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CONSOLIDATED MANAGEMENT REPORT OF BIAL HOLDING, S.A. 2022

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MISSION, VISON&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:

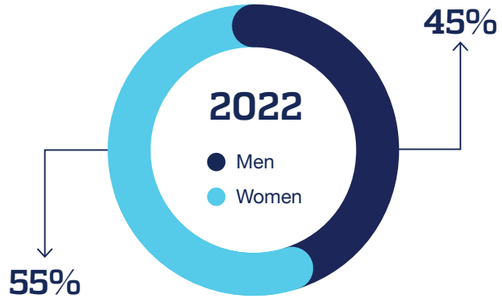
To be a company with an international dimension based on innovative medicines.

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

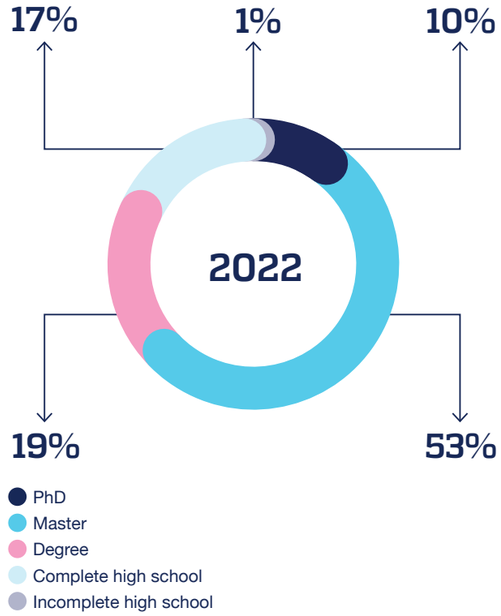
- **Caring for Health**
- **Invest in Quality and Innovation**
- **Excellence in scientific research**
- **Integrity and high ethical standards**
- **Rigour, responsibility and teamwork**
- **Respect for universal values**

HUMAN RESOURCES

Distribution by gender



Academic qualifications



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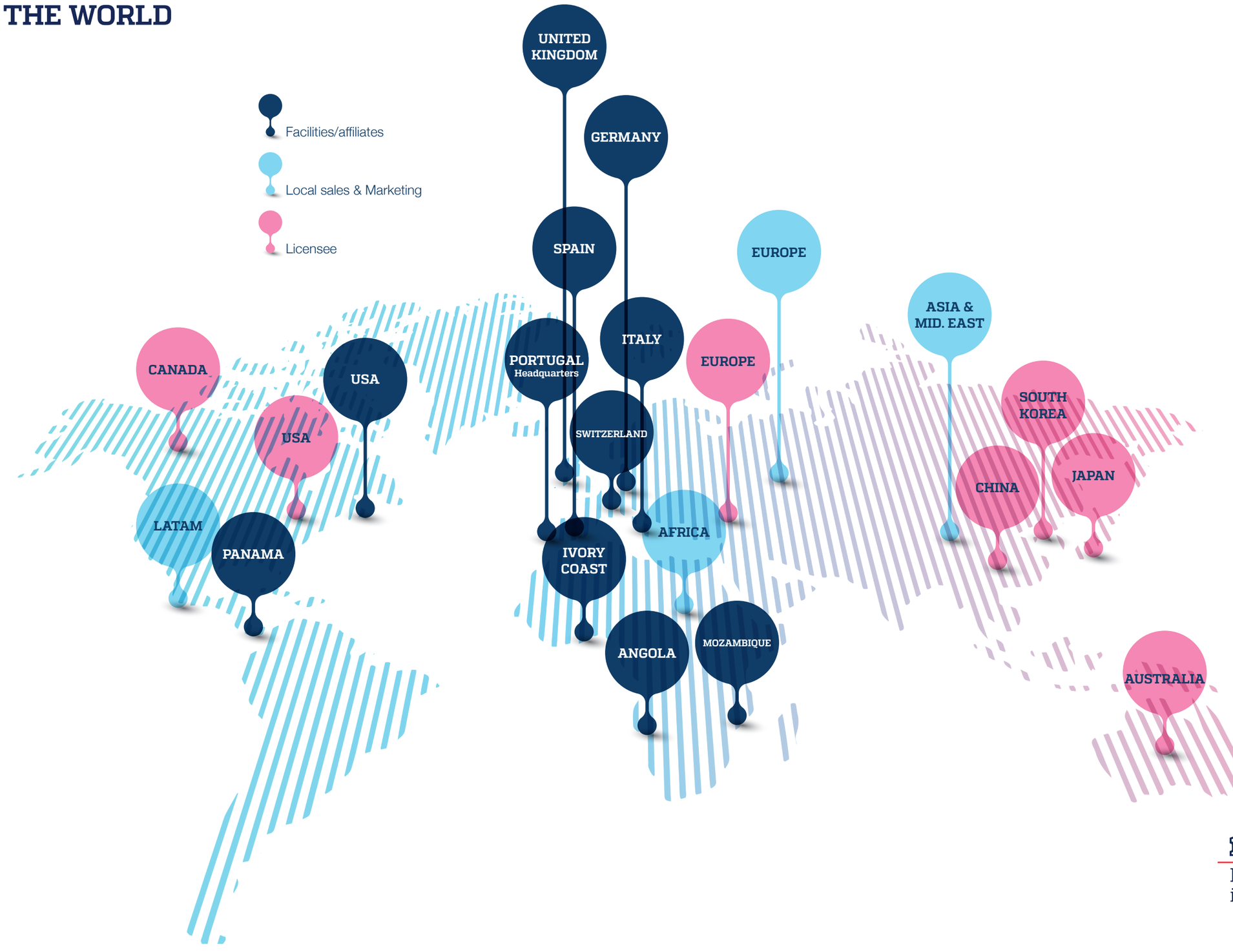
CONSOLIDATED MANAGEMENT REPORT OF **BIAL HOLDING, S.A.** 2022

BIAL IN THE WORLD



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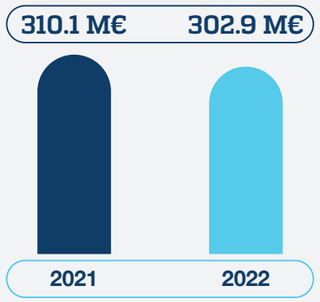
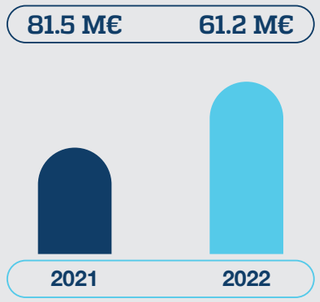
KEY INDICATORS

Turnover



R&D Investiment



Human Resources

823
GROUP
employees

Internationalization

62%
GROUP
sales outside Portugal

Main Therapeutic Areas

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

1. COMPOSITION OF THE BIAL GROUP

The BIAL Group, which holding company is BIAL, Holding S.A., was composed, as at 2022.12.31, of seventeen companies, ten of which with registered offices abroad, and a representation office in the Ivory Coast. In 2022 there was no change in its composition.

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 € 8.0 m, having its registered office in Trofa, and has as its activity the 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.

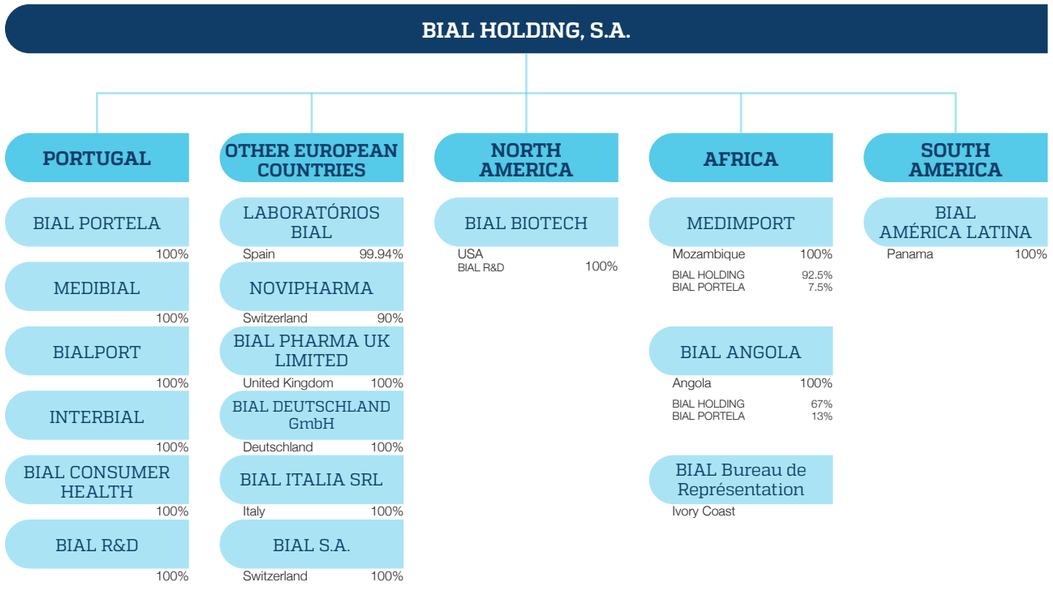
In the United Kingdom, BIAL Holding, S.A. has a direct shareholding of 100% in the share capital of BIAL Pharma UK Limited.

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

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

In Mozambique, BIAL Holding, S.A. controls 100% of Medimport - Importação, Exportação e Distribuição, Lda., 92.5% held directly and 7.5% indirectly through BIAL Portela & Cª., S.A..

In Switzerland, BIAL Holding, S.A. has 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.

In Panama, BIAL Holding, S.A. has a direct shareholding of 100% in BIAL América Latina. In the Ivory Coast, the BIAL Group is present via a representation office.

2. ACTIVITY OF THE BIAL GROUP

In 2022, consolidated turnover amounted to € 309.2m, identical to the previous year, of which 96% corresponds to sales and 4% to services rendered.

Sales were € 294.9m, -1% than in 2021, with Zebinix/Aptiom and Ongentys continuing to be the main products. Together they represent € 165.4m, that is, 56% of Group sales. Zebinix/Aptiom remains the drug with the highest sales, € 102m, -14% than in 2021, due to the decrease in sales to the USA, for conjuncture reasons related to an adjustment of stocks by the licensee, and there were price reductions in several European countries due to the entry of generics in June 2021. Ongentys invoiced € 63.5m, amount similar to that of 2021, with an increase in sales in Europe, but with a decrease in sales in the USA for reasons identical to those of Aptiom.

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

Of the rest of the range, of note are the sales of the new antidiabetics (Ebymect and Edistride) launched in 2020 and which invoiced € 13.2m in 2022, more than doubling the sales of 2021. Its growth potential is very high in the medium term due to its enormous therapeutic potential, reinforced with new therapeutic indications.

By therapeutic area, the Central Nervous System represented 61% of sales, followed by the Respiratory System (11%), Digestive and Metabolic System (8%) and Cardiovascular System (7%).

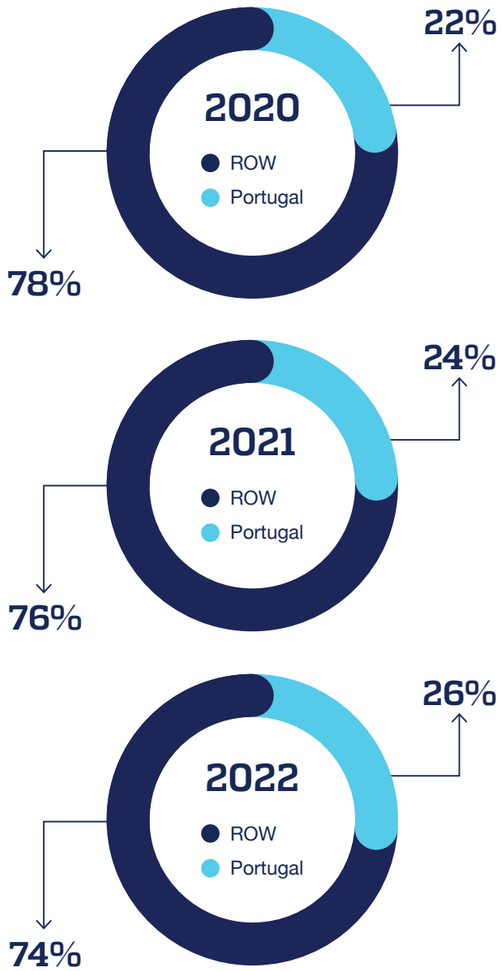
By country, Portugal is to be highlighted with 27.4% of Group turnover, followed by Spain with 25.6% and the USA with 8.3%. These were followed by Japan (5.0%), Germany (4.7%) and Italy (4.0%). The six main markets represent 85% and, except for Spain and Portugal, sales in these countries are exclusively of Zebinix/Aptiom and Ongentys. The remaining sales are carried out in a few dozen countries, both in Europe and in the so-called emerging markets. In these markets, Mozambique and Angola are to be referred representing a total of 4% of Group invoicing.

The breakdown of sales by geographical area shows the Group's strong internationalization, with 73% 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 (€ 70.6m), the rendering of services worth € 14.2m, essentially related to promotion and distribution services to sector multinationals, is significant. Its global invoicing was € 84.8m (+16% year on year). Sales grew by 13% compared to 2021, essentially due to the strong dynamics of the aforementioned two antidiabetic drugs. In the IQVIA ranking of the national ambulatory market, BIAL occupied the sixth position on 31 December 2022.

