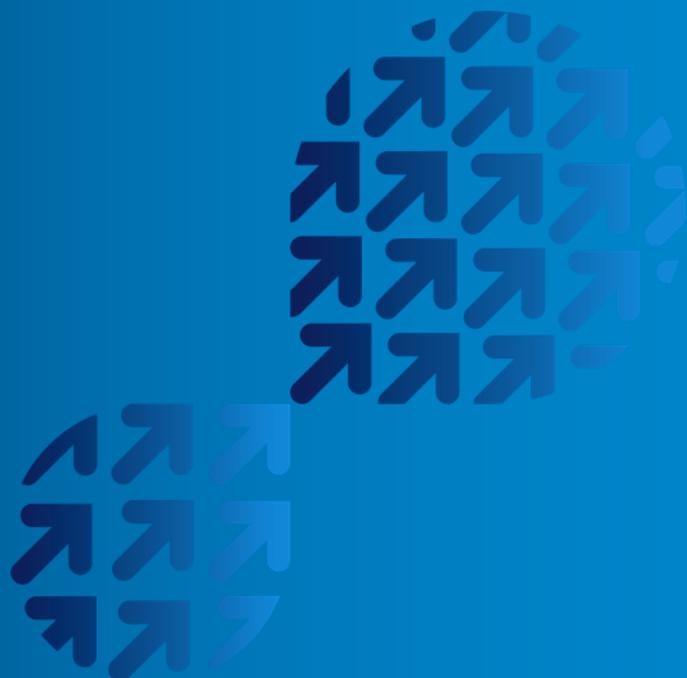


(A free translation of the original in Portuguese)

Results for 1Q19

(A free translation of the original in Portuguese)



Our Purpose

Reimagining
animal health

- The Brazilian Association of Animal Health Product Manufacturers (Sindan) has released its rankings for 2018 - Ourofino has regained the third position
- Local rankings in Mexico and Colombia show that Ourofino ranked second in terms of growth in those countries in 2018
- Revenue from international operations increased by 48% in 1Q19, of which 36% in local currency
- The generation of cash from operations totaled R\$ 41 million and net debt/EBITDA remained at 1.7x

Conference Call

In Portuguese with simultaneous translation into English

May 8, 2019

3:00 p.m. (BRT) / 2:00 p.m. (US EST)

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(A free translation of the original in Portuguese)

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(A free translation of the original in Portuguese)

Cravinhos, May 7, 2019 – Ouro Fino Saúde Animal Participações S.A. (the “Company” or “Ourofino”) (B3: OFSA3), which is mainly engaged in the research, development, production and sale of veterinary drugs, vaccines and other products for production and companion animals, announces its financial results for the period ended March 31, 2019 (1Q19).

Message from Management

During the first quarter of 2019, the Brazilian Association of Animal Health Product Manufacturers (Sindan) released its rankings for 2018, and we are proud to report that we are again in the 3rd place in the overall ranking of companies by revenue in Brazil. In 2018, our company ranked second in terms of growth in Mexico, according to the ranking report prepared by Industria Farmacéutica Veterinaria (Infarvet), and also in Colombia, according to the ranking report prepared by Asociación Nacional de Laboratorios de Productos Veterinarios (Aprovet). These important milestones are a result of the work focused on sustainable growth developed during the last few years.

Looking ahead, the biological product project is already beginning to generate revenue from the recently launched Safesui vaccine. It is a product with a significant technical differentiator, as it immunizes animals by adopting a new technology against the circovirus, a big challenge for the world pig raising activities. We are confident that this vaccine will bring significant productivity gains to the pig farmer. The other vaccines in our pipeline are still being developed in order to help us look forward one of the largest product coverage on the market.

As regards production animals, in the first quarter, which is seasonally weaker in terms of revenue, we observed a decrease in comparison with the first quarter of 2018. It is important to note that the decrease in revenue in this segment was negatively impacted by a significant concentration of sales in the end of March, which were not recognized in the first quarter due to the lack of time to deliver the goods to customers. We emphasize that the goods sold have already been delivered and recognized in the beginning of April, and such sales will be included in the results for the second quarter.

With respect to companion animals, net revenue totaled R\$ 20 million, an increase of 3% in comparison with the first quarter of 2018 and in line with our budget for the period. We emphasize our confidence in the performance of the coming quarters and in our demand generation actions, such as visits to veterinarians.

