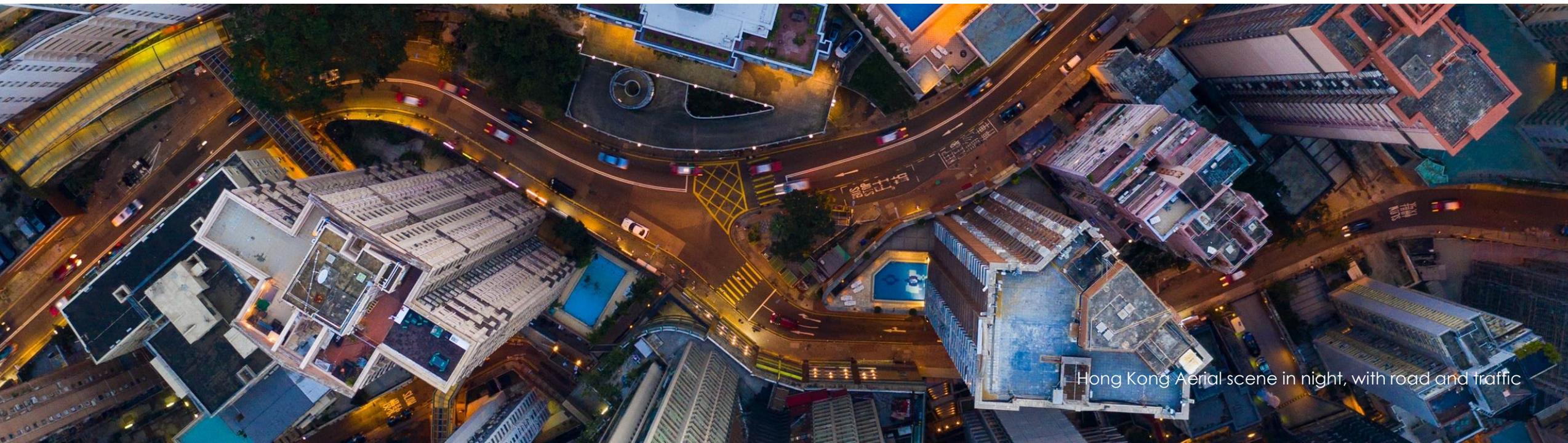


Full-Year Results 2020

Pierre-Alain Ruffieux, CEO
Rodolfo Savitzky, CFO

27 January 2021



Hong Kong Aerial scene in night, with road and traffic

Contents

Full-Year 2020 Corporate Overview

Full-Year 2020 Financial Summary

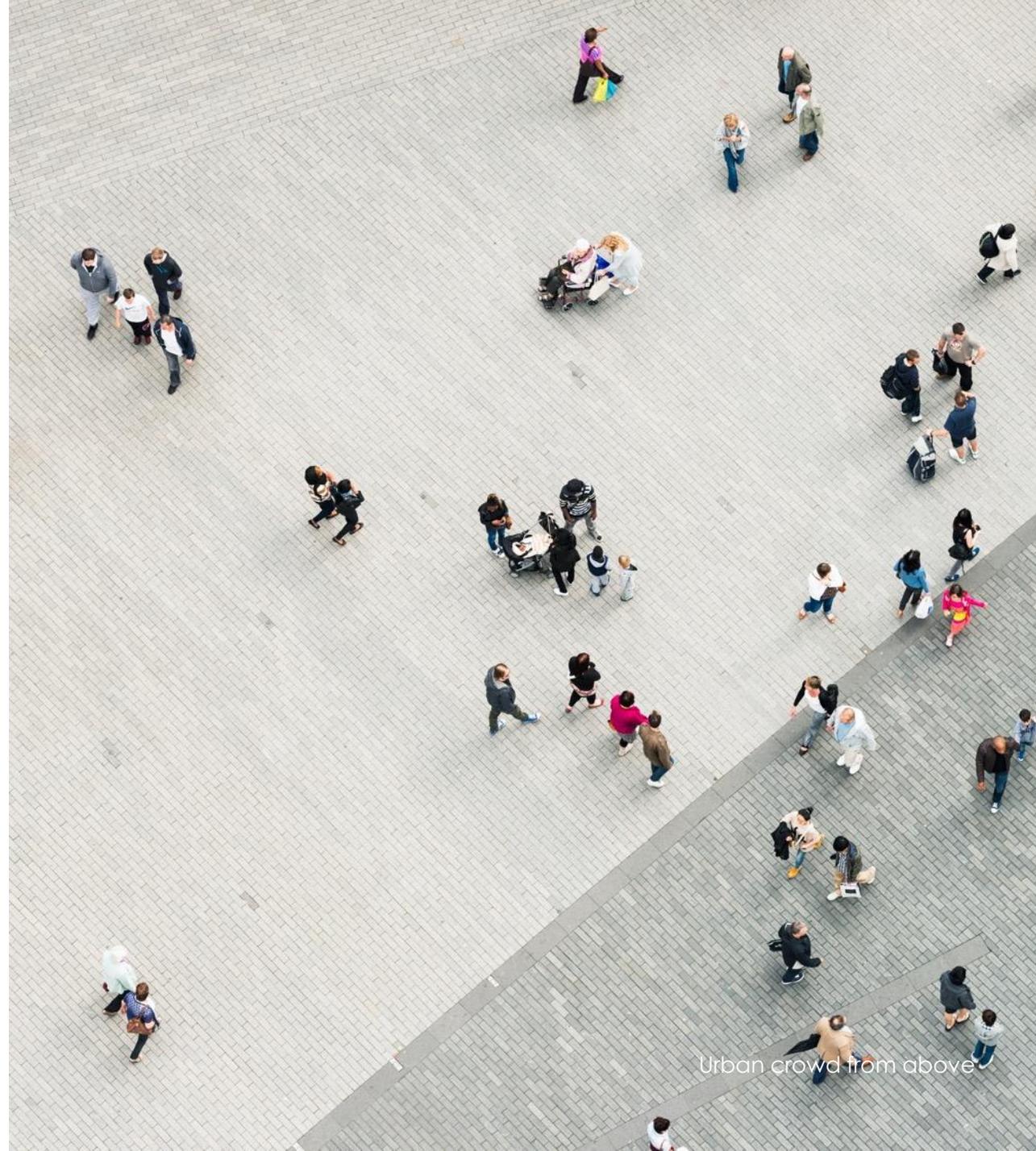
Lonza Segments:

- Pharma Biotech & Nutrition (LPBN)
- Specialty Ingredients (LSI)

Outlook 2021 and Mid-Term Guidance 2023

Q&A

Appendices



Urban crowd from above

Full-Year 2020 Corporate Overview



Aerial view of Independence monument in Mexico City

Full-Year 2020 Corporate Overview

Strong full-year performance, driven by sales growth in LPBN

Lonza delivers on guidance¹ with 12.0%² sales growth, with CHF 4.5 billion sales, and CHF 1.4 billion CORE EBITDA, resulting in a 31.2% margin

Lonza results mainly reflect Pharma Biotech & Nutrition (LPBN) performance, as Specialty Ingredients (LSI) is reported as a discontinued operation

Strong performance in LPBN with 12.2%² sales growth and CORE EBITDA margin of 32.1%, driven by Biologics business

Production of the drug substance for Moderna COVID-19 Vaccine has commenced at Portsmouth (USA) and Visp (CH) sites

LSI³ delivered a solid performance, with 3.4%² sales growth alongside an improved CORE EBITDA margin, reported at 20.3%⁴

Winding road at Faroe

¹ 2020 Guidance relates to Lonza Group results without LSI reported as discontinued operations

