

Full-Year Results 2024

Wolfgang Wienand, CEO
Philippe Deecke, CFO

29 January 2025



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Forward-looking statements contained herein are qualified in their entirety as there are certain factors that could cause results to differ materially from those anticipated. Any statements contained herein that are not statements of historical fact (including statements containing the words “outlook,” “guidance,” “believes,” “plans,” “anticipates,” “expects,” “estimates” and similar expressions) should be considered to be forward-looking statements. Investors are cautioned that all forward-looking statements involve risks and uncertainty.

There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including the timing and strength of new product offerings; pricing strategies of competitors; the company’s ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs;

difficulty to maintain relationships with employees, customers and other business partners; and changes in the political, social and regulatory framework in which the company operates, or in economic or technological trends or conditions, including currency fluctuations, inflation and consumer confidence, on a global, regional or national basis.

In particular, the assumptions underlying the section “Outlook 2025” herein may not prove to be correct. The statements in the section “Outlook 2025” constitute forward-looking statements and are not guarantees of future financial performance.

Lonza’s actual results of operations could deviate materially from those set forth in the section “Outlook 2025” as a result of the factors described above or other factors. Investors should not place undue reliance on the statements in the section “Outlook 2025”. Except as otherwise required by law, Lonza disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after this presentation was published.

1

One Lonza

2

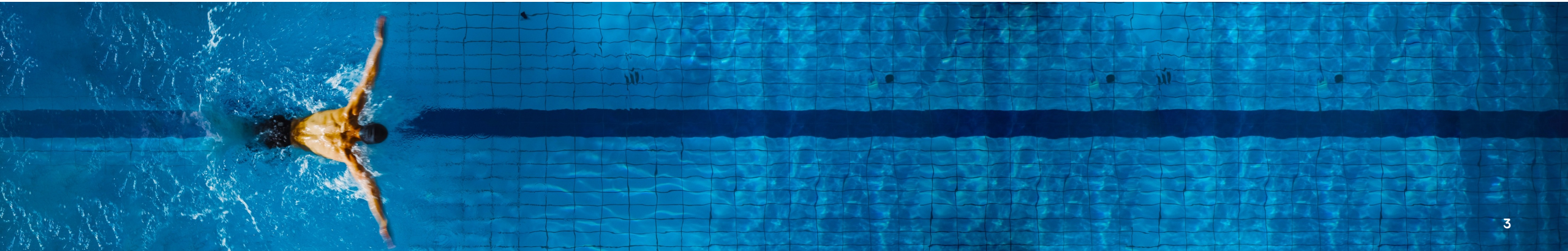
Full-Year 2024

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Outlook 2025

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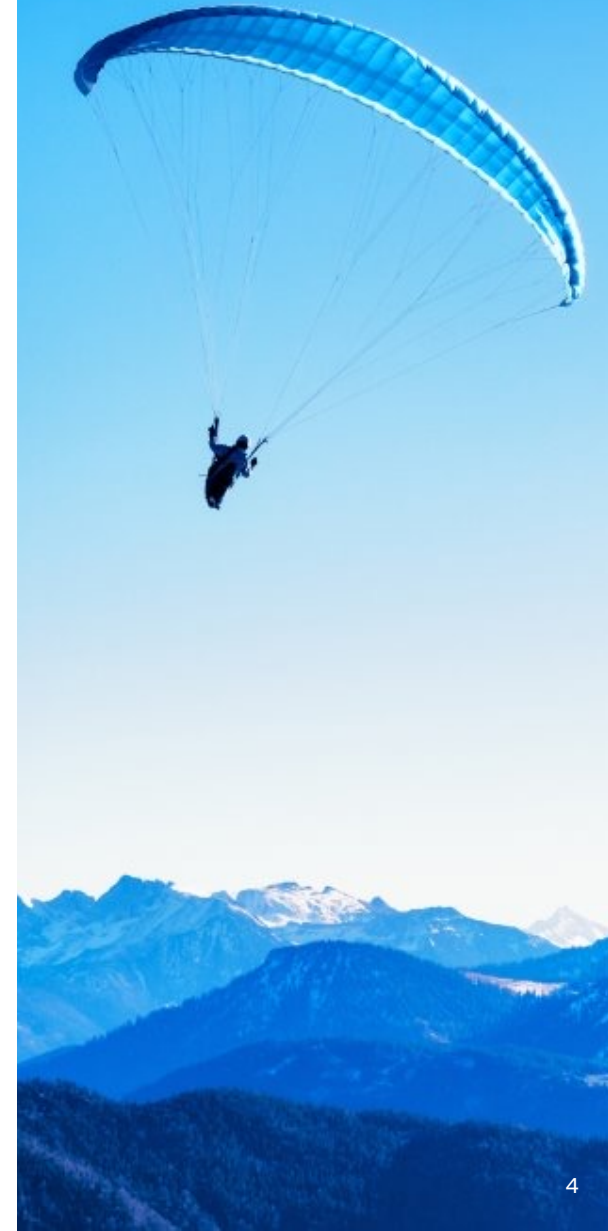
Q&A



Group performance

- ✓ Sales of CHF 6.6 billion in line with prior year (-0.2% CER)
- ✓ CORE EBITDA of CHF 1.9 billion at a margin of 29.0%
- ✓ Continued investments into growth with CapEx at 22% of sales
- ✓ Strong free cash flow of CHF 473 million
- ✓ CDMO¹ Outlook 2025: CER sales growth approaching 20% and CORE EBITDA margin approaching 30%
- ✓ CHI² Outlook 2025: Low-to-mid-single-digit CER sales growth and a CORE EBITDA margin in the mid-twenties

1. Lonza excluding Capsules & Health Ingredients (CHI). 2. Capsules & Health Ingredients.



One Lonza

Lonza





Our Vision

We are the pioneer and world leader in the CDMO industry, setting the pace with cutting-edge science, smart technology and lean manufacturing



“pioneer... setting the pace”

“world leader in the CDMO industry”

“cutting-edge science, smart technology and lean manufacturing”



- **Pure-play CDMO** for the biopharma industry – from small Biotechs to Big Pharma
- **World-leading** across modalities, the biopharma value chain and product life-cycle – and in creating value
- **Pioneering** the future with **cutting-edge science, smart technology** and **lean manufacturing**



Market leadership with **outstanding long-term value creation** requires a **robust business model** in an **attractive market** and a unique set of core competences – the **Lonza Engine**

Dynamic underlying market...

Pharma market growth

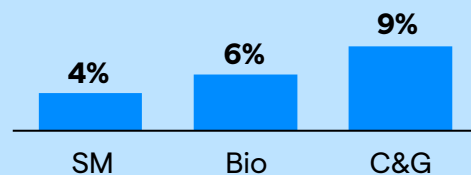


Increase in outsourcing



CDMO market growth

Molecules in development growth, 2024–2029¹



Share of installed mammalian capacity²

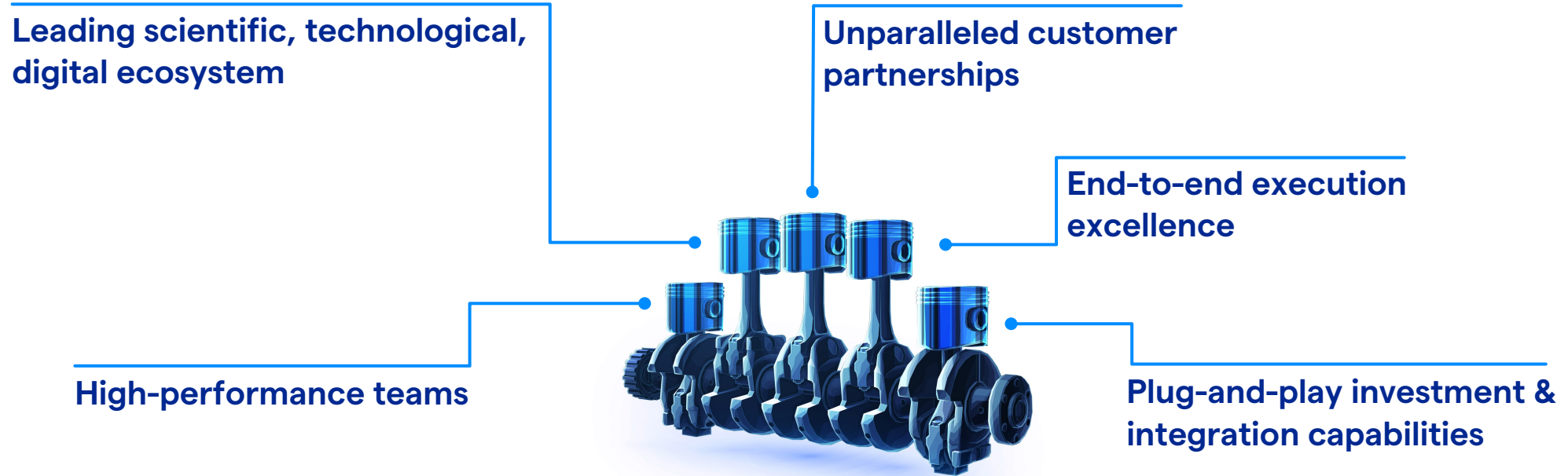


8–10%³

... with unique characteristics

- Non-cyclical underlying market
- Growth captured through investments
- Strong customer loyalty
- Strong revenue visibility
- Significant barriers to entry

