



ADL BIONATUR SOLUTIONS REPORTS CONTINUED STRONG REVENUE GROWTH FOR THIRD QUARTER

- Third quarter 2019 revenues more than double to EUR 12.5 million
- Adjusted EBITDA for the third quarter continues strong upward trajectory amounting to EUR 1.6 million
- On track to again double year-over-year revenues for full year 2019
- Implementation of long-term business plan including plant modernization proceeding as expected

León, Spain, 14 November 2019 - ADL Bionatur Solutions (MAB: ADL), a company specialized in the research and development of health, cosmetic and beauty products, services and industrial fermentation production, today reported financial results for the third quarter and first nine months of 2019.

Pilar de la Huerta, CEO of ADL Bionatur Solutions, said: "We have achieved another period of strong growth that will drive ADL to a positive EBITDA for the whole year for the first time. The third quarter numbers reflect our success in executing existing contracts and renewed CMO agreements with important international clients. Increasing revenues, along with the debt financing we completed during the quarter, are enabling us to effectively execute our long-term business plan, which is focused on profitably growing our business by investing in plant modernization and new processes. We look forward to continued growth and remain on track to double our revenues again in 2019, as we have done for the past several years."

Financial results

Total revenues for the third quarter of 2019 grew 104% compared to the same period in 2018, while operating costs were further reduced. Adjusted EBITDA turned positive for the first quarter of 2019 and continued to improve each quarter with strong upward trajectory.

For the first nine months of 2019, total revenues amounted to EUR 33 million, up 127% compared to the same period last year. Adjusted EBDITA for the first nine month of 2019 turned positive to EUR 2.2 million compared to a loss of EUR 8.2 million for the same period last year.

Financials by Division

The strong results shown in the chart reflect improved performance in the main two business areas:

- Fermentation (CMO) division: Revenues in the third quarter of 2019 increased 205% to EUR 9.9 million (Q3 2018: EUR 3.3 million), representing 80% of total sales. Execution of existing contracts and renewed contracts with international customers as well as the ongoing improvement of ADL's facilities served as the basis for this strong development. Revenues for this division grew 195% in the first nine months of 2019 compared to the same period in 2018.

- APIs (Pharma) division: Revenues amounted to EUR 1.6 million, up 8% compared to the third quarter of 2018; this growth was consistent with growth in the first nine months of 2019, which increased 9% compared to the same period in 2018.

- Other divisions that includes R&D Services and Products as well as other Industrial Services, Revenues were EUR 0.92 million in the third quarter of 2019, compared to EUR 1.34 million in the third quarter of 2018, due to seasonal effects. Revenues for the first nine months of 2019 show a growth tendency compared to the same period in 2018.

Income & EBITDA by Business Areas						
€'000	Q3 2019	Q3 2018	Δ %	9M 2019	9M 2018	Δ %
Fermentation (CMO)	9,947	3,266	205%	25,960	8,792	195%
APIs (Pharma)	1,645	1,519	8%	3,538	3,233	9%
R&D and Licensing Services	119	924	-87%	1,362	1,113	22%
Other divisions	801	410	95%	2,325	1,484	57%
Total Income	12,512	6,119	104%	33,185	14,622	127%
Fermentation (CMO)	80%	53%		78%	60%	
Pharma	13%	25%		11%	22%	
R&D and Licensing Services	1%	15%		4%	8%	
Other divisions	6%	7%		7%	10%	
Adjusted EBITDA	1,568	(2,243)		2,163	(8,212)	

Adjusted EBITDA amounted to EUR 1.6 million in the third quarter of 2019, compared to a loss of EUR 2.2 million in the third quarter of 2018, reflecting a continued positive and growing adjusted EBITDA. For the first nine months of 2019, adjusted EBITDA amounted to EUR 2.2 million, compared to a loss of EUR 8.2 million for the same period in 2018. Adjusted EBITDA for the 2019 and 2018 periods excludes extraordinary and one-time expenses for the 2019 financing and the reverse acquisition and capital increased realised in 2018.

Outlook

During 2019 and 2020, ADL plans to invest a total of approximately EUR 20 million to modernize the facilities in León. After that, maintenance costs for the facilities are estimated to be EUR 2.0 million per year. In addition to our revenues, the financing agreement with Kartesian will finance the modernization and the business plan for the next four years.

ADL Bionatur Solutions expects continued growth, and, based on successful results to date for 2019, management confirms full-year guidance of EUR 50 million in revenue and the first overall full year positive EBITDA.



About ADL Bionatur Solutions

ADL Bionatur Solutions (MAB: ADL) is a company specialized in biopharma manufacturing plus research and development of health, cosmetic and beauty products, services and industrial fermentation production. The Company, which owns the largest fermentation production plant in Southern Europe, carries out high value-added product development, scale-up and production for third parties. International healthcare companies as well as first-in-class academic and industrial laboratories mainly from Europe and the US are part of ADL's customer base. The biopharma manufacturing business is complemented by a research and development division, which develops a proprietary product pipeline in animal and human health. ADL is listed on the MAB, Spain's Alternative Stock Market (ISIN ES0184980003) and its major shareholder is the investment fund Black Toro Capital, holding 71%. More information is available at www.adlbionatur.com or follow us on Twitter [@adlbionatur](https://twitter.com/adlbionatur) and [LinkedIn](https://www.linkedin.com/company/adlbionatur).

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