



FIRST QUARTER 2021 FINANCIAL
RESULTS
MAY 2021



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ROVI response to COVID-19 pandemic

ROVI priorities during COVID-19



Safeguard the health of our employees



Continue the supply of medicines to patients



Support society with resources and expertise

ROVI status across the value chain

Production & Commercial

- Fill-finish of the Covid-19 Vaccine Moderna
- LMWH essential medicines for COVID-19
- Reduction of hospital activity

R&D

- Continuation of Doria[®] approval process in Europe & USA

Resources

- €0.4Mn booked to protect our employees' health during Q1 2021

Q1 2021 financial results - Highlights



Operating revenue growth of 29% to €130.5Mn and EBITDA growth of 74% to €34.8Mn in Q1 2021.



Sales of the heparin franchise increased by 15% to €63.9Mn in Q1 2021.



Sales of Neparvis® increased by 10% to €8.7Mn in Q1 2021.



Toll manufacturing sales increased by 179% to €35.6Mn in Q1 2021.



For 2021, ROVI expects the operating revenue growth to achieve the higher end of the range between 20% and 30%.

Milestone achieved – Moderna and ROVI strength collaboration for the manufacture of the COVID-19 Vaccine Moderna



ROVI strengthens its collaboration with Moderna:



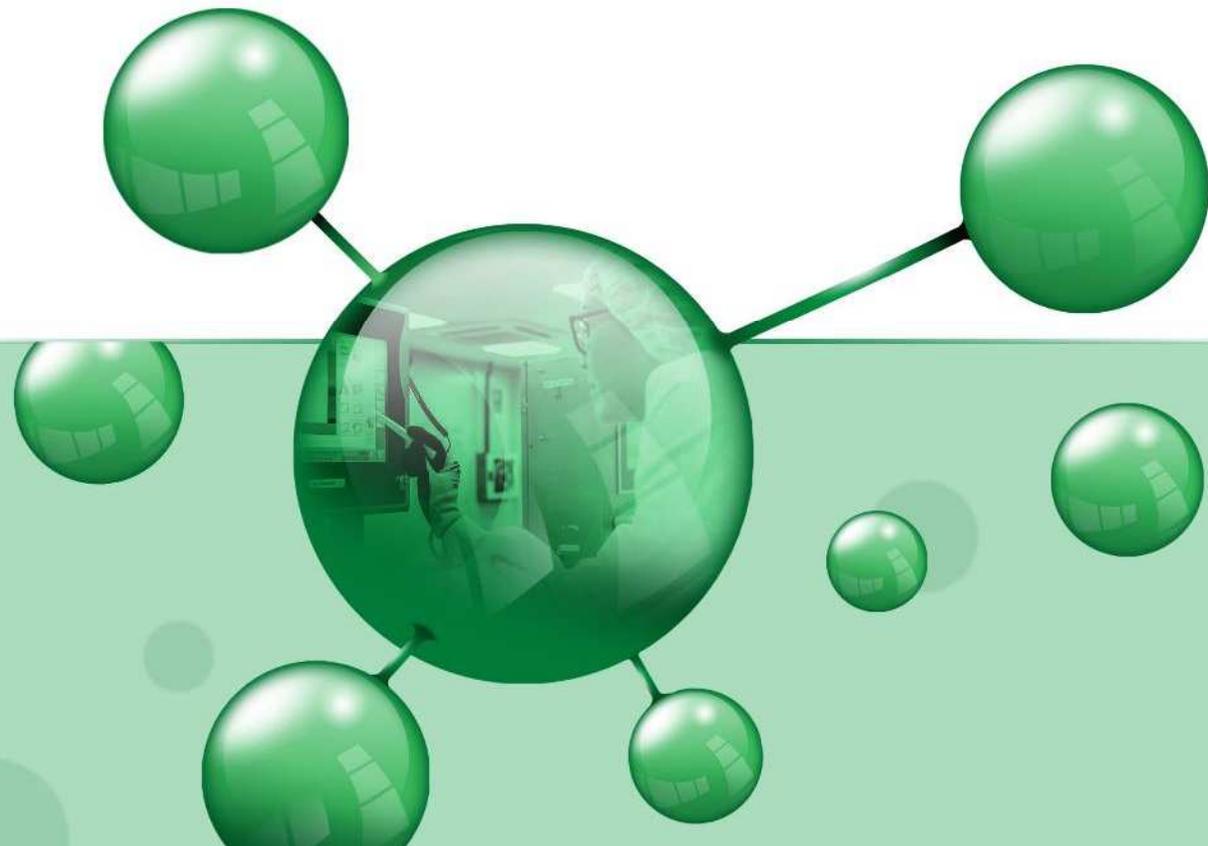
in the fill-finish of the COVID-19 Vaccine Moderna by increasing its fill-finish capacity, and



for the manufacture of the active substance of this vaccine.

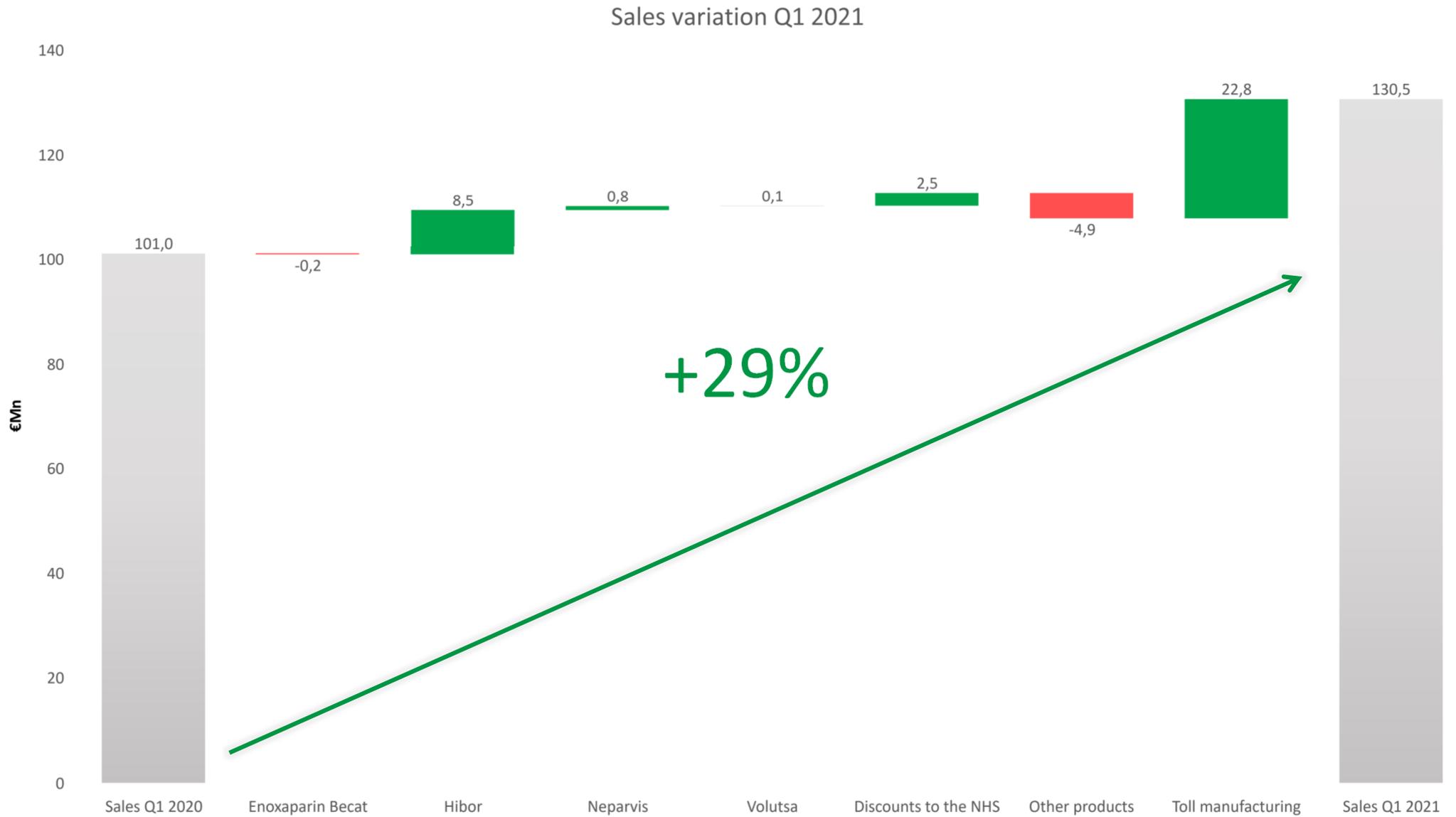
To this end, further industrial investments will be made in the ROVI Group's facilities in Madrid and Granada.