The Lonza Engine: Our unique set of core competencies



Tuning the Lonza Engine

RESHAPE

Roll out simplified **operating model** best supporting our growth

ELEVATE

Increase excellence in **constructing** and **operating** our assets

FOCUS

Exit CHI¹ at the appropriate time while ensuring the business continues to operate and serve its customers

EXPAND

Double down on **strategic priorities** and **opportunities**

1. Capsules & Health Ingredients.

One Lonza: Three CDMO Business Platforms will host eight technologies

Integrated Biologics¹

Advancing best-in-class integrated offerings

Mammalian

Drug Product Services

Advanced Synthesis

Combining leading hybrid solutions from chemistry and biology

Small Molecules

Bioconjugates

Specialized Modalities

Pioneering and scaling cutting-edge technologies

Cell & Gene Technologies²

mRNA

Microbial

Bioscience



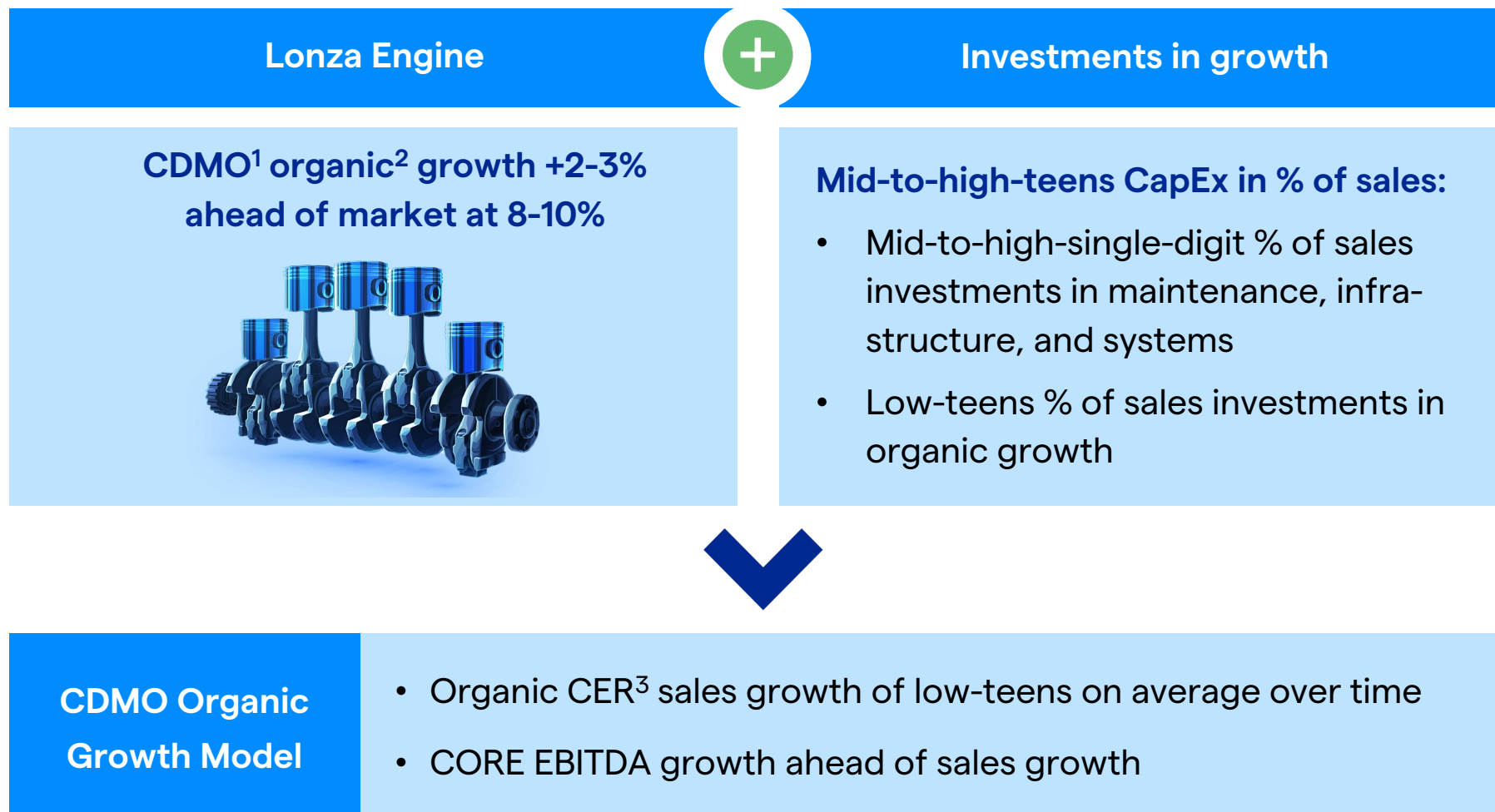
Three integrated synergistic **Business Platforms**

Standardized structures and flattened organization
(one layer removed)

Strong **functional oversight and steering**

Unified **One Lonza strategy** and go-to-market approach

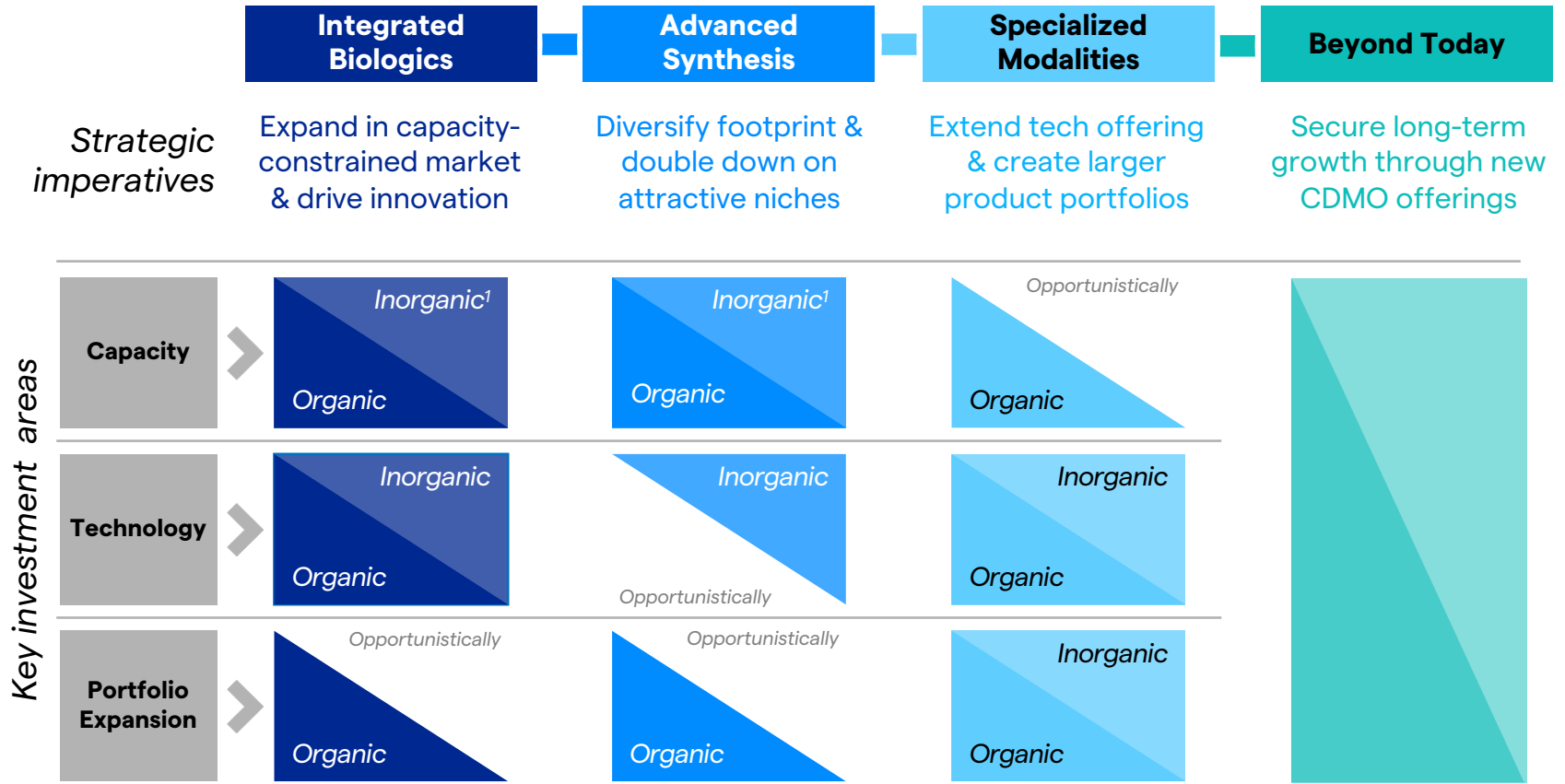
The Lonza Engine together with disciplined investments in growth will drive Lonza's CDMO Organic Growth Model



1. CDMO: Lonza excluding Capsules & Health Ingredients (CHI). 2. Excluding M&A. 3. Constant Exchange Rates.

Double down on strategic priorities and opportunities

Assessment of new opportunities against Lonza Engine



1. Potential for accelerated and de-risked capacity delivery.

CHI is #1 in its markets with strong margins – Lonza no longer best owner



CHI is a highly attractive business...



