

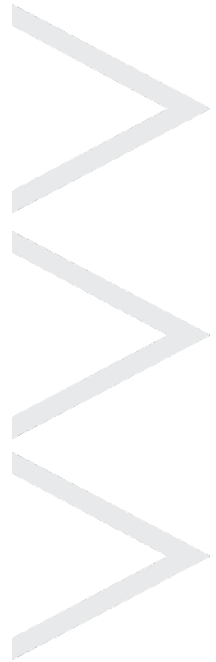
# Key Strategic themes - Avance

Andreas Koch  
Head Galaxis

Galenica Investor Day, 25 June 2019

# Agenda

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- 1 Why Avance?**
- 2 What is Avance about?**
- 3 Summary and contribution for the future of Galexis**

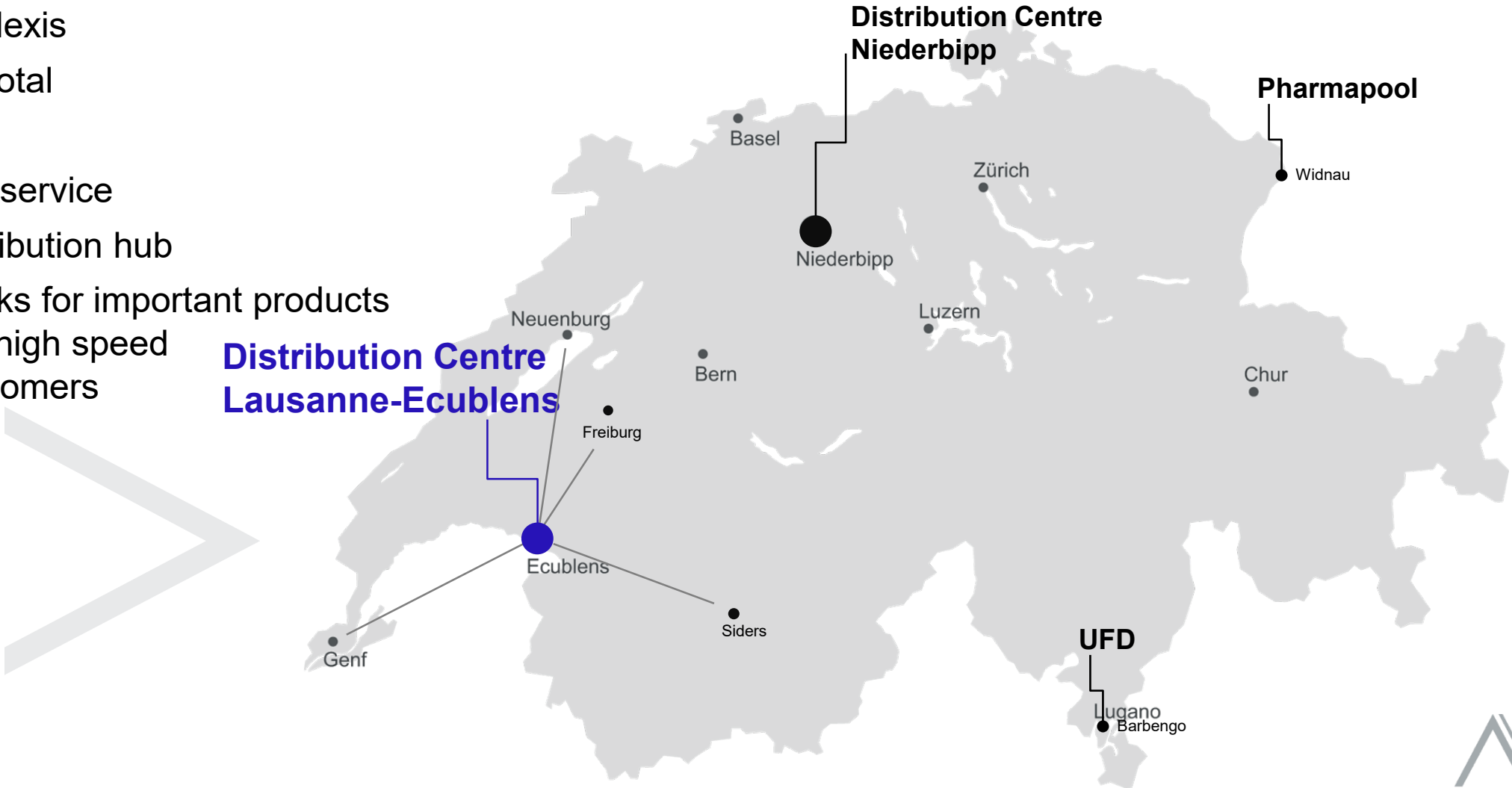
# Distribution Centre Lausanne-Ecublens today (2019)

**Wholesale sites**

- 2 sites Galexis
- 4 sites in total

**Assets**

- Customer service
- Local distribution hub
- Local stocks for important products to ensure high speed to the customers



## Distribution centre Lausanne-Ecublens today (2019)



# Why Avance?

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## Age of the building (built in 1972)

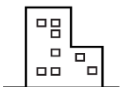
- **Outdated offices**
- **Temperatures have to be stable for products**
- **Energy efficiency**

## Logistics out-dated

- **Conveying systems mainly from 1992 and 1995**
- **Only sporadic modernisation activities**
- **Align logistical processes with Niederbipp**

## Market dynamics

- **State-mandated price reductions**
- **Stricter regulatory requirements**
- **New and enlarged product ranges**



# Why Avance?

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We have committed ourselves to the distribution centre in the French-speaking part of Switzerland to strengthen our performance in the market.