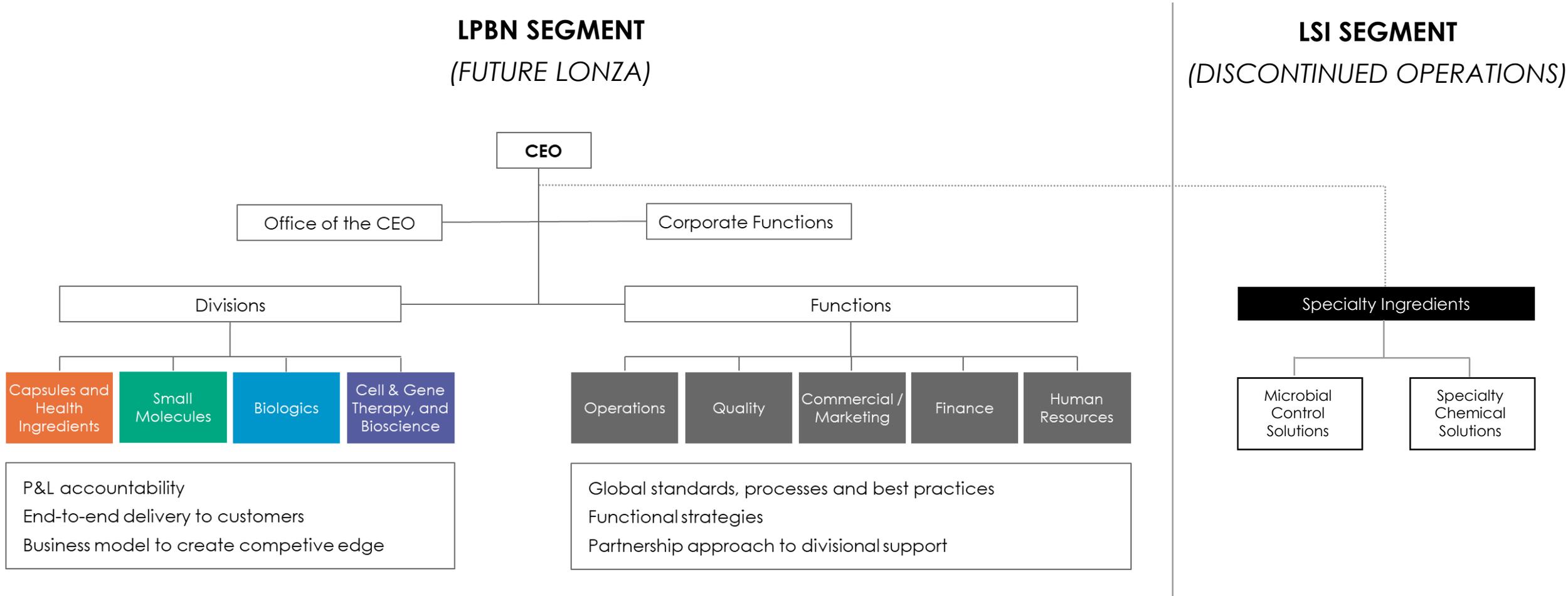
² All sales growth figures are at a constant exchange rate (CER)

³ Specialty Ingredients Business (excluding Corporate/carve-out and divestiture costs directly attributable to LSI)

⁴ CORE EBITDA margin at a constant exchange rate (CER)

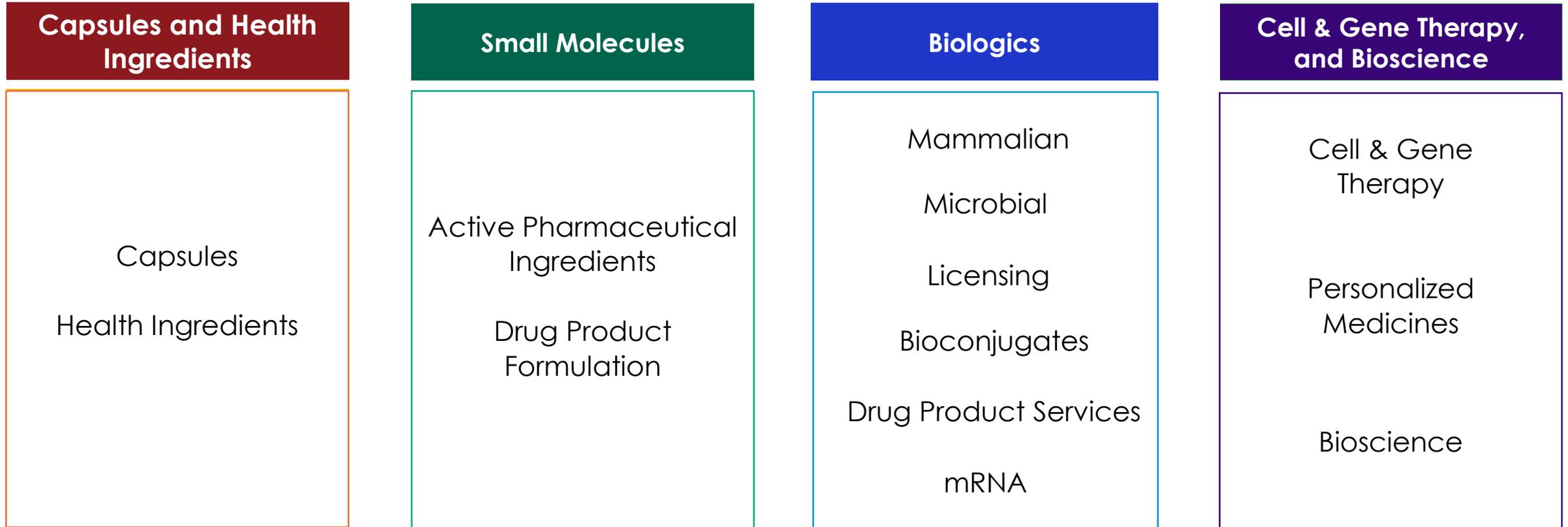
Updated Business Structure

A clear organizational design for a single business operating in a single industry



Lonza – Four Divisions

A structure developed to improve synergies and meet customer needs



New EC Members

An expanded leadership team to ensure divisional representation, effective as of 1 April 2021