Spain, the market with the highest sales value of the Group (€ 78.6m), had an increase of 1.7% in 2022. The decrease in sales, in value, of Zebinix due to the entry of generics in June 2021 (-19%), was offset by the growth of Barnix (+14%), Ongentys (+18%), Ferbisol (+16%) and Gregal (+7%). In the IQVIA ranking of the outpatient pharmaceutical market, BIAL occupied, on 31 December 2022, the 38th position.

Turnover/mercado



The Iberian Peninsula is one of the five largest markets in Europe and the ninth largest market in the world, 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.

In the USA, since 2020, BIAL markets two drugs through licensed companies, Aptiom and Ongentys. In 2022, its turnover was € 55m, -17% than in 2021, for the reasons mentioned above. It should be noted that the protection of intellectual property rights for Aptiom, at least until May 2025, was confirmed in court after a long process, which in practice prevents the entry of generics until that date. It is a fact of the utmost importance since it allows for an adequate commercial management by both BIAL and Sunovion (licensed company).

The focus of BIAL's organic growth is on its European subsidiaries in Germany, Italy, the United Kingdom, and Switzerland, as well as in France where it has no subsidiary, but is present with a medical and commercial team exclusively promoting Zebinix. In these countries it sells and promotes Zebinix and Ongentys, except for France where it does not market Ongentys. In 2023, the launch of a new medicine, Kynmobi, for Parkinson's disease is planned in two or three European countries, one of which is Germany. In the medium term, our goal is to market it in European countries where we have our own teams. It will be one of the growth factors of BIAL in Europe, reinforcing the presence in neurology.

In other European countries, such as Sweden, Denmark, Norway, Finland, Iceland, the 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, with, however, some significant variations by country. Mozambique and Angola remain the two main markets. In Mozambique, turnover was € 7.1m, an increase of 6% over 2021, to which the country's greater economic stability, including the

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exchange rate, contributed. In Angola, turnover was € 2.9m, a decrease of 33% caused by a difficult market conjuncture. In the remaining emerging countries, reference should be made to those that make up French West Africa (€ 6.4m, +12%).

Services rendered amounted to € 14.4m (+26% than in 2021), of which € 14.2m relate to services of a promotional nature in Portugal (+37% over the previous year), which reveals a strong dynamic in this area in 2022. Services rendered abroad amounted to € 0.2m, with no revenue from milestones on licensing contracts, which justifies their low value. Milestones are associated with revenues from new or existing licensing contracts. In the past, they were essential to finance R&D activity, but in recent years they have, fortunately, played a secondary role since the sales of BIAL proprietary drugs ensure this funding. In the future, it is estimated that several tens of millions of Euros will be received in milestones due to the fulfilment of contractual targets (approvals and launches in the markets and/or fulfilment of invoicing goals).

3. RESEARCH AND DEVELOPMENT

The BIAL Group, as from the ninety's, has an important and ambitious R&D project, having as its priority the central nervous system, which resulted in two new drugs for that 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.

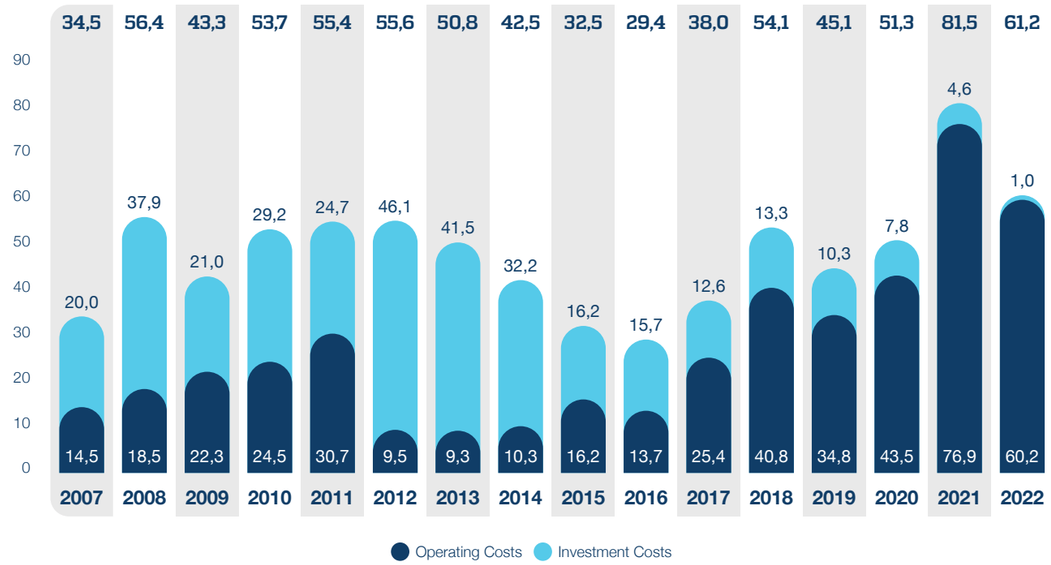
Of note, in 2013, was the first licensing of the new BIAL proprietary drug for Parkinson's disease to the pharmaceutical company ONO for Japan, which active principle is designated Opicapone and is marketed under the brand name Ongentys worldwide. This was followed by its licensing for the USA to the 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 for the world's most important pharmaceutical markets, with which to guarantee a strong commercial potential in the medium- and long-term, which was the decisive factor for the internationalization of the Group.

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 2022, as previously referred, Zebinix/ Aptiom invoiced € 102m, decisively contributing to the current dimension of BIAL, with its most important sales in the USA and Spain.

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 and in 2022 in Sweden, Czechia, Slovakia and Iceland. Its sales, in 2022, attained € 64m, with a strong growth potential in the medium term. At the end of this decade Ongentys should be drug with the highest weight in Group sales.

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



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.

The BIA9 project, concerning Ongentys (Opicapone), has an important number of phase IV clinical trials and a phase III trial underway. The prior, to reinforce the knowledge of the drug in the daily clinical practice, with various patient profiles. The phase III trial is at the final stage and its results will be known in the very short term. It is our expectation that it will be possible to use Ongentys at an earlier stage of Parkinson's disease, which will increase its prescription potential and the satisfaction of the therapeutical needs of new patients.

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.

Project BIA28 aims at a potential drug for the treatment of Parkinson's disease, when it originates from genetic mutations of the GBA1 gene, which leads to a decrease in the activity of the GCase enzyme that accelerates the progression of the disease and its appearance at an earlier stage in life. The project had a significant evolution in 2022, of which we highlight the signing, in November past, with a CRO pharmaceutical (Contract Research Organization), of a contract for the realization of a Phase II clinical trial, for an amount in excess of € 44m, in various European countries and in the USA. It is a project that formally involves two Group companies (BIAL R&D Investments and BIAL Portela), through a consortium agreement, in a partnership to maximize existing synergies for a common goal. The first take of the medicine by a patient is foreseen for the 3rd quarter of the current year.

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

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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 still a long work program to implement, it therefore being premature to evaluate their therapeutic potential. However, we are confident in the teams investigating these and that some of these will give rise to new medicines with a high therapeutic value.

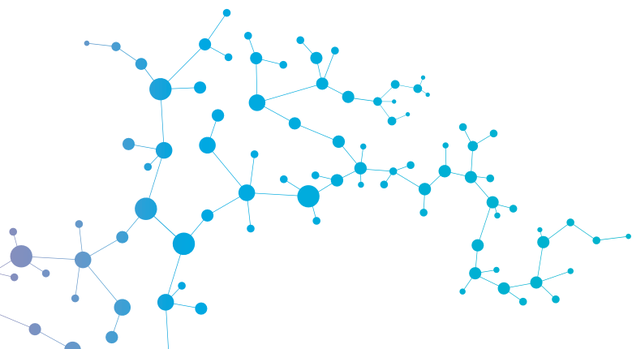
In 2022, the research and development investment totaled € 61.2m, split as follows:

- Current running expenses, in the amount of € 60.2m, excluding amortization; and
- Acquisitions of tangible fixed assets and intangible assets, in the amount of € 1.0m..

The R&D amortization amounted to € 21.6m. Costs for the period associated with R&D amounted to € 83.7m, including amortization, impairment and provisions, evidencing the enormous financial effort invested in our research projects.

4. ECONOMIC AND FINANCIAL SITUATION

The Group's economic and financial structure is balanced, with the investment effort in R&D being compatible with its ability to generate cash flow and have a positive return. In the previous points, the reasons that explain the evolution of turnover and the level of investment made were presented.



The operating profitability of BIAL was pressured in 2022 by the impact of inflation on some of its inputs, of which we highlight the costs of energy, transport, raw materials and adjuvants, and packaging material. Since drug prices in almost all countries where we sell them are administratively controlled, it is not possible to pass on the increase in these costs to sales prices. Thus, there is a decrease in the operating margin that can only be minimized by increasing efficiency and productivity. In 2022, some measures were implemented in terms of organizational structure, namely the transversal reduction of a management level and the rationalization of some functional teams. In addition to increasing flexibility and efficiency, these also contribute directly to reducing operating costs. It was possible to reduce the number of jobs in the Group by around 10%, which implied an exceptional cost of € 4.4m in 2022, but in 2023 and in subsequent years there will be a positive effect on operating costs that will reduce the impact of inflation.

The Group's Net Income, in 2022, amounted to € 6.9m, -5.5% less than in 2021, of which € 5.2m attributable to the shareholders of the holding company, BIAL Holding, and € 1.7m to minority interests. EBITDA totaled € 41.6m and the Operating Results amounted to € 15.3m. These results include € 83.7m in R&D costs, as referred to in the previous point. The financial results were negative in € 4.3m, a decrease of € 0.5m from 2021, due to the decrease in the average cost of the financial debt and the financial income derived from an interest-rate swap. The Pre-tax result was € 11.1m, a growth of 12% over 2021.

Net Equity totals € 290.7m, Liabilities € 270.7m and Assets € 561.4m, reflecting a healthy balance sheet, with positive solvency and financial autonomy indicators. Net financing amounts to € 120.3m, a 22% decrease from 2021, with an EBITDA/Net Debt ratio of 2.9 (3.3 in 2021), a ratio still higher than that aimed, but with a positive evolution. It should be referred that if EBITDA were corrected for the R&D operating costs (€ 61.2m), the ratio would be 1.2.

BIAL - Portela & Cª, S.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 € 232.6m and its EBITDA € 32.0m. Net income was € 1.7m. Net Assets are € 467.2m, Liabilities € 273.0m and Equity €194.2m.

The subsidiary in Spain, the second largest company in the Group, had a turnover of € 78.6m. Its Net income was € 6.7m, with an EBITDA of € 10.8m, with no financing. Its Assets are € 32.8m, Liabilities € 15.4m, and Equity € 17.2m. The Spanish market is strategic for BIAL and its organic growth will continue to be a priority, based mainly on Ongentys, Barnix, Biresp and Gregal, and on a new medicine launched in December for chronic obstructive pulmonary disease (Trydonis). Zebinix will continue to be the product with the highest sales. Thus, the central nervous system and the respiratory area will be the "drivers" of the activity in Spain.

Novipharma made an important contribution to the Group's accounts, as has been the case in recent years, with a turnover of CHF 32.7m, a Net income of CHF 16.6m and an EBITDA of CHF 18.9m, with no financing. Its Assets are CHF 58.5m, Liabilities CHF 4.8m and Equity CHF 53.7m. In operational terms it performs important logistical functions, of procurement, associated with the active principles of BIAL proprietary drugs, of production management in the CMOs (Contract Manufacturing Organizations), and in the relationship with some of the licensees of the Group.

Medimport had a turnover of € 6.7m, similar to that of 2021, and a Net income of € 1.3m (€ 1.0m in 2021). Strongly contributing to the positive evolution of its results was the stability of the Metical against the Euro, which allowed the controlling of costs, especially of imported goods or those with prices very dependent on the USD or Euro. It should be noted that Medimport is the leader of the outpatient market in Mozambique, with several of the BIAL drugs being leaders in their respective therapeutic areas.

BIAL Italia had a turnover of € 12.3m, a growth of 22% over 2021, growth identical to that of 2021 over 2020. It had a net loss of € 0.9m, a positive evolution from the losses of 2021 (€ 2.3m). Despite the negative net income, there is a favorable evolution of its activity and results, and it is foreseen that in 2023 it may already have positive results.

BIAL R&D Investments is a subsidiary focused on R&D, with the responsibility for managing some projects in partnership with other companies in the Group, of which BIA28 stands out. It had no revenue, as foreseen, and considering its operating costs with the R&D activities, it had a negative EBITDA of € 21.5m. The Net results were negative in € 16.9m. The financing of its activity is carried out by BIAL Holding, framed in the Group's R&D policy. In 2022 this translated into an injection of € 14.5m in the form of supplementary capital contributions, with € 20m having been injected in 2021. It has no financing external to the Group.

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 & Cª., for which reason their separate accounts are immaterial to the accounting consolidation.

The 2022 financial year was characterized by the stability of the Turnover, EBITDA, and Net Result in relation to 2021, alongside the continuation of its R&D projects. However, the economic situation was negative, especially in terms of inflation and in the functioning of logistics chains. In 2022, inflation in OECD countries was 9.4% and in Portugal 7.8%. Measures were taken and solutions were found that minimized this situation and that are equally important for 2023 and subsequent years. For 2023, the average inflation forecast by the OECD for its member countries is 6.6%, and in Portugal 5.8% (Bank of Portugal). Although there is a positive trend in its evolution, it remains at very high levels, particularly for a sector of activity where prices are administratively controlled in most European countries. In 2021 and

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2022, the policy followed was to freeze the prices of medicines subject to medical prescription, policy maintained in 2023.

