduces its stake to a level that requires a reduction in the number of proprietary directors.

In the event that, due to resignation or for any other reason, a director leaves their post before the end of their term of office, they must explain the reasons in a letter to be sent to all the members of the Board.

### **Amendment of Articles of Association**

The amendment of the Articles of Association is the responsibility of the General Shareholders' Meeting and is governed by Art. 160 of the Spanish Capital Companies Act and other concordant provisions, and there are no relevant specifications in this regard in the Articles of Association or the Regulations of the General Shareholders' Meeting.

### **Powers of Members of the Board of Directors**

All the powers corresponding to the Board of Directors are permanently delegated to the Chief Executive Officer of Almirall, S.A. (Parent Company of the Group), except for those that cannot be delegated by legal or statutory provision, according to the instrument authorised by the Notary Public of Barcelona, Blanca Pardo García, on 19 May 2025.

## **10. Capital structure. Significant shareholdings**

The Parent Company's share capital as at 31 December 2025 is represented by 214,785,198 shares with a par value of €0.12, fully subscribed and paid up (213,468,718 shares as at 31 December 2024).

The shareholders with significant holdings in the share capital of Almirall, S.A., both direct and indirect, in excess of 3% of the share capital, of which the Parent Company is aware, according to the information contained in the official records of the National Securities Market Commission (CNMV) as of 31 December 2025 and 2024, are as follows:

<i>Name or company name of the direct shareholder</i>	<b>% Interest 31/12/2025</b>	<b>% Interest 31/12/2024</b>
Grupo Plafin, S.A.U.	44.3%	44.5%
Grupo Corporativo Landon, S.L.	15.6%	15.6%
Norbel Inversiones, S.L.	5.1%	5.1%
<b>Total</b>	<b>65.0%</b>	<b>65.2%</b>

As of 31 December 2025 and 2024, the Parent Company was not aware of any other holdings equal to or greater than 3% of the share capital or voting rights of the Parent Company, which, although less than the established percentage, would enable the exercise of significant influence over the Parent Company.

#### **11. Treasury shares**

The Parent Company has a liquidity contract with a financial intermediary, effective as from 4 March 2019, with the aim of favouring liquidity and stability of prices of the Company's shares, within the limits established by the General Shareholders' Meeting and by current regulations, in particular, Circular 1/2017, of 26 April, of the National Securities Market Commission (CNMV), on liquidity contracts. This contract means that as at 31 December 2025 the Parent Company holds treasury shares representing 0.06% of the share capital (0.10% at 31 December 2024) and an overall nominal value of €16.3 thousand (€24.6 thousand at 31 December 2024), which have been recognised in accordance with EU-IFRS. The average acquisition price of these shares was €12.9 per share (€8.4 at 31 December 2024). The treasury shares held by the Parent Company are intended to be traded on the market.

#### **12. Private agreements among shareholders and restrictions on transferability and voting**

There is a private agreement among shareholders, which has been duly notified to the CNMV, and the full text thereof can be consulted on the website [www.almirall.com](http://www.almirall.com). It was signed by Antonio Gallardo Ballart and Jorge Gallardo Ballart, and it regulates the concerted action of its signatories in Almirall, S.A. and the exercise of the voting rights that they possess indirectly in the Almirall S.A. through Grupo Plafin, S.A.U., on the one hand, and Grupo Corporativo Landon, S.L., on the other.

There are no restrictions set out in the Articles of Association on the free transferability of the Company's shares, nor are there any statutory or regulatory restrictions set out in the Articles of Association or in other regulations on voting rights.

#### **13. Significant agreements**

There are no significant agreements, either in relation to changes in control of the Parent Company or between the Parent Company and its administrative and management positions or employees regarding severance pay (except those described in the Annual Remuneration Report), dismissal or TOBs (except those described in the Annual Remuneration Report of the Directors and Corporate Governance Report).

#### **14. Subsequent events**

On 20 February 2026, the Board of Directors of Almirall, S.A. has resolved to propose to the General Meeting of Shareholders the distribution of a dividend charged to unrestricted reserves for the amount of €40.8 million (equivalent to €0.19 per share). For the purposes of this dividend distribution, it is proposed to once again utilise the "Flexible Dividend" shareholder remuneration system, already applied in 2025.

#### **15. Annual remuneration report**

The Annual Remuneration Report is attached in Annex III of this Consolidated Management Report.

#### **16. Sustainability Information**

The Consolidated Non-Financial Statement and Sustainability Information of Almirall S.A and its subsidiaries for the 2025 financial year is attached in Annex I of this Consolidated Management Report.