# Total sales

<table>
<thead>
<tr>
<th></th>
<th>Reported</th>
<th>Base</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated</td>
<td>1,398.2 EURm</td>
<td>1,436.8 EURm</td>
<td>-38.6 EURm</td>
</tr>
<tr>
<td></td>
<td>445,484 HUFm</td>
<td>444,356 HUFm</td>
<td>1,128 HUFm</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vraylar®</td>
<td>+38.7 USDm</td>
</tr>
<tr>
<td>China</td>
<td>+49.1 CNYm</td>
</tr>
<tr>
<td>Esmysa®</td>
<td>-67.1 EURm</td>
</tr>
<tr>
<td>W&amp;R sales loss –</td>
<td>-9.3 EURm</td>
</tr>
<tr>
<td>Romania</td>
<td></td>
</tr>
<tr>
<td>FX impact</td>
<td></td>
</tr>
</tbody>
</table>
Financial results – highlights

<table>
<thead>
<tr>
<th></th>
<th>Reported EURm</th>
<th>Base EURm</th>
<th>Change EURm</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit</td>
<td>797.2</td>
<td>818.3</td>
<td>-21.1</td>
<td>-2.6</td>
</tr>
<tr>
<td>Profit from operations</td>
<td>137.9</td>
<td>67.0</td>
<td>70.9</td>
<td>105.8</td>
</tr>
<tr>
<td>Net financial (loss) / income</td>
<td>-10.7</td>
<td>-27.0</td>
<td>16.3</td>
<td>60.4</td>
</tr>
<tr>
<td>Profit for the period*</td>
<td>98.0</td>
<td>28.8</td>
<td>69.2</td>
<td>240.3</td>
</tr>
</tbody>
</table>

* Profit attributable to owners of the parent
ESMYA® related extraordinary events

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regulatory measures</strong></td>
<td><strong>Regulatory measures</strong></td>
</tr>
<tr>
<td>- February – temporary precautionary measures initiated by PRAC</td>
<td>- December – PRAC commenced the review of drug induced liver injury potentially related to ESMYA®</td>
</tr>
<tr>
<td>- May – final recommendation made by the PRAC</td>
<td></td>
</tr>
<tr>
<td>- June – PRAC opinion endorsed by CHMP</td>
<td></td>
</tr>
<tr>
<td>- July – final decision adopted by EC</td>
<td></td>
</tr>
<tr>
<td>- August – CRL received by Allergan from FDA in respect of NDA filing for ulipristal acetate</td>
<td></td>
</tr>
<tr>
<td>- August / September – Relaunch of ESMYA® in the EU</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Turnover</strong></th>
<th><strong>Turnover</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>HUF 8,241m</td>
<td>HUF 28,757m</td>
</tr>
<tr>
<td>EUR 25.9m</td>
<td>EUR 93.0m</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Impairment loss accounted for</strong></th>
<th><strong>Impairment loss accounted for</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>HUF 24,270m</td>
<td>HUF 48,733m</td>
</tr>
<tr>
<td>EUR 75.5m</td>
<td>EUR 157.6m</td>
</tr>
</tbody>
</table>
Key events I.

- **February 2019**: Withdrawal of the Application for a Marketing Authorisation from the EMA for the biosimilar pegfilgrastim, Efgratin.

- **February 2019** – Richter and Pantarhei have entered into a license and supply agreement to commercialise Pantarhei’s combined oral contraceptive, containing 30 µg ethinyl estradiol, 150 µg levonorgestrel and 50 mg dehydroepiandrosterone.
Sales of key specialty portfolio

- **Vraylar® royalty**: USD 89.7m (EUR 75.9m)
- **CNS sales**: EUR 231.2m (20%)
- **ESMYA® sales**: EUR 25.9m
- **BEMFOLA® sales**: EUR 41.9m
- **WHC sales**: EUR 411.9m (36%)

Turnover of pharmaceutical segment.
Sales of acquired portfolio

- Ex-Grünenthal portfolio sales: EUR 43.1m
- ESMYA® sales: EUR 25.9m
- BEMFOLA® sales: EUR 41.9m

Subtotal: EUR 110.9m

WH Total: EUR 411.9m

Turnover of pharmaceutical segment.
Pharmaceutical sales by geographies

<table>
<thead>
<tr>
<th>Geographies</th>
<th>M12 2017</th>
<th>M12 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>19%</td>
<td>11%</td>
</tr>
<tr>
<td>EU15</td>
<td>15%</td>
<td>16%</td>
</tr>
<tr>
<td>EU12</td>
<td>26%</td>
<td>25%</td>
</tr>
<tr>
<td>Russia</td>
<td>10%</td>
<td>16%</td>
</tr>
<tr>
<td>Ukraine</td>
<td>7%</td>
<td>2%</td>
</tr>
<tr>
<td>Other CIS</td>
<td>6%</td>
<td>2%</td>
</tr>
<tr>
<td>LatAm</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>China</td>
<td>5%</td>
<td>10%</td>
</tr>
<tr>
<td>USA</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>RoW</td>
<td>6%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Total:
- HUF 364.8bn
- EUR 1,179.7m