5. SUSTAINABILITY, QUALITY, HEALTH, SAFETY AND ENVIRONMENT

The BIAL Group has, for more than twenty years, developed a corporate responsibility policy, transversal to all its companies and functional areas, based on its values and guided by the ESG (Environmental, Social and Governance) principles.

This posture has evolved, becoming progressively more comprehensive and present in the day-to- day of its activity, either through a set of international certifications in quality and the environment, or through the definition of procedures and practices associated with the circular economy, social responsibility and good governance practices.

Following the assessment of the actions taken and the results obtained in 2022, and in line with previous years, the Quality, Health, Safety and Environment Management Systems are in line with Group policy, reflecting the BIAL principles, purposes and values. The systems were evaluated through the realization of numerous external and internal audits, as well as through the monitoring of the strategic management indicators.

Regarding the Quality, Health, Safety and Environment policy, the following should be noted:

- The Environment Management System, implemented since 2001 in Portugal, saw its certification renewed, in accordance with the ISO 14001:2015 standard, following the renovation audit;
- BIAL Italia, S.R.L. also saw its Quality Management System certificate renewed, in accordance with the ISO 9001:2015 standard;
- In the facilities in Portugal, in 2022, external audits in accordance with the ISO 9001:2018 and ISO 45001:2018 standards were successfully carried out, with the Quality, Health and Safety Systems certifications being maintained;
- Consolidation of Good Practices (Clinical, Manufacturing and Laboratory), verified by several external and internal audits, including by Infarmed and by other international health authorities;
- Renewal, in Portugal, of the GMP (Good Manufacturing Practices) certification by Infarmed for the manufacture of drugs for human use and experimental drugs;
- Certification by Infarmed, in Portugal, of the New Antibiotics Factory and of the Expansion of the Solids Area – Oral Solid Dosage 2; and
- Maintenance of the GDP (Good Distribution Practices) certification by SwissMedic in respect of Novipharma.

For 2022, the continuous improvement projects and the integration of new spaces and functionalities resulting from the investment plan in infrastructure, expansion and remodeling of industrial and logistics facilities were reinforced, with most being completed during 2022. In these investments, the focus was on the production of the two BIAL proprietary drugs, Zebinix/Aptiom and Ongentys, for all markets including the USA, in addition to strengthening the production capacity of antibiotics for the whole world.

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In the environmental and circular economy areas, several initiatives were carried out, of which we highlight:

- Expansion of our Production and Self-Consumption Unit (PSCU), with the installation of 202 new photovoltaic panel modules, bringing the total occupied area to more than 3,500 m2 and with an installed capacity of 741 kWp. In 2022, with this investment, we avoided the emission of around 320 tonnes of CO2;
- At the facilities in Portugal, we increased the number of electric charging stations in the park, to the current 36 charging stations;
- Our cartons, leaflets and cardboard boxes are FSC (Forest Steward Council) certified, meaning that the raw material for our packaging comes from sustainably managed forests. Additionally, all cardboard boxes used in packaging our products incorporate more than 50% of recycled materials;
- We reduced 48% of the Greenhouse Gas (GHG) emissions, scope 1 – direct emissions, and scope 2 – indirect emissions, compared to 2020. The most relevant actions for this result were the electricity produced by the photovoltaic panels and the purchase of electricity with a guaranteed renewable sources origin, at the facilities in Portugal;
- Use of 100% recycled paper for single use, which allowed an indirect reduction of more than 3,250 kg of CO2.
- We promoted circular economy actions with a focus on the digitization of processes and we maintained the partnerships with our suppliers in terms of returning packaging. Besides this, we sent about 5.0 tonnes of organic solvent waste for recovery/regeneration in Portugal.

Overall, we can conclude:

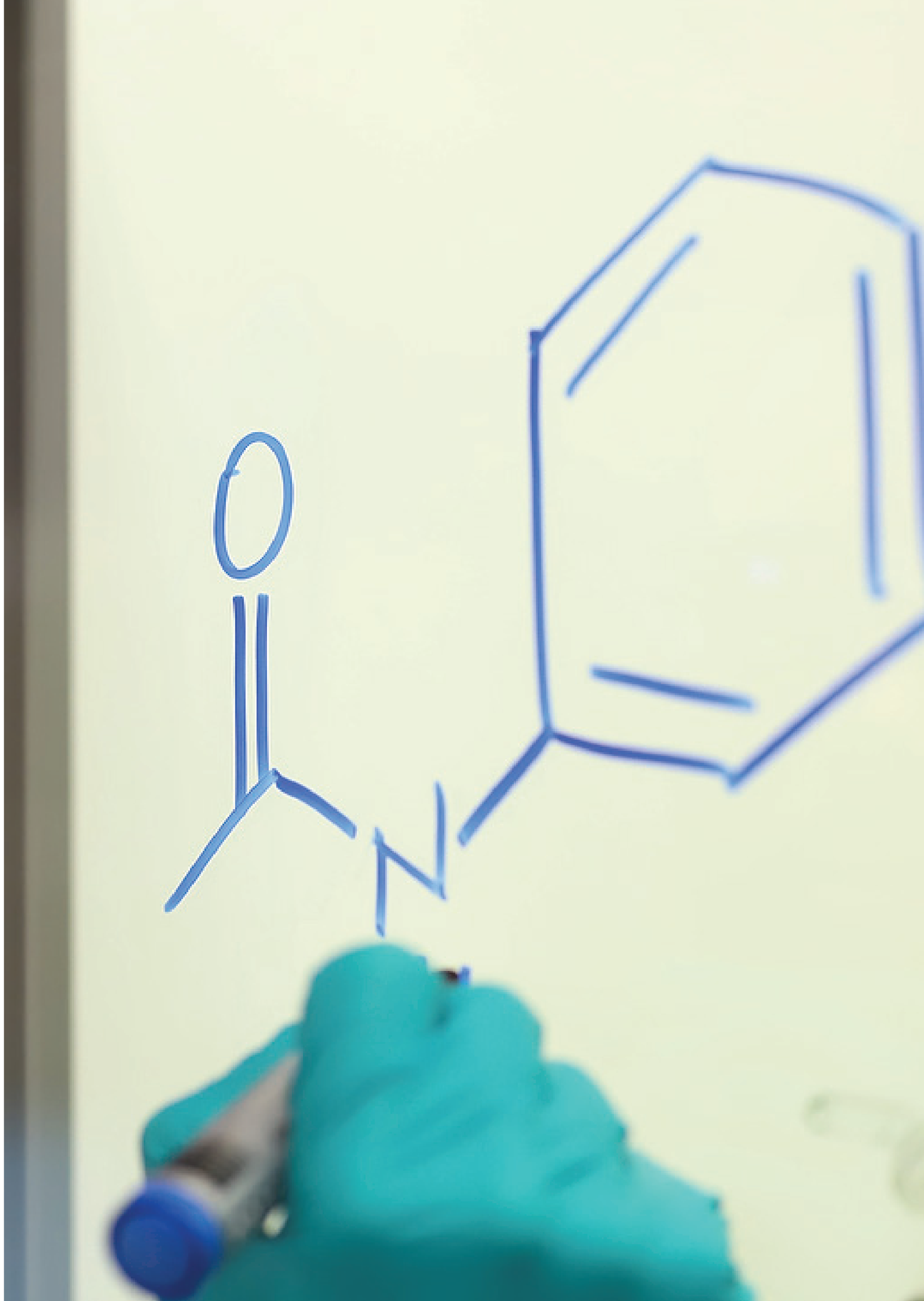
The annual reports “2022 Quality Performance Analysis”, “2022 Environment Performance Analysis”, “2022 Performance Analysis – Health and Safety” translate, through their metrics, that referred above and present lines of action for the improvement of the performance indicators.

6. SOCIAL RESPONSIBILITY

One of the main lines of action for BIAL - Portela & Cª., as well as for the other Group companies, is its ESG (Environmental, Social and Governance) policy. Thus, there are several activities promoted and developed in this area, encompassing areas such as people management, quality policies and environmental protection. Also relevant are the various initiatives to promote and support scientific research carried out by the Group’s companies, as well as the association with humanitarian causes and social entities.

Our Corporate Social Responsibility policy is based on involvement with the community - with special emphasis on the community where the Company is headquartered - and on creating value for society in general. In this domain, the aspects of health, research and development, sustainability of the planet, as well as culture and education stand out as the Company’s social responsibility axes.

Worthy of note is our presence as founding member of the BIAL Foundation, a public utility entity created in 1994, together with the Council of Rectors of the Portuguese Universities. The organization of symposia, the attribution of research grants, and the attribution of scientific awards are its main activities. In 2022, the 13th Symposium of the BIAL Foundation took place, with the theme “O mistério do Tempo (The mystery of Time)”, as well as the handout of the awards corresponding to the “BIAL Award in Biomedicine 2021” and the “Prémio Maria de Sousa 2022” editions, the latter in partnership with the Portuguese Medical Association, which together represent € 450,000. In 2022, the edition of the “Apoios à Investigação Científica 2022” (Scientific Investigation Grants 2022), under which 75 projects were supported with a total value per project of



up to € 60,000, as well as the announcement of the "Prémio BIAL de Medicina Clínica 2022" (BIAL Award for Clinical Medicine 2022), in the amount of € 120,000, with the handout of the awards having taken place last February, in a ceremony presided by His Excellency, the President of the Republic, also took place.

In 2022, BIAL - Portela & Cª, S.A., granted € 2m in donations to various entities, in addition to other non-financial sponsorships and support to multiple initiatives by civil society and which fall within the scope of its patronage policy.

Since 2004, BIAL has been a member of the UN Global Compact, an international initiative that aims to promote the sustainable progress of the world economy, uniting companies, governments and civil society. Every year, the Company renews its commitment to the Global Compact and its ten principles in the areas of human rights, labor, environment and anti-corruption.

Climate change is a real and pressing problem that forfeits current and future generations. BIAL is a signatory to Caring for Climate, The Porto Protocol and signed, in 2022, the Pacto do Porto para o Clima (Oporto Climate Pact), a challenge promoted by the municipality of Oporto, with the aim of positioning the city as a national leader in climate action, anticipating carbon neutrality through collective and concrete actions.

In the field of education, BIAL integrates several initiatives that aim to respond to the need for greater participation by civil society and in the day-to-day activities of schools, recognizing the fundamental role of Education in the sustained development of a more competitive and dynamic society. Also noteworthy is the Company's role in the "Porto de Futuro" (roughly "Oporto of the Future) and "Iniciativa Educação (Education Initiative)" programs and its participation in the association EPIS - Empresários Pela Inclusão Social (Entrepreneurs for Social Inclusion), and in the Associação Stand4Good (Association).

In the area of Health, BIAL has been establishing partnerships with medical societies, patient associations and educational programs aimed at the training, education and awareness-raising in respect various problems that affect the health of the population.

BIAL has as its mission to develop and provide therapeutic solutions in the Health area, to improve the quality of life of people. Its two proprietary drugs for epilepsy and for Parkinson's disease are the best examples of its mission, contributing for the wellbeing of many tens of thousands of patients all over the world.

The Company is also associated with various initiatives promoted by civil society and the Portuguese State, with an active participation in their implementation, either through financial support or directly in their implementation. The obvious highlight goes to the intervention of its most diverse employees, namely the members of its governing bodies, who collaborate "pro-bono" in various public institutions which purposes and initiatives are in accordance with the values and principles of BIAL.

BIAL promotes a proactive policy for the development of its employees, namely through talent management programs and training and development actions. BIAL is committed to the quality and qualification of its people, as evidenced by the high percentage of employees with higher education (83%). A solid academic background is essential to obtain high levels of performance, with significant added value in all functional areas. In addition to this basic education, there is a permanent concern with providing adequate continuous training, both internally and externally, to enable them to keep up to date on scientific developments, especially in the areas of health.

It is our objective to continue to promote a relevant support program for cultural, scientific, social solidarity, and educational institutions, covering foundations and entities of a cultural (artistic, musical, among others) and scientific nature, social intervention organizations, social and humanitarian organizations and health and education organisms. In this way, BIAL seeks to achieve an objective of social responsibility, assuming the promotion of the wellbeing of society and of its transversal development - cultural, scientific, social, educational and environmental.

7. EVENTS SUBSEQUENT to 2022.12.31

There are no known events subsequent to 2022.12.31 that could influence the financial statements for 2022 or that would justify a review of the plans and budgets approved in 2023 for the various Group companies..

8. PROSPECTS FOR 2023

The Operation and Investment Plans and Budgets for 2023 are approved and will continue BIAL's strategic policy, focused on R&D and Internationalization, besides sustainability, social responsibility and governance good practices.

The consolidation and boosting of commercial activity is a transversal priority for the Group's various subsidiaries, with a focus on the BIAL proprietary drugs, especially Ongentys, and on the new licensed products launched more recently.

In Spain, the priority is to continue the growth of Ongentys and of the drugs of the respiratory area, especially Trydonis, a new drug for chronic obstructive pulmonary disease, besides the growth of Zebinix in patient numbers.

In the Portuguese market, the focus is on growth, especially on the new drugs for type 2 diabetes, launched in 2020 and with a very good performance in the last two years, as well as on the drugs for respiratory diseases (especially Chronic Obstructive Pulmonary Disease and Asthma), the "drivers" of growth.

In the USA, Japan, South Korea and other markets where we are present through the licensing of our drugs, the aim is to strengthen a relationship of proximity with our licensees to enhance the growth of Ongentys and Aptiom, through scientific and medical support, in addition to providing a good logistical service.

