

# Restated Financials

## 2023 and 2022



# Updated Financial Reporting

Lonza has made changes to the definition of its Key Performance Indicators – CORE EPS, Free Cash Flow and Divisional CORE EBITDA – for financial year 2024.

These changes have been implemented to enhance external comparability to peer companies and do not have any impact on Lonza's IFRS results.

The changes are as follows:

- **CORE EPS**

Amortization of intangible assets from acquisitions are excluded from the CORE profit and therefore CORE earnings per share.

- **Free Cash Flow**

The non-cash items change in provisions and share plan costs included in EBITDA are added back for the Free Cash Flow calculation. In addition, the utilization of provisions are considered too.

- **Divisional CORE EBITDA**

Group-wide investments (e.g. Group IT infrastructure) are reported within Corporate, and related depreciation and amortization were allocated to the divisions. With the revised approach, the divisions will add back the depreciation and amortization included in the general cost allocation. This results in an improved Divisional CORE EBITDA with no impact at Group level.

The comprehensive revised Alternative Performance Measures definitions and reconciliation of all Alternative Performance Measures will be published with Half-Year Results 2024.

Comparative information for H1 2023, Full-Year 2023 and Full-Year 2022 have been restated accordingly and a reconciliation to the previously published results is provided below.

# Restated Full-Year 2023 Financial Information as of 31 December 2023<sup>1</sup>

## Restated Full-Year 2023

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	3'719	901	696	1'161	240	6'717
CORE EBITDA	1'316	291	68	332	(8)	1'999
Margin in %	35.4	32.3	9.8	28.6	n/a	29.8

## Reported Full-Year 2023

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	3'719	901	696	1'161	240	6'717
CORE EBITDA	1'294	283	64	327	31	1'999
Margin in %	34.8	31.4	9.2	28.2	n/a	29.8

## Restatement Impacts Full-Year 2023

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	0	0	0	0	0	0
CORE EBITDA	22	8	4	5	(39)	0
Margin in %	0.6	0.9	0.6	0.4	n/a	0

## Reconciliation of the IFRS Result to the CORE Result Full-Year 2023

Million CHF	2023 restated	2023 as reported
IFRS Profit	655	655
<b>CORE adjustments</b>		
Amortization of intangible assets from acquisitions	132	n/a
Environmental remediation expenses	15	15
(Income) / expense resulting from acquisitions and divestitures	(6)	(6)
Litigations	0	0
Impairment	254	254
Restructuring costs	50	50
Tax effect	(76)	(54)
<b>CORE Profit</b>	<b>1'024</b>	<b>914</b>
<b>CORE Profit attributable to equity holders of the parent</b>	<b>1'023</b>	<b>913</b>
<b>CORE Earnings per share attributable to equity holders of the parent</b>	<b>13.89</b>	<b>12.40</b>

## Operational Free Cash Flow Full-Year 2023

Million CHF	2023 restated	2023 as reported
<b>Earnings before interest, taxes and depreciation (EBITDA)</b>	<b>1'940</b>	<b>1'940</b>
Change of operating net working capital	(310)	(310)
Capital expenditures in tangible and intangible assets	(1'682)	(1'682)
Disposal of tangible and intangible assets	16	16
Change of other assets and liabilities	365	365
Change in provision	56	n/a
Utilization of provision	(32)	n/a
Share-based payments	21	n/a
<b>Operational free cash flow (before acquisitions / divestitures)</b>	<b>374</b>	<b>329</b>
Acquisition of subsidiaries	(93)	(93)
Divestiture of subsidiaries	0	0
<b>Operational free cash flow</b>	<b>281</b>	<b>236</b>

<sup>1</sup> Restated to reflect revised definition of Alternative Performance Measures

# Restated Half-Year 2023 Financial Information as of 30 June 2023<sup>1</sup>

## Restated Half-Year 2023

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	1'605	393	363	595	122	3'078
CORE EBITDA	517	141	73	192	(1)	922
Margin in %	32.2	35.9	20.1	32.3	n/a	30.0

## Reported Half-Year 2023

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	1'605	393	363	595	122	3'078
CORE EBITDA	506	137	71	190	18	922
Margin in %	31.5	34.9	19.6	31.9	n/a	30.0

## Restatement Impacts Half-Year 2023

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	0	0	0	0	0	0
CORE EBITDA	11	4	2	2	(19)	0
Margin in %	0.7	1.0	0.5	0.4	n/a	0

