

Siegfried reports continued profitable growth fueled by strong underlying business

Full-Year Results 2024

Zurich, February 18, 2025

**expect
more**



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Key highlights full-year 2024

Siegfried reports continued profitable growth fueled by strong underlying business

Net sales



CHF 1,294.6 million
+ 3.0% in LC
+ 1.8% in CHF

Core EBITDA margin



22.1%
prior year:
21.5%

Outlook 2025 Net sales



mid-single digit
growth in LC

Core net profit



CHF 158.9 million
prior year:
CHF 128.1 million

Strategy



Grafton acquisition
EVOLVE⁺ in execution
Project FALCON

Outlook 2025 Core EBITDA margin



above 22%

Operational highlights 2024

Safety, supply reliability and quality are our licenses to do business

Safety

Compared to 2023

-32%



lost time injury frequency rate

Our health and safety program continues to deliver results

- Lost working days reduced by 60% compared to 2023
- ~9,500 safety walkthroughs

Supply reliability (OTIF)

>92%



supply reliability¹

Full focus on customer service

- Optimization of capacity planning
- Data harmonization
- Process optimization

Quality

Certified to deliver to

>180



countries

Impeccable quality record maintained

- 8 authority inspections with no critical observations
- 4 ISO certifications and over 100 customer inspections
- A team of more than 200 experts ensures harmonization of quality processes and standards across sites

4 | ¹ Measured as on time and in full

Sustainability highlights 2024

We translate our sustainability actions into a competitive advantage

We continued to reduce our environmental footprint

-45.7%



of carbon emissions reduced¹

- 87% of electricity consumption comes from renewable energy sources
- -8.1% energy consumption compared to 2021

We help our customers to reduce their environmental footprint

Up to

-50%



reduction of energy and raw material with second-generation processes

- Decarbonized production of one of our most impactful products – **initiated**
- Product carbon footprint calculation as a service – **launched**

Integrity, culture and people

48%



of management positions in revenue-generating functions are women

- Continuous integrity training sessions
- Positive trend in employee engagement survey confirmed

We are a sustainability leader in our industry

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

Member of
Dow Jones Best-In-Class Europe Index

Corporate ESG
Performance

RATED BY
ISS ESG

Prime



Strategy execution highlights 2024

We strengthened our footprint in the US and expanded our customer offering into early-phase development

Siegfried Acceleration Hub Grafton



○ Drug Products ○ Drug Substances

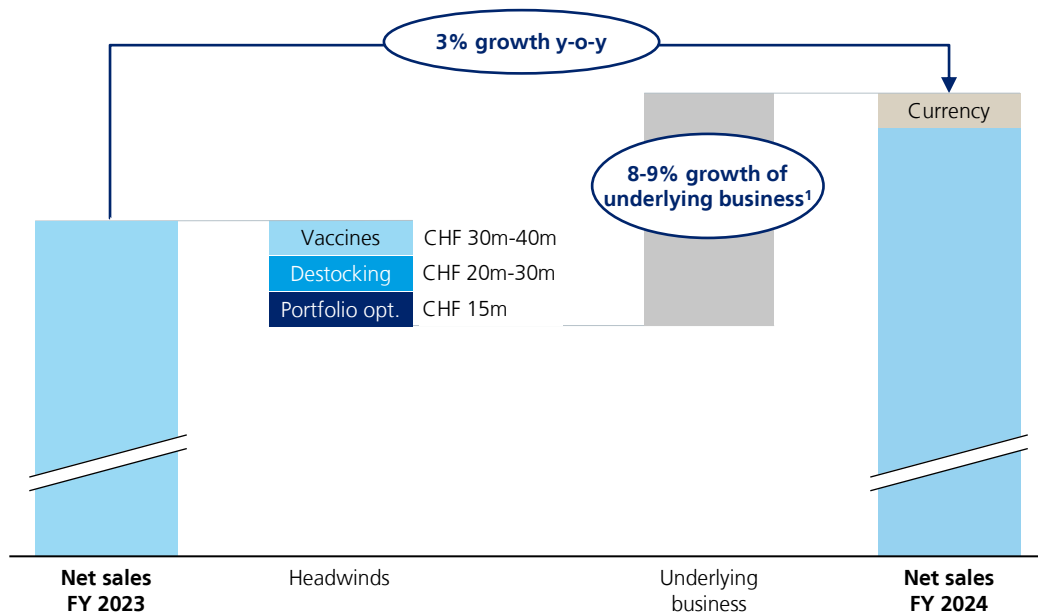
US Pennsville Irvine Grafton	Spain Barberà del Valès El Masnou	Switzerland Zofingen Zurich Evionnaz	Germany Hameln Minden	China Nantong
	France St. Vulbas	Malta Hal Far		

