GBT REPORTS FIRST QUARTER 2018 RESULTS

DOUBLE-DIGIT REVENUE AND EBITDA GROWTH[1]. ALL MARGINS IMPROVING SIGNIFICANTLY. NEW PRODUCTS LAUNCHES AHEAD OF PLAN. EXTENDED PARTNERSHIP WITH GILEAD INTO ANDEAN REGION.

Montevideo, May 10th, 2018 – Biotoscana Investments S.A. (B3: GBIO33), a biopharmaceutical group that operates in Latin America, announced today its results for the 1Q18. The following financial information, unless otherwise indicated, is presented in Brazilian Reais (BRL) and prepared in accordance with International Financial Reporting Standards (IFRS).

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GBIO33 (B3)

ENGLISH CONFERENCE CALL
May 11th
10:00 am (US ET) | 11:00am (Brasília)
t: +1 412 317-6776
code: GBT
Webcast available

PORTUGUESE CONFERENCE CALL
May 11th
12:00 pm (US ET) | 01:00pm (Brasília)
t: +55 11 2188-0155
code: GBT
Webcast available

WEBSITE
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HIGHLIGHTS

Gross revenues for 1Q18 grew 10% in constant currency, marking BRL 927M LTM.

Net revenues for 1Q18 increased by 9% in constant currency, marking BRL820M LTM. 1Q18 grew 12% pro-forma in constant currency (including bids for which we got a purchase order in 1Q18 but we expect to delivery in 2Q18).

Gross profit up 18% in 1Q18, in constant currency. Gross margin of 56% (up ~351bps from 1Q17), continuing the improvement trend of prior quarters.

Adjusted EBITDA increased by 20% in constant currency vs. 1Q17. Adjusted EBITDA margin came to 25% in 1Q18, improving 172bps vs. 1Q17, marking BRL 203M LTM compared to BRL187M in 1Q17LTM.

Adjusted net income up 41% from 1Q17, reaching BRL 22M in 1Q18.

Halaven and Abraxane off to a strong start. Lenvima launching ahead of schedule and improving clinical profile. Cresemba attained orphan status in Brazil and Mexico.

Extended partnership with Gilead into the Andean region, with revenues starting in 2Q18.

(BRL M)	1Q18	1Q17	Chg. %	1Q18	Chg. %
Gross revenues	213	210	1%	230	10%
Gross revenues ex Sovaldi	203	191	6%	220	15%
Net revenues	190	188	1%	205	9%
Gross profit	106	99	8%	116	18%
Gross Margin (%)	*56%*	*53%*	*+351 bps*	*57%*	*+403 bps*
Adjusted EBITDA	48	44	8%	53	20%
Adjusted EBITDA Margin	*25%*	*24%*	*+172 bps*	*26%*	*+228 bps*
Adjusted net income	22	16	41%	-	-

Constant currency | Nominal currency

[1] Constant currency basis

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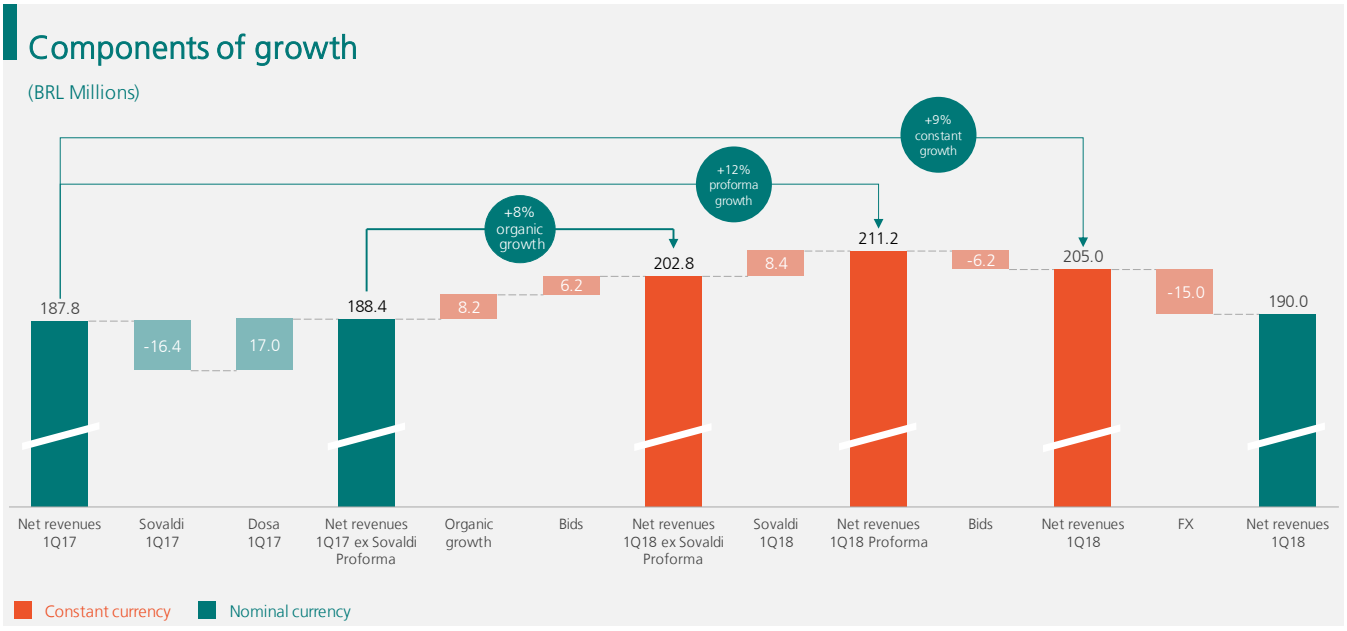
MESSAGE FROM MANAGEMENT

Revenue growth continues to evolve favorably. In 1Q18, our gross revenues grew 10% compared to 1Q17 (9% at the net revenue level). This comparison is not entirely precise, because of the timing of the HIV in Argentina. Despite we received purchase orders in Q1 in both years, in 2017 we delivered all of it within Q1, while this year we delivered a portion in Q1 and will deliver the rest in Q2. To smooth this effect, we calculated a pro-forma 1Q18. The pro-forma includes the portion of the annual HIV bid in Argentina, for which we have a purchase order in hand, but was not delivered in 1Q18 and we expect to be delivered in 2Q18. This pro-forma growth in constant revenue reached 13% for gross revenues (12% for net revenues).

In terms of components of this growth, obviously a portion of this comes from our purchase of Dosa, which continues to evolve favorably and smoothly integrating into our operations. Our organic growth component for the quarter marked an 8% evolution. On an average basis, around 80% of our in-country growth comes from volume increases and 20% due to price increases. In Argentina, (where inflation is in the 20+ range), we are posting growth way above inflation at 50%, obtaining approximately 60%-80% from volume (depending on potential scenarios for Dosa, for which the prior owners did not track information).

As in prior releases, we are using the term "constant currency growth" to exclude the impact of foreign exchange and "organic growth" to refer to growth that not only excludes foreign exchange, but also divestitures, acquisitions and discontinued or especially short-term businesses. The following graph explodes all components of our growth for the quarter.

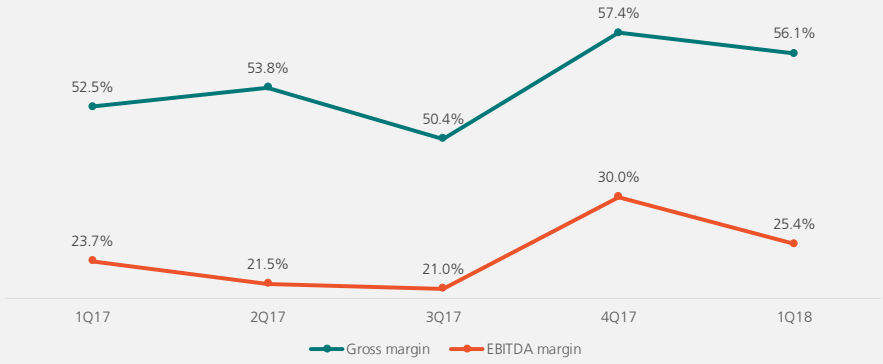


As previously announced, our Actelion franchise will be discontinued in June. Actelion represented BRL 28M of net revenues in 1Q18, up from BRL 25M in 1Q17. All transition activities to return the products to Johnson & Johnson are running smoothly and on-track with plans.

Our margins continue not only to be resilient but are improving at all levels, continuing with a multi-quarter trend. The following graph shows the evolution of gross margin and EBITDA margins for the past 5 quarters. Gross margin for 1Q18 reached 56%, 351 bps above the same quarter last year. EBITDA marked at 25%, 172 bps above. This improvement comes mostly from quality of our revenues, that depend less on low margin products, such as SOVALDI® and the positive impact of the addition of the Dosa line.

Gross margin and adjusted EBITDA margin evolution

(% of net revenues)



2018 will be a pivotal year in terms of new products. We have already launched ABRAXANE® in Brazil and Mexico, HALAVEN® and LENVIMA® in Brazil, among others. ABRAXANE® and HALAVEN® patient uptake are faster than our plans, with overwhelmingly good reception among physicians. We have had significant spontaneous demand for LENVIMA®, which led to our launching ahead of schedule. We also received approval for orphan drug designation for CRESEMBA®, both in Brazil and in Mexico, which should lead to faster product approvals. LENVIMA® has received several good news in this past quarter in terms of profile and potential. On March 23rd, LENVIMA® received approval in Japan for unresectable hepatocellular carcinoma (HCC). This is the first approval worldwide for LENVIMA® for the indication of unresectable HCC and the first new systemic therapy to be approved in Japan for the front-line treatment of HCC in approximately 10 years. Additionally, the US FDA granted breakthrough therapy designation to LENVIMA® in combination with KEYTRUDA® for the treatment of patients with advanced or metastatic renal cell carcinoma. These undoubtedly improved the prospects significantly for this key treatment.