Operating results



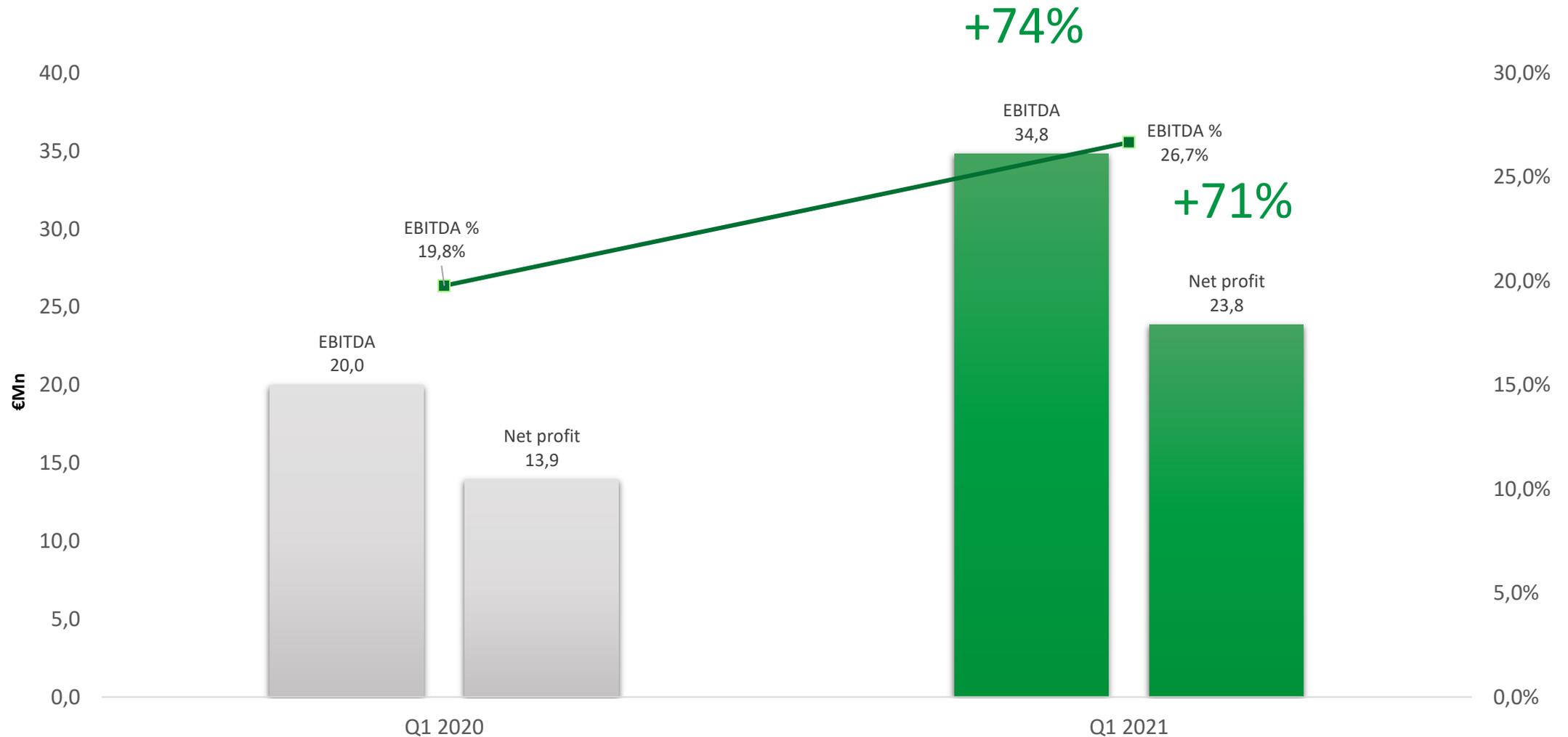


Growth driven by toll manufacturing and specialty pharma businesses ...





...with high profitability



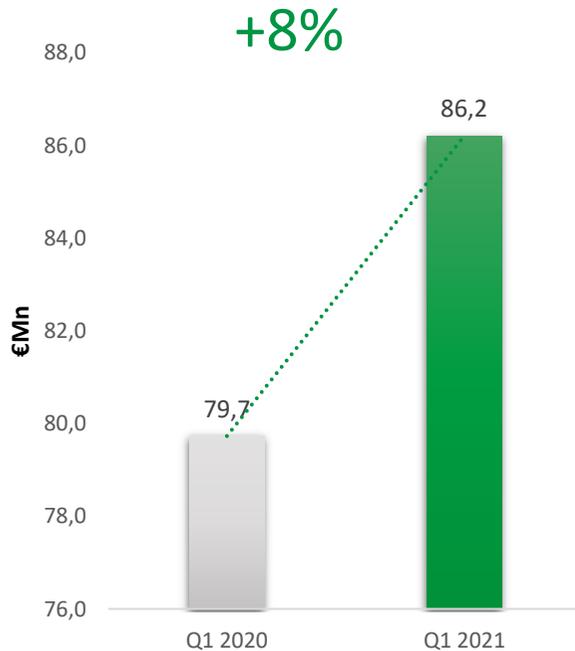
EBITDA increased to €34.8Mn in Q1 2021, a rise of 74% compared to the same period of the last year.

Net profit increased by 71%, from €13.9Mn in Q1 2020 to €23.8Mn in Q1 2021.

