



PEX PharmaSequence monthly report - March 2019

Total open market (sell-out report)

| | March 2019 | Change in comparison to | | | Cumulative YTD | | Forecast | | |
|--------------------------------------------|--------------|-------------------------|--------------|------------|----------------|----------------|----------|----------------|----------------|
| | | February 2019 | January 2019 | March 2018 | 2019 | Change vs 2018 | 2019 | Change vs 2018 | Change vs 2017 |
| Total turnover (PLN million) | | | | | | | | | |
| Total open market ¹ | 3 103 | 1.7% | -6.2% | -0.3% | 9 462 | 6.4% | 35 915 | 3.9% | 8.9% |
| Rx reimbursed ² | 1 059 | 4.0% | -1.9% | -1.5% | 3 156 | 4.3% | 12 372 | 1.6% | 6.0% |
| Rx nonreimbursed ³ | 684 | 3.9% | -2.9% | 3.2% | 2 045 | 8.8% | 8 000 | 6.5% | 10.2% |
| Non Rx products ⁴ | 1 340 | -1.2% | -10.4% | -1.1% | 4 191 | 6.7% | 15 231 | 4.1% | 10.1% |
| Reimbursement | | | | | | | | | |
| Reimbursement value (PLN million) | 789 | 4.5% | -1.2% | 1.6% | 2 343 | 7.7% | 9 287 | 4.0% | 10.3% |
| Reimbursement share In total turnover | 25.4% | 2.8% | 5.3% | 1.8% | 24.8% | 1.2% | 25.9% | 0.1% | 1.4% |
| Reimbursement share In reimbursed sales | 73.6% | 0.5% | 1.2% | 2.6% | 73.2% | 2.3% | 73.7% | 1.7% | 3.6% |
| Average price per pack (PLN) | | | | | | | | | |
| Total ¹ | 21.3 | 1.5% | 2.2% | 4.3% | 20.9 | 2.4% | 20.9 | 0.2% | 3.0% |
| For reimbursed Rx products ² | 28.3 | -0.1% | 1.6% | 0.7% | 28.3 | 0.7% | 29.0 | 3.4% | 5.4% |
| For nonreimbursed Rx products ³ | 25.8 | -0.6% | 0.8% | 3.8% | 25.8 | 3.8% | 24.4 | -3.7% | -0.6% |
| For Non Rx products ⁴ | 16.4 | 1.8% | 0.7% | 5.7% | 16.4 | 5.7% | 15.5 | -1.9% | 1.7% |
| Average mark-up | | | | | | | | | |
| Total ¹ | 24.8% | -0.4% | -0.1% | -1.6% | 24.8% | -2.0% | 24.7% | -1.3% | -2.2% |
| For reimbursed Rx products ² | 19.0% | 4.0% | -0.7% | 0.2% | 18.8% | 0.4% | 18.4% | -1.3% | -0.5% |
| For nonreimbursed Rx products ³ | 21.3% | 6.8% | 2.9% | -9.5% | 20.7% | -13.4% | 21.6% | -5.6% | -12.9% |
| For Non Rx products ⁴ | 29.5% | -4.7% | 2.3% | 0.3% | 29.7% | 0.8% | 28.5% | -3.5% | -3.3% |
| Average pharmacy | | | | | | | | | |
| Number of patients in pharmacies | 3 730 | -4.1% | -11.2% | -6.3% | 11 820 | 3.3% | 44 014 | 0.5% | 2.2% |
| Total turnover (PLN thousand) ¹ | 216 | 2.4% | -4.9% | 4.6% | 653 | 10.8% | 2 523 | 8.7% | 14.7% |

