

## Press release

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**Sales revenue and profit earned by Antibiotice (BVB: ATB index) in the first semester of 2019 recorded higher values compared to those in the same period of 2018.**

According to the financial results communicated to the Bucharest Stock Exchange, the H1 2019 sales revenue worth 172.39 million LEI, higher by 9% compared to 157.70 million LEI recorded in the same period of the last year.

H1 2019 gross profit recorded by Antibiotice Iași was higher by 20% and the after-tax profit was higher by 11% compared to H1 2018.

The financial results recorded by our company in the first half of 2019 reflect a rigorous management policy focused on reducing the considerable impact generated by the increased clawback tax, by focusing our business in the international market. Thus, from the income made in the first semester of this year, Antibiotice returned to the public health system through the clawback tax the amount of 20,05 million LEI, a value higher by 11% compared to the one returned in the first semester of 2018 (i.e. 18.06 million LEI).

➤ **42% exports in total sales**

Antibiotice's growing revenues are mainly due to the international sales which represent 42% of our company's turnover. Compared to the first semester of 2018, the export revenues in the same period of 2019 increased by 6.34%, i.e. 72,29 million LEI compared to 67.96 million LEI in 2018.

The main destinations of the Antibiotice products (finished products and the active substance Nystatin) in the H1 2019 were Asia (35%), North America (27%), while South America and Europe cumulated 28% from our international sales.

### **47% increase in the sales of injectables in the USA market**

In the US market, our exports of injectable finished products grew by 47% in the first six months of 2019 compared to the same period last year. This growth was influenced by both the conclusion of a partnership with a local distributor and by the improvement of the sales structure in this market.

**Vietnam is the second market for the Antibiotice products**, after the US market, being the geographical area from South-East Asia with the most significant growth rate, over 15% per year. The opening of the Antibiotice representative office in Hanoi favored the accelerated sales growth and, in the first six months of 2019, the export of finished products represented 36% from the export income, being made mainly by selling anti-infectious drugs.

Until 2025, Antibiotice intends to registrate and sell in this market a portfolio comprising more than 30 products from the following therapeutic areas: antiinfectives, products for women's health, dermatologicals and cardiovasculars. This portfolio will double the turnover.

### **Export opportunities in China**

China, having a very large population with high incomes and demanding for high-quality pharmaceuticals manufactured in Europe, represents a significant market for Antibiotice. Our company cooperates with important companies in the field of manufacture and supply of active substances and anti-infective finished products. In the H1 2019, Antibiotice initiated discussions with the largest distributor of medicines in China for identifying opportunities to sell its products (products for women's health, topicals, its own pharmaceutical products that have Nystatin as active substance). In the next period these projects will be developed.

### **Nystatin - over 50% from export sales**

As regards Nystatin, Antibiotice continues its efforts to remain the main player in the international market, currently being the world leader in the production of this active substance. In the H1 2019, the sales of Nystatin represented 54% of the export sales.

The US is the main market for Nystatin, a market in which Antibiotice has a consolidated status. The sales in this market grew by 13% in H1 2019 compared to the same period of the previous year. Our company initiated new cooperation projects which will represent sources of growth in terms of volumes, for the products traded between 2020-2025. Our projects started in the previous years, have become the main engine for increasing the exports of Nystatin in the South America area (Brazil, Colombia, Cuba).

### **➤ Antibiotice in the context of the Romanian pharmaceutical market**

In the domestic market, our company recorded in the first 6 months 2019 an increase of 11.5% in the gross sales revenue, i.e. 152.5 million LEI compared to 136.8 million LEI in Q1 2018.

The products from the Antibiotice portfolio that made a significant contribution in the first half of 2019 (more than 500 thousand LEI) compared to H1 2018 were: range of Memantină Atb® tablets, Betahistină Atb® tablets 24 mg, Indapamidă Atb® tablets 1.5 mg, Nidoflor® ointment 15 gr, range of Clotrimazol cream, Colistină Atb® for injection 1,000,000 IU, range of Perasin® (piperacillin with tazobactam) for injection and the range of Bisotens® (bisoprolol) tablets.

In this context, after the first six months of the current year, Antibiotice ranks first in the relevant market (the market of products from the Antibiotice portfolio, taken into account in the company's strategy), with a 15.9% market share and has the fifth position in the segment of generics & OTCs (4.6% market share), maintaining its leading position in the segment of products marketed in hospitals, with a 15.7% market share.

This year, a special focus in our promotion strategies targeting the internal market will be put on developing our brand Nutriensa®, as a communication vector in the market of products for maintaining the quality of life, women's health products as well as on the education and responsibility program regarding the judicious use of anti-infectious drugs "*Antibiotics of the third millennium*".

*(Data source: Cegedim - H1 Sales)*

#### **Antibiotice in the first semester of 2019**

- sales revenue higher by 9% compared to H1 2018;
- gross profit higher by 20% compared to H1 2018;
- export sales higher by 6.34% compared to H1 2018;
- the sales of injectables increased by 47% in the US market compared to H1 2018;

Individuals interested in finding out more information can consult the H1 2019 Management Report on the websites of the Bucharest Stock Exchange ([www.bvb.ro](http://www.bvb.ro)) and of Financial Supervisory Authority ([www.asfromania.ro](http://www.asfromania.ro)) or on website of the Antibiotice SA, Investors section ([www.antibiotice.ro](http://www.antibiotice.ro)).