

Lonza

One Lonza

L Making the Medicines of Tomorrow



Presenting today



Wolfgang Wienand
Chief Executive Officer



Philippe Deecke
Chief Financial Officer

Lonza



Lonza Group Ltd has its headquarters in Basel, Switzerland, and is listed on the SIX Swiss Exchange. It has a secondary listing on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Lonza Group Ltd is not subject to the SGX-ST's continuing listing requirements but remains subject to Rules 217 and 751 of the SGX-ST Listing Manual.

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Lonza's actual results of operations could deviate materially from those set forth in the sections "Driving Value Creation" and "Outlook" as a result of the factors described above or other factors. Investors should not place undue reliance on the statements in the sections "Driving Value Creation" and "Outlook". 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.

Today will be about five key messages

-  One Lonza is a place of unique opportunity
-  We have a clear strategy – and a clear plan for value creation
-  We have a unique set of strengths – and still can do better
-  We don't waste time taking decisions
-  We offer a new way to inform you about our future

How I have made myself familiar with Lonza – and Lonza with me:

Listening, learning and probing of hypotheses across levels and roles

Lonza



10 in 100

commitment – visited 10 sites
in my first 100 days

with **17** “Team Talks”

Meetings with shareholders
representing c. **30%** of capital

>35 “Walk & Talks” with talents

164 days
since “Day 1”

In contact with top
40 customers since “Day 1”

c. **20** years in CDMO industry

14 years at Siegfried, c. **5** CEO

MSc and PhD Chemistry

Exec MSc Finance

1,500 in-person
contacts with Lonza team

3 co-creation workshops
and **2** off-sites

1

CEO Priorities

What I focus on

2

The Context

*We are
in the right spot*

3

Assembling the
Lonza Engine

*We have the right
components*

4

Tuning the Lonza
Engine

We can do better

5

Driving
Value Creation

We will deliver

6

Outlook

What it means



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My priorities: Lonza is a place of unique opportunity – our 3-step plan to make it fully unfold

“Establish a strong vision of One Lonza”

- Create clarity on ambition and aim high – new **Vision**
- Create a unified culture around new **Purpose** and **Values**

“Assemble the Lonza Engine”

- Identify the unique sources of our success – **Lonza Engine**
- Build a **Unified Strategy** to turn vision into reality

“Tune the Lonza Engine”

- FOCUS – exit of Capsules & Health Ingredients¹
- RESHAPE – new operating model
- ELEVATE – stronger execution in manufacturing and engineering
- EXPAND – growth focus, impartial on build vs. buy

1. At the appropriate time and in the best interest of shareholders and stakeholders.

Lonza



Our Purpose

We turn our customers' break-through innovations into viable therapies and manufacture the medicines of tomorrow



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

The new vision sets the bar and provides strategic direction: What it takes to create outstanding long-term value for the benefit of all

Lonza

“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**

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Dynamic underlying market...

Pharma market growth

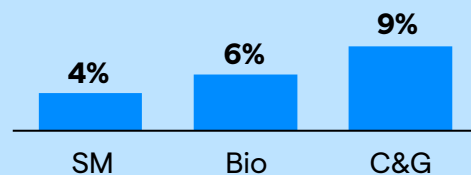


Increase in outsourcing



CDMO market growth

Molecules in development growth, 2024–2029¹



Share of installed mammalian capacity²

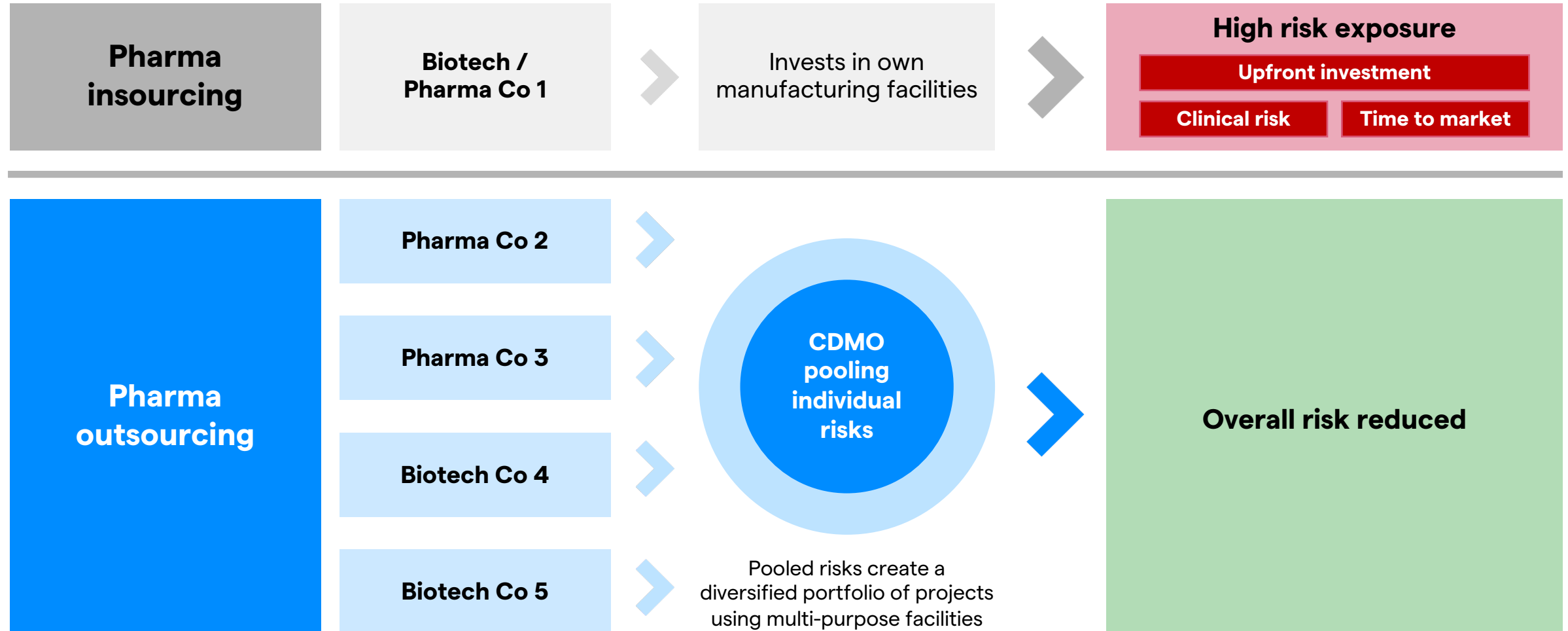


8–10%³

... with unique characteristics

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

A truly symbiotic relationship between Pharma and Biotechs with CDMOs

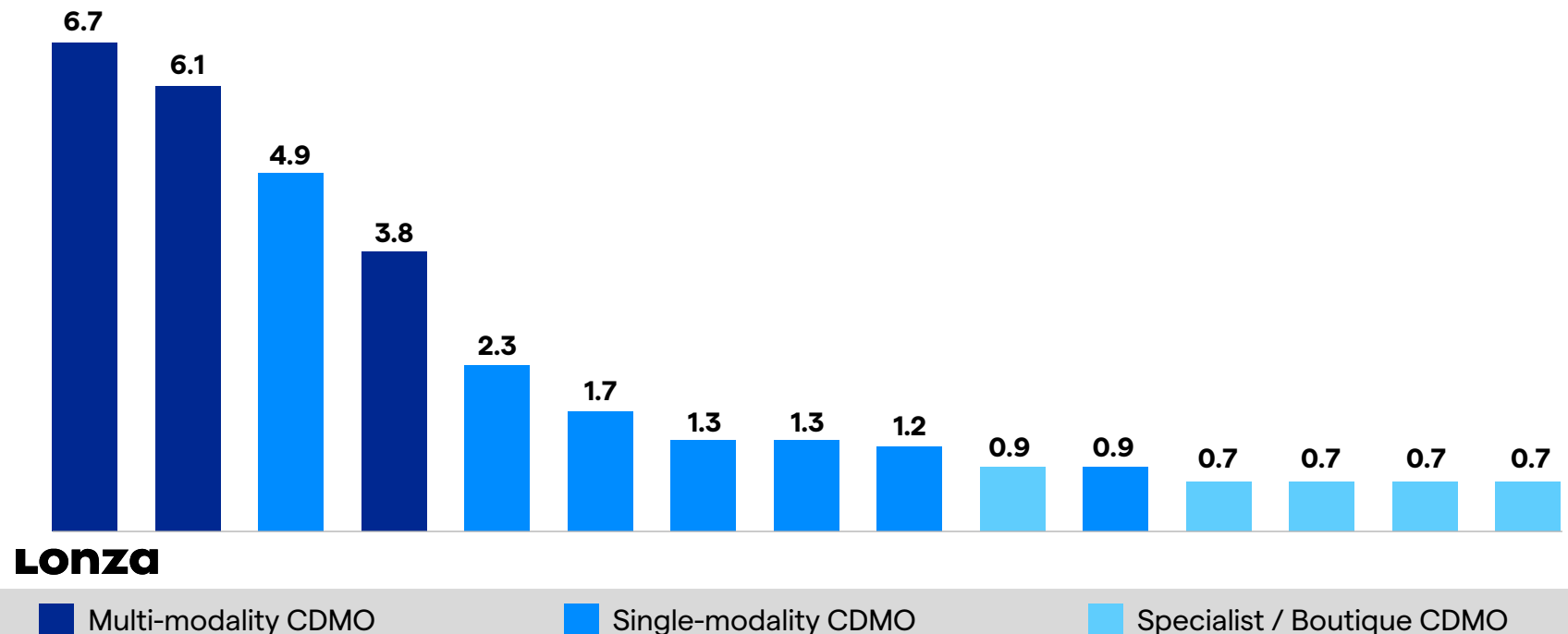


Lonza is uniquely positioned: Broadest set of modalities, technologies and significant scale in the largest global network

Lonza

- Scale is critical to a CDMO's ability to pool and diversify risks efficiently
- Two layers of risk diversification – pooling within and across modalities
- Lonza as only player with full breadth of modalities across regions at scale

Top 15 CDMO players by latest FY sales (bn CHF)



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Introducing the unique Lonza Engine: The building blocks



Leading scientific, technological, digital ecosystem

Cutting-edge in chemistry, biology, process engineering

Unparalleled customer partnerships

Based on trust, capabilities, scale, delivery performance

End-to-end execution excellence

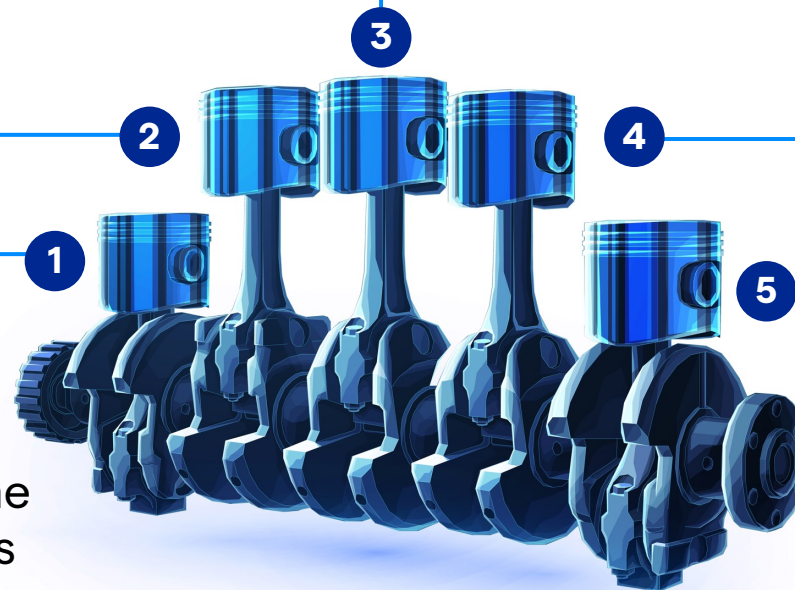
Unique development, manufacturing, quality, plant engineering capabilities

High-performance teams

Unified "One Lonza" team with one purpose, one vision, shared values

Plug-and-play investment & integration capabilities

For people, technologies, assets in easy-to-scale operating model, systems, processes



Leading scientific, technological, digital ecosystem

- ++ Leading innovation-to-launch enabler
- + Science, tech and digital pioneer

Unparalleled customer partnerships

- ++ Unrivalled customer base and satisfaction
- ++ Singular co-investment capabilities
- ++ Broadest portfolio diversification

End-to-end execution excellence

- ++ Global expansion track record & network
- + Quality and ESG performance
- ↑ Plant engineering & operational efficiency
- ↑ Process harmonization

