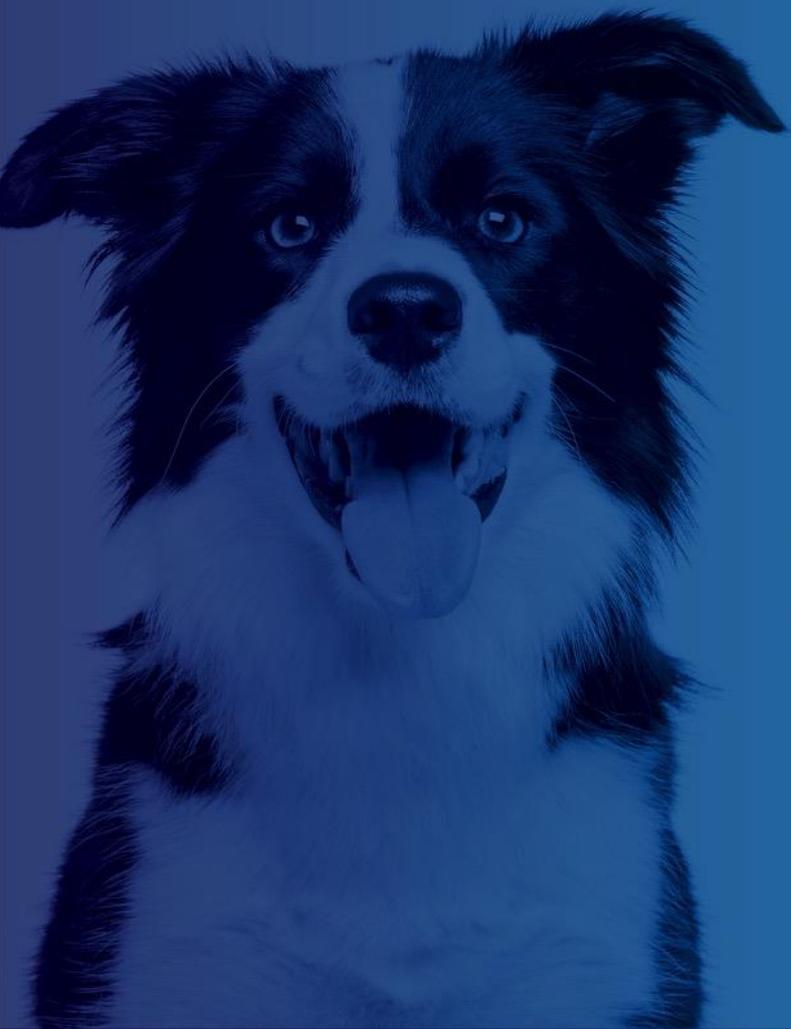
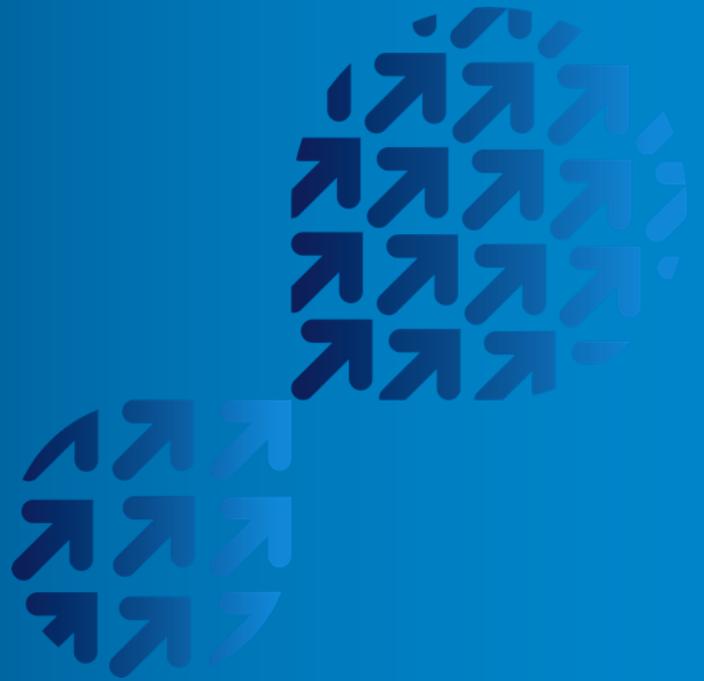