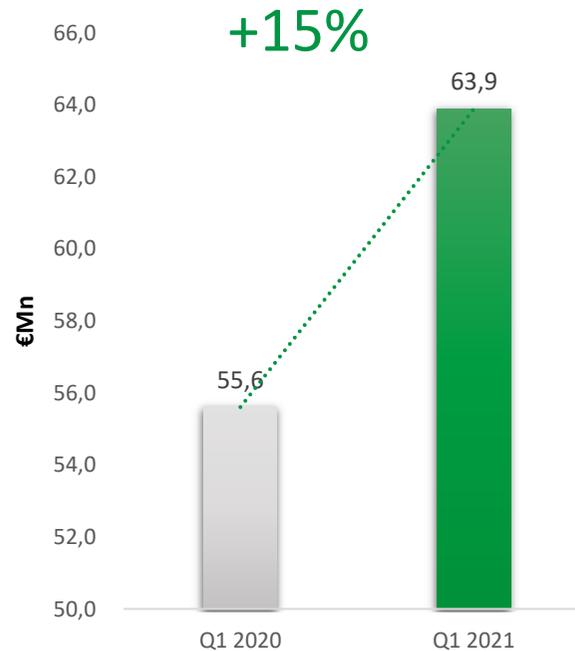


Heparins, leading the specialty pharmaceutical business

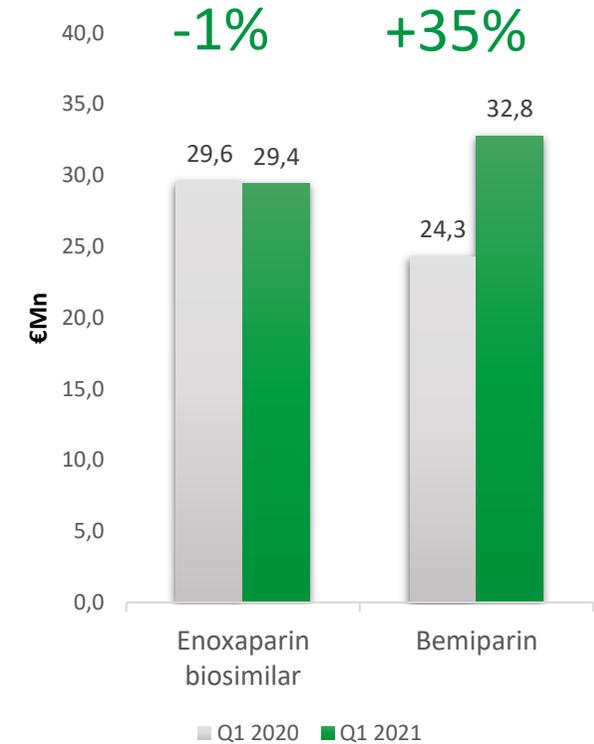
Prescription-based sales



Heparin franchise sales



Sales LMWH



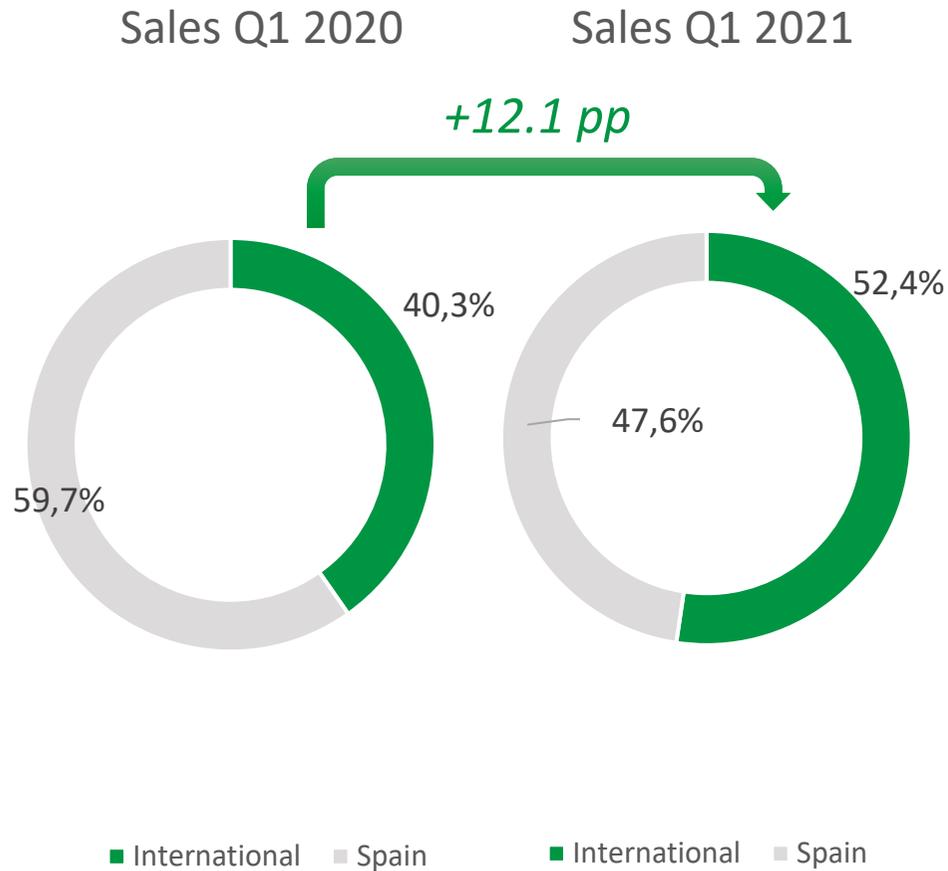
- Sales of **prescription-based pharmaceutical products increased by 8%** to €86.2Mn in Q1 2021.
- Sales of **heparin franchise increased by 15%** to €63.9Mn in Q1 2021.
- **Heparin sales represented 49% of operating revenue** in Q1 2021 compared to 55% in Q1 2020.

Well Positioned to Drive Long-Term Leadership in Low Molecular Weight Heparins (LMWH)

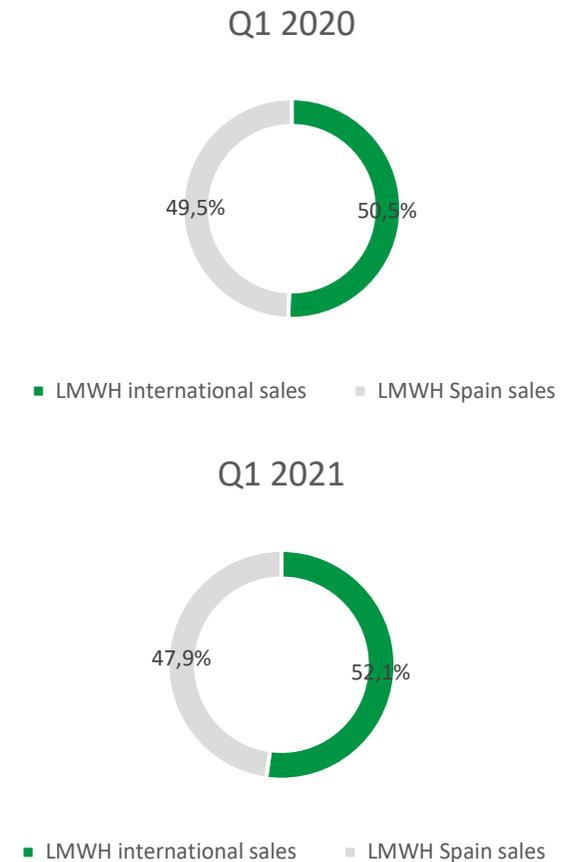


Sales of LMWH (Enoxaparin biosimilar and Bemiparin) increased by 15% to €62.2Mn in Q1 2021.

Total group sales



LMWH International sales





Strong growth potential of Enoxaparin Biosimilar Becat®

Strong Commercial Launch with a Clear Strategy

- ROVI launched enoxaparin biosimilar Becat® in **Germany** (first EU market) in September 2017; in **UK, Italy, Spain, France¹, Austria, Latvia and Estonia** in 2018; in **Portugal, Poland, Costa Rica, Finland and Sweden** in 2019; and in **South Africa, Israel, Peru, Panama, the Dominican Republic and Holland** in 2020.

Well-Established Network to Minimize Time-to-Market

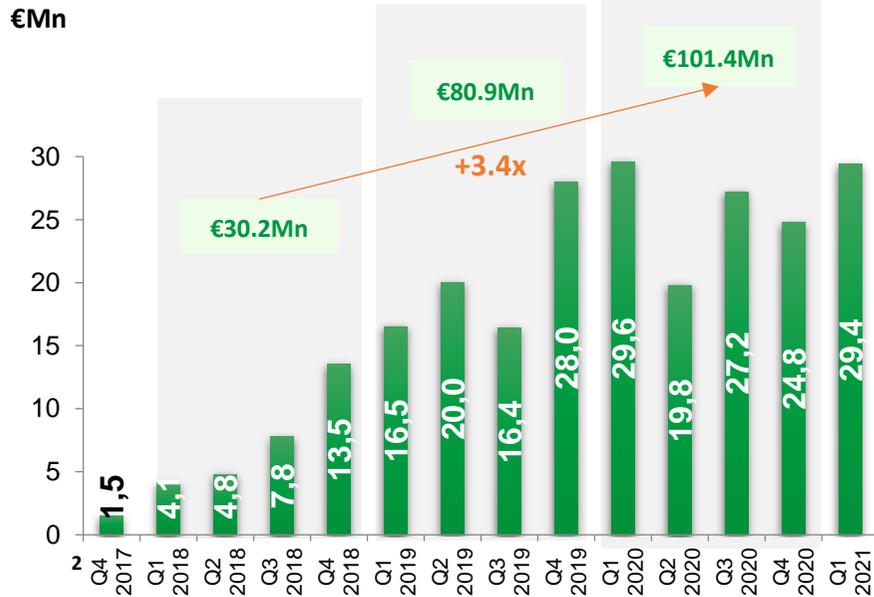
Direct Marketed in Germany, UK, Italy, Spain, Portugal and Poland

Approved in 26 countries in Europe and 20 in the Rest of the World

Launched in 20 countries

Enoxaparin Biosimilar Becat® Sales Ramp-up

VERY POSITIVE EVOLUTION OF ENOXAPARIN BIOSIMILAR BECAT® SALES SINCE LAUNCH IN 4Q17



Stage I of Commercial Strategy

Focus on Europe...

...the largest enoxaparin market with **€1.3bn** sales³

ROVI will directly market enoxaparin biosimilar Becat® in 7 European countries...

...which account for **c.75%** of the European market⁴

In the long-term, biosimilars tend to reach a...