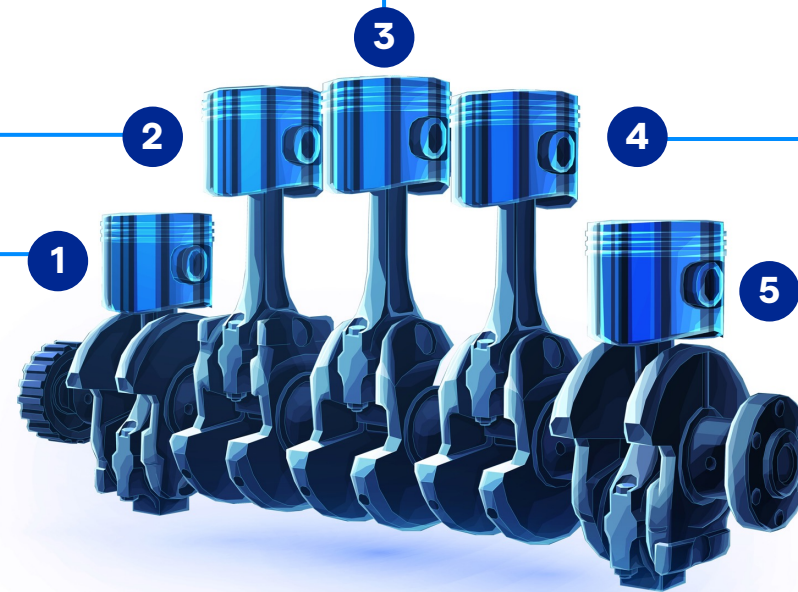
High-performance teams

- ++ Strong talent base / culture
- ↑ Siloed, complex organization

Plug-and-play investment & integration capabilities

- + Organic growth powerhouse
- + Scaling capabilities
- ↑ Systems harmonization
- ↑ Opportunity for bolt-on M&A
- ↑ Evolve portfolio

++ Unique + Strength ↑ Improvement opportunities



Strong talent base and hard-to-copy culture fuel competitive advantage



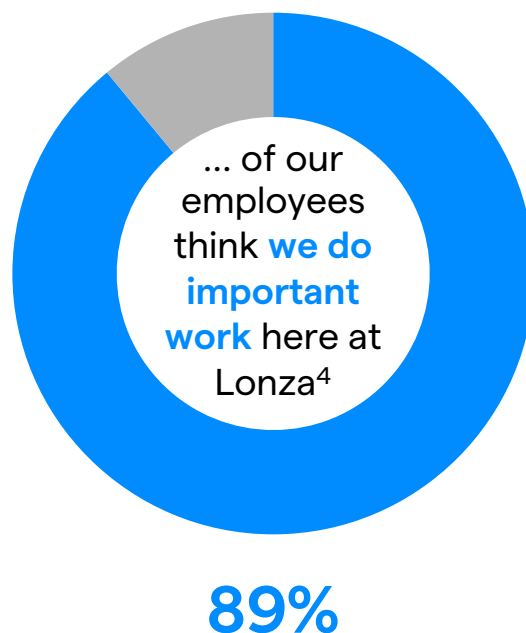
1 Team & organization

Our scientific talent...



... and unique culture...

2024 employee survey results



... make the difference

2024 customer survey⁵ results



1. As of 2024. 2. Employees with an academic qualification in a scientific discipline such as chemistry, biology, physics, etc. 3. Globally active patents as of December 2024.
4. Share of employees that agree or strongly agree with the statement. 5. Preliminary results as of November 2024 – survey still ongoing. 6. Share of positive customer comments related to expertise of Lonza's employees.

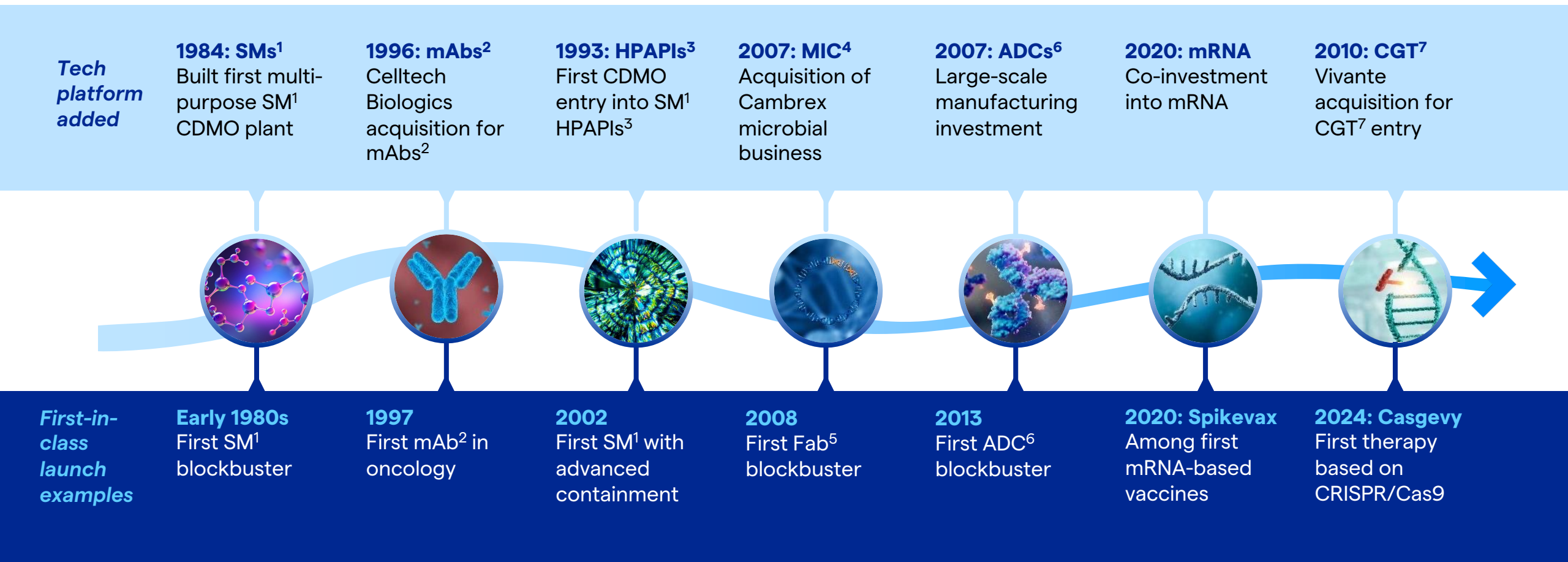


Long history of pioneering new technologies and commercial “firsts”

Lonza



2 Scientific & technological ecosystem

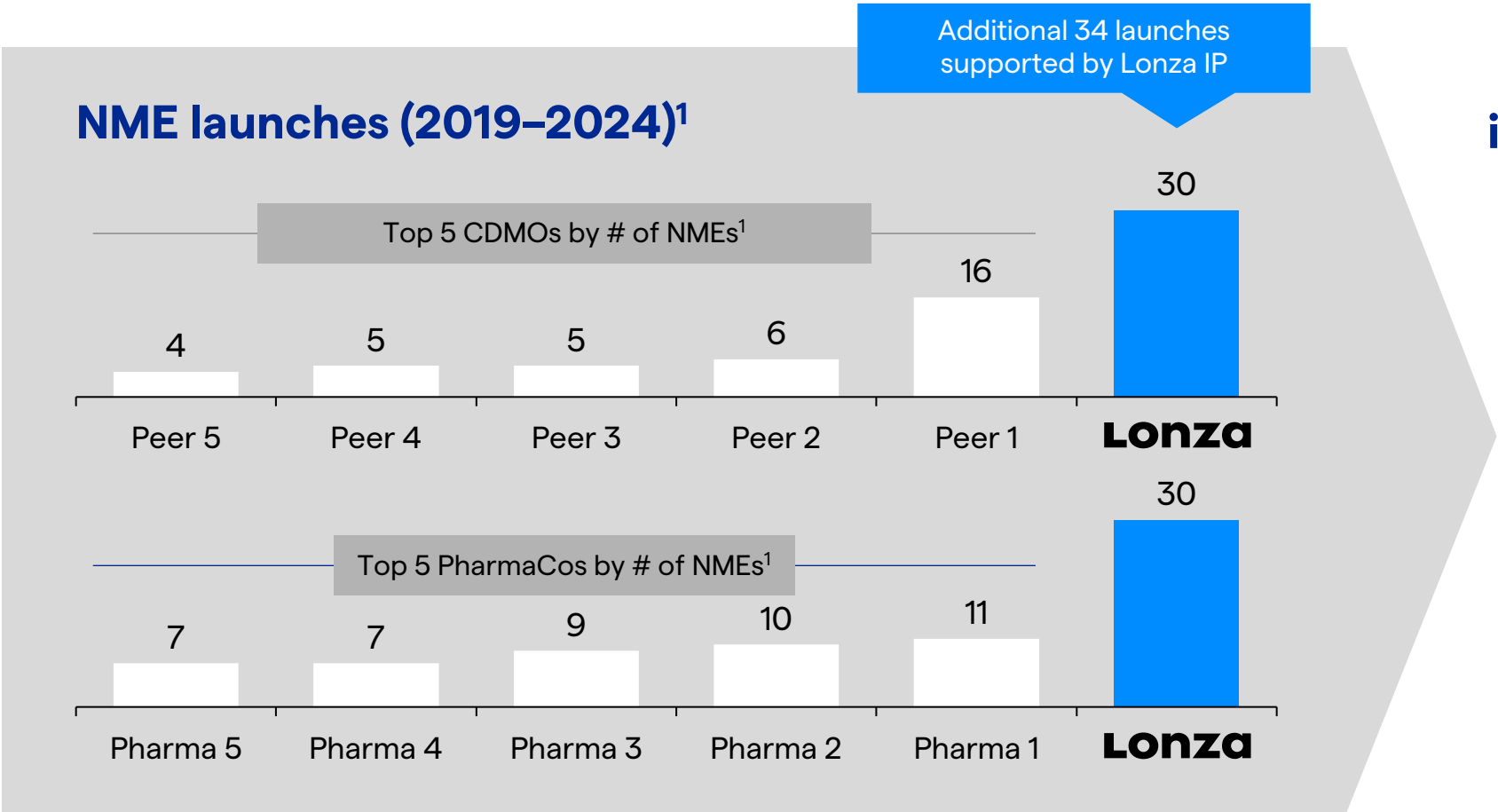


1. Small molecules. 2. Monoclonal antibodies. 3. Highly Potent Active Pharmaceutical Ingredients. 4. Microbial. 5. Fragments of antigen binding (i.e., compared to antibodies only the antigen binding part of the antibody is isolated). 6. Antibody-drug conjugates. 7. Cell & Gene Technologies.

Unmatched track record of enabling launches – with rich pipeline for future growth



2 Scientific & technological ecosystem



Number of molecules in development at Lonza²

~900

1. New Molecular Entity, an active ingredient that contains no active moiety that has been previously approved by the FDA (Lonza analysis). CDMO involvement refers to drug substance manufacturing only.
2. Number of different molecules manufactured in 2024 YTD, Pre-clinical and Phase 1 to Phase 3, incl. EDS molecules.

Broad customer base with 50:50 revenue split between Big Pharma & Biotech

Lonza



3 Customers

Preferred partner of Big Pharma...

95%

➤ of top 100 Big Pharma¹
work with Lonza

12 yrs

➤ average length of relationship
with Big Pharma² customers

#1

➤ Net Promoter Score (NPS) across
18 Biologics CDMOs⁵

**CHF
13bn**

➤ total signed CDMO business in 2023

... and Small Biotechs³

>600

➤ CDMO Biotech³ customers

99%

➤ of signed CDMO Biotech³ business
2023 is retention⁴

39

➤ blockbusters facilitated by Lonza, driving
CHF 100bn customer revenue

>70m

➤ patients benefited from therapies
developed with Lonza technologies

1. Top 100 largest PharmaCos by revenue 2023. 2. Among top 10 customers by revenue 2023. 3. Incl. small-emerging pharma companies. 4. Signed business in CHF; includes retention molecules that move to the next phase and new molecules from existing customers. 5. Based on an independent external survey conducted by a leading international consulting firm.



