

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 6, 2024

**EMERGENT BIOSOLUTIONS INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-33137**  
(Commission File Number)

**14-1902018**  
(IRS Employer  
Identification No.)

**300 Professional Drive,  
Gaithersburg, Maryland 20879**  
(Address of principal executive offices, including zip code)

**(240) 631-3200**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	EBS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02. Results of Operations and Financial Condition.**

On November 6, 2024, Emergent BioSolutions Inc. (the "Company") issued a press release (the "Press Release") announcing its financial and operating results for the three-month period ended September 30, 2024, as well as updated guidance for 2024. A copy of the Press Release is furnished as Exhibit 99.1 to this Current Report on Form 8-K (this "Form 8-K") and is incorporated herein by reference.

**Item 7.01. Regulation FD Disclosure.**

On November 6, 2024, the Company will host a conference call to discuss its financial and operating results for the three-month period ended September 30, 2024. The Company will use presentation materials in connection with this conference call (the "Earnings Call Slides"), which will be posted on the Company's website at [www.emergentbiosolutions.com](http://www.emergentbiosolutions.com). A copy of the Earnings Call Slides is furnished as Exhibit 99.2 to this Form 8-K and is incorporated herein by reference. Information on the Company's website is not, and will not be deemed to be, a part of this Form 8-K or incorporated into any other filings the Company may make with the U.S. Securities and Exchange Commission.

The information contained in Items 2.02 and 7.01 of this Form 8-K and Exhibits 99.1 and 99.2 attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise be subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press release issued by Emergent BioSolutions Inc. on November 6, 2024.</a>
99.2	<a href="#">Earnings Call Slides, dated November 6, 2024.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**EMERGENT BIOSOLUTIONS INC.**

Dated: November 6, 2024

By: /s/ RICHARD S. LINDAHL

Name: Richard S. Lindahl  
Title: Executive Vice President, Chief Financial  
Officer and Treasurer

## EMERGENT BIOSOLUTIONS REPORTS THIRD QUARTER 2024 FINANCIAL RESULTS

- Third Quarter 2024 Total Revenues of \$293.8 million, increase of 9% versus prior year
- Third Quarter 2024 Net Income of \$114.8 million, increase of 144% versus prior year
- Third Quarter 2024 Adjusted EBITDA of \$105.3 million, increase of 432% versus prior year
- Raises FY 2024 guidance

GAITHERSBURG, Md., November 6, 2024—Emergent BioSolutions Inc. (NYSE: EBS) today reported financial results for the third quarter ended September 30, 2024.

"Through disciplined execution and steady, measurable progress, Emergent's financial position is the strongest it has been since 2021 as evidenced by our favorable third-quarter results," said CEO Joe Papa. "We have successfully improved efficiencies and refocused our operations related to customer demand, generated value in our core medical countermeasures and NARCAN® Nasal Spray businesses and refinanced our debt leading to increased revenue and cash flow."

Papa continued, "Based on the success of our efforts since the beginning of this year, we are officially entering the turnaround phase of our multi-year transformation plan, and we will be focused on profitable growth, continued operational improvements and the generation of sustainable value for shareholders. We believe ongoing public health crises like the opioid overdose epidemic and mpox outbreak underscore the need for Emergent's capabilities and expertise. It is not if, but when, the next public health threat emerges, and we believe we are uniquely qualified to help respond to protect, enhance and save lives."

FINANCIAL HIGHLIGHTS<sup>(1)</sup>

## Q3 2024 vs. Q3 2023

<i>(\$ in millions, except per share amounts)</i>	Q3 2024		Q3 2023		% Change
Total Revenues	\$	293.8	\$	270.5	9 %
Net Income (Loss)	\$	114.8	\$	(263.4)	144 %
Net Income (Loss) per Diluted Share	\$	2.06	\$	(5.08)	141 %
Adjusted Net Income (Loss) <sup>(2)</sup>	\$	76.2	\$	(56.2)	236 %
Adjusted Net Income (Loss) per Diluted Share <sup>(2)</sup>	\$	1.37	\$	(1.09)	226 %
Adjusted EBITDA <sup>(2)</sup>	\$	105.3	\$	19.8	432 %
Total Segment Gross Margin % <sup>(2)</sup>		57 %		33 %	
Total Segment Adjusted Gross Margin % <sup>(2)</sup>		59 %		38 %	

