FINANCIAL RESULTS
for the first quarter of
2023

10/05/2023

Laboratorios Farmacéuticos Rovi, S.A. and Subsidiaries - Investor Relations

KEY FIGURES

Summary

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
Operating revenue(1)	201.6	205.6	(4.0)	-2%
Gross profit(2)	125.3	125.3	0.1	0%
EBITDA(3)	66.5	74.3	(7.7)	-10%
EBIT(4)	60.7	68.7	(8.0)	-12%
Net profit(5)	47.5	53.0	(5.6)	-11%
Purchases of property, plant and equipment and intangible assets ("Capex")	4.9	2.1	2.8	133%
FCF(6)	19.7	102.0	-82.3	-81%
Gross profit as % of revenue	62.2%	60.9%		1.2 p.p
EBITDA as % of revenue	33.0%	36.1%		-3.1 p.p
EBIT as % of revenue	30.1%	33.4%		-3.3 p.p
Net profit as % of revenue	23.5%	25.8%		-2.3 p.p
Capex as % of revenue	2.4%	1.0%		1.4 p.p
FCF as % of revenue	9.8%	49.6%		-39.9 p.p

	As of March 31, 2023	As of Dec 31, 2022	Growth	% Growth
Net debt (€m)(7)	(73.6)	(54.2)	(19.4)	36%

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.

(1) Operating revenue refers to revenue.
(2) Gross profit calculated as revenue plus the recognition of government grants on non-financial non-current assets and other less change in inventories of finished goods and work in progress and raw materials and consumables used.
(3) EBITDA calculated as profit before interest, taxes, depreciation and amortization.
(4) EBIT calculated as profit before taxes and interest.
(5) Net profit refers to profit for the period.
(6) Free Cash Flow (FCF) calculated as net cash generated from operating activities less purchases of property, plant and equipment and intangible assets ("capex") plus proceeds from sale of property, plant and equipment plus interest received.
(7) Net debt composed of equity securities, plus deposits, plus financial derivatives, plus cash and cash equivalents, less current and non-current financial debt.

The consolidated financial statements of Grupo ROVI for the first quarter of 2023 and the comparative information for 2022 (balance sheet) and for the first quarter of 2022 (consolidated income statement and cash flow statement) are attached to this report (see Appendix 1). The figures for the first quarter of 2023 and the first quarter of 2022 are unaudited figures and the figures as of December 31, 2022 are audited figures.

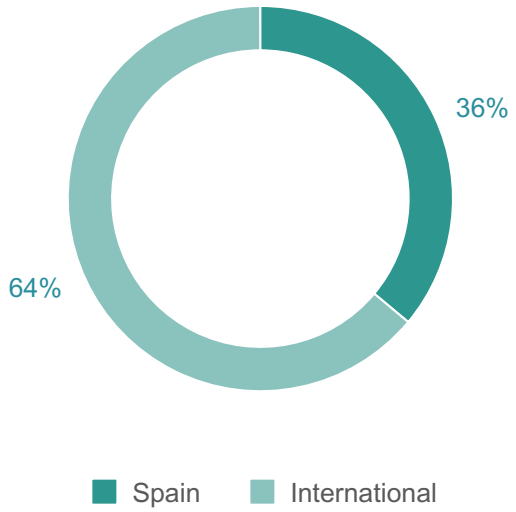
CONTENTS

HIGHLIGHTS FIRST QUARTER 2023

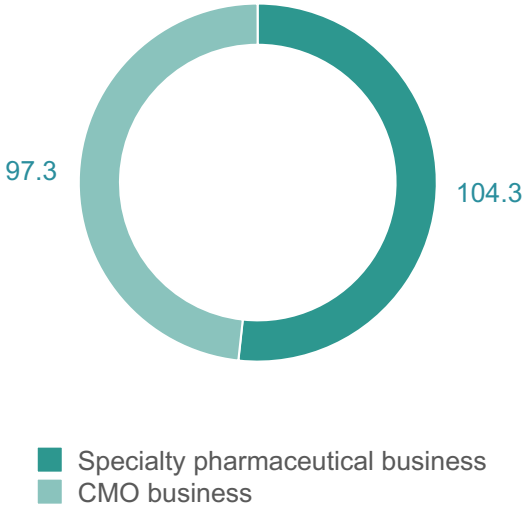
ROVI REACHED 201.9 MILLION EUROS OF TOTAL REVENUE IN THE FIRST POST-PANDEMIC QUARTER

- Operating revenue decreased by 2% to 201.6 million euros in the first post-pandemic quarter.
- Positive evolution of Okedi® (Risperidone ISM®), which doubled its sales to 2.2 million euros in the first quarter of 2023, compared to the fourth quarter of 2022.
- CMO sales increased by 2% to 97.3 million euros in the first quarter of 2023.
- Heparin franchise sales (low molecular weight heparins or LMWHs and other heparins) decreased by 19% to 61.2 million euros, mostly due to the lower volume of orders from partners in the first quarter of 2023 in comparison with the same period of the previous year, when sales of the enoxaparin biosimilar peaked at 44.2 million euros, almost 10 million euros higher than the average quarterly sales of the product in the last nine quarters.
- Good performance of Neparvis® and Volutsa®, whose sales increased by 22% and 16%, respectively, in the first quarter of 2023 compared to the first quarter of 2022, rising to 11.3 million euros and 5.0 million euros, respectively.
- Net profit decreased by 11% to 47.5 million euros.
- ROVI 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.
- 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. ROVI is awaiting an FDA inspection of its plant before the user fee goal date.

REVENUE BY REGION (%)



REVENUE BY BUSINESS UNIT (€Mn)



OUTLOOK

For 2023, ROVI expects its **operating revenue to show low-double-digit negative growth on 2022**, although **positive growth of between 5% and 10%** is expected **in comparison with the 2021** figure.

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. For this reason, ROVI expects a stronger second half of the year compared to the first half regarding the CMO business. The first quarter of 2023 includes revenues linked to the production of vaccines in the fourth quarter of 2022. ROVI expects that the second quarter of 2023 will be the lowest quarter in terms of CMO sales.

Nevertheless, 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.

