Interim Management Report on Laboratorios Farmacéuticos Rovi, S.A. and subsidiaries

(Together with Condensed Consolidated Interim Financial Statements and Interim Management Report on Laboratorios Farmacéuticos Rovi, S.A. and subsidiaries for the six-month period ended 30 June 2023)

KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Independent Auditor's Report on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders of Laboratorios Farmacéuticos Rovi, S.A.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Laboratorios Farmacéuticos Rovi, S.A. (the "Parent company") and subsidiaries (together the "Group") as at 30 June 2023, which comprise the condensed consolidated interim income statement, the condensed consolidated interim statements of total comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the condensed consolidated interim financial statements (the condensed consolidated interim financial statements). Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" as adopted by the European Union, set out in article 12 of Royal Decree 1362/2007 for the preparation of condensed consolidated interim financial statements. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our limited review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with legislation regulating the audit of accounts in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying condensed consolidated interim financial statements.

Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements for the six-month period ended 30 June 2023 has not been prepared, in all material respects, in accordance with ISA 34 "Interim Financial Reporting", adopted by the European Union, set out in article 12 of Royal Decree 1362/2007 for the preparation of condensed consolidated interim financial statements.

Emphasis of Matter

We draw your attention to the accompanying note 2, which states that the accompanying condensed consolidated interim financial statements does not include all the information that would be required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standard adopted by the European Union. The accompanying condensed consolidated interim financial statements should therefore be read in conjunction with the Group's consolidated annual accounts for the year ended 31 December 2022. This matter does not modify our conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accompanying consolidated interim directors' report for the six-month period ended 30 June 2023 contains such explanations as the Management of the Parent company consider relevant with respect to the significant events that have taken place in this period and their effect on the condensed consolidated interim financial statements presented, as well as the disclosures required by article 15 of Royal Decree 1362/2007. The consolidated interim directors' report is not an integral part of the interim financial information. We have verified that the accounting information contained therein is consistent with that disclosed in the consolidated interim financial information for the six-month period ended 30 June 2023. Our work as auditors is limited to the verification of the consolidated interim directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of the Group.

Paragraph on Other Matters

This report has been prepared at the request of the Directors in relation to the publication of the six-monthly financial report required by article 100 of Law 6/2023 of 17 March 2023 from the Stock Markets and Investment Services.

KPMG Auditores, S.L.

On the Spanish Official Register of

Auditors (R.O.A.C.) with No. S0702

(Signed on original in Spanish)

Begoña Pradera Goiri

On the Spanish Official Register of Auditors (R.O.A.C.) with No. 22.614

25 July 2023

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES

Condensed consolidated interim financial statements and consolidated interim management report for the six-month period ended 30 June, 2023

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES

Condensed consolidated interim financial statements for the six-month period ended 30 June, 2023

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
(Thousand euros)

	Note	30 June, 2023	31 December, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	**7**	223,785	215,541
Intangible assets	**8**	34,249	35,744
Investment in joint ventures	**9**	2,180	2,193
Deferred income tax assets	**14**	1,564	2,078
Equity securities	**10**	24	9
Financial receivables	**12**	65	65
		261,867	**255,630**
Current assets			
Inventories	**11**	351,400	311,944
Trade and other receivables	**12**	126,379	180,011
Current income tax assets		—	4,148
Financial assets at amortised cost		1,606	—
Prepaid expenses		4,768	2,025
Cash and cash equivalents	**13**	153,812	124,945
		637,965	**623,073**
Total assets		**899,832**	**878,703**

Notes 1 to 28 are an integral part of these condensed consolidated interim financial statements.

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES

Condensed consolidated interim financial statements for the six-month period ended 30 June, 2023

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
(Thousand euros)

	Note	30 June, 2023	31 December, 2022
EQUITY	**15**		
Capital and reserves attributable to shareholders of the company		**516,643**	**520,012**
Share capital		3,241	3,241
Share premium		87,636	87,636
Legal reserve		673	673
Treasury shares		(26,602)	(27,561)
Retained earnings and voluntary reserve		385,073	256,362
Profit for the period		66,646	199,669
Other reserves		(24)	(8)
Non-controlling interests		**3,142**	**1,367**
Total equity		**519,785**	**521,379**
LIABILITIES			
Non-current liabilities			
Financial debt	**17**	54,540	59,441
Deferred income tax liabilities	**14**	784	677
Contract liabilities	**18**	1,567	1,545
Deferred income	**19**	1,562	1,774
		58,453	**63,437**
Current liabilities			
Financial debt	**17**	11,960	12,725
Trade and other payables	**16**	213,927	165,776
Current tax liabilities		2,911	—
Contract liabilities	**18**	92,320	114,901
Deferred income	**19**	476	485
		321,594	**293,887**
Total liabilities		**380,047**	**357,324**
Total equity and liabilities		**899,832**	**878,703**

Notes 1 to 28 are an integral part of these condensed consolidated interim financial statements.

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES

Condensed consolidated interim financial statements for the six-month period ended 30 June, 2023

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
(Thousand euros)

	Note	Six-month period ended 30 June	
		2023	**2022**
Revenue	**20**	380,845	380,399
Change in inventories of finished goods and work in progress	**11**	19,171	32,765
Raw materials and consumables used		(184,514)	(186,851)
Employee benefit expenses		(59,096)	(51,464)
Other operating expenses		(61,466)	(60,100)
Work carried out by the Group on non-current assets		1,960	—
Amortisation and depreciation	**7 & 8**	(11,865)	(11,310)
Recognition of government grants on non-financial non-current assets and other		172	921
OPERATING PROFIT		**85,207**	**104,360**
Finance income		766	4
Finance costs		(366)	(429)
Impairment and gain or loss on measurement of financial instruments		72	1,249
Exchange difference		166	37
FINANCE COSTS - NET		**638**	**861**
Share of profit of joint ventures	**9**	(13)	107
PROFIT BEFORE INCOME TAX		**85,832**	**105,328**
Income tax	**22**	(19,188)	(24,752)
PROFIT FOR THE PERIOD		**66,644**	**80,576**
Attributable to:			
- The parent company		66,646	80,620
- Non-controlling interests		(2)	(44)
Earnings per share (basic and diluted) attributable to the shareholders of the Company (euros)			
- Basic and diluted	**23**	1.25	1.50

Notes 1 to 28 are an integral part of these condensed consolidated interim financial statements.

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES

Condensed consolidated interim financial statements for the six-month period ended 30 June, 2023

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Thousand euros)

	Note	Six-month period ended 30 June	
		2023	2022
Profit for the period		**66,644**	**80,576**
Items that may subsequently be reclassified to profit and loss		**(16)**	**(4)**
- Changes in value of equity securities	**10**	5	(4)
- Exchange rate differences		(21)	**-**
Other comprehensive income for the period, net of tax		**(16)**	**(4)**
Total comprehensive income for the period		**66,628**	**80,572**
Attributable to:			
- The parent company		66,630	80,616
- Non-controlling interests		(2)	(44)

Notes 1 to 28 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY AT 30 JUNE, 2022
(Thousand euros)

	Share capital (Note 15)	Share premium (Note 15)	Legal reserve	Treasury shares (Note 15)	Retained earnings and voluntary reserve	Profit for the period	Other reserves	Non-controlling interests (Note 15)	TOTAL EQUITY
Balance at 1 January, 2022	**3,364**	**87,636**	**673**	**(66,121)**	**292,349**	**153,077**	**(2)**	**—**	**470,976**
Total comprehensive income for the period	—	—	—	—	—	80,620	(4)	(44)	**80,572**
Transfer of 2021 profit	—	—	—	—	99,497	(99,497)	—	—	**—**
Dividends	—	—	—	—	—	(53,580)	—	—	**(53,580)**
Acquisition of treasury shares (Note 15)	—	—	—	(127,070)	—	—	—	—	**(127,070)**
Reissue of treasury shares (Note 15)	—	—	—	28,071	18	—	—	—	**28,089**
Other movements	—	—	—	—	(9)	—	—	1,372	**1,363**
Balance at 30 June 2022	**3,364**	**87,636**	**673**	**(165,120)**	**391,855**	**80,620**	**(6)**	**1,328**	**400,350**

Notes 1 to 28 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY AT 30 JUNE, 2023
(Thousand euros)

	Share capital (Note 15)	Share premium (Note 15)	Legal reserve	Treasury shares (Note 15)	Retained earnings and voluntary reserve	Profit for the period	Other reserves	Non-controlling interests (Note 15)	TOTAL EQUITY
Balance at 1 January, 2023	**3,241**	**87,636**	**673**	**(27,561)**	**256,362**	**199,669**	**(8)**	**1,367**	**521,379**
Total comprehensive income for the period	—	—	—	—	—	66,646	(16)	(2)	**66,628**
Transfer of 2022 profit	—	—	—	—	129,783	(129,783)	—	—	**—**
Dividends	—	—	—	—	—	(69,886)	—	—	**(69,886)**
Acquisition of treasury shares (Note 15)	—	—	—	(48,739)	—	—	—	—	**(48,739)**
Reissue of treasury shares (Note 15)	—	—	—	49,698	(1,072)	—	—	—	**48,626**
Other movements	—	—	—	—	—	—	—	1,777	**1,777**
Balance at 30 June, 2023	**3,241**	**87,636**	**673**	**(26,602)**	**385,073**	**66,646**	**(24)**	**3,142**	**519,785**

Notes 1 to 28 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (Thousand euros)

	Note	Six-month period ended 30 June	
		2023	2022
Cash flows from operating activities			
Profit before income tax		85,832	105,328
Adjustments for non-monetary transactions			
Amortisation and depreciation	**7 & 8**	11,865	11,310
Finance income		(766)	(41)
Loss allowance	**11 & 12**	579	1,524
Adjustments for changes in value of derivatives		(24)	(217)
Gain or loss on derecognitions of financial assets and liabilities		(48)	(1,032)
Finance expenses		366	429
Exchange rate differences		(166)	—
Grants, distribution licences and other deferred income	**19 & 20**	(323)	(1,570)
Share in profit/(loss) of joint ventures	**9**	13	(107)
Changes in working capital:			
Trade and other receivables		54,176	11,787
Inventories		(40,063)	(21,198)
Other current assets (prepaid expenses)		(2,743)	(678)
Trade and other payables		(21,567)	2,901
Other collections and payments:			
Proceeds from contract manufacturing services	**18**	(23,270)	74,149
Proceeds from distribution licences	**18**	185	315
Income tax cash flow		(11,507)	(13,462)
Net cash generated (used) in operating activities		**52,539**	**169,438**
Cash flows from investing activities			
Acquisition of intangible assets	**8**	(173)	(105)
Acquisition of property, plant & equipment (not including rights of use)	**7**	(17,998)	(9,791)
Proceeds from sale of property, plant and equipment	**7**	10	—
Proceeds from sale of financial assets		10	20
Interest received		766	4
Net cash generated (used) in investing activities		**(17,385)**	**(9,872)**
Cash flows from financing activities			
Repayments of financial debt		(6,822)	(3,260)
Proceeds from financial debt	**17**	663	1,263
Interest paid		(186)	(143)
Purchase of treasury shares	**15**	(48,739)	(127,070)
Reissue of treasury shares	**15**	48,626	28,089
Capital contributions in subsidiaries		171	147
Net cash generated (used) in financing activities		**(6,287)**	**(100,974)**
Net (decrease)/increase in cash and cash equivalents		**28,867**	**58,592**
Cash and cash equivalents at beginning of the period		**124,945**	**99,035**
Cash and cash equivalents at end of the period	**13**	**153,812**	**157,627**

Notes 1 to 28 are an integral part of these condensed consolidated interim financial statements.

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES

Condensed consolidated interim financial statements for the six-month period ended 30 June, 2023
(Thousand euros)

1. General information

Laboratorios Farmacéuticos Rovi, S.A. (the “parent company" or "the Company") was incorporated as a public limited company (“sociedad anónima”) in Madrid on 21 December, 1946. It is entered in the Companies Register of Madrid, sheet 1,179, folio 197 of volume 713 of Companies Book 283. Its registered and tax address is Calle Julián Camarillo, 35, Madrid (Spain).

The Company’s activity focuses the sale of its own pharmaceutical products and the distribution of other products for which it holds licences granted by other laboratories for specific periods, in accordance with the terms and conditions contained in the agreements entered into with said laboratories, and the provision of contract manufacturing services to third parties.

Laboratorios Farmacéuticos Rovi, S.A. is the parent of a pharmaceutical business group (hereinafter, “ROVI” or “Rovi Group” or “Group”) engaged in the production and sale of pharmaceutical products. Low-molecular-weight heparins, which are marketed in different countries, are the Group’s main products.

The Company’s shares are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and included in the Spanish Stock Exchange Interconnection System (Continuous Market).

At both 30 June, 2023 and 31 December, 2022, the company Norbel Inversiones, S.L. held 55.19% of the shares of Laboratorios Farmacéuticos Rovi, S.A. (Nota 15). At 30 June, 2022, Norbel Inversiones, S.L. held 53.17% of the shares of Laboratorios Farmacéuticos Rovi, S.A. Norbel Inversiones, S.L., whose registered office is at Calle Julián Camarillo, 35, Madrid, files consolidated annual accounts with the Madrid Companies Registry.

Changes in the consolidated group

There were no changes to the consolidated group in the first six months of 2023.

The main changes in 2022 were:

- In January 2022, the company Glicopepton Biotech, S.L., with registered office at calle Julián Camarillo 35, Madrid (Spain), was incorporated. At 30 June, 2022, the company showed a loss before tax of 89 thousand euros and held assets of 2,741 thousand euros.

- In March 2022, the company Alentia Biotech, S.L., with registered office at Avenida de la Ilustración 10, Granada (Spain), was dissolved. Until that time, it had been 50% held by Laboratorios Farmacéuticos Rovi, S.A. (see Note 9). This operation did not give rise to any profit or loss for the group.

2. Bases of preparation

These condensed consolidated interim financial statements for the six-month period ended 30 June, 2023 (hereinafter, the "interim financial statements") have been prepared in accordance with International Financial Reporting Standard No. 34 “Interim Financial Reporting” and should be read in conjunction with the consolidated annual accounts of Laboratorios Farmacéuticos Rovi, S.A. and subsidiaries for the 2022 reporting period, prepared in accordance with the International Financial Reporting Standards endorsed by the European Union (IFRS-EU). These interim financial statements do not include all the information required for full financial statements in accordance with IFRS-EU. However, they include a series of explanatory notes that provide details of the events and transactions considered significant in order to understand the changes in the financial position and the Group’s performance since the last annual financial statements. Significant changes in accounting policies are described in Note 3.

These interim financial statements were issued by the Company’s Board of Directors on 25 July, 2023.

Bases of preparation of the consolidated interim financial statements

The consolidation procedures applied are described in the consolidated annual accounts of Rovi for the 2022 reporting period.

3. Accounting policies

The accounting policies applied in preparing the condensed consolidated interim financial statements for the six-month period ended 30 June, 2023 are the same as those used in preparing the consolidated annual accounts for the year ended 31 December, 2022 (the policy for recognising and measuring corporate income tax in the interim period is explained in Note 22), as described in said consolidated annual accounts, and no significant estimates inconsistent with those made In the 2022 reporting period have been made.

The rules and interpretations issued by the IASB and the IFRS Interpretations Committee that have come into force in 2023 and are mandatory for ROVI were described in the consolidated annual accounts for the year ended 31 December, 2022. Their application has not had a significant impact on the Group.

4. Critical estimates and accounting judgements

The preparation of interim financial statements requires management to exercise its judgement and make estimates and assumptions that affect the application of the accounting policies and the amounts presented in the assets and liabilities and the revenues and expenses. The actual figures may differ from these estimates.

While preparing these condensed interim financial statements, the matters where management has exercised its judgement significantly when applying the Group's accounting policies and the key sources of uncertainty in the estimates were the same as those applied in the consolidated annual accounts for the reporting period ended 31 December, 2022.

5. Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all the information and breakdowns of the financial risk management that are mandatory for annual financial statements and, therefore, must be read in conjunction with the Group's annual financial statements for the period ended 31 December, 2022. There have been no changes in risk management or in any risk management policy since the date of the financial statements for the preceding annual reporting period.

Liquidity risk

There have been no significant changes in the non-discounted contractual cash outflows for financial liabilities in comparison with the date of the financial statements for the preceding annual reporting period.

Fair value estimation

Measurement of financial instruments at market price is classified into:

- Level 1. Quoted prices (unadjusted) in active markets for identical assets and liabilities.

- Level 2. Observable inputs for the asset or liability, either directly observable (i.e. prices) or indirectly observable (i.e. price-based), other than the quoted prices included in Level 1.

- Level 3. Inputs for the asset or liability not based on observable market data (i.e. non-observable inputs).

Measurements at market prices of the Group's financial instruments recorded at fair value, the totality of which are classified as equity securities (Note 10), are classified as Level 1.

The fair value of financial instruments traded in active markets (such as equity securities) is based on quoted market prices at the annual reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of reimbursable advances without a rate of interest or with a subsidised interest rate is determined by applying the interest rate curve in force at the date of receipt of the advance to the reimbursements to be made and adding the spread normally applied in loans to the Group. For financial reporting purposes, fair value is calculated at the end of each reporting period by applying the interest rate curve in force at each year end to the payments outstanding and adding the corresponding spread. For loans at variable rates of interest, fair value has been regarded as coinciding with the amount for which they are recognised (Note 17). Measurement of reimbursable advances without an interest rate at market prices is classified as Level 2.

The fair value of the following financial assets and liabilities is approximately the same as their carrying amount:

- Trade and other receivables.

- Other current financial assets.

- Cash and cash equivalents (excluding bank overdrafts).

- Trade and other payables.

- Contract liabilities.

- Financial debt.

6. Operating segment reporting

The Group's operating segments have been determined taking into account the information used by the Management Committee for decision making. This information is divided in accordance with whether it is generated by manufacturing activities or marketing activities, regardless of the geographical area where they take place. Therefore, segment identification does not stem so much from the geographical distribution of the business but rather from a differentiation between types of activity.

Thus, the segment called "manufacturing" obtains its revenue from contracts for rendering services that consist of completing the production process of pharmaceutical products for external entities and the manufacture of products to be subsequently marketed by group companies, while the "marketing" segment, which also includes the research and development activities carried out by the Group, has the principal activity of the purchase and subsequent sale of pharmaceutical products.

The segment called "Other" includes other service provision activities that are not significant for the Group.