A woman wearing a white protective suit and a clear face shield is smiling in a laboratory setting. The background shows laboratory equipment and a blue wall. A blue semi-transparent box is overlaid on the left side of the image.

Financial update

Strong underlying business growth

Headwinds more than off-set



Comments

In 2024, all top-line headwinds materialized as expected:

- **Vaccines** business phased out
- Most of **destocking** over, only c. CHF 5-10m expected in H1 2025
- **Portfolio optimization** top-line effect completed, but effort continues
- **Currency** headwind of 1.2%

The y-o-y growth of net sales translates into 8-9% growth of underlying business, significantly above market

¹ Underlying business excludes coronavirus vaccines, destocking and portfolio optimization

FY 2024: Another year of growth

Strong above-market growth of underlying business in both business lines

Net sales split FY 2024



68.9%

● Drug Substances

31.1%

● Drug Products

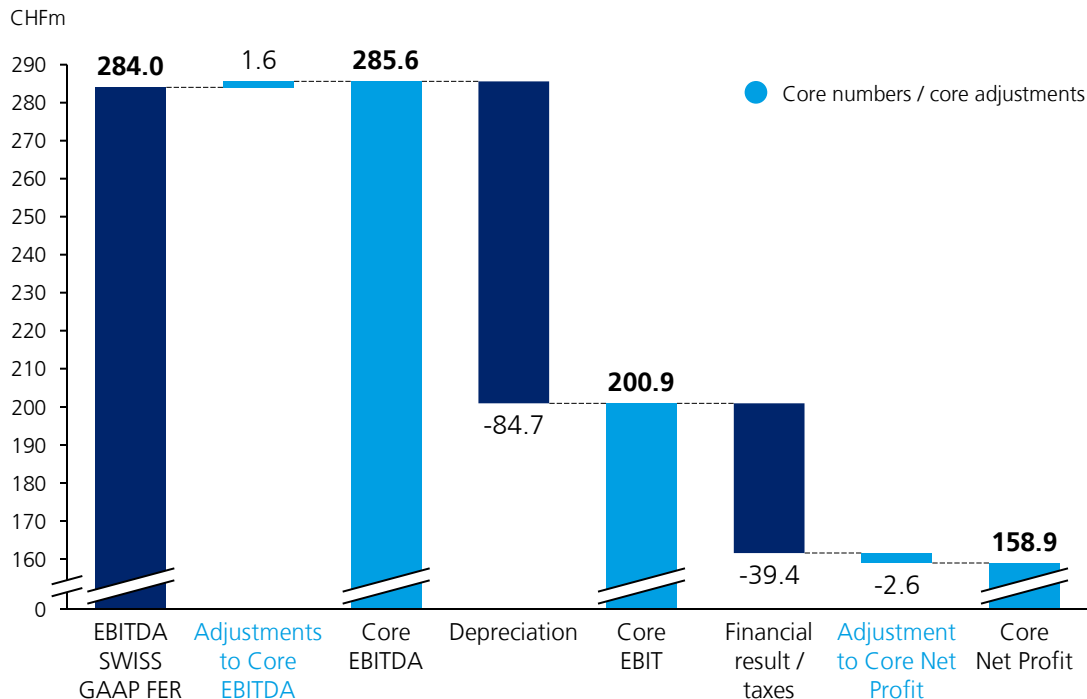
Net sales FY 2024 vs FY 2023

CHF million	FY 2024	FY 2023	Change
Drug Substances	891.9	860.0	+3.7% (+4.5% in LC)
Drug Products	402.7	411.5	-2.1% (-0.1% in LC)
Total	1 294.6	1 271.5	+1.8% (+3.0% in LC)