Existing Members



Pierre-Alain Ruffieux
*Chief Executive
Officer*



Rodolfo J. Savitzky
*Chief Financial
Officer*



Caroline Barth
*Chief Human
Resources Officer*



Stefan Stoffel
*Chief Operating
Officer*



**Claude
Dartiguelongue**
*Capsules and Health
Ingredients*



Gordon Bates
Small Molecules



**Jean-Christophe
Hyvert**
*Biologics / Cell &
Gene Therapy, and
Bioscience*

New Members

LSI Segment Divestment in Progress

Signing of divestment deal expected in Q1 2021

Initial expressions of interest from potential buyers were received in 2020

We have selected a short list of bidders for a second phase of the process

Identities of bidders cannot be revealed for confidentiality reasons

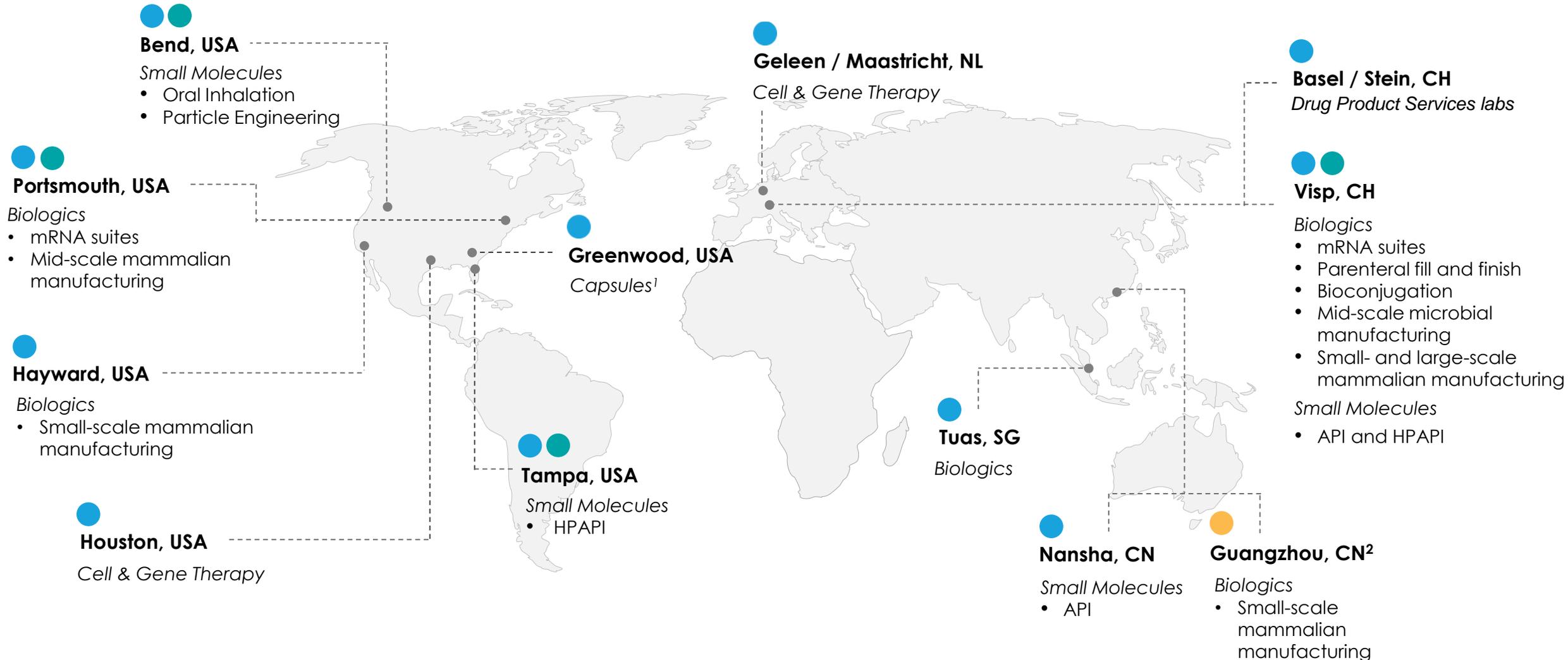
We expect to sign a deal in Q1 2021

An aerial photograph showing a narrow asphalt road running vertically through the center of the frame. On the left side of the road, a red car is visible, driving away from the viewer. The road is flanked by vast, rectangular agricultural fields. The fields on the left are mostly green, while the fields on the right are a mix of green and yellow, suggesting different stages of crop growth or different types of crops. The overall scene is a typical rural landscape.

Car driving on a road in between tulip fields as seen from above

Long-Term Growth Supported by Continued CAPEX Investments

An overview of major projects in 2020



¹ Capsules manufacturing capacity expansion across 8 global sites
² Under construction, operational Q2/Q3 2021

Our Business in the COVID-19 Pandemic

Our work to control and contain the pandemic

Business continuity maintained through rigorous protection measures and due to our classification as an essential supplier

LPBN is working to support a broad range of customers developing vaccine candidates, treatments and therapies related to COVID-19¹

Sixteen microbial control solutions produced by LSI were approved by US EPA² to eradicate COVID-19 on surfaces

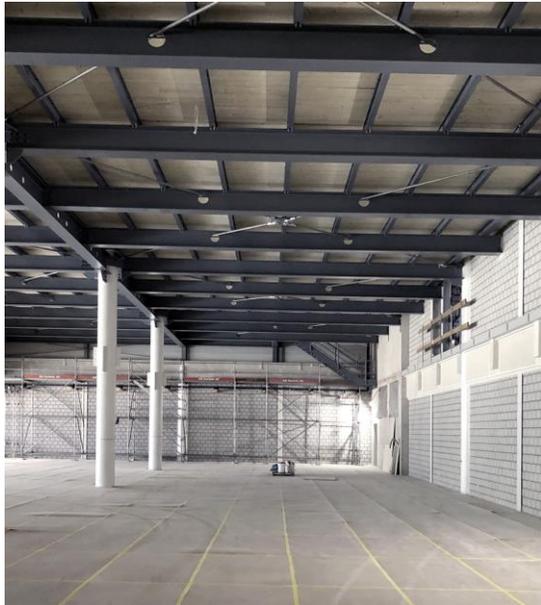


¹ The logos constitute a selection of customers who are collaborating with Lonza on COVID-19 projects. In total, Lonza has received more than 200 enquiries related to COVID-19 projects

² United States Environmental Protection Agency

Manufacturing the Moderna COVID-19 Vaccine

Supporting accelerated vaccine production to control the pandemic



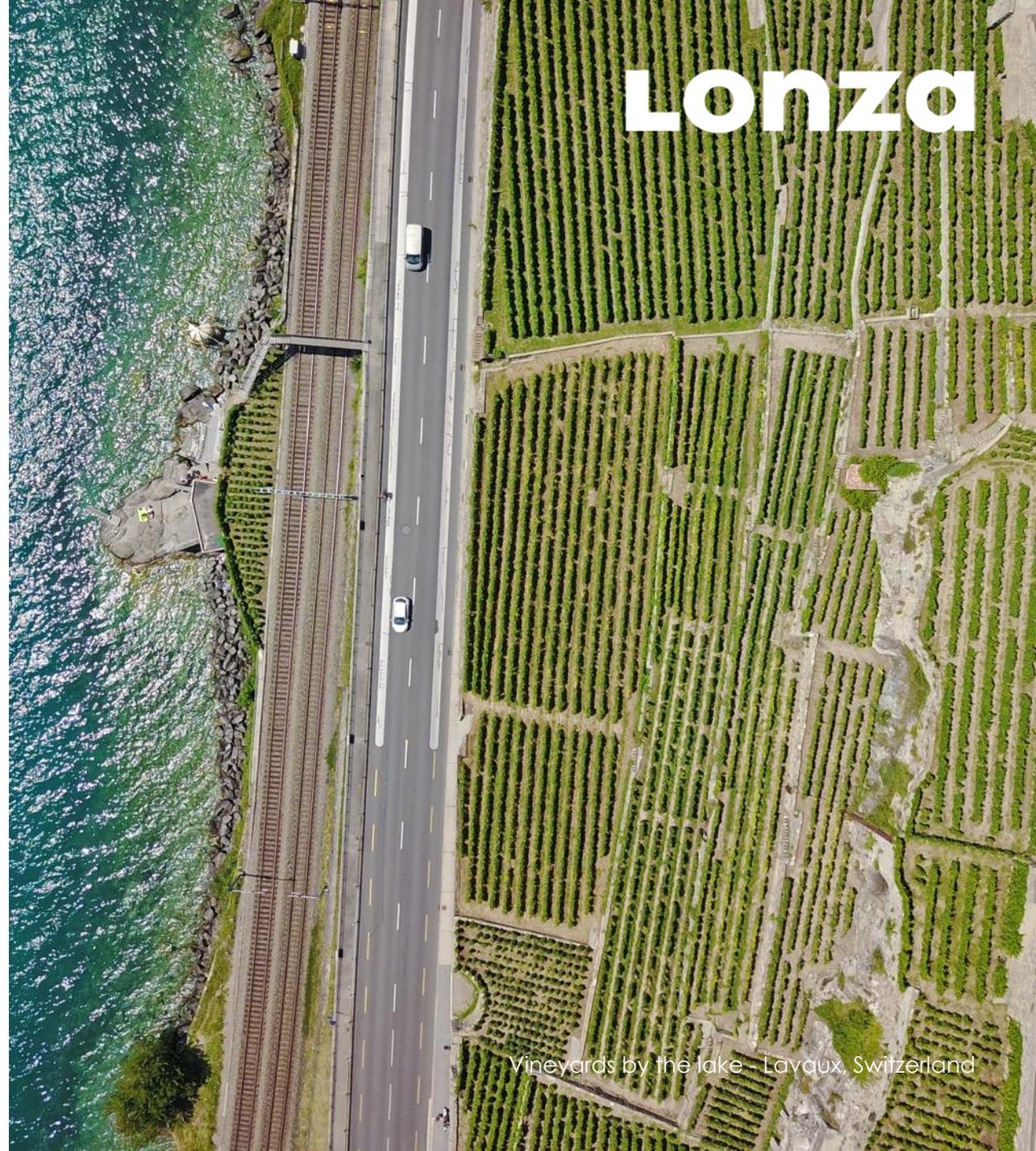
10-year collaboration agreement with Moderna on mRNA platform, including the manufacture of the drug substance for Moderna COVID-19 Vaccine

Eight months turnaround from contract negotiation to commencement of manufacture

Demonstrates the commercial value of the Ibox Solutions® offering (and pre-investment in facilities)