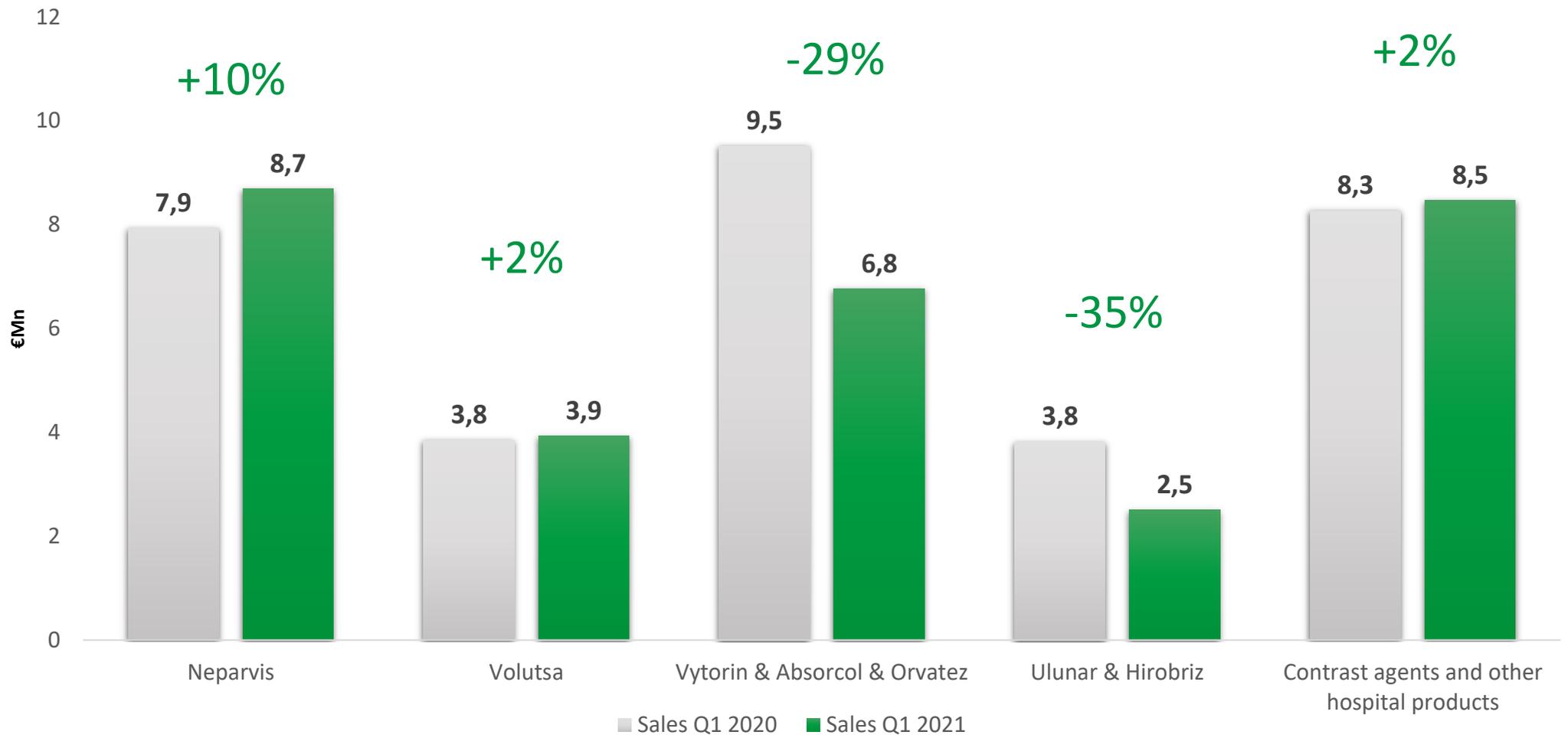
50-70% Market Share⁵

...of the reference product market

1. ROVI has started to sell Becat® in France though Biogaran
 2. Becat® 4Q 2017 sales include sales throughout September. As the product was launched that month, sales were negligible.
 3. IQVIA MIDAS Q1 2020
 4. QuintilesIMS, 2015.
 5. Technavio 2016 biosimilars report.



Neparvis® and Volutsa® leading the growth of the specialty pharma business





Value added toll manufacturing services

Toll manufacturing strategy

ROVI and Moderna will strengthen their collaboration:

- for the manufacture of the active substance of the COVID-19 Vaccine Moderna; and
- in the fill-finish of the COVID-19 Vaccine Moderna by increasing its fill-finish capacity.

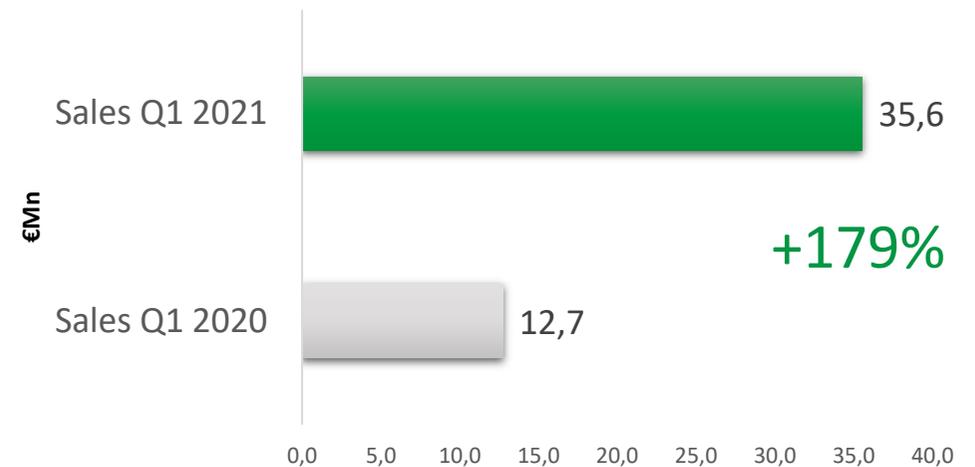
★ Packaging Excellence Centre in our Alcalá de Henares plant

State-of-the art installations	<ul style="list-style-type: none"> ■ 2 new blister high speed lines ■ 7 packaging lines fully dedicated to injectables ■ Total 14 packaging lines
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★ New capacities for our plants

Madrid	<ul style="list-style-type: none"> ■ 1 new state of the art syringe filling line. Total 4 filling lines ■ 1 new automatic syringe inspection machine. Total 3 lines.
San Sebastián de los Reyes	<ul style="list-style-type: none"> ■ 1 high speed syringe filling line. ■ 3 new state of the art vials filling lines. Total 4 lines. ■ 2 new automatic vials inspection machine. Total 4 lines. ■ 1 new automatic vials packaging machine
Granada	<ul style="list-style-type: none"> ■ 1 new line supporting production phases of the active substance of the MRNA vaccine

Toll manufacturing evolution



- **Toll manufacturing sales** increased by 179% to €35.6Mn in Q1 2021 as a result of:
 - the booking of the income related to the production of the COVID-19 vaccine;
 - the booking of the income related to the activities to prepare the plant for the COVID-19 vaccine production under the agreement with Moderna; and
 - the redirection of our toll manufacturing activities strategy towards high-value-added products.
- ROVI expects the toll manufacturing business to increase by between 15% and 20%, including Moderna activities but excluding the production of the vaccine. Including the production of the vaccine, ROVI expects to more than double 2020 toll manufacturing revenue.



2021 operating revenue growth rate
+20%-30%, including the production of Moderna's COVID-19 vaccine

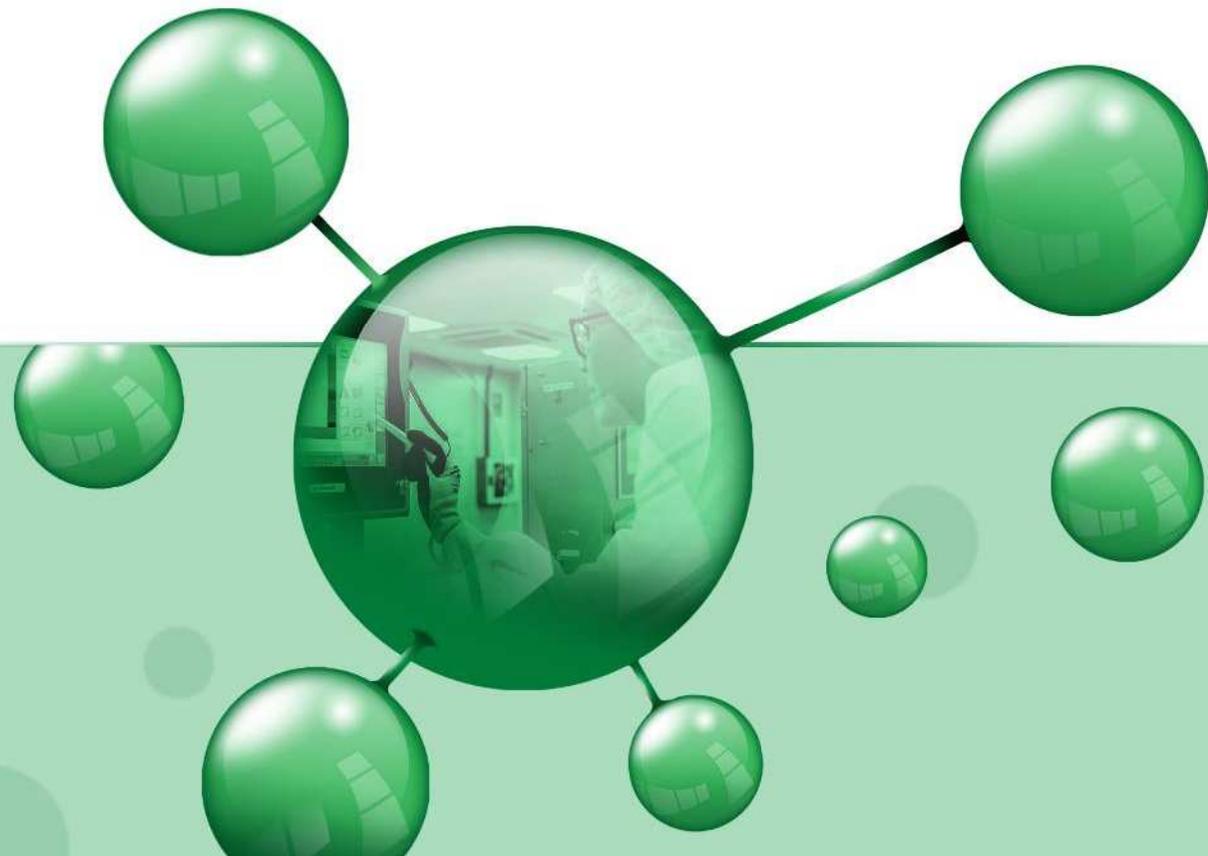
As a result of the expansion of the collaboration between ROVI and Moderna, ROVI expects to achieve the highest end of this range