- Net sales grew by 3.0% in local currencies (LC), FX headwind across all currencies
- 47% of net sales in EUR, 13% in USD
- Strong above-market growth of underlying business, in both Drug Substances as well as Drug Products

Reconciliation for FY 2024

From Swiss GAAP FER to Core results



Adjustments to Core EBITDA CHF 1.6m

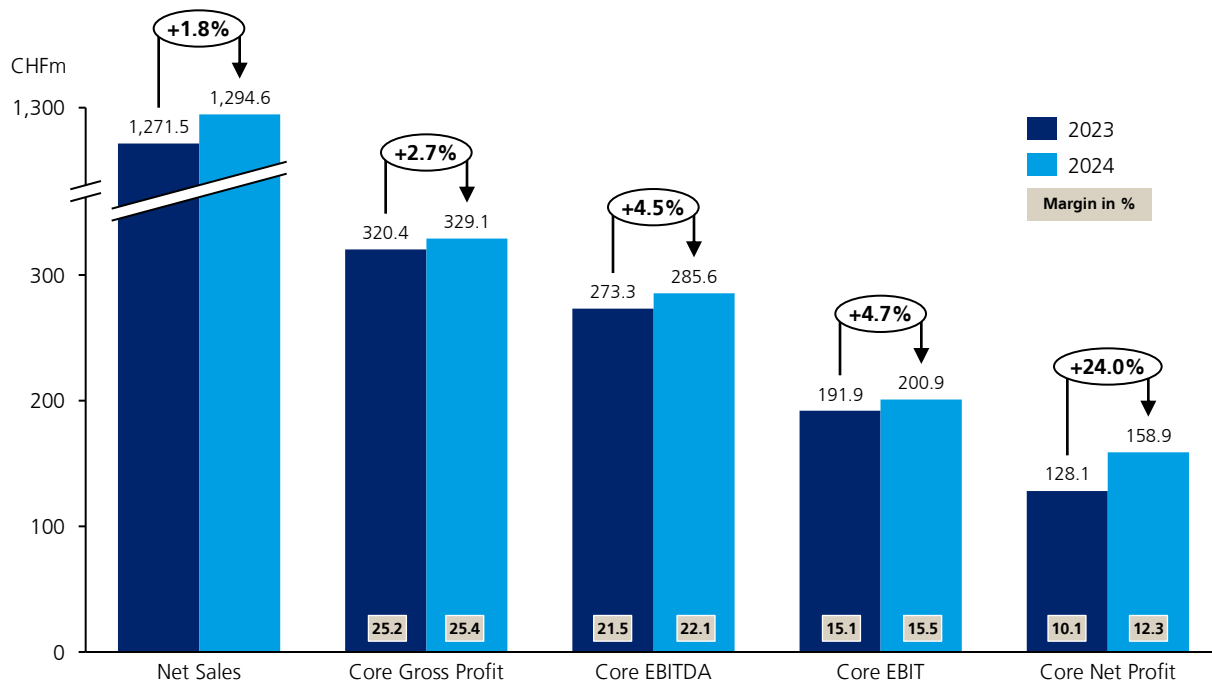
- Discount rate effect on foreign pension plan (CHF -1.4m)
- Current net interest foreign pension plan (CHF 3.0m)

Adjustments to Core net profit CHF 2.6m

- Current net interest foreign pension plan (CHF -3.0m)
- Tax effect on Core EBITDA Adjustments (CHF 0.4m)

