Our Businesses

Group Operations

The Group Operations Function is responsible for delivering sustainable and scalable growth across our global operations network, driving efficiency, and ensuring a unified One Lonza experience for customers worldwide. Through process innovation, standardization and harmonization, Group Operations supports our growth trajectory while simplifying and streamlining internal processes.

The Function comprises core global teams including Environment, Health, and Safety (EHS), Engineering, Procurement, Supply Chain, Operational Excellence and Program Management.

Delivering a Seamless One Lonza Customer Experience

Our focus on unparalleled customer partnerships – a core component of the Lonza Engine® (see page 20) – underpins the focus of our Program Management team. In 2025, we advanced our end-to-end delivery model to execute operational improvements and ensure customers receive a consistent, high-quality experience across all touchpoints.

A key milestone was the introduction of the Customer Portfolio Manager role across Lonza's Business Platforms. This new role focuses on providing a seamless customer experience for complex, cross-platform and multi-technology programs across the organization, while working in close collaboration with the global Program Management team to harmonize delivery. We also continued to empower local project teams to serve customers effectively by providing a robust framework for high-performing teams and offering targeted training to further strengthen skills. In addition, we integrated our operational and customer program escalation processes to ensure timely decision-making and rapid resolution of emerging issues.

To enhance efficiency and responsiveness, we leveraged generative AI and automation to harness customer insights, increase efficiency and improve the overall customer experience. The team defined practical use cases, refined prompts for impactful results, and compiled a Program Management prompt library. Adoption of AI was carefully accelerated through targeted training, clear guidance for Program Management teams, and a form for sharing best practices. These initiatives enable faster, more informed responses to customer requests, reduce administrative overhead costs, and support a seamless customer-centric approach.

Accelerating Operational Excellence with Lean Principles

Lonza's Lean approach emphasizes a culture of continuous improvement, empowering teams to simplify processes, increase impact, and maintain customer value. This approach underlines Lonza's focus on end-to-end execution excellence, delivered through a strong combination of unique development, manufacturing, quality and plant engineering capabilities.

In 2025, we continued to expand Lean initiatives across our global network, embedding these principles into daily operations to drive efficiency and consistency. A key Lean initiative is the standardized Value Stream Mapping (VSM) methodology. Introduced across Lonza's Business Platforms, the VSM methodology enables teams to visualize the flow of materials and information throughout a process, from start to finish. By mapping every step involved, teams can identify bottlenecks and opportunities to increase productivity and design more streamlined, effective operations.

By fostering continuous improvement and enabling cross-site replication, the VSM program exemplifies One Lonza in action, empowering teams locally while advancing operational excellence across our global network.

Executing our Strategic Growth Projects

As part of Lonza's commitment to sustainable growth, our project management framework guides strategic growth projects – high-impact initiatives that align with our long-term strategy, expand our capabilities and strengthen our competitive edge – from initial concept to final delivery. Projects are selected through a rigorous process that balances evolving customer needs with long-term business objectives, considering strategic alignment, market potential, feasibility, and return on investment. This comprehensive approach supports our ability to generate sustained value for the business.

Throughout the project lifecycle, we employ a streamlined, stage-gated approach that drives efficiency and accountability. At every phase, both technical solutions and the commercial case are refined with clearly defined metrics and approvals guiding investment decisions. Continuous progress tracking facilitates early issue identification and resolution, helping to align timelines and budgets more effectively.

Each initiative is managed by a dedicated project lead and supported by a cross-functional team with close oversight through regular steering committee reviews. The broader project portfolio is monitored by the Executive Committee and the Board of Directors. This governance structure helps keep execution on track while enabling the incorporation of lessons learned and the continuous refinement of project management capabilities.

Advancing our Growth Agenda

In 2025, we continued to advance our growth agenda through disciplined capital investment execution and a strengthened delivery model to scale effectively. Global Engineering aligned practices to our new operating structure, through four key pillars:

- Efficiency: Building on proven methods to further streamline planning and execution to optimize capital deployment.
- Project-Centric Organization: Reinforcing cross-functional collaboration and end-to-end leadership to elevate project delivery.
- Roles and Accountabilities: Clarifying responsibilities across teams to accelerate decision-making and foster shared ownership.
- Project Governance: Improving existing structures with sharper decision forums and standardized checkpoints to faster and more consistent execution.

These enhancements reflect Lonza's longstanding commitment to Lean manufacturing and continuous improvement. By embedding these principles across planning, delivery, and governance, we aim to be the reference standard for regulated manufacturing, ensuring that Lonza remains well-positioned to deliver long-term value and sustainable growth.

Enhancing our Supply Chain Maturity

Within the Global Supply Chain team, we strive to enhance Lonza's supply chain maturity by providing standardized processes and effective toolkits that support company growth. One focus area is the review and improvement of end-to-end supply chain processes across the business, with initiatives including:

- For Development Services, the implementation of a new digital end-to-end process, enabling integrated capacity planning from commercial process to service delivery. This allows us to respond to customer requests within five working days.
- For CDMO manufacturing processes , the development of a prototype that will be piloted across two sites in 2026, enabling greater operational control and a more agile supply chain.

Personal Perspective

Maria Soler Nunez
Chief Quality Officer

"In 2025, we have continued to push progress in elevating operational excellence and further improving our discipline in executing CapEx investments. I wish Jason every success as he takes over the leadership of Group Operations and I focus on my new role as Chief Quality Officer."

Another priority is enhancing the maturity of supply chain teams at manufacturing sites through a Certification Program designed to drive local process excellence. The program provides a structured framework to evaluate process maturity, operational compliance, and system utilization, ensuring each site operates in line with global standards for efficiency, accuracy, and control. Certified sites have demonstrated strong performance across a broad range of supply chain KPIs, reflecting consistent execution, robust system reliability, and high master data quality. These capabilities enable comprehensive planning and reliable execution, positioning sites to effectively manage increasing complexity and support sustainable growth effectively.

Simplifying Procurement Processes

In 2025, we continued our efforts to simplify and automate procurement processes. We rolled out new systems and processes across many sites to enable lean and scalable Procure-to-Pay operations, facilitating continuous business growth with minimal operating cost increases while eliminating waste and significantly improving business user satisfaction.

We also launched a new Supplier Lifecycle Management system to streamline, simplify and automate key supplier-related processes. By increasing self-service and hands-free solutions, we achieved a 15% increase in touchless order rates, significantly boosting operational buyer productivity (+20% versus baseline) and enabling Procurement to refocus on efficiency efforts within sourcing.

We continued engaging with suppliers and conducting ESG risk assessments, while encouraging them to set science-based climate targets. Our Responsible Sourcing Framework was recognized as a winning program by the Sustainable Procurement Pledge's Pharmaceutical & Life Sciences Group, selected among six exemplary submissions from 70 entries.

We further broadened the team's mandate to include broader risk management, launching with a supply chain climate risk analysis, aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) requirements. Finally, we collaborated closely with supplier partners to secure reliable raw material supply and strengthen supply chain resilience by qualifying alternative manufacturing sites within our existing network and onboarding alternative suppliers.

Personal Perspective

Jason Berndt
Head of Group Operations

"Maria has laid a strong foundation for execution excellence in Group Operations, and I am looking forward to supporting Lonza's ambitious growth trajectory by leading this important function into its next chapter."

Integrated Biologics

>715

pre-clinical and clinical large molecules[1]

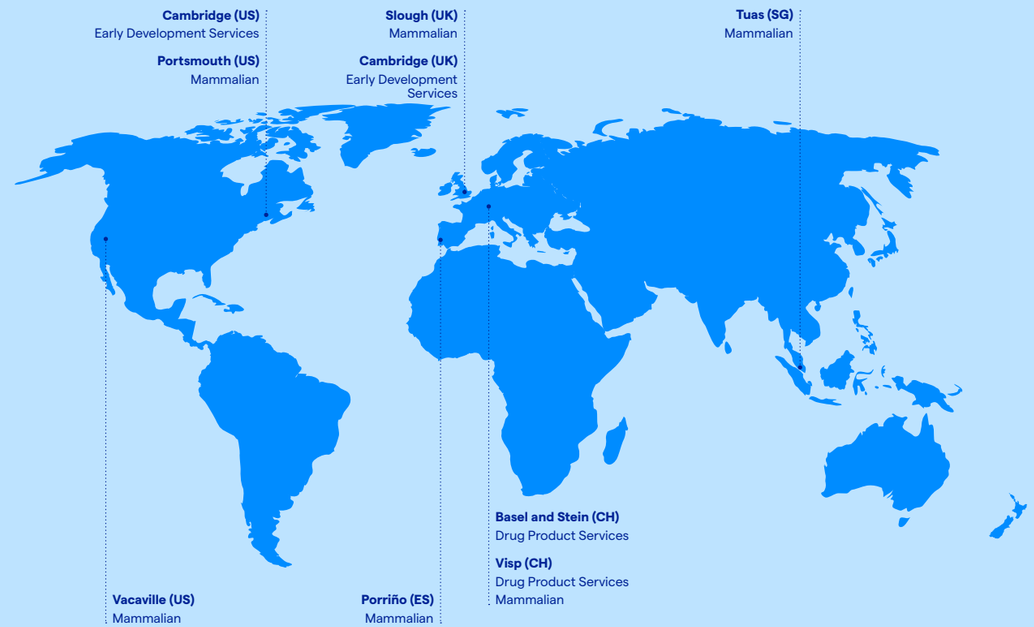
>70

commercial large molecules[1]

[1] Including mammalian, microbial, bioconjugates, drug product and cell and gene therapy products (early development services are included for pre-clinical molecules only).