Showcases Lonza's capability to address customer challenges of speed and scale

Full-Year 2020 Financial Summary



Lonza

Vineyards by the lake - Lavaux, Switzerland

Financial Highlights

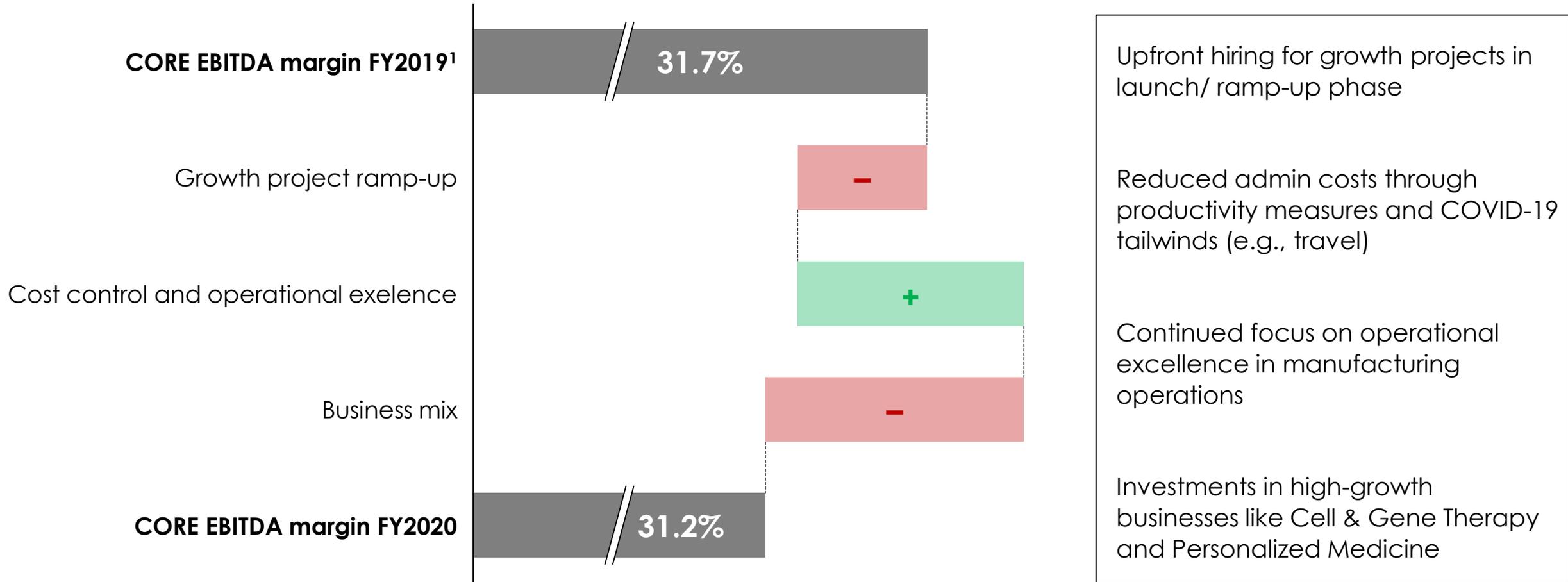
Strong business fundamentals deliver double-digit sales growth

CHF million	FY 2020	Change CER	Change AER	
Sales	4,508	12.0%	7.2%	Strong sale growth momentum continues across businesses
CORE EBITDA	1,406	9.1%	5.4%	Strategic growth projects impact CORE EBITDA margin by -1.2ppt (-0.4ppts YoY)
CORE EBITDA margin	31.2%	(0.8ppts)	(0.5ppts)	Efficiency programs partially mitigate investments impact
				Adverse FX impact on margins are partially mitigated by natural hedges

* Changes in CER and AER based on restated 2019 figures, reflecting the classification of Specialty Ingredients as discontinued operations

CORE EBITDA Margin Drivers

Productivity measures mitigate ramp-up costs



¹ Restated to reflect the classification of Specialty Ingredients as discontinued operations

Operational Free Cash Flow

Robust cash flow generation despite higher CAPEX

CHF million	FY 2020	YoY change	FY 2019 (Restated) ¹	
EBITDA	1,378	114	1,264	Maintained target level of receivable and payable days
Change of operating net working capital (NWC)	(260)	(26)	(234)	Opportunity to further optimize inventory
CAPEX	(889)	(196)	(693)	
Other	275	241	34	Accelerated deployment of CAPEX against additional initiatives
Operational free cash flow²	504	133	371	
YE NWC as % sales	15.9%	0.0ppts	15.9%	
CAPEX as % sales	19.7%	3.2ppts	16.5%	Increased customer funding for selected growth projects

¹ Restated to reflect the classification of Specialty Ingredients as discontinued operations

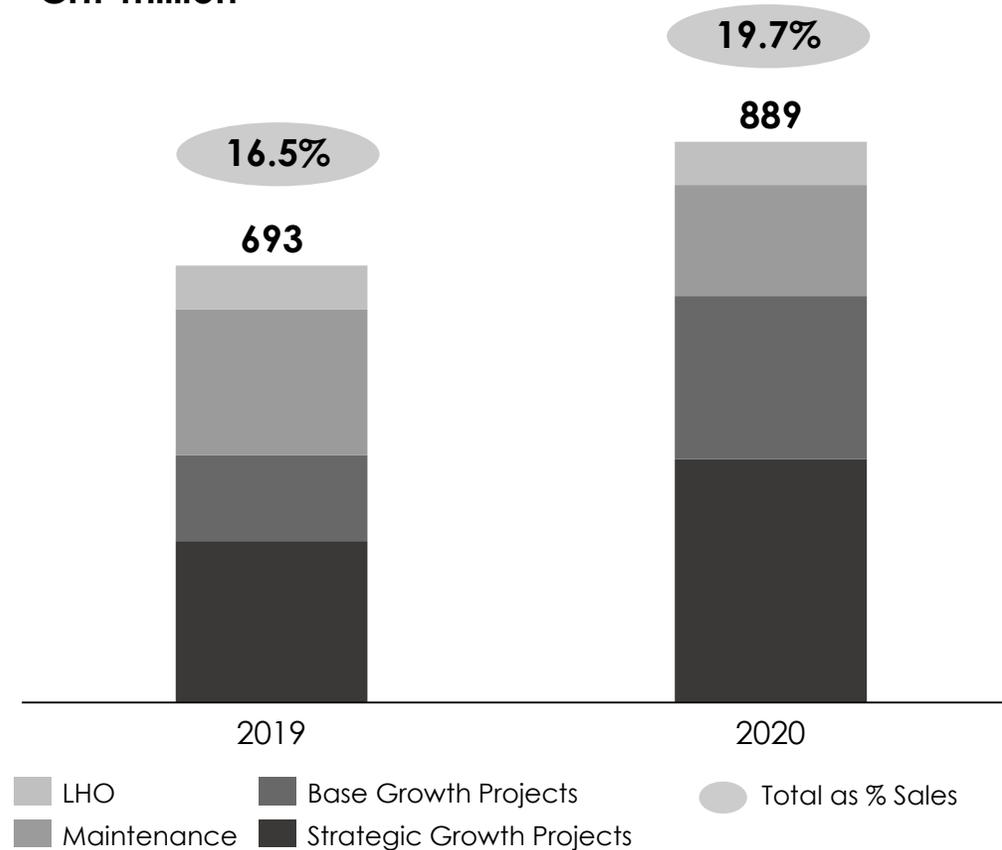
² Before acquisitions



CAPEX

Investments to support growth

CHF million



Around 70% of CAPEX in growth projects across businesses and geographies

CAPEX intensive projects mainly in Mammalian manufacturing

Attractive IRR > 25% and ROIC > 30% on ramped-up sales

Investments de-risked through partially contracted demand

* 2019 figures have been restated to reflect the classification of Specialty Ingredients as discontinued operations

