

PRESS RELEASE

Number 16

WACKER Purchases ADL BioPharma in Spain, Strengthening Its Biotechnology Business

- ◆ WACKER ACQUIRES CONTRACT MANUFACTURING COMPANY FOR THE FOOD, PHARMACEUTICALS AND CONSUMER GOODS INDUSTRIES IN LEÓN, SPAIN
- ◆ THE ROUGHLY 300 EMPLOYEES OF ADL BIOPHARMA WILL CONTRIBUTE THEIR COMPREHENSIVE EXPERTISE AND YEARS OF EXPERIENCE IN PROCESS DEVELOPMENT AND MANUFACTURING FOR SUSTAINABLE FERMENTATION PRODUCTS FOR A VARIETY OF MARKETS AND INDUSTRIES
- ◆ ADDITIONAL FERMENTATION CAPACITIES OF ROUGHLY 2,000 CUBIC METERS WILL SERVE AS A BASIS FOR FURTHER GROWTH IN THE FIELD OF SUSTAINABLY PRODUCED FOOD INGREDIENTS
- ◆ PURCHASE PRICE EXCEEDS €100 MILLION
- ◆ CEO CHRISTIAN HARTEL: “THIS ACQUISITION WILL STRENGTHEN OUR BIOTECH BUSINESS AND TAKE US ONE IMPORTANT STEP CLOSER TO MEETING THE GROWTH TARGETS OF OUR LIFE SCIENCES BUSINESS”

Munich / León, May 8, 2023 – The WACKER chemical group headquartered in Munich has acquired 100 percent of the shares of contract manufacturing company (CMO) ADL BioPharma. The shares were purchased from Kartesia, a financial investor with whom WACKER signed a corresponding agreement finalizing the transaction last week. Following WACKER’s purchase of fermentation assets in the northern Spanish city of León in 2016, the chemical group now owns the entire site. The acquisition of the company, employing a staff of roughly 300, expands WACKER’s fermentation

capacities by approximately 2,000 cubic meters (gross volume) and adds additional capacities for recovery and purification processes. WACKER will continue and grow existing customer relationships maintained by ADL BioPharma in its capacity as CMO for fermentation-based products for the food, pharmaceutical and consumer goods industries. The purchase price for the acquisition exceeds €100 million.

“Acquiring ADL BioPharma is an important step in the continued growth of our biotechnology business, with which we expect to generate one billion euros in sales in 2030,” says WACKER’s CEO Christian Hartel, explaining the reasons for the investment. “Development at ADL BioPharma has been very good in recent years, and their sales have grown considerably. The additional fermentation capacities will provide a foundation for growth in the field of sustainably produced dietary ingredients. WACKER’s technological expertise combined with the capacities of ADL BioPharma will make us a much stronger player on this growth market.”

WACKER BIOSOLUTIONS, the life science business of the WACKER Group, has operated fermentation plants at the León site for the past seven years. In 2016, WACKER acquired from ADL BioPharma production assets with a fermentation capacity of 800 cubic meters (gross volume). WACKER has since produced fermentation-based cystine in León, offering its services as a contract manufacturing organization. Following this acquisition, the Munich-based chemical group upgraded the existing facilities and invested in additional production equipment. The company also created some 60 new jobs at the site, quadrupling the number of employees.

The acquisition of ADL BioPharma now makes WACKER owner of the entire plant, with total fermentation capacities of just under 3,000 cubic meters (gross volume). Susanne Leonhartsberger, head of the WACKER BIOSOLUTIONS business division, outlines the plans that WACKER has for

the site: “ADL BioPharma’s CMO business is a very good fit for our portfolio. The company maintains extensive, extraordinarily important customer relationships that we will continue to pursue and expand still further. We will integrate these activities into WACKER BIOSOLUTIONS, for example through the production of sustainable ingredients for the foods and nutritional supplements industries. This is an area where we foresee opportunities for growth at the León site in the coming years. We are happy to welcome our new colleagues into the company and plan to work with them on the continuous expansion of our business.”

About ADL BioPharma




Its over 60 years of experience in the biotechnology industry makes ADL BioPharma a globally leading contract manufacturing organization for high-quality fermentation products. The company’s predecessor Antibióticos, S.A. – a pioneer in the manufacture of active pharmaceutical ingredients (APIs) – was founded in León in 1954. In 2014, the company was reorganized. Today, ADL BioPharma features comprehensive expertise in process development and production scale-up of sustainably manufactured fermentation products for a variety of markets and industries. Its portfolio includes flavorings and fragrances, pharmaceutical actives and ingredients for food, personal care and cosmetics products. With plant facilities covering some 55,000 square meters, fermentation capacities of roughly 2,000 cubic meters, plus additional capacity for recovery and purification processes, ADL BioPharma is one of Europe’s largest contract manufacturing plants for fermentation-based biotechnology products. The overall site covers an area of just under 150,000 square meters. Its roughly 300 employees make ADL BioPharma one of the largest employers in the León region.

About WACKER BIOSOLUTIONS

Based on advanced biotech processes, WACKER BIOSOLUTIONS offers tailored and innovative solutions and products for the life-science sector, including pharmaceutical proteins, cyclodextrins and fermentation-generated L-cysteine. The portfolio is additionally complemented with catalog chemicals such as acetylacetone. The division focuses on solutions for growth sectors, such as food ingredients, pharmaceutical actives and agrochemicals. WACKER BIOSOLUTIONS is the Munich-based WACKER Group's life-sciences division. For further information, visit [wacker.com](https://www.wacker.com)

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 the forward-looking statements, nor does it assume the obligation to do so.

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The Company in Brief:

WACKER is a global chemical company with some 15,700 employees and annual sales of around €8.21 billion (2022). WACKER has a global network of 27 production sites, 26 technical competence centers and 50 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