Finally, we have extended our partnership with two key partners. We have signed an extension of our Biocad partnership to include INFLIXIMAB in Colombia. We have also recently signed a very significant extension of our partnership with Gilead to include 15 existing products in 5 Andean markets. Many of these products are already registered and selling in these markets, so they will be hitting our P&L right away on 2Q18. The partnership also gives us rights to Gilead's rich pipeline of HCV and HIV products, which we expect to launch in the coming years. This broadening of our partnership attests to GBT's ability to forge long-lasting and trustworthy relations with our key partners.

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SUBSEQUENT EVENTS

BUYBACK PROGRAM

On April 25th, GBT held its Annual Shareholders Meeting and all the proposed agenda was ratified. Among these, was the approval of the buyback program. The program´s objective is to create value for shareholders by properly managing the Company´s capital structure. The buyback program will acquire up to 3% of the free float in 18 months, beginning on May 2018 until October 2019. The Board of Directors is responsible for defining the dates in which the buyback will be effectively carried out.

GILEAD CONTRACT

In May, GBT announced a new contract with Gilead that will cover the Andean region for a portfolio of anti-infectives. The new exclusive agreement with Gilead Sciences is to commercialize a full portfolio of anti-infectives, hepatitis C & B, and anti-fungal in the Andean region, including Colombia, Peru, Ecuador, Paraguay and Bolivia.

HIV BID

As mentioned in the past results, in 2017 GBT won a significant HIV bid in Argentina, which was postponed to the 1H18. The government confirmed the purchase in the 1Q18, a part of the bid was delivered in 1Q17 and the rest will be delivered in the 2Q18. This amounts to approximately BRL 6M of net revenues.

In the 1Q17 GBT also won this bid and it was 100% recognized in the quarter, since delivery occurred within the three months of the quarter.

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SUMMARY

GBT Grupo Biotoscana

PORTFOLIO OVERVIEW

The following table summarizes our portfolio in the different vintage buckets.

Portfolio overview

			Origin	
	Product category	Time horizon	Licenses	Proprietary
Commercial Stage	Launches (key launches and other launches)	1-5 year old products	Examples: Halaven, Abraxane	Examples: Zyvalix, Telavir
	Peak years	5-10 year old products	Examples: Vidaza, Alprostapint	Examples: Ladevina, Tobradosa
	Mature products	10+ year old products	Examples: Ambisome, Salofalk	Examples: Leprid, Timab
Pipeline Stage	Contracted Pipeline	Products to be launched in the short to mid-term (1-4 years)	30 molecules	19 molecules
	Further Pipeline*	Closing negotiations	10 molecules	Undisclosed number
		Under due dilligence	41 molecules	
		Early stage conversations	32 molecules	

* As of May 2018

PORTFOLIO BREAKDOWN

GBT´s commercial stage portfolio includes:

(i) launches (1 to 5-year-old products) that are products launched recently and can be divided into key launches from innovative licensed products and other launches from the BGx portfolio;

(ii) peak year products, which are approximately 5 years after launch, that already reached peak sales (both licensed and BGx products) and

(iii) mature products that are around 10 years or over after launch, and usually already lost exclusivity and may start to decline over the years (both BGx and licensed products).

BASE PORTFOLIO

Five main products from the base portfolio (all stages, excluding only key launches) represented approximately 36% of total gross revenues in 2017. They are comprised by:

Base portfolio main products

	Description	Type	Year of launch	Countries
AmBisome anfotericina B liposomal	Anphotericin B liposome prescribed for the empiric treatment of systemic fungal infections caused by Aspergillus and Candida species	Partnership | Gilead	1999 (10+)	Brazil
LADEVINA Lenalidomida 5/10/15/25 mg	Lenalidomide is indicated for transfusion-dependent anemia in patients with myelodysplastic syndrome. In combination with dexamethasone is prescribed for patients with R/R multiple myeloma	Proprietary | BGx	2011 (5-10)	Argentina, Chile, Peru and Uruguay
	Mesalazine indicated for the treatment of acute episodes and the maintenance of remission of ulcerative colitis and Crohn's Disease.	Partnership | Dr. Falk	2007 (10+)	Argentina, Chile, Colombia and Peru
Telavir	A combination of Tenofovir DF and Lamivudine indicated for the treatment of HIV infection in adult patients	Proprietary | BGx	2013 (1-5)	Argentina
Vidaza azacitidine for injection	Azacitidine indicated for the treatment of patients with several myelodysplastic syndrome types	Partnership | Celgene	2010 (5-10)	Brazil

In the beginning of April there was the III International Preceptorship in Spain, at *Universidad Complutense de Madrid*. The preceptorship organized by GBT that had the participation of 12 key opinion leaders for a reference service, is a petit committee scientific event in a reference institution with different panels and case discussion. There were speakers from Brazil, Spain and Italy in several sessions about fungal infections in hematology patients where they could discuss, in depth with several clinical cases about AMBISOME® indication and possibility of treatments.

Also, during the month of April, GBT took part of the International Symposium "Crossing New Borders in IBD" organized by Dr. Falk Pharma in Lisbon, Portugal. During the event, specialists from Colombia and Argentina had the chance to review, along with other specialists around the world, on the latest advances and current challenges in the management of IBD conditions like Crohn's Disease and Ulcerative Colitis. The role of both SALOFALK® and BUDENOFALK® as cornerstone therapies in the treatment continuum were emphasized.

RECENTLY LAUNCHED PRODUCTS

Recently launched products are the licensed products launched in the past five years (key launches). Usually, these products are still in the ramp up phase to reach peak market share.

At the 1Q18, GBT had five products as key launches already with sales registered within the quarter. Besides those, there are two other products that have sales from April 2018 onwards – ZEVTERA® in Argentina and LENVIMA® in Brazil. Both products were already launched and sales efforts already initiated.

Recently launched products

	Description	Partner	Year of launch	Countries launched
Abraxane® nanoparticle albumin bound paclitaxel	Paclitaxel protein-bound particles prescribed for patients with metastatic breast cancer, locally advanced non-small cell lung cancer, and metastatic adenocarcinoma of the pancreas as first-line treatment in combination with gemcitabine	Celgene	October 2017	Brazil and Mexico
Halaven® (eribulin mesylate) injection	Eribulin mesylate indicated for patients with metastatic breast cancer and liposarcoma	Eisai	December 2017	Brazil
SOVALDI® SOFOSBUVIR 400 mg TABLETS	Sofosbuvir in tablet form used with other antiviral medicines to treat chronic hepatitis C genotype 1, 2, 3, or 4 infection in adults	Gilead	December 2015	Brazil
LENVIMA® (lenvatinib) capsules	Lenvatinib, a novel multiple receptor tyrosine kinase inhibitor indicated to treat adults with a form of differentiated thyroid cancer and metastatic renal cell carcinoma	Eisai	April 2018 (Sales started in April 2018)	Brazil
Zevtera®	Ceftobiprole is a broad-spectrum intravenous antibiotic from the cephalosporin class for i.v. administration with bactericidal activity against certain Gram-positive and Gram-negative bacteria, including methicillin-resistant Staphylococcus aureus (MRSA) and susceptible Pseudomonas spp	Basilea	March 2018 (Sales started in April 2018)	Argentina
Opsumit® macitentan	Macitentan indicated for the treatment of pulmonary arterial hypertension (WHO Group I) to delay disease progression	Actelion	March 2015 (Discontinued business – June'18 onwards)	Argentina, Colombia and Chile
VELETRI® epoprostenol for injection	Epoprostenol indicated for the treatment of pulmonary arterial hypertension (WHO Group I)	Actelion	July 2016 (Discontinued business – June'18 onwards)	Argentina

LENVIMA® has better profile and better potential profit significance over the next years with the recent news. The US FDA granted breakthrough therapy designation to LENVIMA® in combination with KEYTRUDA® for the treatment of patients with advanced or metastatic renal cell carcinoma, as mentioned in recent notices to the market. We already applied for this new indication in Brazil. And in the end of March, LENVIMA® received approval in Japan for unresectable hepatocellular carcinoma (HCC).

Launches are going ahead of plan. HALAVEN® and ABRAXANE® are also doing exceptionally well, with very positive doctor´s feedback on overall effectiveness and superiority on respective treatments. HALAVEN® was launched with a label as 3rd line therapy in metastatic breast cancer (mBc) and we expect to obtain a label as 2nd line therapy for mBc, in Brazil, until the end of the year.

GBT launched LENVIMA® in Brazil, in the Brazilian Thyroid Meeting (EBT), in April. The event brought together more than 2,000 physicians divided among specialists in Endocrinology, Head and Neck Surgeons, Oncology and Nuclear Medicine Specialists.

There was also an Official Launch Symposium of LENVIMA® during EBT in which Dr. Ana Hoff, an endocrinologist specialized in the topic, was the speaker. Dr. Ana, who was one of the SELECT Study PIs, is deeply experienced and recognized not only in the treatment of thyroid cancer, but also with the usage of LENVIMA®. She currently works at two national reference centers named ICESP and Rede D'Or. The symposium reached its full capacity: 170 physicians attended our launch symposium. The theme was focused on the different stages of the disease, from the diagnosis, which has been increasing in recent decades, to innovative systemic therapies for patients with metastatic disease, such as LENVIMA®.

LENVIMA® was launched in Brazil with only one indication - differentiated thyroid cancer – which is a small one. We expect to obtain a new larger indication (advanced renal cell carcinoma) to be approved in Brazil until the year end.

Also, in preparation for CRESEMBA® launch, and in support with current and future ZEVTERA® launches, GBT participated of the 28th ECCMID - III Brazil-Europe Micology Specialists Encounter ("ECCMID - III Encontro de Especialistas em Micologia Médica Brasil-Europa") held in Madrid, Spain on April 21-24. During this event multiple programs directed to Latam customers were held, including symposium, round tables, and preceptorships.