Juan López-Belmonte Encina, Chairman and Chief Executive Officer of ROVI, said: "We are very excited about the launch of Okedi®, a 4-weekly Risperidone LAI based on our ISM® technology for the treatment of schizophrenia, which took place in Germany UK and Spain in 2022, and in Portugal in the first quarter of 2023. This launch consolidates our internationalization strategy as one of our pillars of future growth. Likewise, we are currently undergoing a regulatory process in the United States to obtain the marketing authorization of this product. Likewise, we decided to commence the clinical development of a new three-monthly formulation of letrozole (Letrozole LEBE). With this new clinical programme for Letrozole LEBE, we 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. Also, we made significant progress in our quarterly Risperidone formulation and we expect to begin a phase I clinical trial in the first half of 2023, reflecting our clear commitment to our ISM® technology, which is expected to be the company's growth engine in the future. Since the first COVID-19 vaccines were launched in December 2020, ROVI as a manufacturer of the Moderna vaccine, has been a fundamental pillar in providing a swift, flexible, and effective response to take the COVID-19 vaccine to all corners of the planet. We are making a big investment effort, together with Moderna, to increase current capacities to be able to produce many more pharmaceutical units in the future. At ROVI we are confident to take part in the manufacturing of new mRNA candidates in the future. Our total revenue decreased 2% to 201.9 million euros in the first post-pandemic quarter. Despite the 20% decrease related to our LMHW division, mainly due to fewer orders form partners in the first quarter of 2023 compared to an extraordinary first quarter of 2022, we forecast continued growth thanks to the internationalization of our Enoxaparin biosimilar, which is already marketed in 39 countries and we expect it will enable us to be present in more than 90 countries in the long term. We are very excited about the potential of our LMHW franchise and aspire to become a benchmark player in this field worldwide. Likewise, we are investing to become self-sufficient in obtaining crude and sodium heparin in order to be present in all the manufacturing phases of LMWHs. We expect this investment to help us to increase the future margins of the heparin division."

GROUP MANAGEMENT REPORT

for the quarterly period ending March 31st, 2023

INCOME STATEMENT

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
Operating revenue(1)	201.6	205.6	(4.0)	-2%
Other income(2)	0.3	0.6	(0.3)	-57%
Total revenue(3)	**201.9**	**206.2**	**(4.3)**	**-2%**
Cost of sales(4)	(76.5)	(80.9)	4.4	-5%
Gross profit(5)	**125.3**	**125.3**	**0.1**	**0%**
% margin	62.2%	60.9%		1.2 pp
R&D expenses	(5.2)	(4.8)	(0.4)	9%
SG&A	(53.6)	(46.3)	(7.3)	16%
Share of profit of a joint venture	0.0	0.1	(0.1)	-89%
EBITDA(6)	**66.5**	**74.3**	**(7.7)**	**-10%**
% margin	33.0%	36.1%		-3.1 pp
EBIT(7)	**60.7**	**68.7**	**(8.0)**	**-12%**
% margin	30.1%	33.4%		-3.3 pp
Finance income/(costs)	0.4	0.2	0.2	99%
Profit before income tax	**61.2**	**68.9**	**(7.8)**	**-11%**
Income tax	(13.7)	(15.9)	2.2	-14%
Effective tax	22.4%	23.0%		-0.6 pp
Net profit(8)	**47.5**	**53.0**	**(5.6)**	**-11%**
Net profit attributable to parent company	**47.5**	**53.0**	**(5.6)**	**-11%**
Profit attributable to minority interests	**0.0**	–	**0.0**	**n.a.**

(1) Operating revenue refers to revenue.
(2) Other income includes the recognition of government grants on non-financial non-current assets and other.
(3) Total revenue calculated as revenue plus the recognition of government grants on non-financial non-current assets and other.
(4) Cost of sales 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.
(5) Gross profit calculated as revenue plus the recognition of government grants on non-financial non-current assets and other less change in inventories of finished goods and work in progress and raw materials and consumables used.
(6) EBITDA calculated as profit before interest, taxes, depreciation and amortization.
(7) EBIT calculated as profit before taxes and interest.
(8) Net profit refers to profit for the period.

REVENUES

Total revenue by business unit

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
Specialty pharmaceutical business	104.3	110.6	(6.3)	-6%
CMO business	97.3	95.0	2.3	2%
Operating revenue(1)	**201.6**	**205.6**	**(4.0)**	**-2%**
Other income(2)	0.3	0.6	(0.3)	-57%
Total revenue(3)	**201.9**	**206.2**	**(4.3)**	**-2%**

(1) Operating revenue refers to revenue excluding the recognition of government grants on non-financial non-current assets and other.
(2) Other income includes the recognition of government grants on non-financial non-current assets and other.
(3) Total revenue calculated as operating revenue plus the recognition of government grants on non-financial non-current assets and other.

Operating revenue decreased by 2% to 201.6 million euros in the first quarter of 2023. The 6% drop in the specialty pharmaceutical business was partially offset by the 2% growth in the contract manufacturing business in the first three months of 2023. **Total revenue** decreased by 2% to 201.9 million euros in the first post-pandemic quarter of 2023.

Sales outside Spain decreased by 9% compared to the first quarter of 2022 to 128.9 million euros in the first quarter of 2023, 20.4 million euros (or 16%) of which related to international subsidiaries, mainly due to the decrease in LMWH international sales, which will be slightly offset by the increase in the contract manufacturing organisation business. Sales outside Spain represented 64% of operating revenue in the first quarter of 2023 compared to 69% in the same period of 2022.

SPECIALTY PHARMACEUTICAL BUSINESS

Sales of the specialty pharmaceutical business

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
Prescription-based pharmaceutical products	**92.4**	**100.5**	**(8.1)**	**-8%**
LMWH franchise	59.3	74.2	(15.0)	-20%
Biosimilar of enoxaparin	34.9	44.2	(9.3)	-21%
Bemiparin (Hibor)	24.4	30.0	(5.6)	-19%
Sales in Spain	17.3	17.5	(0.2)	-1%
International sales	7.1	12.5	(5.4)	-43%
Neparvis	11.3	9.3	2.0	22%
Volutsa	5.0	4.3	0.7	16%
Vytorin and Orvatez(1)	6.6	8.2	(1.6)	-19%
Other products	11.9	8.8	3.1	35%
Okedi	2.2	-	2.2	n.a.
Discounts to the National Health System	(3.9)	(4.3)	0.4	-10%
Contrast agents and other hospital products	**11.7**	**9.7**	**1.9**	**20%**
Other products	**0.3**	**0.3**	**0.0**	**-13%**
Total specialty pharmaceutical business	**104.3**	**110.6**	**(6.3)**	**-6%**

(1) Q1 2022 includes sales of Absorcol.

