

Press release

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Results on the rise in accordance with the business plan “The Future Together” for Antibiotice Iași during the first semester of 2024

Antibiotice SA (symbol ATB) submitted to the Bucharest Stock Exchange, on August 14 2024, the Administrators' report and the Deloitte auditor's opinion regarding the financial statements as of June 30 2024. The recorded results show the increase in the added value and the profitability of the business through the achievement of economic and financial indicators in progress. These results were determined by the consistent application of the policies established in the “The Future Together” business plan to maximize returns and the business consolidation strategy both internationally and domestically, until 2030.

Antibiotice’s most important achievements during Q1 2024 vs. Q1 2023:

- Total revenues of 379.96 million lei, up by 8%
- Profitability increases by 20% reaching 72.4 million lei
- 25.7% increase in export turnover
- National value leader, by hospital segment, for over-the-counter generic medicines and for medical prescription generic medicines, with a market share of 13.2%
- Quantitative leader in the total market for injectable powders (59.9%), ointments (20.1%), suppositories and pessaries (32.7%)
- The highest increase of the share registered at the BVB in the last year, of 317.85%, the maximum price of the share being reached in June, at the value of 3.3900 lei

Financial balance indicators monitored during the first 6 months of 2024:

- Current liquidity (current assets/short-term bank liabilities) is 18.74, higher than 1.2 (the level recommended by financial institutions)
- EBITDA (operating profit + asset depreciation expenses + amortization expenses) experiences an upward trend of 7% from 95.18 million lei during the first 6 months of 2023, to 101.86 million lei during the same period of 2024

- Total bank debts (the sum of bank debts as an expression of the operational credit balance and the investment credit balance):
 - Total bank debt/EBITDA is 1.16, lower than 3.5 (the level recommended by financial institutions)
 - Total bank debt/equity is 0.14, lower than 1 (the level recommended by financial institutions)
- The degree of indebtedness (total liabilities/total assets) of 31.58% is included in the company's projection as a result of the restructuring of the bank loan and the collaboration with the European Investment Bank

20% increase in profitability during the first half of 2024

During the first 6 months of 2024 Antibiotice registered an 8% increase in total revenues, which reached 379.96 million lei, compared to the similar period of the previous year (352.54 million lei). The total revenues combined with the total expenses, amounting to 301.53 million lei, led to a 20% higher net profit, amounting to 74.2 million lei, compared to the first 6 months of 2023 (62 million lei).

Consolidation of the company's presence on the Romanian pharmaceutical market

In Romania, Antibiotice achieved market sales of 250.3 million lei, maintaining its 4th place related to the sales of boxes (out of a total of 345 companies) in the segment of prescription generic medicines and non-RX medicines with a market share of 4.6%.

Also, the company consolidated its position on the Romanian pharmaceutical market:

- It is a value leader in the segment of prescription generic medicines and non-RX generic medicines sold in hospitals, where the company is recognized as the main supplier of anti-infective medicines, with a market share of 13.2% (on a market in which 227 companies are active)
- It is a quantitative leader in the total market for injectable powders (59.9% of a total of 57 companies), ointments (20.1% of a total of 125 companies), suppositories and pessaries (32.7% of a total of 49 companies)

Antibiotice consolidated its sales related to the portfolio of anti-infectives for systemic use, also developing the therapeutic classes where they hold important positions in the domestic market with dermatological preparations, cardiovascular system medicines, genitourinary system medicines, central nervous system and digestive tract medicines. The expansion of the portfolio of anti-infectives on critical molecules recommended by national and international guidelines in the fight against various types of infections was achieved during the first semester of 2024 by assimilating four new products.

Sustained development in international markets, new markets accessed

During the first semester of 2024, the revenues from the sales on international markets **increased by 25%**, reaching 150.8 million lei, compared to the similar period in 2023 (120.7 million lei).

During this period, Antibiotice accessed 4 new markets in Europe, with injectable products: Italy, France, Poland and Bulgaria which will bring an estimated contribution to the turnover of 13 million lei. Also, on a new market in the Middle East, the United Arab Emirates market, the company made a first delivery of medicines, having established in the territorial expansion strategy objectives regarding the registration of new products to increase the presence in this territory.