In our European subsidiaries, which sell and/or promote Zebinix and Ongentys, the aim is to ensure the growth of both drugs in relation to 2021, especially of Ongentys, and to launch Kynmobi, a medicine for Parkinson's disease licensed for Europe, in two or three countries by the end of the year.

In emerging markets, the objective is to rationalize our activity, besides a moderate growth of sales through BIAL - Portela & Cª's exports to the dozens of countries where our drugs are marketed.

The investment plan approved for 2023, excluding R&D, reflects the completion of the 2019 - 2023 plan for the BIAL Campus, which is executed at around 85%. In 2022, the social building and a new antibiotics unit were built, the expansion of the factory and works in the new infrastructures on the Campus were carried out, and the expansion of the logistics area was concluded in February of the current year. For 2023, the construction of the new supply and sampling area and the completion of the remodeling/ expansion of industrial equipment are planned.

The research projects of the New Chemical Entities are under development, with a special focus on the research projects BIA9 and BIA28. After the reassessment in 2021/2022 of the R&D projects portfolio, the priorities for 2023 and the following years have been defined.

Project BIA9, a drug for Parkinson's disease, marketed under the brand Ongentys, has as its priority the conclusion of the clinical trial phase. Continuity will be

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given to phase IV clinical trials in Europe, to strengthen the therapeutic knowledge of the product under real clinical practice conditions.

Project BIA28 aims to develop a new drug for Parkinson's disease, when same results from a specific genetic mutation, and is a project with the highest investment foreseen for 2023. The main objective this year is, in the 3rd quarter, to administer the first dose of the new drug to a patient participating in the phase II clinical trial.

The other R&D projects are at the pre-clinical phases, which works are mainly developed by our team of internal researchers.

The confidence of the shareholders was and will be fundamental to the Group's development process, based on a medium- and long-term strategic vision aligned with its shareholders. The results obtained in recent years demonstrate the ability to implement this vision and create confidence in the future of BIAL as an international pharmaceutical company, based on innovation and research.

The Board of Directors expresses its gratitude to Dr. José Almeida Bastos who ceased to perform duties as director as of 1 March 2023, after having served on this Board since financial year 2018. His professional experience of dozens of years in some of the most important international pharmaceutical companies, along with a strong sense of duty and commitment and solid ethical principles, were an important contribution to the consolidation of the BIAL Group's commercial structure during the last four years.

EXPLANATION ADDED IN RESPECT OF THE TRANSLATION OF THIS REPORT

This document is a translation of the original, issued in Portuguese. In the event of discrepancies, the Portuguese version prevails.

Trofa, 2023.03.28

THE BOARD OF DIRECTORS

ANTÓNIO HORTA OSÓRIO | **Chairman**
ANTÓNIO PORTELA | **CEO**
RICHARD PILNIK | **Member**
JOSÉ REDONDO | **Member**
MIGUEL PORTELA | **Member**
JOERG HOLENZ | **Member**
MAXIMILIANO BRICCHI | **Member**

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9. ANNEX

I. CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2022

Amounts in Euros

ASSETS	Notes	YEAR-END 2022.12.31	2021.12.31
NON-CURRENT ASSETS			
TANGIBLE ASSETS			
Land and natural resources		12 406 207	12 406 207
Buildings and other constructions		17 102 249	7 276 225
Basic equipment		17 410 713	9 752 825
Transport equipment		380 933	279 574
Office equipment		2 503 616	1 100 816
Other tangible assets		198 464	205 507
Tangible assets in progress		7 544 039	9 462 063
Advances to investment suppliers		3 049 559	2 440 887
INTANGIBLE ASSETS	**12**	**60 595 780**	**42 924 103**
Research and development projects		152 999 471	171 179 722
Industrial property		4 815 922	7 512 461
Other intagible assets		277 644	76 648
Intangible assets in progress		8 893 354	8 310 372
Goodwill	**8**	5 094 412	6 792 549
FINANCIAL INVESTMENTS	**12**	**172 080 803**	**193 871 751**
Investments in other companies		114 820	114 820
Other financial investments		701 835	581 473
LONG -TERM RECEIVABLES	**12**	**816 655**	**696 293**
Other receivables	**14**	27 233 758	25 456 686
DEFERRED TAXES		**27 233 758**	**25 456 686**
Deferred tax assets	**10**	68 518 795	67 287 174
		68 518 795	**67 287 174**
CURRENT ASSETS			
INVENTORIES			
Raw materials and consumables	**22**	88 025 786	82 845 659
Goods	**22**	13 852 334	11 813 393
Work in progress		2 930 247	2 205 984
Finished and semi-finished products		8 658 735	9 839 620
		113 467 101	**106 704 656**
SHORT-TERM RECEIVABLES			
Trade receivables	**11**	36 089 058	51 047 312
State and other public entities	**15**	4 839 498	10 966 219
Other receivables	**14**	12 410 131	15 109 413
Accruals	**16**	7 555 806	6 130 859
DEFERRALS		**60 894 493**	**83 253 803**
Deferred costs	**16**	2 068 330	3 485 934
BANK DEPOSITS AND CASH		**2 068 330**	**3 485 934**
Bank deposits		5 968 330	912 162
Bank deposits - on demand		49 278 921	20 238 500
Cash		73 966	102 794
	5	**55 321 217**	**21 253 456**
TOTAL ASSETS		**561 398 404**	**544 933 857**

Amounts in Euros

EQUITY AND LIABILITIES	Notes	YEAR-END 2022.12.31	2021.12.31
EQUITY			
Issued capital		52 500 000	52 500 000
Share premium		12 500 000	12 500 000
Legal reserves		25 800	25 800
Exchange differences		6 979 691	4 792 432
Other capital reserves		45 474 829	38 913 924
Investment subsidies		23 008 709	24 381 584
Financial instruments		311 142	-182 755
Retained earnings		139 251 973	140 192 456
Subtotal		280 052 143	273 123 441
Profit for the year		5 228 983	5 620 415
		285 281 126	**278 743 856**
Non-controlling interests		**5 452 290**	**5 242 401**
TOTAL EQUITY		**290 733 415**	**283 986 257**
LIABILITIES			
NON-CURRENT LIABILITIES:			
Provisions	**19**	1 000 654	2 063 028
Bond loans	**17**	30 000 000	60 000 000
Bank loans	**17**	56 665 753	57 434 761
Deferred tax liabilities	**10**	2 011 086	2 355 061
Fixed asset suppliers	**18**	6 679 948	7 078 524
Other payables	**14**	96 357 442	128 931 374
		128 997 014	**143 213 882**
CURRENT LIABILITIES:			
Trade payables		48 117 824	39 523 393
State and other public entities	**15**	5 387 055	5 824 305
Bond loans	**17**	52 500 000	3 500 000
Bank loans	**17**	36 345 045	53 728 177
Fixed asset suppliers	**18**	5 754 864	4 234 653
Other payables		1 652 333	3 262 502
Accruals	**16**	22 430 556	17 186 432
		172 187 678	**127 259 462**
DEFERRALS			
Deferred revenue	**16**	2 119 870	4 756 763
		2 119 870	**4 756 763**
TOTAL LIABILITIES		**270 664 989**	**260 947 600**
TOTAL EQUITY AND LIABILITIES		**561 398 404**	**544 933 857**

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II. CONSOLIDATED INCOME STATEMENT BY NATURE FOR THE YEAR ENDED 31 DECEMBER 2022

Amounts in Euros

Revenues and Expenses	Notes	YEAR-END 2022	2021
Revenue	**20**	294 864 146	298 721 864
Services rendered	**20**	14 375 421	11 386 620
Business Volume		**309 239 567**	**310 108 485**
Operating subsidies	**21**	3 083 385	2 318 361
Own work		0	0
Variance in inventories of production		-432 052	440 826
Cost of goods sold	**22**	-83 369 375	-77 678 571
Third party supplies and services rendered	**23**	-105 615 619	-104 913 733
Employees benefits	**24**	-74 864 511	-73 616 390
Impairment losses	**19; 25**	-120 875	-1 174 399
Provisions	**25**	-52 324	-1 420 622
Reversals	**19; 25**	440 984	4 920 870
Other income	**26**	14 298 082	11 113 034
Other expenses	**27**	-20 977 255	-24 137 729
Results before depreciation, financial expenses and taxes		**41 630 007**	**45 960 131**
Depreciation and amortization (expenses) / reversals	**12**	-27 682 075	-32 611 220
Impairment of depreciable/amortizable investments (losses) /reversals	**12; 25**	1 362 556	1 261 067
Operating results (before financial expenses and taxes)		**15 310 488**	**14 609 978**
Interest and similar income	**28**	625 372	26 052
Interest and similar expenses	**28**	-4 870 035	-4 759 707
Profit before tax		**11 065 825**	**9 876 323**
Income tax on profit /(loss) for the year	**10**	4 181 047	2 597 656
Profit for the year		**6 884 778**	**7 278 667**
Profit for the year attributable to:			
Equity holders of the parent		**5 228 983**	**5 620 415**
Non-controlling interests		**1 655 795**	**1 658 252**

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CONSOLIDATED MANAGEMENT REPORT OF **BIAL HOLDING, S.A.** 2022

III. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

DESCRIPTION	ISSUED CAPITAL	SHARE PREMIUM	LEGAL RESERVES	EXCHANGE DIFFERENCES	OTHER CAPITAL RESERVES	INVESTMENT SUBSIDIES	RETAINED EARNINGS	DERIVATIVES	PROFIT FOR THE YEAR	TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Position at the beginning of the period	52 500 000	12 500 000	25 800	3 571 731	-3 327 562	26 003 496	143 791 845	-360 143	41 642 099	276 347 270	5 284 591	281 631 857
Appropriation of prior year results					42 241 486		-599 387		-41 642 099	0		0
	52 500 000	12 500 000	25 800	3 571 731	38 913 924	26 003 496	143 192 456	-360 143	0	**276 347 270**	**5 284 591**	**281 631 857**
Changes in accounting policies												
Exchange differences in translation of foreign operations				1 220 702						1 220 702	170 866	1 391 568
Subsidies						-2 092 789				-2 092 789		-2 092 789
Deferred tax adjustments						470 878		-51 499		419 379		419 379
Other changes recognised in Equity								228 885		228 885		228 885
	0	0	0	1 220 702	0	-1 621 911	0	177 386	0	**-223 824**	**170 866**	**-52 958**
Profit for the year									5 620 415	**5 620 415**	1 658 252	**7 278 667**
Integral result									5 620 415	**5 396 591**	1 829 118	**7 225 709**
Transactions with equity holders in the period												
Issue of share capital										**0**		**0**
Issue of share premium										**0**		**0**
Distributions							-3 000 000					
Other										**0**	-1 871 308	**-1 871 308**
Position at the end of the period	52 500 000	12 500 000	25 800	4 792 432	38 913 924	24 381 584	140 192 456	-182 755	5 620 415	**278 743 856**	**5 242 401**	**283 986 257**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

DESCRIPTION	ISSUED CAPITAL	SHARE PREMIUM	LEGAL RESERVES	EXCHANGE DIFFERENCES	OTHER CAPITAL RESERVES	INVESTMENT SUBSIDIES	RETAINED EARNINGS	DERIVATIVES	PROFIT FOR THE YEAR	TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY
Position at the beginning of the period	52 500 000	12 500 000	25 800	4 792 432	38 913 924	24 381 584	140 192 456	-182 755	5 620 415	278 743 856	5 242 401	283 986 257
Appropriation of prior year results					6 560 897		-940 482		-5 620 415	0		0
	52 500 000	12 500 000	25 800	4 792 432	45 474 821	24 381 584	139 251 973	-182 755	0	**278 743 856**	**5 242 401**	**283 986 257**
Changes in accounting policies												
Exchange differences in translation of foreign operations				2 187 258						2 187 258	281 748	2 469 006
Subsidies						-1 771 451				-1 771 451		-1 771 451
Deferred tax adjustments						398 576		-143 390		255 186		255 186
Other changes recognised in Equity								637 289		637 289		637 289
	0	0	0	2 187 258	0	-1 372 875	0	493 899	0	**1 308 282**	**281 748**	**1 590 030**
Profit for the year									5 228 983	**5 228 983**	1 655 795	**6 884 778**
Integral result									5 228 983	**6 537 265**	1 937 543	**8 474 808**
Transactions with equity holders in the period												
Issue of share capital										**0**		**0**
Issue of share premium										**0**		**0**
Distributions							0					
Other										**0**	-1 727 653	**-1 727 653**
Position at the end 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**

IV. CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	2022		2021	
OPERATING ACTIVITIES:				
Receipts from customers	349 992 548		358 965 719	
Payments to suppliers	-206 285 588		-291 718 649	
Payments to employees	-70 621 490		-71 088 962	
Cash generated by operations	**73 085 470**		**-3 841 893**	
Payment / reimbursement of corporate income tax	1 040 140		-8 003 104	
Other payments / proceeds relating to the operating activity	-8 356 024		-6 520 204	
	65 769 586		**-18 365 200**	
Net cash flow from operating activities (1)		**65 769 586**		**-18 365 200**
INVESTING ACTIVITIES:				
Disbursements for:				
Tangible assets	-17 850 602		-12 253 618	
Intangible assets	-3 962 528		-8 051 263	
Financial investments	-122 079		-117 567	
Other assets			0	-20 422 449
Proceeds from:				
Tangible assets			1 097 630	
Intangible assets			27 418	
Financial investments	128 752		2 674	
Other assets			0	
Investment subsidies	5 268 055		10 715 461	
Interest and similar income			104 688	
Dividends		5 396 807	0	11 947 871
Net cash used in investing activities (2)		**-17 001 811**		**-8 474 578**
FINANCING ACTIVITIES:				
Proceeds from:				
Bank loans	120 000 000		35 000 000	
Equity and other components of equity increases	0		0	
Coverage of previous years' losses			0	
Donations			0	
Other financing operations	0	120 000 000	2 486 904	37 486 904
Disbursements for:				
Bank loans	-123 482 805		-44 213 305	
Interest and related expenses	-3 767 247		-4 030 446	
Dividends	-1 112 992		-4 871 308	
Equity and other components of equity decreases	0		0	
Other financing operations	0	-128 363 043	-57 165	-53 172 224
Net cash used in financing activities (3)		**-8 363 043**		**-15 685 320**
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		**40 404 732**		**-42 525 098**
Foreign exchange effect		**0**		**0**
Cash and equivalents at the beginning of the period (note 5)		**14 916 485**		**57 441 583**
Cash and cash equivalents at the end of the period (note 5)		**55 321 217**		**14 916 485**

V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR-ENDED 31 DECEMBER 2022

Amounts in Euros

(Translation of the original document issued in Portuguese)

1. Introduction

BIAL's main corporate purpose is the production, commercialization, research 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 2023.03.28.