Change:
-0.0% (HUF)
-3.0% (EUR)
Russia

- **Sales**
  - RUB 21,389.9m (+5.2)
  - EUR 290.0m (-6.3%)

- Exchange rate impact: EUR 16.2m
- Increasing stock levels at wholesalers – from a very low base
- Deteriorating liquidity in pharmacy chains
- Cautious credit policy
EU15

- **Sales**
  EUR 182.3m (-18.3%)
- **Esmya® PRAC investigation**
  - Decreasing sales
  - Targeted re-launch in the EU
- **Increasing Bemfola® sales**

Richter’s sales performance

Turnover of pharmaceutical segment.
USA

- **Sales**
  - USD 133.6m (+33.1%)
  - Vraylar® royalty: USD 89.7m
  - Increasing level of Plan B / Plan B One-Step sales
  - Decreasing sales of steroid APIs

“In Richter’s sales performance chart, the chart shows a year-over-year comparison of sales performance with a 7.0% increase from 2017 to 2018.”

Turnover of pharmaceutical segment.
Pharmaceutical sales by therapeutic areas

- Cardiovascular: 36%
- Women’s Healthcare: 19%
- Central Nervous System: 20%
- Other: 17%
- Gastrointestinal: 5%
- Muscle relaxants: 3%

Total: EUR 1,144.8m
Women’s Healthcare sales by region

<table>
<thead>
<tr>
<th>Region</th>
<th>Gynaecological sales</th>
<th>Non-gynaecological sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIS</td>
<td>10</td>
<td>40</td>
</tr>
<tr>
<td>Hungary</td>
<td>30</td>
<td>40</td>
</tr>
<tr>
<td>EU12</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>EU15</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>USA</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>RoW</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

Total: HUF 131.3bn EUR 411.9m
Wholesale and retail

- W&R contributes 20% to total consolidated sales
- 79% of the W&R turnover originates in Romania
- Pharmafarm business has stabilised
- Romania – sales loss: HUF 0.9bn (EUR 9.3m)
REPORTING PERIOD
Consolidated Financials
## Consolidated Financials – Highlights

<table>
<thead>
<tr>
<th></th>
<th>HUF</th>
<th>Change %</th>
<th>EUR</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenue</strong></td>
<td>445.5bn</td>
<td>+0.3</td>
<td>1,398.2m</td>
<td>-2.7</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>254.0bn</td>
<td>+0.4</td>
<td>797.2m</td>
<td>-2.6</td>
</tr>
<tr>
<td><strong>Profit from operations</strong></td>
<td>43.9bn</td>
<td>+112.1</td>
<td>137.9m</td>
<td>+105.8</td>
</tr>
<tr>
<td><strong>Profit for the period</strong>*</td>
<td>31.2bn</td>
<td>+251.4</td>
<td>98.0m</td>
<td>+240.3</td>
</tr>
<tr>
<td><strong>EPS (diluted)</strong></td>
<td>168</td>
<td>+250.0</td>
<td>0.53</td>
<td>+253.3</td>
</tr>
</tbody>
</table>

*Net income attributable to owners of the parent.
Consolidated Financials – Flat gross margin

+ Vraylar® royalty
+ China – high margin – increasing share
+ Increasing gross profit of Bemfola®

– Restricted sales of Esmya®
– Depreciation of RUB exchange rates against EUR
– Price erosion on the traditional markets
– Serialization
– Increasing wage pressure
– Resumed wholesaling activity in Romania
S&M costs

S&M costs

S&M percentage of sales

HU Fm

2013 2014 2015 2016 2017 2018

0 20 000 40 000 60 000 80 000 100 000 120 000

0 5% 10% 15% 20% 25% 30% 35% 40%

S&M costs S&M percentage of sales
R&D costs

- R&D costs
- R&D percentage of sales

HUFm

2013: 40,000
2014: 45,000
2015: 40,000
2016: 35,000
2017: 30,000
2018: 35,000

R&D percentage of sales:
- 2013: 5%
- 2014: 10%
- 2015: 15%
- 2016: 20%
- 2017: 25%
- 2018: 30%

2013: 5%
2014: 10%
2015: 15%
2016: 20%
2017: 25%
2018: 30%
Consolidated Financials – higher operating margin

+ Flat gross margin
  
  One-off items
  + milestone income: HUF 8,429m
    + Recordati – Reagila® – gradual launch in EU15 markets
    + Allergan – Vraylar® – successful BD Phase III clinical trial and NDA submitted to FDA
  
