

Antibiotice
Știință și suflet



Tradition means continuity and recognition

➤ 1955

Only a decade after the synthesis of Penicillin, Antibiotice began its activity and became the first producer of this active substance in Romania and in South-East Europe.

➤ 1995-1990

The manufacturing structure has developed, especially for active substances, sterile powders for injection, ointments and suppositories.

➤ 1990-1999

Antibiotice has redefined its manufacturing structure and has invested in the domestic and international marketing. Antibiotice has been listed on the Bucharest Stock Exchange - category I since 1997.

➤ 2000-2010

Our company has invested heavily (EUR 60 million) in the modernization of technologies, in modern, competitive equipment and in the certification of quality systems to meet the GMP and US FDA standards;

Antibiotice has obtained the Food and Drug Administration (FDA) approval for the manufacturing line of Nystatin and for the manufacture of sterile injectable powders, which has allowed the export of the first injectable drugs and Nystatin to the U.S. market;

Our company has launched a new brand identity (a new logo - "a+" and a new slogan - "science and soul") that have been communicating the modernization and structural changes of the organization.

➤ 2010-2015

The company has opened its own Center for Drug Evaluation (CEM);

Antibiotice has become the first European company prequalified by WHO for anti-tuberculosis products. USP reference standard for Nystatin.

➤ Present day

World leader in the production of Nystatin. Strong orientation towards business internationalization and new partnerships.

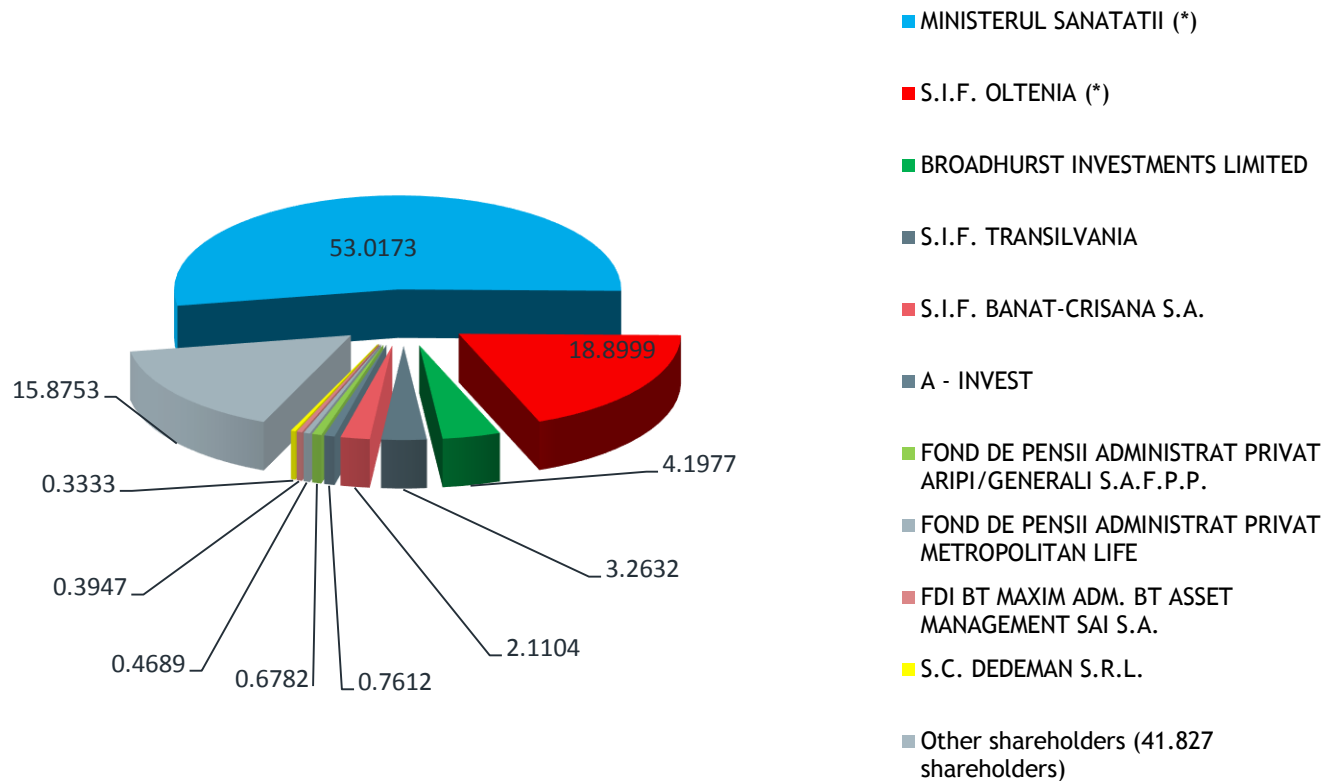
Our company has business representative offices in: Vietnam, Republic of Moldova, Ukraine and Serbia.