- Total pharmacy turnover cumulative in PLN million -

| 2019 | Pharmacy market total ¹ | | Rx reimbursed prescriptions ² | | Rx nonreimbursed prescriptions ³ | | Non Rx products ⁴ | |
|-----------|------------------------------------|----------------|------------------------------------------|----------------|---------------------------------------------|----------------|------------------------------|----------------|
| | Total | Change vs 2018 | Total | Change vs 2018 | Total | Change vs 2018 | Total | Change vs 2018 |
| January | 3 307 | 11.4% | 1 079 | 6.1% | 704 | 14.9% | 1 495 | 14.0% |
| February | 6 359 | 9.9% | 2 097 | 7.5% | 1 361 | 11.9% | 2 851 | 10.7% |
| March | 9 462 | 6.4% | 3 156 | 4.3% | 2 045 | 8.8% | 4 191 | 6.7% |
| April | | | | | | | | |
| May | | | | | | | | |
| June | | | | | | | | |
| July | | | | | | | | |
| August | | | | | | | | |
| September | | | | | | | | |
| October | | | | | | | | |
| November | | | | | | | | |
| December | | | | | | | | |

Retail sales in PLN

PEX PharmaSequence Sp. z o.o.,
ul. Kłobucka 23, 02-699 Warszawa
tel. 022-886-47-15, fax. 022-638-21-29
e-mail: biuro@pexps.pl
<http://www.pexps.pl>

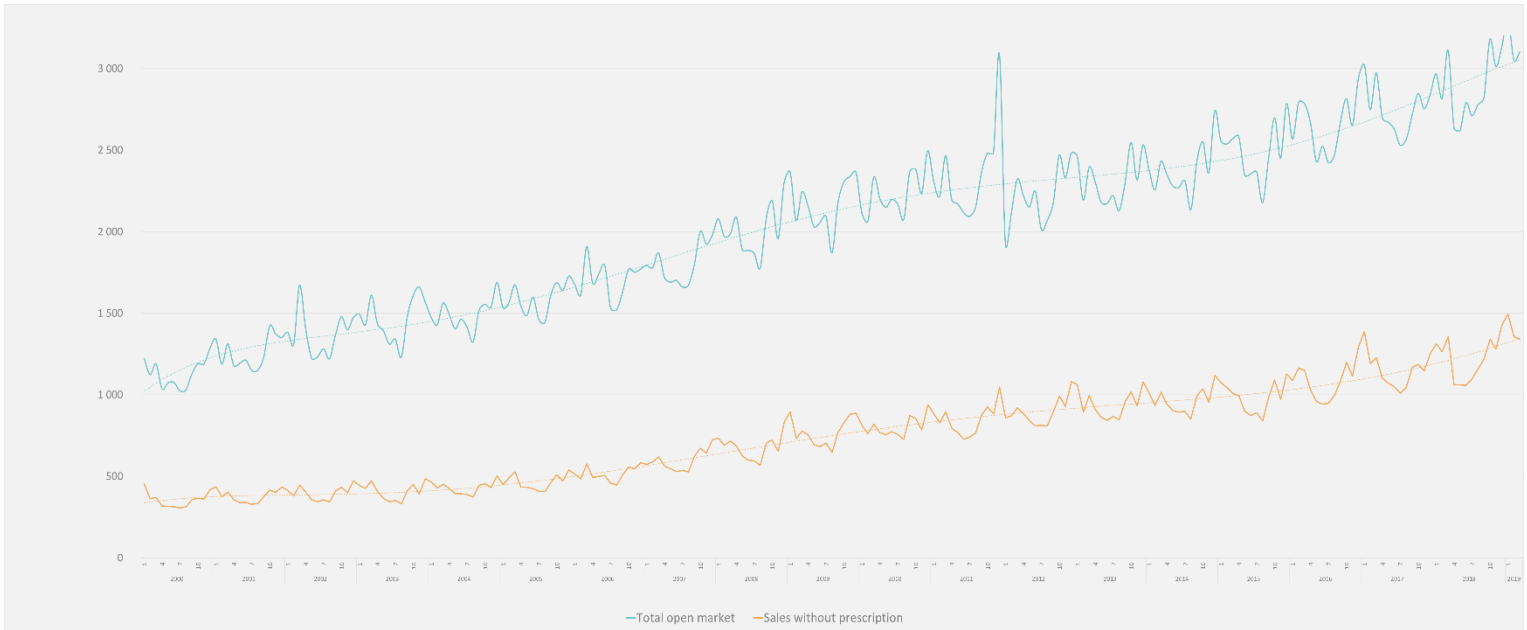
Sąd Rejonowy dla m. st. Warszawy w Warszawie, XIII Wydział Gospodarczy,
KRS 0000178089, REGON: 015579675, NIP 9512093564, kapitał zakładowy 1 000 000 zł.