3 Customers



~90% of new contracts signed at clinical stage, securing **long-term relationships**

Highly innovative products are most attractive segment

Lower reliance on commercial drop-in RfQ¹ due to exceptional pipeline of clinical molecules

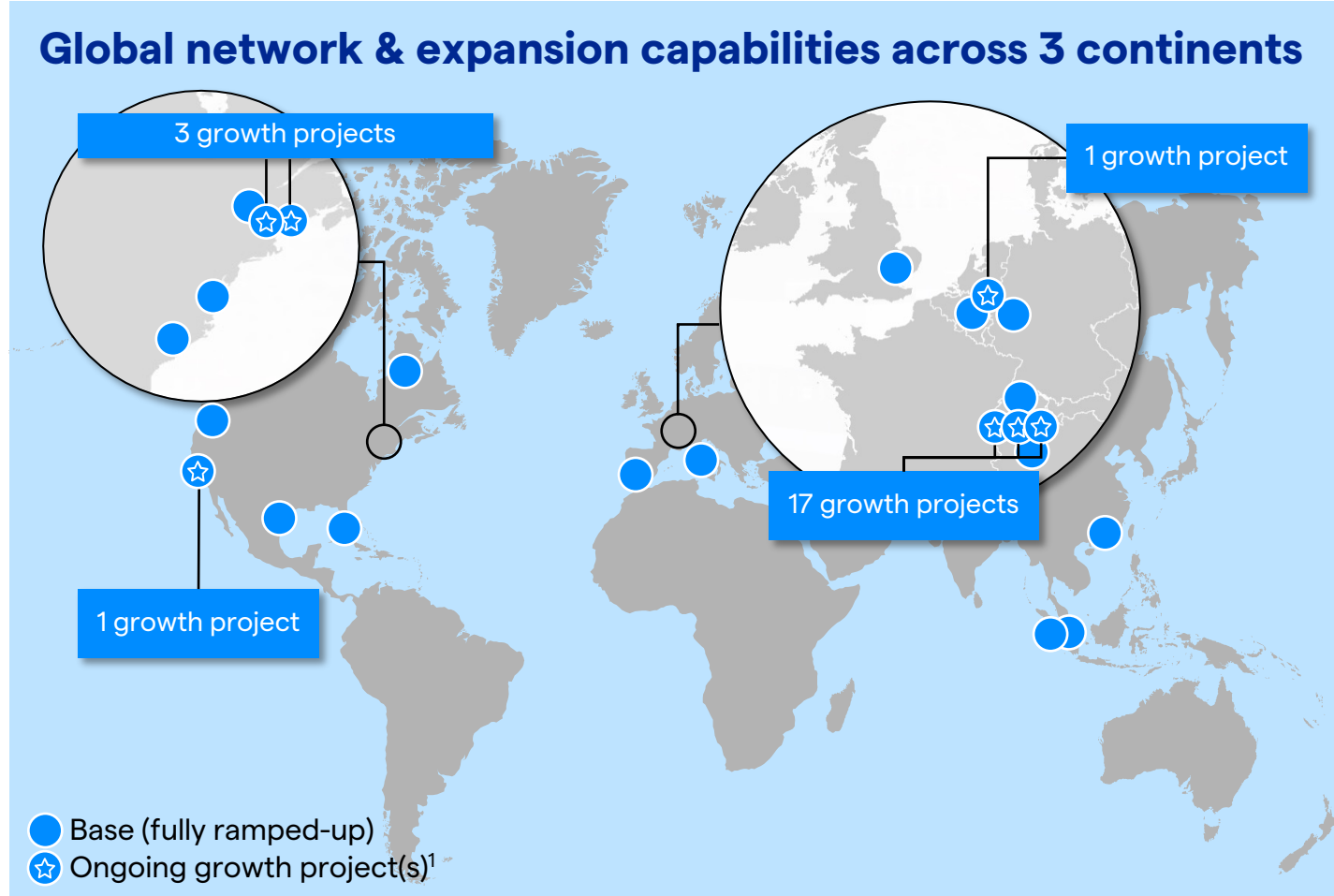
Strong development presence also supports **technology scouting** at the speed of the Biopharma industry

Unique global network and track record of successful capacity expansions

Lonza



4 Execution



Unique global network with strong presence in key regions

Latest addition with **largest US-based mammalian capacity**: Vacaville site (acquired from Roche)



Successful **capacity expansion track record** across all technology platforms and regions

22 ongoing growth projects¹

Yet, **potential to improve on-time and on-budget delivery**²

Note: Key sites only.

1. 22 projects with CapEx > CHF 50M; 14 in ramp-up & 8 in construction. 2. Customer delivery not impacted.



4 Execution

Achievements 2024

- Deal closed on **1 October 2024**
- **~800** new colleagues welcomed to One Lonza
- **~170** systems migrated
- Site **fully operational** under Lonza management
- **First contract signed** – several negotiations ongoing
- **Minimal revenue** and profit contribution in 2024

Ambitions for 2025 and beyond

- Flawlessly execute manufacturing (**around half a billion CHF revenue expected in 2025**)
- Continue conducting customer visits and execute **first third-party customer tech transfers**
- Detail mid-term **CapEx plan**
- **Fully integrate site** into Lonza global network



Development of capacity from 2019 to 2024

Lonza

4 Execution

Bioconjugates

Liters



2.5x

Mammalian¹

Liters



1.9x

CGT²

Number of suites



1.4x

HPAPI³

Cubic meters

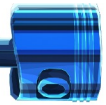


1.2x

1. Excl. Vacaville acquisition. 2. Cell & Gene Technologies. 3. Highly Potent Active Pharmaceutical Ingredients.



Proven capabilities in integrating people, technologies and assets with positive long-term impact

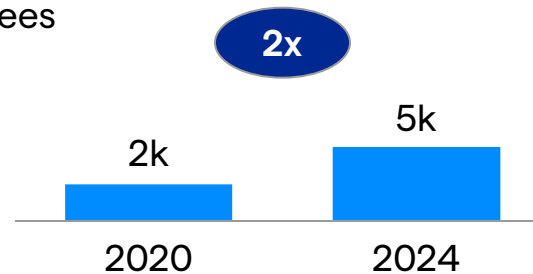


5 Investment & integration

People

Example: Visp

of employees

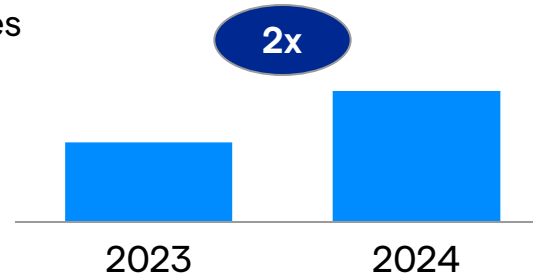


- Onboarded >2k new colleagues in 4 years
- Increased diversity to >70 nationalities
- Upskilled employees and established 16 new teaching positions

Technologies

Example: Synaffix

Synaffix sales

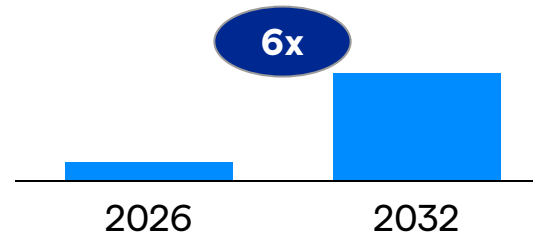


- Expanded E2E lifecycle capabilities
- Integrated offer across clinical stages
- Distinctive IP

Assets

Example: Vacaville

Batches to be produced per year¹



- c.800 new colleagues onboarded
- To deliver >1bn sales beyond 2030
- All integration / modification activities on track and closely monitored

Agenda

Lonza

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What it means



Tune the Lonza Engine: Four key initiatives to address improvement opportunities



I

RESHAPE

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

↑ *Siloed, complex org.*

II

ELEVATE

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

↑ *Plant engineering & ops. efficiency*
↑ *Process harmonization*

III

FOCUS

Exit CHI¹ at the appropriate time and in the best interests of shareholders and stakeholders

↑ *Evolve portfolio*

IV

EXPAND

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

↑ *Systems harmonization*
↑ *Opportunity for bolt-on M&A*



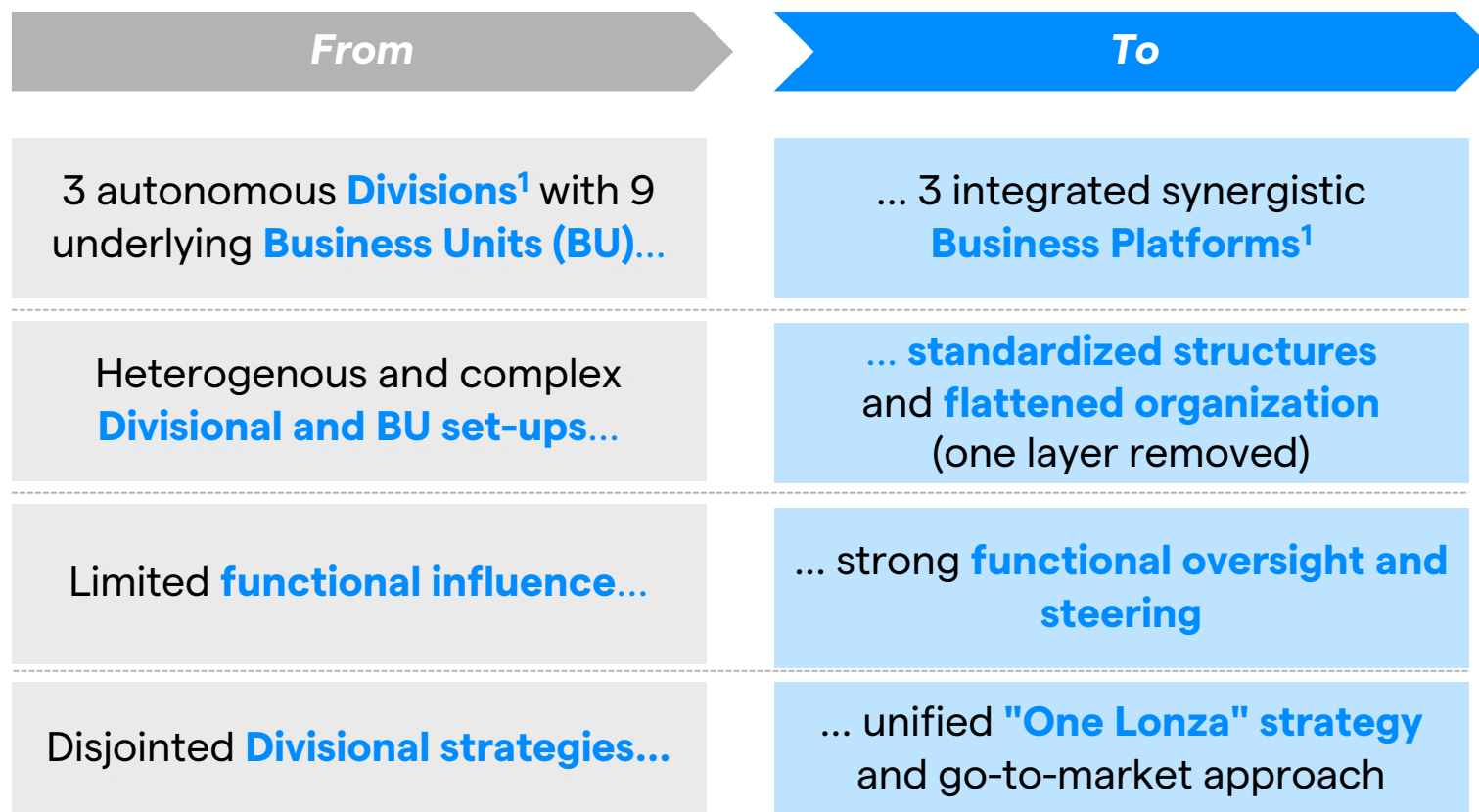
1. Capsules & Health Ingredients.



RESHAPE: One Lonza will be propelled by a lean, simplified operating model – announcement today, implementation in Q2 2025

Key objectives

- Simplified, scalable, and future-proof organization
- Enhancing customer experience & proximity
- Empowering Group functions for global standards
- Strengthening operations with site empowerment
- Leadership closer to business and sites





RESHAPE: Three CDMO Business Platforms will host eight technology platforms

Lonza

Integrated Biologics¹

Advancing best-in-class integrated offerings

Mammalian

Drug Product Services

~50% Lonza CDMO sales²

9 sites (-2³)

10 growth projects (-6³)

Advanced Synthesis

Combining leading hybrid solutions from chemistry and biology

Small Molecules

Bioconjugates

~30% Lonza CDMO sales²

7 sites (+1³)

9 growth projects (+5³)

Specialized Modalities

Pioneering and scaling cutting-edge technologies

Cell & Gene Technologies⁵

mRNA

Microbial

Bioscience

~20% Lonza CDMO sales²

6 sites⁴ (+1³)

3 growth projects (+1³)

Note: Sites counted multiple times if part of more than one Business Platform.

1. Incl. Licensing 2. Excl. CHI and Corporate; 2024 segmental financials in new organizational structure will be published around June 2025. 3. Vs. previous structure (Small Molecules, Biologics, C&G excl. Bioscience).

4. +5 Bioscience sites. 5. Incl. Personalized Medicine.