In relation to international operations, revenues for the first quarter increased by 48% in Brazilian reais and by 36% in local currency in comparison with the same period in 2018, totaling R\$ 12 million. Mexico and Colombia accounted for 90% of this total, the highest quarterly share in the segment. It is important to note the focus in these two countries in recent years on the registering of new products, together with the expansion of the customer portfolio.

In the quarter, we also had a scheduled shutdown of the plant aiming at overhauling some areas. As a result, the costs that would be offset by products in inventories were allocated directly to profit or loss, in the approximate amount of R\$ 7.5 million, with a significant effect on the gross margin on a non-recurring basis. Without it, the gross margin would have been 57%, in line with the first quarter of 2018.

We would emphasize the strong generation of cash from operations of R\$ 41 million, an increase of 64% in comparison with the same indicator in the first quarter of 2018. Also, the net debt/EBITDA ratio remained at 1.7x.

We appreciate the confidence of all and remain motivated to deliver 2019 results.

Jardel Massari
CEO

Kleber Gomes
CFO and IRO

Financial Performance

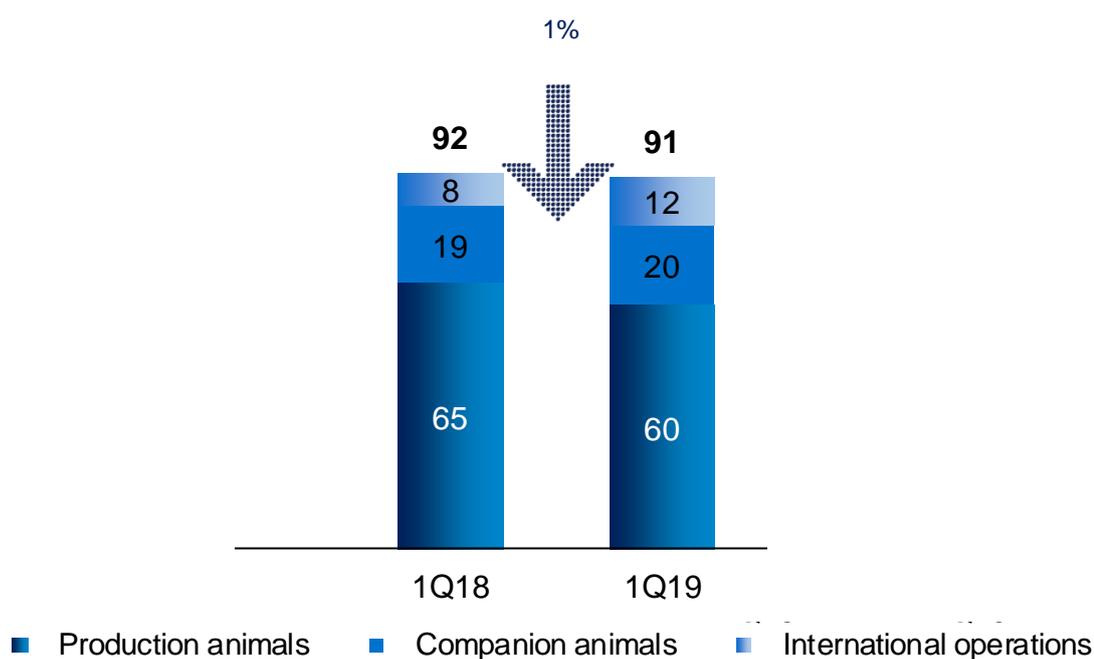
R\$ million	1Q18	1Q19	Variation %
Net revenue	91.9	91.0	-1.0%
Cost of sales	(39.3)	(47.0)	19.6%
Gross profit	52.6	44.0	-16.3%
(gross margin)	57.2%	48.4%	-8.8 p.p.
Net expenses*	(45.7)	(49.5)	8.3%
Operating profit (loss)	6.9	(5.5)	-179.7%
(operating margin)	7.5%	-6.0%	-13.5 p.p.
Finance result, net	(3.5)	(3.6)	2.9%
Income tax and social contribution	0.2	2.7	1250.0%
Adjusted profit	3.6	(6.4)	-277.8%
(adjusted profit margin)	3.9%	-7.0%	-10.9 p.p.
Adjusted EBITDA	12.4	0.0	-100.0%
(adjusted EBITDA margin)	13.5%	0.0%	-13.5 p.p.

(*) In 1Q19, does not include extemporaneous tax credits related to prior years.



