

type of report	Current report
number	82/2012
company	PHARMENA

November 2012 monthly report

The Management Board of Pharmena S.A. hereby presents its monthly report for November 2012

1. Information on trends and events occurring in the Issuer's market environment

To the best knowledge of the Management Board, in November 2012 no trends or events occurred in the Issuer's market environment which could significantly influence financial results of the company.

On 9th November 2012, the Company published notice of convening Extraordinary General Meeting for 12th December 2012. The agenda features adopting resolutions repealing the resolution of Extraordinary General Meeting of Shareholders no. 6/2012 of 21st August 2012 on employing international accounting standards and international financial reporting standards by the Company and adopting a resolution on alteration in Articles of Association enabling advance payment of dividend. The Management Board believes that such solution is beneficial for shareholders, because in the event of commercialisation of project of 1-MNA anti-atherosclerotic medicinal product or placing it on the market / granting license for dietary supplement based on 1-MNA it will enable earlier distribution of profit to shareholders.

On 19th November 2012, the Issuer received notification that District Court for Łódź Śródmieście in Łódź, 20th Division of the National Court Register made an entry on the Company's share capital increase. The Company's share capital was increased by 78,178.20 PLN (say: seventy-eight thousand one hundred seventy-eight PLN 20/100) through the issue of 781,782 series C shares of a nominal value of 0.10 PLN each. The proposed date of the first listing of series C shares is 17th December 2012.

In November 2012, the Company published its financial results for Q3 2012. In Q3 2012, the Company accomplished revenue of 2,908,000 PLN, which is higher than the revenue compared with analogical period of 2011 by 9.47%. In Q3 2012, the Company reached sales revenue of 502,000 PLN, which was 82.41% higher when compared with analogical period of 2011. The accomplished sales results translated into higher operating profit (by 81.38%) and net profit (by 63.49%) when compared to Q3 2011 results. During the reported period, the Company observed improvement in profitability at all levels of results, including operating profit from 10.59% (Q3 2011) to 17.55% (Q3 2012) and net profit form 8.4% to 12.55% adequately.

Also the accrued results for the three quarters of 2012 confirm that the activity of Pharmena S.A. in the scope of dermatological cosmetics goes through dynamic growth, despite the decline in the value of the domestic market in 2012. Within the three quarters of 2012, the Company accomplished sales revenue amounting to 7,773,000 PLN, which is 14.90% higher than the sales revenue compared with analogical period of 2011. Profit on sales increased by 116.19% and achieved the value of 1,443,000 PLN. Operating profit amounted to 1,444,000 PLN and was 121.64% higher than when compared with analogical period of 2011. The Company's accrued net profit for the three quarters equals to 1,067,000 PLN (106.83% higher than for the three quarters of 2011). During the reported period, the Company observed improvement in profitability at all levels of results, including operating profit from 9.63% (for the three quarters of 2011) to 18.58% (for the three quarters of 2012) and net profit form 7.63% to 13.73% adequately.

In Q3 2012, the most significant impact on the Company's results had the increased sale of ready products with lower manufacture costs (resulting from new manufacturing location). An additional element of improvement was also the extension of product range and promotional activities.

Moreover, in November the Company continued its research and development work on new products and searched for new applications for active substances protected by patents and patent applications owned by the Company.

In November 2012, Pharmena S.A. expanded its product offer and carried out marketing actions in order to increase sales profit from its marketed products.

Within the realisation of the Company's Strategy for 2012-2015 in the area of dermatology (published in current report no. 16/2012 of 13th April 2012), in November 2012, the Issuer introduced a new dermatological product onto the market, i.e. Allerco® moisturising shampoo. The product is designed for everyday hair care of dry, sensitive and prone to allergies skin, also for the youngest children. The goal of the product is to enhance the Company's offer of products. The Issuer envisages that the introduction of a new dermatological product on the market may have a significant influence on the Company's financial situation in the next few years. The Issuer informed of the introduction of a new product on the market in current report no. 79/2012 of 27th November 2012.

In terms of innovative anti-atherosclerosis medicinal product 1-MNA project, the Issuer's Capital Group entered into an agreement on carrying out phase II clinical trials of anti-atherosclerosis medicinal product 1-MNA (the Issuer informed of this fact in current report no. 78/2012 of 20th November 2012). It has also received notification on an intent of being

granted a patent in Europe (the Issuer informed of this fact in current report no. 80/2012 of 28th November 2012).