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES

Condensed consolidated interim financial statements for the six-month period ended 30 June, 2023
(Thousand euros)

The segment information used by the Management Committee for the six-month period ended 30 June, 2023 and the reconciliation thereof with the figures shown in the income statement and the results of the segments reported are as follows:

	Manufac-turing	Marketing	Other	Aggregat-ed total	Inter-segment transactions	Consolid-ated total
Total segment revenues	289,508	312,447	—	601,955	(221,110)	380,845
Profit/(loss)	63,491	2,229	(10)	65,710	934	66,644
Corporate income tax	17,315	1,568	(3)	18,880	308	19,188
Profit/(loss) before tax	80,806	3,797	(13)	84,590	1,242	85,832
Finance costs – net	(621)	(17)	—	(638)	—	(638)
Amortisation/depreciation	5,044	6,832	—	11,876	(11)	11,865
EBITDA (*)	**85,229**	**10,612**	**(13)**	**95,828**	**1,231**	**97,059**
Amortisation/depreciation	(5,044)	(6,832)	—	(11,876)	11	(11,865)
EBIT (**)	**80,185**	**3,780**	**(13)**	**83,952**	**1,242**	**85,194**

The segment information used by the Management Committee for the six-month period ended 30 June, 2022 and the reconciliation thereof with the figures shown in the income statement and the results of the segments reported are as follows:

	Manufac-turing	Marketing	Other	Aggregat-ed total	Inter-segment transactions	Consolid-ated total
Total segment revenues	291,710	217,989	—	509,699	(129,300)	380,399
Profit/(loss)	75,524	7,365	(91)	82,798	(2,222)	80,576
Corporate income tax	19,783	5,714	(1)	25,496	(744)	24,752
Profit/(loss) before tax	95,307	13,079	(92)	108,294	(2,966)	105,328
Finance costs – net	253	(1,114)	—	(861)	—	(861)
Amortisation/depreciation	7,072	4,249	—	11,321	(11)	11,310
EBITDA (*)	**102,632**	**16,214**	**(92)**	**118,754**	**(2,977)**	**115,777**
Amortisation/depreciation	(7,072)	(4,249)	—	(11,321)	11	(11,310)
EBIT (**)	**95,560**	**11,965**	**(92)**	**107,433**	**(2,966)**	**104,467**

(*) EBITDA is calculated as profit before tax, interest, depreciation and amortisation.
(**) EBIT is calculated as profit before tax and interest.

Inter-segment transactions included on the profit/(loss) line for the six-month period ended 30 June, 2023 and 2022 are principally dividends paid between Group companies.

Each segment's sales to external customers in 2022 were as follows:

	Manufac-turing	Marketing	Other	TOTAL
Total segment revenues	289,508	312,447	—	601,955
Inter-segment revenue	(117,287)	(103,823)	—	(221,110)
Revenues from external customers (Note 20)	**172,221**	**208,624**	**—**	**380,845**

Each segment's sales to external customers up to 30 June, 2022 were as follows:

	Manufac-turing	Marketing	Other	TOTAL
Total segment revenues	291,710	217,989	—	509,699
Inter-segment revenue	(125,335)	(3,965)	—	(129,300)
Revenues from external customers (Note 20)	**166,375**	**214,024**	**—**	**380,399**

Sales to external customers are broken down by product type and geographical area in Note 20.

The breakdown of assets and liabilities by segment at 30 June, 2023 was as follows:

	Manufac-turing	Marketing	Other	Aggregated total
Total assets	**697,038**	**544,116**	**465**	**1,241,619**
Of which:				
Investments in group companies	—	20,768	—	20,768
Increases in non-current non-financial assets	15,818	2,806	—	18,624
Total liabilities	**(318,644)**	**(368,982)**	**(11)**	**(687,637)**

The breakdown of assets and liabilities at 31 December, 2022 was as follows:

	Manufac-turing	Marketing	Other	TOTAL
Total assets	**635,501**	**490,357**	**474**	**1,126,332**
Of which:				
Investments in group companies	—	18,917	—	18,917
Increases in non-current non-financial assets	49,292	6,451	—	55,743
Total liabilities	**(294,877)**	**(276,786)**	**(9)**	**(571,672)**

The assets of the aggregated segments at 30 June, 2023 can be reconciled with the total consolidated assets as follows:

	Manufac-turing	Marketing	Other	Intercompany balances	Group investments	Consolidated TOTAL
Total assets	697,038	544,116	465	(321,019)	(20,768)	899,832

The assets of the aggregated segments at 31 December, 2022 can be reconciled with the total consolidated assets as follows:

	Manufac-turing	Marketing	Other	Intercompany balances	Group investments	Consolidated TOTAL
Total assets	635,501	490,357	474	(228,712)	(18,917)	878,703

7. Property, plant and equipment

Movement on the property, plant and equipment for the six-month periods ended 30 June, 2023 and 2022 was as follows:

	Land & buildings	Technical facilities, machinery & tools	Furniture, fittings & other	IT equipment, vehicles & other	Rights of use	PPE in progress	Total
Balance at 01.01.22							
Cost	37,250	253,373	3,624	18,447	28,452	28,055	369,201
Accumulated depreciation	(18,885)	(138,901)	(2,847)	(15,682)	(11,111)	—	(187,426)
Net carrying am. 01.01.22	**18,365**	**114,472**	**777**	**2,765**	**17,341**	**28,055**	**181,775**
Additions	836	5,072	13	439	1,849	3,431	11,640
Retirements	(192)	(1,046)	—	—	—	—	(1,238)
Retirements from depreciation	3	16	—	—	—	—	19
Depreciation charge	(151)	(6,779)	(48)	(593)	(1,977)	—	(9,548)
Balance at 30.06.22							
Cost	37,894	257,399	3,637	18,886	30,301	31,486	379,603
Accumulated depreciation	(19,033)	(145,664)	(2,895)	(16,275)	(13,088)	—	(196,955)
Net carrying am. 30.06.22	**18,861**	**111,735**	**742**	**2,611**	**17,213**	**31,486**	**182,648**

	Land & buildings	Technical facilities, machinery & tools	Furniture, fittings & other	IT equipment, vehicles & other	Rights of use	PPE in progress	Total
Balance at 01.01.23							
Cost	45,119	280,489	3,876	19,412	32,807	40,174	421,877
Accumulated depreciation	(19,199)	(151,975)	(2,943)	(16,863)	(15,356)	—	(206,336)
Net carrying am. 01.01.23	**25,920**	**128,514**	**933**	**2,549**	**17,451**	**40,174**	**215,541**
Additions	1,504	12,313	101	654	453	3,426	18,451
Retirements	—	(10)	—	(108)	—	—	(118)
Retirements from depreciation	—	5	—	103	—	—	108
Transfers	(98)	—	—	—	—	98	—
Depreciation charge	(150)	(7,051)	(57)	(626)	(2,313)	—	(10,197)
Balance at 30.06.2023							
Cost	46,525	292,792	3,977	19,958	33,260	43,698	440,210
Accumulated depreciation	(19,349)	(159,021)	(3,000)	(17,386)	(17,669)	—	(216,425)
Net carrying am. 30.06.23	**27,176**	**133,771**	**977**	**2,572**	**15,591**	**43,698**	**223,785**

A majority of the additions recognised in the first six months of 2023 and 2022 related to investments in ROVI's manufacturing plants, principally:

- 0.4 million euros was invested in the Madrid injectables plant, in comparison with 0.3 million euros invested in the first half of 2022;
- 8.7 million euros was invested in the San Sebastián de los Reyes injectables plant, in comparison with 2.1 million euros invested in the first half of 2022.
- 0.3 million euros was invested in the Granada plant, in comparison with the 0.2 million euros invested in the first half of 2022;
- 1.5 million euros was invested in the Alcalá de Henares plant, in comparison with the 1.2 million euros invested in the first half of 2022;
- 2.9 million euros was invested in the ISM® industrialisation, in comparison with the 2.2 million euros invested in the first half of 2022;
- 3.3 million euros was invested in the Escúzar plant (the second heparin plant in Granada), in comparison with the 3.4 million euros invested in the first half of 2022; and
- 0.8 million euros was invested in maintenance and other, in comparison with the 0.7 million euros invested in the first half of 2022.

At 30 June, 2023 and 2022, there were no investments for which contracts had been signed that were not recognised in the condensed consolidated interim financial statements.

At 30 June, 2023, the Group held property, plant and equipment with a net carrying amount of 428 thousand euros (457 thousand euros at 31 December, 2022) subject to retention of title.

At 30 June, 2023 and 31 December, 2022, there were no impairment losses on property, plant and equipment.

The Group holds insurance policies to cover the risks the property, plant and equipment is exposed to. The insurance cover is considered sufficient.

8. Intangible assets

Movement on intangible assets for the six-month periods ended 30 June, 2023 and 2022 was as follows:

	Development	Trademarks & licences	Comp-uter software	Total
Balance at 01.01.22				
Cost	8,899	44,929	13,122	66,950
Accumulated impairment	—	(492)	—	(492)
Accumulated amortisation	(1,854)	(14,170)	(11,876)	(27,900)
Net carrying amount 01.01.22	**7,045**	**30,267**	**1,246**	**38,558**
Additions	—	—	105	105
Amortisation charge	(221)	(1,224)	(317)	(1,762)
Balance at 30.06.22				
Cost	8,899	44,929	13,227	67,055
Accumulated impairment	—	(492)	—	(492)
Accumulated amortisation	(2,075)	(15,394)	(12,193)	(29,662)
Net carrying amount 30.06.22	**6,824**	**29,043**	**1,034**	**36,901**

	Development	Trademarks & licences	Comp-uter software	Total
Balance at 01.01.23				
Cost	8,899	44,929	13,791	67,619
Accumulated impairment	—	(494)	—	(494)
Accumulated amortisation	(2,296)	(16,617)	(12,468)	(31,381)
Net carrying amount 01.01.23	**6,603**	**27,818**	**1,323**	**35,744**
Additions	—	—	173	173
Amortisation charge	(221)	(1,217)	(230)	(1,668)
Balance at 30.06.23				
Cost	8,899	44,929	13,964	67,792
Accumulated impairment	—	(494)	—	(494)
Accumulated amortisation	(2,517)	(17,834)	(12,698)	(33,049)
Net carrying amount 30.06.23	**6,382**	**26,601**	**1,266**	**34,249**

Under the caption “Trademarks and licences”, assets with indefinite useful lives were recognised for an amount of 5,366 thousand euros at 30 June, 2023 and 31 December, 2022. Management reviews these assets for indications of impairment on an annual basis, although there has been none to date. At 31 December, 2022, the recoverable value of this asset was significantly higher than its carrying amount and, therefore, the Group did not re-estimate the recoverable value at 30 June, 2023, since no events that could eliminate said difference had occurred.

At 30 June, 2023 and 31 December, 2022, the assets included under the “Development” caption were related to the development of a low-molecular-weight heparin, an enoxaparin biosimilar, sales of which began in 2017. The commencement of amortisation of this asset was determined by the successful completion, in the first quarter of 2017, of the decentralized procedure used by the Group to apply for marketing authorization in twenty-six European Union countries. The useful life of this intangible asset is 20 years and no indications of impairment had been detected at either 30 June, 2023 or 31 December, 2022.

At 30 June, 2023 and 31 December, 2022, the asset related to the distribution rights of the product Hirobriz® (belonging to the Marketing segment) showed a loss, since its recoverable value had fallen below its net carrying amount, which was 494 thousand euros. At 31 December, 2022, the recoverable value of this asset was obtained by projecting the cash flows forecast until the end of the contract (December 2023), applying a discount rate of 8.1%. The margins applied in the cash flow projection are those forecast in accordance with ROVI's historical knowledge of the revenue and costs generated by this asset. A 10% change in the discount rate applied or in the cash flows considered would not have led to a significant change in the impairment.

The Group holds insurance policies to cover the risks to which the intangible assets are exposed. The insurance cover is considered sufficient.

Total research and development expenses incurred in the six-month period ended 30 June, 2023 were 10,811 thousand euros (10,441 thousand euros in the same period of 2022), mainly concentrated on the ISM® platform. Of the total research and development expenditure incurred in the first six months of 2023, 5,063 thousand euros were recognized under the "Employee benefit expenses" caption (4,945 thousand euros in the same period of 2022) and 5,748 thousand euros under "Other operating expenses" (5,496 thousand euros in the same period of 2022).

9. Investments in joint ventures

Movement on investments in joint ventures in the period was as follows:

	30 June, 2023	30 June, 2022
Balance at beginning of the period	**2,193**	**1,994**
Share in profits/(losses)	(13)	107
Balance at end of the period	**2,180**	**2,101**

The nature of investment in joint ventures is as follows:

Name	Country of incorporation	% interest	Nature of relationship	Measurement method
Alentia Biotech, S,L, (1)	Spain	50 %	a)	Equity
Enervit Nutrition, S,L,	Spain	50 %	b)	Equity

(1) Company dissolved in 2022.

a) Alentia Biotech, S,L,

In 2010, the company Alentia Biotech, S.L. (Alentia) was created, 100% held by ROVI. In February 2012, the effective sale of 50% of the shares in Alentia Biotech, S.L. by Laboratorios Farmacéuticos Rovi, S.A. to Grupo Ferrer Internacional, S.A. took place and Alentia became a joint venture held by these two companies at 50% each. In March 2022, this company was liquidated. The Group did not recognise any gain or loss in relation to this transaction. At said date, ROVI had recognised an interest of 3 thousand euros in equity instruments, a fully-impaired credit of 1,048 thousand euros, and a trade receivable of 1 thousand euros.

b) Enervit Nutrition, S,L,

In the first half of 2016, ROVI contributed assets consisting of the distribution rights of the *EnerZona* products in Spain and the know-how related to the promotion, distribution and sale of these products to a newly-created subsidiary (Enervit Nutrition, S.L.), which was the vehicle responsible for promoting these products. Said company was incorporated in January 2016 with an initial share capital of 3 thousand euros, 100%-held by Laboratorios Farmacéuticos Rovi, S.A. It was incorporated with the intention of marketing the *EnerZona* products, for which ROVI held exclusive marketing rights in Spain, and exploring and, if applicable, developing, new market possibilities for dietetic and food supplements.

ROVI and Enervit S.p.A. agreed to create a joint venture between them to carry the project out. To do this, under certain agreements, Enervit Nutrition, S.L, instead of being 100%-owned by ROVI, became a joint venture under joint control with Enervit, S.p.A. The agreements were signed in March, 2016.

In July 2018, Enervit S.p.A. exercised a call option it held on 1% of the shares of Enervit Nutrition, S.L. With this sale, ROVI's percentage interest in Enervit Nutrition, S.L. dropped from 51% to 50%.

Condensed financial information on joint ventures

The condensed balance sheet as of 30 June, 2023 and 31 December, 2022 and the condensed statement of comprehensive income as of 30 June, 2023 and 2022 for Alentia Biotech, S.L. and Enervit Nutrition, S.L. are shown below:

	30 June, 2023	31 December, 2022
Condensed balance sheet	**Enervit Nutrition, S,L,**	**Enervit Nutrition, S,L,**
Current		
Cash and cash equivalents	177	85
Other current assets (excluding cash)	2,571	2,517
Total current assets	**2,748**	**2,602**
Other current liabilities (including trade payables)	(1,162)	(1,080)
Total current liabilities	**(1,162)**	**(1,080)**
Non-current		
Property, plant and equipment	11	1
Intangible assets	2,548	2,648
Deferred tax assets	215	215
Total non-current assets	**2,774**	**2,864**
Total non-current liabilities	**—**	**—**
NET ASSETS	**4,360**	**4,386**

	30 June, 2023	30 June, 2022
Condensed statement of comprehensive income	**Enervit Nutrition, S,L,**	**Enervit Nutrition, S,L,**
Revenue	3,322	4,032
Raw materials and consumables used	(2,727)	(3,252)
Employee benefit expenses	(257)	(218)
Other operating expenses	(263)	(247)
Amortisation and depreciation	(101)	(101)
Operating profit/(loss)	**(26)**	**214**
Finance costs – net	**—**	**—**
Income tax	**—**	**—**
Profit/(loss) for the period	**(26)**	**214**
Other comprehensive income	**—**	**—**
TOTAL COMPREHENSIVE INCOME	**(26)**	**214**
Dividends received from joint ventures	—	—

Reconciliation of the condensed financial information

Reconciliation of the condensed financial information presented with the carrying amount of the interests in the joint ventures at 30 June, 2023:

Condensed financial information	**Enervit Nutrition, S,L,**
Net assets of joint ventures at the beginning of the period	**4,386**
Profit/(loss) for the period	(26)
Net assets of joint ventures at the end of the period	**4,360**
Share in joint ventures	2,180
Carrying amount	**2,180**

Enervit Nutrition, S.L. and Alentia Biotech, S.L. are private entities and, therefore, no quoted market price is available for their shares.

The Group has no commitments or contingent liabilities in relation to its joint ventures.

10. Equity securities

The breakdown of these financial assets measured at fair value through other comprehensive income (FVOCI) is as follows:

	30 June, 2023	30 June, 2022
Balance at beginning of the period	**9**	**72**
Net gains/(losses) recorded in equity	1	(5)
Derecognitions	(10)	(59)
Additions	24	—
Balance at end of period	**24**	**8**
Less: non-current portion	24	8
Current portion	—	—

The maximum credit risk exposure at the reporting date was the fair value of the debt securities classified as equity securities.

	30 June, 2023	31 December, 2022
Non-listed securities		
– Variable-income securities (equity securities)	24	—
Listed securities		
– Investment funds and equity securities	—	9
	24	**9**

At 30 June, 2023 and 31 December, 2022, these securities were denominated in euros.

11. Inventories

	30 June, 2023	31 December, 2022
Raw materials and other consumables	180,399	159,029
Work in progress and semi-finished goods	92,909	78,723
Finished goods produced internally	51,099	46,114
Commercial inventories	26,993	28,078
	351,400	**311,944**

In the six-month period ended 30 June, 2023, the Group wrote down the value of its inventories by 607 thousand euros due to obsolescence and expiration. The reduction in the value of the inventories is recognised under the “Raw materials and consumables used” and “Change in stocks of finished goods and work in progress” captions in the income statement. In the first six months of 2022, the Group wrote down the value of its inventories by 1,527 thousand euros. As of 30 June, 2023 the provision for the reduction in the value of Group’s inventories amounted to 23,013 thousand euros (22,400 thousand of euros as of 31 December, 2022).

The inventories purchase/sale commitments for the Group at the reporting date were as normal in the course of its business. Management estimates that meeting these commitments will not generate losses for the Group. The Group holds insurance policies to cover the risks the inventories are exposed to. The insurance cover is considered sufficient.

12. Trade and other receivables

The breakdown of trade and other receivables is as follows:

	30 June, 2023	31 December, 2022
Trade receivables	110,296	160,762
Less: loss allowance	(500)	(536)
Trade receivables – Net	109,796	160,226
Deposits	1,449	1,416
Other receivables	15,199	18,434
Total	**126,444**	**180,076**
Less: Non-current portion: Financial receivables	65	65
Current portion	126,379	180,011

At 30 June, 2023, “Deposits” included deposits of 1,449 thousand euros at an interest rate lower than 1% (1,416 thousand euros at 31 December, 2022). 1,327 thousand euros of these deposits is pledged in favour of Banco Santander. The Group considers the credit risk associated to these deposits to be low and, therefore, has not recognised any expected losses in relation thereto.