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**Ensuring economic efficiency and sustainability**

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**Compliance with more stringent regulations for the longer term**

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**Competitiveness with customer proximity & redundancy**

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**For this, efficiency has to be increased**

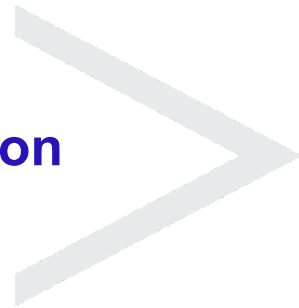
# What is Avance about?

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We have conducted a feasibility study where we have considered different variants. From this, we have chosen the best option from the economic point of view:

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**Building renovation**




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**Modernise logistics infrastructure**

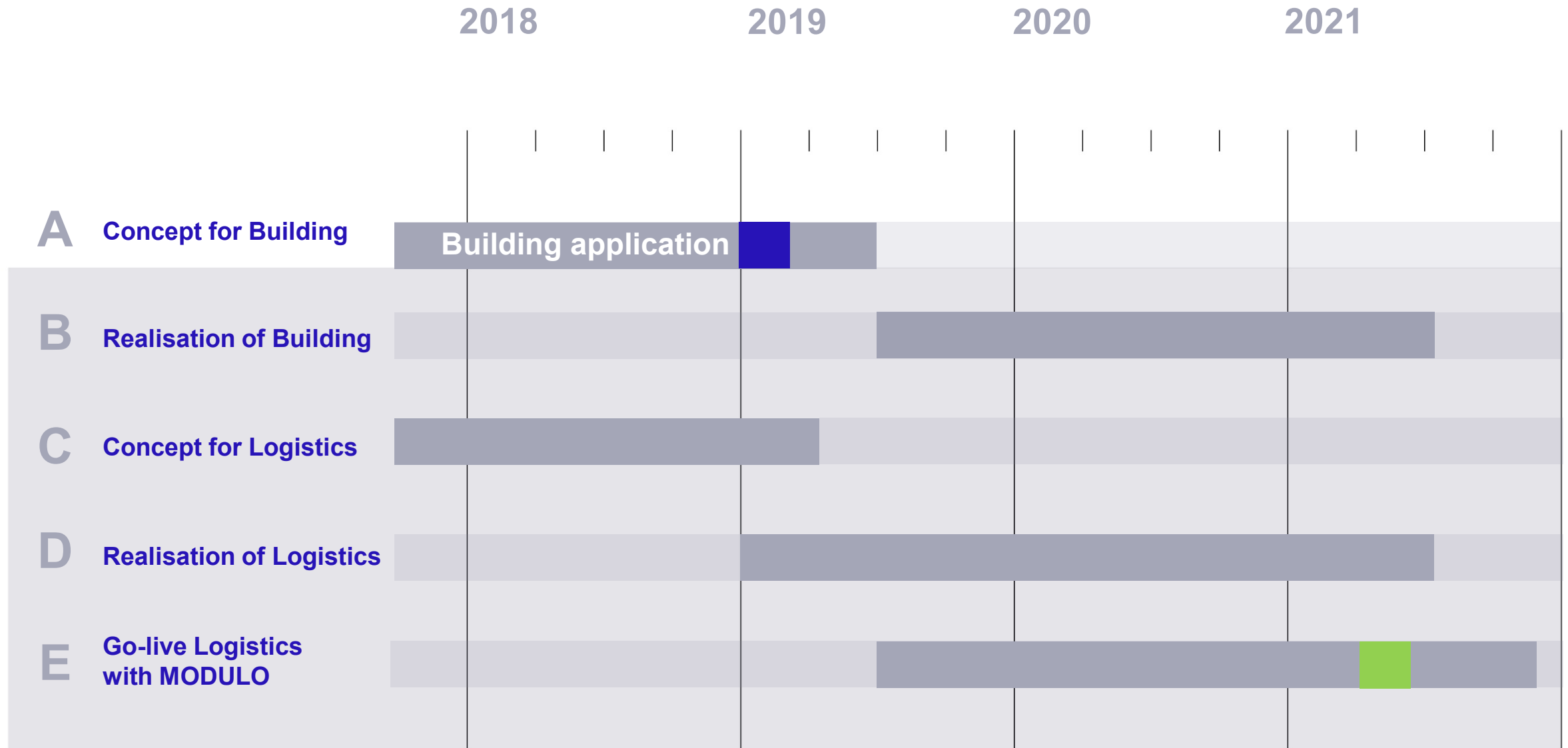
**Increase automation**

**Implement-of-the-art concept for logistics**

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# What is Avance about?



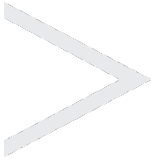


# Summary and our contribution for the future

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## Profitability, efficiency and compliance

 **Investments CHF 30 million to strengthen our centre in the French-speaking part of Switzerland**

 **Increase degree of automation from < 30 % to approx. 70 %**

 **Increase Throughput by 30 %**

 **Compliance storage temperature**

 **Reduction FTE by approx. 30 net**

# Distribution centre Lausanne-Ecublens tomorrow (2021)



# Disclaimer

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