4Q19 and 12M19 results





Our Purpose

Reimagining
animal health

- Consolidated net revenue grows 5% and reaches R\$ 620 million in 2019;
- Net revenue from companion animals grows 17% and reaches R\$ 88 million in the year;
- Net revenue from international operations increases 17% and totals R\$ 64 million in the year;
- Consolidated 4th quarter net revenues grows 12% reaching R\$ 197 million with EBITDA of R\$ 45 million, margin of 23%, 22% of growth.

Conference Call

Portuguese with simultaneous translation into English

February 12th, 2020

15h (BRT) / 1pm (EST)

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Table of Contents

Message from the Management.....	5
Financial Performance	6
Net Revenue.....	7
Gross Profit and Gross Margin	8
Selling, General and Administrative Expenses	9
EBITDA and EBITDA Margin	9
Financial Result	10
Income Tax and Social Contribution	10
Net Profit.....	10
Indebtedness	11
Cash position	13
Investments in Research and Development.....	14
Profit and Loss Statement - Adjusted	15
Profit and Loss Statement - Corporate	15
Cash Flow Statement	16
Balance Sheet.....	17



Cravinhos, February 11th, 2020 - Ourofino Saúde Animal Participações S.A. ("Company" or "Ourofino") (B3: OFSA3), working in research, development, production and marketing of medicines, vaccines and other veterinary products for animals production and company, announces today its financial results for the period ended December 31st, 2019 (4Q19 and 12M19).

Message from the Management

In 2019, we concluded the review of the Company's strategic planning, aiming at a new cycle of growth and continuity of our businesses. Reinforcing the purpose of reimagining animal health, as a company with a broad and multispecies portfolio and operating in Latin America, we have defined several initiatives aimed mainly at excellence in the execution. As a result, we remain confident in the drivers of growth in the markets in which we operate and the consequent generation of value for stakeholders.

In the consolidated, net revenue grew 5% in 2019 compared to 2018, reaching R\$ 620 million. As highlights, the companion animals and international operations segments both achieved an annual growth of 17%, while the production animals segment grew by 2%. The consolidated gross margin decreased by 5 percentage points to 50% in 2019, due to the lower dilution of manufacturing costs, which, together with greater allocation of R&D expenditures as expenses at the time of our researches stages, resulted in a reduction in adjusted EBITDA to R\$ 107 million. It is worth mentioning that in the 4th quarter the net revenues reached R\$ 197 million, the greatest quarter in the company's history, and its adjusted EBITDA margin stood at 23% and adjusted profit margin at 13%

In the production animals' segment, the year proved challenging with revenues growing below expectations in our projections. In 2019, we did not see the positive scenario seen in the prices of proteins reflecting the expansion of the production animal health market. However, the trend of increasing farm productivity associated with the fact that Brazil is still incipient in the use of animal health products are factors which support the market growth. We understand that our demand generation program, brand recognition and products in the field, and differentiated access done straight to resellers as opposed to our competitors, will allow for more positive results in the segment. Additionally, in the 4th quarter of 2019, it was already possible to observe a slight improvement in the market with the reported growth of 9% in the segment's revenues.

In companion animals, there was an increase in customer positivity and continuity of the plan for the team of technical consultants who work visiting veterinarians, who is the influencer of product purchases in this segment. With the success of the work by this team of consultants, such actions will be reinforced in 2020. Thus, we understand that the 17% growth in the year is due to the Company's strong presence associated with the movement of "humanization of pets" and the respective growth of expenses on the health of these animals, also due to the aging and increased income of the population. Additionally, as one of the strategic planning initiatives, we improved the segmentation of our target audience of veterinarians, aiming at excellence in our marketing and sales strategies.

In the international operations segment, efforts are concentrated on enhancing access to the sales channel in countries, mainly Mexico and Colombia, with replication of the marketing programs we use in Brazil. With the strategic planning, we identified new products in the portfolio in Brazil which should be registered internationally and that have the potential to leverage revenues in this segment, so we are already working with the competent local bodies.

