GBT REPORTS 2018 AND FOURTH QUARTER RESULTS

COMPANY ALIGNMENT ON LONG-TERM STRATEGIC AGENDA AND INVESTMENT ON OPERATION AND EXECUTION.

Montevideo, March 21st, 2019 – Biotoscana Investments S.A. (B3: GBIO33), a biopharmaceutical group that operates in Latin America, announced today its results for the 4Q18 and 2018. The following financial information, unless otherwise indicated, is presented in Brazilian Reais (BRL) and prepared in accordance with International Financial Reporting Standards (IFRS). Starting in 3Q18, reported numbers are presented applying Hyperinflation Accounting for our Argentinean operations, unless stated otherwise, in accordance to IAS 29, as detailed on Section "Note on Argentina – Hyperinflation economy" (page 4). Organic growth continues to be presented applying constant year-over-year exchange rates to exclude the impact of the movement of foreign exchange rates and without the impact resulting from Hyperinflation Accounting. Historical numbers (4Q18* and 2018*) are also presented without the impact resulting from Hyperinflation Accounting for comparison reasons.

IR CONTACTS
Federico Wintour | CEO

Raquel Balsa | CFO

Melissa Angelini | IR Director
ir@grupobiotoscana.com

Mirele Aragão | IR Analyst
ir@grupobiotoscana.com

TICKER
B3: GBIO33

ENGLISH CONFERENCE CALL
March 22nd, 2019
10:00 am (US ET) | 11:00 am (Brasília)
t: +1 412 317-6346
code: GBT
Webcast available

PORTUGUESE CONFERENCE CALL
March 22nd, 2019
12:00 pm (US ET) | 01:00 pm (Brasília)
t: +55 11 2188-0155
code: Grupo Biotoscana
Webcast available

WEBSITE
http://ir.grupobiotoscana.com
www.grupobiotoscana.com

HIGHLIGHTS 2018

Net revenues for 2018 increased by 10% in constant currency, positively impacted by Dosa, marking BRL 821M (including hyperinflation adjustment).

Gross profit increased by 12% vs. 2017, in constant currency. Gross margin of 51% (including hyperinflation adjustments) vs. 54% in 2017.

OPEX are in line with 34% of net revenues in 2018.

Adjusted EBITDA increased by 12% in constant currency vs. 2017. Adjusted EBITDA margin came to 22% in 2018 (including hyperinflation adjustment), vs. 24% in 2017.

Net income totaled BRL 63M in 2018 (including hyperinflation adjustment) vs. BRL 17M in 2017. Adjusted net income up 42% vs. 2017, in constant currency.

Strategic agenda evolved with the ongoing execution of the pipeline.

Recently launched products growing over 100%, with the performance of new products such as LENVIMA, ABRAXANE and Gilead portfolio.

(BRL M)	2018*	2018	2017	Chg. %	2018	Chg. %
Net revenues	843	821	818	0%	900	10%
Gross profit	446	422	440	-4%	491	12%
Gross Margin (%)	*53%*	*51%*	*54%*	*-236 bps*	*55%*	*76 bps*
Adjusted EBITDA	201	184	199	-8%	224	12%
Adjusted EBITDA Margin	*24%*	*22%*	*24%*	*-193 bps*	*25%*	*49 bps*
Net income	73	63	17	275%	83	391%
Adjusted net income	106	96	78	23%	111	42%

■ Constant currency ■ Nominal currency

* Historical numbers (2018*) are presented without the impact resulting from Hyperinflation Accounting.

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MESSAGE FROM MANAGEMENT

2018 was a year of great importance to GBT, with challenges and developments seen inside and outside of our company. As we said in the past, we are positive about long term perspectives in all the countries, with plenty of opportunities with new launches and geographical expansion.

During 2018 we secured a contract extension with Gilead for the Andean region for the HepC and HIV portfolio, we integrated R&D centers in Argentina from LKM and Dosa, where now we have one integrated facility for all therapy lines we develop, we worked on the development of corporate policies and procedures to better integrate and align all countries and we started our 5-year strategic plan project.

