



FY2020 FINANCIAL RESULTS

FEBRUARY 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



- All manufacturing sites operating
- LMWH essential medicines for COVID-19
- Reduction of hospital activity



- Continuation of Doria[®] approval process in Europe
- Doria[®] dossier registered in USA in November 2020



- €4Mn booked to protect our employees' health

FY 2020 financial results - Highlights



Operating revenue growth of 10% to €420.0Mn and EBITDA growth of 55% to €94.2Mn in FY 2020.



Sales of the heparin franchise increased by 14% to €209.3Mn in FY 2020.



Sales of Neparvis[®] increased by 34% to €29.6Mn in FY 2020.



Toll manufacturing sales increased by 39% to €91.6Mn in FY 2020.



For 2021, ROVI expects operating revenue to increase between 20% and 30%, including the production of the Moderna's COVID-19 vaccine.



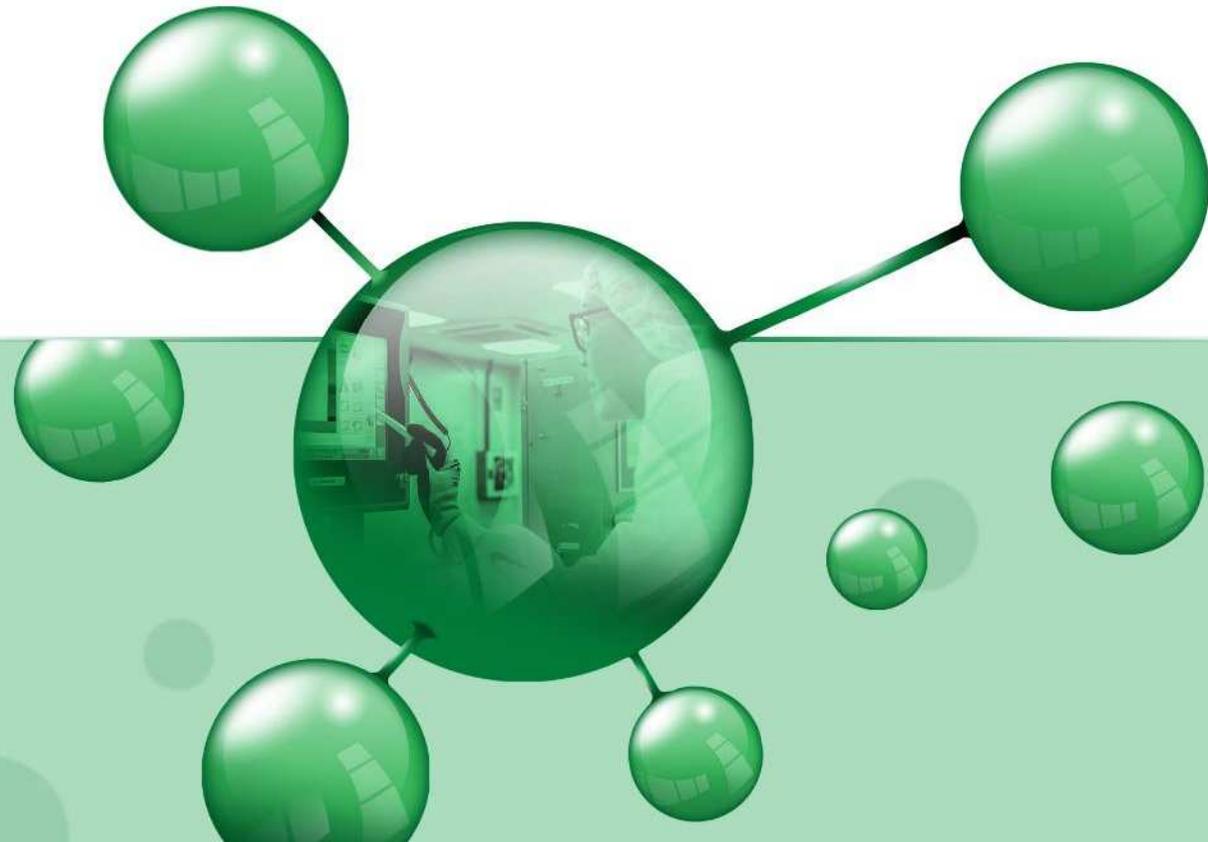
The Journal npj Schizophrenia¹ Publishes the Results of the PRISMA-3 Study of the Efficacy and Safety of Doria[®] in Schizophrenic Patients.

- PRISMA-3 shows that both doses (75 mg and 100 mg once a month) have achieved primary and secondary efficacy endpoints for treatment of patients with acute exacerbation of schizophrenia.
- The significant statistical improvement for efficacy observed at day 8 after the first Injection **without loading dose or oral treatment.**
- According to the authors of the article, Risperidone ISM[®] represents an effective therapeutic strategy in schizophrenic patients who are admitted to hospital with an acute episode with severe or moderate psychotic symptoms.



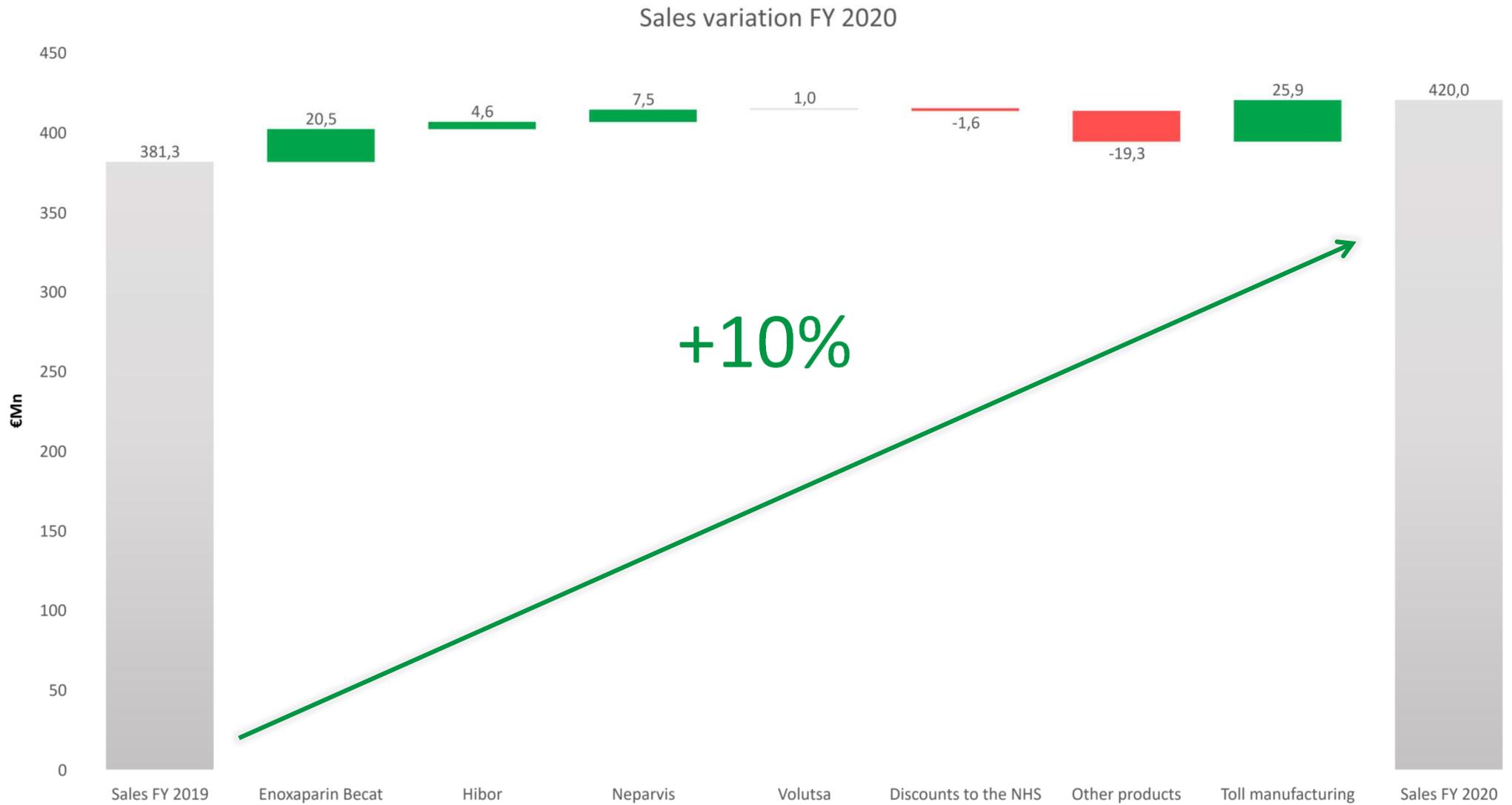
Juan López-Belmonte
Chief Executive Officer