Profitability not only protected but increased

More than off-set phasing out of profitable vaccines business



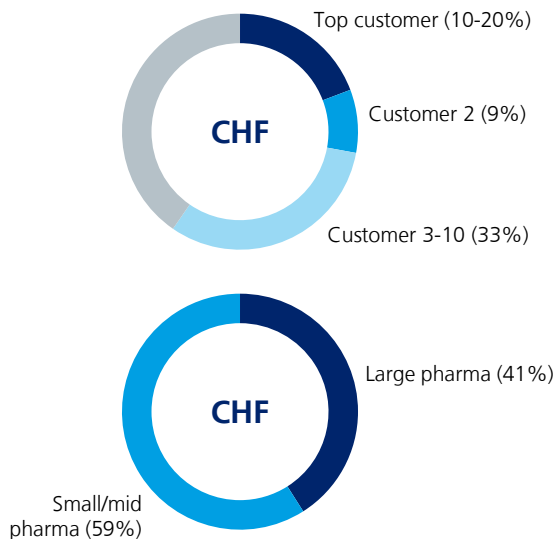
Comments

- Resilient, well diversified business portfolio: Profitability not only protected but enhanced
- Keys to success
 - Operational excellence, including process excellence
 - Strict cost discipline
 - Active portfolio optimization

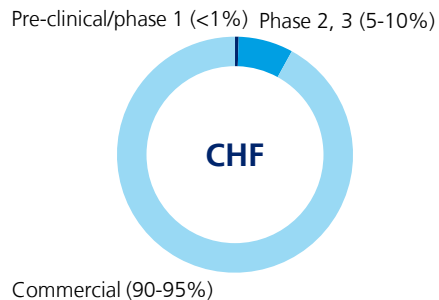
Resilience through diversification

Diversification of our customer and revenue bases promotes stability and future growth

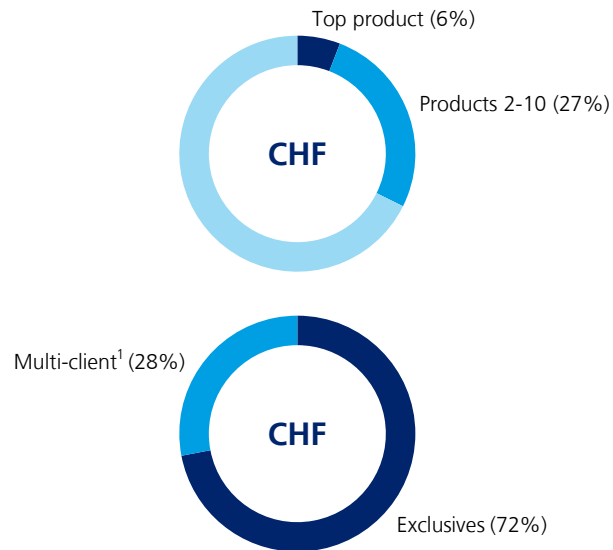
Customer diversification



Life-cycle diversification



Product diversification



Siegfried offers its breadth of products and services to a variety of customers in different development phases

FY 2024: Profitability further increased despite change in mix

Enhanced financial management contributes to bottom line

CHF million	FY 2024	FY 2023
Net sales	1 294.6	1 271.5
Cost of goods sold	-965.5	-951.1
Core gross profit	329.1	320.4
Marketing and sales costs	-18.1	-19.4
Core research and development costs	-41.1	-43.4
Core administration & general overhead costs	-78.7	-70.7
Other operating income	9.7	5.0
Core EBIT	200.9	191.9
Core financial result (loss)	-9.6	-11.9
Exchange rate differences (loss)	3.5	-12.8
Core profit before income taxes	194.8	167.2
Core income taxes	-35.9	-39.1
Core net profit	158.9	128.1
Depreciation	84.7	81.4
Core EBITDA	285.6	273.3

Comments

- Core gross profit further increased, despite change in mix
- Core SG&A declined both in absolute and also relative terms, despite shift of c. CHF 4m from COGS to Core administration and general overhead costs
- Enhanced financial management
 - Reduced exchange rate differences through introduction of advanced hedging programs
 - New transfer pricing regime