THE KEY GROWTH LEVERS IN 2021

Specialty Pharma Business	Toll Manufacturing Services
<ul style="list-style-type: none"> ✓ Bemiparin ✓ Biosimilar of Enoxaparin ✓ Launches such as Neparvis® and Volutsa® ✓ Existing portfolio of specialty pharmaceuticals 	<ul style="list-style-type: none"> ✓ Spare capacity in the manufacturing plants ✓ New customers to be acquired ✓ Agreement with Moderna

- Given the uncertainties associated to the development of the Covid-19 pandemic, it is not yet possible to make a precise assessment of the impact that the pandemic will have on 2021.

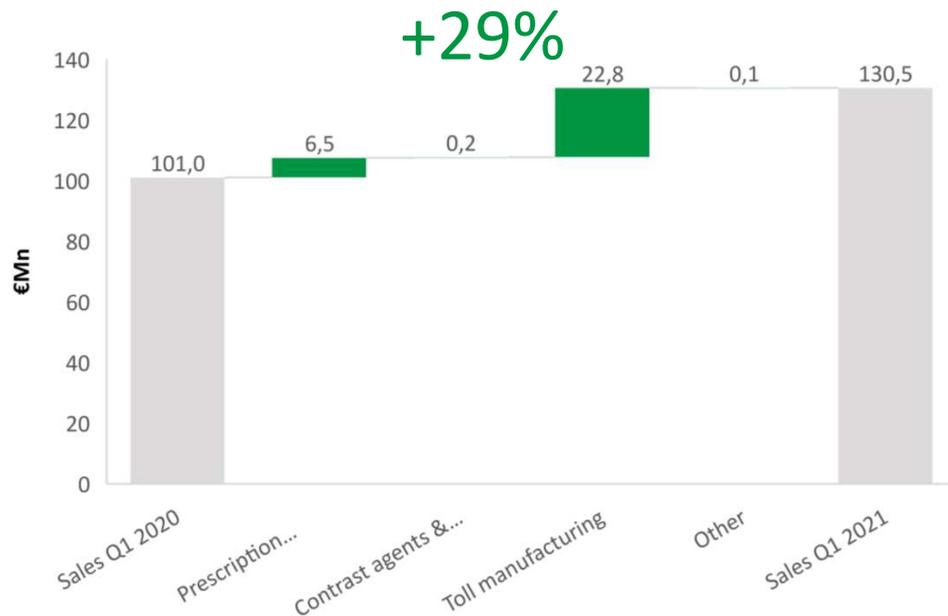
Financial results



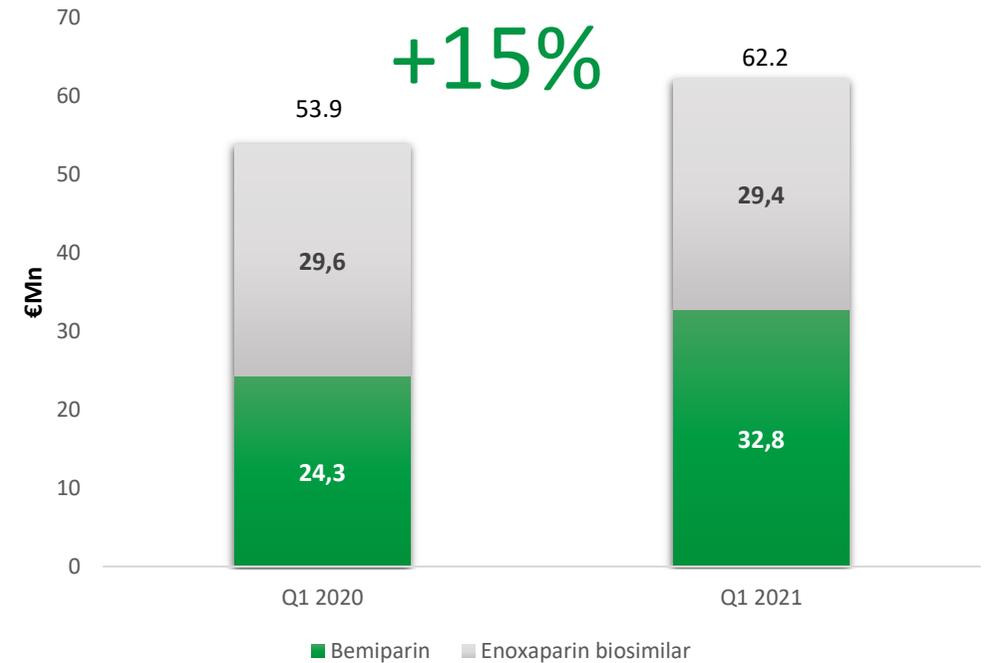


Good revenue level with resilient sales growth

Total operating revenue



LMWH sales

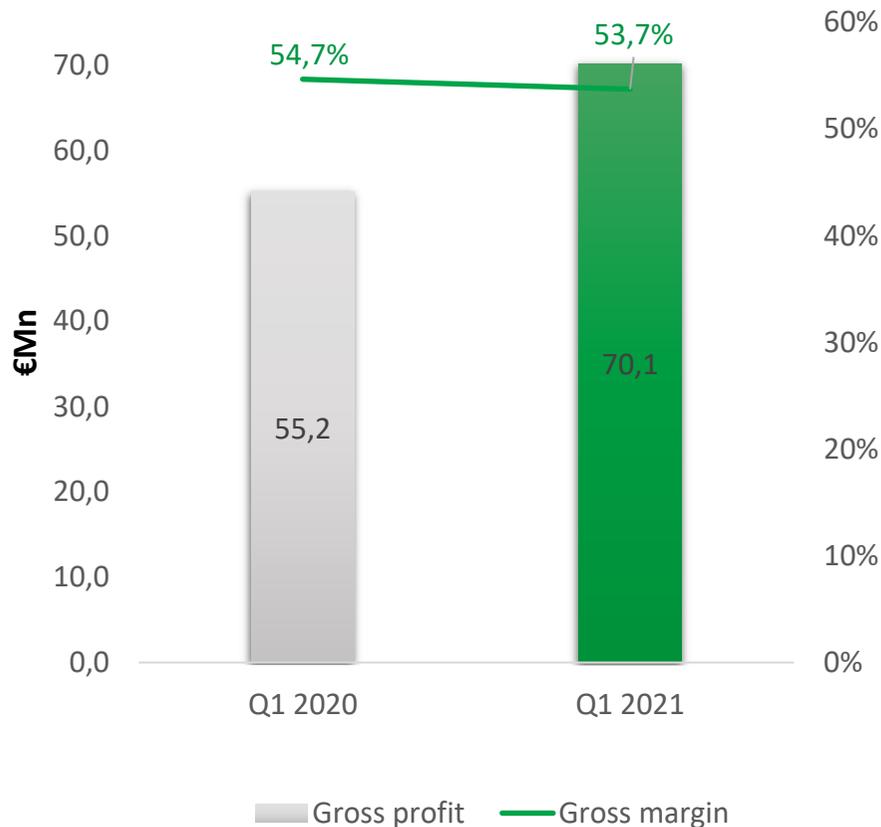


- **Operating revenue** increased by 29% to €130.5Mn, achieved on:
 - 179% increase in toll manufacturing; and
 - 8% growth in prescription-based products.
 - Contrast agents and other hospital products increased by 2%.
- Sales of **LMWH** increased by 15% to €62.2Mn in Q1 2021.
 - **Enoxaparin biosimilar sales decreased by 1%** to €29.4Mn and **Bemiparin sales increased by 35%** to €32.8Mn.

