

GRÜNENTHAL GROUP

Press Release



Grünenthal introduces Latin America's most modern women's health products plant

- ***Grünenthal will provide women's health products for the Latin American market using this new facility***
- ***Grünenthal invested USD 14.5 million strengthening its position among the three biggest pharmaceutical companies in Chile***
- ***The new manufacturing site will further enhance Grünenthal's capabilities in global contract manufacturing***

Santiago de Chile, Chile – January 12th, 2017: Grünenthal, an R&D-driven, privately owned international pharmaceutical company with headquarters in Germany, announced the introduction of its new women's health products plant today. Grünenthal invested USD 14.5 million to build the 1,150 m² hormone plant, which is the company's center of excellence for hormone production and the most modern in Latin America. The new facility will initially deliver high quality women's health products to the Chilean market and – after the pending approval of the relevant authorities (INVIMA/ANVISA/COFEPRIS) – it will also provide products for other Latin American markets, including the biggest of the region: Brazil and Mexico. With this investment Grünenthal will improve the access of more than 168 million Latin American women to high quality health products.

The President of Chile, Michelle Bachelet, and Grünenthal's CEO, Gabriel Baertschi, attended the opening ceremony in Peñalolén, proving the importance of the event for both Grünenthal and Chile. "These are the kind of investments that we need in our country, investments that generate employment, that diversify our productivity matrix, that give us greater competitiveness and that allow us to improve our markets", said President Michelle Bachelet. She added that "these are the kinds of decisions that we need and are an example that other local companies should follow."

"We are happy to contribute to the enhancement of well-being and health of the people in this region. Our constant investment into the continent serves our ambition to improve the situation of 660 million lives in Latin America through our competences in the field of Pain, Gynecology and diseases of the Central Nervous System" Gabriel Baertschi, CEO of the Grünenthal Group, said.

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Latin America has a high importance for Grünenthal's strategy, identifying the region as the most important growth pillar for the coming years to ensure sustainable investment in research and development. Chile plays a major role as Grünenthal's stepping stone to Latin America. The affiliate is the fifth largest of the 32 Grünenthal affiliates and the biggest one outside Europe. Founded in 1979 it grew through constant investment, peaking with the acquisition of the laboratories Andrómaco in 2013 for USD 364 million, making Grünenthal one of the three biggest pharmaceutical companies on the Chilean market.

The new hormone plant contributes to the development of Grünenthal's business in the region, as it will enable the company to serve primarily the main markets of Chile, México and Brazil, but also other Latin American markets. The facility is expected to triple the production quantities by delivering about six million additional commercial units monthly in a five-year term. Among the products are high quality contraceptive pills and hormone replacement therapies (pills and hormone gels). The contraceptives also help to reduce the pain related to the premenstrual syndrome (PMS). Hormone replacement therapies mainly support cardiovascular and bone health of menopausal women. Grünenthal is a pioneer in the field of vaginal rings. Partnering with the Pan-American Health Organization Grünenthal will make this new technology available, which can either be used to improve women's fertility or to prevent pregnancies.

In addition to the production of Grünenthal's own products, the new plant in Chile will also be used as a site for contract manufacturing, which complements the five existing production plants throughout Europe and Latin America. The new facility in Chile was built following strict security regulations stipulated by the relevant regulatory authorities and national health agencies. It will produce hormones for customers beginning in 2017.

About Grünenthal Group

The Grünenthal Group is an independent, family-owned company, headquartered in Aachen, Germany. It is present in 32 countries with affiliates in Europe, Latin America and the US. Grünenthal products are sold in more than 155 countries and nearly 5,500 employees are working for the Grünenthal Group worldwide. In 2016, Grünenthal achieved revenues of € 1.4 billion [estimated].

Grünenthal invests on average 20% of the revenues every year in research & development. By sustainably investing in research and development above the industrial average, we are committing to innovation in order to treat unmet medical needs and bring value-adding products to markets. About 600 Grünenthal employees work across all aspects of research & development that are required to take a compound from idea to medicine.

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Grünenthal Group participates actively in all the Pacific Alliance instances to harmonize and facilitate the export of high-quality medicines among member countries.

About contract manufacturing at Grünenthal (Grünenthal PRO)

Reliability in quality, excellence in supply performance and client orientation characterize manufacturing at Grünenthal. The Grünenthal PRO business unit provides these services to external customers.

Today, an average of 50% of Grünenthal's production volume is for external partners. Some of these have been Grünenthal's partners for more than 20 years, as Grünenthal strives for reliable and long-lasting business relationships.

The five specialized plants in Germany, Switzerland, Italy, Ecuador and Chile encompass the complete supply chain from the production of the active substance, tablets or other formulations to final packaging and shipping. For more information please visit www.grunenthal-pro.com

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