



Hovione's 60th Anniversary

Speeches

Mosteiro dos Jerónimos, Belém
9th July 2019

Diane Villax:

Good evening and thank you for coming to celebrate with us our 60th anniversary.

It gives me such pride to see what this great team called Hovione has been able to build over these more than 6 decades and making us deserving of this celebration. I owe gratitude to so many for so much work and for so much commitment.

Now I will hand over to Guy that leads us with such success for more than 20 years.

Guy Villax:

Dear Mummy,

Dear Team-Members,

Dear Guests,

1959 was when the Cristo Rei first lit up our sky-line and when the Lisbon subway first entered into service. We were at the height of the Cold War. The Russians were winning the space race, and in the basement of a house in Lisbon, Diane and Ivan Villax started Hovione.

Our Father used to say he had left Hungary with a tooth brush in one pocket, his engineer's diploma in the other, and the Russians at his heels.

For seed capital, our Mother sold 500 shares she had in Sena Sugar Estates, this was her family's business that grew sugar on the Zambeze in Mozambique.

If our Father were here, he would be happy and amazed and would have some special words for his wife, his co-workers, and to Portugal – a beautiful country that gave him an opportunity and his nationality.

In the 60 years that separate us from that time so much has changed. We did a ton of work, we were lucky because our plans seldom went wrong. We invested in plants and labs in Portugal, in Macau, in America, in China and in Ireland. We opened sales offices in Hong Kong, Mumbai, Osaka and Shanghai. From 5 staff we are now over 1800.

The numbers always showed profitable growth and sound finances but those are nothing more than a thermometer that tells us whether or not we are serving clients well, whether we have chosen the right technologies and whether we are ahead of or behind the competition.

In 2003, Ivan Villax died and the Human genome was decoded, Hovione moved on and Diane re-invented herself.

In the family we are all different, we all have specific roles, they complement each-other and they are all always valuable.



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In the 3rd and 4th generations we have 17 Villaxes – some study, others represent their country in competitive sport events, others work at Hovione or otherwise. Some have even started their own business with positive write-ups in the New York Times.

On the board of the company we are 7, with a majority of independent non-executive directors – 4 Portuguese, plus a Swiss, an American and a Canadian.

What has always driven this company has remained unchanged. It is to do well what is difficult and to give clients what they cannot get elsewhere. We choose good products, good for the patients, and when we work we always live our values.

Today we measure success by the market share we hold each year in the new medicines that are approved in the USA, and by our impact on the life of patients.

- In the last 4 years FDA has approved 172 NDAs. Of those 15 belong to our clients. In other words, 9% of the newly launched medicines had -at least part- of their process developed in our labs and the product came from our plants.
- In the last 7 years one of the most significant Pharma industry contributions to Medicine has been the cure of hepatitis C. 3 million patients were cured thanks to a medicine made by a Hovione process in a Hovione plant.

But at Hovione we do much more than just chemistry. In the last 5 years over 60 MSc students trained at Hovione. Since 2009 22 PhD students have done their research in a Hovione lab, and 8 have completed their doctorate.

Pharmaceutical regulations are set at a global level. Hovione Team-Members contribute to International Council on Harmonization's expert working groups, to pharmacopeia committees and in multiple industry association bodies. It is part of our strategy to help design the future of our industry.

The Cold War came to an end when one least expected it, the Berlin wall fell and the age of globalization started.

The year following Deng Xiao Ping's open door policy, Hovione was buying at the Canton Fair. And when Thomas Friedman published his book, *the World is Flat*, our plant in Macau had been exporting to America for 20 years. During the financial crisis the only weak link in our system were our banks that were unable to finance our growth. Last year we did our second bond issue, \$50m at 15 years. In 2017 we sold the business we had in China, we guessed that a storm was coming.

As we move beyond 60, we need to bet on young people, on learning and on innovation. A few years ago I was taught that the only sustainable competitive advantage is the ability of a company to learn and to re-invent itself.



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Sofia Villax:

We received the following message from HE the President of the Portuguese Republic,

“On the occasion of the 60th anniversary of Hovione

Lisbon, Mosteiro dos Jerónimos, 9th July 2019

I would like to congratulate all those who every day make Hovione a success story, here and abroad, through its Founder Chairman Diane Villax and her son, Guy Villax, CEO.

In 1959, at the height of the Cold War, Diane and Ivan Villax launched Hovione. The founder, of Hungarian origin, was well received in Lisbon at a turbulent moment of history in both Hungary and Europe.

And how important it is to remember today and value what has changed in the last 60 years, in Portugal, in Europe and around the World.

Hovione was a start-up that was born in a basement in Lisbon (proof that already 60 years ago you had start-ups in basements and garages) and today this pharmaceutical multinational produces and sells medicines across the world from its plants and laboratories in Lisbon, Loures, Macau, the USA, China and Ireland.

1800 people work at Hovione, of which about 1100 in Portugal, all highly skilled. The sales and investment figures in the last few years are impressive and deserve a word of encouragement to do even better in applied innovation.

In family business as this one (and in a business that demands great scientific rigor) we can expect to find:

- Good values and a positive attitude
- The ability to overcome adversity (for example, following the attitude of the founders and of their children)
- The setting of a high bar by the shareholders on themselves as well as on the executive team, the management and on all the team-members
- The attracting and retaining of the best talents, which is not easy;
- and no less important, have the humility needed to innovate every day.

To innovate and to serve... Serving clients, especially in matters of health, demands a true sense of service to the community.

And that is only achieved, with good results, if the organizations (in this case a company) are open to learning. My design for this country is that we, as a People, have the ability to re-invent ourselves.



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As I have said many times, we are the best among the best when we believe in ourselves and when we commit to our goals, as difficult as they might seem. And that ambition, that will to discover, is part of our DNA as a People and as a Country.

I wish you the greatest success for your next 60 years!

Giving continuity to the example of Diane and Ivan Villax and of their successors... and counting always with the work and knowledge of the Portuguese scientists and workers.

Because your growth will always be a part of Portugal's development!

Signed - Marcelo Rebelo de Sousa

Lisbon. Palácio de Belém, 2nd July 2019"

I would like to introduce two great pianists Pedro Burmester and Mario Laginha. We have a musical program for two pianos, created especially for tonight, I would like to thank João Pereira Bastos for his support and organization.

I wish you a pleasant evening.