Another new market that Antibiotice has entered during the first half of 2024 is Australia, where the company has concluded a partnership with one of the largest global players in the hospital products market, thus launching a first product in this country, while other two products are undergoing registration.

The export of active substances based on Nystatin in non-micronized form and in micronized form increased in the main markets (US, Europe, Asia) and it made important progress in the development projects in North America and Latin America; thus, the company strengthened its leadership status worldwide in the production of this range of active substances.

50% increase in the value of investments

With a view to sustainable development, the value of the investments made by Antibiotice during the first half of 2024 is 40.96 million lei, up by 50% compared to the same period last year (27.17 million lei).

Antibiotice's investment plan, which reflects the company's long-term priorities and vision, is financed through a mix of sources, including state aid under G.D. no. 807/2014, which intends to stimulate investments with a major impact on the economy, the National Recovery and Resilience Plan, the InvestEu Program of the European Commission, a credit from the European Investment Bank as well as the company's own resources. These funds support the implementation of Antibiotice's strategic projects, helping to strengthen the position in the industry, preparing it for the future.

The company's approach to the investment program focuses on two main directions, aimed at both the strategic development, which supports the growth of turnover and the business consolidation; these investments are considered to be fundamental for maintaining the company's competitiveness and market share.

Thus, the investment program includes projects that develop the product portfolio and which stimulate research and open new markets. During the reference period, Antibiotice invested 7.83 million lei in the development of the product portfolio.

Also, other investments considered as a priority during the first half of 2024, totaled 33.13 million lei. They aimed at putting into operation a ground-based solar energy production capacity of 2.5 MWh that would ensure 26.4% of the company's energy consumption (by reference to the consumption in 2021), with the result that by the end of the year a set of photovoltaic panels with a power of 1.2 MW is also implemented atop the company's buildings. Thus, the production of green energy will ensure an energy autonomy up to approximately 35% of the needs of Antibiotice's industrial platform.

Other investments made during the reference period were oriented towards the digitization of the platform, by concluding a partnership with IBM Romania. This resulted in the automation of specific processes, the modernization of laboratory equipment, other equipment as well as the expansion of production capacities, especially for new pharmaceutical forms, such as sterile solutions and sterile topical products. During the first half of 2024, the company has taken steps regarding the selection of offers and the identification of contractors for the achievement of these new production capacities.

New products assimilated into the portfolio, in accordance with market needs

Antibiotice's current portfolio includes 182 products from 11 therapeutic classes, offering patients a high degree of addressability and accessibility to valuable treatments. During the first semester of 2024, the company added 19 new products to its portfolio. Of these, there are:

- 4 RX products complement the portfolio of anti-infectives with critical molecules recommended by national and international guidelines in the fight against various types of infections
- 4 products are food supplements designed to support the health of the digestive, cardiovascular, genitourinary and central nervous system (Urexpert®, Lejer® Anti-Gas, Tri Oli®, Soriso® Luna);
- 3 topical products for acne-prone skin care and scar reduction: Siloderm®, Tinerer® TT Drop moisturizing cream and Tinerer® TT Pure purifying mask
- 8 products from the range of veterinary nutritional supplements, VetAria+

The development trend of the veterinary segment, in response to the growing market demand for products intended to maintain the health of pets, is found in the company's business plan "The Future Together" and it represents a source of future growth of the figure business of Antibiotice.

The award for the most attractive employer in the Romanian pharmaceutical industry

The company's most important capital is represented by its well-trained employees. The trainings for the permanent development of skills through the Academia a+, the benefits adapted to the labor market in the pharmaceutical industry granted to the employees, the well-being programs, ensuring a modern organizational environment made Antibiotice to experience a degree of 98.67% retention during the first half of 2024. Also, the company was granted, for the second consecutive year, the award for the most attractive employer in the Romanian pharmaceutical industry, by Randstad Romania, which carries out one of the most complex employer brand research projects in the world.

For more information, please read the administrators' report, the auditor's opinion on the interim financial statements as of 30.06.2024 on the website of the Bucharest Stock Exchange (www.bvb.ro), of the Financial Supervisory Authority (www.asfromania.ro) or on

the website of Antibiotice SA (www.antibiotice.ro), section “Investors > Financial information > Financial reports”.