Operating results



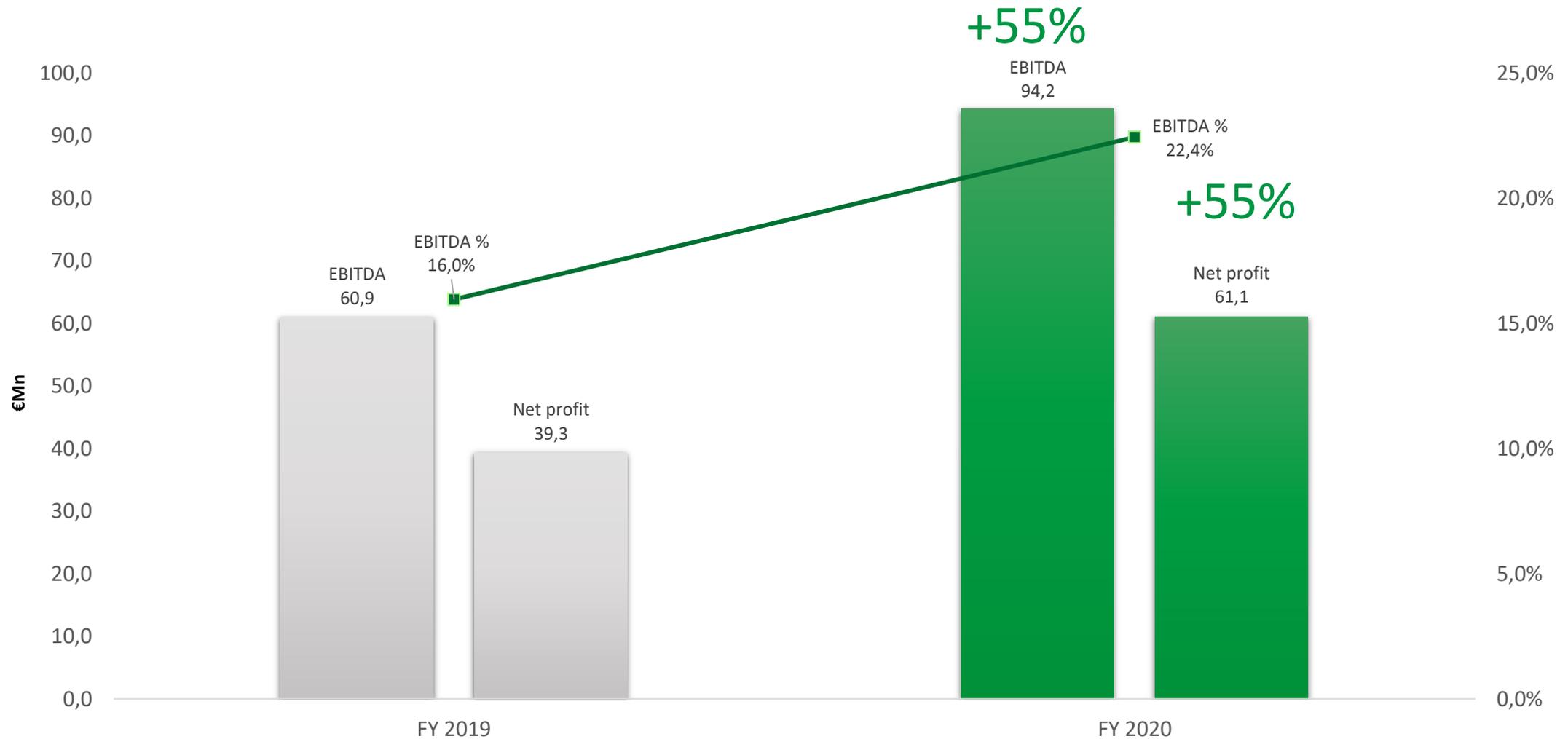


Growth driven by toll manufacturing and specialty pharma businesses ...





...with high profitability

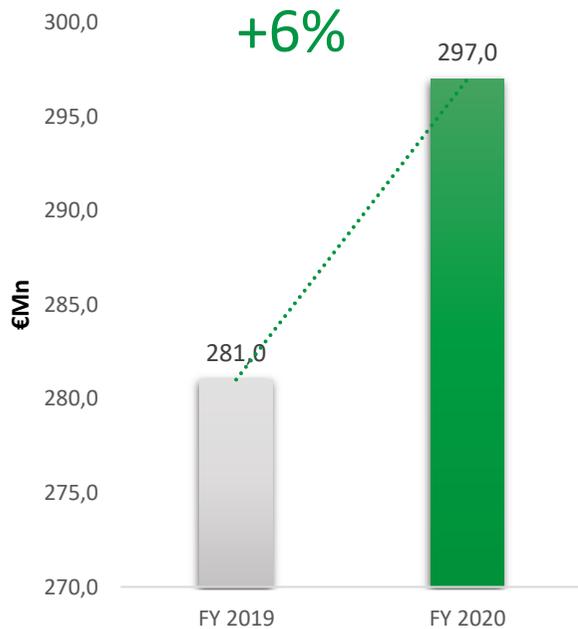


EBITDA increased to €94.2Mn in FY 2020, a rise of 55% compared to last year.
Net profit increased by 55%, from €39.3Mn in FY 2019 to €61.1Mn in FY 2020.

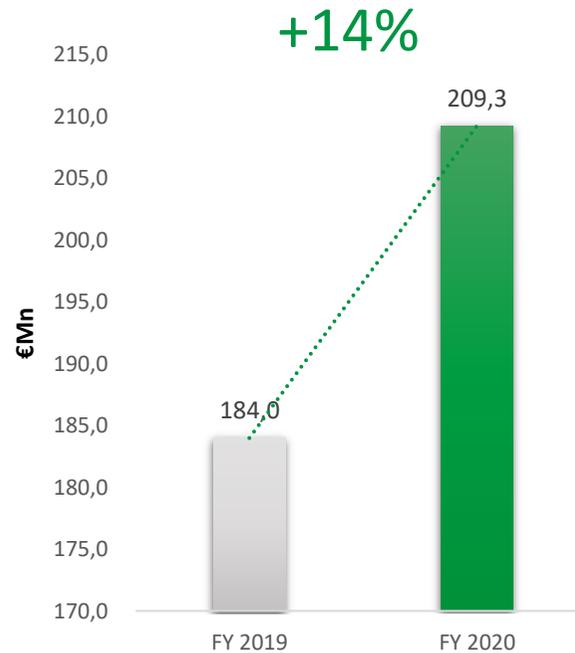


Heparins, leading the specialty pharmaceutical business

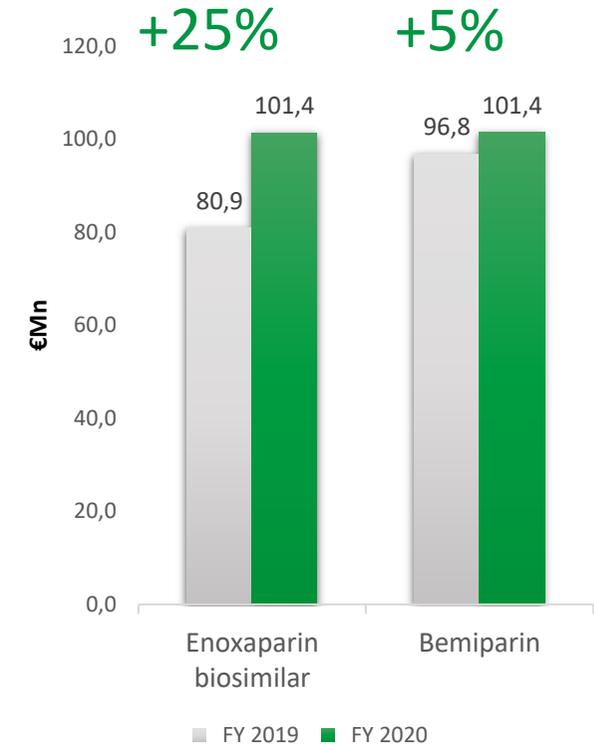
Prescription-based sales



Heparin franchise sales



Sales LMWH



- Sales of **prescription-based pharmaceutical products increased by 6%** to €297.0Mn in FY 2020.
- Sales of **heparin franchise increased by 14%** to €209.3Mn in FY 2020.
- **Heparin sales represented 50% of operating revenue** in FY 2020 compared to 48% in FY 2019.