Net revenue

R\$ million	1Q18	1Q19	Variation %
Net sales revenue	91.9	91.0	-1.0%
Production animals	65.0	59.7	-8.2%
Companion animals	19.0	19.6	3.2%
International operations	7.9	11.7	48.1%



In 1Q19, the Company recorded net revenues of R\$ 91.0 million, a decrease of 1% in comparison with 1Q18. Our comments on the performance of the segments in which we operate are presented below:

- The production animals segment reported net revenues of R\$ 59.7 million in 1Q19, a decrease of 8.2% in comparison with 1Q18, with a major impact from lower sales volumes as a result of the deliveries made in April after the closing of the first quarter.

- The companion animals segment reported net revenues of R\$ 19.6 million in 1Q19, an increase of 3.2% in comparison with 1Q18, reflecting price increases.
- The international operations segment reported net revenues of R\$ 11.7 million in 1Q19, an increase of 48.1% in comparison with 1Q18. This result reflects the positive impact of volume increases in Mexico and Colombia, thus compensating for volume losses in sales to other countries, in addition to the positive impact of foreign exchange rates.

Gross profit and gross margin

R\$ million	1Q18	1Q19	Variation %
Gross profit	52.6	44.0	-16.3%
(gross margin)	57.2%	48.4%	-8.8 p.p.
Gross profit - production animals	34.2	23.9	-30.1%
(gross margin - production animals)	52.6%	40.0%	-12.6 p.p.
Gross profit - companion animals	13.5	13.5	0.0%
(gross margin - companion animals)	71.1%	68.9%	-2.2 p.p.
Gross profit - international operations	4.9	6.6	34.7%
(gross margin - international operations)	62.0%	56.4%	-5.6 p.p.

In 1Q19, gross margin was 48.2%, a decrease of 8.8 p.p. in comparison with 1Q18. The amounts related to the impact of R\$ 7.5 million of idleness due to the scheduled maintenance shutdown of the plant segregated by segment:

- The production animals segment presented a gross margin of 40% in 1Q19, a decrease of 12.6 p.p. in comparison with 1Q18, with an impact of idleness amounting to R\$ 6.6 million due to the scheduled maintenance shutdown of the plant.
- The companion animals segment presented a gross margin of 68.9% in 1Q19, a decrease of 2.2 p.p. in comparison with 1Q18, with an impact of idleness amounting to R\$ 0.5 million due to the scheduled maintenance shutdown of the plant.
- The international operations segment presented a gross margin of 56.4% in 1Q19, a decrease of 5.6 p.p. in comparison with 1Q18, with an impact of idleness amounting to R\$ 0.4 million and 3.3 p.p. in the gross margin due to the scheduled maintenance shutdown of the plant.



Selling, general and administrative expenses

R\$ million	1Q18	1Q19	Variation %
Selling, general and administrative and other expenses	(45.7)	(49.5)	8.3%
Percentage of net revenue	49.7%	54.4%	4.7 p.p.

In 1Q19, selling, general and administrative expenses totaling R\$ 49.5 million and including the salary increase established in the collective labor agreement of 2018 were not diluted,

specially because of the non-recognition of sales already billed but delivered in the beginning of April.

EBITDA and EBITDA Margin

R\$ million	1Q18	1Q19	Variation %
Adjusted profit (loss)	3.6	(6.4)	-277.8%
(+) Non-recurring results*		1.0	
Profit (loss) for the period	3.6	(5.4)	-250.0%
(+) Finance result, net	3.5	3.6	2.9%
(+) Income tax and social contribution	(0.2)	(2.7)	1250.0%
(+) Depreciation and amortization	5.5	5.5	0.0%
EBITDA	12.4	1.0	-91.9%
(+) Non-recurring effects*		(1.0)	
Adjusted EBITDA	12.4	0.0	-100.0%
Net sales revenue	91.9	91.0	-1.0%
EBITDA margin	13.5%	1.1%	-12.4 p.p.
Adjusted EBITDA margin	13.5%	0.0%	-13.5 p.p.

(*) In 1T19, does not include extemporaneous tax credits related to prior years.

In 1Q19, EBITDA totaled R\$ 0.0 million, a decrease of 13.5 p.p. in comparison with 1Q18, reflecting a lower gross margin for the reasons described above and less dilution of selling,

general and administrative expenses as a result of sales revenues that were not recognized in the quarter.

