



Remedia
Farmaceutica REMEDIA S.A.



Remedia
Distribution & Logistics

Company group profile

RMAH – symbol Bucharest Stock Exchange – www.bvb.ro

April 2019
www.remédia.ro
www.remediadl.ro

Milestones



Pharmaceutical marketing and distribution company
1994

V.TARUS RoAgencies acquired main share package of Farmaceutica REMEDIA SA
2000

Merger between V.TARUS RoAgencies S.R.L. and Farmaceutica REMEDIA S.A.
2006

Separation of wholesale activities from the retail ones, imposed by the legal regulation
2015

V.TARUS RoAgencies SRL

Farmaceutica REMEDIA S.A.

Remedia
Distribution & Logistics

Farmaceutica REMEDIA S.A.

Remedia
Farmaceutica REMEDIA S.A.

1957
Established regional distributor

1991
Privatized Farmaceutica REMEDIA: 27 pharmacies in Hunedoara and Alba counties

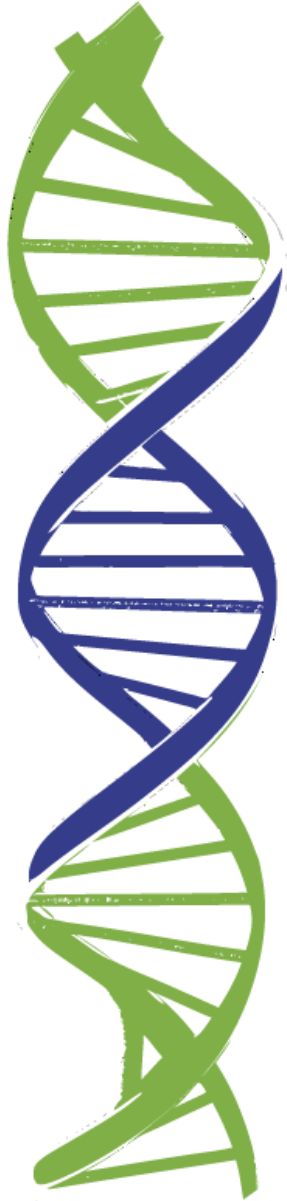


1996
Listed on Bucharest Stock Exchange – symbol RMAH



2019

- 110 Euro mil turn-over
- 620 employees
- 92 REMEDIA Pharmacies
- 2.500 Distribution customers
- Pharmaceutical and healthcare services



Our Mission

- Launching and promoting innovative pharmaceutical business concepts
- Offering quality healthcare services adapted to the customers needs
- Respecting the ethical and professional international standards

Business model



Remedia
Farmaceutica REMEDIA S.A.

- 100 REMEDIA Pharmacies
- Healthcare Services

Separation of wholesale
from the retail activities
Pursuant to the legal
regulation

Remedia
Distribution & Logistics

- Distribution
- Hospital business
- Logistic services
- Regulatory Affairs
- Marketing & Promotion Activities
- Other sales (packing materials)



Medical events
Medical publications



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Business areas

consolidated

**110 mil Euro
TO net 2019**



Remedia
Farmaceutica REMEDIA S.A.

92 REMEDIA Pharmacies
23 mil Euro TO (21%)
21% Net margin

380
Employees

Goods
98%

Remedia
Distribution & Logistics

>Distribution
2500 Customers
61 mil Euro TO (55%)
5% Net margin

>Hospital business
400 Hospital
23 mil Euro TO (21%)
4% Gross margin

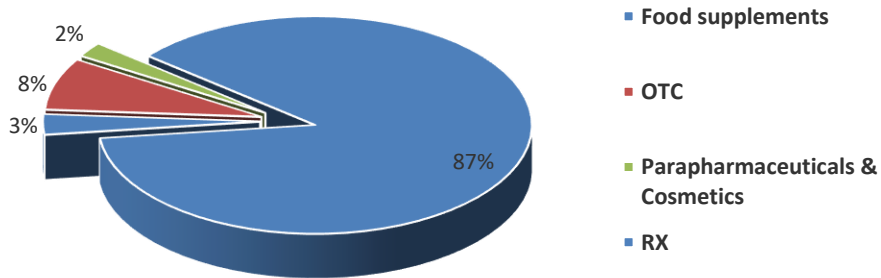
240
Employees

Services
2%

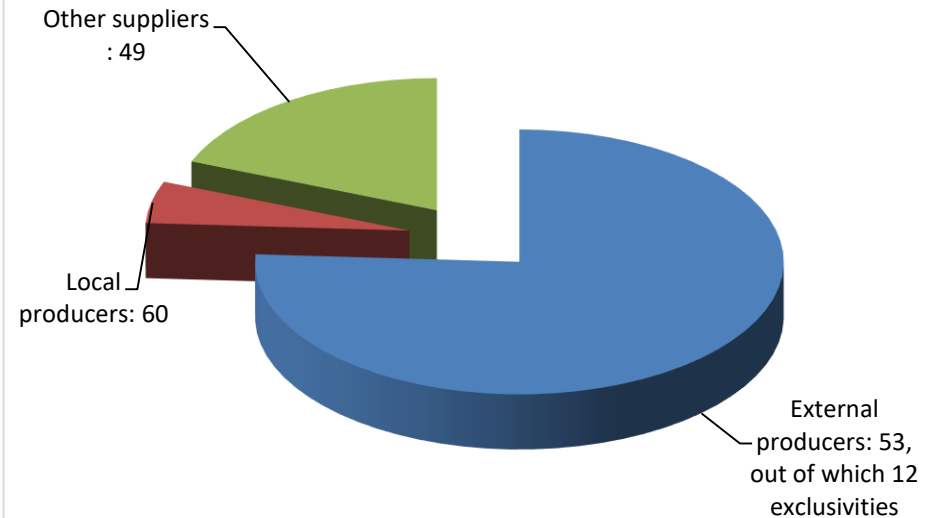
Marketing & promotion
Regulatory affairs
Logistic services