The strategic management of our portfolio was another revisited activity in strategic planning, with the definition of well-structured processes for internal product development and the evaluation of external alternatives existing in the market with special emphasis on the open innovation model and integrating the areas of market intelligence, new businesses and portfolio managers. As a result, we remain motivated to consistently seek the best results for the Company.

Jardel Massari
President

Kleber Gomes
Products and Finance
Vice-President

Financial Performance

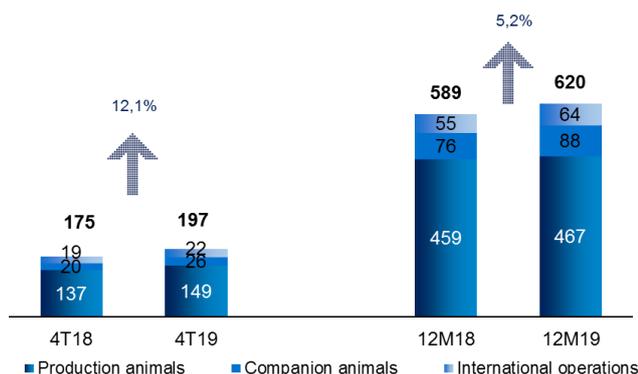
R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Net revenue	175.3	196.5	12.1%	589.2	619.6	5.2%
Cost of the sold products*	(81.2)	(97.8)	20.4%	(265.1)	(308.2)	16.3%
Gross profit	94.1	98.7	4.9%	324.1	311.4	-3.9%
(gross margin)	53.7%	50.2%	-3.5 p.p.	55.0%	50.3%	-4.7 p.p.
Net expenses*	(68.6)	(70.1)	2.2%	(222.7)	(238.6)	7.1%
Operational profit	25.5	28.6	12.2%	101.4	72.8	-28.2%
(operating margin)	14.5%	14.6%	0.1 p.p.	17.2%	11.7%	-5.5 p.p.
Net financial income	(4.8)	(3.4)	-29.2%	(15.2)	(13.8)	-9.2%
Income tax and social contribution	0.8	(0.7)	-187.5%	(15.2)	(12.4)	-18.4%
Adjusted profit	21.5	24.5	14.0%	71.0	46.6	-34.4%
(adjusted profit margin)	12.3%	12.5%	0.2 p.p.	12.1%	7.5%	-4.6 p.p.
Adjusted EBITDA	36.5	44.6	22.2%	131.7	107.2	-18.6%
(adjusted EBITDA margin)	20.8%	22.7%	1.9 p.p.	22.4%	17.3%	-5.1 p.p.

(*) In 2018, it does not consider provision for contingencies and outdated tax credits (both from previous financial years). In 2019, it does not consider non-recurring expenses of EY consultancy, expenses with defense of tax assessment notice in 2014, provision for non-payment of advances to suppliers and outdated tax credits (both from previous financial years). The events had their respective tax effects.



Net Revenue

R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Net revenue from sales	175.3	196.5	12.1%	589.2	619.6	5.2%
Production animals	137.0	148.8	8.6%	458.6	467.1	1.9%
Companion animals	19.7	25.5	29.4%	75.6	88.2	16.7%
International operations	18.6	22.2	19.4%	55.0	64.3	16.9%



The Company presented net revenues of R\$ 196.5 million in 4Q19, an increase of 12.1% compared to 4Q18. In 12M19, the net revenue was R\$ 619.6 million, an increase of 5.2% compared to 12M18.

- The Production Animals segment presented net revenues of R\$ 148.8 million in 4Q19, an 8.6% growth compared to 4Q18. Disregarding the R\$ 9.2 million in sales which occurred at the end of September, but were only recognized in 4Q19, as mentioned in the 3Q19 earnings release, the segment's growth would be 1.9%. In 12M19, the net revenue was R\$ 467.1 million, an 1.9% increase, compared to 12M18, in a scenario which has not yet seen the animal health market reflecting the good moment in the animal protein sector (with price increases and export volumes) in the subsegments where the Company is most relevant.
- The Companion Animals segment had net revenues of R\$ 25.5 million in 4Q19, growing significantly by 29.4% compared to 4Q18. In 12M19, the net revenue was R\$ 88.2 million, an 16.7% increase, compared to 12M18.