Sales of **prescription-based pharmaceutical** products decreased 8% to 92.4 million euros in the first quarter of 2023.

Sales of the **heparin franchise** (Low Molecular Weight Heparins and other heparins) decreased by 19% to 61.2 million euros in the first quarter of 2023. Heparin sales represented 30% of operating revenue in the first three months of 2023 compared to 37% in the same period of 2022.

Heparin franchise

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
LMWH franchise	59.3	74.2	(15.0)	-20%
Biosimilar of enoxaparin	34.9	44.2	(9.3)	-21%
Bemiparin (Hibor)	24.4	30.0	(5.6)	-19%
Sales in Spain	17.3	17.5	(0.2)	-1%
International sales	7.1	12.5	(5.4)	-43%
Other heparins[1]	1.9	1.7	0.2	14%
Heparins franchise	**61.2**	**75.9**	**(14.7)**	**-19%**

LOW MOLECULAR WEIGHT HEPARINS

Sales of Low Molecular Weight Heparins (LMWH) (enoxaparin biosimilar and bemiparin) decreased by 20% to 59.3 million euros in the first quarter of 2023. ROVI expects low-molecular-weight heparin sales to decrease by a low-single-digit figure in 2023, mainly as a result of the increase in orders from partners in 2022 related to the treatment for COVID-19, which has led to a lower expected volume of orders from partners in 2023, since they still hold a high level of stocks from 2022.

IN € MILLIONS	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Average
Biosimilar of enoxaparin	29.4	33.3	27.2	34.2	44.2	37.9	37.1	33.6	34.9	34.6
Bemiparin	32.8	32.3	21.2	24.4	30.0	25.8	20.0	27.9	24.4	26.5
Sales in Spain	18.9	17.2	15.7	17.6	17.5	17.2	15.7	16.5	17.3	17.1
International sales	13.9	15.1	5.5	6.8	12.5	8.6	4.4	11.5	7.1	9.5
Total LMWH sales	**62.2**	**65.6**	**48.3**	**58.6**	**74.2**	**63.7**	**57.2**	**61.6**	**59.3**	**61.2**

Sales of the **enoxaparin biosimilar** decreased by 21% to 34.9 million euros in the first three months of 2023. This was mainly due to fewer orders from partners in the first quarter of 2023. The product was launched in Jordan in the first quarter of 2023. In Brazil, Luxembourg, Colombia and Bosnia and Herzegovina it was launched in the same period of 2022. In the first quarter of 2022, the product's sales reached their peak, climbing to 44.2 million euros, almost 10 million euros higher than the average quarterly sales of the product in the last nine quarters.

[1] *Other heparins are reported in the "Contrast agents and other hospital products" line.*

ROVI commenced the marketing of its Enoxaparin biosimilar in Germany in 2017; in UK, Italy, Spain, France, Austria, Latvia and Estonia in 2018; in Portugal, Poland, Costa Rica, Finland, and Sweden in 2019; in South Africa, Israel, Peru, Holland, Panama, and the Dominican Republic in 2020; in Canada, Belgium, Malaysia, Albania, North Macedonia, Guatemala, El Salvador, Honduras, Georgia, Bahamas, Jamaica, Gabon, Democratic Republic of Congo and Trinidad and Tobago in 2021; in Brazil, Luxembourg, Colombia, Bosnia and Herzegovina and Kosovo in 2022; and in Jordan in the first quarter of 2023.

Bemiparin sales decreased 19% to 24.4 million euros in the first three months of 2023. International sales of Bemiparin decreased by 43% to 7.1 million euros. This decrease was mainly linked to (i) the decrease in sales in the Russian market, (ii) fewer orders from partners and (iii) lower sales related to COVID-19. International Bemiparin sales were 12.5 million euros in the first quarter of 2022, 3 million euros higher than the average quarterly sales of the product in the last nine quarters. Sales of Bemiparin in Spain (Hibor®) showed a slight decrease of 1% to 17.3 million euros in the first quarter of 2023, mainly due to lower penetration of the product in the prophylaxis segment.

OTHER PRESCRIPTION-BASED PHARMACEUTICAL PRODUCTS

Sales of **Neparvis®**, a specialty product from Novartis, launched in Spain in December 2016, indicated for the treatment of adult patients with symptomatic chronic heart failure and reduced ejection fraction, increased 22% to 11.3 million euros in the first quarter of 2023, compared to 9.3 million euros in the first quarter of 2022.

Sales of **Volutsa®**, a specialty product from Astellas Pharma indicated for the treatment of moderate to severe storage symptoms and voiding symptoms associated with benign prostatic hyperplasia, launched in Spain in February 2015, increased by 16% to 5.0 million euros in the first quarter of 2023.

Sales of **Vytorin® and Orvatez®**, specialty products from Merck Sharp & Dohme ("MSD") indicated as adjunctive therapy to diet in patients with hypercholesterolemia, decreased 19% to 6.6 million euros in the first quarter of 2023. ROVI ceased to distribute Absorcol® as of 31 December of 2022 and Vytorin® as of 31 January 2023. Orvatez® sales rose 3% to 6.5 million euros in the first quarter of 2023, compared to 6.3 million euros in the first quarter of 2022. Sales of Absorcol® and Vytorin® accounted for 23% of total sales of the products indicated to treat hypercholesterolemia in the first quarter of 2022.

Sales of **Okedi®**, the first ROVI product based on its leading-edge drug delivery technology, ISM®, for the treatment of schizophrenia in adults for whom tolerability and effectiveness has been established with oral risperidone, reached 2.2 million euros in the first quarter of 2023, doubling the figure for the fourth quarter of 2022. In 2022, it was launched in Germany in April, the UK in July and Spain in September and, in 2023, in Portugal in January. ROVI expects to launch the product in Italy, France and Austria during 2023.

- In Germany, the product was received very positively in the medical education activities carried out by ROVI. It is already present in 56% of hospitals. The number of visits to doctors increased by 32% in the first quarter of 2023 versus the fourth quarter of 2022 and sales doubled compared to said fourth quarter.

- In the United Kingdom, the product is in the introduction phase in the "trusts" (entities that manage the health areas). In the first quarter of 2023, it had already been approved in 20% of the "trusts". It is expected that it will soon become available in most hospital pharmacies.
- In Spain, at the end of 2022, the product was already available in the 100% of the autonomous communities. In the first quarter of 2023, it was being marketed in more than 58% of hospitals.
- In Portugal, access to doctors was positive. Sales are expected to accelerate during 2023.