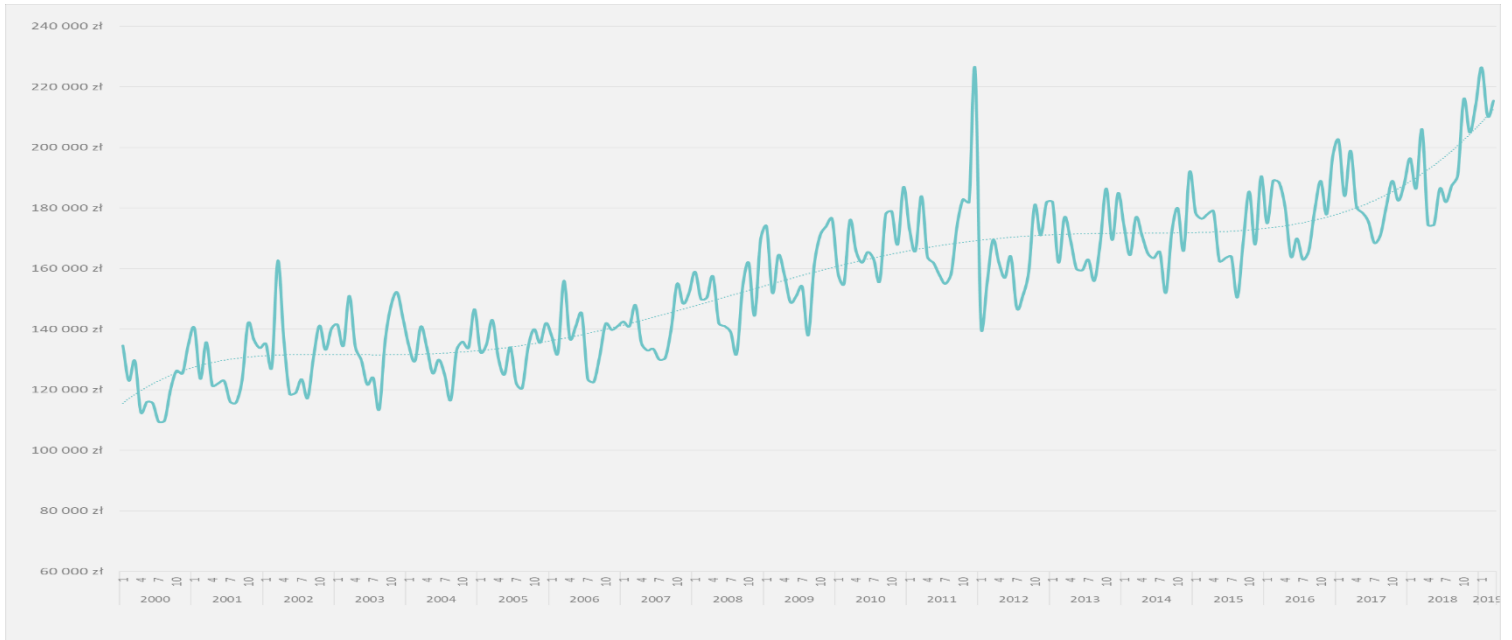
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Trends

