

Q1 2023 Qualitative Update: Business Performance In Line With Full-Year Trajectory

- Robust commercial demand, with softer early-stage demand due to biotech funding constraints
 - Growth project portfolio progressing in line with plan
 - Outlook 2023 reiterated, with high single-digit CER sales growth and CORE EBITDA margin of 30 to 31%
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Basel, Switzerland, 10 May 2023 – In its quarterly qualitative update, Lonza reported Q1 performance in line with the trajectory for 2023.

In **Biologics**, there was good momentum across the division, with sustained customer demand for commercial supply and softer demand for early stage services. The **Small Molecules** division delivered a solid performance. In **Cell & Gene**, biotech funding constraints impacted demand for pre-clinical and Phase 1 services. Finally, the performance of the **Capsules & Health Ingredients** division was impacted by the softer demand for consumer health products in the US.

Lonza's growth projects are progressing in line with plan. Operations have commenced in two new facilities for [drug product](#) and [bioconjugates](#) in Visp (CH), while construction began at the large-scale commercial drug product facility in Stein (CH).

Lonza reiterated its Outlook 2023, and reconfirmed its trajectory for a stronger Second Half balancing a softer First Half, as anticipated at Full-Year 2022.

Pierre-Alain Ruffieux, CEO, Lonza, commented: "Our Q1 performance is in line with the expected trajectory towards our Group Outlook 2023. Thanks to our strong base business and industry fundamentals, we are well-positioned to continue to capture value with our clear focus on quality, a broad range of offerings and our technical expertise."

As [announced](#) at Full-Year 2022, Lonza has initiated the return of excess capital to shareholders through a share buyback of up to CHF 2 billion. As planned, the program [commenced](#) in early April 2023 and is scheduled to be completed in H1 2025. The program is being executed via a second trading line at the SIX Swiss Exchange.

About Lonza

Lonza is a preferred global partner to the pharmaceutical, biotech and nutrition markets. We work to enable a healthier world by supporting our customers to deliver new and innovative medicines that help treat a wide range of diseases. We achieve this by combining technological insight with world-class manufacturing, scientific expertise and process excellence. Our business is structured to meet our customers' complex needs across four divisions: Biologics, Small Molecules, Cell & Gene and Capsules & Health Ingredients. Our unparalleled breadth of offerings across divisions enables our customers to commercialize their discoveries and innovations in the healthcare industry.

Founded in 1897 in the Swiss Alps, today, Lonza operates across five continents. With approximately 17,500 full-time employees, we comprise high-performing teams and individual talent who make a meaningful difference to our own business, as well as to the communities in which we operate. The company generated sales of CHF 6.2 billion with a CORE EBITDA of CHF 2.0 billion in Full-Year 2022. Find out more at www.lonza.com

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