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 31 December 2022.

With the publication of Decree-Law 238/91, of 2 July, 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 13 July 2009 which enacted the SNC;

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- The transposition into national law of Directive 2013/34/EU of the European Parliament and of the Council, of 26 June 2013, through the publication of Decree-Law 98/2015, of 2 June, which brought changes to the NCRF that are mandatory for annual periods beginning on or after 1 January 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 31 December 2003, resulting in an increase of € 6.955.076 in the historical cost;
- 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.

The industrial capacity of BIAL was expanded in 2022 with a significant investment in new buildings, industrial units, the upgrading of existing buildings, and the investment in new equipment and infrastructure.

Given this context, it was deemed appropriate to review the fixed assets' useful lives to ensure that they reflect the assets' economic lives.

In recent years, BIAL has been carrying out a long-term plan to expand its facilities in S. Mamede do Coronado, the BIAL Campus. More specifically, it includes projects for plant expansion, a new antibiotic plant, logistics and other infrastructure improvements and the construction of a social building. In addition, the existing buildings have also been the target of preventive maintenance and restructuring interventions, with special focus on the Research and Development unit.

In this sense, it seems obvious to us that, by giving the entire BIAL Campus more and better conditions, both in terms of production capacity, technical infrastructures and better working conditions, there will be a positive impact, direct or indirect, on earlier investments, which are in line with the long-term decisions now made.

Given this context, it was deemed important to review the assets' useful lives, readjusting these to the new reality and long-term plan, supporting the analysis with historical data on fixed assets that are already fully depreciated but are still in operation. The useful life review has prospective effects, that is, it had no impact on the opening balances or Equity.

During this phase, technicians from the relevant functional areas assessed the fixed assets and based on their knowledge of the assets in question, procurement processes and professional experience, attributed a useful life interval for each tax group.

The main functional areas revised were: Production Section, Engineering and Maintenance Section, Logistics and Distribution Section, Research and Development Area and Quality Control Laboratory.

Thus, the new depreciation rates were defined with a view to fully depreciating the assets by the end of their expected useful lives and are as follows:

2021 Annual %	
Buildings and other constructions	2%, 5% e 10%
Basic equipment	10%-16.66%, 25%, 33.33%
Transport equipment	20% e 25%
Office equipment	10%-25%, 33.33%, 50%

2022 Annual %	
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, over which the depreciation is calculated, 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”.

Dismantling, removal and site restoration costs arising from responsibilities assumed upon the purchase of the fixed assets or as a consequence of these having been utilized during a set period of time for purposes other than the production of inventories, are recognized as part of the cost of the corresponding fixed asset and are depreciated during the useful life of the fixed asset to which they relate.

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 leaseslease agreements are depreciated in the same manner ofas the other tangible 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 that 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 1 January 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 at 31 December 2008), as opposed to restating it retrospectively in accordance with information available at the time of each acquisition.

In acquisitions after 1 January 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.

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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.

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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-2093 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.

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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 recognized the patents with an exclusive utilization title registered by the consolidated companies.

(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 used of the equity method wasn't 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, the 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 considered 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 upon 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 trade receivables

Other trade 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.

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(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:

The State Budget for 2020 suspended the deduction period for tax losses generated in 2020 and 2021, resulting in a two-year increase of the time limit for carrying forward tax losses generated in these two years.

The State Budget for 2023 amended the IRC Code, and the carry forward of tax losses will no longer be subject to a time limitation. This rule is applicable to the deduction of tax losses against taxable income of tax years starting on or after 1 January 2023. It will also apply to tax losses assessed in tax years prior to 1January 2023, which period for deduction is still running.

Regarding the deduction percentage limit on taxable income, a new limit was set, reducing the maximum possible deduction percentage from 70% to 65%. However, this change does not affect that established in the Supplementary Budget for 2020, which allows for an increase of 10 percentage points in the deduction to be made from taxable income when those 10% increase relates to tax losses assessed in 2020 and 2021.

Spain, Italy and the U.S.:

The period of tax loss deduction has no time limit.

Mozambique:

The tax losses deduction has a time limit of 5 years since 01/01/2017, while tax losses carried forward from previous years have the time limit of 5 years, starting from 01/01/2017.

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(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.
Products and Work in progress	-	At cost of raw and subsidiary materials plus industrial costs according to the stage of manufacture.
Raw materials	-	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 with 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.

(I) Equity captions

(I.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.

(I.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).

(I.3) Other capital 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.

(I.4) Retained earnings

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

(I.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.

(I.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

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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 of 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:

2022:	Debtor balances	Creditor balances
CHF	0,9841	0,988
GBP	0,8823	0,8859
USD	1,0648	1,0691
JPY	140,448	141,011
SEK	11,1002	11,1446
CAD	1,441	1,4467

2021:	Debtor balances	Creditor balances
CHF	1,0358	1,0317
GBP	0,8388	0,8354
USD	1,1335	1,129
JPY	130,49	129,969
SEK	10,2618	10,2208
CAD	1,4433	1,4376

(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:

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(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 good, and the revenue received is not reimbursable. Besides licensing, the agreements entered foresee additional revenues upon 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 with 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.

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(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

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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 at 31 December 2022 and 2021, 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) Subsequent events

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 15 July, 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;

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- 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:

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- 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 were 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 2021 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 is looking to start its commercialization in 2023.

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 2030's.

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) Impairment of accounts receivable

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 purpose of the cash flow statement, cash and cash equivalents comprise the following:

Description	2022	2021
Cash	73.966	102.794
Bank deposits – on demand	49.278.921	20.238.500
Bank deposit – term deposits s	5.968.330	912.162
Bank deposits and cash presented on the balance sheet	**55.321.217**	**21.253.456**
Bank overdrafts	0	-6.336.971
Cash and cash equivalents	**55.321.217**	**14.916.485**

The Group has several unused overdraft accounts and secured current accounts, in the amount of € 25.5m, with the amount being fully available for use.

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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 (EUR)	% owned by the Group
BIAL - Portela & Cª., 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 OTC, 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%
Medimport, Lda	Maputo	MZM 7 000 000	100%
BIAL Angola, S.A.	Luanda	USD 20 000	100%
BIAL América Latina, S.A.	Panama	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	Milan	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

All the companies of the Group are included in the consolidation.

8. Goodwill

Goodwill can be detailed as follows:

	ACQUISITION DATE	2022	2021
BIAL - Portela & Cª, S.A.	2001-2003	5 094 412	6 792 549

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

9. Changes in the consolidation perimeter

No change was identified in 2021.

10. Income taxes

Deferred taxes	Base	Assets	Liabilities	Net effect
As of 31 December 2021				
Free revaluation of land – Portugal	-6 566 540	0	1 477 472	-1 477 472
Adjustments and Provisions – Portugal (b)	15 926 880	3 583 547	0	3 583 547
Taxable temporary differences – Spain	377 471	970 991	876 624	94 368
Taxable temporary differences – Italy	386 665	107 879		107 879
Taxable temporary differences – Switzerland	339 644	46 871		46 871
Tax. temp. difs. - Italy/Spain/Switzerland (c)	21 687 500	4 879 688	0	4 879 688
Tax credits – Italy	5 878 408	1410818	0	1410818
Taxable temporary differences – Medimport	330 192	119 780	65	119 715
Taxable temporary differences – BIAL UK	-4 739	0	900	-900
Financial instruments – Portugal	235 817	53 059	0	53 059
Tax credits - Spain	1 756 327	439 082		439 082
Tax credits – Portugal (a)		55 675 460	0	55 675 460
		67 287 174	2 355 061	64 932 113
Recorded in the year, net				
Impact on P&L				
Adjustments and Provisions – Portugal (b)	-1 392 284	-313 264		-313 264
Taxable temporary differences – Spain	-10 424	-2 606	0	-2 606
Taxable temporary differences – Italy	115 489	27 717		27 717
Taxable temporary differences – Switzerland	169 882	23 444		23 444
Tax. temp. difs. - Italy/Spain/Switzerland (c)	-1 315 000	-295 875		-295 875
Taxable temporary differences – Medimport	-317 748	-115 203		-115 203
Taxable temporary differences – BIAL UK	-205		-39	39
Tax credits – Spain	2 056 651	-9 878	-524 040	514 163
Tax credits – Portugal (a)	2 172 481	2 172 481		2 172 481
Subtotal (1)		1 486 817	-524 079	2 010 897
No Impact on P&L				
Tax credits - Spain		-284 640		
Taxable temporary differences – Medimport	294 331	94 186	89 773	
Financial instruments – Portugal	-637 288	-53 059	90 331	-143 390
Tax credits – Portugal (a)	-11 683	-11 683		-11 683
Subtotal (2)		-255 196	180 104	-155 073
Total (1)+(2)		**1 231 622**	**-343 975**	**1 855 824**
As of 31 December 2022				
Free revaluation of land – Portugal	-6 566 540	0	1 477 472	-1 477 472
Adjustments and Provisions – Portugal (b)	14 534 596	3 270 282	0	3 270 282
Taxable temporary differences – Spain		968 385	352 583	615 802
Taxable temporary differences – Italy	502 154	135 597		135 597
Taxable temporary differences – Switzerland	509 527	70 315		70 315
Tax. temp. difs. - Italy/Spain (c)	20 372 500	4 583 813	0	4 583 813
Tax credits – Italy	5 878 408	1 410 818	0	1 410 818
Taxable temporary differences – Medimport	330 192	98 763	89 838	8 925
Taxable temporary differences – BIAL UK	-4 944		861	-861
Financial instruments – Portugal	235 612	0	90 331	-90 331
Tax credits – Spain	3 812 978	144 564	0	144 564
Tax credits – Portugal (a)		57 836 258	0	57 836 258
		68 518 795	**2 011 086**	**66 507 709**

a) Includes the accrued tax credit for R&D (SIFIDE) of 2022 and the amount expected to be recovered was updated. The deferred tax asset related to the tax loss of R&D was also recognized.

b) (b) Includes the impairment recorded for the development project BIA2, around neuropathic pain, namely post-herpetic and diabetic neuralgia, and for the development project BIA12 (note 12).

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

Income tax and current tax reconciliation	Amount
Current tax:	
Pre-tax income	11 065 825
Permanent differences	-1 302 894
Temporary differences	1 435 290
Taxable income	11 198 221
Rate of income tax in Portugal	21%
Other (different bases)	10%-32%
Taxable income	5 687 943
Autonomous taxation and municipal surcharge	504 000
(I) Current tax	**6 191 943**
Deferred Tax:	
Effect of deferred taxes in the period	-2 010 897
(II) Deferred tax	**-2 010 897**
Income tax (I) + (II)	**4 181 047**

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	2014	7 729	2026
SIFIDE	2015	8 558	2027
SIFIDE	2016	7 958	2028
SIFIDE	2017	7 362	2029
SIFIDE	2018	9 485	2030
SIFIDE	2019	6 853	2031
SIFIDE	2020	5 441	2032
SIFIDE (*)	2021	6 564	2033
SIFIDE (*)	2022	6 712	2034
TOTAL		**66 662**	

*SIFIDE estimated amount.

As of December 2022, there are tax credits (SIFIDE) available in the amount of € 66.7m, corresponding to potential deferred tax assets in the same amount. However, deferred tax assets of only € 49.6m were recognized, considering the future taxable income projections up to the expiration date of the tax credits (conservative situation).

The State Budget for 2023 changed the period for carrying forward tax credits (SIFIDE) to 12 years.

According to Portuguese legislation in force, tax returns are subject to review and correction by the tax authorities for a period of four years, six years in case of tax losses and the use of tax credits (five years as from 2002). For Social Security this period is 10 years.

Thus, the tax returns of the company, for the years 2019 through 2022 may still be subject to review, although the company considers that any possible corrections resulting from tax reviews to such tax returns will not have a significant effect on the financial statements as at 31 December 2022.

11. Trade receivables

	2022	2021
Portugal:		
Retailers	1 553 511	5 807 384
Laboratories	4 105 520	3 775 231
Foreign clients	17 055 558	18 587 913
Other	172 392	282 319
	22 886 980	**28 452 847**
Clients in Spain	7 124 807	8 025 626
Clients in Angola	1 781 523	611 984
Clients in Mozambique	1 844 287	2 011 429
Clients in Italy	2 109 884	2 526 694
Clients in Switzerland	329 543	255 080
Clients - Novipharma	1 092 764	10 115 176
Total without impairment	**37 169 789**	**51 998 836**

An impairment loss has been booked in the amount of € 1 080 731 (€ 639 810 for Portugal, € 336 663 for Angola and € 104 258 for Mozambique) in respect to trade receivables (2021: € 951 524) – note 19.