Gross margin mainly impacted by the increase in the LMWH raw material cost of goods sold



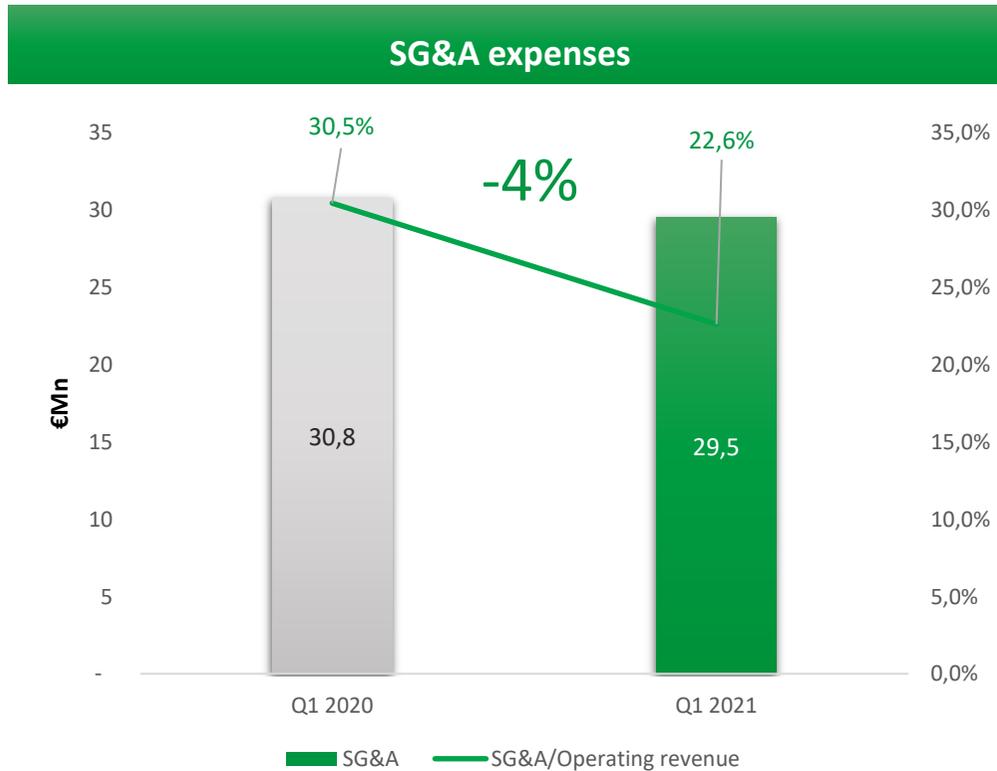
Gross profit and Gross margin



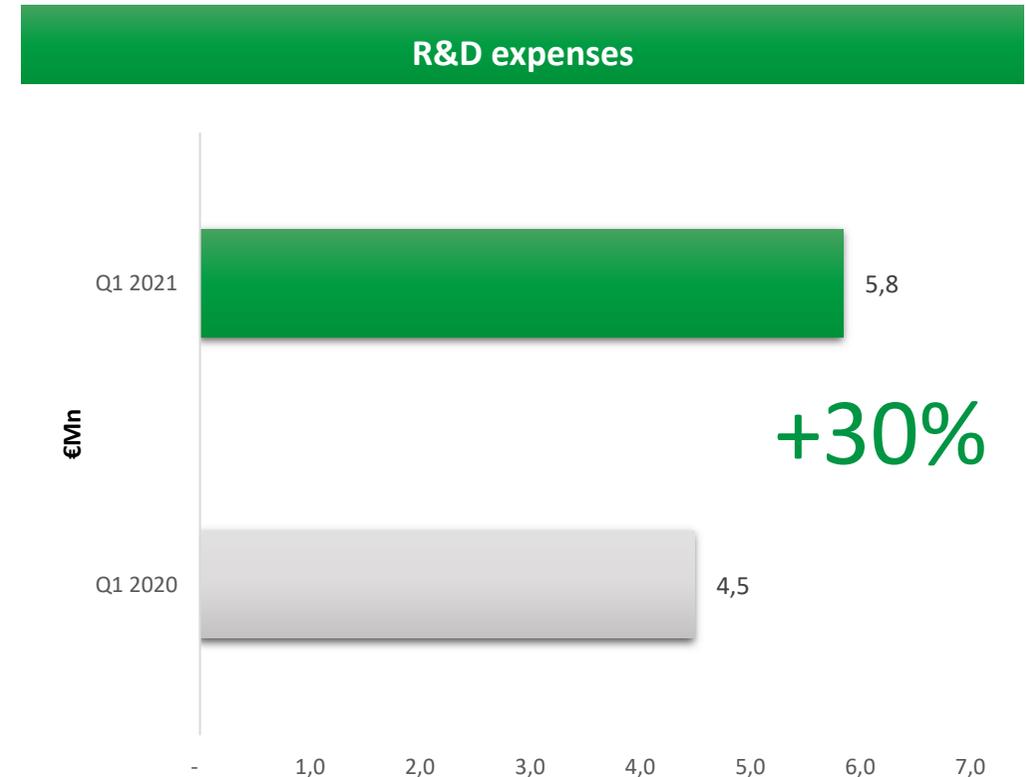
Gross margin impacts for the period

- **Gross profit** increased by 27% to €70.1Mn in Q1 2021, the **gross margin** showing a decrease of 0.9 percentage points from 54.7% in Q1 2020 to 53.7% in Q1 2021, mainly due to the 51% increase in the LMWH raw material cost of goods sold in Q1 2021 compared to the same period last year.
- ROVI expects LMWH raw material prices to continue to decline in 2021.
- Nevertheless, despite the potential decrease in LMWH raw material prices, the impact on the gross margin will continue to be negative because of the long LMWH manufacturing process, in which the raw material currently being used, stocked for several months, was purchased at higher prices.

Cost control along with commitment to R&D



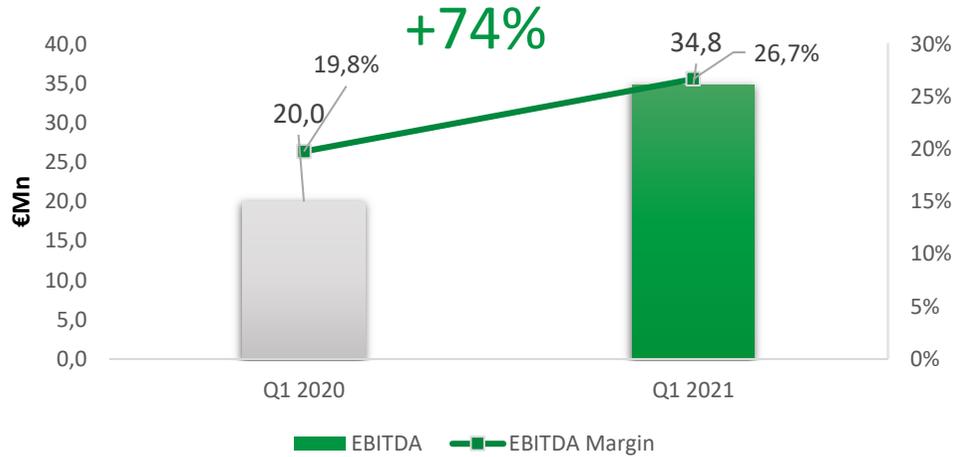
- SG&A decreased 4% to €29.5Mn in Q1 2021 mainly as a result of:
 - Drop in promotion expenses incurred by the sales force; and
 - Booking of €0.4Mn in personnel and other expenses related to the Covid-19 measures implemented (€1.0Mn in Q1 2020).
- Excluding expenses related to COVID-19, SG&A would have decreased by 2% to €29.2Mn in Q1 2021 compared to €29.7Mn in Q1 2020.