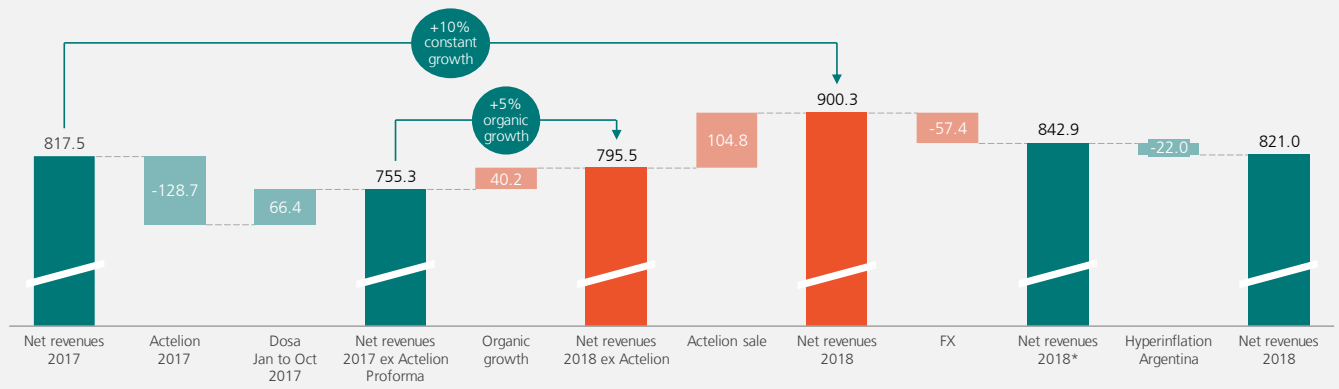
So now, the moment is for us to look beyond and solidify the basis for the future, which haven´t changed. We remain focused on six priorities. First, we are extremely focused on the retention of our talents, to train and develop high potentials and hire top performers. Secondly, we continue to ensure maximum efficiency of our deployed resources, to restructure our manufacturing plants and to enhance supply capabilities. Third, we will also continue to develop solid plans with flawless execution in terms of Regulatory, Sales & Marketing, Medical, and Logistic activities to make sure the launches are well-executed, to guarantee that the products are effectively positioned right from the start. Fourth, we continue to ensure the sales maximization of our commercial investments and maintain sales of our legacy portfolio. Fifth, we continue to expand our portfolio within selected therapy areas and geographies via acquisitions, new licensing deals, and the development of proprietary products, remaining focused on remain focused on the balance of specialty open innovation products with branded generic products. We will continue to acquire best-in-class high-end innovative products in key therapeutic areas, generate new proprietary product ideas, develop new compounds, and bring them into market asap. Finally, we will ensure the follow-through on compliance, to ensure we have the best practices of compliance in client facing areas and in internal processes throughout the region.

Overall, our portfolio continues with its general trends. Our legacy innovative main products continue to experience a sustained performance and, in general, our products are stable and continue their prior trends. The new products are being prepared for launch, as we are only in the process of launching these across the region or are at the initial ramp-up phase, something that illustrates the strong mid to long-term potential of our pipeline that we continually share with you. Our commitment and focus for 2019 remain on the effective execution on our pipeline and set the right foundation to properly position these newly launched products.

The following graph details all the components of our growth for the full year of 2018.

Components of growth

(BRL Millions)



Our organic growth stood at 5% for the full year of 2018 in comparison with the same period of last year. This is mainly driven by SOVALDI® in Brazil, that has a completely different commercial dynamic and follows the same trend in Brazil as the rest of the world, where It cures all the pent-up demand at once and after this there are only new patients and sales are lower than the first years.

Argentina, as it was extensively discussed, still has some short-term concerns, although we have a positive mid and long-term perspectives in the country, especially with the launches of the new innovative contracted portfolio we will launch soon in the country, such as LENVIMA®, CRESEMBA® and HALAVEN®.