CONTRAST AGENTS AND OTHER HOSPITAL PRODUCTS

Sales of **contrast imaging agents and other hospital products** increased by 20% to 11.7 million euros in the first quarter of 2023. This increase shows the strong recovery of the Spanish and Portuguese hospital activity during this period after the effects of lockdowns during the pandemic.

CONTRACT MANUFACTURING ORGANISATION ("CMO") BUSINESS

CMO sales increased by 2% to 97.3 million euros in the first quarter of 2023 because of (i) the booking of the income related to the production of the COVID-19 vaccine, (ii) the booking of the income related to the activities to prepare the plant for the COVID-19 vaccine production under the agreement with Moderna, and (iii) the reorientation of our contract manufacturing activities strategy towards high-value-added products.

OTHER INCOME

Other income (subsidies) decreased by 57% to 0.3 million euros in the first quarter of 2023 compared to the same period of 2022.

COSTS

GROSS PROFIT

Gross profit remained stable at 125.3 million euros in the first quarter of 2023 compared to the same period of 2022. Gross margin showed an increase of 1.2 percentage points, from 60.9% in the first three months of 2022 to 62.2% in the same period of 2023. This increase is mainly due to (i) the increase in the CMO business, which contributes higher margins to the Group sales; and (ii) the decrease in heparin sales through partners.

RESEARCH AND DEVELOPMENT EXPENSES

R&D expenses increased 9% to 5.2 million euros in the first quarter of 2023. They were mainly related to (i) preparing the development of the next phase of Letrozole LEBE and (ii) the development of a new formulation of Risperidone ISM® for a 3-monthly injection.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

SG&A expenses increased 16% to 53.6 million euros in the first quarter of 2023 mainly as a result of (i) an increase in expenses related to the CMO business; and (ii) an increase in expenses due to the Okedi® launch in Europe.

SG&A expenses

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
Employee benefit expenses (exc. R&D)	26.4	22.0	4.4	20%
Other operating expenses (exc. R&D)	27.2	24.3	2.9	12%
Total SG&A expenses	**53.6**	**46.3**	**7.3**	**16%**
Expenses related to international subsidiaries	5.7	3.6	2.0	56%

DEPRECIATION

Depreciation and amortisation expenses increased by 5% to 5.8 million euros in the first quarter of 2023, as a result of the new property, plant and equipment and intangible assets purchases made during the last year.

NET FINANCIAL INCOME

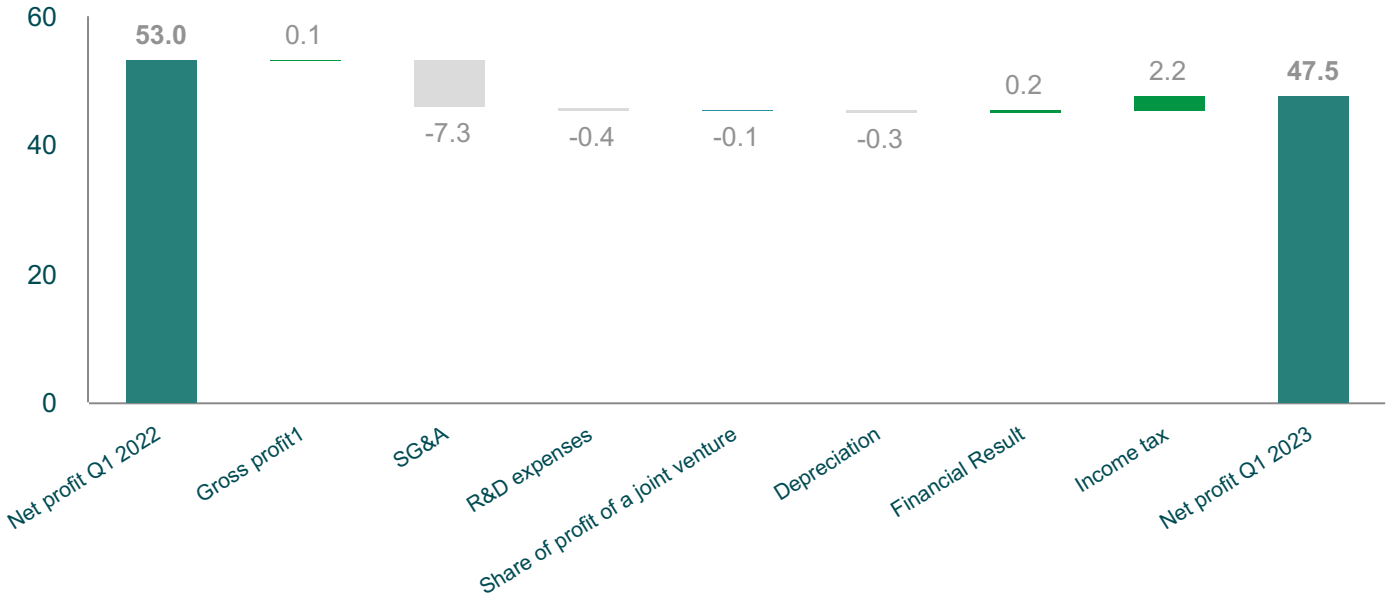
Net financial income increased 99% to 0.4 million euros in the first quarter of 2023 mainly due to higher returns on financial investments and higher income related to positive exchange differences.

EFFECTIVE TAX RATE

The **effective tax rate** was 22% in the first quarter of 2023, compared to 23% in the same period of 2022, mainly due to the decrease of the profit before income tax.

FINANCIAL PERFORMANCE

Million euros



[1] Gross profit calculated as total revenue less change in inventories of finished goods and work in progress and raw materials and consumables used.

EBITDA

EBITDA reached 66.5 million euros in the first quarter of 2023, a decrease of 10% compared to the same period of 2022, reflecting a 3.1 percentage point decrease in the EBITDA margin, which was down to 33.0% in the first quarter of 2023 from 36.1% in the same period of 2022.

EBIT

EBIT decreased by 12% to 60.7 million euros in the first quarter of 2023, reflecting a 3.3 percentage point decline in the EBIT margin, which was down to 30.1% in the first three months of 2023 from 33.4% in the same period of 2022.

NET PROFIT

Net profit decreased by 11%, from 53.0 million euros in the first quarter of 2022 to 47.5 million euros in the same period of 2023.

Non-controlling interests refer to ROVI's partners in Glicopepton Biotech, S. L.

