

Ad-hoc announcement pursuant to art. 53 SIX Swiss Exchange Listing Rules

MEDIA RELEASE

Sandoz reports Q1 2025 net sales in line with company expectations; full-year guidance confirmed

- Q1 2025 net sales of USD 2,480 million
 - up by 3% in constant currencies (cc); stable in USD
 - up by 5%^[1] at a comparable growth rate (CGR), when adjusted for impact of 2024 acquisition of US biosimilar Cimerli® (ranibizumab) and 2024 divestment of China business
 - ten largest-selling medicines grew by combined 4% and represented 33% of net sales
- Europe net sales grew by 7%^[1]. International declined by 2%^[1] and increased by 2% when adjusted for China divestment. Net sales in North America grew by 1%^[1] and, adjusted for Cimerli acquisition, by 3%
- Anticipated biosimilar launches primarily weighted to second half of year. Launches include Wyost®/Jubbonti® (denosumab) in Europe and US, Tyruko® (natalizumab) in US^[2] and Afqlir® (afibercept) in Europe
- Favorable moves towards regulatory streamlining of biosimilar development reflected in decision to minimize pembrolizumab Phase III trial
- Full-year impact of US government's confirmed recent tariffs within guidance
- Full-year 2025 guidance confirmed: mid single-digit net-sales growth^[1] and core EBITDA margin of around 21%

Basel, April 30, 2025 – Sandoz (SIX: SDZ / OTCQX: SDZNY), the global leader in generic and biosimilar medicines, today presents its net-sales update for the first quarter of 2025.

Richard Saynor, Chief Executive Officer of Sandoz, commented: "With Q1 sales in line with our expectations, we have now delivered fourteen consecutive quarters of top-line growth. This reconfirms our growing track record of execution and performance, driven by commercial excellence and an expanding biosimilar pipeline and portfolio, underpinned by our generics base. I'm looking forward to additional growth in the second quarter and further progress this year as we launch more biosimilar medicines.

"With our business continuing to grow, we are confident of delivering more affordable medicines for patients and savings for society, while producing sustainable growth in sales, profitability and cash generation. It is the powerful combination of delivery and pioneering access for patients that makes us proud to be part of the Sandoz growth journey."

FULL-YEAR 2025 GUIDANCE

The Company expects further major biosimilar launches later this year, while price erosion is expected to return to normalised levels of a low to mid-single-digit percentage. Sandoz anticipates core EBITDA-margin expansion to reflect the mix of sales, simplification of the external network and the ongoing transformation program. As a result, the Company continues to expect:

- FY 2025 net sales to grow by a mid single-digit percentage[3]
- a core EBITDA margin in FY 2025 of around 21%

This guidance excludes any impacts of unforeseen events or unconfirmed developments, such as significant further potential trade tariffs emanating from the US government.

FIRST-QUARTER NET SALES

Net sales for the first quarter amounted to USD 2,480 million, representing growth of 3%[3]. Volume contributed six percentage points of growth, partly offset by price erosion of three percentage points.

	Q1 2025	% of Net Sales	Q1 2024	% change		
	USD m		USD m	USD	cc	CGR[3]
Generics	1,809	73	1,869	-3	0	2
Biosimilars	671	27	623	8	11	14
Net Sales	2,480	100	2,492	0	3	5

Generics overview

Net sales for the first quarter were USD 1,809 million, reflecting a stable performance[3] (+2% on a CGR basis). Generics represented 73% of total net sales (Q1 2024: 75%).

Europe sales of generics grew in the first quarter, driven by the effect of launches in 2024. International net sales declined, with the impact from the divested China business outweighing growth in other markets. In North America, generics' net-sales growth benefitted from the successful recent launch of paclitaxel.

Biosimilars overview

Net sales for the first quarter were USD 671 million, reflecting growth of 11%[3] (+14% on a CGR basis). Biosimilars represented 27% of total net sales (Q1 2024: 25%).

Strong Europe biosimilars' net-sales growth benefitted from a number of good performances, including Hyrimoz® (adalimumab) and recently launched Pyzchiva® (ustekinumab), while International biosimilar net sales also saw a strong contribution from Omnitrope® (somatropin). North America biosimilar net sales declined, reflecting the withdrawal of Cimerli during the quarter; excluding the impact of the 2024 acquisition Cimerli, North America biosimilar net sales increased.

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Net sales by region

	Q1 2025	% of Net Sales	Q1 2024	% change		
	USD m		USD m	USD	cc	CGR[4]
Europe	1,372	55	1,326	3	7	7
International	590	24	642	-8	-2	2
North America	518	21	524	-1	1	3
Net Sales	2,480	100	2,492	0	3	5

Europe overview

Net sales for the first quarter amounted to USD 1,372 million, reflecting growth of 7%[4].