## Year to Date ("YTD") 2024 vs. YTD 2023

<i>(\$ in millions, except per share amounts)</i>	YTD 2024		YTD 2023		% Change
Total Revenues	\$	848.9	\$	772.7	10 %
Net Loss	\$	(159.3)	\$	(711.0)	78 %
Net Loss per Diluted Share	\$	(3.03)	\$	(13.97)	78 %
Adjusted Net Loss <sup>(2)</sup>	\$	(14.7)	\$	(273.0)	95 %
Adjusted Net Loss per Diluted Share <sup>(2)</sup>	\$	(0.28)	\$	(5.36)	95 %
Adjusted EBITDA <sup>(2)</sup>	\$	162.1	\$	(25.7)	731 %
Total Segment Gross Margin % <sup>(2)</sup>		32 %		31 %	
Total Segment Adjusted Gross Margin % <sup>(2)</sup>		46 %		33 %	

**SELECT Q3 2024 BUSINESS UPDATES**

- Secured a new Term Loan for \$250 million with OHA Agency, LLC as administrative agent.
- Closed on a new asset backed loan facility for \$100 million with Wells Fargo Bank, National Association.
- Received \$75 million for the sale of our RSDL<sup>®</sup> (Reactive Skin Decontamination Lotion) product to a subsidiary of SERB Pharmaceuticals ("SERB"), subject to customary adjustments based on inventory value at closing
- Completed the sale of the Baltimore-Camden manufacturing site for \$35 million, including customary post-closing adjustments
- Sold an underutilized warehouse at our Canton, MA facility for \$7 million
- Received \$50 million in the third quarter related to the resolution of the contractual dispute with Janssen Pharmaceuticals, Inc.
- Earned \$30 million development milestone payments from Bavarian Nordic as part of the sale of the Travel Health Business

**THIRD QUARTER 2024 FINANCIAL PERFORMANCE<sup>(1)</sup>**

**Revenues**

The Company uses the following categories in discussing product/service level revenues:

- **NARCAN<sup>®</sup>** — comprises contributions from NARCAN<sup>®</sup> Nasal Spray
- **Anthrax MCM** — comprises contributions from CYFENDUS<sup>®</sup>, previously known as AV7909, BioThrax<sup>®</sup>, Anthrasil<sup>®</sup> and Raxibacumab
- **Smallpox MCM** — comprises contributions from ACAM2000<sup>®</sup>, VIGIV and TEMBEXA<sup>®</sup>
- **Other Products** — comprises contributions from BAT<sup>®</sup> and RSDL<sup>®</sup>
- **Bioservices** — comprises service and lease revenues from the Bioservices business

<i>(\$ in millions)</i>	Q3 2024	Q3 2023	% Change
<b>Product sales, net:<sup>(2)</sup></b>			
NARCAN <sup>®</sup>	\$ 95.3	\$ 142.1	(33)%
Anthrax MCM	11.4	32.9	(65)%
Smallpox MCM	132.7	24.7	437%
Other Products	30.1	50.1	(40)%
<b>Total Product sales, net</b>	<b>\$ 269.5</b>	<b>\$ 249.8</b>	<b>8%</b>
<b>Bioservices:</b>			
Services	\$ 13.9	\$ 13.2	5%
Leases	0.4	1.0	(60)%
<b>Total Bioservices revenues</b>	<b>\$ 14.3</b>	<b>\$ 14.2</b>	<b>1%</b>
<b>Contracts and grants</b>	<b>\$ 10.0</b>	<b>\$ 6.5</b>	<b>54%</b>
<b>Total revenues</b>	<b>\$ 293.8</b>	<b>\$ 270.5</b>	<b>9%</b>

**Products Sales, net***NARCAN®*

For Q3 2024, revenues from NARCAN® (naloxone HCl) Nasal Spray decreased \$46.8 million, or 33%, as compared with Q3 2023. The decrease was primarily driven by the discontinuation of prescription NARCAN® due to the launch of over-the-counter ("OTC") NARCAN® in the third quarter of 2023 and lower Canadian retail sales, partially offset by higher sales of OTC NARCAN®.

