

CONSOLIDATED MANAGEMENT REPORT OF **BIAL HOLDING, S.A.** 2024



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MISSION, VISION&VALUES

BIAL is an innovative pharmaceutical company. Dedicated to discovering, developing and commercializing medicines, we are committed to improve people's lives worldwide.

BIAL's Mission is to discover, develop and provide new therapeutic solutions within the Health area.

With quality, research and development and internationalization as strategic lines, we are motivated by the **Vision** that inspires us:

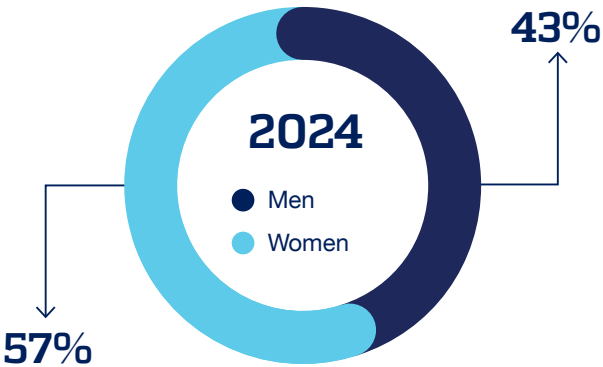
To be a company with an international dimension based on innovative.

The **Values** which guide us reflect our identity:

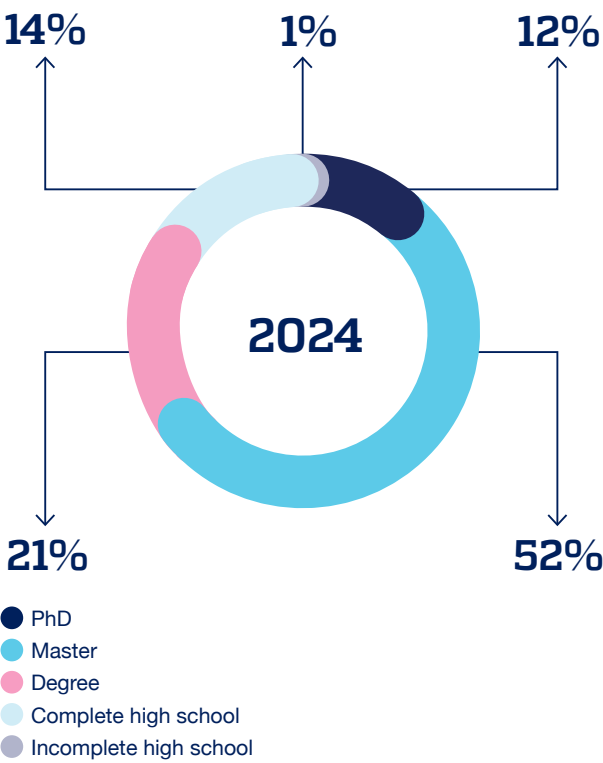
- **Caring for Health**
- **Invest in Quality and Innovation**
- **Excellence in scientific research**
- **Integrity and high ethical standards**
- **Rigour, responsibility and teamwork**
- **Respect for universal values**

HUMAN RESOURCES

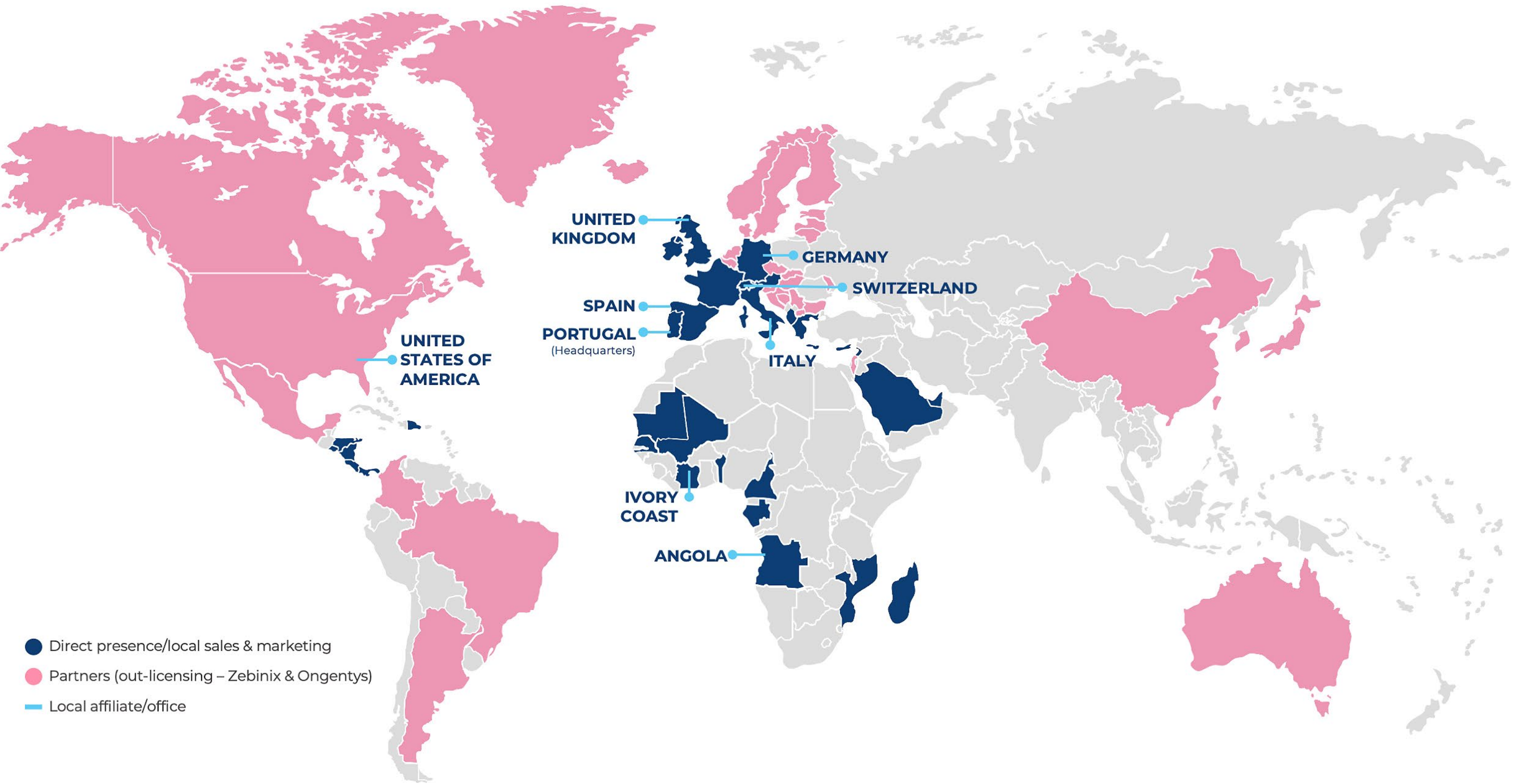
Distribution by gender



Academic qualifications

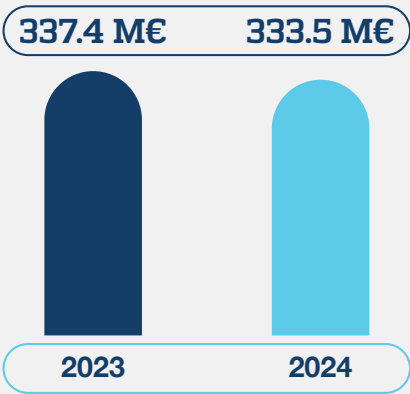


BIAL IN THE WORLD

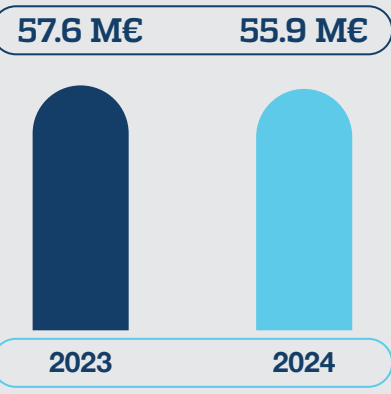


KEY INDICATORS

Turnover



R&D Investment



10

Human Resources

754
Employees



Main Therapeutic Areas

- Central Nervous System
- Antidiabetics
- Respiratory System
- Cardiovascular Area
- Musculoskeletal System
- Anti-anemics
- Antibiotics

Internationalization

71%
Sales outside Portugal



The BIAL Group celebrated its 100th anniversary in 2024, a historic feat for any institution that manages to achieve this milestone, which demonstrates its capacity for transformation, resilience, persistence in its objectives, and belief in its mission. In the same family of shareholders - the Portela Family, currently in its fourth generation - since its foundation, in 1924, BIAL has always remained exclusively focused on the pharmaceutical sector, with an intergenerational purpose of providing a better quality of life, more health to people all over the world. It was “born” in a pharmacy located in Porto, transformed over time and, in the last thirty years, established itself as a biopharmaceutical company focused on R&D of new medicines, operating in around fifty countries.

Throughout the year, multiple activities were carried out, both internally and externally, of which we highlight the “BIAL 100 Years - Shaping the future” conference, with the aim of analyzing the challenges facing Portugal and the world, particularly in the economic, social and health areas. This was chaired by the President of the Republic and was attended by numerous important figures, including the President of the Assembly of the Republic, the Minister of Economy, the Secretary of State for Health, the Presidents of the Portuguese Medical Association, the Portuguese Pharmacists Association, the Portuguese Dentists Association and the Portuguese Nutritionists Association, as well as several former members of the Republic’s governments. Meriting note too was the visit to the BIAL facilities by the President of the Republic who, on the occasion, awarded the company the title of Honorary Member of the Military Order of Sant’Iago da Espada, a distinction awarded for the first time to a company, in addition to having decorated the oldest employee of BIAL with the Order of Merit. The Minister of Health accompanied the visit to the facilities, as did other personalities.

To be highlighted too, was the unanimous approval by the Assembly of the Republic of Congratulatory Vote No. 154/XVI on the centenary of BIAL, on 21 June 2024.

The year 2024 was a very special year for all employees and former employees of BIAL, who joined

the various initiatives. It is a great source of pride to feel that we have contributed to improving the health of millions of patients who, year after year, use the medicines we research and produce, improving their quality of life and well-being.

1. COMPOSITION OF THE BIAL GROUP

The BIAL Group, which holding company is BIAL, Holding S.A., was composed, as at 2024.12.31, of sixteen companies, nine of which with registered offices abroad, and a representation office in the Ivory Coast. In 2024 no new companies were incorporated. The Panamanian subsidiary, 100% held by BIAL Holding, was discontinued in 2024 although it has not yet been formally dissolved. Medimport was sold to a pharmaceutical group specializing in the distribution of medicine in Africa.

In Portugal, BIAL Holding, S.A. holds 100% of the share capital of six companies (BIAL - Portela & Cª., S.A., MediBIAL - Produtos Médicos e Farmacêuticos, S.A., BIALport – Produtos Farmacêuticos, S.A., InterBIAL – Produtos Farmacêuticos, S.A., BIAL – Consumer Health S.A. and BIAL - R&D Investments S.A.). This last company was incorporated in June 2020, with a share capital of € 8.0m, with registered office in Trofa, and the object of realization and management of research projects with the objective of discovering new drugs for human use.

In Spain, BIAL Holding, S.A. has a direct shareholding of 99.94% in the share capital of Laboratorios BIAL, S.A..

In Germany, BIAL Holding, S.A. has a direct shareholding of 100% in the share capital of BIAL Deutschland GmbH.

In the United Kingdom, BIAL Holding, S.A. has a direct shareholding of 100% in the share capital of BIAL Pharma UK Limited.

In Italy, BIAL Holding, S.A. has a direct shareholding of 100% in the share capital of BIAL Italia, S.r.l..

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In Switzerland, BIAL Holding, S.A. holds a direct shareholding of 90% in Novipharma S.A. and, in 2018, the company BIAL S.A., 100% held by BIAL Holding S.A., was incorporated.

In the USA, BIAL Holding has an indirect shareholding of 100% in BIAL – Biotech Investments Inc., which is 100% held by BIAL - R&D Investments S.A.. The company, with offices in Cambridge -Boston, is dedicated to biotechnological research projects in Parkinson's and other degenerative diseases of the central nervous system.

The Panamanian subsidiary is in the process of dissolution, process which should be finalized by the middle of the current year.

In Angola, BIAL Holding, S.A. controls 100% of BIAL Angola, S.A., 67% held directly and 33% through BIAL Portela & C^a, S.A..

In the Ivory Coast, the BIAL Group is present via a representation office.

2. ACTIVITY OF THE BIAL GROUP

In 2024, consolidated turnover was € 333.5m, a decrease of 1% compared to 2024, of which 93% corresponds to sales and 7% to the provision of services. In terms of markets, Portugal represented 29% of turnover and 71% was ROW. In medicine sales, Portugal represented 25% and in terms of services 79% of the total services rendered.

Sales were € 309.4m, an increase of 1% compared to 2024, with Ongentys and Zebinix/Aptiom being the two products with the highest turnover. Together they represented € 167.6m, that is, 54% of the Group's sales. In 2024, the sales of both products fell 10% compared to 2023; although Ongentys had a growth of 48% (+€ 27.7m) this was not enough to offset the decrease of 35% (-€ 45.3m) in Zebinix/Aptiom. Ongentys was, for the first time, the Group's main product, with a turnover of € 85.0m, having performed well in all the main markets, with emphasis on Japan and the USA, and having also grown in the European markets where BIAL sells and promotes it. The less positive evolution of Zebinix/Aptiom, which had a turnover of € 82.6m, is explained by the sharp drop in sales in the USA due to an adjustment by the licensee of its stocks in anticipation of the likely entry of generic drugs on the market in May 2025, since sales on the market remained stable.

These turnover figures expressively demonstrate the therapeutic and economic value of the results generated by our R&D, in addition, obviously, to the improvement of the quality of life they provide for patients with epilepsy or Parkinson's disease.

From the rest of the range, of note are the sales of the new antidiabetics (Ebymect and Edistride) launched in 2020 in Portugal and which already invoiced € 29.8m (+37% YoY). Its growth potential continues

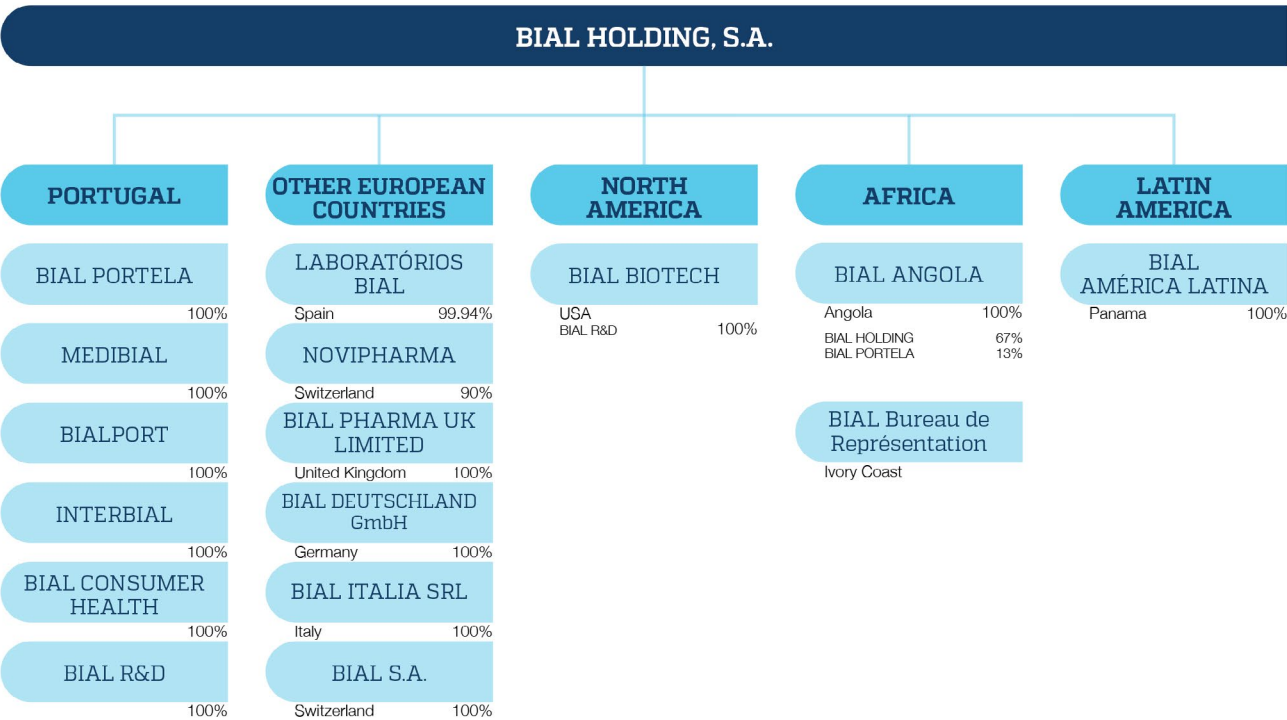
high in the medium term due to its therapeutic profile, reinforced with new therapeutic indications, and the increasing numbers of patients with diabetes.

By country, Portugal is to be highlighted with 29% of the Group's turnover, followed by Spain with 25%, North America with 14%, Germany and Japan with 6% each, and Italy with 4%. The five main markets represent 80% of the turnover. The remaining sales are carried out in a few dozen European, Asian and African countries. In these markets, Mozambique with 2.4%, France with 2.3% and FWA with 1.8% of the invoicing are to be highlighted.

The breakdown of sales by geographical area shows the Group's strong internationalization, with 71% of its turnover being in international markets. This reality is the result of the BIAL proprietary drugs, which made possible the presence in the most important global pharmaceutical markets.

In Portugal, in addition to the invoicing of medicines (€ 78.8m), the provision of services worth € 18.9m, essentially medical information services and promotion to multinational pharmaceutical companies, is expressive. Its global invoicing was € 97.7m, a growth of 13%, essentially explained by the dynamic of the antidiabetic medicine range. In the IQVIA ranking of the national ambulatory market, BIAL occupied the sixth position on 31 December 2024, the same position it held in the previous year.

Spain, the market with the highest sales value of the Group (€ 83.9m), had an increase of 4% compared to 2023. Zebinix continues to be the drug with the highest invoicing (€ 30.4m, -2% YoY), followed by Ongentys (€ 12.6m, +13% YoY), Biresp (€ 10.3m, +4% YoY), Ferbisol (€ 10.1m, +6% YoY) and Trydonis (€ 6.2m). In the IQVIA ranking of the outpatient pharmaceutical market, BIAL occupied, on 31 December 2024, the 37th position, the same position it held in the previous year.



The Iberian Peninsula is one of the five largest markets in Europe, with BIAL being one of the largest companies in the outpatient area. It will continue to be a strategic zone for the development of BIAL, with a wide and competitive range of drugs in both countries, both for general and family medicine as well as for several other medical specialties. Together they represent 55% of the Group's turnover.

In the USA and Canada, since 2020, BIAL markets two medicines, through licensed companies, Aptiom and Ongentys. In 2024, sales were € 47.5m, -37% compared to 2023, due to the sharp drop in sales of Aptiom in the USA (-€ 39m), anticipating the likely entry of generic drugs onto the market in May 2025 and due to an adjustment in the stocks of the licensee. Ongentys sold € 11m in the USA in 2024, more than doubling the sales of 2023.

The focus of BIAL's organic growth is on its European subsidiaries (Germany, Italy, United Kingdom, Ireland, Austria and Switzerland, as well as in France). In France we have no subsidiary but are present with a medical and commercial team exclusively promoting Zebenix. In the other countries we sell and promote Zebinix and Ongentys, and in Germany, as from May 2024, we started selling Kynmobi, a new medicine for Parkinson's, licensed by BIAL for Europe to the pharmaceutical company Sumitomo. In 2024, the invoicing in the five countries was € 48.0m, a growth of 6% compared to 2023. In 2025, besides marketing ZB and ON, we expect to launch Kynmobi in Spain, Portugal and Italy, which will reinforce our presence in the neurological area in these countries.

In other European countries, such as Sweden, Denmark, Norway, Finland, Iceland, Czech Republic and Greece, the marketing of Zebinix and/or Ongentys is realized through licensing or distribution contracts. This is another path in the internationalization and consolidation process of the BIAL Group in Europe.

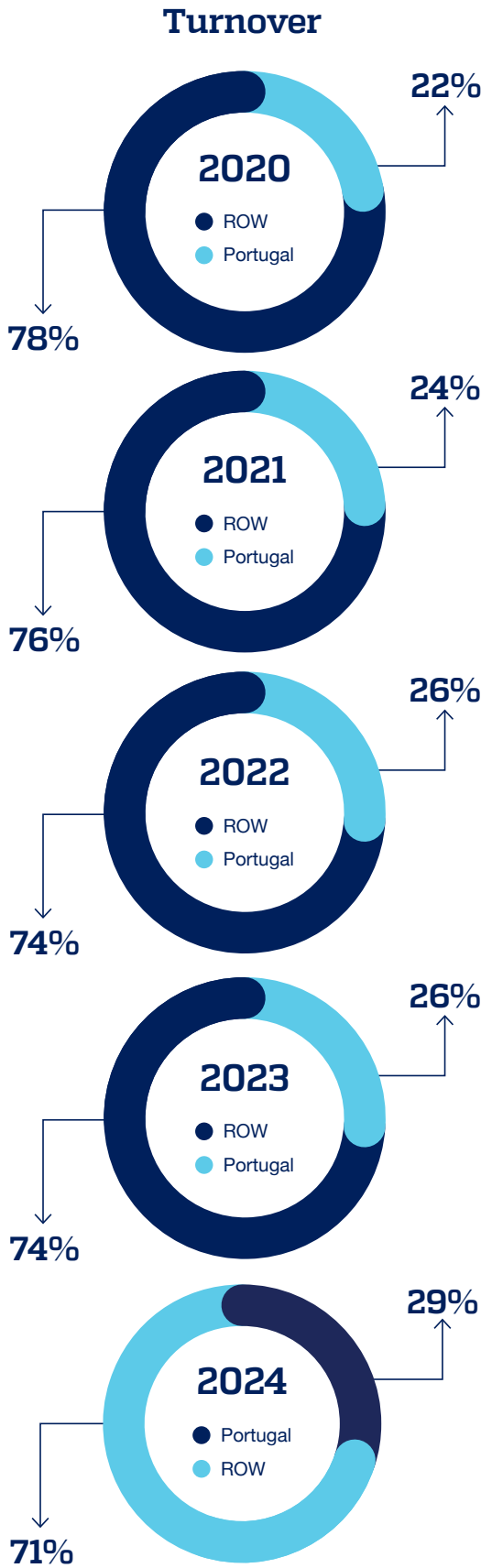
In emerging countries, turnover was similar to that of previous years, albeit with some changes by country. Mozambique and Angola remain the two main markets, alongside French West Africa (FWA). In Mo-

zambique, turnover was € 7.6m, a similar value to that of 2023. The company was sold to the French pharmaceutical group CFAO, with a strong presence in Africa in the distribution of medicines, which will continue the company's activity. Medimport operates as an importer, distributor and promoter of medicines and other health products in Mozambique, an activity carried out by BIAL solely in that country and not strategic to the Group. Therefore, and with the aim of rationalizing and focusing the Group's activity, it decided to sell the company. However, the BIAL range of products will continue to be marketed and promoted in Mozambique, through a team of medical information representatives dedicated exclusively to BIAL medicines.

In Angola, turnover was € 3.0m, a drop of 27%, explained by the market recession and difficulties in making payments abroad. In the remaining emerging countries, the so-called French West Africa with € 5.9m in turnover, a value identical to that of 2023, and Mexico, a new market for BIAL, present through a local distributor, with a turnover of € 1.2m, are worth highlighting.

Services rendered amounted to € 24m (-21% compared to 2023), of which € 18.9m relate to services of a promotional nature in Portugal (+7% over the previous year), which reveals a strong dynamic in this area. Services rendered abroad amounted to € 5.1m, of which € 4.2m are "milestones" associated with licensing contracts. The receipt of "milestones" was essential to finance R&D, but in recent years they have, fortunately, played a secondary role since it is mainly the sales of BIAL proprietary drugs that ensure this funding. In the future, it is estimated that several tens of millions of Euros will be received in "milestones" in function of compliance with contractual targets (approvals and launches on the markets and/or fulfilment of invoicing targets). Of note was the receipt, until 2024.12.31, of € 273.7m of "milestones" from various licensing contracts signed, which were essential for the R&D activities.





3. RESEARCH AND DEVELOPMENT

The BIAL Group has, since the ninety's, an important and ambitious R&D project, highly focused on the central nervous system, which resulted in two new drugs for that area (Zebinix/Aptiom and Ongentys). Since 2022, its R&D has also focused on rare diseases of neurological origin, having already two projects in this area.

The financial return on this R&D investment started materializing in 2007, with the signing of the first licensing contract for a new pharmaceutical molecule, of Portuguese provenance (an innovative anti-epileptic drug, which active principle is eslicarbazepine acetate, marketed under two brand names at the global level – Zebinix (Europe) and Aptiom (USA and Canada). This was followed, in 2008, by the licensing contract for Europe of the same drug.

Of note, in 2013, was the first licensing of the new BIAL proprietary drug for Parkinson's disease to the pharmaceutical company ONO for Japan, which active principle is designated Opicapone and is marketed under the brand name Ongentys worldwide. This was followed by its licensing for the USA to the company Neurocrine and its approval by the FDA, with its marketing having started in that market in 2020. In that same year, it was also approved by the PMDA (Pharmaceuticals and Medical Drugs Administration) and its marketing began in Japan. The USA and Japan are the two main markets for Parkinson's disease drugs.

Thus, within a period of five years, BIAL now has two innovative drugs, licensed in the main pharmaceutical markets, with which to guarantee a strong commercial potential in the medium and long term, and which was the decisive factor for the Group's strong internationalization.

We recall that Zebinix was launched in some European Union countries in 2009, followed by other markets, notably the USA, in 2014, under the brand name Aptiom. In 2024, as previously referred, Zebinix/Aptiom invoiced € 83m, continuing to contribute decisively to BIAL's turnover, despite the existence of generic drugs on the European markets.

In 2016, the marketing of Ongentys in Germany and in the United Kingdom began, followed by its launch in Spain, Italy and Portugal. In 2020 it was launched in the USA, Japan, South Korea and Switzerland; in 2021 in Taiwan, Austria, Denmark and Finland; in 2022 in Sweden, Czech Republic, Slovakia and Iceland; in 2023 in Australia, Slovenia and Latvia; and, in 2024, in Hungary and Estonia. Its sales, in 2024, attained € 85m, becoming BIAL's top selling medicine, and its growth is expected to continue in the coming years.

BIAL's R&D has had a very relevant impact on the growth of the Group in the last few years and will continue to have in the future. It is with satisfaction and great pride that we contribute to the health of many hundreds of thousands of patients all over the world with epilepsy and with Parkinson's disease, through innovative drugs with a high therapeutic added value. We believe that, in the medium term, new BIAL drugs will be made available for patients' better health, resulting from investigation projects underway in its two core therapeutic areas.

Research continues on the BIA2 project (Zebinix/Aptiom) with the objective of gaining a better understanding of its clinical characteristics and enhancing its use in the various anti-epileptic patient profiles. Thus, some clinical studies are underway to enhance the knowledge of the drug and facilitate its therapeutic use. To be noted is the work in progress in China, to start, in 2025, a clinical trial in that country.

The BIA9 project (Opicapone), a drug marketed under the brand Ongentys, has several phase IV clinical trials underway in Europe. Its objective is to reinforce the knowledge of the drug in daily clinical practice, with various patient profiles, which will allow it to strengthen its adoption by neurologists. We foresee

its approval in the current year in China, after a phase III clinical trial having been completed in 2024 with positive results.

It is of great significance for BIAL to have two proprietary drugs marketed at the global level, which attributes credibility to the quality of its R&D.

The BIA28 Project, on which BIAL has carried out its main investment in the last few years, has as its objective to approve a drug for the treatment of Parkinson's disease, when it originates from genetic mutations of the GBA1 gene, which lead to a decrease in the activity of the GCase enzyme, accelerating the progression of the disease and its appearance at an earlier stage in life. The project, carried out in partnership between BIAL R&D Investments and BIAL - Portela C^a, had a very significant evolution in 2023 and 2024. In 2023, a phase IIb clinical trial was started, with the entry of the first patient, in May. In August 2024, the recruitment of two hundred and seventy-three patients in eighty-three clinical centers located in the USA and in several European countries was finalized. The adherence of neurologists and patients to the clinical trial was very good and we expect to have results in the middle of next year. This is the project to which the largest financial means will be allocated in the coming years, in the order of several tens of millions of Euros.

BIA 28 had its origin in August 2020, when a purchase agreement was signed with the American biotechnology company, Lysosomal Therapeutics Inc., involving a set of intangible assets, including patents and other intellectual property rights, among which that currently designated as BIA28.

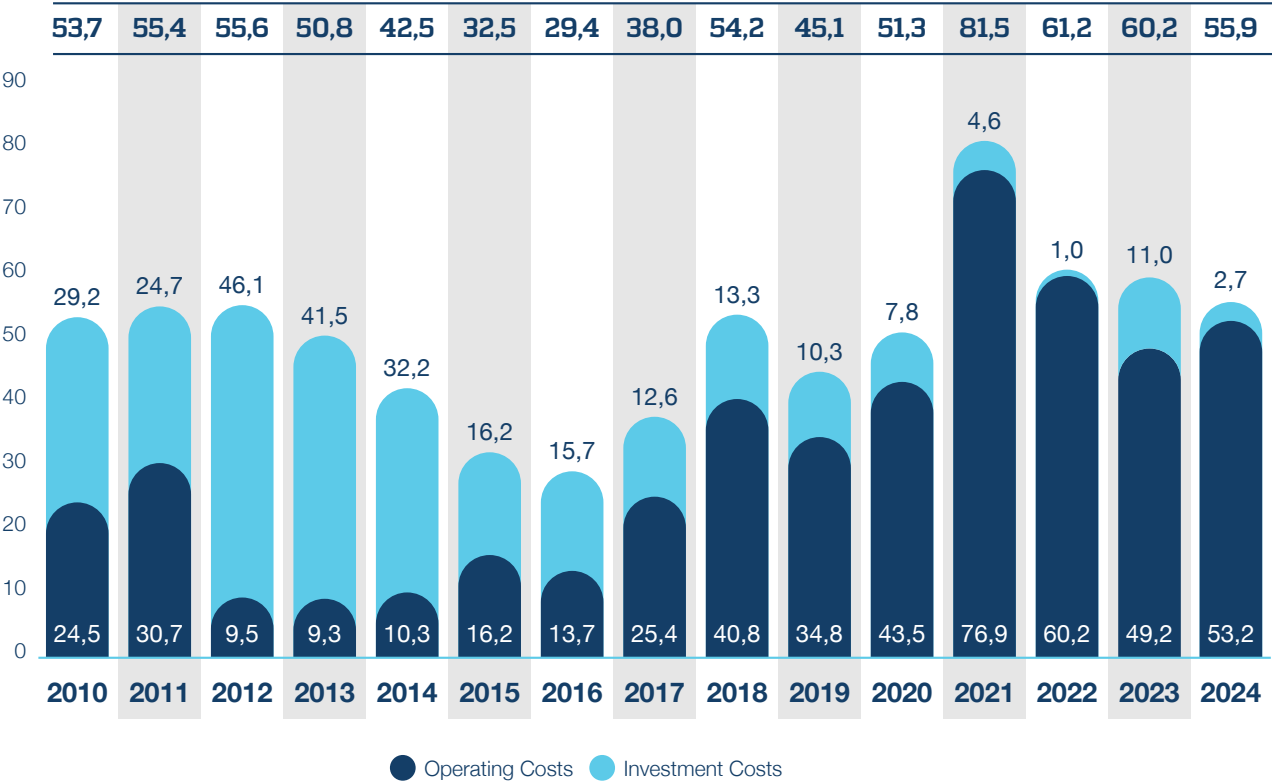
The remaining BIAL projects are at the pre-clinical phase, meaning that there is a work program of a few years to implement, it therefore being premature to evaluate their therapeutic potential. However, we have confidence in the projects in progress and estimate that at least some of them will result in new medicines.



In 2021/22, a new R&D strategy was defined in BIAL, which resulted in a reorientation of the therapeutic areas and the evaluation of the projects that were in progress at the time. In 2023, it was decided to maintain the central nervous system as a priority area of research, especially in epilepsy and Parkinson's disease, to discontinue the cardiovascular area, and to start a new line of research in rare diseases of a neurological origin. With this, it is sought to accelerate the research cycle, diversify portfolio risk with a greater number of active projects and achieve greater therapeutic added value for patients. There are around three hundred million patients with rare diseases and 95% of these diseases have no therapeutic solutions. We currently have two research projects in this area, and we estimate that it will be possible to start the clinical phase in one of them in 2027, strongly motivating us to invest in these new projects.

- In 2024, the research and development investment totaled € 55.9m, split as follows:
- Current running expenses, in the amount of € 53.2m, excluding amortization and impairment; and
 - Capitalization in tangible fixed assets and intangible assets, in the amount of € 2.7m.

The R&D amortization amounted to € 21.2m and the reversal of impairment was € 2.4m. Costs for the period associated with R&D thus amounted to € 72.0m, including amortization, impairment and provisions, evidence of the enormous financial effort invested in our research projects.



4. ECONOMIC AND FINANCIAL SITUATION

The Group's economic and financial structure is solid, with the investment effort in R&D being compatible with its ability to generate EBITDA and cash flow, alongside a balanced level of profitability. In the previous points we presented the factors that explain the evolution of turnover and investment.

The Group has a robust balance sheet, with very positive solvency, liquidity and profitability indicators, and a low level of financial debt, both in terms of EBITDA (Net Debt/EBITDA ratio under 1), and in terms of current assets and liabilities. Thus, BIAL has the financial conditions to continue its R&D program and, as is its objective for 2025, the capacity to invest in new assets, both of a commercial nature (acquisition of medicines already marketed), as well as of R&D projects (preferably in the clinical phase). With these investments, the aim is to accelerate turnover growth and reinforce the EBITDA level.

The operating profitability of BIAL was pressured in the last few years by the impact of inflation on some of its inputs, of which we highlight the costs of energy, transport, raw materials and adjuvants, besides the staff costs. Since drug prices in almost all countries where we sell them are administratively controlled and remained fixed, it was not possible to pass on the increase in these costs to the sales prices. In these circumstances, it was necessary to implement various measures to reduce operating costs, namely the adjustment of the organizational structure, with the transversal reduction of a management level and the rationalization of some functional teams. In addition to increasing flexibility and efficiency, their contribution was important to reduce operating costs when compared to the pre-COVID period and to stabilize them in the last few years.

The Group's Net Income, in 2024, amounted to € 21.9m (€ 26.9m in 2023), of which € 21.1m attributable to the shareholders of the holding company, BIAL

Holding, and € 0.8m to non-controlling interests. The Pre-tax Results were € 33.7m (€ 42.0m in 2023). EBITDA totaled € 67.5m and the Operating Results amounted to € 39.6m. These results include € 53.2m in R&D costs, as referred to in the previous point. The decrease in the level of profitability in 2024 compared to 2023 is mainly due to the decrease in the value of "milestones" arising from license agreements of - € 7.8m and the decrease in sales of Aptiom in the USA, with an impact on the gross margin of more than € 20m. In the opposite direction, the sale of Medimport made it possible to secure a capital gain of € 6.3m. The level of profitability in 2024 is clearly positive, having allowed the reduction of financial debt and respective costs. The financial results were negative at € 6.0m, a decrease of 12% compared to 2023. The Group's net financial debt as at 2024.12.31 was € 61.5m, a decrease of € 46.7m compared to 2023, and which results in a Net Debt/EBITDA ratio of 0.9.

Net Equity totals € 329.8m, Liabilities € 198.4m and Assets € 528.2m, reflecting a healthy balance sheet, with very positive solvency and financial autonomy indicators. It should be pointed out that Net Equity represents 1.7x the Liabilities and 62% of the Assets.

BIAL - Portela & C^a is the Group's main company, centralizing industrial activity and corporate functions, being the company with the greatest weight in commercial and R&D terms. Its turnover was € 261.6m and its EBITDA € 63.1m. Net Income was € 22.3m. Net Assets are € 431.8m, Liabilities € 197.1m and Net Equity € 234.6m. A solid structure with robust levels of solvency and financial autonomy and a level of profitability, in 2024, that is very interesting, similar to that of 2023.

The subsidiary in Spain, the second largest company in the Group, had a turnover of € 90.0m (+5% compared to 2023). Its Net Income was € 4.4m, with an EBITDA of € 7.1m, and with no debt. Its Assets are € 37.4m, Liabilities € 22.3m, and Net Equity € 15.1m. The Spanish market is strategic for BIAL and its organic growth will continue to be a priority, based mainly

on Ongentys, Trydonis, Biresp and Gregal, with the last three medicines being of the respiratory area. Zebinix was and will continue to be the product with the highest sales, with sales remaining stable despite the entry of generic drugs on the market and the decrease in their price. The central nervous system and the respiratory area will continue to be the drivers of the activity in Spain.

Novipharma made a positive contribution to the Group's accounts, as has been the case in recent years, with a turnover of CHF 29.8m (+40% compared to 2023), a Net Income of CHF 7.4m and an EBITDA of CHF 8.6m. The positive turnover evolution resulted mainly from the strong growth of sales to Japan compared to 2023, a country that resumed its normal level of purchases after the stock adjustment verified in that year. Its Assets are CHF 81.5m, Liabilities CHF 35.5m and Net Equity CHF 46.0m. In operational terms, it performs important logistical functions, of procurement associated with the active principles of BIAL proprietary drugs, of production management of APIs, and in the relationships with licensees of the Group, especially those of the Asiatic countries.