Europe net sales of generics grew in the first quarter, with higher growth in biosimilars primarily a result of recent launches, including Pyzchiva.

International overview

Net sales for the first quarter amounted to USD 590 million, reflecting a decline of 2%[4]. Excluding the impact of the divestment of the China business, growth amounted to 2%[4].

Pricing increased in both generics and biosimilars during the quarter, with strong biosimilar net sales partly a result of the continued good performance from Omnitrope.

North America overview

Net sales for the first quarter amounted to USD 518 million, reflecting growth of 1%[4]. Excluding the impact of the withdrawal of Cimerli, growth amounted to 3%[4].

A good performance from generics was driven by the successful recent launch of paclitaxel, as well as continued strong growth in Canada. Biosimilar net-sales growth would have been positive when excluding the impact of the 2024 acquisition of Cimerli. Price erosion was driven by reduced Cimerli and private-label adalimumab pricing.

US TARIFFS

The only tariffs applicable to the Company, as part of recent implementation from the US government, is a total 20% China tariff, implemented on March 4, 2025, and a tariff on any medicines coming from Canada but outside the scope of the United States-Mexico-Canada Agreement. These impacts have been incorporated within full-year guidance.

The Sandoz manufacturing footprint consists of 15 sites, including 11 in Europe and one in the US, from which the latter does not export to Europe. US first-quarter net sales represented less than one-fifth of total net Q1 sales.

REGULATORY STREAMLINING: BIOSIMILARS

Reflecting encouraging and favourable developments, Sandoz has decided to minimize its ongoing Phase III trial in patients with untreated metastatic non-squamous non-small cell lung cancer for the proposed biosimilar, pembrolizumab. The ongoing Phase I pharmacokinetic trial is continuing as planned. This decision was partly based on communications with the US FDA, as well as a [reflection paper](#) published by the European Medicines Agency. The Company is assessing implications, including for its wider biosimilars pipeline.

ANTITRUST LITIGATION AGAINST AMGEN

In April 2025, Sandoz announced the filing of an antitrust lawsuit in the US against Amgen, Inc. (Amgen), for extending and entrenching the dominant market position of Enbrel®[5] (etanercept), first approved by the US FDA in 1998. Sandoz alleges that Amgen blocked competition from more cost-effective biosimilar competitors, including Sandoz etanercept biosimilar, Erelzi®[6] (etanercept-szzs), by unlawfully purchasing and using certain patent rights to entrench its position in the market.

KEY LINKS

A conference call and webcast for investors and analysts will begin today at 9am CET. Details can be found [here](#), with the accompanying presentation [here](#).

CALENDAR

The Company intends to publish its half-year results on August 7, 2025.

[1] In constant currencies (cc).

[2] Subject to FDA approval of John Cunningham virus assay.

[3] In constant currencies (cc).

[4] In constant currencies (cc).

[5] Enbrel® is a registered trademark of Amgen, Inc.

[6] Erelzi® is a registered trademark of Sandoz, Inc.

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ABOUT SANDOZ

Sandoz (SIX: SDZ; OTCQX: SDZNY) is the global leader in generic and biosimilar medicines, with a growth strategy driven by its Purpose: pioneering access for patients. More than 20,000 people of 100 nationalities work together to ensure more than 900 million patient treatments are provided by Sandoz, generating substantial global healthcare savings and an even larger social impact. Its leading portfolio of approximately 1,300 products addresses diseases from the common cold to cancer. Headquartered in Basel, Switzerland, Sandoz traces its heritage back to 1886. Its history of breakthroughs includes Calcium Sandoz in 1929, the world's first oral penicillin in 1951, and the world's first biosimilar in 2006. In 2024, Sandoz recorded net sales of USD 10.4 billion.

APPENDIX

QUARTERLY NET SALES

The Company intends to provide the net-sales performance by region by generics/biosimilars at each half-year and full-year results.

FY 2024

	Q1 2024			Q2 2024			Q3 2024			Q4 2024		
	USD m	USD	cc	USD m	USD	cc	USD m	USD	cc	USD m	USD	cc
Generics	1,869	0	1	1,835	-1	1	1,854	3	4	1,946	1	4
Biosimilars	623	21	21	720	35	37	741	36	37	769	23	25
Net Sales	2,492	5	6	2,555	7	9	2,595	11	12	2,715	7	9

	Q1 2024			Q2 2024			Q3 2024			Q4 2024		
	USD m	USD	cc	USD m	USD	cc	USD m	USD	cc	USD m	USD	cc
Europe	1,326	4	2	1,308	2	3	1,362	13	12	1,367	7	8
International	642	4	12	627	5	9	635	2	8	653	0	6
North America	524	6	6	620	22	23	598	17	18	695	13	14
Net Sales	2,492	5	6	2,555	7	9	2,595	11	12	2,715	7	9