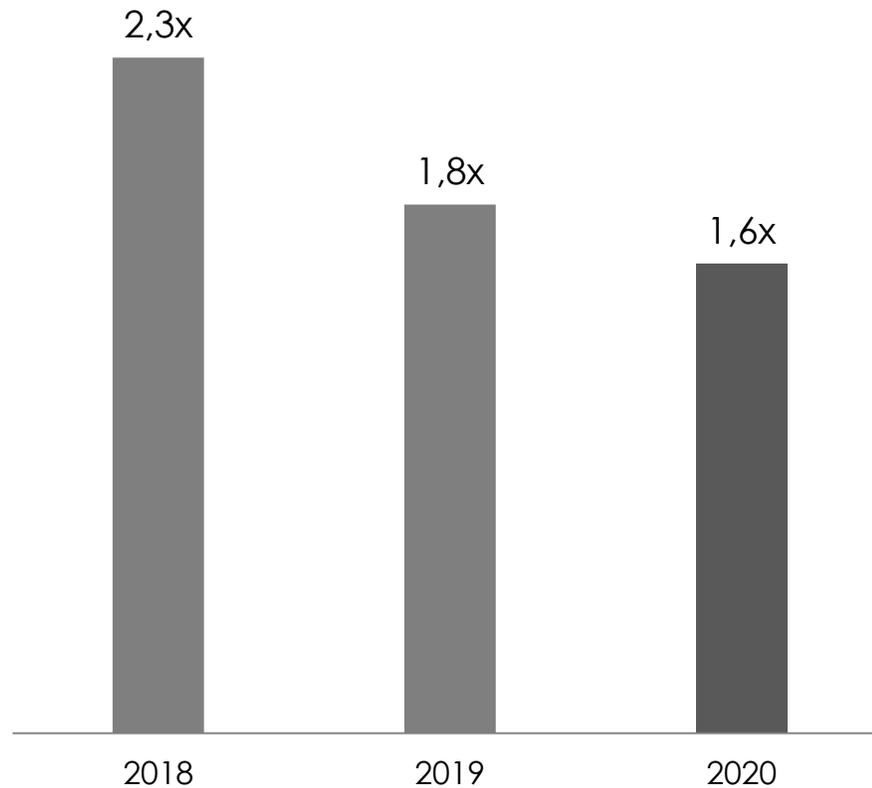


Boats moored behind a pier, Hong Kong

Leverage Profile

Strong balance sheet to support growth investments

Net Leverage (Net Debt/ Core EBITDA)¹



Deleveraging behind CORE EBITDA growth and strong operating cash

Funding sources diversified with inaugural Eurobond

Maturity profiles extended and financing costs reduced

Ample headroom for growth investments

Commitment to strong investment grade rating

¹ Based on Lonza Group figures

ROIC

Increasing ROIC despite growth investments

CHF million	FY 2020	YoY change	FY 2019 (Restated) ¹	
Net Operating Profit Before Taxes	949	6.3%	893	Operating Profit Before Taxes impacted by limited depreciation increase
Taxes <i>(in % of Net Op. Profit Before Taxes)</i>	8.8%	<i>(1.1ppts)</i>	9.9%	
NOPAT	865	7.5%	805	Lower tax rate for Lonza continuing due to country profit mix and one-time impacts
Average Invested Capital	9,019	2.6%	8,788	
ROIC	9.6%	0.4ppts	9.2%	Increased Invested Capital behind CAPEX investments

¹ Restated to reflect the classification of Specialty Ingredients as discontinued operations

Lonza Pharma Biotech & Nutrition (LPBN)

Lonza





Full-Year 2020 LPBN Performance Overview

Performance driven by YoY sales growth and margin increase

Strong full-year performance, driven by Biologics business

All businesses managed COVID-19 impacts and maintained business continuity

Businesses have worked to expand their service offerings and manufacturing capacity

Sales growth momentum expected to continue into 2021

New divisional structure implemented from 1 January 2021. New financial reporting structure will commence from H1 2021

New LPBN Customer Projects Announced in 2020

Selected Lonza customers in the healthcare sector

moderna

SERVIER

KODIAK

SURROZEN

AstraZeneca

ANTHOS
THERAPEUTICS

LamKap Bio
HELPING THE BODY TO FIGHT CANCER



Humanigen

rocket
pharma

Aurinia™

INDAPTA
THERAPEUTICS

NOGA
THERAPEUTICS

Stanford
MEDICINE

isoplexis

BE THE MATCH®

YPSOMED
SELFCARE SOLUTIONS

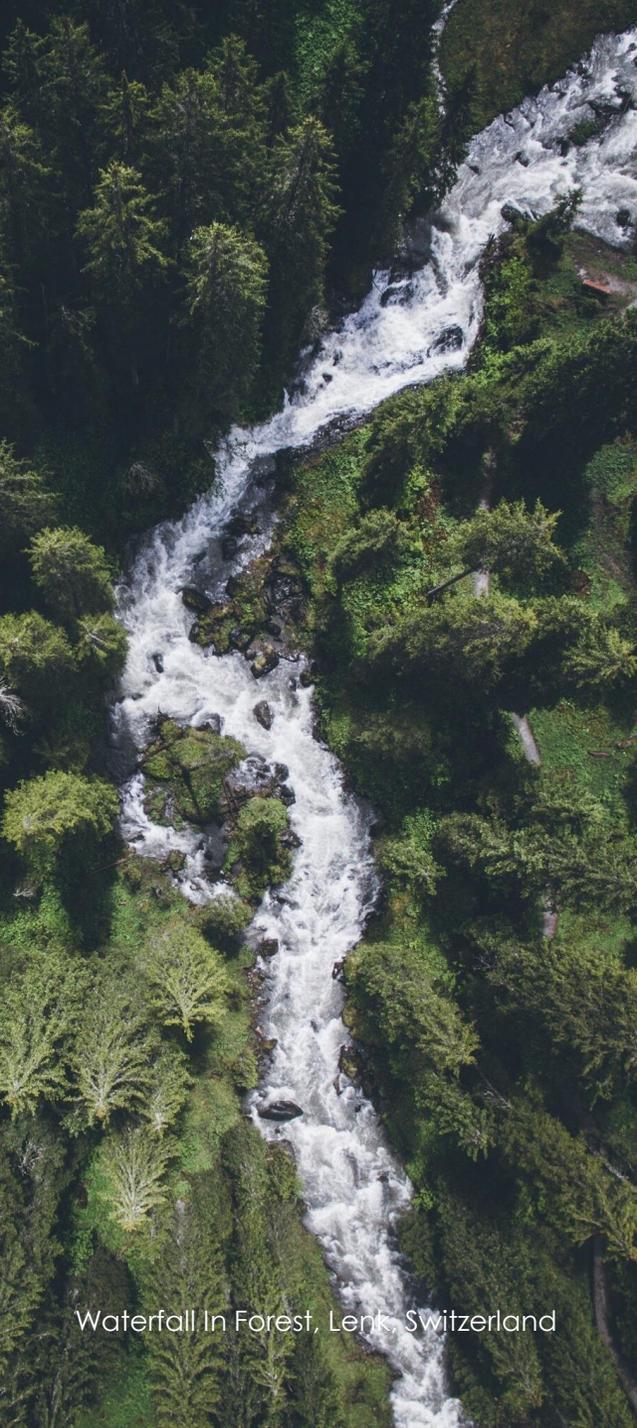
Rapidly scaling up a new vaccine modality

Supporting a broad range of customers developing vaccines and therapies related to COVID-19

Signing a series of strategic contracts for Ibx® Dedicate, including microbial and bioconjugates

Providing full-value chain for complex molecules such as antibody-drug conjugates (HPAPI, mAb, linker and conjugation)

Business growth in CGT supported by new customer wins



Refreshed Focus on Sustainability

Sustainability as a critical component of our customer value proposition

Environmental stewardship

- Around 10% of all electrical energy comes from renewable sources
- Around 10% decrease in Industrial water intensity (water use / sales) since 2018
- Year-on-year progress in reducing energy consumption and carbon footprint

Societal contribution

- Establishment of employee Diversity and Inclusion Taskforce
- 34,000 safety improvements in 2020, bringing lost-time injuries to an all-time low
- Community investment during COVID-19: provision of disinfectant and PPE to hospitals in Switzerland and the US, and supporting critical hygiene projects in India

Small Molecules

Market

Growth driven by:

- Oncology (with a focus on Highly Potent API)
- Specialized medicines (with US and Europe showing high demand)

Trend for small companies owning majority of clinical pipeline continues - with high propensity to outsource

Speed to market is a focus as more than half of new market approvals are on an accelerated pathway

Lonza Operations

COVID-19 impacts have been managed with supply chain planning and virtual customer engagement

New project acquisition supported by high brand equity and strong contracting trends

New service offerings launched in 2020 include Solid Form Services and Inhalation

New growth investments approved to support customers in early phase development and to manage high capacity utilization in existing assets

Financial Performance¹

High single-digit sales growth across 2020

Margin growth resulting from leveraged performance and sales growth

Double-digit sales growth forecast expected in 2021 from new customer contracts

¹ Comparison versus 2019 at a constant exchange rate (CER)