Our Integrated Biologics Business Platform helps to accelerate and de-risk the path to market with best-in-class, end-to-end offerings – from clinical development to drug substance and drug product manufacturing. Integrated Biologics compromises two Technology Platforms: Mammalian and Drug Product.

Our Global Development and Manufacturing Footprint



Market Trends

The **biopharmaceutical market** continued to expand in 2025 and is expected to achieve a compound annual growth rate (CAGR) in the low teens over the next five years[2]. A key subsegment within this space is antibody therapeutics, which currently accounts for approximately 50% of the total biopharmaceutical market, underscoring its strategic importance and continued growth potential[3]. Historically, the biologics clinical pipeline has increased by approximately 9% per annum over the last ten years[4].

The **mammalian and drug product CDMO market segments** continue to show positive growth, with a CAGR expected in the low to mid-teens over the next five years[5]. CDMO capacity continues to outpace capacity in customer-owned facilities, as large and small players increasingly rely on manufacturing partners to support, complement and de-risk their journey to market. Partnering models help attract customers by enabling capital preservation, direct access to leading expertise, de-risked supply, and regulatory support.

Large pharmaceutical organizations continue to contribute the majority of CDMO revenues due to commercial manufacturing activity. Small biotech businesses represent a higher proportion of the molecule pipeline, where outsourcing is built into business models to conserve capital resources. While funding has affected this segment in the short term, we expect this to normalize in the medium term.

Continued growth is evident across all phases of molecules in the biologics pipeline. This growth is supported by the increasing diversity of the pre-clinical and clinical molecule pipelines, including new biologics drug types and novel indications.

In 2025, **venture capital (VC) funding** in the biopharmaceutical industry remained selective amid tighter financial conditions and ongoing geopolitical and macroeconomic uncertainty, alongside growing competition from emerging sectors such as artificial intelligence (AI). Biotech VC funding remains available but is increasingly concentrated in fewer, larger rounds, reflecting a shift toward later-stage or de-risked opportunities. Looking ahead, funding is expected to stabilize or modestly rebound as interest rates ease. Our early-stage business continues to show a high level of utilization with good visibility. As these activities represent approximately 10% of our CDMO business, fluctuations in biotech funding are expected to have only a limited impact on our future performance.

[2] 2025 – 2030 CAGR in USD; Source: Evaluate Pharma (Biotechnology).
[3] 2025 – 2030 CAGR in USD; Source: Evaluate Pharma (Biotechnology).
[4] Source: Citeline Biologics trends (excl. CGT).
[5] 2025 – 2030 CAGR in USD (Mammalian and Drug Product); Source: Frost & Sullivan (2025).

Manufacturing demand in mammalian is expected to grow, supported by an expanding clinical pipeline and increasing demand for existing commercial mammalian-derived therapies. This growth is particularly evident in high-volume oncology and anti-inflammatory products, many of which serve multiple indications and large patient populations. Antibody-drug conjugates (ADCs) represent a fast-growing segment within mammalian drug types, with global drug sales projected to grow at above 20% CAGR over the next five years[1]. To manage complexity and mitigate risk, customers increasingly seek CDMOs that cover the entire ADC value chain across modalities. In this market context, our robust offering available at each step of the molecule lifecycle enables customers to efficiently advance their therapies from development through to commercial launch.

Fill-finish manufacturing remains a key area for outsourcing, both among small and mid-sized biotech firms that often lack in-house manufacturing facilities and seek to avoid high capital investment and pharma companies with inhouse capabilities to secure robust redundant supply. The rise of complex modalities such as ADCs has increased demand for specialized fill-finish capabilities. Advanced technologies such as lyophilization and cytotoxic containment require expert handling and infrastructure, reinforcing the role of experienced CDMOs. Prefilled formats are gaining momentum, growing at approximately twice the rate of traditional vials, which reflects a shift toward patient-centric care and home administration. These trends reinforce the value of experienced CDMOs that can offer flexible capabilities across diverse delivery platforms. Integrated offerings are also emerging as a critical differentiator, with drug sponsors increasingly favoring CDMOs that can support the entire development and manufacturing value chain.

[1] 2025 – 2030 CAGR in USD; Source: Evaluate Pharma 2025 (Antibody drug conjugates).

Our Offering

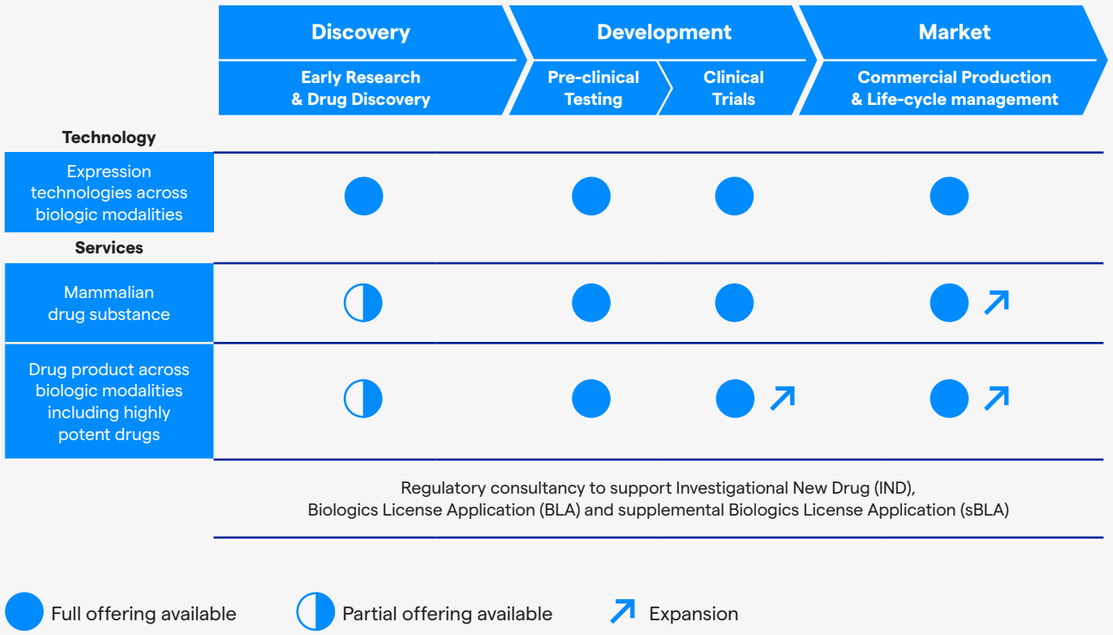
We have one of the most complete offerings across technologies and scales, alongside a wide range of services including regulatory support. Our customers range from small biotech to large pharmaceutical companies, and we deliver tailored services that meet specific customer needs. We support customers throughout the molecule lifecycle – from lead optimization, to pre-clinical, clinical and commercial phases, including Biologics License Application (BLA) support services. Across Integrated Biologics, we bring deep and long-standing expertise in commercial delivery with rigorous standards of quality, safety, efficiency and value.

Mammalian
Our largest network – spanning scales, capabilities, technologies and geographies – lies in our Mammalian Technology Platform. We continue to see a healthy number of new molecules entering our pipeline across all phases. Several late-phase clinical molecules are set to reach the commercial stage in the short term, driving demand for large-scale manufacturing and supporting our future growth. The ongoing trend toward outsourcing, combined with increased demand for existing molecules and a growing number of molecules advancing toward commercialization, presents a sustained market opportunity in the coming years.

We are continuing to strengthen our robust pipeline by maintaining a strong focus on lifecycle management and integrated solutions with Drug Product and Bioconjugates. We remain committed to offering a full spectrum of mammalian development and manufacturing services across all molecule types. We will continue to invest in innovation to accelerate early development and help enable our customers to achieve their target cost of goods sold (COGS), while maintaining reliability and quality of commercial supply.

In 2025, we ramped up our new 20,000L asset in Visp (CH) to support customers seeking large-scale manufacturing. The site now consolidates demand across stages at a single site, from clinical development to launch and scale-up, with 1,000L, 2,000L and 20,000L bioreactors. This development further strengthens our global large-scale network, which has operations in Spain, Singapore, Portsmouth (US) and Vacaville (US), enhancing our ability to deliver reliable, scalable manufacturing solutions to customers worldwide.

Integrated Biologics Offering



Drug Product (DP)
Our Drug Product Technology Platform provides fully integrated, phase-appropriate solutions to biologic drug product development and manufacturing, spanning formulation, process design, and primary packaging. We continue to see increasing demand for these integrated offerings, as customers seek to simplify and de-risk their supply chains through strategic partnerships with a single CDMO. Our approach enables our customers to address challenges across formulation, analytical, process development, and drug product manufacturing in order to bring high-quality drug products to market. In the last five years, we have expanded from drug product development services into clinical and commercial fill and finish, strengthening our ability to support customers across the product lifecycle.

Our DP portfolio includes expertise in drug product injection and infusion, covering parenteral administration routes including intravenous, subcutaneous and intravitreal. Our integrated approach spans diverse biologics modalities, from standard monoclonal antibodies to complex formats such as bispecific antibodies, fusion proteins, recombinant proteins, and bioconjugates including ADCs. Following Swissmedic approval for our new aseptic drug product filling line in Stein (CH) in October 2025, we can support our customers with filling services for highly potent molecules.

Licensing
Our Licensing business manages access to our licensable Intellectual Property (IP), enabling companies to leverage proven technologies for development of new therapeutics. We support pharmaceutical and biotechnology companies, as well as research institutions conducting early research. Through strategic partnerships, we drive innovation by enabling both emerging start-ups and established industry leaders to benefit from Lonza's industrial expertise and global reach.