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



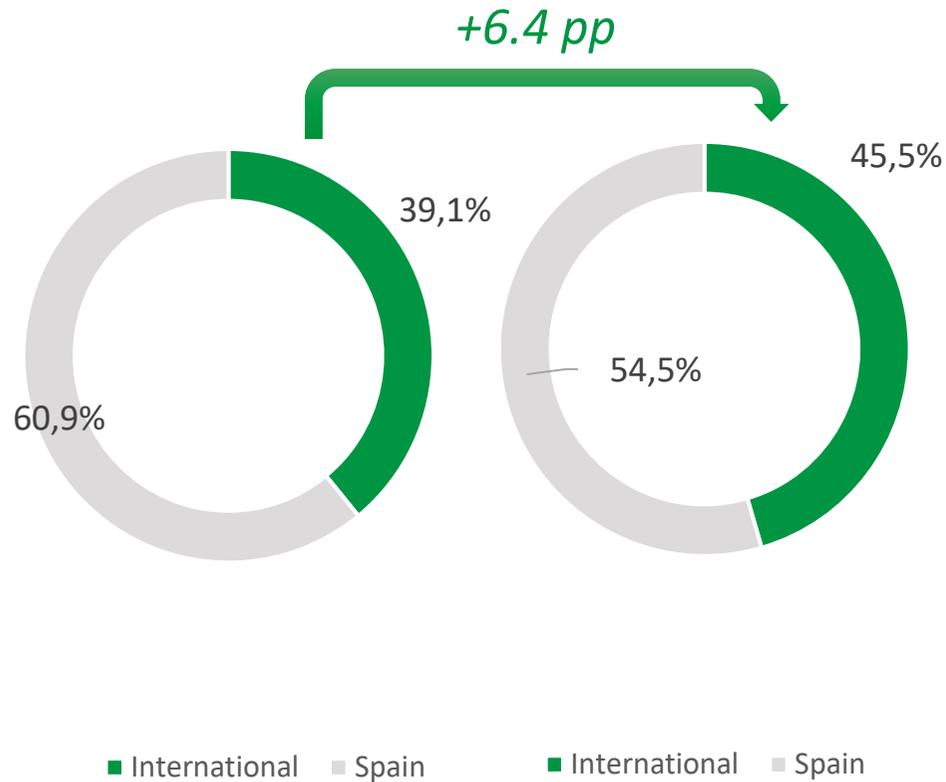
Sales of LMWH (Enoxaparin biosimilar and Bemiparin) increased by 14% to €202.8Mn in FY 2020.

Total group sales

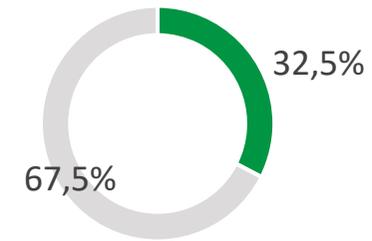
Enoxaparin & Bemiparin international sales

Sales FY 2019

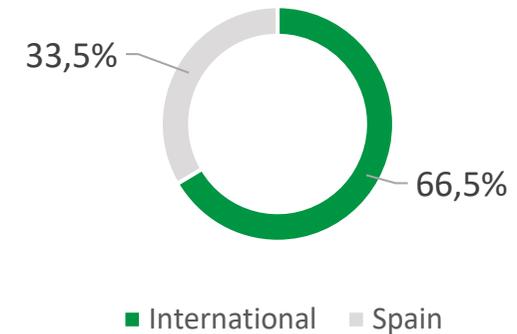
Sales FY 2020



Sales Bemiparin FY 2020



■ International ■ Spain
Sales Enoxaparin FY 2020





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 FY 2020.

Well-Established Network to Minimize Time-to-Market

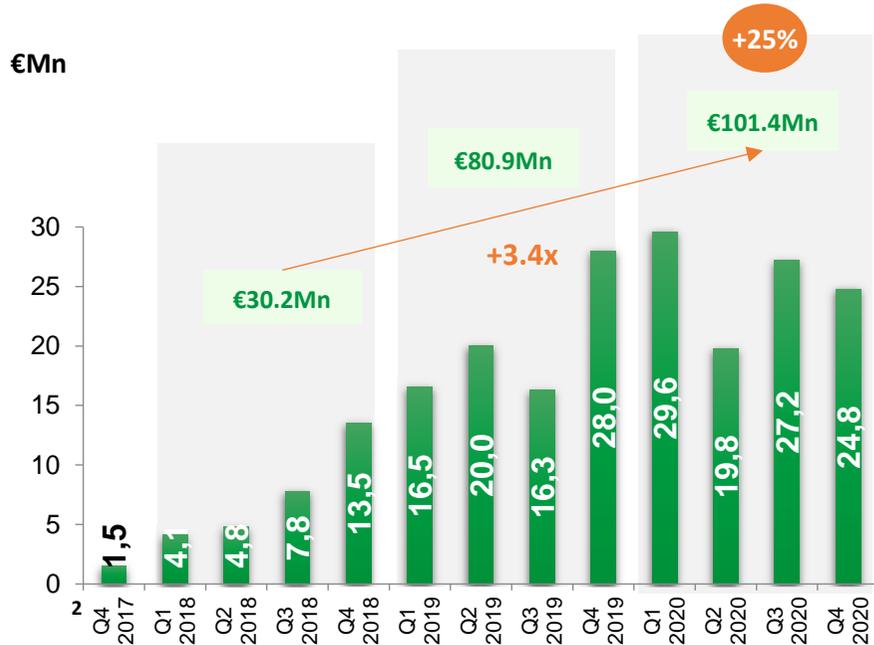
Direct Marketed in Germany, UK, Italy, Spain, Portugal and Poland

Approved in 26 countries in Europe and 17 in the Rest of the World

Launched in 19 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...

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

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

...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

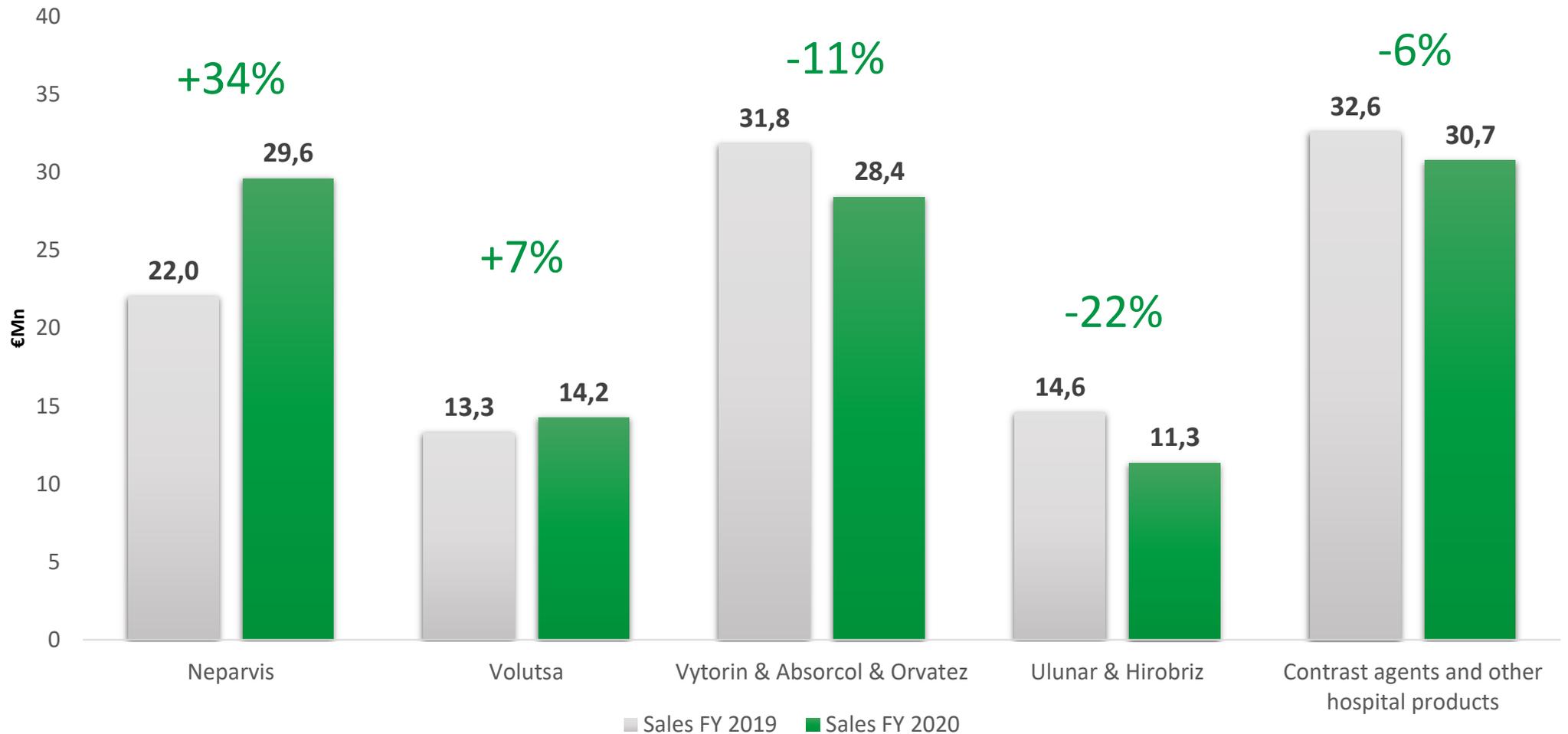
Countries launched in 2020



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.



