

Ercros will invest more than 20 million in Aranjuez until 2025



Ercros plans to invest 20 million euros in its factory in Aranjuez (Madrid), 16 million of which in 10 actions planned in the 3D Plan.

The 3D Plan is the strategic plan started up by Ercros, which pursues its transformation into a sustainable company and is based on three dimensions: Diversification, Digitalisation and Decarbonisation. This plan contains 20 major projects, 10 of which will be carried out in Aranjuez. The timeframe of the plan is the period 2021-2025, although the execution of several digitalisation and decarbonisation projects will go beyond this period and will extend until 2029.

For the period 2021-2029, Ercros foresees for the entire company an investment of 92 million euros and the generation of an additional gross operating profit (ebitda) of 194 million euros.

The 16 million to be invested in Aranjuez under the 3D Plan are distributed as follows:

- 77.5% in a major diversification project: the construction of a new extraction plant for the production of two new antibiotics;
- 15.5% in six digitalisation projects; and
- The remaining 7% in three decarbonisation projects.

Carrying out the 10 actions will reinforce the sustainability of the Ercros project in Aranjuez, by promoting the diversification of the activity, increasing the automation and digitalisation of the processes and improving the environmental performance of the facilities.

In the last 14 years (2007-2020), Ercros has invested more than 32 million euros in the Aranjuez factory.

The 3D Plan succeeds the Plan Act (2016-2020), for adaptation to technological change, which involved the modernization of Ercros's production structure and the incorporation of important energy efficiency improvements.

The Ercros factory in Aranjuez makes up the pharmaceuticals division. This centre is designed to manufacture active pharmaceutical ingredients (API), mainly from the family of antibiotics. The factory directly employs 211 persons and in 2020 had a turnover of 58 million euros. 92% of its sales went to export, mainly to the US, the EU, the Middle East and North Africa.

Aranjuez, July 7, 2021

Additional information

Actions planned in Aranjuez within the framework of the 3D Plan

Diversification project:

- **Construction of a new extraction plant**, to manufacture two new biological fermentation products -vancomycin and gentamicin- and to make a more efficient and sustainable extraction of existing products (erythromycin and erythromycin salts), all of them belonging to the family of the antibiotics. The completion of the project is scheduled by mid-2022.

Digitalisation projects

- **Modernization of the current control systems** of production processes; improvement in the automation of the manufacturing processes of the sterile products, extraction and fermentation plants; and **implementation of a new digital recipe manufacturing model** in all products.
- **Modernization of the network structure** to improve system security; **digital document manager**; and other projects joined by the entire company.

The digitalisation projects will be started up, gradually, in the period 2021-2025.

Decarbonisation projects:

- **Reducing of solvent consumption** through several actions in synthesis, extraction and solvent recovery plants. It is expected to start up in 2021.
- **Maximizing the use of residual energy** from the heat streams of the production processes and, with it, reducing the consumption of natural gas and the CO₂ emissions. It is expected to start up in 2023.
- **Replacing the lights** by more efficient and modern ones that will reduce electricity consumption.

Other projects in execution or study outside the 3D Plan

- **Expansion, by 41%, of the production capacity of fosfomycin salt Pea**, to increase the degree of factory self-sufficiency from this intermediate product, used to manufacture fosfomycin salts. The expansion will be effective in autumn 2021.
- **New micronisation zone in the sterile plant**, to gain access to the fusidic acid market for ophthalmic use. The new plant will be commissioned in 2022.
- **Expansion of quality and R&D laboratories** to adapt them to business expansion.
- **Modernization of the electrical network** to strengthen the future growth of the factory.
- Under study, several projects to **(i) expand production capacity, (ii) implement more modern technologies and (iii) manufacture new drug molecules**, within the *Medes* tractor project, promoted by Farmaindustria (national trade association of the Spanish based pharmaceutical industry) and Afaquim (Spanish association of manufacturers of fine chemical products), within the framework of the European Recovery Funds.