PRE-R&D/FLAT R&D

EBITDA "Pre-R&D", calculated excluding R&D expenses, decreased by 9%, from 79.0 million euros in the first quarter of 2022 to 71.7 million euros in the same period of 2023, reflecting a 2.9 percentage point decrease in the EBITDA margin to 35.6% in the first quarter of 2023 (see "Pre-R&D costs" columns of the table below). Likewise, recognising the same amount of R&D expenses in the first three months of 2023 as in the same period of 2022, EBITDA would have decreased by 10% to 67.0 million euros, reflecting a 2.9 percentage point decrease in the EBITDA margin to 33.2% in the first quarter of 2023, down from 36.1% in the previous year (see "Flat R&D costs" columns of the table below).

EBIT "pre-R&D", calculated excluding R&D expenses, decreased by 10%, from 73.5 million euros in the first quarter of 2022 to 65.9 million euros in the same period of 2023, reflecting a 3.0 percentage point decrease in the EBIT margin to 32.7% in the first three months of 2023 (see "Pre-R&D costs" columns of the table below). Likewise, recognising the same amount of R&D expenses in the first quarter of 2023 as in the first quarter of 2022, EBIT would have decreased by 11% to 61.2 million euros, reflecting a 3.1 percentage point decline in the EBIT margin to 30.3% in the first three months of 2023, down from 33.4% in the same period of 2022 (see "Flat R&D costs" columns of the table below).

Net profit "pre-R&D", calculated excluding R&D expenses, decreased by 9%, from 56.7 million euros in the first quarter of 2022 to 51.5 million euros in the same period of 2023 (see "Pre-R&D costs" columns of the table below). Likewise, recognising the same amount of R&D expenses in the first three months of 2023 as in the same period of 2022, net profit would have decreased by 10% to 47.8 million euros (see "Flat R&D costs" columns of the table below).

Pre-R&D/Flat R&D

	Reported		Pre-R&D costs			Flat R&D costs		
IN € MILLIONS	**Q1 2023**	Q1 2022	**Q1 2023**	Q1 2022	% Growth	**Q1 2023**	Q1 2022	% Growth
Operating revenue(1)	201.6	205.6	201.6	205.6	-2%	201.6	205.6	-2%
Other income(2)	0.3	0.6	0.3	0.6	-57%	0.3	0.6	-57%
Total revenue(3)	**201.9**	**206.2**	**201.9**	**206.2**	**-2%**	**201.9**	**206.2**	**-2%**
Cost of sales(4)	(76.5)	(80.9)	(76.5)	(80.9)	-5%	(76.5)	(80.9)	-5%
Gross profit(5)	**125.3**	**125.3**	**125.3**	**125.3**	**0%**	**125.3**	**125.3**	**0%**
% margin	62.2%	60.9%	62.2%	60.9%	1.2 pp	62.2%	60.9%	3.9 pp
R&D expenses	(5.2)	(4.8)	0.0	0.0	n.a.	(4.8)	(4.8)	n.a.
SG&A	(53.6)	(46.3)	(53.6)	(46.3)	16%	(53.6)	(46.3)	16%
Share of profit of a joint venture	0.0	0.1	0.0	0.1	-89%	0.0	0.1	-89%
EBITDA(6)	**66.5**	**74.3**	**71.7**	**79.0**	**-9%**	**67.0**	**74.3**	**-10%**
% margin	33.0%	36.1%	35.6%	38.4%	-2.9 pp	33.2%	36.1%	-2.9 pp
EBIT(7)	**60.7**	**68.7**	**65.9**	**73.5**	**-10%**	**61.2**	**68.7**	**-11%**
% margin	30.1%	33.4%	32.7%	35.7%	-3.0 pp	30.3%	33.4%	-3.1 pp
Net profit(8)	**47.5**	**53.0**	**51.5**	**56.7**	**-9%**	**47.8**	**53.0**	**-10%**
% margin	23.5%	25.8%	25.5%	27.6%	-2.1 pp	23.7%	25.8%	-2.1 pp

(1) Operating revenue refers to revenue.
(2) Other income includes the recognition of government grants on non-financial non-current assets and other.
(3) Total revenue calculated as revenue plus the recognition of government grants on non-financial non-current assets and other.
(4) Cost of sales 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.
(5) Gross profit calculated as revenue plus the recognition of government grants on non-financial non-current assets and other less change in inventories of finished goods and work in progress and raw materials and consumables used.
(6) EBITDA calculated as profit before interest, taxes, depreciation and amortization.
(7) EBIT calculated as profit before taxes and interest.
(8) Net profit refers to profit for the period.

DIVIDEND

ROVI's Board of Directors will put a proposal to the Ordinary General Meeting for distribution of a dividend of 69,886,103.93 euros, equivalent to 1,2938 euros per share entitled to receive it. 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, broken down as follows:

- Application of profit: the entire profit of Laboratorios Farmacéuticos ROVI, S.A. for 2022, 39,116,103.39 euros, will be applied to the dividend distribution; and
- Additionally, a proposal will be made to distribute a further 30,770,000.54 euros as dividends charged to the freely available reserves accounted for as "Retained earnings".

FINANCIAL POSITION

Balance Sheet

IN € MILLIONS	Mar 31, 2023	Dec 31, 2022	Growth	% Growth
Assets				
Non-current assets	253.6	255.6	(2.0)	-1%
Current assets	631.6	623.1	8.5	1%
Total assets	**885.2**	**878.7**	**6.5**	**1%**
Equity	**568.8**	**521.4**	**47.4**	**9%**
Liabilities				
Non-current liabilities	61.0	63.4	(2.4)	-4%
Financial debt	56.9	59.4	(2.6)	-4%
Current liabilities	255.4	293.9	(38.5)	-13%
Financial debt	12.4	12.7	(0.3)	-2%
Total liabilities	**316.4**	**357.3**	**(40.9)**	**-11%**
Total equity and liabilities	**885.2**	**878.7**	**6.5**	**1%**

TOTAL ASSETS

ROVI's **total assets** increased by 1% from 878.7 million euros as of December 31, 2022 to 885.2 million euros as of March 31, 2023, mainly due to (i) an increase in "inventories" of 15.1 million euros, mostly due to the increase in heparin, Okedi®, Xelevia® and Velmetia® stocks, and (ii) an increase in "cash and cash equivalents" of 16.5 million euros.