The manufacturing activity is performed on 8 GMP and FDA authorized manufacturing lines;

The product portfolio contains 150 drugs from 12 therapeutic classes.

Antibiotice SA on the capital market

Investors



REMARK: (*) - Significant shareholders, according to Law no. 24/2017, Art. 2, Paragraph 2

Antibiotice SA in the pharmaceutical market in Romania

- ❑ During the first semester of 2019 the value of the company's sales was RON 167 million (15.9% of the relevant market), experiencing an increase by +1% compared to the similar period of 2018;
- ❑ The prescription products (RX) account for 80.8% of the total sales value (RON 135 million). During the same period, products without a prescription (OTC) account for 19.2% of the total (RON 32.1 million), experiencing an increase of +3.8% compared to last year.
- ❑ Antibiotice SA ranks: 1st place on the relevant market (15.9% market share), 5th place on the generic and OTC segment (4.6% market share) and 19th place on the total pharmaceutical market (1.84% market share).
- ❑ During the first semester of this year, Antibiotice SA has maintained its leading position in the segment of generic and OTC medicines marketed in hospitals, with a market share of 15.7%.
- ❑ Antibiotice SA ranks 16th out of 221 companies in the top of non-prescription medicines and food supplements (OTC).

A partner of the health system in Romania

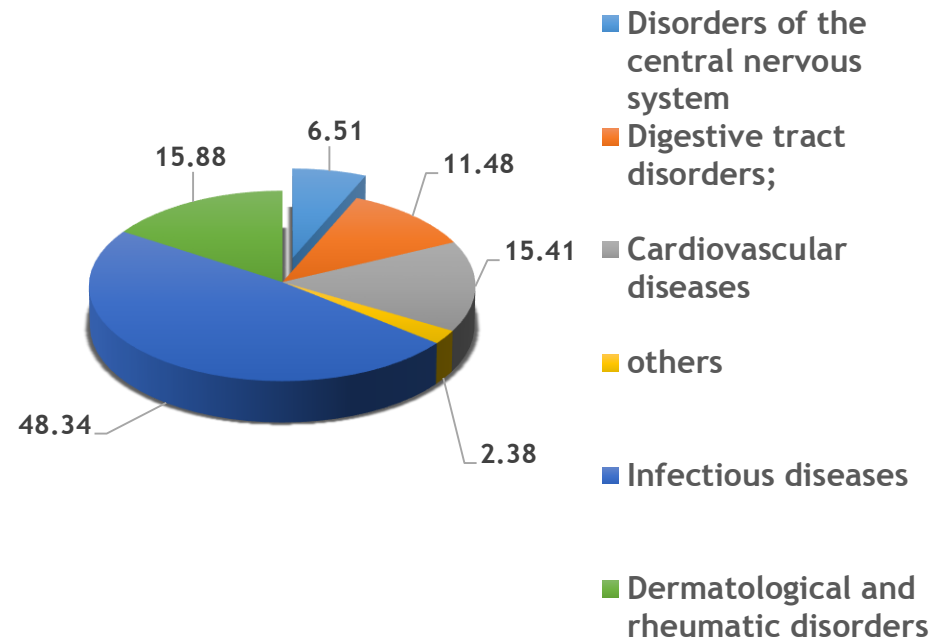
Our company is present in all over the 500 hospitals and in over 4000 pharmacies in Romania; 37 of medicinal products considered essential by the WHO for the treatment of patients are manufactured in the city of Iasi;

Our company permanently provides a safety stock in the distributor's warehouses;

Our company supports health programs - it is the main supplier of products within the national program for the treatment of patients with tuberculosis.

