
NextPharma Set to Acquire Two Lonza Sites Specialized in Lipid Oral Dosage Forms

- Agreement initiates process for future acquisition of Lonza sites in Ploermel (FR) and Edinburgh (UK) allowing NextPharma to broaden technology offering into lipid finished dosage forms
- Centers of excellence employing a total of 390 staff offer expertise in Lipid Oral Dosage Forms including softgels and liquid-filled hard capsules for the pharma and nutrition markets
- Sustainable growth and people development a priority for both companies

Quote from Gordon Bates, President and Head of Small Molecules, Lonza:

“NextPharma is an established and well-respected company, with extensive experience in oral and topical finished dosage forms. As such, it is the ideal buyer given the technologies available at the Ploermel and Edinburgh sites. We are confident that the capabilities and experience at the two sites are a complementary fit with NextPharma’s portfolio and that it is ideally placed to develop both to their full potential. Both our companies have a focus on people development and customers and we will be working closely in the coming months to ensure a smooth transition for all if the project is concluded.”

Peter Burema, CEO of NextPharma commented:

“At NextPharma, we are very excited at the prospect of adding two new centers of excellence, at Ploermel and Edinburgh, to our manufacturing network, allowing us to further broaden our technology offering for both our existing and new customers. These technologies, combined with the know-how and expertise of the employees at both sites, would provide additional solutions for drug formulations which will benefit patients across the world. On behalf of NextPharma, I look forward to welcoming our future colleagues, and I am confident that together we will continue to further develop and grow NextPharma as a leading and well-respected European CDMO.”

Basel, Switzerland and London, United Kingdom, 19 January 2021 – Lonza and NextPharma announced an agreement for the potential sale of Lonza's Ploermel (FR) and Edinburgh (UK) sites. The agreement is subject to relevant conditions and regulatory approvals. Where applicable, both parties will consult with local Works Councils.

The Ploermel (FR) and Edinburgh (UK) sites employ around 260 and 130 permanent staff respectively. They produce liquid-filled hard capsules (including Licaps®) and softgels (including for high potent and hormonal products) for the pharmaceutical and consumer health and nutrition markets.

NextPharma offers specialized CDMO (Contract Development and Manufacturing) services in oral and topical (including sterile ophthalmic) finished dosage forms. With this intended acquisition, NextPharma plans to develop and broaden its technology offering into lipid based finished dosage forms (softgels and liquid-filled hard capsules), in addition to offering high potency capabilities and New Chemical Entity development services to both its existing and new customers.

With this intended divestment, Lonza plans to exit both softgels and liquid-filled hard capsules for the pharma market, aside from retaining capability for feasibility studies as part of a technology selection offering. In the consumer health and nutrition space, Lonza plans to exit softgels but continue to offer Licaps®-based products (lipid capsules) out of Colmar (FR), Greenwood (US) & Sagamihara (JP). Capsules (including Licaps® for nutrition) remain core to Lonza's offering and the company has recently announced an investment of CHF85m to expand capsule manufacturing capacity by 30 billion capsules annually across eight sites.

Should the agreement receive all necessary approvals, a seamless customer experience will remain a focus through the carve-out and ownership transfer process. NextPharma has indicated that maintaining high standards of service delivery and quality for customers will remain a priority through the transition period.

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 and follow us on Twitter @LonzaGroup or Facebook @LonzaGroupAG.

About NextPharma

NextPharma is a leading European pharmaceutical Contract Development and Manufacturing Organisation (CDMO) with a current footprint spanning five sites in Germany, one in France and one in Finland, and with healthcare logistics services in the DACH region. NextPharma supplies products globally, with six of its seven sites FDA-approved. With expertise in solids, semi solids and non-sterile and sterile liquids, the company provides services from pharmaceutical development, clinical supplies, scale-up and process validation through to commercial manufacturing for a large range of dosage forms including tablets, capsules, granules, powders, pellets, gels, creams, sprays and syrups. Additionally, it provides a wide range of packaging solutions including blow-fill-seal, blisters, bottles, sachets, stick packs and tubes. NextPharma's expertise and centres of excellence enable it to provide a unique service offering in certain very specific specialised areas such as hormonal solids and semi-solids, cephalosporins, penicillins, narcotics, modified release products, ophthalmics as well as paediatric medicinal products. For more information, please visit www.nextpharma.com.

Lonza Contact Details

Dr. Sanna Fowler

Head of External Communications
Lonza Group Ltd
Tel +41 61 316 8929
sanna.fowler@lonza.com

Dirk Oehlers

Investor Relations
Lonza Group Ltd
Tel +41 79 421 1609
dirk.oehlers@lonza.com

NextPharma Contact Details

Peter Burema

Chief Executive Officer
NextPharma
Tel +44 203 585 4120
Peter.burema@nextpharma.com

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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.
