

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

**Report of the Board of Directors  
for the 3<sup>rd</sup> Quarter, 2018**

<b>Reported date</b>	: 30.09.2018
<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****September 30, 2018***(all amounts are expressed in new lei ("RON"), unless otherwise provided)*

	<b>Note</b>	<b>30.09.2018</b>	<b>30.09.2017</b>
		<b>RON</b>	<b>RON</b>
Sales of goods	5.1.	275.012.177	300.704.422
Rendering of services	5.1	37,193,389	23,508,419
Rental income		512,513	-
Other		154,106	931,754
		<b>312.872.184</b>	<b>324.144.596</b>
<b>Turnover</b>	5,1		
Other operating income	6,1	250,647,251	4,105,901
Changes in inventories of finished goods and work in progress		32,031,851	5,686,204
Raw materials and consumables used	5,2	(170.017.123)	(130.532.901)
Employee benefits expenses	6,5	(45,419,655)	(43,119,985)
Depreciation, and impairment		220,545	(9,990,968)
Marketing and advertising expenses	6,6	(12,764,900)	(13,439,180)
Rental expenses		(2,277,260)	(2,765,403)
Provisions		245,562	-
Other operating expenses	6,2	(75,107,173)	(54,260,591)
<b>Operating profit</b>		<b>290,431,283</b>	<b>80,827,674</b>
Financial Income	6,4	94,393,449	3,948,868
Financial Expenses	6,3	(92,536,083)	(3,187,351)
<b>Profit before tax</b>		<b>292,288,650</b>	<b>81,589,192</b>
Income Tax Expense	7,1	(46,001,184)	(14,750,425)
<b>Profit after tax (A)</b>		<b>246,287,466</b>	<b>66,838,767</b>
<b>Other comprehensive income:</b>			
Revaluation of land and buildings at fair value		-	-
Deferred tax		-	-
Actuarial gains/losses in relation to employee benefits		-	-
<b>Other comprehensive income net of tax (B)</b>		<b>-</b>	<b>-</b>
<b>Total income after tax (A) + (B)</b>		<b>246,287,466</b>	<b>66,838,767</b>
<b>Number of shares</b>		<b>416.961.150</b>	<b>416.961.150</b>
<b>Earnings per share (RON / share)</b>		<b>0.59067</b>	<b>0.16030</b>

Financial statements for the period ended on September 30, 2018 are not audited.

**ZENTIVA S.A.****Economic-financial statement and activity analysis on September 30, 2018  
for the period ended on September 30, 2018***(all amounts are expressed in new lei ("RON"), unless otherwise provided)*

	Note	30 septembrie 2018	31 decembrie 2017
<b>Assets</b>			
<b>Non current assets</b>			
Property, plant and equipment	9	154,679,068	136.824.366
Intangible assets	10	3,528,319	768.975
		<b>158,207,387</b>	<b>137.593.340</b>
<b>Current assets</b>			
Inventories	12	114,014,094	40.549.376
Trade and other receivables	13	525,479,524	158.176.809
Other financial assets	11	812,662	-
Cash and cash equivalents	14	52,884,390	160.792.773
		<b>693,190,669</b>	<b>359.518.959</b>
		<b>851,398,056</b>	<b>497.112.299</b>
<b>Total assets</b>			
<b>Capital and reserves</b>			
<b>Share capital, including</b>	15,1	41,696,115	41.696.115
Issued share Capital		41,696,115	41.696.115
Inflation related to share capital		-	-
Share premium, including:	15,1	24,964,505	24.964.506
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	159,165,991	112.745.368
Revaluation reserve		39,781,342	40.198.377
Retained earnings / (Accumulated Losses)		348,774,479	148.490.603
		<b>614,382,433</b>	<b>368.094.969</b>
<b>Total equity</b>			
<b>Non current liabilities</b>			
Employee benefit liability	18	1,813,000	1.813.000
Other long - term liabilities		-	-
Deferred tax liability	7,2	6,494,406	6.494.406
Non-Current Provisions	17	25,228,043	5.09.012
		<b>33,535,449</b>	<b>13.398.418</b>
<b>Total Non - Current Liabilities</b>			
<b>Current liabilities</b>			
Trade accounts payable	19	131,635,066	61.076.772
Income taxes payable		37,546,670	3.486.826
Other current liabilities	19	23,502,276	36.010.639
Short-term provisions	17	10,796,162	15.044.677
		<b>203,480,175</b>	<b>115.618.914</b>
<b>Total current liabilities</b>			
		<b>237,015,623</b>	<b>129.017.332</b>
<b>Total liabilities</b>			
		<b>851,398,056</b>	<b>497.112.301</b>
<b>Total liabilities and equities</b>			

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**ZENTIVA S.A.****Economic-financial statement and activity analysis on September 30, 2018  
for the period ended on September 30, 2018***(all amounts are expressed in new lei ("RON"), unless otherwise provided)*

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ZENTIVA S.A. reports at 30.09.2018 turnover of 352.9 MRON, 4% lower compared to 3<sup>rd</sup> Quarter 2017, and an operating profit of 290.4 MRON.

Operational profit is higher compared to previous year mainly due to sales process of CHC licences between Zentiva SA and Sanofi group.

<b>Ratios 3rd Quarter 2018</b>		
<b>Denumirea indicatorului</b>	<b>Mod de calcul</b>	<b>Rezultat</b>
1. Indicatorul lichiditatii curente Current Ratio	Active curente / Datorii curente Current Assets / Current liabilities	3.43
2. Indicatorul gradului de indatorare Debt ratio	Capital imprumutat / Capital propriu x 100 Long term liabilities / Shareholder's equity	0.00%
	Capital imprumutat / Capital angajat x 100 Long term liabilities / Total capital employed	0.00%
3. Viteza de rotatie a debitelor-clientii Debtors days ratio	Sold mediu clienti / Cifra de afaceri x 270 Trade receivables / Net turnover	267
4. Viteza de rotatie a activelor mobilizate Asset turnover	Cifra de afaceri / Active imobilizate Net turnover / Non current assets	2.22

**Director General****SIMONA COCOS****CFO****DANIEL DUMITRESCU**