EQUITY

ROVI's **equity** increased by 47.4 million euros to 568.8 million euros as of March 31, 2023. This increase resulted from the "retained earnings and voluntary reserves".

TOTAL LIABILITIES

ROVI's total **liabilities** decreased by 11% from 357.3 million euros as of December 31, 2022 to 316.4 million euros as of March 31, 2023, mainly due to (i) a decrease in the "trade and other payables" caption of 30.4 million euros and (ii) a decrease of 16.7 million euros in the "contract liabilities" item which mainly related to amounts billed to customers that had been taken to profit and loss as service revenue as of March 31, 2023.

As of March 31, 2023, ROVI **total debt** decreased to 69.3 million euros. Debt with public administration, which is 0% interest rate debt, represented 14% of total debt as of March 31, 2023.

Total Debt

IN € THOUSANDS	Mar 31, 2023	Dec 31, 2022	Interest rate
Bank borrowings	42,500	44,107	0.68-3.02
Debt with public administration	9,906	10,175	0
Financial liabilities for leases	16,742	17,856	-
Derivative financial instruments	157	28	-
Total	**69,305**	**72,166**	

As of March 31, 2023, bank borrowings decreased by 1.6 million euros. In December 2017, ROVI announced the European Investment Bank (EIB) had granted it a loan to support its investments in Research, Development and Innovation. The loan was for 45 million euros. As of March 31, 2023, ROVI had drawn 45 million euros against this credit line; 5 million euros at a variable interest rate of Euribor at 3 months + 0.844% (the latest interest rate paid was 3.022% in April 2023) and 40 million euros at a fixed interest of 0.681%. Repayment of the variable interest loan started in October 2021 (quarterly repayments) and its current outstanding balance is 3.9 million euros. Likewise, repayment of the fixed interest loan started in February 2023 (quarterly repayments) and its current outstanding balance is 38.6 million euros. The credit at a variable interest matures in 2028 and the credit at a fixed interest matures in 2029, both includes a grace period of 3 years.

In July 2022, ROVI announced that the European Investment Bank (EIB) had granted it a new loan to support its investments in Research, Development and Innovation. The loan is for 50 million euros with a repayment period of 10 years, has a three-year grace period, and may be drawn down over a term of two years.

GROSS CASH POSITION AND NET DEBT

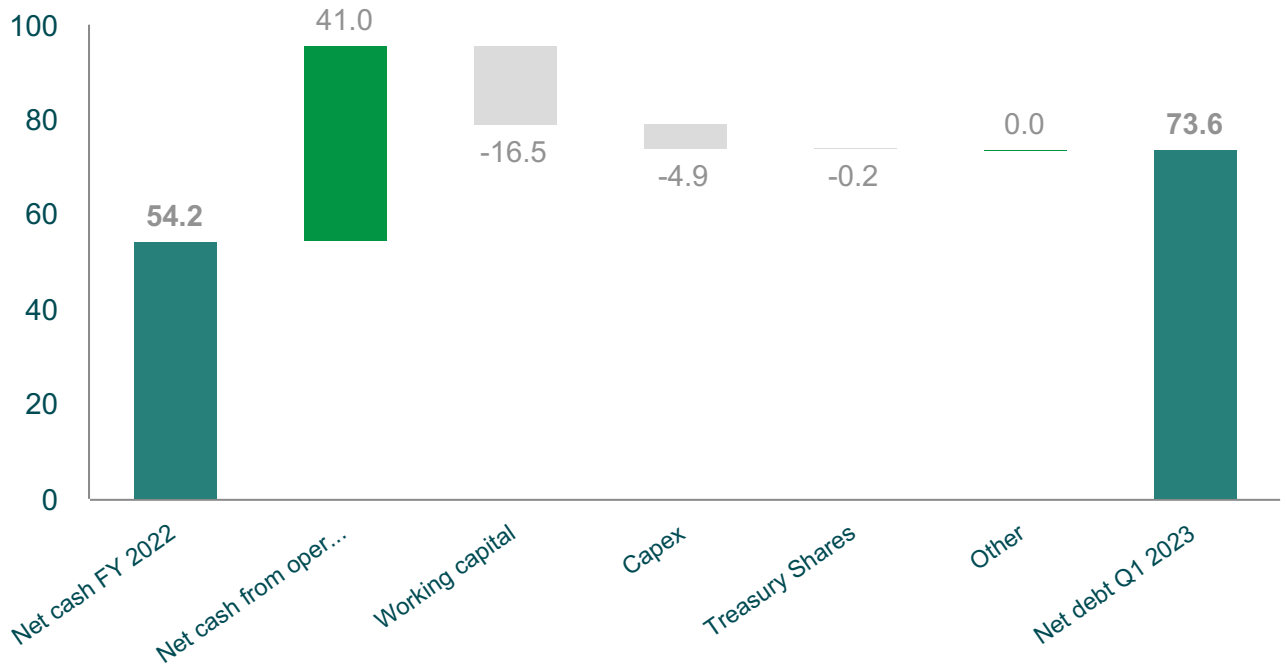
As of March 31, 2023, ROVI had a gross cash position of 142.9 million euros, compared to 126.4 million euros as of December 31, 2022, and net cash of 73.6 million euros, compared to 54.2 million euros as of December 31, 2022.

Gross cash position and net cash

IN € MILLIONS	Mar 31, 2023	Dec 31, 2022
Equity securities	–	–
Deposits	1.4	1.4
Cash and cash equivalents	141.5	124.9
Gross cash position	**142.9**	**126.4**
Financial debt	(69.3)	(72.2)
Net debt/cash	**73.6**	**54.2**

Net cash generated in operating activities amounted to 24.5 million euros in the first quarter of 2023, compared to 104.1 million euros in the same period of 2022. Net cash generated from operating activities excluding changes in working capital decreased 65% to 41.0 million euros in the first quarter of 2023 from 116.0 million euros in the same period of the previous year.