Our company provides access to treatment for most medical and surgical specialties:

- Infectious diseases;
- Intensive care;
- Cardiovascular diseases;
- Dermatological and rheumatic disorders;
- Digestive tract disorders;
- Disorders of the central nervous system.



The production of Antibiotice

During the first semester of 2019 Antibiotice has manufactured:

- **320 million pharmaceutical units** in the form of tablets, capsules, parenteral products, topical products (ointments, creams, gels), suppositories and pessaries;
- During the first semester of 2019 the value of the production manufactured for export (Nystatin and finished products) has accounted for 28.6% of the total value of the products manufactured on the platform;
- The total value of the production amounted to RON 228.4 million.

During the first half of 2019, starting with February, through the measures and investments implemented we achieved the compliance with the serialization process of prescription drugs in accordance with the EU Directive 62/2011, which made it possible to continue the sales of products on the European and U.S. markets.

Research & Development

- In 2019 the research product pipeline includes a number of 15 projects, of which: 1 injectable product, 4 projects of topical forms and 10 projects of solid oral forms. These projects cover the therapeutic classes that define the portfolio of Antibiotice: oral anti-infective drugs, injectable anti-infective drugs, dermatological drugs, non-steroidal anti-inflammatory cardiovascular drugs, digestive system drugs and drugs for women's health. During the first half of 2019 these products were in different stages of development.
- During the first semester of 2019, concurrently with these new research projects, activities have been carried out to optimize the products from the company's portfolio, in order to internationalize them, as follows: 5 injectable products, 2 topical products and 4 oral solid forms products.
- During the first half of 2019, 2 new products in 3 concentrations were added to the portfolio of anti-infective drugs, which is representative for the company both nationally and internationally. A new dietary supplement was also notified.
- For the international market, 3 new Marketing Authorizations for Antibiotice brand medicines for 2 countries from the CIS and Europe areas have been obtained.

The export increased by 6.34% compared to the export made during the similar period of 2018

TYPE OF PRODUCT	SEM I 2018	SEM I 2019	Variation %
NYSTATIN	36,129,359	38,715,323	7.16%
FINISHED PRODUCTS	31,852,655	33,575,462	5.41%
TOTAL (LEI)	67,982,014	72,290,784	6.34%

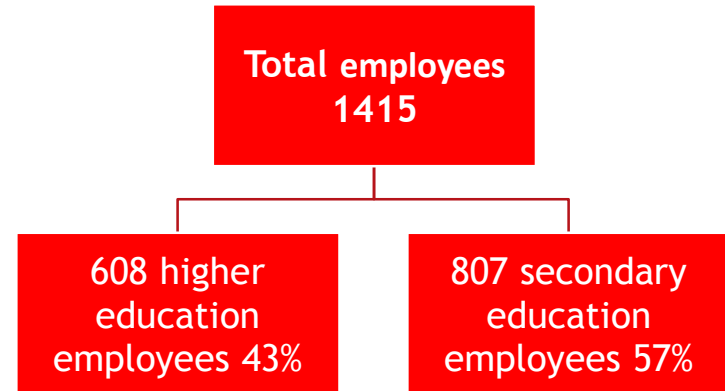
The main development directions of Antibiotice SA strategy on international markets:

- Developing the presence in the territories in which Antibiotice has an open representative office: Vietnam, Ukraine, Moldova and Serbia;
- Increasing the market share on regulated markets, especially on the U.S. market;
- Developing/consolidating the company's presence on current markets and adapting the product portfolio to potential external markets according to the local consumption specificity;
- Developing new business models and partnerships on foreign markets, which will accelerate the development of the company internationally;
- Maintaining the position of world leader for the production of Nystatin active substance;