*Anthrax MCM*

For Q3 2024, revenues from Anthrax MCM products decreased \$21.5 million, or 65%, as compared with Q3 2023. The decrease reflects the impact of timing of sales related to CYFENDUS® and Anthrasil®, partially offset by an increase in BioThrax® sales, due to timing. Anthrax vaccine product sales are primarily made under annual purchase options exercised by the U.S. government (the "USG"). Fluctuations in revenues result from the timing of the exercise of annual purchase options, the timing of USG purchases, the availability of governmental funding and the Company's delivery of orders that follow.

*Smallpox MCM*

For Q3 2024, revenues from Smallpox MCM products increased \$108.0 million, or 437%, as compared with Q3 2023. The increase was primarily due to timing of USG purchases of ACAM2000® and VIGIV. Fluctuations in revenues from Smallpox MCM result from the timing of the exercise of annual purchase options in the existing procurement contracts, the timing of USG purchases, the availability of governmental funding and Company delivery of orders that follow.

*Other Products*

For Q3 2024, revenues from Other Product sales decreased \$20.0 million, or 40%, as compared with Q3 2023. The decrease was due to lower product sales of BAT®, due to timing of deliveries, and lower product sales of RSDL®, which was sold to SERB during the third quarter of 2024.

**Bioservices Revenues***Services*

For Q3 2024, revenues from Bioservices services increased \$0.7 million, or 5%, as compared with Q3 2023. The increase was primarily attributable to an increase in production at the Company's Camden facility, prior to the sale of the facility to Bora, partially offset by lower production at the Company's Canton and Winnipeg facilities.

*Leases*

For Q3 2024, revenues from Bioservices leases decreased \$0.6 million, or 60%, as compared with Q3 2023. The decrease was related to the completion of a lease for a Bioservices customer at our Canton facility, partially offset by new lease revenue associated with SERB at our Winnipeg facility.

**Contracts and Grants**

For Q3 2024, revenues from contracts and grants increased \$3.5 million, or 54%, as compared with Q3 2023. The increase was primarily due to timing of funding as well as an increase related to work under the Ebanga™ program.

**Operating Expenses**

(\$ in millions)	Q3 2024		Q3 2023		% Change
Cost of Commercial product sales	\$	47.2	\$	60.0	(21)%
Cost of MCM product sales		54.0		72.5	(26)%
Cost of Bioservices		21.4		44.3	(52)%
Research and development ("R&D")		13.8		15.3	(10)%
Selling, general and administrative ("SG&A")		76.6		86.0	(11)%
Amortization of intangible assets		16.3		16.3	— %
Goodwill impairment		—		218.2	(100)%
<b>Total operating expenses</b>	<b>\$</b>	<b>229.3</b>	<b>\$</b>	<b>512.6</b>	<b>(55)%</b>

*Cost of Commercial Product Sales*

For Q3 2024, cost of Commercial Product sales decreased \$12.8 million, or 21%, as compared with Q3 2023. The decrease was primarily due to lower prescription NARCAN® unit volume, partially offset by higher OTC NARCAN® unit volume.

*Cost of MCM Product Sales*

For Q3 2024, cost of MCM Product sales decreased \$18.5 million, or 26%, as compared with Q3 2023. The decrease was primarily due to lower sales of BAT® and CYFENDUS®, coupled with lower allocations to Cost of MCM Product sales at our Bayview facility. This decrease was partially offset by higher sales of BioThrax® and ACAM2000®.

*Cost of Bioservices*

For Q3 2024, cost of Bioservices decreased \$22.9 million, or 52%, as compared with Q3 2023. The decrease was primarily due to lower overhead and remediation costs related to the sale of the Camden facility, coupled with a decrease in overhead costs at our other Maryland facilities as a result of the announced shutdowns and lower costs at our Canton facility. The decrease was partially offset by an increase in production at our Winnipeg facility.

