

Q3 2024 Qualitative Update: Lonza Confirms Full-Year Outlook 2024

- Outlook 2024 confirmed: Flat year-on-year sales in CER and a CORE EBITDA margin of high 20s
 - Strong commercial and operational performance across the CDMO business in Q3; demand remains soft in Capsules & Health Ingredients and Bioscience businesses
 - Successful completion of the acquisition of the Genentech manufacturing facility for biologics in Vacaville (US) from Roche
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Basel, Switzerland, 24 October 2024 – In its quarterly qualitative update, Lonza reported a Q3 performance in line to deliver on its Full-Year Outlook, with sales accelerating in Q4 based on the timing of batch releases. In this context, Lonza confirms its Full-Year Outlook 2024 at flat year-on-year sales in CER and a CORE EBITDA margin of high 20s.

In the **Biologics** division, Lonza saw good momentum across the division with strong commercial demand. Early-stage services continued to recover. The **Small Molecules** division saw continued robust demand for its commercial offerings and responded with a strong operational performance. The divisional portfolio continues to shift towards high-value complex small molecules. The **Cell & Gene** division sustained its strong operational performance in Cell & Gene Technology, while Bioscience continued to see impacts from market headwinds. Finally, the **Capsules & Health Ingredients** division experienced a soft performance in line with the market, due to the continued de-stocking of pharma hard capsules. Productivity measures have partially offset the impact on margins arising from lower demand and asset utilization.

For the Full Year, Lonza expects a high level of contract signings across all CDMO businesses. In September 2024, Lonza [announced](#) a long-term commercial supply agreement with Vertex for CASGEVY®, the first approved gene-edited therapy using CRISPR/Cas-9 technology for the treatment of sickle cell disease and beta-thalassemia.

Another important milestone for Lonza was achieved on 1 October with the successful closing of the acquisition of the large-scale Genentech manufacturing facility in Vacaville (US) from Roche for USD 1.2 billion in cash. The Vacaville site will significantly strengthen Lonza's global mammalian manufacturing network and allow Lonza to meet continued strong demand from its customers. The operational and commercial integration of the site is progressing as planned.

The new large-scale mammalian facility in Visp (CH) is fully contracted with long-term commercial agreements, reaching full utilization by 2029. Due to specific demand, the facility will be further equipped with the latest N-1 perfusion technology for the production of next-generation

monoclonal antibodies. The commencement of commercial GMP operations is scheduled for H1 2025, with the start of technical operations expected in Q4 2024.

Operations at the new highly potent API facility in Visp are expected to commence in Q4 2024, with a significant sales contribution expected in 2025. Furthermore, construction remains on track at the large-scale commercial aseptic drug product facility in Stein (CH).

Investor Update:

Lonza is pleased to issue its invitation to the 2024 Investor Update on 12 December 2024 in Basel (CH). To attend the event in person, please register [here](#) by 12 November 2024. If you are unable to participate in person, please register [here](#) to access the live video webcast and conference call.

About Lonza

Lonza is one of the world's largest healthcare manufacturing organizations. Working across five continents, our global community of around 18,000 colleagues helps pharmaceutical, biotech and nutrition companies to bring their treatments to market. United by our vision to bring any therapy to life, we support our customers with a combination of technological insight, world-class manufacturing, scientific expertise, process excellence and innovation. Our work enables our customers to develop and commercialize their therapeutic discoveries, allowing their patients to benefit from life-saving and life-enhancing treatments.

Our business is structured to meet our customers' complex needs across four divisions: Biologics, Small Molecules, Cell & Gene, and Capsules & Health Ingredients. Our company generated sales of CHF 3.1 billion with a CORE EBITDA of CHF 893 million in Half-Year 2024. Find out more at www.lonza.com.

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