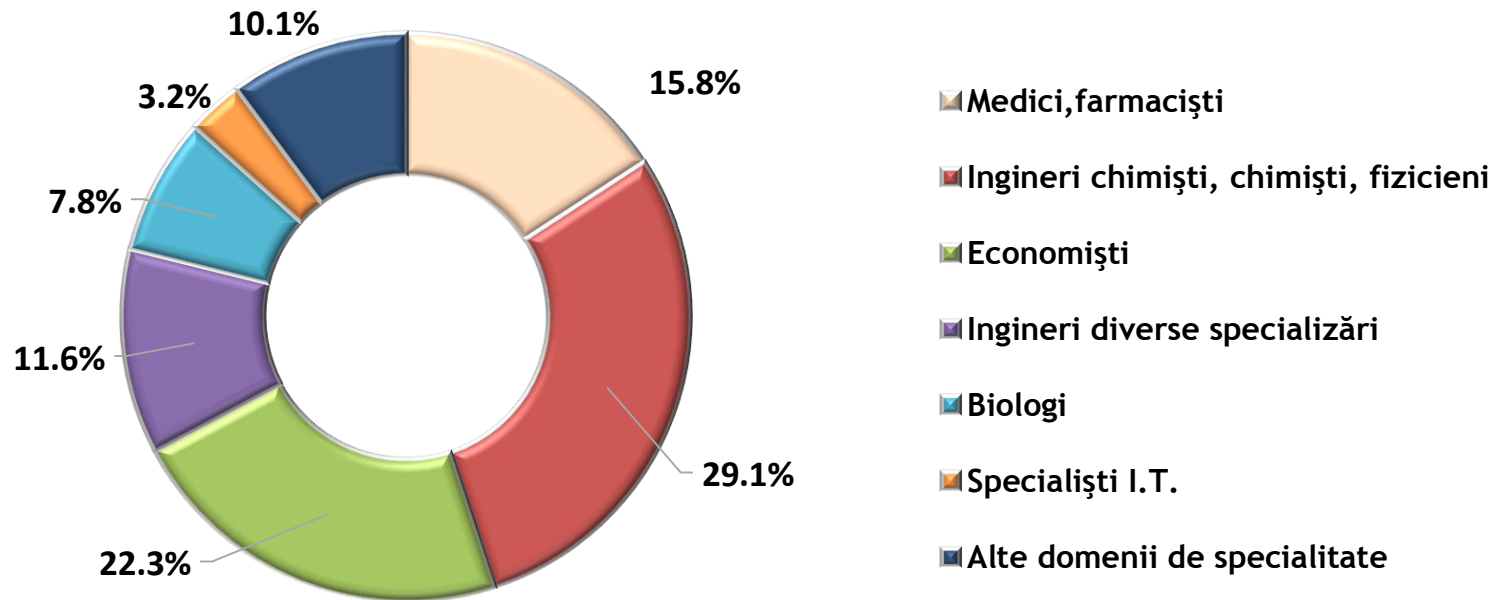
The main destinations for the Antibiotice products (Finished Products and Nystatin) during the first half of 2019 were: Asia (35%), North America (20%) and Europe (15%). The sales in these areas accounted for about 70% of the sales made on foreign markets.

Together we create value

THE STRUCTURE OF THE STAFF ON 30.06.2019



Structure of the higher education staff



We are responsible for people, community and environment

We manufacture medicinal products with science, but at the same time we put our soul into what we do to always stay close to people. Antibiotice assumes the responsibility to contribute as a "good citizen" to the life of the community and it is directly involved in the development of a better society and for a cleaner environment

Corporate Social Responsibility projects

HEALTH

"The Antibiotics of the Third Millennium"

"Donate blood! Put your soul to life!"

EDUCATION

The "Science and soul" scholarships

We invest in excellence - we support national and international Olympic students – in partnership with the General School Inspectorate

SOCIAL

"The power of deed is in our power" - carried out by the Antibiotice "Science and Soul" Foundation

ENVIRONMENT

Antibiotice has been supporting the "Earth Hour" for 11 years

The school orchard

The situation of the overall result

During the first semester of 2019, compared to the similar period of the previous year and following the strategic objectives with focus on the internationalization of the business, the sales revenues experienced an increase of 9%, due mainly to the increase of sales on the international market.

