

**S.C. ZENTIVA S.A.**

**Report of the Board of Directors  
for the 1st Quarter, 2019**

<b>Reported date</b>	: 31.03.2019
<b>Company name</b>	: S.C. ZENTIVA S.A.
<b>Location of the registered office</b>	: 50 Theodor Pallady boulevard, Bucharest
<b>Tel. / Fax</b>	: 021-304.72.00 / 021-345.40.04
<b>Tax registration code</b>	: RO 336206
<b><i>Trade Register order number</i></b>	: <i>J/40/363/1991</i>
<b>Subscribed and paid-in social capital</b>	: 41 696 115 lei

**SUMMARY:**

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**ZENTIVA S.A.****STATEMENT OF COMPREHENSIVE INCOME****March 31, 2019***(all amounts are expressed in new lei ("RON"), unless otherwise provided)*

	Notes	31.03.2019	31.03.2018
		RON	RON
Sales of goods		149,249,190	101,562,628
Rendering of services		0	4,751,619
Rental income		0	0
Other		0	190,058
<b>Turnover</b>	5.1	<b>149,249,190</b>	<b>106,504,305</b>
Other operating income	6.1	2,405,617	2,811,503
Changes in inventories of finished goods and work in progress		6,140,822	5,474,514
Raw materials and consumables used	5.2	-73,750,704	-53,975,468
Employee benefits expenses	6.5	-17,793,217	-14,561,237
Depreciation, amortisation and Gw impairment		-3,089,430	-2,660,753
Marketing and advertising expenses	6.6	-2,542,630	-4,142,455
Rental expenses		-477,988	-838,999
Provisions		27,719	-935,082
Other expenses	6.2	-21,713,952	-22,184,455
<b>Operating profit</b>		<b>38,455,427</b>	<b>15,491,872</b>
Financial Income	6.4	2,449,528	1,343,364
Financial Expenses	6.3	-1,640,084	-660,638
<b>Profit/(Loss) before tax</b>		<b>39,264,871</b>	<b>16,174,599</b>
		<b>0</b>	<b>0</b>
Income Tax	7.1	-6,682,525	-3,308,329
<b>Profit/(Loss) after tax (A)</b>		<b>32,582,346</b>	<b>12,866,270</b>
<b>Other comprehensive income:</b>		<b>0</b>	<b>0</b>
Revaluation of property at fair value			
Actuarial gains/losses in relation employee benefits			
Deferred tax			
<b>Other comprehensive income net of tax (B)</b>			
<b>Total income after tax (A) + (B)</b>		<b>32,582,346</b>	<b>12,866,270</b>
		<b>0</b>	<b>0</b>
no of shares		<b>416,961,150</b>	<b>416,961,150</b>
<b>Profit / (Loss) after tax per share (RON / share)</b>		0.0781	0.0309

Financial statements for the period ended on March 31, 2019 are not audited.

**ZENTIVA S.A.****Economic-financial statement and activity analysis on March 31, 2019  
for the period ended on March 31, 2019***(all amounts are expressed in new lei ("RON"), unless otherwise provided)*

	<b>Note</b>	<b>31.03.2019</b>	<b>31.12.2018</b>
<b>Assets</b>			
<b>Non current assets</b>			
Property, plant and equipment	9	146,916,425	144,234,784
Goodwill		46,141,201	46,141,201
Intangible assets	10	3,857,998	3,895,132
		<u>196,915,624</u>	<u>194,271,117</u>
<b>Current assets</b>			
Inventories	12	137,701,236	98,982,129
Trade and other receivables	13	155,314,887	199,832,571
Other financial assets	11	812,662	-
Cash and cash equivalents	14	397,667,665	405,115,315
		<u>691,496,451</u>	<u>703,930,016</u>
		-	-
<b>Total assets</b>		<b><u>888,412,074</u></b>	<b><u>898,201,133</u></b>
<b>Capital and reserves</b>			
<b>Share capital, including</b>			
Issued share Capital	15,1	41,696,115	41,696,115
Inflation related to share capital		41,696,115	41,696,115
		-	-
Share premium, including:	15,1	24,964,505	24,964,505
Share premium at nominal value		9,863,684	9,863,684
Inflation related to share premium		15,100,822	15,100,822
Legal and other reserves	15,2	158,748,956	112,745,368
Revaluation reserve		40,198,377	40,198,377
Retained earnings / (Accumulated Losses)		385,868,993	411,088,300
<b>Total equity</b>		<b><u>651,476,947</u></b>	<b><u>630,692,665</u></b>
<b>Non current liabilities</b>			
Employee benefit liability	18	1,813,000	2,479,000
Other long - term liabilities		4,687,031	-
Deferred tax liability	7,2	5,033,947	5,033,947
Non-Current Provisions	17	25,604,251	4,944,015
<b>Total Non - Current Liabilities</b>		<u>37,138,228</u>	<u>12,456,962</u>
<b>Current liabilities</b>			
Trade accounts payable	19	145,257,227	205,337,404
Income taxes payable		6,682,525	8,236,848
Other current liabilities	19	34,002,908	28,816,540
Short-term provisions	17	13,854,239	12,660,714
<b>Total current liabilities</b>		<u>199,796,899</u>	<u>255,051,506</u>
<b>Total liabilities</b>		<b><u>236,935,127</u></b>	<b><u>267,508,468</u></b>
<b>Total liabilities and equities</b>		<b><u>888,412,074</u></b>	<b><u>898,201,133</u></b>

Financial statements for the period ended on March 31, 2019 are not audited.

**ZENTIVA S.A.****Economic-financial statement and activity analysis on March 31, 2019  
for the period ended on March 31, 2019***(all amounts are expressed in new lei ("RON"), unless otherwise provided)*

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At 31.03.2019 ZENTIVA S.A. reports turnover of 149.25 MRON, 40% higher compared to the 1st Quarter of 2018, and an operating profit of 38.45 MRON.

Q1 2019 operational profit is higher compared to the previous year, mainly due to the change of business model which took place following the separation from Sanofi. Profit was positively influenced by the increased turnover, which is mainly due to the fact that starting from September 2018, Zentiva SA sells goods destined for the local market directly to wholesalers.

<b>Ratios 1st Quarter 2019</b>		
<b>Denumirea indicatorului</b>	<b>Mod de calcul</b>	<b>Rezultat</b>
1. Current Ratio	Current Assets / Current liabilities	3.46
2. Debt ratios	Long term liabilities / Shareholder's equity	0.00%
	Long term liabilities / Total capital employed	0.00%
3. Debtors days ratio	Trade receivables / Net turnover	105
4. Viteza de rotatie a activelor mobilizate Asset turnover	Net turnover / Non current assets	0.75

**Director General****SIMONA COCOS****CFO****FRANCISC KOOS**