*Research and Development Expenses*

For Q3 2024, R&D expenses decreased \$1.5 million, or 10%, as compared with Q3 2023. The decrease was driven by a reduction in spend for certain funded and unfunded projects, excluding Ebanga™. The decrease was partially offset by an increase in funded R&D related to Ebanga™.

*Selling, General and Administrative Expenses*

For Q3 2024, SG&A expenses decreased \$9.4 million, or 11%, as compared with Q3 2023. The decrease was primarily due to lower employee related expenses and compensation as a result of restructuring initiatives during 2023 and 2024, coupled with a decrease in legal services fees for disputes and other corporate initiatives. This decrease was partially offset by the settlement charge related to the stockholder litigation matter, net of expected insurance proceeds.

*Goodwill Impairment*

For Q3 2024, Goodwill impairment decreased \$218.2 million as compared with Q3 2023. The decrease was due to the Q3 2023 non-cash impairment charge to Goodwill in the MCM Products reporting unit, which reduced the reporting unit's goodwill balance to zero.

**ADDITIONAL FINANCIAL INFORMATION<sup>(1)</sup>**
**Capital Expenditures**

(\$ in millions)	Q3 2024		Q3 2023		% Change
Capital expenditures	\$	5.8	\$	12.6	(54)%
Capital expenditures as a % of total revenues		2 %		5 %	

For Q3 2024, capital expenditures decreased largely due to lower product development activities across the Company's facilities.

**SEGMENT INFORMATION**

The Company manages the business with a focus on three reportable segments: (1) the Commercial Products segment consisting of our NARCAN® and other commercial products that were sold as part of our travel health business in the second quarter of 2023; (2) the MCM Products segment consisting of the Anthrax - MCM, Smallpox - MCM and Other products and (3) the services segment (“Services”) consisting of our Bioservices business. The Company evaluates the performance of these reportable segments based on revenues and segment adjusted gross margin, which is a non-GAAP financial measure. Segment revenue includes external customer sales, but does not include inter-segment services. The Company does not allocate contracts and grants revenue, R&D, SG&A, amortization of intangible assets, interest and other income (expense) or taxes to its evaluation of the performance of these segments.

**THIRD QUARTER 2024 SEGMENT RESULTS**

(\$ in millions)	Commercial Products					
	Quarter Ended September 30,					
	2024	2023	\$ Change	% Change		
Revenues	\$ 95.3	\$ 142.1	\$ (46.8)	(33)%		
Cost of sales	47.2	60.0	(12.8)	(21)%		
Gross margin**	\$ 48.1	\$ 82.1	\$ (34.0)	(41)%		
Gross margin %**	50 %	58 %				
Segment adjusted gross margin <sup>(2)</sup>	\$ 48.1	\$ 82.1	\$ (34.0)	(41)%		
Segment adjusted gross margin % <sup>(2)</sup>	50 %	58 %				

\*\* Gross margin is calculated as revenues less cost of sales. Gross margin % is calculated as gross margin divided by revenues.

Commercial Products gross margin decreased \$34.0 million, or 41%, to \$48.1 million in the quarter, as compared with \$82.1 million in the prior year quarter. Commercial Products gross margin percentage decreased seven percentage points to 50% for the quarter ended September 30, 2024. The decrease was largely due to an unfavorable price and volume mix in 2024 for NARCAN® products. Commercial Products segment adjusted gross margin is consistent with gross margin.

(\$ in millions)	MCM Products					
	Quarter Ended September 30,					
	2024	2023	\$ Change	% Change		
Revenues	\$ 174.2	\$ 107.7	\$ 66.5	62 %		
Cost of sales	54.0	72.5	(18.5)	(26)%		
Gross margin**	\$ 120.2	\$ 35.2	\$ 85.0	241 %		
Gross margin %**	69 %	33 %				
Add back:						
Changes in fair value of financial instruments	\$ —	\$ (1.1)	\$ 1.1	100 %		
Restructuring costs	4.9	5.0	(0.1)	(2)%		
Inventory step-up provision	1.2	—	1.2	NM		
Segment adjusted gross margin <sup>(2)</sup>	\$ 126.3	\$ 39.1	\$ 87.2	223 %		
Segment adjusted gross margin % <sup>(2)</sup>	73 %	36 %				

\*\* Gross margin is calculated as revenues less cost of sales. Gross margin % is calculated as gross margin divided by revenues.

