

Lonza¹ Delivers Strong Q1 2026 Performance in Line with Expectations and Confirms Full- Year Outlook

- Strong CDMO¹ performance in Q1 2026, in line with expected H1-weighted growth and Full-Year 2026 margin trajectory – despite a changing geopolitical landscape, evolving trade policies and macroeconomic volatility
 - Sustained momentum in Integrated Biologics and strong growth in Advanced Synthesis; return to healthy growth in Specialized Modalities
 - Robust commercial demand for Lonza’s CDMO offering across sites and technologies
 - Successful completion of transformation to a pure-play CDMO with agreement to divest Capsules & Health Ingredients (CHI) and other non-core businesses²
 - Outlook 2026 confirmed, with 11-12% CER³ sales growth and further CORE EBITDA margin expansion reaching a level above 32%
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Basel, Switzerland, 8 May 2026 – In its qualitative Q1 2026 business update, Lonza reported a strong performance across its CDMO business in line with the expected trajectory for Full-Year 2026. As expected, due to a lower prior year base, campaign timing and product releases, and planned site shutdowns, CER sales growth and CORE EBITDA margin will be notably stronger in the first half of 2026 than in the second half.

Integrated Biologics saw good momentum driven by the increasing contribution of growth projects and strong operational execution across sites. **Advanced Synthesis** continued to benefit from the rapid and simultaneous ramp-up of growth projects added in 2025, a favorable product mix, strong operational execution in Small Molecules and Bioconjugates, and early batch releases. **Specialized Modalities** delivered significant growth against the lower prior year base, supported by the Microbial business and sustained momentum in Bioscience.

Ramp-up activities at Lonza’s large-scale mammalian facility in Visp (CH) are in advanced stages and full commercial operations will commence in mid-2026, in line with the recently communicated timeline. Construction is progressing well at the commercial-scale aseptic drug product facility in Stein (CH) and the large-scale bioconjugation facility in Visp, with operations expected to commence in 2027 and 2028 respectively. In Vacaville (US), the first investments to increase

¹ Lonza and CDMO mean excluding Capsules & Health Ingredients (CHI).

² Personalized Medicines business (including the Cocoon® Platform), the MODA® software platform, and the small molecules micronization site in Monteggio (CH).

³ Constant Exchange Rates (CER).

operational flexibility are underway and Lonza expects strong progress in 2026 with its investment plans for the site.

Lonza saw sustained business momentum across technologies and sites. In Q1 2026, Lonza secured multiple integrated drug substance-drug product contracts and extended its commercial manufacturing agreement for Genetix's ZYNTEGLO™. Customer interest in the large-scale mammalian capacity in Vacaville (US) remains high, in line with the communicated expectation to reach peak sales in the early 2030s.

Successful Completion of Transformation to a Pure-Play CDMO

Lonza successfully completed the final and most significant step on its transformation into a pure-play CDMO with the [signing of an agreement](#) on 6 March 2026 to divest its CHI business to Lone Star Funds. With upfront proceeds of CHF 1.7 billion, a retained stake of 40% and an additional preferential participation in a future exit, the transaction provides significant immediate and expected future proceeds to fund prioritized organic growth opportunities and bolt-on acquisitions with attractive return profiles. In line with the One Lonza strategy, the company is proactively building a funnel of M&A opportunities to add capacities and technologies, and to further expand its business portfolio. After receipt of the upfront proceeds at the closing of the sale of CHI, which is expected in Q3 2026, Lonza will return near-term surplus capital of CHF 500 million through an expedited share buyback program.

As part of the company's transformation program, Lonza also announced the divestments of other non-core businesses, namely Personalized Medicines (including the Cocoon® Platform), the MODA® software platform, and the small molecules micronization site in Monteggio (CH). All three divestments have now successfully closed. Following these portfolio adjustments, Lonza's three Business Platforms – Integrated Biologics, Advanced Synthesis and Specialized Modalities – now operate as a highly integrated pure-play CDMO operation, powered by the Lonza Engine® with its unique set of strengths and capabilities.

Outlook 2026

Lonza expects a strong year and confirms its Outlook 2026 with 11-12% CER sales growth and a further CORE EBITDA margin expansion, reaching a level above 32%. In line with its Q1 2026 performance, Lonza continues to expect a notably stronger CER sales growth and CORE EBITDA margin in the first half of 2026 than in the second half.

Assuming the spot rates of early May 2026 prevail for the remainder of the year, Lonza anticipates an FX⁴ growth headwind of approximately -3.0% on sales in 2026, mainly from the full-year effect of the weakening of the US Dollar in 2025. With a robust natural hedge and Lonza's financial hedging program, margins will be minimally impacted.

For the mid-term period beyond 2026, Lonza expects to deliver low teens percentage CER sales growth on average over time, and CORE EBITDA growth ahead of sales growth, in line with its CDMO Organic Growth Model.

⁴ Foreign Exchange Rates.

Resilience of Lonza's Business Model

In the first months of 2026, Lonza has continued to demonstrate the resilience of its unique business model which helps diversify risks – including from a changing geopolitical landscape, evolving trade policies and macroeconomic volatility – across the largest portfolio of products and customers and the broadest technology offering in the global CDMO industry.

Supported by proactive risk management, Lonza does not currently expect a material financial impact from the recent geopolitical conflict in the Middle East. In line with its well established hedging policy, Lonza's energy needs for 2026 are almost entirely hedged and a sizeable share is also already secured for 2027. Furthermore, Lonza has no local manufacturing presence in the Middle East and only a very limited sales, customer and supply chain exposure to the region.

Lonza continues to expect no material financial impact from US trade and tariff policies, including the outcome of the latest Section 232 investigations. Lonza also does not anticipate that its customers will be materially impacted by the currently disclosed policy changes. The company remains confident that it can support customers seeking to align regional supply and demand needs with its extensive and well-diversified global manufacturing network across key regions and technologies.

In relation to recent significant US investment announcements from large pharmaceutical companies, some outsourcing decisions may take longer. However, Lonza continues to observe sustained outsourcing demand from both large pharma and biotech companies. Overall, these investments are more likely to represent a shift in global CapEx spend toward the US rather than a fundamental change in sourcing strategies, while biotech companies continue to have a limited focus on in-house capacities.

2026 Expectation for Discontinued Operations

Regarding its Capsules & Health Ingredients business, Lonza confirms an expectation of mid-single-digit percentage CER sales growth and a further CORE EBITDA margin expansion for 2026, driven by continued healthy demand observed at the end of 2025 and in the first quarter of 2026.

About Lonza

Lonza is the world's largest contract development and manufacturing organization (CDMO) dedicated to serving the healthcare industry. Working across five continents, the global Lonza team of approximately 20,000 colleagues works alongside pharma and biotech companies to turn their breakthrough innovations into viable therapies. This enables customers to bring life-saving and life-enhancing treatments to patients worldwide with a combination of cutting-edge science, smart technology and lean manufacturing.

Our company generated sales of CHF 6.5 billion with a CORE EBITDA of CHF 2.1 billion in Full-Year 2025. Find out more at www.lonza.com

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