

Grindex

JSC "Grindeks" –

Vertically integrated pharmaceutical
company in the Baltic States

A photograph of a multi-story brick building with the word "Grindex" mounted on the facade in large, white, three-dimensional letters. The building is set against a clear blue sky. In the foreground, there are two flagpoles: one with the Latvian national flag and another with a blue flag featuring the Grindex logo. Several streetlights are visible on the roof of the building.

Grindex

Structure of the “Grindeks” Group

JSC “Tallinn Pharmaceutical Plant”

JSC “Kalceks”

“Namu apsaimniekosanas projekti” Ltd.

“Grindeks Rus” Ltd.

“HBM PHARMA” Ltd.

Branches and Representative offices

Lithuania, Estonia, Russia, Belarus, Ukraine,
Azerbaijan, Georgia, Uzbekistan, Moldova,
Kazakhstan, Armenia, Kyrgyzstan



Turnover and profit

Turnover million, EUR



Profit million, EUR



Revenue breakdown by business area



Final dosage forms

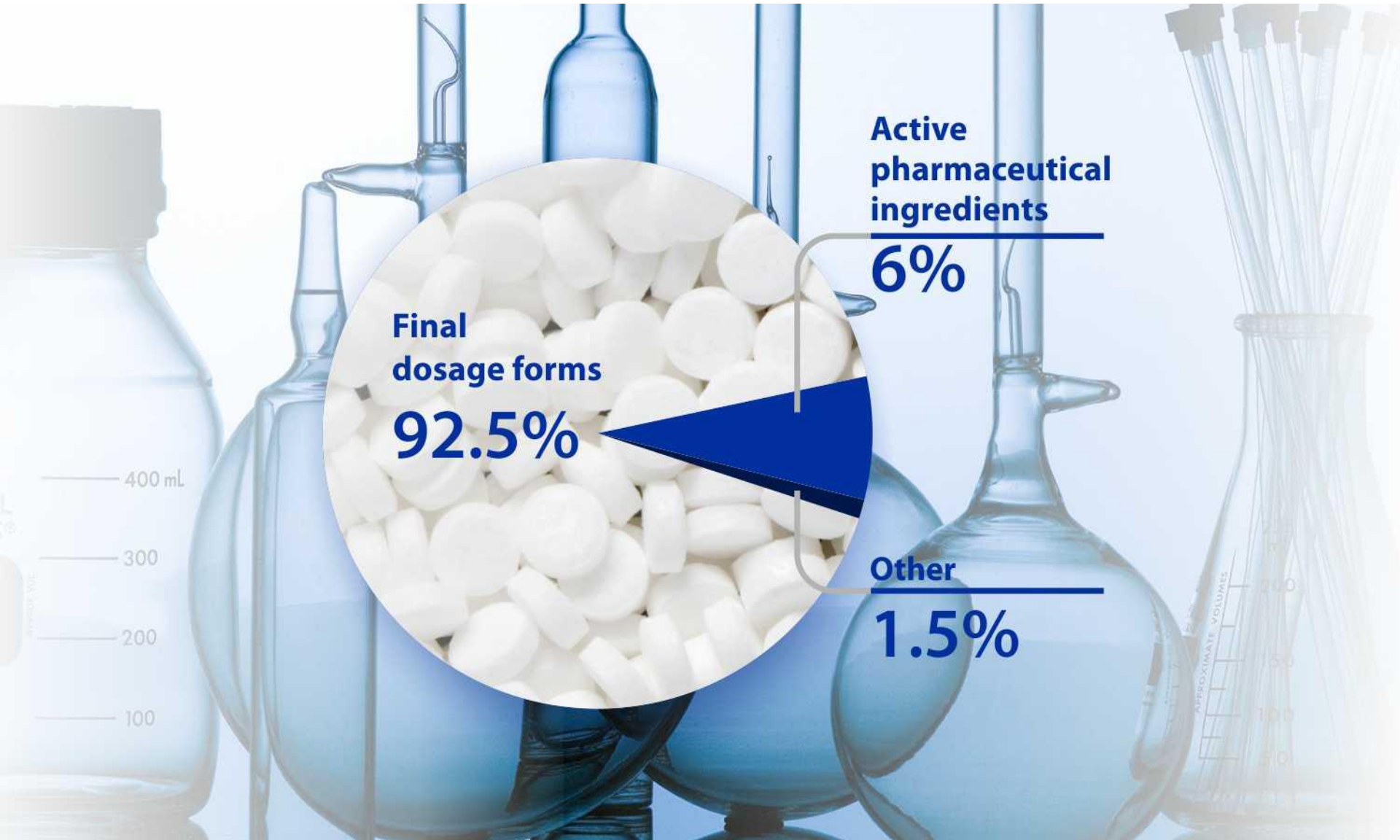
92.5%

Active pharmaceutical ingredients

6%

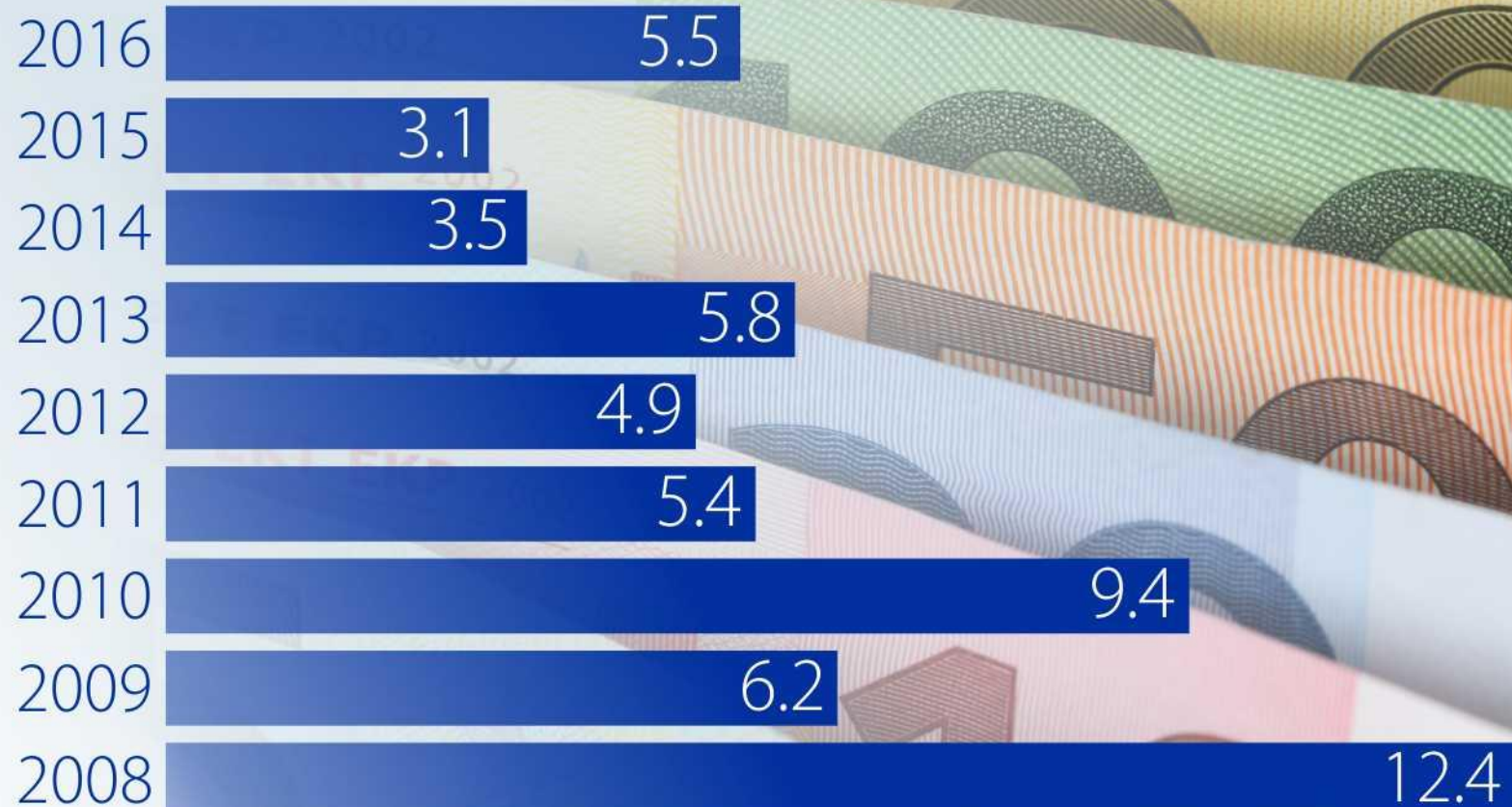
Other

1.5%



Investments 2008 – 2016

million, EUR



Quality Management in 2016

- Certificates of “Good Manufacturing Practice” (GMP) for manufacturing of final dosage forms and active pharmaceutical ingredients