The results are the consequence of volume increases, mostly, but also of price gains, both possible due to the improvement in customer positivity, the Company's communication with the final consumer and the continuity of the development strategy of the team of technical consultants to enhance the demand generation.

- The International Operations segment presented net revenues of R\$ 22.2 million in 4Q19, an 19.4% increase compared to 4Q18. In Mexico, there was a 1.2% reduction in revenues in the period, offset by the 18.2% growth in Colombia and 38.6% in other countries, mainly due to volume gains. In 12M19, the net revenue was R\$ 64.3 million, an increase of 16.9%, with volume gains, accompanied by price increases and favorable exchange rates. The volume and price increases in Colombia drove a 23.7% growth in net revenue, disregarding the negative impact of the exchange rate, and associated with the increase in the number of points of sale reached in the country. In Mexico, there was an increase of 11.4% in 12M19 compared to 12M18, favored mainly by the positive impact of the exchange rate and price gains.

Gross Profit and Gross Margin

R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Gross profit	94.1	98.7	4.9%	324.1	311.4	-3.9%
(gross margin)	53.7%	50.2%	-3.5 p.p.	55.0%	50.3%	-4.7 p.p.
Gross profit for production animals	69.1	67.5	-2.3%	236.0	212.4	-10.0%
(gross margin for production animals)	50.4%	45.4%	-5.0 p.p.	51.5%	45.5%	-6.0 p.p.
Gross profit for companion animals	13.6	17.4	27.9%	53.2	61.1	14.8%
(gross margin for companion animals)	69.0%	68.2%	-0.8 p.p.	70.4%	69.3%	-1.1 p.p.
Gross profit for international operations	11.5	13.8	20.0%	34.9	37.9	8.6%
(gross margin for international operations)	61.8%	62.2%	0.4 p.p.	63.5%	58.9%	-4.6 p.p.

The gross margin in 4Q19 was 50.2%, a decrease of 3.5 p.p. compared to 4Q18. In 12M19, the gross margin was 50.3%, decreasing 4.7 p.p., mainly due to the lower dilution of the factory in 2019 compared to 2018, the year in which the minimum stock policy was revised with a consequent increase in production, in order to meet the established minimum limits.

○ The Production Animals segment had a gross margin of 45.4% in 4Q19 with a decrease of 5.0 p.p. compared to 4Q18. In 12M19, the gross margin was 45.5%, a decrease of 6.0 p.p. Both in the quarter and in the full year, there was less use of manufacturing capacity.

○ The Companion Animals segment had a gross margin of 68.2% in 4Q19, with a loss of 0.8 p.p. in relation to 4Q18, also due to the dilution of the plant, although with price gains and improved product mix with higher margins. In 12M19, the gross margin was 69.3%, a decrease of 1.1 p.p., reflecting the increase in manufacturing idleness.

○ The International Operations segment had a gross margin of 62.2% in 4Q19, an increase of 0.4 p.p. compared to 4Q18, so the cost increases and worsening of the product mix were offset by the favorable exchange rate and price gains. In 12M19, the gross margin was 58.9%, a decrease of 4.6 p.p., with negative impacts from the dilution of factory costs.

Selling, General and Administrative Expenses

R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Sales, general and administrative expenses and others	(68.6)	(70.1)	2.2%	(222.7)	(238.6)	7.1%
Percentages on the net revenue	39.1%	35.7%	-3.4 p.p.	37.8%	38.5%	0.7 p.p.

The sales, general and administrative expenses in 4Q19 totaled R\$ 70.1 million, a decrease of 3.4 p.p. compared to 4Q18. In 12M19, the expenses amounted to R\$ 238.6 million, an increase over revenue of 0.7 p.p. compared to 2018.

The allocation of R&D expenditures as expenses was R\$ 12.0 million higher in 12M19 compared to 12M18, with a consequent impact on the dilution of expenses in relation to the net revenue.

