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MEDIA RELEASE

Sandoz to confirm strategic roadmap and highlight pipeline catalysts at 43rd Annual J.P. Morgan Healthcare Conference

- Strong first year as standalone company; global leader Sandoz uniquely positioned in attractive and growing USD 200 billion market for generics and biosimilars
- Leading in home market Europe, which represents half of total sales; strategically positioning company to become #1 in biosimilars in US, with three US launches expected in 2025
- Ambitious GLP-1 strategy in place, addressing each opportunity with mix of internal capabilities and external partnerships
- Industry-leading pipeline for rapidly-growing biosimilar segment now comprises 28 molecules
- Strongly positioned to capitalize on unprecedented global market opportunity, with reference medicines worth more than USD 400 billion in sales due to lose exclusivity from 2029 onwards

Basel, January 14, 2025 – Sandoz, the global leader in generic and biosimilar medicines, will confirm its strategic roadmap and highlight pipeline catalysts in a presentation today at the 43rd Annual J.P. Morgan Healthcare Conference, taking place from January 13 to 16 in San Francisco.

CEO Richard Saynor will highlight several recent additions to the global biosimilar pipeline, which now comprises 28 molecules. He will also reiterate the company's ambition to become the leader in US biosimilars, with three US launches expected in 2025.

Richard will say: "We are proud of the progress we have made on our spin-off commitments since October 2023. Generics and biosimilars represent 80% of medicines used by patients worldwide, at 30% of the total cost. That means that, when we deliver on our promises, we create value for all. As we enter our second full year as a standalone company, we will continue to execute our purpose-driven strategy."

Sandoz uniquely positioned to benefit from market fundamentals, aims to lead in US biosimilars

The global generics and biosimilars market is worth more than USD 200 billion in gross sales and expected to grow at an annual compound rate of 7% for the next 10 years. Growth will be driven by aging populations, higher rates of chronic disease, increasing market adoption as healthcare systems and payors seek to reduce the cost of medicines, and a consistent supply of upcoming losses of exclusivity (LoEs) as patents for reference medicines expire.

From 2029 through 2034, reference medicines worth more than USD 400 billion in sales are due to lose exclusivity, significantly more than during any comparable timeframe previously. Nearly half of this opportunity is in the biosimilar segment, while GLP-1 medicines represent by far the single largest opportunity in the generic space.

As the global leader, Sandoz is uniquely positioned to benefit from these attractive market fundamentals, in terms of both geographic and portfolio balance. Europe represents half of its total sales, with half of the remainder coming from North America. The portfolio combines a strong focus on the rapidly-growing biosimilar segment with a leading position in its core generics business. Sandoz also aspires to achieve sustainable leadership in the US biosimilar segment. As Richard will say: “We have become the #1 biosimilars provider on a worldwide basis and now have an industry-leading biosimilars pipeline of 28 molecules. We are leading in Europe. In the US, we rank #4 in biosimilars today and have the ambition to become #1.” Sandoz plans five biosimilar launches in the mid-term, including three this year in the US.

Pipeline progress and new value drivers fueling future growth

Sandoz has made significant progress since spin-off, including successful launches of biosimilar Hyrimoz® (adalimumab) in the US and Tyruko® (natalizumab) in Europe, as well as stabilization of the North American business ahead of key launches. It has also steadily expanded its strong and diverse pipeline, with over 450 generic pipeline products to complement the 28 biosimilars. This progress is underpinned by a strong balance sheet, which offers investment flexibility.

Sandoz has also added multiple new value drivers since its initial Capital Markets Day. These include the launch of biosimilar Pyzchiva® (ustekinumab) in Europe, a private-label agreement to boost uptake of Hyrimoz® in the US, the addition of five new biosimilars to the pipeline, a clear strategy to address the emerging GLP-1 opportunity, and potential additional organic investments to support long-term growth. In 2024, pembrolizumab and nivolumab, two large oncology assets addressing more than USD 40 billion of LoE value, entered late-stage clinical trials.

Biosimilars as single-biggest growth driver

Sandoz sales were up over 30% in the first nine months of 2024 and Saynor will say that biosimilars are now the company’s single-biggest growth driver. Its pipeline of 28 biosimilars is industry-leading in terms of both number of assets and coverage of addressable market value.

Sandoz is on track with its plans for further biosimilar launches, including four in 2025: Pyzchiva® and Tyruko® (natalizumab) in the US, Wyost®/Jubbonti® (denosumab) in the US and Europe, and Afqlir® (aflibercept) in Europe.

These medicines cover the therapy areas of chronic inflammatory diseases (ustekinumab), multiple sclerosis (natalizumab), osteoporosis (denosumab) and various retinal diseases (aflibercept) respectively. By providing these biosimilar alternatives, Sandoz is delivering on its Purpose of pioneering access for patients.

GLP-1s as key LoE growth driver in generics space

Saynor will add: “Since the initial Sandoz Capital Markets Day just 18 months ago, GLP-1s have become the largest LoE opportunity in the industry and the key LoE growth driver in the generics space. Sandoz has a clear and ambitious strategy in place and will address each opportunity with a mix of internal capabilities and external partnerships across development and manufacturing.

“Last year, we mentioned our partnership agreement with Pharmathen focused on diabetes indications. We are currently exploring further partnerships to commercialize future GLP-1 medicines in the US, Europe and other markets for weight-loss indications.”

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Committed to delivering superior value for our shareholders and for society in long term

Saynor will conclude: “We are the world leader in a growing market. Our home base is Europe, but we are well positioned in the US and other regions. We have a plan to deliver on our mid-term outlook, in terms of both portfolio and pipeline, bolstered by opportunities to simplify our business.

“We have the internal resources to execute on our pipeline and the scale to develop and attract strong partners to capture high-value, long-term opportunities. Our strong balance sheet gives us optionality for future technologies. And all of this is underpinned by our objective of delivering superior value for our shareholders and for society, by consistently delivering on our Purpose.”

KEY LINKS

Webcast – Live at 09:45 Pacific Time / 18:45 CET
Presentation

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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 800 million patient treatments are provided by Sandoz, generating substantial global healthcare savings and an even larger social impact. Its leading portfolio of approximately 1,500 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 2023, Sandoz recorded net sales of USD 9.6 billion.

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