Movement on the loss allowance during the periods reported was as follows:

	30 June, 2023	30 June, 2022
Balance at beginning of the period	**536**	**57**
Net remeasurement of loss allowance	(36)	86
Balance at the end of the period	**500**	**143**

13. Cash and cash equivalents

The breakdown of cash and cash equivalents at 30 June, 2023 and 31 December, 2022 is as follows:

	30 June, 2023	31 December, 2022
Cash in hand and at bank	52,262	80,520
Cash equivalents	101,550	44,425
	153,812	**124,945**

14. Deferred taxes

Gross movement on the deferred tax accounts was as follows:

	Deferred tax assets	Deferred tax liabilities	Net deferred taxes
At 1 January, 2022	**3,850**	**(776)**	**3,074**
(Charged) / credited to profit and loss	(942)	46	(896)
At 30 June, 2022	**2,908**	**(730)**	**2,178**

	Deferred tax assets	Deferred tax liabilities	Net deferred taxes
At 1 January, 2023	**2,078**	**(677)**	**1,401**
(Charged) / credited to profit and loss	(515)	(107)	(622)
(Charged) / credited to equity	1	—	1
At 30 June, 2023	**1,564**	**(784)**	**780**

15. Equity

Share capital and share premium

The number of shares, their par value and the amount of the share capital were as follows:

	No. shares	Par value (euros)	Total share capital (thousand euros)
At 1 January, 2022	56,068,965	0.06	3,364
Balance at 31 December, 2022	54,016,157	0.06	3,241
At 1 January, 2023	54,016,157	0.06	3,241
Balance at 30 June, 2022	54,016,157	0.06	3,241

All the issued shares are fully paid up.

In 2022, Norbel Inversiones, S.L. performed sale transactions with the Company's shares. As a result, Norbel Inversiones, S.L. held 55.19% of the Company's shares at 31 December, 2022. Norbel Inversiones, S.L. is owned by Messrs Juan, Javier and Iván López-Belmonte Encina (33.33% each), meaning that each of them holds an interest of 18.40% in the share capital of Laboratorios Farmaceúticos Rovi, S.A.

On 29 July, 2022, Laboratorios Farmacéuticos Rovi, S.A. reduced its share capital through the cancellation of treasury shares as provided for in the share buy-back programmes approved by the Company in 2021 and 2022. The capital reduction totalled 123,168.48 euros (2,052,808 shares at a par value of 0.06 euros per share). On the same date, the shares were removed from trading on the Securities Market Interconnection System and the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges. The average weighted cost of the treasury shares cancelled was 135,008 thousand euros and the difference was allocated to retained earnings and voluntary reserves (Note 16 c) for an amount of 134,885 thousand euros.

Treasury shares

a) Liquidity contract

Under the liquidity contract signed by ROVI, in the first six months of 2023, the Group acquired a total of 1,215,312 treasury shares (465,071 in the first six months of 2022), disbursing a sum of 48,739 thousand euros for them (28,623 euros in 2022). In the first six months of 2023, a total of 1,212,978 treasury shares were sold (456,974 in the first six months of 2023) for a sum of 48,626 thousand euros (28,089 thousand euros in 2022). These shares had been acquired at a weighted average cost of 49,698 thousand euros (28,071 thousand euros in 2022), giving rise to a loss of 1,072 thousand euros on the sale, which was taken to reserves in 2023 (profit of 18 thousand euros in 2022). At 30 June, 2023, the Company held 646,448 treasury shares (641,290 at 30 June, 2022).

b) Share buy-back programme

ROVI commenced a buy-back programme for company shares effective 3 November, 2021, the main features of which were the following:

- Purpose and scope: to cancel ROVI shares (capital reduction) while, at the same time, increasing ROVI's shareholder remuneration by increasing the profit per share.

- Term: 12 months as of 3 November, 2021, the date on which the buy-back programme was published, or upon completion of either of the next two conditions below. Additionally, ROVI reserved the right to end the programme before it was completed.

- Maximum monetary amount: up to 125,000,000 euros.

- Maximum number of shares to be acquired: 1,682,000 shares in the Company, representing approximately 3% of ROVI's share capital at the buy-back programme publication date.

As a result of this decision, 906,525 shares were acquired in 2022, for which ROVI paid a total of 59,873 thousand euros. The programme ended on 22 February, 2022, a total of 1,492,108 shares having been acquired between 2021 and 2022 for a total amount of 96,434 thousand euros.

Effective 23 February, 2022, ROVI commenced another buy-back programme for company shares, the main features of which were as follows:

- Purpose and scope: to cancel ROVI shares (capital reduction) while, at the same time, increasing ROVI's shareholder remuneration by increasing the profit per share.

- Term: six months as of 23 February, 2022, the date on which the buy-back programme was published, or completion of either of the next two conditions below. Additionally, ROVI reserved the right to end the programme before it was completed.

- Maximum monetary amount: up to 46,000,000 euros.

- Maximum number of shares to be acquired: 560,700 shares in the Company, representing approximately 1% of ROVI's share capital at the buy-back programme publication date.

As a result of this decision, 560,700 shares were acquired in 2022, for which ROVI paid a total of 38,574 thousand euros. The programme ended on 29 March 2022.

At 30 June, 2022, the treasury shares related to the buy-back programmes totalled 2,052,808 shares and their weighted average cost was 135,008 thousand euros. There were no buy-back programmes in the first six months of 2023.

Non-controlling interests

In 2022, the company Glicopepton Biotech, S.L. was incorporated, 51% held by Laboratorios Farmacéuticos Rovi, S.A. and fully consolidated (Note 1). This meant recognition of non-controlling interests of 3,142 thousand euros at 30 June, 2023 (1,367 thousand euros at 30 June, 2022).

16. Trade and other payables

	30 June, 2023	31 December, 2022
Trade payables	107,934	128,484
Dividends payable (Note 24)	69,886	—
Other payables	36,107	37,292
	213,927	**165,776**

At 30 June, 2023 and 2022, the “Other payables” caption included the following liabilities, among others:

	30 June, 2023	31 December, 2022
Returns and other commercial transactions	17,923	18,577
Contribution to public health system	3,600	2,868
	21,523	**21,445**

Contribution to public health system

In Spain, in accordance with Law 29/2006, all companies that sell prescription pharmaceuticals or other health products paid with public funds must make payments of between 1.5% and 2.0% of their sales (depending on the volume) into the National Health System every four months. This is a levy aimed to adjust the margin on a regulated activity through the price intervention established by the Law. The Group recognises the contribution to the public health system as a reduction in revenue when the sale is made. The sums accrued but not yet paid are recognised under the “Other payables” caption.

At 30 June, 2023 and 31 December, 2022, the contributions to the public health system do not include any sums related to the collaboration agreement between Farmaindustria and the Spanish government, since no agreement has been signed since the one that was in force for the years 2017 to 2019.

17. Financial debt

The breakdown of financial debt at 30 June, 2023 and 31 December, 2022 is as follows:

	30 June, 2023	31 December, 2022
Non-current financial debt	54,540	59,441
Current financial debt	11,960	12,725
	66,500	**72,166**

Movement on the financial debt for the six-month periods ended 30 June, 2023 and 2022 was as follows:

Six-month period ended 30 June, 2022	Net carrying amount 01.01.2022	Additions	Payments	Net carrying amount 30.06.2022
Bank borrowings (a)	44,821	—	(357)	44,464
Debt with government entities (b)	10,661	1,109	(673)	11,097
Finance lease liabilities (c)	17,663	1,849	(1,944)	17,568
Financial derivatives	17	—	(17)	—
	73,162	**2,958**	**(2,991)**	**73,129**

Six-month period ended 30 June, 2023	Net carrying amount 01.01.2023	Additions	Payments	Net carrying amount 30.06.2023
Bank borrowings (a)	44,107	—	(3,214)	40,893
Debt with government entities (b)	10,175	551	(1,128)	9,598
Finance lease liabilities (c)	17,856	453	(2,300)	16,009
Financial derivatives	28	—	(28)	—
	72,166	**1,004**	**(6,670)**	**66,500**

a) Bank borrowings

The conditions and maturities of loans granted by banks did not change in the first six months of 2023.

At 31 December, 2022, the Group complied with the financial ratios established in the financing agreement signed with the European Investment Bank (EIB). The ratios at said date were certified in the first six months of 2023.

b) Debt with government entities

Since 2001, the Company has been receiving reimbursable grants from different Ministries to finance a number of R&D projects. These transactions do not accrue interest and, therefore, have been recognised at their initial fair values. The difference between the initial fair value and the face value accrues at market interest rates (Euribor and the interest rate on Spanish Treasury debt plus a spread in accordance with the Group's risk), meaning that said debt accrues at effective interest rates ranging from 2.9% to 4.9%.

b.1) Loans received in the first six months of 2023 were as follows:

			Thousand euros		Years	
Company	Government entity	Project	Face value	Initial fair value	Repayment period	Grace period
ROVI	Ministry of Science and Innovation	(1)	81	60	9	3
ROVI	Ministry of Science and Innovation	(1)	81	58	9	3
ROVI	Industrial Technological Development Centre	(1)	349	297	14	2
ROVI	Industrial Technological Development Centre	(2)	152	136	8	-
			663	**551**		

(1) Fund the project to develop drugs with ISM technology.

(2) Funds new applications of glycosaminoglycan compounds.

b.2) Loans received in the first six months of 2021 were as follows:

			Thousand euros		Years	
Company	Government entity	Project	Face value	Initial fair value	Repayment period	Grace period
ROVI	Technological Corporation of Andalusia	(1)	73	63	12	3
ROVI	Technological Corporation of Andalusia	(1)	288	253	12	3
ROVI	Technological Corporation of Andalusia	(1)	37	31	12	3
ROVI	Technological Corporation of Andalusia	(1)	93	80	13	4
ROVI	Technological Corporation of Andalusia	(1)	43	36	15	6
ROVI	Industrial Technological Development Centre	(1)	182	154	14	3
ROVI	Industrial Technological Development Centre	(1)	300	271	12	4
ROVI	Industrial Technological Development Centre	(1)	219	197	11	4
ROVI	Industrial Technological Development Centre	(2)	28	24	12	4
			1,263	**1,109**		

(1) Fund the projects to develop drugs with ISM technology.

Fair value of the financial debt

The carrying amounts and fair values of non-current bank borrowings and debt with government entities at 30 June, 2023 and 31 December, 2022 were as follows:

	Carrying amount		**Fair value**	
	30 June, 2023	**31 December, 2022**	**30 June, 2023**	**31 December, 2022**
Bank borrowings	34,465	37,679	29,992	36,677
Deb with government entities	7,995	8,365	7,364	7,714
	42,460	46,044	37,356	44,391

The fair values of current financial debt are equal to their nominal amounts, since the effect of discounting is not significant. The fair values of debt with government entities are based on cash flows discounted at a rate based on the borrowing rate.

To calculate the fair value of fixed rate non-current bank borrowings at 30 June, 2023 and 31 December, 2022, the interest rate currently applied on the last variable interest loan received by the Company was taken as a reference: Euribor at 3 months plus a 0.844% spread.

c) Finance lease liabilities

As of 1 January, 2019, as a consequence of the entry into force of IFRS 16 Leases, financial debt includes the lease liabilities.

The main liabilities recognised at 30 June, 2023 and 31 December, 2022 under this caption are related to:

- Real estate leases: the Group holds leases on certain properties where it carries on its activities. The payment period of the liabilities generated by these leases has initially been fixed at 10 years.

- Vehicles: the Group leases vehicles for its activities. The payment period of this liability is 3 years.

- Computer equipment: the Group leases certain computer equipment for its activities. The payment period fixed for these liabilities is 3 years.

d) Financial derivatives

At 30 June, 2023, the Group did not hold any financial derivatives (at 31 December, 2022, they were measured at 28 thousand euros). Financial instruments are not classified as hedges and, therefore, they fall within the category of financial liabilities at fair value through profit or loss (FVPL).

18. Contract liabilities

Movement on contract liabilities for the periods ended 30 June, 2023 and 31 December, 2022 was as follows:

a) Distribution licences

In the six-month period ended 30 June, 2023, new contract liabilities of 185 thousand euros were recognised in relation to agreements granting distribution licences (315 thousand euros at 30 June, 2022).

In the first six months of 2023, ROVI recognised revenue from the granting of distribution licences for a total amount of 151 thousand euros (649 thousand euros at 30 June, 2022).

At 30 June, 2023 and 31 December, 2022, contract liabilities relating to agreements granting distribution licences matured as follows:

	30 June, 2023	31 December, 2022
2023	306	294
2024	152	273
2025	231	206
2026	124	99
2027	74	36
2028 onward	50	41
	937	949
Non-current	631	655
Current	306	294

At 30 June, 2023, there were contract liabilities of 936 thousand euros relating to contracts granting distribution licences for which the time they would be recognised in the income statement could not be determined, since they were subject to meeting certain milestones for which no dates had been fixed (890 thousand euros at 31 December, 2022).

b) Other contracts

This caption includes sums billed to customers for the adaptation, fitting-out and validation of the facilities and machinery –either owned by ROVI or acquired or subcontracted from third parties– that, at the end of the six-month period, had not yet been taken to profit and loss as revenue from services provided, since they had not yet accrued in accordance with the percentage of completion. They totalled 69,730 thousand euros (85,443 thousand euros at 31 December, 2022). Likewise, it includes the sum of 22,284 thousand euros in 2023 (27,998 thousand euros in 2021) for reserved capacity, which, at the end of the six-month period, had not yet been taken to consolidated profit and loss as revenue from services provided because the contractual milestones that determine accrual of this revenue had not yet been reached, although it is expected to reach them in the short term. Finally, this caption includes an amount billed and received for purchase of materials for production that will take place in the future, the costs of which are borne by the customer. Revenue recognition is linked to the future use of said materials in the production process for customers.

19. Deferred revenue

	30 June, 2023	31 December, 2022
Non-current		
Deferred revenue from grants	1,562	1,774
	1,562	1,774
Current		
Deferred revenue from grants	476	485
	476	485
	2,038	**2,259**

Deferred revenue from grants

Movement on deferred revenue from grants in the six-month periods ended 30 June, 2023 and 2022 was as follows:

	30 June, 2023	30 June, 2022
Balance at beginning of period	**2,259**	**2,816**
(Gain)/loss recognised in profit and loss	(8)	(424)
Additions	10	271
Derecognitions	(223)	(86)
Balance at end of period	**2,038**	**2,577**

20. Revenues

Revenues are broken down into the following items:

	30 June, 2023	30 June, 2022
Sales of goods (*)	208,473	213,375
Sales of services	172,221	166,375
Revenue from distribution licenses	151	649
	380,845	**380,399**

(*) Sales of goods include 292 thousand euros at 30 June, 2023 for promotion services for third-party products (350 thousand euros at 30 June, 2022).

The total amount of sales of goods was reduced by 7,824 thousand euros in the first six months of 2023 (6,980 thousand euros at 30 June, 2022) as a consequence of discounts to the National Health System.

The breakdown of “Sales of goods” by product group (in the marketing segment) was as follows:

	30 June, 2023	30 June, 2022
Specialty pharmaceuticals	184,300	192,666
Contrast agents and other hospital products	23,632	19,954
Other	541	755
	208,473	**213,375**

The revenue disaggregated by primary geographical market and reportable segment at 30 June, 2023 is shown below:

	Manufacturing	Marketing	TOTAL
Spain	3,054	136,968	140,022
European Union	21,049	49,068	70,117
Other countries	148,118	22,588	170,706
	172,221	**208,624**	**380,845**

At 30 June, 2022, the breakdown was as follows:

	Manufacturing	Marketing	TOTAL
Spain	2,525	129,489	132,014
European Union	21,897	51,212	73,109
Other countries	141,953	33,323	175,276
	166,375	**214,024**	**380,399**

21. Other expenses

On 24 February, 2022, after several years of tension between Russia and Ukraine, the Russian government invaded Ukraine with its troops. The Ukraine conflict and its initial effects took place at a time of significant global economic uncertainty and volatility, where there was a risk that the effects of market conditions could be aggravated, with potential impacts on energy prices, an interruption of trading relations or a break in the supply chain. The Group took measures to reduce the impacts of this conflict in such a way that the effects on the first half of 2022 were mitigated by such measures. In the first half of 2023, with a less adverse macroeconomic scenario, the effects of the conflict were not significant for the Group.

22. Income tax

The tax rate applied in 2023 and 2022 is 25%.

The breakdown of the corporate income tax expense in the income statement is as follows:

	30 June, 2023	30 June, 2022
Current tax	18,490	23,856
Deferred tax	622	896
Withholdings operated abroad	76	—
	19,188	**24,752**

The income tax expense recognised in the interim financial statements is the result of multiplying the profit before tax for the period reported by Management's best possible estimate of the effective tax rate forecast for the full annual period. As such, the effective tax rate in the interim financial statements may differ from Management's estimate of the effective tax rate for the consolidated annual accounts.

The effective tax rate at 30 June, 2023 was 22.4% (23.5% in the same period of 2022).

As of 31 December, 2022, the Company had no negative tax bases pending application.

One of the consequences of possible different interpretations of current tax legislation is that additional liabilities could arise as a result of an inspection. However, the directors consider that, if any such liabilities were to arise, they would not have a material effect on the financial statements.

23. Earnings per share

	30 June, 2023	30 June, 2022
Profit attributable to company shareholders (thousand euros)	66,644	80,576
Weighted average number of shares in issue (thousand)	53,365	53,613
Basic earnings per share (euros per share)	**1,25**	**1,50**

There has been no event that could cause a dilution of the earnings per share.

24. Dividends

- On 14 June, 2023, the General Shareholders' Meeting of Laboratorios Farmacéuticos Rovi, S.A. approved the proposed distribution of the 2022 profit, 69,886 thousand euros, allocating the full amount to dividends. At 30 June, 2023, the dividend was pending payment under the caption "Trade and other payables" (Note 16).

- On 14 June 2022, the General Shareholders' Meeting of Laboratorios Farmacéuticos Rovi, S.A. approved the proposed distribution of the 2021 profit, 65,143 thousand euros, allocating 53,580 thousand euros to dividends and the remainder to retained earnings.

25. Related-party transactions

The Group is controlled by Norbel Inversiones, S.L., which, at 30 June, 2023, held 55.19% of the parent company's shares (53,17% at 30 June, 2022). At 30 June, 2023, Norbel Inversiones, S.L. was owned by Messrs Juan, Javier and Iván López-Belmonte Encina.

a) Sales of goods and services

No sales of goods or services took place with related parties in the first six months of 2023 or 2022.

b) Purchases of goods and services

	30 June, 2023	30 June, 2022
Purchases of services:		
– Shareholders who are also directors	12	12
– Entities in which executive directors holds an interest	1,323	1,018
	1,335	**1,030**

Services received from entities in which the López-Belmonte Encina family holds an interest relate mainly to operating leases held with the companies Norba Inversiones, S.L. and Lobelvia Inversiones, S.L. In 2022. Mergers took place between Inversiones Borbollón, S.L. (absorbed company) and Norba Inversiones, S.L. (absorbing company); and Lobel y Losa Development, S.L. (absorbed company) and Lobelvia Inversiones, S.L. (absorbing company).

c) Other transactions

	30 June, 2023	30 June, 2022
Sale of financial assets:		
– Shareholders who are also directors	—	20
	—	**20**

d) Key management and director remuneration

	30 June, 2023	30 June, 2022
Wages, salaries and other current benefits		
- Members of the Board of Directors	330	290
- Key management	1,997	1,960
Contributions to defined-contribution pension plans & life insurance premiums:		
- Key management	7	4
	2,334	**2,254**

The remuneration of the executive directors related to their management functions is included under the "Key management" caption. At 30 June, 2023 and 2022, the Management Committee was formed by 12 members.