EBITDA and EBITDA Margin

R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Adjusted net profit	21.5	24.5	14.0%	71.0	46.6	-34.4%
(+) Non-recurrent results*	(2.5)	0.5	-120.0%	(2.2)	(0.4)	-81.8%
Net profit for the period	19.0	25.0	31.6%	68.8	46.2	-32.8%
(+) Net financial result	4.8	3.4	-29.2%	15.2	13.8	-9.2%
(+) Income tax and social contribution	(2.1)	1.0	-147.6%	14.0	11.7	-16.4%
(+) Depreciation and amortization	6.2	6.6	6.5%	25.5	24.9	-2.4%
EBITDA	27.9	36.0	29.0%	123.5	96.6	-21.8%
(+) Non-recurrent effects*	3.8	(0.9)	-123.7%	3.4	1.1	-67.6%
(+) Others	4.8	9.5	97.9%	4.8	9.5	97.9%
Adjusted EBITDA	36.5	44.6	22.2%	131.7	107.2	-18.6%
Net revenue from sales	175.3	196.5	12.1%	589.2	619.6	5.2%
EBITDA margin	15.9%	18.3%	2.4 p.p.	21.0%	15.6%	-5.4 p.p.
Adjusted EBITDA margin	20.8%	22.7%	1.9 p.p.	22.4%	17.3%	-5.1 p.p.

(*) In 2018, it does not consider provision for contingencies and outdated tax credits (both from previous financial years). In 2019, it does not consider non-recurring expenses of EY consultancy, expenses with defense of tax assessment notice in 2014, provision for non-payment of advances to suppliers and outdated tax credits (both from previous financial years). The events had their respective tax effects.

The adjusted EBITDA in 4Q19 totaled R\$ 44.6 million with a margin of 22.7%, an increase of 1.9 p.p. compared to 4Q18. In 12M19, the adjusted EBITDA was R\$ 107.2 million with a margin of 17.3%, a decrease of 5.1 p.p.

compared to 12M18. More importantly, the reduction in adjusted EBITDA can be attributed to the impact on gross margin, due to the lower use of the plant in 2019.

Financial Result

R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Net financial income	(4.8)	(3.4)	-29.2%	(15.2)	(13.8)	-9.2%

The net financial expenses in 4Q19 amounted to R\$ 3.4 million, a 29.2% decrease compared to 4Q18. In 12M19, the net financial expenses amounted to R\$ 13.8 million, a decrease of 9.2% compared to 12M18. This decrease is

associated with a 1.3 p.p. reduction in the average debt cost to 5.91% p.a. in 2019, following indexes such as CDI and TJLP.

Income Tax and Social Contribution

R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Income tax and social contribution	0.8	(0.7)	-187.5%	(15.2)	(12.4)	-18.4%
Percentage on the Profit before IR and CS	3.9%	-2.8%	-6.7 p.p.	-17.6%	-21.0%	-3.4 p.p.

Income tax and social contribution in 4Q19 was R\$ 0.7 million compared to R\$ 0.8 million in reversion in 4Q18. In 12M19, income tax and social contribution was R\$ 12.4 million, against R\$ 15.2 million in 12M18. It should be noted that the calculation of income tax and social

contribution is made on tax bases that differ from the accounting result. Additionally, due to the 100/97 ICMS agreement of the state of São Paulo and its equivalence to the investment subsidy, it was possible to reduce the calculation basis for IRPJ and CSLL.

Net Profit

R\$ Million	4Q18	4Q19	% Var.	12M18	12M19	% Var.
Adjusted profit	21.5	24.5	14.0%	71.0	46.6	-34.4%
profit margin	12.3%	12.5%	0.2 p.p.	12.1%	7.5%	-4.6 p.p.

