

Press release

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Iasi, November 15, 2019

Antibiotice Iași - 10% increase in gross profit in the first 9 months of 2019

The financial results of Antibiotice Iași in the first 9 months of 2019 indicate a 10% increase in gross profit, compared to the value recorded in the same period of 2018, reaching 24.15 million lei. Also, the operating profit registered a value of 27.58 million lei, 11% higher compared to the value registered on 30.09.2018.

The revenues from sales reached 242.41 million lei, a level comparable to the same period of the previous year. In the analyzed period, the value of the clawback tax increased by 17% compared to the first 9 months of 2018, affecting the company's profit.

The cost management policy has determined that over time Antibiotice will maintain its indebtedness within the limits of the historical trend of the company. Thus, in the first 9 months of 2019, the debt ratio decreased by 3% as a result of the increase of equity at a faster rate compared to the increase of the borrowed capital, reaching 30.29%.

Internal market performance

During the first nine months of this year, Antibiotice maintained its leading position in the segment of generic and OTC medicines marketed in hospitals, with a market share of 15.55%.

Antibiotics is a quantitative leader in the pharmaceutical form ointments (market share 23.7%), suppositories (market share 42.3%) and sterile powders injectable market share 72.6%).

Among the top of the list of non-prescription medicines and dietary supplements (OTC), Antibiotice ranks 16th out of a total of 227 companies.

In the first nine months of 2019, the largest share of sales in the domestic market was held by the products in the classes: dermatological preparations, central nervous system, genito-urinary system, musculoskeletal system, respiratory system.

External market performance

- Antibiotic exports - 8.6% growth in the first 9 months of 2019
- The export realized during the period January-September 2019 is of 97.24 million lei, by 8.6% higher compared to the level planned for this period of 2019 through the budget of revenues and expenses.
- Strengthening the leading position for nystatin - increasing sales by 14% on the American market

During the reporting period, Antibiotice registered a 14% increase in the amount of nystatin (active substance) used in the main markets of North and South America. This increase is the consequence of a strategy aimed at adapting the product to the clients' requirements regarding the use of nystatin in the formulation of high value-added finished products (powders for oral suspensions, creams, ointments, topical powders and ova), as well as prudent strategies for price and policies regarding partnerships with area agents / distributors.

50% growth in the penicillin market in North America

The US market has positive results for the finished products segment, for which Antibiotice holds FDA (Food & Drug Administration) certification. In the first 9 months of 2019, Antibiotice has recovered an amount of approximately 50% higher than the same period 2018 for the main products Ampicillin and Nafcillin sterile injectable powders.

Consolidated sales growth of 32% in territories with their own offices

The constant orientation towards facilitating the access of as many patients as possible to the products in the Antibiotics portfolio, has led the company to create a network of commercial offices in the Republic of Moldova, Vietnam, Ukraine and Serbia (Office). Through these representations Antibiotice follows the registration of a portfolio of anti-infectious drugs intended for consumption in hospitals, a policy adapted to the price specific to each market and a strong partnership with local distributors. Thus, approximately 50% of the value of the export of finished products is realized in these territories.

Between January and September 2019, sales in these four markets increased by 32% compared to the same period in 2018.

Conclusions - Antibiotics on 30.09.2019:

The operating profit registered a value of 27.58 million lei, higher by 11% compared to the value registered on 30.09.2018.

The gross profit registered a value of 24.15 million lei, higher by 10% compared to the value registered on 30.09.2018;

Strengthening the leading position for nystatin - increasing sales by 14% on the American market;

50% growth in the penicillin market in North America;
Consolidated sales growth of 32% in territories with their own offices.

Those interested in additional information can consult the January-September 2019 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