Sales¹ (in CHF) mainly driven by Hard Empty Capsules and supported by remaining portfolio



Industry-leading profit margins¹ due to proprietary technologies & premium offerings



Innovator with strong brand – partner of choice for New Chemical Entity launches



Positive Outlook for 2025 and beyond

... but Lonza is no longer best owner

Different business model

CHI's product business differs from Lonza's long-term contracted service business

Limited synergies

Different manufacturing model, technologies & very limited actionable customer overlap

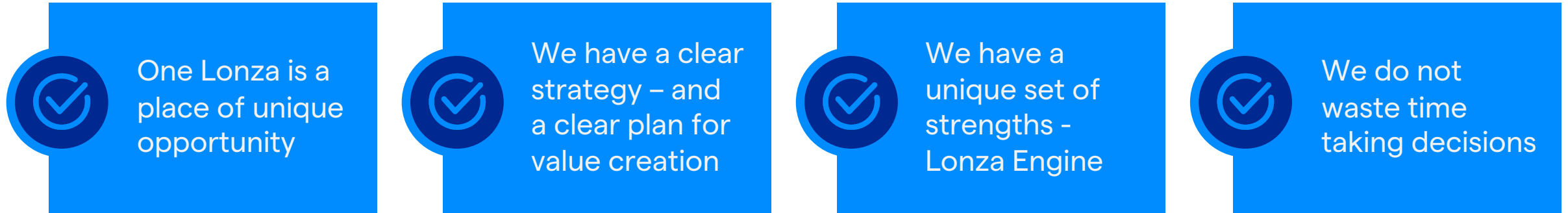
Different market dynamics

Overall lower growth than CDMO business, impacting Lonza's mid-term sales growth (by ~1 ppt)

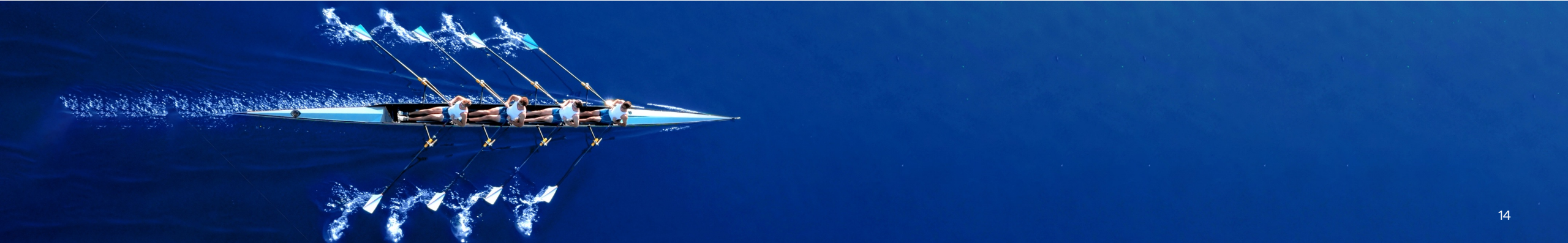


Exit CHI at the appropriate time and in the best interests of shareholders and stakeholders

The Lonza Engine is the key enabler to drive sustainable value creation



As One Lonza, we are set up to deliver strong long-term profitable growth



Full-Year 2024 Performance

Lonza



Lonza continuously turns attractive market opportunities into strong commercial momentum: Selected highlights

Attractive industry fundamentals...

- High number of drug approvals in 2024 – biotech funding increasing again
- Clinical pipeline at record levels – high share of biologics
- Continued high demand for CDMOs – increasing outsourcing, tightening capacity
- Increased interest in early-stage development services and integrated DS-DP¹ offerings
- Continuing preference for Western sources of supply – uncertainties around BIOSECURE



... translated into business in 2024

- Signed contracts with a total value of ~ CHF 10 billion
- ~ 15 new commercial products signed p.a.²
- Commercial supply agreement for Vertex's CASGEVY[®] – first therapy using CRISPR / Cas9 for sickle cell disease and beta-thalassemia
- Extended collaboration with a strategic customer for commercial-scale manufacture of ADCs including mAb³
- Extended collaboration with Acumen Pharmaceuticals on an integrated end-to-end offering
- Multi-modality, DS-DP¹ collaboration with a strategic customer for various clinical molecules

Organic investments are the key growth drivers for Lonza

Ongoing growth projects

22

Growth projects

9

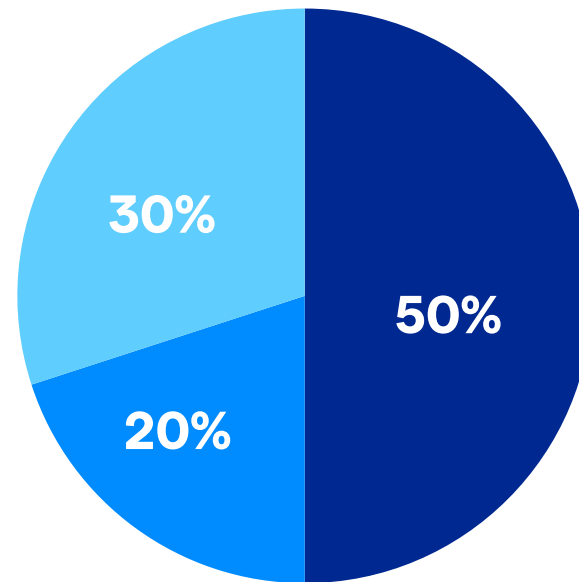
Modalities /
technologies

70%

of CapEx invested in
growth 2020 - 2024

90%

invested in
commercial / mixed
assets



■ In construction ■ In ramp up ■ In operation



Integration update

- No critical issues since Day 1 on 1 October 2024
- Flawless continuation of production
- Integration of operational and enabling functions on track
- Strong quality track record maintained

Customer update

- Two new contracts signed
- Strong customer interest with site visits and multiple contract negotiations ongoing

2025 and beyond

- 2025 sales around CHF 0.5 billion – below group margin
- Up to CHF 500 million mid-term CapEx for greater site flexibility and higher automation
- Balance of continued production, new product introductions, and site investments

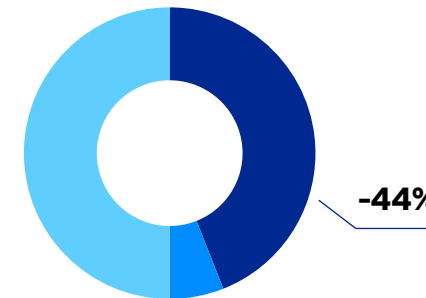


Long-term commitment to ESG remains a top priority

- Progress on all key environmental metrics, including GHG emissions
- Near-term GHG emissions reduction targets validated by the Science Based Targets initiative (SBTi)
- Half of electricity from renewable sources, via Virtual Power Purchase Agreement for photovoltaic energy for all EU and CH sites
- Progress on improving supply chain engagement and sustainability performance
- Continued work on gender equality roadmap – percentage of women in leadership increasing