BIAL Italia had a turnover of € 14.8m, a growth of 10% over 2023, maintaining a good commercial dynamic. The Assets are € 17.8m, the Liabilities € 17.1m and Net Equity €0.7m. Net Income was € 50k. This is the second period in which it presents a profit, after years of strong investment in the promotional activity of Ongentys and Zebinix. The estimates for the following triennium foresee positive results and the recovery of the losses recorded in the last few years, reinforcing its balance sheet structure.

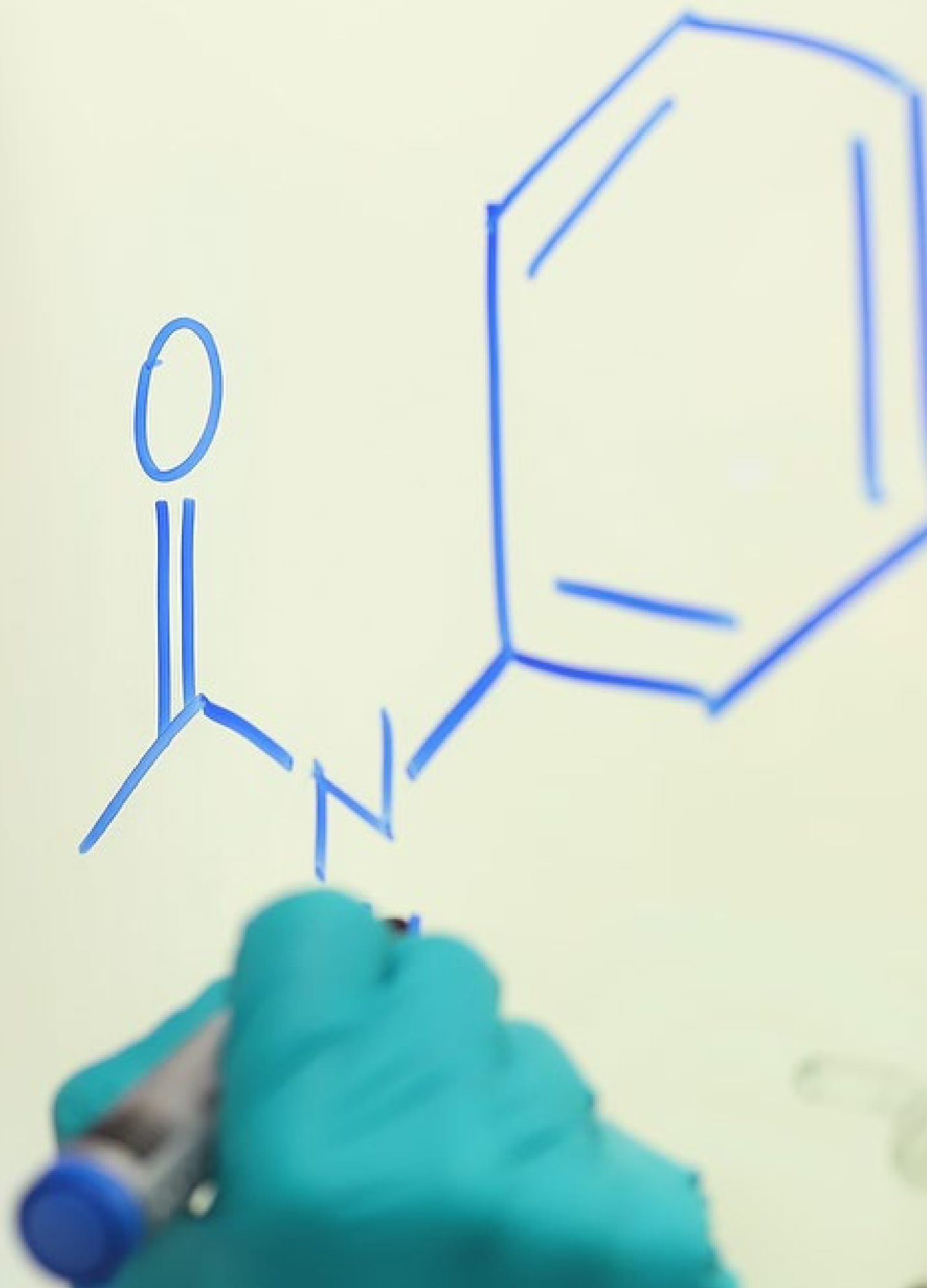
BIAL R&D Investments is a subsidiary focused on R&D, that is developing, in partnership with BIAL – Portela C^a, the BIA28 project, which is presently the

most important research project of the Group. It earned no own revenue as foreseen and considering its operating costs with the R&D activities, it had a negative EBITDA of € 19.6m, an amount identical to those costs. The Net Results were negative at € 16.0m. The financing of its activity has been supported by BIAL Holding, framed within the Group's R&D policy but, in 2024, its financing was supported by the issue of a medium-term bond loan in the amount of € 15.0m.

The remaining subsidiaries of the Group have no meaningful weight in the consolidated accounts since their activity is almost exclusively carried out with BIAL – Portela & C^a. or is reduced, for which reason their separate accounts are immaterial to the accounting consolidation.

The 2024 financial year was characterized by a favorable evolution of the Group's activity, with the achievement of several priority objectives, a good level of profitability and the strengthening of the solvency and financial autonomy indicators. In R&D, the BIA28 project continued, as did the remaining projects, both related to the products already marketed (BIA2 and BIA9), as well as to the new projects, including in the rare diseases area.

The current political instability at the global level is very worrying, with a very significant increase in the level of uncertainty about the future, particularly in the USA, the European Union, China and Russia. However, and as a positive factor, expectations of economic growth around the world and the continued decrease in interest rates for major currencies remain. The tariff war between the main economic blocs is a factor of instability that can cause recession in the main world economies. These are difficult times that require maximum concentration on the Group's objectives and in the ability to react to an unstable situation.



5. SUSTAINABILITY AND ESG PRINCIPLES

The BIAL Group follows, for more than twenty years, a corporate responsibility policy, of a transversal nature and inserted into its various operational areas. This stance has evolved, becoming progressively more global and present in its day-to-day, whether through certification in the environment area (ISO 14001), or through procedures and practices associated with the circular economy, social responsibility and governance.

BIAL - Portela &C.^a, as the Group's main company, is the one that has the greatest relevance in this policy, from its industrial area to research and development activities, including a strong social responsibility policy materialized in the support of multiple institutions and initiatives in civil society. Sustainable development is present in the decisions made, and in the policies to be defined and implemented. However, all the Group's subsidiaries follow the same principles and guidelines.

Sustainability is one of the three vectors of BIAL's strategic policy, alongside R&D and Internationalization. In 2023, a specific team was created to support and monitor the implementation of this policy, in order to timely and adequately address the challenges that the new legal provisions impose, in addition to taking advantage of the opportunities that are created, especially in terms of increasing operational efficiency. In 2023, the first sustainability report was published, reflecting that commitment.

In 2024, the work was deepened and the forms of action and systematization of actions, results obtained, and goals achieved were structured. The attached 2024 Sustainability Report presents the work that was developed in a structured manner based on ESG principles.

It is the policy of the Board of Directors to continue this work, in line with European Union legislation, with a focus on creating added value for all stakeholders,

whether internal or external, among which patients assume an unquestionable preponderance. Our R&D works for them.

Environment, Social and Governance will be the vectors that structure our policy, to contribute to a sustainable planet in the long term, with a better quality of life for all living beings, especially human beings. Health is an unquestionable pillar of this quality of life.

Attached is the 2024 sustainability report, which shows the most relevant aspects of the Group's activity in this area and their evolution. BIAL presents this report despite not being under any legal obligation to do so.

6. EVENTS SUBSEQUENT TO 2024.12.31

There are no known events subsequent to 2024.12.31 that could influence the financial statements for 2024 or that would justify a review of the plans and budgets approved for 2025 for the various Group companies. *idade adequados.*

7. PROSPECTS FOR 2025

The BIAL Group will continue to develop its activity in accordance with the approved strategic vectors, which have guided its development as an international pharmaceutical group focused on research into innovative medicines that contribute to people's health and quality of life.

The Board of Directors has approved the Operation and Investment Plans and Budgets for 2025 for all Group companies, as well as the objectives of the Executive Commission.

In 2025, the following projects and activities should be highlighted:

- In the R&D area:
 - In the BIA9 project, Ongentys, continue phase IV clinical trials in some European countries, which aim to strengthen clinical knowledge of the drug, particularly under conditions of current clinical practice, and obtain its approval in China.
 - The BIA28 project, which aims to obtain a new medicine for Parkinson's disease in patients with a specific genetic mutation, is where the largest financial investment will be made, and the priority is to continue the phase II clinical trial, underway in the USA and in several European countries, after completing the selection of the patients in August 2024. We expect to have results in the 2nd quarter of 2026. This project is the responsibility of a consortium formed between two Group companies, BIAL - Portela C^a, S.A. and BIAL R&D Investments.
 - Following the new strategic orientation approved in 2023 for the therapeutic areas of research, the central nervous system and rare diseases of neurological origin, it is our objective to continue with the two projects in the latter area and to create conditions to start the clinical phase for one of them in 2026.
- In the commercial area:
 - Strengthen commercial dynamics in the various markets in which the Group is present, both directly and indirectly, especially in BIAL proprietary drugs, with special emphasis on Ongentys, and launch Kynmobi, a new medicine for Parkinson's disease, in Spain, Portugal and Italy.

- Ongentys, the product with the highest sales in 2024, is sold in the main world markets, which represent more than 80% of the global value of the Parkinson's disease market, will have to be one of the growth drivers in the medium term. Germany, Italy, Spain, United Kingdom, Portugal, Ireland, Austria and Switzerland, in Europe, and the USA and Japan, outside Europe, will be the priority countries to support Ongentys' growth.
- Ensure the competitiveness of Zebinix/Aptiom, especially in Spain and the USA, its two main markets. In Spain, after the loss of the patent in June 2021, which implied the need to reduce its price and have several generics on the market as direct competitors, increase its market share in units, as has been happening since 2022. In the USA, where the launch of generics on the market is foreseen as from May of the current year, ensure the best performance on the market with competitive commercial conditions.
- Continue the very good commercial performance achieved since 2021 for the two new antidiabetic medicines (Ebymect and Edistri-de), launched in 2020 in Portugal, which together represent the third largest contribution to the Group's turnover, as well as reinforce the competitiveness of the central nervous system and respiratory area, in Portugal and Spain.
- Maintain competitive conditions in the emerging markets where BIAL is present, with an adequate range of products and adequate levels of profitability.

- In the Business Development area:
 - Enter new licensing agreements for our main markets with innovative medicines in our strategic therapeutic areas (central nervous system, diabetes, respiratory and cardiovascular).
 - Create partnerships for our R&D projects to increase active projects and reduce portfolio risk.
 - Identify, with a view to their acquisition, commercial assets that can drive BIAL's turnover growth and third-party research projects, in the clinical phase, that strengthen the capacity to launch new innovative medicines by the end of the decade.
- In the financial, operational and corporate areas:
 - Comply with the 2025 Turnover and EBITDA objectives, with adequate monitoring of both objectives, namely in controlling operational costs and in sales in our main markets and products.
 - Adequately control financing needs and working capital levels.
 - Ensure a high level of services to all external and internal customers to better serve our patients.
 - Provide good working conditions and a stimulating environment to retain and attract high-level professionals in the various functional areas.
 - Develop the functioning of BIAL's IT systems and implement approved projects, with a focus on the digitization of various operational processes, including R&D, and introduce artificial intelligence tools that contribute to productivity improvement.

It is with special satisfaction and confidence in the future that we present the results and accounts for the financial year 2024. The solid economic structure and financial management of the Group, the ongoing projects and strategic objectives defined within the scope of BIAL Vision 2030, combined with the trust placed by its shareholders, employees, medical professionals and patients, are important guarantees for the future of BIAL as it starts, in 2025, the second century of its existence. With unparalleled enthusiasm and commitment, we will continue to make our medicines available in several dozen countries and to millions of patients and discover new medicines that improve the quality of life of the patients that need them.

EXPLANATION ADDED IN RESPECT OF THE TRANSLATION OF THIS REPORT

This document is a translation of the original document, issued in Portuguese. In the event of discrepancies or misinterpretations, the Portuguese version shall prevail.

Trofa, 2025.03.13

**O CONSELHO DE ADMINISTRAÇÃO
DE BIAL HOLDING, S.A
(EMPRESA-MÃE)**

- ANTÓNIO HORTA OSÓRIO | **Chairman**
- ANTÓNIO PORTELA | **CEO**
- RICHARD PILNIK | **Member**
- MELANIE LEE | **Member**
- PIERLUIGI ANTONELLI | **Member**
- JOSÉ REDONDO | **Member**
- MIGUEL PORTELA | **Member**
- JOERG HOLENZ | **Member**
- MAXIMILIANO BRICCHI | **Member**



I. CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

Amounts in EUR			
PERIOD			
ASSETS	Notes	2024.12.31	2023.12.31
NON CURRENT ASSETS:			
TANGIBLE ASSETS			
Land and natural resources		12 358 625	12 358 625
Buildings and other constructions		24 135 485	17 532 886
Basic equipment		21 008 661	18 361 635
Transport equipment		113 909	245 038
Office equipment		1 072 080	2 327 476
Other tangible fixed assets		298 377	289 658
Tangible fixed assets in progress		1 775 598	11 140 545
Advances to suppliers of fixed assets		161 583	632 551
	12	60 924 319	62 888 414
INTANGIBLE ASSETS			
Research and development		115 672 272	134 353 571
Industrial property		10 290 105	3 577 319
Other intangible assets		4 058 219	2 529 562
Intangible assets in progress		15 006 917	22 418 312
Goodwill	8	1 698 137	3 396 275
	12	146 725 651	166 275 038
FINANCIAL INVESTMENTS			
Holdings in other companies		114 820	114 820
Other financial investments		124 520	448 348
	12	239 340	563 168
OTHER RECEIVABLES			
Other accounts receivables	14	20 228 926	25 356 271
		20 228 926	25 356 271
DEFERRED TAX ASSETS			
Deferred tax assets	10	50 075 317	59 270 905
		50 075 317	59 270 905
CURRENT ASSETS:			
INVENTORIES			
Raw materials, subsidiaries and consumables		99 209 591	93 421 426
Goods		12 458 962	15 016 291
Products and work in progress		2 665 285	4 387 172
Finished and intermediate products		9 684 592	10 511 094
	13	124 018 429	123 335 983
TRADE AND OTHER RECEIVABLES			
Trade receivables	11	36 451 246	45 587 411
State and other public entities	15	4 856 058	3 153 759
Other accounts receivables	14	16 987 617	18 646 981
Revenue accruals	16 a)	9 319 333	5 456 328
		67 614 254	72 844 479
DEFERRALS			
Deferred charges	16 a)	3 810 847	3 095 241
		3 810 847	3 095 241
Other financial assets	12	0	0
CASH AND CASH EQUIVALENTS			
Bank deposits – term deposits		990 238	937 551
Bank deposits – on demand		54 381 452	72 078 164
Cash		49 932	59 418
	5	55 421 622	73 075 133
TOTAL DO ATIVO		529 058 706	586 704 631

Amounts in EUR			
PERIOD			
EQUITY AND LIABILITIES	Notas	2024.12.31	2023.12.31
EQUITY:			
Subscribed share capital		52 500 000	52 500 000
Share premium		12 500 000	12 500 000
Legal reserves		25 800	25 800
Other changes in equity		8 283 784	9 405 117
Other reserves		79 292 997	51 840 553
Subsidies and other public entity grants		18 080 022	20 611 613
Financial instruments		0	0
Retained earnings		133 071 660	136 615 230
Subtotal		303 754 264	283 498 313
Net income		21 135 218	26 007 082
		324 889 481	309 505 396
Non-controlling interests		4 876 059	5 041 218
TOTAL EQUITY		329 765 541	314 546 614
LIABILITIES:			
NON CURRENT LIABILITIES			
Provisions	19	1 028 673	2 241 194
Bond loans	17	81 428 571	55 714 286
Bank loans	17	19 535 604	71 254 709
Deferred tax liabilities	10	1 486 805	1 770 378
Other payables	14	4 951 853	5 984 017
		108 431 507	136 964 583
		128 997 014	143 213 882
CURRENT LIABILITIES			
Trade payables		36 106 381	41 176 791
State and other public entities	15	3 198 576	4 409 841
Bond loans	17	4 285 714	34 285 714
Bank loans	17	11 658 667	20 005 659
Suppliers of fixed assets	18	2 123 726	5 158 458
Other payables	14	2 821 234	1 401 476
Other Liabilities	16	30 376 158	28 386 568
		90 570 457	134 824 508
DEFERRALS			
Deferred income	16	291 201	368 927
		291 201	368 927
TOTAL LIABILITIES		199 293 165	272 158 017
TOTAL EQUITY AND LIABILITIES		529 058 706	586 704 631



II. CONSOLIDATED INCOME STATEMENT AND
CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME FOR THE YEAR 31 DECEMBER 2024

Amounts in EUR

		PERIOD	
PROFIT AND LOSS	Notes	2024	2023
Sales	20	309 426 341	307 039 369
Services rendered	20	24 029 599	30 320 722
Total sales and services rendered		333 455 940	337 360 092
Operating subsidies	21	150 891	13 822
Changes in inventory production		0	0
Cost of goods sold and materials consumed		186 975	4 716 336
External supplies and services	22	-100 219 302	-94 785 151
Personnel expenses	23	-95 944 920	-87 618 810
Impairment losses	24	-71 605 949	-70 101 165
Provisions	19; 25	-1 854 890	-3 481 504
Reversals	25	-158 798	-1 562 809
Other income	19; 25	4 128 205	559 752
Other expenses	26	17 041 379	12 426 760
Outros gastos	27	-17 715 957	-22 479 837
Earnings before interest, taxes, depreciation, and amortization		67 463 573	75 047 485
Depreciation/amortization	12	-29 665 174	-28 080 949
Impairment, fair value decreases, provisions and reversals	12; 25	1 838 279	1 823 073
Earnings before interest and taxes		39 636 679	48 789 609
Interest and similar income	28	714 598	527 201
Interest and similar expenses	28	-6 672 378	-7 299 430
Earnings before taxes		33 678 898	42 017 380
Income tax	10	-11 787 615	-15 084 173
Net income		21 891 283	26 933 208
Result of discontinued activities (net of tax) included in the net result for the period		4 561 419	
Resultado líquido do período atribuível a:			
Bial Holding, S.A. Shareholders		21 135 218	26 007 082
Non-controlling interests		756 065	926 125

III. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN 2023

Description	SUBSCRIBED SHARE CAPITAL	SHARE PREMIUM	LEGAL RESERVES	OTHER CHANGES IN EQUITY	OTHER RESERVES	SUBSIDIES	RETAINED EARNINGS	FINANCIAL INSTRUMENTS	NET INCOME	TOTAL	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Position at the beginning of the period	52 500 000	12 500 000	25 800	6 979 691	45 474 829	23 008 709	139 251 973	311 142	5 228 983	285 281 125	5 452 290	290 733 415
Application of net income					6 365 723		-1 136 740		-5 228 983	0		0
	52 500 000	12 500 000	25 800	6 979 691	51 840 552	23 008 709	138 115 230	311 142	0	285 281 125	5 452 290	290 733 415
Changes in accounting policies												
Currency conversion gains and losses				2 425 426						2 425 426	309 784	2 735 211
Subsidies						-3 093 027				-3 093 027		-3 093 027
Deferred taxes adjustments						695 932		-401 473		294 459		294 459
Other changes recognized in equity								90 331		90 331		90 331
	0	0	0	2 425 426	0	-2 397 096	0	-311 142	0	-282 811	309 784	26 973
Net profit for the year									26 007 082	26 007 082	926 125	26 933 208
Comprehensive income									26 007 082	25 724 271	1 235 910	26 960 181
Transactions with shareholders in the period												
Share capital										0		0
Carrying out of share issuance premium										0		0
Distribution of profit							-1 500 000			-1 500 000		-1 500 000
Other transactions										0	-1 646 981	-1 646 981
Position at the end of the period	52 500 000	12 500 000	25 800	9 405 117	51 840 553	20 611 613	136 615 230	0	26 007 082	309 505 396	5 041 218	314 546 614

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN 2024

Description	SUBSCRIBED SHARE CAPITAL	SHARE PREMIUM	LEGAL RESERVES	OTHER CHANGES IN EQUITY	OTHER RESERVES	SUBSIDIES	RETAINED EARNINGS	FINANCIAL INSTRUMENTS	NET INCOME	TOTAL	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Position at the beginning of the period	52 500 000	12 500 000	25 800	9 405 117	51 840 553	20 611 613	136 615 230,07	0	26 007 082	309 505 396	5 041 218	314 546 614
Application of net income					27 350 650		-1 343 568		-26 007 082	0		0
	52 500 000	12 500 000	25 800	9 405 117	79 191 203	20 611 613	135 271 660	0	0	309 505 395	5 041 218	314 546 613
Changes in accounting policies												
Currency conversion gains and losses				-1 121 333						-1 121 333	-114 442	-1 235 775
Subsidies						-3 563 755				-3 563 755		-3 563 755
Deferred taxes adjustments					101 793	1 032 164				1 133 957		1 133 957
Other changes recognized in equity										0		0
	0	0	0	-1 121 333	101 793	-2 531 591	0	0	0	-3 551 131	-114 442	-3 665 573
Net profit for the year									21 135 218	21 135 218	756 065	26 933 208
Comprehensive income									21 135 218	17 584 087	641 623	18 225 710
Transactions with shareholders in the period												
Share capital										0		0
Carrying out of share issuance premium										0		0
Distribution of profit							-2 200 000			-2 200 000		-2 200 000
Other transactions										0	-806 782	-806 782
Position at the end of the period	52 500 000	12 500 000	25 800	8 283 784	79 292 997	18 080 022	133 071 660	0	21 135 218	324 889 481	4 876 059	329 765 541

IV. CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2024

		2024	2023		
OPERATIONS					
Cash receipts from customers	353 918 133		346 653 229		
Cash paid to suppliers	-217 444 984		-228 137 505		
Cash paid to personnel	-65 989 604		-64 512 667		
Cash flow from operations	70 483 545		54 003 057		
Cash receipts/paid for income taxes	-5 616 311		-3 153 977		
Other cash receipts/paid from operations	-10 478 903		-7 676 467		
	54 388 330		43 172 613		
Net cash flow from operations (1)		54 388 330		43 172 613	
INVESTING ACTIVITIES					
Cash paid for:					
Tangible assets	-11 138 740		-12 625 296		
Intangible assets	0		-1 800 000		
Financial investments	0		0		
Other assets	0		-9 348 415		
Subsidies and other public entity grants	-4 929 134		-476 186		-24 249 897
Cash receipts from:					
Tangible assets					
Intangible assets					
Financial investments	9 849 039		70 836		
Other assets					
Subsidies and other public entity grants	4 280 660		1 256 530		
Interests and similar income					
Dividends		14 129 699	1 327 366		
Net cash flow from investing activities (2)		-1 938 175		-22 922 531	
FINANCING ACTIVITIES					
Cash receipts from:					
Loans	264 000 000		383 193 854		
Realizations of capital and other equity instruments	0		0		
Cobertura de prejuízos					
Donations					
Interests and similar income	781 870		324 293		
Other cash receipts from financing activities	0		0		383 518 147
Cash paid for:					
Loans	-328 869 048		-379 020 188		
Interests and similar expenses	-2 998 057		-4 458 377		
Dividends	-3 018 431		-2 535 750		
Decreases in capital and other equity instruments	0		0		
Other cash paid for financing activities	0		0		-386 014 314
Net cash flow from financing activities (3)			-70 103 666		-2 496 167
Change in cash and equivalents (4) = (1) + (2) + (3)		-17 653 511	17 753 916		
Caixa e seus equivalentes no início do período (nota 5)		73 075 133	55 321 217		
Caixa e seus equivalentes no fim do período (nota 5)		55 421 622	73 075 133		

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024

Amounts in Euros

(Translation of the original document issued in Portuguese)

1. Introduction

BIAL's main corporate purpose is the production, commercialization, re-search and development of pharmaceutical specialties intended for human use and its registered office is located in Coronado (S. Mamede and S. Romão), Trofa.

These financial statements were authorized for issue by the Board of Directors on 2025.03.13.

Under Article 68 of the CCC (Portuguese Commercial Companies Code), the Shareholders' General Meeting may reject the Board of Directors' proposal to approve the consolidated financial statements provided it deliberates, justifying, that new or revised financial statements be prepared, in the latter case indicating the specific points needing to be addressed.

2. Accounting framework utilized in the preparation of the financial statements

The company prepares its individual and consolidated financial statements in accordance with the Accounting and Financial Reporting Standards (NCRF) which form an integral part of the SNC.

These consolidated financial statements include the financial statements of the company and its subsidiaries as of December 31, 2024.

With the publication of Decree-Law 238/91, of July 2, the company initiated the preparation and presentation of consolidated financial statements. Therefore, these consolidated financial statements are not the first consolidated financial statements prepared by the company.

There were no exceptional derogations to the provisions set by the SNC with a view to enabling these to present a true and fair view of the company's assets, liabilities and results for the year.

3. Main accounting policies

3.1. Basis of preparation of the financial statements

In the preparation of these consolidated financial statements the company adopted:

- The Basis for Preparing of the Financial statements presented in the annex to Decree-Law 158/2009, of July 13, which enacted the SNC;
- The transposition into national law of Directive 2013/34/EU of the European Parliament and of the Council, of June 26, 2013, through the publication of Decree-Law 98/2015, of June 2, which brought changes to the NCRF that are mandatory for annual periods beginning on or after January 1, 2016.
- The NCRFs in force on the present date with the exemptions described in Notes 3.1.a) and 3.1.c) and provided for on the transition date.

Thus, the financial statements have been prepared on a going concern basis and in accordance with the accruals system, consistency of presentation, materiality and aggregation, non-offsetting and comparative information bases.

Based on the provisions set out in the NCRFs, the company adopted the following accounting policies:

a) Tangible fixed assets

Tangible fixed assets refer to assets used in the production or supply of goods or services or for administrative purposes and are measured according to the cost model.

On the transition date to the SNC, the company adopted as deemed cost:

- For land and buildings, the fair value of a revaluation carried out by independent appraisers, based on the market values as of December 31, 2003, resulting in an increase of €6,955,076;
- For the remaining fixed assets, the value of the previous financial statements prepared in accordance with the former Portuguese Accounting Standards (POC), which included revaluation reserves under several legal diplomas, that considered currency depreciation coefficients.

Subsequently, the company decided to maintain the deemed cost, opting for the cost method for the measurement of all subsequent tangible fixed assets.

Except for land, which is not depreciated, tangible fixed assets are depreciated over their expected economic useful lives and assessed for impairment whenever there is an indication that the asset may be impaired.

Depreciation is calculated on a straight-line monthly basis as from the moment the assets are deemed to be available to be used for the desired purpose.

In 2024, the depreciation rates defined with a view to fully depreciating the assets by the end of their expected useful lives are as follows:

2024 % anual	
Buildings and other constructions	2%, 6% e 10%
Basic equipment	6%-13%, 20%, 25%
Transport equipment	20% e 25%
Office equipment	6%, 13%, 17%

Assets acquired through finance lease are depreciated using the same rates as those for the other tangible assets, i.e., considering the corresponding useful life.

It is assumed that the residual value is zero; hence, the amount to be depreciated coincides with the cost.

The depreciation methods, estimated useful life and residual value, are reviewed at the end of each year and the effects of the changes are treated as changes to estimates, i.e., the effect of the changes is treated prospectively.

The depreciation expense for the year is recognized in the income statement in "Depreciation and amortization (expense) / reversal".

All current repair and maintenance costs are recognized as an expense in the year they are incurred.

Costs relating to replacements and major repairs are capitalized whenever they increase the useful lives of the assets to which they relate and are depreciated during the remaining useful life of the corresponding fixed asset or during their own estimated useful life, if lower.

Any gain or loss deriving from the de-recognition of a tangible fixed asset (calculated as the difference between the sale value, net of selling costs, and the book value) is included in the results for the financial year in which the asset is derecognized.

Tangible fixed assets in progress relate to assets which are still in the construction or development stage and are measured at acquisition cost, only being depreciated when they become available for use.

Tangible fixed assets under finance lease agreements are depreciated in the same manner as the other assets.

b) Impairment

Consolidated companies assess whether there is any indication that an asset may be impaired at the end of the year. Should there be any indication, the companies estimate the recoverable value of the asset (which is the highest between the fair value of the asset or of a cash generating unit, net of its selling costs, and its value in use) and recognize the impairment in the results for the financial year whenever the recoverable value is lower than the book value.

When evaluating whether there is an indication of impairment, the following situations are considered:

- During the period, the market value of an asset reduced significantly more than would be expected as a result of the passage of time or normal usage;
- During the period, major alterations occurred – or will occur in the near future – with an adverse effect on the company, regarding the technological, market, economic or legal environment in which the company operates or in the market to which the asset is dedicated;
- Market interest rates or other market investment return rates increased during the period and these increases will probably affect the discount rate used to calculate the value in use of an asset and will materially reduce the recoverable value of same;
- The carrying amount of the net assets of the entity is greater than its market capitalization;
- Evidence of obsolescence of or physical damage to an asset is available;
- Major alterations with an adverse effect on the entity occurred during the period, or it is expected they will occur in the near future to the extent that an asset is used, or in the way in which it is expected to be used. These alterations include an asset becoming idle, plans to discontinue or restructure the operating unit to which the asset belongs, plans to dispose of an asset before the date previously expected;
- There is evidence in the internal reports that indicates that the economic performance of an asset is, or will be, worse than that expected.

Impairment reversals are recognized as a gain but are only recognized up to the limit which would result if the asset had never been subject to impairment.

c) Goodwill

Goodwill corresponds to future economic benefits resulting from assets that are not capable of being individually identified and separately recognized.

Goodwill relating to subsidiaries included in the consolidation is presented in the balance sheet.

As at January 1, 2009 (transition date to NCRF), the company adopted the exemption prescribed in “NCRF 3 – First time adoption of the NCRFs” for business combinations, and adopted as deemed cost the carrying amount of the goodwill included in the accounts prepared under the former Portuguese Accounting Standards (POC) (acquisition cost less accumulated amortization and less impairment losses, if any, as of December 31, 2008), as opposed to restating it retrospectively in accordance with information available at the time of each acquisition.

In acquisitions after January 1, 2009, goodwill is measured at cost, this being the excess of the cost of the business combination over the acquirer’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at the acquisition date.

From 2016 onwards, goodwill is amortized according to the provisions of the SNC (NCRF 14), at the annual rate of 10% over a period of 10 years.

Whenever the acquirer’s interest in the fair value of identifiable assets, liabilities and contingent liabilities exceeds the cost of business combination, the difference is recognized in profit and loss for the period after reassessment of the identification and measurement of the identifiable assets, liabilities and contingent liabilities of the acquiree and the measurement of the cost of the combination.

If goodwill has been allocated to a cash generating unit and the entity disposes of an operation within that unit, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal and is measured on the basis of the relative values of the operation disposed of and the portion of the cash generating unit retained.

Goodwill presented in the balance sheet is measured at cost less any accumulated impairment losses and net of accumulated amortization.

Goodwill is tested for impairment whenever events or changes in circumstances indicate that the goodwill may be impaired, in accordance with NCRF 12 – Impairment of Assets.



For impairment testing, goodwill acquired in a business combination shall, from the acquisition date, be allocated to each of the acquirer's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are also assigned to those units.

d) Intangible assets, except goodwill

Intangible assets acquired separately are measured, on the initial recognition date, at cost.

Intangible assets generated internally, excluding capitalized development costs in certain circumstances, are considered to be expenditure and are reflected in the income statement of the year in which the expenditure is incurred.

The research and development expenses are expensed as incurred, except if the SNC's requirements for capitalization are met. In this case, they are presented as an intangible asset and amortized on a systematic and rational basis over the financial years, current and future, with reference to either their sale or the use of the economic benefits or process.

After initial recognition, the assets are presented at cost net of accumulated amortization and impairment losses.

The useful lives of intangible assets are assessed either as finite or indefinite.

Assets with finite useful lives are amortized over their expected economic useful life and assessed in terms of impairment whenever there is an indication that they may be impaired.

The impairment of these assets is determined based on the criteria described in point b) above.

Impairment reversals are recognized in the income statement up to the limit which would result if the asset had never been subject to impairment.

For an intangible asset with a finite useful life, the amortization method, estimated useful life and residual value, are reviewed at the end of each year and the effects of the changes are treated as changes to estimates, i.e., the effect of the changes is treated prospectively.

Amortization is calculated on a straight-line monthly basis.

It is assumed that the residual value is zero; hence, the amount to be amortized coincides with the cost.

The amortization rates are defined to fully amortize the assets until the end of their expected useful lives and are as follows:

Development projects.....	5%
Software.....	33.33%
Industrial property.....	5% - 33.33%

The development projects regarding BIA2 (epilepsy) and BIA9 (Parkinson's) are booked under intangible assets.

The remaining research and development projects do not yet fulfil the requirements to qualify as intangible assets.

The expense with the amortization of intangible assets with finite useful lives is recognized in "Depreciation and amortization (expense) / reversal".

The anti-epileptic drug (Zebinix) with a useful life of 20 years, is amortized on a straight-line basis, according to its expected useful life. Its amortization was initiated in 2009 (September) at the start of its commercialization in Europe.

The Parkinson's drug (Ongentys) with a useful life is 20 years, is amortized on a straight-line basis, according to its expected useful life. Its amortization was initiated in 2016 (September) at the start of its commercialization in Europe.

Any gain or loss deriving from the de-recognition of an intangible asset (calculated as the difference between the sale value, net of selling costs, and the book value) is included in the results for the financial year in which the asset is derecognized.

Some specific aspects relating to each type of intangible assets are presented below:

d.1) Development projects

Development expenditure incurred on an individual project is recognized as an intangible asset, in the caption "Development projects", when the following requirements are met:

- (a) Technical feasibility of completing the intangible asset so that it will be available for use or sale.
- (b) Intention to complete the intangible asset, and to use or sell it.
- (c) Capacity to use or sell the intangible asset.

- (d) How the intangible asset will generate future economic benefits.
- (e) Availability of adequate technical, financial and other resources to complete the development, and to use or sell the intangible asset.
- (f) Ability to reliably measure the expenditure attributable to the intangible asset during its development phase.

The existence of licensing-out contracts is sufficient evidence to demonstrate that the intangible asset will generate future economic profits.

The amount presented under the caption "Development projects" includes the:

- BIA-2 investment after the beginning of the third phase of development. This phase coincided with the first licensing-out contract in 2007, which led to the EMA's approval at the beginning of 2009 and the start of Zebinix's commercialization (October 2009) following the development of eslicarbazepine acetate. In 2013, the FDA approved the drug in the U.S., with the commercialization having started in 2014, under the brand Aptiom. In August 2015, the FDA approved BIAL's antiepileptic for "monotherapy" in the U.S., with the commercialization having started in November 2015. In 2016, the EMA approved the "Paediatrics" for Europe, with its commercialization having started in July 2017, the date of the start of the amortization. In 2018, the drug was licensed for South Korea. In 2020, a distribution agreement for Australia was signed. In 2022, distribution agreements for Israel were signed.
- BIA09 investment (the new medication for Parkinson's disease) which is approved by the EMA for Europe. This, together with its first licensing-out agreement for the Japanese market (third largest market in the world in terms of this disease's prevalence), make it highly probable that the investment already made will be recovered. Under these circumstances, the company opted to start capitalizing the ("ongoing" investment) BIA9 development costs incurred in Phase III. Consequently, and as from 2013, the subsidies allocated to BIA9 have also been accounted for in equity since then. In 2016, the dossier delivered to the EMA was approved for the commercialization of the drug in Europe, under the Ongentys brand, which began in September 2016. Consequently, the asset is being amortized as of the same date. In 2017, the drug was licensed for the USA, in 2018 it was licensed for China and South Korea, and in 2019 it was licensed for Taiwan. In 2020, the commercialization of the drug was started in the U.S., Japan, South Korea and Switzerland. In 2022, a distribution agreement for Australia was signed. In 2023, the distributor in the USA market was replaced.

The development expenditure initially expensed is not recognized as an asset in subsequent periods.

d.2) Software

The computer software caption pertains exclusively to software purchased from third parties.

Internal costs associated with the maintenance and development of computer software are expensed as incurred due to their inability to be measured reliably and/or their inability to generate future economic benefits.

d.3) Industrial property

Under this caption are reflected the patents with an exclusive utilization title registered by the consolidated companies, for which there is an exclusive right of use, the most relevant being Apomorphine (Kynmobi).

d.4) Brands

This caption refers to brands purchased from third parties.

Internally generated brands are not recognized as an asset.

The brands with limited utilization rights are amortized, on a straight-line basis, during their period of use.

e) Financial investments

The company uses the cost method to measure financial investments in:

- Subsidiaries excluded from the consolidation;
- Associates where the use of the equity method was not possible because they operate under severe long-term restrictions that significantly impair their ability to transfer funds to the Group;
- Other entities for which neither the equity nor the proportional consolidation methods are mandatory and for which fair value cannot be determined reliably, namely financial investments in unlisted companies.