Million euros



LIQUIDITY

Cash Flow

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
Cash flow from operating activities	24.5	104.1	(79.6)	-76%
Cash flow from investing activities	(4.8)	(2.1)	(2.7)	129%
Cash flow from financing activities	(3.2)	(99.3)	96.1	-97%
Net increase/ (decrease) in cash	**16.5**	**2.7**	**13.8**	**n.a.**
Cash at the beginning of the period	124.9	99.0	25.9	26%
Cash at the end of the period	**141.5**	**101.7**	**39.7**	**39%**

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities decreased to 24.5 million euros in the first quarter of 2023 from 104.1 million euros in the same period of 2022. This decrease was mainly due to:

- the decrease of 7.8 million euros in profit before income tax;
- the booking of (22.5) million euros under the "cash flow from provision of manufacturing services" caption in the first quarter of 2023 mainly due to the allocation of more revenue to the income statement than payments received, compared to the 44.1 million euros recognized in the first quarter of 2022;
- the decrease of 12.3 million euros in the "inventory" item in the first quarter of 2023 compared to a decrease of 1.7 million euros in the first quarter of 2022 mostly due to an increase in heparin, Okedi®, Xelevia® and Velmetia® stocks; and
- the decrease of 29.8 million euros in the "trade and other payables" item in the first quarter of 2023, compared to an increase of 8.3 million euros in the same period of 2022.

These positive impacts were partially offset by:

- the increase of 25.5 million euros in the "trade and other receivables" caption in the first quarter of 2023 compared to a decrease of 18.5 million euros in the same period of 2022.

CASH FLOW FROM INVESTING ACTIVITIES

ROVI invested 4.9 million euros in the first quarter of 2023, compared to 2.1 million euros in the same period of 2022.

Purchases of property, plant and equipment and intangible assets ("Capex")

IN € MILLIONS	Q1 2023	Q1 2022	Growth	% Growth
Madrid Injectable plant	0.0	0.2	(0.1)	-74%
San Sebastián de los Reyes injectable plant	0.1	0.1	0.0	-38%
Granada plant	0.0	0.0	0.0	-45%
Alcalá de Henares plant	0.3	0.3	0.0	-11%
Expenditure on maintenance and other capex	0.3	0.1	0.2	n.a.
Maintenance Capex	**0.7**	**0.7**	**0.0**	**5%**
ISM industrialisation	0.6	0.4	0.2	50%
Escúzar plant	1.1	0.7	0.4	63%
Glicopepton	0.1	-	0.1	n.a.
New filling lines and operations expansion	2.4	0.3	2.0	n.a.
Investment Capex	**4.2**	**1.4**	**2.8**	**193%**
Total Capex	**4.9**	**2.1**	**2.8**	**133%**

FREE CASH FLOW

Free cash flow decreased to 19.7 million euros in the first quarter of 2023 from 102.0 million euros in the first quarter of 2022.

Free cash flow

IN € MILLIONS	Q1 2023	Q1 2022
Net cash generated from (used in) operating activities	24.5	104.1
Purchases of intangible assets	0.0	(0.1)
Purchases of property, plant and equipment	(4.9)	(2.0)
Proceeds from sale of property, plant and equipment	0.0	0.0
Interest received	0.1	0.0
Free cash flow	**19.7**	**102.0**

CASH FLOW FROM FINANCING ACTIVITIES

Cash flow from financing activities increased to (3.2) million euros in the first quarter of 2023 from (99.3) million euros in the first quarter of 2022. This increase was mainly attributable to ROVI's share buy-back programs executed in the first quarter of 2022, amounting to 135.0 million euros.

Javier López-Belmote Encina, Deputy Chairman and Chief Financial Officer of ROVI, said *"We are very happy with the evolution of the Company. 2023 is the first year of a new post-pandemic scenario, a year of transition where COVID-19 would foreseeably be a seasonal disease. In this difficult context, we have been able to deliver revenue of 201.9 million euros in the first quarter of 2023, a decrease of 2% compared to the same period of 2022, and an EBITDA margin of 33% thanks to the strength of our CMO business. ROVI's commitment to innovation is reflected in the figures of the first three months of 2023. We are in a new phase of growth and we expect our robust balance sheet to allow us to take advantage of other opportunities to expand our sales base and improve the utilization of our asset base"*.

OUTLOOK

For 2023, ROVI expects its **operating revenue to show low-double-digit negative growth** on 2022, although **positive growth of between 5% and 10%** is expected **in comparison with the 2021** figure.

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. For this reason, ROVI expects a stronger second half of the year compared to the first half regarding the CMO business. The first quarter of 2023 includes revenues linked to the production of vaccines in the fourth quarter of 2022. ROVI expects that the second quarter of 2023 will be the lowest quarter in terms of CMO sales.

Nevertheless, 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.

R&D UPDATE

ISM® technology platform

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 on the second half of June 2022. Responses to these observations were provided to the FDA. ROVI is awaiting an FDA inspection of its plant before the user fee goal date.

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; this study is planned to begin in the first half 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.

ESG

In July 2022, ROVI's ESG aspects were evaluated by Sustainalytics, a Global Leader in ESG & Corporate Governance, having obtained an "ESG Risk Rating 2022" of 17.3, which places the company at low risk (between 10 and 20). This rating improves by 1.1 points the one achieved in the previous year (18.4).

ROVI attains the first position out of 458 companies in the sub-industry "pharmaceuticals" and 22th out of a total of 970 companies in the "pharmaceutical industry", which includes biotech, pharmaceutical and laboratory equipment companies.

Among ROVI's basic action principles included in the Policy against Climate Change are the following:

- Reduction in greenhouse gas emissions.
- Reduction in non-greenhouse gas emissions, improving the air quality.
- Carbon neutrality, reducing emissions and offsetting those that cannot be avoided.
- Use of renewable energies, increasing the consumption thereof until the total energy consumed comes from renewable sources. The origin of 100% of the electrical energy used in our facilities is renewable.

ROVI, as a member of the United Nations Global Compact, upholds, by adopting and disseminating it, the inclusion of the principles of this Compact, as well as other international instruments, especially in the spheres of human rights, workplace practices, the environment and the fight against corruption.

Likewise, ROVI monitors the ESG aspects evaluated by MSCI, a rating agency highly valued among the investment community, obtaining an "A" rating since 2021(*). MSCI ESG Research provides ESG ratings on companies on a scale from AAA (“Leader”) to CCC (“Laggard”), based on their exposure to and ability to manage industry-specific ESG risks relative to their comparable companies.

KEY OPERATING AND FINANCIAL EVENTS

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

ROVI informed (by publicarion 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 safely 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 has now 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 is awaiting an FDA inspection of its plant before the user fee goal date.

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.