Finance result

R\$ million	1Q18	1Q19	Variation %
Finance result, net	(3.5)	(3.6)	2.9%

In 1Q19, net finance costs totaled R\$ 3.6 million, an increase of 2.9% in comparison with 1Q18. This result shows that the net debt to EBITDA

ratio has remained stable and since 1Q18 has been around 1.7x .

Income tax and social contribution

R\$ million	1Q18	1Q19	Variation %
Income tax and social contribution	0.2	2.7	1250.0%
Percentage of profit before IRPJ and CSLL	5.9%	-29.7%	-35.6 p.p.

In 1Q19, income tax and social contribution amounted to R\$ 2.7 million in comparison with R\$ 0.2 million in 1Q18. It should be noted that

the calculation of IRPJ and CSLL is carried out on tax bases that differ from the accounting result.

Profit

R\$ million	1Q18	1Q19	Variation %
Adjusted profit (loss)	3.6	(6.4)	-277.8%
profit margin	3.9%	-7.0%	-10.9 p.p.

In 1Q19, profit was R\$ 6.4 million, thus reversing the profit reported in 1Q18. This result reflects a decrease in EBITDA due to the previously

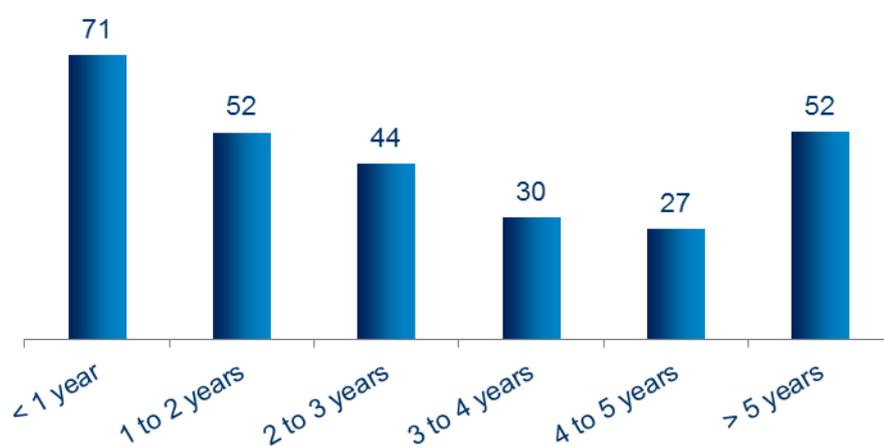
mentioned factors, in addition to finance costs and income tax and social contribution.

Indebtedness

In R\$ million	March 31, 2018	March 31, 2019
Current	163.0	71.0
Non-current	154.4	205.1
Gross debt	317.4	276.1
Related derivative financial instruments	4.7	-
Gross debt considering related derivatives	322.1	276.1
(-) Cash and cash equivalents	126.2	71.2
Net debt	195.9	204.9
Average cost of debt (year) ¹	7.13%	7.27%
Net debt/Adjusted annual EBITDA (LTM)	1.70	1.72

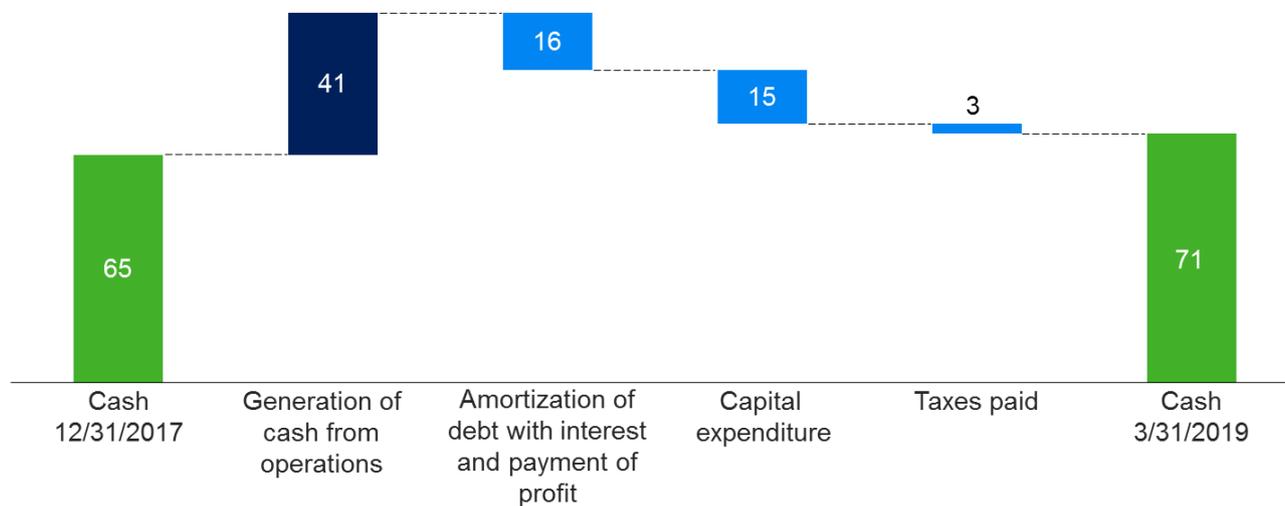
¹ Net bank debt considering related derivatives and bank guarantee costs.