At 30 June, 2023, ROVI had a Long-Term Incentive Plan for the executive directors for the years 2022 to 2024. The purpose of this plan is to reward the long-term creation of value for the Group in the interests of the shareholders. Amounts accrued under this Plan are recognised under the "Employee benefit expenses" caption in the income statement and included in the above "Key management and director compensation" table.

26. Seasonality

The Group has no sales that are subject to significant variations in the course of its annual reporting period. The Group's principal products are sold on a regular basis throughout the year.

27. Other significant information

a) First six months of 2023

ROVI commences clinical development of a new three-monthly formulation of Letrozole (Letrozole LEBE)

ROVI informed (by publication of the inside information number 1835 dated 25th of April 2023) that it has decided to commence the clinical development of a new three-monthly formulation of Letrozole (hereinafter, Letrozole LEBE), rather than the initially planned annual formulation of Letrozole ISM®. The objective of this new development is to reach bioequivalence in the plasma levels of letrozole in comparison with the daily administration of oral doses of Femara® 2.5 mg.

With this new clinical programme for Letrozole LEBE, ROVI estimates it could reduce the research times in comparison to those for an annual formulation of the product, thus making it likely that the three-monthly formulation could be marketed several years earlier and, furthermore, the investment necessary to attain the objectives of this project could also be reduced.

The positive results of the LISA-1 trial, of which ROVI has already informed the market, showed that the first development of letrozole (annual Letrozole ISM®) allows an oestrogen suppression higher than that of Femara® to be predicted (with an initial dose of 100 mg plus a further 100 mg after 8 weeks, and annual maintenance doses of 100 mg, compared with daily oral doses of 2.5 mg), maintaining plasma levels of letrozole significantly lower than those reached with daily oral doses of 2.5 mg of Femara®, taking account of the fact that the inhibition of the enzyme aromatase and, therefore, a reduction in oestrogen synthesis is the only known pharmacological mechanism of letrozole.

ROVI sought the advice of the United States Food and Drug Administration (FDA) with a view to using the suppression of the plasma oestrogen levels (oestradiol and estrone) as a surrogate efficacy endpoint in a clinical trial on the superiority of Letrozole ISM® over Femara® in oestrogen inhibition in parallel groups of post-menopausal women with early hormone-dependent breast cancer. The proposal is based on the fact that oestrogen inhibition is letrozole's only pharmacological mechanism. However, the FDA rejected the use of this variable as a surrogate efficacy endpoint.

ROVI contacted the FDA again on 26 October, 2022 to reach an agreement on the clinical development of the product. As reported at the Capital Markets Day of November 2022, the FDA required ROVI to perform a clinical efficacy trial in women with advanced breast cancer using Progression Free Survival (PFS) or the Objective Response Rate (ORR) as the key variable. Likewise, the FDA suggested that further advice should be requested ("End of Phase 2 meeting") after completion of said clinical trial to evaluate a new study that supported registration of the product.

In the light of the advice received from the FDA, the clinical development that would foreseeably be required to obtain marketing authorisation (at least in the United States) for the annual formulation of Letrozole ISM® would entail, first, a Phase 2 clinical trial on Letrozole ISM® vs Femara®, both medicines being combined with CDK 4/6 inhibitors, in post-menopausal women with advanced breast cancer and, subsequently, a Phase 3 trial in women with early breast cancer. This clinical path would probably last more than ten years and would require an investment much higher than initially planned before the dossier to apply for marketing authorisation for the product could be filed. As a result, the company has decided to place the clinical development of annual Letrozole ISM® on hold for the time being.

However, the knowledge acquired with the results of the LISA-1 trial have enabled ROVI to use the time to progress with the preclinical development of a new three-monthly formulation of letrozole (Letrozole LEBE), which aspires to obtain plasma levels equivalent to those obtained with daily oral doses of 2.5 mg of Femara®. Currently, this candidate has completed all the preclinical evaluation phases and is available to commence its clinical development.

Consequently, ROVI has recently applied in Europe for authorisation of a clinical trial to evaluate the safety and pharmacokinetic characterisation of single increasing doses of Letrozole LEBE in healthy post-menopausal women. This new clinical trial (LEILA-1 study) is designed in several cohorts. In each one of them, the volunteers will take 2.5 mg of Femara® daily for 14 days and, after a washout period of at least 28 days, will receive a single dose of Letrozole LEBE. This trial would last approximately two years and cost around 5 million euros.

The objective of this trial is (i) to validate the conclusions reached in the preclinical development of the product regarding its capacity to be bioequivalent to the oral formulation and (ii) to identify the dosage of Letrozole LEBE necessary for humans to obtain steady-state plasma levels equivalent to Femara®.

After completing this first clinical trial, ROVI plans to conduct a pivotal clinical trial on the bioequivalence/bioavailability of Letrozole LEBE in accordance with the requirements of the FDA's 505 (b)(2) regulatory pathway and Directive 2001/83/CE of the European Parliament. ROVI intends this clinical trial to evaluate the steady-state bioequivalence of Letrozole LEBE vs Femara®. The trial would have an estimated duration of around two years.

In accordance with the results that can be expected from the LEILA-1 study, ROVI anticipates two possible clinical paths to support to the product's marketing authorisation:

- If the results of the LEILA-1 pharmacokinetic characterisation trial make it foreseeable that Letrozole LEBE meets bioequivalence criteria; in this case, ROVI will file a dossier applying for marketing authorisation for the product after completion of the bioequivalence/bioavailability study.

- If the results of the LEILA-1 pharmacokinetic characterisation trial make it foreseeable that Letrozole LEBE does not meet all the bioequivalence criteria but demonstrates bioequivalence in minimum steady-state concentrations of letrozole; in this case, ROVI might need to also conduct a single clinical efficacy trial to support the product's marketing authorisation.

ROVI informs on the evaluation process to obtain marketing authorisation for Risvan® in the United States

ROVI informed (by publication of the relevant information number 20446 dated 16th of February 2023) on the evaluation process to obtain marketing authorisation for Risvan® (Risperidone ISM®) in the United States and reported that it had filed the final responses to the Complete Response Letter received from the United States Food and Drug Administration (FDA) in the third quarter of 2022. These responses likewise included the answers of one of ROVI's suppliers to outstanding questions. The FDA has notified ROVI that the user fee goal date is 27 July 2023.

Likewise, ROVI filed the final report on correction of the deficiencies noted when the FDA inspected its facilities in June 2022. The evaluation of these corrections were provided to the FDA. ROVI´s plant has now been reinspected by the FDA. The Company is awaiting an FDA notification on the user fee goal date (27 July 2023). The content of this notification will be reported as soon as it is received.

Furthermore, in January 2023, the FDA carried out a pending inspection of a ROVI supplier. As a result of the inspection, the FDA issued a series of observations to said supplier, which the latter is working to answer. The time frame for the supplier's response will depend on how the FDA evaluates the observations issued.

Thus, ROVI is continuing with the roadmap that it notified in the presentation of the update of its strategy at its 2022 Capital Markets Day and will continue to report on the milestones deemed relevant in the process to obtain authorisation of Risvan® from the FDA as the timeline for registration in the United States advances.

b) First six months of 2022

ROVI New Share Buy-back Programme

ROVI announced (by publication of the inside information number 1308 dated 22 February 2022) the end of the share buy-back programme, effective as of 3 November 2021, and the launching of a new share buy-back programme, effective as of 23 February 2022.

a) End of the share buy-back programme

ROVI informed that, on 22 February 2022, the Board of Directors resolved to finalize the share buy-back programme launched by the Company as of 3 November 2021, having acquired 1,492,108 own shares, i.e. 89% of the maximum number of shares to be acquired under the buy-back programme.

b) Launching of a new share buy-back programme

ROVI further informed of the launch, effective as of 23 February 2022, of a new share buy-back programme (the "Buy-back Programme"), in accordance with the following terms:

- Purpose and scope: the Buy-back Programme's purpose is to cancel ROVI shares (share capital reduction) and, at the same time, to contribute to ROVI's shareholder remuneration by increasing the earnings per share.

- Term: from 23 February 2022 for a period of 6 months, unless any of the circumstances mentioned in the terms of the Buy-back Programme arises, in which case it could end earlier.

- Maximum monetary amount: up to 46,000,000 euros.

- Maximum number of shares to be acquired: 560,700 shares of the Company, representing approximately 1% of ROVI's share capital as of the launch date of the programme.

- Trading volume to be considered as reference: the trading volume to be taken as a reference for the purposes of the provisions of article 3.3 of Delegated Regulation 2016/1052 for the entire duration of the Buy-back Programme shall be 25% of the average daily volume of ROVI's shares on the Continuous Market of the Spanish Stock Exchanges during the twenty trading days prior to the date of the purchase.

On 29 March 2022, ROVI informed of the finalization of this second buy-back programme. The Company had acquired 560,700 treasury shares, this is, 100% of the maximum number of shares foreseen under the buy-back programme.

The purpose of the two buy-back programmes was to cancel treasury shares held by ROVI (by reducing the capital). The reduction of the capital through cancellation of 2,052,808 shares repurchased within the framework of the aforementioned buy-back programmes was approved at the General Shareholders' Meeting of 14 June, 2022 and executed by entering the pertinent deed of capital reduction into public record. The new amount of the share capital, after the shares mentioned was cancelled and excluded from trading, appeared in the registers of the National Securities Market Commission and Iberclear a few days after registration of the deed of capital reduction.

ROVI and Moderna expand long-term collaboration for the manufacture of mRNA medicines over the next ten years

ROVI announced (by publication of the inside information number 1299 dated 16th of February of 2022) a long-term collaboration with Moderna to increase capacities for the compounding, aseptic filling, inspection, labelling, and packaging of ROVI's facilities located in Madrid, San Sebastián de los Reyes and Alcalá de Henares.

This new agreement, which has a term of ten years, includes a series of investments expected to allow the manufacturing capacity to increase across ROVI's facilities in Madrid, Spain. In addition to producing Moderna's COVID-19 vaccine, ROVI's platform could also be utilized to service future Moderna mRNA vaccine candidates.

"ROVI has been a pivotal partner in supporting the manufacturing of our COVID-19 mRNA vaccine for countries outside of the U.S., and this long-term agreement expands our partnership and allows for further scale-up for future mRNA medicines," said Juan Andres, Moderna's Chief Technical Operations and Quality Officer.

Mr. Juan López-Belmonte Encina, ROVI's Chairman and Chief Executive Officer, said: "We are delighted to expand our collaboration with Moderna and become a long-term manufacturing partner. At ROVI we are working to contribute all our experience as a high-technological-value contract manufacturer of injectables to the solution of this pandemic and we are confident of our ability to take part in the manufacturing of new mRNA candidates in the future."

ROVI receives the European Commission's approval of Okedi® as a treatment for schizophrenia

ROVI announced (by publication of the relevant information number 14055 dated 15 February, 2022) that the European Commission had authorised the marketing of Okedi® (Risperidone ISM®) for the treatment of schizophrenia in adults for whom tolerability and effectiveness has been established with oral risperidone.

Risperidone ISM® is a prolonged-release injectable antipsychotic developed and patented by ROVI for the treatment of schizophrenia in adults for whom tolerability and effectiveness has been established with oral risperidone, since, as of the first injection, it provides immediate and sustained plasmatic drug levels and does not require loading doses or supplementation with oral risperidone.

This approval is based on the positive results of the pivotal PRISMA-3 study on the efficacy and safety of Risperidone ISM® in schizophrenia patients[1]. The results obtained in this study show that the two different doses (75 mg and 100 mg once a month) have achieved the prespecified primary and secondary efficacy endpoints for treatment of patients with acute exacerbation of schizophrenia. The primary efficacy endpoint, the PANSS total score (mean difference, CI: 95%), improved significantly with Risperidone ISM® 75 mg and 100 mg from the beginning until day 85, with adjusted differences of -13.0 (17.3 to -8-8; p <0.0001) and -13.3 (-17.6 to -8.9; p<0.0001), respectively. Significantly improved mean changes for the secondary endpoint, the CGI-S score, were also obtained for Risperidone ISM® in comparison with the placebo, -0.7 (-1.0 to -0.5; p<0.0001), for both doses. The significant statistical improvement for both efficacy results was observed as early as 8 days after the first injection. The most frequently reported treatment-emergent adverse events were increased blood prolactin (7.8%), headaches (7.3%), hyperprolactinemia (5%) and weight increase (4.8%). No important new or unexpected safety information was reported. Likewise, patients who successfully completed the double-blind period were offered the opportunity to continue in a long-term, open-label 12-month extension phase with once every four weeks injections of Risperidone ISM® (75 mg or 100 mg). New, clinically stable patients ("de novo" patients) were also able to enter this open phase of the study. Long-term treatment was observed to be effective, safe and well tolerated in adult patients with schizophrenia, regardless the initial severity of the disease or whether they had been treated previously with Risperidone ISM® during an acute exacerbation or switched from stable doses of oral risperidone[2].

"We are very excited about the European Commission's approval of Risperidone ISM® because we think our medicine will be able to contribute to the clinical management of schizophrenia patients. Likewise, we have just launched the product in Germany", commented Juan López-Belmonte Encina, ROVI's Chairman and Chief Executive Officer.

Regarding other territories, ROVI filed the application for marketing authorisation of Risperidone ISM® with the United State Health authorities, the U.S. Food and Drug Administration ("FDA") on 24 November 2020 and the dossier is currently being reviewed by the FDA. Recently, the FDA informed ROVI of a delay in making a decision on the grant of said marketing authorisation.

28. Events after the reporting date

On 26 July, 2023, ROVI announced a new share buy-back programme effective that same day for a maximum number of 2,700,000 company shares, representing approximately 5% of ROVI's share capital.

[1] Correll, C.U., Litman, R.E., Filts, Y. et al. Efficacy and safety of once-monthly Risperidone ISM® in schizophrenic patients with an acute exacerbation. npj Schizophr 6, 37 (2020). https:/doi.org/10.1038/s41537-020-00127-y
[2] Filts Y, Litman RE, Martínez J, Anta L, Naber D, Correll CU. Long-term efficacy and safety of once-monthly Risperidone ISM® in the treatment of schizophrenia: Results from a 12-month open-label extension study. Schizophr Res. 2021 Nov 27;239:83-91.

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
Interim consolidated management report for the six-month period ended 30 June, 2023

Mr. Juan López-Belmonte Encina, as Board of Directors Chairman of Laboratorios Farmacéuticos Rovi, S.A. (Rovi) issues the following management report in accordance with Article 262 and 148.d) of the Spanish Capital Company Act ("Ley de Sociedades de Capital"), 119 of the Securities Market Law and 49 of the Code of Commerce and in accordance with "Guidelines on Alternative Performance Measures" issued by European Securities and Markets Authority (ESMA).

1.- CORPORATE PROFILE AND BUSINESS MODEL

The Company is the parent company of a fully integrated specialized Spanish pharmaceutical group (ROVI or "the Group") engaged in the research and development, contract manufacturing and the marketing of small molecules and biological specialties. The Group has three main growth pillars:

- Pharmaceutical specialties, split in two areas:
  - Prescription products: With two divisions: Low-molecular-weight heparin division (LMWH) and own and licensed product division.
  - Diagnostic imaging contrast agents and other hospital products.
- Contract manufacturing: Specialists in solutions for prefilled syringes, solid oral forms and vials.
- R&D, split in three areas:
  - Innovative drug release technology, ISM®.
  - Glycomics area.
  - Multilayer technology for urethral catheters.

As a result of a combination of factors, among which the Group's stability, due to the growth of its recurring business and its strong financial position, sound strategy and clear pillars of growth may be highlighted, the Company's reactive profile has been reinforced.

In addition, ROVI has a sound, low-risk R&D policy, where the patented ISM® platform (internally developed and patented innovative drug-release technology which allows the prolonged release of the compounds administered by injection) opens new channels of growth. The Company allocates a large part of its resources to research, in order to remain in the vanguard in both the product area and the manufacturing and development systems area.

ROVI enjoys a series of competitive advantages that have allowed it to position itself as one of the principal leaders in its market niche, in a sector which, moreover, has high entry barriers:

- Unique knowledge of low-molecular-weight heparins (LMWH).
- Infrastructure with operating advantages.
- Diversified portfolio
- Low-risk innovation

In all its business lines, ROVI as a group is aware that its activity does not consist only of the health improvements provided by its products but that, additionally, it wishes to respond to the social and environmental demands related to the impact of its activity. To achieve this, ROVI's economic development must be compatible with its conduct in respect of ethical, social, labour and environmental issues, and respect for human rights.

For more information, please visit: www.rovi.es

2.- Business performance

€ Million	2023	2022	Growth	% Growth
Operating revenues	380.8	380.4	0.4	0.1%
Other income	0.2	0.9	(0.7)	(81)%
Total revenue	**381.0**	**381.3**	**(0.3)**	**(0.1)%**
Cost of sales	(165.3)	(154.1)	(11.3)	7%
Gross profit	**215.7**	**227.2**	**(11.6)**	**(5.0)%**
% margin	56.6%	*59.7%*		(3.1)pp
R&D Expenses	(10.8)	(10.4)	(0.4)	4%
SG&A	(107.8)	(101.1)	(6.7)	7%
Share of profit on Joint Venture	0.0	0.1	(0.1)	(112)%
EBITDA[1]	**97.1**	**115.8**	**(18.7)**	**(16.0)%**
% margin	25.5%	*30.4%*		(5.0)pp
EBIT[1]	**85.2**	**104.5**	**(19.3)**	**(18.0)%**
% margin	22.4%	*27.5%*		(5.1)pp
Net profit	**66.6**	**80.6**	**(13.9)**	**(17.0)%**

Note: certain numerical figures included in this document have been rounded. Therefore, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.

- Operating revenue remained stable, reaching 380.8 million euros in the first post-pandemic half of 2023.
- Positive evolution of Okedi® (Risperidone ISM®), which reached sales of 5.2 million euros in the first half of 2023. Okedi® sales increased by 36% in the second quarter of 2023 compared to the first quarter of the year.
- CMO sales increased by 4% to 172.2 million euros in the first half of 2023.
- Sales of the enoxaparin biosimilar decreased by 9% to 74.5 million euros in the first half of 2023. However, sales of the product increased 14% in the second quarter of 2023 to 39.6 million euros, compared to the first quarter of the year, and rose 5% in the second quarter of 2023 compared to the second quarter of 2022.
- Good performance of Neparvis® and Orvatez®, whose sales increased by 17% and 12%, respectively, in the first half of 2023 compared to the first half of 2022, rising to 22.1 million euros and 13.6 million euros, respectively.
- Gross margin showed a decrease of 3.1 percentage points due to the higher contribution to the CMO business of the income related to the activities to prepare the plant for drug production under the agreement with Moderna, which adds lower margins to Group sales.
- Net profit decreased by 17% to 66.6 million euros.
- ROVI General Shareholders Meeting, on 14 June 2023, approved the payment of a gross dividend of 1,2938 euros per share; it means an increase of 35% compared to the dividend charged to the 2021 profit (€0.9556/share) and represents approximately 35% pay out. This dividend was paid on 5 July 2023.
- Regarding the evaluation process to obtain marketing authorisation for Risvan® (Risperidone ISM®) in the United States, the Food and Drug Administration (FDA) has notified ROVI that the user fee goal date is 27 July 2023. The Company is awaiting an FDA notification on that date. The content of this notification will be reported as soon as it is received.

[1] See Appendix 1 about Alternative Performance Measures.

