

News Release

Lonza Opens World's Largest Dedicated Cell-and-Gene-Therapy Manufacturing Facility in Pearland, Greater Houston, TX (USA)

- First-of-its-kind, state-of-the-art manufacturing facility with capacity to produce treatment for thousands of patients suffering from rare genetic disorders or life-threatening diseases
- With 300,000 square feet (27,870 square meters), it is the largest dedicated cell-and-gene-therapy manufacturing facility in the world
- Facility to reach 200 full-time staff by end of 2018 and continue to recruit high-value positions as market demand increases

Pearland, Greater Houston, TX (USA), 10 April 2018 – Lonza today is opening the world's largest dedicated cell-and-gene-therapy facility, which was built in anticipation of the rising demand from developers of cell and gene therapies – the next era in medicine – and with the mission of enabling them to deliver these types of treatments to patients around the world more quickly and efficiently.

During a grand opening ceremony today in Pearland, TX (USA), Lonza executives and industry leaders will unveil the 300,000-square-foot (27,870 square-meter) facility and its offerings – highlighting its state-of-the-art, fully integrated, everything-under-one-roof access to some of the world's most innovative cell-and-gene-therapy manufacturing technologies.

"Lonza Houston will serve as a center of excellence for cell-and-gene-therapy process development from concept through pre-clinical, clinical and commercialization, all the way to the patient," says Andreas Weiler, Business Unit head for Emerging Technologies at Lonza Pharma & Biotech. "This facility has the potential to produce treatment for thousands of patients suffering from rare genetic disorders or life-threatening diseases, under one roof. It will set a new standard in biopharmaceutical manufacturing and stand as one of four centers of excellence in cell and gene therapy in the only global network spanning three continents."

He adds: "Outstanding teams of top experts from around the world are gathered here and are empowered to elaborate on innovative concepts, develop and optimize complex processes, and seamlessly deliver cell and gene therapies that adhere to the industry's current good manufacturing practices (cGMP) standards."

The Lonza Houston Center of Excellence is already operational and manufacturing for several customers. This facility is recruiting employees and will have more than 200 full-time staff including scientists, engineers, MBAs and

biotechnology professionals by the end of 2018 and continue to recruit high-value positions as market demand increases.

"Lonza is committed to the evolution and cultivation of a diverse medical and life-science community in the Greater Houston area for many years to come," says Marc Funk, Lonza Pharma & Biotech Chief Operating Officer. "The site is well positioned to meet the demands of the growing cell-and-gene-therapy field. Combining this leading-edge facility with our unmatched experience and expertise in cell and gene therapy will allow us to provide a key advantage to biopharmaceutical companies and academic researchers and ultimately to the patients they serve."

The opening ceremony will feature commentary from Richard Ridinger, Lonza Chief Executive Officer; Marc Funk, Lonza Pharma & Biotech Chief Operating Officer; Patrick Aebischer, President Emeritus of the École Polytechnique Fédérale de Lausanne (EPFL) and Lonza board member; Ed Thompson, Texas State Representative, 29th District; Pearland Mayor Tom Reid; Nick Leschly, Chief Executive Officer of bluebird bio; Brad Zakes, Chief Executive Officer of Cerevast Medical, Inc., and founder of the Ethan Zakes Foundation, an adrenoleukodystrophy (ALD) patient advocacy association; Luk Vandenberghe, Assistant Professor, Harvard Medical School, and Associate Director, Ocular Genomics Institute, Massachusetts Eye and Ear Infirmary; and other representatives from Lonza.

Additional Resources

An explanatory cell-and-gene-therapy animation is already posted [here](#).

Photos of the day's events will be posted [here](#) 24 hours following the event.

Video of the event will be posted to [Lonza's YouTube channel](#) 24 hours following the event.

About Cell and Gene Therapy^{1,2}

Cell therapy is the administration of living cells into a patient's body with the purpose of growing, replacing or repairing damaged cells for the treatment of a disease. These cells can come from an individual's own cells (autologous source) or from a donor (allogeneic source).

Gene therapy is defined as a set of techniques that seek to modify, replace, inactivate or introduce genes into a patient's body with the goal of treating, preventing or even curing disease. These techniques include transferring genes to cells inside a patient's body (*in vivo*) or modifying a patient's cells outside of the body and re-introducing them into a patient's body (*ex vivo*). Each technique involves the application of a nucleic acid (specifically, DNA or RNA). Since DNA and RNA are normally not absorbed by cells, special carriers called vectors are required. Vectors can be either viral or non-viral.

Lonza's Role in Cell and Gene Therapy

The field of cell and gene therapy is transforming the way patients diagnosed with cancers or genetic diseases can be treated. These novel drug candidates provide drastically improved patient outcomes and, in some cases, can be curative. However, the manufacturing of such medicines poses complex new challenges. With small patient-scale batch sizes, centralized production using scale-up processes is no longer applicable; and scale-out approaches become the norm.

Today the cost of production still represents a major hurdle on the way to the market. New technologies are needed that enable robust and cost-efficient manufacturing and yield replicable high-quality medicines. While the therapeutic opportunities for patients are potentially life changing, the stakes for both patients and drug developers are high.

Lonza invests in enabling technologies and builds expertise to support the development and commercialization of new, innovative therapies. Highly skilled Lonza scientists and engineers bring decade-long development experience across a broad spectrum of cell types and technologies. This expertise builds the backbone of an extensive service offering, providing tailored process and analytical development, manufacturing and regulatory services.

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.

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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¹Industry Overview. Alliance for Regenerative Medicine website. <https://alliancerm.org/page/industry-overview>. Accessed 3 April 2018.

²Cell and Gene Therapy Defined. American Society of Cell & Gene Therapy website. <https://www.asgct.org/education/gene-and-cell-therapy-defined>. Accessed 3 April 2018.