About ROVI

ROVI is a pan-European pharmaceutical company specializing and engaging in the research, development, contract manufacturing and marketing of small molecules and biological specialties. The company, in a continuous international expansion process, has subsidiaries in Portugal, Germany, the United Kingdom, Italy, France and Poland and has a diversified marketing portfolio of more than 40 products, among which its flagship product, Bemiparin, already present in more than 60 countries all over the world, should be highlighted. Likewise, in 2017, ROVI commenced the marketing of its Enoxaparin biosimilar, developed in-house, in Europe and it is already marketed in 39 countries. ROVI continues to develop the ISM® Platform technology, a leading-edge line of research in the field of prolonged drug release with proven advantages. For more information, please visit www.rovi.es.

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Forward-looking statements

This news release contains forward-looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which might cause the actual results, financial condition, performance, or achievements of ROVI or industry results, to be materially different from any future results, performance, or achievements expressed or implied by such forward looking statements. The statements in this press release represent ROVI's expectations and beliefs as of the date of this press release. ROVI anticipates that subsequent events and developments may cause these expectations and beliefs to change. However, while ROVI may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing ROVI's expectations or beliefs as of any date after the date of this press release.

Alternative performance measures

This press release may include certain Alternative Performance Measures ("APMs") not prepared under IFRS-EU and not reviewed or audited by either the Company's auditors or an independent expert. Furthermore, the way in which the Group defines and calculates these measures may differ from the way in which other companies calculate similar measures. Consequently, they may not be comparable.

APPENDIX 1

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2023 AND DECEMBER 31, 2022

IN € THOUSANDS	March 31, 2023	December 31, 2022
ASSETS		
Non-current assets		
Property Plant and Equipment	215,463	215,541
Intangible assets	34,908	35,744
Investment in a joint venture	2,202	2,193
Deferred income tax assets	960	2,078
Equity securities	11	9
Financial receivables	65	65
	253,609	**255,630**
Current assets		
Inventories	327,058	311,944
Trade and other receivables	160,398	180,011
Current income tax assets	920	4,148
Prepaid expenses	1,748	2,025
Cash and cash equivalents	141,462	124,945
	631,586	**623,073**
Total assets	**885,195**	**878,703**

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2023 AND DECEMBER 31, 2022

IN € THOUSANDS	March 31, 2023	December 31, 2022
EQUITY		
Equity attributed to the company	**567,259**	**520,012**
Share capital	3,241	3,241
Share premium	87,636	87,636
Legal reserve	673	673
Treasury shares	(26,290)	(27,561)
Retained earnings and voluntary reserves	454,551	256,362
Profit for the period	47,459	199,669
Accumulated other comprehensive income	(11)	(8)
Non-controlling interests	**1,537**	**1,367**
Total equity	**568,796**	**521,379**
LIABILITIES		
Non-current liabilities		
Financial debt	56,878	59,441
Deferred income tax liabilities	881	677
Contract liabilities	1,633	1,545
Deferred income	1,602	1,774
	60,994	**63,437**
Current liabilities		
Financial debt	12,427	12,725
Trade and other payables	135,331	165,776
Current tax liabilities	9,021	–
Contract liabilities	98,088	114,901
Deferred income	538	485
	255,405	**293,887**
Total liabilities	**316,399**	**357,324**
Total equity and liabilities	**885,195**	**878,703**

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS FOR THE THREE-MONTH PERIODS ENDING 31 MARCH 2023 AND 31 MARCH 2022

IN € THOUSANDS	Q1 2023	Q1 2022
Revenue	201,630	205,580
Changes in inventories of finished goods and work in progress	14,173	28,844
Raw materials and consumables used	(90,713)	(109,739)
Work carried out by the Group on non-current assets	931	–
Employee benefit expenses	(29,201)	(24,987)
Other operating expenses	(30,539)	(26,100)
Amortisation and depreciation	(5,816)	(5,563)
Recognition of government grants on non-financial non-current assets and other	255	588
Share of profits of joint venture	9	83
OPERATING PROFIT (EBIT)	**60,729**	**68,706**
Finance income	70	2
Finance costs	(147)	(203)
Impairment and gain or loss on measurement of financial instruments	215	384
Exchange difference	300	37
FINANCE INCOME/(COSTS) - NET	**438**	**220**
PROFIT BEFORE INCOME TAX	**61,167**	**68,926**
Income tax	(13,710)	(15,878)
PROFIT FOR THE PERIOD	**47,457**	**53,048**
Net profit attributable to parent company	47,459	53,048
Profit attributable to minority interests	2	–

LABORATORIOS FARMACÉUTICOS ROVI, S.A. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS FOR THE THREE-MONTH PERIODS ENDING 31 MARCH 2023 AND 31 MARCH 2022

IN € THOUSANDS	Q1 2023	Q1 2022
Cash flows from operating activities		
Profit before tax	61,167	68,926
Adjustments for non-monetary transactions:		
Amortisation and depreciation	5,816	5,563
Finance income	(70)	(39)
Valuation allowance	(3,008)	24
Adjustments for changes in value of derivatives	129	(337)
Gain or loss on derecognition of financial assets and liabilities	(344)	(48)
Exchange differences	(300)	–
Finance expenses	147	203
Grants, distribution licenses and other deferred income	(328)	(959)
Other current assets (prepaid expenses)	277	(1,411)
Share of profit in joint venture	(9)	(84)
Changes in working capital:		
Trade and other receivables	25,522	(18,523)
Inventories	(12,256)	(1,663)
Trade and other payables	(29,806)	8,276
Other collections and payments:		
Cash flow from provision of manufacturing services	(22,450)	44,113
Proceeds from distribution licenses	160	65
Income tax cash flow	(139)	–
Net cash generated from (used in) operating activities	**24,508**	**104,106**
Cash flows from investing activities		
Purchases of intangible assets	(16)	(75)
Purchases of property, plant and equipment (usage rights not included)	(4,896)	(2,033)
Proceeds from sale of property, plant and equipment	10	–
Interest received	70	2
Net cash generated from (used in) investing activities	**(4,832)**	**(2,106)**
Cash flows from financing activities		
Repayments of financial debt	(3,594)	(1,588)
Proceeds from financial debt	562	672
Interest paid	(90)	(72)
Purchase of treasury shares	(29,734)	(98,457)
Reissue of treasury shares	29,525	–
Capital contribution to subsidiaries	172	146
Net cash generated from (used in) financing activities	**(3,159)**	**(99,299)**
Net (decrease) increase in cash and cash equivalents	**16,517**	**2,701**
Cash & cash equivalents at the beginning of the period	**124,945**	**99,035**
Cash and cash equivalents at the end of the period	**141,462**	**101,736**