Our evolving IP offering spans multiple therapeutic modalities and is built upon decades of continual innovation. At its core is our GS® mammalian gene expression system, a cornerstone in biologics manufacturing and a key component of our comprehensive suite of expression technology solutions. Today, we serve more than 400 active licensing customers who hold more than 190 research evaluation agreements. More than 100 approved therapeutics contain Lonza's out-licensed IP, reaching millions of patients each year.

2025 Highlights

The Integrated Biologics Business Platform continued to deliver solid performance in 2025, driven by strong commercial demand and robust operational execution across its network. Growth in the Mammalian portfolio remained a key momentum driver, supported by both commercial and clinical small scale programs alongside maturing long-term growth projects. Drug Product also demonstrated resilient growth, reflecting increasing customer demand and strengthening delivery capabilities.

Across the Integrated Biologics network, contracting volumes remained high, underscoring sustained market interest and the Business Platform's strategic position in end-to-end biologics development and manufacturing.

Advancing New Facilities to Meet Customer Demand
To support growing global demand for biologics and enhance our service offerings, we continued to expand and upgrade key facilities within our Integrated Biologics network in 2025.

In Visp (CH), our large-scale 20,000L expansion achieved successful initial GMP runs. In Portsmouth (US), our new 2,000L asset produced its first Process Performance Qualification (PPQ) batches, demonstrating that the asset's defined process consistently delivers product that meets required quality, safety, and regulatory standards. A further expansion of this asset adds two additional 2,000L bioreactors and an additional downstream area. The expansion was initiated in early 2025 and is advancing according to plan.

In Stein (CH), we continued to make progress with the multi-purpose commercial fill and finish facility, with additional scope added for ADC filling and lyophilization. In October, the site also received full Swissmedic approval for an aseptic drug product filling line, supporting customers with clinical and commercial supply across biologics modalities including monoclonal antibodies, bispecific antibodies, and ADCs. This expansion strengthens our existing capacity for liquid and lyophilized vial filling, while introducing advanced containment technology for the safe manufacture of highly potent biologics.

Vacaville Site Integration and Commercial Outlook
Vacaville (US) is one of the world's largest biologics manufacturing facilities, and is one of the most versatile sites in our portfolio, reinforcing our strategic footprint in the US for late-stage clinical and commercial supply. With more than 956,000 square feet of operational space across ten buildings, the site offers a total bioreactor capacity of around 330,000L. Since joining our global mammalian manufacturing network in October 2024, Vacaville's integration into Lonza has progressed in line with plan. In 2025, the site delivered strong and consistent operational execution, maintaining its excellent quality track record while advancing preparations for new product introductions.

The site comprises both mid-scale (12,000L) and large-scale (25,000L) bioreactors, enabling flexible, multi-product campaign manufacturing. Supported by diverse capabilities and a customer-centric approach, the site is well positioned to meet growing market demand while delivering operational excellence and sustainable growth. Customer interest in the facility remained strong in 2025, with several customer contracts signed, multiple customer negotiations ongoing and further signings expected in the year ahead. The first phase of capital expenditure is progressing as planned, with additional investments to follow in the next two to three years to upgrade the site's automation system and multi-purpose capabilities.

Financial Performance in Full-Year 2025
Comparison vs. Prior Year

3,649m
+32.2%[1]
Sales (CHF)

1,287m
+23.2%
CORE EBITDA (CHF)

35.3%
-0.9ppts
CORE EBITDA Margin

[1] Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

Personal Perspective

Gordon Bates
Head of Integrated Biologics

"In 2025, we enhanced our drug development and manufacturing offering. We upgraded our facilities in Visp, Portsmouth and Stein and achieved strong commercial momentum through operational excellence. We also continued to integrate Vacaville into our global network. These developments reflect our continuing dedication to turning breakthrough innovations into viable therapies for our customers and their patients."

Innovation Spotlight

Driving Biopharmaceutical Safety through Advancing Host Cell Protein Analytics

One of our key innovation focus areas in 2025 has been around advancing Host Cell Protein (HCP) analytics to enhance biopharmaceutical safety, process efficiency, and regulatory compliance. HCPs are critical process-related impurities that, even at trace levels, can compromise drug efficacy, stability, and patient safety. Their presence in processes may require re-engineering of purification steps, potentially impacting development timelines and manufacturing efficiency.

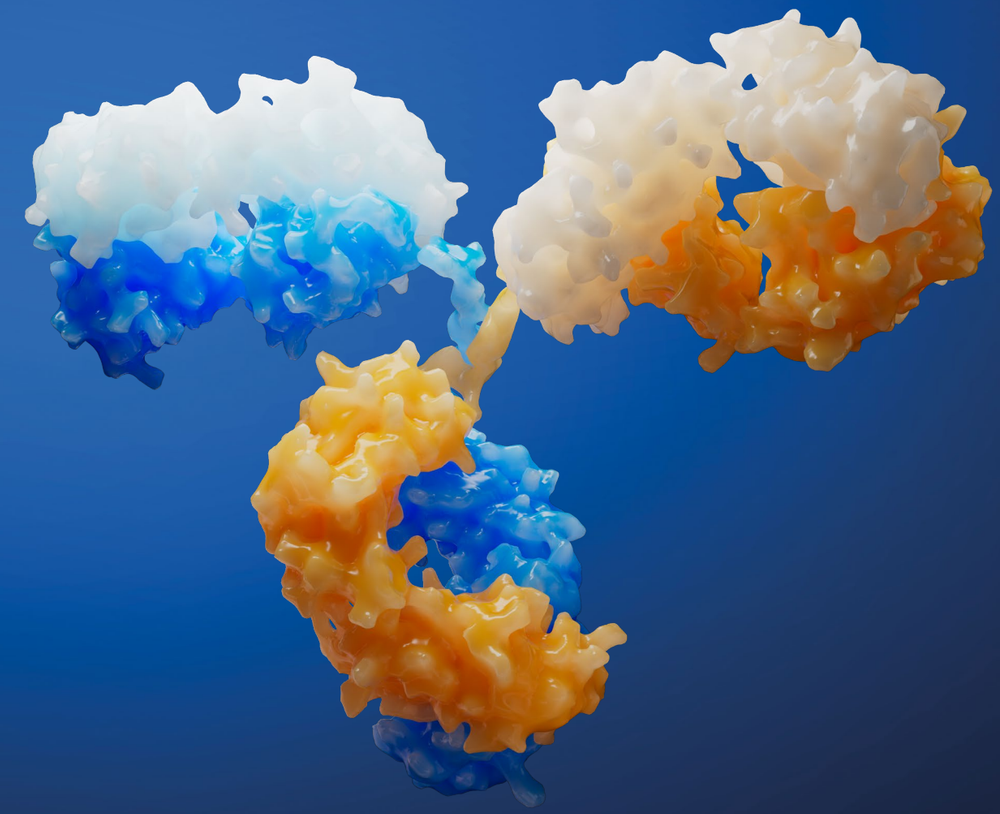
To address this challenge, we have developed a holistic HCP analysis platform that enables both quantitative and qualitative detection of HCPs. This allows us to detect previously undetectable impurities that could pose risks to patients. By combining advanced mass spectrometry with high-resolution data analytics, the platform delivers deeper insights into impurity profiles and supports the design of more targeted purification strategies. By understanding the identity and behavior of individual HCPs, purification processes can be tailored to reduce impurity levels and mitigate associated risks. This approach supports safer process development, particularly for novel and complex biologic molecules, where standard purification approaches may fall short.

These advances that improve our Gene to Clinic offering reflect a continued focus on improving biomanufacturing reliability and maintaining development timelines. With a more comprehensive understanding of HCPs, process engineers can make informed decisions earlier in development, helping to ensure the delivery of high-quality therapeutics.

Driving Scalable Production of Complex Biologics to Accelerate Market Access and Reduce Development Risk

The global biologics pipeline is rapidly evolving and, over the past couple of decades, has begun to include increasingly complex molecular formats, such as bispecific and trispecific antibodies, antibody fragments, and fusion proteins. To support processes that are economically viable and reliable across scales, improved expression solutions are needed, especially for these diverse molecules.

To meet these growing demands, we have developed a new high-strength synthetic gene promoter (LHP-1) as a key element of the GSquad® Pro vector system launched in 2025. LHP-1 enables significantly higher protein yields, while maintaining high product quality and long-term expression stability. This achievement supports efficient production of complex biologics and accelerates early development timelines by improving the recovery of stable cell pools. Overall, the new expression vector platform provides a scalable, reliable solution for next-generation therapeutics and sets new performance standards in pharmaceutical manufacturing.