- Certificate ISO 9001 and Russian ГОСТ (GOST) certificate ISO 9001-2011
- Computerized quality document management system
- LVS EN ISO 50001:2012 certification of energy management systems
- In 2016 – successfully accomplished audits and inspections by the State Agency of Medicines of Latvia and U.S. Food and drug Administration (FDA)
- In 2016 – Grindeks audited active pharmaceutical ingredient manufacturers, raw material suppliers, wholesalers and cooperation partners in Latvia and abroad
- International Diamond Prize for Excellence in Quality

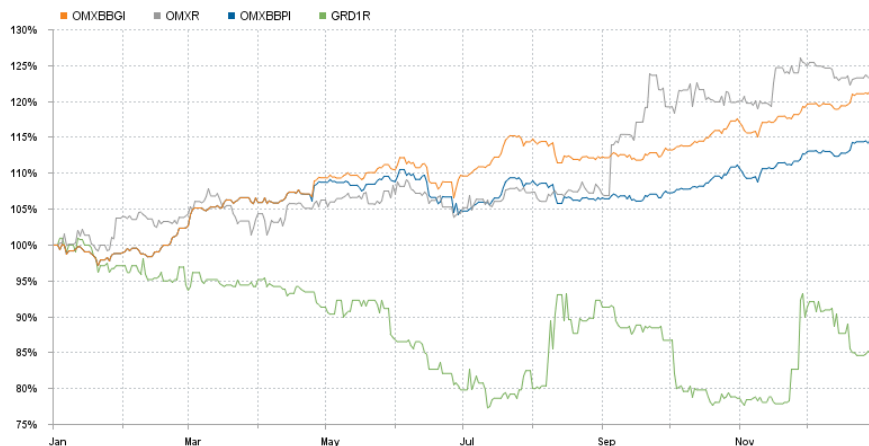


Share price development in 2016

- Open: € 5.25
- Min: € 3.96
- Max: € 5.27
- Average: € 4.60
- Last: € 4.39
- Traded volume: 634 894
- Turnover: € 2.87 million
- Capitalisation: € 42.08 million
- EPS: € 0.99



“Grindeks” share price development in 2016 in comparison with Baltic market indexes



Index/Equity	01.01.2016 ?	31.12.2016 ?	+/-%
— OMX Baltic Benchmark GI	648.32	788.17	21.57 ↑
— OMX Riga	594.35	733.77	23.46 ↑
— OMX Baltic Benchmark PI	359.03	411.83	14.71 ↑
— GRD1R	5.200 EUR	4.390 EUR	-15.58 ↓

Key achievements in 2016

- Remarkable sales results of final dosage forms in Denmark, Mongolia, Belgium, Tunisia, Croatia, Nigeria and the Netherlands due to successful business diversification strategy and operations in the new markets
- Russia and other CIS countries historically have formed into one of company's key market with well developed representative office network
- In 2016 sales results in Latvia increased by 21% in comparison with previous year
- Global partners – “DECHRA Manufacturing” (the Netherlands), “Taiho Pharmaceutical” (Japan), “GDL International” (the U.S.), “Mylan” (France/Ireland), “Bayer Helthcare” (Germany), “Teva” (the Netherlands), “Daiichi-Sankyo” (Japan)



Future expectations for 2017

- Target markets for business development – European Union and Southeast Asia countries
- Increased sales volume in European Union and Southeast Asia countries by 30%
- Strengthening positions in Russia and other CIS countries
- Business expansion of JSC “Kalceks”
- Planned turnover of the Group in 2017 – increase by at least 10%
- Investments in 2017 – 4 million euro
- Optimization of current assets and cost reduction in positions which are not related to the company's strategic development projects, as well as product registration and their promotion



Contacts



Joint Stock Company "Grindeks"

53 Krustpils Street, Riga, LV-1057, Latvia

Ph: +371 67083205, fax: +371 67083505

E-mail: grindeks@grindeks.lv

www.grindeks.eu