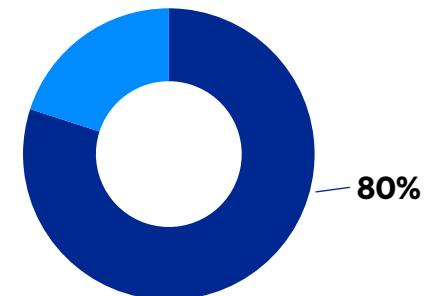
GHG emissions intensity reduction¹

vs 2018 base year

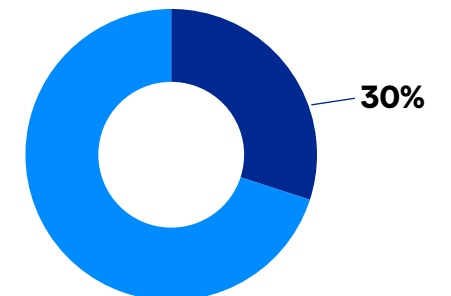


■ Progress since 2021 ■ 2030 Target: 50% reduction

Spend from suppliers with sustainability evaluation



Women in leadership roles



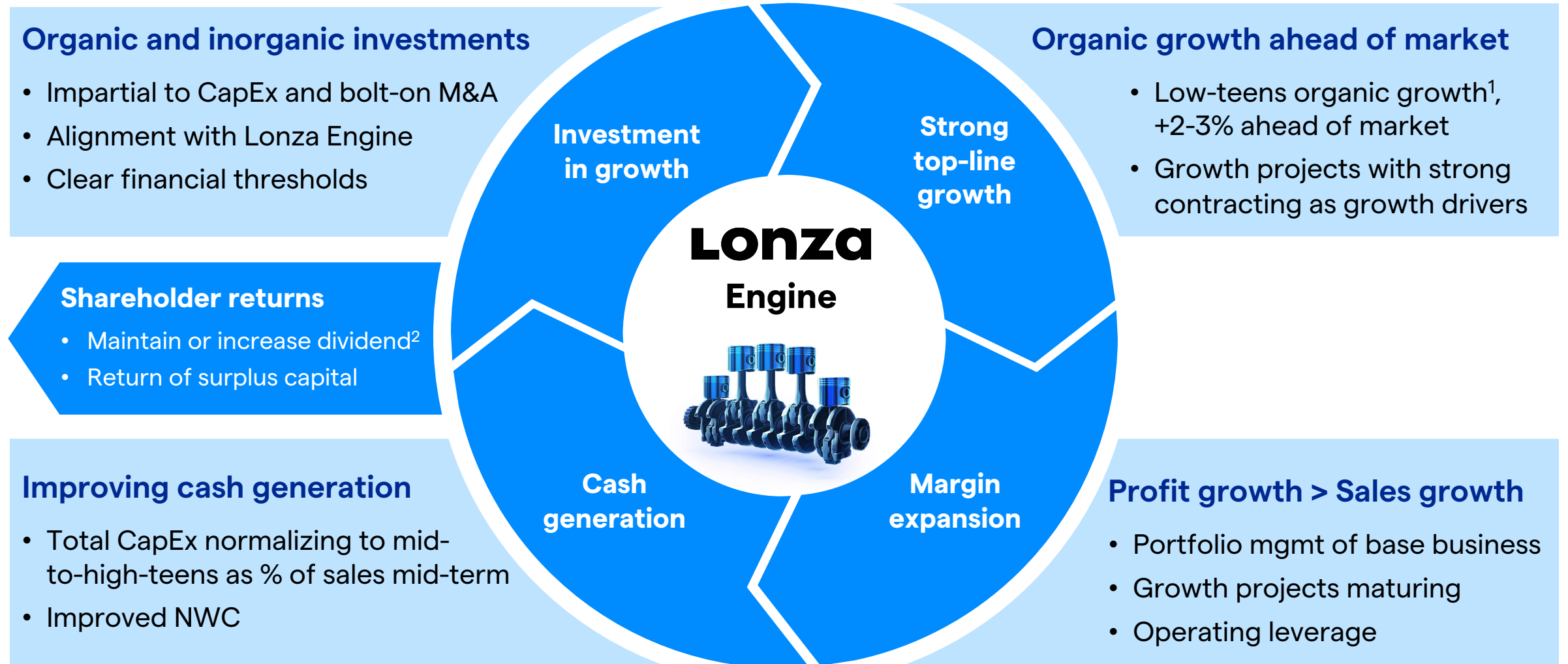
1. Based on Q1-3 2024 data plus Q4 2024 estimates. Excluding Vacaville (US) site acquired in October 2024. Full-Year numbers will be published in the Lonza Sustainability Report in April 2025.

Full-Year 2024 Financials

Lonza

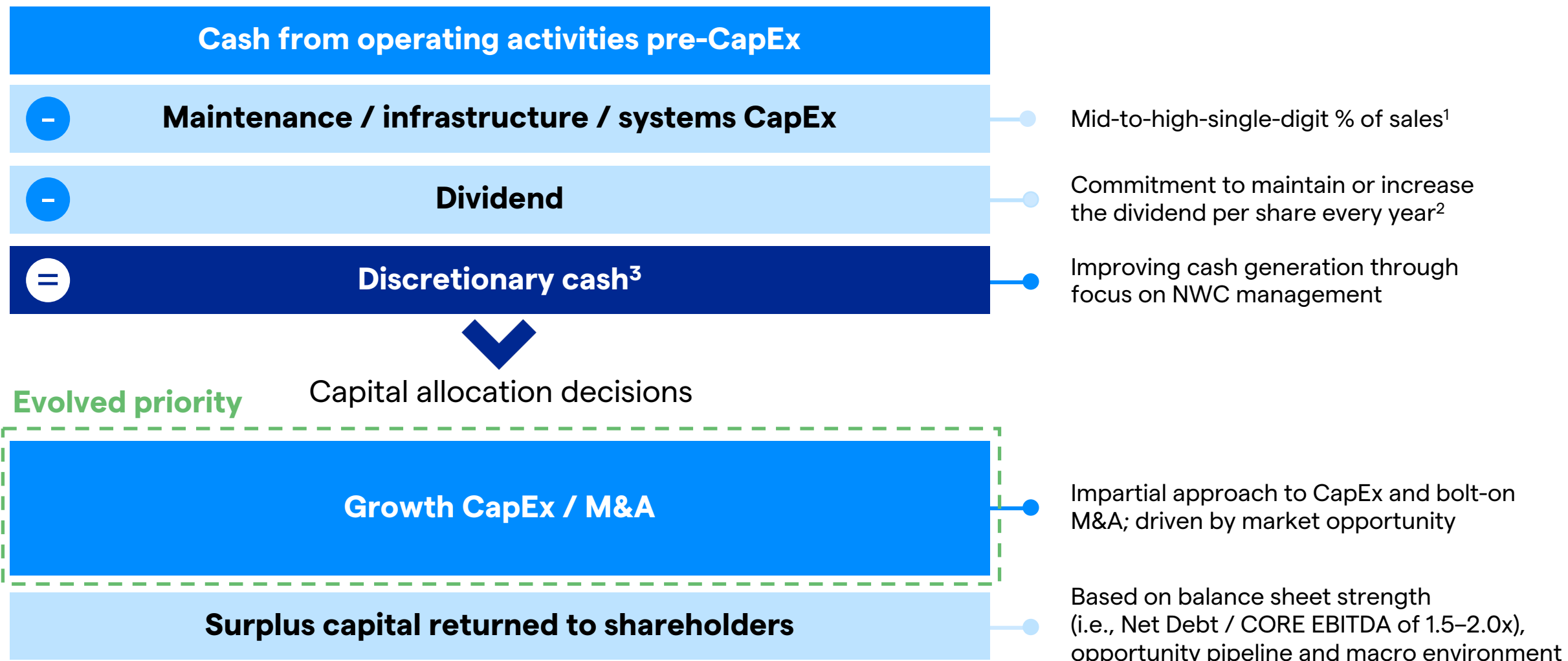


The Lonza Engine drives growth-led value creation



1. CDMO: Lonza excluding Capsules & Health Ingredients (CHI). 2. Pay-out ratio of 35-45%.

Evolved capital allocation framework underlines focus on growth investments



1. CDMO: Lonza excluding Capsules & Health Ingredients (CHI). 2. Pay-out ratio of 35-45%. 3. Net of interest expense and other non-operational items.

Solid financial performance driven by CDMO business



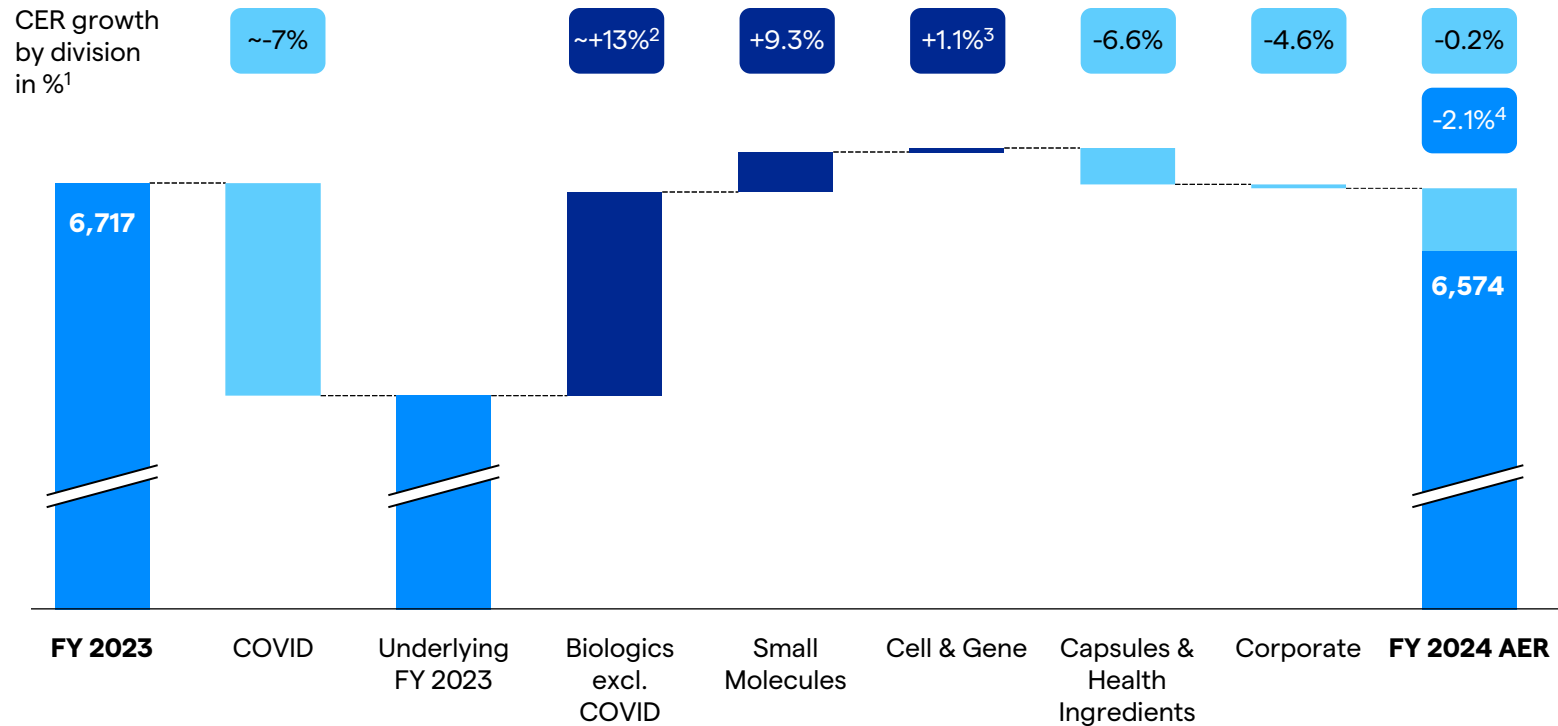
- Strong CDMO commercial performance
- Market headwinds in Capsules & Health Ingredients, and Bioscience
- ~ 7% CER sales growth excl. COVID-related mRNA business
- FX CHF 0.1bn adverse impact on sales
- Productivity efforts driving underlying margin

