

Press release

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Antibiotice Iași - economic-financial results in the first 9 months 2018: 5% increase in net profit and 3% in sales revenue

In the first 9 months of 2018, Antibiotice company achieved a 3% increase in sales revenues and a 5% increase in net profit compared to the same period in 2017. In terms of value, the two indicators reached the level of 241.25 million lei, respectively 21.17 million lei, so the profitability remained at a similar rate to the one registered last year (8.8%).

The increase in sales revenues is based on the 5.3% advance obtained in the internal market, as a result of the favorable evolution in the cardiovascular, anti-infectious and central nervous system therapeutic classes. With regard to the international market, sales revenue remained constant compared to the previous period, with a share of 37.8% of total sales.

However, there were increases in Asia (due to the higher volume of finished products delivered to Vietnam), Latin America (doubling sales of Nistatin in Brazil) and the Middle East (due to increases in both categories - finished products and Nisterstatin). .

In addition to continuing to expand on international markets - including by registering 29 new marketing authorizations, the company has been aiming to increase the presence of Antibiotic products in pharmacies and hospitals in Romania, respectively the completion of the portfolio with new products and the development of scientific and research activities.

Thus, in the third quarter of 2018, the Clinical Unit of the Drug Evaluation Center was authorized for conducting clinical studies of bioequivalence and phase I. According to the growth strategy for therapeutic classes, Antibiotics continues the investment in the new section of topical products where the company will produce a complex portfolio in the coming years.

For the investment plan proposed for the year 2018 in the amount of 116.3 million lei, the company has used both its own resources and short-term bank loans (financing lines) and long-term.

The funds attracted were destined both to support the acquisitions provided for in the investment plan and to pay the claw back tax (which increased by 4.17 million lei) and the dividends to the shareholders. In these conditions, the debt ratio increased compared to the same period of 2017 and the current liquidity decreased.

The level of these indicators is within the planned values and within the optimal limits of economic safety and efficiency. Against the background of increased production by 22%, expenditures on raw materials and consumables increased by more than 12%.

The additional production was mainly determined by the need to create a buffer stock of ointments and suppositories to ensure continuity of sales during the transfer period. manufacturing in the new section of topical products - ongoing investment objective. In addition, the personnel expenses increased by 8%, reaching the value of 64.8 million lei, following the salary increase granted in 2017.

Conclusions:

- sales revenues increased by 3% compared to the first 9 months of 2017; net profit higher by 5% compared to the same period of 2017;
- increase of domestic sales by 5.3% compared to the same period;
- increase of sales revenues made by the Vietnam representation by 35% and by the Moldovan representation by 35 % .

People interested in additional information can consult the January-September 2018 Directors' Report, on the website of the Bucharest Stock Exchange (www.bvb.ro), at the Financial Supervisory Authority (www.asfromania.ro) or on the company's website Antibiotice SA, (www.antibiotice.ro), section "Investors - Financial information - Financial reports / 2018, 9 months".