Sales by product category

Product structure



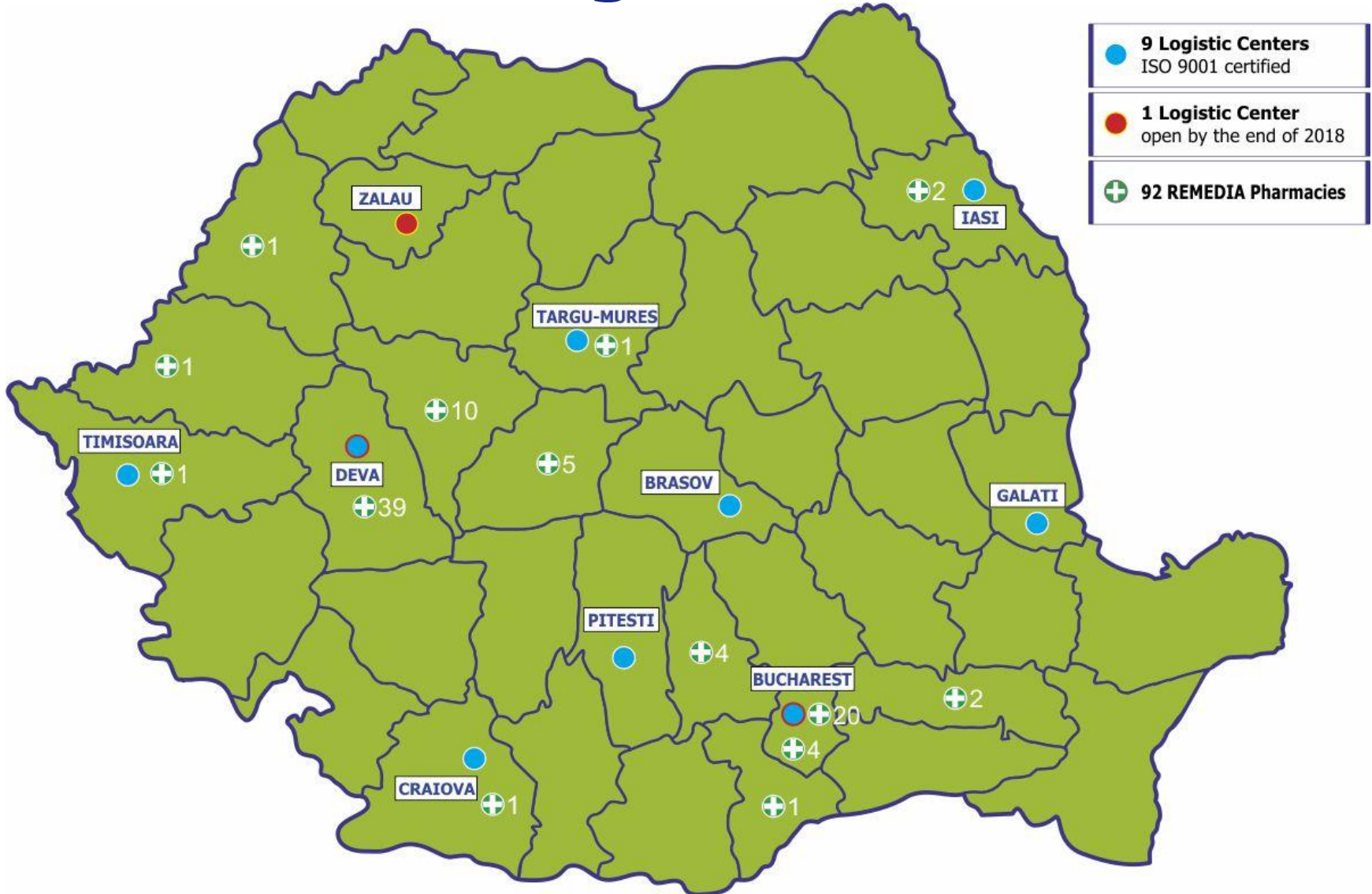
Supply structure



Portfolio:

- ☐ Active products: 15.000 out of which
- ☐ 9.700 in stock

National coverage



REMEDIA Pharmacies

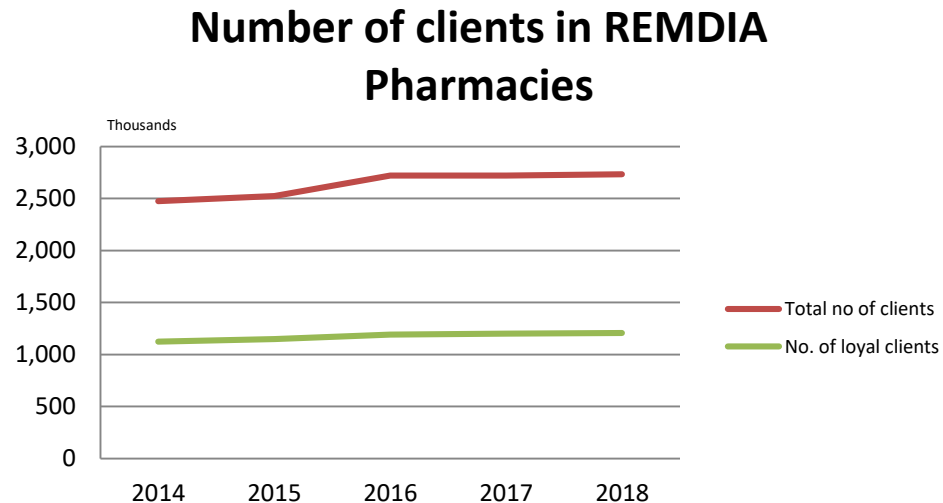
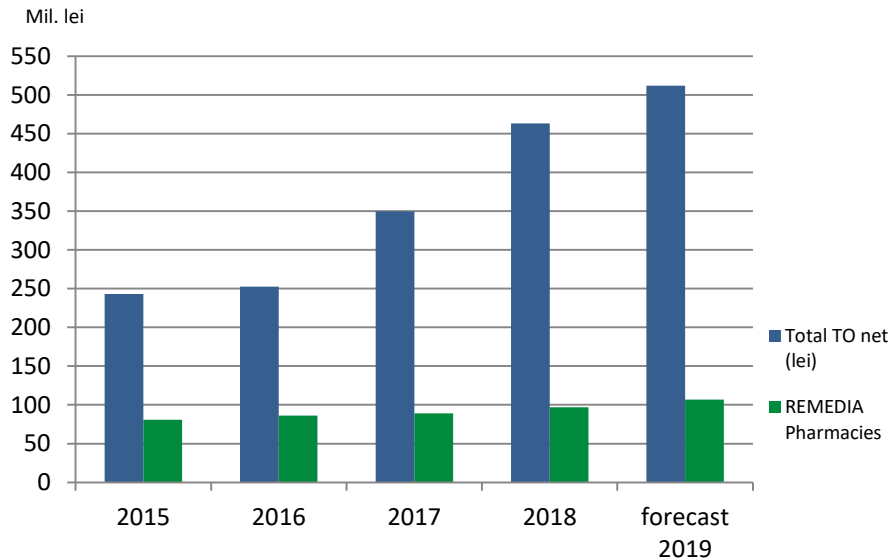