	Exercitiul financiar		30.06.2019/30.06.2018
	30.06.2018	30.06.2019	
A	1	2	3=2/1
Sales revenues	157.700.486	172.391.095	1,09
Other operating revenues	14.810.614	18.686.567	1,26
Revenues relative to costs of product stocks	23.440.792	26.243.033	1,12
Capitalized income generated by the entity's activity	1.549.525	2.568.485	1,66
Expenses with raw materials and consumables	73.332.578	78.018.365	1,06
Staff-related expenses	41.996.215	46.888.473	1,12
Expenditure on amortization and depreciation	9.800.119	10.329.494	1,05
Other operating expenses	50.067.426	57.508.252	1,15
Operating profit	22.305.079	27.144.596	1,22
Net financial income	-1.460.910	-2.220.989	1,52
Pre-Tax Profit	20.844.169	24.923.607	1,20
Expenses with tax on profit and other taxes	741.122	2.604.531	3,51
Profit	20.103.047	22.319.076	1,11

Operating profit 27.144.596 lei higher by 22%;

Pre-Tax Profit 24.923.607 lei higher by 20%;

Profit 22.319.076 lei higher by 11%.

Statement of financial position

	Financial period		30.06.2019/31.12.2018
	31.12.2018	30.06.2019	
0	1	2	3=2/1
ASSETS			
FIXED ASSETS			
Tangible fixed assets	310.640.665	316.959.046	1,02
Intangible fixed assets	15.028.716	16.134.982	1,07
TOTAL FIXED ASSETS	325.669.381	333.094.028	1,02
CURRENT ASSETS			
Stocks	64.964.662	97.450.800	1,50
Trade and similar receivables	313.094.458	307.600.266	0,98
Cash and cash equivalents	2.376.682	3.612.663	1,52
TOTAL CURRENT ASSETS	380.435.802	408.663.729	1,07
TOTAL ASSETS	706.105.183	741.757.757	1,05
LIABILITIES			
CURRENT LIABILITIES			
Trade and similar liabilities	67.171.084	76.126.997	1,13
Amounts due to credit institutions	100.729.229	104.527.433	1,04
Tax and current tax liabilities	10.421.393	11.528.226	1,11
Subsidies for investments	637.008	0	
TOTAL CURRENT LIABILITIES	178.958.714	192.182.657	1,07
LONG-TERM LIABILITIES			
Subsidies for investments	2.489.791	3.192.430	1,28
Deferred tax	25.266.930	25.498.134	1,01
Amounts due to credit institutions	26.662.433	32.545.823	1,22

	Financial period		30.06.2019/31.12.2018
	31.12.2018	30.06.2019	
0	1	2	3=2/1
TOTAL LONG-TERM LIABILITIES	54.419.154	61.236.387	1,13
TOTAL LIABILITIES	233.377.868	253.419.044	1,09
Share capital and reserves			
Share capital	264.835.156	264.835.156	1,00
Revaluation reserves	53.459.597	52.110.023	0,97
Legal reserves	13.426.761	13.426.761	1,00
Other reserves	190.422.002	193.386.084	1,02
Retained earnings	-60.182.699	-57.738.387	0,96
Distribution of profit	-23.537.290	0	0,00
Current profit	34.303.788	22.319.076	0,65
TOTAL EQUITY	472.727.315	488.338.713	1,03
TOTAL EQUITY & LIABILITIES	706.105.183	741.757.757	1,05

Operational indicators

Indicators	Calculation method	Unit of measure	30.06.2018	30.06.2019
Current liquidity	Current assets /Current liabilities	number of times	2.04	2.11
Level of indebtedness	Borrowed capital / Equity * 100	%	28.94	28.07
Turnover speed for client debit items	Average customer balance / Sales revenue * Time	days	322	303
Fixed assets turnover speed	Sales revenue / Fixed assets	number of rotations	0.65	0.52
Return on equity (ROE)	Net profit/Equity	%	4.25	4.57
Return on assets (ROA)	Net profit /Total assets	%	2.85	3.01
Earnings per share (EPS)	Net profit/shares	LEI/share	0.030	0.031
Net profit rate	Net profit/Sales revenue	%	12.75	12.95
Number of share	Subscribed and paid capital/Number of shares	shares	671,338,040	671,338,040



Thank You!

Q & A