

AGC to Expand its Spanish Synthetic Pharmaceutical Production Base Increase of Production Capacity and Establishment of a New R&D Facility

Tokyo, April 7, 2020—AGC Inc.(AGC), a world-leading manufacturer of glass, chemicals and high-tech materials, has announced its decision to expand facilities at its pharmaceuticals^{*1} CDMO^{*2} business subsidiary AGC Pharma Chemicals Europe S. L. U., headquartered in Spain.

This initiative will not only upgrade existing production facilities to achieve 1.3 times the capacity of the current production level, but also establish a brand-new R&D facility. The new R&D facility is scheduled to begin operation in March 2021, while the expanded facility is scheduled to begin in May 2022.



AGC Pharma Chemicals Europe exterior



Exterior of new research building

AGC Pharma Chemicals Europe, a synthetic pharmaceutical CDMO, was acquired from Boehringer Ingelheim in March 2019 in order to establish a synthetic pharmaceutical production capability in Europe, to supply active pharmaceutical ingredients and their intermediates. In October of the same year, the name was changed from Malgrat Pharma Chemicals to its current AGC Pharma Chemicals Europe. The company has a long history and wealth of experience in the manufacture of GMP^{*3} compliant pharmaceutical ingredients, and is capable of handling a wide range of production from development drugs to commercial drugs.

The synthetic pharmaceutical CDMO market is growing at over 7% annually, while the number of contracts handled by the company are growing at an even faster rate. To satisfy this accelerating demand, existing production facilities will be upgraded to increase pharmaceutical production capacity by 1.3 times that of the current level. A new micronization facility will also be introduced to respond to the increasing demand for micronization of active pharmaceutical ingredients. In addition, a brand-new R&D facility will be built which will enable development of processes from lab scale to commercial production, and to deliver better and faster services to customers.

Under its **AGC plus** management policy, the AGC Group has made a commitment to position life-sciences related business, including the pharmaceutical CDMO business, as one of its strategic initiatives, aiming at sales in the 100-billion-yen range by 2025. In addition to mergers and acquisition, AGC is actively investing in facilities in Japan, the US and Europe. AGC will continue to provide customers in each region with globally consistent, top-level quality and service in the life sciences sector, which is expected to exhibit significant growth in the coming years. By maximizing synergies among operation sites, AGC will enhance its technology and continue to pursue its goal of being a company that contributes to pharmaceutical companies, medical patients, and the society.

MEDIA INQUIRIES

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Notes:

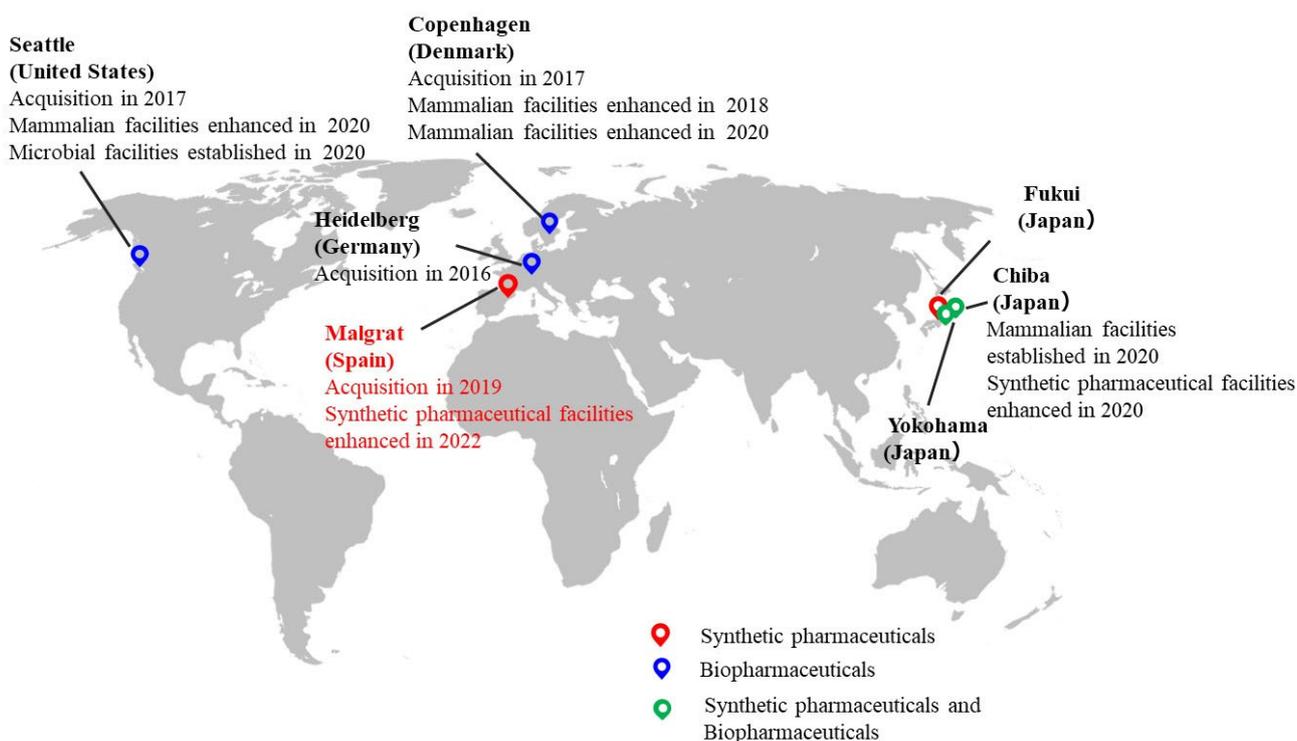
- *1 Synthetic pharmaceuticals: Pharmaceuticals manufactured through chemical synthesis
- *2 CDMO: Contract Development & Manufacturing Organization. A company which is contracted or acts on behalf of another company to handle product manufacturing as well as the development of manufacturing methods.
- *3 GMP: (Good Manufacturing Practice) a standard for the manufacture and quality management of pharmaceuticals and quasi-pharmaceutical products.

REFERENCE

■ Overview of AGC Pharma Chemicals Europe

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|--------------------|------------------------------------|
| Company name: | AGC Pharma Chemicals Europe S.L.U. |
| Established | 2018 |
| Address | Catalonia, Spain |
| Shareholding ratio | AGC, 100 % |

■ AGC Group offices engaged in life-science operations



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