REMEDIA Pharmacies



REMEDIA Pharmacies - Key facts



Presence in the market

- 92 REMEDIA Pharmacies, including REMEDIA Baby store
- REMEDIA Natural dedicated area and customized preparations
- 300 pharmacists (out of 380 staff) + 20 beauty advisors
- E-learning platform to the own pharmacists

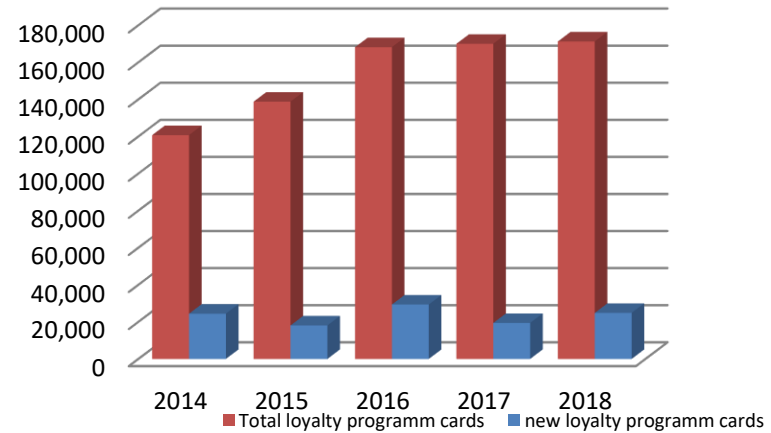
Customer service focused

- 24H Free Call Center phone advice
- High Standards of Ethics
- Professionally trained pharmacists
- Materna program for Bucharest

REMEDIA Pharmacies - Promoted Services



Loyalty program in REMEDIA Pharmacies



REMEDIA Baby - e-shop Platform Diverse portfolio, competitive prices

- Toys and books
- Newborn items
- Grate childcare
- Children cosmetics
- Baby diapers
- Baby food
- Food supplements
- Pregnant and mother products

Diversified services:

- GDPR system implemented in 2018 in compliance with EU Directives
- Development of marketing program for loyal clients
- Portfolio in line with customers needs
- Special campaigns dedicated to patients benefits

REMEDIA Pharmacies - recommendation



Recommendation by Disease

INN selected on medical prescription-dynamic database:

- 3 recommended products/disease
- health conditions
 - pain
 - cold
 - IBS
 - immunity
 - stress / anxiety / insomnia
 - diet
 - allergy
 - gynecological
 - prostate disease / potency

Associated Recommendation to client

Additional treatment suggestion by main product classes :

2-3 secondary classes related to the main one (e.g. antibiotics: antifungal, restore intestinal flora)

Each secondary class contains a brief help message and 3 recommended products

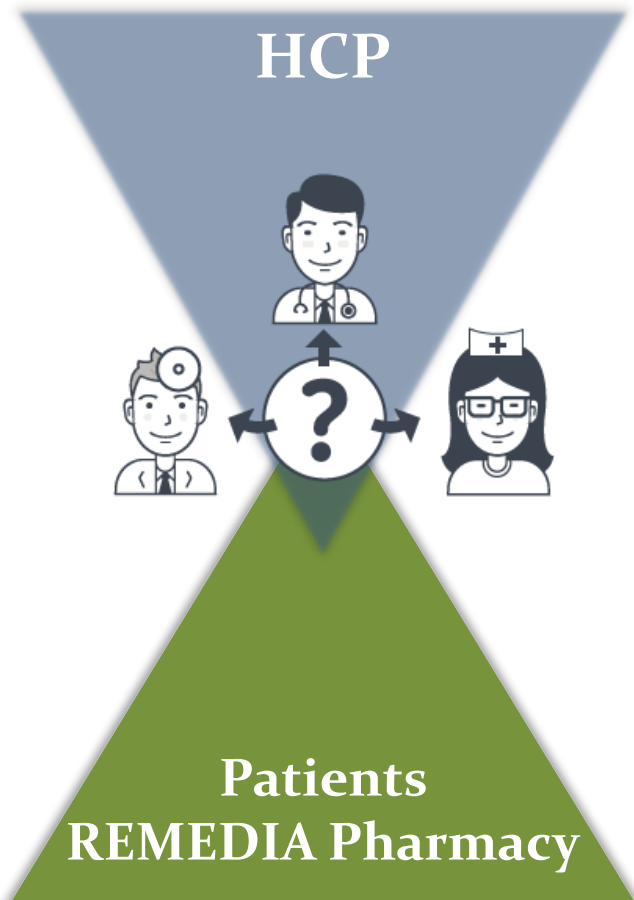
Marketing & Promotional Activities

- **On-line sales: www.farmacileremedia.ro**
 - Para-pharmaceutical products & medical devices
 - *OTC under processing*
- **Conciliation by the Patient flow management system in REMEDIA pharmacy**
- **Special projects:**

REMEDIA pharmacies offers the receipts prepared in the own Laboratory in collaboration with **FAGRON**



REMEDIA Pharmacies - Value Innovation



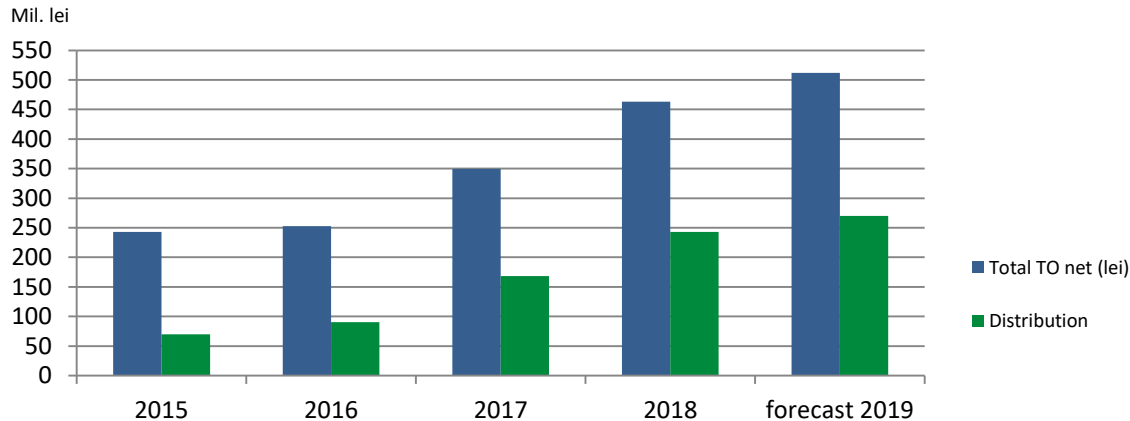
Additional promoted services :