- Total monthly pharmacy sales in PLN million -



- Total monthly sales in an average pharmacy in PLN -



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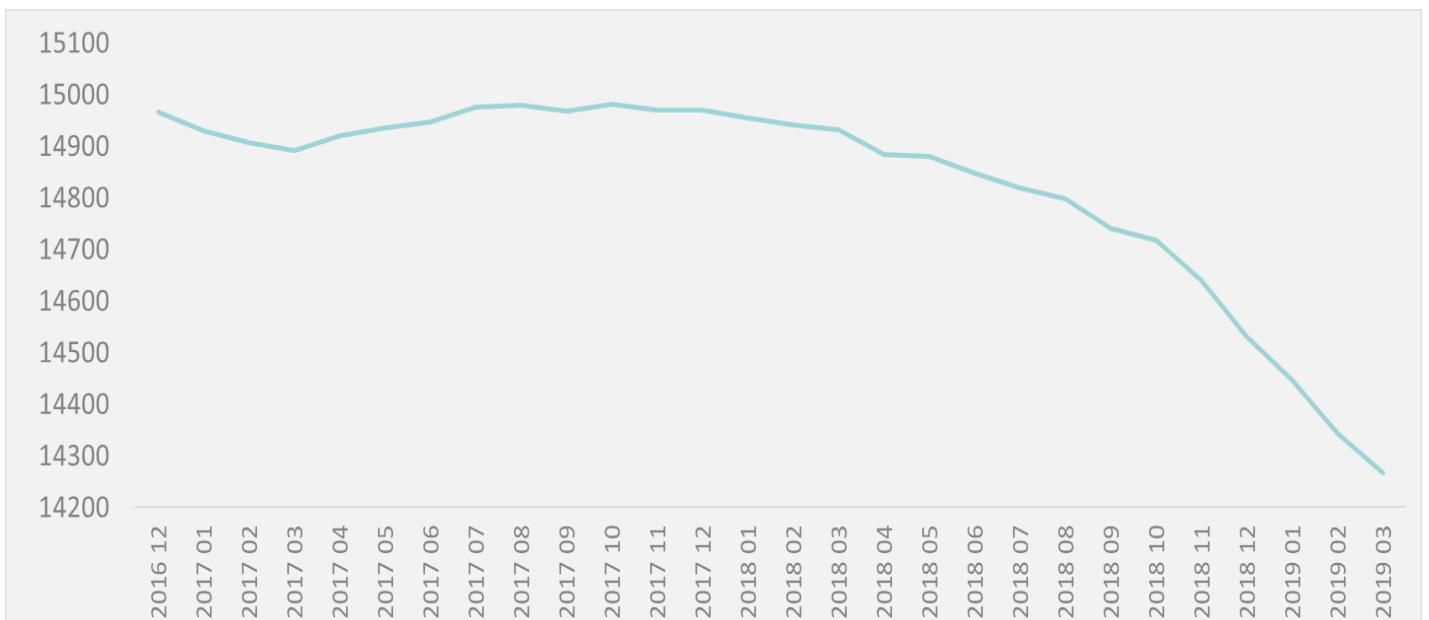
Average pharmacy

