Lonza Signs Agreement to Acquire US CDMO Network from Merck KGaA, Significantly Expands US Presence

- Lonza acquires five CDMO manufacturing sites and approximately 1,100 highly skilled employees, more than doubling its US footprint to nine CDMO sites with a US workforce of more than 6,000 employees.
- Transaction will strengthen Lonza's end-to-end offering in the US, adding clinical and commercial development and manufacturing capabilities for bioconjugation, payload-linkers[1] and viral vectors.
- Lonza will acquire the assets and associated businesses at a total enterprise valuation in the low- to mid-triple-digit millions Swiss francs.
- Lonza's financial outlook for 2026 and the Organic Growth Model, including associated financial mid-term ambitions, are confirmed.

Basel, Switzerland, 3 November 2026 – Lonza, the world's leading contract development and manufacturing organization (CDMO), announced today that it has signed a definitive agreement to acquire five CDMO manufacturing sites in the US from Merck KGaA, Darmstadt, Germany at a total enterprise valuation in the low- to mid-triple-digit millions Swiss francs.

The acquisition expands Lonza's US CDMO manufacturing footprint from four to nine sites and complements its global network by adding end-to-end development and manufacturing capabilities in the US, the largest market for innovative pharmaceuticals. The acquired network supports customers from clinical through to commercial in attractive growth areas such as antibody-drug conjugates (ADCs) and other bioconjugates, viral vectors for cell & gene therapies and advanced drug-delivery technologies. Together with the ongoing investment in CDMO readiness in Vacaville, California, and the recently **announced** investment in a commercial spray-drying facility in Bend, Oregon, this acquisition represents another step in building an even more comprehensive, competitive CDMO network in the US.

Wolfgang Wienand, Chief Executive Officer, Lonza, commented: "This acquisition is a strong fit with our One Lonza Strategy and reflects our disciplined approach to capital allocation, investing in opportunities that will drive long-term, profitable growth and deliver attractive returns. It will significantly expand our US presence, bringing us even closer to our customers, while increasing the resilience of our global manufacturing network. With high demand for bioconjugates and viral vectors, the acquired sites will strengthen our ability to support customers from innovation to launch

[1] High-potency

and commercial supply. I am particularly excited to welcome the highly experienced teams at these sites to One Lonza. It takes great people with deep scientific expertise and excellence in development and manufacturing to reliably translate breakthrough innovation into viable therapies for patients. Together, we will build an even stronger offering for our customers."

Kai Beckmann, Chairman of the Executive Board and Group CEO, Merck KGaA, Darmstadt, Germany, commented: "Today's announcement is another important step in advancing our mid- to long-term strategic agenda. A more concentrated Life Science portfolio will allow us to focus our investments on building our scientific leadership and make us an even stronger partner for our customers. Our CDMO teams have built a strong foundation through their expertise and commitment. We believe Lonza is well positioned to build on that foundation and support the business's next phase of growth."

Under the terms of the agreement, approximately 1,100 highly skilled employees will join Lonza's global workforce and increase its US employee base to more than 6,000 employees. The facilities that Lonza has agreed to acquire will expand its capabilities across the following technologies and from clinical development through to commercial manufacturing services:

- **St. Louis, Missouri**: Bioconjugates.
- **Madison and Verona, Wisconsin**: High-potency payload-linkers.
- **Carlsbad, California**: End-to-end viral vector solutions, including aseptic fill-finish capabilities.
- **Indianapolis, Indiana:** Lipid nanoparticle, liposome, and PEGylated protein solutions, including aseptic fill-finish capabilities.

In Full-Year 2028, the acquired sites are expected to contribute around CHF 250 million in sales at a CORE EBITDA margin below Lonza's, with an insignificant impact on the group. Once integrated, the sites are expected to benefit from Lonza's pure-play CDMO focus and deliver significant, profitable growth over time, using existing available capacities and additional expansion space, with further investments aligned with evolving market demand. Lonza anticipates the business to reach peak sales at Lonza's future group margin level by mid-2030s.

Transaction details
Under the terms of the agreement, Lonza will acquire the five sites and associated businesses at a total enterprise valuation in in the low- to mid-triple-digit millions Swiss francs. The consideration will be paid for in cash and funded with cash at hand and Lonza's existing credit facilities, maintaining the company's BBB+ rating.

Closing of this transaction is expected mid-2027, subject to customary closing conditions. Lonza and Merck KGaA, Darmstadt, Germany will work closely to support a smooth transition of the businesses. Until the transaction closes, the businesses will continue to operate independently. Following closing, Lonza's immediate priorities will include ensuring continuity for customers, supporting employees through the transition, and fully integrating the acquired operations into Lonza's global network.

This transaction will not affect Lonza's previously announced share buyback following the closing of the divestment of its Capsules & Health Ingredients business[2].

[2] Closing of the divestment of the Capsules & Health Ingredients business is expected by year-end 2026.

BofA Securities is acting as financial advisor to Lonza.

For more details on the transaction, please refer to the related **Investor Presentation**.

Investor & Media Call Details

Lonza invites investors, analysts and journalists to join a live webcast and conference call from 09:00 to 09:45 am CET on 3 November 2026 with Wolfgang Wienand (CEO) and Philippe Deecke (CFO) who will share a short presentation on the transaction and will, together with Christian Seufert (Business Platform Head, Advanced Synthesis) and Daniel Palmacci (Business Platform Head, Specialized Modalities), take questions.

Access to webcast
In order to follow the slide presentation and the Q&A session, please use the webcast **link**.

Access to conference call
The presentation will be followed by a Q&A session. You can register to ask questions over the conference call at any time during the event. You will receive the relevant phone numbers, a passcode and your personal PIN to access the conference call by pre-registering **here**.

You may also join the conference call via the new HD web phone option, directly through your browser. Simply click the HD web phone link in the confirmation email.

Should you experience any issues with registration, please use one of the numbers below or join via the HD Web Phone **link**. Please dial the following numbers 10 to 15 minutes prior to scheduled start:

+41 (0) 58 310 50 00 (Europe and Switzerland)
+44 (0) 203 059 5863 (UK)
+1 631 570 56 13 (USA)

Other international numbers are available **here**.

About Lonza

Lonza is the world's leading contract development and manufacturing organization (CDMO) dedicated to serving the healthcare industry. Working across three continents, Lonza's global team of approximately 17,000 colleagues[3] 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 3.4 billion with a CORE EBITDA of CHF 1.2 billion in Half-Year 2026.

Find out more at **www.lonza.com**.

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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.

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[3] For Lonza's continuing CDMO business, excluding Capsules & Health Ingredients.