According to the cost method, financial investments are initially recognized at cost, which includes transaction costs, being subsequently decreased by impairment losses, whenever applicable.

f) Financial assets (except financial investments)

Financial assets are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets which are

not financial investments in companies are valued at amortized cost, net of impairment losses, whenever applicable.

At the end of the year the Group assessed the impairment of these assets. Whenever there was objective evidence of impairment, the company recognized an impairment loss in the income statement.

Objective evidence that a financial asset or a group of assets could be impaired considering observable data pointing to the following loss events:

- The debtor's significant financial difficulty;
- Breach of contract, such as failure to pay or default regarding the payment of interest or repayment of the principal;
- The company, for economic or legal reasons related to the debtor's financial difficulty, offers the debtor concessions it would otherwise not have considered;
- It has become probable that the debtor will file for bankruptcy or any other financial reorganization;
- Observable information indicative that there is a reduction in the measurement of the estimated future cash flows of a group of financial assets, since their initial recognition.

Significant financial assets are individually assessed for impairment purposes. The remaining assets are assessed in line with similar credit risk characteristics.

Some specific aspects relating to each type of financial asset are presented below:

f.1) Trade receivables

Trade receivables are measured on initial recognition in accordance with the measurement criteria for sales and services rendered described in point p), being subsequently measured at amortized cost less impairment losses, and accordingly to the criteria described above.

f.2) Other receivables

Other receivables are valued as follows:

- Debtors for revenue accruals - at estimated / contracted value;
- Other debtors - at amortized cost less impairment.

The impairment, in both cases, is determined based on the criteria defined above.

f.3) Cash and Banks

The caption "Cash and banks" comprises cash on hand and short-term bank deposits with an original maturity of three months or less, that can be immediately mobilized with an insignificant risk of change in value.

For the cash flow statement, cash and cash equivalents comprise cash and short-term deposits as defined above, net of outstanding bank overdrafts presented in the caption "Loans and borrowings", under liabilities, in the balance sheet.

g) Income taxes

g.1) Income tax – current

Current income tax is determined based on the taxable income of companies included in the consolidation, in accordance with the tax rules in force in the respective country of incorporation.

The holding company and its subsidiaries owned, directly or indirectly, in more than 90% and which are, simultaneously, tax resident in Portugal are subject to the special tax regime for groups of companies at the rate of 21%, plus the municipal surcharge as well as a State surcharge - at a rate of 3% on taxable income between Euros 1.5 to 7.5 million, at rate of 5% on taxable income between Euros 7.5 to 35 million and 9% on taxable income exceeding Euros 35 million.

In accordance with the local tax legislation of the several companies included on the consolidated financial statements, income tax returns are subject to review and correction by the tax authorities for a period which varies from four to five years, which can be extended in cases where there are losses or there are tax inspections, claims or challenges in progress.

The Board of Directors, based on the positions of its tax consultants and considering the assumed responsibilities, believes that any adjustment to the tax returns that could result from reviews carried out by the tax authorities will not have any significant impact on the consolidated financial statements.

g.2) Income tax - deferred

Deferred tax assets and liabilities result from significant temporary differences (deductible and taxable) between the carrying amounts and the tax basis of the Group's assets and liabilities.

Deferred tax assets represent:

- Deductible temporary differences, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences may be offset;

- Available tax losses or unused tax credits, to the extent that it is probable that future taxable income will be available against which the unused tax losses and unused tax credits can be utilized.

Deductible temporary differences are temporary differences that will result in amounts that are deductible in determining taxable income (tax losses) of future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred tax liabilities are recognized for all taxable temporary differences.

Taxable temporary differences are temporary differences that will result in amounts that are taxable in determining taxable income (tax losses) of future periods when the carrying amount of the asset or liability is recovered or settled.

Deferred tax assets and liabilities are measured:

- According to the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date; and
- Reflecting the tax impacts resulting from the manner the Group expects, as at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities.

The company reviews tax losses and tax credits carried forward annually – these deferred tax assets are only recognized when the company expects their recoverability.

Portugal:

Tax losses calculated in tax periods beginning on or after January 1, 2023 are deducted from the taxable income of subsequent tax periods, with no time limit. This new rule also applies to tax losses calculated in tax periods prior to January 1, 2023, whose deduction period is still in progress on that date.

The deduction of tax losses is limited to 65% of taxable income, without prejudice to the deduction of the part of these losses not deducted, under the same conditions, in subsequent tax periods.

Italy and the U.S.:

The period of tax loss deduction has no time limit.



h) Inventories

The measurement of inventories and the corresponding valuation methods are the following:

- Finished goods** - At production cost which comprises raw and subsidiary materials at average cost, plus production costs defined by the industrial and quality departments.
- Semi-finished goods** - At the price of the finished product less packaging.
- Produtos e trabalhos em curso** - At cost of raw and subsidiary materials plus industrial costs according to the stage of manufacture.
- Matérias-primas** - Average purchase cost.
- Packaging materials and other (boxes, labels and prospectuses)** - Average purchase cost.

The cost of the inventories includes:

- Purchasing costs (purchase price, import duties, non-recoverable taxes, freight, handling and other costs directly attributable to the purchase, less any commercial discounts, rebates and other similar items);
- Production costs (labour and production overheads);
- Any other costs incurred to place the inventories in their location and desired condition.

Whenever the net realizable value is lower than acquisition or production cost, the value of inventories is decreased through the recognition of an impairment loss which is reversed when the reasons that originated the loss cease to exist.

To this end, the net realizable value is the estimated selling price during the normal course of business less the estimated completion costs and the costs required to make the sale. The estimates consider any variations related to events occurring after the year-end insofar as the said events confirm existing conditions at the end of the year.

i) State and other public entities

The balances of assets and liabilities are determined in accordance with current legislation in force.

j) Deferrals

This caption reflects the transactions and other events for which their entire allocation to the income statement in the financial year in which they occur is not appropriate but should be recognized in future periods.

l) Equity captions

l.1) Subscribed share capital

BIAL Holding, S.A.'s subscribed share capital is fully paid up, and there is a share premium of €12,500,000.

l.2) Legal reserves

According to article 295 of the CCC, at least 5% of the net income must be transferred to a legal reserve each year until this reserve equals at least 20% of share capital.

This legal reserve is not available for distribution and may only be utilized to increase share capital or to absorb losses after all the other reserves and retained earnings have been exhausted (article 296 of the CCC).

l.3) Other reserves

This caption includes revaluation reserves made based on the terms of the previous accounting standard, net of the corresponding deferred taxes, which are not presented in the revaluation surplus caption because the entity adopted the deemed cost method at the conversion date to the SNC.

The revaluation reserves based on legal diplomas are only available for inclusion in capital increases or loss coverage and only when they are realized (through the use or disposal of the asset).

Fair value gains, which are not available for distribution to shareholders in accordance with article 32(2) of the CCC until the subjacent elements or rights are disposed of, exercised, extinguished or liquidated, are also included under this caption.

l.4) Retained earnings

This caption relates to retained earnings available for distribution to shareholders in accordance with the conditions presented in articles 32 and 33 of the CCC.

l.5) Other changes in equity - Investment subsidies

This caption comprises non-reimbursable investment subsidies, net of the respective deferred taxes, relating to tangible or intangible assets.

These subsidies are recognized when there is reasonable assurance that the company complies / will comply with all the attached conditions and that the subsidy will be received.

Investment subsidies are registered in equity, being transferred, on a systematic basis, as "other income" to profit and loss over the expected useful life of the related asset.

After the initial recognition, this account is reduced:

- For subsidies related to depreciable tangible fixed assets or intangible assets with defined useful lives, through their transfer as income, on a systematic basis, to profit and loss, over the expected useful lives of the related assets;
- For subsidies related to non-depreciable tangible fixed assets or intangible assets with indefinite useful lives, through their transfer as income to profit and loss as the necessity arises to compensate for any eventual impairment losses.

These subsidies are not available for distribution until they are transferred to income during the periods necessary to: (i) balance the subsidies with the related costs which they are expected to compensate, i.e., the depreciation and amortization expenses and/or (ii) to compensate any impairment loss related to these assets.

l.6) Other changes in equity - Exchange differences arising on the translation of financial statements

The Group's consolidated financial statements are presented in Euros.

Under this caption are included the exchange differences arising on the translation of the financial statements of those subsidiaries which functional currency (main economic environment in which they operate) is not the Euro, resulting from, at each balance sheet date:

- The assets and liabilities of foreign operations being translated into Euros at the rate of exchange prevailing at the reporting date;
- Gains and losses being translated at exchange rates prevailing at the date of the transactions.

m) Provisions

This caption reflects the company's present obligations (legal or constructive) as a result of a past event, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, with uncertainty as to timing or amount but where a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Whenever the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the liability's specific risks and that does not reflect risks for which future cash flow estimates have been adjusted.

n) Financial liabilities

Financial liabilities are recognized when the company is a party to the contractual relationship.

Financial liabilities are derecognized from the balance sheet when, and only when, they are extinguished, i.e., when the obligations specified in the contracts are discharged, cancelled or expire.

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings, the respective transaction costs are also recognized.

Financial liabilities are measured as follows:

n.1) Loans and borrowings

Interest bearing loans and borrowings are valued at amortized cost based on the effective interest rate method. According to this method, at the date of initial recognition, loans are recognized in liabilities at the nominal value received, net of issue expenses, which comprises the respective fair value at that date.

Subsequently, loans are measured at amortized cost, which included all financial expenses calculated according to the effective interest rate method.

The carrying amount of Loans for which a fixed interest rate hedge is in place also includes the fair value adjustments (NCRF 27 - para. 37, b).

Loans for which a fixed interest or variable interest rate hedge is in place are presented as other financial assets or other financial liabilities and are presented as non-current or current following the same presentation as the loans they refer to in the Balance sheet.

n.2) Trade payables

Trade payables are initially recognized at the respective fair value, being subsequently measured at amortized cost, calculated according to the effective interest rate method.

n.3) Other payables

The investment suppliers are measured at amortized cost using the effective interest rate method.

The remaining payables are measured at amortized cost.

n.4) Advances from clients

Advances from clients are measured at amortized cost.

o) Foreign currency translation

Balances that remain outstanding at year-end are translated at the Euro spot rate at the reporting date and the difference is recognized in profit and loss.

The rates used for the foreign currency translation at the reporting date were the following:

2024:	Debtor balances	Creditor balances
CHF	0,9386	0,9423
GBP	0,828	0,8314
USD	1,0389	1,0431
JPY	162,204	162,855
SEK	11,4233	11,469
CAD	1,493	1,499

2023:	Debtor balances	Creditor balances
CHF	0,928	0,9318
GBP	0,8662	0,8697
USD	1,1038	1,1083
JPY	156,137	156,762
SEK	11,0416	11,0858
CAD	1,4614	1,489

The average exchange rates used in 2023 and 2024 were as follows:

	2024	2023
GBP	0,84662	0,86979
CHF	0,95263	0,97180
USD	1,08238	1,08127
AOA	940,80431	747,44911
MZN	68,92850	68,45800

p) Revenue recognition

Sales and services rendered are measured at the fair value of the retribution received, or receivable, net of commercial discounts or rebates.

Whenever interest-free credit is granted to buyers or they accept promissory notes at a lower than market interest rate as consideration for the sale of the goods, or the influx of cash or cash equivalents is deferred in any other way, the difference between the fair value and the nominal value of the retribution is recognized as interest revenue, during the period between the revenue recognition and the settlement dates.

When the sales price of the goods / services includes an amount of identifiable subsequent services, that amount is deferred and recognized as revenue during the period over which the services are rendered.

Although revenue is only recognized to the extent that it is probable that the economic benefits linked to the transaction will flow to the company, whenever an uncertainty arises about the recoverability of an amount already included in revenue, that unrecoverable amount, or the amount which recovery has ceased to be probable, is recognized as an impairment and not as an adjustment to the amount of the revenue originally recognized.

The following specifics relate to the recognition of sales and services rendered:

p.1) Sale of goods

Revenue from the sale of goods shall be recognized when all the following conditions have been satisfied:

- The significant risks and rewards of ownership of the goods have been transferred to the buyer;
- The company neither retains continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be reliably measured;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be reliably measured.

p.2) Services rendered

Revenue from the rendering of services is recognized by reference to the stage of completion, which occurs when all the following conditions have been met:

- The amount of revenue can be reliably measured;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The stage of completion of the transaction can be reliably measured; and
- The costs incurred or to be incurred in respect of the transaction can be reliably measured.

Progress payments and advances received from clients are not considered in determining the stage of completion.

Revenue from the licensing of BIAL proprietary drug is recognized when the agreements are signed and the risks and benefits of exploring the license are irreversibly transferred to the buyer, the latter does not depend on the continued engagement of BIAL in order to benefit from the transferred goods, and the revenue received is not reimbursable. Besides licensing, the agreements entered foresee additional revenues upon the achievement of certain events (milestones) which depend on the continued effort of the company. The revenue recorded considers the fair value attributed to each of the milestones determined under the licensing agreement. Milestones are recognized according to the guidance in IFRS 15.

The revenue resulting from the sale of Zebinix and Ongentys for some European countries and Aptiom for the U.S., is estimated and subsequently validated after the amount of the sales realized by the company commercializing the product is known.

q) Own work for the company

The accounting standards state that expenses incurred to make an asset operational, including the associated financial charges incurred during that period, may be added to the cost of a qualifying asset (in simple terms, assets that take a substantial period of time to be ready for their intended use or sale).

The Group's strategy for the development of ongoing research projects involves considerable investment in internal resources and not only in external resources.

Accordingly, this caption refers to development projects carried out internally by group companies, which are capitalized in intangible assets. The measurement is made at cost and includes materials, direct labour and manufacturing overheads allocated based on normal production capacity.

r) Employee benefits

There are no post-employment benefits attributed.



According to the labour legislation in force, employees are entitled to holiday pay and subsidy in the year following that in which the service is provided. Consequently, an accrual for this amount was recognized in profit and loss with a counterpart in "Other payables".

The distribution of profits to employees is recognized in "Personnel expenses" in the year to which it relates and not as a distribution of results, when applicable.

The company should recognize a liability and a termination benefit expense at the earliest of the following dates:

- a) When the company can no longer withdraw the offer of such benefits; and
- b) When the entity recognizes the costs of a restructuring which falls within the scope of NCRF 21 and entails the payment of termination benefits.

s) Subsidies and other public entity grants

The benefit of a loan from a public entity with an interest rate lower than the market rate is treated as a public entity grant. The loan must be recognized and measured in accordance with NCRF 27. The benefit of the below-market interest rate should be determined as the difference between the initial carrying amount of the loan determined in accordance with NCRF 27 and the amount received. The benefit shall be accounted for in accordance with this Standard. The entity shall consider the conditions and obligations that were, or should be, met in identifying the expenditure that the benefit of the loan is intended to offset.

s1) Operating subsidies

Operating subsidies comprise non-reimbursable subsidies that do not relate to assets.

The operating subsidies are recognized when there is reasonable assurance that the company complies / will comply with all the attached conditions and that the subsidy will be received.

Operating subsidies are recognized in the same period as the expenses the grants are intended to compensate.

s2) Investment subsidies

Please refer to Note (I.5).

t) Interest and similar expenses

Financing expenses are recognized in the income statement in the period to which they relate and include:

- Interest paid on loans and borrowings determined using the effective interest rate method;
- Interest of financial instruments related to the hedging of interest rate risk (Swap).

Financial expenses attributable to the acquisition, construction or production of property, plant and equipment and intangible assets are capitalized as part of the cost of the asset. The capitalization of these expenses begins after the start of preparation of the construction or development of the asset and stops at the end of the production or construction of the asset or when the project in question is suspended.

u) Derivative financial instruments and hedge accounting

The effective portions of derivatives are considered hedging instruments when designated as such and in respect of which the entity expects that changes in the fair value or cash flows of hedged items, attributable to the risk being hedged, will offset the changes in the fair value or cash flows attributable to the hedging instrument.

In the absence of detailed guidelines in NCRF 27 – Financial instruments to test and document hedging effectiveness, the entities included in the consolidation follow the provisions of IAS 39 – Financial instruments.

Changes in the fair value of derivatives hedging fixed interest rate, exchange rate and commodity price risks as well as the changes in fair value of the asset or liability subject to that risk, are recognized in the income statement in the caption “Fair value adjustments”.

Changes in the fair value of hedging instruments of interest rate variability, exchange rate risk, commodity price risk in the scope of a commitment or a high probability of a future transaction are recognized in equity in the caption “Adjustments in financial assets” in their effective component and in results under “Fair value adjustments” in their non-effective component. The amounts recorded in the caption “Adjustments in financial assets” are transferred to profit and loss to the caption “Fair value adjustments” in the period in which the hedged item affects the results.

The non-effective component of those changes is recognized immediately in results. The company chooses to hedge through the contracting of financing in foreign currency.

Hedge accounting is discontinued when the hedging instrument expires, is sold, terminated or exercised or the hedge no longer meets the criteria for hedge accounting as prescribed in NCRF 27 – Financial instruments on the terms detailed in IAS 39 – Financial instruments.

The effective portion of the hedging instruments are presented as “Other financial assets” or “Loans and borrowings” depending on their debit or credit nature, respectively, and are presented as non-current or current following the same presentation of the hedged item they refer to in the balance sheet.

If applicable, derivative financial instruments not considered as hedging and with a short-term maturity are registered as “Cash and cash equivalents”. As of December 31, 2023, there are no financial instruments in these conditions.

v) Contingent assets and liabilities

A contingent asset is a possible asset that arises from past events and which existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

However, a contingent asset is disclosed, when an inflow of economic benefits is probable.

A contingent liability is:

- A possible obligation arising from past events which existence will only be confirmed by the occurrence or not of one or more uncertain future events not wholly under the control of the entity,
- or
- A present obligation arising from past events but not recognized because:
- An outflow of resources is not likely to be required to settle the obligation,
- or
- The amount of the obligation cannot be reliably measured.

Contingent liabilities are not recognized in the financial statements so as not to result in the recognition of expenses that may never become effective.

However, they are disclosed whenever there is a likelihood of future outflows that are not remote.

w) Eventos subsequentes

Events that occur between the end of the reporting period and the date when the financial statements are authorized for issue are considered in the consolidated financial statements if those events provide evidence of conditions that existed at the end of the reporting period. Those events that are indicative of conditions that arose after the reporting period are disclosed in the Notes to the financial statements, if material.

x) Non-current assets and associated liabilities held for sale

This caption includes non-current assets which carrying amount is recovered mainly through a sale transaction instead of through continued use and which satisfy the following conditions:

- They are available for immediate sale in their present condition, subject only to terms that are usual and customary for the sale of such assets (or disposal groups); and
- Their sale is highly probable. This is:

- The appropriate management hierarchy is committed to a plan to sell the asset (or disposal group);
- A program has been started to locate a buyer and complete the plan;
- The asset (or disposal group) has been widely advertised for sale at a price that is reasonable in relation to its current fair value;
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification.

3.2. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as described in Note 6.

Associates are recognized and measured according to the criteria described in paragraph 3.1. (e).

The Group prepares consolidated financial statements comprising the financial statements of the parent company and its subsidiaries in accordance with article 6 of Decree-Law 158/2009, of July 15, which approved the SNC. Subsidiaries are those entities where:

Regardless of ownership of capital, it is verified that, alternatively, the Group is entitled to:

- exercise, or exercises, a dominant influence or control;
- exercise the management as the two were a single entity.

Being the owner of capital, it has:

- The majority of the voting rights, unless it is demonstrated that those right do not confer the control;
- The power to appoint or remove the majority of the members of the management body of the entity that has powers to manage the financial and operating policies of that entity;
- Exercises a dominant influence over the entity, by way of an agreement celebrated with same or of a clause of the articles of association of same;
- At least 20% of the voting rights and the majority of members of management body of the entity that has powers to manage the financial and operating policies of that entity, have been in office during the financial year to which the financial statements relate to as well as during the previous year and until the date when the financial statements are prepared, were exclusively appointed in consequence of the exercise of its voting rights
- The majority of the voting rights by itself or by virtue of an agreement with other shareholders of this entity.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether control exists.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-group balances, unrealized gains and losses resulting from intra-group transactions are eliminated in full.

Non-controlling interests are presented separately.

Each subsidiary acquisition is accounted for applying the purchase method. The cost of an acquisition is the aggregate of the fair values, at the date of exchange, of assets delivered, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree; plus any costs directly attributable to the acquisition.

Goodwill is initially measured at cost, this being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, over the net identifiable assets and contingent liabilities acquired. If the acquisition cost is lower than the fair value of the net assets of the acquired subsidiary, the difference is recognized directly in the income statement in the year it is determined, after reassessing the process of identifying and measuring the fair value of the net assets and contingent liabilities.

In the consolidation process, transactions, balances and unrealized gains on intra-group transactions and dividends distributed between group companies are eliminated. Unrealized losses are also eliminated unless the transaction reveals evidence of impairment of the transferred assets not yet sold.

The accounting policies used by subsidiaries in the preparation of their individual financial statements are changed, whenever necessary, to ensure consistency with the policies adopted by the Group.

NCRF 25 — Income taxes apply to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

The equity and net income of subsidiaries that are held by third parties unrelated to the Group are presented under the captions "Minority interests" in the consolidated balance sheet (in a separate component of equity) and in the consolidated income statement, respectively. At the date of each business combination, the amounts attributable to minority interests are determined by applying the percentage interest held by them to the fair value of the identifiable net assets and contingent liabilities acquired.

When losses attributable to minority shareholders exceed their interest in the equity of the subsidiary, the Group absorbs this excess and any additional losses, except when the minority shareholders have an obligation to and can cover such losses. If, and when, the subsidiary reports profits, the Group appropriates all the profits, until the minority's share of losses absorbed by the Group has been recovered.

An entity being subject to the SNC is required to prepare consolidated financial statements in Euro regardless of the fact that the functional currency of some group companies is not the Euro.

There have been no changes in the functional currency either with respect to the parent company or with respect to each of the significant foreign operating units.

3.3. Significant judgments, estimates and assumptions used in the preparation of the financial statements:

In the preparation of the financial statements in accordance with the SNC, the Board of Directors of the Group uses judgments, estimates and assumptions that affect the application of the reported accounting principles and amounts.

The estimates and judgments are continuously assessed and are based on the knowledge of past events and other factors, including expectations concerning future events which are deemed to be probable considering the circumstances on which the estimates were based on or as a result of information or knowledge obtained.

The real effects may differ from the judgments and estimates that were made, namely those concerning the impact in income and expenses that may actually occur. In this context, the following aspects should be pointed out:

a) Recognition of licensing-out revenue

Licensing agreements are complex, involve multiple elements and usually include:

- Non-refundable revenue;
- Additional revenue conditioned by uncertain events (“milestones”);
- Royalties;
- Price determination for future raw material or finished product supplies.

To fully recognize the licensing revenue upon receipt, the company evaluates whether the delivered good has a “standalone value” for the buyer. This evaluation requires extensive judgment, addressing some issues, such as: the third-party experience and capacity to develop the commercialization without BIAL’s services and/or if there are other R&D suppliers that can provide the additional development services.

For a particular event to be considered a “milestone” event, it must have some uncertainty associated with its occurrence and be dependent on the entity’s performance or on a particular outcome arising from the entity’s performance, and it must also give rise to the right to receive additional payments. These payments must meet the following criteria:

- They are related to the entity’s performance to achieve the milestone

or with the value added to the product delivered as a consequence of the milestone achievement;

- They are exclusively related to past events; and
- They are reasonable when compared to all the payments and the remaining deliveries referred in the agreement.

Thus, an exhaustive analysis of each of the “multiple elements” referred in the licensing agreements and of the contract as a whole is needed to define the appropriate values of revenue to allocate to each of the “elements” identified.

b) Development projects

Development costs are capitalized in accordance with the accounting policy described in Note 3.1.d). The initial capitalization of the cost is based on Management’s judgment that the technical and economic feasibility is confirmed, usually when a development project has achieved an objective in accordance with the model established by Management (usually on entering Phase III). In determining the amounts to be capitalized, Management makes assumptions about the expected future cash flows that the project will generate, the applicable discount rates and the period of expected economic benefits.

Zebinix - the first internally developed drug by a Portuguese company to ever be commercialized - received the approval from the European authorities in February 2009, ratified by the European Commission in April 2009, and started being commercialized in October 2009 (April 2010 in Portugal). It is currently sold in Europe.

BIAL’s antiepileptic was approved, in November 2013, by the regulator of the pharmaceutical market in the U.S., the Food and Drug Administration (FDA), with its commercialization having started in the United States in April 2014, under the brand Aptiom.

The initial approval obtained for commercialization in Europe is intended for the use of Zebinix in refractory patients, as adjuvant, that is, Zebinix is prescribed to patients who use another drug to treat epilepsy, having subsequently been approved for use in monotherapy per the approval obtained in 2017. It is also used in Paediatrics since 2017. The initial approval obtained for commercialization in the U.S. for Aptiom covers the use in refractory patients, as adjuvant, having subsequently been approved for use in monotherapy per the approval obtained in 2015.

The new medicine for Parkinson’s disease (opicapone) has been licensed to Japan since 2012, having been licensed to the U.S. in 2017.

The beginning of its marketing in Europe occurred in 2016. In 2020, commercialization began in the U.S., Japan, South Korea, Taiwan and Switzerland.

In 2020, several intangible assets related to research projects in the area of

Parkinson's disease (BIA 28) were acquired, including intellectual property rights over these.

In recent years, R&D activities for BIA28 have continued and, at present, it is the project with the largest capital allocation.

As a result of the strategy of becoming a European partner in the field of neurosciences, in 2022 BIAL signed an exclusive licensing agreement with U.S. drugmaker Sunovion Pharmaceuticals Inc. (Sunovion), a subsidiary of Sumitomo Dainippon Pharma Co., Ltd., for the marketing of sublingual apomorphine film in the European Union, European Economic Area and the United Kingdom.

Sublingual apomorphine is a new formulation of apomorphine in film that dissolves under the tongue for acute and intermittent treatment of the OFF periods of Parkinson's disease.

Under the agreement established, BIAL will be responsible for the regulatory approval and submission process, including interactions with the European Medicines Agency. BIAL started its commercialization in 2024, in Germany.

As part of the agreement, Sunovion received an initial payment for the granting of the license, with future payments following the approval process and the marketing of this medicine, associated with sales volumes.

c) Useful lives of tangible fixed assets and intangible assets

The useful life of an asset is the period during which the company expects that the asset will be available for use and should be revised at least at the end of each financial year.

The applicable depreciation / amortization method and the estimated losses arising from the replacement of equipment before the end of its useful life on the grounds of technological obsolescence, are essential to determine the effective useful life of an asset.

These parameters are defined in accordance with Management's best estimate for the assets and business in question, also considering the practices adopted by companies in the same industries in which the Group operates. See point 3.1.a) regarding the change in the useful lives of fixed assets.

In the specific case of the development projects, the useful life exceeds the patents' term of protection, having considered the historic information that exists within the industry regarding similar medicines and the generics market's penetration to estimate the useful life.

The Board of Directors believes that the 20-year useful life assigned to Aptiom/Zebinix and Ongentys is a prudent estimate, in the sense that their commercialization is expected to continue into the 2030s.

According to the changes to the accounting regulations (see Note 2), the

company started to amortize goodwill as from 2016 for a period of 10 years.

d) Deferred tax assets

Deferred tax assets are recognized for all available tax losses and tax credits to the extent that it is likely that there will be taxable income against which the losses and tax credits may be offset.

Regarding the tax credits related to R&D, Management needs to make judgments in calculating the amount of deferred tax assets which may be recognized, considering:

- The period and probable amounts of future taxable income; and
- Future tax planning strategies.

The recovery of deferred taxes is based on the sales forecast of Aptiom/Zebinix, the obtaining of new revenues under the licensing agreements for the new drug for Parkinson's disease for U.S., Japan and the rest of the world, the forecast of sales / milestones of BIA 28, as well as the revision of the relationship between different companies in the Group and the sharing of expenses and income between them.

e) Impairment of non-financial assets

Impairment occurs when the book value of an asset or of a cash generating unit exceeds its recoverable value which is the higher between the fair value, less the costs to sell it, and its value in use.

The calculation of the fair value, less the costs to sell it, is based on information of contracts already signed of transactions of similar assets, with entities in which there is no relationship between them, or known market prices, net of incremental costs to sell the asset.

The value in use is calculated based on the discounted cash flow model, which is based on a budget which does not include restructuring activities, for which there are still no commitments or major future investments, intended to improve future economic benefits which will result from the cash generating unit being tested.

The most sensitive variables of the impairment test concerning intangible assets (development projects) are:

- Patent protection period;
- Expected licensing revenue;
- Market share by country;
- Approved prices by country.

f) Imparidade das contas a receber

The credit risk of accounts receivable balances is assessed at each year end, considering the historical information of the debtor and risk profile, as described in paragraph 3.1.

Accounts receivable are adjusted by the assessment carried out of the estimated collection risks at the balance sheet date, which may differ from the effective risk to be incurred in the future.

g) Provisions

The recognition of provisions has inherent therein the determination of the probability of future outflows and their reliable measurement.

These factors are very often dependent on future events and are not always under the control of Management, meaning that they may lead to major future adjustments, either as a result of changes in the assumption used or by the future recognition of provisions previously considered as contingent liabilities.

4. Cash flows

For the cash flow statement, cash and cash equivalents comprise the following:

Description	2024	2023
Cash	49.932	59.418
Bank deposits – on demand	54.381.452	72.078.164
Bank deposits – term deposits	990.238	937.551
Bank deposits and cash presented on the balance sheet	55.421.622	73.075.133
Cash and cash equivalents	55.421.622	73.075.133

The Group has several unused overdraft accounts, in the amount of €28.9 M, with the amount being fully available for use.

5. Accounting policies, changes in accounting estimates and errors

There are no changes to the accounting estimates, which would affect the current period or future ones.

There are no material errors from previous periods.

6. Companies included in the consolidation

The financial statements comprise the following companies, all directly or indirectly owned by BIAL-Holding, S.A.:

Company:	Registered Office:	Share Capital	% owned by the Group
BIAL - Portela & C ^a , S.A.	Trofa	EUR 50 000 000	100%
MediBIAL, S.A.	Trofa	EUR 50 000	100%
BIALport, S.A.	Trofa	EUR 50 000	100%
InterBIAL, S.A.	Trofa	EUR 50 000	100%
BIAL Consumer Health, S.A..	Trofa	EUR 50 000	100%
Novipharma, S.A.	Nyon	CHF 111 100	90%
Laboratorios BIAL, S.A.	Madrid	EUR 60 200	99.94%
BIAL Angola, S.A.	Luanda	USD 20 000	100%
BIAL América Latina, S.A.	Panamá	USD 10 000	100%
BIAL Pharma UK Limited	Windsor	GBP 100 000	100%
BIAL Deutschland GmbH	Mörfelden-Walldorf	EUR 25 000	100%
BIAL Italia S.R.L	Milão	EUR 25 000	100%
BIAL, S.A.	Nyon	CHF 100 000	100%
BIAL - R&D INVESTMENTS, S.A.	Trofa	EUR 8 000 000	100%
BIAL - BIOTECH INVESTMENTS INC	Cambridge (USA)	USD 2 000 000	100%

7. Companies not included in the consolidation

Todas as empresas do Grupo foram incluídas na consolidação integral.

8. Goodwill

Goodwill can be detailed as follows:

	ACQUISITION DATE	2024	2023
BIAL - Portela & C ^a , S.A.	2001-2003	1.698.137	3.396.275

The goodwill of BIAL - Portela & C^a, S.A. is amortized over ten years, starting in 2016.

9. Changes in the consolidation perimeter

During the year ended December 31, 2024, 100% of the share capital of Medimport, Lda. was sold (Note 29).

10. Income taxes

Deferred taxes	Base	Assets	Liabilities	Net effect
As of December 31, 2023				
Free revaluation of land – Portugal	-6.583.250		1.477.472	-1.477.472
Adjustments and Provisions – Portugal (b)	24.317.924	5.471.531		5.471.531
Taxable temporary differences – Spain		1.673.512	220.225	1.453.287
Taxable temporary differences – Italy	771.449	200.228		200.228
Taxable temporary differences – Switzerland	358.302	49.446		49.446
Tax. temp. diffs. - Italy/Spain/Switzerland (c)	19.057.500	4.287.938		4.287.938
Tax credits – Italy		1.215.253		1.215.253
Taxable temporary differences – Medimport	1.315.506	492.293	71.331	420.962
Taxable temporary differences – BIAL UK	-2.467		1.349	-1.349
Tax credits – Portugal (a)	45.880.704	45.880.704		45.880.704
		59.270.905	1.770.378	57.500.527
Recorded in the year, net				
Impact on P&L				
Adjustments and Provisions – Portugal (b)	-11.870.666	-2.829.854		-2.829.854
Taxable temporary differences – Spain	541.616	25.293	-110.111	135.404
Taxable temporary differences – Italy	68.228	16.375		16.375
Taxable temporary differences – Switzerland	37.269	5.143		5.143
Tax. temp. diffs. - Italy/Spain/Switzerland (c)	-1.315.000	-473.300		-473.300
Tax credits - Italy		-110.933		-110.933
Taxable temporary differences – BIAL UK	-2.072		-394	394
Tax credits – Portugal (a)	-5.336.017	-5.336.017		-5.336.017
Subtotal (1)		-8.703.294	-110.505	-8.592.789
No impact on P&L				
Free revaluation of land – Portugal	101.793		-101.793	101.793
Sale of Medimport	-1.315.506	-492.293	-71.331	-420.962
Taxable temporary differences – BIAL UK			57	-57
Subtotal (2)		-492.293	-71.274	-421.019
Total (1)+(2)		-9.195.588	-181.780	-9.013.808
As of December 31, 2024				
Free revaluation of land – Portugal	-6.481.457		1.375.679	-1.375.679
Adjustments and Provisions – Portugal (b)	12.447.258	2.641.676		2.641.676
Taxable temporary differences – Spain		1.698.805	110.114	1.588.691
Taxable temporary differences – Italy	839.677	216.602		216.602
Taxable temporary differences – Switzerland	395.572	54.589		54.589
Tax. temp. diffs. - Italy/Spain/Switzerland (c)	17.742.500	3.814.638		3.814.638
Tax credits - Italy		1.104.320		1.104.320
Taxable temporary differences – Medimport	0	0	0	0
Taxable temporary differences – BIAL UK	-4.539		1.012	-1.012
Tax credits – Portugal (a)		40.544.687		40.544.687
		50.075.317	1.486.805	48.588.513

(a) Regarding the Portuguese tax credits, the amount of tax losses was reduced due to the use in the year and the use of the tax credit resulting from international economic double taxation. Additionally, €2.7 M was derecognized in respect of SIFIDE, as matter of prudence, considering taxable income projections.

(b) The most significant reduction results from the reversal of the impairment loss relating to the amount receivable from Neurocrine. Additionally, impairment was recorded in respect of the BIA26, BIA32 and Polipres and Doxylamin development projects, as well as of other accounts receivable, inventories and provisions.

(c) Consists of deferred taxes generated by BIAL Portela's licensing of the drug Ongentys to the Spanish, Italian and Swiss subsidiaries.

Income tax and current tax reconciliation		Amount
Current tax:		
Pre-tax income		33.678.898
Permanent differences		949.248
Temporary differences		-13.381.800
Taxable income		21.246.346
Rate of income tax in Portugal		21%
Other (different bases)		10%-32%
	Taxable income	2.162.595
Autonomous taxation and municipal surcharge		1.032.231
	(I) Current tax	3.194.826
Deferred tax:		
Effect of deferred taxes in the period		8.592.789
	(II) Deferred tax	8.592.789
	Income tax (I) + (II)	11.787.615

Deferred tax assets are only recognized to the extent that it is probable that future taxable income will be available against which the unused tax losses and unused tax credits can be utilized. Deferred tax assets are reassessed at every year end and reduced when it is no longer probable that they can be used.

The tax credits of the Group Companies, in Portugal, and their expiration dates are as follows (amounts in Euros thousand):

DESCRIPTION	YEAR	AMOUNT	EXPIRATION DATE
SIFIDE	2015	8 558	2025
SIFIDE	2016	7 958	2026
SIFIDE	2017	7 362	2027
SIFIDE	2018	9 485	2028
SIFIDE	2019	6 854	2029
SIFIDE	2020	5 441	2029
SIFIDE	2021	7 751	2029
SIFIDE (*)	2022	5 382	2030
SIFIDE (*)	2023	5 023	2031
TOTAL		63 814	

*SIFIDE estimated.



Regarding the year 2024, the SIFIDE application is still under analysis.

As of December 2024, there are tax credits (SIFIDE) available, in the amount of €63.8 M, which correspond to potential deferred tax assets in the same amount. However, deferred tax assets were only recognized in the amount of €39.3 M, considering projections of future tax income up to the expiration date of the tax credits (conservative scenario). In addition to the tax credits related to SIFIDE in Portugal, deferred tax assets associated with tax losses of BIAL - R&D INVESTMENTS, S.A., in the amount of €1.2 M, were recognized.

According to current legislation, in Portugal, tax returns are subject to review and correction by the tax authorities for a period of four years, six years in the case of tax losses and the use of tax credits (five years for Social Security).

Therefore, the Group's tax returns for the years 2019 to 2024 may still be subject to review, although the company considers that any corrections resulting from tax reviews of those tax returns should not have a significant effect on the financial statements as of December 31, 2024.