Advanced Synthesis

>190

pre-clinical and clinical small molecules[1]

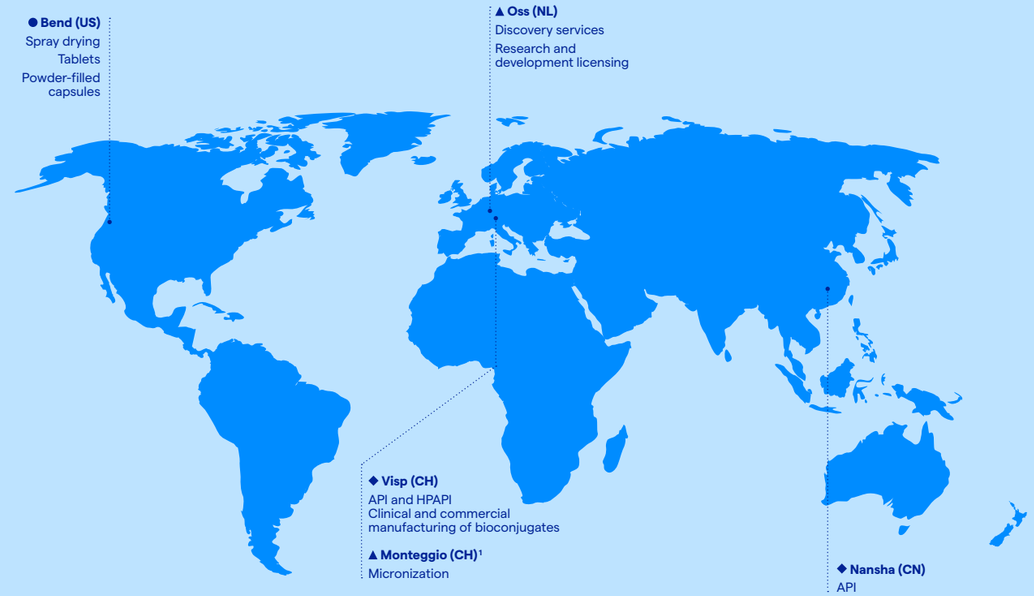
>135

commercial small molecules[1]

Our Advanced Synthesis Business Platform combines leading hybrid chemistry and biology solutions, applying our deep and long-established expertise in classic and complex chemistry to the manufacture of antibody-drug conjugates (ADCs) and other bioconjugates, small molecules and highly potent active pharmaceutical ingredients (APIs). Advanced Synthesis comprises two Technology Platforms – Bioconjugates and Small Molecules – leveraging new and established modalities to enable innovative therapies for our customers and their patients.

[1] Including active pharmaceutical ingredients (API), highly potent API (HPAPI), dosage form and delivery systems and particle engineering.

Our Global Development and Manufacturing Footprint



● Particle Engineering and Drug Product development and manufacturing
◆ Drug Substance development and manufacturing
▲ Development services for bioconjugates

[1] Lonza has entered into an agreement to divest its micronization business, with closing expected by the end of Q2 2026.

Market Trends

The future potential of **bioconjugation** is strong, with global drug sales for drug conjugates expected to grow at a compound annual growth rate (CAGR) above 20% between 2025 and 2030[2]. ADCs will continue to be the main class of revenue drivers during this period. A key growth factor is the generation of new, more stable, site-specific conjugation methods such as our GlycoConnect™ technology, which addresses historical challenges including premature payload release and off-target toxicities.

ADCs represent the largest share of the drug conjugate pipeline, having grown at a CAGR of over 25% between 2020 and 2025 and with approximately 850 molecules currently in development[4]. In 2025, two new ADCs received Food and Drug Administration (FDA) approval, further validating the therapeutic and commercial relevance of the modality. Building on this strong foundation, a wave of commercialization is expected in the coming years, with a CAGR of more than 25% expected in commercial bioconjugate drug products through to 2030[3].

The global CDMO market for bioconjugation is also experiencing strong momentum. Biopharma companies routinely outsource bioconjugation to established CDMOs to access expertise and experience in increasingly complex and varied technologies.

Technology advances have supported a diversity of conjugated sub-modalities (such as ADCs, antibody–oligonucleotide conjugates – AOC – and radionuclide drug conjugates - RDC), new linker-payloads and site-specific conjugation technologies, dual payloads, and bispecific and multi-specific ADCs. Valued at USD 2.18 billion in 2025, the CDMO market for bioconjugation is projected to grow at a CAGR of around 15% to reach approximately USD 4.37 billion by 2030[2].

Amid this rapid growth, the industry continues to face a shortage of available capacity. Demand for outsourcing remains high due to the complexity of bioconjugates supply chains and manufacturing processes, with customers seeking CDMOs that can cover the entire bioconjugates value chain to manage such complexity and mitigate risk.

Small molecules play a critical role in the overall pharmaceutical landscape. With small molecules comprising 50% of all molecules in clinical development (approximately 9,000 molecules)[5] the **small molecules** segment remains an attractive and growing market. In 2025, the outsourced small molecules CDMO market was valued at USD 78 billion and it is estimated to grow at 6% to 7% per year through to 2034[6]. Our primary focus is to support the development and manufacture of high value, innovative products, and we expect this segment to grow at the higher end of this range.

[2] Roots Analysis: ADC Contract Manufacturing Market (6th Edition).
[3] Citeline 2025.
[4] Lonza Analysis.

[5] Source: Citeline, pre-clinical excluded.
[6] Source: Small Molecule CDMO Market Size Expand $145.12 Bn by 2034.

Small molecules account for more than 60%[2] of FDA New Molecular Entity (NME) approvals, of which approximately 80%[3] are administered orally. Growth is driven by three main therapeutic areas: oncology, central nervous system (CNS) and endocrine (in particular diabetes and weight loss). Oncology accounts for 30%[4] of small molecule NME approvals by the FDA, and this disease area is estimated to sustain 9% sales revenue growth per year through to 2030[5]. The toxicity of products required to destroy cancer cells means that they are often highly potent, involve complex chemistry, and need high containment manufacturing capabilities.

New therapies, especially specialty drugs for highly specific patient populations, are typically on expedited timelines for approval. To help customers meet these timelines, our quality system and regulatory experts can provide support for filings – a particularly important service for small companies who may not have in-house capabilities.

[2] Evaluate Pharma 2025 (Antibody drug conjugates).
[3] Source: Citeline, Pharmacircle 2024.
[4] Source: Intern multi-year Analyses of FDA NME Approvals.
[5] Source: Evaluate 2025.

Our Offering

Bioconjugates

Bioconjugates represent one of the most dynamic and high-growth areas in the pharmaceutical industry, combining advanced science with complex manufacturing to deliver targeted therapies that address unmet medical needs. Developed by attaching therapeutic agents to a biomolecule, bioconjugates can be applied in many fields, such as the development of therapies, vaccines, or diagnostics. These complex and difficult-to-manufacture molecules are outpacing overall market growth, underscoring the strategic importance of bioconjugation as a key growth driver for Lonza.

ADCs and other bioconjugates have the capacity to revolutionize the cancer treatment landscape, but the production process is highly complex. Delivering these therapies requires integration, agility, deep technical expertise, leading and innovative technology, and well-controlled facilities to ensure safety, quality and efficacy. We have a successful track record in manufacturing bioconjugates, from ADCs to non-cytotoxic bioconjugates combining biomolecules with polymers.

While historically centered on ADCs for oncology, conjugation technologies are now being applied to a broader range of therapeutic areas, including muscular disorders, rare diseases, vaccines, and ophthalmology. Advances across the bioconjugation landscape – such as novel payload classes, next-generation linker technologies, bi-specific and multi-specific

Advanced Synthesis Offering

[1] Amorphous solid dispersions.
[2] Physiologically based pharmacokinetic.
[3] Dry-powder inhaler.
[4] Chemistry, manufacturing and controls.

Financial Performance in Full-Year 2025
Comparison vs. Prior Year

1,611m
+22.4%[1]
Sales (CHF)

674m
+39.3%
CORE EBITDA (CHF)

41.8%
+5.2ppts
CORE EBITDA Margin

[1] Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

ADCs, smaller antibody formats, and combination approaches – are expanding possibilities for targeted therapies. Our expertise extends across this spectrum, covering a full range of conjugated sub-modalities and linker-payload technologies.

We develop and produce all ADC components as part of our integrated offering, drawing on expertise across Technology Platforms, including Mammalian, Small Molecules (drug linkers, HPAPI), and parenteral Drug Product. Our offering spans drug substance and drug product manufacture for early clinical and commercial supply, including an early development focus on payload and site-specific linker technology. We are a leader in manufacturing commercially available ADCs and we see significant further growth potential. Since 2006, we have produced more than 1,400 cGMP batches for more than 70 programs. Our production capacity is increasing with new assets coming online, leading to almost 400 batches in 2025.

Our network continues to adapt to the evolving ADC and bioconjugation landscape and the increasing number of commercial molecules in the pipeline. We have expanded our early development capabilities and laboratories, offering expertise and speed in process development and scale-up for a wide range of bioconjugation approaches (including the value chain of cytotoxic ADCs and novel formats with conjugation of oligonucleotides, polysaccharides and cold conjugation for radio-ligand therapies). To deliver on the expected commercialization of bioconjugate drug candidates, we also expanded our offering to include filling lines specifically designed to manufacture pre-clinical, clinical, and commercial batches of highly-potent compounds. This approach provides a seamless end-to-end solution for drug developers, while supporting the industry's goal of commercializing life-saving therapies to benefit patients worldwide.

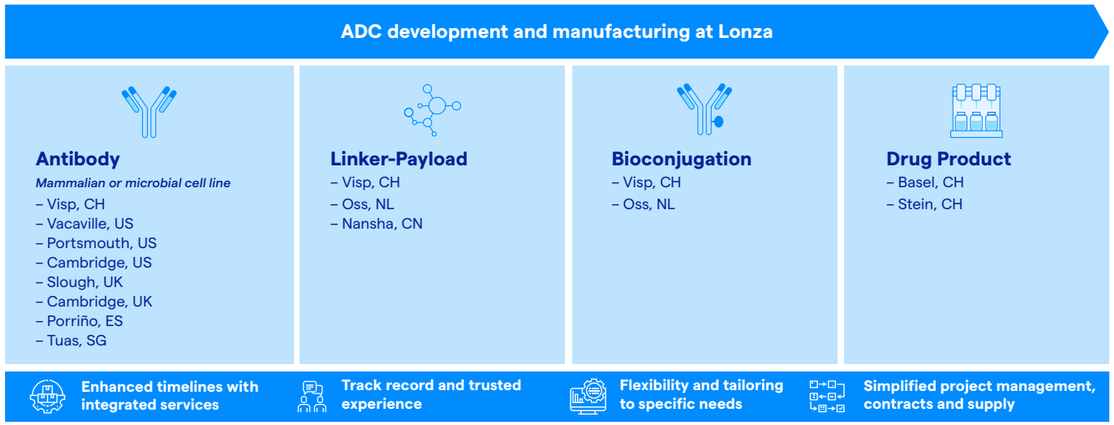
We continually invest in R&D to anticipate future demand while meeting current market needs for diverse and complex ADCs. Our position at the forefront of bioconjugation innovation was strengthened by the integration of Synaffix and its leading GlycoConnect™ platform into our offering. We accelerate the development of bioconjugates by combining technology access, discovery services and manufacturing capabilities. Through the Lonza Bioconjugation Toolbox, we collaborate with leading technology providers to offer a variety of conjugation technologies, linkers, and payloads to drug developers seeking to de-risk early development.