Biologics

Market

Continued strong demand for large-scale mammalian capacity

Strong growth in trend towards outsourcing:

- Mammalian (pipeline dominated by small and mid-sized biotechs)
- Bioconjugates (demand for specialized facilities and knowledge)

More than 500 drugs under investigation for COVID-19 in more than 1,360 clinical trials - CDMOs are playing a key role

Lonza Operations

Overall contracting was strong: YoY increase in new customers and new program sign-ups

High interest and new deals signed for Ibex® Dedicate, and customer base secured for mid-scale microbial capacity expansion

High utilization of asset footprint, across clinical and commercial (small to large scale)

Continued capacity expansion in 2021 across drug substance and product services

Well-managed COVID-19 situation despite some limited supply and manufacturing risks

Financial Performance¹

Strong double-digit (mid-teens) sales growth across 2020, driven by strong demand in all technologies

Lower margin, driven by higher OPEX, related to growth projects

2021 expected to show third year of strong double-digit growth, mainly driven by strategic growth initiatives (P6, Ibex and Guangzhou)

¹ Comparison versus 2019 at a constant exchange rate (CER)

Cell & Gene Therapy (CGT)

Market

Continued strong market growth, with focus on regenerative treatments for COVID-19

Some non-COVID-19 therapies have been deprioritized

Rapid pipeline expansion in 2020:

- >2,000 active therapies in development
- >1,100 regenerative medicine clinical trials

Five landmark commercial approvals in the last two years

Cost of production remains a challenge

Lonza Operations

Business continuity maintained through pandemic, agreement with new customer Altimmune allows for the supply of AdCOVID, a single-dose intranasal vaccine for COVID-19

Strong demand for our products and services

New customer agreements have enabled differentiated service offerings in emerging modalities (e.g. partnership with BeTheMatch for apheresis networks management and cellular source material)

Vein-to-vein supply chain network has been expanded to support CGT customers needs beyond manufacturing

Financial Performance¹

Strong sales growth above the market, supported by solid demand from new and existing clients

Margin and operational improvement through increased throughput on existing assets

2021 margin improvement anticipated through efficiency improvements and higher asset utilization

¹ Comparison versus 2019 at a constant exchange rate (CER)

Bioscience

Market

Solid demand across all customer groups

COVID-19 shutdowns caused reduced demand in Q2 from academic and research institutes, followed by recovery to pre-COVID-19 levels in Q3 and Q4

Pandemic created some supply chain challenges (raw materials supply and increased global freight costs)

Lonza Operations

All sites remained operational through pandemic and new raw material sources and alternative freight channels have been identified to buffer COVID-19 impacts in 2021

Satisfactory organic growth rates in 2020 and a return to strong growth in testing, (after a flat 2019)

Review of commercial operations to focus on best-fit markets and planned digital investments will deliver an enhanced customer experience and improved operational efficiency

Financial Performance¹

High single-digit sales growth across 2020 (driven by Media and MODA)

Strong margin improvement was driven by operation efficiency

2021 forecast of low double-digit sales growth, supported by digital investment, innovation and strong customer relationships

¹ Comparison versus 2019 at a constant exchange rate (CER)

Capsules & Health Ingredients (CHI)

Market

Nutraceutical market

- Continued growth driven by end-consumer demand for health ingredients and supplements.
- This trend was accelerated in 2020 by the COVID-19 pandemic

Pharmaceutical market

- Flat to negative growth driven by lower use of prescription drugs as patients deferred elective medical treatments due to COVID-19
- Partially offset by increased demand for selected OTC medications

Lonza Operations

Global CHI network maintained essential operations in all geographies, serving existing customers with minimal disruption

High capacity utilization across capsule product portfolio led to increased lead times for selected capsule products

Capacity investment approved in 2020, increasing total production capacity by 15% by the end of 2021

Financial Performance¹

High single-digit sales growth in 2020 and stable margin

- Business growth driven by nutritional capsules and ingredients
- Pharmaceutical capsules sales growth was flat to low single-digits

Low single-digit growth anticipated in H1 2021, due to expected capacity constraints and increased customers' inventory

¹ Comparison versus 2019 at a constant exchange rate (CER)

Lonza Specialty Ingredients (LSI)

(Discontinued operation)

Lonza





Full-Year 2020 LSI Performance Overview

Overall margin improvement as cost increases were offset by higher demand

Specialty Ingredients (LSI)¹ delivered a strong performance, with 3.4% CER sales growth alongside an improved CORE EBITDA margin, reported at 20.3%²

Impacts of COVID-19 were largely managed across the business portfolio

High demand for disinfection solutions from Microbial Control Solutions division to support in managing the COVID-19 pandemic

Carve-out finalized, portfolio showed resilience in top and bottom line, efficient strategy and market-oriented organization in place

¹ Speciality Ingredients Business (excluding Corporate/carve-out and divestiture costs directly attributable to LSI)

² CORE EBITDA margin at a constant exchange rate (CER)

Microbial Control Solutions

Hygiene

Very strong performance, driven by quarternary (quat) ammonium compounds and formulated products

Significant long-term contracts secured

Home & Personal Care

Solid growth in preservation and laundry

Long-term contracts secured with suppliers and customers

Reduced market demand in Skin & Hair Care, and Food businesses

Wood Protection

Increased demand and new business picked up, leading to a strong performance

Positive retail and Do It Yourself (DIY) business

Paints & Coatings

Negatively impacted by COVID-19 pandemic, especially in Dry-Film Application

Material Protection

Adverse market environment

Increased demand in Oil & Gas and Metal Protection in H2 expected to continue into 2021

Crop Protection

Lower global demand in Agro Specialties as a result of COVID-19, considered as a one-off event

Geographical expansion to North America, LATAM and SEA

Specialty Chemical Services

Composite Materials

Solid demand in industrial sector for construction and protective coatings

Strong project pipeline in Asia for electronics applications

Civil aviation and electronics sectors negatively affected by COVID-19

Demand for telecommunication infrastructure materials expected to improve in H1 2021

CDMO

Successful scale up of new projects in Visp (CH)

Major CDMO contract for highly innovative new battery materials, impact expected in 2021

Fermentation growth strategy shows first results, with further growth anticipated in 2021

Performance Intermediates & Chemicals

Overall good performance driven by increased volumes and prices of Vitamin B3

Consumer electronics business and industrial applications slowed down, negatively impacting PMDA

Solid demand expected across most markets in H1 2021, and some recovery in industrial applications

Outlook 2021 and Mid-Term Guidance 2023

Lonza



Drone point view of city street crossing at rush hour

Outlook 2021

Another year of low double-digit CER sales growth driven by sustained strong momentum across businesses

CORE EBITDA margin improvement in-line with 2023 Mid-term Guidance trajectory

Outlook assumes no significant adverse impact on demand and no major disruptions in supply chain or business operations from COVID-19

**Low double-digit
CER sales growth**

**CORE EBITDA margin
improvement in-line
with Mid-Term
Guidance**

Mid-Term Guidance 2023

Double-digit sales growth per year driven by Biologics, Small Molecules and Cell & Gene Therapy businesses

Improved CORE EBITDA margin despite investments in growth projects

Double-digit ROIC driven by growth and margin expansion

**Double-digit
sales growth
per year**

**~ 33% – 35%
CORE EBITDA
margin**

**Double-digit
ROIC**



Lonza Priorities 2021

Setting up the future Lonza business for continued growth

Successful completion of divestment of LSI segment and review of plans for sales proceeds

Focus on maintaining business continuity through pandemic and execution of growth projects

Establish and strengthen systems and processes in the new business structure to optimize efficiency and delivery