11. Trade receivables

	2024	2023
Portuguese subsidiaries:		
Retailers	556.913	3.326.763
Laboratories	3.016.898	4.972.479
Foreign clients	24.847.162	27.841.174
Other	37.062	76.493
	28.458.034	36.216.910
Foreign subsidiaries:		
Clients in Spain	6.341.598	7.764.102
Clients in Angola	588.646	869.060
Clients in Mozambique	0	1.816.026
Clients in Italy	2.058.954	2.075.418
Clients in Switzerland	463.542	409.190
Clients – Novipharma	84.117	6.607.262
Total without impairment	37.994.890	55.757.968
Total	36.451.246	45.587.411

The Group has two non-recourse factoring contracts, under which €13.7 M was advanced (2023: €18.7 M€). A global impairment of €1,543,644 has been recognized, of which €1,345,723 originates from subsidiaries located in Portugal, €190,562 from the subsidiary located in Angola and €7,359

from the Italian subsidiary. In 2023, the global impairment amounted to €10,170,556, which included €8.6 M relating to the amount receivable from Neurocrine, which was reversed in 2024 – **Nota 19**.

12. Investments

The movement in the caption “Investments” can be detailed as follows:

a) Gross amount

2024					
DESCRIPTION	OPENING BALANCE	INCREASES	MEDIMPORT DISPOSAL	TRANS. AND WRITE OFFS	CLOSING BALANCE
TANGIBLE FIXED ASSETS					
Land and natural resources	12.358.625	0		0	12.358.625
Buildings and other constructions	35.752.162	171.636	-31.555	7.476.604	43.368.847
Basic equipment	43.045.695	939.231	-20.585	3.167.889	47.132.231
Transport equipment	955.425	0	-596.541	-12.918	345.966
Office equipment	13.667.955	213.919	-121.840	-853	13.759.180
Other tangible fixed assets	1.824.949	50.386	-34.047	-18.730	1.822.557
Tangible fixed assets in progress	11.140.545	1.746.651		-11.111.598	1.775.598
Advances to suppliers of fixed assets	632.551	230.214		-701.182	161.583
	119.377.907	3.352.037	-804.568	-1.200.788	120.724.588
INTANGIBLE ASSETS					
Development projects	350.108.758	217.580		0	350.326.338
Industrial property	48.682.528	917.153		8.188.289	57.787.970
Other intangible assets	3.291.917	271.846	-358.365	1.363.575	4.568.974
Intangible assets in progress	23.481.282	1.632.336		-8.470.364	16.643.254
Goodwill	16.981.372	0		0	16.981.372
	442.545.857	3.038.915	-358.365	1.081.501	446.307.907
FINANCIAL INVESTMENTS					
Holdings in other companies	114.820	0		0	114.820
Other financial investments	448.348	0		-323.828	124.520
	563.168	0	0	-323.828	239.340
TOTAIS	562.486.932	6.390.953	-1.162.934	-443.116	567.271.835

In 2024, sublingual apomorphine began to be sold in Germany (see Note 3), which is why the investment of €8 M was reclassified from Intangible assets in progress to Industrial property, and its amortization began in accordance with the period of the contract signed with Kynmobi's licensor.

Capital holdings in other companies comprise the following investments:

- €24,940 in the Institute of Experimental and Technological Biology (IBET);
- €49,880 in the Porto Management School (EGP), currently Porto Business School;
- €15,000 in COTEC Portugal;
- €25,000 in AEP Foundation.

The decrease in “Other financial investments” is due to the redemption of funds related to the Labour Compensation Fund, in accordance with current legislation.

2023				
DESCRIPTION	OPENING BALANCE	INCREASES	TRANS. AND WRITE OFFS	CLOSING BALANCE
TANGIBLE FIXED ASSETS				
Land and natural resources	12.406.207	0	-47.582	12.358.625
Buildings and other constructions	34.844.744	780.656	126.761	35.752.162
Basic equipment	42.465.727	392.179	187.789	43.045.695
Transport equipment	1.141.861	10.721	-197.158	955.425
Office equipment	13.216.986	277.160	173.809	13.667.955
Other tangible fixed assets	1.713.960	113.065	-2.076	1.824.949
Tangible fixed assets in progress	7.544.039	4.889.343	-1.292.837	11.140.545
Advances to suppliers of fixed assets	3.049.558	1.112.015	-3.529.022	632.551
	116.383.083	7.575.140	-4.580.315	119.377.907
INTANGIBLE ASSETS				
Development projects	349.890.071	218.687	0	350.108.758
Industrial property	47.649.942	976.586	56.000	48.682.528
Other intangible assets	1.000.883	141.953	2.149.081	3.291.917
Intangible assets in progress	9.441.871	14.099.022	-59.610	23.481.282
Goodwill	16.981.372	0	0	16.981.372
	424.964.138	15.436.247	2.145.471	442.545.857
INVESTIMENTOS FINANCEIROS				
Partes de capital em outras empresas	114.820	0	0	114.820
Outras aplicações financeiras	701.835	62.999	-316.485	448.348
	816.655	62.999	-316.485	563.168
TOTAIS	542.163.876	23.074.385	-2.751.329	562.486.932

b) Depreciation and amortization

2024					
DESCRIPTION	OPENING BALANCE	INCREASES	Medimport DISPOSAL	TRANSFERS AND WRITE- OFFS	CLOSING BALANCE
TANGIBLE FIXED ASSETS					
Land and natural resources					
Buildings and other constructions	18.219.276	1.050.061	-35.663	-312	19.233.362
Basic equipment	24.684.060	1.607.493	-98.081	-69.903	26.123.570
Transport equipment	710.386	61.357	-449.559	-90.128	232.056
Office equipment	11.340.479	1.362.212		-15.590	12.687.101
Other tangible fixed assets	1.535.292	23.610	-29.850	-4.872	1.524.180
	56.489.493	4.104.733	-613.153	-180.805	59.800.269
INTANGIBLE ASSETS					
Development projects	204.378.845	21.160.024			225.538.869
Industrial property	43.748.924	2.645.151		-101.994	46.292.081
Other intangible assets	762.355	57.129	-259.655	-49.075	510.754
Goodwill	13.585.097	1.698.137			15.283.235
	262.475.221	25.560.441	-259.655	-151.069	287.624.938
TOTAL	318.964.714	29.665.174	-872.808	-331.874	347.425.207

The caption “Development projects” includes the annual amortization of the Zebinix drug development project for the adjuvant antiepileptic therapeutic areas, “monotherapy” and paediatrics (€5,379,628, €7,339,879 and €2,146,461, respectively), whose commercialization began in 2009, 2015 and 2017, respectively, as well as the annual amortization of the project to develop the drug Ongentys for Parkinson’s disease (€3,969,629), whose commercialization began in 2016.

2023				
DESCRIPTION	OPENING BALANCE	INCREASES	TRANS. AND WRITE OFFS	CLOSING BALANCE
ATIVOS FIXOS TANGÍVEIS				
Land and natural resources	0	0	0	0
Buildings and other constructions	17.742.496	723.235	-246.455	18.219.276
Basic equipment	25.055.014	1.477.418	-1.848.372	24.684.060
Transport equipment	760.928	1.722	-52.264	710.386
Office equipment	10.713.370	645.827	-18.718	11.340.479
Other tangible fixed assets	1.515.496	22.190	-2.394	1.535.292
	55.787.303	2.870.393	-2.168.203	56.489.493
INTANGIBLE ASSETS				
Development projects				
Industrial property	183.238.990	21.139.855	0	204.378.845
Other intangible assets	41.415.476	2.333.447	0	43.748.924
Goodwill	723.239	39.116	0	762.355
	11.886.960	1.698.137	0	13.585.097
TOTALS	237.264.665	25.210.556	0	262.475.221
	293.051.968	28.080.949	-2.168.203	318.964.714

c) Impairment

DESCRIPTION	IMPAIRMENT	INCREASES	REVERSALS	TOTAL
Development projects – Bia 2	11.376.342	0	2.275.268	9.101.074
Other	2.419.255	587.490	150.501	2.856.244
TOTAL	13.795.597	587.490	2.425.769	11.957.318

Impairment losses of €4,640,876 and €4,460,198 were recorded, respectively, relating to the BIA2 development project in the areas of neuropathic pain diabetic neuralgia and of neuropathic pain post-herpetic neuralgia, which correspond to the total cost of the investment, net of amortization.

Impairment losses were also recorded for the BIA12, BIA19 and BIA 25 projects, among others that BIAL decided to discontinue, which amounted to €2,856,244 in 2024.

The impairment of intangible assets is tested annually. Given that these assets do not generate cash flows autonomously, they are allocated to the Cash Generating Units (CGU) to which they belong in order to determine their respective value in use.

The value in use of the intangible asset is determined using cash flow projections, which consider revenue from the sale of medicines and revenue from “milestones”, net of the associated development expenses.



The calculation of the discounted value (“Discounted Cash-Flows” method) is especially sensitive to the following variables:

- Market share during the budget period;
- Gross margin;
- Growth rate;
- Useful life period;
- Discount rates – 8.8% (considering, in particular, that intangible assets have a higher associated risk).

The value in use of tangible assets is determined, when there are signs of impairment, using cash flow projections from budgets for three years approved by management and do not take into account possible restructuring activities for which there is not yet any commitment or significant future investments aimed at improving the future economic benefits that will arise from the CGU that is being tested.

The test results indicate that the recoverable value of the assets is well above the book value.

The way of aggregating assets to identify cash generating units has not changed since the last financial year.

13. Assets held by third parties

a) Assets held by third parties

The value of the stocks held by third parties belonging to BIAL Portela, on 2024.12.31, amounts to €11,400,044 (€6,425,809 in 2023) consisting essentially of raw materials for the production of Zebinix/Aptiom and ON-gentys, by companies subcontracted for this purpose.

b) Inventories

As of December 31, 2024, the inventory account is detailed as follows:

2024			
	Gross Amount	Impairment (note 19)	Total
Goods	13.128.723	-669.761	12.458.962
Raw, subsidiary and consumable materials	99.714.246	-504.655	99.209.591
Products and work in progress	3.735.784	-1.070.499	2.665.285
Finished and intermediate products	9.969.172	-284.581	9.684.592
TOTAL	126.547.925	-2.529.496	124.018.429

2023			
	Gross Amount	Impairment (note 19)	Total
Goods	15.497.128	-480.836	15.016.291
Raw, subsidiary and consumable materials	96.126.149	-2.704.723	93.421.426
Products and work in progress	4.872.988	-485.816	4.387.172
Finished and intermediate products	10.520.791	-9.696	10.511.094
TOTAL	127.017.055	-3.681.072	123.335.983

14. Other receivables and other payables

a) Assets

	2024	2023
Other receivables	20.228.926	25.356.271
Long term	20.228.926	25.356.271
Advances to suppliers	7.421.553	9.154.199
Security deposit – BIAL Itália	2.527.564	2.527.564
Other	7.038.499	6.965.218
Short term without impairment	16.987.617	18.646.981

An impairment of €6,150 (2023: €34,108) has been recognized, see Note 19.

In order to ensure Ongentys' commercial expansion plan, the subsidiary Novipharma signed a contract to guarantee the production of raw materials, in line with the growth foreseen in the strategic plan. This agreement justifies the amount recorded in other receivables, with €20.2 M (2023: €25.4 M) classified as "Long term" (amount proportional to the supply of raw materials after 2025) and €4.4 M (2023: €3.9 M) classified as "Short term", included in the "Other" line.

The security deposit – BIAL Itália concerns the captive amount for possible non-compliances within the scope of hospital tenders.

b) Liabilities

Inclui, no médio e longo prazo, € 4 951 853 de impostos diferidos passivos sobre subsídios, em conformidade com FAQ emitida pela CNC.

15. State and other public entities

	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Corporate tax	2.836.843	-48.602	1.510.858	-1.584.063
Personal income tax	0	-1.115.139	0	-888.109
Value added tax	2.019.215	-786.186	1.640.248	-836.014
Social Security	0	-1.136.774	0	-1.037.677
Other taxes	0	-111.874	2.653	-63.978
TOTAL	4.856.058	-3.198.576	3.153.759	-4.409.841

There are no overdue debts to the State or to Social Security.

16. Deferrals and accruals

a) Assets

	2024	2023
Revenue accruals	9.319.333	5.456.328
Deferred costs	3.810.847	3.095.241

The balance of other assets (revenue accruals) includes funds receivable from Portugal 2020 relating to financial contributions to research and development projects of €4.2 M (2023: €4.2 M), revenue accruals for fees relating to the promotion of medicines in 2024, in the amount of €1.9 M, for third party entities (2023: €1.3 M), as well as €3.2 M relating to price reconciliation adjustments in 2024.

In the Deferred costs caption, amounts already paid but relating to the 2025 financial year are recorded.

b) Liabilities

The caption "Other liabilities" can be detailed as follows:

	2024	2023
Provision for holiday pay and subsidy	10.484.826	10.083.961
Interest accrued	1.942.192	1.546.220
Other	17.949.140	16.756.387
TOTAL	30.376.158	28.386.568

The balance of the caption "Other" essentially corresponds to:

- Documents dated 2025 relating to expenses incurred in 2024 to talling €5.0 M (€0.9 M in BIAL Portela, €3.1 M in BIAL Spain, €0.3M in BIAL R&D, €0.7 in Novipharma);

- amounts relating to sick funds* and pharmaceutical fees, around €3.8 M (2023: €3.4 M), as well as the amount payable in connection with the sales of products licensed by third parties (in-licensing) of €6.1 M (2023: €4.2 M).

* Discounts agreed with entities that ensure easier and more economical access to Zebinix for the user.

17. Loans and borrowings

	Medium / long term 2024	Short term 2024	TOTAL 2024	TOTAL 2023
Financiamentos bancários	10.416.667	11.361.129	21.777.796	82.154.236
Empréstimo obrigacionista	81.428.571	4.285.714	85.714.286	90.000.000
Subsídios reembolsáveis	9.118.937	297.538	9.416.475	9.106.132
TOTAL	100.964.176	15.944.382	116.908.557	181.260.368

The bond debt, with a global amount of €85.7 M, has a short-term maturity of €4,285,714 and a medium-/long-term maturity of €81,428,571.

Regarding bank loans, the debt is broken down into €11,361,129 in loans and commercial paper line, maturing in 2025, and €10,416,667 in loans, maturing in 2027.

The Group closes 2024 with individual and/or grouped commercial paper programs, unused, in a total amount of €105,000,000. In addition to these lines, the Group also has bank overdraft facilities in the amount of €28.9 M negotiated with several financial institutions, unused at the end of the year.

Guarantees:

- There are no other guarantees provided by BIAL, other than those referred to in Note 34.

Other conditions:

- *Ownership, Pari Passu, Cross-Default and Negative pledge;*
- Non-compliance with contractually defined conditions, defined bank by bank, constitute grounds for terminating the financing contracts.

18. Fixed assets suppliers

Current suppliers – corresponds mainly to raw material suppliers and R&D service providers.

19. Provisions and impairments

	Opening balance	Increases	Medimport disposal	Exchange rate update	Reversals	Closing balance
Provisions for client returns – Spain	452.036	0	0	0	47.118	404.918
Provisions for client returns – Portugal	540.780	0	0	0	75.823	464.957
Other provisions - Portugal	1.248.378	158.798	0	0	1.248.378	158.798
Subtotal	2.241.194	158.798	0	0	1.371.319	1.028.673
Impairment of inventories – Portugal	3.208.621	1.422.067	0		2.590.430	2.040.257
Impairment of inventories – Spain	472.452	16.788				489.239
Subtotal	3.681.072	1.438.855	0	0	2.590.430	2.529.496
Impairment of trade receivables – Portugal	9.744.977	362.661	0	0	8.761.915	1.345.723
Impairment of trade receivables – Italy	5.393	7.165	0	0	5.199	7.359
Impairment of trade receivables – Mozambique	222.657	40.059	-262.716	0	0	0
Impairment of trade receivables – Angola	197.530	0	0	-6.968	0	190.562
Subtotal	10.170.556	409.886	-262.716	-6.968	8.767.114	1.543.644
Impairment of other debtors – Portugal	34.108	6.150	0	0	34.108	6.150
Subtotal	34.108	6.150	0	0	34.108	6.150
Total	16.126.931	2.013.688	-262.716	-6.968	12.762.972	5.107.964

¹⁾ As a matter of prudence, an impairment loss in the amount of €2.3 M was recorded in 2023, for the value of eslicarbazepine acetate from the supplier Siegfried, the registration process of which was approved in 2024 by the European Medicines Agency, and this impairment in the amount of €1.8 M was thus reversed in 2024.

²⁾ Includes €8.6 M related to the reversal of the Neurocrine impairment. When presenting the income statement, the reversal was offset against the respective expense

20. Sales and services rendered

The consolidated activity of BIAL Group was distributed geographically as follows:

Markets:	2024		2023	
	SALES	SERVICES RENDERED	SALES	SERVICES RENDERED
Spain	83.847.877	550.132	80.388.501	0
Portugal	78.788.508	18.920.672	68.509.075	17.742.351
United States and Canada	47.460.800	17.742.351	70.602.369	14.155.859
Germany		0	75.919.874	11.598.775
Japan	18.999.014	0	18.681.229	0
Italy	15.534.698	4.219.528	2.340.087	0
External (Rest of Europe)	14.764.638	0	13.483.771	0
External (Rest of the World)	8.460.852	12.986	7.809.081	20.188
France	8.307.879	20	6.873.500	535.802
Mozambique	7.594.322	0	7.753.787	2.725
Ivory Coast	7.553.408	252.932	7.262.921	257.229
United Kingdom	5.910.117	0	5.882.488	0
Angola	4.168.672	73.330	3.446.993	163.651
Switzerland	3.029.722	0	4.129.910	0
South Korea	2.354.688	0	1.830.107	0
Australia	1.533.423	0	2.728.045	0
TOTAL	1.117.723		0	0
	309.426.341	24.029.599	307.039.369	30.320.722

The services rendered in the national market are, basically, related to the promotion of medicines that are commercialized by other companies.

21. Operating subsidies

Includes reimbursement of expenses incurred within the scope of Portugal 2020 – research and development projects in new medicines.

22. Cost of goods sold and materials consumed

MOVEMENTS	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS	GOODS	TOTAL	2023
Opening inventories	96.126.149	15.497.128	111.623.277	102.419.171
Purchases	40.017.322	62.022.815	102.040.137	105.402.468
Inventory adjustments	-581.332	-19.809	-601.141	-1.413.210
Closing inventories	-99.714.246	-13.128.723	-112.842.969	111.623.277
Cost of goods sold and materials consumed	35.847.892	64.371.411	100.219.302	94.785.151

23. External supplies and services

	2024	2023
Specialized services - R&D (Note 31)	41.786.152	37.622.051
Advertising	14.422.260	17.000.635
Specialized services	9.278.292	7.392.761
Professional fees	6.094.030	4.727.808
Rental and hires	4.375.259	4.484.188
Travel and accommodation	3.497.970	2.947.321
Subcontracts	3.427.790	955.570
Data base	2.832.557	3.039.531
Medical training	1.741.221	1.009.780
Fuel	1.735.654	1.839.166
Maintenance and repairs	1.528.157	1.385.908
Transport of goods	931.673	1.004.679
Commissions	874.700	964.621
Insurance	679.077	752.244
Electricity	670.945	600.900
Other	2.069.182	1.891.647
TOTAL	95.944.920	87.618.810

The amount of specialized work essentially results from R&D activities.

24. Personnel expenses

	2024	2023
Remuneration of corporate bodies	3.792.327	2.647.430
Remuneration of personnel	52.702.530	52.092.766
Social charges	11.164.253	10.653.550
Termination benefits	1.263.695	2.330.130
Other	2.683.145	2.377.289
TOTAL	71.605.949	70.101.165

The average number of employees in 2024 was 779 (2023: 791).

The number of employees, as of 2024.12.31, of the companies included in the consolidation perimeter is 754 (2023: 782), broken down as follows:

COMPANY:	EMPLOYEES
BIAL Holding, SA	3
BIAL - Portela & C ^a ., S.A.	399
InterBIAL, S.A.	27
BIALport, S.A.	36
BIAL Consumer Health, S.A.	2
BIAL R&D Investments, S.A.	8
Laboratórios BIAL, S.A. (Espanha)	142
BIAL Deutschland GmbH	47
BIAL Pharma UK Limited	20
BIAL Itália, S.R.L	28
Novipharma, S.A. (Suíça)	3
BIAL, S.A. (Suíça)	7
BIAL América Latina, S.A.	0
BIAL Angola, S.A.	9
Bureau représentation Costa do Marfim	8
BIAL - Biotech Investiments Inc	2
TOTAL	754

25. Impairment, fair value decreases, provisions and reversals

	2024	2023
Impairment of trade receivables - Portugal	-362.661	-707.882
Impairment of inventories - Portugal	-1.422.067	-2.300.000
Impairment of inventories - Spain	-16.788	-344.509
Impairment of trade receivables - Italy	-7.165	-5.393
Impairment of trade receivables - Mozambique	-40.059	-123.720
Impairment of other debtors - Portugal	-6.150	0
Impairment losses	- 1.854.890	-3.481.504
Reversal / (Impairment) of patents Portugal	150.501	6.922
Reversal / (Impairment) of intangible assets (Note 12)	2.275.268	2.902.505
Reversal / (Impairment) of intangible assets (Note 12)	-587.490	-1.086.354
Reversal / (Impairment) of depreciable/amortizable assets	1.838.279	1.823.073
Reversal of impairment of inventories - Portugal	2.590.430	0
Reversal of provision for client returns - Portugal	75.823	0
Reversal of provision for client returns – Spain	47.118	0
Reversal of impairment of trade receivables - Portugal	127.149	237.482
Reversal of provision for commitments assumed – BIA5	0	322.269
Reversal of other provisions - Portugal	1.248.378	
Reversal of impairment of trade receivables - Italy	5.199	0
Reversal of impairment of other debtors - Portugal	34.108	0
Reversals	4.128.205	559.751
Provision for client returns – Portugal	0	312.710
Provision for client returns – Spain	0	1.721
Provision for commitments assumed – BIA5	0	0
Other provisions - Portugal	158.798	1.248.378
Provisions	158.798	1.562.809

26. Other income

	2024	2023
Disposals	6.343.371	23.045
Favourable foreign exchange differences	5.435.168	5.059.596
Investment subsidies imputed to income	3.643.239	3.660.222
Supplementary income	436.588	258.242
Prior year corrections	402.651	107.803
Tax estimate excess / Recovery of tax	283.685	1.208
Discounts received	34.234	33.325
Other	462.443	3.283.320
Total	17.041.379	12.426.760

In 2024, the BIAL Group sold the Mozambican company Medimport to the CFAO Group, realizing a capital gain of €6.3 M (see **Note 29**).

Foreign exchange gains amounted to €5.4 M (2023: €5.1 M), concentrated in 4 Group companies – BIAL R&D (€0.3 M; 2023: €0.6 M); Medimport (€0.5 M; 2023: €0.2 M), BIAL Portela (€3.7 M; 2023: €2.4 M) and Novipharma (€0.8 M; 2023: €1.0 M).

Investment subsidies refer to the reimbursement for expenses incurred within the scope of research and development projects into new medicines, with the imputation to income corresponding to the amortization of the subsidized investments.

The Other caption includes, in 2023, the reversal of an accrued expense, in the amount of €2.5 M, in respect of contributions to the pharmaceutical industry, in BIAL Spain.

27. Other Expenses

	2024	2023
Donations	4.594.651	4.574.842
Unfavourable foreign exchange differences	4.455.660	5.232.190
Taxes	4.112.946	5.979.224
Industrial property expenses	1.220.321	1.477.334
Inventory losses	909.221	2.174.457
Discounts allowed	415.595	372.145
Inventory offers and samples	414.617	146.054
Prior year corrections	339.845	492.434
Membership fees	265.010	252.455
Tax estimate shortfall	208.341	90.318
Fines and penalties	16.223	424.379
Other	763.527	1.264.005
	17.715.957	22.479.837

The donations caption includes the donation made to Fundação BIAL, which in 2024 totalled €4 M (2023: €4 M).

Taxes are mainly made up of contributions to the pharmaceutical industry in Portugal (€2.8 M; 2023: €4.7 M) and in Spain (€1.1 M; 2023: €1.5 M).

“Inventory losses” refer to the destruction of finished products due to their expiration date (client returns) and breakages occurring during the production process.

Foreign exchange losses totalled €4.4 M, being concentrated in 4 Group companies - Novipharma (€0.3 M; 2023: €1.3 M), BIAL Portela (€3.4 M; 2023: €2.6 M), BIAL Holding (€0.3 M; 2023: €0 M and Medimport (€0.4 M; 2023: €0.4 M).

In the caption “Other”, in 2023, €1.1 M is related to a correction of an operating subsidy received in prior years due to, during the final evaluation phase, it being found that ineligible expenses had been submitted.

28. Interest and similar income and expenses

	2024	2023
Interest and other similar expenses:		
Interest incurred	5.896.546	6.096.471
Other financial expenses	775.832	1.202.960
	6.672.378	7.299.430
Financial result	-5.957.781	-6.772.229
Interest and other similar income:		
Interest earned	602.286	442.374
Other similar income	112.312	84.827
	714.598	527.201

29. Assets and liabilities of discontinued operating units

As mentioned in Note 8, in 2024 the Group sold all the shares representative of the subsidiary Medimport, Lda, with the loss of control occurring on October 31, 2024.

Notwithstanding the sale, the BIAL range of products will continue to be marketed and promoted in Mozambique, through a team of medical information delegates exclusively dedicated to BIAL medicines.

In the years ended 2024.12.31 and 2023.12.31, the contributions to the results from this discontinued operating unit until the date of disposal have the following composition:

PROFIT & LOSS STATEMENT	PERIOD	
	2024	2023
Sales	6.122.509	7.262.921
Services rendered	252.932	257.229
Total sales and services rendered	6.375.442	7.520.150
Cost of goods sold	-4.615.891	-5.179.992
External supplies and services	-595.029	-686.076
Personnel expenses	-625.478	-742.662
Impairment losses	-40.059	-123.720
Other income	487.951	363.942
Other expenses	-569.486	-615.337
Earnings before interest, taxes, depreciation and amortization	417.450	536.305
Depreciation/Amortization charges/reversals	-127.796	-158.822
Earnings before interest and taxes	289.654	377.482
Interest and similar income	1.439	10.742
Interest and similar expenses	-17.278	-37.132
Earnings before taxes	273.815	351.093
Income tax	-168.322	-147.123
Net income	-105.493	203.969
Result from the disposal	6.335.126	
Tax impact of the disposal	-1.879.200	
Total	4.561.419	203.969

ASSETS

Intangible assets	98.710
Tangible assets	191.415
Deferred taxes	492.294
Inventories	2.533.808
Trade receivables	1.639.870
State and other public entities	610.848
Other receivables	68.201
Cash and equivalents	2.007.979
Total	7.643.126

LIABILITIES

Deferred taxes	71.331
Trade payables – c/a	4.644.869
State and other public entities	22.560
Other payables	1.016.970
Accruals	80
Total	5.755.811

30. Tax benefits for research and development (SIFIDE II)

- Tax credits carried forward for 2015 R&D	8 557 599
- Tax credits carried forward for 2016 R&D	7 957 819
- Tax credits carried forward for 2017 R&D	7 361 819
- Tax credits carried forward for 2018 R&D	9 484 841
- Tax credits carried forward for 2019 R&D	6 853 788
- Tax credits carried forward for 2014 R&D	5 441 454
- Tax credits carried forward for 2021 R&D	7 750 749
- Tax credits carried forward for 2022 R&D	5 382 259
- Tax credits carried forward for 2023 R&D	5 023 256
Balance carried forward	63 813 584

Note: The 2023 tax credit is pending approval by the Certification Commission for Tax Incentives for Business R&D.

Regarding the year 2024, the application is still under analysis.

31. Research and development investment

The Group recorded the following investment in research and development:

	2024	2023
R&D projects (intangible assets)	1.720.133	1.098.494
Capitalization BIA28 - milestone	0	9.348.415
Tangible fixed assets	996.965	568.826
Personnel expenses	10.776.962	10.598.689
External supplies and services related to R&D activities	41.786.152	37.622.051
Other expenses	603.448	937.451
Total of investment	55.883.660	60.173.927

The Group presents the following gains related to the research and development activity:

	2024	2023
Services rendered (milestones) – BIA 9	4.219.528	12.048.775
Total	4.219.528	12.048.775

The Group additionally recorded the following amortization and impairment/(reversal) relating to development projects:

	2024	2023
Amortization (development project - Note 12)	21.160.024	21.139.855
Impairment / (Reversal) – BIA2 (Note 25)	-2.275.268	-2.275.268
Impairment / (Reversal) – BIA5 (Note 25)	-25.952	-502.688
Impairment / (Reversal) – BIA12, BIA19 and BIA 25 (Note 25)	-124.549	-124.549
Impairment / (Reversal) – BIA21 (Note 25)	0	386.354
Impairment / (Reversal) - BIA21 (Note 25)	53.943	0
Investimento total	18.788.198	18.623.705

32. Operating Leases

The operating lease agreements refer to vehicles for Management and employee use.

These agreements do not have purchase options.

The company usually replaces the vehicles at the end of the agreements, which last for a period of 4 years.

There are no restrictions imposed by operating lease agreements.

33. Financial risk

The main financial liabilities in the Group are the bank loans and the accounts payable to raw material suppliers and to the laboratories that render the R&D services. Financial liabilities are incurred to finance the Group's operations, namely its working capital and R&D investment.

Financial assets arise from the Group's normal activity and consist of accounts receivable and cash and short-term deposits.

The BIAL Group is exposed to the following risks: (i) market risk, which is essentially related to interest and exchange rate fluctuations, (ii) credit risk and (iii) liquidity risk.

The main goal of BIAL's management is to reduce these risks to an acceptable level.

Market risk

Market risk represents the risk of future cash flow fluctuations due to changes in market prices.

Exchange rate risk

The Group is increasingly exposed to exchange rate risk, given the markets in which it operates.

To mitigate this risk, natural hedging and exchange rate fixing mechanisms have been implemented, always considering the Group's foreign exchange needs.

In addition to the use of natural hedging of receipts / payments, forward contracts were also initiated for excess amounts, thus reducing the exposure to exchange rate fluctuations.

In trade receivables and trade payables, there are balances denominated in currencies other than the Euro, as detailed below:

Trade receivables:

Currency	Amount
AOA	558.909.433
CHF	595.060
USD	8.280.541

Suppliers of fixed assets:

Currency	Amount
AUD	3.629
GBP	8.323
JPY	150.000
USD	38.220

Trade payables:

Currency	Amount
AOA	102.755.243
AUD	802
CHF	3.394.771
GBP	316.894
JPY	34.435.000
SEK	177.900
USD	4.905.323

34. Guarantees provided

Beneficiary	Type of guarantee	Amount
Emprofac - Empresa Nac. Prod. Farma	Supply of medicines	10.273
Emprofac - Empresa Nac. Prod. Farma	Supply of medicines	9.199
Emprofac - Empresa Nacional Produto	Supply of medicines	11.347
Emprofac - Empresa Nacional Produto	Supply of medicines	12.165
Ministry of Health, MSO	Supply of medicines	2.580
IAPMEI - AGÊNCIA COMPETITIVIDADE E INOVAÇÃO, I.P.	COMPETE - Project 30028	130.402
IAPMEI - AGÊNCIA COMPETITIVIDADE E INOVAÇÃO, I.P.	COMPETE - Project 30027	201.237
IAPMEI - AGÊNCIA COMPETITIVIDADE E INOVAÇÃO, I.P.	COMPETE - Project 30026	75.001
IGIF	Supplies	3.315
CAMARA MUNICIPAL MAIA	Public works bond	14.964
MEDIMOC, S.A.R.L	Supply of medicines	45.741
MEDIMOC, S.A.R.L	Supply of medicines	5.234
EMPROFAC EMP NAC PROD FARMACEUTICO	Supply of medicines	9.355
SERVICO AUTONOMO MEDICAMENTU SAUDE	Supply of medicines	1.582
SERVICO AUTONOMO MEDICAMENTU SAUDE	Supply of medicines	843

Beneficiary	Type of guarantee	Amount
SAMES MINISTRY HEALTH	Supply of medicines	7.492
BEI	Bank loan (BEI)	20.000.000
Ministry Of Health, Mso, Tripoli, L	Supply of medicines	880
Regione Lazio e Aziende Sanitarie	Supply of medicines	227.027
SORESA SPA CENTRO DIREZIONALE	Supply of medicines	201.530
Agenzia Regionale Intercent-ER	Supply of medicines	100.254
CUC FVG ? SOGGETTO AGGREGATORE	Supply of medicines	73.893
Regione Lazio e le Aziende	Supply of medicines	66.410
A.Li.Sa.	Supply of medicines	60.377
REGIONE AUTONOMA DELLA SARDEGNA	Supply of medicines	50.119
A.R.I.C - Ag. Reg. di Informatica	Supply of medicines	41.506
ARIC VIA NAPOLI 4 64019 TORTORETO	Supply of medicines	39.455
A.U.S.L.UMBRIA 1 Via Guerra 21/17	Supply of medicines	37.256
INNOVAPUGLIA SPA BA	Supply of medicines	20.137
ASUR MARCHE VIA OBERDAN, 2	Supply of medicines	9.663
INTERCERT-ER AGENZIA PER LO	Supply of medicines	9.442
AZIENDA SANITARIA PROVINCIALE DI	Supply of medicines	3.105
ASP DI CATANIA	Supply of medicines	498
AZIENDA SANITARIA PROVINCIALE TRAPANI	Supply of medicines	1.229
AZIENDA SANITARIA PROVINCIALE DI	Supply of medicines	1.229
3166626533000 - AZIENDA SANITARIA UNICA REGIONALE MARCHE	Supply of medicines	9.663
A.R.I.C.	Supply of medicines	51.228
3090008758000 - S.C.R. PIEMONTE SPA	Supply of medicines	167.093
Regione Siciliana - Uff. Speciale	Supply of medicines	129.893
INTERCENT ER	Supply of medicines	9.443
REGIONE SICILIA ASSESSORATO	Supply of medicines	19.660
REGIONE LAZIO E AZIENDE SANITARIE	Supply of medicines	1.033
AZ. SANITARIA LOCALE DI POTENZA	Supply of medicines	158
AZIENDA UNITA? SANITARIA LOCALE	Supply of medicines	2.144

Credit risk

The credit risk corresponds to the risk that the Group’s clients will not fulfil their obligations.

This risk is controlled based on information gathered from internal and external sources which is used to determine the credit amount to be approved. The Financial Directorate monitors the credit limits set.

The Group has no significant credit risk concentrations. There are policies which ensure that sales are made to clients with an appropriate credit history.

The Group has policies in place that limit the credit amount and acquire credit insurance for clients with moderate or high risk.

Although there are some delays in the trade receivables’ settlement, the Group believes no additional impairment should be recognized based on each client’s existing information and historical data. As of December 31, 2023, there are no indications that the normal days sales outstanding related to open invoices for which no impairment has been booked will be missed.

Liquidity risk

Liquidity risk represents the risk that an entity fails to comply with obligations associated with financial liabilities and commitments. In the context of an eventual financial crisis with greater restrictions on credit and considering the strategic option to continue to invest in R&D at the same pace of recent years, BIAL could be exposed to this risk.

Considering the Group’s current financial situation, its capacity to generate free cash flow, this risk is considered to be mitigated. Additionally, it has unused credit lines contracted in an amount sufficient to accommodate the estimated cash needs for the coming years.

Other operational risks

- Regulatory risk

The pharmaceutical market is regulated by Infarmed in terms of its technical and scientific component, as well as with respect to price and SNS’ (Portuguese NHS) co-payments.

Over the past years there have been several legislative changes, from which we highlight the change concerning prescription by international common designation (Law no. 11/2012 establishing new rules for prescribing and dispensing medications, bringing the sixth amendment to the legal framework of medicines for human use, approved by Decree-Law no. 176/2006, of August 30, and the second amendment to Law no. 14/2000, of August 8).

On the other hand, the new methodology for determining sales prices to the public stands out, based on the definition of reference countries.

Regarding medicines’ expiration dates it should be noted that dates are defined accordingly to the characteristics of each drug. The returns due to expiration dates are residual, given the effective management of the sale circuit. The inventory losses due to expiration dates before selling are also residual as BIAL’s inventory management is effective.

The policy of the company and of its subsidiaries is to contract insurance to face possible accidents in all areas and at amounts considered sufficient.