Robust operating cash generation

Off-set by one-time effect and phasing

CHF million	FY 2024	FY 2023
Operating cash flow before changes in NWC	268.0	262.0
Change in NWC	-99.2	-53.4
Operating cash flow	168.8	208.6
Purchase of PPE and intangibles (net)	-180.8	-137.1
Acquisitions	-10.1	-10.5
Other investing activities	0.6	0.7
Cash flow from investing activities	-190.3	-146.9
Free cash flow	-11.6	71.8
Cash flow from financing activities	3.0	-94.8
Net change in cash	-18.5	-33.0

Comments

- Significant progress made in net working capital management, with nearly CHF 60 million cash released from inventory positions
- Positive effect was off-set by a one-time increase in paid income taxes (from prior years), and later revenue recognition
- Capital expenditures in line with plan, at 14% of net sales
- Net debt / Core EBITDA at 1.7
- Both hybrid convertible bonds converted at a total nominal value of CHF 80 million

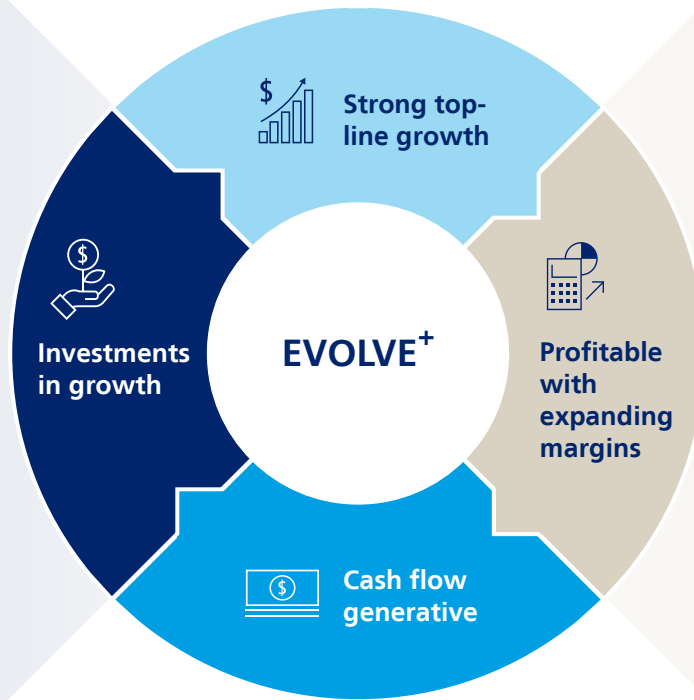
Proposals to the AGM on April 10, 2025 include an increase of 20 cents to CHF 3.80 per share in dividends and a 1:10 share split

Capital allocation framework for long-term value creation

Laser focus on M&A and margin expansion

Value accretive M&A

- M&A is always on
- Adding
 - Scale
 - Abilities
 - Technology
- Will continue to be very selective
- Focus on immediate value creation, no marginal deals
- Capital efficient alternative to organic deployment of capital



Expanding margins

- Economies of scale
- Bringing assets on stream
- Portfolio optimization
- Operational excellence, including process excellence



Outlook

Siegfried is set to outpace market growth across key segments

EVOLVE⁺ is geared towards capitalizing on positive long-term trends

Siegfried **EVOLVE⁺**

Industry outlook estimates (CAGR 2024 – 2030)

Small molecules
5–7%

Oral solids
4–6%

Injectables
7–9%

Ophthalmic
5–7%

Cell & gene therapy
>25%



Increased cost awareness in the pharma industry



Ongoing outsourcing trend in the pharma industry



Increasing number of innovations from small and mid-size pharma



Increasing complexity of new molecular entities

Paving the way for continued profitable growth

Our strategy EVOLVE⁺

EVOLVE⁺

Broaden our technological offering

Advanced production technologies

Bridging technologies

Aseptic technologies

Grow existing core

Small molecules (DS and DP)

End-to-end offering of DS and DP

Oral/inhalation solid dosage forms

Aseptic liquid dosage forms

Grow the network in NA and Europe

Enter and grow new areas

DS antibodies

Cell & gene therapy (CGT)