NM - Not Meaningful

MCM Products gross margin increased \$85.0 million, or 241%, to \$120.2 million in the quarter, as compared with \$35.2 million in the prior year quarter. MCM Products gross margin percentage increased 36 percentage points to 69% for the quarter ended September 30, 2024. The increase was largely due to overall higher sales volumes with a favorable product mix weighted more heavily to higher margin products coupled with lower allocations to cost of MCM Product sales at our Bayview facility and overall lower shutdown and overhead costs across our facilities. MCM Product segment adjusted gross margin in the current year period excludes the impact of non-cash items related to the impact of restructuring costs of \$4.9 million and inventory step-up provision of \$1.2 million.

(\$ in millions)	Services						
	Quarter Ended September 30,						
	2024		2023		\$ Change	% Change	
Revenues	\$	14.3	\$	14.2	\$	0.1	1%
Cost of services		21.4		44.3		(22.9)	(52)%
Gross margin**	\$	(7.1)	\$	(30.1)	\$	23.0	76%
Gross margin %**		(50)%		(212)%			
Add back:							
Restructuring costs		0.1		8.1		(8.0)	(99)%
Segment adjusted gross margin <sup>(2)</sup>	\$	(7.0)	\$	(22.0)	\$	15.0	68%
Segment adjusted gross margin % <sup>(2)</sup>		(49)%		(155)%			

\*\* Gross margin is calculated as revenues less cost of services. Gross margin % is calculated as gross margin divided by revenues.

Services gross margin increased \$23.0 million, or 76%, to \$(7.1) million in the quarter, as compared with \$(30.1) million in the prior year quarter. Services gross margin percentage increased 162 percentage points to (50)% for the quarter ended September 30, 2024. The increase was primarily due to lower overhead and remediation costs related to the sale of the Camden facility coupled with lower costs at our Bayview facility. Services segment adjusted gross margin in the current year period excludes the impact of restructuring costs of \$0.1 million.

YTD 2024 SEGMENT RESULTS

(\$ in millions)	Commercial Products						
	Nine Months Ended September 30,						
	2024		2023		\$ Change	% Change	
Revenues	\$	333.8	\$	386.2	\$	(52.4)	(14)%
Cost of sales		152.7		160.2		(7.5)	(5)%
Gross margin**	\$	181.1	\$	226.0	\$	(44.9)	(20)%
Gross margin %**		54%		59%			
Segment adjusted gross margin <sup>(2)</sup>	\$	181.1	\$	226.0	\$	(44.9)	(20)%
Segment adjusted gross margin % <sup>(2)</sup>		54%		59%			

\*\* Gross margin is calculated as revenues less cost of sales. Gross margin % is calculated as gross margin divided by revenues.

Commercial Products gross margin decreased \$44.9 million, or 20%, to \$181.1 million for the nine months ended September 30, 2024, as compared with \$226.0 million for the nine months ended September 30, 2023. Commercial Products gross margin percentage decreased five percentage points to 54% in 2024. The decrease was largely due to an unfavorable price and volume mix in 2024 for NARCAN<sup>®</sup> products, partially offset by the sale of the products associated with our travel health business to Bavarian Nordic. Commercial Products segment adjusted gross margin is consistent with gross margin.