PIPELINE

Grupo Biotoscana continues to build and deliver pipeline with important progress, bringing innovative products into the region.

GBT´s pipeline can be divided into innovative products and branded generics (BGx) and also between contracted pipeline (products already signed and under registration process and BGx under registration process) and further pipeline (products and deals under analysis and negotiations not yet completed and BGx under development).

CONTRACTED PIPELINE

The table below shows the evolution of deals closed during the past years. In 1Q18 GBT signed an extension agreement with Biocad to exclusively register, market and commercialize Infliximab in Colombia. The contract with Biocad represents a new market for GBT, with biologics. Biologic product is any pharmaceutical drug manufactured in, extracted or semi synthesized from living organisms. They represent protein, nucleic acid based substances (or complex combination of these substances) and are produced by biotechnology methods and other cutting-edge technologies. They differ with most drugs that are chemically synthesized in size (biologics are large compounds), structure (biologics have complex structures with various components often making it hard to characterize and analyze its chemical composition) and on their sensitivity to manufacturing variability (product consistency, quality, and purity are harder to get in biologics as

these are manufactured from living systems). It is believed biologics will offer the most effective means to treat a variety of medical illnesses and conditions that presently have no other treatments available. Introduction of targeted therapies coupled with soaring adoption of patient centric purposed prescription illustrates investors interest on this growing vertical and GBT's greater commitment on this market.

In Chile, JAVLOR® was approved in April 2018 and we are now working on the launching schedule plan.

CDCA Lediant® was granted orphan drug status in Argentina. Dossiers are being adjusted and we expect to have it ready until the end of the year for submission.

For the extension agreement with Gilead, that comprises a portfolio of anti-infectives, GBT will be responsible for the regulatory, pharmacovigilance, market access, commercialization and distribution efforts of over 15 current products, including AMBISOME® for Peru, Paraguay and Bolivia, SOVALDI® (400 mg sofosbuvir) for Colombia, Peru, Ecuador and Bolivia, HARVONI® for Colombia, Peru, Ecuador and Bolivia and EPCLUSA® for Colombia. These products will result in immediate sales for GBT and Gilead, as they are already registered and commercialized in the geographies.

The agreement also includes rights to the pipeline of breakthrough products, which will be able to provide advanced therapeutic options for patients with high unmet medical needs in those countries.

Partnership products – Contracted pipeline

Year of signing	# molecules signed	Products by Partner
2016	6	Pierre Fabre: BUSILVEX ®, JAVLOR ®, NAVELBINE ® Leadiant Biosciences: CDCA ® basilea PHARMACEUTICA: ZEVTERA ®, CRESEMBA ®
2017	7	Celgene: ABRAXANE ® Dipharma: DITERIN ® GILEAD: HARVONI ® Eisai: FYCOMPA ®, LENVIMA ®, HALAVEN ®, INOVELON ®
2018	16	BIOCAD Biotechnology Company: INFLIXIMAB GILEAD: AMBISOME ®, SOVALDI ®, HARVONI ®, EPCLUSA ®, +11 molecules

Currently, GBT has 30 molecules in the contracted pipeline, some of the them are already being executed and will translate into immediate revenues.

In terms of new product approvals, we obtained marketing authorization for ZEVTERA® (ceftobiprole) in Argentina, broad-spectrum intravenous antibiotic from the cephalosporin class for i.v. administration, indicated for certain Gram-positive and Gram-negative bacteria. ZEVTERA® (ceftobiprole) was launched in the country in February this year and commercialization started on April.

ANVISA authorized CRESEMBA® to be filed for approval as an orphan drug. In Mexico CRESEMBA® was also accepted as orphan drug and we expect to have it approved in a shorter period.

In Chile and Peru both CRESEMBA® and ZEVTERA® are under registration process. Usually takes approximately 1 year to get approval for a new product in Chile, and in Peru registration process is usually shorter than that.

We also achieved approvals of HARVONI® in Brazil with CMED price approval in February and commercialization will start on June 2018.

Regarding products from Eisai - HALAVEN®, LENVIMA®, FYCOMPAN®, INOVELON® - for the rest of the region, we are working with Eisai on the final dossiers to be submitted for the whole region.

Regarding new launches, 2018 is very busy year, with many innovative products to be launched across the region and further geo-expansion of BGx line and four new BGx molecules in Argentina, in oncology and severe pulmonary disease therapy areas.

Below is a list of the current partnership contracted pipeline. In terms of Gilead portfolio recently announced, as the following table indicates, there are several products that are already commercialized in the region through a different partner and GBT will transition those products to our commercial platform and sales force. We will immediately transition ATRIPLA®, COMPLERA®, SOVALDI®, HARVONI®, STRIBLID®, VIREAD® in Colombia; AMBISOME®, TRUVADA® and VIREAD® in Paraguay; SOVALDI®, HARVONI®, TRUVADA® and VIREAD® in Peru; TRUVADA®, VIREAD® in Bolivia. This will translate into immediately sales for 2Q18. Some products are already approved and GBT will work on a schedule launch plan. There are four products in the registration process and two other products already signed but not yet launched or registered. It will be for the upcoming years. This shows GBT´s track record and the ability to acquire new products from our existing partners, over time.

GBT received Gilead´s complete HepC franchise, including EPCLUSA®, which is a molecule that covers all genotypes of hepatitis C. For the HIV franchise, we also have rights to two innovative molecules – BYKTARVY® and ODEFFSEY® – for Colombia.

Partnership products – Contracted pipeline

Product	Partner	Indication	Phase	Estimated time to market	Countries
AMBISOME®	GILEAD	Systemic fungal infections caused by Aspergillus and Candida species	Ready to be launched	2018	PE, BO
SOVALDI®	GILEAD	Hepatitis C	Ready to be launched	2018	EC, BO
HARVONI®	GILEAD	Hepatitis C	Ready to be launched	2018	BR, EC, BO
TRUVADA®	GILEAD	HIV	Ready to be launched	2018	Ecuador
COMPLERA®	GILEAD	HIV	Ready to be launched	2018	EC, BO
STRIBLID®	GILEAD	HIV	Ready to be launched	2018	Bolivia
GENVOYA®	GILEAD	HIV	Registration	2018-2019	CO, PE, EC
HALAVEN®	Eisai	Metastatic Breast Cancer	Registration	2018-2019	LatAm ex Mexico
LENVIMA®	Eisai	Refractory Thyroid Cancer, Renal Cell Carcinoma	Registration	2018-2019	LatAm ex Mexico
FYCOMPA®	Eisai	POS, SGS Epilepsy	Registration	2018-2019	LatAm
INOVELON®	Eisai	Seizures associated with Lennox-Gastaut Syndrome	Registration	2018-2019	LatAm
CDCA-Leadiant®	Leadiant Biosciences	Cerebrotendinous Xanthomatosis	Registration	2018-2019	LatAm
CRESEMBA®	basilea PHARMACEUTICA	Fungal Infection	Registration	2018-2019	LatAm
ZEVTERA®	basilea PHARMACEUTICA	CAP, HAP and MRSA	Registration	2018-2019	LatAm
JAVLOR®	Pierre Fabre	Bladder Cancer	Registration	2018-2019	Andean region
NAVELBINE®	Pierre Fabre	Metastatic Breast Cancer, NSCLC	Registration	2018-2019	Andean region
BUSILVEX®	Pierre Fabre	Conditioning for Hematopoietic Progenitor Cell Transplantation	Registration	2018-2019	Andean region
DITERIN®	Dipharma	Phenylketonuria (PKU)	Registration	2018-2019	BR, MX, AR, +4
DESCOVY®	GILEAD	HIV	Registration	2019	Colombia
ODEFSEY®	GILEAD	HIV	Registration	2019	Colombia
EPCLUSA®	GILEAD	Hepatitis C	Registration	2019	Colombia
VEMLIDY®	GILEAD	Hepatitis C	Registration	2019	Andean region
RITUXIMAB	BIOCAD	NHL, CLL, Rheumatoid Arthritis	Registration	2019-2020	Andean region + AR
TRASTUZUMAB	BIOCAD	Breast Cancer, Gastric Cancer	Registration	2019-2020	Andean region + AR
VOSEVI®	GILEAD	Hepatitis C	Signed	2020	CO, BO, EC, PE
BIKTARVY®	GILEAD	HIV	Signed	2020	Colombia
BEVACIZUMAB	BIOCAD	Colorectal Cancer, NSCLC	Registration	2021-2022	Andean region + AR
ADALIMUMAB	BIOCAD	Rheumatoid Arthritis, Psoriatic Arthritis	Registration	2021-2022	Andean region + AR
INFLIXIMAB	BIOCAD	Crohn disease, Ulcerative Colitis, Rheumatoid Arthritis	Signed	2021-2022	Colombia
VIREAD®	GILEAD	HIV	Signed	TBD	Ecuador

Note: POS = Partial onset seizures, SGS = Secondary generalized seizure, NSCLC = Non-Small Cell Lung Cancer, CAP = Community-Acquired Pneumonia, HAP = Hospital-Acquired Pneumonia, NHL = Non-Hodgkin Lymphoma, CLL = Chronic Lymphocytic Leukemia, MRSA = Methicillin-resistant Staphylococcus aureus

Partnership products – Contracted products already launched

Product	Partner	Indication	Phase	Countries
AMBISOME®	GILEAD	Systemic fungal infections caused by Aspergillus and Candida species	Launched	Paraguay
SOVALDI®	GILEAD	Hepatitis C	Launched	Colombia, Peru
HARVONI®	GILEAD	Hepatitis C	Launched	Colombia, Peru
TRUVADA®	GILEAD	HIV	Launched	Andean region ex EC
COMPLERA®	GILEAD	HIV	Launched	Colombia
STRIBLID®	GILEAD	HIV	Launched	Colombia
ATRIPLA®	GILEAD	HIV	Launched	Colombia
VIREAD®	GILEAD	HIV	Launched	Andean region ex EC

In terms of BGx, in 1Q18, GBT received approval of six BGx products in the region, mainly for Colombia, Peru and Bolivia.

