

News Release

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March 28, 2019

Merck KGaA, Darmstadt, Germany, Invests in Expansion of Manufacturing Capacity for Biotech Medicines

- **€150 million investment over the 2019-2023 period in manufacturing site at Aubonne, Switzerland**
- **Expansion supports growth of current and future portfolio of the Company's biotech medicines for patients around the world**

Aubonne, Switzerland, March 28, 2019 – Merck KGaA, Darmstadt, Germany, a leading science and technology company, today announced an investment of €150 million (165 million Swiss francs) in its manufacturing site at Aubonne, Switzerland, to expand manufacturing capacity for its biotech medicines. The investment will cover a new building dedicated to the Company's biotech medicines destined for more than 150 countries, helping to meet increasing patient needs for flagship medicines such as fertility treatment Gonal-f®, newly launched therapies such as cancer drug Bavencio® and potential future products currently in clinical development such as cancer investigational treatment M7824 (bintrafusp alfa*).

"This investment reflects our commitment to ensuring that our medicines always meet the highest quality standards and are readily available to patients all over the world whenever they need them," said Belén Garijo, Member of the Executive Board of Merck KGaA, Darmstadt, Germany, and CEO Healthcare. "It is an expression of our confidence in the future growth of our Healthcare business sector."

"With this latest investment, Merck KGaA, Darmstadt, Germany, is taking one step further towards a strong positioning of the Canton de Vaud as a Health Valley, which already includes 360 companies, 400 laboratories and 20,000 jobs," said Philippe



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Leuba, Vaud State Councillor. "The presence of Merck KGaA, Darmstadt, Germany, in the Vaud canton is highly valued and this further investment will have a lasting and positive impact on the region."

The new building will be equipped with cutting-edge technologies dedicated to aseptic filling and quality control, with an innovative design and a flexible operations model to deliver increased productivity. The new lines for the aseptic filling of biotech medicines will be equipped with isolator technology, representing best practice in aseptic filling to ensure the safety of injectable medicines. One line will be dedicated to freeze-dried formulations, the other to liquid formulations. These two new lines, as well as the new quality control labs, will replace existing infrastructure with technological upgrades and higher capacity allowing to produce up to 27 million vials per year.

The construction of the new building is expected to be completed in 2020, with the new quality control labs operational in 2021 and the new lines for aseptic filling in 2023, following validation by regulatory authorities. Everything will be designed to comply with the highest international standards of quality, environment, health and safety.

With the sites of Aubonne and nearby Vevey, Switzerland is the prime hub of Merck KGaA, Darmstadt, Germany, for manufacturing biotech medicines. With this latest expansion, the Company will have invested more than 1 billion Swiss francs (€800 million) in Switzerland over the past ten years, reflecting the strategic importance of the country, where it employs 2,300 employees across 11 locations. The Aubonne and Vevey sites are part of a network of 18 manufacturing sites worldwide dedicated to the production of the Company's biotech and pharmaceutical medicines and serving 70 million patients across the globe each and every day.

** Bintrafusp alfa is the proposed International Nonproprietary Name (INN) for the bifunctional immunotherapy M7824. Bintrafusp alfa is currently under clinical investigation and not approved for any use anywhere in the world.*

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About Merck KGaA, Darmstadt, Germany

Merck KGaA, Darmstadt, Germany, a leading science and technology company, operates across healthcare, life science and performance materials. Around 52,000 employees work to make a positive difference to millions of people's lives every day by creating more joyful and sustainable ways to live. From advancing gene editing technologies and discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2018, Merck KGaA, Darmstadt, Germany, generated sales of € 14.8 billion in 66 countries.

The company holds the global rights to the name and trademark "Merck" internationally. The only exceptions are the United States and Canada, where the business sectors of Merck KGaA, Darmstadt, Germany operate as EMD Serono in healthcare, MilliporeSigma in life science, and EMD Performance Materials. Since its founding 1668, scientific exploration and responsible entrepreneurship have been key to the company's technological and scientific advances. To this day, the founding family remains the majority owner of the publicly listed company.