Our margins remain healthy, with gross margin at 51.4% for the full year and adjusted EBITDA margin at 22.5%.

Our OPEX continue in check, representing approximately 34% of our net revenues, a result of closer monitoring and the shifting of resources to new products and launches from older lines and cost control culture.

For 2019, we believe is a year of continued focus on commercial execution and targeted investment in our new product launches, manufacturing infrastructure, and pipeline to drive future growth. The mid-term outlook for growth is positive driven by our already contracted innovative pipeline and also by the branded generics pipeline under development, which are paramount to sustain our growth.

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NOTE ON ARGENTINA

HYPERINFLATION ECONOMY

Argentina was considered a hyperinflation country as from July 1, 2018 onwards, in accordance with IFRS, since it presented a three-year accumulated inflation rate exceeding 100% and there are no qualitative issues mitigating the situation.

Therefore, starting from 3Q18, we need to apply IFRS rule IAS 29 "Financial information in hyperinflationary economies for International Financial Reporting Standards", that require to report the results of our operations in hyperinflationary economies, as if these economies were highly inflationary as of January 1, 2018.

We are presenting the impact of adopting hyperinflation accounting separately in the P&L exhibit of this press release, in a column named "Hyperinflation Argentina" at the end of this document. We are also presenting historical numbers without this effect.

The application of IAS 29 Hyperinflation Accounting to Argentine subsidiaries impacted 2018 results with the following combined effects: i) the indexation using a general price index to reflect changes in purchasing power on the results restating each line until the end of the period, (ii) the translation of the results at the closing exchange rate as of December 31, 2018 - translation using the average year to date rate on the reported period is applied to non-inflationary economies- (iii) a gain/loss originated on the net monetary position exposed to inflation recorded in a dedicated account under the finance results (the effect of inflation on the net monetary position of the Argentine subsidiaries for the year has been a gain amounting to BRL 12.8 M and (iv) as non-monetary assets are adjusted for inflation but not equivalent adjustments are made for tax purposes; the effect of such a temporary differences originate deferred tax liabilities that has its counterpart effect at the deferred tax account under the P&L.

Furthermore, IAS 29 requires adjusting for cumulative inflation the non-monetary assets and liabilities on the balance sheet of our operations in hyperinflationary economies. The resulting effect from the adjustment until December 31, 2017 has been reported in Retained Earnings amounting to BRL 84.8M and, from this date on, in a dedicated account in the finance results ("gain on net monetary position exposure to inflation"), reporting deferred taxes on such adjustments, when applicable.

During the 4Q18, there is the impact of inflation adjustment for the 9M18 with the inflation from the 4Q18 (~12% of inflation) in addition to the inflation adjustment on the profits and losses of the quarter per se.

As to the conversion into BRL the reduction in the conversion rate at the end of 4Q18 contributed to a gain in the 4Q18 driven by the conversion of the nine-month period profits and losses at a lower rate than at the end of 3Q18.