Viral vectors

Synthetic biology

Data analytics

**Commercial
Excellence**



**Development
Excellence**



**Operational
Excellence**



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Commercial Excellence



Development Excellence



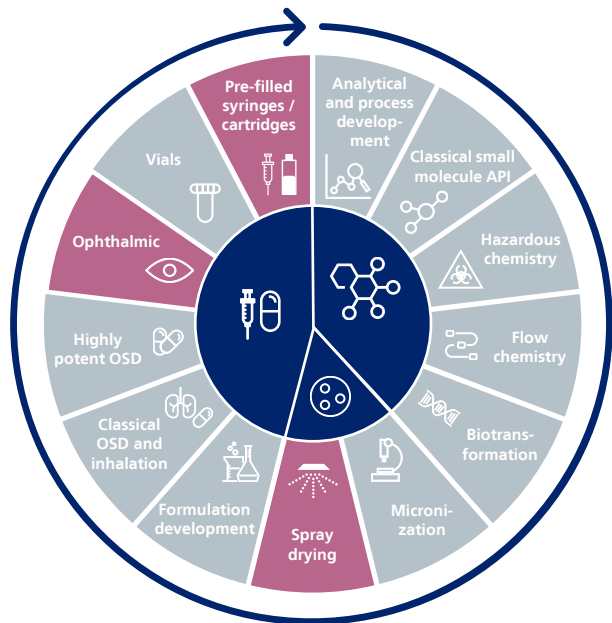
Operational Excellence



Broadening our technological offering

Technology upgrades currently in execution as part of EVOLVE+

Siegfried's diversified technology offering



 **API¹ (Drug Substances)**

 **Bridging technologies**

 **FDF² (Drug Products)**

Key projects in execution



Pre-filled syringes / cartridges

Additional manufacturing lines in Hameln, DE

Line 1

- Available to customers in 2025
- First revenues in 2026

Line 2

- Available to customers in 2026
- First revenues in 2027



Spray drying

Capacity build up in Barberà del Vallès, ES

- Available to customers in 2026
- First revenues in 2027



Ophthalmic

Expansion of manufacturing capacity in El Masnou, ES
Available to customers in 2026

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Operational Excellence



Commercial Excellence⁺

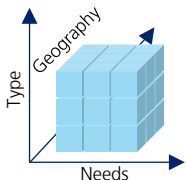
Go-to-market strategy and NWC optimization is in full execution