In this context, Lonza offers a robust, integrated and end-to-end bioconjugates offering across biologics, payload-linkers, bioconjugation and drug products. Our partners can access expertise in all technology innovations, alongside industry-leading GMP manufacturing across the value chain, to advance their programs and to bring innovative treatments to market efficiently and reliably.

Small Molecules
Alongside our fast-growing Bioconjugates offering, we continue to help customers develop and manufacture innovative small molecules with a focus on drug substance (including payload linkers and complex chemistry) and particle engineering. We have built a leading reputation in this space over the past 40 years, supported by our commitment to science, technology and operational excellence.

Our team of subject matter experts works in close partnership with customers to support design and development throughout the product lifecycle, from pre-clinical stages through commercialization. Entry points in this lifecycle vary from pre-clinical development to late-phase or commercial supply.

Our Drug Substance services relate to the development and manufacture of APIs. With drug substances becoming increasingly complex, often requiring a greater number of chemical synthesis steps, we help customers to address their development challenges in advancing and commercializing NMEs. Specialized handling and containment are also required



for highly potent (HPAPI) or cytotoxic compounds often used in oncology and other indications.

Additionally, most drug substances are poorly soluble and require enabling technologies, such as spray drying, to achieve sufficient bioavailability. We have extensive expertise in addressing these development and manufacturing challenges. We help customers address solubility and bioavailability challenges through our industry-leading expertise and capabilities in spray drying for the production of stable and readily soluble spray-dried dispersions. Our site in Bend (US) utilizes proprietary and phase-appropriate processing equipment and extensive drug delivery experience to help our customers reach their target product profiles.

We supply our customers with drug substance and spray-dried intermediates for pre-clinical and clinical studies, through commercial volumes. Our current portfolio includes more than 200 pre-clinical and clinical programs and more than 125 commercial programs, delivered by a global asset network capable of supplying a range of volumes to meet both clinical and commercial demands. We continue to build on our existing capabilities in complex chemistry, such as the development and application of AI-enabled and model-based tools for route scouting, solid form characterization and absorption/bioavailability prediction. We continue to expand our capabilities and capacity for the development and manufacture of highly potent small molecules, especially as payloads for ADCs and other bioconjugate drug products. Combined with linker technologies, these payloads represent a particularly attractive market segment within the HPAPI category.

2025 Highlights

In 2025, Advanced Synthesis delivered an exceptional performance, driven by successful growth project ramp-ups and the signing of a large multi-year small molecules commercial drug substance supply agreement. Strong operational performance was supported by our portfolio of complex small molecules, including highly-potent APIs. The Business Platform continued to experience strong commercial demand for its Bioconjugates and Small Molecules offerings, underlining its strategic importance and sustained market momentum.

We made targeted portfolio adjustments in 2025 to sharpen our focus on areas with the highest potential for impact and growth within the Business Platform. Key actions included integrating Synaffix's proprietary bioconjugation technologies and growing clinical pipeline into Advanced Synthesis (previously part of Integrated Biologics), which strengthens our innovation capabilities and strategic growth trajectory. We also transferred our solid dosage form offering in Tampa (US) to Capsules & Health Ingredients, and signed an agreement for the divestiture of our micronization operations in Monteggio (CH). This network optimization strategy positions Advanced Synthesis to capture high-growth opportunities that align with our long-term strategic objectives.

Our customer-dedicated drug linker manufacturing plant in Visp (CH) successfully commenced operations in Q1 2025 and ramp-up activities are progressing as planned. We made continued progress across our commercial bioconjugation investment projects as planned. Construction activities for the additional multipurpose bioconjugation suites in Visp are advancing according to schedule, supporting the planned start up of this new commercial capacity from 2028. In parallel, the customer dedicated large scale bioconjugation asset at Lonza's Ibex® Dedicate Biopark has successfully completed main commissioning, qualification and validation activities and has further advanced operational readiness, remaining on track to begin manufacturing operations in 2026.

Significant productivity gains were achieved across various small molecules and bioconjugation assets in 2025, driven by throughput improvements through cycle time reduction and yield optimization. These efforts also reduce starting material and energy consumption, positively supporting our sustainability objectives. We also progressed digitalization initiatives to enhance efficiency and strengthen "right-first-time" performance.

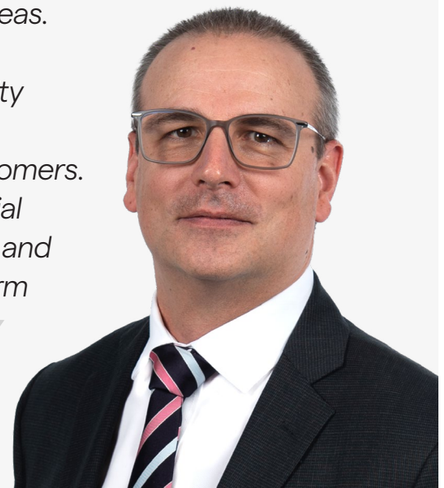
We launched the new Design2Optimize™ platform to streamline the development of small molecule APIs, designed to help customers accelerate development by enhancing chemical processes with fewer experiments than traditional statistical methods. We also joined the Centre for Continuous Manufacturing and Advanced Crystallisation (CMAC) to enhance our service offering in particle technologies and drug product development, strengthen CMC processes and ensure the effective application of research outcomes into our CDMO operations.

We entered into a collaboration agreement with Ethris to develop spray-dried mRNA vaccines targeting respiratory diseases, with an initial focus on developing and manufacturing a first candidate vaccine against influenza for nasal delivery. Finally, we announced a collaboration with Iconovo to develop spray-dried intranasal formulations for a biologic to be delivered via Iconovo's ICOone® Nasal device. We develop the formulations at our site in Bend (US), focusing on achieving optimal particle size, stability, and compatibility with the device, while retaining the biological activity.

Personal Highlight

Christian Seufert
Head of Advanced Synthesis

"In 2025, we maintained strong business momentum while aligning our portfolio to our strategic focus areas. We successfully ramped-up operations at our drug linker manufacturing plant and improved productivity at our bioconjugation suites in Visp, underlining our commitment to create long-term value for our customers. Additionally, we signed a large multi-year commercial supply agreement in our Small Molecules business, and made productivity gains across the Business Platform as part of our network optimization strategy."



Innovation Spotlight

Enabling the Progression of Novel ADC Formats into the Clinic

The ADC field has experienced strong growth in recent years, driven by remarkable clinical successes. The concept of ADCs has evolved to include innovative formats with improved architecture and performance. These advancements include novel payloads, cutting-edge linker technologies, improved conjugation methods, and new antibodies. Lonza is at the heart of this transformation, offering industry-leading capabilities ranging from R&D drug linker technologies, process development and manufacturing as well as integrated offerings enabling the progression of both established and novel ADC formats into the clinic.

The use of dual-payload ADCs is rapidly emerging as a new approach to expand the range of effective treatments while minimizing toxicity to healthy tissues, especially in refractory cancer cases. Dual-payload ADCs are designed to deliver two separate cytotoxic agents with distinct mechanisms of action to target cancer cells, aiming to enhance therapeutic efficacy and mitigate payload resistance.

Lonza launched an expansion of the GlycoConnect® technology at the World ADC forum in November 2025, demonstrating the pre-clinical performance of dual cytotoxic ADCs based on our technology. A first partnership agreement on this technology was announced in September 2025 with Qurient, a South Korean clinical-stage biopharmaceutical company. The collaboration aims to develop a dual-payload ADC consisting of Lonza's exatecan-based technology and Qurient's CDK7 inhibitor, aiming to target unmet medical needs in solid tumors.

Antibody-oligonucleotide conjugates (AOCs) are another rapidly emerging modality with exciting potential across a broad range of disease areas, extending beyond oncology. However, they also introduce new technical challenges – from conjugation chemistry to purification strategies – that must be carefully addressed to enable successful development and commercialization. Lonza has invested in capabilities and established a comprehensive toolbox to develop and manufacture the entire range of bioconjugates, inclusive of AOCs. By leveraging advanced conjugation technologies, tailored analytical methods, in-depth process understanding and optimized purification methods, we support customers in overcoming the unique hurdles posed by complex bioconjugates like AOCs.