The adjusted net income for 4Q19 totaled R\$ 24.5 million with a net margin of 12.5%, an increase of 0.2 p.p. compared to 4Q18. In 12M19, the adjusted net income was R\$ 46.6 million with a net margin of 7.5%, a decrease of

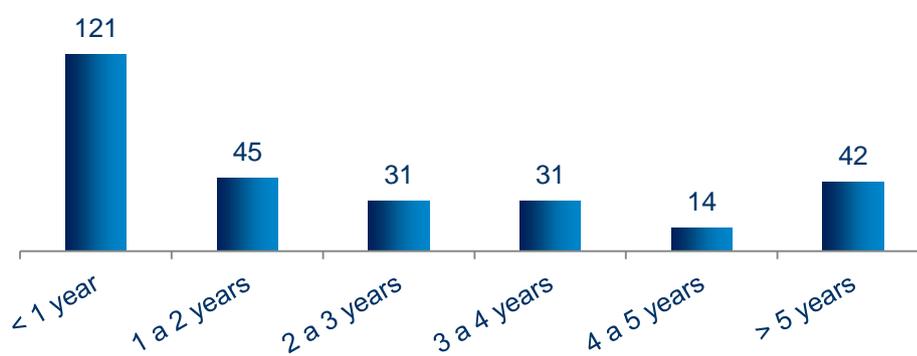
4.6 p.p. in relation to 2018. These results reflect the drop in margins due to the previously commented factors, added to the allocation of R&D expenditures as expenses.

Indebtedness

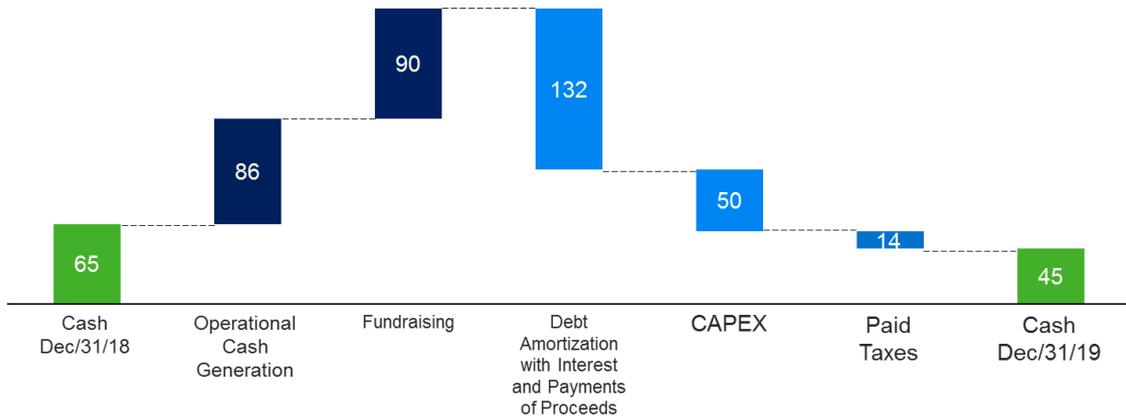
In R\$ million	December 31st, 2018	December 31st, 2019
Current	76.4	118.2
Non-current	211.1	162.9
Gross Debt	287.5	281.1
Bound derivative financial instruments	-	2.3
Gross Debt considering bound derivatives	287.5	283.4
(-) Cash and cash equivalents	65.2	45.0
Net Debt	222.3	238.4
Average debt cost (year) ¹	7.22%	5.91%
Net debt/adjusted annual EBITDA LTM	1.69	2.22

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

*Aging of the bank indebtedness**



Cash Position



In 12M19, there was an operational cash generation of R\$ 86 million, with debt amortization, interest payments, and earnings totaling R\$ 132 million. The funding amounted to R\$ 90 million and the debt profile is 60% of

gross debt in the long term. The average debt cost on December 31st, 2019 is 5.91% p.a., accounting for the costs of derivatives and associated guarantees.



Launches in 2019

The definition of circovirus vaccine has been updated.

Safesui Circovírus

Segment:

Swine

Therapeutic Class:

Biological



Ativi UC-II®

Multiplying unforgettable moments is what drives this relationship.

Ativi is a patented undenatured type II collagen (UC-II®) which, associated with copper, manganese, selenium and zinc minerals, provides the repair and preservation of the cartilaginous structure of pets.