RESHAPE: Experienced Lonza executives will lead the three new business platforms

Lonza



Integrated Biologics

- Currently President Small Molecules Division (since 2021)
- More than 20 years at Lonza
- Various senior global operational & commercial leadership roles across businesses
- Experience in Biologics



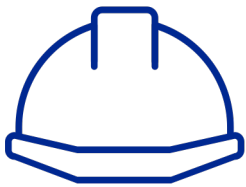
Advanced Synthesis

- Currently President Capsules & Health Ingredients Division (since 2022)
- More than 20 years in various global senior leadership roles at BASF
- Experience in Chemicals, Pharma, and Healthcare



Specialized Modalities

- Currently President Cell & Gene Division (since 2022)
- More than 20 years in senior global operations roles at MorphoSys, Merck, Novartis, Bayer across regions
- Experience in Pharma



Excellence in constructing our assets

- Internalize **critical engineering capabilities**
- Refine **management process** for growth projects
- Balance **user requirements** for tech leadership with fit-for-purpose
- Use **modular concepts** and build to **global standards**



Excellence in operating our assets

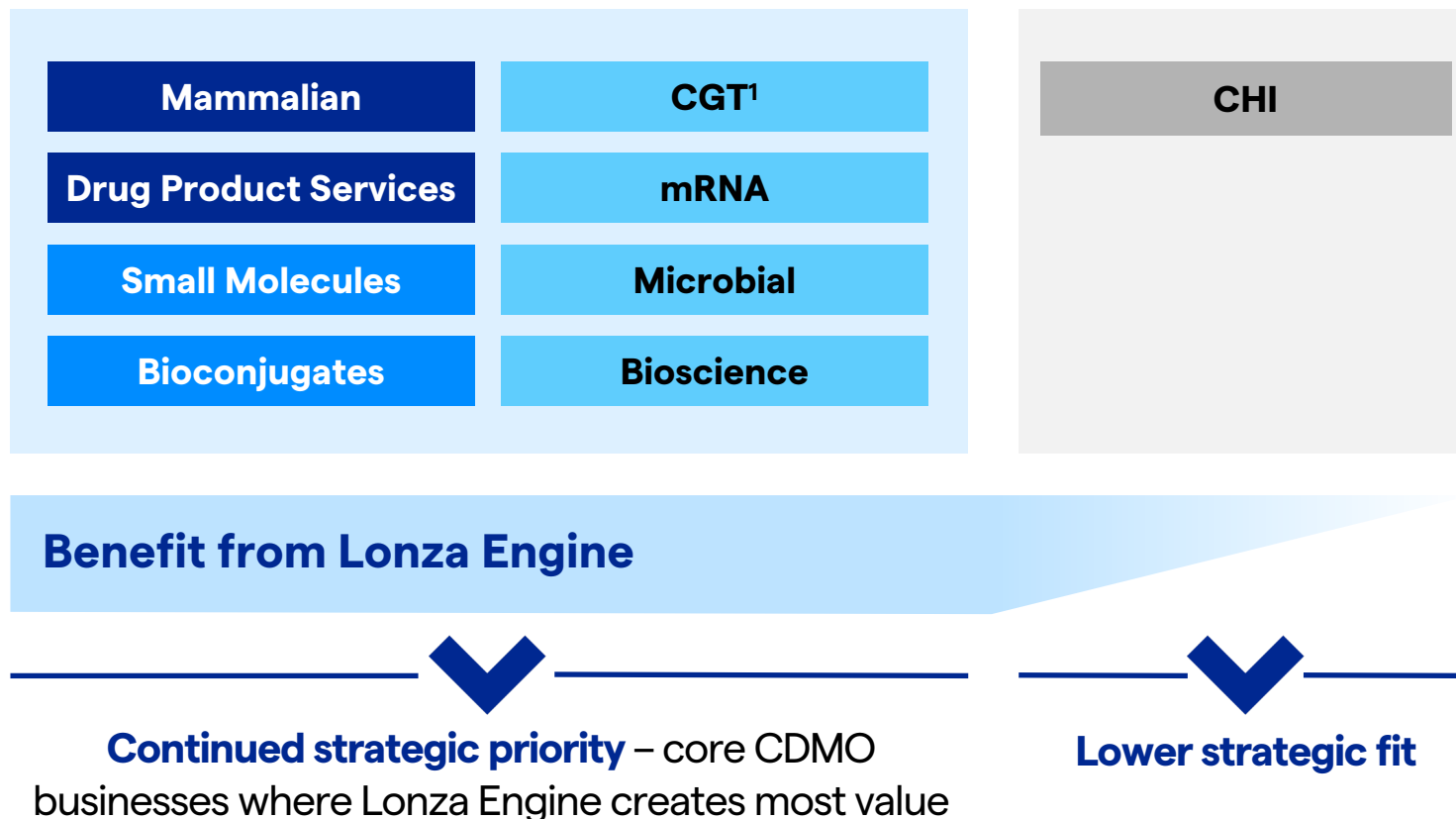
- Strengthen **checks-and-balances** between Group / Bus. Platforms
- Deepen **operational functional expertise** in Business Platforms
- Further roll out **lean projects** (LBMS¹)
- Focus on **ramp-up efficiency** in new assets



FOCUS: Best owner of core CDMO technology platforms – Lonza not best owner for CHI anymore

Lonza

Assessment of current portfolio against Lonza Engine



Integrated Biologics²



Advanced Synthesis



Specialized Modalities



FOCUS: CHI is #1 in its markets with strong margins – but Lonza not best owner anymore

Lonza

CHI is a highly attractive business...

>1bn

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

25%

Industry-leading profit margins² due to proprietary technologies & premium offerings

#1

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



Outlook beyond 2025 of low-to-mid single-digit % CER sales growth, CORE EBITDA margin approaching, then exceeding 30%

... but Lonza 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, impacting Lonza's mid-term sales growth (by ~1 ppt)

New CHI Leadership



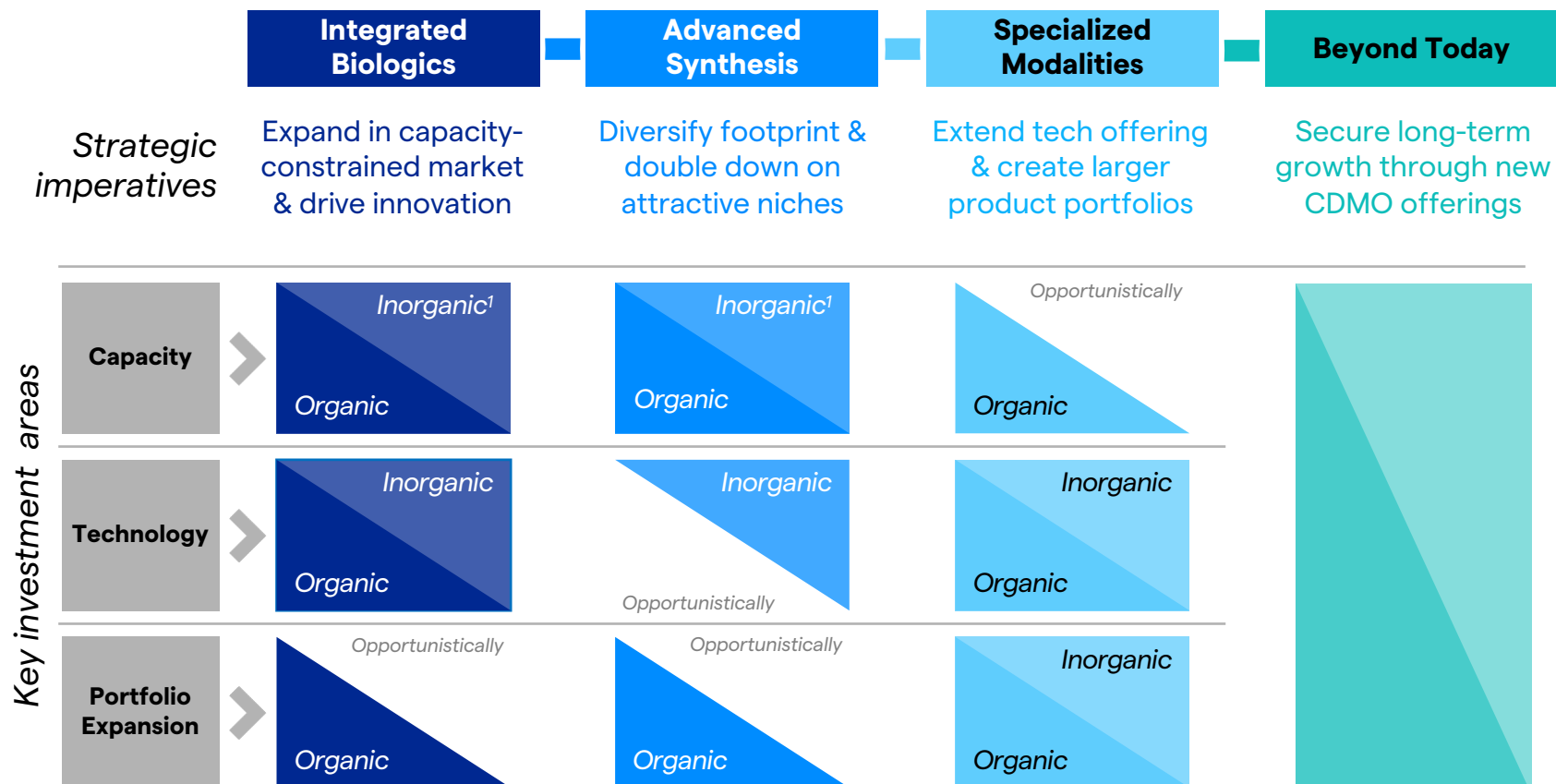
- Currently President Biologics Division (since 2021)
- CCO of Lonza Pharma & Nutrition (2019–2020) – incl. CHI
- More than 20 years as senior commercial & financial leader in Pharma, Consumer Goods, Finance



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

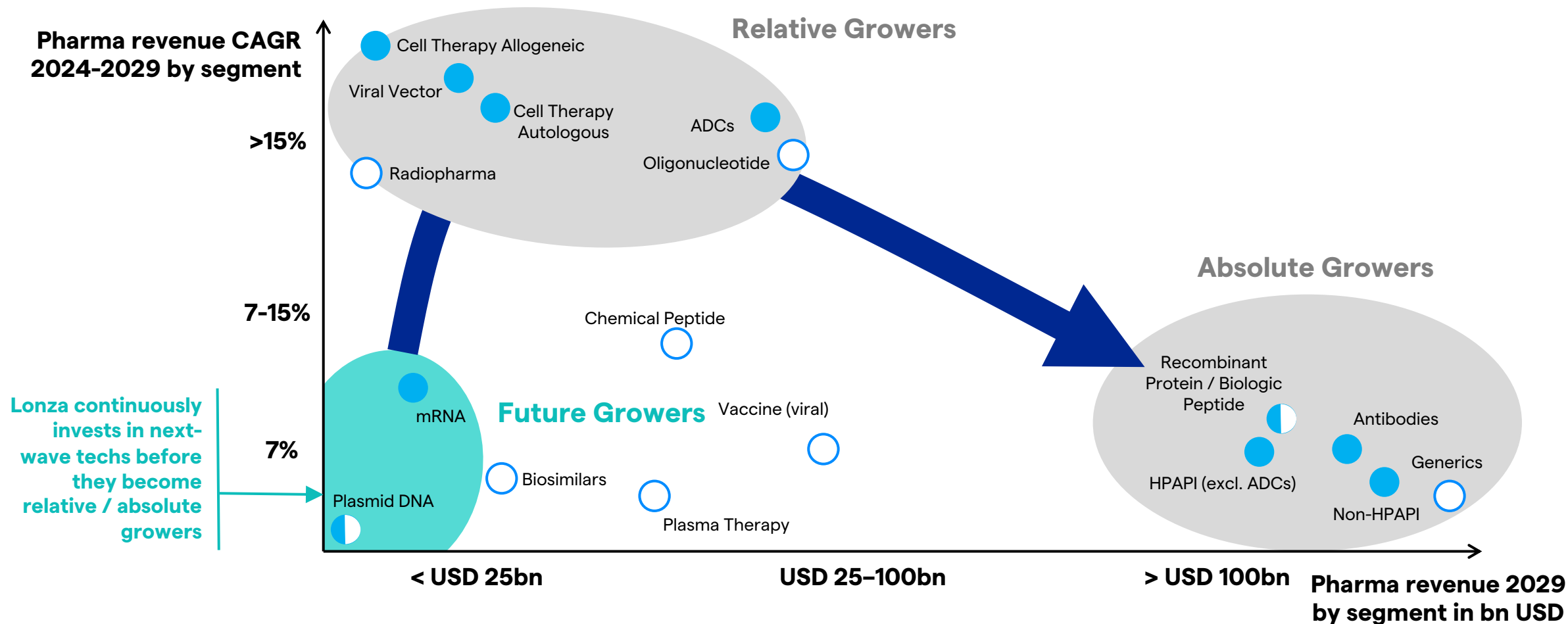
IV EXPAND: Double down on strategic priorities and opportunities

Assessment of new opportunities against Lonza Engine





EXPAND: Outgrow the Pharma market by investing in large and highest growth segments along modalities



Summary: Continue to pioneer and lead the market – powered by the Lonza Engine



From today's cutting-edge scientific and technological ecosystem...

... to a global network, ever evolving through fresh innovations and talent

From a complex, siloed organization...

... to a well-orchestrated, aligned and empowered "One Lonza" team

From the most trusted partner...