Strong performance of the product portfolio





Value added toll manufacturing services

Toll manufacturing strategy

Our biosimilar of enoxaparin as a catalyst for the integration of industrial processes among all our manufacturing plants.

★ Packaging Excellence Centre in our Alcalá de Henares plant

State-of-the art installations

- 2 new blister high speed lines
- 7 packaging lines fully dedicated to injectables
- Total 14 packaging lines

★ New capacities for our Madrid plants

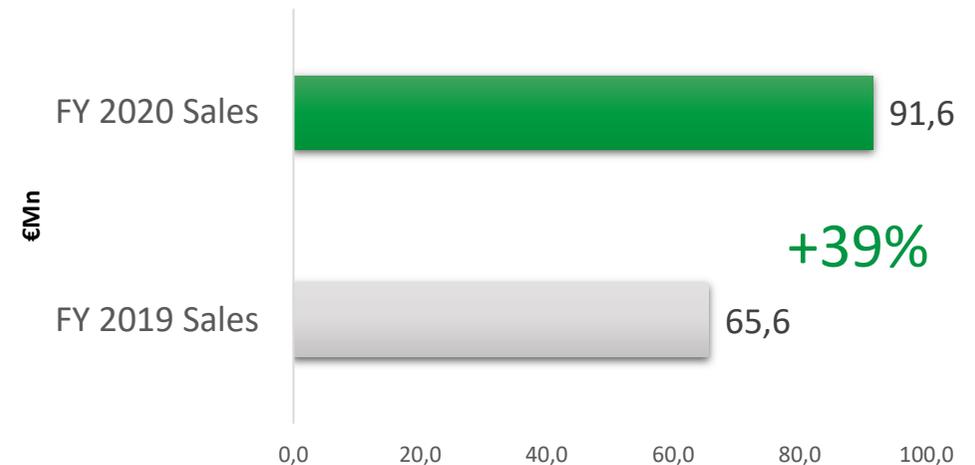
Madrid

- 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

- 1 high speed syringe filling line.
- 1 new state of the art vials filling lines. Total 2 lines.
- 2 new automatic vials inspection machine. Total 4 lines.
- 1 new automatic vials packaging machine

Toll manufacturing evolution



- **Toll manufacturing sales** increased by 39% to €91.6Mn in FY 2020.
- Income related to the activities linked to preparing the plant for the COVID-19 vaccine production booked in Q4 2020.
- ROVI expects the toll manufacturing business to have increased by between 10% and 15% by the end of 2021, including Moderna activities but excluding the production of the vaccine itself.



ISM[®] Platform Opens Up New Avenues of Growth for ROVI

Overview

- Internally-developed and patented innovative drug-release technology, ISM^{®1}, which allows for the **sustained release of compounds administered by injection**
 - Based on **two separate syringes respectively containing (a) the drug and polymer** (solid state) and (b) **the solvent** (liquid state)
- Potential wide applicability of ISM[®] technology to new chronic therapeutic areas, including **psychiatry** and **oncology**
 - 505(b)(2) path of approval** for candidates leveraging ISM[®] technology

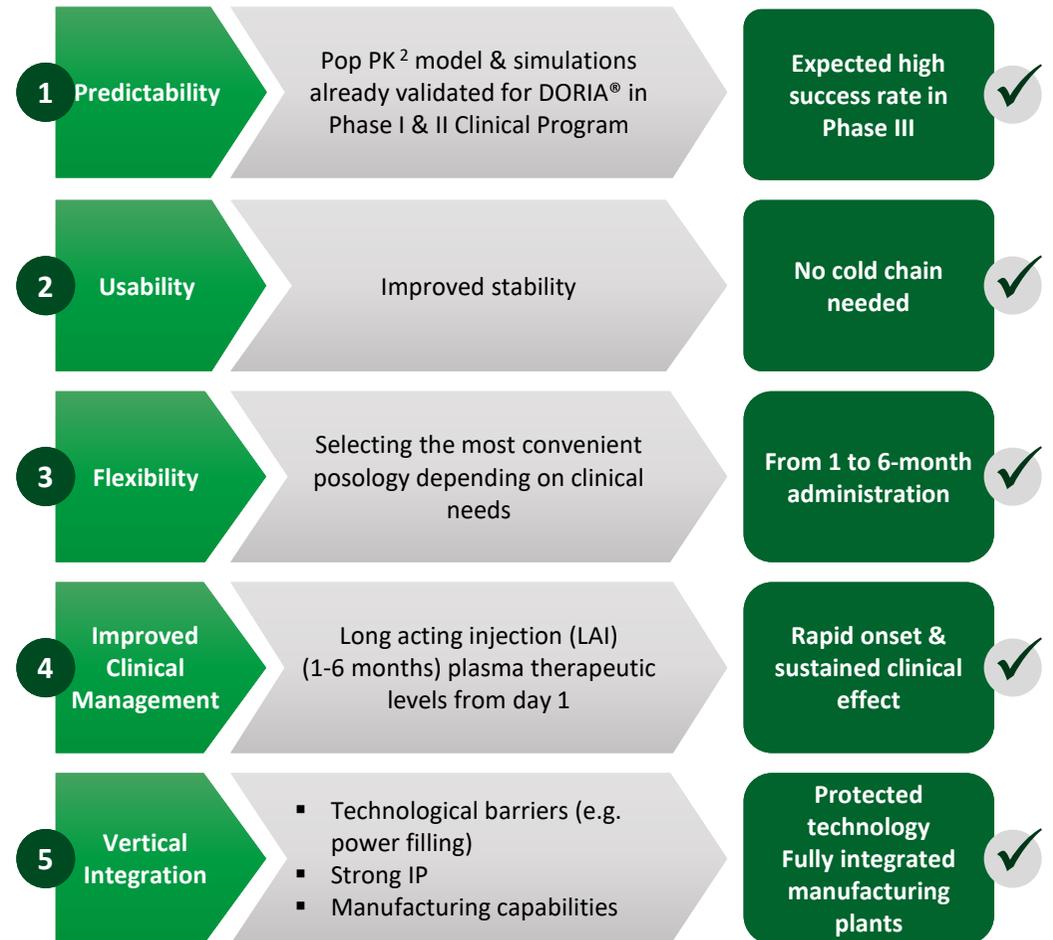
2 Candidates Currently in Clinical Trials

Product	Potential Indication	Current Situation				Key Milestones
		Non-Clinical	I	II	III	
DORIA [®] Risperidone, monthly	Schizophrenia	[Progress bar: ~80%]				In approval process in Europe and filed in USA in Nov 2020
Letrozole ISM [®] Long acting Letrozole	Breast Cancer	[Progress bar: ~30%]				Phase I started in November 2017
Risperidone, quarterly	Schizophrenia	[Progress bar: ~10%]				

★ Concentrated on improving posology for already approved compounds, which benefits risk / reward profile

★ Multiple FDA / GMP approved facilities to support the platform

Key Company Highlights of ISM[®] Platform



1. ISM[®] stands for *In Situ Microparticles*[®].
 2. PK stands for pharmacokinetic.



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

THE KEY GROWTH LEVERS IN 2021

Specialty Pharma Business

- ✓ Bemiparin
- ✓ Biosimilar of Enoxaparin
- ✓ Launches such as Neparvis® and Volutsa®
- ✓ Existing portfolio of specialty pharmaceuticals