Financial performance summary AER^{1,3} in CHF million

	H2 2024	FY 2024
Sales	3,517	6,574
<i>CER² growth</i>	-1.8%	-0.2%
<i>AER³ growth</i>	-3.4%	-2.1%
CORE EBITDA	1,015	1,908
<i>Growth</i>	-5.8%	-4.6%
<i>Margin</i>	28.9%	29.0%
<i>YoY margin change</i>	-0.8ppts	-0.8ppts

1. All financial information for FY 2024 is unaudited. The audit report on the 2024 consolidated financial statements of Lonza will be published in April 2025 together with the publication of Lonza's 2024 Annual Report.
2. Constant Exchange Rates. 3. Actual Exchange Rates.

CDMO business with low-teens underlying growth in 2024

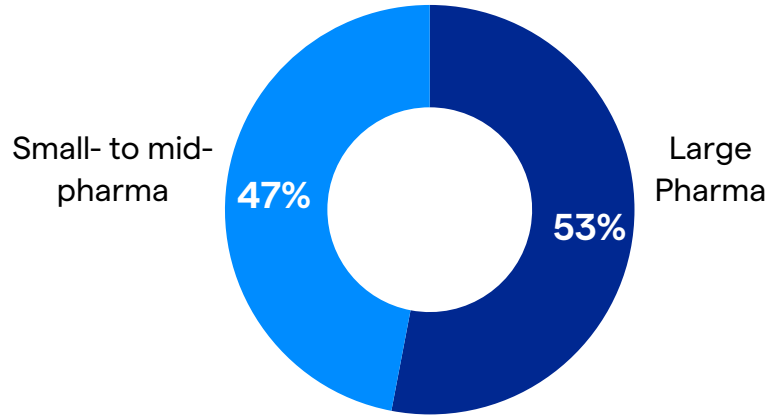


- Around -7% sales headwind arising from 2023 COVID-related mRNA business
- Strong underlying CER growth driven by commercial demand and operational execution in CDMO business
- C&G and CHI with headwinds in product businesses
- Low-teens underlying CER growth in CDMO business in 2024

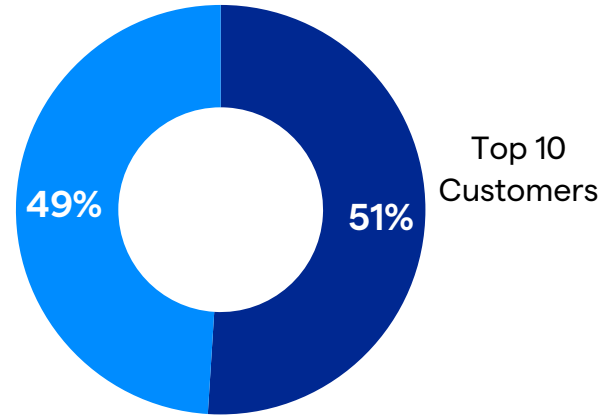
1. With the exception of COVID-related mRNA Sales and FX, for which the impact shown is on the overall Lonza growth in CER. 2. Biologics CER growth including COVID-related mRNA business at -0.5%. 3. Including one-off from Codiak termination in 2023. 4. Growth in AER including FX impact.