- Conciliation and recommendation
- The receipts prepared in the own laboratory
- Patients flow management system
- Blood pressure and blood sugar levels offered at request
- Telemedicine services

Future project: Home Delivery (HD)



Distribution



National coverage

- 100% territorial coverage by direct distribution through 8 logistic centers
- Special distribution services at high standards in line with customers special orders and requests

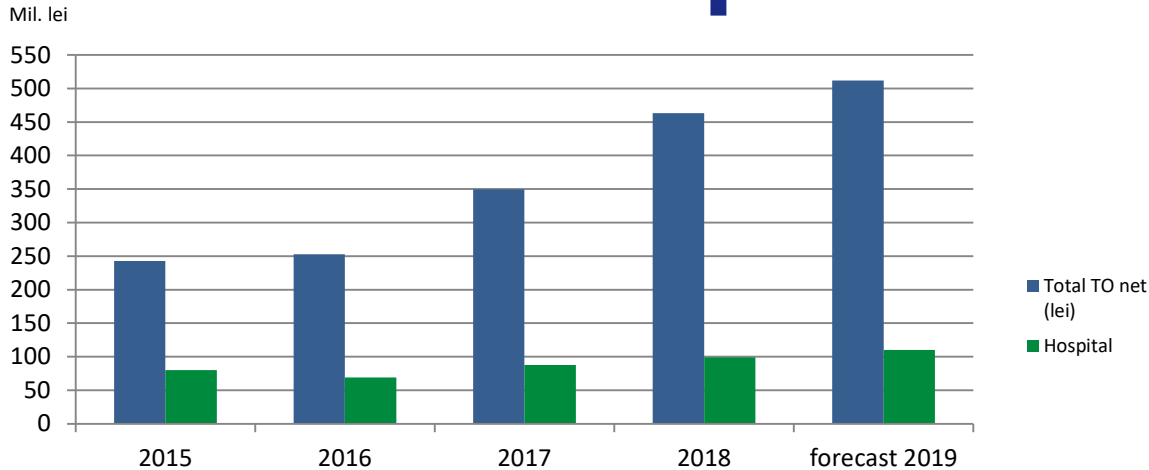
Delivering to over 2.500 reliable and selected customers:

- Private independent pharmacies
- Private chain of pharmacies
- Key Accounts (KA)

Sales force: over 45 people

- 2 Regional Sales Manager
- 5 Area Sales Manager
- 19 Sales Agents
- 20 Call center Agents

Hospital Business



Products / National programmes

- Pharmaceuticals
- special program deliveries; hemophilia, thalasemia, oncology, newborns
- Sanitary materials

Over 3.200 biddings/year

- Public Hospitals (92% of TO) & Medical Centers for Diagnosis and Treatment
- Private Hospitals & Medical Centers (8% of TO)

Sales Force

- National Sales Manager
- 3 Key Account Mangers
- 4 Sales Agent
- 3 Bid Pricing Analyst
- 1 Contracts coordinator

Logistic services



National logistic centers

9 (nine) logistic centers are characterized through GDP-compliant warehouses and monitored and recorded temperature measuring via central control systems, air-conditioning throughout as well as access codes and alarms :

- 2 central logistic centers : Bucharest and Deva
- 7 local logistic centers : Timisoara, Tg Mures, Brasov, Iasi, Pitesti, Craiova, Galati (Satu Mare / Zalau - opening process)
- Surface area: over 7.500 sqm
- Cold Chain and Ambient Stock Management
- Narcotics Distribution Management



Logistic structure

Logistic operations

- 180.000 logistic lines/month, out of which:
 - picking lines (expedition): 160.000
 - receiving lines: 20.000
- 35.000 out-documents/month



Logistic Center	Orders	Picking Lines	Invoices Received	Lines Received	Cross-docking lines
DEVA	10.500	58.800	1.100	7.000	4.700
BUCHAREST	14.500	58.500	400	8.500	14.500
Local Warehouse (7)	10.000	42.700	700	4.500	0
TOTAL per month	35.000	160.000	2.200	20.000	19.200

Bucharest Logistic Center



Warehouse facilities

- Total area: 2.580 sqm
- 10.000 locations for separate products
- 1.400 Epal for merchandise stands
- 50 sqm rooms for cold chain products
- 8 landing platforms for trucks and vans
- **JUNGHEINRICH** VNA Man-Up, Electric & diesel stackers



Logistic Transport

National Fleet: 45 vans of volumes between 2,5 m³ - 16 m³

Equipped with:

- KONVECTA temperature control system
- TESTO monitoring system
- GPS fleet monitoring

Fleet daily operating capacity :

- over 290 m³
- more than 32 to



National coverage

- 2 deliveries/day to the clients located up to 25 km around logistic centers
- 1 delivery/day to the clients located up to 200 km around logistic centers
- Twice a week deliveries to the clients located outside these areas

External Transport services

- Moldova
- Slovenia
- Austria
- other EU countries



Logistic services

- Warehousing – Consignment stock
- Picking and packaging
- Expedition documents processing
- Delivery to the final clients
- Recall management
- EAP program management



Our Clients



Regulatory affairs

Ongoing Registrations Agreements

GEROT  LANNACH
a business unit of G.L. Pharma GmbH

 Gebro Pharma

 Santen

 KLOSTERFRAU
HEALTHCARE GROUP



 International
PharmaLex
YOUR PARTNER IN
REGULATORY AFFAIRS

 ROWA WAGNER

 PRO.MED.CS
Praha a.s.

 TRENKA

Tarius[®]

 ALLERGIKA
... Ihr Allergie Spezialist

DR. F. KÖHLER CHEMIE 
Arzneimittel



 oystershell
HEALTH & INNOVATION

 ORGAN
ASSIST

 Organ Recovery
systems

pharmaselect.

