

News Release

Lonza Releases First 2,000L Single-Use Bioreactor (SUB) Batch from Singapore for TRACON Pharmaceuticals

- First batch of TRACON Pharmaceutical's TRC105 rolls out of Lonza Pharma & Biotech's new single-use facility in Tuas (SG)
- Lonza Pharma & Biotech commissions hub for single-use commercial manufacturing in Asia to complement existing mammalian network

Basel (CH), 5 November 2018 – Lonza and TRACON Pharmaceuticals (NASDAQ:TCO), a clinical-stage biopharmaceutical company focused on the development and commercialization of novel targeted therapeutics for cancer, announced today the successful delivery of the first 2,000L single-use bioreactor (SUB) batch produced from the recently expanded Lonza Singapore site. The batch was supplied under the strategic manufacturing agreement for TRACON's therapeutic antibody TRC105.

Lonza's performed cell-line development and provided clinical supply for TRC105 at its Slough (UK) site, using the established GS Gene Expression System®. The process was subsequently transferred into 2,000L scale disposable bioreactors at the Lonza Singapore site in Tuas, which will manufacture material for TRACON's ongoing clinical trials and, if TRC105 is approved for marketing, for global commercial supply.

"As TRC105 is currently being evaluated in multiple late- and mid-stage clinical trials for the treatment of solid tumors, it is critical for TRACON to work with a trusted manufacturing partner," said Charles Theuer, M.D., Ph.D., President and CEO of TRACON. "Lonza's technical expertise and capabilities make it the ideal group to provide commercial production of our lead product candidate, TRC105. We look forward to continuing our long-standing and beneficial relationship with Lonza."

"The expertise in biomanufacturing at our Singapore site was a key driver for establishing additional single-use facilities there," said Sylke Hassel, Senior Vice President for Mammalian Manufacturing, Lonza Pharma & Biotech. "We have supported TRACON since its pre-clinical phase, so to be able to produce TRC105 as our first batch

in our Singapore 2,000L facility is a great motivation for our teams."

Based on the increased demand from the market, Lonza announced the addition of multiple 2,000L single-use bioreactors to its Singapore site in 2016. The additional commercial capacity has been available to customers since early 2018.

This expansion in Singapore complements Lonza's extensive commercial mammalian network, ranging from small-, mid- to large-scale and providing global solutions for customers at the optimal scale combined with flexibility as requirements change across the lifecycle of their product. Other operations in Singapore, including clinical development and large-scale manufacturing have continued without interruption during the set-up of the new single-use facility.

About TRC105

TRC105 (carotuximab) is a novel, clinical-stage antibody to endoglin, a protein overexpressed on proliferating endothelial cells that is essential for angiogenesis, the process of new blood vessel formation. TRC105 is currently being studied in one Phase 3 and multiple Phase 2 clinical trials sponsored by TRACON and the National Cancer Institute for the treatment of solid tumors in combination with VEGF inhibitors. TRC105 has received orphan designation for the treatment of soft tissue sarcoma in both the United States and EU.

About TRACON

TRACON develops targeted therapies for cancer, ophthalmic and fibrotic diseases. The Company's clinical-stage pipeline includes: TRC105, an endoglin antibody that is being developed for the treatment of multiple cancers; DE-122, the ophthalmic formulation of TRC105 that is being developed in wet AMD through a collaboration with Santen Pharmaceutical Company Ltd.; TRC102, a small molecule being developed for the treatment of lung cancer and glioblastoma; and TRC253, a small molecule being developed for the treatment of prostate cancer. To learn more about TRACON and its product candidates, visit TRACON's website at www.traconpharma.com.

About Single-Use Technology at Lonza Pharma & Biotech

In addition to the new commercial facility in Singapore (SG), the recently announced Ibex™ Solutions in Visp (CH) will further expand Lonza's capabilities in both clinical and commercial manufacturing in single-use systems.

Lonza's Hayward, CA (USA) and Slough (UK) sites have extensive experience in biomanufacturing using single-use technologies for clinical supply. The network enables sharing of best practices and new technology in order to support customers from pre-clinical to commercial.

About Lonza

Lonza is one of the world's leading and most-trusted suppliers to the pharmaceutical, biotech and specialty ingredients markets. As an integrated solutions provider, Lonza is boosting its value creation along and beyond the healthcare continuum with a strong focus on patient healthcare, consumer preventive healthcare and consumer's healthy environment.

Lonza harnesses science and technology to create products that support safer and healthier living and that enhance the overall quality of life. With the recent Capsugel acquisition, Lonza now offers products and services from the custom development and manufacturing of active pharmaceutical ingredients to innovative dosage forms for the pharma and consumer health and nutrition industries.

Benefiting from its regulatory expertise, Lonza is able to transfer its know-how from pharma to hygiene and fast-moving consumer goods all the way to coatings and composites and the preservation and protection of agricultural goods and other natural resources.

Founded in 1897 in the Swiss Alps, Lonza today is a well-respected global company with more than 100 sites and offices and approximately 14,500 full-time employees worldwide. The company generated sales of CHF 5.1 billion in 2017 with a CORE EBITDA of CHF 1.3 billion. Further information can be found at www.lonza.com.

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Additional Information and Disclaimer

Lonza Group Ltd has its headquarters in Basel, Switzerland, and is listed on the SIX Swiss Exchange. It has a secondary listing on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Lonza Group Ltd is not subject to the SGX-ST's continuing listing requirements but remains subject to Rules 217 and 751 of the SGX-ST Listing Manual.

Certain matters discussed in this news release may constitute forward-looking statements. These statements are based on current expectations and estimates of Lonza Group Ltd, although Lonza Group Ltd can give no assurance that these expectations and estimates will be achieved. Investors are cautioned that all forward-looking statements involve risks and uncertainty and are qualified in their entirety. The actual results may differ materially in the future from the forward-looking statements included in this news release due to various factors. Furthermore, except as otherwise required by law, Lonza Group Ltd disclaims any intention or obligation to update the statements contained in this news release.

Forward-looking statements include statements regarding future manufacturing plans with respect to TRC105 and TRACON's plans and timing with respect to on-going clinical trials, and other development plans and potential benefits of TRACON's product candidates. These forward-looking statements are based on management's expectations and assumptions as of the date of this press release and actual results may differ materially from those in these forward-looking statements as a result of various factors. These factors include, but are not limited to, the fact that initial clinical trial results or results from prior studies may not be consistent with subsequent results, whether TRACON is able to obtain marketing approval for TRC105 or any other product candidates, and potential interruptions in the manufacture or supply of TRC105. For a further description of these and other risks facing TRACON, please see the risk factors described in TRACON's filings with the United States Securities and Exchange Commission, including those factors discussed under the caption "Risk Factors" in those filings. Forward-looking statements speak only as of the date of this press release and TRACON undertakes no obligation to update or revise these statements, except as may be required by law.



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