There were 3 approvals in the oncology line in April. In Ecuador, GEFILEV® (gefitinib) and CITARABINA® (citarabin) were approved and in Chile GBT received approval for PEMETREXED®. In terms of submissions, GBT already submitted 4 new dossiers for Peru, Paraguay an Chile within April.

GBT is also working on improving efficiency of our plants. In April we finalized the integration of operation processes of Dosa, capturing synergies in overhead and aligning process in all four plants.

We are performing a deep analysis of BGx unit cost focusing on cost control and operational efficiency and we are working on the hub in Uruguay (recently certified by INVIMA, Colombia) to enable GBT to have secondary packaging facilities in the country, which we hope to be ready until the end of the year.

FURTHER PIPELINE

The following table shows GBT´s current further pipeline for licensed products, divided by early stage, due diligence and closing stages.

GBT has identified white spaces in some specific areas of oncology and we have put together a list of potential candidates, both in commercial stage and phase 3 to pursue along 2018.

We have progressed on deals with onco-hematology molecules and we accelerated the process to bid for several innovative antibiotics for the region.

In May we participated at the CPhl North America meeting where we met several potential partners of FDF (final dosage formulation) products.

This year we will participate at the ASCO (American Society of Clinical Oncology) meeting and ASH (American Society of Hematology) meeting where we can nurture already established partnerships and build new ones.

Further licensing pipeline*

(# of molecules)

Stage	Oncology	Rare diseases	Special treatments and I&I	Anti infectives
Early stage	10	13	4	5
Due dilligence	4	2	32	3
Closing	-	-	10	0

* As of May 2018

FINANCIAL AND OPERATING PERFORMANCE

The table below shows GBT´s P&L highlights that will be discussed in detail further on.

Profit and loss statement highlights

(BRL Millions)

	1Q18	1Q17	Chg. %	1Q18	Chg. %
Gross revenues	212.9	209.7	1.5%	230.0	9.6%
Net revenues	190.0	187.8	1.1%	205.0	9.2%
Cost of goods sold	-83.5	-89.1	-6.3%	-89.0	-0.1%
COGS (%)	*-43.9%*	*-47.5%*	*-351 bps*	*-43.4%*	*-403 bps*
Gross profit	106.5	98.7	7.9%	116.0	17.5%
Gross Margin (%)	*56.1%*	*52.5%*	*+351 bps*	*56.6%*	*+403 bps*
Recurring operating expenses	-66.6	-60.1	10.8%	-71.4	18.8%
Recurring OPEX (%)	*-35.1%*	*-32.0%*	*+306 bps*	*-34.8%*	*+284 bps*
(+) Stock grants	-2.8	0.0	-	-2.8	-
(+) Stock options	0.0	0.0	-	0.0	-
Opex including non-cash items	-69.4	-60.1	15.5%	-74.3	23.5%
OPEX (%)	*-36.6%*	*-32.0%*	*+455 bps*	*-36.2%*	*+422 bps*
Operating income	37.0	38.6	-4.0%	41.7	8.1%
EBIT Margin	*19.5%*	*20.5%*	*-104 bps*	*20.3%*	*-19 bps*
(+) D&A	5.7	4.0	42.3%	5.9	45.6%
(+) Stock grants	2.8	0.0	-	2.8	-
(+) One-time adjustment	2.6	1.8	42.4%	2.8	51.6%
Adjusted EBITDA	48.2	44.5	8.5%	53.2	19.7%
Adjusted EBITDA Margin	*25.4%*	*23.7%*	*+172 bps*	*26.0%*	*+228 bps*

Constant currency Nominal currency

GROSS REVENUES

The company´s gross revenue totaled BRL 212.9M in the 1Q18, up 9.6% compared to 1Q17 on a constant currency basis. This result is impacted by SOVALDI®.

SOVALDI® is a blockbuster drug used with other antiviral medicines to treat chronic hepatitis C genotype 1, 2, 3, or 4 infection in adults with high cure rates, so the initial backlog of patients we experienced in 2016 was a one-time effect and also the initial stock up from distributors, which positively impacted sales in 2016 and from them on the product follows the same trend of sales that in the US and in the world. Nonetheless this does not reflect in proportional impact at EBITDA level. We share the promotion of SOVALDI® with Gilead and thus, our margins are significantly lower than the rest of the line.

Excluding SOVALDI®, gross revenues increased by 15.0% in constant currency.

PORTFOLIO BREAKDOWN

LYFE CYCLE

Gross revenues increase of 10% in constant currency is supported by the YoY increase of launches (+51%) and peak year products (+23%), which were offset by the 10% decrease of mature products.

Products within 5 years of launch are supported by growth of the oncology line in the region, including licensing products, such as HALAVEN® and ABRAXANE® and good performance of BGx products, such as CRISAPLA® in Colombia, Ecuador and Peru, ENZASTAR® in Ecuador, OLVESTRAN® in Argentina, among others.

Mid-life products which are the peak-year products, within 5 to 10 years of launch, also had growth supported by the oncology line, with products such as VIDAZA® in Brazil and LADEVINA® in Argentina and Uruguay, among other products and therapeutic lines.

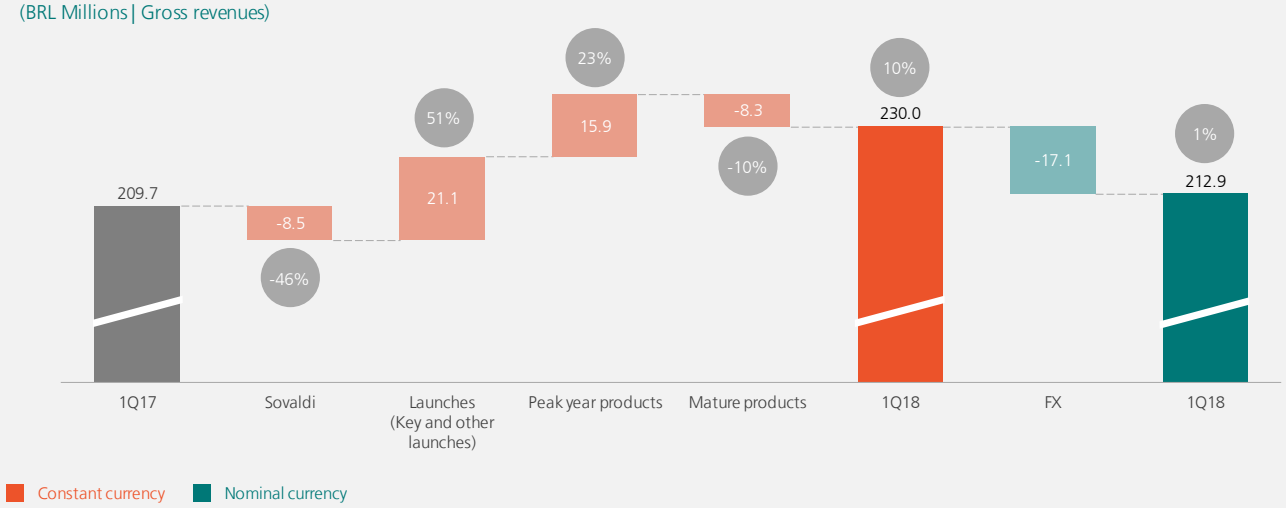
Mature products (over 10 years of launch) showed a decline of 10%, in constant currency.

The vintage breakdown shows relatively steady level of growth from younger vintage products, including BGx and licensed.

Base portfolio, that includes other launches (excluding recently launched products), peak-year products and mature products) increased by 7% YoY, in constant currency, supported by strong performance of other launches and peak-year products, offset by the decline in mature products, as showed below.

Portfolio breakdown

(BRL Millions | Gross revenues)



RECENTLY LAUNCHED PRODUCTS

In 1Q18 GBT is still working on the launches of ABRAXANE® and HALAVEN®, that occurred late 2017, and are still in an early uptake phase. Nonetheless, products are doing very well, ABRAXANE® already reached over 230 patients only for pancreatic indication. HALAVEN® reached over 280 patients under treatment. HALAVEN® has significant overall extended life span in the metastatic breast cancer.

OPSUMIT® posted 48.5% increase in 1Q18. The product has just entered Colombia price control list with approximately 45% discount in prices from February 2018 onwards.

SOVALDI® followed the same trend in Brazil as it did in the world, with a drop of 45.9% when compared with 1Q17.

VELETRI® reached BRL 4.7M in the 1Q18 from BRL 2.2M in the 1Q18.

ABRAXANE® gross sales amounted to BRL 3.0M in the 1Q18, in lieu of the beginning of our commercial efforts in Mexico and Brazil. ABRAXANE® is indicated for pancreatic cancer, a highly unmet medical need and it was well received by oncologists in the region. In Brazil and Mexico, sales are going very well, with extremely high uptakes and sales higher than expected.

HALAVEN® reached gross revenues of BRL 2.5M in 1Q18. Full promotional efforts with new communication campaign reinforcing overall survival of patients in under place since beginning of May 2018, in Brazil.

