Pharma&Biotech

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News Release

Lonza Expands HPAPI Development and Manufacturing Capacity for ADC Payloads

- Lonza will add two new manufacturing suites at its Visp (CH) site for the manufacturing of antibody drug conjugate (ADC) payloads
- The new suites enable handling of a variety of highly potent products with occupational exposure levels down to 1ng/m³ and strengthen the overall bioconjugation capabilities of Lonza in Visp
- Expansion is based on a tailored business agreement with a major biopharmaceutical partner that ensures ADC payload supply continuity and flexibility at reduced cost of goods

Basel (CH), 8 October 2018 – Lonza, a specialty CDMO partner to the biopharma industry, today announced an expansion of its highly potent API (HPAPI) capacity for the specific support of antibody drug conjugate (ADC) payload manufacturing. This latest HPAPI expansion encompasses two new manufacturing suites capable of handling compounds with occupational exposure levels down to 1ng/m³. The expansion underlines the strategic position of ADCs in the Lonza Pharma & Biotech portfolio, with the company developing and producing all components of this increasingly important cancer treatment: cytotoxic payloads, antibodies and the required linkers.

The first of the two new HPAPI suites specifically supports a global biopharmaceutical partner by securing the long-term supply of highly potent ADC payloads. The second suite will be available to other customers for similar HPAPI and payload development and manufacturing programs. The expansion also increases Lonza's capabilities in providing fully scalable HPAPI and ADC solutions from lab to commercialization, which supports the accelerated timelines that many drug programs in this category require.

"By ensuring critical supply for the treatment of cancer patients, we are supporting one of our global partners in the oncology field," said Maurits Janssen, Head of Commercial Development of the API Business Unit at Lonza Pharma & Biotech. "Oncology continues to be the leading indication in biopharma and the main driver for bioconjugates. We continue to increase capabilities and capacity to meet the HPAPI development and manufacturing needs of our partners."

Lonza is an established partner in developing and manufacturing HPAPI, with more than 20 years' experience in safely progressing more than 30 products from earlystage work to late-stage clinical or commercialization. The company has the capabilities in place to safely handle HPAPIs to exposure levels down to 100ng/m³ across all manufacturing scales. These new suites will extend the options for companies developing APIs with even higher potencies.

"Our customers developing highly potent medicines need a partner whom they can trust to handle these toxic substances and to deliver in sync with their needs, whether for clinical or commercial supply," said Gordon Bates, President Chemical Division at Lonza Pharma & Biotech. "Combined with our expertise in biologics development, manufacturing, bioconjugation and sterile fill/finish, this new capability will offer further solutions for companies developing complex therapies."

The HPAPI and ADC payload expansion is expected to be on-line by the end of 2019.

Click <u>here</u> for more information on Lonza's HPAPI services and capacity.

About Antibody-Drug Conjugates

ADCs are an increasingly important class of HPAPI designed for the targeted treatment of cancer patients. ADCs are complex molecules consisting of an antibody, e.g. monoclonal antibody, which has proven highly effective at cell targeting, linked to a biologically active cytotoxic payload for killing cancer cells. The key benefit of ADC therapy is that only cancer cells are targeted and healthy cells less affected vs. chemotherapeutic approaches.

A range of cleavable and non-cleavable linkers are required for ADC to ensure effective targeted delivery to the cancer cell. To date, a limited number of ADCs have been approved but an



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extensive pipeline exists with a number of programs receiving special regulatory designations.

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 Capsugel acquisition, Lonza now offers products and services from the custom development and manufacturing of active pharmaceutical ingredients to innovative drug product intermediates and finished 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.

Founded in 1897 in the Swiss Alps, Lonza today is a well-respected 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 www.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.

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