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**LFB presents its strategic transformation project paving the way for future growth:**

- **Prioritising industrial activities to support market growth;**
- **Refocusing on core business, medicinal products derived from plasma or recombinant proteins;**
- **Consolidating LFB's leadership in France and targeted international growth;**
- **New organisation to refocus core business, involving collective negotiations of a specific voluntary departure plan (called "Rupture Conventiionnelle Collective" in French - RCC).**

**Les Ulis (France), 6 February 2019 – LFB unveils its strategic transformation project**

**Denis Delval, LFB Chairman and CEO**, stated *"our strategic transformation project is crucial for our future. It is underpinned by refocusing on our core business and creating added value for patient care. We have four main priorities. Our first priority is on our industrial activity to support market growth. The second is to refocus on our core businesses, the medicinal products derived from plasma or recombinant proteins used in immunology, haematology and emergency medicine. Our third priority is consolidating LFB's position in France and targeted international growth. And finally, refocusing our core business operations means we need a new organisation. The company takes its social responsibilities extremely seriously and is aiming at implementing a specific voluntary departure plan (RCC). Our goal is to win back our market share and ramp up our growth over the next few years so we can accomplish our mission, which is to provide essential life-saving medicinal products for patients suffering from serious and often rare diseases."*

This plan comes into play as LFB, a leader in a growing but fast-changing market has to meet significant strategic and financial challenges, particularly the need to revamp and upgrade its French production facilities. In 2018, LFB reported a revenue decline mainly due to production difficulties, which are in the course of being resolved.

**LFB unveils its strategic transformation project to pave the way for future growth, based on four priorities:**

**1. Priority on industrial activity to support market growth**

An industrial investment plan to build a new plant in Arras (France) has been implemented involving an initial €62 million tranche. This investment will enable LFB to step up its production capacity, supporting its international growth and increasing medicines available to patients. LFB expects to create up to 250 jobs by 2024.

In addition, LFB is actively working to address ANSM's injunctions at its industrial site. In this context, 60 new hires in production and quality are planned for 2019.

## **2. Refocusing on core business activities, plasma derived or recombinant therapeutic proteins**

LFB has taken a strategic decision to refocus on its core business - production and provision of its 15 plasma or recombinant protein derived products used in immunology, haematology and emergency medicine.

Four strategic development projects have been selected for their strong growth potential in LFB's core business:

- Recombinant activated Factor VII (rFVIIa) – filing of a marketing authorisation application for this product, for patients with congenital haemophilia A or B with inhibitors, in the USA in 2019;
- Immunoglobulin G 10% IV liquid (IVIG) – aim to file a US marketing application for this drug in the treatment of patients with primary immunodeficiency disease;
- Fibrinogen - development of a new indication for use in patients with fibrinogen deficiency related to severe post-traumatic haemorrhage;
- von Willebrand factor - development of a new indication for use in patients with bleedings related to a left ventricular assist device for cardiac insufficiency (acquired von Willebrand syndrome).

## **3. Consolidation of LFB's leadership in France and targeted international growth**

Consolidating LFB's leadership in France will depend on:

- Gaining back market share and customers;
- Maximizing potential of existing medicinal products portfolio;
- Launching a new medicine, rFVIIa, introducing a new indication for LFB's von Willebrand factor and a new 10% strength for LFB's liquid IVIG.

In particular, this goal will be dependent on maintaining a strong commercial presence, focusing on key products and customers.

Outside France, LFB has decided on a targeted strategy, focusing on specific markets with key drugs:

- Targeting its business activities towards markets with key advantages such as USA, Germany, UK, Spain, Italy, Belgium, Turkey and Mexico.
- Focusing development on key products which will benefit from this targeted strategy.

## **4. Implementing a new organisation aligned with the refocused business portfolio, including a specific voluntary departure plan (RCC)**

The strategic transformation project unveiled today is the result of a strategic review launched several months ago. Some content of this project is bound to impact some LFB staff, particularly in France.



LFB takes its social responsibilities extremely seriously. This was clearly expressed to the staff representatives gathered for the opening meeting of the consultation process which aims to reach a majority agreement on a specific voluntary departure plan (RCC) for approximately 120 volunteers, and where the new organisation was presented.

LFB intends to implement a dedicated and socially responsible support plan for staff volunteers for them to successfully complete their professional project.

#### **About LFB**

LFB (Laboratoire français du Fractionnement et des Biotechnologies) is a biopharmaceutical group that develops, manufactures, and markets plasma derived or recombinant therapeutic proteins for the treatment of serious and often rare diseases in several major therapeutic fields, including Haematology, Immunology and Emergency Medicine. LFB is the leading manufacturer of plasma-derived medicinal products in France and no. 7 worldwide. Today, LFB currently markets 15 products in some 40 countries around the world with global estimated 2018 revenues of €400 million. LFB group employs more than 2,300 people worldwide including more than 1,800 people in France.

[www.groupe-lfb.com](http://www.groupe-lfb.com)

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