Recently launched products

(BRL Millions)

	1Q18	1Q17	Chg. %	1Q18	Chg. %
Total gross revenues	**212.9**	**209.7**	**1.5%**	**230.0**	**9.6%**
Opsumit	18.4	14.0	31.9%	20.7	48.5%
Sovaldi	10.0	18.5	-45.9%	10.0	-45.9%
Veletri	4.7	2.2	114.9%	5.7	161.9%
Abraxane	3.0	0.0	-	2.9	-
Halaven	2.5	0.0	-	2.5	-
Gross revenues - Recently launched products	**38.7**	**34.7**	**11.6%**	**41.9**	**20.8%**
Total deductions	-16.5	-15.8	4.5%	-18.6	17.5%
Total tax on sales	-6.3	-6.1	4.3%	-6.3	4.3%
Total net Revenues	**190.0**	**187.8**	**1.1%**	**205.0**	**9.2%**

Constant currency Nominal currency

PRODUCT ORIGIN

In 1Q18, 61% of total gross revenues came from licensed innovative products whereas in 1Q17, 68% came from this portfolio. This shows the increase of branded generics portfolio (BGx) since the acquisition of Dosa and also the mix of sold products in the quarter. BGx portfolio represented 39% of total gross revenues from 32% in 1Q17.

THERAPEUTIC AREA

Therapeutic area gives you a sense of the market in general. The company remains strongly focused in oncology that accounted for 37% of our gross revenues in 1Q18, reaching BRL 78.0M, up 30.1% in constant currency. This is mainly explained by the new products recently launched - ABRAXANE® and HALAVEN® and an increase in sales of products like VIDAZA® (azacitidine) and LADEVINA®. ABRAXANE® and HALAVEN® are fulfilling initial expectations, VIDAZA® keeps posting good performance and several other BGx products also contributed to the YoY growth, among others.

Gross revenues from infectious diseases represented 29% in 1Q18, reaching BRL 61.0M, a decrease of 16.6% YoY. This is chiefly due to the drop in SOVALDI® and the HIV bid that was delivered partially in 1Q18 and the rest in the 2Q18, whereas in 2017, it was fully delivered in the 1Q17. Excluding SOVALDI® and including 100% of the HIV bid, growth from infectious disease line would have been approximately 3%.

Orphan and rare diseases therapeutic line represented 25% of our revenues in 1Q18, totaling BRL 52.6M, up 78.0% from the same period of last year, in constant currency. The result is driven by the new portfolio of severe pulmonary diseases from Dosa and some of the recently launched products. Dosa´s severe pulmonary disease line is considered rare diseases since they are niche products.

Specialty treatments and I&I (inflammation and immunology) totaled BRL 20.8M, down 32.3% in constant, representing approximately 10% of total revenues. This is mainly due to the control prices in Colombia that affected some products from this line and a reflection of restriction in the hemophilia franchise high-value treatments in Colombia.

Therapeutic area components of revenue

(BRL Millions)

	1Q18	% '18	1Q17	% '17	Chg. %	1Q18	% '18	Chg. %
Gross revenues	**212.9**	**100%**	**209.7**	**100%**	**1.5%**	**230.0**	**100%**	**9.6%**
Infectious diseases	61.0	29%	77.9	37%	-21.6%	64.9	28%	-16.6%
Onco & onco-hematology	78.0	37%	65.8	31%	18.6%	85.6	37%	30.1%
Speacialty treatments and I&I	20.8	10%	29.6	14%	-29.7%	20.1	9%	-32.3%
Orphan & rare diseases	52.6	25%	33.2	16%	58.7%	59.0	26%	78.0%
Others	0.4	0%	3.3	2%	-88.1%	0.4	0%	-88.7%
Deductions	-16.5		-15.8		4.5%	-18.6		17.5%
Tax on sales	-6.3		-6.1		4.3%	-6.3		4.3%
Net Revenues	**190.0**		**187.8**		**1.1%**	**205.0**		**9.2%**

Constant currency Nominal currency

NET REVENUES

YoY deductions increased due to the increase on sales. The increase on deduction is roughly at the same proportion as the increase of gross revenues. Deductions represented 7.5% of gross revenues in 1Q17 and in 1Q18, represented 8.1% in constant currency. This 60 bps increase reflects the mix of products and sales channel in the quarter.

Net revenues reached BRL 190.0M in 1Q18, an increase of 9.2% in constant currency, when compared to the same period in 2017. Including 100% of the HIV bid, constant currency growth came to 12%. Organic growth was 8%.

Net revenues growth

(BRL Millions)

	1Q18 vs. 1Q17	1Q18 vs. 1Q17 Main drivers
Nominal growth	1%	Positive: new produtcs, Dosa Negative: Sovaldi, FX, Bids delivery
Constant currency growth[1]	9%	Positive: new produtcs, Dosa Negative: Sovaldi, Bids delivery
Organic growth[2]	**8%**	**Positive: new produtcs and overall company's core operation**

[1] Growth excluding FX
[2] Growth excluding FX, special products, M&A and discontinued operations

GEOGRAPHY BREAKDOWN

In Argentina, the company is still growing strongly, posting 50.0% growth in constant currency in 1Q18, with all lines in general doing well, specially the rare disease line focused in severe pulmonary diseases. GBT won a part of the HIV bid in Argentina and partially delivery occurred in the 1Q18 in the amount of approximately BRL 12M in net revenues. The remaining BRL 6M (approximately) is estimated to be delivered in the 2Q18.

As we have widely discussed ever since the IPO, we believe Argentina will slowly, at some point, increase its pressure on pricing. In particular, PAMI agreement was renewed in March, as per usual schedule and the terms were not outside our expectation. Going forward, GBT believes the government will issue public bids for some drugs starting late 2018. It´s unclear which drugs will be part of this process or when this will start to have impact. This may entitle some variations in our business model for BGx in Argentina, which GBT is evaluating and planning for reacting measures.

In Brazil, net revenues posted a decrease of 9.4% in 1Q18, in constant currency. This is chiefly related to the impact of SOVALDI®, an effect we have explained extensively in the past. Excluding SOVALDI®, organic growth came to 2.0% in 1Q18. This performance was also impacted by backorders in ABRAXANE® and HALAVEN®, produced buy a stronger uptake than expected and some delay on product deliveries for VIDAZA®. We expect to have these issues sorted out in 2Q18.

Our Colombia operation continue to face challenges, due to strains in the payment value chain, price controls and overall difficulty of the health system to fund a very broad health coverage. On a quarterly basis, Colombia posted a decrease of 15.5% in constant currency. There was a restructuring process that took place in the quarter, adjusting back office and admin to the new reality of the market and an adjustment of sales structure and therapeutic lines to focus on new products. There was a price control list published in December, with effectiveness from February 2018 onwards, reducing in about 45% prices for OPSUMIT®, ZAVESCA®, SALOFALK® and MIELOZITIDINA®, that affected 1Q18. We successfully launched ZYVALIX® (abiraterone) in the country and sales started in April. This is the first generic in the market so we might have a great competitive advantage for the coming quarters.

We are ramping up Mexico operations, working on dossiers for Basilea products – CRESEMBA® and ZEVTERA® and on business plan for Eisai products – FYCOMPA® and INOVELON®, with net revenues amounting to BRL 1.5M due to the sale of ABRAXANE®.

For the rest of our operations, overall, they are going well. Uruguay, Chile, Bolivia and Paraguay are growing and progressing according to our expectations, driven by a positive performance in the onco-hematology and special treatment respiratory line in the region. We created a cluster for Uruguay, Paraguay and Bolivia operations, centralizing management and back office in order to have a more substantial critical mass to those countries. Commercial capabilities were re-enforced, showing very good results so far. Excluding Peru, operations from these other countries increased by 13.8% in 1Q18 vs. 1Q17. Peru operation showed a revenue decrease when compared with the same quarter of last year, given current portfolio vintage potential combined with a stronger competition for our BGx products. We are re aligning our commercial capabilities for the new infectiology franchise we just signed. As mentioned in the prior section,

GBT acquired the rights for Gilead's full product line in the country, that not only includes HEPs C and HIV franchise, but also AMBISOME®. Many of these products were already launched or are in advance stages of the registration process in Peru, allowing us to build capabilities and, at the same time, generate immediate revenues.

In terms of country components, Brazil and Argentina continue to be our two main geographies, as has been the trend in previous quarters. We derive 14% of revenues from Colombia and approximately 11% from the rest.

Net revenues

(BRL Millions)

	1Q18	1Q17	Chg. %	1Q18	Chg. %
Net revenues	**190.0**	**187.8**	**1.1%**	**205.0**	**9.2%**
Argentina	79.4	64.6	22.9%	96.9	50.0%
Brazil	63.9	70.8	-9.7%	64.1	-9.4%
Colombia	26.6	29.8	-10.9%	25.2	-15.5%
Mexico	1.5	0.0	-	1.3	-
Other	18.5	22.6	-18.0%	17.4	-22.8%

Constant currency Nominal currency

GROSS PROFIT

In 1Q18, our gross profit increased by 17.5% in constant currency, when compared to 1Q17, reaching BRL 106.5M from BRL 98.7M in 1Q17.

The gross margin reached 56.1%, up 351 bps, in nominal currency, when compared with 1Q17 gross margin of 52.5%. The increase is impacted by the increase in the relative weight of Argentina´s net revenues in the consolidated net revenues, contributing to a higher gross margin than the usual average gross margin of the company (around 50%), lower SOVALDI®, which has lower margins and better quality of revenues, with products with higher margins.

OPERATING EXPENSES

Recurring operating expenses reached BRL 66.6M in 1Q18, an increase of 18.9% in constant from 1Q17. Operating expenses including non-cash items reached BRL 69.4M in 1Q18, an increase of 23.5% in constant versus 1Q17.

The breakdown and analysis of our expenses is as follows:

Selling and marketing expenses (+18.4% in constant currency) reaching BRL 31.9M in the quarter from BRL 28.6M in 1Q17.

Selling and marketing expenses represented 48% of total recurring OPEX for 1Q18. We are maintaining the sale level of expenditure for this line YoY (16% of net revenues in 2016 and in 2017, 15% in 1Q17 and 17% in 1Q18). Sales and

marketing roughly increases in the same level as the launches and promotion and the 200 bps difference from 1Q17 is explained by Dosa´s addition and the hiring of 3 other people for the corporate marketing team.