| | March'19 | YTD'2019 | February'19 | Change | | March'18 | Change | | YTD'2018 | Change | |
|---------------------------------------------------|----------|----------|-------------|--------|-------|----------|--------|-------|----------|--------|--------|
| | | | | Value | % | | Value | % | | Value | % |
| Total turnover (thousand PLN) | | | | | | | | | | | |
| Total open market ¹ | 216 | 426 | 211 | 5.0 | 2.4% | 206 | 9.5 | 4.6% | 589 | -163.0 | -27.7% |
| Rx reimbursed ² | 74 | 218 | 70 | 3.3 | 4.7% | 71 | 2.4 | 3.3% | 200 | 17.4 | 8.7% |
| Rx nonreimbursed ³ | 47 | 93 | 45 | 2.1 | 4.7% | 44 | 3.6 | 8.2% | 124 | -31.6 | -25.4% |
| Non Rx products ⁴ | 93 | 187 | 94 | -0.5 | -0.5% | 90 | 3.4 | 3.8% | 260 | -73.6 | -28.3% |
| Average price⁵ per pack (PLN) | | | | | | | | | | | |
| Total ¹ | 21.3 | 21.1 | 21.0 | 0.32 | 1.5% | 20.4 | 0.9 | 4.3% | 20.3 | 0.8 | 3.9% |
| For reimbursed Rx products ² | 28.3 | 28.2 | 28.3 | 0.0 | -0.1% | 28.1 | 0.2 | 0.7% | 27.9 | 0.3 | 1.1% |
| For nonreimbursed products ³ | 25.8 | 25.8 | 26.0 | -0.2 | -0.6% | 24.9 | 1.0 | 3.8% | 24.7 | 1.1 | 4.4% |
| For Non Rx products ⁴ | 16.4 | 16.3 | 16.1 | 0.3 | 1.8% | 15.5 | 0.9 | 5.7% | 15.5 | 0.8 | 4.9% |
| Average mark-up* | | | | | | | | | | | |
| Total ¹ | 24.8% | 24.83% | 24.9% | -0.1% | -0.4% | 25.2% | -0.4% | -1.6% | 25.3% | -0.5% | -2.0% |
| For reimbursed Rx products ² | 19% | 18.8% | 18.3% | 0.7% | 4.0% | 19.0% | 0.0% | 0.2% | 18.7% | 0.1% | 0.3% |
| For nonreimbursed Rx products ³ | 21% | 20.7% | 20.0% | 1.4% | 6.8% | 23.6% | -2.2% | -9.5% | 23.9% | -3.2% | -13.4% |
| For Non Rx products ⁴ | 30% | 29.8% | 31.0% | -1.4% | -4.7% | 29.4% | 0.1% | 0.3% | 29.5% | 0.3% | 1.0% |
| Number of patients | | | | | | | | | | | |
| Total ¹ | 3 730 | 11 820 | 3 890 | -160 | -4.1% | 3 980 | -250 | -6.3% | 11 440 | 380 | 3.3% |
| For reimbursed Rx products ² | 740 | 2 320 | 770 | -30 | -3.9% | 780 | -40 | -5.1% | 2 220 | 100 | 4.5% |
| For nonreimbursed Rx products ³ | 760 | 2 360 | 780 | -20 | -2.6% | 810 | -50 | -6.2% | 2 330 | 30 | 1.3% |
| For Non Rx products ⁴ | 3 110 | 9 920 | 3 270 | -160 | -4.9% | 3 350 | -240 | -7.2% | 9 650 | 270 | 2.8% |
| Number of pharmacies - summary[#] | | | | | | | | | | | |
| | 14 267 | 14 353 | 14 344 | -77 | -0.5% | 14 932 | -665 | -4.5% | 14 948 | -595 | -4.0% |

*Values in „Change – value“ for average mark-up in percentage points

[#] Number of pharmacies based on PEX's analysis.