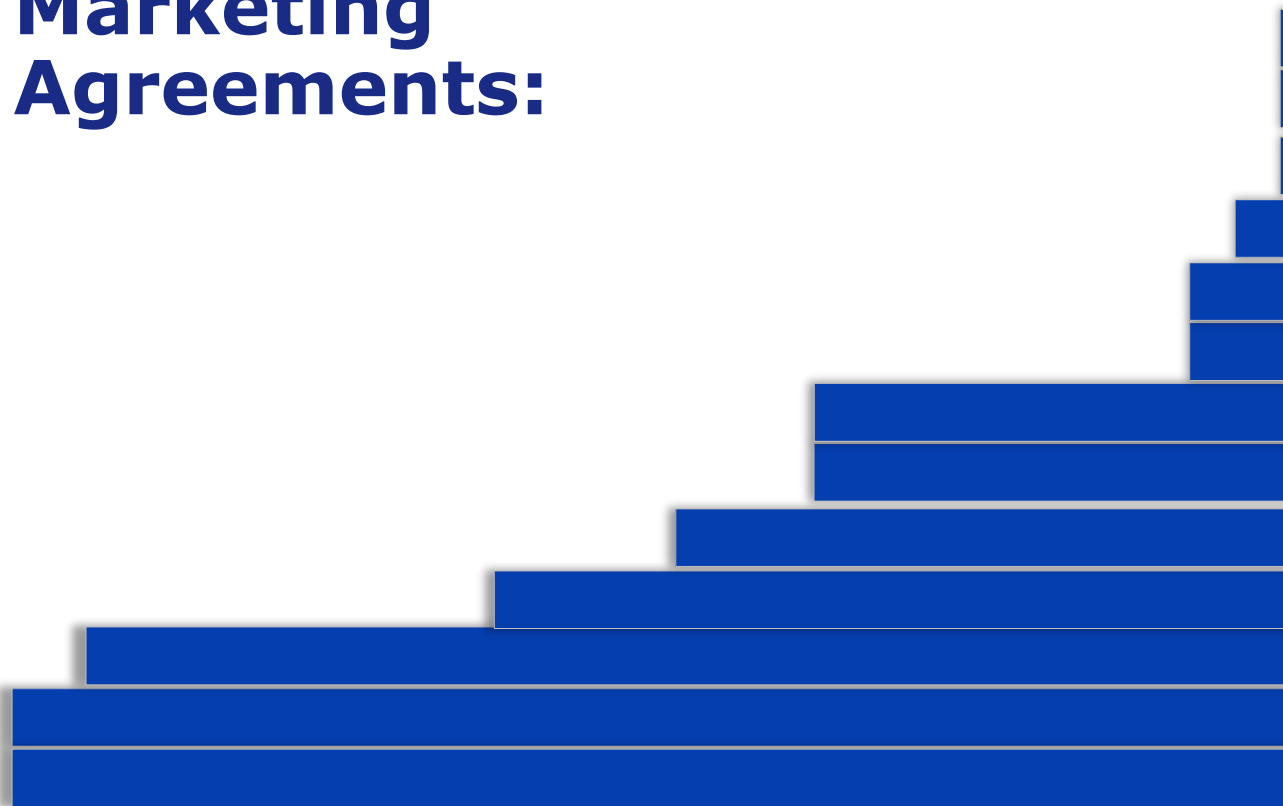
 Pharmanovia

Marketing and Promotion



Marketing & Promotional Activities

Ongoing Marketing Agreements:



- i rcon**
"Ihre Skincare-Prevention ist Ihr Partner"
- BENOSTAN**
NATURE'S TREATMENT
- Algo pirin**
Allergien & COPD
- ALLERGIKA**
...Ihr Allergie Spezialist
- MEDIMAR**
Medizinische Produkte
- DG DOETSCH GREYER AG**
BEAUTY & BODY CARE - OTC - PHARMA
- Nano Repro**
- Pint-Pharma GmbH**
- Gebro Pharma**
- AURIGA INTERNATIONAL**
- DR. F. KÖHLER CHEMIE**
Assessment
- TRENKA**
- ROWA WAGNER®**

1996 1997

2002

2005

2007

2014 2016

2019 Projects

Marketing & Promotional Activities

Divisions by therapeutical area of activity

1. *Special Chronic Diseases*

Cardio-Vascular Surgery, Diabetology

- 1 Business Unit Manager
- 5 Medical Representatives



2. *Retail Team*

GP, Pediatric

Dermo-cosmetic & Therapeutic Skin

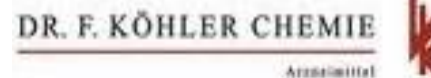
- 1 Business Unit Manager
- 10 Medical Representatives



3. *Hospital Team*

Neonatology

- 1 Business Unit Manager
- 2 Medical Representatives



Alprostadiil "REMEDIA" 500 µg

Marketing & Promotional Activities

Promotion team : 20

3 Business Unit Managers
17 Medical Representatives

+ 1 Field Force



Marketing and Promotion Division	Business Unit Manager	Medical Reps	TOTAL
Chronic-diseases	1	5	6
Retail Team	1	8	9
Hospital Team	1	4	5
TOTAL	3	17	20