Beneficiary	Type of guarantee	Amount
INNOVAPUGLIA SPA	Supply of medicines	50.342
AZ. REGIONALE PER L’INNOVAZIONE	Supply of medicines	617
A.R.I.C - AGENZIA REGIONALE DI IN	Supply of medicines	166
InnovaPuglia S.p.A.	Supply of medicines	1.275
Agenzia Regionale Intercent-ER	Supply of medicines	12.356
INNOVA PUGLIA SPA	Supply of medicines	6.376
Asl 2 Savonese	Supply of medicines	4.366
A.R.I.C. - Agenzia Regionale di	Supply of medicines	8.352
Agenzia Regionale Intercent-ER	Supply of medicines	123.562
SO.RE.SA. S.p.A. Societ� Regional	Supply of medicines	2.035
Estar-ente Sup.tecn.amn.reg	Supply of medicines	64.260
Azienda Provinciale Per I Servizi	Supply of medicines	16.628
Asur Marche In Tutte Le Sue Articol	Supply of medicines	23.687
Innovapuglia Spa	Supply of medicines	11.383
S.c.r. - Piemonte S.p.a.	Supply of medicines	121.559
Regione Lazio E Aziende Sanitarie E	Supply of medicines	42.984
Regione Autonoma Della Sardegna	Supply of medicines	48.467
S.c.r. - Piemonte S.p.a.	Supply of medicines	82.982
Innovapuglia S.p.a.	Supply of medicines	4.280
Regione Autonoma Della Sardegna	Supply of medicines	31.099
Regione Liguria-settore Unica Appal	Supply of medicines	9.986
Regione Liguria Settore Stazione Un	Supply of medicines	30.188
Regione Lazzio	Supply of medicines	56.029
Agenzia Regionale Intercent-er	Supply of medicines	375
Areacom - Agenzia Regionale Dell’ab	Supply of medicines	33.762
Azienda Sanitaria Territoriale Anco	Supply of medicines	24.521
Areacom - Agenzia Regionale Dell’ab	Supply of medicines	6.401
Regione Lazio E Aziende Sanitarie E	Supply of medicines	280.145

Beneficiary	Type of guarantee	Amount
Agenzia Regionale Intercent-er	Supply of medicines	3.382
Innovapuglia S.p.a.	Supply of medicines	18.472
Punto Zero Scarl	Supply of medicines	9.852
Azienda Sanitaria Provinciale Di Co	Supply of medicines	3.484
Azienda Sanitaria Territoriale	Supply of medicines	52.527
Regione Liguria	Supply of medicines	76.458
S.c.r. Piemonte S.p.a.	Supply of medicines	164.877
So.re.sa. Spa - Con Unico Socio	Supply of medicines	25.375
Azienda Sanitaria Provinciale Di Co	Supply of medicines	17.422
Regione Siciliana	Supply of medicines	1.481
Areacom A R D A P L Committenza	Supply of medicines	5.812
Azienda Unita Sanitaria Locale Umbr	Supply of medicines	40.748
Innovapuglia S.p.a.	Supply of medicines	108.662
Azienda Sanitaria Provinciale Paler	Supply of medicines	5.137
Azienda Ospedaliera Di Rilievo Nazi	Supply of medicines	171
Azienda Zero	Supply of medicines	283.540
Stazione Unica Appaltante Regione C	Supply of medicines	13.186
Asp Palermo- Azienda Sanitaria Prov	Supply of medicines	67.914
Asp Agrigento	Supply of medicines	513
So.re.sa. Spa	Supply of medicines	211.463
Arcs \ Azienda Regionale Di Coordin	Supply of medicines	6.173
Stazione Unica Appaltante Della Reg	Supply of medicines	665
Puntozero S.c.a R.l.	Supply of medicines	709
Aria Spai Azienda Regionale Per Lèi	Supply of medicines	7.932
Azienda Regionale Per Lèinnovazione	Supply of medicines	525
Innova Puglia S.p.a.	Supply of medicines	2.037
Aria Spa	Supply of medicines	173.998

35. Subsequent events

There are no events after the balance sheet date that could influence the presentation and interpretation of these financial statements.

36. Legal diplomas requiring specific disclosures

There are no operations not included in the Balance Sheet so there is no need to disclose their nature, commercial objective, financial impact or risks and benefits.

Trofa, 2025.03.13

CERTIFIED
ACCOUNTANT

FÁTIMA SANTOS

O CONSELHO DE ADMINISTRAÇÃO DA
EMPRESA-MÃE (BIAL HOLDING, S.A.)

ANTÓNIO HORTA OSÓRIO | **Chairman**
ANTÓNIO PORTELA | **CEO**
RICHARD PILNIK | **Vogal**
MELANIE LEE | **Vogal**
PIERLUIGI ANTONELLI | **Vogal**
JOSÉ REDONDO | **Vogal**
MIGUEL PORTELA | **Vogal**
JOERG HOLENZ | **Vogal**
MAXIMILIANO BRICCHI | **Vogal**



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Statutory and Auditor’s Report

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Bial – Holding, S.A. (the Group), which comprise the Consolidated Balance Sheet as at 31 December 2024 (showing a total of 529.058.706 euros and a total equity of 329.765.541 euros, including a net profit for the year attributable to equity holders of the parent of 21.135.218 euros), the Consolidated Income Statement by Nature, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Bial – Holding, S.A. as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Accounting and Financial Reporting Standards adopted in Portugal under the Portuguese Accounting System.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and guidelines as issued by the Institute of Statutory Auditors. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section below. We are independent of the entities comprising the Group in accordance with the law and we have fulfilled other ethical requirements in accordance with the Institute of Statutory Auditors’ code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the consolidated financial statements

Management is responsible for:

- ▶ the preparation of consolidated financial statements that presents a true and fair view of the Group’s financial position, financial performance and cash flows in accordance with the Accounting and Financial Reporting Standards adopted in Portugal under the Portuguese Accounting System;
- ▶ the preparation of the Management Report in accordance with the applicable laws and regulations;
- ▶ designing and maintaining an appropriate internal control system to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or to error;
- ▶ the adoption of accounting policies and principles appropriate in the circumstances; and
- ▶ assessing the Group’s ability to continue as a going concern, and disclosing, as applicable, matters related to going concern that may cast significant doubt on the Group’s ability to continue as a going concern.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or to error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Sociedade Anónima - Capital Social 1.340.000 euros - Inscrição n.º 178 na Ordem dos Revisores Oficiais de Contas - Inscrição N.º 20161480 na Comissão do Mercado de Valores Mobiliários
Contribuinte N.º 505 988 283 - C. R. Comercial de Lisboa sob o mesmo número - Sede: Avenida da Índia, 10 - Piso 1 - 1349-066 Lisboa
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Relatório e Parecer do Fiscal Único

Senhores Acionistas,

Em cumprimento do disposto no artigo 420 al. g) conjugado com o artigo 508-D n.º 1 do Código das Sociedades Comerciais, compete-nos emitir o relatório anual sobre a nossa ação fiscalizadora e dar parecer sobre o Relatório de Gestão Consolidado e as Demonstrações Financeiras Consolidadas apresentados pelo Conselho de Administração de Bial - Holding, S.A., referente ao exercício findo em 31 de dezembro de 2024.

No decurso do exercício, acompanhámos a atividade da empresa tendo efetuado os seguintes procedimentos:

- Verificámos, com a extensão considerada necessária, os registos contabilísticos e documentos que lhes servem de suporte;
- Verificámos, quando julgámos conveniente, da forma que julgámos adequada e na extensão considerada apropriada, a existência de bens ou valores pertencentes à sociedade ou por ela recebidos em garantia, depósito ou outro título;
- Verificámos que a definição do perímetro de consolidação e as operações de consolidação efetuadas estão de harmonia com o estabelecido nas normas de consolidação aplicáveis;
- Verificámos a adequacidade dos documentos de prestação de contas consolidadas;
- Verificámos que as políticas contabilísticas e os critérios valorimétricos adotados nas contas consolidadas conduzem a uma adequada apresentação do património e dos resultados do Grupo no qual a sociedade é a empresa-mãe;
- Confirmámos que o Relatório de Gestão Consolidado, o Balanço Consolidado, a Demonstração Consolidada dos Resultados por Naturezas, a Demonstração Consolidada das Alterações no Capital Próprio, a Demonstração Consolidada dos Fluxos de Caixa e o Anexo Consolidado, satisfazem os requisitos legais aplicáveis;
- Averiguámos da observância pelo cumprimento da lei e do contrato de sociedade; e
- Cumprimos as demais atribuições constantes da lei.

No decurso dos nossos atos de verificação e validação que efetuámos com vista ao cumprimento das nossas obrigações de fiscalização, obtivemos do Conselho de Administração e dos Serviços as provas e os esclarecimentos que consideramos necessários.

No âmbito do trabalho de revisão legal de contas que efetuámos foi emitida, nesta data, a correspondente Certificação Legal das Contas sobre as contas consolidadas, sem reservas e sem ênfases.

Face ao exposto decidimos emitir o seguinte parecer:



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Parecer do Fiscal Único

Senhores Acionistas,

Procedemos à ação de fiscalização de Bial - Holding, S.A., nos termos do artigo 420 conjugado com o artigo 508-D n.º 1 do Código das Sociedades Comerciais, em resultado da qual somos de parecer que:

- (a) O Relatório de Gestão Consolidado do exercício de 2024 satisfaz os requisitos previstos no Código das Sociedades Comerciais; e
- (b) O Balanço Consolidado, a Demonstração Consolidada dos Resultados por Naturezas, a Demonstração Consolidada das Alterações no Capital Próprio, a Demonstração Consolidada dos Fluxos de Caixa e o Anexo Consolidado do exercício de 2024, satisfazem os requisitos legais e contabilísticos aplicáveis.

Porto, 14 de março de 2025

O Fiscal Único

Ernst & Young Audit & Associados - SROC, S.A.
Sociedade de Revisores Oficiais de Contas
Representada por:

Rui Manuel da Cunha Vieira - ROC n.º 1154
Registado na CMVM com o n.º 20160766



Keeping life
in mind.

Sustainability Report 2024

We believe our most significant contributions to society are innovation and the medicines we provide. These are also the driving forces behind our progress and growth. We also believe that health, science, and sustainability are interconnected.

Reflecting on these goals, I am pleased to present our sustainable development strategy in this document. In the following pages, we detail our environmental, social, and governance commitment, highlighting the efforts we have made to promote a healthier, more inclusive, and sustainable future.

Our long-term strategy and business model are designed to promote health and well-being for individuals and society as a whole, based on sustainable development principles. Our short-term and medium-term strategic priorities include reducing carbon emissions, strengthening partnerships with organisations to improve access to healthcare, and promoting equity and inclusion. These priorities align with internationally recognised intergovernmental instruments, such as the UN Sustainable Development Goals (SDGs).

We are confident in our ability to navigate the complexities of the world we live in, from geopolitical issues to the constantly evolving global health landscape and the continuous and dynamic social evolution. We acknowledge that there is still much to be done, and we are committed to addressing the challenges that lie ahead.

I would like to express my sincere gratitude to all our employees, suppliers, partners, and patients for their unwavering support throughout our sustainability journey. It is only through collective action that we can significantly impact the lives of millions worldwide and, by extension, the planet we inhabit.

António Portela



Main highlights

+ 23,500 h

training
(+9% total, +14% per employee)

- 9%

drinking water consumption
(+ 95% abstraction water)

- 4%

energy consumption

42%

women in management positions
(+2 pp vs. 2023)

345

patients currently in clinical trials

- 6%

consumption of petroleum
byproducts in the fleet

18%

electrical self-sufficiency
(-1 pp vs. 2023)

5 million +

patients treated annually with products marketed by us

Main highlights

+ € 4.6 M

donations

- 13%

scope 1 and 2 emissions

16

companies on 3 continents

- 5%

scope 3 emissions

426

suppliers evaluated (+ 25%)

+ 9%

waste sent for recycling

8

Diversity Equity and
Inclusion champions

745

employees



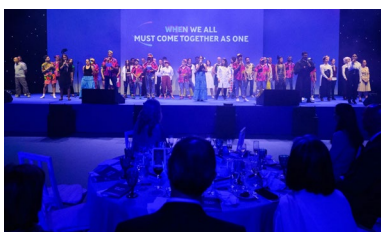
"BIAL's one-hundredth anniversary is a unique moment in the life of the company, but also a milestone for the country. (...) We celebrate the past, the capacity and vision of all the generations that preceded us, but above all, we celebrate the future we are building. We aim for BIAL to evolve into a prominent force in the field of innovation, developing life-altering medications that positively impact patients worldwide." (António Portela).

The centennial anniversary was commemorated throughout the year 2024 through a series of initiatives involving our employees, partners, and broader community.

In recognition of the centennial anniversary, a variety of initiatives were organised, including a major conference that sought to analyse the challenges facing Portugal and the world in the economic, social, and health spheres. Another notable initiative was the production of a documentary, which aimed to contribute to a more comprehensive historiography of the pharmaceutical industry in Portugal. Additionally, a media campaign was implemented, and a commemorative piece was created in collaboration with the artist Graça Moraes.

The most notable events included visits to the facilities by the children of employees and retired employees, the organisation of a 100-kilometre race linking BIAL's first headquarters in the centre of Porto to the current facilities in Trofa, and an event to commemorate the company's anniversary, aimed at all the group's employees.

In celebration of BIAL's centennial, the President of the Portuguese Republic visited the company's headquarters and presented the Order of Merit to the company's longest-serving employee. Additionally, BIAL was honoured as an Honorary Member of the Military Order of Sant'Iago da Espada, a distinction that was awarded to a company for the first time.



Scope

2.º SUSTAINABILITY REPORT

BIAL Holding SA, hereinafter "BIAL," is publishing its second sustainability report for 2024. We are committed to the sustainable growth of our business. To that end, we began our journey towards objectives and metrics that guarantee transparency and credibility.

BIAL's **2024 Sustainability Report** was developed based on international tools, methodologies and standards, including the European Sustainability Reporting Standards, the **SASB Standards** materiality identification tool and the **AA1000 Stakeholder Engagement Standard**.

The report's structure follows an **ESG (Environmental, Social, and Governance)** approach, which reflects a strategic division for the presentation of indicators and metrics related to the organisation's and its stakeholders' priority material themes. These issues have been thoroughly analysed from three main perspectives: **environmental, social, and governance impact**.

- The **environmental impact** of our business operations encompasses the management of natural resources and production practices;
- **Social impact** is related to human capital and the local community;
- The **impact on governance** involves ethics, legal compliance, innovation and other strategic aspects relevant to the organisation.

This structure allows for a comprehensive evaluation of BIAL's performance, considering both internal factors and societal impact. It promotes transparency and strengthens trust with stakeholders.

Additionally, the report presents data and metrics related to BIAL's activities in each of its operating countries, covering the Group's Holding and subsidiaries while respecting the context and specific procedures of each unit.

Should you have any inquiries pertaining to this report, please contact us at:

À Avenida da Siderurgia Nacional
4745-457 Coronado (S. Romão e S. Mamede)
sustainability@bial.com

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1. BIAL



1.1. About us

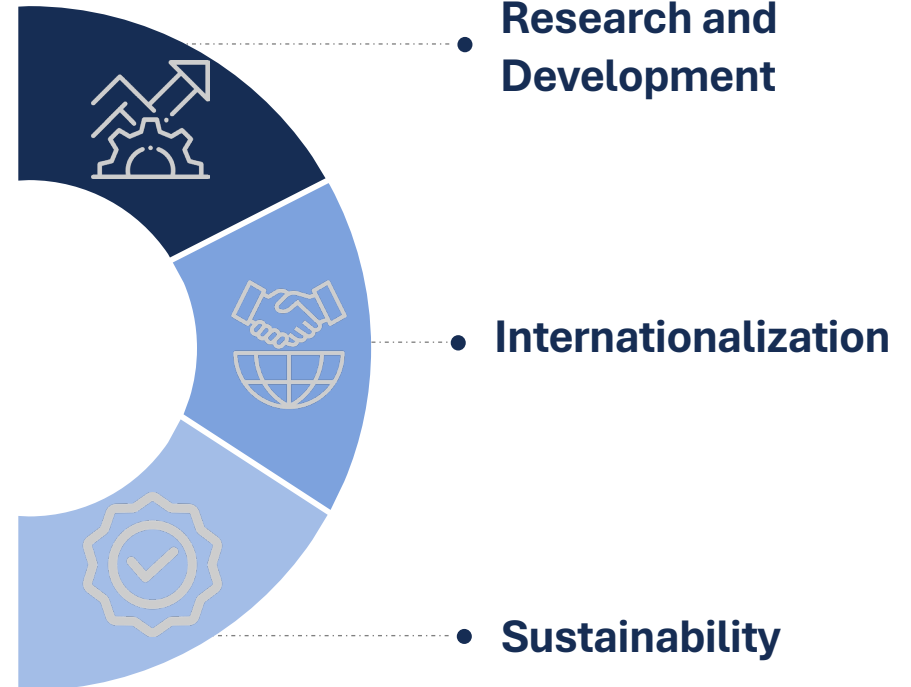
BIAL is a biopharmaceutical company that prioritises research and development (R&D) and innovation with the objective of enhancing the lives of people worldwide.

Our mission is clear and inspiring: to find, develop and provide therapeutic solutions in healthcare. This objective guides every stage of our work, from advanced scientific research to the marketing of medicines that promote the well-being of millions of patients around the world.

At BIAL, we are committed to the transformative impact of science and innovation. We actively participate in the global economy and promote a knowledge-driven society. Integrity, competitiveness, and dynamism are the pillars that underpin our sustainable progress.

With a forward-thinking vision, we are committed to investing in cutting-edge scientific research, state-of-the-art technologies, and strategic partnerships. Each advancement we make reflects our dedication to health and our aspiration to create a world where people can enjoy a longer and better life.

Our strategic lines of development are:

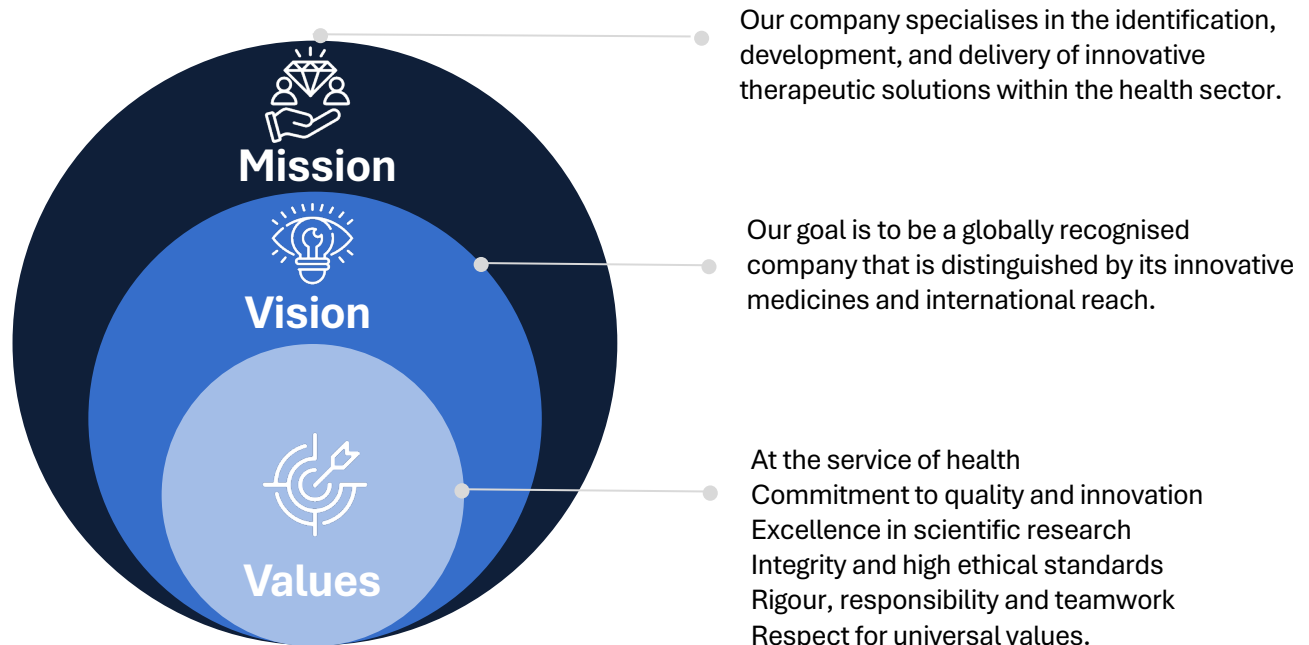




Inspired by the future



For a century, the passion and dedication of our people have made BIAL a leader recognised for its people-centred scientific and cultural heritage. We aim to honour this legacy and chart a course for the next 100 years.





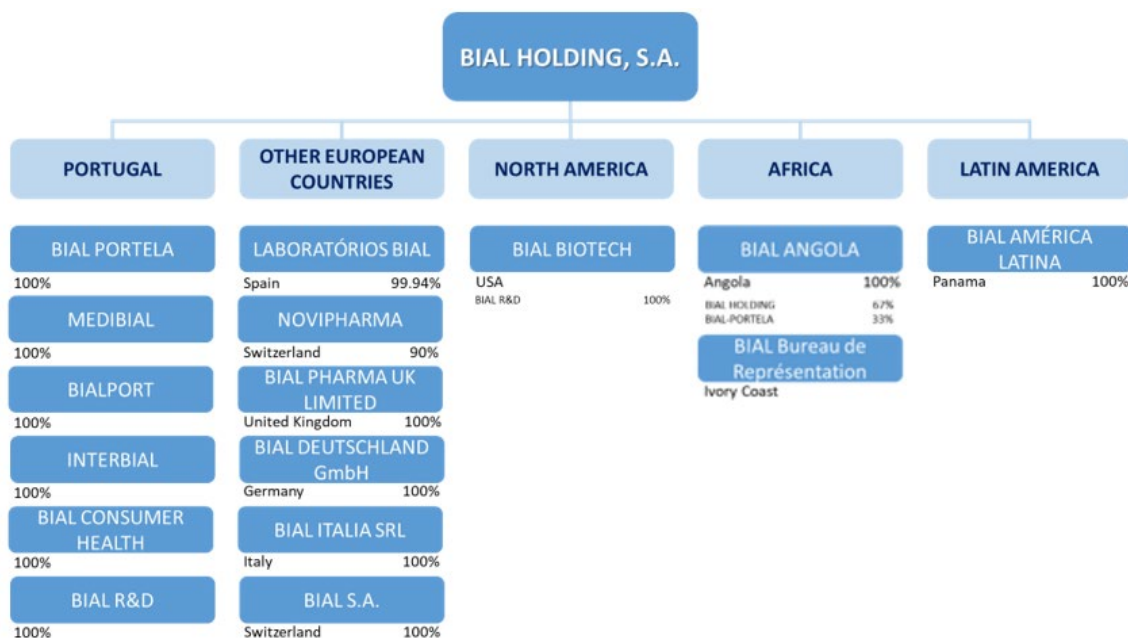
1.2. Group Structure

As of December 31, 2024, the BIAL Group, under the umbrella of BIAL-Holding, S.A., comprised sixteen companies, nine of which are based internationally, along with a representative office in the Ivory Coast. It is important to note that no companies were established in 2024. The subsidiary in Panama, which is 100% owned by Bial Holding, was discontinued in 2024 but has not yet been formally closed. As a result, it has not been included in this report. Medimport was acquired by a pharmaceutical group specialising in the distribution of medicines in Africa.

In Portugal, the parent company owns 100% of the Group's six companies. In Spain, it holds a direct 99.94% stake in Laboratorios BIAL, S.A. In Switzerland, it holds a 90% stake in Novipharma S.A. and a 100% stake in BIAL S.A. In addition, BIAL-Holding, S.A. has a strong presence in Europe, with significant holdings in the United Kingdom, Germany, and Italy. The company holds 100% ownership of BIAL Pharma UK Limited, BIAL Deutschland GmbH, and BIAL Italia, S.r.l., respectively.

On the African continent, in Angola, it holds a 100% stake in BIAL Angola, S.A., with 67% directly and 33% through BIAL - Portela & C.^a, S.A. The BIAL Group has a representative office in the Ivory Coast.

Finally, on the American continent, in the USA, it indirectly owns 100% of BIAL — Biotech Investments Inc., which is 100% owned by BIAL — RGD Investments S.A. The latter, with offices in Cambridge and Boston, is dedicated to biotechnological research projects in the field of rare diseases and Parkinson's disease, as well as other degenerative diseases of the central nervous system.





1.3. History

1920-1995

1924



Álvaro Portela
founds BIAL

1929



Registration of the
first BIAL brand
Benzo-Diacol

1978



Reumon Gel
launch

1984



1st BIAL Award
edition

1992

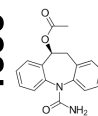
Start of R&D
activities

1994



Creation of BIAL
Foundation

1996



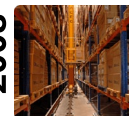
1st patent
application for
Eslicarbazepine
Acetate

1998



Subsidiaries in
Spain and
Mozambique
(Medimport)

2008



BIAL subsidiaries in
the Ivory Coast,
Panama, Angola and
Switzerland

2009



Eslicarbazepine
acetate approved
by EMA

1996-2009

2010-2016

2010

BIAL subsidiary in
Italy

2012



Opening of the BIAL
factory in Bilbao

2013



FDA approves
Eslicarbazepine
Acetate

2015

BIAL subsidiaries in
Germany and the
UK

2016



European
Commission
approves Opicapone

2017

BIAL sells
immunoallergy area

2020



FDA approves
Opicapone in the
US
New US subsidiary

2022



Opening of the new
antibiotics factory
and expansion of
the industrial area

2023

R&D - Strategic
expansion to the
area of new
modalities and rare
diseases

2024

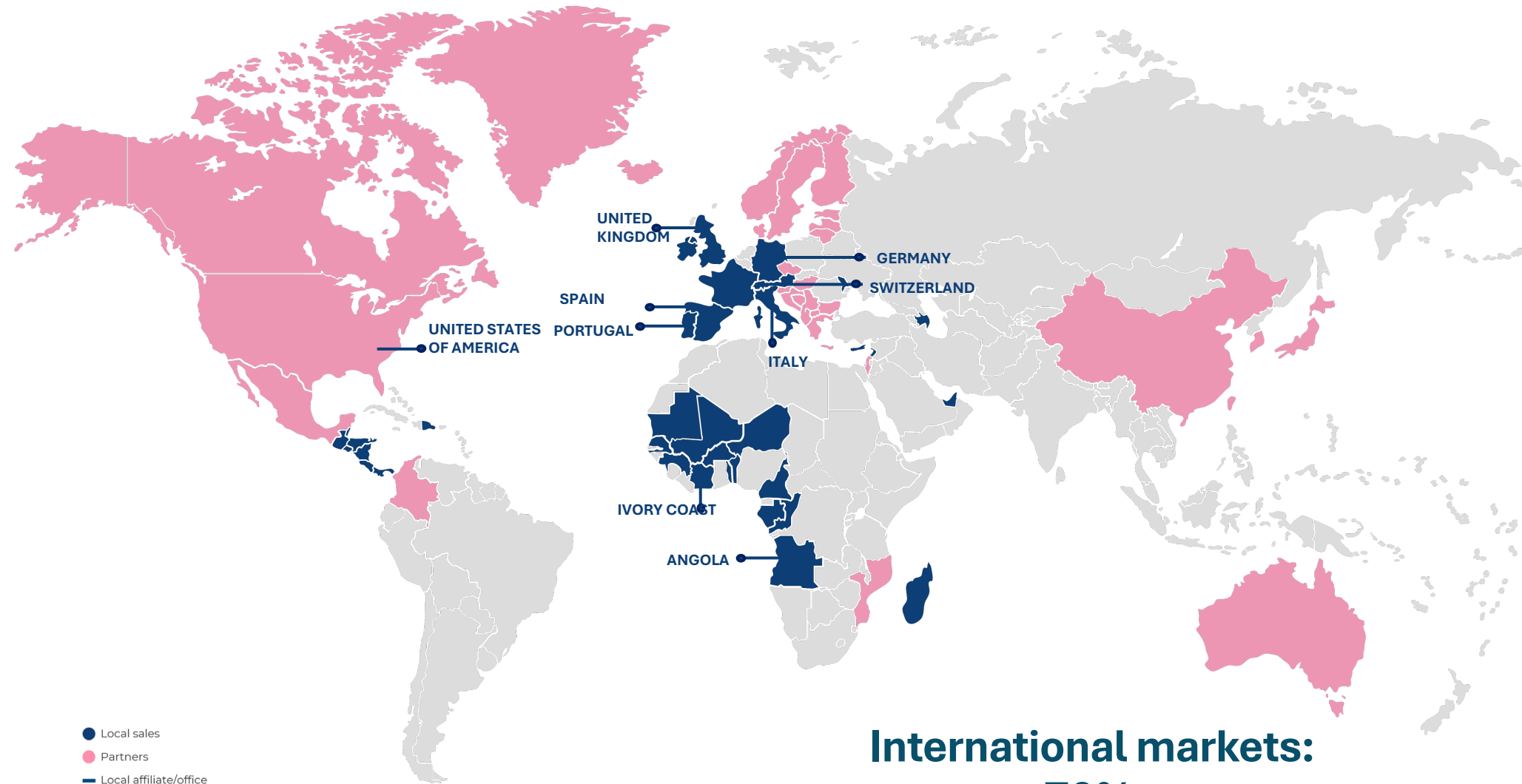


100 years!

2015-2024



1.4. Our locations



**International markets:
70% turnover**



1.5. Portfolio

BIAL is a leading company in the Iberian Peninsula. It is the leader in the Portuguese pharmaceutical market and a strong reference in Spain, where it has been since 1998. BIAL has a direct presence in the US and EU5 markets, and its products reach the main global markets through commercial partners in countries such as Japan, South Korea, and Australia.

Our company is involved in all stages of the pharmaceutical cycle, from research and development to the production and marketing of state-of-the-art medicines.

BIAL's portfolio of medicines is designed to address critical needs in the healthcare sector, offering a comprehensive solution that integrates proprietary research with licenses from leading global pharmaceutical companies. This strategic approach aims to provide effective solutions for healthcare professionals, patients, and their families.

In Europe, the USA, and Asia, BIAL is focused on neuroscience. In Portugal, we have a diversified portfolio covering cardiometabolic, respiratory, musculoskeletal, women's and maternity health and antibiotic therapy. In addition to neurology, BIAL's portfolio in Spain encompasses cardiology, respiratory, iron deficiency, and women's health.

In addition, BIAL offers a range of solutions to address neurological diseases, maternity, as well as infectious and respiratory diseases within the African and Latin American markets.

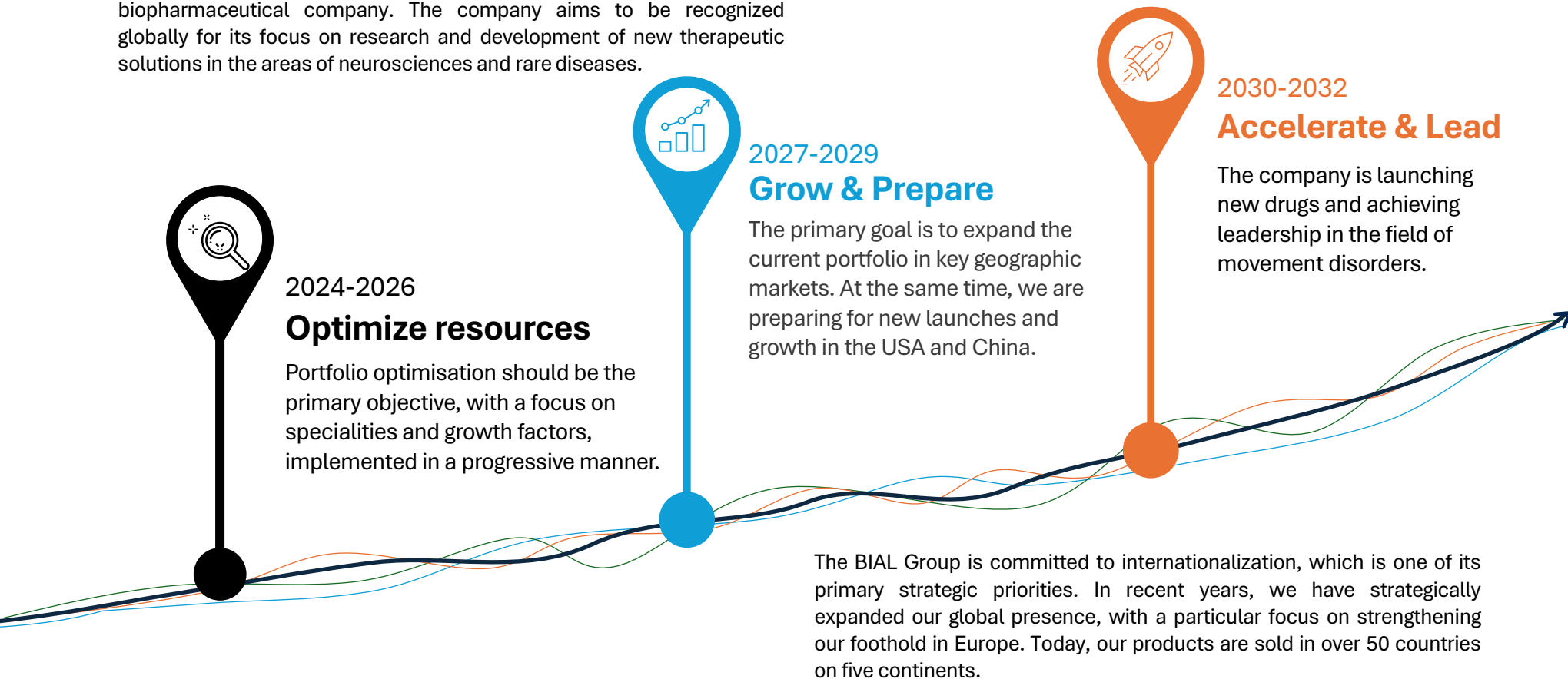
In terms of innovation, BIAL's R&D programme has traditionally centred on neurosciences. At the beginning of 2023, the Group expanded its research portfolio to include rare diseases of neurological origin.





1.6. Corporate strategy

Our strategic development priorities are focused on three key areas: research and development, internationalization, and sustainability. BIAL's vision for 2030 is to strengthen its position as an innovative biopharmaceutical company. The company aims to be recognized globally for its focus on research and development of new therapeutic solutions in the areas of neurosciences and rare diseases.





1.7. Research & Development

Since the 1990s, the BIAL Group has maintained a significant and ambitious R&D programme, with a core focus on the central nervous system. This commitment has yielded two novel drugs in this area.

Our R&D centre in Portugal is staffed by a highly qualified international team dedicated to the search for new drugs, particularly in the areas of neurosciences and rare diseases. This team is responsible for the initial and structuring phases of the research process, which include chemistry, pharmacology, and clinical research. We collaborate with researchers and scientists from universities, industry, and research centres to offer the best solutions to healthcare professionals, patients, and their families.

2007

The first licensing agreement for a new epilepsy drug, whose active ingredient is Eslicarbazepine acetate, was signed for the US and Canada.

2008

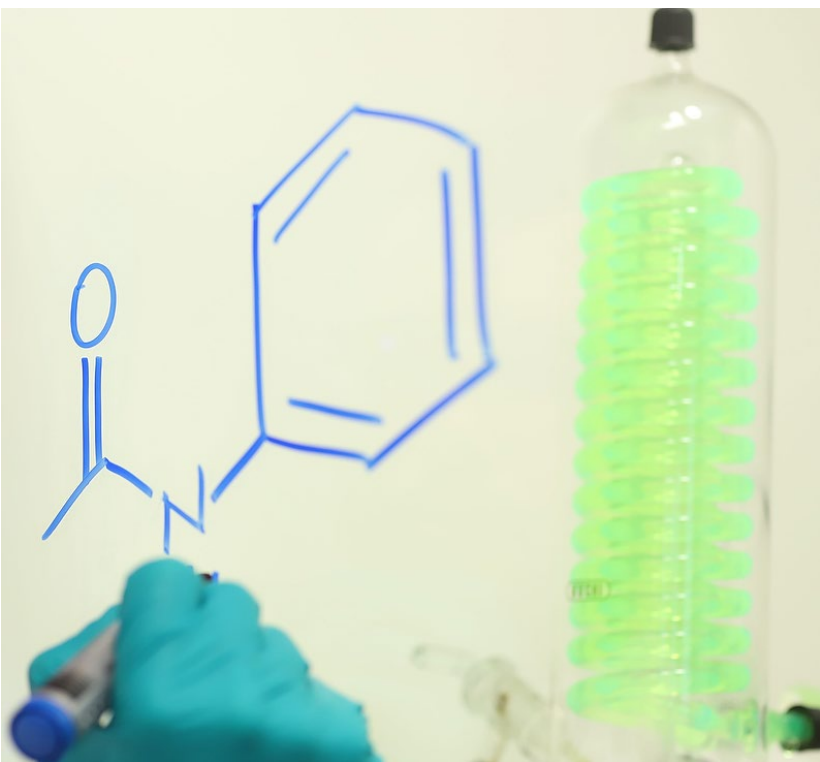
License agreement for Europe for the same drug under the brand name Zebinix.

2013

The first license for a new Parkinson's disease drug investigated by BIAL for Japan, whose active ingredient is Opicapone and is worldwide marketed under the brand name ONgentys.

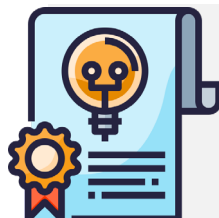
2020

Marketing of ONgentys in the US
Approval in Japan, Taiwan, and Australia, and marketing in Japan



2

Medicines approved by
EMA & FDA



> 1300

Patents in our
portfolio



25

New approvals related
with BIAL projects
since 2019

Sales of BIAL
development drugs



> 50%

Group turnover



> 16k

New molecules



10

Pipeline



18

Publications



In 2024, investments in Research & Development totalled

€56 M

€53 M operating costs (excluding depreciation)

€3 M in acquisitions of intangible and tangible assets

In 2024, sales of ONgentys (our lead drug) were €85 million, which is a 53% increase compared to 2023. This increase is due to higher sales in Japan (€13 million more than in 2023), increased sales in the US (driven by a change in licensees), and strong performance in the market by all European subsidiaries with double-digit growth. The BIA9 project (ONgentys-Opicapone) has several Phase IV clinical trials underway in Europe to expand knowledge of the drug in clinical practice.

Zebinix/Aptiom, BIAL's first drug, generated €83 million in revenue. However, it experienced a significant decrease of around €45 million due to a reduction in orders from its US partner, which is adjusting its inventory in anticipation of generic competition. The main European subsidiaries performed well, with Spain and Portugal standing out. Research on the BIAL2 project continues with the aim of gaining a better understanding of Zebinix/Aptiom's clinical characteristics and increasing its use among different types of epileptic patients. Several clinical studies are underway to strengthen knowledge about the drug and facilitate its therapeutic use. Additionally, a clinical trial is taking place in China, intending to gain approval in that country.