Toll Manufacturing Services

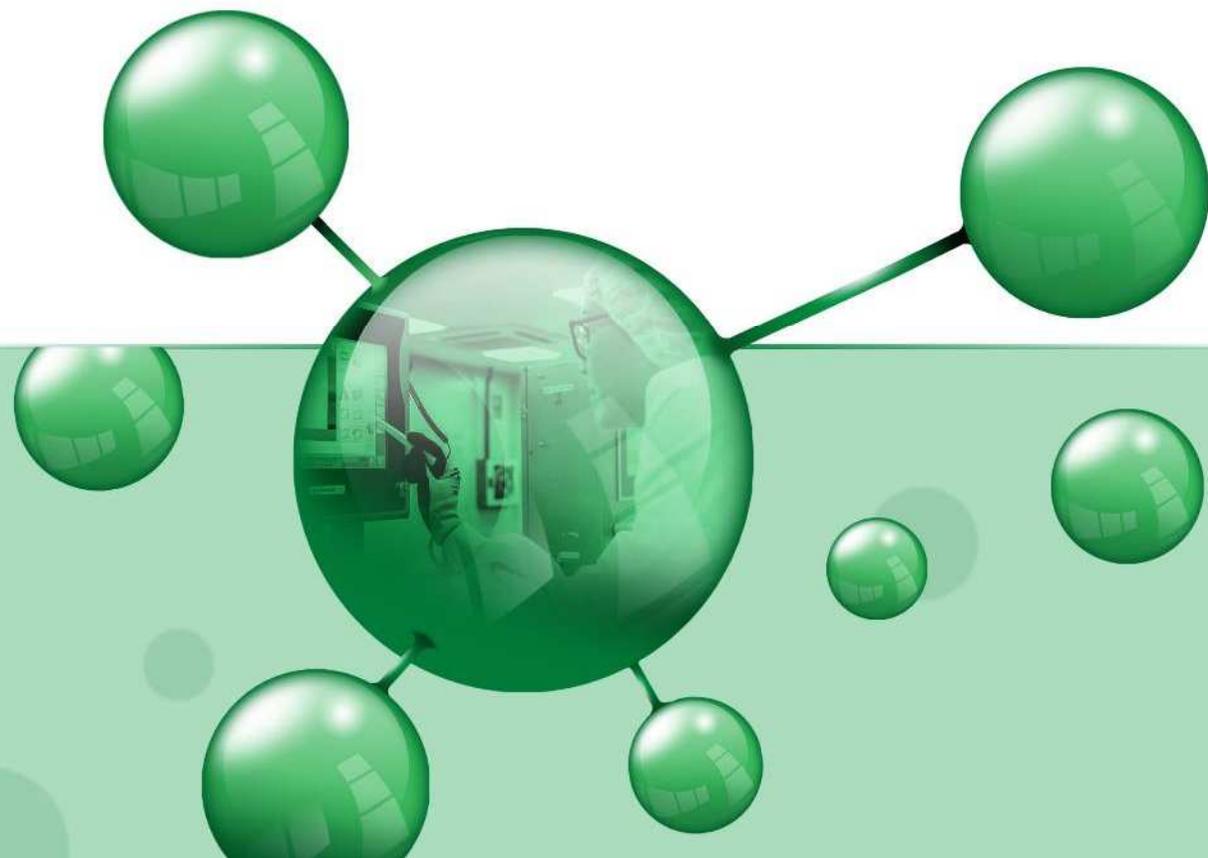
- ✓ Spare capacity in the manufacturing plants
- ✓ New customers to be acquired
- ✓ Agreement with Moderna

• 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.