Specialized Modalities

>450
process development projects across all modalities

15
pre-licensing inspections (PLIs) passed

>25
years of established experience in Cell & Gene, mRNA (>5 years), and Microbial (40 years)

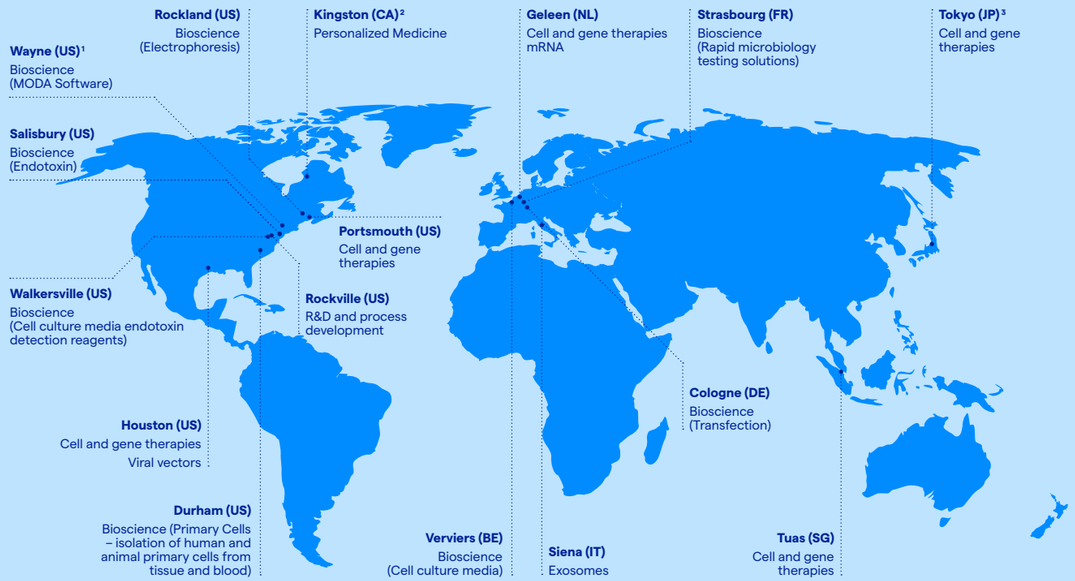
>2,000
commercial batches delivered by our Cell & Gene CDMO network

>200
active therapies supported by Bioscience [1]

Our Specialized Modalities Business Platform provides comprehensive solutions that facilitate the accelerated development, manufacturing and commercialization of life-changing treatments. We operate at the forefront of emerging and established technologies – spanning Cell & Gene, Microbial, mRNA and Bioscience – to help pioneer our customers' breakthrough medicines. Specialized Modalities brings together four synergistic Technology Platforms that combine products and services to support customers across the full product lifecycle.

[1] Including third party therapies and Lonza manufactured drugs.

Our Global Development and Manufacturing Footprint



[1] Lonza has signed an agreement to divest its MODA® business, with closing expected in Q2 2026.
[2] Lonza has signed an agreement to divest its Personalized Medicine business.
[3] Facility owned and operated by Nikon Cell innovation Co. Ltd. under Nikon-Lonza partnership.

Market Trends

Cell and gene therapy (CGT) continues to mature as a transformative treatment platform, advancing from early innovation to commercialization, as demonstrated by the growing number of FDA cell therapy initial approvals in recent years [2]. While FDA approvals slowed down in 2025, CGT remains one of the fastest-growing areas among biologics, with the global molecule pipeline expected to grow at a mid-to-high single-digit rate [3] annually through to 2029. Large pharmaceutical companies continue to invest in CGT R&D and commercialization [4], reflecting confidence in the field's long-term potential. Venture financing has become more selective in 2025, focusing on proven, scalable programs with demonstrated commercial potential. In addition, investment in *in vivo* CAR-T and gene editing technologies, including CRISPR-based approaches, is increasing, driven by major pharma mergers and acquisitions. This trend supports the advancement of next-generation platforms and accelerates the transition from research to clinical application.

The **cell and gene CDMO market** is projected to grow at a mid to high single-digit rate annually [5] until 2029, driven by rising demand for specialized manufacturing and a robust late-stage pipeline. Reducing the cost of goods and improving process consistency remains essential for scalability and commercial success.

mRNA continues to advance beyond its pandemic-era foundations toward a broader therapeutic landscape, with cancer vaccines and mRNA-based therapeutics expected to drive strong growth. Emerging technologies such as *in vivo* gene editing and *in vivo* CAR-T therapies are attracting significant industry attention, supported by major pharmaceutical investments and acquisitions [6]. These developments highlight the modality's expanding potential across multiple therapeutic areas and reinforce mRNA's role as a key enabler of next-generation biologics and precision medicine.

The **microbial** modality landscape encompasses a broad range of molecules from simple carbohydrates to complex, post-translationally modified biologics, reflecting its growing scientific and therapeutic diversity. The microbial CDMO market is projected to grow steadily by 4 to 6% [4] between 2025 and 2029. Healthy demand for late phase microbial manufacturing is outstripping CDMO market capacity and customers look to experienced manufacturing partners that can design, build and manage plants as well as navigating the complexities of microbial tech transfer and scale-up.

Our Offering

Cell & Gene

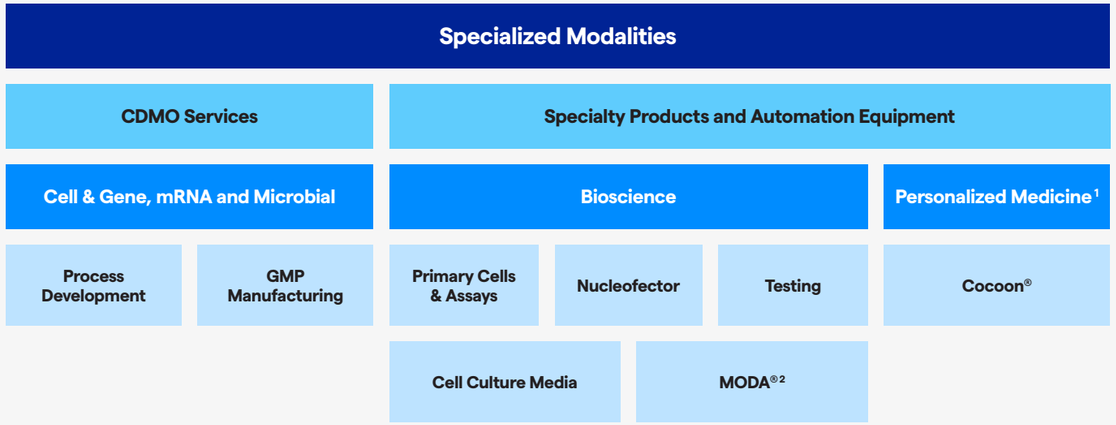
Our value proposition is built on proven quality, extensive scientific expertise and consistent delivery in cell and gene therapy manufacturing. With more than two decades of experience, we have established a leading global position in contract development and manufacturing. We combine GMP excellence with regulatory insight to ensure reliable quality and smooth submissions for our partners.

Our capabilities span a broad range of modalities, including cell and gene therapy, exosome-based therapies, induced pluripotent stem cells (iPSCs), mesenchymal stem cells (MSCs), natural killer cells (NKs) and other allogeneic platforms. Furthermore, we offer autologous chimeric antigen receptor T-cell (CAR-T), tumor-infiltrating lymphocyte (TIL), hematopoietic stem cell (HSC), T-cell receptor (TCR), and regulatory T-cell (T-reg) gene therapies, alongside viral vectors such as adeno-associated viruses (AAVs) and lentiviral vectors (LVVs).

From early process development to commercial manufacturing, we provide a comprehensive and integrated service offering in a highly fragmented industry. We also continue to launch key offerings to support customer milestones, including Investigational New Drug (IND) submissions, technology transfers, and commercialization planning. These initiatives strengthen our position as a reliable partner across every stage of the process that brings advanced therapies to patients.

[2] Source: Citeline Analysis (2025).
[3] Source: Lonza Internal Analysis (2025).
[4] Source: ARM Resources; GlobalData.
[5] Source: Lonza Internal Analysis (2025).
[6] Source: Nasdaq; EndPoints News.
[4] Source: Lonza Internal Analysis (2025).

Specialized Modalities Offering



Financial Performance in Full-Year 2025
Comparison vs. Prior Year

1,034m
-3.0%[1]
Sales (CHF)

176m
-8.3%
CORE EBITDA (CHF)

17.0%
-0.5ppts
CORE EBITDA Margin

[1] Lonza has signed an agreement to divest its Personalized Medicine business.
[2] Lonza has signed an agreement to divest its MODA® business, with closing expected in Q2 2026.
[3] Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

mRNA
During the Covid-19 pandemic, we pioneered the large-scale commercial manufacture of mRNA medicines in record time, demonstrating our ability to adopt and manufacture new technologies at speed and scale. As mRNA expands across therapeutic areas, we continue to invest in early-stage innovation. Our mRNA and lipid nano-particle (LNP) manufacturing complex in Geleen (NL) supports IND-enabling, clinical, and small-scale commercial production. The facility includes process and analytical development, cGMP manufacturing, and quality control services for mRNA and LNP-based medicines. By combining scientific depth with integrated capabilities, we help customers advance confidently and efficiently towards the clinic.

Microbial
With a track record of eight commercial licenses and expertise in large-scale complex protein and vaccine production, our Microbial Technology Platform is a trusted leader in late-phase and commercial supply for customers looking for quality and reliability. In 2025, we celebrated our 40th anniversary of working in the microbial space, building on a legacy of bioprocess innovation with more than 70 GMP technology transfers into Lonza. With our proprietary XS Technologies® expression system, state-of-the-art development labs, and GMP manufacturing scales spanning from 70L to 15,000L, our facility in Visp (CH) offers services that meet our customers' needs across the entire product lifecycle.

Bioscience
In Bioscience, we have a strong portfolio of products and services that support the growth of the biologics, small molecule and cell and gene markets. Our customers value our improved reliability, reduced variability, ease of use, high performance and cost efficiency. Our expertise in primary human cell biology tools help enable customers to develop more predictive models and accelerate the path to IND. Our Bioscience products and services range from cell culture and discovery technologies for research to cell culture media, quality control tests, and biomanufacturing software solutions.