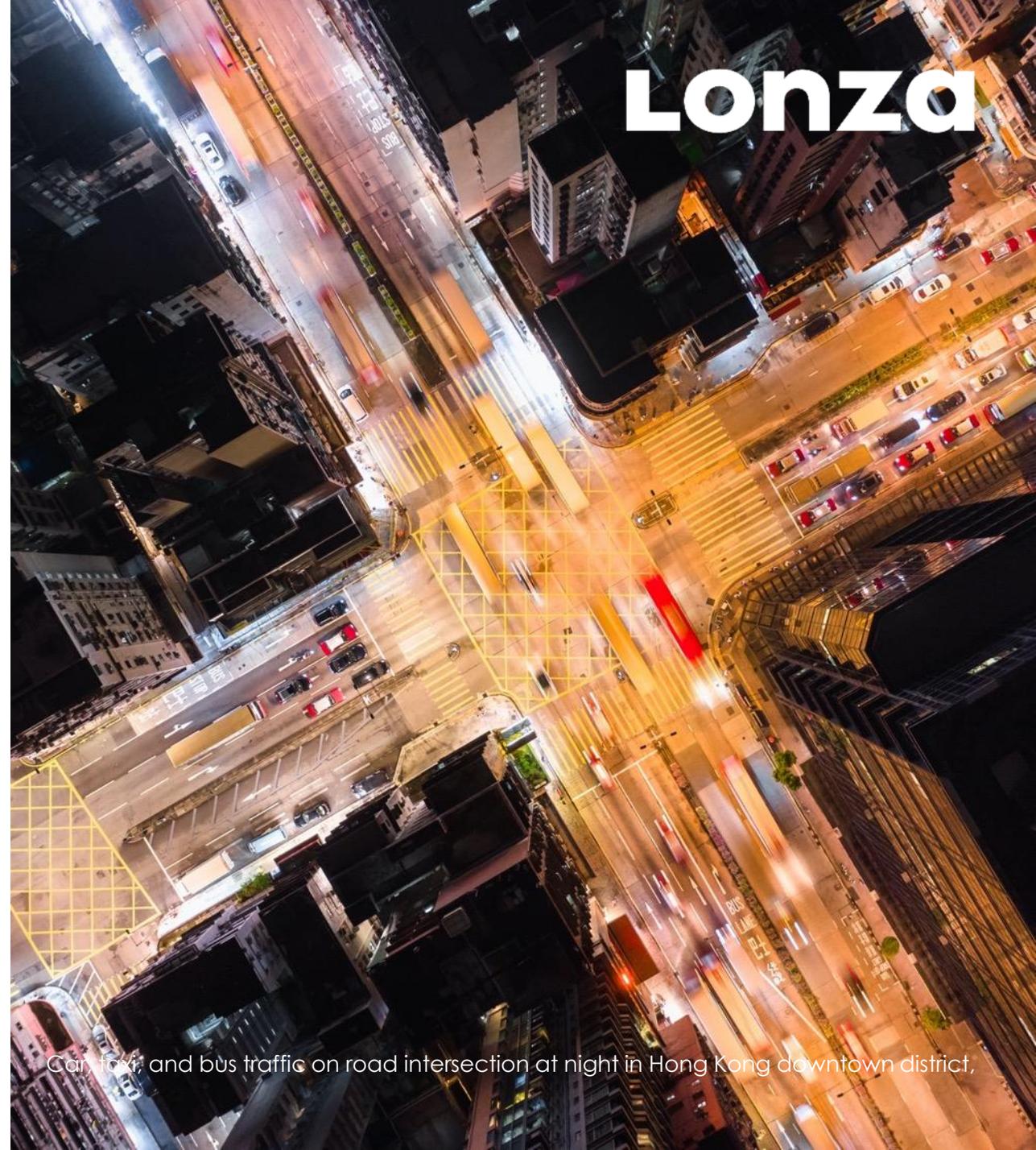
Continued levels of CAPEX investment to deliver sustained growth and meet customer demand

Focus on talent attraction to support new CAPEX investments coming on line

Continued review of environmental, social and governance (ESG) measures under new and expanded leadership

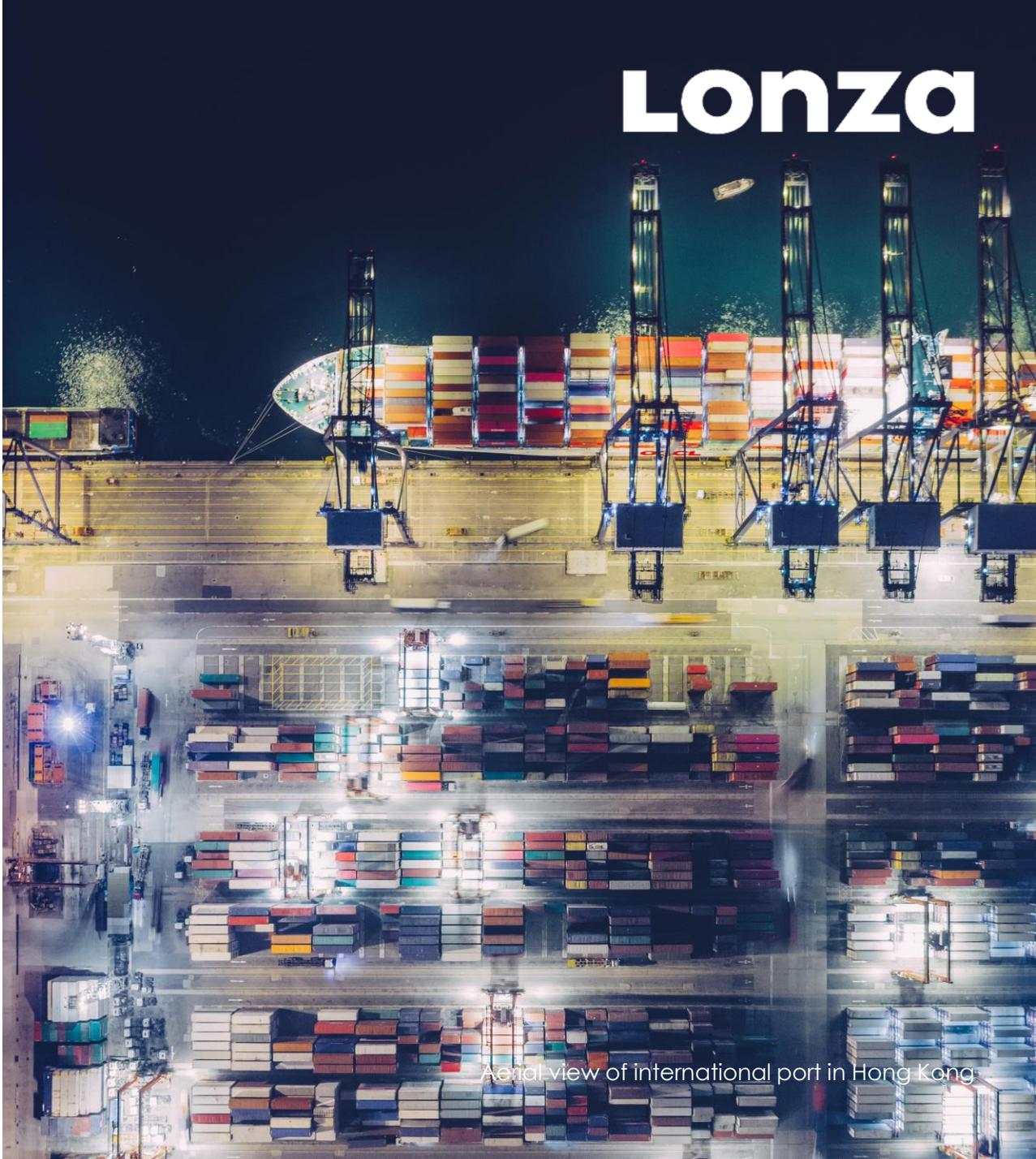
Q&A

Lonza



Car, taxi, and bus traffic on road intersection at night in Hong Kong downtown district,