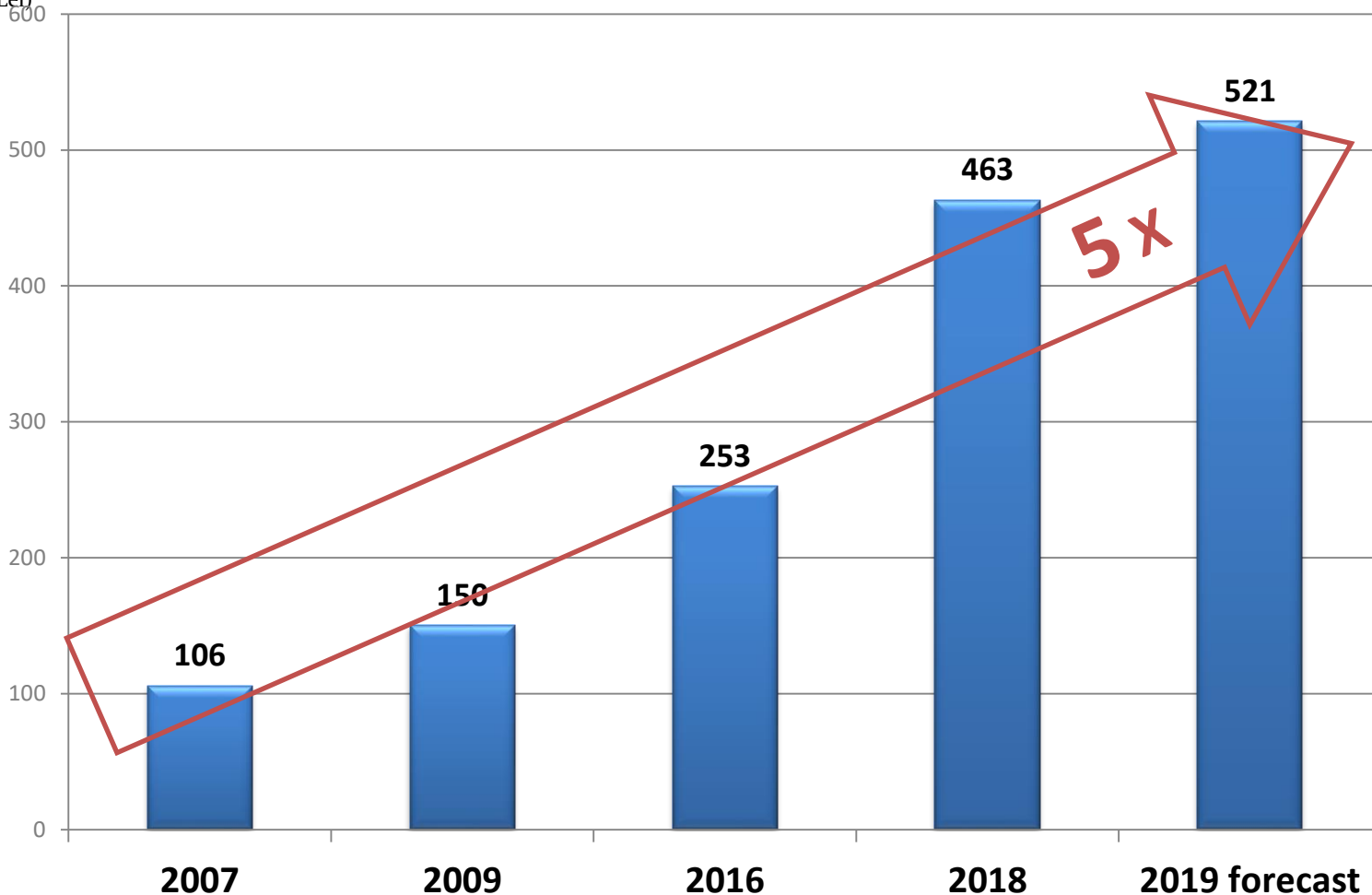
Key Figures and facts



Long-term profitable growth

Sales of goods
(mil. Lei)

