

Press Release

‘Close friends for two decades’

First cut of the spade: Bionorica builds plant in Russia

- Bionorica set to invest around €40 million in Voronezh, Russia
- Almost 60 local jobs created
- Production start scheduled for 2021
- Anniversary ‘20 years of Bionorica in Russia’

Voronezh/Neumarkt, 10 July 2017 – With an official groundbreaking ceremony, pharmaceutical company Bionorica today marked the start of construction for a facility in Voronezh, Russia. "Russia is our largest international market and we enjoy a close 20-year friendship with the people here," said Professor Michael A. Popp, CEO and proprietor of Bionorica SE, in Voronezh. "Through this around €40 million investment in building our own production facility here we are reinforcing our commitment to the country and our enormous confidence in a prosperous future." By having its own plant in Russia, Bionorica aims, among other things, to expand its capacities and achieve shorter delivery times and distances. There will also be customs and transport cost benefits. A period of three years is projected for the building phase with production expected to start in 2021.

Voronezh offers ideal conditions

Voronezh, located in central Russia about 500 km south of Moscow as the crow flies, has more than a million inhabitants. With several universities, including a medical school, an international airport and excellent infrastructure, the city offers the ideal environment for Bionorica. Russian firms, preferably from the region, are to be engaged to design and build the plant. The production plant will be built in the Maslowsky Industrial Park. Initially, the plant will consist of three buildings, with the option of adding more later. As well as a packaging facility for solid and liquid medicines, there will be a warehouse, laboratory and administration offices including purchasing, planning and management sections. In addition, the energy supply for the production and ancillary buildings will be located on the 12.2 hectare site. Once the plant is working to full capacity, i.e. when all six packaging lines are running in 3-shift operation, the number of employees will increase.

Two decades of Bionorica in Russia

People in Russia have always been very amenable to natural remedies. In 1997, Bionorica brought its herbal medicines onto the Russian market and opened a representative agency in Moscow. Since 2010 Bionorica has been the top seller among phytopharmaceutical producers operating in Russia. In 2016 the pharmaceutical company had four market-leading products in Russia: Sinupret, Canephron, Mastodynon and Tonsilgon. In the same year, despite the recession, Bionorica was able to increase its market share in Russia to 8.2 percent (pharmacy package sales). "We have already mastered a number of challenges in Russia and have always been a loyal and reliable partner to our patients, doctors, pharmacists and wholesalers," Professor Popp recalls. Building its own production facility in the country was also the result of this excellent collaboration and an important milestone for Bionorica.

Corporate profile

Patients want effective and tolerable medications and so herbal medicines are the preferred option. Bionorica, located in Neumarkt in the Oberpfalz region, is one of the world's leading manufacturers of scientifically researched herbal medicines. Doctors, pharmacists and patients in more than 50 countries trust in our effective products with few side effects. In 2016, Bionorica SE achieved a net turnover of € 253.1 million. The company's equity ratio is around 77 per cent. Every day, over 1,500 employees at 17 Bionorica locations worldwide work on the continuation of this success story, which began in Nuremberg more than 80 years ago.

Based on the 'phytoneering' strategy, Bionorica decodes the extensive active ingredient potential of plants (phytos) using state-of-the-art research and technology (engineering). The result: highly effective medicines with few side effects. Our research and development priorities are for the treatment of symptoms in the respiratory tract, urinary tract, immune system and also women's health. Our range also includes products for the liver, rheumatism and sleep disorders.

Contact for press and media

Bionorica SE

Dirk Alexander Lude

Head of Global Corporate Communications

Kerschensteinerstrasse 11-15

92318 Neumarkt, Germany

Tel. +49/(0)9181/231-7289

Fax +49/(0)9181/231-67289

Email: dirk.lude@bionorica.de

<http://bionorica.de/fuer-journalisten.html>