- Pharmacies on the open market -



Retail sales in PLN

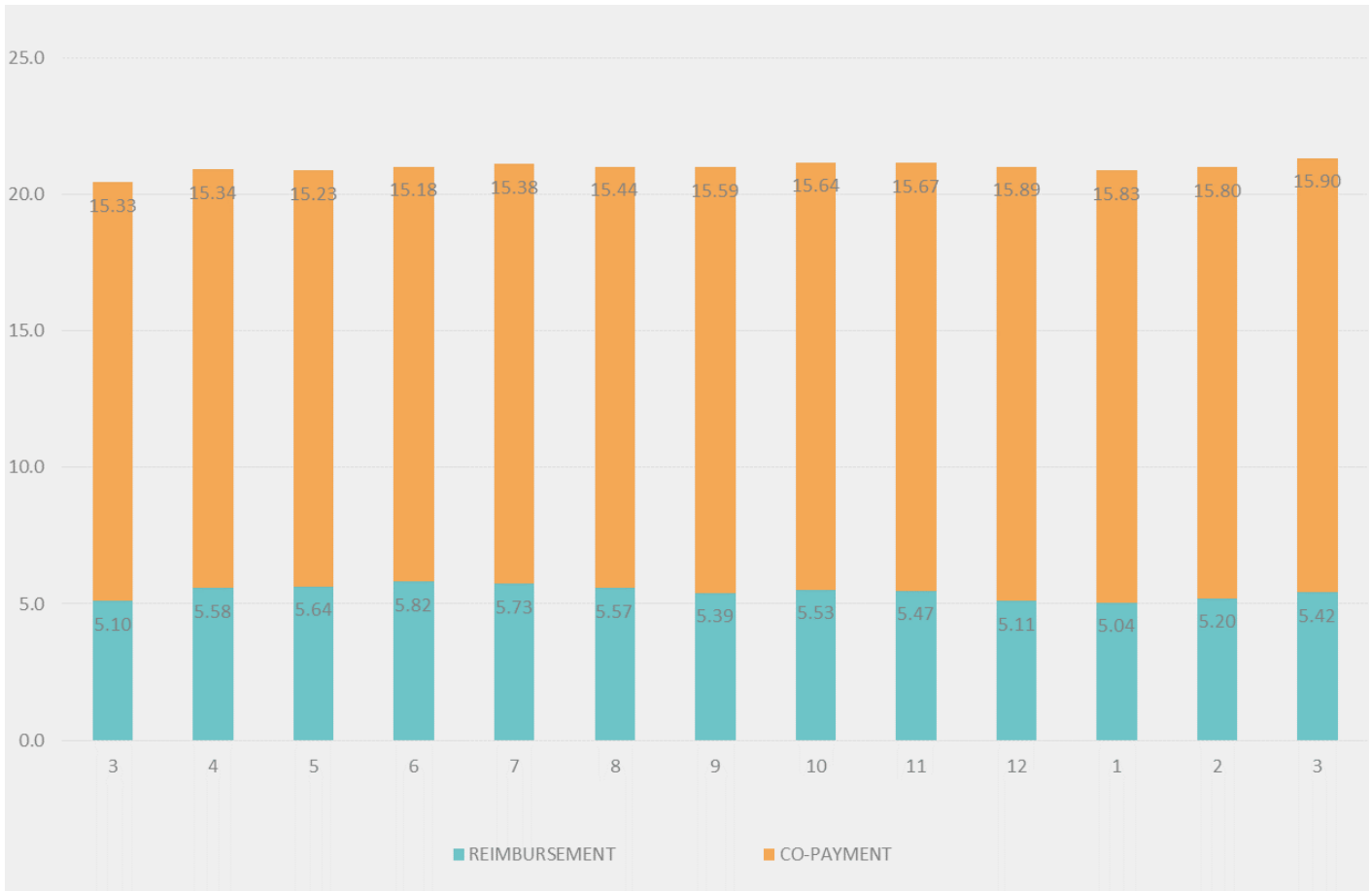
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PEX PharmaSequence monthly report - February 2019

Price

- Structure of the average retail price⁵ -



All amounts are retail open pharmacy sales in PLN

Most important terms:

¹ Total open pharmacy market sales

² Total sales of Rx products covered by NHF reimbursement

³ Total sales of Rx products not covered by NHF reimbursement

⁴ Total sales of products available without prescription, including OTC medicines, food supplements, herbs, patches, medical devices, etc.

⁵ The calculation of the average price is based on products categorized and included in the pharmacy data database operated by PEX PharmaSequence and Kamsoft (Omnibus) – they make up 97% of the pharmacy market.

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PEX PharmaSequence commentary

The pharmacy market in March 2019 reached the value of sales around 3 103m PLN. Value of sales compared to March 2018 fell by 7.8m PLN (-0.3%). Compared to February of 2018, sales grew by approximately 51.4m PLN (+1.7%).

Compared to the same period of 2018 the value of tracked segments was growing for non-prescription segment, value of the other fell. Sales based on non-reimbursed prescriptions grew by 21.2m PLN (+3.2%). The non-prescription segment fell by 14.5m PLN (-1.1.%) and on reimbursed prescriptions fell by 15.7m PLN (-1.5%).