Highly diversified sales profile by customer, product and development stage

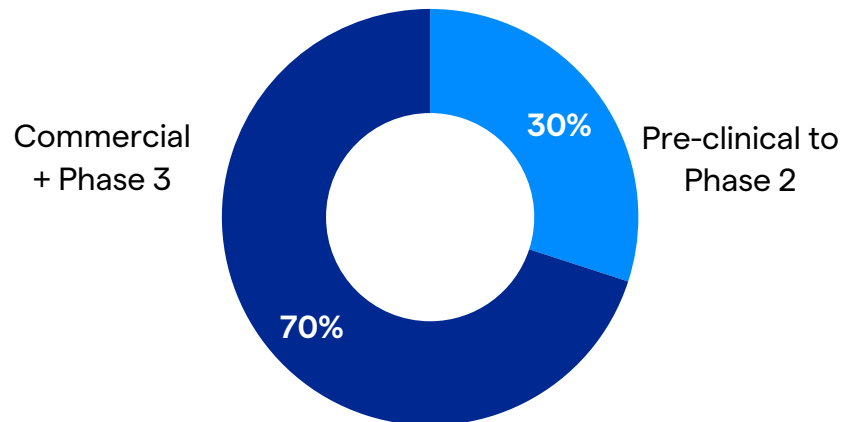
CDMO sales by customer type¹



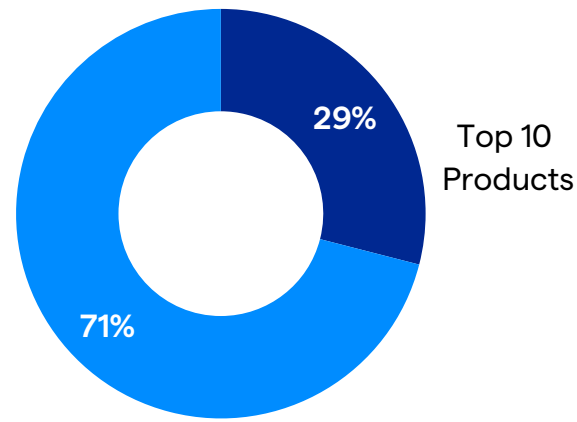
CDMO sales for top customers



CDMO sales by phase of molecule



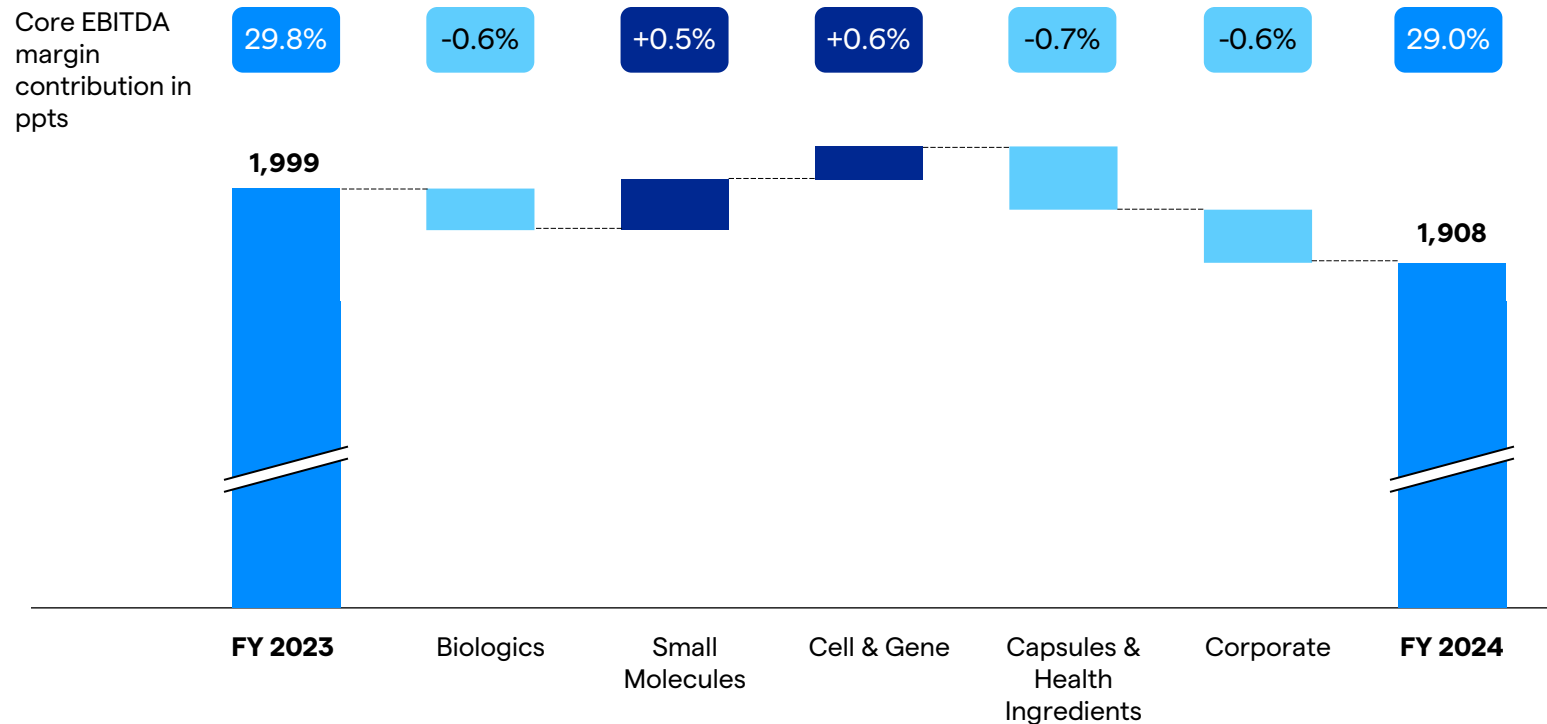
CDMO sales for top products



1. Top 30 largest pharma companies by revenue are attributed to large pharma.



CORE EBITDA margin driven by productivity measures and product mix



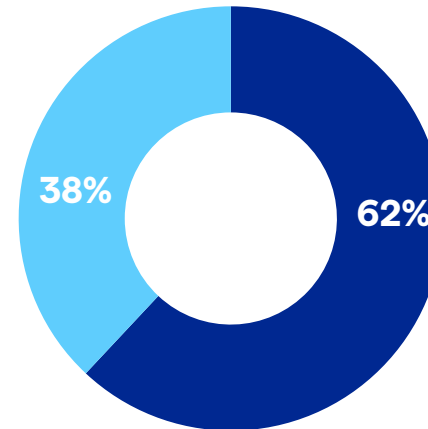
- Low-single-digit ppts underlying CORE EBITDA margin expansion (excluding COVID-related mRNA business in 2023)
- Gross profit margin driven by productivity measures, better asset utilization and product mix
- Margin headwind from CHI softness and lower Corporate EBITDA

Continuing strategic investments to drive long-term growth

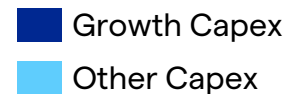
- Around 60% of growth CapEx into a diversified project portfolio across modalities
- Key CapEx for large Biologics projects in Mammalian, Drug Product and Bioconjugates

2024 project portfolio

in %

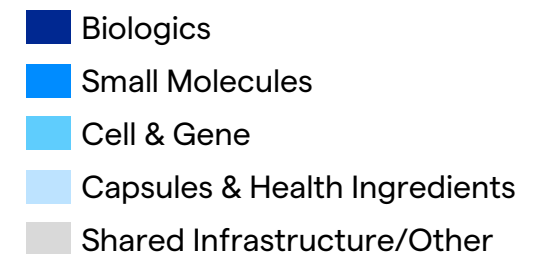
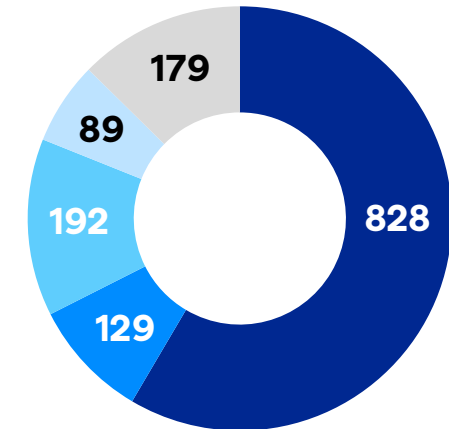


1,417 CHF m, 22% of Sales



CapEx breakdown by division

in CHF million



Strong free cash flow generation with FCF at 21% of sales before growth CapEx



- Lower CapEx allows for strong FCF generation
- Higher NWC as % of sales driven by receivables level due to strong year-end sales and Vacaville inventories

Operational Free Cash Flow (FCF)

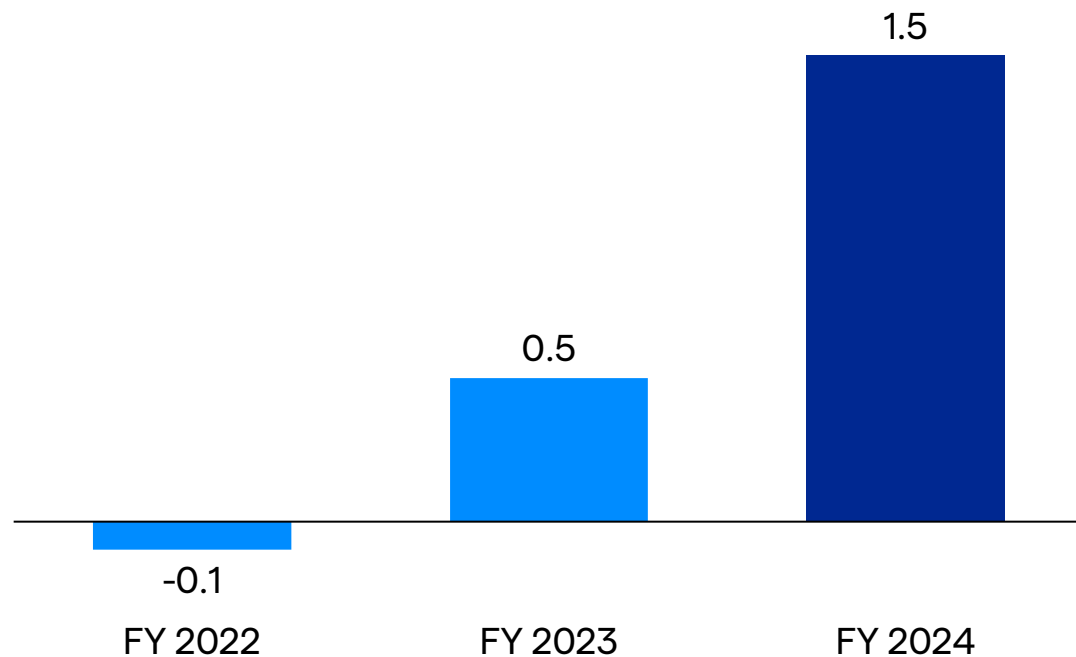
in CHF million

	FY 2024	Change vs. FY 2023
EBITDA	1,695	-245
Change of net working capital (NWC)	-265	45
CapEx	-1,417	265
Other	460	34
Operational FCF before acq./div.	473	99
<i>NWC as % sales</i>	13.7%	1.2ppts
<i>CapEx as % sales</i>	21.6%	-3.4ppts

Strong balance sheet with leverage back in target range



Net debt / CORE EBITDA



Share buyback program update

Up to CHF 2_{bn}

Two-year commitment commenced in Q2 2023

86%

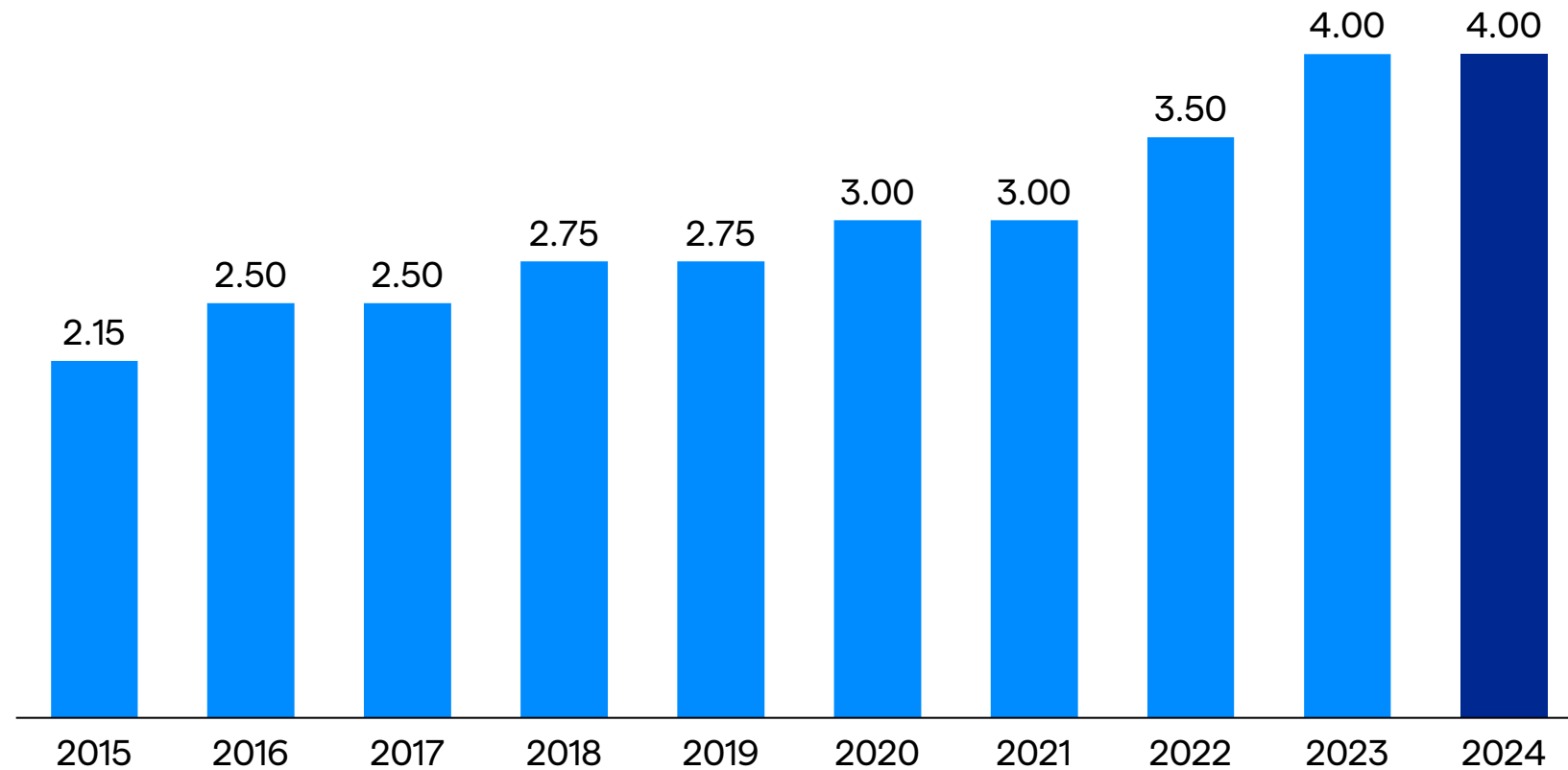
Completed by 31 Dec 2024

Leverage in line with BBB+ rating, leaving sufficient headroom for organic investments and bolt-on M&A

