

News Release

Lonza to Establish Strategic Biomanufacturing Base in China Using GE Healthcare Solution

- New biologics facility, scheduled to be operational in 2020, will provide development and manufacturing facilities from early- to late-clinical and early-commercial stages
- GE Healthcare's off-the-shelf biologics factory, KUBio, will provide the base for GMP manufacturing
- Memorandum of understanding to be signed with Guangzhou Development District for leasing of the 17,000m² site

Basel (CH) and Guangzhou (CN), 10 December 2018 – Lonza today announced an agreement with GE Healthcare under which GE Healthcare will deliver a biologics facility to Lonza in Guangzhou (CN). As the facility is part of a larger biomanufacturing initiative between GE Healthcare and Guangzhou Development District (GDD), the agreement will be finalized when contracts have been signed with the GDD. Later today, Lonza will sign a memorandum of understanding with the GDD to take the project forward. The new facility will give Lonza Pharma & Biotech a strategic base in China to respond to growing demand for high-quality CDMO services in the country.

By working with GE Healthcare to develop the new facility, based on the KUBio platform, an off-the-shelf biologics factory, Lonza intends to offer its suite of antibody development services and manufacture GMP-certified batches by 2020. The two companies will work closely on the design of the 17,000m² site, which will include 6,500m² of lab space and one KUBio facility.

The labs will house Lonza's proprietary platforms for cell-line construction, including the GS Gene Expression System[®], as well as process development, cell banking and pilot labs. The KUBio unit will enable small-scale GMP manufacturing equipped with GE Healthcare's single-use biomanufacturing technologies, including 1,000 and 2,000L bioreactors, combined with Lonza's automation platforms for clinical and early-commercial supply.

"This partnership is the ideal way for Lonza to bring our expertise and technology to China," said Marc Funk, COO Lonza Pharma & Biotech. "The combination of a strong and experienced technology provider with a long history in China, together with a dynamic regional authority, means

that we can rapidly offer services to customers and ultimately get innovative therapies to patients more quickly."

GE Healthcare is working with the GDD to support large-scale manufacturing of biopharmaceuticals in China.

"With Lonza coming on site, a hub of biotech is truly taking shape," said Emmanuel Ligner, President and CEO, GE Healthcare Life Sciences. "This agreement is yet another step in realizing our vision of enabling and supporting manufacturers of all sizes to quickly deploy capacity and meet increasing customer demand for biologics."

The facility in China will extend Lonza Pharma & Biotech's global biologics network that provides development and manufacturing services from gene through IND and BLA to mature commercial supply. In addition to the new Chinese site, the network comprises small-, mid- and large-scale assets in Switzerland, the United States, the UK, Spain and Singapore.

Lonza plans to hire and train more than 160 staff, and the new site will benefit from the company's global standards of technological and operational excellence. With more than 20 successful FDA approvals for biologics, combined with international regulatory expertise, Lonza will now be able to offer the same high standards in China as it does elsewhere.

China has been historically underserved by biologics, but demand for antibody therapies is expected to grow significantly over the coming years. A strong scientific base and commercial instruments put into place by the Chinese authorities are encouraging their domestic companies developing innovative therapies for the global market, as well as multinationals with manufacturing requirements in

the country. In particular, national rollout of the Marketing Authorization Holder scheme by 2019 paves the way for dedicated CDMO services in China.

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.

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