## Reconciliation of the IFRS Result to the CORE Result Half-Year 2023

Million CHF	June 2023 restated	June 2023 as reported
IFRS Profit	411	411
<b>CORE adjustments</b>		
Amortization of intangible assets from acquisitions	67	n/a
Environmental remediation expenses	19	19
(Income) / expense resulting from acquisitions and divestitures	4	4
Litigations	0	0
Impairment	28	28
Restructuring costs	0	0
Tax effect	(18)	(8)
<b>CORE Profit</b>	<b>511</b>	<b>454</b>
<b>CORE Profit attributable to equity holders of the parent</b>	<b>510</b>	<b>453</b>
<b>CORE Earnings per share attributable to equity holders of the parent</b>	<b>6.89</b>	<b>6.12</b>

## Operational Free Cash Flow Half-Year 2023

Million CHF	June 2023 restated	June 2023 as reported
<b>Earnings before interest, taxes and depreciation (EBITDA)</b>	<b>899</b>	<b>899</b>
Change of operating net working capital	(436)	(436)
Capital expenditures in tangible and intangible assets	(765)	(765)
Disposal of tangible and intangible assets	2	2
Change of other assets and liabilities	238	238
Change in provision	26	n/a
Utilization of provision	(15)	n/a
Share-based payments	14	n/a
<b>Operational free cash flow (before acquisitions / divestitures)</b>	<b>(37)</b>	<b>(62)</b>
Acquisition of subsidiaries	(94)	(94)
Divestiture of subsidiaries	0	0
<b>Operational free cash flow</b>	<b>(131)</b>	<b>(156)</b>

<sup>1</sup> Restated to reflect revised definition of Alternative Performance Measures

# Restated Full-Year 2022 Financial Information as of 31 December 2022<sup>1</sup>

## Restated Full-Year 2022

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	3'274	819	693	1'266	171	6'223
CORE EBITDA	1'249	256	120	423	(53)	1'995
Margin in %	38.1	31.3	17.3	33.4	n/a	32.1

## Reported Full-Year 2022

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	3'274	819	693	1'266	171	6'223
CORE EBITDA	1'228	248	116	418	(15)	1'995
Margin in %	37.5	30.3	16.7	33.0	n/a	32.1

## Restatement Impacts Full-Year 2022

Million CHF	Biologics	Small Molecules	Cell & Gene	Capsules & Health Ingredients	Corporate	Group total
Sales	0	0	0	0	0	0
CORE EBITDA	21	8	4	5	(38)	0
Margin in %	0.6	1.0	0.6	0.4	n/a	0

## Reconciliation of the IFRS Result to the CORE Result Full-Year 2022

Million CHF	2022 restated	2022 as reported
IFRS Profit	1'218	1'218
<b>CORE adjustments</b>		
Amortization of intangible assets from acquisitions	138	n/a
Environmental remediation expenses	27	27
(Income) / expense resulting from acquisitions and divestitures	(202)	(202)
Litigations	31	31
Impairment	0	0
Restructuring costs	0	0
Tax effect	1	23
<b>CORE Profit</b>	<b>1'213</b>	<b>1'097</b>
<b>CORE Profit attributable to equity holders of the parent</b>	<b>1'210</b>	<b>1'094</b>
<b>CORE Earnings per share attributable to equity holders of the parent</b>	<b>16.30</b>	<b>14.74</b>

## Operational Free Cash Flow Full-Year 2022

Million CHF	2022 restated	2022 as reported
<b>Earnings before interest, taxes and depreciation (EBITDA)</b>	<b>2'138</b>	<b>2'138</b>
Change of operating net working capital	(653)	(653)
Capital expenditures in tangible and intangible assets	(1'872)	(1'872)
Disposal of tangible and intangible assets	13	13
Change of other assets and liabilities	108	108
Change in provision	71	n/a
Utilization of provision	(58)	n/a
Share-based payments	32	n/a
Gain from sales of assets held for sale and subsidiaries	(199)	(199)
<b>Operational free cash flow (before acquisitions / divestitures)</b>	<b>(420)</b>	<b>(465)</b>
Acquisition of subsidiaries	(10)	(10)
Divestiture of subsidiaries	238	238
<b>Operational free cash flow</b>	<b>(192)</b>	<b>(237)</b>

<sup>1</sup> Restated to reflect revised definition of Alternative Performance Measures

**13 May 2024**

Ex-Dividend Date

**14 May 2024**

Record-Dividend Date

**14 May 2024**

Q1 2024 Qualitative Update

**15 May 2024**

Dividend-Payment Date

**25 July 2024**

Half-Year Results 2024

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