General and administrative expenses (+0.9% in constant currency) totaled BRL 22.0M in 1Q18 from BRL 22.8M in the same period of last year. This represents 12% of net revenues in G&A remaining flat with 1Q17. There was a restructuring in Colombia, as explained before, which led to savings in the country as well as savings in Brazil, in terms of G&A, in alignment with our focus on cost control.

We are excluding the non-recurring registration of the stock grants to the senior management in 2017 of BRL 2.8M. Including this non-cash item, in 1Q18 G&A totaled BRL 24.8M.

R&D, medical, regulatory and business development expenses (+71.1% in constant currency) came to BRL 11.2M from BRL 7.5M in 1Q17.

The increase is mainly due to the expansion plan in Argentina to enhance our product development capabilities, ramp up for new products and to add further capacity to export products to the region, with the increase of headcount in R&D and also the addition of Dosa headcount in this line. There were expenses related to medical and regulatory processes that were higher since we had more products to register. R&D, medical, regulatory and business development expenses represented approximately 6% of total recurring OPEX for 1Q18.

Reorganization, integration and acquisition expenses (+51.6% in constant currency) amounted to BRL 2.6M in 1Q18 from BRL 1.8M in 1Q17.

This is related to the integration and restructuring costs of Dosa, acquired in November 2017 and one-time restructuring costs in Colombia. This line represented approximately 1% of total recurring OPEX for the quarter.

Other operating income/expenses totaled BRL 1.1M in 1Q18.

Operating expenses

(BRL Millions)

	1Q18	% '18	1Q17	% '17	Chg. %	1Q18	% '18	Chg. %
Selling and marketing expenses	-31.9	-17%	-28.6	-15%	11.5%	-33.8	-17%	18.4%
Recurring general and administrative expenses	-22.0	-12%	-22.8	-12%	-3.4%	-23.0	-11%	0.9%
(+) Stock grants	-2.8	-1%	0.0	0%	-	-2.8	-1%	-
G&A expenses including non-cash items	-24.8	-13%	-22.8	-12%	9.0%	-25.8	-13%	13.3%
R&D, medical, regulatory and bus. dev. expenses	-11.2	-6%	-7.5	-4%	49.0%	-12.9	-6%	71.1%
Reorganization, integration and acquisition expenses	-2.6	-1%	-1.8	-1%	42.4%	-2.8	-1%	51.6%
Other operating income/(expenses)	1.1	1%	0.6	0%	80.1%	1.0	1%	72.7%
Recurring operating expenses	**-66.6**	**-35%**	**-60.1**	**-32%**	**10.8%**	**-71.4**	**-35%**	**18.9%**
Operating expenses including non-cash items	-69.4	-37%	-60.1	-32%	15.5%	-74.3	-36%	23.5%

Constant currency Nominal currency

EBITDA

The Company´s EBITDA, excluding non-recurring items, reached BRL 48.2M in 1Q18, up 19.7% in constant currency, with an adjusted EBITDA margin of 25.4% in 1Q18 vs. 30.0% in 4Q17 and 23.7% in 1Q17. The special items excluded refer to: (i) stock grants to the senior management team of approximately BRL 2.8M and (ii) expenses related to integration of Dosa and M&A costs in the amount of BRL 2.6.

Following IFRS, the Company valued shares granted to employees at the fair market value of those equity instruments at the date of subscription of the agreements. Stock grants accrual takes into consideration the vesting dates. First tranche (50% at the date of the IPO plus six months) was fully recognized in 2017. Second tranche (25% after one year of continuous services) is recognized partially in 2017 and 2018 and third tranche (25% after two years of continuous services) is recognized partially in 2017, 2018 and 2019. So, approximately 73% of the total amount of shares granted were recognized in 2017 whereas the remaining 21% will be recognized in 2018 and 6% in 2019.

The stock grant is considered a non-recurring expense because it is a one-time award to recognize senior management and other key beneficiaries because of their contribution to the IPO process.

The stock options award is considered a recurring expense because GBT designed this plan for the purpose of motivating its senior management team and aligning their compensation with the company's performance.

EBITDA and adjusted EBITDA were partially affected by the HIV bid, since it was not 100% delivered in the 1Q18. EBITDA from the same quarter of last year (1Q17) included the HIV bid in Argentina in full.

Improvement in margin (172 bps in nominal YoY) is mainly related to the lower sale of SOVALDI® and improvement in the quality of our revenues with products with better margins.

Earnings before interests, taxes, depreciation and amortization (EBITDA)

(BRL Millions)

	1Q18	1Q17	Chg. %	1Q18	Chg. %
Net income (loss)	16.0	2.6	512.0%	17.5	571.3%
Financial expenses	13.3	22.0	-39.5%	14.9	-32.3%
Income tax	7.8	14.0	-44.2%	9.4	-33.2%
(+) D&A	5.7	4.0	42.3%	5.9	45.6%
(+) Stock grants	2.8	0.0	-	2.8	-
(+) One-time adjustments	2.6	1.8	42.4%	2.8	51.6%
Adjusted EBITDA	**48.2**	**44.5**	**8.5%**	**53.2**	**19.7%**
Adjusted EBITDA margin	25.4%	23.7%	172 bps	26.0%	228 bps
EBITDA	42.8	42.6	0.4%	47.6	11.7%

Constant currency Nominal currency

NET FINANCIAL RESULTS

Bancolombia debt was fully pre-paid during the year of 2017 in two tranches - October and December. From 1Q18 onwards, there will be no more expenses from this loan.

With the IPO proceeds, GBT prepaid total outstanding Preferred Equity Certificates (PECs) in August 2017, in the amount of about USD 63.1 million, not generating any interests from 1Q18 onwards as well.

In 4Q17, we incurred into two new debts, one in Argentina (Citibank) and another one in Brazil (Itaú). In the 1Q18, debt with Citibank incurred in accrued interest expenses in the amount of BRL 5.4M and the debt with Itaú incurred in accrued interest expenses for BRL 3.2M.

Others finance expenses amounted to BRL 1.1M, as a net result of: (i) NDF FX Hedges; (ii) interest bearing accounts and other short-term investments and (iii) interests accrued from short-term loans.

Foreign exchange loss declined in 1Q18 to BRL 3.6M from BRL 9.7M in 1Q17. The FX results for the quarter was the combined result of: (i) BRL 2.7M FX loss, driven by our Argentinian largest affiliate which has commercial liabilities in USDs (API Suppliers and M&A related liabilities) and (ii) BRL 0.9M intercompany loss, impacted by our Uruguayan's procurement hub sales of license products to our intercompany affiliates in their local currencies and partially compensated by LKM's sales of BGx products to our intercompany affiliates in USDs. Whereas, in the 1Q17, foreign exchange loss was driven by the company´s exposure to intercompany balances mainly generated by the financial intercompany loan between Spain and Colombia. As this debt was fully paid in 2017, foreign exchange will not be impacted by this loan going forward.

Net financial results

(BRL Millions)

	1Q18	1Q17	Chg. %
Interest and other financial expenses	-9.6	-12.2	-21.2%
Bancolombia	0.0	-8.0	-100.0%
PECs	0.0	-3.8	-100.0%
Citibank	-5.4	0.0	-
Itaú Unibanco	-3.2	0.0	-
Other financial expenses	-1.1	-0.4	166.5%
FX income/expenses, net	-3.6	-9.7	-62.5%
Net financial results	**-13.3**	**-22.0**	**-39.5%**

TAXES

In 1Q18, current income taxes totaled BRL 8.4M. GBT´s cash effective tax rate increased to 28.2% in the quarter, from 24.1% in 1Q17.

The increase is explained mainly by Argentina due to Dosa acquisition and some non-deductible rebate provisions, referring to PAMI, together with other effects, such as the increase in non-deductible expenses incurred at the holding company level. These effects were partially offset by the reduction in Argentina nominal tax rate.

Excluding the effects mentioned above, the comparable cash effective tax rate for 1Q18 would have been 22.6%.

Effective tax rate[1]

(BRL Million)

	1Q17	2Q17	3Q17	4Q17	1Q18[4]
Adjusted EBT[1][2]	36.9	25.2	31.6	34.5	29.7
Current income tax	8.9	6.8	4.7	10.4	8.4
Cash effective tax rate[3]	**24.1%**	**27.1%**	**14.8%**	**30.0%**	**28.2%**

[1] Isolating interests on the non deductible due to acquisitions
[2] Normalized for stock grants (one-timer, non-cash item, which has no tax impact) regarding adjusted EBT for 2Q17, 3Q17, 4Q17 and 1Q18
[3] Current income tax/ Adjusted EBT
[4] Adjusting from EBT interest accrued with Itaú Brazil for the amount of BRL 3,153,437 as United Medical reported a tax loss in the period

The debt restructuring carried out by management at the end of 2017, had a positive impact in the income tax (current tax plus deferred tax) accrued during the period, totaling BRL 7.8M in 1Q18 (BRL 4.8M without Dosa) vs. BRL 14M in 1Q17, demonstrating management's capacity and commitment to pursue the objectives targeted in the tax efficiency arena.

NET INCOME AND ADJUSTED NET INCOME

The company is providing a summary to show net income/loss and adjusted net income to add back certain non-cash and one-time or nonrecurring charges. This provides useful information to investors concerning the approximate impact of the above items.

Considering the effect of these items allows investors to better compare the company's financial performance from YoY, and with that of its competitors. This additional information is not meant to be considered in isolation of, or as a substitute for, results prepared in accordance with IFRS.

Adjusted net income totaled BRL 22.3M in 1Q18, an improvement of 41.5% when compared with 1Q17. Adjusted net margin stood at 11.7% in 1Q18 up 330 bps from 8.4% in 1Q17.

