

Message from the CEO

This 2018 distinctly confirms the value of the strategic path we have embarked upon in the past few years and the substantiality of the ambitious goals we had set ourselves.

Zambon Pharma revenues have exceeded 682 million Euros, an increase of almost 3% compared to 2017. This happened in spite of a negative exchange rate impact of approximately 18 million, without which it would have exceeded 5%. The **EBIT** (*Earnings Before Interest and Taxes*) is also rising compared to 2017 and has reached **89.9 million Euros** – an extremely positive figure considering the increase in Research and Development. In addition, we have invested over 18 million Euros in the construction of new industrial facilities (São Paulo) and in the upgrade of the technologies used in other existing premises/plants (Vicenza and Haikou) to make them increasingly competitive.

Our investment in science is significantly growing.

WE CONTINUE STRENGTHENING OUR PIPELINE AND BUILDING OUR FUTURE. Specifically, in 2018 we invested **57 million Euros in Research and Development**, which accounts for **24% more than in 2017**.

I would also like to highlight our progress in the **US**, where the FDA has recognised the **“Fast Track”** and **“QIDP”** (*Qualified Infectious Disease Product*) designations, for the innovative work we are conducting in non-cystic-fibrosis-related Bronchiectasis. What makes me particularly proud is that Zambon is one of the few companies in the world active in the development of effective treatments for this condition. Our approach is proving to be beneficial for many people and clinicians who require answers and definite solutions. Moreover, we are further

developing studies on existing molecules (such as *safinamide*) and enriching our pipeline with innovative technologies such as E-dry.

Our branch in China, with an attractive and growing portfolio, led an important deal with AstraZeneca, to which we have transferred **exclusive rights to import, promote and distribute Flumucil® ampoules** for the **Chinese market** – thus further focusing our local Sales Force on the entry of the other products available in the Country. This agreement has further reinforced Zambon’s expansion in the Chinese healthcare market and is also exponentially enhancing the production levels in Italy, where we have maintained the manufacture of the drug in ampoules. The past year has been crucial to increase our acknowledgement and recognisability worldwide. It has certainly been a positive year in terms of economic results,

development, pipeline and development of our industrial operations. For this reason we are working on our identity through **Life Enhanced**. We want our image to be consistent with the **values** that have guided us since 1906 – with the **great sense of responsibility** that characterises us in finding **innovative solutions** and our vision to **improve patients’ lives** – because for Zambon quality of life means living every moment to the fullest. This year too I would like to thank all my colleagues, in every part of the world, for their excellent work, without which we would not be able to accomplish such great results and we would not be of support to all those doctors, patients and families who seek clear and effective answers.

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AND BUILDING
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Roberto Tascione
CEO Zambon S.p.A.

