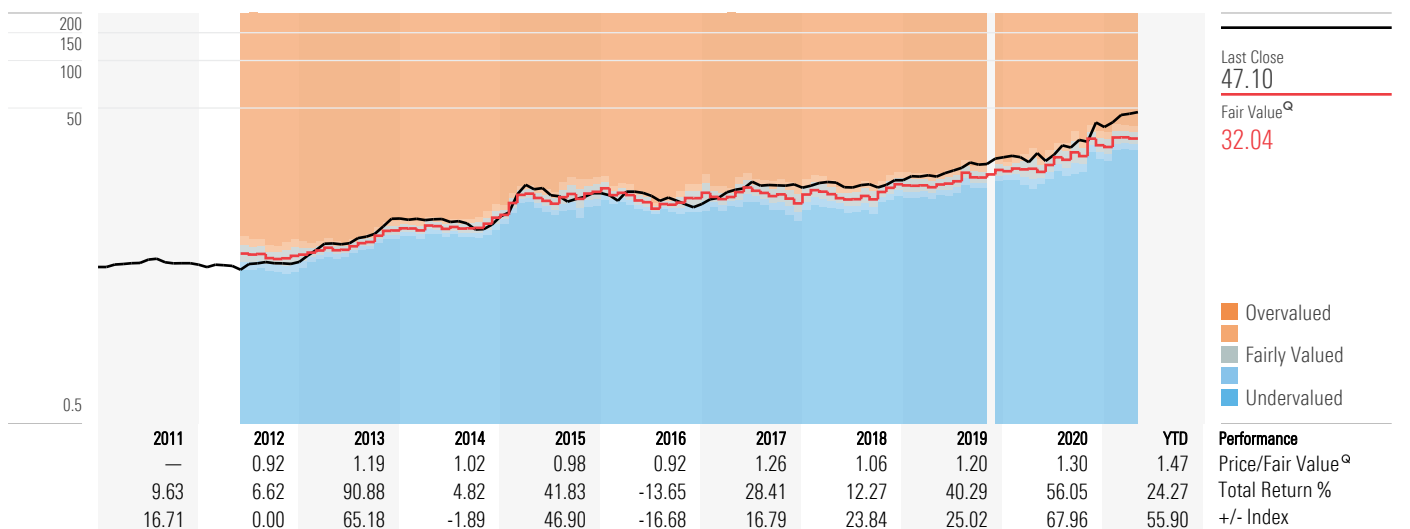


Laboratorios Farmaceuticos Rovi SA ROVI ★ 14 Apr 2021, 22:42 UTC

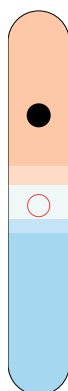
Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
Narrow	High	1.5	0.37	2.6090 Bil	Mid Growth	Healthcare	Biotechnology



Total Return % as of 14 Apr 2021. Last Close as of 14 Apr 2021. Fair Value as of 14 Apr 2021, 22:42 UTC. Index: Morningstar Spain GR EUR.

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Valuation ^Q as of 14 Apr 2021



Last Close
47.10

ROVI is Over Valued at a 47% premium.

Economic Moat ^Q

Narrow

Financial Health ^Q

Moderate

1-Star Price ^Q

> 38.18

5-Star Price ^Q

< 26.88

Fair Value^Q
32.04

Uncertainty ^Q :
High

Contact

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<http://www.rovi.es>

Financials as of 14 Apr 2021 (Fiscal Year End 31 Dec 2021)

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	Fiscal
185	202	218	238	246	265	276	303	381	420	420	Revenue (Mil)
18,985	21,677	25,472	27,692	21,842	28,300	19,009	17,458	43,184	77,429	77,429	Operating Income (K)
10.28	10.74	11.71	11.63	8.88	10.67	6.9	5.76	11.33	18.44	18.44	Operating Margin (%)
18,127	19,514	23,022	24,116	19,809	26,089	17,241	17,895	39,273	61,057	61,057	Net Income (K)
0.36	0.39	0.46	0.48	0.40	0.53	0.35	0.35	0.71	1.10	1.10	Diluted Earnings/Share
12,684	19,614	29,816	23,002	29,392	45,526	18,039	8,531	-9,044	46,876	46,876	Operating Cash Flow (K)
-8,353	-13,720	-24,683	-25,054	-19,901	-18,076	-19,944	-26,459	-40,525	-39,692	-39,692	Capital Spending (K)
4,331	5,894	5,133	-2,052	9,491	27,450	-1,905	-17,928	-49,569	7,184	7,184	Free Cash Flow (K)
49,687	49,656	49,810	49,751	49,537	49,301	49,308	51,223	55,180	55,386	55,386	Avg Shares Outstand(K)
0.17	0.13	0.14	0.16	0.17	0.14	0.18	0.12	0.08	0.18	0.18	Dividend Per Share