(\$ in millions)	MCM Products					
	Nine Months Ended September 30,					
	2024	2023	\$ Change	% Change		
<b>Revenues</b>	\$ 393.0	\$ 309.2	\$ 83.8	27 %		
<b>Cost of sales</b>	147.3	208.4	(61.1)	(29)%		
<b>Gross margin**</b>	\$ 245.7	\$ 100.8	\$ 144.9	144 %		
<b>Gross margin %**</b>	63 %	33 %				
<b>Add back:</b>						
Changes in fair value of financial instruments	\$ 0.6	\$ (0.4)	\$ 1.0	250 %		
Inventory step-up provision	1.2	1.9	(0.7)	(37)%		
Restructuring costs	7.5	7.0	0.5	7 %		
<b>Segment adjusted gross margin<sup>(2)</sup></b>	\$ 255.0	\$ 109.3	\$ 145.7	133 %		
<b>Segment adjusted gross margin %<sup>(2)</sup></b>	65 %	35 %				

\*\* Gross margin is calculated as revenues less cost of sales. Gross margin % is calculated as gross margin divided by revenues.

NM - Not Meaningful

MCM Products gross margin increased \$144.9 million, or 144%, to \$245.7 million for the nine months ended September 30, 2024, as compared with \$100.8 million for the nine months ended September 30, 2023. MCM Products gross margin percentage increased 29 percentage points to 63% for the nine months ended September 30, 2024. The increase was largely due to overall higher sales volumes with a favorable product mix weighted more heavily to higher margin products coupled with lower allocations to Cost of MCM Product sales at our Bayview facility and lower shutdown related costs, a reduction in Trobigard® related costs, due to the Trobigard® revocation, and realization of previously adjusted inventory values. MCM Product segment adjusted gross margin excludes the impact of restructuring costs of \$7.5 million, inventory step-up provision of \$1.2 million and changes in fair value of financial instruments of \$0.6 million.

(\$ in millions)	Services					
	Nine Months Ended September 30,					
	2024	2023	\$ Change	% Change		
<b>Revenues</b>	\$ 97.5	\$ 57.7	\$ 39.8	69 %		
<b>Cost of services</b>	263.3	151.7	111.6	74 %		
<b>Gross margin**</b>	\$ (165.8)	\$ (94.0)	\$ (71.8)	(76)%		
<b>Gross margin %**</b>	(170)%	(163)%				
<b>Add back:</b>						
Settlement charges, net	\$ 110.2	\$ —	\$ 110.2	NM		
Restructuring costs	0.3	8.1	(7.8)	(96)%		
<b>Segment adjusted gross margin<sup>(2)</sup></b>	\$ (55.3)	\$ (85.9)	\$ 30.6	36 %		
<b>Segment adjusted gross margin %<sup>(2)</sup></b>	(57)%	(149)%				

\*\* Gross margin is calculated as revenues less cost of sales. Gross margin % is calculated as gross margin divided by revenues.

NM - Not Meaningful

Services gross margin decreased \$71.8 million, or 76%, to \$(165.8) million for the nine months ended September 30, 2024, as compared with \$(94.0) million for the nine months ended September 30, 2023. Services gross margin percentage decreased 7 percentage points to (170)% for the nine months ended September 30, 2024. The decrease was primarily due to the Settlement Agreement with Janssen and resulting revenue and write-down of related assets to net realizable value, coupled with lower production at the Company's Canton facility. This decrease was partially offset by an increase in production at the Camden facility prior to the sale of the facility to Bora and a decrease in overhead costs at our other Maryland facilities. Services segment adjusted gross margin in the current year period excludes the impact of segment settlement charge, net of \$110.2 million and restructuring costs of \$0.3 million.

**2024 FINANCIAL FORECAST**

The Company provides the following updated financial forecast for full year 2024, reflecting management's expectations based on the most current information available.