  - Esmya related impairment – HUF 24.3bn
  
  - claw-back related liabilities: HUF 4,667m
## Exchange rates

### At period end

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EURHUF</td>
<td>321.51</td>
<td>323.78</td>
<td>328.60</td>
<td>312.55</td>
<td>310.14</td>
</tr>
<tr>
<td>USDHUF</td>
<td>280.94</td>
<td>278.76</td>
<td>282.06</td>
<td>253.94</td>
<td>258.82</td>
</tr>
<tr>
<td>RUBHUF</td>
<td>4.05</td>
<td>4.25</td>
<td>4.50</td>
<td>4.40</td>
<td>4.49</td>
</tr>
<tr>
<td>EURRUB</td>
<td>79.39</td>
<td>76.18</td>
<td>73.02</td>
<td>71.03</td>
<td>69.07</td>
</tr>
<tr>
<td>EURUSD</td>
<td>1.14</td>
<td>1.16</td>
<td>1.17</td>
<td>1.23</td>
<td>1.20</td>
</tr>
<tr>
<td>KZTHUF</td>
<td>0.75</td>
<td>0.77</td>
<td>0.83</td>
<td>0.80</td>
<td>0.78</td>
</tr>
<tr>
<td>CNYHUF</td>
<td>40.90</td>
<td>40.49</td>
<td>42.62</td>
<td>40.38</td>
<td>39.77</td>
</tr>
</tbody>
</table>

### Average

<table>
<thead>
<tr>
<th></th>
<th>M12 2018</th>
<th>M9 2018</th>
<th>H1 2018</th>
<th>Q1 2018</th>
<th>M12 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>EURHUF</td>
<td>318.61</td>
<td>317.25</td>
<td>314.36</td>
<td>311.08</td>
<td>309.28</td>
</tr>
<tr>
<td>USDHUF</td>
<td>269.46</td>
<td>265.37</td>
<td>259.89</td>
<td>253.01</td>
<td>273.73</td>
</tr>
<tr>
<td>RUBHUF</td>
<td>4.32</td>
<td>4.34</td>
<td>4.38</td>
<td>4.45</td>
<td>4.71</td>
</tr>
<tr>
<td>EURRUB</td>
<td>73.75</td>
<td>73.10</td>
<td>71.77</td>
<td>69.91</td>
<td>65.66</td>
</tr>
<tr>
<td>EURUSD</td>
<td>1.18</td>
<td>1.20</td>
<td>1.21</td>
<td>1.23</td>
<td>1.13</td>
</tr>
<tr>
<td>KZTHUF</td>
<td>0.79</td>
<td>0.79</td>
<td>0.80</td>
<td>0.78</td>
<td>0.87</td>
</tr>
<tr>
<td>CNYHUF</td>
<td>40.80</td>
<td>40.76</td>
<td>40.74</td>
<td>39.78</td>
<td>40.17</td>
</tr>
</tbody>
</table>
REPORTING PERIOD

Corporate Matters
Ownership structure

31 December 2018

Domestic investors
- Hungarian State Holding Company: 25.25%
- Other: 9.16%

International investors: 65.59%
Appendix I.

Individual Market Performances
CIS – sales performance and composition

Turnover of pharmaceutical segment.
Ukraine, Other republics

- Ukraine
  - decreasing sales levels (by USD -8.4m)
  - market has stabilised to certain extent
  - USDUAH: stabilised around the rate of 27.2 (YoY)
  - Preshipments in H2 2017

- Other republics
  - sales decrease (by EUR -7.4m)
  - adverse FOREX environment

Richter’s sales performance

Turnover of pharmaceutical segment.
Hungary

- **Sales**
  HUF 38,736m (+9.4%)

- **Dynamic growth of pharmaceutical market**

- **Success of products launched in recent years**

![Richter’s sales performance](chart)

Turnover of pharmaceutical segment.
EU – composition of sales

- **EU15**
  - strengthening our position in key Western-European markets
  - own Women’s Healthcare sales and marketing network

- **EU12**
  - well established in the region for decades
  - own specialised sales network

Turnover of pharmaceutical segment.
• Sales: EUR 184.5m (+0.5%)

• Poland:
  – 1.9% sales increase (PLN)
  – Declining sales levels of Groprinosin
  – Excellent performance of WHC products
  – Price erosion of generic products

• Romania:
  – 3.4% sales increase (RON)
  – Claw-back
  – New price list came into force with effect from 1 January 2019
China

- **Sales:** EUR 82.8m (+6.7%)
- Higher sales level of Cavinton (preshipments) and emergency contraceptives
- With effect from 1 January 2018, invoicing currency in China is CNY
Latin America

• Sales: USD 21.5m (-4.0%)

• Regional presence:
  – Mexico, Colombia, Brazil
  – Mediplus N.V. → Ecuador, Bolivia, Peru, Chile

• Women’s Healthcare products in focus

• Increasing generic competition

Richter’s sales performance

Turnover of pharmaceutical segment.
Appendix II.

Exchange Rate Movements
Evolution of currency exchange rates I.
Evolution of currency exchange rates II.
Evolution of currency exchange rates III.

HUF

RUB/HUF

02.01.2017 02.03.2017 02.05.2017 02.07.2017 02.09.2017 02.11.2017 02.01.2018 02.03.2018 02.05.2018 02.07.2018 02.09.2018 02.11.2018