A non-recourse grouped factoring contract was signed at the end of 2022, with €11.3m having been received in advance.

12. Investments

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

(a) Gross amount

DESCRIPTION	2022			
	OPENING BALANCE	ADDITIONS	TRANSFERS AND DISPOSALS	CLOSING BALANCE
TANGIBLE FIXED ASSETS				
Land and natural resources	12 406 207	0	0	12 406 207
Buildings and other constructions	24 434 574	29 270	10 380 900	34 844 744
Basic equipment	34 048 377	745 500	7 671 850	42 465 727
Transport equipment	873 744	268 117	0	1 141 861
Office equipment	11 530 370	769 275	917 341	13 216 986
Other tangible fixed assets	1 713 782	17 084	-16 906	1 713 960
Tangible fixed assets in progress	9 462 063	14 088 582	-16 006 607	7 544 039
Advances to suppliers of fixed assets	2 440 887	4 482 373	-3 873 701	3 049 558
	96 910 004	**20 400 201**	**-927 123**	**116 383 083**
INTANGIBLE ASSETS				
Research and development	349 278 618	611 453	0	349 890 071
Industrial property	48 140 742	632 780	-1 123 580	47 649 942
Other intangible assets	753 416	247 468	0	1 000 883
Intangible assets in progress	8 310 372	1 145 350	-13 852	9 441 871
Goodwill	16 981 372	0	0	16 981 372
	423 464 519	**2 637 051**	**-1 137 431**	**424 964 138**
FINANCIAL INVESTMENTS				
Holdings in other companies	114 820	0	0	114 820
Other financial investments	581 473	120 362	0	701 835
	696 293	120 362	0	816 655
TOTAL	**521 070 816**	**23 157 614**	**-2 064 554**	**542 163 876**

Of note was the strong investment in the expansion of production and storage structures, as well as in the new antibiotic factory, and in the social and administrative building, most of which were completed by 2022, evidenced in the significant amount of transfer from tangible fixed assets in progress.

The additions in Intangible Assets include, essentially, investments of about € 748,839 in the Parkinson's disease drug (Ongentys), and € 800,000 in the apomorphine licensing agreement.

We also draw attention to the sale of BIAL Biotech's tangible fixed assets and the sales of licenses for Epsicaprom, Natifar and Natimed.

The increase in "Other financial investments" refers to amounts paid to Fundo de Compensação do Trabalho (Labour Compensation Fund).

DESCRIPTION	2021 OPENING BALANCE	ADDITIONS	TRANSFERS AND DISPOSALS	CLOSING BALANCE
TANGIBLE FIXED ASSETS				
Land and natural resources	12 406 207	0	0	12 406 207
Buildings and other constructions	25 072 081	98 663	-736 170	24 434 574
Basic equipment	32 535 544	1 644 244	-131 410	34 048 377
Transport equipment	899 945	237 016	-263 217	873 744
Office equipment	11 021 191	523 267	-14 089	11 530 370
Other tangible fixed assets	1 677 664	36 424	-307	1 713 782
Tangible fixed assets in progress	900 632	8 765 109	-203 678	9 462 063
Advances to suppliers of fixed assets	74 650	2 569 986	-203 749	2 440 887
	84 587 914	**13 874 710**	**-1 552 620**	**96 910 004**
INTANGIBLE ASSETS				
Research and development	346 645 945	2 632 673	0	349 278 618
Industrial property	47 099 897	1 498 434	-457 590	48 140 742
Other intangible assets	665 922	87 494	0	753 416
Intangible assets in progress	5 582 804	2 727 568	0	8 310 372
Goodwill	16 981 372			16 981 372
	416 975 940	**6 946 168**	**-457 590**	**423 464 519**
FINANCIAL INVESTMENTS				
Holdings in other companies	114 820	0	0	114 820
Other financial investments	466 293	115 180	0	581 473
	581 113	**115 180**	0	**696 293**
TOTAL	**502 144 967**	**20 936 059**	**-2 010 210**	**521 070 816**

(b) Depreciation / Amortization

DESCRIPTION	2022 OPENING BALANCE	INCREASES	TRANSFERS AND DISPOSALS	CLOSING BALANCE
TANGIBLE FIXED ASSETS				
Land and natural resources	0	0	0	0
Buildings and other constructions	17 158 350	585 783	-1 636	17 742 496
Basic equipment	24 295 553	815 016	-55 555	25 055 014
Transport equipment	594 170	166 758	0	760 928
Office equipment	10 429 554	313 621	-29 805	10 713 370
Other tangible fixed assets	1 508 275	18 768	-11 547	1 515 496
	53 985 901	**1 899 946**	**-98 544**	**55 787 303**
INTANGIBLE ASSETS				
Research and development	162 172 019	21 066 971	0	183 238 990
Industrial property	39 573 932	1 852 456	-10 912	41 415 476
Other intangible assets	676 768	46 471	0	723 239
Goodwill	10 188 823	1 698 137	0	11 886 960
	212 611 542	**24 664 035**	**-10 912**	**237 264 665**
TOTAL	**266 597 443**	**26 563 981**	**-109 455**	**293 051 968**

Worthy of mention is the amortization for the year of the Zebinix development project for the adjunctive antiepileptic therapeutic areas, "monotherapy" and Paediatrics (€ 5 379 359, € 7 329 004 and € 2 146 263, respectively), which commercialization began in 2009, 2015 and 2017, respectively. We also highlight the amortization for the year of the development project of the drug Ongentys for Parkinson's disease (€ 3 893 148), which commercialization began in 2016.

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DESCRIPTION	2021 OPENING BALANCE	INCREASES	TRANSFERS AND DISPOSALS	CLOSING BALANCE
TANGIBLE ASSETS				
Land and natural resources	0			0
Buildings and other constructions	16 194 885	1 034 564	-71 100	17 158 350
Basic equipment	22 305 230	2 253 025	-262 703	24 295 553
Transport equipment	619 494	237 893	-263 217	594 170
Office equipment	9 574 763	868 942	-14 151	10 429 554
Other tangible fixed assets	1 432 546	76 035	-307	1 508 275
	50 126 918	**4 470 460**	**-611 477**	**53 985 901**
INTANGIBLE ASSETS				
Research and development				
Industrial property	141 162 954	21 009 065	0	162 172 019
Other intangible assets	34 363 383	5 369 869	-159 320	39 573 932
Goodwill	613 079	63 689	0	676 768
	8 490 686	1 698 137		10 188 823
	184 630 102	**28 140 760**	**-159 320**	**212 611 542**
TOTAL	**234 757 020**	**32 611 220**	**-770 797**	**266 597 443**

(c) Impairment

DESCRIPTION	IMPAIRMENT	INCREASES	REVERSALS	TOTAL
Development projects	15 926 877	0	2 275 268	13 651 609
Industrial Property	1 054 349	882 983	518 787	1 418 545
In progress	0	548 516	0	548 516
TOTAL	**16 981 226**	**1 431 499**	**2 794 055**	**15 618 670**

Impairment losses of € 6 961 313 and € 6 690 297 are recorded for the BIA2 development project for, respectively, the areas of diabetic neuralgia neuropathic pain and post-herpetic neuropathic pain, and which correspond to the total of the investment cost, net of the accumulated amortization.

In the course of 2021, BIAL decided to discontinue the BIA5 research project, for scientific and market reasons, aggravated by the pandemic context experienced in the last two years. Thus, an impairment loss of € 1 031 328 was recorded in relation to the patents associated with this development project, which in 2022 was updated by € 528 639.

In 2022, BIAL decided to discontinue the research projects BIA12, BIA19 and BIA25, which resulted in an impairment loss of € 1 431 499.

The impairment of intangible assets is tested annually.

As these assets do not generate cash flows by themselves, they are allocated to the Cash Generating Units (CGU) to which they belong to determine their respective value in use.

The use value of intangible assets is determined using projected cash flows, which consider the revenue from the sale of drugs and the revenue from “milestones”, net of the associated development costs.

Sensitivity tests were carried out for the model’s main technical and operational assumptions, which allows one to conclude as to the recoverability of the asset.

The computation of the discounted value (discounted cash-flow method) is especially sensitive to the following variables:

- Market share during the budget period;
- Gross margin
- Growth rate
- Useful life period
- Discount rates (considering that intangible assets have a higher associated risk). It should be referred that the increase in interest rates negatively impacted the discount rate and that, even so, there is a significant safety margin according to the impairment tests carried out on the capitalized costs of BIA2 and BIA9.

The use value of tangible assets is determined, when there are signs of impairment, using projections of cash flows of five-year budgets approved by Management that do not consider any restructuring activities for which there is still no commitment or significant future investments aimed at improving the future economic benefits that will accrue from the CGU being tested.

The results of the impairment test indicate that the assets’ recoverable value is significantly higher than the net book value.

The way of aggregating assets to identify the cash generating units is unchanged since last year.

Part of the intangible assets have been acquired benefiting from government subsidies.

(d) Other financial asset – current assets

The amount of “Other current assets” refers to the fair value of the fixed interest rate hedging instrument (SWAP).

13. Assets held by third parties

The value of inventories held by third parties, as at 2022.12.31, amounts to € 24 453 497 (€ 21 170 531 from Portugal and € 3 282 966 from Switzerland - Novipharma), and mainly consists of raw material to produce Zebinix/Aptiom and Ongentys, held by subcontractors for this purpose.

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14. Other receivables and other payables

(a) Assets

	2022	2021
Advances to suppliers	27 233 758	25 456 686
Long-term	**27 233 758**	**25 456 686**

Neurocrine	0	1 546 272
Advances to suppliers	3 352 852	7 822 979
Security deposit – BIAL Italia	2 531 182	2 600 923
Other	6 560 204	3 173 347
Short-term without impairment	12 444 239	15 143 521
Short-term without impairment	**15 143 521**	**21 865 945**

Impairment has been recognized in the amount of € 34 108 (2021: € 34 108).

To ensure Ongentys' commercial expansion plan, Novipharma signed an agreement to guarantee the production of the raw material, in line with the growth forecast in the strategic plan. This agreement justifies the amount recorded in other receivables, with € 27.2m being classified as "Long-term" (amount proportional to the supply of raw materials after 2023) and € 4m classified as "Short-term".

The security deposit (BIAL Italy) concerns the captive amount for eventual defaults in the context of hospital tenders.

(b) Liabilities

This includes, in the medium- and long-term, € 6 679 948 related to deferred tax liabilities associated with investment subsidies, which were booked in accordance with FAQ issued by the Comissão de Normalização Contabilística (CNC) (Portuguese Accounting Normalization Committee).

15. State and other public entities

	2022		2021	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Corporate tax	356 657	-1 981 747	5 803 342	-2 267 621
Personal income tax	0	-936 965	31 931	-1 260 591
Value added tax	4 470 921	-1 299 725	5 152 581	-921 015
Social Security	0	-1 104 821	-21 635	-1 326 544
Infarmed	0	0	0	-27 386
Other taxes	11 921	-63 796	0	-21 148
TOTAL	**4 839 498**	**-5 387 055**	**10 966 219**	**-5 824 305**

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

16. Deferrals and accruals

(a) Assets

	2022	2021
Revenue accruals	7 555 806	6 130 859
Deferred costs	2 068 330	3 485 934

The balance of revenue accruals includes amounts receivable under the Portugal 2020 framework as financial contributions to research and development projects: € 4 151 977 (2021: 4 185 953), as well as revenue accruals of fees for 2022 to be invoiced in 2023

(b) Liabilities

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

	2022	2021
Provision for holiday pay and subsidy	7 832 342	7 142 240
Interest accrued	701 587	494 359
Other	13 896 626	9 549 834
TOTAL	**22 430 556**	**17 186 433**

The balance of other accrued expenses essentially corresponds to:

- Documents dated 2023, but relating to expenses incurred in 2022;
- Amounts related to sick funds* in the German market, around €2.7m.

Deferred income

The amount of € 344 870 (2021: € 4 224 972) recorded under the caption "Deferred income", is related to the Portugal 2020 framework, as is €1 400 000 related to 2023 revenue billed in 2022.

17. Loans and borrowings

	Medium/long term 2022	Short-term 2022	TOTAL 2022	TOTAL 2021
Bank overdrafts	0	0	0	6 336 971
Bank loans	49 084 000	35 907 970	84 991 970	100 871 971
Bond loan	30 000 000	52 500 000	82 500 000	63 500 000
Reimbursable subsidies	7 581 753	437 076	8 018 829	3 953 996
TOTAL	**86 665 753**	**88 845 045**	**175 510 799**	**174 662 938**

The company negotiated with several financial institutions bank overdrafts and secured current accounts, in the amount of € 25.5m, with this amount being fully available for use.

At the end of 2022, borrowings were also contracted as follows:

- € 60m from C2 Capital Partners – SCR, S.A. in the form of bonds, which are expected to be issued by the end of the first half of 2023;
- € 15m of a commercial paper program;
- € 20m of a grouped commercial paper program;

The main guarantees and conditions of contracts with banks are as follows:

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.