Segment:

Pet

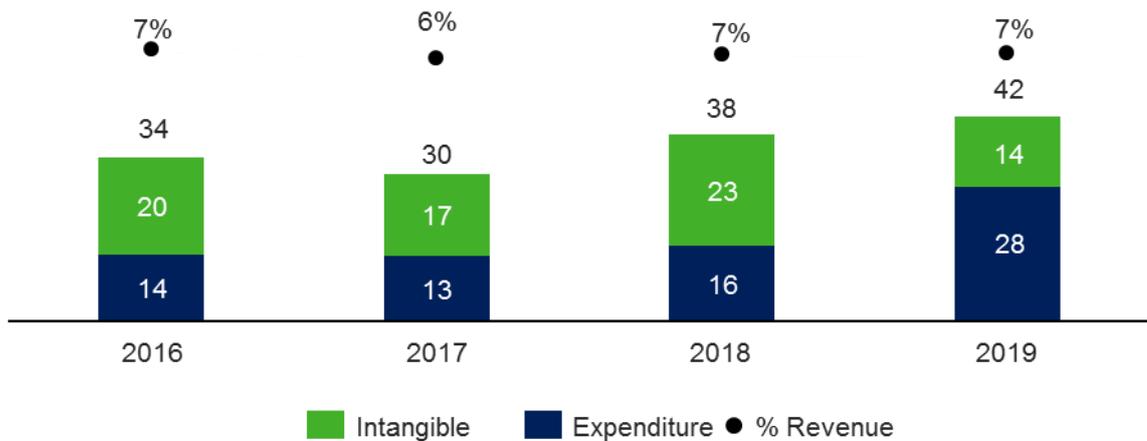
Therapeutic Class:

Supplement

Investments in Research and Development

In 12M19, 7% of the net revenue was invested in R&D, totaling R\$ 42 million in investments. It is noted that in 2019, even with the maintenance of the percentage invested in research and development in relation to revenue, there was a change in the classification of these expenditures, mostly now as an expense, due to the moment of the project/research cycle.

The chart below presents the Company's total investments in R&D from 2016 to 2019.



Profit and Loss Statement - Adjusted

Profit and Loss Statement (R\$ thousands)	4Q18	12M18	4Q19	12M19
Revenue	175,318	589,215	196,473	619,585
Sales cost*	(81,163)	(265,085)	(97,742)	(308,168)
Gross profit	94,155	324,130	98,731	311,417
Sales expenses*	(50,584)	(173,528)	(51,975)	(191,066)
General and administrative expenses*	(13,307)	(43,259)	(11,782)	(41,147)
Other revenues (expenses), net*	(4,828)	(5,966)	(6,347)	(6,322)
Operational profit	25,436	101,377	28,627	72,882
Financial revenues	1,011	6,021	964	4,308
Financial expenses	(5,237)	(20,959)	(3,677)	(15,525)
Net derivative financial instruments	(1,176)	4,562	(1,814)	(3,064)
Net exchange variations	692	(4,774)	1,112	443
Financial result	(4,710)	(15,150)	(3,415)	(13,838)
Profit before income tax and social contribution	20,726	86,227	25,212	59,044
Income tax and social contribution - Current and Deferred*	894	(15,114)	(706)	(12,403)
Net profit of the adjusted period	21,620	71,113	24,506	46,641

(*) Does not consider expenses deemed as non-recurring, and their respective tax effects.

Profit and Loss Statement - Corporate

Profit and Loss Statement - corporate (R\$ thousands)	4Q18	12M18	4Q19	12M19
Revenue	175,318	589,215	196,473	619,585
Sales cost	(81,163)	(265,085)	(101,563)	(311,989)
Gross profit	94,155	324,130	94,910	307,596
Sales expenses	(50,584)	(173,528)	(51,975)	(191,066)
General and Administrative Expenses	(13,307)	(43,259)	(12,515)	(44,874)
Other revenues, net	(8,627)	(9,369)	(925)	140
Operational profit	21,637	97,974	29,495	71,796
Financial revenues	1,011	6,021	964	4,308
Financial expenses	(5,237)	(20,959)	(3,677)	(15,525)
Net derivative financial instruments	(1,176)	4,562	(1,814)	(3,064)
Net exchange variations	692	(4,774)	1,112	443
Financial result	(4,710)	(15,150)	(3,415)	(13,838)
Profit before income tax and social contribution	16,927	82,824	26,080	57,958
Income tax and social contribution - Current and Deferred	2,186	(13,957)	(1,001)	(11,680)
Net profit for the period	19,113	68,867	25,079	46,278