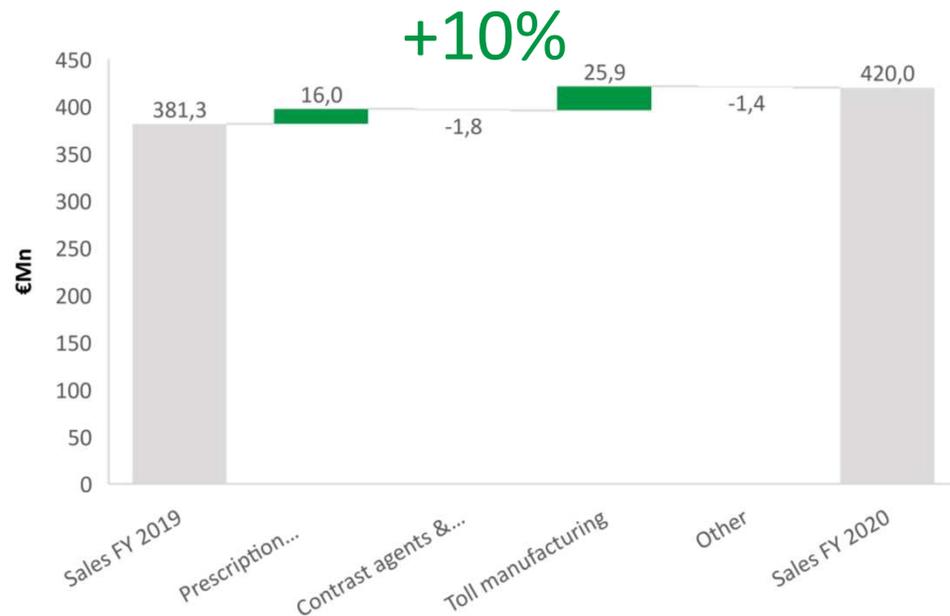
Financial results

Javier López-Belmonte
Vicepresident and Chief Financial Officer

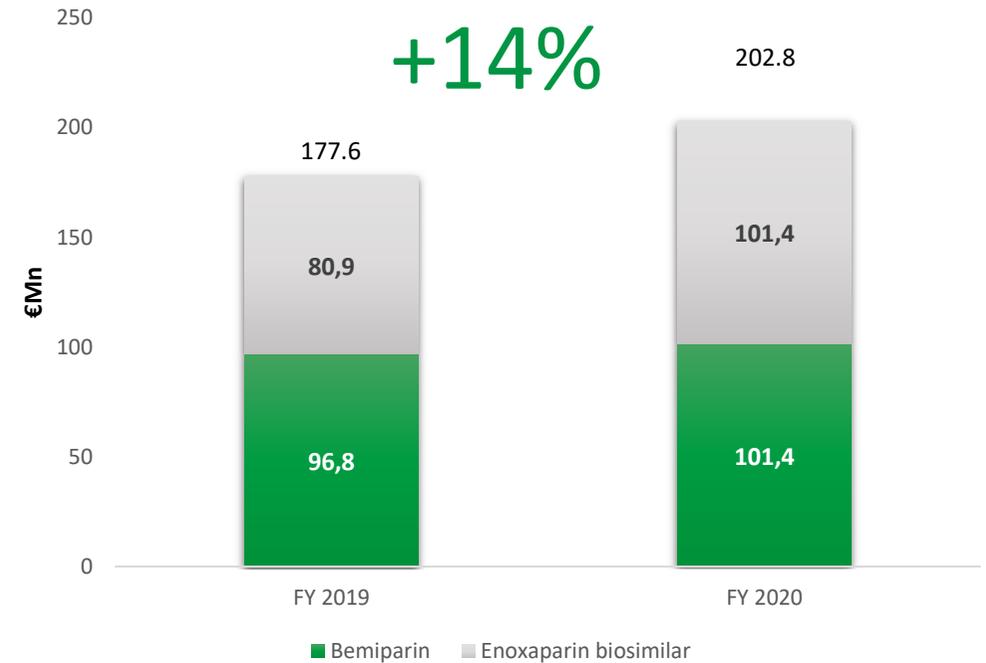


Good revenue level with resilient sales growth

Total operating revenue



LMWH sales

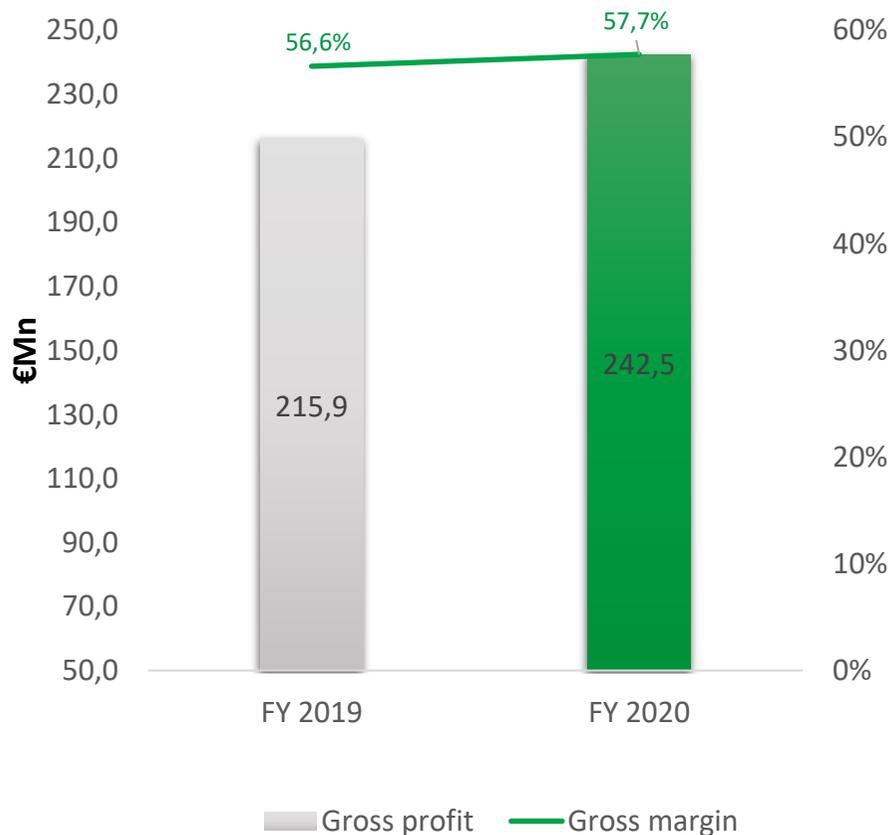


- **Operating revenue** increased by 10% to €420.0Mn, achieved on:
 - 6% growth in prescription-based products
 - 39% increase in toll manufacturing.
- Contrast agents and other hospital products decreased by 6%.
- Sales of **LMWH** increased by 14% to €202.8 Mn in FY 2020.
 - **Enoxaparin biosimilar sales increased by 25%** to €101.4Mn and **Bemiparin sales increased by 5%** to €101.4Mn.

Gross margin mainly impacted by the increase in toll manufacturing sales and the increase in heparin prices in hospitals



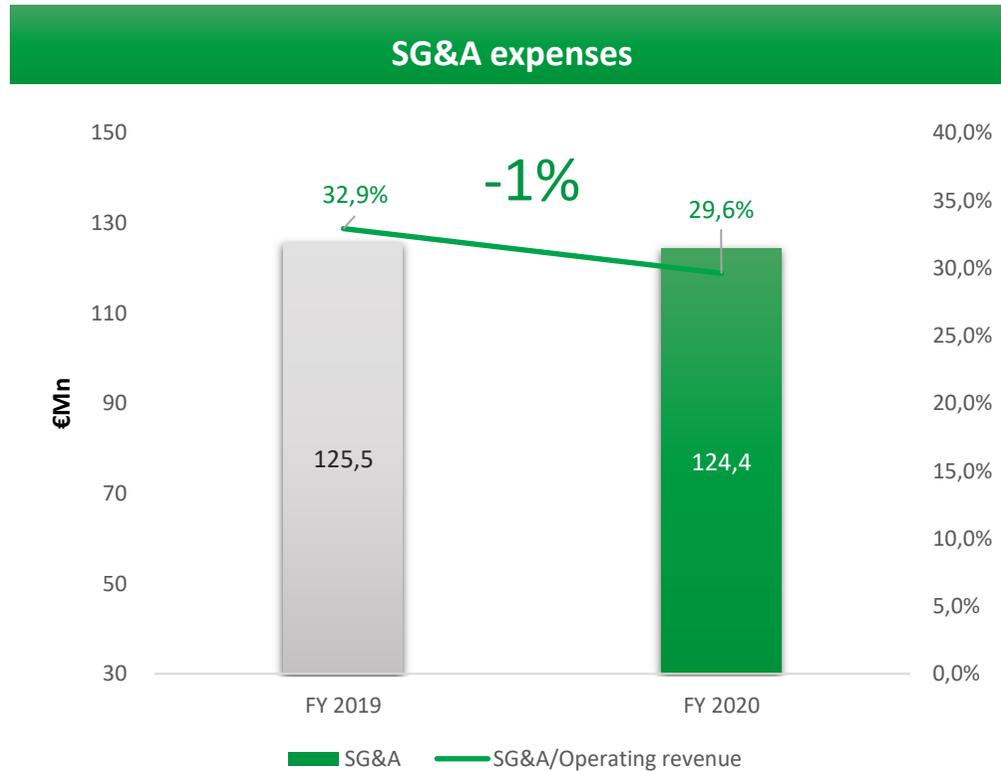
Gross profit and Gross margin



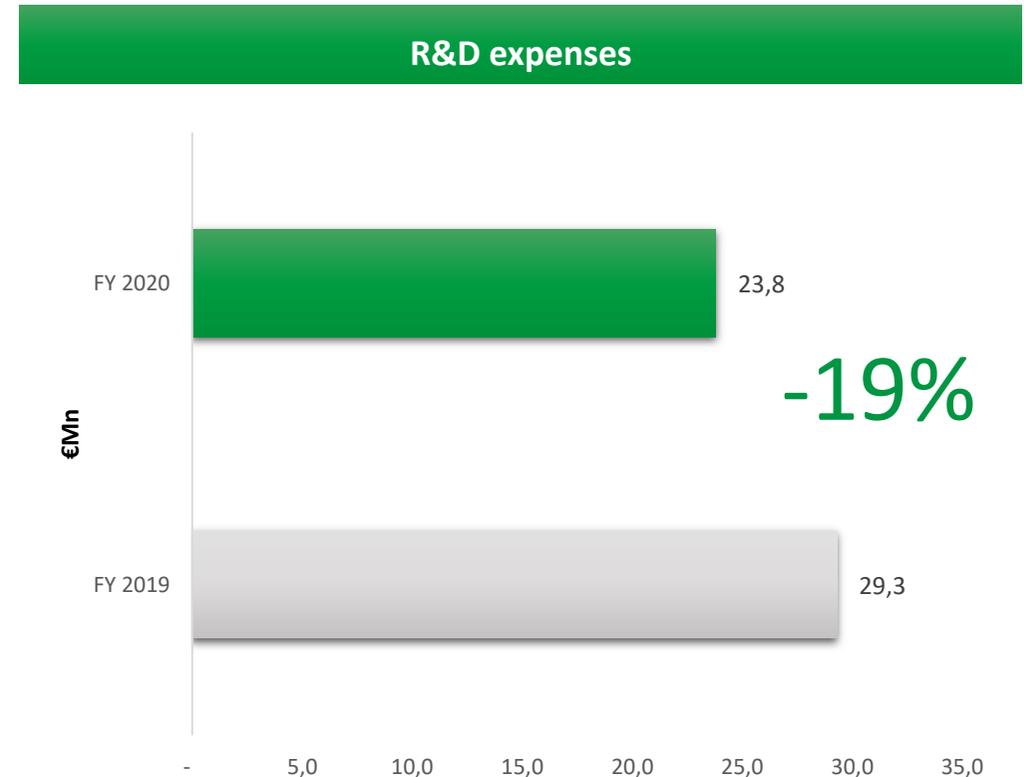
Gross margin impacts for the period

- Increase in **toll manufacturing** sales contributing with higher margins to group sales.
- Increase in **Bemiparin prices** in hospitals due to rises in both LMWH raw material prices and the demand for the product in hospitals to treat COVID-19.
- Improvement in **enoxaparin margins in Spain** counteracting the drop in the margin on international sales of enoxaparin.
- **End of the marketing of the Norgine B.V. product portfolio** with lower margins than the group.
- These factors with a positive impact on the gross margin offset the **36% increase in the LMWH raw material prices** in FY 2020 compared to FY 2019.
- 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 used, stocked for several months, was purchased at higher prices.

Cost control along with commitment to R&D



- ROVI booked €4Mn in personnel and other expenses related to the **Covid-19 measures implemented**.
- Excluding expenses related to COVID-19, **SG&A would have decreased by 4% to €120.4Mn in FY 2020** mainly due to a drop in:
 - Promotion expenses; and
 - International subsidiaries expenses.