With respect to bond loans, the breakdown is as follows:

- €52 500 000 related to bonds issued in 2018 (€ 60 000 000), net of the bonds held by BIAL (€ 7 500 000), with a maturity date of October 2023. The year-end quotation on Euronext Access was € 101.50, above par (€ 100);
- €30 000 000 (Explorer), with a maturity date of 2024.

18. Fixed assets suppliers

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

19. Provisions and impairments

	Opening balance	Increases	Utilization	Reversals	Closing balance
Provisions for client returns – Spain	397 991	52 324			450 315
Provisions for client returns – Portugal	301 854			73 784	228 070
Provisions for commitments related to BIA 5	1 363 183		1 040 914		322 269
Subtotal	**2 063 028**	**52 324**	**1 040 914**	**73 784**	**1 000 654**
	951 745	7 604		50 728	908 621
Impairment of inventories – Portugal	407 896			279 953	127 943
Impairment of inventories – Spain	1 359 641	7 604	0	330 682	1 036 563
Subtotal					
Impairment of trade receivables – Portugal	586 860	89 468		36 518	639 810
Impairment of other debtors – Portugal	34 108				34 108
Impairment of trade receivables – Mozambique	77 015	23 803	3 440		104 258
Impairment of trade receivables – Angola	287 649		49 014		336 663
Subtotal	**985 632**	**113 271**	**52 454**	**36 518**	**1 114 839**
Total	**4 408 301**	**173 200**	**1 093 368**	**440 984**	**3 152 056**

20. Sales and services rendered

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

	2022		2021	
MARKETS:	**SALES**	**SERVICES RENDERED**	**SALES**	**SERVICES RENDERED**
Spain	79 255 813	0	78 007 043	
Portugal	70 602 369	14 152 368	62 527 408	10 405 504
United States and Canada	56 305 884	0	68 049 119	
Japan	15 570 165	1 409	18 668 553	
Germany	14 626 715	0	18 885 580	
External (Rest of the World)	13 636 403	0	13 653 941	-66 666
Italy	12 276 156	0	10 119 073	
France	7 676 133	2 709	6 154 418	2 721
External (Rest of Europe)	7 373 513	1 680	4 741 781	
Mozambique	6 926 630	196 702	6 574 519	341 098
United Kingdom	3 126 016	19 946	4 807 809	194 099
South Korea	2 967 653	607	1 210 130	500 000
Angola	2 916 964	0	4 292 061	
Switzerland	1 603 731	0	1 030 432	9 863
TOTAL	**294 864 146**	**14 375 421**	**298 721 864**	**11 386 620**

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

21. Operating subsidies

These refer to the co-payments for expenses incurred under the Portugal 2020 framework - research and development projects in new medicines, which contract was signed on 2019/12/20.

22. Cost of goods sold and materials consumed

MOVEMENTS	RAW MATERIALS AND CONSUMABLES	MERCHANDISE	TOTAL	2021
Opening inventories	82 845 659	11 813 393	94 659 052	71 710 452
Purchases	41 873 504	51 114 614	92 988 118	102 329 698
Inventory adjustments	-1 462 070	-524 496	-1 986 566	-1 702 526
Closing inventories	-88 430 509	-13 860 719	-102 291 228	-94 659 052
Costs for the year	**34 826 584**	**48 542 792**	**83 369 375**	**77 678 571**

The overall value of inventories held by others as of 31 December 2022, is € 24 453 497 (2021: € 31 763 028).

23. External supplies and services

	2022	2021
Specialized services (note 31)	47 887 670	52 259 892
Advertising	18 460 873	19 894 001
Professional fees	15 267 400	11 538 244
Rentals and hires	5 330 126	4 874 701
Other	3 099 921	4 589 709
Databases	2 641 798	604 289
Travel and accommodation	2 405 676	2 243 522
Fuel	2 245 924	914 046
Subcontracts	1 852 934	2 346 285
Transport of goods	1 336 362	933 250
Maintenance and repairs	1 282 452	1 258 251
Medical Training	1 096 463	1 419 149
Electricity	1 022 058	462 512
Commissions	851 012	773 801
Insurance	834 950	802 082
TOTAL	**105 615 619**	**104 913 733**

The specialized services are essentially related to R&D activities.

24. Personnel expenses

	2022	2021
Remuneration of corporate bodies	2 397 008	6 376 838
Remuneration of personnel	54 047 053	51 862 620
Social charges	11 548 276	11 946 801
Termination benefits	4 402 373	762 252
Other	2 469 800	2 667 878
TOTAL	**74 864 511**	**73 616 390**

The average number of employees of the companies included in the consolidation in the current year is 823 (2021: 889), distributed as follows:

COMPANY:	EMPLOYEES
BIAL Holding, SA	3
BIAL - Portela & Cª., S.A.	419
MediBIAL, S.A.	14
InterBIAL, S.A.	24
BIALport, S.A.	54
BIAL Consumer Health, S.A.	7
BIAL R&D Investments, S.A.	4
Laboratórios BIAL, S.A. (Espanha)	140
BIAL Deutschland GmbH	39
BIAL Pharma UK Limited	20
BIAL Itália, S.R.L	27
Novipharma, S.A. (Switzerland)	3
BIAL, S.A. (Switzerland)	4
Medimport, Lda. (Mozambique)	38
BIAL América Latina, S.A.	3
BIAL Angola, S.A.	14
Bureau représentation Ivory Coast	8
BIAL - Biotech Investments Inc	2
TOTAL	**823**

As at 31.12.2022, amounts receivable from employees total € 1 028 (2021: € 2 609).

25. Impairment, fair value decreases, provisions and reversals

	2022	2021
Impairment of trade receivables - Portugal	89 468	-453 221
Impairment of inventories - Portugal	7 604	-514 253
Impairment of inventories - Spain	0	-179 319
Impairment of trade receivables - Mozambique	23 803	-27 606
Impairment of trade receivables - Angola	0	0
Impairment losses	**120 875**	**-1 174 399**
Reversal / (Impairment) of patents Portugal	16 099	17 127
Reversal / (Impairment) of intangible asset (note 12)	2 275 268	2 275 268
Reversal / (Impairment) of intangible asset (note 12)	-1 431 499	0
Impairment of intangible asset - BIA5 (note 12)	502 688	-1 031 328
Reversal / (Impairment) of depreciable/amortizable assets	**1 362 556**	**1 261 066**
Reversal of impairment of inventories - Portugal	50 728	20 743
Reversal of provision for client returns - Portugal	73 784	0
Reversal of impairment of inventories - Spain	279 953	0
Reversal of impairment of trade receivables - Portugal	36 518	338 361
Reversal of impairment of other debtors - Portugal	0	4 561 766
Reversals	440 984	4 920 870
Provision for client returns - Portugal	**52 324**	**15 510**
Provision for client returns – Spain	0	41 929
Provision for commitments assumed - BIA 5	0	1 363 183
Provisions	52 324	1 420 622
Provisions	**1 420 622**	**0**

26. Other income

	2022	2021
Favourable foreign exchange differences	4 392 926	5 493 328
Investment subsidies	3 457 101	3 556 712
Disposals	3 180 706	0
Prior year corrections	2 351 021	245 326
Supplementary income	448 708	912 072
Other	344 451	623 209
Tax estimate excess / Recovery of tax	109 880	4 496
Cash discounts received	13 288	9 301
Gains on non-financial investments	0	268 590
Total	**14 298 082**	**11 113 034**

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The investment subsidies refer to the reimbursement for expenses incurred in the research and development projects in new medicines, and their recognition in profit and loss is proportional to the amortization of the subsidized investments.

The favourable foreign exchange differences amounted to € 4.4m and are related to 3 companies of the Group - Medimport (€ 0.7m), BIAL Portela (€ 1.1m) and Novipharma (€ 1.4m).

In 2022, the licenses relating to the products Epsicaprom (€ 1.2m), and Natifar and Natimed (€ 2m) were sold.

As from 2022, it is considered that advances made to Patheon Austria will not be cash-recovered (it will be recovered through raw material supplies). For this reason, this item has a non-monetary nature, i.e., it must be recorded at historical cost. The effect on the line Prior year corrections is due to the annulment of the exchange rate updates of the asset.

27. Other expenses

	2022	2021
Taxes	5 211 265	4 949 484
Unfavourable foreign exchange differences	3 748 093	3 484 106
Expenses with raw material development	2 309 045	514 988
End of API supply contract	2 283 458	0
Donations	2 157 408	2 713 286
Industrial property expenses	1 865 689	1 652 844
Other	928 684	432 620
Inventory losses	776 669	934 866
Losses on non-financial investments	485 552	134 634
Cash discounts allowed	439 571	355 667
Membership fees	252 847	301 408
Prior year corrections	191 586	200 463
Expenses with BIA 5	170 534	8 224 494
Tax estimate shortfall	78 992	86 090
Inventory samples and offers	72 224	142 870
Fines and penalties	5 637	9 909
	20 977 255	**24 137 729**

Inventory losses refer to the destruction of outdated finished goods (client returns) and losses occurring during the production process.

In the course of 2021, BIAL decided to discontinue the BIA5 research project, for scientific and market reasons, aggravated by the pandemic context, with a provision having been made for assumed commitments.

The liabilities assumed since then were essentially covered by the provision made (see note 25).

With the search for new API supply sources and better business conditions, it was decided to terminate an Opicapone supply contract.

The unfavourable foreign exchange differences amounted to € 3.7m and were concentrated in 3 Group companies - Novipharma (€ 1.0m), BIAL Portela (€ 1.8m), Medimport (€ 0.1m) and BIAL R&D (€ 0.4m).

28. Interest and similar income and expenses

	2022	2021
Interest and other similar expenses:		
Interest incurred	3 862 454	3 858 642
Other financial expenses	1 007 582	901 065
	4 870 035	4 759 707
Financial result	**-4 244 663**	**-4 733 655**
Interest and other similar income:		
Interest earned	592 906	26 052
Other income	32 466	0
	625 372	**26 052**

The financing obtained during 2022 was contracted at significantly lower rates than those recorded so far, resulting in lower financial expenses.

29. Tax benefits for research and development

- Tax credits carried forward for 2014 R&D	7 728 837
- 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	6 563 931
- Tax credits carried forward for 2022 R&D	6 712 253
Balance carried forward	**66 662 341**

Additionally, we have a tax credit in Spain in the amount of € 0.1M.

Note: The 2022 and 2021 tax credits are pending approval by the entity *Comissão Certificadora para os Incentivos Fiscais à I&D Empresarial.*

30. Research and development investments

	2022	2021
R&D projects (intangible assets)	326 098	2 604 055
Tangible fixed assets	721 750	1 977 457
Personnel expenses	17 205 201	16 186 457
External supplies and services related to R&D activities	42 774 637	52 492 271
Other expenses	170 534	8 255 071
Total of investment	**61 198 220**	**81 515 311**

In addition, the company recorded the following expenses and income related the R&D activity:

	2022	2021
Amortization	21 606 343	22 330 302
Reversal / Impairment – BIA2	0	-2 292 394
Reversal / Impairment – BIA5	0	-4 561 766
Reversal / Impairment – BIA5	-502 688	1 031 328
Reversal / Impairment – BIA12, BIA19 and BIA25	1 431 499	0
Provisions for commitments assumed – BIA5	0	1 363 183
Rendering of services (milestones)	0	-571 429
Total	**22 535 154**	**17 299 224**

31. Leases

(a) Finance leases

The company has finance leases for production and transport equipment. These agreements have purchase options. The leased assets cannot be subleased.

The carrying amount of the finance lease assets is detailed in note 18.

(b) 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.

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32. Financial risk

The main financial liabilities in the Group are the bank loans from bank institutions and the accounts payable to raw material suppliers and to the laboratories that render the R&D services. Financial liabilities are incurred for financingto 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 the interest rates and exchange rates fluctuationrate fluctuations, (ii) credit risk and (iii) liquidity risk. The main goal of BIAL's management is to reduce these risks to an acceptable level.

BIAL Group's main objective is to reduce these risks to an acceptable level.

Market risk

Market risk represents the risk of future cash flows fluctuationflow 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 taking into accountconsidering the Group's foreign exchange needs.

In 2021, 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:

Clients:

Currency	Amount
AOA	597.230.712
CHF	1.461.840
MZM	128.141.792

Investment Suppliers:

Currency	Amount
CHF	30.810
USD	93.057

Suppliers:

Currency	Amount
AOA	13.020.214
CHF	10.194.157
GBP	518.529
MZM	5.004.895
SEK	28.725
USD	8.361.803

Other receivables:

Currency	Amount
CHF	30.810
USD	93.057

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 31 December 2022, 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.

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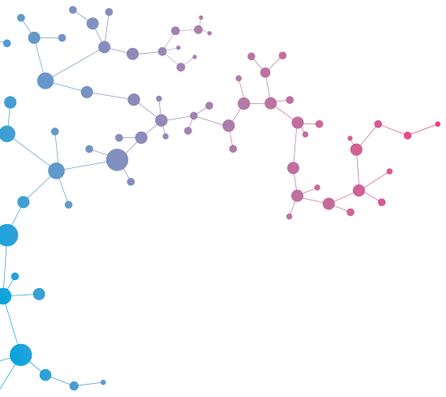

Other operational risks

- 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's (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 30 August, and the second amendment to Law no. 14/2000, of 8 August).

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.

33. Environmental matters

BIAL – Portela & Cª, S.A. is ISO 14001:2015 (Environment Management System) certified, having defined as priority objectives in the three-year Strategic Plan, the following:

- Make appropriate changes to the corporate structure to ensure optimal support for the organization's growth challenges;
- Consolidate the Quality, Health and Safety policy, as well as the Environment Protection in all of the groups areas;
- Strengthen management by objectives to involve all employees, with the objective of greater productivity and quality of products and services, as well as client satisfaction;
- Maintain existing certifications and authorizations and increase the level of implementation of the GxP, working to achieve the level of excellence.
- Produce, with a high-Quality standard, while respecting the Environment, Health and Safety of all the employees, in accordance with the requirement applicable, including the GxP.