- Considering the Group's cash generation and the market situation, ROVI has decided to launch a buy-back programme for the Company's shares effective as of today's date, 26 July, 2023, in order to cancel ROVI shares and, at the same time, boost the remuneration of the ROVI shareholder by increasing the profit per share. The programme is for a maximum amount of 130 million euros (with the maximum number of shares to be acquired representing 5% of the share capital).

3.- Liquidity and capital resources

3.1- Liquidity

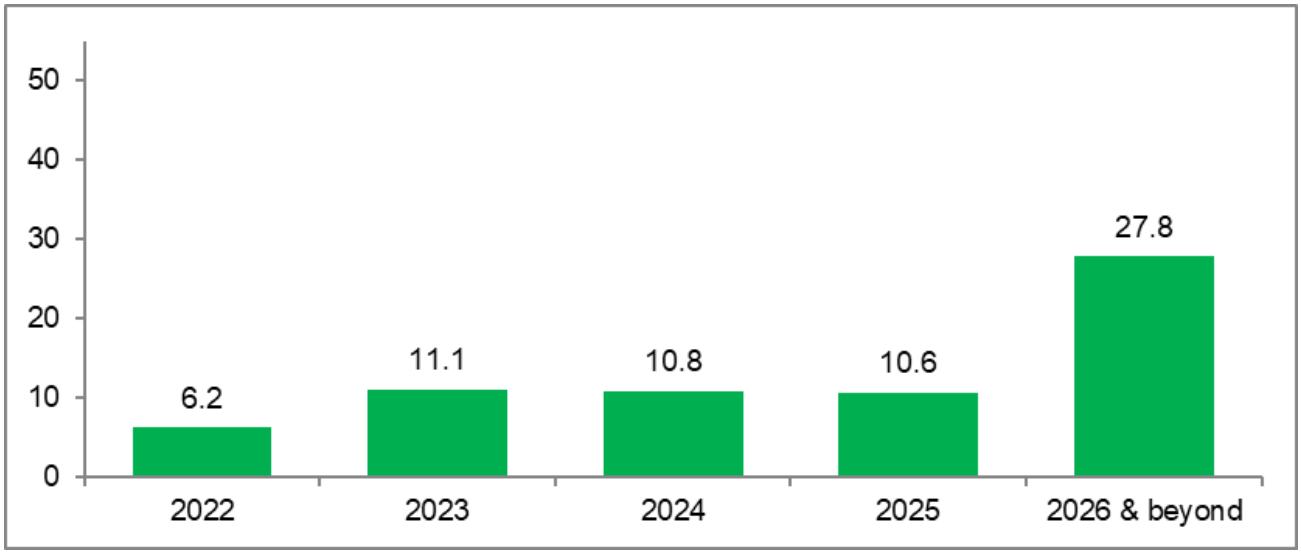
As of 30 June 2023, ROVI had a gross cash position of 156.9 million euros, compared to 126.4 million euros as of 31 December 2022, and net cash of 90.4 million euros (equity securities plus deposits plus financial derivatives plus financial assets at amortized cost plus cash and cash equivalents minus current and non-current financial debt), compared to 54.2 million euros as of 31 December 2022.

3.2- Capital resources

Debt with public administration, which is 0% interest rate debt, represented 14% of total debt as of 30 June 2023.

In thousand euros	2023	2022
Bank borrowings	40.893	44,107
Debt with public administration	9.598	10,175
Financial liabilities for leases	16.009	17,856
Derivatives	-	28
Total	**66.500**	**72.166**

Debt maturities at 30 June, 2023 are shown in the following graph (millions of euros):



4.- Other significant agreements

ROVI Share Buy-back Programme

ROVI informs the market that, effective as of 26 July 2023, a share buyback program (the “Buyback Program”) will commence, in accordance with the following terms:

- Purpose and scope: the Buyback Program’s purpose is to redeem own shares of ROVI (share capital reduction) and, at the same time, boost the remuneration of the ROVI shareholder by increasing the profit per share.

- Term: from today, 26 July 2023, date of publication of the communication of the approval and effectiveness of the Buyback Program, and for a period of [12] months.

- Maximum monetary amount: up to 130,000,000 euros, provided that the maximum price per share may not exceed that provided for by article 3.2 of Delegated Regulation 2016/1052.

  The authorization granted by the general shareholders' meeting of the Company on 17 June 2021 established (a) a minimum price for the acquisition corresponding to the nominal value of the acquired shares and (b) a maximum price for the acquisition corresponding to a price not above the highest between (i) the last transaction carried out on the market by independent parties and (ii) the highest price of a purchase order amongst those contained in the orders book.

- Maximum number of shares to be acquired: 2,700,000 shares of the Company, representing approximately 5% of the Company's share capital.

- Trading volume to be considered as reference: the trading volume to be taken as a reference for the purposes of the provisions of article 3.3 of Delegated Regulation 2016/1052 for the entire duration of the Buyback Program shall be 25% of the average daily volume of ROVI's shares on the Continuous Market of the Spanish Stock Exchanges during the twenty trading days prior to the date of the purchase.

ROVI commences clinical development of a new three-monthly formulation of Letrozole (Letrozole LEBE)

ROVI informed (by publication of the inside information number 1835 dated 25th of April 2023) that it has decided to commence the clinical development of a new three-monthly formulation of Letrozole (hereinafter, Letrozole LEBE), rather than the initially planned annual formulation of Letrozole ISM®. The objective of this new development is to reach bioequivalence in the plasma levels of letrozole in comparison with the daily administration of oral doses of Femara® 2.5 mg.

With this new clinical programme for Letrozole LEBE, ROVI estimates it could reduce the research times in comparison to those for an annual formulation of the product, thus making it likely that the three-monthly formulation could be marketed several years earlier and, furthermore, the investment necessary to attain the objectives of this project could also be reduced.

The positive results of the LISA-1 trial, of which ROVI has already informed the market, showed that the first development of letrozole (annual Letrozole ISM®) allows an oestrogen suppression higher than that of Femara® to be predicted (with an initial dose of 100 mg plus a further 100 mg after 8 weeks, and annual maintenance doses of 100 mg, compared with daily oral doses of 2.5 mg), maintaining plasma levels of letrozole significantly lower than those reached with daily oral doses of 2.5 mg of Femara®, taking account of the fact that the inhibition of the enzyme aromatase and, therefore, a reduction in oestrogen synthesis is the only known pharmacological mechanism of letrozole.

ROVI sought the advice of the United States Food and Drug Administration (FDA) with a view to using the suppression of the plasma oestrogen levels (oestradiol and estrone) as a surrogate efficacy endpoint in a clinical trial on the superiority of Letrozole ISM® over Femara® in oestrogen inhibition in parallel groups of post-menopausal women with early hormone-dependent breast cancer. The proposal is based on the fact that oestrogen inhibition is letrozole's only pharmacological mechanism. However, the FDA rejected the use of this variable as a surrogate efficacy endpoint.

ROVI contacted the FDA again on 26 October, 2022 to reach an agreement on the clinical development of the product. As reported at the Capital Markets Day of November 2022, the FDA required ROVI to perform a clinical efficacy trial in women with advanced breast cancer using Progression Free Survival (PFS) or the Objective Response Rate (ORR) as the key variable. Likewise, the FDA suggested that further advice should be requested ("End of Phase 2 meeting") after completion of said clinical trial to evaluate a new study that supported registration of the product.

In the light of the advice received from the FDA, the clinical development that would foreseeably be required to obtain marketing authorisation (at least in the United States) for the annual formulation of Letrozole ISM® would entail, first, a Phase 2 clinical trial on Letrozole ISM® vs Femara®, both medicines being combined with CDK 4/6 inhibitors, in post-menopausal women with advanced breast cancer and, subsequently, a Phase 3 trial in women with early breast cancer. This clinical path would probably last more than ten years and would require an investment much higher than initially planned before the dossier to apply for marketing authorisation for the product could be filed. As a result, the company has decided to place the clinical development of annual Letrozole ISM® on hold for the time being.

However, the knowledge acquired with the results of the LISA-1 trial have enabled ROVI to use the time to progress with the preclinical development of a new three-monthly formulation of letrozole (Letrozole LEBE), which aspires to obtain plasma levels equivalent to those obtained with daily oral doses of 2.5 mg of Femara®. Currently, this candidate has completed all the preclinical evaluation phases and is available to commence its clinical development.

Consequently, ROVI has recently applied in Europe for authorisation of a clinical trial to evaluate the safety and pharmacokinetic characterisation of single increasing doses of Letrozole LEBE in healthy post-menopausal women. This new clinical trial (LEILA-1 study) is designed in several cohorts. In each one of them, the volunteers will take 2.5 mg of Femara® daily for 14 days and, after a washout period of at least 28 days, will receive a single dose of Letrozole LEBE. This trial would last approximately two years and cost around 5 million euros.

The objective of this trial is (i) to validate the conclusions reached in the preclinical development of the product regarding its capacity to be bioequivalent to the oral formulation and (ii) to identify the dosage of Letrozole LEBE necessary for humans to obtain steady-state plasma levels equivalent to Femara®.

After completing this first clinical trial, ROVI plans to conduct a pivotal clinical trial on the bioequivalence/bioavailability of Letrozole LEBE in accordance with the requirements of the FDA's 505 (b)(2) regulatory pathway and Directive 2001/83/CE of the European Parliament. ROVI intends this clinical trial to evaluate the steady-state bioequivalence of Letrozole LEBE vs Femara®. The trial would have an estimated duration of around two years.

In accordance with the results that can be expected from the LEILA-1 study, ROVI anticipates two possible clinical paths to support to the product's marketing authorisation:

- If the results of the LEILA-1 pharmacokinetic characterisation trial make it foreseeable that Letrozole LEBE meets bioequivalence criteria; in this case, ROVI will file a dossier applying for marketing authorisation for the product after completion of the bioequivalence/bioavailability study.

- If the results of the LEILA-1 pharmacokinetic characterisation trial make it foreseeable that Letrozole LEBE does not meet all the bioequivalence criteria but demonstrates bioequivalence in minimum steady-state concentrations of letrozole; in this case, ROVI might need to also conduct a single clinical efficacy trial to support the product's marketing authorisation.

ROVI informs on the evaluation process to obtain marketing authorisation for Risvan® in the United States

ROVI informed (by publication of the relevant information number 20446 dated 16th of February 2023) on the evaluation process to obtain marketing authorisation for Risvan® (Risperidone ISM®) in the United States and reported that it had filed the final responses to the Complete Response Letter received from the United States Food and Drug Administration (FDA) in the third quarter of 2022. These responses likewise included the answers of one of ROVI's suppliers to outstanding questions. The FDA has notified ROVI that the user fee goal date is 27 July 2023.

Likewise, ROVI filed the final report on correction of the deficiencies noted when the FDA inspected its facilities in June 2022. The evaluation of these corrections were provided to the FDA. ROVI´s plant has now been reinspected by the FDA. The Company is awaiting an FDA notification on the user fee goal date (27 July 2023). The content of this notification will be reported as soon as it is received.

Furthermore, in January 2023, the FDA carried out a pending inspection of a ROVI supplier. As a result of the inspection, the FDA issued a series of observations to said supplier, which the latter is working to answer. The time frame for the supplier's response will depend on how the FDA evaluates the observations issued.

Thus, ROVI is continuing with the roadmap that it notified in the presentation of the update of its strategy at its 2022 Capital Markets Day and will continue to report on the milestones deemed relevant in the process to obtain authorisation of Risvan® from the FDA as the timeline for registration in the United States advances.

5.- Research and development

Okedi® (Risperidone ISM®) is the first ROVI product based in its leading-edge drug delivery technology, ISM®. It is a novel investigational antipsychotic for the treatment of schizophrenia with once monthly (every 28 days) injections which has been developed and patented by Laboratorios Farmacéuticos ROVI S.A. and which, as of the first injection, provides immediate and sustained plasmatic drug levels and does not require loading doses or supplementation with oral risperidone.

In January 2020, ROVI announced the commencement of the centralised procedure for registration of Okedi® with the European Medicines Agency (EMA). On 16 December 2021, the CHMP adopted a positive opinion, recommending the granting of a marketing authorisation for the medicinal product Okedi®. Finally, on 15 February 2022, the European Commission authorised the marketing of Okedi® (Risperidone ISM®) for the treatment of schizophrenia in adults for whom tolerability and effectiveness has been established with oral risperidone, and it was launched in Germany in April 2022, in the UK in July 2022, in Spain in September 2022 and in Portugal in January 2023.

Likewise, at its Capital Markets Day held on 24 November 2020, ROVI announced the filing of an NDA (New Drug Application), i.e. a registration dossier to obtain marketing authorisation in the USA, with the FDA (Food and Drug Administration). ROVI was informed of the delay in a decision on granting marketing authorisation for Risvan® (Risperidone ISM®) by the U.S. Food and Drug Administration ("FDA"). Furthermore, on 24 September 2021, ROVI received a Complete Response Letter from the FDA with outstanding questions on the Risvan® dossier, which were answered in January 2022. In the third quarter of 2022, the FDA issued a second Complete Response Letter, with some outstanding questions for ROVI and also with questions for one of its manufacturers. Both ROVI and the manufacturer provided answers to the FDA. The FDA has notified ROVI that the user fee goal date is 27 July 2023.

The grant of the marketing authorisation for Risvan® by the FDA is also subject to the closure of the observations issued by the FDA after the pre-approval inspection (PAI) of the plant where the product is manufactured (located in Madrid, Spain) that was conducted in the second half of June 2022. Responses to these observations were provided to the FDA. ROVI´s plant has now been reinspected by the FDA. The Company is awaiting an FDA notification on the user fee goal date (27 July 2023). The content of this notification will be reported as soon as it is received.

In addition, in January 2023 the FDA conducted the pending inspection of a supplier to close deficiencies found by the FDA in a process not related to Risperidone ISM®. As a result of this inspection, the FDA has issued new observations and the manufacturer is currently estimating a time frame to provide the responses.

Likewise, ROVI's R&D team is progressing in the development of a new formulation of Risperidone for a 3-monthly injection, which would complement the current 4-weekly formulation of Risperidone ISM® for the maintenance treatment of patients with clinically stable schizophrenia. The regulatory toxicity studies needed to start the clinical development in humans have already been completed. The company is currently initiating all arrangements to conduct a phase I clinical trial to evaluate the safety, tolerability, and pharmacokinetics of various candidate formulations at different dose strengths and injection sites; patient's recruitment for this study is planned to begin by the third quarter of 2023.

Lastly, the company has decided to commence the clinical development of a new three-monthly formulation of Letrozole (hereinafter, Letrozole LEBE), rather than the initially planned annual formulation of Letrozole ISM®. The objective of this new development is to reach bioequivalence in the plasma levels of letrozole in comparison with the daily administration of oral doses of Femara® 2.5 mg.

With this new clinical programme for Letrozole LEBE, ROVI estimates it could reduce the research times in comparison to those for an annual formulation of the product, thus making it likely that the three-monthly formulation could be marketed several years earlier and, furthermore, the investment necessary to attain the objectives of this project could also be reduced.

Accordingly, ROVI has recently applied in Europe for authorisation of a phase I clinical trial to evaluate the pharmacokinetics, safety and tolerability of single ascending doses of Letrozole LEBE, at different strengths, in voluntary healthy post-menopausal women (LEILA-1 study). This first clinical trial of Letrozole LEBE is planned to start by the third quarter of 2023.

6.- Dividends

ROVI's General Shareholders Meeting on 14 June 2023 approved the payment of a gross dividend of 1.2938 euros per share. This represents a 35% increase on the dividend charged to the 2021 profit (€0.9556/share) and entails the distribution of a sum equivalent to approximately 35% of the 2022 consolidated net profit attributed to the parent company. This dividend was paid on 5 July 2023.

7.- Capital expenditure

ROVI invested 18.2 million euros in the first half of 2023, compared to 9.9 million euros in the first half of 2022. Of the amount invested:

- 0.4 million euros was invested in the Madrid injectables plant, in comparison with 0.3 million euros invested in the first half of 2022;
- 8.7 million euros was invested in the San Sebastián de los Reyes injectables plant, in comparison with 2.1 million euros invested in the first half of 2022.
- 0.3 million euros was invested in the Granada plant, in comparison with the 0.2 million euros invested in the first half of 2022;
- 1.5 million euros was invested in the Alcalá de Henares plant, in comparison with the 1.2 million euros invested in the first half of 2022;

- 2.9 million euros was invested in the ISM® industrialisation, in comparison with the 2.2 million euros invested in the first half of 2022;
- 3.3 million euros was invested in the Escúzar plant (the second heparin plant in Granada), in comparison with the 3.4 million euros invested in the first half of 2022; and
- 0.8 million euros was invested in maintenance and other, in comparison with the 0.7 million euros invested in the first half of 2022.

8.- Treasury share transactions

a) Liquidity contract

Under the liquidity contract signed by ROVI, in the first six months of 2023, the Group acquired a total of 1,215,312 treasury shares (465,071 in the first six months of 2022), disbursing a sum of 48,739 thousand euros for them (28,623 euros in 2022). In the first six months of 2023, a total of 1,212,978 treasury shares were sold (456,974 in the first six months of 2023) for a sum of 48,626 thousand euros (28,089 thousand euros in 2022). These shares had been acquired at a weighted average cost of 49,698 thousand euros (28,071 thousand euros in 2022), giving rise to a loss of 1,072 thousand euros on the sale, which was taken to reserves in 2023 (profit of 18 thousand euros in 2022). At 30 June, 2023, the Company held 646,448 treasury shares (641,290 at 30 June, 2022).

b) Share buy-back programme

ROVI commenced a buy-back programme for company shares effective 3 November, 2021, the main features of which were the following:

– Purpose and scope: to cancel ROVI shares (capital reduction) while, at the same time, increasing ROVI's shareholder remuneration by increasing the profit per share.

– Term: 12 months as of 3 November, 2021, the date on which the buy-back programme was published, or upon completion of either of the next two conditions below. Additionally, ROVI reserved the right to end the programme before it was completed.

– Maximum monetary amount: up to 125,000,000 euros.

– Maximum number of shares to be acquired: 1,682,000 shares in the Company, representing approximately 3% of ROVI's share capital at the buy-back programme publication date.

As a result of this decision, 906,525 shares were acquired in 2022, for which ROVI paid a total of 59,873 thousand euros. The programme ended on 22 February, 2022, a total of 1,492,108 shares having been acquired between 2021 and 2022 for a total amount of 96,434 thousand euros.

Effective 23 February, 2022, ROVI commenced another buy-back programme for company shares, the main features of which were as follows:

– Purpose and scope: to cancel ROVI shares (capital reduction) while, at the same time, increasing ROVI's shareholder remuneration by increasing the profit per share.

– Term: six months as of 23 February, 2022, the date on which the buy-back programme was published, or completion of either of the next two conditions below. Additionally, ROVI reserved the right to end the programme before it was completed.

– Maximum monetary amount: up to 46,000,000 euros.

– Maximum number of shares to be acquired: 560,700 shares in the Company, representing approximately 1% of ROVI's share capital at the buy-back programme publication date.

As a result of this decision, 560,700 shares were acquired in 2022, for which ROVI paid a total of 38,574 thousand euros. The programme ended on 29 March 2022.