Personal Highlight

Daniel Palmacci
Head of Specialized Modalities

"We entered new partnerships and expanded our capabilities across Specialized Modalities in 2025. We launched two new commercial programs, gained GMP qualification for mRNA manufacturing in Geleen, launched several innovative products and expanded our testing solutions portfolio with the acquisition of Redberry SAS. These achievements underline our commitment to execution excellence, scalability, and collaboration to support customers from early development through to commercial supply."

Personalized Medicine[1]
The end-to-end process to produce a cell therapy can be long and involves complex supply chain logistics and manual manufacturing processes. Furthermore, most of the current manufacturing solutions are not sufficiently scalable to meet patient demand as cell therapies are approved for earlier lines of treatment or for more prevalent indications. Designed to address many of these challenges, our Cocoon® platform is a functionally closed, highly flexible and scalable autologous cell manufacturing solution. It enables decentralized manufacturing models that have the potential to reduce vein-to-vein times, deliver fresh cells, improve physician control, and enhance the patient experience. To date, we have worked with more than 30 customers and installed more than 150 Cocoon® instruments.

2025 Highlights

In 2025, we worked closely with our partners to deepen existing relationships and onboard new customers across all development stages and modalities.

In our **Cell & Gene** Technology Platform, we welcomed nine new customers across pre-clinical to late-phase cell therapy and viral vector programs. Additionally, we expanded twelve customer programs, the majority of which are advancing late-stage clinical assets towards commercial readiness. This includes our amended agreement with Mesoblast, a key player in allogeneic cellular medicines for inflammatory diseases, to support the scale-up of commercial manufacturing for Ryoncil®, which became the first and only FDA-approved mesenchymal stromal cell (MSC) therapy in December 2024. Collectively, our balanced portfolio underscores the strength and versatility of our CDMO capabilities. Following successful pre-license and pre-approval inspections (PLI and PAI) at our sites, we added two new commercial manufacturing programs in cell and gene therapy. All Cell & Gene sites are now contracted to manufacture at least one approved commercial therapy.

These milestones mark a significant step forward in scaling our commercial execution, strengthening our manufacturing network, and reinforcing our position as a trusted partner for the commercial supply of cell and gene therapies worldwide.

In 2025, our Geleen (NL) facility achieved GMP qualification for clinical **mRNA manufacturing**. This qualification followed extensive facility preparation, equipment qualification and cross-functional collaboration. At our site in Geleen, mRNA manufacturing capabilities are now fully integrated into our global network, enhancing flexibility, capacity, and supply resilience for our mRNA portfolio.

Our **Microbial** Technology Platform continued to build momentum in 2025 through strong customer retention and program expansions across all scales. We secured short- and long-term commercial contracts, including commitments at the 70L and 1,000L scales extending into 2027. To support this growth, we completed the upgrade and expansion of our mid-scale 4,000L facility in Visp (CH). We also successfully completed scale-up activities for four programs, including internal initiatives. These achievements reflect our continued focus on customer satisfaction, technical excellence, and commercial readiness to meet increasing customer demand in the microbial manufacturing space.

In 2025, our **Bioscience** business introduced several new products to expand and strengthen our portfolio. In July, we launched the 4D-Nucleofector® LV Unit PRO, a next-generation large-scale electroporation unit designed to deliver clinically relevant cargos into large volumes of T cells. Building on our non-viral large-scale transfection platform, the unit is optimized for CRISPR-based genome engineering and advanced cell therapy applications. A key innovation is the introduction of the Nucleocuvette® Cartridges PRO, enabling electroporation of complex cargos into up to one billion cells per run with improved usability, flexibility, and robustness. The upgraded system provides a scalable, reproducible platform supporting pre-clinical studies and process development, with seamless translation to GMP-compliant manufacturing for next-generation cell and gene therapies.

In October, we expanded our TheraPEAK® portfolio with AmpliCell® Cytokines and 293-GT® Medium to support cell and gene therapy development. The cytokines offer consistent immune cell expansion and are suitable for GMP manufacturing, while the medium enhances AAV production in HEK293 cells. Both products are scalable, regulatory-ready, and compatible with existing workflows – strengthening our offering by providing cell and gene therapy developers with reliable solutions.

Also in October, our **Bioscience** business announced the signing of an agreement to acquire Redberry SAS, a company specialized in rapid microbiology testing solutions using solid-phase cytometry (SPC) technology. The acquisition includes Redberry's Red One™ platform, which enables faster sterility and bioburden testing, significantly reducing testing time from 14 days to just four. This agreement supports our commitment to providing scalable, automated QC solutions for biologics and cell and gene therapies.

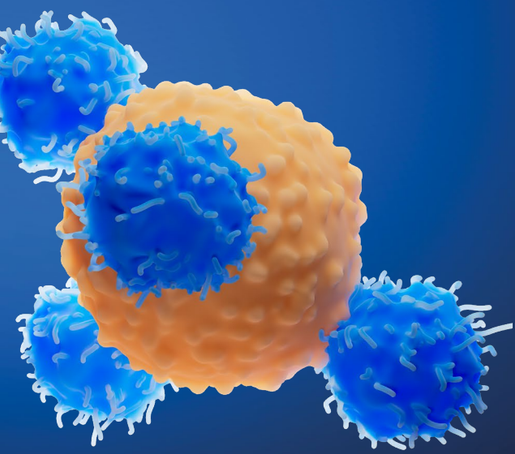
[1] Lonza has signed an agreement to divest its Personalized Medicine business.

Innovation Spotlight

Towards *In Vivo* CAR-T Cell Therapies

CAR-T cells represent a powerful approach to treating cancer and autoimmune diseases by harnessing the body's immune system. Traditionally, this reprogramming of immune cells is performed *ex vivo*, requiring complex manufacturing and conditioning regimens that limit accessibility and scalability. *In vivo* CAR-T therapy significantly expands the reach of this modality by enabling the reprogramming of immune cells directly within the patient's body. This approach uses advanced delivery technologies to generate CAR-T cells *in vivo*, eliminating the need for costly and time-intensive *ex vivo* processes.

In vivo CAR-T technology is rapidly advancing on a global scale, with multiple drug candidates in pre-clinical development and several under clinical evaluation. To address the growing market interest, we developed a process to enhance the cell type-specific delivery of mRNA as cargo using targeted lipid nanoparticles (tLNPs). Our One Lonza approach leverages several bioconjugation technologies from our Advanced Synthesis early phase offering. Attaching ligands to the surface of LNPs to provide cell-specific tropism is a powerful strategy to achieve selective targeting. We use Lonza's GlycoConnect® platform, which is intended to overcome the limitations of conventional conjugation methods and provide promising solutions for LNP targeting to T cells. These innovations position Lonza at the forefront of enabling disruptive therapeutics in this rapidly evolving field.



Capsules & Health Ingredients[1]

>75
Net Promoter Score[2]

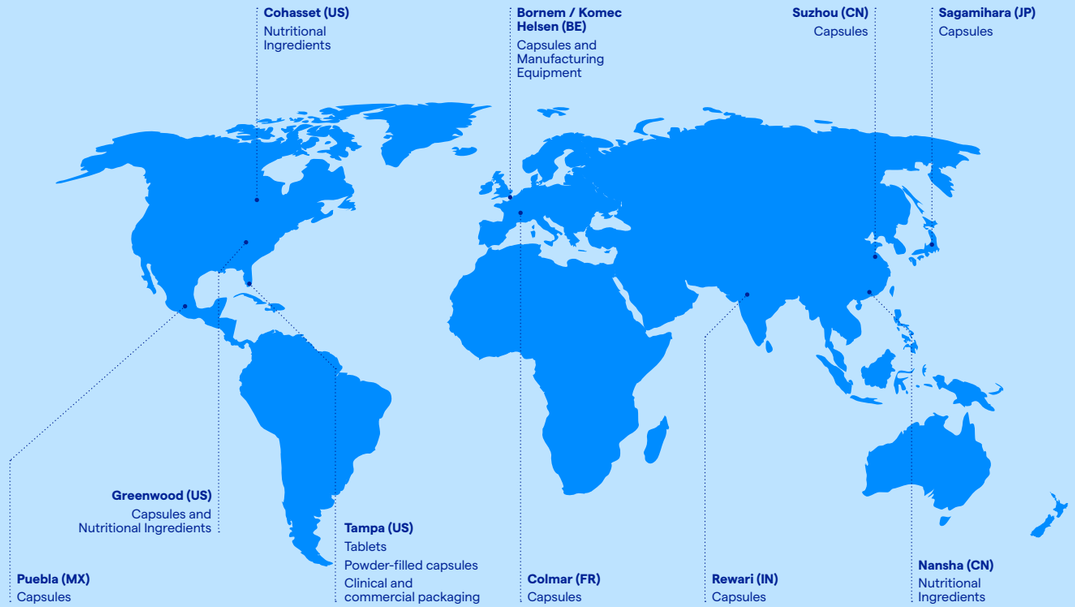
3
new product launches in 2025

>85%
new drugs launched with CHI capsules

The Capsules & Health Ingredients (CHI) business offers high quality capsules, formulation development, encapsulation technologies, and oral solid dose manufacturing services to the global pharmaceutical and nutraceutical markets. With a focus on product, technology, and service innovation, the network supports more than 7,000 customers globally with the design, customization, and manufacture of hard empty capsules, capsule filling equipment, differentiated dosage form solutions, and science-backed health ingredients. These solutions are designed to meet evolving consumer requirements and patient needs.

[1] Lonza has signed an agreement to divest its Capsules & Health Ingredients (CHI) business, with closing expected in H2 2026.
[2] The Net Promoter Score (NPS) is a metric used to measure customer loyalty and satisfaction with a company's products or services. In the B2B life sciences industry, benchmarks typically range between 40 and 45 (Source: Medallia).