Proposal to AGM to maintain dividend at CHF 4.00 per share

Dividend per share¹

in CHF



- Proposed dividend of CHF 4.00 per share
- Proposed pay-out of 44%, in-line with target pay-out ratio of 35-45%

1. Dividends relating to the indicated year, paid out in the following year.

Full-Year 2024 Divisions



3,676_m

Sales
(CHF)

-0.5%¹

+~13%²

1,266_m

CORE EBITDA
(CHF)

-3.8%

34.4%

CORE EBITDA
Margin

-1.0ppt

- Underlying low-teens CER sales growth and strong CORE EBITDA margin improvement
- Growth mainly driven by strong performance in Mammalian and Bioconjugates
- Lower margin vs. high base in 2023 from high-margin COVID-related mRNA contract termination
- Strong commercial demand and initial signs of recovery in early-stage business

Boareded figures are a comparison vs. Full-Year 2023.

1. Sales growth at Constant Exchange Rates (CER). 2. Sales growth at Constant Exchange Rates (CER), adjusted for COVID-related mRNA business.



Mammalian

- Continued strong demand in large-scale with recovery in early-stage business
- Vacaville (US) acquisition closed successfully in Q4 2024
- Large-scale mammalian site in Visp (CH) on track to start GMP operations in H1 2025
- First GMP batch produced at small-scale mammalian asset in Portsmouth (US)
- Guangzhou (CN) divested¹ and Hayward (US) decommissioning close to completion



Bioconjugates

- Continued strong demand in commercial and clinical business
- Ongoing ramp-up of two new commercial bioconjugation suites
- Continued progress with large-scale capacity expansion plans
- High level of integration with other modalities, including Mammalian, HPAPI, Drug Product and Synaffix

983_m

Sales
(CHF)

+9.3%¹

351_m

CORE EBITDA
(CHF)

+20.6%

35.7%

CORE EBITDA
Margin

+3.4ppts

- Sales and margin growth driven by strong operational execution, asset utilization, and product mix
- Sustained commercial demand for high-value products and complex service offerings
- Strong H2 2024 sales performance due to campaign timing
- Highest number of new customers and programs signed in 2024 compared to prior years
- Batch success rate of more than 99% in commercial manufacturing

689_m

Sales
(CHF)

+1.1%¹

108_m

CORE EBITDA
(CHF)

+58.8%

15.7%

CORE EBITDA
Margin

+5.9ppts

- ~10% CER sales growth, excluding Codiak termination in 2023
- Cell & Gene Technologies (CGT) delivered strong operational execution in commercial manufacturing and volume catch-up from a weaker 2023
- Early signs of recovery in early-stage business in CGT
- Significantly improved profitability, with CGT surpassing break-even point
- Long-term portfolio shift towards increased commercial manufacturing progressing
- Bioscience with soft end-market demand, but margins protected by productivity initiatives

1,054_m

Sales
(CHF)

-6.6%¹

256_m

CORE EBITDA
(CHF)

-22.9%

24.3%

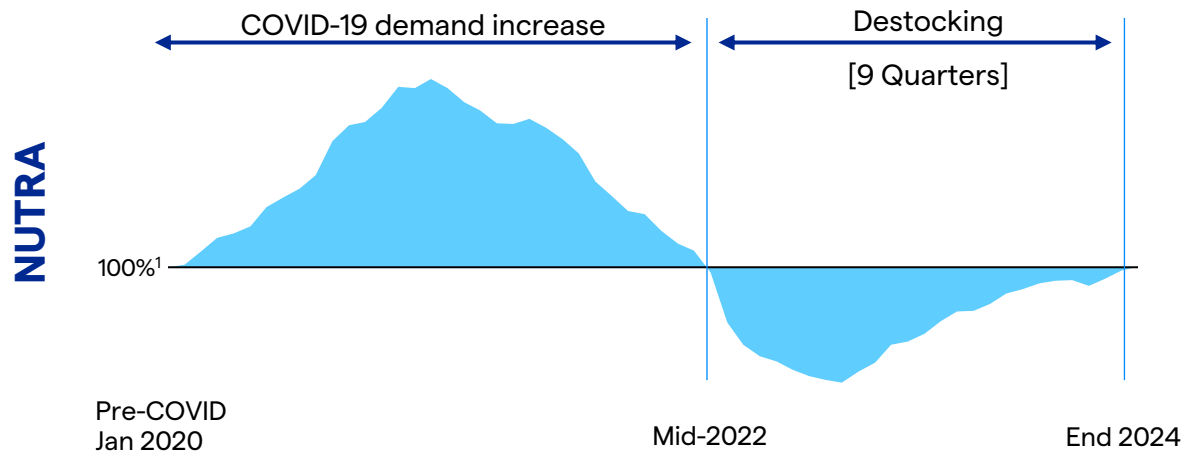
CORE EBITDA
Margin

-4.3ppts

- Maintaining leading positions in HEC², Dosage Form Solutions and Health Ingredients in a challenging market environment
- H2 2024 results impacted by soft pharma capsule demand, with signs of recovery in Q4 2024
- Solid demand back at pre-pandemic level in nutra capsule market, with good demand for Dosage Form Solutions
- Cost containment measures to partially offset margin headwinds
- Positive early impact of newly-introduced superior proprietary D90 capsule manufacturing technology

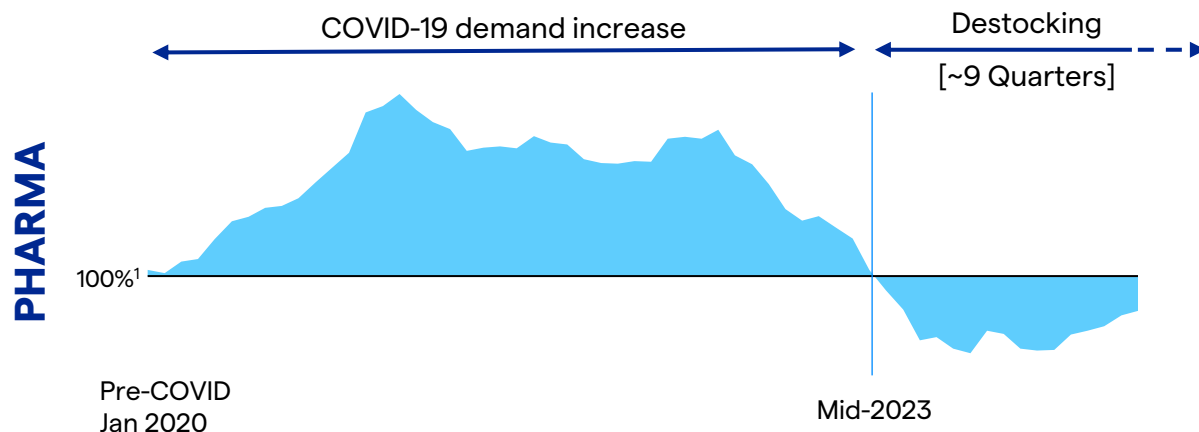
Future sales and margin recovery from market demand pick-up and higher asset utilization

Hard Empty Capsules demand evolution



Market and business dynamics

- US demand recovery since mid-2023
- Following a period of excess capacity due to destocking, Lonza production returning to normal utilization levels