At 30 June, 2022, the treasury shares related to the buy-back programmes totalled 2,052,808 shares and their weighted average cost was 135,008 thousand euros. There were no buy-back programmes in the first six months of 2023.

9.- Headcount evolution

At 30 June, 2023 the average Group's headcount reached 2,037 people (1,852 at 30 June, 2022), 1,093 of whom were women (981 at 30 June 2022).

10.- Environmental information

The Company Laboratorios Farmacéuticos Rovi, S.A. is registered with the SIGRE for the environmental management of packaging recovery. The total waste management expenses in the first half of 2023 amounts to 597 thousand euros (465 thousand euros in the first six-months period of 2022).

The Group company Rovi Pharma Industrial Services, S.A.U., handle the rest of the Group's environmental tasks and incurred waste management expenses of 394 thousand euros in the first six months of 2023 (316 thousand euros in the first half of 2022).

11.- Outlook for 2023

In November 2022 and February 2023, ROVI announced it expected the operating revenue for the full year 2023 to show a low-double-digit negative growth on 2022, although positive growth of between 5% and 10% is expected in comparison with the 2021 figure. With the visibility that the Company has at this moment, ROVI is upgrading its operating revenue guidance for the full year 2023 from low-double-digit negative growth to high-single-digit negative growth.

For 2023, ROVI is assuming a new post-pandemic scenario in which COVID-19 would foreseeably be a seasonal disease and, in principle, the vaccine would be administered once a year. The uncertainty related to the evolution of the disease is very high. It is not, therefore, possible to make a precise assessment of the impact that this new scenario could have on the CMO business. Likewise, under the terms of the agreement signed with Moderna in February 2022, ROVI is still investing in increasing the compounding, aseptic filling, inspection, labelling and packaging capacities at its facilities and expects them to be fully installed by the end of 2024.

Taking account of the aforementioned guidance on a decrease in operating revenue in 2023, as well as the fact that ROVI will continue with its investment policy as stated, it is reasonable to expect that the Company's profits may also see a downward adjustment in 2023.

12.- Risk management

12.1 Operating risks

The main risk factors to which the Group considers itself to be exposed in respect of meeting its business goals are the following:

- Incidents related to the quality of the products sold by ROVI and incidents in the clinical trials of medicines, side effects of the products sold by ROVI or incorrect management of the notifications in this respect.
- Concentration of operations in specific customers and/or specific production plants.
- Risk of cyberattacks.
- Changes in the prescription criteria or market regulations intended to contain pharmaceutical spending.
- Failure to conclude successfully – or as expected – the Research & Development projects that ROVI is conducting.
- Changes in the supply conditions of the necessary manufacturing materials or the products that ROVI markets.
- Impact of the current geopolitical, socio-political and macroeconomic threats.
- Difficulty in attracting, motivating or retaining personnel.
- Actions by the competition that could have an adverse effect on ROVI.
- Risk derived from adapting to climate change (increased costs, reputational risk, etc.).
- Failure to comply with the regulations applicable to the industry and/or ROVI's activities.

– Tax risk inherent to the activity of companies of the Group's size and complexity.

ROVI monitors and remains permanently alert to any risks that may adversely affect its business activities, applying the appropriate policies and measures to manage them and constantly developing contingency plans that can reduce or offset their impact. Among these, special attention should be drawn to the fact that the Group (i) continues to improve its processes and controls, including those related to the manufacturing processes and those arising from internationalisation; (ii) is working intensively to maintain broad and diversified portfolios of both products and customers; (iii) continues to pursue its goal of constantly opening up new markets as a result of its international expansion project; (iv) is intensifying its efforts to mitigate the risk of cyberattack by raising awareness among its employees and conducting cybersecurity reviews; (v) is continuing with the diversification of its suppliers of raw materials and other packaging materials necessary to manufacture its products; (vi) continues striving to improve its personnel policies; (vii) has started to quantify the risk derived from climate change; and (viii) continues to monitor regulatory compliance, including compliance with the regulations applicable in the different geographical areas where it operates.

12.2 Financial risks

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The main detected and managed risks of the Group are detailed below:

- Market risk

Market risk is divided in:

a) Foreign exchange risk: this risk is low because (i) virtually all the Group's assets and liabilities are in euros; (ii) a majority of the transactions with foreign parties are carried out in euros; and (iii) transactions for a significant amount in currencies other than the euro are hedged with financial instruments that minimise the impact of exchange-rate risk.

b) Price risk: the Group is exposed to price risk for equity securities because of investments held by the Group and classified as equity securities on the consolidated statement of financial position. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. The portfolio is diversified in accordance with the limits set by the Group. The Group does not use derivatives to hedge price risk.

c) Interest rate risk: the Group is subject to interest rate risk in respect of cash flows on non-current financial debt transactions at variable rates. Group policy is to try to keep most of its financial debt in the form of debt with government entities by obtaining reimbursable advances on which there is no interest-rate risk and, in the case of bank debt, to obtain cash flows not only at variable rates, but also at fixed rates, thus keeping the impact of interest-rate risk to a minimum.

d) Raw material price risk: the Group is exposed to changes in the conditions under which raw materials and other packaging materials needed to manufacture its products are supplied. To minimise this risk, the Group mantains a diversified portfolio of suppliers and manages its stock levels efficiently.

- Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, receivables classified as equity securities and trade receivables.

The banks and financial institutions with which the Group works generally have independent ratings. If customers have been independently rated, such ratings are used. If this is not the case, then the Group assesses the risk on the basis of the customer's financial position, historical experience and a series of other factors. In those cases in which there is no doubt as to the customer's financial solvency, the Group elects not to set credit limits.

- Liquidity risk

Management periodically monitors the liquidity estimates of the Group in accordance with the expected cash flows. The Group maintains sufficient cash and marketable securities to meet its liquidity requirements.

13.- Stock market capitalization

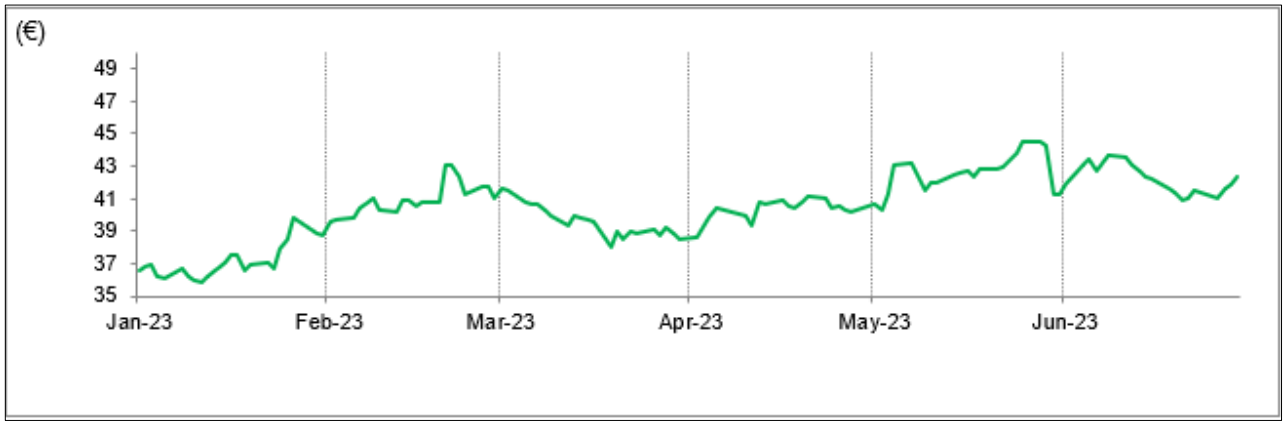
On the December 5th 2007, ROVI carried out an Initial Public Offering (IPO) of shares initially intended for qualified investors in Spain and to qualified institutional investors abroad. The face value of the operation, without including the shares corresponding to the green shoe purchase option, was 17,389,350 shares already issued and in circulation with a

nominal value of 0.06 euros per share, giving a total nominal amount of 1,043,361 euros. The offering price for the operation was 9.60 euros per share.

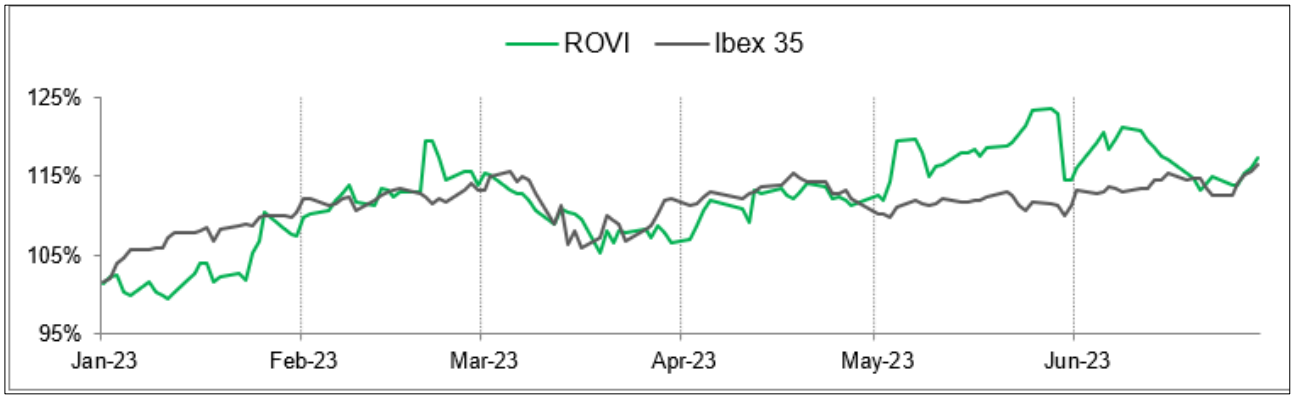
Additionally, in 2018, a capital increase was carried out through the issue of 6,068,965 newly-issued ordinary shares in the Company with a par value of 0.06 euros each, belonging to the same class and series as the existing shares that were already in issue.

In July 2022, Laboratorios Farmacéuticos Rovi, S.A. reduced its capital by cancelling treasury shares (Note 16) as planned in the Buy-back Programmes approved by the Company in 2021 and 2022. The total amount of the capital reduction was 123,168.48 euros (2,052,808 shares with a par value of 0.06 euros each).

The following graph shows the fluctuations of the share price in the stock market in 2023:



The following chart shows the performance of the share price of ROVI compared with the IBEX 35 index in 2023:



14.- Events after balance sheet date

On 26 July, 2023, ROVI announced a new share buy-back programme effective that same day for a maximum number of 2,700,000 company shares, representing approximately 5% of ROVI's share capital.

APPENDIX 1

ALTERNATIVE PERFORMANCE MEASURES

ROVI's financial information contains figures and measures prepared in accordance with the applicable accounting legislation, as well as another series of measures prepared in accordance with established reporting standards, which are known as Alternative Performance Measures (APMs)

These APMs are considered adjusted figures in comparison with those that are reported under International Financial Reporting Standards endorsed by the European Union (IFRS-EU), which is the reporting framework applicable to the consolidated financial statements of the ROVI Group and, therefore, the reader should consider them to supplement the latter, but not replace them.

The APMs are important for the users of the financial information because they are the measures used by ROVI Management to evaluate the financial performance, the cash flows or the financial situation for making the Group's operating or strategic decisions. These APMs are consistent with the principal indicators used by the investor and analyst communities in the financial markets. In this respect, in accordance with the Guide issued by the European Securities and Markets Authority (ESMA), which has been in force since 3 July, 2016 and concerns the transparency of Alternative Performance Measures, ROVI sets out below information on the APMs included in the consolidated management information for the year ended 30 June 2023 that it considers significant:

Total revenue

This APM shows all the Group's revenues.

We calculate Total revenue as revenue plus the recognition of government grants on non-financial non-current assets and other.

Gross profit

Gross profit is an indicator that measures the direct profit that ROVI obtains from carrying out its income-generating activities.

We calculate gross profit as total revenue less change in inventories of finished goods and work in progress and raw materials and consumables used.

Gross margin

This APM is a percentage indicator that measures the profit that ROVI obtains from its revenue.

We calculate gross margin as the percentage that the gross profit represents in the revenue.

EBITDA

EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) is an indicator that measures the group's operating profit before interest, taxes, impairment, depreciation and amortization have been deducted. Management uses it to assess the results over time, allowing a comparison with other companies in the sector.

We calculate EBITDA as profit before taxes, interest, depreciation and amortization.

EBITDA "Pre-R&D"

This APM is used by ROVI to show EBITDA from the on-going business.

We calculate EBITDA "Pre-R&D" as EBITDA excluding Research and Development expenses ("R&D").

EBIT

EBIT (Earnings Before Interest and Taxes) is an indictor that measures the group's operating profit before interest and tax are deducted. Like the preceding indicator, Management uses it to assess the results over time, allowing a comparison with other companies in the sector.

We calculate EBIT as profit before taxes and interest.

EBIT "Pre-R&D"

This APM is used by ROVI to show EBIT from the on-going business.

We calculate EBIT "Pre-R&D" as operating profit for the period excluding Research and Development expenses ("R&D").

Net profit "Pre-R&D"

This APM is used by ROVI to show the profit for the period related to the on-going business.

We calculate Net proft "Pre-R&D" as EBIT "Pre-R&D" plus:

– Finance costs-net; and

– Income tax. Net profit "Pre-R&D" income tax is calculated by applying the same effective tax rate as reported in the income statement of the period.

Net debt/cash

Net Financial Debt or Net Debt is the main indicator used by Management to measure the Group's indebtedness. It is composed of equity securities, plus deposits, plus financial derivatives, plus financial assets at amortised cost, plus cash and cash equivalents, less current and non-current financial debt.

Cost of sales

The Cost of Sales reflects the cost involved in producing or acquiring the products or services that ROVI sells.

The cost of Sales is calculated as the amount of Procurements plus that corresponding to the Change in inventories of finished goods and work in progress and Raw materials and consumables use.

THIS TRANSLATION IS FOR INFORMATION PURPOSES ONLY.

IN THE EVENT OF ANY DISCREPANCY BETWEEN THE SPANISH VERSION AND THE ENGLISH VERSION, THE SPANISH VERSION SHALL PREVAIL.

The condensed consolidated financial statements of Laboratorios Farmacéuticos ROVI, S.A. (the "**Company**") and its subsidiaries for the six-month period ended 30 June 2023, as well as the management interim report of the group of which the Company is the parent company, which precede this document, have been reviewed and issued by the Board of Directors of the Company, at its meeting of 25 July 2023, whose members sign below in accordance with article 100 of the Law 6/2023, of 17 March, on the Securities Markets and Investment Services, as well as article 11.1.b) of Royal Decree 1362/2007 of 19 October, which further develops the Securities Markets Law.

Madrid, 25 July 2023

_____
Mr. Juan López-Belmonte Encina
Chairman and Chief Executive Officer

_____
Mr. Javier López-Belmonte Encina
Vice Chairman 1º

_____
Mr. Iván López-Belmonte Encina
Vice Chairman 2º

_____
Mr. Marcos Peña Pinto
Lead Independent Director

_____
Ms. Fátima Báñez García
Director

_____
Ms. Marina Del Corral Téllez
Director

_____
Ms. Teresa Corzo Santamaría
Director

THIS TRANSLATION IS FOR INFORMATION PURPOSES ONLY.

IN THE EVENT OF ANY DISCREPANCY BETWEEN THE SPANISH VERSION AND THE ENGLISH VERSION, THE SPANISH VERSION SHALL PREVAIL.

STATEMENT OF RESPONSIBILITY

The members of the Board of Directors of Laboratorios Farmacéuticos Rovi, S.A. (the "**Company**"), at its meeting held on 25 July 2023, and in accordance with article 100 of the Law 6/2023, of 17 March, on the Securities Markets and Investment Services, as well as article 11.1.b) of Royal Decree 1362/2007 of 19 October, which further develops the Securities Market Law, state that, to the best of their knowledge, the condensed consolidated annual accounts (or condensed consolidated financial statements) of the Company and its subsidiaries for the six-month period ended 30 June 2023, prepared in accordance with the applicable accounting principles, give an accurate view of the net worth, financial position and results of the Company and its subsidiaries included within the scope of consolidation, taken as a whole, and that the management interim report contains an accurate analysis of the information required.

Madrid, 25 July 2023

_____
Mr. Juan López-Belmonte Encina
Chairman and Chief Executive Officer

_____
Mr. Javier López-Belmonte Encina
Vice Chairman 1º

_____
Mr. Iván López-Belmonte Encina
Vice Chairman 2º

_____
Mr. Marcos Peña Pinto
Lead Independent Director

_____
Ms. Fátima Báñez García
Director

_____
Ms. Marina Del Corral Téllez
Director

_____
Ms. Teresa Corzo Santamaría
Director

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Edison, 4, 28006 Madrid, España
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LABORATORIOS FARMACEUTICOS ROVI, S.A.

APPENDIX I

GENERAL

1st	HALF-YEARLY FINANCIAL REPORT FOR THE REPORTING PERIOD	2023

PERIOD END DATE 30/06/2023

I. IDENTIFICATION DETAILS

Corporate name: LABORATORIOS FARMACEUTICOS ROVI, S.A.

Registered address: C/ Julián Camarillo, 35, 28037 Madrid	**Tax Id No.**
	A-28041283

II. INFORMATION SUPPLEMENTING THE PERIODIC INFORMATION PUBLISHED PREVIOUSLY

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III. STATEMENT(S) OF THOSE RESPONSIBLE FOR THE INFORMATION

To the best of our knowledge, the condensed annual financial statements presented, prepared in accordance with the applicable accounting principles, provide a true and fair view of the equity, financial situation and results of the issuer and/or the companies included in the consolidation considered overall, and the interim management report includes an accurate analysis of the information required.

Observations on the above statement(s):

Person(s) taking responsibility for this information:

Name/Corporate name	NIF	Position
Mr Juan López-Belmonte Encina	33514802-F	Chief Executive Officer
Mr Javier López-Belmonte Encina	02544661-X	First Deputy Chairman
Mr Iván López-Belmonte Encina	33518706-R	Second Deputy Chairman
Mr Marcos Peña Pinto	01362093-X	Coordinator Director
Mrs Maria Teresa Corzo Santamaría	28938146-Y	Member of the board
Mrs Fátima Báñez García	29792081-C	Member of the board
Mrs Marina del Corral Tellez	52573239-T	Member of the board

Date on which this half-yearly report was signed by the pertinent governing body: 25-07-2023

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LABORATORIOS FARMACEUTICOS ROVI, S.A.

