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## Lonza Expands Its Capsule Manufacturing Capacity

- Investment of CHF85m will expand capsule manufacturing capacity by 30 billion capsules annually
- The new expansion involves eight global Lonza sites
- The investment aims to address the increasing global demand for capsules

### **Quote from Claude Dartiguelongue, President Capsules & Health Ingredients, Lonza:**

"We continue to see strong demand for our products across all markets, as consumers and patients alike take a more active interest in their health. Therefore, we felt it is critical that we make this commitment to expand the manufacturing capacity of our network, not only addressing supply needs in the near term but also supply availability over the long term."

### **Quote from Stef Vanquickenborne, Head of Capsules & Health Ingredients Research and Development, Lonza:**

"Dosage form technologies have evolved rapidly over the past ten years. As the leader in the industry, we are committed to innovation and helping our customers successfully deliver next-generation drugs and nutritional supplements."

**Basel, Switzerland, 22 October 2020** – Lonza announced a CHF85m (93m USD) investment in its Capsules and Health Ingredients (CHI) Division, a dosage form delivery partner to the biopharma and health nutrition industry. The investment will enable the company to expand its overall production capacity of capsules within CHI's Capsugel® portfolio by 30 billion capsules annually while maintaining the high-quality standards with Lonza's Sigma Series. Production capacity will be increased across Lonza's global manufacturing and supply chain network to help further strengthen the company's position as a leading global supplier of capsules. The investment will allow a 15% increase in CHI's current capsule production capacity.

This latest commitment follows on from an initial investment initiated in 2019 to increase CHI's capacity by 10 billion capsules. The addition of manufacturing capacity for a further 30 billion capsules will address the high growth across CHI's gelatin, vegetarian, and specialty polymers portfolio as well as the liquid-filled hard capsules sold under the Licaps® brand. This investment will be made over two fiscal years, 2020 and 2021, across eight global Lonza manufacturing sites, including Bornem (BE), Colmar (FR), Greenwood (USA), Haryana (IN), Jakarta (ID), Puebla (MX), Sagamihara (JP), and Suzhou, (CN).

The current industry trends are leading to an increased demand for capsules both in the pharmaceutical and nutritional supplements markets. Patients are seeking preventative treatments, while consumers want to support healthier lifestyles. Expanding the manufacturing capacity of Lonza's entire network will allow ample supply both in the near- and long-term. Additionally, the expansion underlines the strategic position of capsules within the broader nutrition industry and will also support production as CHI also introduces new dosage technologies such as Lipid Multi Particulates (LMP) technologies and several new time-release functional capsule solutions.

Learn more here: [www.capsugel.com](http://www.capsugel.com).

## About Lonza

At Lonza, we combine technological innovation with world class manufacturing and process excellence. Together, these enable our customers to deliver their discoveries in the healthcare, preservation, and protection sectors.

We are a preferred global partner to the pharmaceutical, biotech and specialty ingredients markets. We work to prevent illness and promote a healthier world by enabling our customers to deliver innovative medicines that help treat or even cure a wide range of diseases. We also offer a broad range of microbial control solutions, which help to create and maintain a healthy environment.

Founded in 1897 in the Swiss Alps, Lonza today operates in 120 sites and offices in more than 35 countries. With approximately 15,500 full-time employees, we are built from high-performing teams and of individual employees who make a meaningful difference to our own business, as well as the communities in which we operate. The company generated sales of CHF 5.9 billion in 2019 with a CORE EBITDA of CHF 1.6 billion. Find out more at [www.lonza.com](http://www.lonza.com) and follow us on Twitter @LonzaGroup or Facebook @LonzaGroupAG.

## Lonza Contact Details

### Dr. Sanna Fowler

Head of External

Communications

Lonza Group Ltd

Tel +41 61 316 8929

[sanna.fowler@lonza.com](mailto:sanna.fowler@lonza.com)

### Dirk Oehlers

Investor Relations

Lonza Group Ltd

Tel +41 79 421 1609

[dirk.oehlers@lonza.com](mailto:dirk.oehlers@lonza.com)

**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.