

UK Government to support expansion of Croda's lipid systems manufacturing facility

Press Release
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Croda International Plc that uses smart science to create high performance ingredients and solutions that improve lives, announces that it has been awarded a £15.9 million grant by the UK Government to expand its manufacturing facility in Leek, Staffordshire. The investment will significantly enhance the development of high-purity lipid systems, essential delivery systems for next generation nucleic acid drugs such as mRNA vaccines.

Croda will also invest £15.9m in the expansion. Croda's commitment will be funded within the capital expenditure programme outlined in the company's recent annual results, which will see investment in the coming years in assets and capabilities to support pharmaceutical customers with leading solutions for the delivery and enhancement of novel therapeutic drugs, vaccines and gene therapies. This is in addition to the significant investment that Croda has made across its global pharmaceutical sites in recent years.

The expansion will include building a state-of-the-art lipid system synthesis facility and enhancing innovation and analytical laboratory capabilities at Leek. The site specialises in the production of lipids, that are currently used in a number of COVID-19 mRNA vaccines, as well as other Croda health care technologies such as speciality excipients. The investment will expand the range of speciality lipids produced at the site and add significant additional production capacity.

Lipid systems offer significant potential beyond COVID-19 as the preferred delivery system for gene editing and mRNA therapeutics. The range of applications for lipid systems is expected to expand rapidly as this exciting platform develops through clinical trials to commercial launches of new RNA-based applications, such as flu vaccines and cancer treatments. The investment will also materially strengthen the UK's supply chain in this critical area and ensure that the country is well prepared in the event of future health emergencies.

The Secretary of State for Business, Energy & Industrial Strategy Kwasi Kwarteng said:

"The development of mRNA technology for use in vaccines and essential treatments has been one of the greatest scientific leaps forward since the start of the pandemic, and the potential for its use in future therapies – potentially treating cancer and heart disease – is remarkable.

"I am therefore extremely pleased to announce this support for Croda, a market leader in the manufacture of essential mRNA components, and the only manufacturer of lipids currently operating in the UK."

Commenting, Daniele Piergentili, President of Croda Life Sciences, said:

"We are grateful to the UK Government for its support for this important project. It shares our belief that lipid systems offer significant potential for the safe and efficient delivery of next generation vaccines and therapeutic drugs. This investment will meaningfully enhance our lipid system capability and manufacturing capacity, ensuring that Croda plays a central role in both the development and future supply of this important delivery technology."

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About Croda – www.croda.com

Established in 1925, Croda is the name behind sustainable, high performance ingredients and technologies in some of the world's most successful brands: creating, making and selling speciality chemicals that are relied on by industries and consumers everywhere. Croda is a FTSE 100 company

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with over 6,100 passionate and innovative employees, working across manufacturing sites and offices around the world with a shared Purpose to use Smart science to improve lives™. As part of this Purpose, and with around two thirds of its organic raw materials already from bio-based sources, Croda has committed to be the most sustainable supplier of innovative ingredients, becoming Climate, Land and People Positive by 2030. In December 2021, Croda announced an agreement to divest the majority of its industrial Performance Technologies and Industrial Chemicals businesses, as part of its strategy to become a 'pure-play' Consumer Care and Life Sciences company.