The improvement is driven by a higher operating income when excluding stock grants, FX originated in intercompany debt (both non-cash items) and one-time adjustments, together with savings in financial expenses and income tax due to the debt restructuring carried out last year, explained throughout the above sections.

Net income and adjusted net income

(BRL Millions)

	1Q18	1Q17	Chg. %
Net income (loss)	16.0	2.6	512.0%
Intercompany exchange difference	0.9	11.3	-91.9%
Stock grants	2.8	0.0	-
One-time adjustments	2.6	1.8	42.4%
Adjusted net income	**22.3**	**15.8**	**41.5%**

CASH FLOW

Net cash flow from operating activities for the quarter is impacted by two extraordinary items: (i) income tax rectification from DOSA paid in January (+BRL6.7M), which is non-operational and (ii) excess inventory related to Actelion's exit stock-pile (+BRL 7.1 M), which is a one-timer. Besides those extraordinary events, it is important to note that the HIV bid delivered partially in the 1Q18 was not collected within the quarter whereas in 1Q17 the full amount of the bid was collected in 1Q17, hence making it difficult for comparison purposes.

Excluding these effects, adjusted net cash flow from operating activities amounted to BRL 22.9M from BRL 48.4M in 1Q17. This is explained by the higher DSO (days of sales outstanding), as detailed below. And the conversion rate of adjusted operating cash flow to adjusted EBITDA reached 47.5%.

Net cash flow from operating activities

(BRL Millions)

	1Q18	1Q17
Income (loss) before income tax	23.8	16.6
Amortization, depreciation & impairment	10.1	4.2
Movements in provisions	-1.7	0.1
Financial expenses	9.6	12.2
Others	2.3	-
Changes in assets and liabilities		
Inventories	-24.5	-5.0
Trade receivables and other account receivables	6.2	13.1
Other assets	0.0	2.9
Trade creditors and other account payable	-8.5	10.9
DOSA income tax payment regularizing former owner past contingencies (to be recovered from escrow)	6.7	-
Actelion stock pile for transition period	7.1	-
Income tax payments	-8.1	-6.7
Adjusted net cash flow from operating activities	**22.9**	**48.4**
Net Revenues	190.0	187.8
Adjusted EBITDA	48.2	44.5
Net cash flow from operating activities / Adjusted Ebitda	*47.5%*	*108.8%*
Net cash flow from operating activities/ Net revenues	*12.1%*	*25.8%*

WORKING CAPITAL

In the quarter, working capital as a percentage of net revenues came to 34% up from 25% in 1Q17 and from 23% in 4Q17.

DSO (days of sales outstanding) stood at 163 days in 1Q18, increasing from 125 days in 1Q17. One of the reasons for the increase is related to the HIV bid in Argentina, which delivered sales in 1Q18 were not collected in the same quarter, whereas in the 1Q17 the collection of the sales of the bid occurred in the same quarter. The other reason for this increase the changes in sale channels mix and the impact of Colombia's price control regulations which entered effect on February this year, which resulted in a decline of Colombia's daily revenue which did not accompany the accounts receivables balance.

Days of inventory outstanding (DIO) came to 175 days in 1Q18. This increase is driven by the increase on stock for Actelion products as mentioned in the prior section and the increase of AMBISOME® inventory in anticipation for the temporary shut-down of our lab in Brazil for maintenance and upgrade.

Days of payables outstanding (DPO) increased from 178 in 1Q17 to 209 in 1Q18. This increase was driven by negotiations to extend payment terms with some of our partners and by the acquisition of Dosa.

Cash conversion cycle and working capital

(Days)

	1Q17	2Q17	3Q17	4Q17	1Q18
Days sales outstanding[1]	125	121	120	131	163
Days inventory outstanding[2]	123	143	111	124	175
Days payable outstanding[3]	(178)	(177)	(191)	(183)	(209)
Cash conversion cycle	**70**	**87**	**40**	**72**	**130**
Working capital[4]	**25%**	**27%**	**26%**	**23%**	**34%**

[1] Accounts receivable
[2] Inventories
[3] Supplies
[4] As % of net revenues

CAPEX AND INTANGIBLE CAPEX

CAPEX totaled BRL 7.8M in 2017, including the investment in intangibles, which amounted to BRL 5.9M in 1Q18 from BRL 1.1M in 1Q17.

Intangible CAPEX is related to sales milestones payments for Eisai, IT applications and several registration fees.

Maintenance CAPEX amounted to BRL 1.9M in 1Q18 from BRL 2.8M in 1Q18, that is related to the plants maintenance. The decrease is related to the conclusion of the HIV plant in Argentina. In 1Q17 we were still building up the plant causing higher investments.

INDEBTEDNESS

During 4Q17, GBT successfully carried out two financial operations, raising BRL 250M in new resources in order to fund its expansion and operations plans. GBT´s debt is allocated in our two most representative geographies - Brazil and Argentina. Debt denominated in Argentinean pesos is a natural hedge to the FX translation impact of our revenues denominated in the same currency.

In November, GBT contracted a debt in Argentina for ARS 531,225M (~USD 25M), in two separate loan contracts with Citibank.

The first one, disbursed on November 2, 2017, for ARS 265,950M, was an off-shore ARS-linked loan with Citibank NY at a fixed rate of 18.4% p.a. (21.66% all-in after including withholding tax). Total tenor of 3 years; quarterly payments with amortization starting on month 15; and certain penalties in case of an early prepayment.

The second one, disbursed on November 3, 2017, for ARS 265,275M, was an on-shore loan with Citibank Argentina at a variable rate of Badlar Corregida + 3.50%. Total tenor of 5 years; semi-annual payments with amortization starting on month 18 and no pre-payment penalty. The variable rate is fixed at the beginning of each interest period. For the rate related to the period ending in October 31st of this year, the interest rate is 31.7%, since this new variable rate was set before the latest Argentinian Central Bank Policy Rate increase. The next fixing period for the rate will be on November 2018.

The second financial operation was in Brazil, where we contracted a debt for BRL 150M with Itaú Brasil. This loan was disbursed on December 8, 2017 with a total tenor of 5 years, with semi-annual payments and a one-year grace period for amortization. The applicable interest rate was CDI +1.65% (with a step-up clause whereby the interest rate increases 25 bps for every 0.25x increase in the "Net Debt" / "EBITDA" ratio after 2.0x).

Net indebtedness

(BRL Millions)

	4Q16	1Q17	4Q17	1Q18
Gross debt	496.7	496.6	246.4	248.3
Cash and cash equivalents	-30.3	-61.3	-98.1	-80.3
Net debt	**466.4**	**435.3**	**148.3**	**167.9**

The ratio net debt to EBITDA stood at 0.8x in 1Q18 from 0.7x in 4Q17 and 2.3x in 1Q17, due to the two new debts contracted last year, explained above. Overall, we are still maintaining a very low ratio.

Our adjusted EBITDA to interest expense ratio also stood practically flat at 3.7x in 1Q18 from 3.5x in 4Q17 since we didn't incur on any new significant bank debt in the quarter.

Net debt highlights

	1Q17	2Q17	3Q17	4Q17	1Q18
Net debt / Adjusted EBITDA LTM	2.3x	2.2x	0.4x	0.7x	0.8x
Adjusted EBITDA / Interest expense[1]	3.6x	4.1x	4.1x	3.5x	3.7x

[1] Net debt as of the end of each quarter

CAPITAL MARKETS

Grupo Biotoscana´s shares (B3: GBIO33) at the end of 1Q18 were quoted at BRL 15.70. The average daily trading volume (ADTV) in the period (1Q18) was BRL 8.3M.

As mentioned before, GBT approved a buyback program of up to 1,522,208 BDRs, out of 50,740,267 outstanding BDRs/shares.

The program will be effective from May 2018 and it may last for 18 months. Detailed information on the program is available in the material fact released on April 25th, at the IR website.

MAIN SHAREHOLDERS

Ownership structure

	BDRs/Shares	%
Advent International[1]	29,510,653	27.7%
Essex Woodlands[1]	18,009,958	16.9%
Roberto Guttman / Roberto Friedlander[1]	7,600,469	7.1%
Management[2]	757,467	0.7%
Free Float[3]	50,743,759	47.6%
Total	**106,622,306**	**100%**

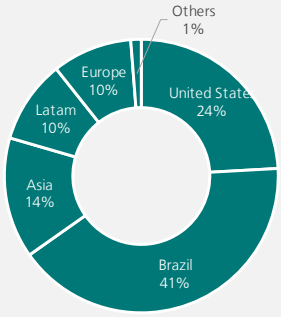
[1] Controlling shareholders
[2] After total vesting of stock grants, the total amount will be 1.6% adjusted at post tax values
[3] Free float excluding controlling shareholders and management as of May 2018

FREE FLOAT GEOGRAPHICAL BREAKDOWN EVOLUTION

Although the geographical profile of the shareholders base is predominantly foreigners, in recent months the portion of Brazilian investors has increased to 41%.

