

PRESS RELEASE

Number 3

WACKER Strengthens Biologics Business by Acquiring US-Based Plasmid DNA Manufacturer Genopis

- ◆ WACKER TAKES OVER GENOPIS, HEADQUARTERED IN SAN DIEGO, CALIFORNIA (USA)
- ◆ GENOPIS' EXPERTISE IN PLASMID DNA TECHNOLOGY EXPANDS WACKER'S PORTFOLIO AS A CONTRACT MANUFACTURER FOR THE PHARMACEUTICAL INDUSTRY
- ◆ PURCHASE PRICE CONSISTS OF A \$39 MILLION UPFRONT PAYMENT AND FURTHER PERFORMANCE-RELATED PAYMENTS
- ◆ CEO RUDOLF STAUDIGL: "ACQUISITION EXPANDS WACKER'S PORTFOLIO AND CAPACITIES AND CREATES A PRESENCE IN THE IMPORTANT US BIOPHARMA MARKET"

Munich / San Diego, February 3, 2021 – The Munich-based chemical company WACKER is acquiring 100 percent of the shares in pharmaceutical contract manufacturer Genopis Inc. from Helixmith Co Ltd, Seoul (South Korea) and Medivate Partners LLC, Seoul (South Korea). WACKER signed a corresponding agreement today. WACKER will continue Genopis' existing customer relationships as a contract manufacturer (CDMO) for plasmid DNA (pDNA). The total purchase price for the acquisition consists of a \$39 million cash payment due upon closing as well as possible further performance-based payments under a so-called earn-out model. The transaction is expected to close in the 1st quarter of 2021.

“This strategic acquisition is a key step in our ongoing expansion in the high-growth biopharmaceuticals market,” explained WACKER’s President & CEO, Rudolf Staudigl. “Genopis’ expertise in plasmid DNA technology expands our portfolio as a pharmaceutical-sector contract manufacturer. At the same time, the acquisition allows us to establish a local presence in the large US market for biologics.”

Incorporated in 2018, Genopis operates a specialized, 500-liter-capacity fermentation line for the manufacture and purification of pDNA. Further small-scale fermentation and downstream processing facilities for pDNA are currently under construction at Genopis’ site in San Diego. The company’s approximately 40 employees have extensive experience in the production of pDNA according to the quality guidelines of "Good Manufacturing Practice" (GMP). pDNA can be used either directly for nucleic acid-based gene therapies and for vaccines or as a starting point for such innovative therapeutic agents, for example to manufacture messenger RNA (mRNA).

Furthermore, WACKER and Helixmith plan to strategically collaborate on the production of a pDNA gene therapy developed by Helixmith for the treatment of diabetic peripheral neuropathy (DPN). The substance, called VM202, is currently in clinical trials. Once approved, the two companies intend to have WACKER, as a CDMO partner, manufacture VM202 for commercial market supply. DPN is a common and so far difficult to treat chronic complication of diabetes. In the future, WACKER as a CDMO could also manufacture at the new San Diego site other pDNA products developed by Helixmith.

“A partnership with WACKER, one of the world’s leading microbial drug CDMOs, provides a significant boost to Helixmith,” said Seungshin Yu, CEO of Helixmith. “Having a strong partner like

WACKER provides us with additional confidence as we pursue our global blockbuster pipeline” she commented.

“Acquiring Genopis is an ideal way to complement our existing activities as a contract manufacturer of biopharmaceuticals and vaccines,” explains Susanne Leonhartsberger, president of the WACKER BIOSOLUTIONS division. “For several decades now, Wacker Biotech has manufactured therapeutic proteins, live microbial products and vaccines for clinical development and commercial supply at its sites in Jena, Halle and Amsterdam. We are experts in microbial technologies. In recent months, we’ve invested in our Amsterdam site and made preparations to expand our production capabilities to include mRNA. The acquisition of Genopis is a further logical step in providing our customers with optimal support in the development and production of nucleic acid-based actives and innovative forms of therapy.”

Only recently, WACKER announced it had signed an agreement with Tübingen-based CureVac to produce the company’s mRNA-based COVID-19 vaccine candidate CVnCOV.

“We are delighted to join a leading microbial CDMO and become part of a global network in Wacker,” said Keith Hall, Chief Operating Officer of Genopis. “We look forward to growing our biopharma CDMO business together with our new colleagues.”



About Wacker Biotech

Wacker Biotech GmbH and Wacker Biotech B.V. are full-service contract manufacturers of therapeutic proteins, live microbial products (LMPs) and vaccines based on microbial systems. Wacker Biotech’s portfolio extends from strain/process development and analytical

testing through to production for clinical and commercial applications. Wacker Biotech maintains three GMP-compliant (Good Manufacturing Practice), FDA- and EMA-certified production plants at the German sites in Jena and Halle as well as in Amsterdam in the Netherlands. Wacker Biotech GmbH and Wacker Biotech B.V. are wholly owned subsidiaries of Munich-based Wacker Chemie AG (WCH888). For more information, visit: www.wacker.com/biologics

This press release contains forward-looking statements based on assumptions and estimates of WACKER's Executive Board. Although we assume the expectations in these forward-looking statements are realistic, we cannot guarantee they will prove to be correct. The assumptions may harbor risks and uncertainties that may cause the actual figures to differ considerably from the forward-looking statements. Factors that may cause such discrepancies include, among other things, changes in the economic and business environment, variations in exchange and interest rates, the introduction of competing products, lack of acceptance for new products or services, and changes in corporate strategy. WACKER does not plan to update its forward-looking statements, nor does it assume the obligation to do so.

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The company in brief:

WACKER is a globally active chemical company with some 14,700 employees and annual sales of around €4.93 billion (2019). WACKER has a global network of 24 production sites, 23 technical competence centers and 51 sales offices.

WACKER SILICONES

Silicone fluids, emulsions, rubber grades and resins; silanes; pyrogenic silicas; thermoplastic silicone elastomers

WACKER POLYMERS

Polyvinyl acetates and vinyl acetate copolymers and terpolymers in the form of dispersible polymer powders, dispersions, solid resins and solutions

WACKER BIOSOLUTIONS

Biotech products such as cyclodextrins, cysteine and biologics, as well as fine chemicals and PVAc solid resins

WACKER POLYSILICON

Polysilicon for the semiconductor and photovoltaic industries