

Zach

BUSINESS RESULTS

A SOLID DEVELOPMENT PLAN FOR CHEMICAL BUSINESS

"In 2018 we finalised the plan that will allow us to double our revenues within 5 years and to improve all the economic and financial indicators. The targeted investments in automation and digitalisation, will allow us to increase productivity whilst decreasing costs, thus deeply modernising the Avrillé plant in France. The full renovation of our Research and Development labs will strengthen our supply of services to the pharmaceutical industry, allowing us to develop further as a Contract Development and Manufacturing Organisation able to cater for different size companies whilst maintaining a high degree of customisation. By adding value to the excellence of the Avrillé plant, Zach continues to be the chemical baseline of the Zambon Group."

Lucio Lavacchielli – CEO ZACH

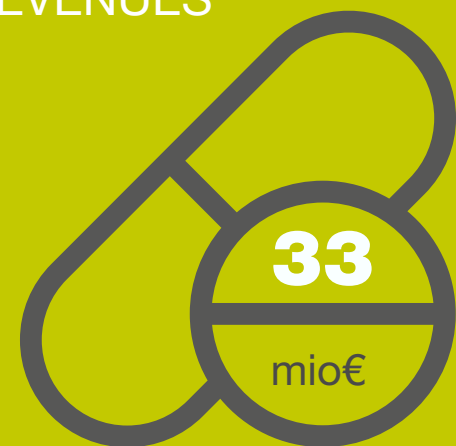
Zach is the chemical division of the Zambon Group and it focuses on producing Active Pharmaceutical Ingredients (APIs) and advanced intermediates for the pharmaceutical industry.

Today Zach maintains its headquarters in Bresso and its manufacturing in Avrillé, France, focusing its activity mainly on Custom Synthesis and some output for the generic products market. Within this framework, and in synergy with Zambon's pharmaceutical business, **we are strengthening the chemical plant, increasing warehouse storage capacity and further shaping the laboratories into a modern and functional new unit** through an ongoing investment plan.

The three sectors in our sights:

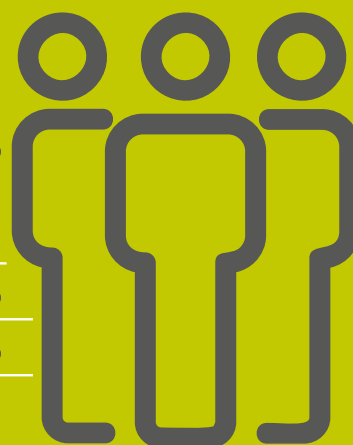
- Custom Synthesis, investing in new technologies and enhancing existing ones, such as spray drying, freeze drying, nano and ultra filtration;
- Generic Products, namely *trimebutine* and *bosentan*; working on improving efficiency of manufacturing processes and exploring new markets;
- Captive, increasing productivity and reaching maximum performance.

SALES REVENUES



ZACH PEOPLE

PRODUCTION	78%
SALES & MARKETING	2%
G&A	10%
R&D	10%



% REVENUES BY SEGMENT

CUSTOM SYNTHESIS 54%



GENERIC 35%



CAPTIVE 11%



% BY GEOGRAPHIC AREA

USA & CANADA 10%



EUROPE 82%



ROW 8%