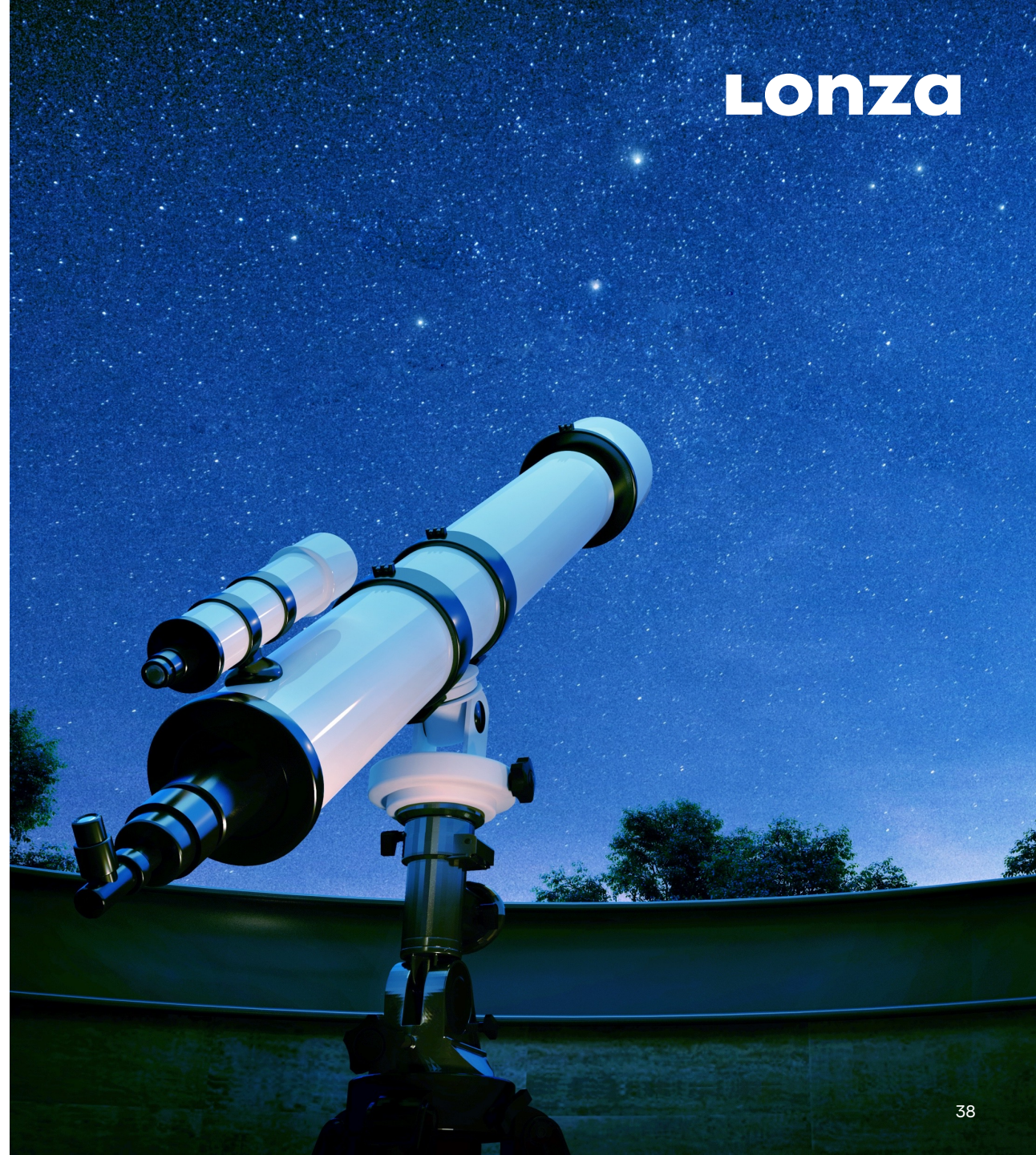


- Demand recovery since mid-2024
- Temporary lower demand translates into lower utilization and lower cost absorption

1. Normalized overall volume demand at the point in time.

Outlook 2025

Lonza



Positive Outlook for 2025: Strong growth of CDMO business – CHI on track to deliver growth

CDMO¹ Outlook 2025

- CER² sales growth approaching 20% (including around half a billion CHF sales from Vacaville site acquisition) – low-teens organic³ CER sales growth
- CORE EBITDA margin approaching 30%
- Sales and margin expected to be higher in H2 2025 versus H1

CHI Outlook 2025

- Low-to-mid-single-digit CER² sales growth
- Mid-twenties CORE EBITDA margin



Solid results in 2024 driven by strong CDMO performance – which compensated for the softer demand in Capsules & Health Ingredients and the loss of the 2023 COVID-related mRNA business



Strategic investments continue to drive long-term growth – around 60% of CapEx allocated to a diversified growth project portfolio across technologies, including Mammalian, Drug Product, and Bioconjugates



Strong 2025 CDMO¹ Outlook with CER² sales growth approaching 20% and CORE EBITDA margin approaching 30%



CDMO Organic Growth Model set to deliver low-teens organic³ CER sales growth on average over time, with CORE EBITDA growth ahead of sales growth

Q&A

Lonza



Event Calendar and Contacts

Upcoming roadshows/conferences

31 January 2025	ZKB, Zurich (CH)
3 February 2025	RBC, London (UK)
4 February 2025	Barclays, Edinburgh (UK)
11 - 12 February 2025	Jefferies, Chicago and Boston (US)
13 - 14 February 2025	Goldman Sachs, New York (US)
4 March 2025	Morgan Stanley, London (UK)
25 March 2025	Bank of America, Singapore (SG)
26 March 2025	UBS, Seoul (KR)
27 March 2025	JP Morgan, Tokyo (JP)

Upcoming announcements

3 April 2025	Publication of Annual and Sustainability Reports
9 May 2025	Q1 Qualitative Update
9 May 2025	Annual General Meeting
15 May 2025	Dividend-Payment Date
23 July 2025	Half-Year Results 2025



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Appendices



Additional financial information for 2025

FX Impact¹	Group sales and CORE EBITDA impact of around 0.0 to -1.0ppt
CapEx	Low-twenties as percentage of sales
Effective tax rate	17 to 19%
Net financial result	CHF -150 to -170 million

1. Based on FX rates as of early January 2025.

Full-Year 2024 financial highlights (1/2)



CHF million	FY 2024	FY 2023	YoY (in %)
Sales	6,574	6,717	-2.1
CORE EBITDA	1,908	1,999	-4.6
<i>Margin in %</i>	29.0	29.8	-0.8ppts
EBITDA	1,695	1,940	-12.6
<i>Margin in %</i>	25.8	28.9	-3.1ppts
EBIT	964	880	9.5
<i>Margin in %</i>	14.7	13.1	1.6ppts
<i>ROIC in %</i>	8.4	8.7	-0.3ppts
Net Financial Result	-209	-77	n/a
<i>Tax Rate in %</i>	15.6	17.1	-1.5ppts
Profit for the Period	637	655	-2.7

Full-Year 2024 financial highlights (2/2)



CHF million	FY 2024	FY 2023	YoY (in %)
CORE EPS basic (CHF) ¹	15.03	13.89	8.2
EPS Basic (CHF)	8.93	8.88	0.6
CORE EPS Diluted (CHF) ¹	15.01	13.88	8.1
EPS Diluted (CHF)	8.92	8.88	0.5
Change of Net Working Capital	-265	-310	-14.5
Capital Expenditures	1,417	1,682	-15.8
Operational Free Cash Flow ¹	473	374	26.5
Number of Employees (Full-Time Equivalent)	18,686	18,000	3.8
Net debt / (net cash)	2,859	922	n/a
Net debt-equity ratio	0.3	0.1	n/a
Net Debt / CORE EBITDA ratio	1.5	0.5	n/a

1. In 2024 Lonza has made changes to the definition of certain Performance Measures (see Alternative Performance Measures Brochure 2024 for further details). As a result, comparative information for FY 2023 has been restated accordingly

ROIC decrease driven by growing asset base

- NOPAT increasing as PY impacted by customer driven impairments (Moderna and Codiak)
- Higher Invested Capital driven by organic and inorganic investments (Vacaville)
- Tax rate slightly below 16-18% guided range mostly from one-off tax effects

ROIC

Continuing business
in m CHF

	FY 2024	YoY change	FY 2023
Net Operating Profit before taxes	1,236	56	1,180
<i>Taxes</i> <i>in % of Net Op. Profit before taxes</i>	-193 15.6%	9 -1.5ppts	-202 17.1%
NOPAT	1,043	65	978
Average Invested Capital	12,434	1,191	11,243
ROIC	8.4%	-0.3ppts	8.7%

Enhancing governance for sustainable growth

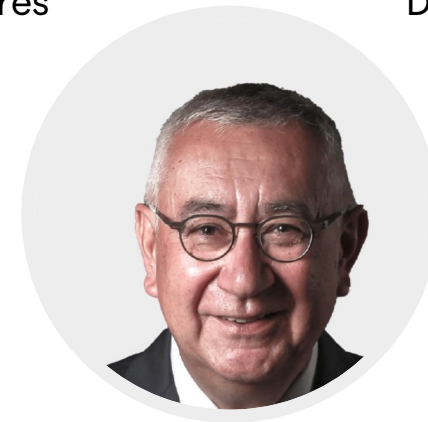
- A number of changes to Board composition in 2024, designed to ensure robust succession planning, business stability and broad expertise
- Updated committee structure divides the NCC into the Nomination and Governance Committee (NGC) and the Remuneration Committee (RemCo)
- Juan Andres, Eric Drapé and David Meline have been nominated as Independent Members of the Board for election at Lonza's Annual General Meeting in May 2025
- Each nominee brings deep expertise in their field to Lonza, from technical operations and quality to finance, growth and innovation



Juan Andres



David Meline



Eric Drapé