The BIA28 project involves the development of a novel molecule with an innovative mechanism of action for the treatment of Parkinson's disease associated with the GBA1 gene. These mutations are the most frequent genetic risk factor for Parkinson's disease and lead to a decrease in the activity of the GCase enzyme. This loss of activity may be associated with the accelerated progression of Parkinson's disease. Compound BIA28-6156 is a novel allosteric activator of the GCase enzyme. It binds to and activates the GCase protein produced from the mutated GBA1 allele and the wild-type allele. BIA28 was developed in August 2020, when a purchase agreement was signed with American biotech Lysosomal Therapeutics Inc. for a set of intangible assets, including patents and other intellectual property rights, among which is now known as BIA28. A total of 273 patients have been enrolled in the study, with the first patient being randomised in May 2023 and the last in September 2024. The phase II clinical trial is currently ongoing in the US and several European countries, with a total of 11 countries participating.

The remaining projects are in the pre-clinical phase, so there is still a long work programme to implement before starting the clinical phases. It is too early to assess their therapeutic potential.

Since 2023, BIAL has expanded its R&D area to include rare diseases, specifically genetic epilepsies, which account for 4 to 5% of epilepsy cases.

2. Sustainability



2.1. Commitment to Sustainability

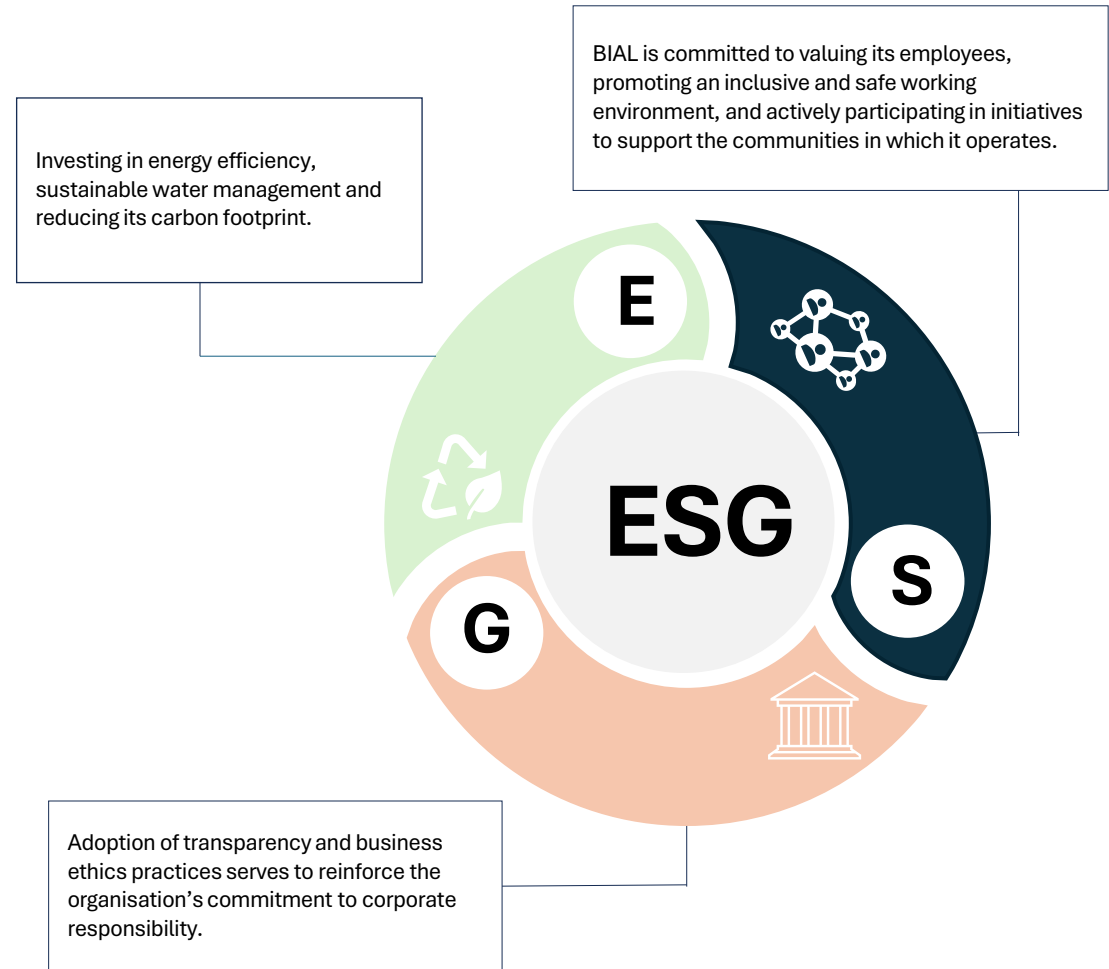
BIAL is firmly committed to sustainability, integrating environmental, social, and governance (ESG) practices into its daily operations. It aligns itself with international regulations and the United Nations Sustainable Development Goals (SDGs).

Sustainability is a core component of our corporate strategy, integrated into all areas of the Group, from research and development (R&D) to the production and distribution of our medicines.

Our strategies and efforts to develop and optimise our processes, products, and services are guided by a commitment to environmental sustainability and respect for the well-being of all living beings.

The Group's mission is threefold: to reduce its environmental impact, to promote social well-being, and to ensure ethical and responsible governance.

In recent years, BIAL has developed environmental, social, and governance initiatives.



With this integrated approach, BIAL reaffirms its role in promoting a more sustainable future. The company prioritises environmental and social responsibility while pursuing growth and innovation.



BIAL is committed to promoting sustainable development, aligning its corporate strategy with the SDGs. Its operations, scientific innovation and commitment to society and the environment generate direct and indirect impacts. BIAL's direct impact is particularly evident in five priority SDGs. Under SDG 3 (Good Health and Well-Being), we improve quality of life by developing innovative therapeutic solutions and ensuring access to safe and effective medicines. SDG 8 (Decent Work and Economic Growth) is reflected in the creation of skilled jobs, the promotion of a safe and inclusive work environment, and continuous investment in talent and training. Our commitment to research and development (R&D) and pharmaceutical innovation reinforces our contribution to SDG 9 (Industry, Innovation and Infrastructure), strengthening the competitiveness and modernisation of the sector.

BIAL promotes sustainable production and consumption (SDG 12) by adopting responsible practices throughout its value chain, optimising the use of natural resources, reducing waste, and implementing energy efficiency measures. We are also committed to climate action (SDG 13), managing carbon emissions sustainably and adopting strategies to mitigate and adapt to climate change. Beyond these direct impacts, BIAL indirectly influences other SDGs through its ethical and transparent conduct, commitment to diversity and inclusion, and engagement with different stakeholders. By doing so, BIAL reinforces its corporate responsibility and integrates sustainability principles into its business model, thereby contributing to a positive and lasting impact on society and the environment.





2.1.1. Instruments

We believe that achieving a sustainable development model requires proactive action to combat climate change, promote inclusive, fair, and diverse communities, and create value that positively impacts the quality of life of current and future generations. These principles form the foundation of our Environmental Sustainability strategy.

In 2023, BIAL reformulated its environmental policy, establishing the Environmental Sustainability Policy, applicable to all the group's companies.

The main objectives of our policy

We are committed to reducing the environmental impact of our operations, ensuring pollution prevention and environmental protection. This commitment is reflected in our approach to climate, water, waste, and the circular economy, with specific objectives that contribute to the transparency of our environmental performance.



Achieve a reduction in greenhouse gas emissions
Promote a transition towards greener mobility
Foster the utilisation of renewable energy sources



Minimise water consumption and responsibly manage the generated effluent



Reduce waste production and its impact on the environment and health
Waste valorisation through efficient sorting
Foster partnerships with a view to a circular economy

We are firmly committed to developing a comprehensive policy within the Group that contributes to the SDG, while proactively involving BIAL's partners in these shared objectives.



2.1.2. Partnerships

BIAL is a member of several industry and sustainability associations that reinforce our commitment to best practices and responsible innovation in the pharmaceutical sector. Through these associations, we are committed to promoting the advancement of science and health, while contributing to the definition of public policies that favour sustainable development and ethics in our sector. Our sector associations, which include leading national and international bodies, allow us to collaborate with other market leaders, share knowledge, and monitor emerging trends. Furthermore, BIAL is a member of various sustainability initiatives and platforms. The company is committed to reducing its environmental impact, promoting human rights, and adopting responsible business practices. These affiliations allow us to align our strategies with global sustainability objectives, such as the UN Sustainable Development Goals, and to ensure that our operations respect the highest standards of ethics, transparency, and social responsibility.





2.2. Risk Management

Integrating sustainability into risk management entails more than just identifying and mitigating conventional risks. It involves incorporating environmental, social, and governance (ESG) factors into business strategies. The goal is to minimise negative impacts and risks while enhancing positive impacts and opportunities. Given the mounting pressure from stakeholders such as regulators, investors, consumers, and employees, we are committed to adapting our business models to reduce environmental and social impacts while promoting good governance practices.

In this context, sustainable risk management entails the analysis of risks associated with climate change, environmental regulatory requirements, natural resource management, corporate social responsibility, diversity and inclusion, and ethical governance. If these factors are not managed properly, they can generate substantial financial impacts, such as fines, loss of operating licenses, reputational damage, and the alienation of investors who are looking for organisations with more responsible and transparent practices.

Implementing a sustainable risk management model is key to protecting ourselves against unforeseen risks and finding new ways of generating value.

Sustainable risk management allows us to prepare for the future by managing risks effectively, while aligning ourselves with the expectations of an increasingly demanding global market. This approach strengthens organisational resilience, improves competitive position, and contributes to responsible development, meeting global sustainability challenges.



2.3. Sustainability 2025-2027

BIAL reaffirms its commitment to strict compliance with legal sustainability requirements, ensuring the integration of good environmental, social, and governance (ESG) practices in all its operations. Our operations are guided by a comprehensive regulatory framework, encompassing European standards such as the Corporate Sustainability Reporting Directive (CSRD), which mandates the transparent disclosure of sustainability information per European sustainability reporting standards, and the European Union Taxonomy Regulation, which establishes criteria for identifying sustainable activities.

To that end, BIAL is implementing measures that include integrating sustainability into its risk management processes. We have adopted a structured process to identify, classify, and assess the impacts, risks, and opportunities related to our activity. This process ensures compliance with regulations and improves its risk management capacity, following the Materiality Assessment Implementation Guidance.

In this way, BIAL strengthens its commitment to sustainable development. The company achieves this by balancing scientific innovation with environmental and social responsibility. It does so in accordance with legal guidelines and international best practices.

This legislative framework puts pressure on the following risks:

Legal and Financial Risks: Fines, penalties and additional costs arising from non-compliance with legal obligations;

Reputational Risks: Damage to the corporate image resulting from a lack of transparency in operations;

Operational Risks: Interruptions to operations due to inadequate environmental practices or ineffective management of resources.

To mitigate these risks, BIAL is reviewing its sustainability instruments. The goal of this review is to ensure that its operations are aligned with best sustainability practices and applicable legal requirements.



2.4. Materiality

Materiality is a central concept for sustainability reporting, especially in the context of the standards set by EFRAG (European Financial Reporting Advisory Group). According to the European Financial Reporting Advisory Group (EFRAG), materiality in sustainability refers to topics and issues that have a significant impact on stakeholders' decisions and on an organisation's financial and non-financial results. To be considered material, an issue must be relevant to both the organisation and its stakeholders, considering the impacts that could influence the organisation's results in the short, medium, and long term.

The concept of materiality proposed by EFRAG requires organisations to identify and prioritise the issues that are most critical to their business model and sustainable performance. This includes analysing issues that can directly affect the creation of value for the organisation, as well as the impacts they can have on the environment and society. The process of determining materiality involves considering some factors, such as economic, reputational and regulatory impact, and interaction with the expectations and interests of stakeholders.

BIAL's materiality assessment was carried out using the EFRAG Guidance on Materiality Assessment methodology, ensuring a structured process in line with European sustainability reporting standards. This approach enabled the identification and prioritisation of the most pertinent issues for the organisation and its stakeholders. It considered the impact of the organisation's activities on the environment and society, as well as the risks and opportunities that sustainability represents for its performance and long-term value creation.

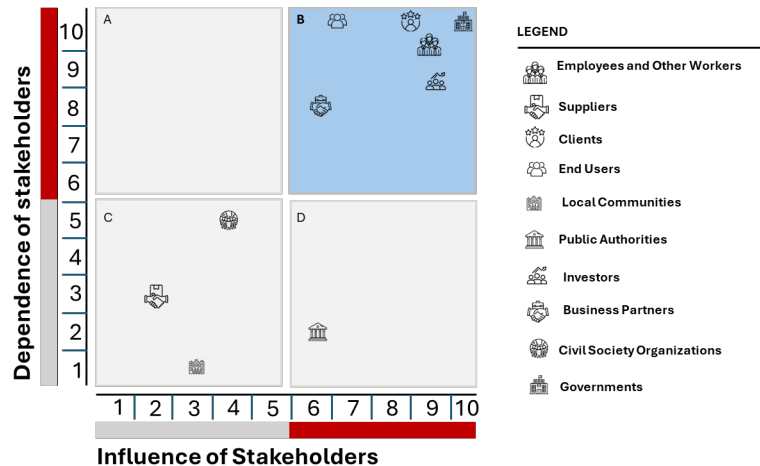
The application of this methodology involved a detailed analysis of internal and external factors, including regulations, stakeholder expectations, industry trends, and financial and non-financial impacts. In this way, BIAL ensures that its sustainability reporting is transparent and relevant, reflecting the aspects critical to its business strategy and commitment to sustainability.



2.4.1. Stakeholders

In the stakeholder identification process, BIAL followed the guidelines of the EFRAG Guidance on Materiality Assessment and the AA1000 Sustainability Engagement Standard, ensuring a rigorous and inclusive approach. This methodology enabled the assessment and mapping of the most relevant stakeholders, distinguishing between those directly affected by BIAL's activities and the users of the sustainability statement, which include investors, regulators, customers, employees, and other interested parties.

Stakeholder identification was based on criteria such as level of dependence, responsibility, tension, influence, and diverse perspectives. This approach ensured that all perspectives were considered when defining strategic priorities. This process involved a thorough analysis of stakeholder concerns concerning the identified impacts, facilitating more transparent communication that aligns with their interests.



Furthermore, BIAL seeks to adopt a participatory approach, promoting the continuous involvement of stakeholders through different channels, as shown in the table below. This underscores our dedication to sustainability and the creation of shared value, ensuring that our practices are adapted to the needs and expectations of a constantly evolving business and social ecosystem.

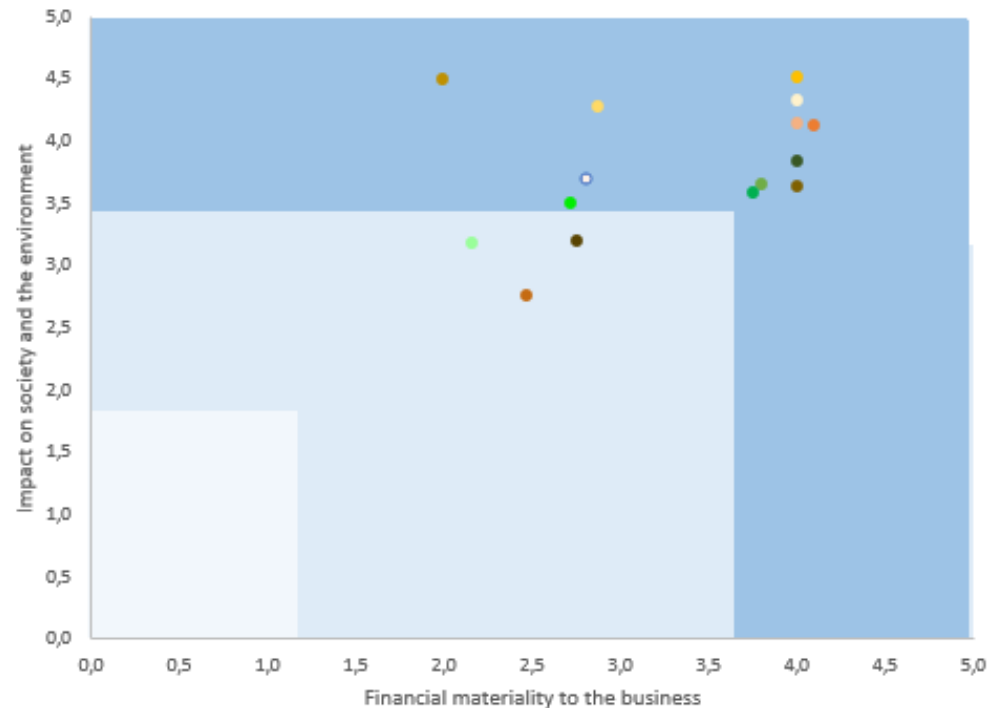
Engagement mechanisms	Employees and other workers	Suppliers	Customers	Investors	Business Partners
Annual Business Meeting	X				
Audits	X	X	X	X	X
Quarterly Communications	X			X	
Congresses/ Forums/ Seminars	X			X	X
Intranet	X			X	
Literature		X	X		X
Podcasts	X	X	X	X	X
Questionnaires	X			X	
Social Network	X	X	X	X	X
Activity Reports	X	X	X	X	X
Meetings	X	X	X	X	X
Website	X	X	X	X	X



2.4.2. Double Materiality

BIAL followed the methodology of EFRAG's Materiality Assessment Implementation Guidance as part of the materiality assessment. BIAL conducted a structured process of identifying, classifying, and prioritising the impacts, risks, and opportunities associated with its activity. This process ensures that the most relevant aspects for the organisation and its stakeholders are duly considered in its sustainability report.

The material IRO (Impacts, Risks and Opportunities) were defined based on a score above 3.5, reflecting their relevance both in terms of their impact on BIAL's operations and their importance to stakeholders. The IROs were then grouped into material themes, allowing for an integrated and coherent approach to defining BIAL's strategies and actions for corporate sustainability. The complete methodology used in this process is outlined in the Double Materiality Report, ensuring transparency and rigour in the approach adopted. This methodology is a key part of BIAL's commitment to an informed decision-making process. This process is based on a rigorous assessment of sustainability challenges and opportunities. This exercise guarantees alignment with European regulatory requirements and contributes to the transparency and credibility of its sustainability strategy, ensuring the creation of long-term value for the organisation and society.



ESG Topics		
Governance	Social	Environmental
Product Quality	Working Conditions	Climate Change
Business Conduct	Social Inclusion	Economia Circular e Gestão de Resíduos
Value Chain Management	Contribution to the Local Community	Circular Economy and Waste Management
Anti-Corruption and Bribery Prevention	Diversity	Biodiversity Management
Animal Welfare		Water Management
Data Privacy		

3. Governance



3.1. Management and Oversight

BIAL's classic monist model of government comprises:

- (i) a management structure consisting of a Board of Directors and an Executive Committee;
- (ii) a supervisory structure consisting of a statutory auditor and a firm of chartered accountants. BIAL — Portela, & C.^a, S.A. — is overseen by a Supervisory Board.

BIAL's governance model aims to guarantee the integrity and effectiveness of the company's and the group's management. It ensures that their activities are conducted according to the highest standards of responsibility, ethics, and transparency. This model is based on a separation of powers between the various corporate bodies. The Board of Directors defines, supervises, controls, and monitors strategic guidelines, as well as management and relations between shareholders and other corporate bodies. The Executive Committee, which is delegated by the Board of Directors, is responsible for the day-to-day operational management of the company. As part of their supervisory role, non-executive members monitor the performance of executive directors to ensure effective monitoring, supervision, inspection, and assessment of executive members' activities.

According to the company's governance model and Portuguese corporate legislation, the Statutory Auditor is the internal body responsible for assessing corporate governance issues. This body is responsible for assessing and monitoring the corporate governance system's functionality, playing a crucial role in overseeing the Board of Directors' activities. Accordingly, the responsibility of this body is to oversee the actions of management, including its non-executive members, to ensure compliance with internal policies, legislation, and good governance principles. Through this supervision, the supervisory body contributes to the identification and mitigation of potential risks, while concurrently analysing the opportunities that may arise in the context of strategic management.

The work of this body is crucial to ensuring that the financial, operational, and social impacts of the company's activities are monitored effectively. This is in line with BIAL's long-term sustainability and growth objectives. The supervisory body also has the mission of providing an external view on management decisions, promoting accountability and transparency in all its operations.

With this supervision model, BIAL aims to ensure a risk-averse approach to management and the leveraging of new prospects, with the confidence that all decisions are thoroughly analysed and assessed.



3.2. Senior Management Team

According to the provisions stipulated in the bylaws, the Board of Directors at BIAL is comprised of three to nine members.

The structure of its Board of Directors reflects a balance between experience and diversity, with the Group making continuous progress in promoting greater inclusion in its leadership positions, particularly concerning the following criteria: gender, geographical origin, academic background, and professional experience.

As of 31 December 2024, the BIAL Board of Directors comprised nine members, eight of whom were male and one female. Five of the members were executive and four non-executive, the latter constituting 44% of the total number of directors.

BIAL is committed to diversity and to management that integrates different profiles, in line with its values of sustainability and innovation.



■ Percentage of executive members ■ Percentage of non-executive members

Figure 1 – Percentage of executive and non-executive members





The BIAL Board of Directors comprises highly experienced professionals from a range of key sectors, with particular expertise in the health sector. This experience has been fundamental to the implementation and growth of the Group, consolidating its presence in global markets and its leadership in the development and marketing of innovative products, especially in the areas of neuroscience, neurology and other specialised therapies.

BIAL's management team comprises professionals with extensive knowledge of the pharmaceutical sector and its evolution. They have expertise in launching new products, developing therapeutic portfolios and managing international operations. Their involvement in leading companies and projects in the industry gives them a comprehensive understanding of global challenges and opportunities, which has contributed significantly to BIAL's expansion into various international markets.

Concerning geographical experience, management has extensive knowledge of strategic locations for the Group, with a strong presence in countries such as Portugal, the United Kingdom, the United States, France, Switzerland, Spain, Germany and others. This local and global knowledge facilitates the adaptation and implementation of regional strategies while ensuring responsiveness to the needs of the markets and the specific regulations of each country.

The diversity of experience and complementary skills within BIAL's management team represent a valuable asset, enabling the Group to position itself effectively in a highly competitive and dynamic sector. With a strategic vision focused on innovation and a commitment to sustainability, BIAL's management team is dedicated to providing therapeutic solutions that enhance patient well-being and propel the growth of BIAL.





3.3. Business Conduct

Senior management plays a crucial role in defining and promoting an ethical culture within the organisation. The Code of Ethics and Conduct (CEC), which is reviewed every three years and approved by the Chairman and the Executive Committee, reflects the importance of senior management leading by example, which is one of their main responsibilities. It is also the responsibility of members of senior management to ensure that their teams adopt behaviours that are in line with the standards defined in the CEC. Furthermore, it is the responsibility of senior management to ensure that all employees understand and apply the information in the Code, as well as other policies relevant to their roles. This guiding role is essential to ensure that the organisation operates according to the highest standards of integrity and responsibility. Promoting a culture of compliance is an essential requirement for any company, as it strengthens internal and external trust, ensuring that operations are conducted following high standards of integrity and transparency. This premise is further supported by the bonus and incentive policy, as it serves to enhance performance and ensure that employees align their actions with the mission, values and CEC. The mechanism's primary objective is to promote strategic alignment with the organisation's objectives. It also seeks to strengthen internal accountability and commitment to good governance practices. Furthermore, it aims to guarantee a transparent and fair evaluation process, thereby boosting organisational performance.

Senior management is also responsible for encouraging employees to ask questions and report any irregularities, and for ensuring that no one suffers retaliation for acting under the organisation's ethical principles. This commitment is reflected in a posture of openness and protection, thereby creating a safe environment in which employees feel comfortable acting with integrity and reporting inappropriate behaviour.

The commitment to ethics and transparency, led by the Board of Directors, is essential for the long-term success of the Group, as well as for the preservation of its reputation and credibility.





Our Code of Ethics and Conduct



At BIAL, we are committed to upholding the principles of integrity, transparency and respect as cornerstones of our business strategy, ensuring sustainable growth and fostering trusted relationships with our employees, partners and the wider community. Our Code of Ethics and Conduct (CEC) articulates the principles and values that guide the actions of everyone in the Group, ensuring a responsible working environment aligned with the highest standards of professional ethics.

The CEC establishes clear guidelines for conduct in the workplace, addressing fundamental issues such as respect for human rights, equal opportunities, combating discrimination and harassment, data protection and privacy, confidentiality, legal compliance and environmental responsibility. Furthermore, the CEC reaffirms BIAL's commitment to business integrity, expressly prohibiting practices such as corruption, bribery and conflicts of interest. To ensure the effective application of these guidelines, BIAL provides internal and external communication and reporting channels. These channels guarantee the confidentiality and protection of those who report any infractions. BIAL encourages all its employees to act ethically and responsibly, promoting an organisational culture based on respect, transparency and a commitment to excellence. All employees, including management, are required to undergo CEC training to ensure that they are familiar with the company's guiding principles and values.

The CEC is a reflection of our commitment to acting with integrity, contributing to a safe, inclusive and honest working environment, and reinforcing our responsibility to society.



3.4. Whistleblower Protection

We are committed to conducting our business with the utmost integrity, in compliance with the highest ethical standards, as well as the applicable laws, regulations and internal procedures.

We consider compliance to be a fundamental value, and as such, it must be treated as a top priority in all corporate operations. It is vital to ensure that all employees and partners feel comfortable reporting any infraction, improper practice or deviation from internal policies that could compromise our ethical commitments.

We value a culture of open communication and ensure that all reports are treated with complete confidentiality and in compliance with data protection laws. For this purpose, employees are able to communicate directly with their line manager, the Vice President of Human Resources, the Local Compliance Specialist, where applicable, or the BIAL Group Compliance Officer. Additionally, we have the option of contacting the Chairman or one of the Non-Executive Directors directly, or using the Speak-Up portal, which is accessible to all employees and third parties.

BIAL is committed to ensuring that all communications are thoroughly analysed and subject to a rigorous and discreet internal investigation process. BIAL upholds a strict policy of zero tolerance for any form of reprisal against individuals who report malpractice in good faith. At the same time, we adopt the same zero-tolerance policy towards the intentional submission of false or defamatory information, ensuring that the whistleblowing system is used responsibly.

Code of Ethics and Conduct

Going the right way.

2024

Bial
Keeping life
in mind.

**We are
committed to
creating an
ethical
environment in
our operations
and conduct**



3.5. Value Chain Management

BIAL recognises the importance of managing its value chain and is therefore committed to treating all its suppliers fairly and equally, regardless of their size, guaranteeing treatment without discrimination, particularly with regard to payments. Our purchasing activities are conducted based on principles of honesty, fairness and respect, and all commercial relationships are based on predefined, explicit and transparent criteria, which include quality, service, technology and the price of the products and services offered. We are committed to ethical issues and to respecting the confidentiality of the information (technical and commercial) provided by our partners. We are also committed to ensuring the protection of the property and intellectual property rights of suppliers. We are also committed to promoting local economic development, prioritising the use of local suppliers wherever possible.

We believe that the key to success lies in establishing long-term relationships with our suppliers and working together to identify opportunities for sustainable development. We also support our strategic suppliers in improving their performance whenever necessary. Conversely, we avoid excessive economic dependence between BIAL and its suppliers by developing methodologies and action plans to identify such situations and take appropriate action.

In terms of sustainability, we have established a set of clear guidelines for our partners. These are outlined in the Sustainability 3rd Party Code, a code of conduct that defines essential sustainability requirements for suppliers.

Transparency and continuous communication are fundamental to our approach. We are committed to regularly reporting on the progress of our sustainability programme, both internally and externally, ensuring that all stakeholders can follow our progress towards a more responsible and sustainable future.

Our procurement process is designed to prioritise suppliers who demonstrate a commitment to environmental, social and quality considerations. Following the procurement of an ESG risk assessment application, these criteria will be incorporated more clearly in the course of 2025. In order to reinforce transparency and responsibility in the value chain, BIAL regularly analyses the ESG score of its suppliers. This practice aims to guarantee the implementation of due diligence measures and the mitigation of any negative impacts arising from activities in the supply chain.



3.6. Human and Value Chain Worker's Rights

BIAL's approach to managing its relationships with suppliers is both structured and responsible. It ensures that potential impacts on the workers involved in its supply chain are taken into account. In order to achieve this objective, the company has implemented a Purchasing Policy that guides procurement processes in accordance with the principles of sustainability and social responsibility.

Furthermore, BIAL establishes clear guidelines for its partners through the Sustainability 3rd Party Code, a code of conduct that defines essential sustainability requirements for suppliers. This document covers critical issues such as workers' rights and the prohibition of child labour, promoting ethical and sustainable business practices.

BIAL also maintains an ongoing dialogue with various stakeholders through its participation in forums, associations and congresses. These interactions enable BIAL to gather relevant perspectives on different aspects of the sector. However, it recognises the opportunity to expand this dialogue to include more comprehensive discussions on the impacts of suppliers on workers in the value chain, further reinforcing its commitment to sustainable and socially responsible action.



4. Social

Our commitment to our stakeholders

At BIAL, we are committed to protecting and promoting human rights. We are dedicated to ensuring a safe, inclusive and respectful working environment. This commitment is outlined in our Code of Ethics and Conduct (CEC). The CEC aligns its practices with the United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Furthermore, we implement practices that promote fair and safe working conditions. These practices ensure strict compliance with all applicable national and international standards. We are committed to fostering an inclusive and equitable working environment, underpinned by policies that eliminate all forms of discrimination and harassment. Our CEC explicitly covers non-discrimination criteria based on any personal characteristics, such as social status, ethnicity, gender, age, citizenship, religion, sexual orientation, marital status, political opinion, disability or incapacity.

We are committed to ensuring equal opportunities, non-discrimination, the prevention of accidents at work and the implementation of an occupational health and safety management system. We are committed to combating forced and child labour, as well as protecting freedom of association. We explicitly address issues such as human trafficking, forced or compulsory labour, and child labour, promoting the non-existence of such practices in our business and value chain. We are committed to promoting awareness and training initiatives that encourage a culture of respect, diversity and inclusion within BIAL.

We recognise that employee involvement is essential for building a balanced working environment. For this reason, we have internal communication and whistleblowing channels, which allow you to report any concerns related to ethics and human rights safely and confidentially.

We take responsibility for ensuring the well-being of our employees, which is why we consult with them on a regular basis. The Executive Committee is responsible for facilitating this dialogue and ensuring that the outcomes inform our approach.

In this way, BIAL demonstrates its commitment to social and ethical responsibility. The company operates sustainably and follows the highest international standards. It promotes an organisational culture based on respect, transparency and commitment to human dignity and universal values.

In this Sustainability Report, we address the social sphere, both internally and concerning our community involvement and, naturally, our service users. The social sphere is central to our ESG policy. Corporate Social Responsibility is therefore a fundamental pillar of our commitment to society and the environment. In this chapter, we will explore how BIAL is committed to making a positive contribution to the community and its patients. As social actors, we recognise our responsibility to improve people's lives. We are committed to fostering good living and working conditions, promoting fair and equitable coexistence.



4.1. Working Conditions



Our current global workforce of 745 employees is distributed across various countries, reflecting our international presence. We are committed to ensuring gender parity across all levels of our operations and organisational structure, with no significant disparities between genders, reflecting our dedication to promoting equality and inclusivity in the workplace.

Portugal accounts for 65% of our total workforce, reflecting our origins, followed by Spain with 18%. This distribution highlights the strategic importance of these markets in our global structure and reinforces our international presence.

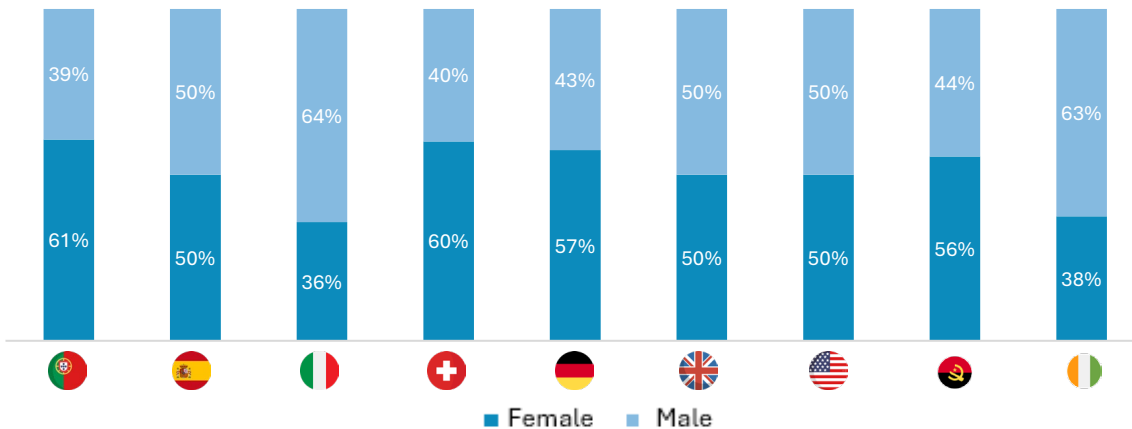
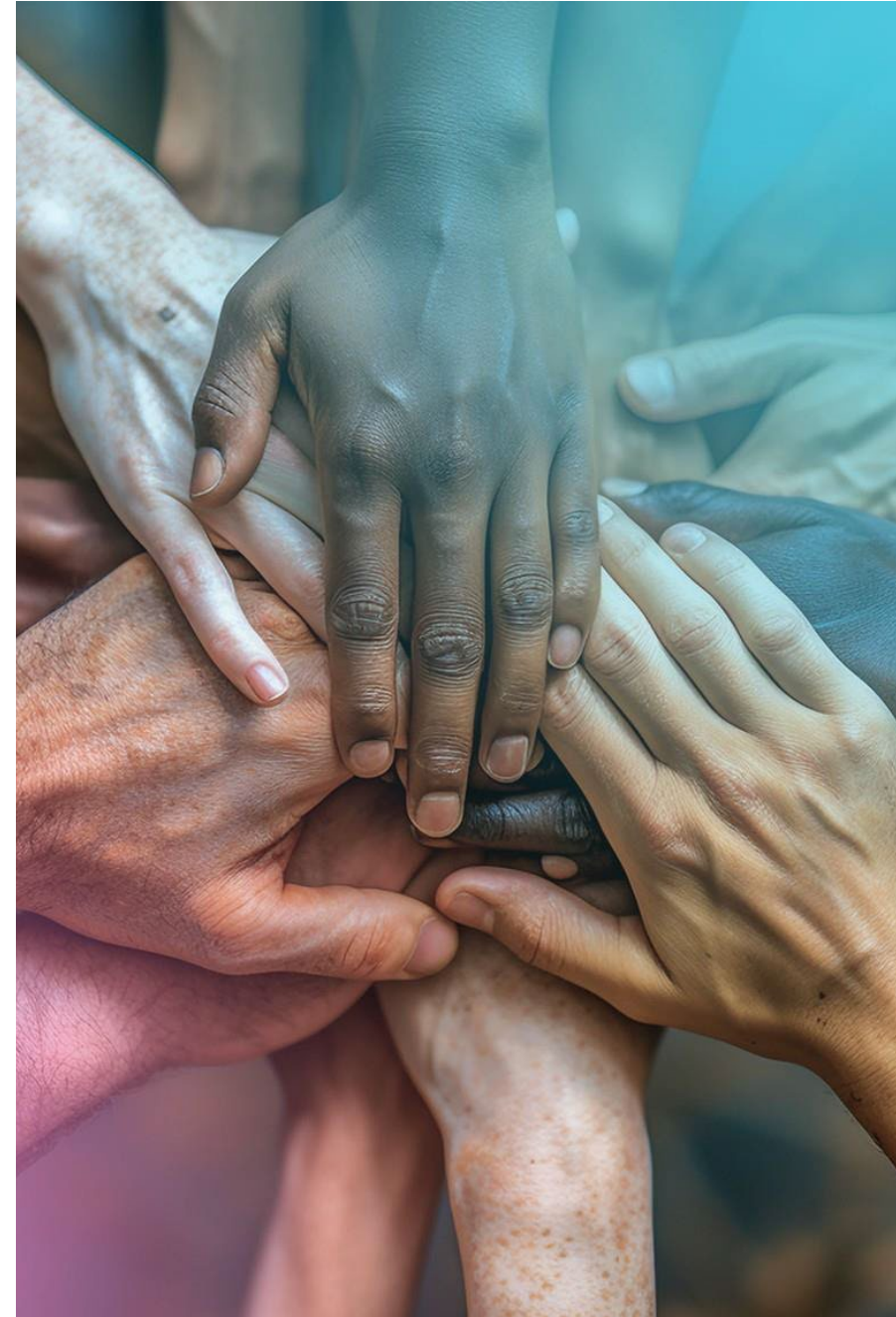


Figure 2 – Percentage of full-time employees by gender and country





Our workforce is key to our growth

At BIAL, we place great importance on the stability and growth of our employees. At present, 97% of our team is made up of workers with permanent employment contracts, reflecting our commitment to job stability and the professional development of our employees.

This trend is consistent across all the countries in which we operate, with a percentage consistently above 90%. Furthermore, when we analyse this data by gender, there are no substantial differences with the total, reflecting our talent management policy based on meritocracy and the development of our team.