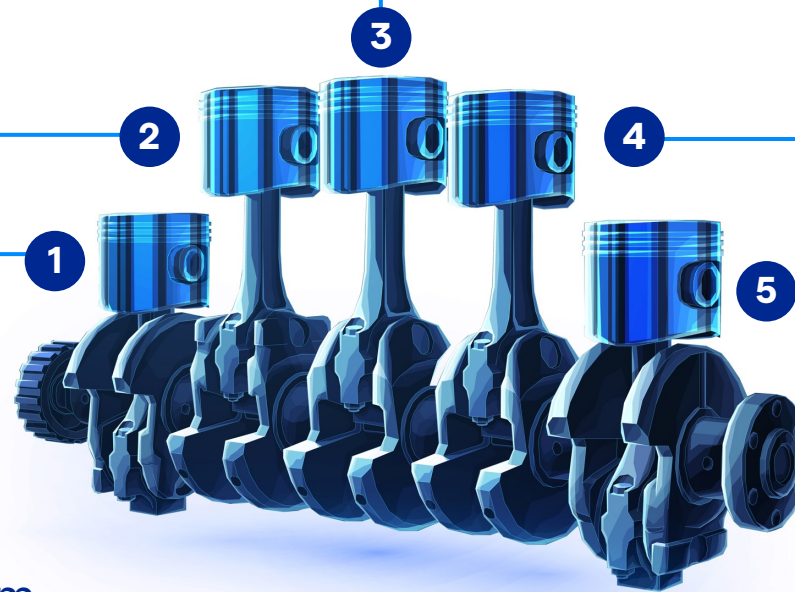
... to also being the unrivalled integrated end-to-end solution provider across the value chain

From a leading on-time in-full delivery and quality track record...

... to also best-in-class execution excellence and efficiency

From a proven organic growth track record...

... to full capture of organic and inorganic growth opportunities



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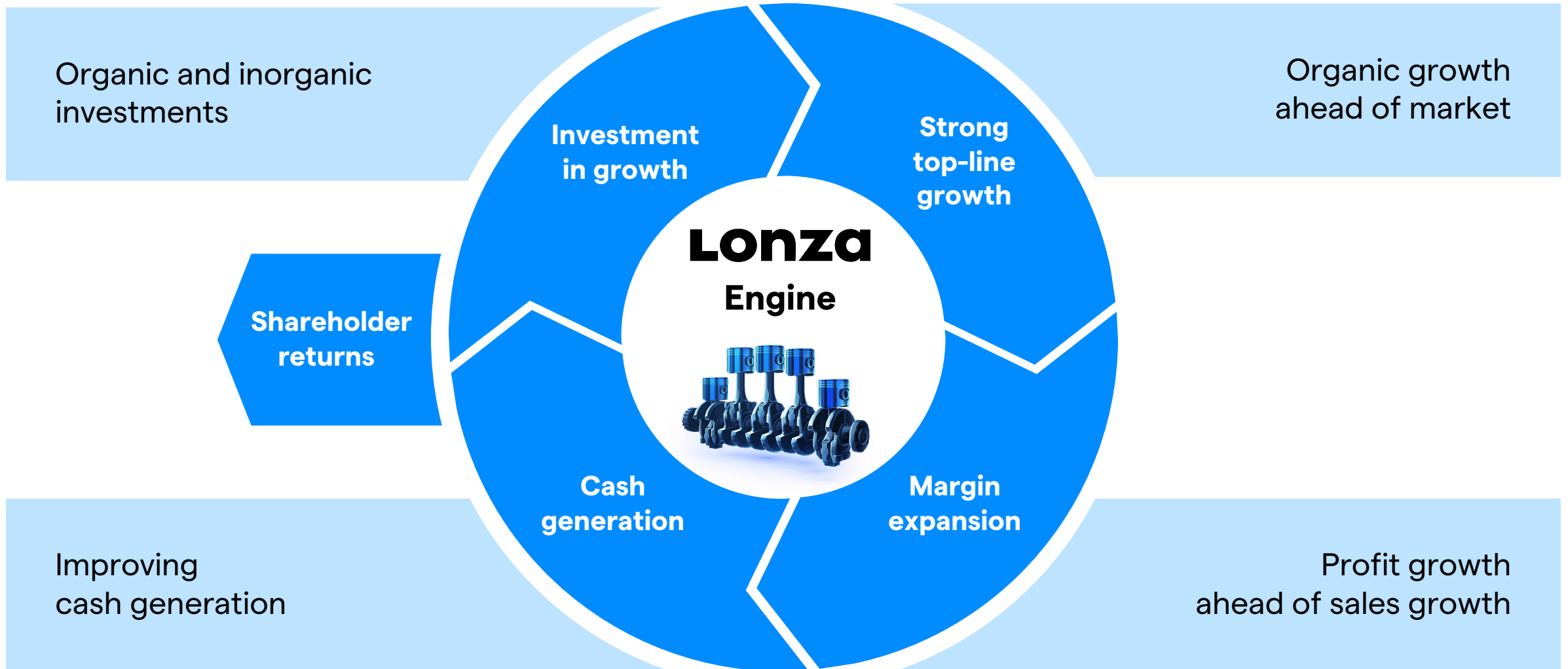
We will deliver

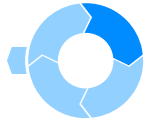
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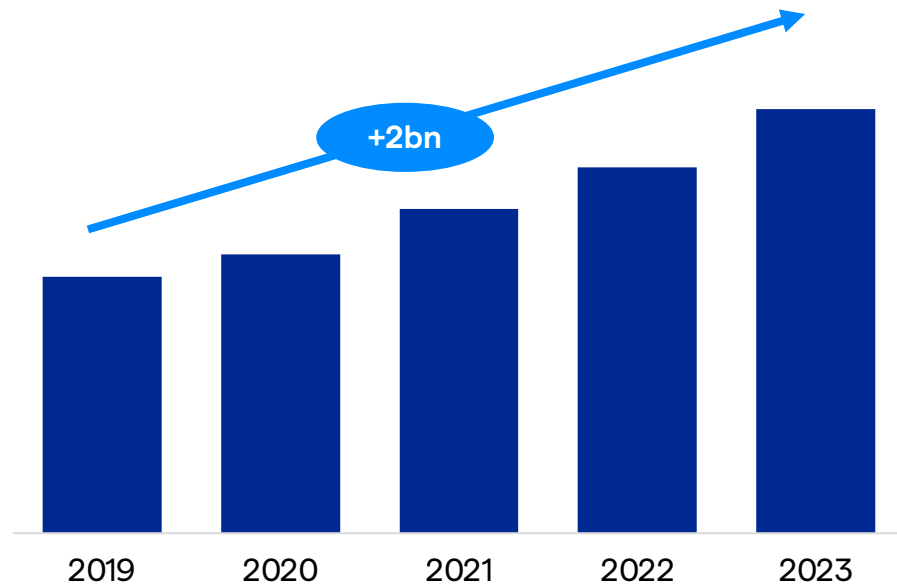


Strong track record of sales growth to continue in mid-term

Lonza

Lonza CDMO historical sales

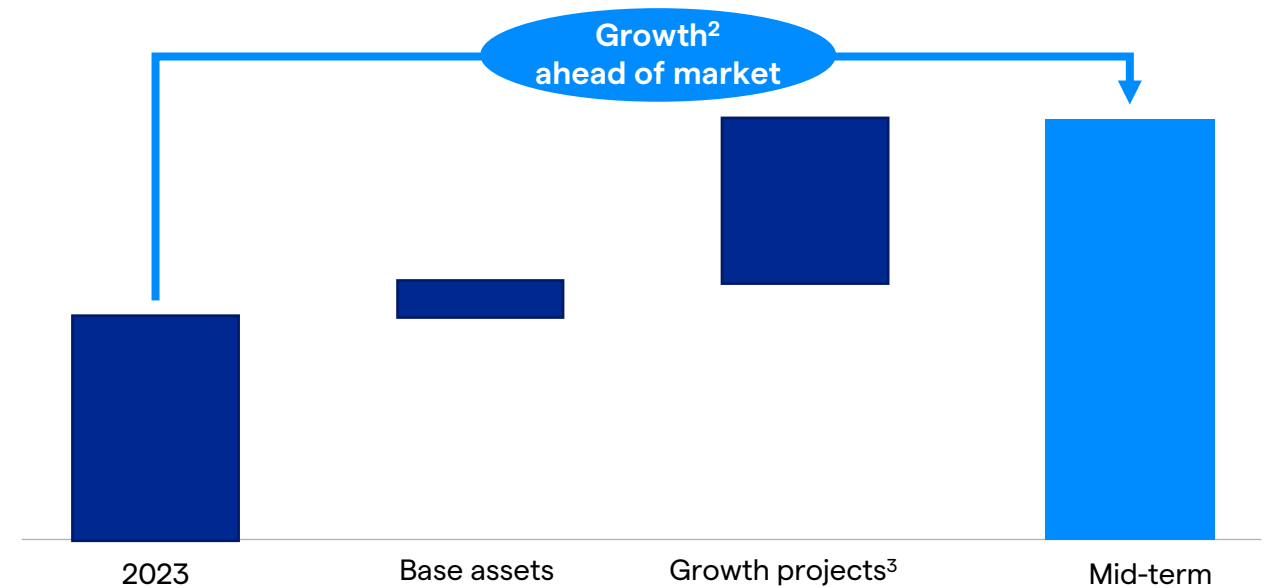
excl. CHI and COVID sales; in bn CHF



Lonza CDMO mid-term sales trajectory

excl. CHI and COVID sales; in bn CHF

Illustrative¹



- **Strong historical growth** supported by continued market momentum

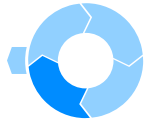
- **Strong contracting** and opportunities pipeline provide line of sight
- **Known, commercial growth projects** – main growth driver



Lonza Engine underpins execution excellence and increasing margins

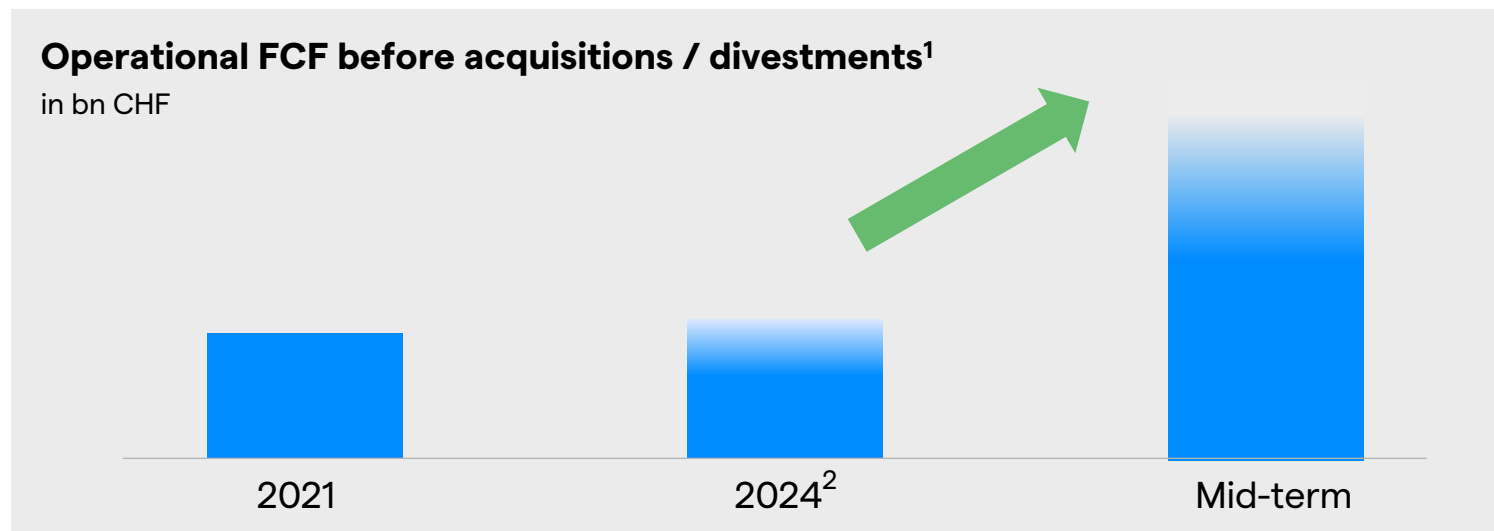
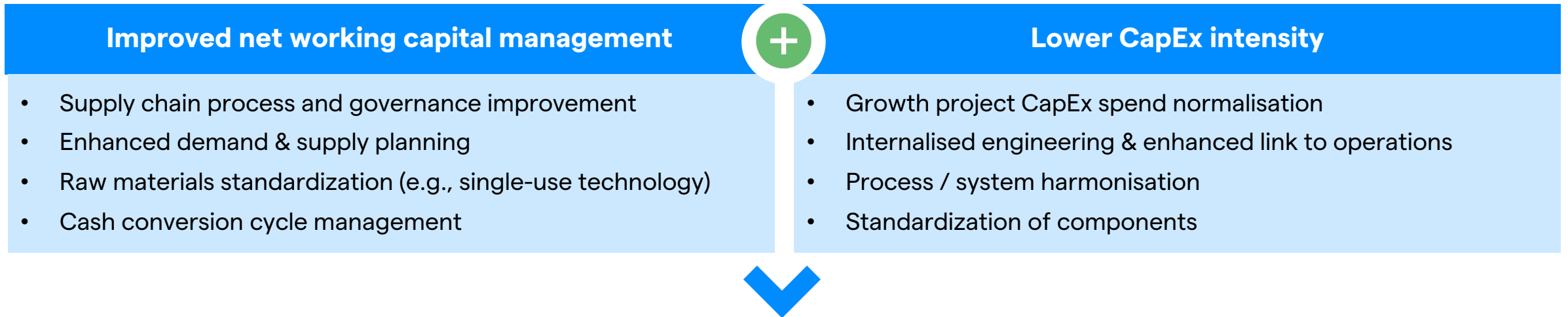
Lonza