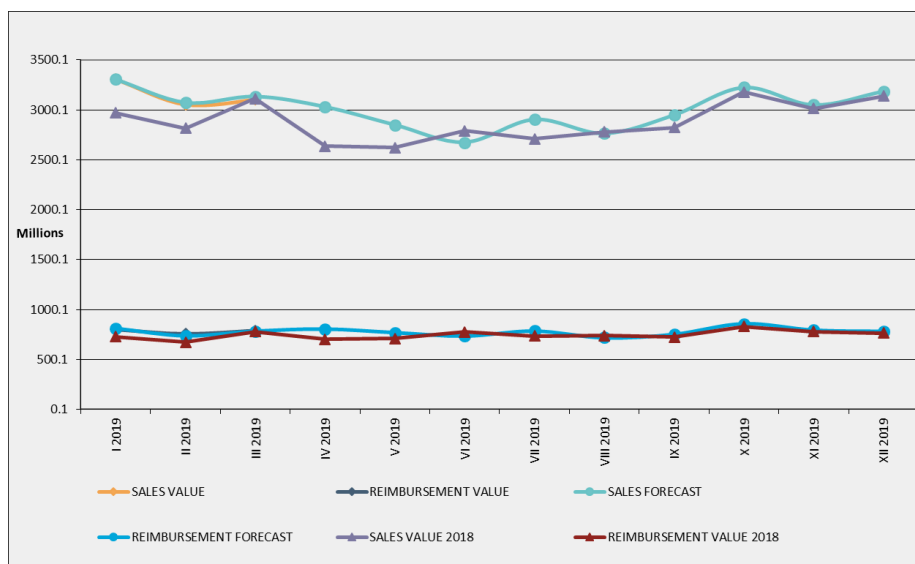
Compared to the previous month, value of products sold without a prescription was smaller by approximately 16.6m PLN (-1.2%). Value of non-reimbursed prescriptions was higher by 26m PLN (+3.9%) and of reimbursed Rx drugs grew by 41.1m PLN (+4.0%).

The average retail drug price in March 2019 was 21.3 PLN and was 1.5% higher than in the previous month, and 4.3% higher than the average price in March 2018. The average retail price of reimbursed prescriptions was 28.3 PLN (+0.7% vs March 2018), 26.0 PLN for non-reimbursed prescriptions (+3.8% vs March 2018) and 16.4 PLN for products sold without a prescription (+5.7% vs March 2018).

Average pharmacy margin for all drugs in March 2019 was 24.8% and was lower by about 0.4pp than the margin in the same period of 2018. Compared to February 2019, the average pharmacy margin fell by approximately 0.1pp.

Drug reimbursement by the National Health Fund in March was in the amount over 789m PLN, 1.6% more than in the same period of 2018. The level of patient copayment for reimbursed drugs in March was 25.4%, higher by 0.7 pp. compared to previous month.

- Monthly turnover value forecast (PLN million, retail gross prices) -

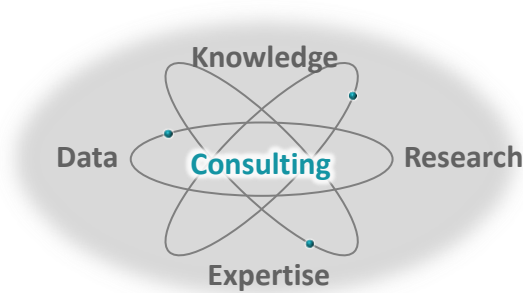


PEX PharmaSequence monthly report - March 2019

About us

PEX PharmaSequence is a Polish **consulting and research** company with its own wide-ranging resources of market data. We specialize in services for entities operating in the broadly defined healthcare market.

As a result of numerous projects, carried out over **almost 20 years** of the company's operations on the Polish market, for innovative, generic, and OTC producers, PEX PharmaSequence has gained unique expertise that allows us to provide our Clients with valuable support.



It is not without significance that our team, comprising **60+ people**, has the benefit of experience gained in service companies specializing in the pharma sector, as well as industry experience acquired in local and global pharmaceutical companies.

Our expertise and competencies as well as our **knowledge of the Polish pharma** market enable us to develop proposals and efficiently carry out projects, which offer added value to our Clients' business decisions.

We would like to hear from you!

A grey rounded rectangular box containing contact information. At the top left is a bar chart icon. To its right is the text "www.pexps.pl more info". Below this is a person icon with question marks above their head and an envelope icon below. To the right of these icons is the text "Ask us a question:", "solutions_by_pex@pexps.pl", and "22 886 47 15".

Published on the 29th of April 2019, prepared by Elżbieta Brzeźny, Analyst based on PEX PharmaSequence data.