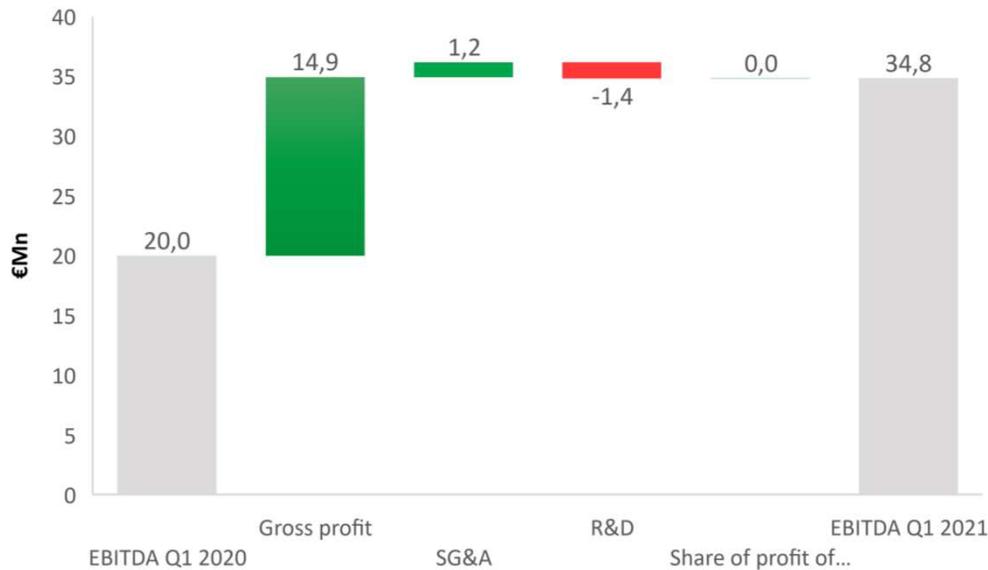
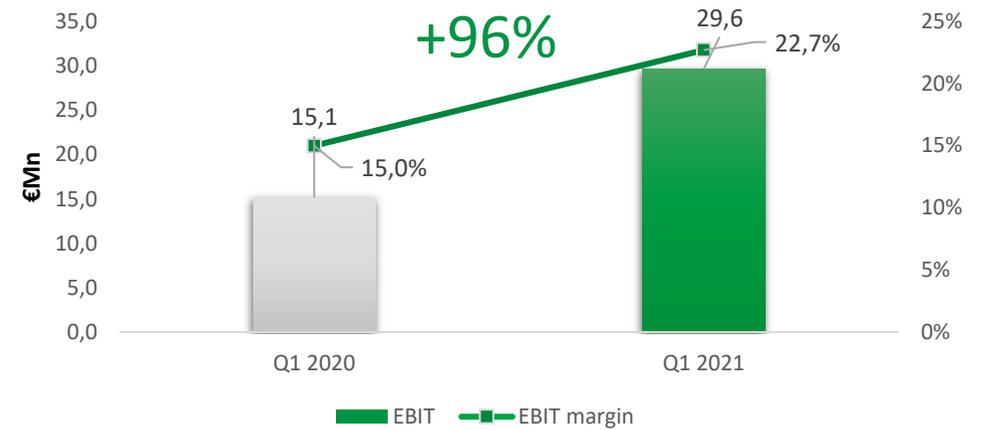
- **R&D expenses** increased 30% to €5.8Mn in Q1 2021. These expenses are related to:
 - The preparation to repeat the bioavailability study comparing multiple doses of Risperidone ISM[®] with oral risperidone, in response to the major observation of the Committee for Medicinal Products for Human Use (CHMP);
 - Letrozole-ISM[®] Phase I trial; and
 - Development of a new formulation of Risperidone-ISM[®] for a 3-monthly injection.

EBITDA, EBIT & net profit analysis

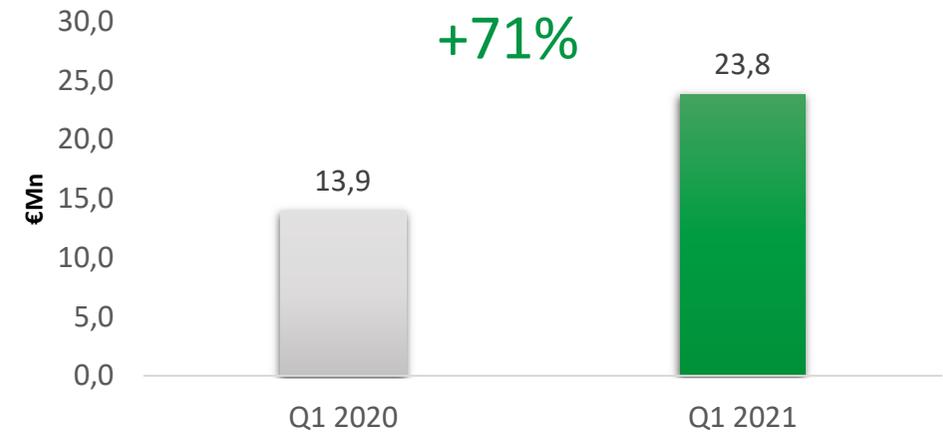
EBITDA



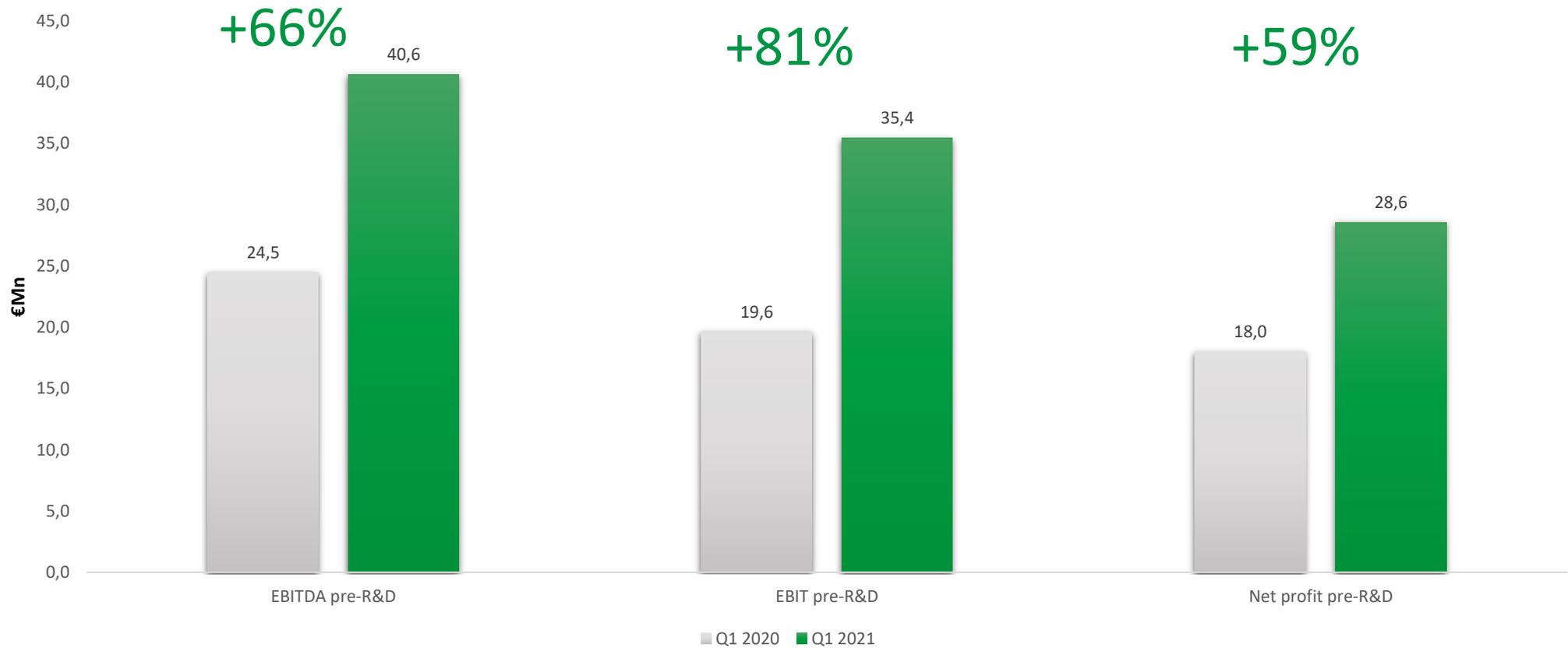
EBIT



Net profit



PRE-R&D analysis

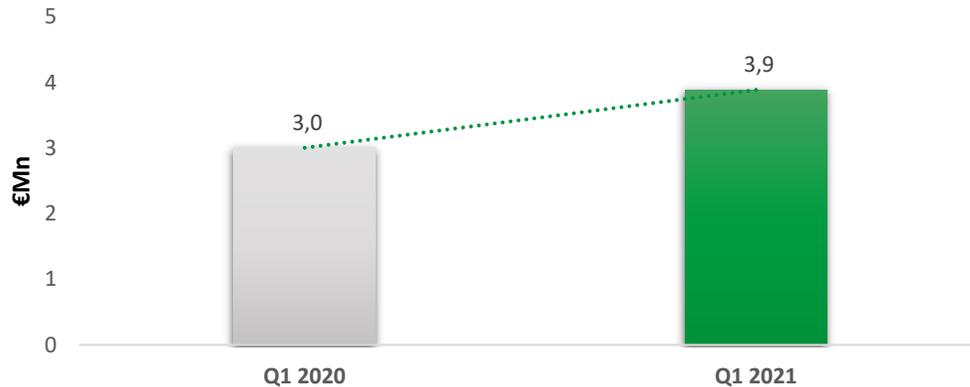


- **EBITDA “pre-R&D”** increased by 66%, from €24.5Mn in Q1 2020 to €40.6Mn in Q1 2021.
- **EBIT “pre-R&D”** increased by 81%, from €19.6Mn in Q1 2020 to €35.4Mn in Q1 2021.
- **Net profit “pre R&D”** increased by 59%, from €18.0Mn in Q1 2020 to €28.6Mn in Q1 2021.