Our Global Development and Manufacturing Footprint



Market Trends

The **pharmaceutical market** has evolved rapidly in recent years, with shifts in the geopolitical environment increasing focus on more localized manufacturing strategies – particularly for the commercialization of novel therapies. While the oral solid dose (OSD) market has traditionally grown more modestly than the biologics market[3], the rise of GLP-1s has created a new class of blockbusters with appeal to patients who are hesitant about the use of injectables. Alongside GLP-1s, peptides, live biotherapeutics and even larger biologics are emerging as opportunities for next generation OSD forms. As many large volume biologics approach a patent cliff in the coming years[4], a pivot to oral forms and a focus on diabetes and weight management will facilitate significant growth in the solid dosage forms market.

CHI is well positioned to support customers by addressing these challenging molecules through innovative products, such as the Enprotect® capsules, the Innovaform® development center, and our integrated CDMO for OSD manufacturing in Tampa (US), which offers end-to-end services. CHI's global and local networks provide a range of products and services to help customers mitigate the challenges of the dynamic market, and offer untapped innovation and customization opportunities at an industry-leading quality and service levels.

Health consciousness trends are driving increasing demand for nutraceuticals. Geopolitical factors are reshaping the **nutraceutical market**, as many key health ingredients are manufactured outside of the US. At the same time, the nutraceutical consumer landscape is characterized by higher price sensitivity compared with the pharmaceutical market. For instance, the rise of GLP-1s and the growing emphasis on weight, fitness, nutrition, and personalized health are driving downstream trends, as consumers seek increasing levels of wellness and longevity. Health ingredients, such as our joint health offering UC-II® ingredient, are well positioned to capitalize on this trend and capture growth opportunities in the collagen space. Meanwhile, the need for speed and agility in rapid prototyping and sophisticated dosage forms for specialized consumer needs is being addressed through CHI's Dosage Form Solutions (DFS) contract manufacturing services. Through DFS, CHI can bring concepts to reality within a matter of weeks, supporting customers to stay ahead of rapidly evolving consumer nutrition trends through collaborative innovation.

[3] IQVIA White Paper.
[4] IQVIA 2025.

Offering

The CHI business is well positioned to expand its presence across both the pharmaceutical and nutraceutical segments, supported by an innovative product portfolio, market leading customer service, industry-leading manufacturing and automation platforms. Skilled teams of experts and a broad local-for-local manufacturing network operate at the highest quality standards. With an agile and resilient supply chain alongside a digitally enhanced service offering, CHI can provide a truly customer-centric experience and specialist capabilities to meet customer needs. CHI is comprised of four core businesses:

Hard Empty Capsules (HEC)
CHI offers a wide range of gelatin and plant-based Capsugel® capsules with a variety of release profiles and encapsulation technologies. These solutions are designed to meet evolving technical and regulatory requirements as well as market demands, including the move toward vegetarian, vegan, organic and clean-label solutions. With the largest global capsule manufacturing capacity in the world, CHI has the capability to produce billions of capsules per year across its global production network. CHI supplies customers in every major geographical region with standard and customizable capsules – all at market leading quality standards. In addition, CHI provides novel and functional capsules for increasingly complex and sensitive therapeutic requirements. Key innovations include the recently launched Organicaps™ capsules, the only USDA organic certified, plant-based immediate release pullulan capsule made in North America, particularly suited for oxygen sensitive payloads. In addition, the pipeline for Enprotect® capsules continues to grow, offering a truly differentiated solution to the challenges of oral peptide and GLP-1 delivery, and a product fully customizable in our Innovaform® development center.

Dosage Form Solutions (DFS)
The DFS business builds upon CHI's strong capsule expertise and provides nutraceutical customers with an expert end-to-end contract manufacturing service. It supports dosage forms ranging from simple liquid formulations using the proprietary liquid sealing technology, to complex multi-dose and timed-release systems. The DFS program has been supported by capacity expansions across CHI's global network to further improve speed-to-market. Alongside formulation and encapsulation expertise, DFS supports customers by co-creating finished products and providing product branding support.

Global Pharma Solutions (GPS)
In 2025, Lonza's CDMO site in Tampa (US) was integrated into the CHI network. The Tampa CDMO site is a natural extension of the formulation and development services offered by the Innovaform® development center in Colmar (FR), which launched in 2024. The Innovaform® center offers highly customized solutions for challenging APIs that exhibit poor water solubility, oxygen or water sensitivity, or the need to avoid release in the stomach (e.g. oral peptides). These programs are then managed at the CDMO facility in Tampa, which handles cGMP manufacturing, clinical supply and full-scale commercialization. From OSD forms to inhalation, CHI's end-to-end GPS offering allows pharmaceutical clients – from start-ups to global leaders – to bring novel, orphan and challenging drugs to life at its customer-centric facility in the United States.

Active Lifestyle Health Ingredients
CHI provides multiple science-backed health ingredients for the growing active lifestyle market. Its offering includes products that support healthy human nutrition, targeting global consumer trends including joint health, muscular strength, energy, endurance and weight management. The portfolio includes premium brands such as UC-II® undenatured type II collagen for joint health, Carnipure® L-carnitine for energy, and a range of other branded products targeting immune and digestive health.

2025 Highlights

In 2025, the CHI business strengthened its leading position in HEC, DFS, and Health Ingredients in a challenging market environment. CHI has focused on optimizing its cost position in the short term through operational excellence in manufacturing – which has delivered efficiency enhancements – and cost saving initiatives across all functions and regions.

In October, CHI launched Organicaps™ capsules, the first USDA organic certified, plant-based, immediate release pullulan capsule manufactured and currently available only for purchase in North America. These capsules feature a high oxygen barrier, non-reactive shell, and excellent polymer stability, making them ideal for preserving organic formulations. Organicaps™ capsules help brands meet growing consumer demand for organic supplements. The capsules are 100% plant-based, Non-GMO Project verified, and offer an excellent disintegration profile for immediate release comparable to traditional gelatin capsules.

As part of CHI's continued focus on corporate responsibility, a new Center of Applied Sustainability was established to accelerate sustainability efforts. The Center comprises a dedicated team of experts in operations, energy management, emissions and life cycle impact assessment to help our customers reach their climate ambitions. The team works alongside partners, suppliers and customers to set collective environmental goals, with the aim of decreasing the environmental footprint of CHI's products and operations. The Center also provides end-to-end support for customers seeking to reduce their emissions, from upstream supply chain emissions to downstream low environmental impact products. As a core service, the Center conducts carbon footprint assessments to support customers in assessing their own emissions and identifying further reduction opportunities. The Center also aims to achieve the lowest possible environmental impacts for the CHI product portfolio.

In 2025, CHI also launched the next phase of the ACHIEV® digital platform enabling customers to browse the CHI product catalogue, order products and review order status while providing access to relevant quality and regulatory documentation. The platform is available around the clock, providing customers with instant access to compliance support, product and order information. 2025 marked a significant milestone with the launch of the ACHIEV® Product Configurator, a groundbreaking tool that walks customers through the entire process of selecting and building a custom capsule for both the pharmaceutical and nutraceutical markets.

Also in 2025, CHI launched its next generation dry powder inhalation (DPI) capsule with Zephyr Inhance™ capsules, the latest innovation offering outstanding mechanical properties over a wide range of humidity conditions. This capsule innovation focuses on minimizing powder retention and performs well under a broad range of filling conditions. These capsules meet stringent microbiological standards for use in inhalation without the use of preservatives, ethylene oxide or irradiation treatments.

Financial Performance in Full-Year 2025
Comparison vs. Prior Year

1,092m
+4.4%[1]
Sales (CHF)

270m
+5.9%
CORE EBITDA (CHF)

24.7%
+1.4ppts
CORE EBITDA Margin

[1] Sales growth, expressed as a percentage (%), are at constant exchange rate (CER).

Personal Highlight

Jean-Christophe Hyvert
Head of Capsules & Health Ingredients

"2025 has been a year of positive change and momentum for CHI. We have refocused our efforts on our core business and successfully launched new Products such as our organic Organicaps™ capsule to address growing demand for organic and vegan supplements. Our drive for commercial excellence and productivity initiatives has delivered positive sales growth and expanded margins. As we prepare for our exit from Lonza, we look forward to a new chapter with confidence in our ability to continue to meet our customers' needs."

Innovation Spotlight

Supporting Needle-Free GLP-1 Delivery

The therapeutic peptides landscape, including GLP-1-based products, has been steadily evolving to meet growing global demand and accommodate patient preferences and needs. In this context, oral delivery is gaining increased attention from drug developers, manufacturers and regulators. Despite growing interest, the oral delivery of therapeutic peptides faces several challenges, including acidic and enzymatic degradation in the upper gastrointestinal tract and poor intestinal permeability. To address these challenges, we have developed an enteric delivery platform based on the award-winning Enprotect® capsules, utilizing tailored capsule development solutions from the Innovaform® Accelerator. The solution for oral delivery of peptides increases bioavailability through a unique formulation of the capsule cargo, which includes solid permeation enhancers, paired with customized enteric capsules that carry the cargo to the right place at the right time, while protecting the active ingredient from acid and enzymatic degradation. These formulations can be transferred efficiently to our cGMP-compliant CDMO facility in Tampa (US) for scalable production.

Advancing Capsule Delivery

With a global consumer preference increasingly shifting towards organic ingredients, CHI has developed and introduced the Organicaps™ capsule, the first USDA organic-certified, plant-based pullulan capsule manufactured in and currently available only for purchase in North America. This innovation delivers a clean-label solution for nutraceuticals, combining organic certification with high oxygen barrier properties and immediate-release performance. Organicaps™ capsules enable our customers to meet the growing demand for sustainable, non-GMO products while ensuring ingredient protection and product integrity.