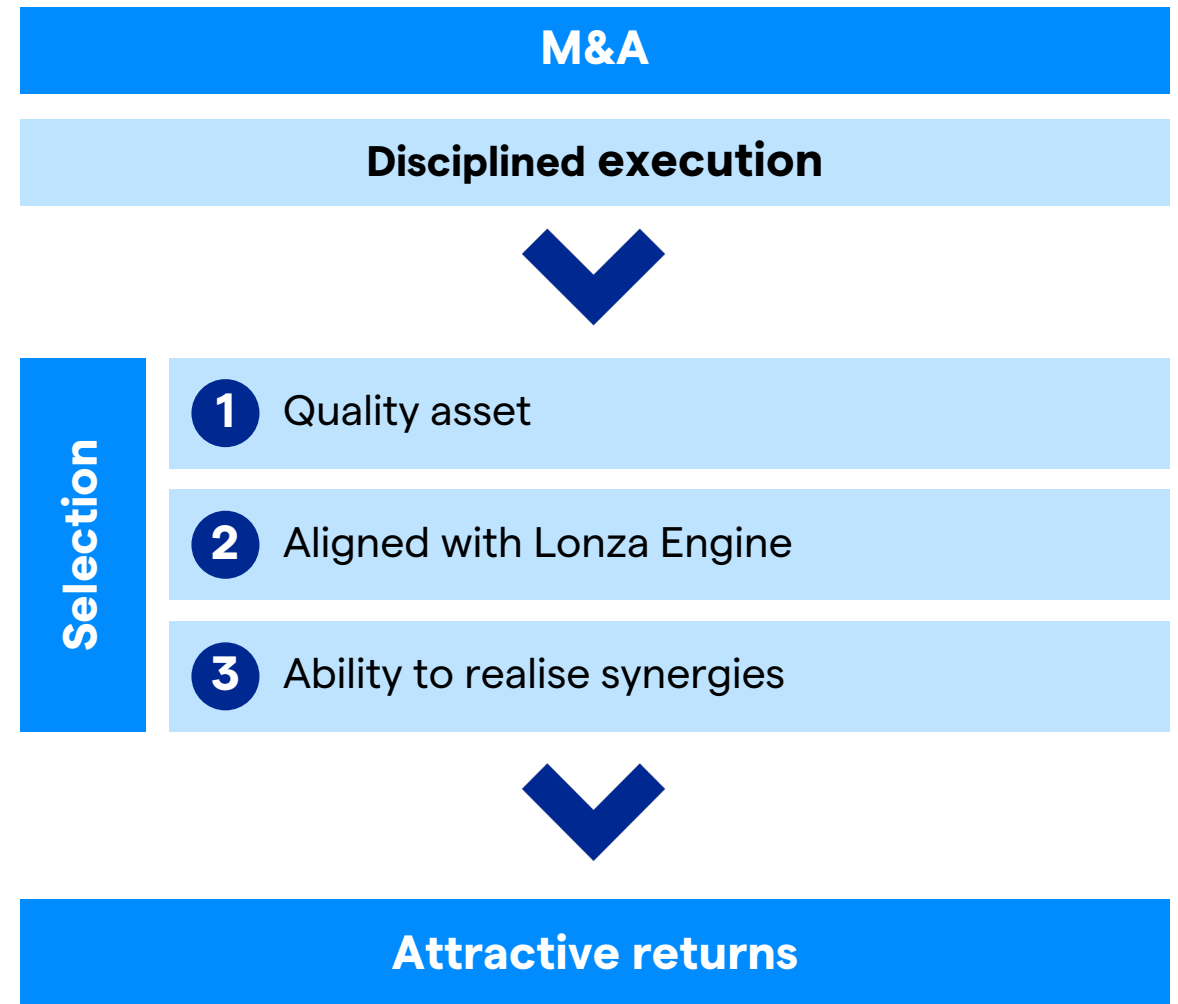
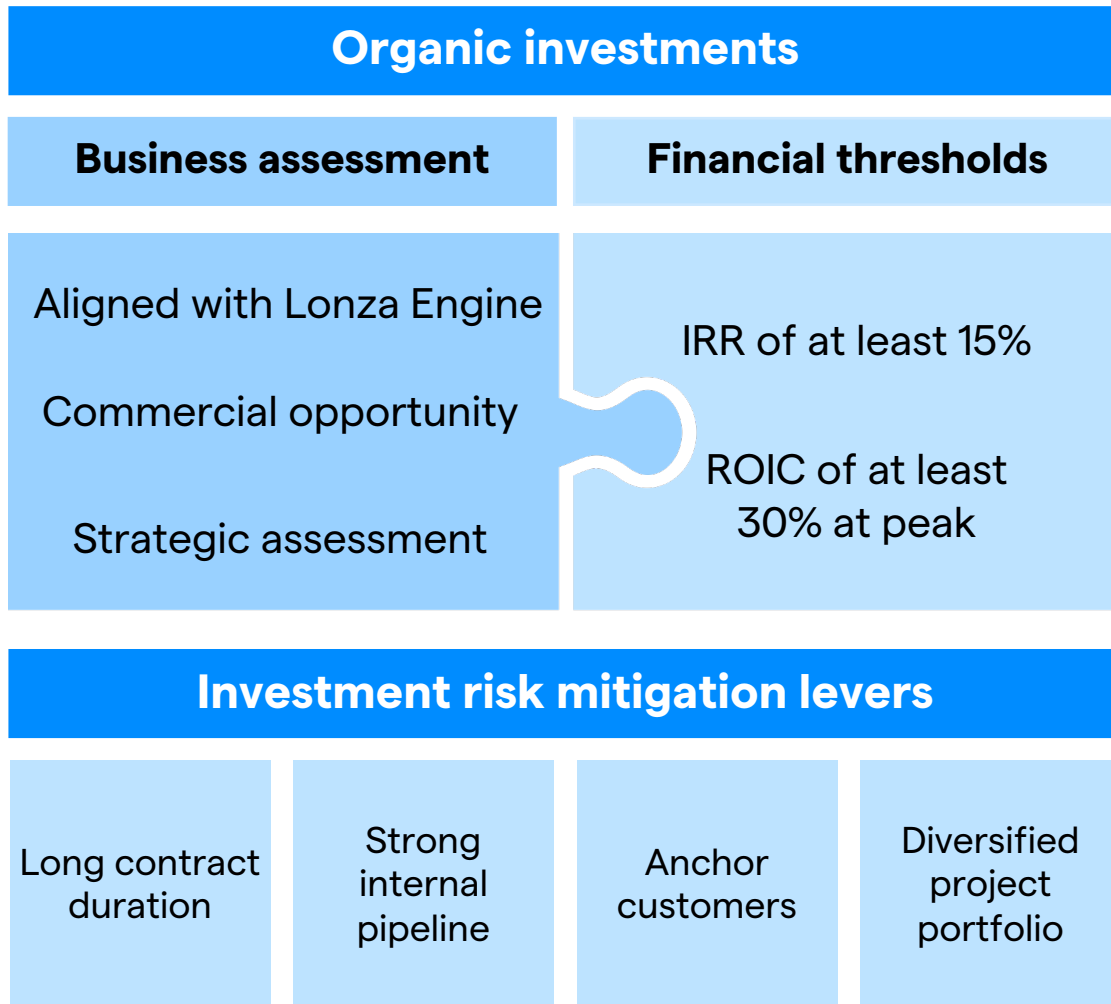
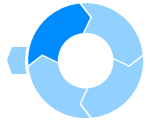


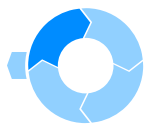
Focused on translating EBITDA growth into higher cashflow

Lonza



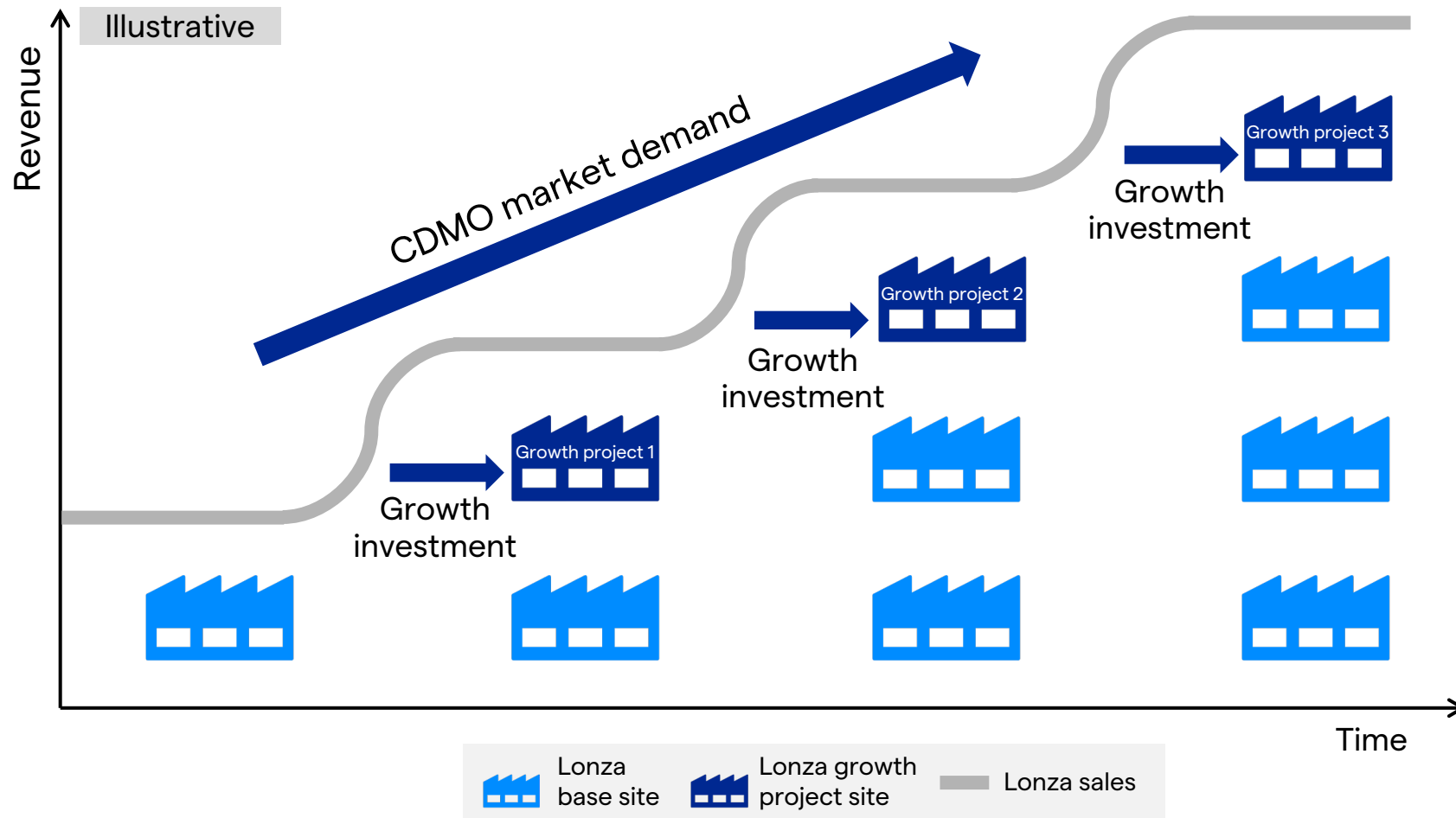
1. Lonza Group financials; illustrative, not to scale. 2. Excl. Vacaville.