Go-to-market strategy implemented



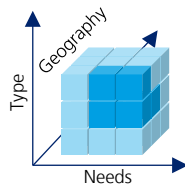
Segmentation

Focus on small/medium pharma in the US and Europe



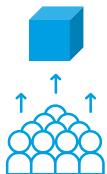
Prioritization

Focus on 2000 potential targets



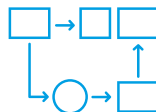
Coverage

Implemented targeted key account structure



Target operating model

Strengthened and adopted business development in US and Europe



Project FALCON implemented



Optimization of all NWC elements across our network to release cash flow

>10% inventory reduction
in 2024 compared to 2023

Close to
CHF 60 million cash released

> Substantial impact expected in 2025

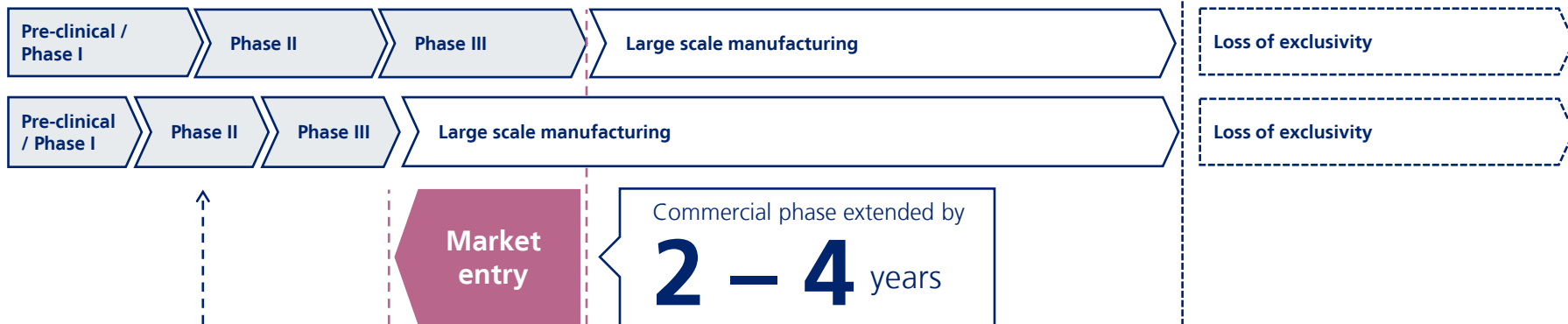


Development Excellence⁺

Reducing the development phase is the key to extend exclusivity

Development phase

Commercial phase



Siegfried Development Excellence⁺



Complete offering
for early-phase
development



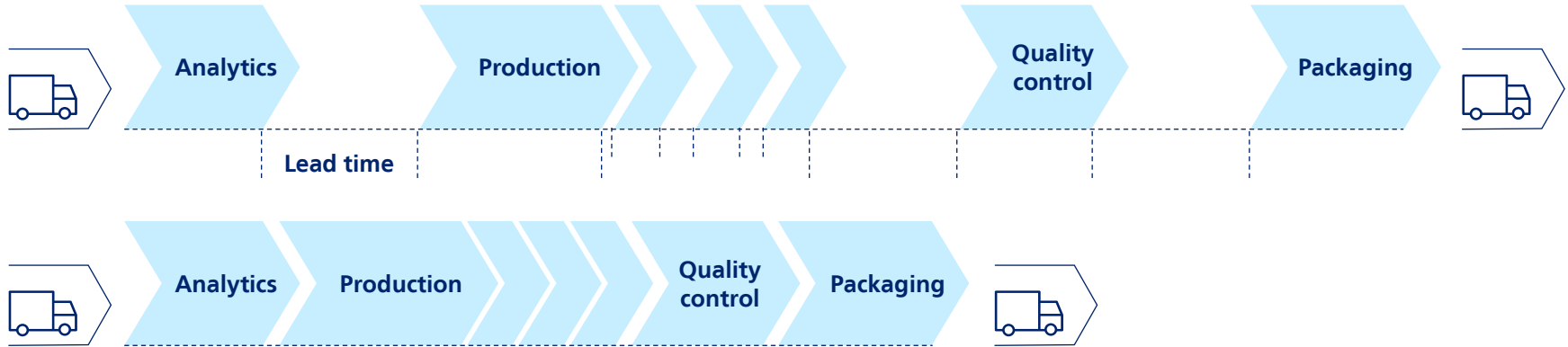
Increasing lab
speed



Commercial manufacturing
process in mind right from
the start

Operational Excellence⁺

Example Malta: AI-enhanced Value Stream Mapping frees up space for further organic growth



Throughput time
reduced from

50 to **25** days



Roll-out across
the Siegfried network
in progress

Siegfried is set to outpace market growth across key segments

Onwards and upwards, step-by-step and year after year

Positive mid-term outlook confirmed

- Continued profitable growth **above market** (excl. M&A)
- Stepwise expanding profitability
- Capital expenditures of low teens
- **Value accretive M&A**

Outlook 2025: Siegfried expects a sales growth of mid-single digit in local currencies and a core EBITDA margin above 22%



Q&A



Thank you for
your attention



April 10, 2025

AGM

August 21, 2025

Half-Year Results

Thank you for
your attention



Appendix

Further financial details for 2025

CapEx

Low teens % of net sales

Effective tax rate

Below 20%

Currency impact

From today's perspective between 0% and 0.5% headwind

Net sales H1 vs H2

- From 2022 to 2024 the revenue split between H1 and H2 was on average 48%:52%
- Effect expected to be significantly stronger in 2025