**Full Year 2024**

METRIC ( <i>\$ in millions</i> )	Updated Range (as of 11/6/2024)	Previous Range (as of 08/06/2024)	Previous Range (as of 05/01/2024)	Previous Range (as of 03/06/2024)
<b>Total revenues</b>	\$1,065 - \$1,125	\$1,050 - \$1,125	\$1,000 - \$1,100	\$900 - \$1,100
<b>Net loss</b>	\$(203) - \$(183)	\$(314) - \$(274)	\$(148) - \$(98)	\$(183) - \$(133)
<b>Adjusted net loss<sup>(2)</sup></b>	\$(50) - \$(30)	\$(115) - \$(75)	\$(65) - \$(15)	\$(130) - \$(80)
<b>Adjusted EBITDA<sup>(2)</sup></b>	\$180 - \$200	\$140 - \$180	\$125 - \$175	\$50 - \$100
<b>Total segment adjusted gross margin %<sup>(2)</sup></b>	43% - 45%	42% - 45%	44% - 47%	40% - 45%
<b>Segment Level Revenue<sup>(4)</sup></b>				
Commercial Products	\$420 - \$430	\$450 - \$480	\$460 - \$500	\$460 - \$500
MCM Products	\$510 - \$550	\$455 - \$490	\$440 - \$490	\$340 - \$490
Services <sup>(5)</sup>	\$105 - \$110	\$120 - \$130	\$70 - \$80	\$70 - \$80

Key Assumptions ( <i>\$ and shares in millions</i> )	Updated Range (as of 11/6/2024)
Interest expense	~\$75
R&D	~7% of Revenue
Weighted avg. fully diluted share count	~53
Capex	~\$25
Depreciation & amortization	~\$109

**FOOTNOTES**

<sup>(1)</sup> All financial information included in this release is unaudited.

<sup>(2)</sup> See "Non-GAAP Financial Measures" and the "Reconciliation of Non-GAAP Financial Measures" tables for the definitions and reconciliations of these non-GAAP financial measures to the most closely related GAAP financial measures.

<sup>(3)</sup> Product sales, net are reported net of variable consideration including returns, rebates, wholesaler fees and prompt pay discounts in accordance with U.S. generally accepted accounting principles.

<sup>(4)</sup> Our Commercial Products forecast consists solely of NARCAN<sup>®</sup> Nasal Spray, as our Other Commercial Products, including Vivotif<sup>®</sup> and Vaxchora<sup>®</sup>, were sold to Bavarian Nordic as part of our travel health business in May 2023.

<sup>(5)</sup> Our Services revenue forecast includes \$50.0 million related to the Settlement Agreement with Janssen and excludes revenues related to the Baltimore-Camden Facility after August 20, 2024.

**CONFERENCE CALL, PRESENTATION SUPPLEMENT AND WEBCAST INFORMATION**

Company management will host a conference call at 5:00 pm eastern time today, November 6, 2024, to discuss these financial results. The conference call and presentation supplement can be accessed from the Company's website or through the following:

**By phone**

To join via telephone, please use the following dial-in details:

U.S. / New York: +1-646-968-2525

U.S. & Canada (Toll Free): +1-888-596-4144

Conference ID: 5259189

**By webcast**

Visit <https://edge.media-server.com/mmc/p/nm3oj8g9>

A replay of the call can be accessed from the Emergent website.

**ABOUT EMERGENT BIOSOLUTIONS INC.**

At Emergent, our mission is to protect and enhance life. We develop, manufacture, and deliver protections against public health threats through a pipeline of innovative vaccines and therapeutics. For over 25 years, we have been at work defending people from things we hope will never happen—so that we are prepared just in case they ever do. We do what we do because we see the opportunity to create a better, more secure world. One where preparedness empowers protection from the threats we face. And peace of mind prevails. In working together, we envision protecting or enhancing 1 billion lives by 2030. For more information, visit our website and follow us on LinkedIn, Twitter, and Instagram.

**NON-GAAP FINANCIAL MEASURES**

In the accompanying analysis of financial information, we sometimes use information derived from consolidated and segment financial information that may not be presented in our financial statements or prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). Certain of these financial measures are considered not in conformity with GAAP ("non-GAAP financial measures") under the United States Securities and Exchange Commission ("SEC") rules. Specifically, we have referred to the following non-GAAP financial measures:

- **Adjusted Net Income (Loss)**
- **Adjusted Net Income (Loss) per Diluted Share**
- **Adjusted EBITDA**
- **Total Segment Revenues**
- **Total Segment Gross Margin**
- **Total Segment Gross Margin %**
- **Total Segment Adjusted Gross Margin**
- **Total Segment Adjusted Gross Margin %**
- **Segment Adjusted Gross Margin**
- **Segment Adjusted Gross Margin %**