Bank debt aging*



*Considers the period between April 1 and March 31 and debt plus derivatives, if any.

Cash position



No 1Q19, there was a generation of cash from operations of R\$ 41 million. We would also emphasize the amortization of debt and payment of interest totaling R\$ 16 million. The

average cost of debt was 7.27%, accounting for the costs of derivatives and associated guarantees at March 31, 2019.



Launches in 2019

The definition of the circovirus vaccine has been updated.

Safesui Circovírus

Indications: Safesui Circovirus is indicated for the immunization of healthy pigs as from three weeks of age as an auxiliary measure in the prevention and control of porcine circovirus and Porcine Circovirus Associated Diseases.



Therapeutic class:

Biological products

Segment:

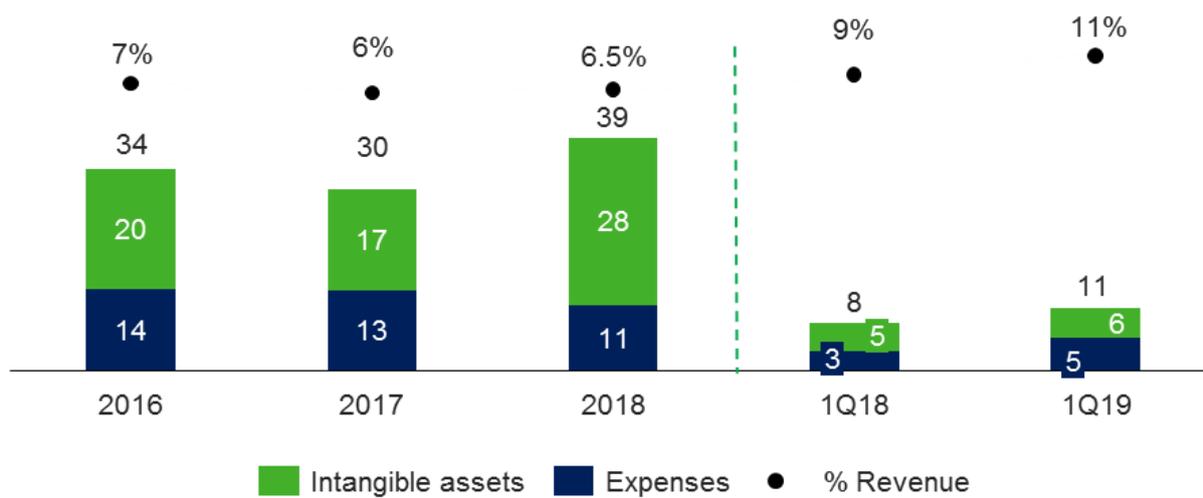
Pigs

Launched in:

February 2019

Investments in research and development

In 1Q19, 11% of the net revenue was invested in R&D, totaling R\$ 11 million. The chart below shows the Company's total investments in R&D from 2016 to 2019.



Adjusted statement of operations (R\$ thousands)	1Q18	1Q19
Revenue	91,938	90,978
Cost of sales*	(39,385)	(47,014)
Gross profit	52,553	43,964
Selling expenses*	(35,442)	(40,644)
General and administrative expenses*	(10,158)	(8,817)
Other income (expenses), net*	(66)	(96)
Operating profit (loss)	6,887	(5,593)
Finance income	2,136	1,093
Finance costs	(5,231)	(4,176)
Derivative financial instruments, net	(1,315)	(405)
Foreign exchange variations, net	904	(109)
Finance result	(3,506)	(3,597)
Profit (loss) before income tax and social contribution	3,381	(9,190)
Current and deferred income tax and social contribution*	243	2,734
Adjusted profit (loss) for the period	3,624	(6,456)

(*) Does not include non-recurring expenses and their related tax effects.