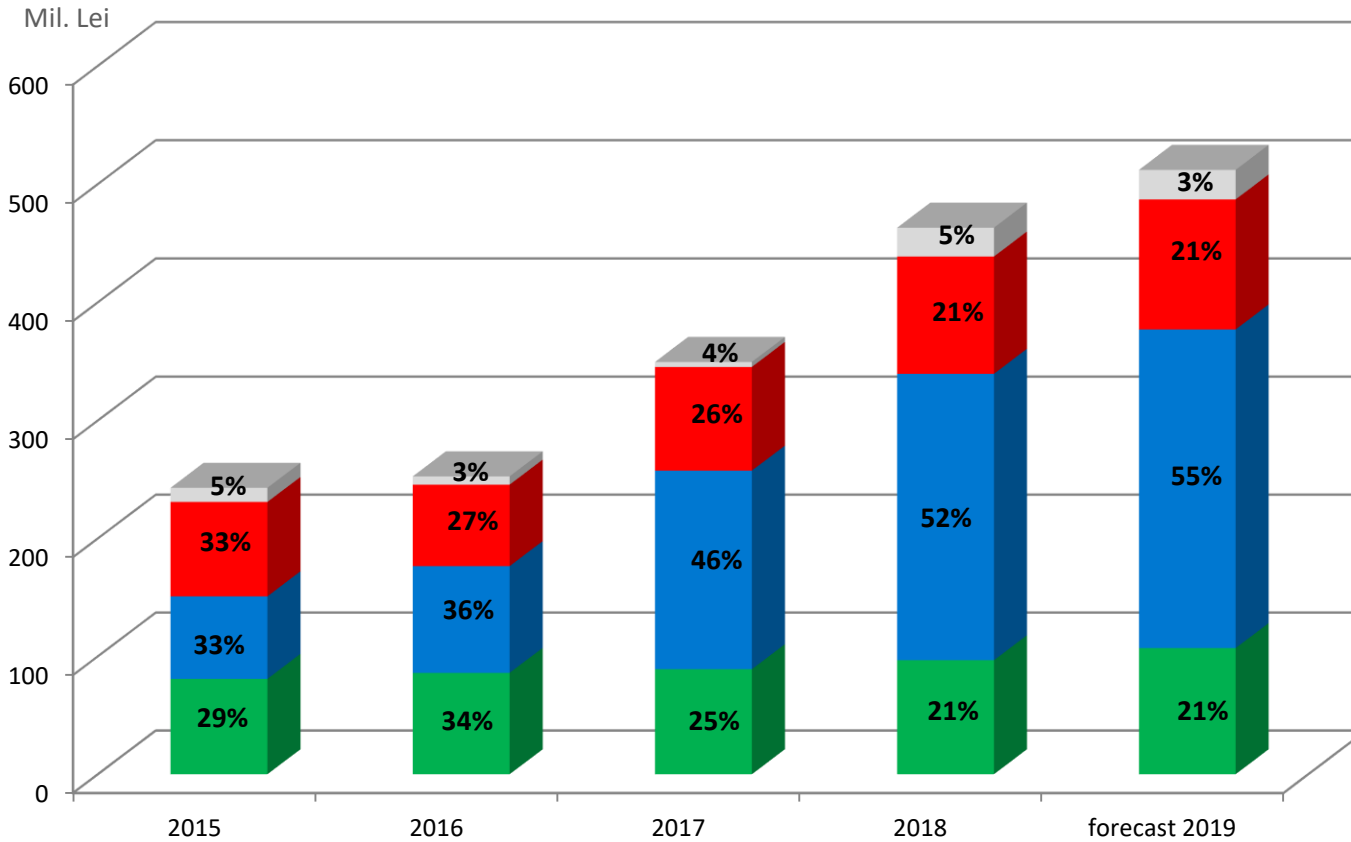
consolidated



Sales of goods

Business Pillars

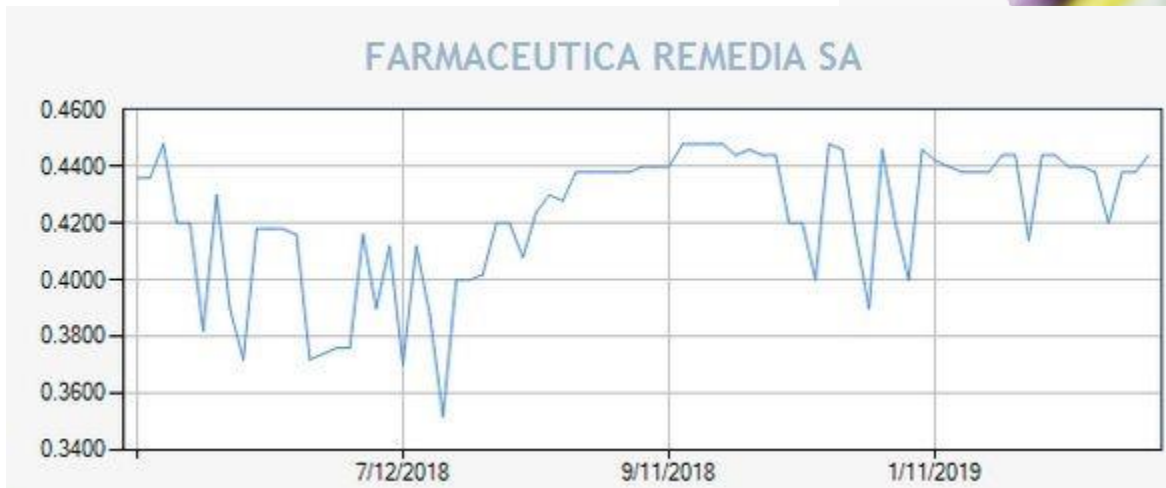
consolidated



Farmaceutica Remedia			
Balance Sheet(RON)	dec.-16	dec.-17	dec.-18
	consolidat	consolidat	consolidat
Total Assets	165,837,428	203,590,867	294,395,558
Cash	18,815,551	10,042,684	3,525,871
A/R (clients)	69,284,808	104,041,931	150,720,279
Inventory	36,923,931	49,050,883	98,186,559
Expenses in advance	80,725	200,008	312,481
Other Current Assets	996,487	970,890	2,620,956
Total Current Assets	126,101,502	164,306,396	255,366,146
Tangible Assets	30,758,758	31,212,706	31,082,924
Intangible Assets	8,222,526	7,355,142	7,150,766
Financial Investments	754,642	716,623	795,723
Total Long-Term Assets	39,735,926	39,284,471	39,029,412
A/P (suppliers)	120,533,620	152,641,012	241,058,212
Other ST payables	2,752,868	4,573,425	5,044,104
Payables to shareholders	205,414	214,756	241,226
ST Loans*	64,342	19,336	36,938
Current Liabilities	123,556,244	157,448,529	246,380,480
LT Loans*	175,389	91,209	18,105
Other LT liabilities	1,273,137	1,399,221	1,374,199
LT Liabilities	1,448,526	1,490,430	1,392,304
Provisions	0	0	10,449
Share capital	10,608,980	10,608,980	10,608,980
Reserves & others	28,955,653	30,277,556	32,955,209
Profit	1,268,025	3,765,372	3,048,136
Equity	40,832,658	44,651,908	46,612,325
Total Liabilities & Equity	165,837,428	203,590,867	294,395,558

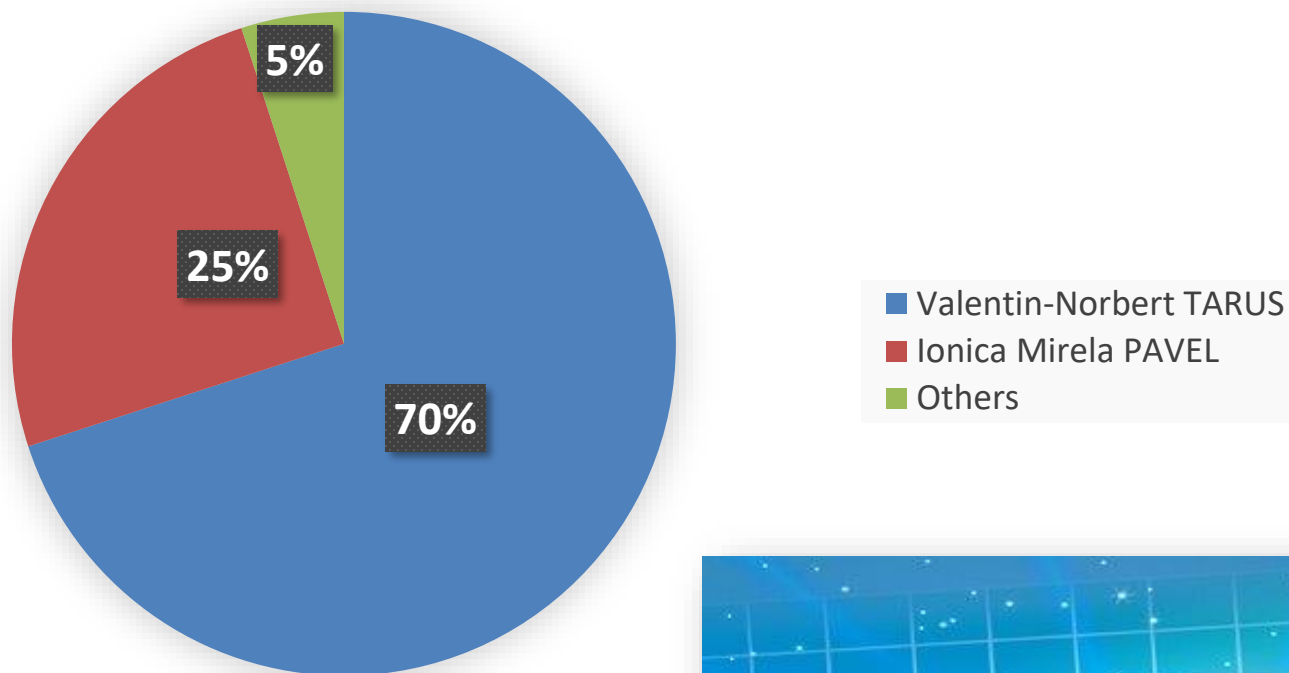
Farmaceutica Remedia			
Income Statement	dec.-16	dec.-17	dec.-18
(RON)	consolidat	consolidat	consolidat
Sales of goods	253,394,546	351,354,340	463,200,718
Discounts given	-2,153,515	-2,742,148	-2,298,309
Net Sales	251,241,031	348,612,192	460,902,409
COGS	224,141,318	314,539,008	421,485,590
Discounts Received	-4,969,675	-7,792,888	-10,073,506
Net COGS	219,171,643	306,746,120	411,412,084
Gross Margin	32,069,388	41,866,072	49,490,325
Gross Margin (%)	12.76%	12.01%	10.74%
Other Operating Revenues	4,525,708	4,491,883	4,930,155
Personnel	-20,744,028	-25,346,354	-31,786,780
Other Operating Expenses	-13,531,480	-15,409,998	-18,022,452
Total Operating Expenses	-34,275,508	-40,756,352	-49,809,232
EBITDA	2,319,588	5,601,603	4,611,248
EBITDA Margin	0.92%	1.61%	1.00%
Depreciation	-702,805	-752,782	-764,201
Provisions - net	221,716	466,404	16,416
Bad debts lost	-207,183	-711,924	-146,391
EBIT	1,631,316	4,603,301	3,717,072
EBIT Margin	0.65%	1.32%	0.81%
Financial Revenues	569,425	364,844	156,052
Financial Expenses	-616,690	-244,563	-190,096
Financial income	-47,265	120,281	-34,043
EBT	1,584,051	4,723,582	3,683,028
EBT Margin	0.63%	1.35%	0.80%
Tax on Profit	-316,026	-958,210	-634,893
Net Profit	1,268,025	3,765,372	3,048,136
Net Profit Margin	0.50%	1.08%	0.66%

