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NEXGEL Subsidiary, CG Converting and Packaging, Begins 12,000 Square Foot Expansion of Texas Facility to Support the Expected Growth in Product Demand in 2024

LANGHORNE, Pa., Jan. 09, 2024 (GLOBE NEWSWIRE) -- NEXGEL, Inc. ("NEXGEL" or the "Company") (NASDAQ: NXGL), a leading provider of medical and over-the-counter (OTC) products including ultra-gentle, high-water-content hydrogels for healthcare and consumer applications, today announced a 12,000 square foot expansion of its CG Converting and Packaging facility in Granbury, Texas. The expansion will support the expected growth in product demand from its new strategic partnerships as well as continued growth of NEXGEL's own branded products.

The expansion is expected to be completed during the second quarter of 2024. The expansion is funded by the landlord and lease terms will be adjusted to reflect the increase in square footage. The Company is purchasing new automation equipment, which will be financed, to support the expected growth in product demand.

Adam Levy, CEO of NEXGEL, commented, "Ahead of the increase in demand we expect from important partnerships like AbbVie and STADA in the summer of 2024, we are pleased to find a mutually beneficial agreement with our landlord at our Texas facility. This expansion will allow us to handle the expected increased volumes of material, provide more efficient fulfillment and shipping services, and increase our overall capacity and efficiency. We have already broken ground and expect to complete the project and be operational well ahead of when we expect these orders to scale."

About NEXGEL, Inc.

NEXGEL is a leading provider of healthcare, beauty, and over-the-counter (OTC) products including ultra-gentle, high-water-content hydrogels. Based in Langhorne, Pa., the Company has developed and manufactured electron-beam, cross-linked hydrogels for over two decades. NEXGEL brands include Silverseal, Hexagels, Turfguard, Kenkoderm, and Dermablock. Additionally, NEXGEL has strategic contract manufacturing relationships with leading consumer healthcare companies.

Forward-Looking Statement

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (which Sections were adopted as part of the

Private Securities Litigation Reform Act of 1995). Statements preceded by, followed by or that otherwise include the words “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “project,” “prospects,” “outlook,” and similar words or expressions, or future or conditional verbs, such as “will,” “should,” “would,” “may,” and “could,” are generally forward-looking in nature and not historical facts. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance, or achievements to be materially different from any anticipated results, performance, or achievements for many reasons. The Company disclaims any intention to, and undertakes no obligation to, revise any forward-looking statements, whether as a result of new information, a future event, or otherwise. For additional risks and uncertainties that could impact the Company's forward-looking statements, please see the Company's Annual Report on Form 10-K for the year ended December 31, 2022, including but not limited to the discussion under “Risk Factors” therein, which the Company filed with the SEC and which may be viewed at <http://www.sec.gov/>.

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