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JOINT PRESS RELEASE

Dipharma Francis S.r.l. enters into agreement to acquire Kalexsyn Inc.

Milan, Italy, and Kalamazoo, MI, USA - Dipharma Francis S.r.l. (Dipharma), a leading European manufacturer of Active Pharmaceutical Ingredients, and Kalexsyn, Inc. (Kalexsyn), a world-class Contract Research Organization (CRO) providing chemistry services to the biotechnology and pharmaceutical industry, are pleased to announce that Dipharma and Kalexsyn's shareholders have entered into a definitive agreement pursuant to which Dipharma will acquire 100% control of Kalexsyn, through its American subsidiary Dipharma, Inc.

The transaction is expected to close within a month.

Founded in 2003 by Robert Gadwood and David Zimmermann, Kalexsyn provides chemistry services primarily that support the Drug Discovery activities of their customers. These services include custom synthesis, stable label synthesis, process impurity synthesis, and process route improvement work. Kalexsyn employs skilled synthetic organic chemists having many years of experience in drug discovery and process development at large pharmaceutical companies.

Kalexsyn will continue its current business, operating from the existing location in Kalamazoo, Michigan - USA, and following the completion of the transaction, David Zimmermann and Robert Gadwood will continue to lead the Company under the new ownership.

Marc-Olivier Geinoz, Chief Executive Officer of Dipharma Francis S.r.l., stated: *"We are delighted to have reached agreement with Kalexsyn and to welcome its talented team to Dipharma. This acquisition represents an ideal complement to our existing business, with considerable potential for synergies. We are looking forward to leveraging the strengths of both companies to further enhance our services. Kalexsyn's high reputation in executing challenging syntheses for early stage studies fits well with Dipharma's strong technical competences in developing industrial manufacturing processes for Active Pharmaceutical Ingredients. Furthermore, the strengthening of Dipharma's presence in the United States, a market which accounts for over a third of our global revenues, will allow us to offer broader services and better communications with customers"*.

Dipharma is planning to invest in the Kalamazoo based CRO to add c-GMP and HPAPI capabilities in support of Phase 1 and early Phase 2 development to the existing building site. Design activities have begun with an anticipated ground-breaking later in 2018 with the facility fully operational by 4Q2019. Kalexsyn currently provides non-GMP process development. Addition of these capabilities will allow the new company to provide a seamless array of integrated services from discovery research through commercialization.

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Robert Gadwood, co-founder and President and Chief Scientific Officer of Kalexsyn, Inc. said: *“We are delighted to be able to partner with Dipharma, which is known for its excellence in the synthesis of Active Pharmaceutical Ingredients. Together, we will create a new organization that will cover the pharmaceutical chemistry services spectrum from discovery to marketed drugs. We are very excited at the prospect of being a part of a larger organization with greatly enhanced capabilities. We look forward to better serving our current and new customers by providing more services and by contributing even more significantly to their drug discovery and development processes”.*

David Zimmermann, co-founder and Chief Executive Officer of Kalexsyn, Inc. said: *“This is an exciting time for Kalexsyn to be joining with Dipharma’s strong chemistry team to build a vertically integrated business model. As the CRO/CDMO model continues to evolve, we felt it was important to team with a strong GMP partner. We found Dipharma’s straight-forward business philosophy to be aligned with ours in providing excellence in science from early discovery to commercialization”.*

About Dipharma Francis S.r.l.

With revenues exceeding USD 125 million, Dipharma is one of the leading family-owned European manufacturers of Active Pharmaceutical Ingredients. Its three manufacturing sites located in northern Italy have been successfully inspected by the major health authorities since 1970. The Company develops innovative chemical processes and crystalline forms for the most renowned pharmaceutical companies in USA, Europe, Japan, and other regions of the globe. Its manufacturing facilities supply from laboratory to industrial quantities whilst complying fully with the most stringent quality standards.

About Kalexsyn, Inc.

Kalexsyn is a world-class chemistry CRO, whose scientists average 15 years’ experience in hit validation, lead optimization and solving tough synthetic problems. We provide stable label synthesis, custom synthesis, process impurity synthesis, and process route development to our world-wide clients. Kalexsyn offers an outstanding CRO experience with fixed quote as well as short and long-term FTE arrangements. It has research laboratories in Kalamazoo, Michigan.

For more information:

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