Sustainable value added for our customers, investors and our employees



Source: Bucharest Stock Exchange – <http://www.bvb.ro>

Shareholder structure

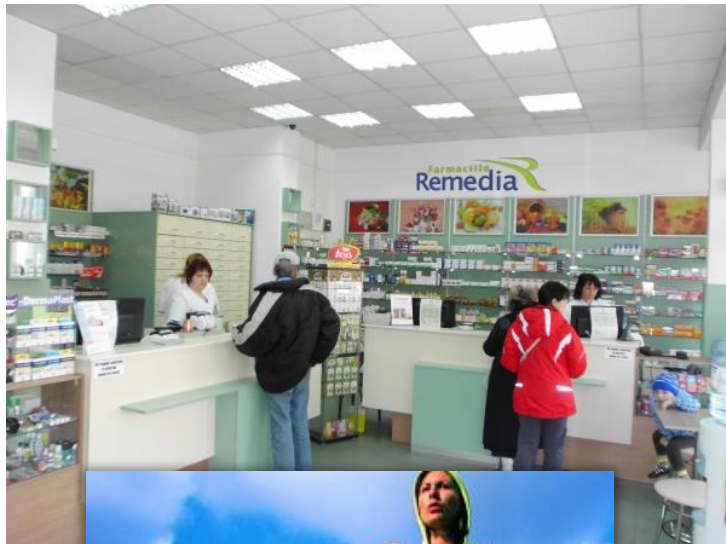


Total No. of Shares: 106.089.800
Share Capital: 10.608.980 Lei
Market Capital: 47.103.871 Lei (~ 10 mil. Euro)

1.04.2019: 1 Euro = 4.7614 RON. Source: <http://www.bnr.ro>



The unique Human Resources Philosophy continuous developing



Aleargă
pentru
sănătate!

Remedia
Farmaceutica REMEDIA S.A.

380 Employees

Remedia
Distribution & Logistics

220 Employees

- Pharmacists motivational policy development
- Permanent personnel and professional training development
- Identifying the frame for each employee to deliver success
- Attracting and integrating experienced people and developing young talents
- „Run for Health” -the project initiated in Deva to bring contribution to a healthier, more active staff and community

Objectives 2019

consolidated

- ❖ Expanding *REMEDIA Pharmacies* to over 100 units
- ❖ Projects development in *REMEDIA Pharmacies*:
 - Healthcare services conciliation development
 - Dermo-cosmetics, OTC and Non-Rx portfolio developing
 - Receipts prepared in the own laboratories
 - Consolidation in Bucharest and expanding in rural area
- ❖ Optimizing Hospital Business to over 3.500 biddings/year
- ❖ Sales & distribution consolidation by strategic partnerships
- ❖ Developing logistic services nationwide by offering customised delivery models
- ❖ Improving performance through continuous training of employees
- ❖ Total TO net: Eur 110 mil, over the market growth rate vs 2018
- ❖ ERP Development: integrated IT solutions for WMS & TMS, e-commerce, efficient procurement, stock management, serialisation, GDPR, compliant with EU Directives

Corporate Social Responsibility

Respect for community values



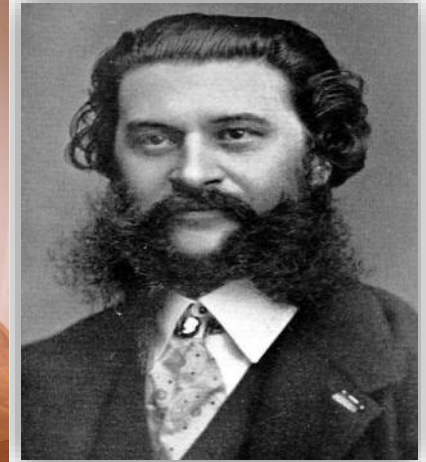
National Gymnastic Team-"Cetate Deva"

Sports



"AUSBLICKE" exhibition, Klosterneuburg , Vienna
FIVE PLUS Art Gallery, Vienna

Art



"Johann Strauss Festival"

Culture

- Supporting **National Artistic & Aerobic Gymnastic Team**, National Sport College "Cetate Deva"
- Organizing student **Painting Summer Schools and Exhibitions** in Romania and Austria
- Sponsoring **"Johann Strauss Festival"** in Bucharest, Timisoara, Cluj-Napoca
- Sustaining the activities of the **Romanian Cultural Institute in Vienna**



publisher of the

***The British Medical Journal-Romanian Edition (BMJRo)
Medica Academica, Maedica J Clin Med, and Romanian Journal of
Clinical and Experimental Dermatology***



*Health Events
organiser*



Launched in 2006, TARUS Media is a leading company in health promotion in Romania. The goal of TARUS Media is to bring the latest ideas and concepts of health in Romania, providing medical and pharmaceutical communities a chance to implement models that have proven to be successful in other parts of the world.

Based on our health expertise, we have created a market niche and became a leader in both specialized publishing by successful editorial projects: **The British Medical Journal-Romanian Edition, Medica Academica, Maedica J Clin Med, Romanian Journal of Clinical and Experimental Dermatology**, and international healthcare events.

TARUS Media is the perfect marketing platform for companies seeking to reach the communities of Romanian health professionals working either in their home country or abroad and patients.

TARUS Media = a 360° marketing platform

British Medical Journal-Romanian Edition

defines the medical information offer through its international perspective and diversity of addressed topics.



Medica Academica

is, by excellence, the journal addressed to health professionals, focusing on three main fields of interest: leadership/career, specialized materials and health policies in Romania.



Maedica

It was created to bring the science closer to the healthcare professionals.



Romanian Journal of Clinical and Experimental Dermatology



Social media
online interactivity and communication with health professionals through Facebook and LinkedIn

Health Events

Focus on launching new products and international events for the Romanian health system. Due to our skills, services, products and expertise, we use a partnership approach which enables us to deliver high quality events, contributing significantly to a sustainable branding.



Newsletter

the monthly source of news updates for Romanian physicians and pharmacists



Thank you!



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www.farmacileremedia.ro