Shareholders base breakdown

(BRL Millions | % of total free float)



As of March 29, 2018

IR ACTIVITIES

GBT already participated in 6 conferences this year and already completed a non-deal roadshow in Europe. We are confirmed to participate at 4 other conferences:

- Itaú BBA's 13th Annual Latam CEO Conference - May in New York
- HSBC GEM´s Investor Forum 2018 – June in New York
- Jefferies 2018 Global Healthcare Conference – June in New York
- JP Morgan Southern Cone & Andean Opportunities Conference – June in Buenos Aires

APPENDIX

APPENDIX 1: PROFIT AND LOSS STATEMENT

	From January 1 to March 31, 2018	From January 1 to March 31, 2017
Net revenues	189.973.128	187.818.039
Cost of sales	(83.484.893)	(89.127.489)
Gross profit	106.488.235	98.690.550
Selling and marketing expenses	(31.872.904)	(28.657.365)
General and administrative expenses	(24.822.541)	(22.690.745)
R&D, medical, regulatory and business development expenses	(11.202.372)	(7.520.252)
Reorganization, integration and acquisition expenses	(2.631.066)	(1.848.214)
Other operating income/expenses, net	1.089.288	604.908
Operating income	37.048.640	38.578.882
Interest and other financial income/expense, net	(9.635.569)	(12.229.004)
Foreign exchange income/expense, net	(3.649.338)	(9.738.398)
Financial expenses	(13.284.907)	(21.967.402)
Income before income tax	23.763.733	16.611.480
Income tax	(7.808.643)	(14.004.634)
Net income	15.955.090	2.606.846
Attributable to		
Equity holders of the parent	15.955.090	2.606.846
Earnings per share		
Basic, income for the period attributable to ordinary equity holders of the parent	0,14	0,03
Diluted, income for the period attributable to ordinary equity holders of the parent	0,14	0,03

GBT Grupo Biotoscana

APPENDIX 2: STATEMENT OF COMPREHENSIVE INCOME (LOSS)

	From January 1 to March 31, 2018	From January 1 to March 31, 2017
Net income	15.955.090	2.606.846
Other comprehensive income to be reclassified to income or loss in subsequent periods (net of income tax)		
Effect of hedging transactions	-	(42.513)
Exchange difference on translation of foreign operations	404.925	15.436.975
Total other comprehensive income to be reclassified to income or loss in subsequent periods (net of income tax)	404.925	15.394.462
Total comprehensive income	16.360.015	18.001.308
Attributable to		
Equity holders of the parent	16.360.015	18.001.308

GBT Grupo Biotoscana

APPENDIX 3: BALANCE SHEET

ASSES	March 31, 2018	December 31, 2017[2]
NON-CURRENT ASSETS		
Intangible assets	496.984.081	500.398.816
Property, plant and equipment	39.677.065	40.901.187
Trade receivables and other account receivables	1.571.053	1.241.370
Other assets	569.213	668.973
Deferred tax assets	29.912.130	28.662.091
Total non-current assets	568.713.542	571.872.437
CURRENT ASSETS		
Inventories	162.737.491	140.186.720
Trade receivables and other account receivables	344.087.395	353.584.495
Other assets	10.613.289	10.511.134
Cash and short-term deposits	80.329.929	98.117.853
Total current assets	597.768.104	602.400.202
TOTAL ASSETS	1.166.481.646	1.174.272.639
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	216.432	213.616
Share premium	748.623.187	728.804.577
Other capital reserves	14.134.781	30.410.470
Retained earnings	130.413.701	114.458.611
Transactions with equity holders	(333.180.376)	(333.180.376)
Other equity ítems	51.255.587	50.850.662
Total equity	611.463.312	591.557.560
NON-CURRENT LIABILITIES		
Long-term provisions	-	301.627
Long-term financial debt and borrowings	219.077.599	224.520.468
Payroll and social security liabilities	610.382	593.375
Taxes payable	1.384.026	2.237.263
Other liabilities	9.308.968	16.604.340
Deferred tax liability	39.547.964	38.538.444
Total non-current liabilities	269.928.939	282.795.517
CURRENT LIABILITIES		
Short-term provisions	9.881.048	21.764.481
Short-term financial debt and borrowings	29.178.025	21.902.436
Trade payable	158.288.934	172.388.178
Contract liabilities	9.443.150	7.731.467
Refund liabilities	580.048	487.680
Payroll and social security liabilities	25.190.232	28.079.592
Taxes payable	30.979.093	30.722.499
Other liabilities	21.548.865	16.843.229
Total current liabilities	285.089.395	299.919.562
Total liabilities	555.018.334	582.715.079
TOTAL EQUITY AND LIABILITIES	1.166.481.646	1.174.272.639

[2] Restated - Note 2.2

GBT Grupo Biotoscana

APPENDIX 4: CONSOLIDATED STATEMENT OF CASH FLOWS

	From January 1 to March 31, 2018	From January 1 to March 31, 2017[3]
Cash flow from operating activities		
Income before income tax	23.763.733	16.611.480
Adjustments to reconcile profit before income tax to net cash flows:		
PP&E depreciation and intangible amortization	5.743.709	4.035.625
PP&E and intangible disposals	791.394	208.645
Share-based payments	3.545.737	-
Inventory allowance for impairment in value	1.189.136	3.143.680
Allowance for debtors' impairment	52.863	-
Movements in provisions	(2.967.549)	(3.091.592)
Interest and other financial expenses	9.635.570	12.229.004
Foreign exchange expenses	911.123	-
Reorganization, integration and acquisition expenses	1.423.129	-
Changes in assets and liabilities		
Inventories	(24.495.440)	(5.002.524)
Trade receivables and other account receivables	6.202.433	13.842.321
Other assets	(44.662)	2.888.196
Trade payable and other liabilities	(8.511.094)	10.216.209
Income tax payments	(8.102.010)	(6.710.952)
Net cash flow from operating activities	9.138.072	48.370.092
Cash flows from investing activities		
Payments related to acquisition of intangible assets	(22.007.341)	(1.147.889)
Payments related to acquisition of property, plant and equipment	(1.911.263)	(2.810.124)
Expenses paid related to the acquisition of a subsidiary	(1.325.987)	-
Investments in mutual funds	-	(5.952.908)
Net cash flow from investing activities	(25.244.591)	(9.910.921)
Cash flows from financing activities		
Proceeds from financial debt and borrowings	926.102	4.000.000
Payment of financial debt and borrowings	(62.266)	(14.252.998)
Interest and other financial expense payments	(2.018.397)	(212.341)
Expenses paid related to issued share capital	(97.142)	-
Net cash from financing activities	(1.251.703)	(10.465.339)
Effect of foreign exchange results	(429.702)	2.979.189
Net (decrease) increase of cash and cash equivalents	(17.787.924)	30.973.021
Cash and cash equivalents at the beginning of the period	98.117.853	30.340.997
Cash and cash equivalents at the end of the period	80.329.929	61.314.018

[3] Restated - Note 2.2

APPENDIX 5: FX TABLE 2013-2018 IN RELATION TO BRL

Currency	USD		COP		ARS		PEN	
Period (Q)	EoP	Avg	EoP	Avg	EoP	Avg	EoP	Avg
1Q13	2.019	1.995	0.001100	0.001100	0.393	0.399	0.780	0.789
2Q13	2.226	2.062	0.001200	0.001100	0.411	0.395	0.785	0.789
3Q13	2.235	2.285	0.001200	0.001200	0.385	0.410	0.802	0.859
4Q13	2.348	2.272	0.001200	0.001200	0.359	0.375	0.838	0.871
1Q14	2.266	2.369	0.001200	0.001200	0.283	0.313	0.796	0.841
2Q14	2.205	2.234	0.001200	0.001200	0.271	0.277	0.788	0.811
3Q14	2.438	2.276	0.001200	0.001200	0.289	0.274	0.847	0.831
4Q14	2.687	2.548	0.001100	0.001200	0.317	0.299	0.888	0.895
1Q15	3.208	2.865	0.001200	0.001200	0.364	0.330	1.036	0.947
2Q15	3.103	3.073	0.001200	0.001200	0.342	0.343	0.976	1.027
3Q15	3.973	3.540	0.001300	0.001300	0.422	0.382	1.232	1.153
4Q15	3.905	3.841	0.001200	0.001300	0.302	0.384	1.144	1.218
1Q16	3.559	3.857	0.001200	0.001200	0.244	0.271	1.069	1.189
2Q16	3.210	3.501	0.001100	0.001200	0.215	0.247	0.985	1.116
3Q16	3.246	3.246	0.001126	0.001100	0.213	0.217	0.954	1.018
4Q16	3.298	3.204	0.001126	0.001100	0.206	0.213	0.971	1.017
1Q17	3.168	3.145	0.001099	0.001078	0.206	0.201	0.976	0.956
2Q17	3.308	3.215	0.001086	0.001101	0.199	0.204	1.021	0.985
3Q17	3.168	3.190	0.001079	0.001082	0.183	0.183	0.971	0.975
4Q17	3.308	3.247	0.001109	0.001087	0.176	0.185	1.021	1.001
1Q18	3.324	3.244	0.001190	0.001138	0.165	0.165	1.032	1.002

Currency	USD		COP		ARS		PEN	
Period (Month)	EoP	Average	EoP	Average	EoP	Average	EoP	Average
January-17	3.127	3.197	0.001072	0.001088	0.197	0.201	0.952	0.958
February-17	3.099	3.104	0.001075	0.001079	0.201	0.199	0.954	0.952
March-17	3.168	3.128	0.001099	0.001064	0.206	0.202	0.976	0.959
April-17	3.198	3.136	0.001085	0.001090	0.207	0.204	0.987	0.966
May-17	3.244	3.210	0.001112	0.001099	0.201	0.204	0.992	0.981
June-17	3.308	3.295	0.001086	0.001111	0.199	0.204	1.021	1.010
July-17	3.131	3.206	0.001086	0.001057	0.177	0.187	0.966	0.987
August-17	3.147	3.151	0.001070	0.001061	0.181	0.181	0.971	0.972
September-17	3.168	3.135	0.001079	0.001075	0.183	0.182	0.971	0.966
October-17	3.277	3.191	0.001078	0.001079	0.186	0.183	1.009	0.982
November-17	3.262	3.259	0.001088	0.001083	0.188	0.186	1.010	1.006
December-17	3.308	3.292	0.001109	0.001100	0.176	0.186	1.021	1.014
January-18	3.162	3.211	0.001116	0.001122	0.161	0.169	0.984	0.999
February-18	3.245	3.242	0.001131	0.001137	0.161	0.164	0.995	0.999
March-18	3.324	3.279	0.00119	0.001154	0.165	0.162	1.032	1.009

EoP= end of period

Avg. = average of the period (quarter or month)