Currently, only 35 people who work for us have been outsourced. Of these, 83% are located in Portugal. This small number is indicative of our commitment to integrating and enhancing a stable organisational structure that is aligned with our growth strategy.

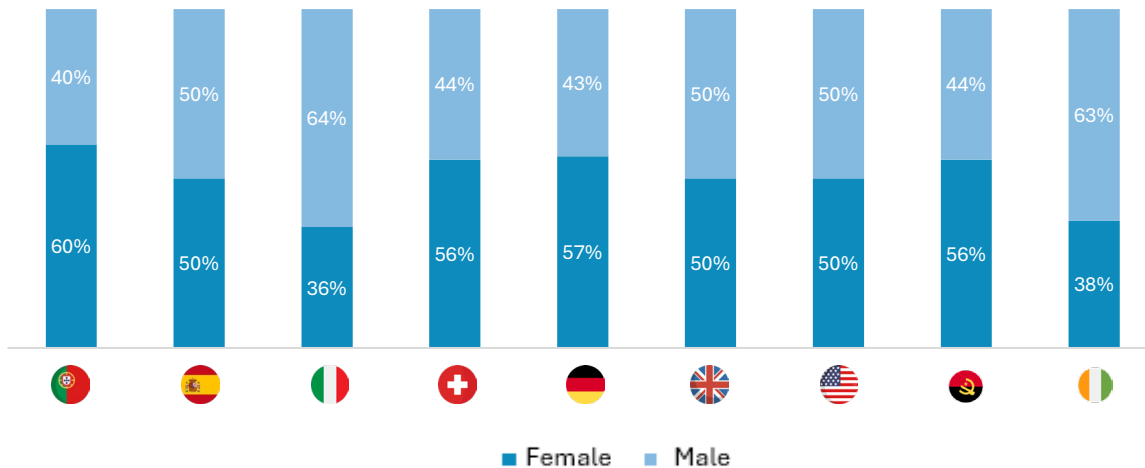


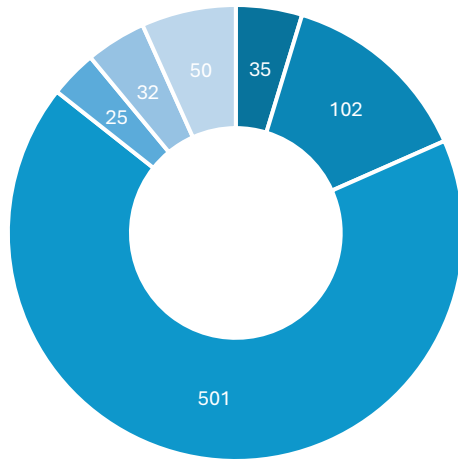
Figure 3 – Percentage of full-time permanent employees by gender and country

Table 1 – Outsourced staff in figures

	29
	2
	2
	1
	1



BIAL has a structured career framework with six categories. The roles in question are Executive Manager, Professional, Technician, Support and Operator. As illustrated below, 67% of employees are in the Professional career category, followed by 14% in Managerial roles.



■ Executive ■ Manager ■ Professional ■ Technician ■ Support ■ Operator

Figure 4 – Number of BIAL Group employees by career categories

In our organisation, the majority of employees in all the countries where we operate are professionals, with the exception of the Ivory Coast, where the majority belong to the Operator category. This distribution reflects the specific needs of each market, and the nature of the activities carried out in each region.

It should be noted that the corporate support structure is centralised in Portugal, guaranteeing strategic coordination and global management of the operations of all subsidiaries from the head office, without prejudice to respect for the local requirements and needs of each country in which we operate.

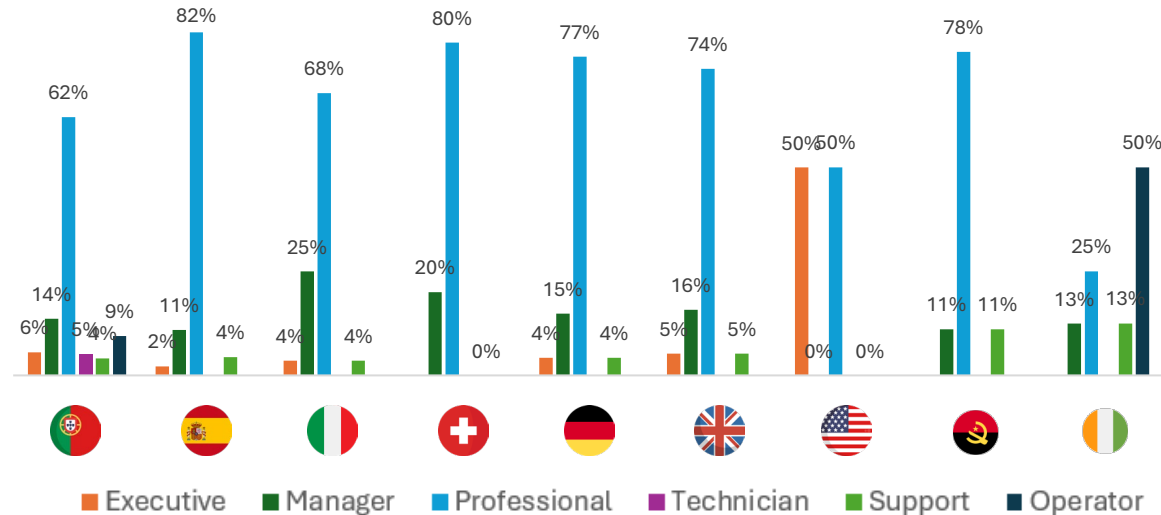


Figure 5 – Percentage of employees by career category and country



4.1.2. Social Dialogue

93% of our workforce is covered by collective bargaining

The majority of the BIAL Group's employees (93%) are covered by collective bargaining agreements. In Spain and Germany, for instance, employee representative structures represent 25% of the workforce, in contrast to other countries where collective bargaining guarantees the protection of workers' rights. This discrepancy is indicative of the unique characteristics of the industrial relations system in each region, reflecting different social, economic and legal contexts.

At BIAL, we recognise the vital importance of social protection and job security for our employees. We are committed to ensuring that all our team members are covered by comprehensive social protection schemes, including both public schemes and benefits offered by BIAL. This comprehensive coverage ensures our employees are protected against various financial risks, including illness, unemployment, accidents at work, acquired disability, parental leave and retirement. BIAL is committed to providing a safe and sustainable environment where the well-being and safety of its employees are a priority.





4.1.3. Wages

Fair wages have always been a top priority for BIAL!



BIAL is committed to social responsibility and best labour practices. We are dedicated to ensuring fair and equitable working conditions for all our employees. We are committed to ensuring that all our employees are paid above the legal minimum wage set in their respective countries.

Our remuneration policy is designed to value our employees, and we are proud to say that all BIAL employees are paid fairly, always complying with the legal regulations of each country in which we operate. BIAL is committed to offering competitive salaries that are in line with market benchmarks, enabling the company to attract and retain top talent.

Our objective of promoting the well-being and professional development of our employees is in line with a compensation policy that not only ensures compliance with minimum requirements, but also constantly seeks to improve working conditions, creating a sustainable and inclusive environment for all.



4.1.4. Training and skills development

At BIAL, we value the continuous growth and development of our employees, and we ensure that everyone has access to structured performance appraisal processes. In line with this commitment, 100% of our employees participated in regular performance reviews, except in the Ivory Coast, where participation was at 13%.

The percentages recorded by gender reflect the distribution of active employees in the Group, ensuring an equitable and representative analysis. Similarly, all performance evaluations were conducted for all career categories, except Ivory Coast, where only the Manager received a performance evaluation.

All performance appraisals were conducted under the criteria defined by management, ensuring transparency, alignment with BIAL's strategic objectives and opportunities for continuous improvement for our employees.

In 2024, a total of 60 employees demonstrated exceptional performance in their respective roles, leading to their advancement within the company hierarchy. Of the group, 65% are women, indicating notable female representation in career progression. These results reflect the impact of appraisals on professional growth and highlight our commitment to valuing talent within the organisation.

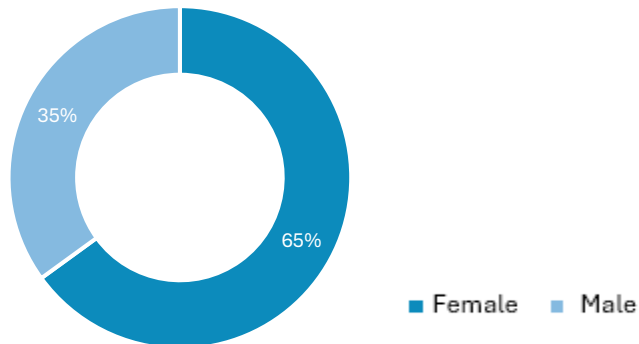


Figure 6 – Percentage of employees who have progressed in their careers by gender





+ 23,000 training hours

At BIAL, we consider training to be a vital component of our employees' personal and professional development. We are therefore committed to providing ongoing training and qualification opportunities, which are essential for training and growth within the Group.

The distribution of the average number of training hours varies across different geographies. One of the reasons for this is the absence of documentation pertaining to training attendance. In any case, approximately 69% of employees in Portugal and Italy had an average of more than 40 hours of training per employee.

It is also important to note that there are no significant differences in terms of gender, showing that the training policy is fair and accessible to all.

In terms of career categories, Executive Manager, Professional and Support have benefited from the highest average number of training hours.

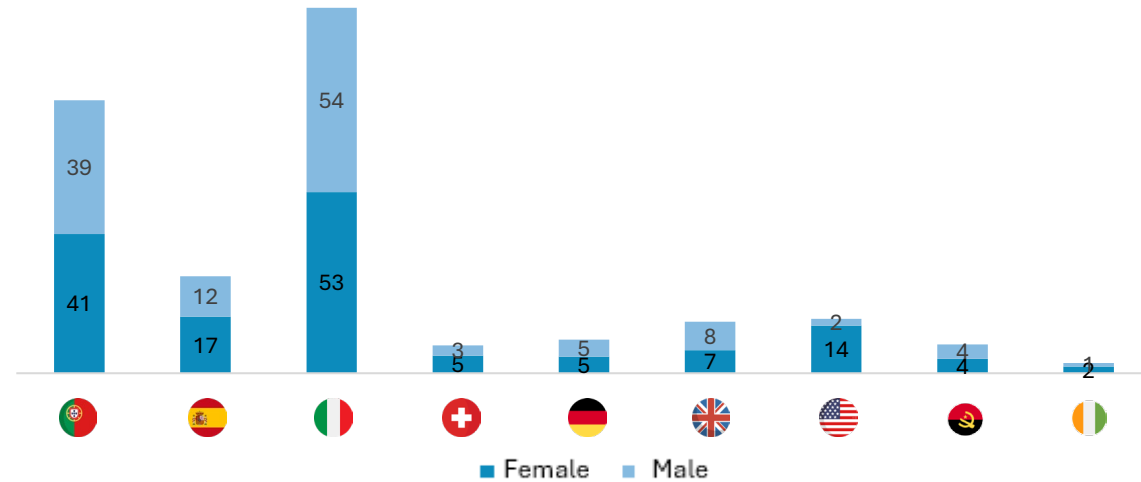


Figure 7 – Average number of training hours by gender and country

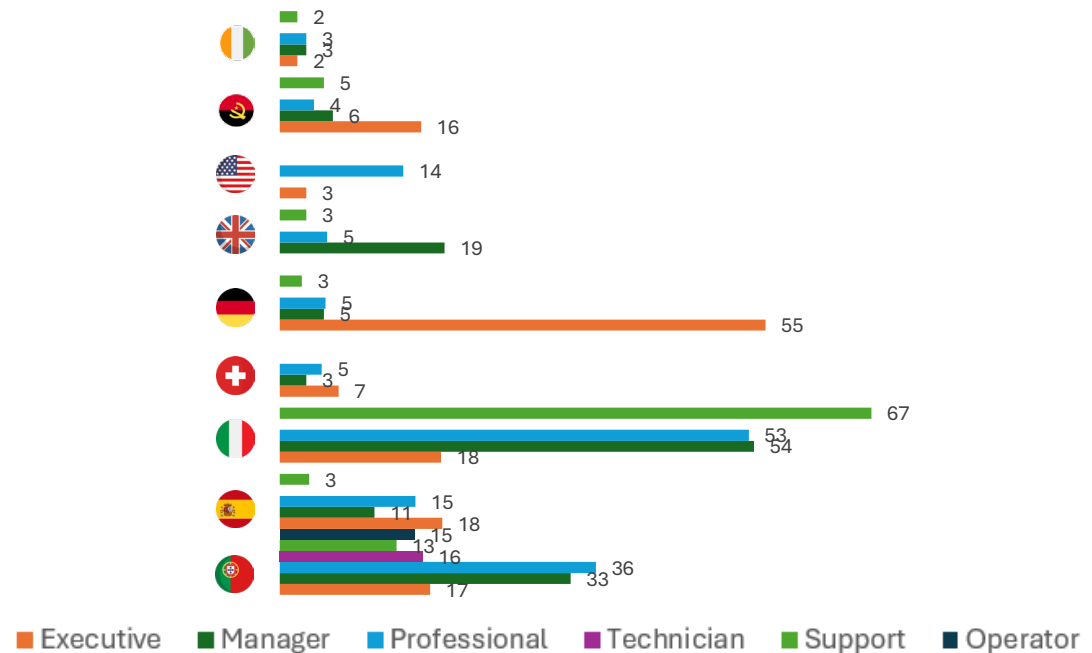


Figure 8 – Average number of training hours, by career category and country



4.1.5. Incidents involving human and workers' rights

As previously mentioned, at BIAL, we are firmly committed to promoting an ethical and safe working environment that respects human rights. We have a formal, confidential reporting channel called 'Speak Up', through which our employees, partners and other stakeholders can report any behaviour or practice that violates the Group's ethical principles or standards.

This mechanism was created to promote transparency and accountability, and to encourage open communication and the reporting of irregularities, harassment, discrimination or any other violations of human rights and/or the organisation's internal policies. BIAL guarantees that all complaints will be treated seriously, impartially and discreetly. The organisation will investigate all reported complaints, ensuring the protection of those who speak out, without fear of retaliation.

With regard to the use of internal whistleblowing channels, during the reporting period, two complaints were lodged in Portugal and two in Spain, demonstrating the existence of accessible mechanisms for reporting concerns. Following a thorough investigation, it was determined that two of the four complaints were substantiated. Consequently, the organisation applied the sanctions decided upon. However, no fines, financial penalties or compensation for damages were issued as a result of these complaints. Furthermore, there were no significant human rights violations involving the Group's workforce during the period under review.

BIAL remains committed to strengthening its ethics and compliance policies, promoting an inclusive work environment free from discrimination, where the rights of all employees are protected and respected.





4.2. Diversity

A qualified and diverse leadership structure is essential for the Group's sustainable growth. In 2024, there was an increase in the percentage of women in the Executive and Manager career categories. Our company currently has 35 employees in the senior management category, which corresponds to the Executive category. The countries in which these professionals are based are Portugal, Spain, Italy, Germany, the USA and the UK, reflecting BIAL's global presence and its commitment to strategic leadership in different markets. It is also noteworthy that in Portugal, the country with the highest representation in this sector, we are close to achieving gender parity. This underscores our commitment to equal opportunities and the promotion of a more balanced and inclusive working environment.

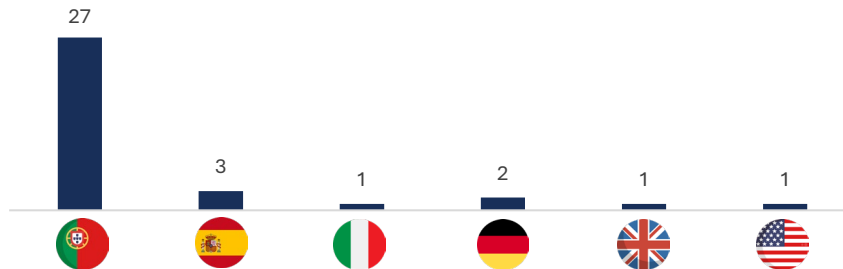


Figure 9 – Number of employees in the Executive category, by country

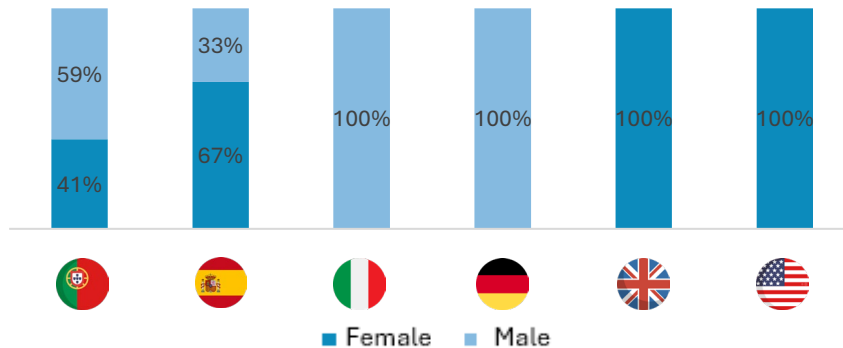


Figure 9 – Percentage of employees in the Executive category, by country and gender

2030 Goal: Women ≥ 50%

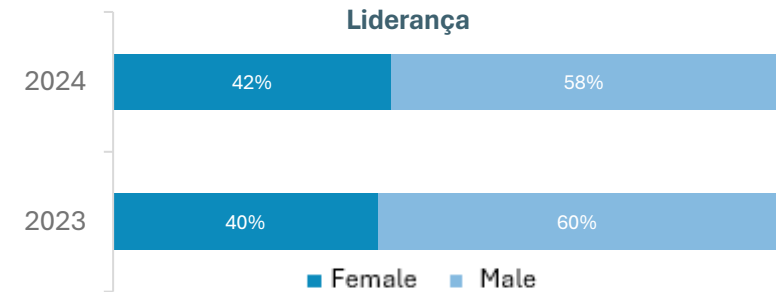


Figure 11 – Percentage of employees in leadership positions by gender in 2023 and 2024

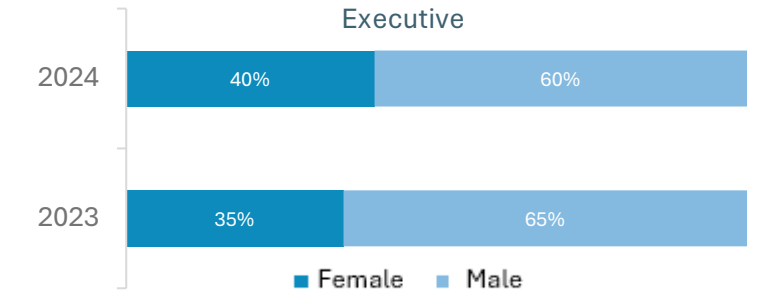


Figure 12 – Percentage of employees in the Executive category, by gender in 2023 and 2024

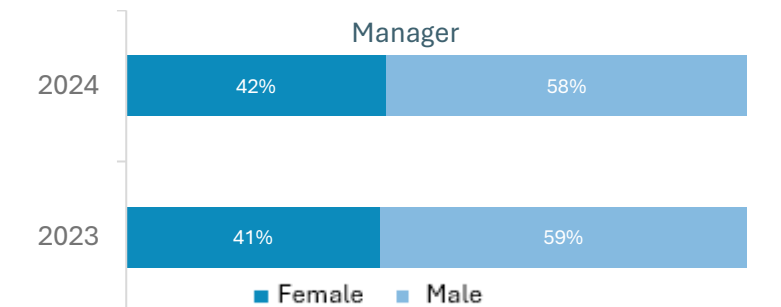


Figure 13 – Percentage of employees in the Manager category, by gender in 2023 and 2024



Average age	<30 years old	30 - 50 years old	>50 years old
43 years old	8% 58 employees	69% 516 employees	23% 171 employees

At BIAL, 69% of our employees are aged between 30 and 50, with an average age of 43. This reflects a solid and experienced base in all our global operations. This is consistent across all the countries where we are present, with the exception of the United Kingdom, where the majority of employees are over 50.

The under-30 age group constitutes a minority within our organization, which reflects a predominantly more experienced profile and reduced turnover. This balance in age demographics is conducive to the formation of a diverse team.

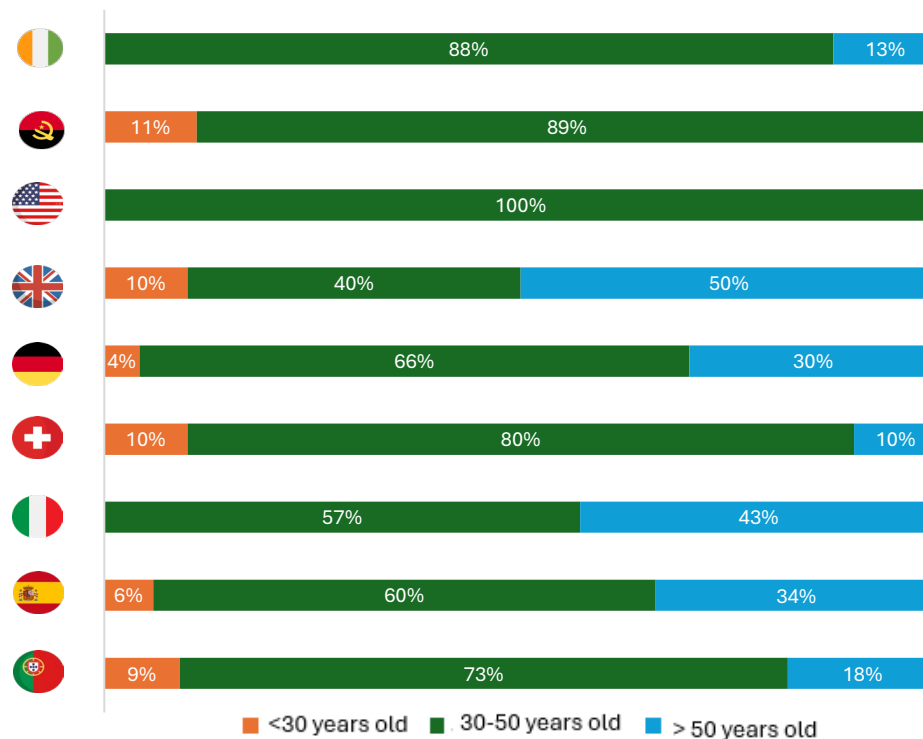


Figure 14 – Distribution of employees by age group and country



We are proud of our strong international presence, reflected in the diversity of our team. Our current workforce reflects a rich diversity, with employees hailing from 29 different nationalities.

This diversity is a reflection of our internationalisation strategy, which extends beyond Portugal's borders, involving professionals from all over the world. Cultural diversity is vital for a business as it encourages the exchange of perspectives, experiences and knowledge among employees, thus facilitating innovation and the development of excellent pharmaceutical solutions.





4.2.1. Work-life balance



At BIAL, we prioritise a healthy work-life balance for our team members and encourage policies that support parental and caregiver leave.

In all the countries where we operate, employees were entitled to this leave, except for the United States, Angola and Ivory Coast. However, the percentage of employees who exercise this right, compared to the total number of male and female employees, is not significant. However, Switzerland and the United Kingdom are noteworthy exceptions, where the figures are relatively higher, given the smaller total number of employees in these countries, making the percentage proportionally more significant.

Caregiver leaves were also in use to a lesser extent, but only in Portugal and Spain.

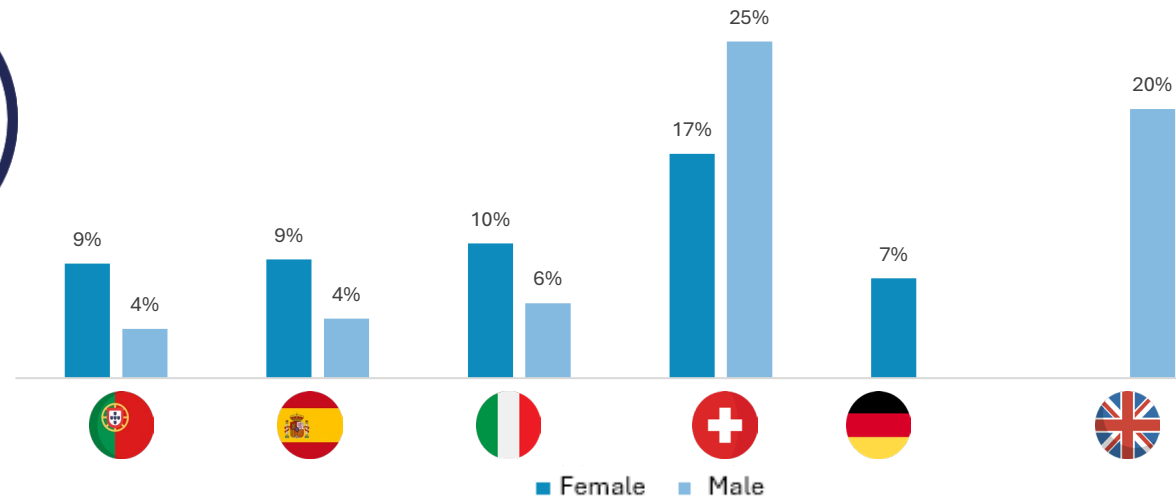


Figure 15 – Percentage of employees on parental leave, by country

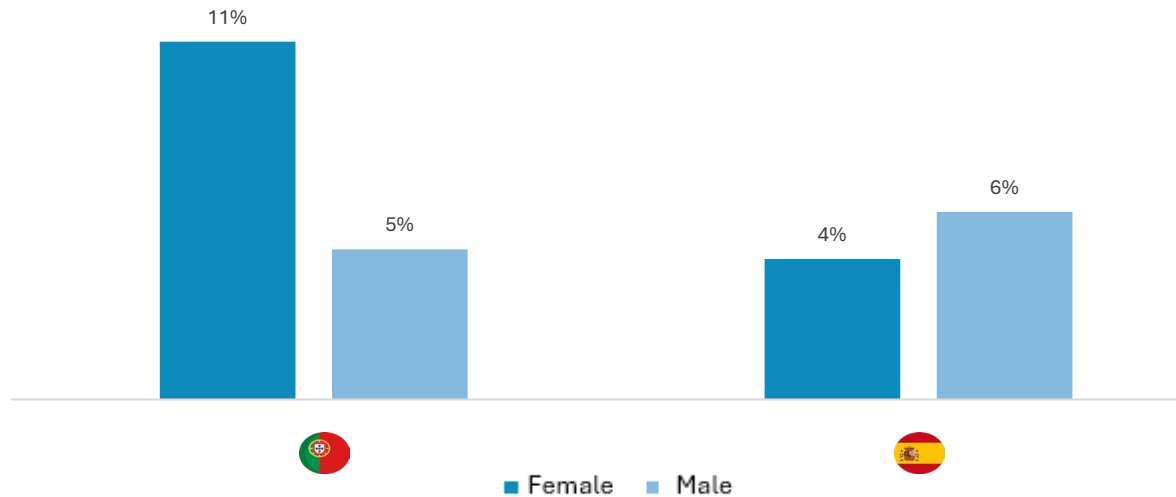


Figure 16 – Percentage of employees on caregiver leave, by country and gender



4.3. Affected Communities

BIAL is associated with various civil society and government initiatives, actively participating in their implementation, either through financial support or directly in their realization. The natural highlight of the project is the involvement of its most diverse employees, namely the members of its governing bodies, who collaborate pro bono in various public institutions whose purposes and initiatives are in line with BIAL's values and principles.

BIAL's Social Responsibility policy is an integral part of the Group's management practices and is present in the relationship with its different stakeholders. The policy encompasses areas such as people management, quality and environmental protection policies, various initiatives to promote/support scientific research and association with humanitarian causes and social organizations around the world. We are proud to say that we are not alone in this mission. In recent years, BIAL has collaborated with a range of institutions and organizations that share our vision of working together to create a more responsible and sustainable planet.

4.3.1. Education and research

In recent years, as part of its commitment to quality training, BIAL has developed agreements and partnerships with various institutions that recognise the fundamental role of education. In this context, we highlight our role in the General Councils of the schools in the community where we operate.

BIAL also collaborates with institutions that provide social support to young university students. This collaboration takes the form of awarding scholarships, thus playing a role in preventing school drop-outs, developing key skills and promoting youth employability.

As part of its social responsibility policy, and in partnership with the municipality of Maia in Portugal and the Institute for Research and Innovation in Health (I3S), BIAL has once again sponsored LABS Maia. LABS Maia is an open laboratory where students can experience what it's like to be a scientist and learn about real scientific problems and laboratory research techniques.

At the beginning of September, we had the pleasure of spending a very rewarding day at BIAL's headquarters, where we were honoured to welcome eight Stand4Good students. Stand4Good is a Portuguese organisation that was set up to support university students who, despite living in a situation of proven economic deprivation and having applied for Social Action Grants, did not receive them by the narrowest of margins. BIAL has been a Stand4Good partner since the initiative's inception, having awarded ten scholarships to university students in the health sector.



BIAL is proud to be one of the partners in the most inclusive EPIS (Entrepreneurs for Social Inclusion) - Social Scholarships (established in 2006 and with a focus on education, specifically the combating of school failure and dropout) to date. This year, 235 scholarships were awarded to 202 students to support their ongoing studies. Furthermore, internships were facilitated for 29 young adults with disabilities, and 10 social inclusion projects implemented in schools were recognised. With an investment of €567,200 (a 25% increase on last year's programme), the EPIS 2024 Social Scholarships were awarded in December.

Since 2021, BIAL has been associated with the Ser Pro Programme, an agreement promoted by Teresa and Alexandre Soares dos Santos - Education. The objective of this project is to enhance the quality of education and training in Portugal by promoting the integration of young people into educational institutions and addressing the shortage of specialised technicians in companies. Gondomar Secondary School is one of the beneficiaries of this agreement. The school's Pharmacy Technician Course is supported by BIAL, a specialist in the pharmaceutical industry.

BIAL recognises the fundamental role of education in the sustained development of a more competitive and dynamic society. For this reason, it has joined Junior Achievement Portugal (JAP). This is a pioneering and unprecedented educational programme in Portugal, which arose in response to the need for greater participation by civil society in the life of schools. In this programme, BIAL provides support to a group of schools in the Greater Porto area through various means.

As part of the Porto de Futuro programme, which is promoted by the Porto City Council, BIAL employees deliver training to students on an annual basis on topics such as "Family and Community", "Citizenship" and "The Economy", amongst others. The second dimension is Braço Direito, a project in which students are welcomed onto our premises. The main aim of this initiative is to offer students the opportunity to spend a working day as the right-hand man of a BIAL employee. During this time, they will accompany their assigned colleague in all their tasks and activities. We are dedicated to supporting the communities in which we operate, with a particular focus on educational institutions in the municipalities of Porto, Trofa and Maia. At the Viso School, we recognize and reward the achievements of our students on an annual basis. This is achieved through a dedicated ceremony where prize vouchers are awarded to the top students in each class.

In 2024, we initiated the Bué d'Escolhas Project, which comprises a science workshop designed to be engaging for students from the 2nd educational cycle to secondary school. The project also includes vocational experiences, where students have the opportunity to spend a day with a BIAL employee, gaining insight into the field and the job.



In terms of community engagement, particularly in the context of education and research, it is essential to emphasise our role as a founding member and sole patron of the BIAL Foundation. This non-profit institution and public benefit organisation, established in 1994, was created in collaboration with the Council of Chancellors of Portuguese Universities. Its mission is to promote and encourage the scientific study of the human being, addressing both physical and spiritual aspects. Over the years, the BIAL Foundation has recognised and stimulated scientific research by awarding prizes and providing support, as well as by collaborating with the scientific community around the world. The primary activities encompass the bestowal of scientific accolades, the allocation of research grants, and the orchestration of symposia. We would like to draw your attention to the BIAL Foundation's prestigious awards: the BIAL Award in Biomedicine, the BIAL Award in Clinical Medicine and the Maria de Sousa Award. The Maria de Sousa Award is dedicated to honouring the remarkable physician and immunologist Maria de Sousa. This esteemed award aims to support up to five young Portuguese researchers, aged 35 or under, in their scientific endeavours in the field of Health Sciences. The award includes an internship at a renowned international centre of excellence.

In 2024, the BIAL Foundation celebrated its 30th anniversary and, to mark the occasion, promoted various initiatives, including the conference "On the Physiology of the Mind 2024". This event, which was chaired by the Prime Minister, Luís Montenegro, took place in the Aula Magna of the Rectory of the University of Lisbon and featured internationally renowned neuroscientists António Damásio and Hanna Damásio.

In addition to the 30th anniversary celebrations, the BIAL Award for Clinical Medicine 2024, valued at €120,000, and the Maria de Sousa Award 2024, in partnership with the Portuguese Medical Association, valued at up to €150, will be presented. The 14th "Beyond and Beyond the Brain" Symposium, which brought together more than 300 participants to debate the topic of "Creativity", the 16th Scientific Research Grants for the year 2024/2025, which received 432 applications, the 2023 BIAL Award in Biomedicine ceremony and the 2024 Maria de Sousa Award ceremony, which together awarded prizes worth €450,000.

F U N D A Ç ã O
Bial

Instituição de utilidade pública



4.3.2. Social Causes and Community

At BIAL, we are committed to contributing to a more equal and supportive society. In 2024, BIAL maintained its involvement with several charities that strive to cultivate a more conscientious and equitable society, with a core emphasis on enhancing people's well-being, cultural enrichment, environmental stewardship, and the promotion of sustainable growth.

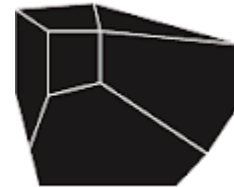
In terms of solidarity fundraising, last December saw the organisation of a solidarity fair in collaboration with several institutions. These included Ajudaris, Instituto Português da Afasia (IPA) and ACIP, who provided a platform for the sale of donated products. In addition, the event served as a collection point for essential items, with contributions to Vida Norte, Cantinho do Tareco and A cerca charities.

In collaboration with the Portuguese Institute of Blood and Transplantation (IPST) in Porto, a blood and bone marrow donation campaign was organised at the BIAL facilities.

We would also like to emphasise the team-building efforts of our sales teams. These teams have dedicatedly participated in solidarity projects, including the rehabilitation of four spaces for the IPSS, Florinhas do Vouga, and the delivery of hampers containing personal hygiene products and items designed to enhance fine motor skills to three institutions. A total of 397 families were impacted by Santa Casa da Misericórdia de Sobral Monte Agraço, Casa Mãe do Gradil, and Casa do Povo da Freiria. We believe in the mission of helping others, rather than simply engaging in team-building activities.

In addition to the causes mentioned above, BIAL has provided support to various organisations in the areas of health, education and science, as previously stated.

We are affiliated with and play a key role in shaping both local and national culture, as evidenced by our association with the Serralves Foundation and the Casa da Música.



SERRALVES

casa da música





4.3.3. The people we serve

The people we serve are at the heart of our purpose: to help improve the quality of life of people all over the world. In this regard, we have formed strategic partnerships with prominent medical societies and respected patient associations. These collaborations aim to facilitate training and education, while also raising awareness of various health concerns affecting the population.

One of the initiatives that was created in 2023 and extended into 2024 was the launch of the "Top of Mind" podcast. The objective of this initiative was to promote a series of simple and accessible conversations with doctors, caregivers, patients and specialists from different areas. The podcasts address and demystify some of the pathologies that most affect the Portuguese. The objective of "Top of Mind" is to enhance health literacy in Portugal by providing reliable information, knowledge and shared experiences regarding various pathologies to the general public.

We are pleased to announce that we are currently researching two drugs for epilepsy and Parkinson's disease, and we are committed to providing comprehensive information on these pathologies and addressing the associated stigmas.

Parkinson's disease is a priority for us because we understand the impact it has on patients and their caregivers. We are dedicated to minimising that impact through our medicines, as well as a comprehensive range of initiatives and activities to support, educate and raise awareness. We believe in our responsibility as an organisation and that, together, we can make a significant difference to the lives of people affected by Parkinson's Disease, their careers and families. This is extremely inspiring and rewarding. In October, we attended MDS (the annual congress of the International Parkinson and Movement Disorder Society) and presented our science and the latest news about ONgentys, Kynmobi and BIA-28 through poster presentations and various interactions with relevant KOL.

To emphasise BIAL's commitment to the field of Parkinson's disease research, it is important to highlight two additional events. In October, the BIAL PD Expert Gathering 2024 took place, bringing together 13 renowned KOLs (Key Opinion Leaders) in the field of Neurology/Parkinson's Disease. The scientific programme focused on the theme "Targeting brain health: a roadmap for the next 100 years in CNS" and opened the door to crucial discussions on important topics around neurodegeneration, rare diseases, biomarkers and animal models for studying PD, as well as future avenues in the Academia-Health-Pharmaceutical partnership.



The sixth Moving ON Series event took place in November and was entitled "Walking with Parkinson's: Patients and caregivers' journey". This event is a joint meeting between the Portuguese Society of Neurology, the Portuguese Society of Movement Disorders and BIAL. The meeting aims to contribute to the medical education and scientific updating of young neurologists in Portugal.

The BIAL universe extends beyond the Central Nervous System (CNS), as demonstrated by our recent organisation of "MEDLAB: Meeting the experts - Pain Area", a hybrid and disruptive event on Pain, which attracted 150 health professionals. The objective of the initiative was to facilitate knowledge-sharing in the domain of Pain and Inflammation, with a focus on dispelling misconceptions surrounding the safety of the therapeutic modalities employed. This initiative brought together specialists from various fields, including rheumatology, gastroenterology, hepatology, cardiology, and nephrology.