Valuation as of 14 Apr 2021

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Current	Calendar
—	0.92	1.19	1.02	0.98	0.92	1.26	1.06	1.20	1.30	1.47	Price/Fair Value ^Q
1.38	1.30	2.37	2.23	2.94	2.34	2.78	2.96	3.81	5.09	6.21	Price/Sales
16.31	13.59	23.09	21.38	34.69	24.56	35.67	54.14	41.60	37.85	42.82	Price/Earnings
19.25	13.42	25.76	17.09	33.02	13.89	36.05	105.33	219.01	—	55.65	Price/Cash Flow
2.27	2.08	3.55	3.31	4.39	3.39	4.03	4.80	4.31	5.68	6.98	Price/Book

Operating Performance as of 14 Apr 2021 (Fiscal Year End 31 Dec 2021)

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Q3	Fiscal (%)
8.22	8.66	10.05	9.7	7.54	9.46	5.88	5.1	8.59	11.25	2.51	Return on Assets
16.62	16.23	17.0	15.92	12.26	14.99	9.19	7.47	12.88	17.54	3.83	Return on Equity
12.08	12.73	14.19	13.92	10.58	12.5	8.03	6.62	10.93	14.45	3.21	Rtn on Invested Capital

Business Description

Laboratorios Farmaceuticos Rovi SA is a biotechnology company engaged in the research, development, manufacturing, and marketing of small molecule and specialty biologic drugs. The company has a diversified portfolio of products that it markets in Spain through its specialized sales force of specialist physicians, hospitals and pharmacies.

Laboratorios' research and development pipeline is focused on the expansion of applications, indications, and alternative mechanisms of action for heparin-derived products. The company aims to obtain new pharmaceutical products that enable the regular administration of formulations that are administered daily in chronic and prolonged treatments.

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The quantitative report on equities consists of data, statistics and quantitative equity ratings on equity securities. Morningstar, Inc.'s quantitative equity ratings are forward looking and are generated by a statistical model that is based on Morningstar Inc.'s analyst-driven equity ratings and quantitative statistics. Given the nature of the quantitative report and the quantitative ratings, there is no one analyst in which a given report is attributed to; however, Mr. Lee Davidson, Head of Quantitative Research for Morningstar, Inc., is responsible for overseeing the methodology that supports the quantitative equity ratings used in this report. As an employee of Morningstar, Inc., Mr. Davidson is guided by Morningstar, Inc.'s Code of Ethics and Personal Securities Trading Policy in carrying out his responsibilities.

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i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

Narrow – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

Wide – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

None – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, Quantitative Uncertainty Rating, and momentum. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

★ – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) < -1.5*Quantitative Uncertainty*

★★ – the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1*Quantitative Uncertainty, -0.5*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-1.5*Quantitative Uncertainty, -0.75*Quantitative Uncertainty)*

★★★ – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5*Quantitative Uncertainty, 0.5*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-0.75*Quantitative Uncertainty, 0.75*Quantitative Uncertainty)*

★★★★ – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5*Quantitative Uncertainty, 1*Quantitative*

Uncertainty)

*Micro-Caps: Log (Quant FVE/Price) between (0.75*Quantitative Uncertainty, 1.5*Quantitative Uncertainty)*

★★★★★ – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) > 1.5*Quantitative Uncertainty*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

iv. **Quantitative Uncertainty:** Intended to represent Morningstar's level of uncertainty about the accuracy of the Quantitative Fair Value Estimate. Generally, the lower the Quantitative Uncertainty, the narrower the potential range of outcomes for that particular company. The rating is expressed as Low, Medium, High, Very High, and Extreme.

Low – the interquartile range for possible fair values is less than 10%

Medium – the interquartile range for possible fair values is less than 15% but greater than 10%

High – the interquartile range for possible fair values is less than 35% but greater than 15%

Very High – the interquartile range for possible fair values is less than 80% but greater than 35%

Extreme – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

Weak – assigned when Quantitative Financial Health < 0.2

Moderate – assigned when Quantitative Financial Health is between 0.2 and 0.7

Strong – assigned when Quantitative Financial Health > 0.7

Other Definitions

i. **Last Close** – Price of the stock as of the close of the market of the last trading day before date of the report.

ii. **Quantitative Valuation** – Using the below terms, intended to denote the relationship between the security's **Last Price** and Morningstar's quantitative fair value estimate for that security.

Undervalued – Last Price is below Morningstar's quantitative fair value estimate.

Fairly Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Overvalued – Last Price is above Morningstar's quantitative fair value estimate.

This Report **has not been made available** to the issuer of the security prior to publication.

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