On the environmental front, BIAL highlights the actions undertaken in terms of circular economy, through the reduction of waste. In 2022, we reduced the volume of hazardous waste by 59% compared to 2021, as a result of the implementation of continuous improvement actions in our processes. Aware of its environmental responsibility, BIAL has a contractual relationship with Valormed, the entity responsible for the collection of empty packaging and out-of-use medicines in pharmacies. It should be noted that the costs related to environmental management with Valormed are € 29,488 (2021: € 29,928). Waste treatment and disposal costs amounted to €26,001 (2021: €43,564).

Reinforcing its commitment to sustainability, in 2022, BIAL expanded its Production and Self-Consumption Unit (UPAC). This action allowed the production of 678 kWh, which avoided the emission of around 320 tons of CO2. Aware of the energy transition in 2022, the energy consumed by BIAL came from renewable sources and obtained Certificates of Origin, which is reflected in a 48% reduction in Greenhouse Gas (GHG) emissions compared to 2020.

Quality is, at BIAL, a primary strategic objective, and its evolution in recent years has been significant. In international terms, BIAL should be among the main companies and, to achieve this objective, it will continue to invest in training and raising awareness among its employees regarding Quality, Health and Safety at Work and the Environment.

34. Guarantees

Beneficiary	Guarantee type	Amount
BEI	Bank Loan (BEI)	6.000.000
BEI	Bank Loan (BEI)	6.000.000
BEI	Bank Loan (BEI)	6.000.000
BEI	Bank Loan (BEI)	5.833.333
INNOVAPUGLIA S.P.A.	Supply of medicines	229.944
Regione Lazio e Aziende Sanitarie	Supply of medicines	227.027
SORESA SPA CENTRO DIREZIONALE	Supply of medicines	201.530
S.C.R. PIEMONTE S.P.A	Supply of medicines	167.093
3090008758000 - S.C.R. PIEMONTE SPA	Supply of medicines	167.093
IAPMEI - AGENCIA COMPETITIVIDADE E INOVAÇÃO, I.P.	COMPETE - Project 30028	130.402
Regione Siciliana - Uff. Speciale	Supply of medicines	129.893
AGENZIA REGIONALE INTERCENT	Supply of medicines	123.562
S.c.r. - Piemonte S.p.a.	Supply of medicines	121.559
Agenzia Regionale Intercent-ER	Supply of medicines	100.254
ASP DI PALERMO	Supply of medicines	92.594
S.c.r. - Piemonte S.p.a.	Supply of medicines	82.982
AZIENDA ZERO	Supply of medicines	81.497
IAPMEI - AGENCIA COMPETITIVIDADE E INOVAÇÃO, I.P.	COMPETE - Project 30026	75.001
CUC FVG ? SOGGETTO AGGREGATORE	Supply of medicines	73.893
Regione Lazio e le Aziende	Supply of medicines	66.410
Estar-ente Sup.tecn.amn.reg	Supply of medicines	64.426
A.Li.Sa.	Supply of medicines	60.377
A.R.I.C.	Supply of medicines	51.228
Regione Autonoma della Sardegna	Supply of medicines	50.586
INNOVAPUGLIA SPA	Supply of medicines	50.342
REGIONE AUTONOMA DELLA SARDEGNA	Supply of medicines	50.119
Regione Autonoma Della Sardegna	Supply of medicines	48.467
MEDIMOC, S.A.R.L	Supply of medicines	44.186
Regione Lazio E Aziende Sanitarie E	Supply of medicines	42.984
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
Regione Autonoma Della Sardegna	Supply of medicines	31.099
Asur Marche In Tutte Le Sue Articol	Supply of medicines	23.687
INNOVAPUGLIA SPA BA	Supply of medicines	20.137
REGIONE SICILIA ASSESSORATO	Supply of medicines	19.660
Azienda Provinciale Per I Serviczi	Supply of medicines	16.628
CAMARA MUNICIPAL MAIA	Deposit for public works	14.964
ARCS AZ. REG. DI COORDINAMENTO	Supply of medicines	14.779
Agenzia Regionale Intercent-ER	Supply of medicines	12.356
Innovapuglia Spa	Supply of medicines	11.383
Emprofac - Empresa Nacional Produto	Supply of medicines	11.347
Emprofac - Empresa Nac. Prod. Farma	Supply of medicines	10.273
ASUR MARCHE	Supply of medicines	9.708
3166626533000 - AZIENDA SANITARIA UNICA REGIONALE MARCHE	Supply of medicines	9.663
ASUR MARCHE VIA OBERDAN, 2	Supply of medicines	9.663
INTERCENT ER	Supply of medicines	9.443
INTERCERT-ER AGENZIA PER LO	Supply of medicines	9.442
EMPROFAC EMP NAC PROD FARMACEUTICO	Supply of medicines	9.355
Emprofac - Empresa Nac. Prod. Farma	Supply of medicines	9.199
REGIONE LAZIO VIA ROSA RAIMONDI	Supply of medicines	8.640
SAMES MINISTRY HEALTH	Supply of medicines	6.848
INNOVA PUGLIA SPA	Supply of medicines	6.376
Fiscal Ior	Supply of services	6.309
S.C.R. PIEMONTE S.P.A.	Supply of medicines	5.892
MEDIMOC, S.A.R.L	Supply of medicines	5.056
SAMES IP SERV AUTON MEDIC EQUIP SAU	Supply of medicines	4.388
Innovapuglia S.p.a.	Supply of medicines	4.280
IGIF	Other supplies	3.315
AZIENDA SANITARIA PROVINCIALE DI	Supply of medicines	3.105
AZIENDA UNITA? SANITARIA LOCALE	Supply of medicines	2.144
SERVICO AUTONOMO MEDICAMENTU SAUDE	Supply of medicines	1.446
InnovaPuglia S.p.A.	Supply of medicines	1.275
AZIENDA SANITARIA PROVINCIALE TRAPANI	Supply of medicines	1.229
AZIENDA SANITARIA PROVINCIALE DI	Supply of medicines	1.229
ASP AGRIGENTO	Supply of medicines	1.116
REGIONE LAZIO E AZIENDE SANITARIE	Supply of medicines	1.033
ASP CALTANISSETTA	Supply of medicines	970
INTERCENT-ER,	Supply of medicines	944
SERVICO AUTONOMO MEDICAMENTU SAUDE	Supply of medicines	771
AZ. REGIONALE PER L?INNOVAZIONE	Supply of medicines	617
REGIONE LAZIO IN QUALITA? DI	Supply of medicines	537
ASP DI CATANIA	Supply of medicines	498
AZIENDA REGIONALE PER L?INNOVAZIO	Supply of medicines	322
A.R.I.C - AGENZIA REGIONALE DI IN	Supply of medicines	166
AZ. SANITARIA LOCALE DI POTENZA	Supply of medicines	158

35. Subsequent events

TThere are no events after the reporting date that may influence the presentation and interpretation of these financial statements.

36. Legal diplomas requiring specific disclosures

There are no off-balance sheet items. Therefore, no disclosures regarding their nature, business purpose, financial impact or risks and benefits are applicable.

Trofa, 2023.03.28

THE FINANCE MANAGER AND CERTIFIED ACCOUNTANT

SANDRA COSTA

THE BOARD OF DIRECTORS

ANTÓNIO HORTA OSÓRIO | **Chairman**
ANTÓNIO PORTELA | **CEO**
RICHARD PILNIK | **Member**
JOSÉ REDONDO | **Member**
MIGUEL PORTELA | **Member**
JOERG HOLENZ | **Member**
MAXIMILIANO BRICCHI | **Member**

Ernst & Young
Audit & Associados - SROC, S.A.
Avenida da República, 90-6º
1600-206 Lisboa
Portugal

Tel: +351 217 912 000
Fax: +351 217 957 586
www.ey.com

Certificação Legal das Contas

RELATO SOBRE A AUDITORIA DAS DEMONSTRAÇÕES FINANCEIRAS CONSOLIDADAS

Opinião

Auditámos as demonstrações financeiras consolidadas anexas de Bial - Holding, S.A. (o Grupo), que compreendem o Balanço Consolidado em 31 de dezembro de 2022 (que evidencia um total de 561.398.404 euros e um total de capital próprio de 290.733.415 euros, incluindo um resultado líquido atribuído aos detentores de capital do Grupo, de 5.228.983 euros), a Demonstração Consolidada dos Resultados por Naturezas, a Demonstração Consolidada das Alterações no Capital Próprio e a Demonstração Consolidada dos Fluxos de Caixa relativas ao ano findo naquela data, e o anexo que inclui um resumo das políticas contabilísticas significativas.

Em nossa opinião, as demonstrações financeiras consolidadas anexas apresentam de forma verdadeira e apropriada, em todos os aspetos materiais, a posição financeira consolidada de Bial - Holding, S.A. em 31 de dezembro de 2022 e o seu desempenho financeiro e fluxos de caixa consolidados relativos ao ano findo naquela data, de acordo com as Normas Contabilísticas e de Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística.

Bases para a opinião

A nossa auditoria foi efetuada de acordo com as Normas Internacionais de Auditoria (ISA) e demais normas e orientações técnicas e éticas da Ordem dos Revisores Oficiais de Contas. As nossas responsabilidades nos termos dessas normas estão descritas na secção "Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas" abaixo. Somos independentes das entidades que compõem o Grupo nos termos da lei e cumprimos os demais requisitos éticos nos termos do código de ética da Ordem dos Revisores Oficiais de Contas.

Estamos convictos de que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião.

Responsabilidades do órgão de gestão pelas demonstrações financeiras consolidadas

O órgão de gestão é responsável pela:

- preparação de demonstrações financeiras consolidadas que apresentem de forma verdadeira e apropriada a posição financeira, o desempenho financeiro e os fluxos de caixa do Grupo de acordo com as Normas Contabilísticas e de Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística;
- elaboração do Relatório Consolidado de Gestão nos termos legais e regulamentares aplicáveis;
- criação e manutenção de um sistema de controlo interno apropriado para permitir a preparação de demonstrações financeiras consolidadas isentas de distorções materiais devido a fraude ou a erro;
- adoção de políticas e critérios contabilísticos adequados nas circunstâncias; e
- avaliação da capacidade do Grupo de se manter em continuidade, divulgando, quando aplicável, as matérias que possam suscitar dúvidas significativas sobre a continuidade das atividades.

Responsabilidades do auditor pela auditoria das demonstrações financeiras consolidadas

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras consolidadas como um todo estão isentas de distorções materiais devido a fraude ou a erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança mas não é uma garantia de que uma auditoria executada de acordo com as ISA detetará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras.

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
A member firm of Ernst & Young Global Limited

Como parte de uma auditoria de acordo com as ISA, fazemos julgamentos profissionais e mantemos ceticismo profissional durante a auditoria e também:

- identificamos e avaliamos os riscos de distorção material das demonstrações financeiras consolidadas, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detetar uma distorção material devido a fraude é maior do que o risco de não detetar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;
- obtemos uma compreensão do controlo interno relevante para a auditoria com o objetivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno do Grupo;
- avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respetivas divulgações feitas pelo órgão de gestão;
- concluímos sobre a apropriação do uso, pelo órgão de gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade do Grupo para dar continuidade às suas atividades. Se concluirmos que existe uma incerteza material, devemos chamar a atenção no nosso relatório para as divulgações relacionadas incluídas nas demonstrações financeiras consolidadas ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que o Grupo descontinue as suas atividades;
- avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras consolidadas, incluindo as divulgações, e se essas demonstrações financeiras representam as transações e os acontecimentos subjacentes de forma a atingir uma apresentação apropriada;
- obtemos prova de auditoria suficiente e apropriada relativa à informação financeira das entidades ou atividades dentro do Grupo para expressar uma opinião sobre as demonstrações financeiras consolidadas. Somos responsáveis pela orientação, supervisão e desempenho da auditoria do Grupo e somos os responsáveis finais pela nossa opinião de auditoria; e
- comunicamos com os encarregados da governação, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria incluindo qualquer deficiência significativa de controlo interno identificada durante a auditoria.

A nossa responsabilidade inclui ainda a verificação da concordância da informação constante do Relatório Consolidado de Gestão com as demonstrações financeiras consolidadas.

RELATO SOBRE OUTROS REQUISITOS LEGAIS E REGULAMENTARES

Sobre o Relatório Consolidado de Gestão

Dando cumprimento ao artigo 451, n.º 3, al. e) do Código das Sociedades Comerciais, somos de parecer que o Relatório Consolidado de Gestão foi preparado de acordo com os requisitos legais e regulamentares aplicáveis em vigor e a informação nele constante é concordante com as demonstrações financeiras consolidadas auditadas e, tendo em conta o conhecimento e a apreciação sobre o Grupo, não identificámos incorreções materiais.

Porto, 31 de março de 2023

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

João Carlos Miguel Alves - ROC n.º 896
Registado na CMVM com o n.º 20161217

Bial
Keeping life in mind.

Ernst & Young
Audit & Associados - SROC, S.A.
Avenida da República, 90-6º
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Portugal

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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 2022.

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 2022 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 2022, satisfazem os requisitos legais e contabilísticos aplicáveis.

Porto, 31 de março de 2023

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

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