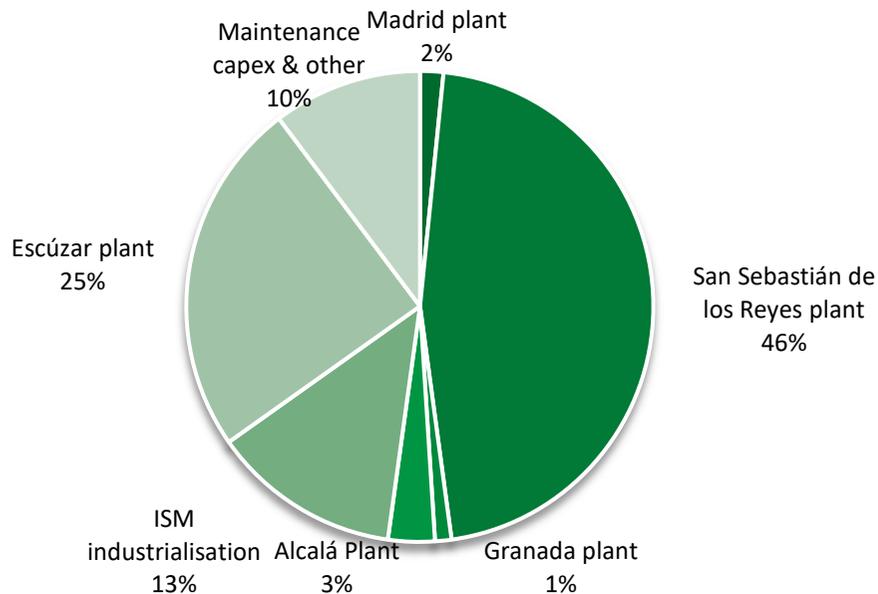
Note: EBITDA, EBIT and Net profit “pre-R&D” calculated excluding R&D expenses in Q1 2021 and Q1 2020

Capital expenditure and Free Cash Flow

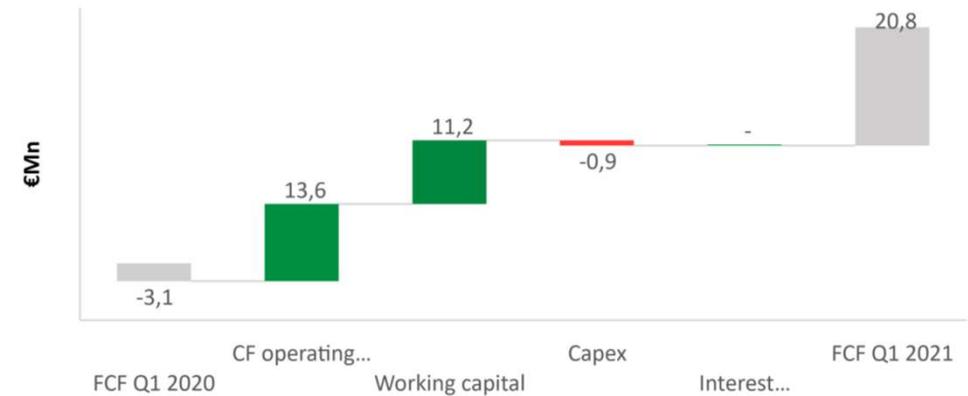
Capex evolution



CAPEX distribution Q1 2021



FCF evolution



FCF increased to €20.8Mn in Q1 2021 mainly due to:

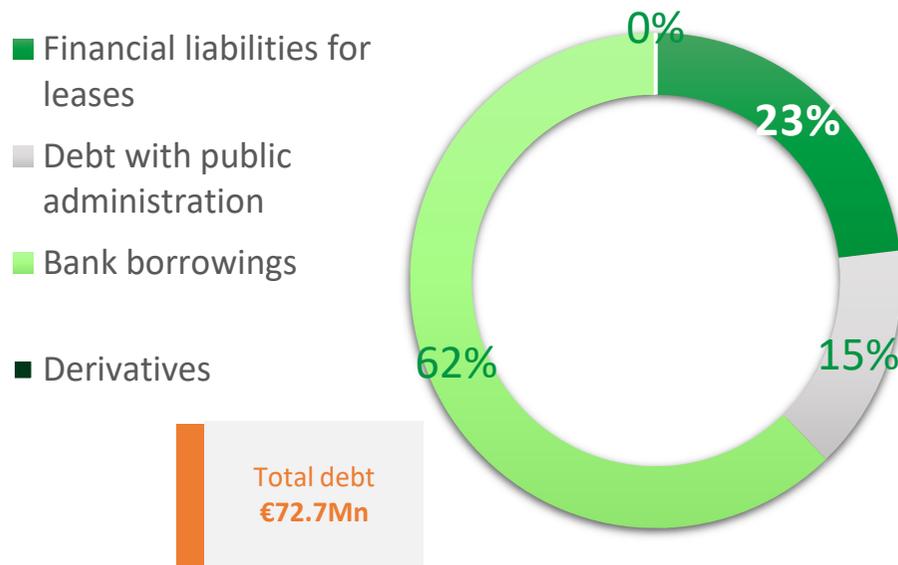
- Increase of €14.1Mn in profit before income tax;
- Increase of €10.7Mn in the “inventories” line in Q1 2021 (mainly as a result of lower heparin stock levels) compared to a decrease of €34.0Mn in Q1 2020; and
- Booking of €5.6Mn in “proceeds from toll manufacturing services” line mainly due to the payments received that are pending to be allocated to the income statement.

These positive impacts were partially offset by:

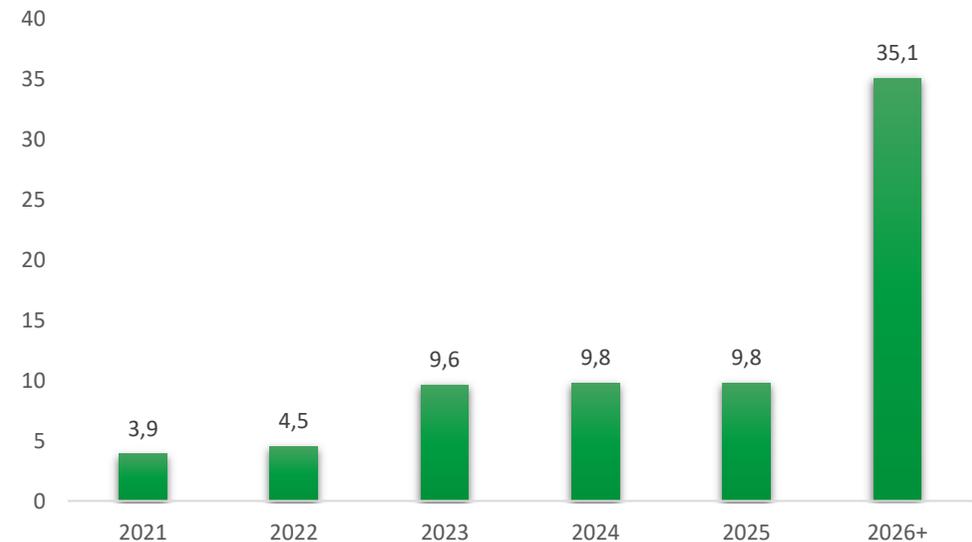
- Decrease of €16.1Mn in the “trade and other receivables” item in Q1 2021 vs a decrease of €2.5Mn in Q1 2020; and
- Decrease of €10.8Mn in the “trade and other payables” item in Q1 2021 vs an increase of €8.9Mn in Q1 2020.

Debt analysis

Debt breakdown by source (%)



Debt maturities



- **Debt with public administration** represented **15% of total debt, with 0% interest rate.**
- **Net cash of €1.4Mn** as of 31 March 2021 vs €19.8Mn net debt as of 31 December 2020.
- ROVI will pay a **dividend** of 0.3812 euros per share with dividend rights on 2020 earnings if the Shareholders General Meeting approves the application of the 2020 profit, under proposal of ROVI’s Board of Directors. This proposed dividend would mean an increase of 118% compared to the dividend on 2019 earnings (€0.1751/share) and represents a 35% pay out (vs 25% pay out last year).

News-flow 2021



Specialty Pharma	Sales of biosimilar of Enoxaparin
	Additional new products to be launched in 2021
	Granting by the competent local authorities of the marketing authorisation of an Enoxaparin biosimilar outside Europe
Toll manufacturing	New contracts to be announced Evolution of Moderna's vaccine manufacturing
ISM[®] technology platform	Marketing authorization for Doria [®] in Europe and USA
	Next steps of Letrozole ISM [®] to be discussed with regulatory authorities in H1 2021

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