IV. SELECTED FINANCIAL INFORMATION

1. INDIVIDUAL STATEMENT OF FINANCIAL POSITION (PREPARED USING NATIONAL ACCOUNTING STANDARDS CURRENTLY IN FORCE)

Units: thousands of euros

ASSETS		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 31/12/2022
A) NON-CURRENT ASSETS	**0040**	159.929	144.541
1. Intangible assets:	**0030**	28.520	30.371
a) Goodwill	**0031**		
b) Other intangible assets	**0032**	28.520	30.371
2. Property, plant and equipment	**0033**	47.023	48.285
3. Investment property	**0034**		
4. Non-current investments in group and associated companies	**0035**	81.631	63.230
5. Non-current financial investments	**0036**	1.436	1.416
6. Deferred tax assets	**0037**	1.319	1.239
7. Other non-current assets	**0038**		
B) CURRENT ASSETS	**0085**	361.159	341.100
1. Non-current assets held for sale	**0050**		
2. Inventories	**0055**	112.012	125.377
3. Trade and other receivables	**0060**	177.923	147.248
a) Trade receivables for sales of goods and services	**0061**	174.092	137.823
b) Other receivables	**0062**	3.831	5.508
c) Current tax assets	**0063**		3.917
4. Current investments in group and associated companies	**0064**	397	1
5. Current financial investments	**0070**		
6. Current accruals and prepayments	**0071**	2.470	1.261
7. Cash and cash equivalents	**0072**	68.357	67.213
TOTAL ASSETS (A+B)	**0100**	521.088	485.641

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IV. SELECTED FINANCIAL INFORMATION

1. INDIVIDUAL FINANCIAL STATEMENTS (PREPARED USING THE NATIONAL ACCOUNTING STANDARDS CURRENTLY IN FORCE)

Units: thousands of euros

LIABILITIES AND EQUITY		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 31/12/2022
A) EQUITY (A.1 + A.2 + A.3)	**0195**	170.381	228.092
A.1) EQUITY	**0180**	168.862	226.386
1. Capital:	**0171**	3.241	3.241
a) Authorized capital	**0161**	3.241	3.241
a) Less: uncalled capital	**0162**		
2. Share premium	**0172**	87.636	87.636
3. Reserves	**0173**	7.032	7.032
4. Less: treasury stock	**0174**	(26.602)	(27.561)
5. Retained earnings	**0178**	85.080	116.922
6. Other shareholder contributions	**0179**		
7. Profit or loss for period	**0175**	12.475	39.116
8. Less: interim dividend	**0176**		
9. Other equity instruments	**0177**		
A.2) ADJUSTMENTS FOR CHANGES IN VALUE	**0188**	(9)	12
1. Available-for-sale financial assets	**0181**		(2)
2. Hedging transactions	**0182**		
3. Other	**0183**	(9)	14
A.3) GRANTS, DONATIONS AND LEGACIES RECEIVED	**0194**	1.528	1.694
B) NON-CURRENT LIABILITIES	**0120**	128.645	131.945
1. Non-current provisions	**0115**		
2. Non-current debt:	**0116**	42.322	45.893
a) Bank borrowings and debentures or other negotiable instruments	**0131**	34.464	37.679
b) Other financial liabilities	**0132**	7.858	8.214
3. Non-current debt with group and associated companies	**0117**	80.000	80.000
4. Deferred tax liabilities	**0118**	4.756	4.507
5. Other non-current liabilities	**0135**		
6. Non-current accruals	**0119**	1.567	1.545
C) CURRENT LIABILITIES	**0130**	222.062	125.604
1. Liabilities associated with non-current assets held for sale	**0121**		
2. Current provisions	**0122**	6.059	5.148
3. Current debt:	**0123**	7.946	8.180
a) Bank borrowings and debentures or other negotiable instruments	**0133**	6.429	6.428
b) Other financial liabilities	**0134**	1.517	1.752
4. Current debt with group and associated companies	**0129**	2.806	385
5. Trade and other payables:	**0124**	204.946	111.597
a) Trade payables	**0125**	125.115	102.707
b) Other payables	**0126**	77.416	8.890
c) Current tax liabilities	**0127**	2.415	
6. Other current liabilities	**0136**		
7. Current accruals	**0128**	305	294
TOTAL EQUITY AND LIABILITIES (A + B + C)	**0200**	521.088	485.641

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IV. SELECTED FINANCIAL INFORMATION

2. INDIVIDUAL INCOME STATEMENT (PREPARED USING THE NATIONAL ACCOUNTING STANDARDS CURRENTLY IN FORCE)

Units: thousands of euros

		CURRENT PERIOD (2nd HALF)	PREVIOUS PERIOD (2nd HALF)	ACCUMULATED PERIOD 30/06/2023	ACCUMULATED PREVIOUS PERIOD 30/06/2022
(+) Net revenue	0205			315.781	317.549
(+/-) Change in inventories of finished products and work in progress	0206			(569)	(2.546)
(+) Work performed by the company on its assets	0207				
(-) Supplies	0208			(243.546)	(231.787)
(+) Other operating income	0209			4.228	3.888
(-) Employee benefit expenses	0217			(22.818)	(22.128)
(-) Other operating expenses	0210			(35.677)	(33.266)
(-) Amortization and depreciation charges	0211			(5.363)	(5.388)
(+) Allocation of grants for non-financial assets and other	0212			9	424
(+) Excess provisions	0213				
(+/-) Impairment and gains/(losses) on disposal of intangible assets and property, plant & equipment	0214			(5)	17
(+/-) Other gains/(losses)	0215				
= OPERATING PROFIT/(LOSS)	0245			12.040	26.763
(+) Finance income	0250			801	270
(-) Finance expenses	0251			(941)	(309)
(+/-) Change in fair value of financial instruments	0252			75	1.289
(+/-) Exchange rate differences	0254			100	(7)
(+/-) Impairment and gains/(losses) on disposal of financial instruments	0255			-	(43)
= FINANCE PROFIT/(LOSS)	0256			35	1.200
= PROFIT/(LOSS) BEFORE TAX	0265			12.075	27.963
(+/-) Corporate income tax	0270			400	(4.724)
= PROFIT/(LOSS) FOR PERIOD ON CONTINUING OPERATIONS	0280			12.475	23.239
(+/-) Profit/(loss) for perid on discontinued operations, net of tax	0285				
= PROFIT/(LOSS) FOR PERIOD	0300			12.475	23.239

EARNINGS PER SHARE		Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)	Amount (X.XX euros)
Basic	0290			0,23	0,43
Diluted	0295				

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LABORATORIOS FARMACEUTICOS ROVI, S.A.

IV. SELECTED FINANCIAL INFORMATION

3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

INDIVIDUAL STATEMENT OF RECOGNIZED INCOME AND EXPENSES (PREPARED USING THE NATIONAL ACCOUNTING STANDARDS CURRENTLY IN FORCE)

Units: thousands of euros

		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 30/06/2022
A) PROFIT/(LOSS) FOR PERIOD (from Income Statement)	**0305**	12.475	23.239
B) INCOME OR EXPENSES CREDITED OR CHARGED DIRECTLY TO EQUITY:	**0310**	(163)	511
1. Measurement of financial instruments	**0320**	-	-
a) Available-for-sale financial assets	**0321**		-
b) Other income /(expenses)	**0323**		
2. Cash flow hedges	**0330**		
3. Grants, donations and legacies received	**0340**	(185)	681
4. Actuarial gains and losses and other adjustments	**0344**		
5. Other income or expenses credited or charged directly to equity	**0343**	(24)	
6. Tax effect	**0345**	46	(170)
C) TRANSFERS TO PROFIT AND LOSS:	**0350**	(24)	(690)
1. Measurement of financial instruments	**0355**	3	
a) Available-for-sale financial assets	**0356**	3	
b) Other income /(expenses)	**0358**		
2. Cash flow hedges	**0360**		
3. Grants, donations and legacies received	**0366**	(35)	(920)
4. Other income or expenses credited or charged directly to equity	**0365**		
5. Tax effect	**0370**	8	230
TOTAL RECOGNIZED INCOME/(EXPENSES) (A+B+C)	**0400**	12.288	23.060

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LABORATORIOS FARMACEUTICOS ROVI, S.A.

IV. SELECTED FINANCIAL INFORMATION

4. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY (1/2)

INDIVIDUAL STATEMENT OF CHANGES IN TOTAL EQUITY (PREPARED USING THE NATIONAL ACCOUNTING STANDARDS CURRENTLY IN FORCE)

Units: thousands of euros

CURRENT PERIOD		Equity					Adjust-ments for changes in value	Grants, donations and legacies received	Total equity
		Share capital	Share premium and reserves	Treasury stock	Profit/ (loss) for the period	Other equity instru-ments			
Opening balance at 01/01/2023	**3010**	3.241	211.590	(27.561)	39.116		12	1.694	228.092
Adjustments for changes in accounting policies	**3011**								
Adjustments for errors	**3012**								
Adjusted opening balance	**3015**	3.241	211.590	(27.561)	39.116		12	1.694	228.092
I. Total recognized income/(expenses)	**3020**				12.475		(21)	(166)	12.288
II. Transactions with shareholders or owners	**3025**		(1.072)	959	(69.886)				(69.999)
1. Capital increases/(reductions)	**3026**								
2. Conversion of financial liabilities to equity	**3027**								
3. Distribution of dividends	**3028**				(69.886)				(69.886)
4. Treasury stock transactions (net)	**3029**		(1.072)	959					(113)
5.Increases/(reductions) due to business combinations	**3030**								
6. Other transactions with shareholders or owners	**3032**								
III. Other equity transactions	**3035**		(30.770)		30.770				-
1. Payments based on equity instruments	**3036**								
2. Transfers between equity items	**3037**		(30.770)		30.770				
3. Other changes	**3038**		-						-
Closing balance at 30/06/2023	**3040**	3.241	179.748	(26.602)	12.475		(9)	1.528	170.381

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LABORATORIOS FARMACEUTICOS ROVI, S.A.

IV. SELECTED FINANCIAL INFORMATION

4. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY (2/2)

INDIVIDUAL STATEMENT OF CHANGES IN TOTAL EQUITY (PREPARED USING THE NATIONAL ACCOUNTING STANDARDS CURRENTLY IN FORCE)

Units: thousands of euros

PREVIOUS PERIOD		Equity					Adjustments for changes in value	Grants, donations and legacies received	Total equity
		Share capital	Share premium and reserves (1)	Treasury stock	Profit/ (loss) for the period	Other equity instruments			
Opening balance at 01/01/2022	**3050**	3.364	335.136	(66.121)	65.143		(2)	2.111	339.631
Adjustments for changes in accounting policies	**3051**								
Adjustments for errors	**3052**								
Adjusted opening balance	**3055**	3.364	335.136	(66.121)	65.143		(2)	2.111	339.631
I. Total recognized income/(expenses)	**3060**				23.239		-	(179)	23.060
II. Transactions with shareholders or owners	**3065**		18	(98.999)	(53.580)				(152.561)
1. Capital increases/(reductions)	**3066**								
2. Conversion of financial liabilities to equity	**3067**								
3. Distribution of dividends	**3068**				(53.580)				(53.580)
4. Treasury stock transactions (net)	**3069**		18	(98.999)					(98.981)
5.Increases/(reductions) due to business combinations	**3070**								
6. Other transactions with shareholders or owners	**3072**								
III. Other equity transactions	**3075**		11.555		(11.563)				(8)
1. Payments based on equity instruments	**3076**								
2. Transfers between equity items	**3077**		11.563		(11.563)				
3. Other changes	**3078**		(8)						
Closing balance at 30/06/2022	**3080**	3.364	346.709	(165.120)	23.239		(2)	1.932	210.122

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IV. SELECTED FINANCIAL INFORMATION

5. INDIVIDUAL STATEMENT OF CASH FLOWS (PREPARED USING NATIONAL ACCOUNTING STANDARDS CURRENTLY IN FORCE)

Units: thousands of euros

		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 30/06/2022
A) CASH FLOWS FROM OPERATING ACTIVITIES (1+2+3+4)	**0435**	23.346	162.214
1.Profit/(loss) before tax	**0405**	12.075	27.963
2. Adjustments to profit/(loss)	**0410**	7.797	2.388
(+) Amortization and depreciation of intangible assets and property, plant and equip	**0411**	5.363	5.388
(+/-) Other adjustments to profit/(loss) (net)	**0412**	2.434	(3.000)
3. Changes in working capital	**0415**	14.519	145.009
4. Other cash flows from operating activities:	**0420**	(11.045)	(13.146)
(-) Payment of interest	**0421**		
(+) Proceeds from dividends	**0422**		
(+) Proceeds from interest	**0423**		
(+/-) Proceeds from/(payments for) corporate income tax	**0430**	(11.230)	(13.461)
(+/-) Other proceeds from/(payments for) operating activities	**0425**	185	315
B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2)	**0460**	(1.624)	(1.768)
1. Payments of investments:	**0440**	(2.434)	(2.061)
(-) Group companies, associates and business units	**0441**	(179)	(153)
(-) Property, plant and equipment, intangible assets and investment property	**0442**	(2.255)	(1.908)
(-) Other financial assets	**0443**		
(-) Non current assets and liabilities classified as held for sale	**0449**		
(-) Other assets	**0444**		
2. Proceeds from disinvestments	**0450**	810	293
(+) Group companies, associates and business units	**0451**		
(+) Property, plant and equipment, intangible assets and investment property	**0452**	5	
(+) Other financial assets	**0453**	4	30
(+) Non current assets and liabilities classified as held for sale	**0461**		
(+) Other assets	**0454**	801	263
C) CASH FLOWS FROM FINANCING ACTIVITIES (1+2+3)	**0490**	(20.578)	(105.955)
1. Proceeds from and (payments for) equity instruments:	**0470**	(113)	(98.981)
(+) Issue	**0471**		
(-) Amortization	**0472**		
(-) Acquisition	**0473**	(48.739)	(127.070)
(+) Disposal	**0474**	48.626	28.089
(+) Grants, donations and legacies received	**0475**		
2. Proceeds from and (payments for) financial liability instruments:	**0480**	(20.465)	(6.974)
(+) Issue	**0481**	663	1.263
(-) Repayment and amortization	**0482**	(21.128)	(8.237)
3. Payment of dividends and remuneration of other equity instruments	**0485**		
D) EFFECT OF EXCHANGE RATE CHANGES	**0492**		
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D	**0495**	1.144	54.491
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**0499**	67.213	37.964
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD (E+F)	**0500**	68.357	92.455

COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF PERIOD		**CURRENT PERIOD 30/06/2023**	**PREVIOUS PERIOD 30/06/2022**
(+) Cash in hand and at bank	**0550**	68.357	92.455
(+) Other financial assets	**0552**		
(-) Less: bank overdrafts repayable on demand	**0553**		
TOTAL CASH AND CASH EQUIVALENTS AT END OF PERIOD	**0600**	68.357	92.455

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LABORATORIOS FARMACEUTICOS ROVI, S.A.

IV. SELECTED FINANCIAL INFORMATION

6. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNDER IFRS ADOPTED) (1/2)

Units: thousands of euros

ASSETS		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 31/12/2022
A) NON-CURRENT ASSETS	**1040**	261.867	255.630
1. Intangible assets:	**1030**	34.249	35.744
a) Goodwill	**1031**		
b) Other intangible assets	**1032**	34.249	35.744
2. Property, plant and equipment	**1033**	223.785	215.541
3. Investment property	**1034**		
4. Investments accounted for using the equity method	**1035**	2.180	2.193
5. Non-current financial assets	**1036**	24	9
a) At fair value with changes in net income	**1047**		
Of which "Designated upon initial recognition"	**1041**		
b) At fair value with changes in other comprehensive income	**1042**		9
Of which "Designated upon initial recognition"	**1043**		9
c) At amortised cost	**1044**	24	
6. Non-current derivatives	**1039**		
a) Hedging derivatives	**1045**		
b) Other	**1046**		
7. Deferred tax assets	**1037**	1.564	2.078
8. Other non-current assets	**1038**	65	65
B) CURRENT ASSETS	**1085**	637.965	623.073
1. Non-current assets held for sale	**1050**		
2. Inventories	**1055**	351.400	311.944
3. Trade and other receivables	**1060**	126.379	184.159
a) Trade receivables for sale of goods and services	**1061**	109.796	160.226
b) Other receivables	**1062**	16.583	19.785
c) Current tax assets	**1063**	-	4.148
4. Current financial assets	**1070**	1.606	
a) At fair value with changes in net income	**1080**		
Of which "Designated upon initial recognition"	**1081**		
b) At fair value with changes in other comprehensive income	**1082**		
Of which "Designated upon initial recognition"	**1083**		
c) At amortised cost	**1084**	1.606	
5.Current derivatives	**1076**	-	
a) Hedging derivatives	**1077**		
b) Other	**1078**	-	
6. Other current assets	**1075**	4.768	2.025
7. Cash and cash equivalents	**1072**	153.812	124.945
TOTAL ASSETS (A+B)	**1100**	899.832	878.703

CNMV
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LABORATORIOS FARMACEUTICOS ROVI, S.A.

IV. SELECTED FINANCIAL INFORMATION

6. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNDER IFRS ADOPTED) (2/2)

Units: thousands of euros

LIABILITIES AND EQUITY		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 31/12/2022
A) EQUITY (A.1 + A.2 + A.3)	**1195**	519.785	521.379
A.1) EQUITY	**1180**	516.667	520.020
1. Capital:	**1171**	3.241	3.241
a) Authorized capital	**1161**	3.241	3.241
a) Less: uncalled capital	**1162**		
2. Share premium	**1172**	87.636	87.636
3. Reserves	**1173**	673	673
4. Less treasury stock	**1174**	(26.602)	(27.561)
5. Retained earnings	**1178**	385.073	256.362
6. Other shareholder contributions	**1179**		
7. Profit or loss for period	**1175**	66.646	199.669
8. Less: interim dividend	**1176**		
9. Other equity instruments	**1177**		
A.2) ACCUMULATED OTHER COMPREHENSIVE INCOME	**1188**	(24)	(8)
1. Items not reclassified to profit and loss for the period	**1186**		
a) Equity instruments with changes in other comprehensive income	**1185**		
b) Other	**1190**		
2. Items that may be reclassified to profit and loss for the period	**1187**	(24)	(8)
a) Hedging transactions	**1182**		
b) Hedging differences	**1184**	(24)	(2)
c) Participation in other comprehensive income from investments in J.V. and other	**1192**		
d) Debt instruments at fair value with changes in other comprehensive income	**1191**		
e) Other	**1183**		(6)
EQUITY ATTRIBUTED TO PARENT COMPANY(A.1 + A.2)	**1189**	516.643	520.012
A.3) NON-CONTROLLING INTERESTS	**1193**	3.142	1.367
B) NON-CURRENT ASSETS	**1120**	58.453	63.437
1. Grants	**1117**		
2. Non-current provisions	**1115**		
3. Non-current financial liabilities:	**1116**	54.540	59.441
a) Bank borrowings and debentures or other negotiable securities	**1131**	34.464	37.679
b) Other financial liabilities	**1132**	20.076	21.762
4. Deferred tax liabilities	**1118**	784	677
5. Non-current derivatives	**1140**		
a) Hedging derivatives	**1141**		
b) Other	**1142**		
6. Other non-current liabilities	**1135**	3.129	3.319
C) CURRENT LIABILITIES	**1130**	321.594	293.887
1. Liabilities related to current assets held for sale	**1121**		
2. Current provisions	**1122**		
3. Current financial liabilities:	**1123**	11.960	12.697
a) Bank borrowings and debentures or other negotiable securities	**1133**	6.428	6.428
b) Other financial liabilities	**1134**	5.532	6.269
4. Trade and other payables:	**1124**	216.838	165.776
a) Trade payables	**1125**	107.934	128.484
b) Other payables	**1126**	105.993	37.292
c) Current tax liabilities	**1127**	2.911	-
5. Current derivatives	**1145**	-	28
a) Hedging derivatives	**1146**	-	
b) Other	**1147**		28
6. Other current liabilities	**1136**	92.796	115.386
TOTAL EQUITY AND LIABILITIES (A + B + C)	**1200**	899.832	878.703

