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ROVI informs on the impact of Covid-19 on the company's activities

Madrid – 2 April, 2020 – Laboratorios Farmacéuticos ROVI, S.A. (ROVI) reports that, since the beginning of the propagation of Covid-19, the company has been executing the contingency plans necessary to guarantee the health and safety of its employees and those who work with it, as well as to ensure the continuity of the business and fulfil its responsibility to supply medicines to the hospitals of Spain and Europe.

To this end, the company has adopted a number of initiatives in line with the recommendations made by the authorities. Among them, we highlight the fact that ROVI has reduced the processes that must be performed in person at its facilities to a minimum. Thus, a significant part of the workforce is working from a distance. In the cases where home working is not possible, particularly at the manufacturing plants, ROVI is keeping all its production activities at a kind of normal activity level, with the relevant safety measures, in order to ensure that its medicines continue to be available to patients during the health crisis.

ROVI considers that it is extremely important to keep its manufacturing plants in operation in order to fulfil its responsibility as a pharmaceutical manufacturer. Therefore, the company wishes to acknowledge the commitment and responsibility shown by those of its employees who are physically present at work every day and, for these employees, has approved a bonus of 20% of their salary corresponding to the duration of the State of Alarm decreed by the Spanish government. Likewise, in order to work with the greatest safety and

maintain the continuity of the production activities, ROVI recommends avoiding the use of public transport for travelling to the plants and assumes the cost of private transport and parking spaces for those employees who so require.

ROVI's sales behaved in line with company's expectations in the first quarter of 2020. As a consequence, the company confirms the growth forecasts reported previously for 2020, which placed growth in operating revenue in mid-single-digit figures, i.e. from 0% to 10%. Notwithstanding, given the uncertainties associated to the development of the current situation (which ROVI will continue to monitor closely) and the duration of the State of Alarm, it is not yet possible to make a precise assessment of the impact that the pandemic will have on the current year. ROVI expects the main negative impact on group sales to take place in the second quarter of 2020.

Regarding the possible impact of Covid-19 on each one of the areas of the company, the following may be highlighted:

1. The World Health Organisation (WHO) has recommended ROVI's low-molecular-weight heparins (LMWHs), Bemiparin (Hibor®) and the Enoxaparin biosimilar, sales of which accounted for 47% of the company's operating revenue in 2019, as essential medicines for people hospitalised in intensive care units due to Covid-19. For this reason, in view of the habitual use of the product in hospitalised patients, the company believes that there will be a rise in LMWH sales in hospitals during the period of the health crisis. On the other hand, ROVI expects that the significant reduction in the number of surgical operations performed during the period of confinement may, likewise, affect the division's sales. The industrial shutdown that took place in China at the beginning of the year and the current shutdown in Europe, combined with the evolution of African swine fever in China, confirm the price increase in sodium heparin for this first part of the year.
2. A majority of ROVI's innovative products are indicated for the treatment of chronic diseases and therefore, consumption of these products should

remain stable in the short term. However, the confinement measures, which favour the habit of staying at home, combined with the fact that it is impossible for the sales force to promote the products among health professionals, could provoke a slowdown in the sales of the pharmaceutical specialities division if the isolation measures adopted in the health crisis were to be prolonged.

3. As we have mentioned previously, as of today's date, production activities remain at normal capacity at all the plants, although productivity has been impaired by the various preventive measures concerning sanitisation and safety in relation to Covid-19. ROVI is very proud and satisfied with its employees' response to this crisis. However, the current situation and its potential impact is so unpredictable and volatile that the foregoing assessment of the plants' operations could be affected in the event of infections within their workforces.
4. R&D activities are continuing and, as of today's date, ROVI is not aware that there will be any kind of delay in the approval process for Doria® in Europe or registration of the medicine in the United States. Notwithstanding, the company understands that the efforts of the European Medicines Agency are currently focused on Covid-19 and does not rule out delays in the approval process for the medicine under the current circumstances. Likewise, for registration of the medicine in the United States, the company depends on third-party assistance, which means that ROVI cannot be certain that the registration application will not be filed later the date reported previously (second half of 2020).

ROVI enjoys a sound financial position, with net debt of 15.9 million euros and a net debt/EBITDA ratio of 0.26 at the end of 2019. Excluding financial liabilities for leases, ROVI would have had a net cash position of 5.0 million euros at 31 December, 2019. In addition, it has a high cash-generating capacity (54.6 million euros in 2019, excluding working capital), a credit line from the European Investment Bank, drawn down in November 2019, for 40 million euros, and other bank borrowings. Likewise, since the beginning of this crisis,

ROVI has signed new credit policies in order to ensure the company's liquidity. Therefore, the Group held a gross cash position of 68.9 million euros at the end of 2019, to which the new credit policies which it could now draw down for a sum of 45 million euros may be added, giving a total of 113.9 million euros, which furnishes the Group with ample liquidity to meet its payment obligations, debt maturities and any additional cash needs in the short and medium term.

ROVI is continuing with its transformation process and the execution of its strategic plan. To date, the impact of the health crisis has not changed the Group's plans. Said strategic plan focuses on (i) the expansion of its enoxaparin biosimilar, with which it aspires to become a benchmark player in the low-molecular-weight heparin sub-market, and (ii) Doria[®] and Letrozol[®], both of which are candidates that validate its extended-release drug delivery system, ISM[®].

ROVI is also contributing to the provision of new solutions that help to improve the health situation of society overall and has taken the necessary steps to donate a million surgical masks and a thousand special protection suits to the Ministry of Health, Consumption and Social Welfare, taking account of the difficulties that the National Health System is having in accessing individual protection equipment at the present time. With this contribution, ROVI wishes to assist in the indispensable work carried out by the health professionals who are working nonstop to combat the COVID-19 pandemic in Spain.

ROVI wishes a swift recovery to all those affected by coronavirus and sends special recognition to the health professionals, the State security forces and all the other professionals who, in order to protect all of us, are on the battlefield in the fight against the virus. Likewise, ROVI would like to thank all its employees for their commitment, responsibility, involvement and determination, especially those who continue to travel to its work centres every day.

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, which is already marketed in 56 countries all over the world, should be highlighted. Likewise, in 2017, ROVI commenced the marketing of its in-house developed enoxaparin biosimilar in Europe. 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.

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 subsequent to the date of this press release.