

## Press release

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Iași, November 15, 2019

### Antibiotice Iași - a 10 % increase in the 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. Operating profit also increased, recording a value of 27.58 million LEI, higher by 11% compared to the value recorded on 30.09.2018.

Sales revenue was 242.41 million LEI, a level comparable to the same period of the previous year.

During the analyzed period, the clawback tax value increased by 17% compared to the value recorded in the same period of 2018, affecting our company's profit.

The cost management policy approached by Antibiotice allowed it to maintain its degree of indebtedness within the limits of its historical trend. Thus, in the first 9 months of 2019, its degree of indebtedness decreased by 3 % as a result of the increase in equity at a faster rate compared to the increase of the borrowed capital, reaching 30.29%.

### Our domestic performance

- In the first nine months of the current year, Antibiotice maintained its **leading position in the segment of generics and OTCs traded in hospitals**, with a 15.55% market share.
- Quantitatively speaking, Antibiotice was also the **leading manufacturer of ointments** ( 23.7% market share), **suppositories** (42.3% market share) and **sterile powders for injection** (72.6% market share).
- Antibiotice ranks 16<sup>th</sup> among the 227 companies manufacturing non-prescription medicines (OTCs) and dietary supplements.

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

### Our external performance

#### Antibiotice's exports - a 8.6% increase in the first 9 months of 2019

The exports made between January-September 2019 amounted to 97.24 million LEI, higher by 8.6% compared to the level planned in the Income & Expenditure Budget for this period of 2019.

### **Strengthening our leading position in the manufacture of Nystatin - a 14% increase in the American market**

In the reporting period, Antibiotice increased by 14% the quantity of the active substance Nystatin sold in the main markets in North and South America. This increase is the consequence of a strategy aimed at both adapting the product to the customers' requirements regarding the use of Nystatin for formulating high-added value finished products (powders for oral suspensions, creams, ointments, powders for topical use and pessaries) as well as approaching prudent pricing policies regarding the partnerships with area agents / distributors.

### **A 50 % increase of our sales in the North American penicillin market**

In the USA market we recorded positive results also in the segment of finished products for which Antibiotice hold a FDA certification (Food & Drug Administration). As regards, our main sterile powders for injection, Ampicillin and Nafcillin, Antibiotice sold an amount by about 50% higher in the first 9 months of the current year compared to the same period of 2018.

### **A 32 % consolidated growth in sales in the territories where our company opened its own representative offices**

Our constant focus towards facilitating access of as many patients as possible to the products in the Antibiotice portfolio made us to create a network of commercial representative offices in the Republic of Moldova, Vietnam, Ukraine and Serbia. Through these representative offices, Antibiotice aims at registering an anti-infectives portfolio for hospitals, approaching a pricing policy adapted to the specific of each market and creating a solid partnership with the local distributors. Thus, approximately 50% of the export value of finished products is recorded in these territories.

In the period January-September 2019, our sales in these four markets increased by 32% compared to same period of 2018.

### **Conclusions - Antibiotice's results recorded on the first nine months of 2019:**

- Operating profit was 27.58 million LEI, higher by 11% compared to the value recorded on 30.09.2018.
- Gross profit recorded a value of 24.15 million LEI, higher by 10 % compared to the value recorded on 30.09.2018.
- Antibiotice's leading position in the Nystatin market strengthened - the sales grew by 14% in the American market;
- Our sales grew by 50 % in the North American Penicillin market;
- Our sales recorded a 32% consolidated growth in the territories where we opened our own representative offices.

*Those interested in additional information can consult the January-September 2019 Management Report, on the website of the Bucharest Stock Exchange ([www.bvb.ro](http://www.bvb.ro)), Financial Supervisory Authority ([www.asfromania.ro](http://www.asfromania.ro)) or Antibiotice website ([www.antibiotice.ro](http://www.antibiotice.ro)), section „Investors - Financial information- Financial reporting / III Q 2019”.*