In October, we once again hosted HF 360°, an event organised by the Cardiovascular, Renal and Metabolic Medicine team. This event brought together specialists, including cardiologists and general practitioners, in the same place to share their knowledge on various topics related to cardiology. At the event, the team brought together 90 national and international specialists in the field to provide an in-depth debate involving multidisciplinary specialities in addition to cardiology, with a focus on Heart Failure (HF).





4.4. Product Quality

BIAL, as an organisation in the health sector, is committed to ensuring the quality of its products and the safety of people through rigorous processes regulated by the health authorities.

Keeping Life In Mind guides us to provide safe and effective therapeutic solutions in line with the highest quality standards. In order to guarantee patient satisfaction, we adhere to the principles set out in our CEC, in addition to specific policies, such as those relating to quality and data protection.

The management of complaints and pharmacovigilance follows strict processes, ensuring transparency and mitigating impacts. All complaints and pharmacovigilance cases are meticulously recorded, thoroughly investigated and followed up, with appropriate responses sent to complainants.

BIAL employs both quantitative and qualitative evaluation metrics to ensure the consistent enhancement of its products and to guarantee the safety of its personnel.

BIAL is obliged to provide product consistency and quality following the strict regulations applicable to the pharmaceutical industry. BIAL is certified by the Portuguese Medicines Agency (INFARMED) and by several other national regulatory bodies, including the Spanish Agency of Medicines and Medical Devices (AEMPS), the Federal Institute for Drugs and Medical Devices (BfArM), the Food and Drug Administration (FDA), the Medicines and Healthcare Products Regulatory Agency (MHRA), and the Swiss Agency for Therapeutic Products (SwissMedic). Good Manufacturing Practice (GMP) and Good Distribution Practice (GDP) certifications, as well as manufacturing and distribution licenses, can be found in a public database (EudraGMDP). All BIAL sites are subject to internal and external Good Manufacturing Practice (GxP) audits, as well as regulatory inspections. All BIAL production sites are certified to operate as pharmaceutical manufacturers, and BIAL's procedures are disseminated throughout the value chain through written documents, audits and training related to GMDP.

0 Critical findings during regulatory inspections



BIAL conducts rigorous internal testing of all raw materials, packaging materials, intermediates, and finished products, in addition to external testing. The specifications have been reviewed and approved by the relevant regulatory authorities in the markets where the products are sold. All BIAL products are traceable following GMP principles.

All BIAL staff members receive pharmacovigilance training on an annual basis.

BIAL adheres to rigorous procedures for the management of product recalls. As per the established protocols of BIAL's recall procedures, health authorities are to be involved in all instances. The information disseminated to wholesalers and end users is based on their expert counsel. BIAL's recall system is subject to annual review through the implementation of recall simulations, the purpose of which is to ensure the continued efficiency of the company's procedures. This is not only a requirement for BIAL's operation but also serves as training to ensure that its employees are prepared in the event of a recall.



0 medicines RECALL



4.5. Data Privacy



At BIAL, we are committed to protecting the privacy and data security of all individuals concerned, including consumers and end users. In compliance with current legislation and regulations, we have adopted a data protection policy that ensures that all personal information is treated with the utmost respect and security.

To ensure compliance with this policy, we have made an online form available, allowing all data owners to exercise their rights over the personal data we hold. The process is clearly defined in internal procedures, which have been approved and implemented to ensure transparency and control over data.

Additionally, we have appointed a Data Protection Officer (DPO) whose primary responsibility is to ensure that personal data is not used for any purpose other than that for which it was collected. The DPO is also available to answer any questions raised by data owners, ensuring that all privacy-related rights are respected properly and effectively.

We are committed to data privacy and protection, reflecting our respect for the trust of data owners and the security of their personal information.

5. Environmental



Since 2001, BIAL has maintained a robust commitment to environmental management, establishing itself as a leader in sustainable practices within its industry. Since 2001, BIAL's corporate headquarters and research, development and manufacturing facilities have maintained ISO 14001 certification, thereby demonstrating their ongoing dedication to environmental sustainability and quality management. ISO 14001 certification is a testament to the implementation of a structured Environmental Management System (EMS), ensuring that BIAL methodically identifies, evaluates and minimises the environmental impacts of its activities. Adopting this standard enables BIAL to promote the efficient use of resources, the reduction of waste and emissions, and strict compliance with applicable environmental legislation.

BIAL conducts internal environmental audits at its production sites to ensure compliance and enhance its certified Environmental Management System (EMS). In addition to these internal audits, the company also receives external audits. These audits cover various environmental issues, such as emissions of organic compounds into the atmosphere and waste management.





5.1. Climate Change

We are committed to climate action and are working today to prepare for tomorrow.

BIAL recognises the importance of mitigating climate change and has adopted measures to reduce the environmental impact of its operations. Our Environmental Sustainability Policy establishes general climate objectives, such as reducing emissions, promoting green mobility, and increasing the use of renewable energies. This policy is implemented through actions within the scope of the Integrated Environmental Management System and is accompanied by the definition of internal energy consumption reduction targets, which are included in the Energy Rationalisation Plan and the strategic plan. GHG emissions are accounted for on an annual basis. Based on the presented data, emissions have decreased in all three areas. Scope 3 emissions remain the most significant, accounting for 97% of the total (102,575 tCO₂e), as they cover nine categories: 1, 2, 3, 4, 5, 6, 7, 9 and 12.

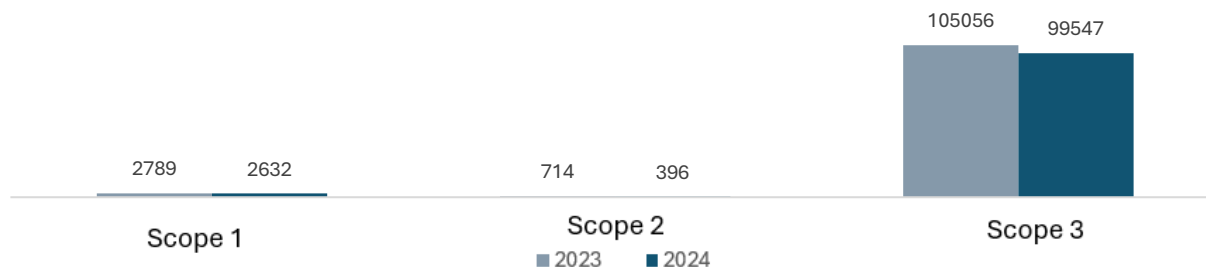


Figure 17 – Scope 1, 2 and 3 GHG emissions (tCO₂e)

Although BIAL still does not have a climate transition plan or environmental sustainability policy in line with ESRS requirements, it has been taking initiatives in this direction to strengthen its commitment to sustainability and the transition to a low-carbon economy.



By joining the Porto Climate Pact, we are demonstrating our commitment to achieving carbon neutrality. In addition, we have installed photovoltaic panels to reduce the carbon footprint associated with our electricity consumption, and this is evidenced by the Guarantees of Origin (GO) certificates.





5.2. Energy Management

At BIAL, we believe that innovation and sustainability must go hand in hand. As energy is an essential resource for our business, we take responsibility for managing its consumption efficiently, driving the transition to a more sustainable, low-carbon model.

With this commitment, we have implemented strategic measures to reduce energy consumption and focus on renewable sources. The installation of photovoltaic panels is a reflection of this vision, contributing to the diversification of our energy matrix and reducing our dependence on fossil fuels. As a result, we have achieved a 20% reduction in energy consumption from fossil sources and a significant 116% increase in the use of renewable energies.

However, we do not rest on our laurels. We are committed to the principle of continuous improvement and recognise that every action we take contributes to a more sustainable future. We will continue to invest in energy efficiency and innovative solutions, thereby reinforcing our commitment to sustainability and a positive environmental impact for generations to come.

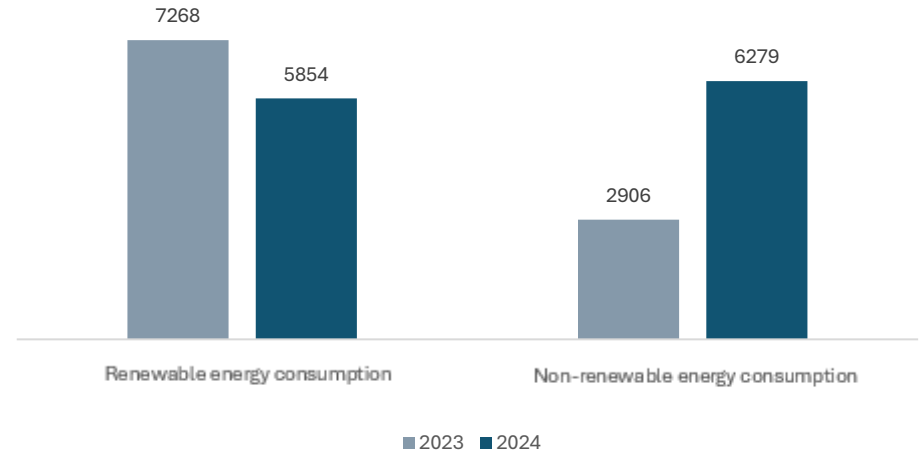


Figure 18 – Energy consumption from fossil fuel and renewable energy sources, per year (MWh)

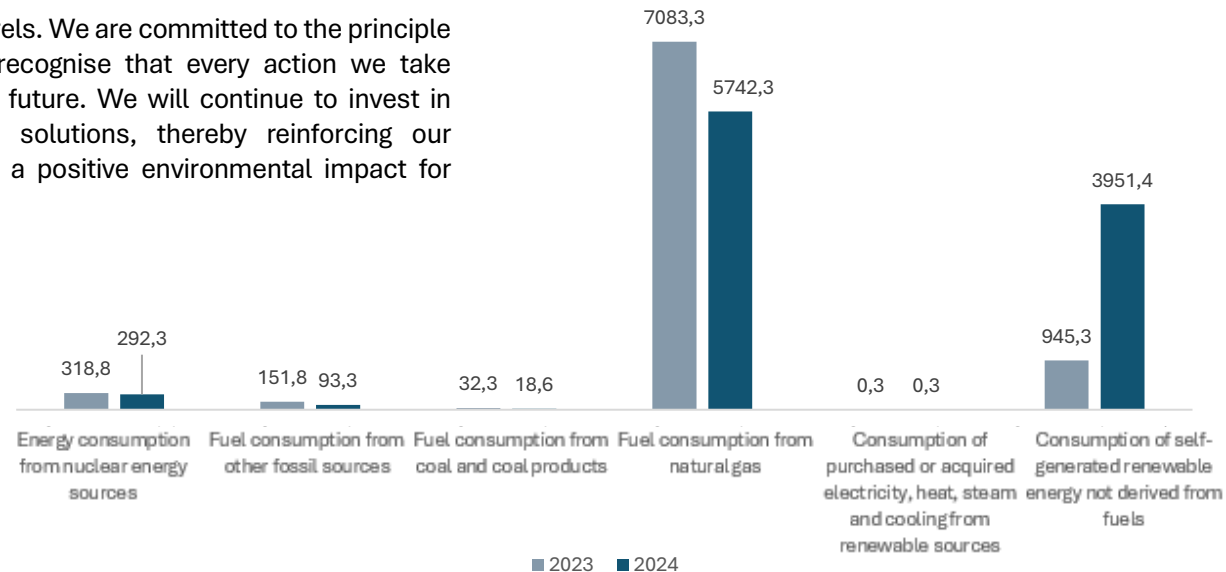


Figure 19 – Consumption related to main energy sources, by year (MWh)

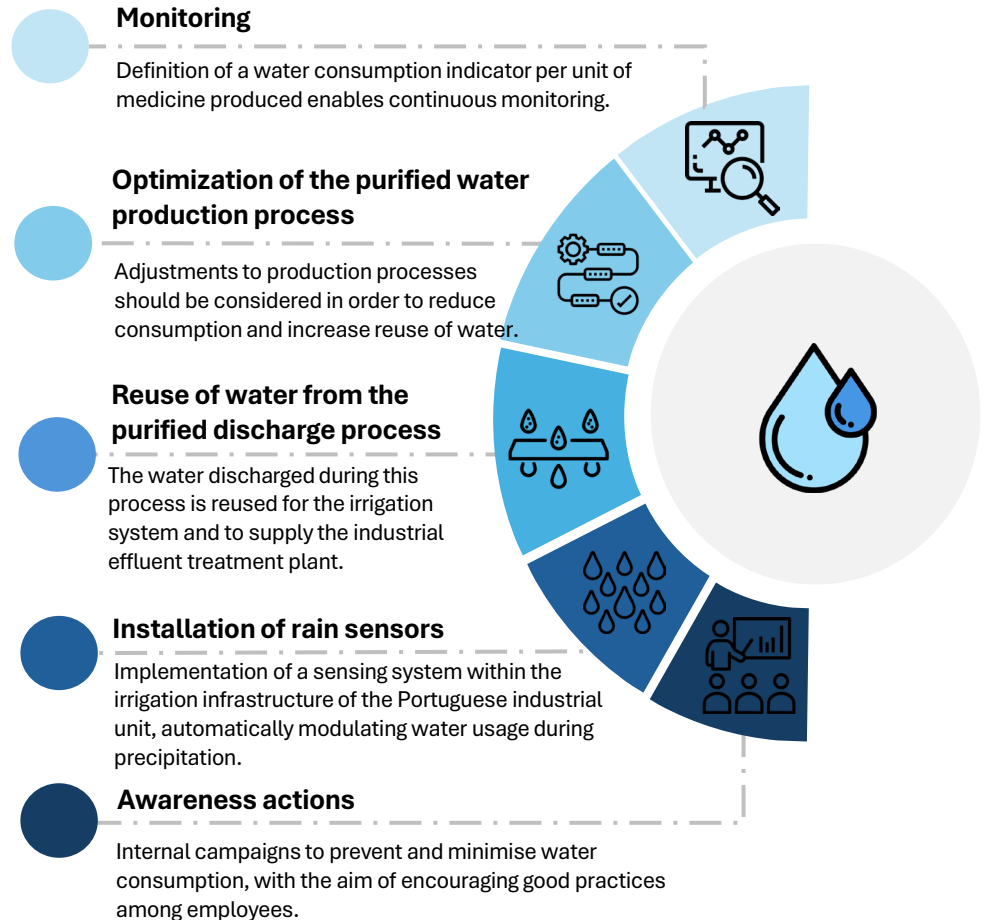


5.3. Water Management

As part of its Environmental Sustainability Policy, BIAL is committed to minimising water consumption in its industrial operations. At the same time, it guarantees the quality of the water used and the suitability of its effluents to the required environmental standards. The organisation's water management strategy is centred on the industrial unit in Portugal, which accounts for the highest volumes of water consumption and treatment.

BIAL's water management strategy is in line with its Environmental Sustainability Policy, which covers pollution, climate, water, waste and the circular economy. In terms of water, the objective is to minimise consumption whilst ensuring the efficient treatment of the liquid effluent generated by industrial activities.

BIAL has been implementing various initiatives with a view to reducing and reusing water at the Portuguese plant, including:





Responsible water use is a commitment to the future that we must all make

Water is an essential resource for our operations, playing a fundamental role in production processes, in guaranteeing product quality and in compliance with good manufacturing practices.

In 2024, we succeeded in maintaining the order of magnitude of water consumption, with a slight reduction compared to the previous year. This trend is indicative of our ongoing efforts to optimise consumption and implement water efficiency measures.

A key challenge in water management is that 96% of consumption occurs in regions classified as water risk, emphasising the need for a responsible and sustainable approach.

Water Risk¹

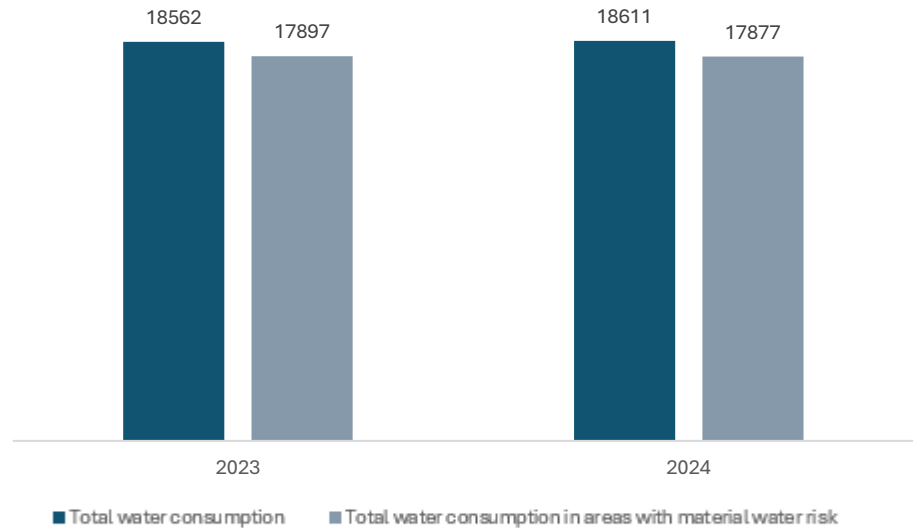


Figure 20 – Water consumption per year (m³)

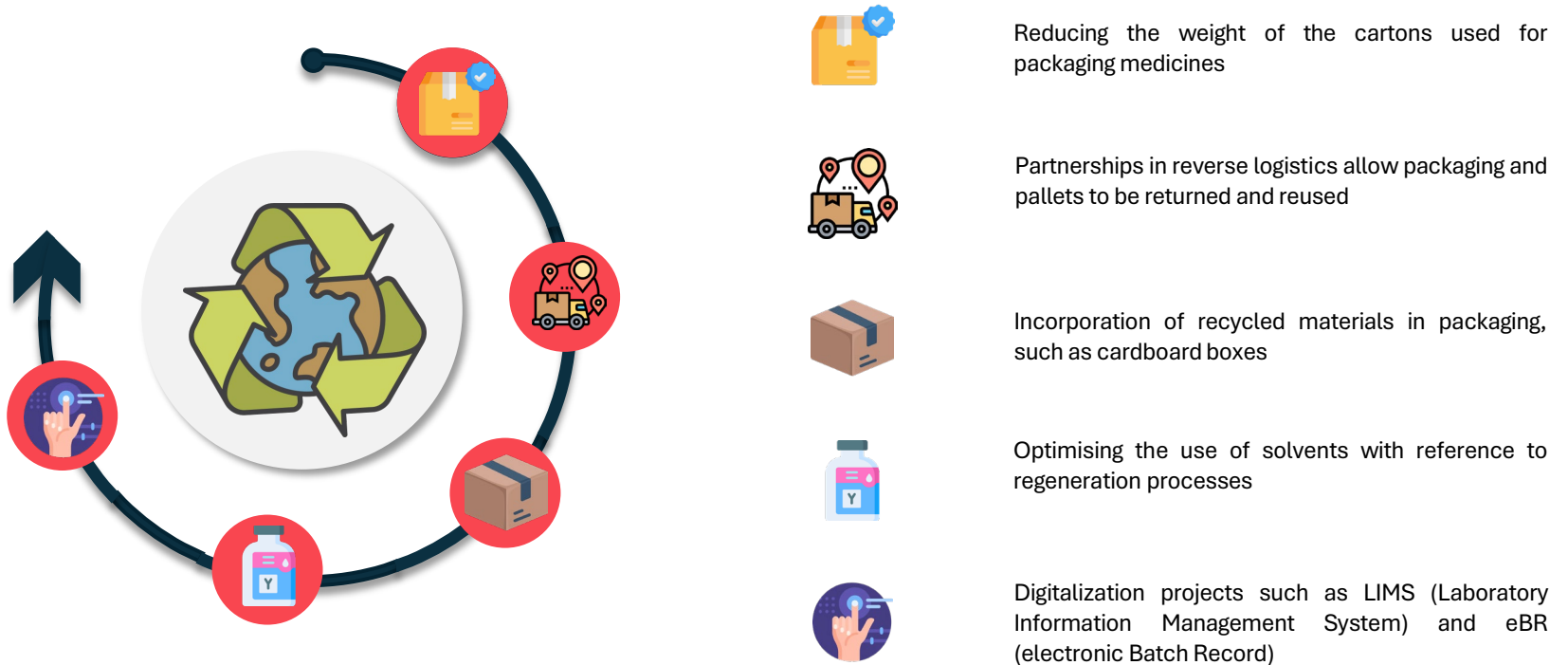
¹ Source: <https://www.wri.org/aqueduct>



5.4. Circular Economy and Waste Management

BIAL recognises the Circular Economy and Waste Management as fundamental pillars of its environmental sustainability policy, promoting practices that reduce waste and encourage the reuse of materials throughout its value chain. To this end, it is vital to ensure the efficient sorting and proper disposal of different types of waste, including industrial, hospital, hazardous and urban waste.

Although BIAL's Environmental Sustainability policy does not set specific targets, it defines clear objectives that guide the implementation of concrete actions to optimise the use of resources, minimise the generation of waste and promote its recovery. The main initiatives include:



These initiatives aim to reduce waste generation, prevent waste production at source, and minimise paper and other physical resource consumption.



We reaffirm our commitment to the circular economy by promoting the recovery of materials and reducing the environmental impact of waste. In 2024, 84% of waste was sent for recovery operations (including preparation for recovery), while only 16% was sent for disposal. This demonstrates our ongoing efforts to promote recycling and resource reuse.

Although the total amount of waste generated remained stable, there was a significant 56% reduction in non-recycled waste. This is a direct reflection of the initiatives implemented to optimise waste management and integrate circular economy principles into the organisation's processes.

These results demonstrate BIAL's commitment to adopting more sustainable practices, further strengthening its position as a leader in the transition to a more efficient and responsible production model.

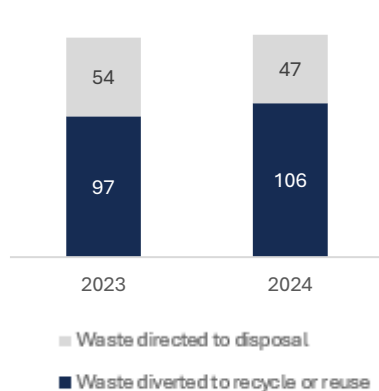


Figure 21 – Quantity of disposed and recovered waste, per year (ton)

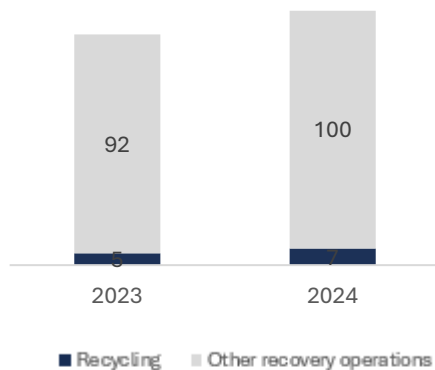


Figure 22 – Quantity of waste recovered, by type and year (ton)

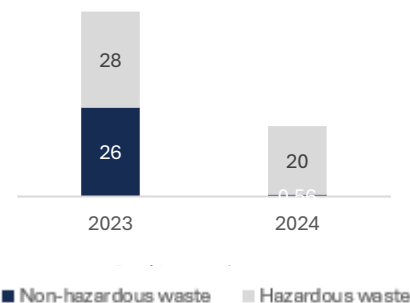


Figure 23 – Quantity of disposed waste, sorted as hazardous and non-hazardous waste, per year (ton)

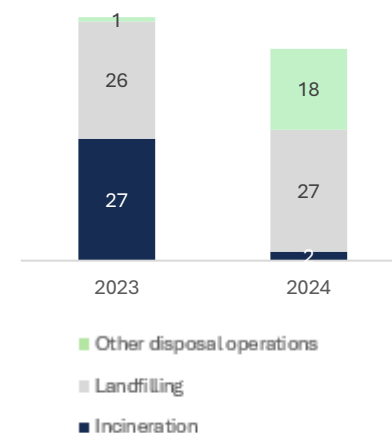


Figure 24 – Quantity of disposed waste, by type and year (ton)

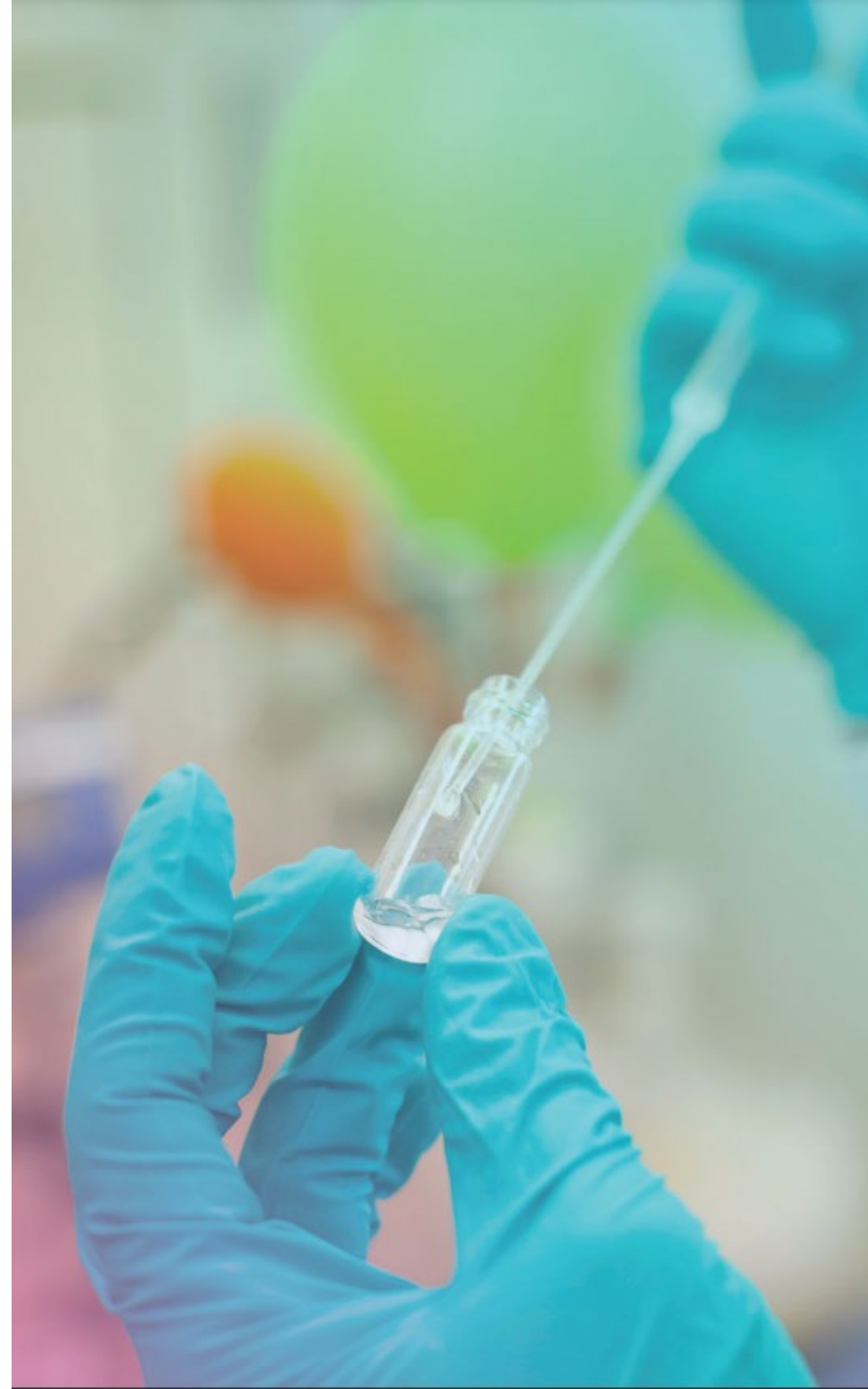
Commitment to the Future: Sustainability as a Strategic Pillar

Sustainability is no longer just an option, but an unavoidable necessity..

The new European Union rules require us to redefine our strategy and develop a solid action plan that allows us to respond effectively to an increasingly demanding regulatory framework. At BIAL, we view these challenges as an opportunity to further strengthen our commitment to innovation, responsibility and sustainable growth.

We recognise that adapting to this new reality requires transformation, investment and the creation of tools to measure, manage and continuously improve our impact. However, we are confident that this is the correct approach, as it not only guarantees the long-term viability of our business but also consolidates our reputation as a conscientious organisation, well-equipped to face the challenges of the future.

Our commitment goes beyond mere compliance with regulations; we aspire to set an exemplary standard, proactively anticipate trends, and contribute to societal value creation. We are committed to ongoing development, driven by scientific progress, innovation and a dedication to sustainability. This ensures a positive and lasting impact for future generations.





OUR BOARD

ANTÓNIO HORTA OSÓRIO (Chairman)

ANTÓNIO PORTELA (CEO)

RICHARD PILNIK (Board Member)

MELANIE LEE (Board Member)

PIERLUIGI ANTONELLI (Board Member)

JOSÉ REDONDO (Board Member)

MIGUEL PORTELA (Board Member)

JOERG HOLENZ (Board Member)

MAXIMILIANO BRICCHI (Board Member)

6. Annexes



List of Disclosure Requirements observed in the preparation of Sustainability Statements

Requirement	Name	Indicator	Page
E1-5	Energy consumption and mix	total energy consumption from fossil sources;	p. 64
		total energy consumption from nuclear sources;	p. 64
		total energy consumption from renewable sources disaggregated by:	p. 64
		fuel consumption for renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renewable sources, etc.;	p. 64
		consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources; and	p. 64
		consumption of self-generated non-fuel renewable energy.	p. 64
		fuel consumption from coal and coal products;	p. 64
		fuel consumption from crude oil and petroleum products;	p. 64
		fuel consumption from natural gas;	p. 64
		fuel consumption from other fossil sources;	p. 64
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources;	p. 64
		In addition, where applicable, the undertaking shall disaggregate and disclose separately its non-renewable energy production and renewable energy production in MWh.	p. 64
		The undertaking shall provide information on the energy intensity (total energy consumption per net revenue) associated with activities in high climate impact sectors.	p. 64
		gross Scope 1 GHG emissions;	p. 63
E3-4	Water consumption	gross Scope 2 GHG emissions;	p. 63
		gross Scope 3 GHG emissions; and	p. 63
		total GHG emissions	p. 63
		total water consumption in m3;	p. 66
E5-5	Resource outflows	The undertaking shall disclose information on its water consumption performance related to its material impacts, risks and opportunities. The disclosure required relates to own operations and shall include:	p. 66
		total water consumption in m3 in areas at water risk, including areas of high-water stress;	p. 68
		the total amount of waste generated ;	p. 68
		A the total amount by weight diverted from disposal, with a breakdown between hazardous waste and non hazardous waste and a breakdown by the following recovery operation types:	p. 68
		preparation for reuse;	p. 68
		recycling; and	p. 68
		other recovery operations	p. 68
		the amount by weight directed to disposal by waste treatment type and the total amount summing all three types, with a breakdown between hazardous waste and non-hazardous waste. The waste treatment types to be disclosed are:	p. 68
		incineration;	p. 68
		landfill; and	p. 68
		other disposal operations;	p. 68
		the total amount and percentage of non-recycled waste.	p. 68
		The undertaking shall also disclose the total amount of hazardous waste and radioactive waste generated by the undertaking, where radioactive waste is defined in Article 3(7) of Council Directive 2011/70/Euratom.	p. 68



Requirement	Name	Indicator	Page
S1-6	Characteristics of the undertaking's employees	the total number of employees by head count, and breakdowns by gender and by country for countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees;	p. 40
		the total number by head count or full time equivalent (FTE) of permanent employees, and breakdown by gender;	p. 40
		the total number by head count or full time equivalent (FTE) of temporary employees, and breakdown by gender; and	p. 40
		the total number of employees who have left the undertaking during the reporting period and the rate of employee turnover in the reporting period.	p. 41
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	The undertaking shall describe key characteristics of non-employees in its own workforce. The disclosure required shall include a disclosure of the total number of non-employees in the undertaking's own workforce, i.e., either people with contracts with the undertaking to supply labour ("self-employed people") or people provided by undertakings primarily engaged in "employment activities" (NACE Code N78).	p. 41
S1-8	Collective bargaining coverage and social dialogue	The undertaking shall disclose the percentage of its total employees covered by collective bargaining agreements;	p. 43
		The undertaking shall disclose the following information in relation to social dialogue the global percentage of employees covered by workers' representatives, reported at the country level for each EEA country in which the undertaking has significant employment; and	p. 43
S1-9	Diversity metrics	The undertaking shall disclose the gender distribution in number and percentage at top management level; and	p. 48
S1-11	Social protection	The undertaking shall disclose the distribution of employees by age group: under 30 years old; 30-50 years old; over 50 years old.	p. 48
		The undertaking shall disclose whether its employees are covered by social protection against loss of income due to major life events, and, if not, the countries where this is not the case.	p. 39
S1-13	Training and skills development metrics	The disclosure required shall include the percentage of employees that participated in regular performance and career development reviews; such information shall be broken down by gender;	p. 46
		The disclosure required shall include the average number of training hours per employee and by gender.	p. 46
S1-15	Work-life balance metrics	The disclosure shall include the percentage of employees entitled to take family-related leave; and	p. 51
		The disclosure shall include the percentage of entitled employees that took family-related leave, and a breakdown by gender	p. 51
S1-17	Incidents, complaints and severe human rights impacts	The undertaking shall disclose the total number of incidents of discrimination, including harassment, reported in the reporting period;	p. 47
		The undertaking shall disclose the number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms) and, where applicable, to the National Contact Points for OECD Multinational Enterprises related to the matters defined in paragraph 2 of this Standard, excluding those already reported in (a) above;	p. 47
		The undertaking shall disclose the total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above, and a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the financial statements;	p. 47



Requirement	Name	Indicator	Page
G1-1	Corporate culture and Business conduct policies and corporate culture	a description of the mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of its code of conduct or similar internal rules; and whether it accommodates reporting from internal and/or external stakeholders;	P.33
		details on the establishment of internal whistleblower reporting channels, including whether the undertaking provides for information and training to its own workers and information about the designation and training of staff receiving reports; and	P.33
		measures to protect against retaliation its own workers who are whistleblowers in accordance with the applicable law transposing Directive (EU) 2019/1937 of the European Parliament and of the Council;	P.35
G1-2	Management of relationships with suppliers	the undertaking's approach to its relationships with its suppliers, taking account of risks to the undertaking related to its supply chain and of impacts on sustainability matters; and whether and how it takes into account social and environmental criteria for the selection of its suppliers.	P.36
			P.36
GOV-1	The role of the administrative, supervisory and management bodies	the composition and diversity of the administrative, management and supervisory bodies;	P.31
		the roles and responsibilities of the administrative, management and supervisory bodies in exercising oversight of the process to manage material impacts, risks and opportunities, including management's role in these processes; and	P.31
		Os the expertise and skills of its administrative, management and supervisory bodies on sustainability matters or access to such expertise and skills.	P.30
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	whether, by whom and how frequently the administrative, management and supervisory bodies, including their relevant committees, are informed about material impacts, risks and opportunities (see Disclosure Requirement IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities of this Standard), the implementation of due diligence, and the results and effectiveness of policies, actions, metrics and targets adopted to address them;	P.30
		how the administrative, management and supervisory bodies consider impacts, risks and opportunities when overseeing the undertaking's strategy, its decisions on major transactions, and its risk management process, including whether they have considered trade-offs associated with those impacts, risks and opportunities; and	P.30
		a list of the material impacts, risks and opportunities addressed by the administrative, management and supervisory bodies, or their relevant committees during the reporting period.	P.30
SBM-1	Strategy, business model and value chain	The undertaking shall disclose the following information about the key elements of its general strategy that relate to or affect sustainability matters	P.28
		The undertaking shall disclose a description of its business model and value chain	P.28
SBM-2	Interests and views of stakeholders	The undertaking shall disclose a summarised description of: its stakeholder engagement,	
		the undertaking's understanding of the interests and views of its key stakeholders as they relate to the undertaking's strategy and business model, to the extent that these were analysed during the undertaking's due diligence process and/or materiality assessment process (see Disclosure Requirement IRO-1 of this Standard), whether and how the administrative, management and supervisory bodies are informed about the views and interests of affected stakeholders with regard to the undertaking's sustainability-related impacts.	P.28
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	a brief description of its material impacts, risks and opportunities resulting from its materiality assessment (see Disclosure Requirement IRO-1 of this standard), including a description of where in its business model, its own operations and its upstream and downstream value chain these material impacts, risks and opportunities are concentrated;	P.28
		with reference to the undertaking's material impacts:	
		how the undertaking's material negative and positive impacts affect (or, in the case of potential impacts, are likely to affect) people or the environment;	P.28
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	whether and how the impacts originate from or are connected to the undertaking's strategy and business model;	
		the reasonably expected time horizons of the impacts; and	
		whether the undertaking is involved with the material impacts through its activities or because of its business relationships, describing the nature of the activities or business relationships concerned;	
		a description of the methodologies and assumptions applied in the described process;	P.28
		an overview of the process to identify, assess, prioritise and monitor the undertaking's potential and actual impacts on people and the environment, informed by the undertaking's due diligence process,	P.28
		an overview of the process used to identify, assess, prioritise and monitor risks and opportunities that have or may have financial effects.	P.28
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	a description of the decision-making process and the related internal control procedures;	P.28
		the extent to which and how the process to identify, assess and manage impacts and risks is integrated into the undertaking's overall risk management process and used to evaluate the undertaking's overall risk profile and risk management processes;	P.28
		the extent to which and how the process to identify, assess and manage opportunities is integrated into the undertaking's overall management process where applicable;	P.28
		the input parameters it uses;	P.28
		The undertaking shall include a list of the Disclosure Requirements complied with in preparing the sustainability statement, following the outcome of the materiality assessment	P.71