Highly utilized base assets and growth assets to capture market demand

Lonza

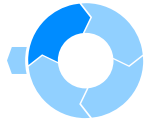


Very profitable base assets with high utilization **~80%**^{1,2}

Dual investment needs

- **Mid-to-high single-digit % sales²** investments in maintenance, infrastructure and systems
- **Variable growth CapEx** driven by market opportunity choices

Total CapEx converging to **mid-to-high teens as % of sales over medium term²**

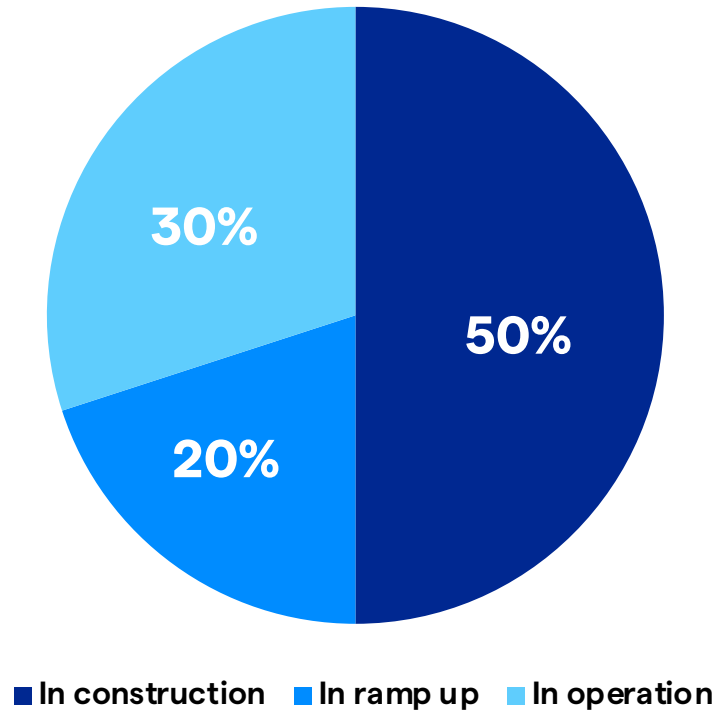


Organic investments are the key growth driver for Lonza

Lonza

Portfolio of 22 large ongoing growth projects¹

Total projects CapEx split of the 22 projects



9

modalities / technologies

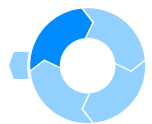
90%

invested in commercial / mixed assets

100%

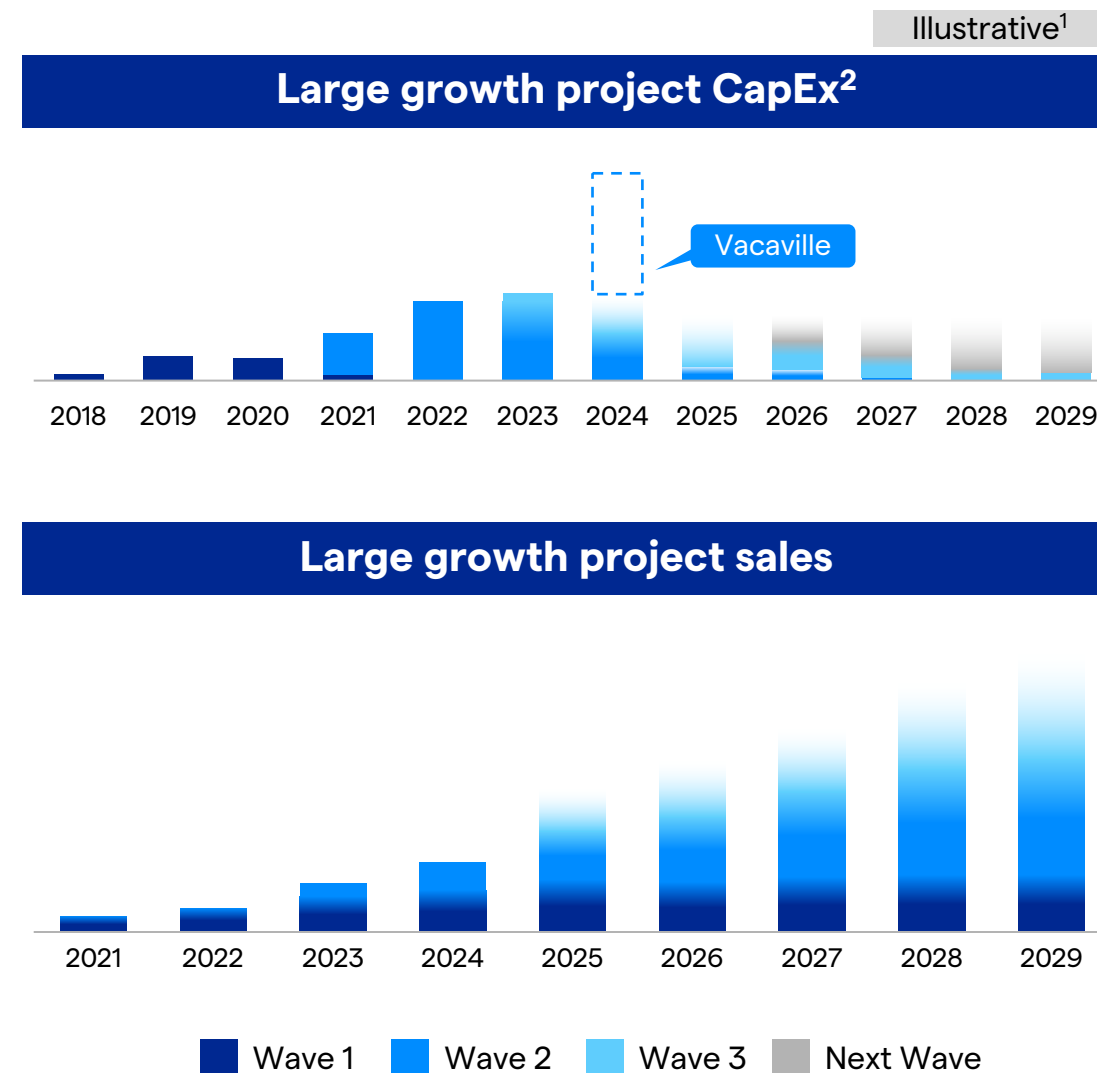
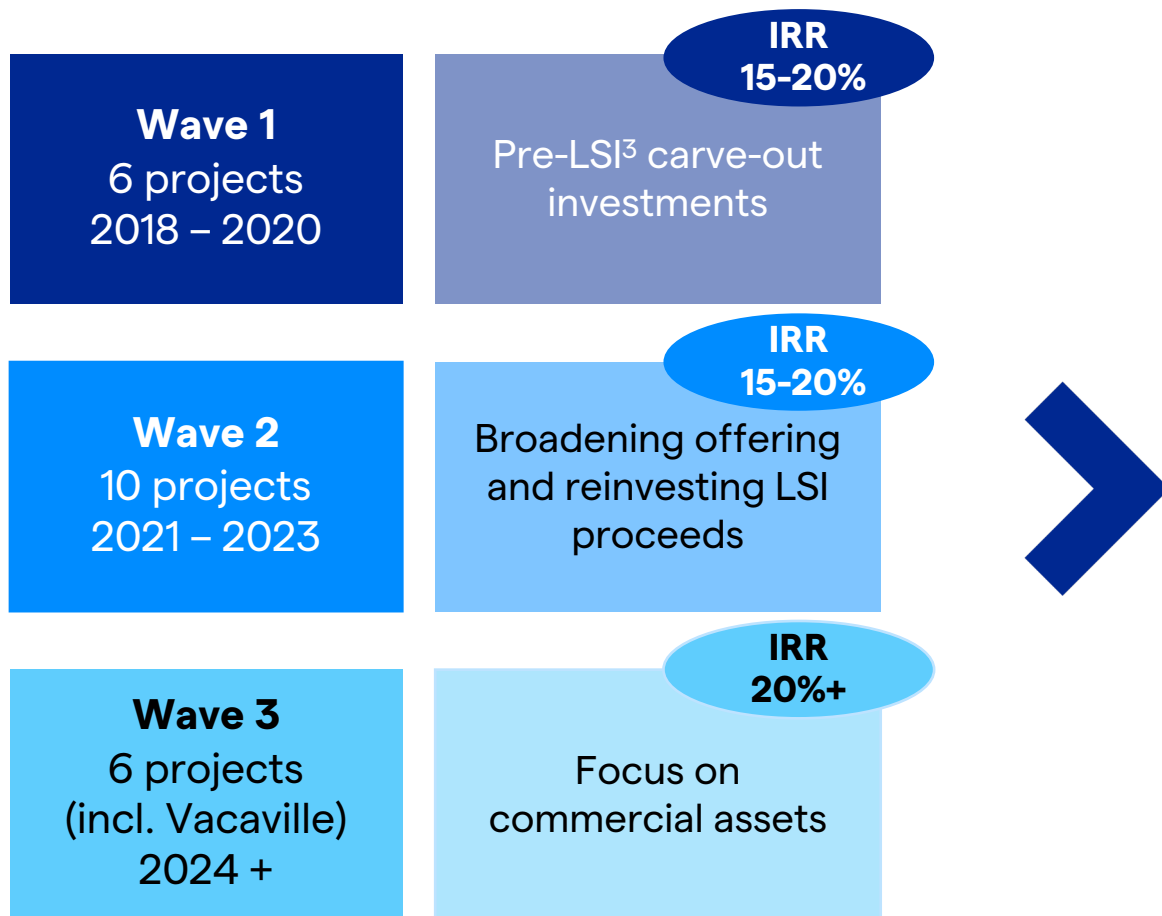
invested in Europe / US

1. CapEx above CHF 50m, incl. Vacaville acquisition (considered accelerated growth CapEx).

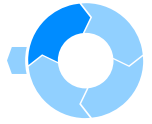


Driving revenues from our organic growth investments

Lonza



1. Not drawn to scale. 2. Wave 1-3 growth projects as well as planned, but not yet confirmed Wave 3 projects ("Next Wave").
3. Former Lonza Specialty Ingredients business.

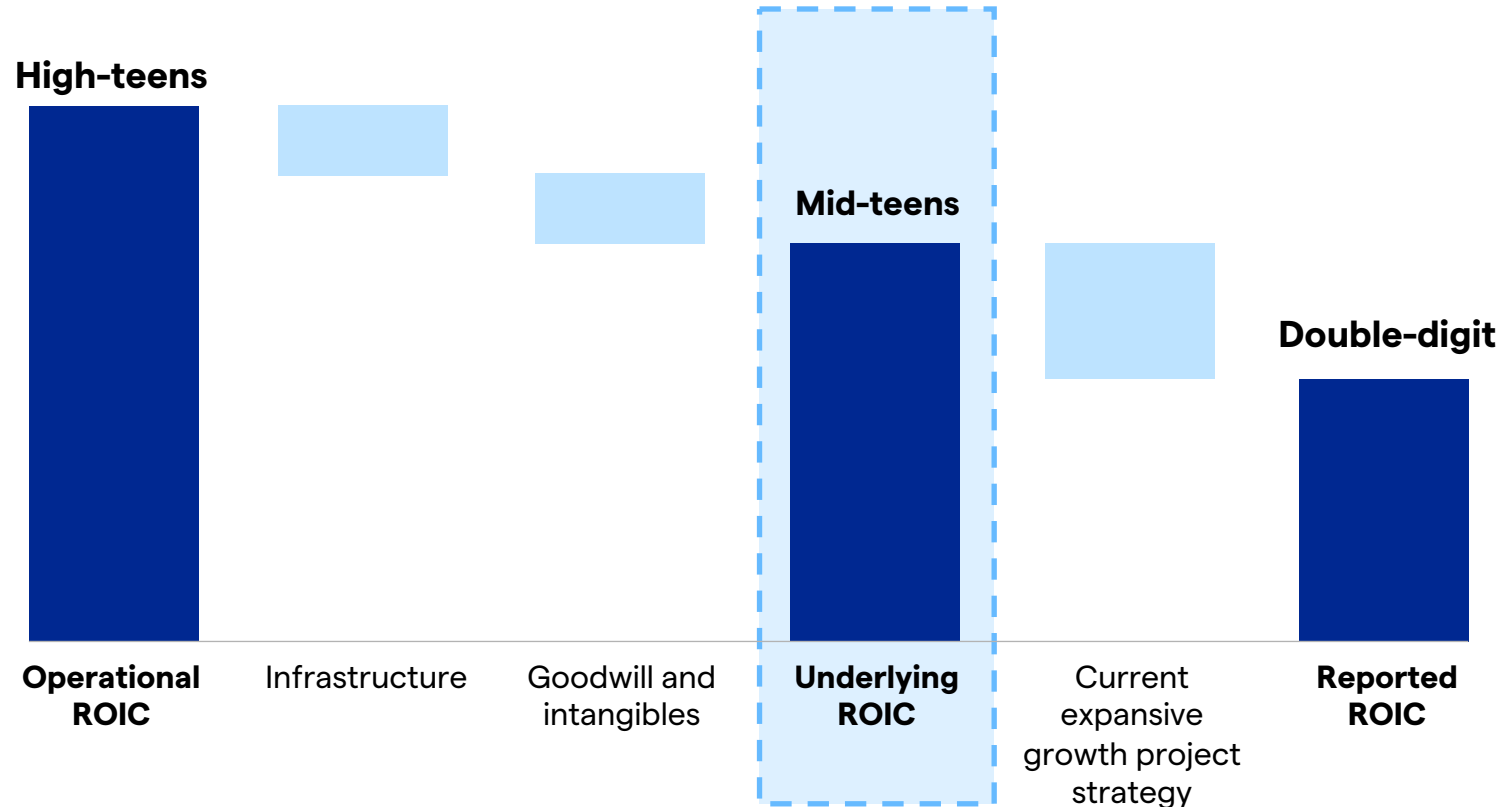


Strong underlying ROIC – focus on increasing reported ROIC

Lonza

Mid-Term underlying ROIC¹ ~2 times cost of capital

Illustrative²



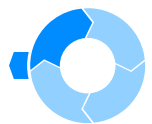
Levers to increase ROIC

NOPAT

- Portfolio management
- Productivity / throughput improvement
- Operating leverage / cost control

