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Media release

CPH Group expanding to China

Perlen Packaging, the packaging division of CPH Chemie + Papier Holding AG, is to establish a new film coating production facility in China. The new plant will commence operations in 2016, and should provide further impetus for the present growth in the Asian pharmaceuticals market.

The demand for blister films among Asia's pharmaceuticals manufacturers is currently seeing double-digit percentage annual growth. China in particular is witnessing a substantial increase in demand for medications owing to a combination of urbanization, rising incomes and an ageing of the population. Perlen Packaging, the packaging division of the CPH Group, already generates some 20% of its sales in Asia, and is now planning to intensify its production and distribution activities in this regional market.

To this end, Perlen Packaging is establishing a production site in China to join its existing facilities in Perlen (Switzerland), Müllheim (Germany) and Whippany (USA). Land is currently being acquired in the Shanghai area, on which a film coating production facility should be built in the next two years. The facility, which will entail a lower-double-digit-million-franc investment, will be certificated to GMP standards, and will serve the Asian market.

"Our Packaging Division has achieved steady growth over the last few years, and is now one of the world's top three providers of blister packs for the pharmaceuticals market," says Peter Schildknecht, CEO of the CPH Group. "Our existing film coating facilities will reach their capacity limits in the next few years, though," he continues. "So this expansion to Asia is a logical step that will enable us to respond even more swiftly to local customer needs."

"With its new production site in the Shanghai area, Perlen Packaging will be ideally positioned to serve the rapidly-growing Chinese pharmaceuticals market," adds Wolfgang Grimm, Head of the Packaging Division within the CPH Group.

The new investment will further strengthen the CPH Group's Packaging Division, which accounted for CHF 116.4 million or 24% of group net sales last year. CPH has set itself the specific goal of achieving further growth in the next few years outside its Paper Division, which currently accounts for over 60% of total net sales.

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Further information

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About CPH
CPH is an internationally active and diversified industrial group which is headquartered in Switzerland. The CPH Group develops, manufactures and distributes chemical products, wood-based paper and pharmaceutical packaging films. The Group and its subsidiaries maintain production facilities at five locations in Switzerland, Germany and the USA, have a total workforce of around 850 employees and generated net sales of CHF 481.3 million last year. The shares of its holding company CPH Chemie + Papier Holding AG are listed on the SIX Swiss Exchange (SIX: CPHN).

About Perlen Packaging
Perlen Packaging manufactures a wide range of products from PVC monofilms to coated PVdC high-barrier films for the pharmaceuticals industry at its three production sites in Switzerland, Germany and the USA, and is the world's third-biggest provider of coated films. Its products are used primarily in medicinal blister packs.

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