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Lonza

News Release

Lonza to Invest in Portsmouth, NH (USA) Site, Including Mid-Scale Biologics

- Announcing mid-scale biologics manufacturing expansion and state-of-the-art technological advances at Lonza's Portsmouth, NH (USA) site;
- Multiple mid-scale 6,000L reactors to be added, designed from the outset with advanced in line testing and automation capabilities;
- Cell-therapy suites currently being installed to enable customers to access clinical and commercial manufacturing under one roof.

Portsmouth, NH (USA) and Basel (CH), 4 May 2018 – Lonza Pharma & Biotech announced today the investment in a new phase of development at their Portsmouth, NH (USA) site. The expansion will include mid-scale mammalian capacity and the addition of new cell-therapy suites. With this latest round of growth, Lonza Portsmouth confirms its position as a leading-house in biologics manufacturing and ensures capacity for customers in the years ahead.

Lonza is installing multiple 6,000L bioreactors at the site to meet existing and new customers' needs, with building expected to start in late 2018. Further expansion of midscale capacity is seen as a key area of growth by the Swissbased manufacturer, driven by several factors including a favorable regulatory environment for developing products for niche indications. Lonza's Portsmouth site is ideally placed for the addition of mid-scale capacity within their existing global network, which ranges from small, single-use bioreactors to large-scale assets.

The new facilities have been designed to ensure reliable delivery of innovative medicines. With a strong focus on automation, Lonza is implementing full-suite process analytic technology (PAT) and advanced multi-variate analysis (MVA) to ensure consistent performance. The hybrid facility, which also incorporates state-of-the-art, single-use technologies for simplified processing, will be installed in an existing building.

"These new facilities have been designed specifically to deliver for our customers and their patients," commented Marc Funk, COO Lonza Pharma & Biotech. "They will be enabled by cutting-edge technology developed with our R&D team and the decades of expertise at our Portsmouth site"

In addition, Lonza is installing multiple cell-therapy suites at the Portsmouth site. In February 2018, the company established centers of excellence in cell and gene therapy across its network, placing Portsmouth as a clinical and commercial manufacturing center in this emerging technology. Customers will have access to facilities for phase I through to commercial manufacturing under one roof, expected to be fully operational by late 2018.

About Lonza Portsmouth

Lonza acquired the Portsmouth site in 1996 and established it as the first custom manufacturing facility for biologics. The site has remained a pioneer, undergoing several rounds of expansion to reach a footprint of 813,000 sq. feet (75,000 m²) today. The recent addition of a customer monosuite and now additional mid-scale facilities and cell therapy suites will enable Lonza Pharma & Biotech to continue to offer agile capacity to customers. The Pease Development Authority's board of directors recently approved Lonza's concept plans for potential development of the site adjacent to current Lonza operations.

About Lonza

Lonza is one of the world's leading and most-trusted suppliers to the pharmaceutical, biotech and specialty ingredients markets. As an integrated solutions provider, Lonza is boosting its value creation along and beyond the healthcare continuum with a strong focus on patient healthcare, consumer preventive healthcare and consumer's healthy environment.

Lonza harnesses science and technology to create products that support safer and healthier living and that enhance the overall quality of life. With the recent Capsugel acquisition, Lonza now offers products and services from the custom development and manufacturing of active pharmaceutical ingredients to innovative dosage forms for the pharma and consumer health and nutrition industries.

Benefiting from its regulatory expertise, Lonza is able to transfer its know-how from pharma to hygiene and fast-moving consumer goods all the way to coatings and composites and the preservation and protection of agricultural goods and other natural resources.



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Founded in 1897 in the Swiss Alps, Lonza today is a wellrespected global company with more than 100 sites and offices and approximately 14,500 full-time employees worldwide. The company generated sales of CHF 5.1 billion in 2017 with a CORE EBITDA of CHF 1.3 billion. Further information can be found at <u>www.lonza.com</u>.

Additional Information and Disclaimer

Lonza Group Ltd has its headquarters in Basel, Switzerland, and is listed on the SIX Swiss Exchange. It has a secondary listing on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Lonza Group Ltd is not subject to the SGX-ST's continuing listing requirements but remains subject to Rules 217 and 751 of the SGX-ST Listing Manual.

Certain matters discussed in this news release may constitute forward-looking statements. These statements are based on current expectations and estimates of Lonza Group Ltd, although Lonza Group Ltd can give no assurance that these expectations and estimates will be achieved. Investors are cautioned that all forward-looking statements involve risks and uncertainty and are qualified in their entirety. The actual results may differ materially in the future from the forward-looking statements included in this news release due to various factors. Furthermore, except as otherwise required by law, Lonza Group Ltd disclaims any intention or obligation to update the statements contained in this news release.

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