Cash Flow Statement

Cash Flow Statement (R\$ thousands)	2018	2019
Cash flows from the operational activities		
Profit before income tax and social contribution	82,824	57,958
Adjustments of:		
Provision for doubtful settlement credits	419	1,180
Provision for losses and inventory clearing	11,798	8,717
Provision (reversal) of returns on sales	(453)	(94)
Reversal of provision for bonuses to clients	(303)	1
Depreciation and amortization	25,532	24,627
Provision for impairment and intangible asset write-off	4,839	(6,135)
Result on fixed asset write-offs	13	(326)
Result on intangible asset write-offs	(73)	15,835
Monetary, exchange and interest variations, net	25,656	15,650
Derivative financial instruments	(4,562)	3,064
Provision for contingencies	4,094	(4,465)
Granted stock options	662	591
Working capital variation		
Accounts receivable from clients	(12,818)	(15,084)
Inventory	(57,422)	(19,527)
Taxes recoverable	(8,052)	(1,870)
Other assets	1,426	(362)
Suppliers	(842)	13,170
Taxes to be collected	(467)	2,914
Other liabilities	9,801	(9,466)
Cash generated by the operations	82,072	86,378
Paid interests	(18,806)	(15,646)
Paid income tax and social contribution	(20,458)	(14,344)
Net cash generated by the operational activities	42,808	56,388
Cash flows from investing activities		
Investment of funds in intangible assets	(23,697)	(16,998)
Acquisition of fixed assets	(24,627)	(35,131)
Amount received for the sale of fixed assets	1,699	1,730
Amount received for the sale of intangible assets	220	
Net cash applied in the investment activities	(46,405)	(50,399)
Cash flows from financing activities		
Obtention of loans and financing	151,879	89,994
Payment of loans and financing	(189,943)	(99,103)
Payment of dividends and interest on net equity	(10,847)	(16,351)
Realized derivative financial instruments	(5,861)	(840)
Net cash generated by (applied in) the financing activities	(54,772)	(26,300)
Increase in cash and cash equivalents, net	(58,369)	(20,311)
Cash and cash equivalents at the beginning of the period	123,360	65,183
Exchange losses on cash and cash equivalents	192	137
Cash and cash equivalents at the end of the period	65,183	45,009

Balance Sheet

Balance Sheet (R\$ thousands)	12/31/2018	12/31/2019
Asset		
Current Assets	413,107	425,035
Cash and cash equivalents	65,183	45,009
Accounts receivable from clients	174,694	189,076
Inventory	153,159	165,294
Taxes recoverable	5,840	12,478
Recoverable income tax and social contribution	8,295	6,657
Related parties	636	393
Other assets	5,300	6,128
Non-Current Assets	432,900	444,501
Non-current assets	78,469	71,567
Taxes recoverable	56,368	51,277
Deferred income tax and social contribution	15,963	15,441
Inventory	5,422	4,342
Other assets	716	507
Permanent	354,431	372,934
Intangible	93,799	93,295
Fixed	260,632	279,639
Total Assets	846,007	869,536
Liabilities and shareholders' equity		
Current Liabilities	170,836	210,519
Suppliers	27,100	40,381
Derivative financial instruments	28	2,252
Loans and Financing	76,439	118,230
Salaries and tax burdens	32,890	20,151
Taxes to be collected	5,097	4,993
Payable income tax and social contribution	763	87
Dividends and interest on net equity	16,351	10,991
Related parties	145	172
Commissions on the sales	5,446	4,816
Other liabilities	6,577	8,446
Non-Current Liabilities	219,204	166,536
Loans and Financing	211,090	162,852
Provision for contingencies	8,114	3,684
Total Liabilities	390,040	377,055
Total shareholders' equity	455,936	492,447
Interest of non-controlling shareholders	31	34
Total liabilities and shareholders' equity	846,007	869,536