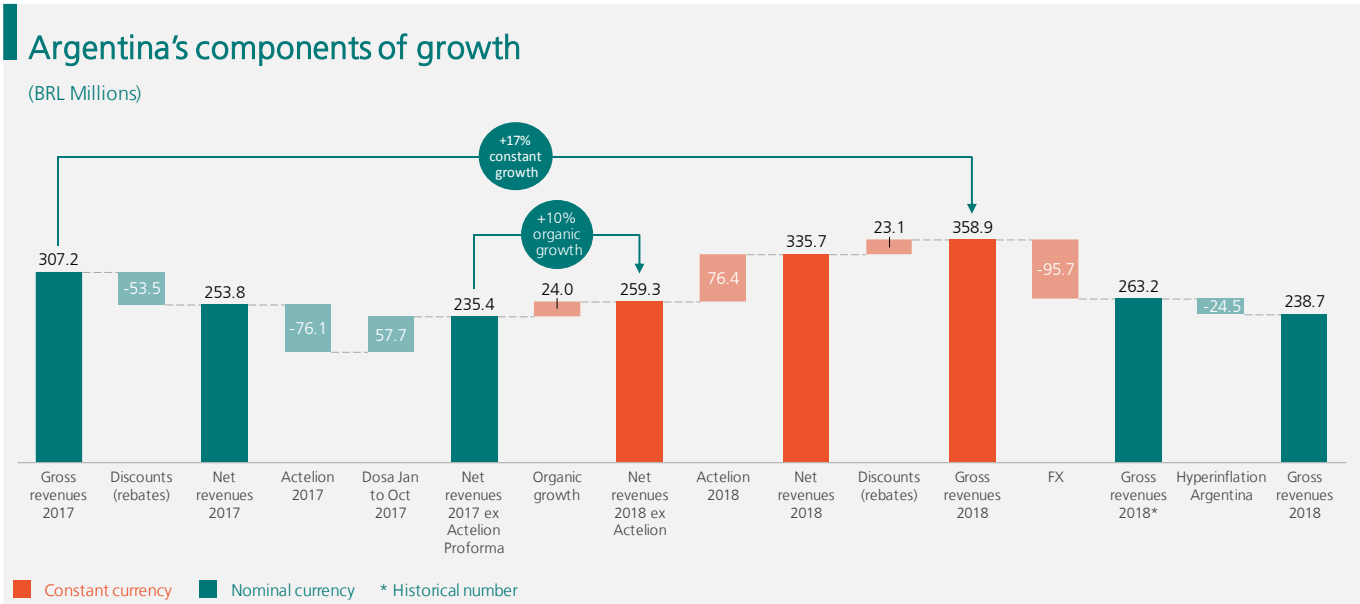
All of these adjustments generated a higher cost in the quarter.

OTHER IMPACTS

In 2018, there was a change on the billing system of GBT´s third party logistic operator in Argentina, that directly impacts revenues. As explained in the previous quarter, now the invoices are registered only with net revenues, whereas, before, invoices were registered with gross revenues, discounts (rebates) and net revenues. This makes it harder to compare gross revenues in Argentina with prior periods.

Additionally, in 2018, Argentina had started to recover a PAMI debt provisioned in 2017, that totaled ARS 58M.

The graph below extrapolates all the components to better explain the impacts, where we have the breakdown of DOSA proforma included in 2017, Actelion discontinued business, FX and hyperinflation adjustment from full 2018.



PAMI

As reported on previous quarters, PAMI (*Programa de Asistencia Médica Integral*) – the retiree´s HMO and the largest payor in the country – changed its purchase modality and started placing bids for the main products.

GBT participated on 3 bids during 2018 – July, November and December, and won approximately ARS 204.8M in total.

The first bid won by GBT represented approximately 58% of the total, and first deliveries occurred in November and December (12% of the total bid). We should be delivering batches every month until October 2019 and payments were received for both deliveries already occurred.

The second bid was on November 2018 and represented approximately 33% of the total, with estimated deliveries scheduled between April 2019 and March 2020.

The third bid was on December 2018 and represented approximately 9% of the total, with estimated deliveries scheduled between May 2019 and April 2020.

Finally, all outstanding debt for 2016, 2017 and the first two months of 2018 was renegotiated, which is being paid in 10 monthly installments with interest rate and we have received 6 installments during 2018, approximately ARS 58M.

Against this backdrop of macroeconomic environment and sector changes, GBT is focused on leveraging its strong competitive position, to accelerate market share gains and the execution of new launches, as CRESEMBA® and LENVIMA®.

SUBSEQUENT EVENTS

APPROVAL OF LENVIMA FOR UNRESECTABLE HEPATOCELLULAR CARCINOMA IN BRAZIL

At the beginning of February, GBT received regulatory approval for LENVIMA® (lenvatinib) in Brazil for the first-line treatment of patients with unresectable hepatocellular carcinoma (HCC). LENVIMA®, a product from the partnership with Eisai, is also approved by ANVISA in Brazil for locally recurrent or metastatic, progressive, radioactive iodine-refractory differentiated thyroid cancer and for the treatment of patients with advanced renal cell carcinoma (RCC) following one prior antiangiogenic therapy.