Corporate statement of operations (R\$ thousands)	1Q18	1Q19
Revenue	91,938	90,978
Cost of sales	(39,385)	(47,014)
Gross profit	52,553	43,964
Selling expenses	(35,442)	(40,644)
General and administrative expenses	(10,158)	(8,817)
Other income (expenses), net	(66)	944
Operating profit (loss)	6,887	(4,553)
Finance income	2,136	1,093
Finance costs	(5,231)	(4,176)
Derivative financial instruments, net	(1,315)	(405)
Foreign exchange variations, net	904	(109)
Finance result	(3,506)	(3,597)
Profit (loss) before income tax and social contribution	3,381	(8,150)
Current and deferred income tax and social contribution	243	2,734
Profit (loss) for the period	3,624	(5,416)

Statement of cash flows (R\$ thousands)	1Q18	1Q19
Cash flows from operating activities		
Profit (loss) before income tax and social contribution	3,381	(8,150)
Adjustments for:		
Provision for impairment of trade receivables	(99)	125
Provision for inventory losses and write-offs	2,195	1,119
Reversal of the provision for sales returns	(109)	292
Reversal of the provision for bonuses to customers	(918)	(355)
Depreciation and amortization	5,500	5,597
Result on disposal of property, plant and equipment	(59)	(62)
Result on disposal of intangible assets	(78)	
Interest and monetary and foreign exchange variations, net	4,949	4,655
Derivative financial instruments	1,314	405
Provision for contingencies	297	188
Stock options granted	220	162
Changes in working capital		
Trade receivables	45,920	59,079
Inventories	(37,353)	(23,495)
Taxes recoverable	(1,345)	(4,963)
Other assets	(1,153)	(1,397)
Trade payables	5,844	13,739
Taxes payable	(1,706)	(1,066)
Other liabilities	(1,596)	(5,252)
Cash from operations	25,204	40,621
Interest paid	(5,216)	(3,379)
Income tax and social contribution paid	(578)	(2,974)
Net cash provided by operating activities	19,410	34,268
Cash flows from investing activities		
Investments in intangible assets	(4,614)	(5,013)
Purchases of property, plant and equipment	(4,657)	(10,376)
Proceeds from sale of property, plant and equipment	291	162
Proceeds from sale of intangible assets	110	
Net cash used in investing activities	(8,870)	(15,227)
Cash flows from financing activities		
New borrowings	40,353	
Repayment of borrowings	(41,088)	(12,519)
Realized derivative financial instruments	(7,034)	(581)
Net cash used in financing activities	(7,769)	(13,100)
Increase in cash and cash equivalents, net	2,771	5,941
Cash and cash equivalents at the beginning of the period	123,360	65,183
Exchange losses on cash and cash equivalents	34	97
Cash and cash equivalents at the end of the period	126,165	71,221

Balance sheet (R\$ thousands)	12/31/2018	3/31/2019
Assets		
Current assets	413,107	384,212
Cash and cash equivalents	65,183	71,221
Trade receivables	174,694	115,380
Inventories	153,159	176,186
Taxes recoverable	5,840	7,869
Income tax and social contribution recoverable	8,295	6,117
Related parties	636	543
Other assets	5,300	6,896
Non-current assets	432,900	450,639
Long-term receivables	78,469	86,466
Taxes recoverable	56,368	58,719
Deferred income tax and social contribution	15,963	21,714
Inventories	5,422	5,384
Other assets	716	649
Permanent assets	354,431	364,173
Intangible assets	93,799	97,145
Property, plant and equipment	260,632	267,028
Total assets	846,007	834,851
Liabilities and equity		
Current liabilities	170,836	170,362
Trade payables	27,100	41,634
Derivative financial instruments	28	
Borrowings	76,439	70,983
Salaries and payroll charges	32,890	26,757
Taxes payable	5,097	3,210
Income tax and social contribution payable	763	406
Dividends and interest on capital	16,351	16,351
Related parties	145	300
Commissions on sales	5,446	3,817
Other liabilities	6,577	6,904
Non-current liabilities	219,204	213,533
Borrowings	211,090	205,099
Provision for contingencies	8,114	8,434
Total liabilities	390,040	383,895
Total equity	455,936	450,923
Non-controlling interests	31	33
Total liabilities and equity	846,007	834,851

