



Xellia Pharmaceuticals Expands Budapest Facilities to Strengthen Anti-infective Product Capabilities

Foundation Stone Laying Ceremony of new US\$10m Centralized Laboratory Services building attended by Deputy State Secretary Kristóf Altusz from the Hungarian Ministry of Foreign Affairs and Trade, and Mayor Mr. Róbert Kovács

Copenhagen, Denmark, and Budapest, Hungary 25 May 2016 - Xellia Pharmaceuticals ('Xellia'), a specialty pharmaceutical company focusing on providing important anti-infective treatments against serious and often life-threatening infections, has held an official ground breaking ceremony for a new US\$10million expansion of its Budapest manufacturing facility to include product stability and release testing capabilities.

The ceremony, which took place on Wednesday 25 May, was attended by local dignitaries including Deputy State Secretary Kristóf Altusz from the Hungarian Ministry of Foreign Affairs and Trade, the districts local Mayor Mr. Róbert Kovács and the Danish Ambassador Tom Norring, celebrated the start of the construction of a new multi-story, 3,000m² Centralized Laboratory Services building.

The new facility is located next to Xellia's Active Pharmaceutical Ingredient (APIs) manufacturing plant, which currently has 200 employees. On completion in summer 2017, the building will house state-of-the-art microbiology and chemical analytical laboratories as well as administrative offices. The Company also intends to extend its highly skilled team with up to 80 new roles in manufacturing, product testing and quality assurance.

The Centralized Laboratory Services building will play an important part in Xellia's global operational strategy, strengthening its product release and stability testing services for Finished Dosage Form (FDF) and APIs produced across many of the Company's other international sites.

Carl-Åke Carlsson, CEO, Xellia said; "It has been great to welcome Mayor Mr. Róbert Kovács to Xellia Budapest to officially break ground at our new site. With anti-microbial resistance posing a very real international threat, our work in the production of generic anti-infectives is especially important. As a world-leading supplier we are committed to providing the highest level of quality and compliance in the manufacture of our APIs and FDFs."

"The Centralized Laboratory Services building will ensure that, as our global production volumes continue to increase in response to customer demand, we have the expertise and the capacity to continue to deliver effective and quality assured anti-infective products."

On 31 May, the Hungarian Minister of Foreign Affairs and Trade, and the Hungarian Ambassador to Denmark will visit Xellia's headquarters in Copenhagen as part of an official visit to the country. The delegation will tour the facility, meet employees and discuss the Company's commitment to and continued investment in the Budapest site.

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About Xellia

Xellia Pharmaceuticals is a specialty pharmaceutical company focused on providing important anti-infective treatments against serious and often life-threatening infections. With over 100 years of experience Xellia is a leading developer, manufacturer and trusted supplier of fermented and semi-synthetic Active Pharmaceutical Ingredients (APIs) and Injectable Finished Dosage Forms (FDFs) to the pharmaceutical industry. The Company has growing sales in more than 70 countries to over 500 customers across the healthcare industry. Headquartered in Copenhagen, Denmark, Xellia has global facilities including operational and manufacturing capabilities in Denmark, USA, Hungary and China, and currently employs over 1,200 people.

Xellia is a leading supplier of vancomycin and colistimethate sodium (CMS) which together combat life-threatening, multi-drug resistant bacterial infections across Gram-positive and Gram-negative species. Xellia is also developing novel antibiotics effective against MDR Gram-negative bacteria in a development project with SINTEF Materials and Chemistry (Trondheim) and the Statens Serum Institut (Copenhagen), supported by a grant from the Research Council of Norway.

Since July 2013, Xellia has been wholly owned by Novo A/S, the holding Company of the Novo Group.

Further information about Xellia can be found at: www.xellia.com.