APPROVAL OF KEYTRUDA IN COMBINATION WITH ABRAXANE IN BRAZIL

In February, it was announced the approval of KEYTRUDA® in combination with nab-paclitaxel - - in Brazil as a first-line treatment in patients with squamous and metastatic squamous cell lung cancer (NSCLC) in combination with carboplatin and paclitaxel or paclitaxel (albumin-bound). ABRAXANE® falls in the latter category. GBT cannot promote this combination, since it is not on ABRAXANE® insert, but this shows the tremendous profile of the product.

APPROVAL OF CRESEMBA IN CHILE, ECUADOR AND MEXICO

In January, CRESEMBA® received approval in Chile, both for the powder for concentrate for infusion as for the hard capsules.

In March, we received approval in Ecuador for the powder for concentrate for infusion. And yesterday, we received approval in Mexico for both for the powder for concentrate for infusion as for the hard capsules and for both indications.

CRESEMBA® (isavuconazole) is approved for the treatment of adult patients with invasive aspergillosis and for the treatment of adult patients with mucormycosis for whom amphotericin B is inappropriate.

Recently launched products

(BRL Millions)

	4Q18	4Q17	Chg. %	4Q18*	4Q18	Chg. %	2018	2017	Chg. %	2018*	2018	Chg. %
Total net revenues	**235.5**	**244.4**	**-3.7%**	**206.8**	**228.2**	**-6.7%**	**821.0**	**817.5**	**0.4%**	**842.9**	**900.3**	**10.1%**
Abraxane	6.8	3.0	127.6%	6.8	6.4	116.9%	22.4	3.4	549.6%	22.4	21.4	521.7%
Halaven	2.6	6.5	-59.2%	2.6	2.6	-59.2%	12.6	6.5	94.5%	12.6	12.6	94.5%
Harvoni	2.0	0.0	-	2.0	1.8	-	3.6	0.0	-	3.6	3.2	-
Lenvima	1.4	0.0	-	1.4	1.4	-	5.1	0.0	-	5.1	5.1	-
Sovaldi	5.3	5.3	-1.0%	5.3	5.2	-1.7%	18.3	48.1	-62.0%	18.3	18.1	-62.4%
Zevtera	0.0	0.0	-	0.0	0.0	-	0.1	0.0	-	0.1	0.1	-
HIV/AIDS Line	3.9	0.0	-	3.9	3.5	-	8.6	0.0	-	8.6	7.3	-
Other licenses	2.5	1.3	87.4%	2.5	2.9	119.4%	6.2	4.9	27.7%	6.2	6.5	33.1%
Net revenues - Recently launched products	**24.4**	**16.1**	**51.6%**	**24.4**	**23.9**	**48.8%**	**76.9**	**62.9**	**22.3%**	**76.9**	**74.3**	**18.2%**

Constant currency Nominal currency * Historical number

BASE PORTFOLIO

Base portfolio, which includes BGx launches, peak-year products and mature products (both in-licensing and BGx), represented approximately 80% of total net revenues in 2018, in historical terms.

BGx launches (~9% of total net revenues, in historical terms) that are BGx products within 5 years of launch are supported by the good performance of the oncology line in the region, such as ZYVALIX® and includes expansion of new products from Dosa.

Peak year products (~29% of total net revenues in historical terms), are products with 5 to 10 years after launch, that already reached peak sales (both in-licensed and BGx products). Mid-life products also had growth supported by the oncology line, with products such as VIDAZA® in Brazil and special treatments line with ALPROSTAPINT® in Argentina, among other products and therapeutic lines. Licensing products contributed with approximately 50% of total peak year revenues, in historical terms.