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IV. SELECTED FINANCIAL INFORMATION

7. CONSOLIDATED INCOME STATEMENT (UNDER IFRS ADOPTED)

Units: thousands of euros

		CURRENT PERIOD (2nd HALF)	PREVIOUS PERIOD (2nd HALF)	ACCUMULATED PERIOD 30/06/2023	ACCUMULATED PREVIOUS PERIOD 30/06/2022
(+) Net revenue	1205			380.845	380.399
(+/-) Change in inventories of finished products and work in progress	1206			19.171	32.765
(+) Work performed by the company on its assets	1207			1.960	
(-) Supplies	1208			(184.514)	(186.851)
(+) Other operating income	1209				
(-) Employee benefit expenses	1217			(59.096)	(51.464)
(-) Other operating expenses	1210			(61.466)	(60.100)
(-) Amortization and depreciation charges	1211			(11.865)	(11.310)
(+) Allocation of grants for non-financial assets and other	1212			172	921
(+/-) Impairment of intangible assets and property, plant & equipment	1214				
(+/-) Gains/(losses) on disposal of intangible assets and property, plant & equipment	1216				
(+/-) Other gains/(losses)	1215				
= OPERATING PROFIT/(LOSS)	1245			85.207	104.360
(+) Finance income	1250			766	4
a) Interest income calculated according to the effective interest rate	1262			766	4
b) Other	1263				
(-) Finance expenses	1251			(366)	(429)
(+/-) Change in fair value of financial instruments	1252			72	1.249
(+/-) Gains/(losses) derived from the reclassification of financial assets at amortized cost to financial assets at fair value	1258				
(+/-) Gains/(losses) derived from the reclassification of financial assets at fair value with changes in other comprehensive income to financial assets at fair value	1259				
(+/-) Exchange rate differences	1254			166	37
instruments	1255				
(+/-) Gains/(losses) on disposal of financial instruments	1255				
a) Financial instruments at amortised cost	1257				
b) Other	1260				
= FINANCE PROFIT/(LOSS)	1256			638	861
(+/-) Profit/(loss) of entities measured using the equity method	1253			(13)	107
= PROFIT/(LOSS) BEFORE TAX	1265			85.832	105.328
(+/-) Corporate income tax	1270			(19.188)	(24.752)
= PROFIT/(LOSS) FOR PERIOD FROM CONTINUING OPERATIONS	1280			66.644	80.576
(+/-)Profit/(loss) for period from discontinued operations, net of taxes	1285				
= CONSOLIDATED PROFIT/(LOSS) FOR PERIOD	1288			66.644	80.576
a) Profit/(loss) attributed to parent company	1300			66.646	80.620
b) Profit/(loss) attributed to non-controlling interests	1289			(2)	(44)

EARNINGS PER SHARE		AMOUNT (X.XX euros)	AMOUNT (X.XX euros)	AMOUNT (X.XX euros)	AMOUNT (X.XX euros)
Basic	1290			1,25	1,50
Diluted	1295				

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IV. SELECTED FINANCIAL INFORMATION

8. CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES (UNDER IFRS ADOPTED)

Units: thousands of euros

		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 30/06/2022
A) PROFIT/(LOSS) FOR PERIOD (from Income Statement)	**1305**	66.644	80.576
B) OTHER COMPREHENSIVE INCOME - ITEMS NOT RECLASSIFIED TO PROFIT AND LOSS FOR THE PERIOD	**1310**		
1. Remeasurement (reversal of remeasurement) of property, plant and equipment and intangible assets	**1311**		
2. Actuarial gains and losses	**1344**		
3. Share in other recognized comprehensive income from investments in joint ventures and associates	**1342**		
4. Other income and expenses not reclassified to profit and loss for the period	**1343**		
5. Tax effect	**1345**		
C) OTHER COMPREHENSIVE INCOME - ITEMS THAT MAY SUBSEQUENTLY BE RECLASSFIED TO PROFIT AND LOSS FOR THE PERIOD:	**1350**	(16)	(4)
1. Available-for-sale financial assets:	**1355**		
a) Gains/(losses) on remeasurement	**1356**		
b) Amounts transferred to profit and loss	**1357**		
c) Other reclassifications	**1358**		
2. Cash-flow hedges:	**1360**		
a) Gains/(losses) on remeasurement	**1361**		
b) Amounts transferred to profit and loss	**1362**		
c) Amounts transferred at initial value of hedged items	**1363**		
d) Other reclassifications	**1364**		
3. Conversion differences:	**1365**	-21	
a) Gains/(losses) on remeasurement	**1366**	-21	
b) Amounts transferred to profit and loss	**1367**		
c) Other reclassifications	**1368**		
4. Share in other recognized comprehensive income from investments in joint ventures and associates	**1370**		
a) Gains/(losses) from measurement	**1371**		
b) Amounts transferred to profit and loss	**1372**		
c) Other reclassifications	**1373**		
5. Other comprehensive income and expenses that may subsequently be reclassified to profit and loss for the period:	**1375**	7	(4)
a) Gains/(losses) on remeasurement	**1376**	7	(4)
b) Amounts transferred to profit and loss	**1377**		
c) Other reclassifications	**1978**		
6. Tax effect	**1380**	-2	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B+C)	**1400**	66.628	80.572
a) Attributed to parent company	**1398**	66.630	80.616
b) Attributed to non-controlling interests	**1399**	-2	(44)

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LABORATORIOS FARMACEUTICOS ROVI, S.A.

IV. SELECTED FINANCIAL INFORMATION

9. CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY (UNDER IFRS ADOPTED) (1/2)

Units: thousands of euros

CURRENT PERIOD		Equity attributed to parent company							
		Equity					Adjust-ments for changes in value	Non-controlling interests	Total equity
		Share capital	Share premium and reserves	Treasury stock	Profit/ (loss) for the per. attributed to parent company	Other equity instru-ments			
Opening balance at 01/01/2023	**3110**	3.241	344.671	(27.561)	199.669		(8)	1.367	521.379
Adjustments for changes in accounting policies	**3111**								
Adjustments for errors	**3112**								
Adjusted opening balance	**3115**	3.241	344.671	(27.561)	199.669		(8)	1.367	521.379
I. Total recognized income/(expenses)	**3120**				66.646		(16)	(2)	66.628
II. Transactions with shareholders or owners	**3125**		(1.072)	959	(69.886)			1.777	(68.222)
1. Capital increases/(reductions)	**3126**								
2. Conversion of financial liabilities to equity	**3127**								
3. Distribution of dividends	**3128**				(69.886)				(69.886)
4. Treasury stock transactions (net)	**3129**		(1.072)	959					(113)
5.Increases/(reductions) due to business combinations	**3130**								-
6. Other transactions with shareholders or owners	**3132**							1.777	1.777
III. Other equity transactions	**3135**		129.783		(129.783)			-	-
1. Payments based on equity instruments	**3136**								
2. Transfers between equity items	**3137**		129.783		(129.783)				
3. Other changes	**3138**		-						-
Closing balance at 30/06/2023	**3140**	3.241	473.382	(26.602)	66.646		(24)	3.142	519.785

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IV. SELECTED FINANCIAL INFORMATION

9. CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY (UNDER IFRS ADOPTED) (2/2)

Units: thousands of euros

PREVIOUS PERIOD		Equity attributed to parent company						Non-controlling interests	Total equity
		Equity					Adjustments for changes in value		
		Share capital	Share premium and reserves	Treasury stock	Profit/ (loss) for the per. attributed to parent company	Other equity instruments			
Opening balance at 01/01/2022	**3150**	3.364	380.658	(66.121)	153.077		(2)		470.976
Adjustments for changes in accounting policies	**3151**								
Adjustments for errors	**3152**								
Adjusted opening balance	**3155**	3.364	380.658	(66.121)	153.077		(2)		470.976
I. Total recognized income/(expenses)	**3160**				80.620		(4)	(44)	80.572
II. Transactions with shareholders or owners	**3165**		18	(98.999)	(53.580)			1.372	(151.189)
1. Capital increases/(reductions)	**3166**								
2. Conversion of financial liabilities to equity	**3167**								
3. Distribution of dividends	**3168**				(53.580)				(53.580)
4. Treasury stock transactions (net)	**3169**		18	(98.999)					(98.981)
5.Increases/(reductions) due to business combinations	**3170**								-
6. Other transactions with shareholders or owners	**3172**							1.372	1.372
III. Other equity transactions	**3175**		99.488		(99.497)			-	(9)
1. Payments based on equity instruments	**3176**								
2. Transfers between equity items	**3177**		99.497		(99.497)				
3. Other changes	**3178**		(9)						(9)
Closing balance at 30/06/2022	**3180**	3.364	480.164	(165.120)	80.620		(6)	1.328	400.350

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IV. SELECTED FINANCIAL INFORMATION

10. CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD) (UNDER IFRS ADOPTED)

Units: thousands of euros

LIABILITIES AND EQUITY		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 30/06/2022
A) CASH FLOWS FROM OPERATING ACTIVITIES (1+ 2+ 3 +4)	**1435**	52.539	169.438
1.Profit/(loss) before tax	**1405**	85.832	105.328
2. Adjustments to profit/(loss)	**1410**	11.496	10.296
(+) Amortization and depreciation of intangible assets and property, plant and equipment	**1411**	11.865	11.310
(+/-) Other adjustments to profit/(loss) (net)	**1412**	(369)	(1.014)
3. Changes in working capital	**1415**	(10.197)	(7.188)
4. Other cash flows from operating activities:	**1420**	(34.592)	61.002
(-) Payment of interest	**1421**	-	-
(-) Payment of dividends and remuneration of other equity instruments	**1430**		
(+) Proceeds from dividends	**1422**		
(+) Proceeds from interest	**1423**		
(+/-) Proceeds from/(payments of) corporate income tax	**1424**	(11.507)	(13.462)
(+/-) Other proceeds from/(payments for) operating activities	**1425**	(23.085)	74.464
B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2+3)	**1460**	(17.385)	(9.872)
1. Payments of investments:	**1440**	(18.171)	(9.896)
(-) Group companies, associates and business units	**1441**		
(-) Property, plant and equipment, intangible assets and investment property	**1442**	(18.171)	(9.896)
(-) Other financial assets	**1443**		
(-) Non current assets and liabilities classified as held for sale	**1459**		
(-) Other assets	**1444**		
2. Proceeds from disinvestments	**1450**	20	20
(+) Group companies, associates and business units	**1451**		
(+) Property, plant and equipment, intangible assets and investment property	**1452**	10	-
(+) Other financial assets	**1453**	10	20
(+) Non current assets and liabilities classified as held for sale	**1461**		
(+) Other assets	**1454**		
3. Other cash flows from investing activities	**1455**	766	4
(+) Proceeds from dividends	**1456**		
(+) Proceeds from interest	**1457**	766	4
(+/-) Other proceeds from/(payments for) investing activities	**1458**		
C) CASH FLOWS FROM FINANCING ACTIVITIES (1+2+3+4)	**1490**	(6.287)	(100.974)
1. Proceeds from and (payments of) equity instruments:	**1470**	(113)	(98.981)
(+) Issue	**1471**		
(-) Amortization	**1472**		
(-) Acquisition	**1473**	(48.739)	(127.070)
(+) Disposal	**1474**	48.626	28.089
2. Proceeds from/ (payments for) financial liability instruments:	**1480**	(6.159)	(1.997)
(+) Issue	**1481**	663	1.263
(-) Repayment and amortization	**1482**	(6.822)	(3.260)
3. Payment of dividends and remuneration of other equity instruments	**1485**		
4. Other cash flows from financing activities	**1486**	(15)	4
(-) Payment of interest	**1487**	(186)	(143)
(+/-) Other proceeds from /(payments for) financing activities	**1488**	171	147
D) EFFECT OF CHANGES IN EXCHANGE RATES	**1492**		
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**1495**	28.867	58.592
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**1499**	124.945	99.035
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD (E+F)	**1500**	153.812	157.627

COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF PERIOD		CURRENT PERIOD 30/06/2023	PREVIOUS PERIOD 30/06/2022
(+) Cash in hand and at bank	**1550**	153.812	157.627
(+) Other financial assets	**1552**		
(-) Less: bank overdrafts repayable on demand	**1553**		
TOTAL CASH AND CASH EQUIVALENTS AT END OF PERIOD	**1600**	153.812	157.627

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IV. SELECTED FINANCIAL INFORMATION

12. DIVIDENDS PAID

		CURRENT PERIOD			PREVIOUS PERIOD		
		% of nominal value	Euros per share (X.XX)	% of nominal value	% of nominal value	Euros per share (X.XX)	Amount (thousand euros)
Ordinary shares	2158						
Other shares (non-voting, redeemable, etc.)	2159						
Total dividends paid	2160						
a) Dividends charged to profit and loss	2155						
a) Dividends charged to reserves or share premium	2156						
c) Dividends in kind	2157						

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IV. SELECTED FINANCIAL INFORMATION

14. SEGMENT REPORTING

Units: thousands of euros

Table 1:

GEOGRAPHICAL AREA		Distribution of net revenue by geographical area			
		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Domestic market	2210	240.245	222.291	140.022	132.014
Exports:	2215	75.536	95.258	240.823	248.385
a) European Union	2216	40.790	49.813	70.117	73.109
a.1) Euro zone	2217	39.944	49.858	69.139	72.939
a.2) No Euro zone	2218	846	(45)	978	170
b) Other countries	2219	34.746	45.445	170.706	175.276
TOTAL	2220	315.781	317.549	380.845	380.399

Table 2:

SEGMENTS		CONSOLIDATED			
		Net revenue		Profit / (loss)	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Manufacturing	2221	289.508	291.710	63.491	75.524
Marketing	2222	312.447	217.989	2.229	7.365
Other	2223			(10)	(91)
	2224				
	2225				
	2226				
	2227				
	2228				
	2229				
(-) Adjustments and elimination of ordinary revenue between segments	2230	(221.110)	(129.300)	934	(2.222)
TOTAL	2235	380.845	380.399	66.644	80.576

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IV. SELECTED FINANCIAL INFORMATION

15. AVERAGE NUMBER OF EMPLOYEES

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
AVERAGE NUMBER OF EMPLOYEES	**2295**	676	657	2.037	1.852
Men	**2296**	286	289	946	871
Women	**2297**	390	368	1.091	981

IV. SELECTED FINANCIAL INFORMATION

16. COMPENSATION RECEIVED BY DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS:

Item of compensation:		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Remuneration for membership of Board or Board committees	**2310**	330	290
Salaries	**2311**	617	604
Variable cash remuneration	**2312**	428	431
Share-based remuneration systems	**2313**		
Indemnities	**2314**		
Long-term savings systems	**2315**	3	3
Other	**2316**		
TOTAL	**2320**	1.378	1.328

SENIOR MANAGEMENT:		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Total compensation received by senior management	**2325**	956	926

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IV. SELECTED FINANCIAL INFORMATION

17. RELATED-PARTY TRANSACTIONS (1/2)

Units: thousands of euros

RELATED-PARTY TRANSACTIONS		CURRENT PERIOD				
EXPENSES AND INCOME		**Significant share-holders**	**Directors and senior manage-ment**	**Persons, companies or entities belonging to the group**	**Other related parties**	**Total**
1) Finance expenses	**2340**					
2) Rentals	**2343**		12		1.323	1.335
3) Services received	**2344**					
4) Purchases of goods (finished or in progress)	**2345**					
5) Other expenses	**2348**					
EXPENSES (1+2+3+4+5)	**2350**		12		1.323	1.335
6) Finance income	**2351**					
7) Dividends received	**2354**					
8) Services provided	**2356**					
9) Sale of goods	**2357**					
10) Other income	**2359**					
INCOME (6+7+8+9+10)	**2360**					

		CURRENT PERIOD				
OTHER TRANSACTIONS		**Significant share-holders**	**Directors and senior manage-ment**	**Persons, companies or entities belonging to the group**	**Other related parties**	**Total**
Financing agreements: loans & capital contributions (lender)	**2372**					
Financing agreements: loans & capital contributions (borrower)	**2375**					
Guarantees and guarantee deposits furnished	**2381**					
Guarantees and guarantee deposits received	**2382**					
Commitments acquired	**2383**					
Dividends and other profits distributed	**2386**					
Other transactions	**2385**					

		CURRENT PERIOD				
OTHER TRANSACTIONS		**Significant share-holders**	**Directors and senior manage-ment**	**Persons, companies or entities belonging to the group**	**Other related parties**	**Total**
1) Trade and other receivables	**2341**					
2) Loans and credits granted	**2342**					
3) other collection rights	**2346**					
TOTAL DEBIT BALANCES (1+2+3)	**2347**					
4) Trade and other payables	**2352**				46	46
5) Loans and credits received	**2353**					
6) Other payment obligations	**2355**		1.660			1.660
TOTAL CREDIT BALANCES (4+5+6)	**2358**		1.660		46	1.706

Dirección General de Mercados
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IV. SELECTED FINANCIAL INFORMATION

17. RELATED-PARTY TRANSACTIONS (2/2)

Units: thousands of euros

RELATED-PARTY TRANSACTIONS EXPENSES AND INCOME		PREVIOUS PERIOD				
		Significant share-holders	Directors and senior manage-ment	Persons, companies or entities belonging to the group	Other related parties	Total
1) Finance expenses	6340					
2) Rentals	6343		12		1.018	1.030
3) Services received	6344					
4) Purchases of goods (finished or in progress)	6345					
5) Other expenses	6348					
EXPENSES (1+2+3+4+5)	6350		12		1.018	1.030
6) Finance income	6351					
7) Dividends received	6354					
8) Services provided	6356					
9) Sale of goods	6357					
10) Other income	6359					
INCOME (6+7+8+9+10)	6360					

OTHER TRANSACTIONS		PREVIOUS PERIOD				
		Significant share-holders	Directors and senior manage-ment	Persons, companies or entities belonging to the group	Other related parties	Total
Financing agreements: loans & capital contributions (lender)	6372					
Financing agreements: loans & capital contributions (borrower)	6375					
Guarantees and guarantee deposits received	6382					
Commitments acquired	6383					
Dividends and other profits distributed	6386					
Other transactions	6385		20			20

OTHER TRANSACTIONS		PREVIOUS PERIOD				
		Significant share-holders	Directors and senior manage-ment	Persons, companies or entities belonging to the group	Other related parties	Total
1) Trade and other receivables	6341					
2) Loans and credits granted	6342			1		1
3) other collection rights	6346					
TOTAL DEBIT BALANCES (1+2+3)	6347			1		1
4) Trade and other payables	6352				356	356
5) Loans and credits received	6353					
6) Other payment obligations	6355		1.342			1.342
TOTAL CREDIT BALANCES (4+5+6)	6358		1.342		356	1.698

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LABORATORIOS FARMACEUTICOS ROVI, S.A.

V. SEMESTER FINANCIAL INFORMATION

Content of the sections		Individual	Consolidaded
Explanatory Notes	2376	-	-
Condensed consolidated interim financial statements	2377	-	X
Completed consolidated interim financial statements	2378	-	-
Interim management report	2379	-	X
Auditor´s report	2380	-	X

Dirección General de Mercados
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VII. AUDIT REPORT