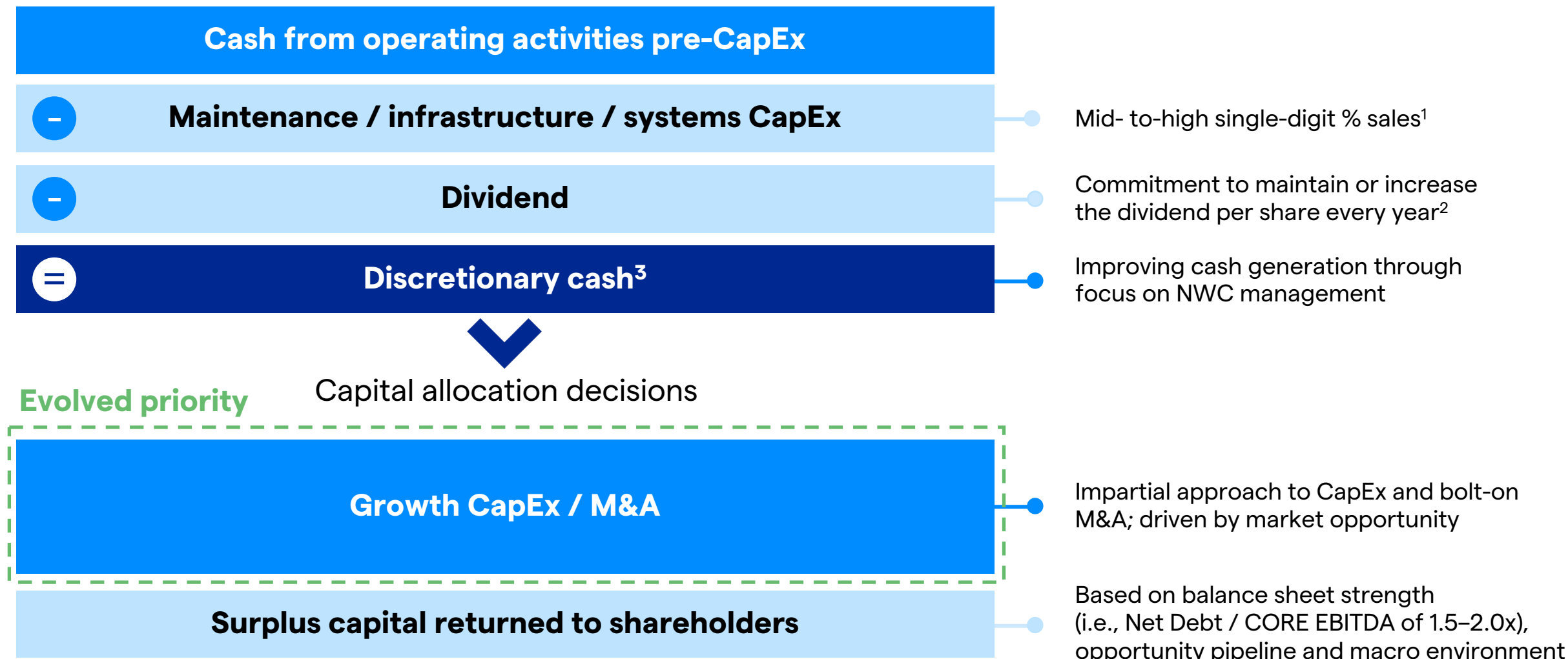
Invested capital

- CapEx efficiencies
- NWC management
- Explore asset-light opportunities



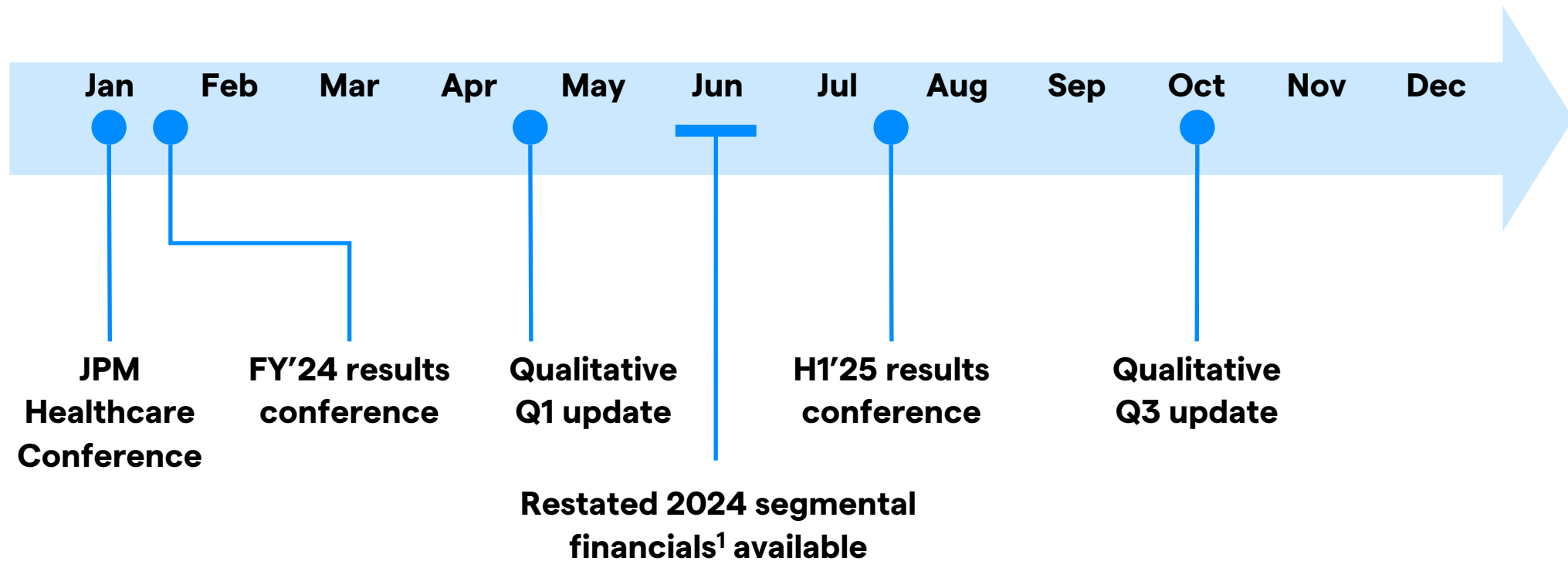
Evolved capital allocation framework prioritizes growth investment

Lonza



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

2025 event calendar





Lonza Engine – key enabler to drive sustainable value creation



Capital allocation priorities evolved to balance organic & inorganic growth opportunities



Financial strategy in place to grow CORE EBITDA ahead of sales growth and deliver attractive cash flow

Agenda

Lonza

1

CEO Priorities

What I focus on

2

The Context

*We are
in the right spot*

3

Assembling the
Lonza Engine

*We have the right
components*

4

Tuning the Lonza
Engine

We can do better

5

Driving
Value Creation

We will deliver

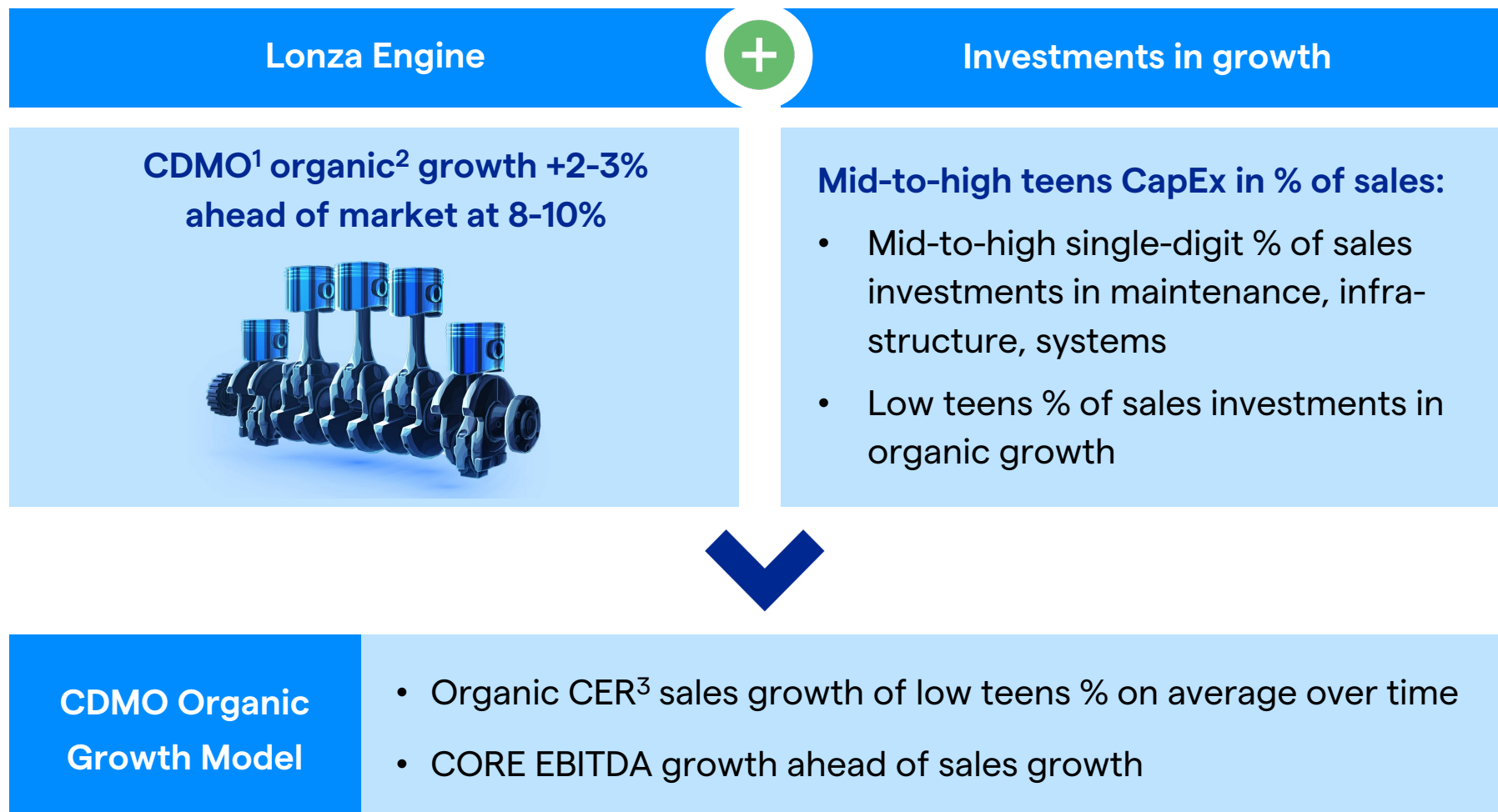
6

Outlook

What it means



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



Group Outlook 2024 confirmed – strong profitable growth expected for CDMO business in 2025



Group Outlook 2024

FY 2024 Outlook confirmed at flat CER¹ sales growth and a CORE EBITDA margin in the high twenties (27–29%):

- Higher-than-planned performance of CDMO² business offsets lower-than-planned CHI business performance

CDMO Outlook 2025

2025 Outlook expects strong profitable growth:

- CER 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%

CDMO like-for-like⁴ reconciliation

- New CDMO Organic Growth Model consistent with previous Mid-Term Guidance⁵ for 2028

1. Constant Exchange Rates. 2. CDMO: Lonza excl. Capsules & Health Ingredients (CHI). 3. Excl. M&A. 4. Using same assumptions for CDMO CER sales in base year 2024 as in March 2024 (note: actual CDMO CER sales 2024 expected to be higher than planned as of March 2024). Previous Mid-Term Guidance is replaced with the new CDMO Organic Growth Model. 5. Mid-Term Guidance as of March 2024 (incl. Vacaville site acquisition).

Outlook for 2025 and beyond for Capsules & Health Ingredients – return to previous growth and margin profile expected

CHI Outlook 2025

2025 Outlook expects return to sales and margin growth:

- Low-to-mid single-digit % CER¹ sales growth
- Mid twenties % CORE EBITDA margin

CHI Outlook beyond 2025

After 2025 gradual return to previous margin levels:

- Low-to-mid single-digit % CER sales growth
- CORE EBITDA margin approaching, then exceeding 30%

One Lonza is a place of unique opportunity: The Lonza Engine will deliver outstanding value creation for the benefit of shareholders and all stakeholders

Lonza

New Vision of One Lonza

Lonza Engine and One Lonza Strategy

Key initiatives:

Focus – Reshape – Elevate – Expand



One Lonza is a place of unique opportunity



We have a clear strategy for value creation



We have a unique set of strengths



We don't waste time taking decisions



We offer a new way to inform you about our future



We are One Lonza – the pioneer and market leader, setting the pace and manufacturing the medicines of tomorrow



Lonza