Mature products (~44% of total net revenues, in historical terms) are around 10 years or over after launch, and usually already lost exclusivity (both BGx and in-licensed products). BGx mature portfolio increased by 32.8%, in constant currency, supported by the geographic expansion into other countries and performance of RHOPHYLAC®, ALBUREX®, among others. In-licensing mature portfolio decreased by 7.2%, in constant currency, mainly impacted by products in Colombia and Peru, from regional partnerships that had price control implementation or some back orders that were already resolved. Overall, mature products remained practically flat, with a decrease of 0.5%.

DISCONTINUED BUSINESS

Discontinued business (~11% of total net revenues in historical terms) is the Actelion line discontinued from June onwards and therefore is considered discontinued business for the entire year of 2018. The portfolio of products was comprised by four molecules: OPSUMIT®, TRACLEER®, VELETRI® and ZAVESCA®. Altogether, Actelion line amounted to BRL 91.6M of net revenues (in historical terms, excluding hyperinflation adjustment) from BRL 128.7M in 2017.

GEOGRAPHY BREAKDOWN

As explained in a prior section, Argentina was considered a hyperinflation economy, therefore we had to apply different rules to report results from 3Q18 onwards, that are not comparable with results from the same period of last year.

In the 4Q18, net revenues amounted to BRL 61.8M, a decrease of 16.6% in constant currency.

For the full year, net revenues amounted to BRL 222.9M in 2018 from BRL 253.8M in 2017, with a constant currency increase of 32.3%.

Growth in Argentina is, mainly, due to the severe respiratory diseases line from Dosa and the good performance of our proprietary franchise of onco-hematology, such as LADEVINA® and MIELOZITIDINA® and HIV line with TELAVIR®, among others.

In Brazil, net revenues reached BRL 115.4M, an increase of 4.6% in 4Q18, in constant currency. In the quarter, the performance is positively impacted by ABRAXANE®, LENVIMA® and AMBISOME®. In the 2018, net revenues totaled BRL 358.8M, an increase came to 4.6% impacted, overall, by the back orders of ABRAXANE® and HALAVEN® in the 1Q18 and partially 2Q18, both solved during 2H18 and also the market dynamic for SOVALDI®. For 2018, AMBISOME® is stable and VIDAZA® single-digit growth is supported mainly by volume. Excluding SOVALDI®, Brazil net revenues increased by 16.0%. LENVIMA is doing well and has received approval for the third indication, as highlighted earlier, but we are still waiting for the inclusion at the ANS formulary roll, which would enable payors to automatically cover the product. Currently, the focus is on access for this product.

Colombia is impacted by the end of Actelion contract since 2Q18. Excluding full Actelion portfolio, to compare the recurring revenues going forward, there was an increase of 21.9% in 4Q18, in constant currency and an increase of 8.4% in the full year 2018. This improvement is related with the turnaround implementation, cost control and mostly from the successful launch of ZYVALIX® (abiraterone) in April (first generic in the market) and beginning of sales of some products from HCV and HIV Gilead portfolio.

Mexico shows excellent performance, with BRL 9.0 of net revenues in 2018 and BRL 2.9M in 4Q18, an increase of 94.5% in constant currency. We have been working to include ABRAXUS®/ABRAXANE® in the formulary for the public market and in November it was published. With this, we received the approval to include the product for the 1st line treatment in adults[3], allowing GBT to offer ABRAXUS® via public market as well. For 2019, GBT has a positive outlook for Mexico, considering that during the year we are expecting to launch FYCOMPA®, INOVELON®, CRESEMBA® and ZEVTERA®.

Overall, all the other countries are doing well. Excluding Ecuador and Peru, the region increased by 3.0% in the quarter and 18.4% in the full year, both in constant currency. It is mainly driven by a positive performance in the onco-hematology, gastroenterology and severe pulmonary diseases line in the region.

[3] Official Newspaper: http://dof.gob.mx/nota_detalle.php?codigo=5543631&fecha=13/11/2018