

News Release

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Definitive Agreement to Acquire Exelead will Strengthen Merck's CDMO Offering for mRNA

- **Targeted acquisition to accelerate novel modalities service offering**
- **Exelead, a full-service CDMO, focusing on Lipid Nanoparticle formulations enhances Merck's mRNA and lipid manufacturing capabilities**
- **Customers will benefit from unique and integrated solutions across the mRNA value chain**

Darmstadt, Germany, January 6, 2022 – Merck, a leading science and technology company, has signed a definitive agreement to acquire Exelead, a biopharmaceutical contract development and manufacturing organization (CDMO), for approximately USD 780 million in cash. Exelead specializes in complex injectable formulations, including Lipid Nanoparticle (LNP) based drug delivery technology which is key in mRNA therapeutics for use in Covid-19 and many other indications.

“Novel modalities, particularly mRNA, present a highly attractive business opportunity as pharma and biotech pipelines are increasingly building on them beyond Covid-19. The acquisition of Exelead will further enable Merck to capture the significant potential of the fast-growing market for mRNA therapies by providing leading CDMO services to our customers,” explained Belén Garijo, Chair of the Executive Board and CEO of Merck.



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“Exelead’s capabilities and expertise will strengthen our CDMO mRNA offering. We are excited to work with Exelead’s experienced team. Together, we will provide our customers a unique and truly integrated offering across the mRNA manufacturing process. This will significantly decrease supply chain complexity and enhance speed-to-market to ultimately accelerate access to life-enhancing therapeutics for patients worldwide,” added Matthias Heinzl, Member of the Executive Board of Merck and CEO Life Science.

“With Merck’s long-established expertise in the biopharmaceutical industry, Exelead will now be in a greater position to serve the needs of customers and patients. The business combination will further strengthen our renowned technological know-how and unique expertise that we bring to the CDMO space,” said John Rigg, Chief Executive Officer of Exelead.

The acquisition of Exelead is another milestone to accelerate innovation in Merck’s Process Solutions business unit, one of the company’s three growth engines (“Big 3”), through targeted smaller to medium-sized acquisitions with high impact. It follows the company’s acquisition of AmpTec, a leading Hamburg, Germany-based, mRNA CDMO, that Merck had announced at the beginning of 2021. The transaction enhances Merck’s more than 20 years’ experience in producing lipids, one of the critical components for the formulation of mRNA therapeutics including Covid-19 vaccines as well as its mRNA manufacturing capabilities.

Exelead has more than ten years of experience in all development phases from pre-clinical development to commercial contract manufacturing for LNP formulations, including fill and finish. Exelead is headquartered in Indianapolis, Indiana, United States, where it operates its production and employs more than 200 experts. Merck intends to continue to invest in mRNA as a modality and will scale up this technology at Exelead’s existing site in Indianapolis.

The transaction is expected to close in the first quarter of 2022 and is subject to regulatory clearances as well as the satisfaction of other customary closing conditions.



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Merck, a leading science and technology company, operates across healthcare, life science and electronics. Around 58,000 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 2020, Merck generated sales of € 17.5 billion in 66 countries.

Scientific exploration and responsible entrepreneurship have been key to Merck's technological and scientific advances. This is how Merck has thrived since its founding in 1668. The founding family remains the majority owner of the publicly listed company. Merck holds the global rights to the Merck name and brand. The only exceptions are the United States and Canada, where the business sectors of Merck operate as EMD Serono in healthcare, MilliporeSigma in life science, and EMD Electronics.