On 20th November 2012, a subsidiary company Cortria Corp. (USA) received a signed agreement with Montreal Heart Institute on carrying out phase II ("Proof of Concept") clinical trials of innovative anti-atherosclerosis medicinal product 1-MNA. It is planned that the study will monitor key parameters of lipid profile (among others TG level, HDL, LDL and TC), inflammation (CRP, IL6) and parameters related with the product's safety (among others glucose, ALT, ASP). The goal of the above research is to establish effective posology and confirm absence of adverse side effects in humans with increased doses. The intended duration of the research is 12 months since obtaining consent from the market's regulatory authority – Health Canada.

Entering into the agreement lies within the realisation of the Company's updated Strategy for 2012-2015 in the scope of research of innovative anti-atherosclerosis medicinal product (the Issuer informed about the strategy's assumptions in current report no. 16/2012 of 13th April 2012).

Moreover, in November 2012, a subsidiary company Cortria Corporation received notification that on 20th November 2012, European Patent Office published notification on its intent to grant a patent to patent application no. 07 752 686 (EP 2026651).

The above patent will provide protection for the oral use of 1-methylnicotinamide (1-MNA) in combination with non-steroidal anti-inflammatory drugs in treatment of pain and inflammations of various origins on leading European markets.

NSAIDs are a vast and very popular group of medicinal products with anti-inflammatory, analgesic, and antipyretic effect. The group includes such popular medicinal products as: aspirin, diclofenac, ibuprofen, and naproxen. They are used for symptomatic treatment of inflammation, fever, or pain of various origins. They are available over the counter which adds to their popularity among patients. However, a prolonged use of NSAIDs may lead to gastrointestinal complications. Patients using medicinal products of this group observe abdominal pain, discomfort, heartburn, nausea, and increased risk of stomach ulcers. Concomitant use of NSAIDs and 1-MNA may prevent such complications.

This patent is of great importance to the process of commercialisation of the 1-MNA project, due to the fact that global market of pain-relief treatments will amount to 38 billion USD in 2012 (according to BCC Research). The segment of NSAIDs constitutes 28% of that market.

2. Achievement of the goals of an issue

In November 2012, Pharmena S.A. did not make any money expenditure directly on issue-related purposes. However, a subsidiary company Cortria Corporation spent in November 2012 its funds on production of tablets containing 1-MNA for planned bioavailability tests, as well as on preparing application for granting permission on bioavailability tests, on patent protection and toxicological tests.

3. A list of all information published by the Issuer in the form of current reports in the reporting period from 1st November 2012 to 30th November 2012

During the period covered by this report, Pharmena S.A. published the following reports in EBI system:

- Current report no. 72/2012 of 9th November 2012 – Notice of convening Extraordinary General Meeting of Shareholders on 12th December 2012
- Current report no. 73/2012 of 9th November 2012 – Draft resolutions for Extraordinary General Meeting of Shareholders on 12th December 2012
- Current report no. 74/2012 of 9th November 2012 – Planned changes to Articles of Association during Extraordinary General Meeting on 12th December 2012
- Current report no. 75/2012 of 12th November 2012 – October 2012 monthly report
- Current report no. 76/2012 of 14th November 2012 – PHARMENA S.A. – Q3 2012 quarterly report
- Current report no. 77/2012 of 19th November 2012 – Court registration of share capital increase through the issue of series C shares
- Current report no. 78/2012 of 20th November 2012 – Entering into an agreement on carrying out phase II clinical trials of anti-atherosclerosis medicinal product 1-MNA
- Current report no. 79/2012 of 27th November 2012 – Introduction of a new Allerco line dermatological product on the market
- Current report no. 80/2012 of 28th November 2012 – Information on intent to grant a patent in Europe

During the period covered by this report, Pharmena S.A. published the following reports in ESPI system:

- Current report no. 7/2012 of 9th November 2012 – Convening Extraordinary General Meeting of PHARMENA S.A.
- Current report no. 8/2012 of 21th November 2012 – Disclosure of shareholding – exceeding 5% of the total number of votes by a shareholder
- Current report no. 9/2012 of 26th November 2012 – Disclosure of shareholding – increasing of the share held by a shareholder by over 1% of the total number of votes

4. Investor's calendar for December 2012

Publication of December 2012 monthly report until 14th January 2013

Legal basis: Resolution No. 795/2008 of the Warsaw Stock Exchange Management Board dated 31st November 2008 concerning the adoption of the codes of best practice applicable on the NewConnect market, Appendix 1, point 16.

Representatives of the company:

- Konrad Palka - President of the Board
- Marzena Wieczorkowska – Vice President of the Board