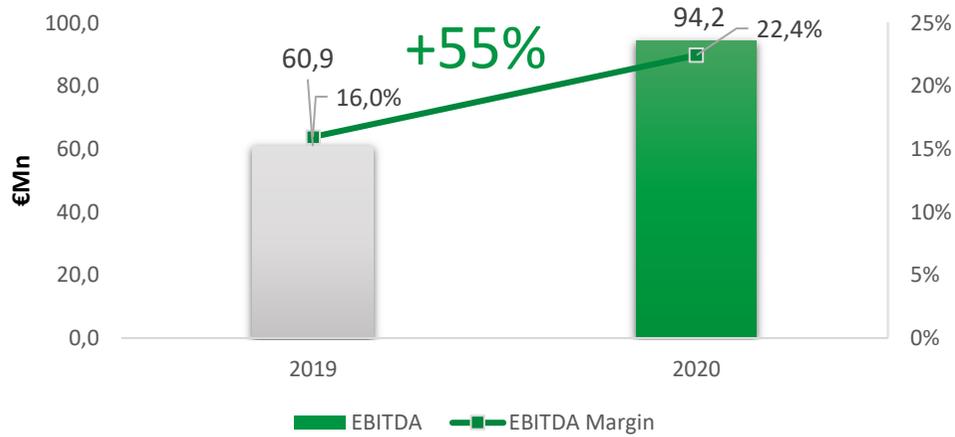


- **R&D expenses** decreased 19% to €23.8Mn in FY 2020. These expenses are related to:
 - Preparation of the Doria® registration dossier to be submitted to the FDA;
 - Letrozole-ISM® Phase I trial; and
 - Development of a new formulation of Risperidone-ISM® for a 3-monthly injection.

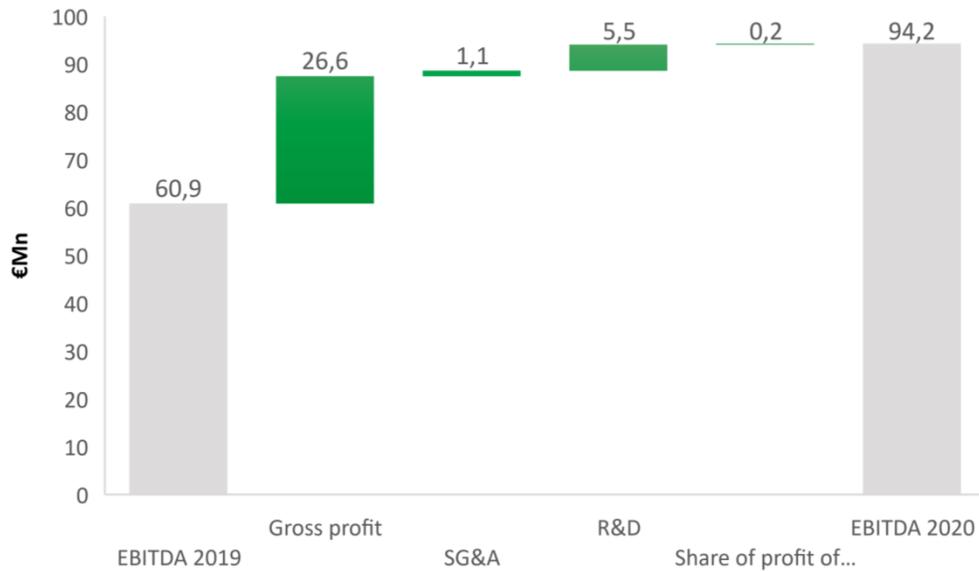
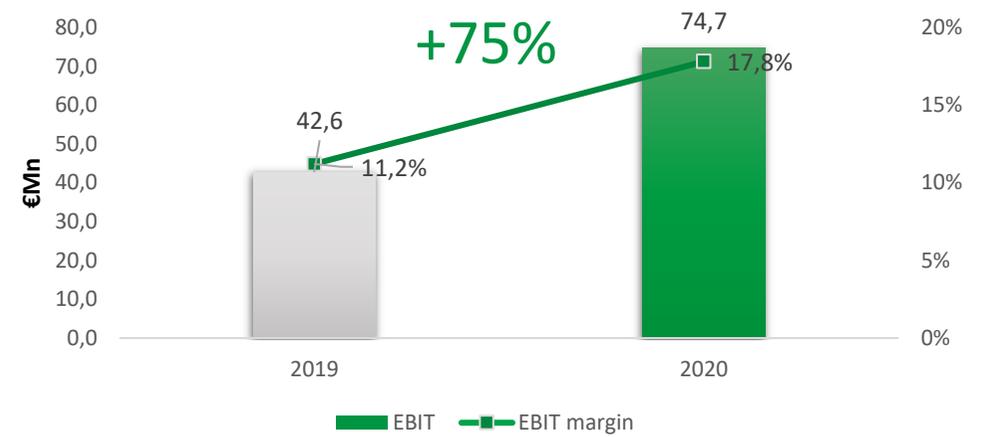


EBITDA, EBIT & net profit analysis

EBITDA



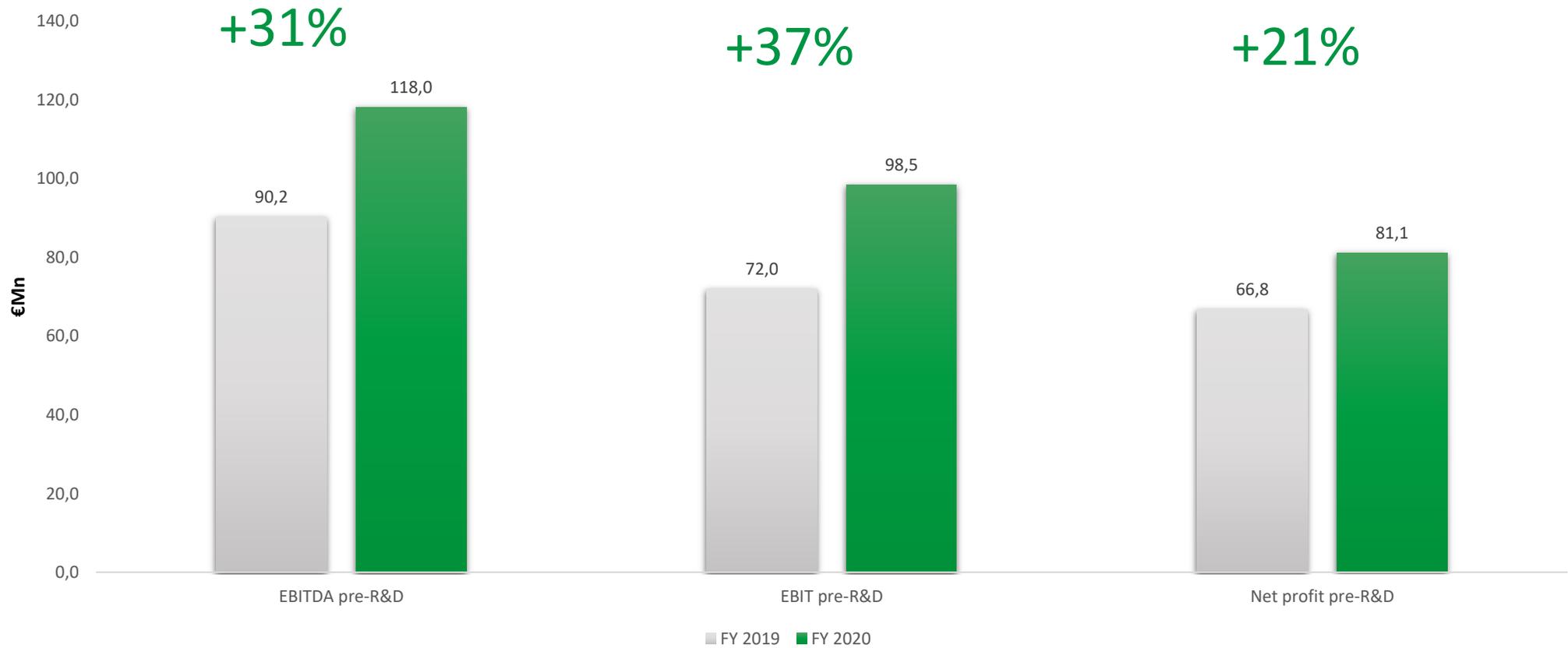
EBIT



Net profit



PRE-R&D analysis

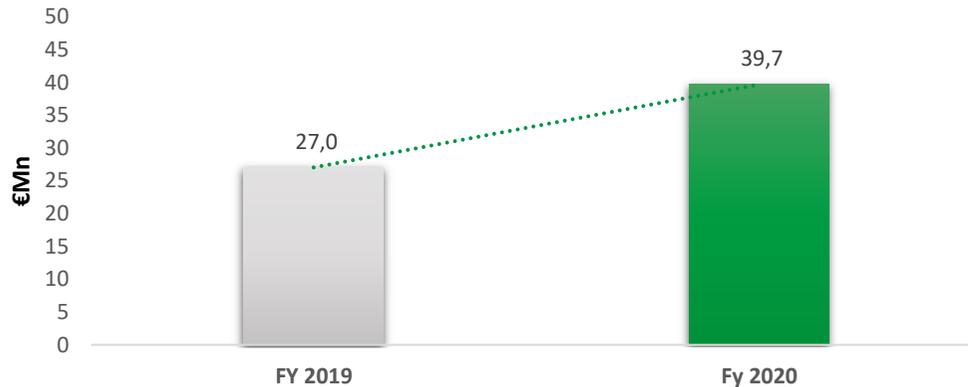


- **EBITDA “pre-R&D”** increased by 31%, from €90.2Mn in FY 2019 to €118.0Mn in FY 2020.
- **EBIT “pre-R&D”** increased by 37%, from €72.0Mn in FY 2019 to €98.5Mn in FY 2020.
- **Net profit “pre R&D”** increased by 21%, from €66.8Mn in FY 2019 to €81.1Mn in FY 2020.

