

Press release

Cross to divest Micro-Macinazione SA to Lonza AG

Cross has spent the last five years developing Micro-Macinazione into a leading global provider of micronisation technologies and services for the European pharmaceuticals and fine chemicals industries, successfully transforming the company from a family business into a strong, internationally successful Swiss enterprise. Cross has now announced the sale of Micro-Macinazione to Lonza AG, a global provider of integrated solutions for pharmaceuticals, biotech and specialty chemicals markets.

Pfäffikon, 4 August 2017 – The Swiss private equity firm Cross has sold its majority interest in Micro-Macinazione SA to Lonza AG. Molinazzo di Monteggio-based Micro-Macinazione is a leading provider of micronisation technologies and services for the pharmaceuticals and fine chemicals industries, and has extensive expertise in the planning and production of micronisation facilities and isolators. The micronisation of active agents is an important link in the value chain of the pharmaceuticals and fine chemicals industries, and serves to improve the solubility and bioavailability of the relevant active ingredients.

Cross acquired the company in July 2012 as part of a succession solution. Cross worked closely with the management team and Board of Directors to reposition the company as a contract research and manufacturing partner of choice for the pharmaceuticals and fine chemicals industries. As a result, Micro-Macinazione developed into a global market leader for micronisation technology with a flair for innovation and strong growth.

Micro-Macinazione's new owner is Lonza AG, a listed, globally active provider of integrated solutions for pharmaceuticals, biotech and specialty chemicals markets based in Basel, with total revenue in excess of 4 billion Swiss francs. Lonza offers products and services ranging from the client-specific development and production of active pharmaceutical agents to innovative delivery methods for the pharmaceutical, consumer health and food industries.

Markus Reich, Managing Partner at Cross Equity Partners AG, says: "We are grateful to have had the opportunity to accompany Micro-Macinazione for part of its exciting growth story. Over the last five years we have been able to meet our strategic objectives and work with the management and Board of Directors to successfully reposition the company. With Lonza, we have found an ideal partner that shares the company's growth strategy and that can open up new perspectives for Micro-Macinazione."

Dr Michael Petersen, Managing Partner at Cross Equity Partners AG, says: "The initiatives introduced by Cross have enabled us to turn Micro-Macinazione into a model company for the sector within the

space of a few years. This makes the company a good example of how SMEs and private equity can benefit from one another."

Markus Arigoni, CEO of Micro-Macinazione SA, says: "With support from Cross we have been able to develop Micro-Macinazione into a modern service provider over the last five years. The merger with Lonza offers Micro-Macinazione excellent strategic options for the future, as well as the opportunity to build up a strong partnership with a leading company in the healthcare sector that offers significant synergies."

About Micro-Macinazione SA

Micro-Macinazione SA was founded in 1970 in Molinazzo di Monteggio (in the Swiss canton of Ticino), and is currently the main European player in the micronisation of active pharmaceutical agents (bulk goods) for the pharmaceuticals industry. The company is also a leading planner and producer of micronisers, isolators and pneumatic conveyance systems. The company employs around 120 people at its two facilities in Molinazzo di Monteggio and Madonna del Piano in the Swiss canton of Ticino. Both production facilities are regularly audited by the FDA and Swissmedic, and are certified by the Japanese Pharmaceuticals and Medical Devices Agency. Micro-Macinazione's approximately 150 clients include most global pharmaceutical companies.

About Lonza AG

As a provider of integrated solutions for pharmaceutical, biotech and specialty chemicals markets, Lonza offers products and services ranging from the client-specific development and production of active pharmaceutical agents to innovative delivery methods for the pharmaceutical, consumer health and food industries. In addition to disinfectants for drinking water, nutraceuticals, anti-dandruff agents and other ingredients for the cosmetics industry, the company also provides agricultural products, innovative coatings and compounds, and anti-microbial solutions to combat dangerous viruses, bacteria and other pathogens. Founded in the Swiss Alps in 1897, today Lonza is a renowned global company with more than 50 production and research facilities, as well as just under 14,000 employees around the world.

About Cross

Cross is a private equity firm with the mission to support the sustainable development of mid-sized companies in Switzerland, Germany and Austria through equity capital, industrial expertise and an extensive relationship network – amongst others in the context of succession of family-owned businesses and corporate spin-offs. Cross invests in leading and profitable mid-sized companies with entrepreneurial management teams in fast growing market niches in engineering, machinery and industrial products. As a long-term investor, Cross supports sustainable profitable growth.

The independent Cross fund is exclusively advised by Cross Equity Partners AG, Pfäffikon SZ. The Cross team has several decades of private equity and industrial experience. To date, the Cross team has successfully invested in approximately 30 companies in Switzerland, Germany and Austria.

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