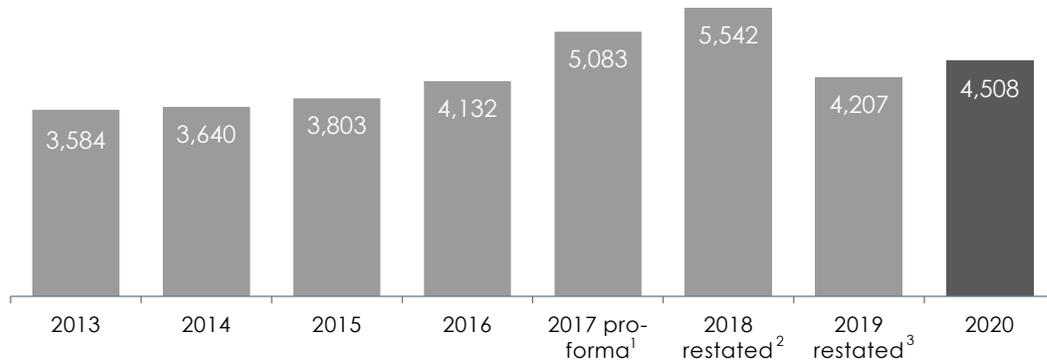
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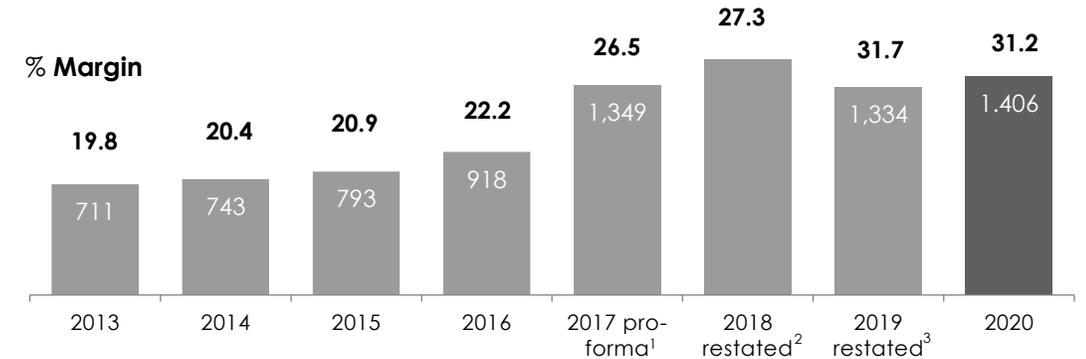
Lonza Financial Performance

Trends from 2013 to 2020

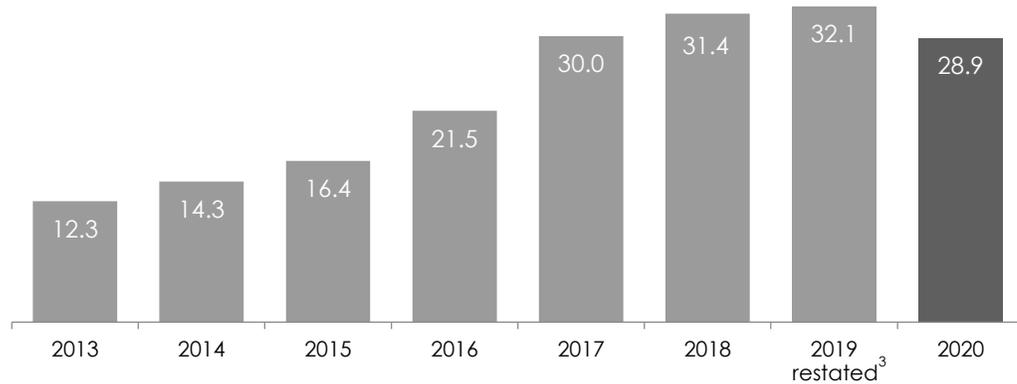
Sales in CHF million



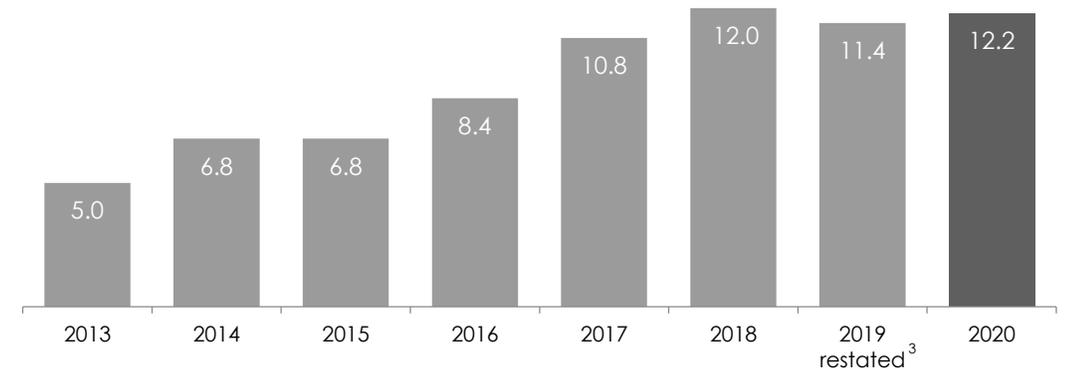
CORE EBITDA in CHF million



CORE RONOA in %



CORE EPS Diluted in CHF



¹ Reported pro-forma 2017 financial results (restated for IFRS 15) include Capsugel full-year 2017 financial result

² Restated 2018 financial results reflect the classification of Water Care business as discontinued operations

³ Restated 2019 financial results reflect the classification of Specialty Ingredients as discontinued operations

Full-Year 2020 Financial Highlights (1/2)

Continuing Business CHF million	FY 2020	FY 2019 (Restated)¹	YoY
Sales	4,508	4,207	7.2% ²
CORE EBITDA	1,406	1,334	5.4%
<i>Margin in %</i>	31.2	31.7	(50bps)
CORE EBIT	1,094	1,044	4.8%
<i>Margin in %</i>	24.3	24.8	(50bps)
EBITDA	1,378	1,264	9.0%
<i>Margin in %</i>	30.6	30.0	60bps
EBIT	901	825	9.2%
<i>Margin in %</i>	20.0	19.6	40bps
Net Financing Costs	(94)	(104)	-
<i>Tax Rate in %</i>	8.8	9.9	-
CORE Profit for the Period	913	851	7.3%
Profit for the Period	732	648	13.0%

¹ Restated to reflect the classification of Specialty Ingredients as discontinued operations

² Actual exchange rate (AER); in constant exchange rate (CER): +12.0%

Full-Year 2020 Financial Highlights (2/2)

Continuing Business

CHF million

	FY 2020	FY 2019 (Restated) ¹	YoY
CORE EPS basic (CHF)	12.24	11.47	6.7%
EPS Basic (CHF)	9.81	8.73	12.4%
CORE EPS Diluted (CHF)	12.19	11.40	6.9%
EPS Diluted (CHF)	9.77	8.68	12.6%
CORE RONOA in %	28.9	32.1	(320bps)
ROIC in %	9.6	9.2	40bps
Change of Net Working Capital	(260)	(234)	(26)
Capital Expenditures	(889)	(693)	(196)
Operational Free Cash Flow	504	371	133
Number of Employees	13,856	12,718	8.9%

Total Group²

CHF million

	FY 2020	FY 2019	YoY
Net debt	2,813	2,961	(5.0%)
Debt-equity ratio	0.41	0.45	(8.9%)
Net Debt / CORE EBITDA ratio	1.63	1.83	(10.9%)

¹ Restated to reflect the classification of Specialty Ingredients as discontinued operations

² Lonza Group incl. Discontinued Operations)

Event Calendar and Contacts

25 March 2021	Annual Report 2020 (Tentative)
6 May 2021	Annual General Meeting, Basel (CH)
10 May 2021	Ex-Dividend Date
11 May 2021	Record-Dividend Date
12 May 2021	Dividend-Payment Date
23 July 2021	Half-Year Results 2021

Information about investor relations events is constantly updated on the website:

www.lonza.com/about-lonza/investor-relations



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CORE Definition

“
Lonza believes that disclosing CORE results of the Group's performance enhances the financial markets' understanding of the company because the CORE results enable better comparison across years.”

Therefore, the CORE results exclude exceptional expenses and income related to e.g. restructuring, environmental-remediation, acquisitions and divestitures, impairments and amortization of acquisition-related intangible assets, which can differ significantly from year to year.

For this same reason, Lonza uses these CORE results in addition to IFRS as important factors in internally assessing the Group's performance.

In Lonza's [2020 Full-Year Results report](#), the reconciliation of IFRS to CORE results provides further details on the adjustments.

Additional Information and Disclaimer

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.

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 Outlook 2021 and Mid-Term Guidance 2023 herein may not prove to be correct. The statements in the section on Outlook 2021 and Mid-Term Guidance 2023 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 on Outlook 2021 and Mid-Term Guidance 2023 as a result of the factors described above or other factors. Investors should not place undue reliance on the statements in the section on Outlook 2021 and Mid-Term Guidance 2023. 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.