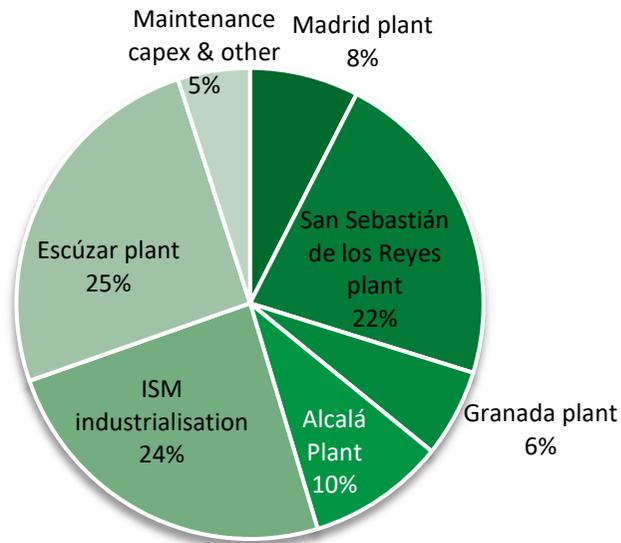
Note: EBITDA, EBIT and Net profit “pre-R&D” calculated excluding R&D expenses in FY 2020 and FY 2019

Capital expenditure and Free Cash Flow

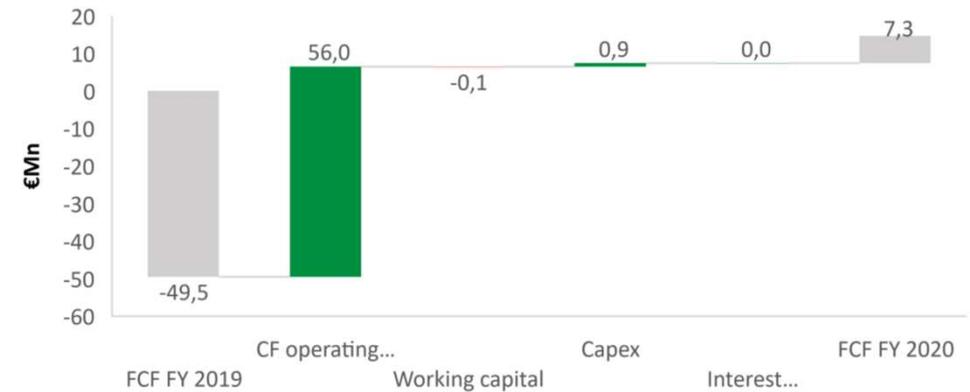
Capex evolution



CAPEX distribution FY 2020



FCF evolution



FCF increased to €7.3Mn mainly due to:

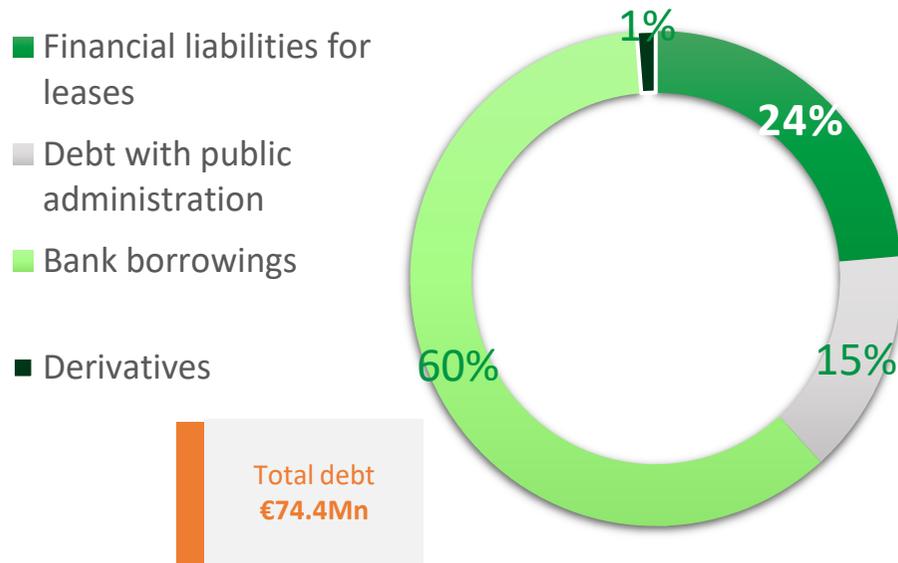
- Increase of €21.6Mn in “proceeds from toll manufacturing services” line mainly due to the payments received because of some activities carried out under the agreement with Moderna;
- Increase of €30.7Mn in profit before income tax; and
- increase of €7.5Mn in the “trade and other receivables” item in 2020 vs a decrease of €20.4Mn in 2019.

These positive impacts were partially offset by:

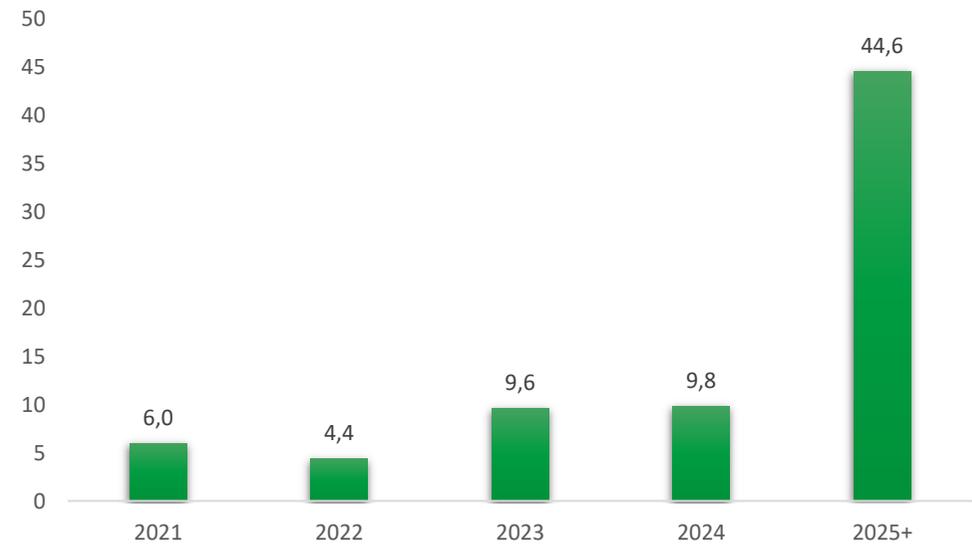
- Decrease of €70.4Mn in the “inventories” line in FY 2020 mainly as a result of higher heparin stock levels compared to a decrease of €67.2Mn in FY 2019; and
- Decrease of €0.8Mn in the “trade and other payables” item in 2020 vs an increase of €24.0Mn in 2019.

Debt analysis

Debt breakdown by source (%)



Debt maturities



- **Debt with public administration** represented **15% of total debt, with 0% interest rate.**
- **Net debt of €19.8Mn** as of 31 December 2020 vs €38.1Mn as of 30 September 2020 and €15.9Mn as of 31 December 2019.
- ROVI will propose to the Shareholders General Meeting a **dividend** of 0.3812 euros per share with dividend rights on 2020 earnings. 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 Marketing authorization for Doria® in USA
	Next steps of Letrozole ISM® to be discussed with regulatory authorities in H1 2021

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