We define Adjusted Net Income (Loss) and Adjusted Net Income (Loss) per Diluted Share, which are non-GAAP financial measures, as net income (loss) and net income (loss) per diluted share, respectively, excluding the impact of changes in fair value of financial instruments, acquisition and divestiture-related costs, severance and restructuring costs, settlement charges, net, exit and disposal costs, impairment charges, gain (loss) on sale of business, non-cash amortization charges, contingent consideration milestones, and other income (expense) items. We use Adjusted Net Income (Loss) for the purpose of calculating Adjusted Net Income (Loss) per Diluted Share. Management uses Adjusted Net Income (Loss) per Diluted Share to assess total Company operating performance on a consistent basis. We believe that these non-GAAP financial measures, when considered together with our GAAP financial results and GAAP financial measures, provide management and investors with an additional understanding of our business operating results, including underlying trends.

We define Adjusted EBITDA, which is a non-GAAP financial measure, as consolidated net income (loss) before income tax provision (benefit), interest expense, net, depreciation, amortization of intangible assets, excluding the impact of changes in fair value of financial instruments, acquisition and divestiture-related costs, severance and restructuring costs, settlement charges, net, exit and disposal costs, impairment charges, gain (loss) on sale of business, non-cash amortization charges, contingent consideration milestones and other income (expense) items. We believe that this non-GAAP financial measure, when considered together with our GAAP financial results and GAAP financial measures, provides management and investors with a more

complete understanding of our operating results, including underlying trends. In addition, EBITDA is a common alternative measure of operating performance used by many of our competitors. It is used by investors, financial analysts, rating agencies and others to value and compare the financial performance of companies in our industry, although it may be defined differently by different companies. Therefore, we also believe that this non-GAAP financial measure, considered along with corresponding GAAP financial measures, provides management and investors with additional information for comparison of our operating results with the operating results of other companies.

We have included the definitions of Segment Gross Margin and Segment Gross Margin %, which are GAAP financial measures, below in order to more fully define the components of certain non-GAAP financial measures presented in this press release. We define Segment Gross Margin, as a segment's revenues, less a segment's cost of sales or services. We define Segment Gross Margin %, as Segment Gross Margin as a percentage of a segment's revenues. We define Segment Adjusted Gross Margin, which is a non-GAAP financial measure as Segment Gross Margin excluding the impact of restructuring costs, changes in the fair value of financial instruments, settlement charges, net and inventory step-up provision. We define Segment Adjusted Gross Margin %, which is a non-GAAP financial measure, as Segment Adjusted Gross Margin as a percentage of a segment's revenues.

We define Total Segment Revenues, which is a non-GAAP financial measure, as our Total Revenues, less contracts and grants revenue, which is also equal to the sum of the revenues of our reportable operating segments. We define Total Segment Gross Margin, which is a non-GAAP financial measure, as Total Segment Revenues less our aggregate cost of sales or services. We define Total Segment Gross Margin %, which is a non-GAAP financial measure, as Total Segment Gross Margin as a percentage of Total Segment Revenues. We define Total Segment Adjusted Gross Margin, which is a non-GAAP financial measure, as Total Segment Gross Margin, excluding the impact of restructuring costs, settlement charges, net, changes in the fair value of financial instruments and inventory step-up provision. We define Total Segment Adjusted Gross Margin %, which is a non-GAAP financial measure, as Total Segment Adjusted Gross Margin as a percentage of Total Segment Revenues.

Non-GAAP financial measures are not defined in the same manner by all companies and may not be comparable with other similarly titled measures of other companies. The determination of the amounts that are excluded from these non-GAAP financial measures are a matter of management judgment and depend upon, among other factors, the nature of the underlying expense or income amounts. Non-GAAP financial measures should be considered in addition to, but not as a substitute for or superior to, the information contained in our Consolidated Statements of Operations and Consolidated Statements of Cash Flows. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the financial tables accompanying this press release.

#### **SAFE HARBOR STATEMENT**

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, including statements regarding the future performance of the Company or any of our businesses, our business strategy, future operations, future financial position, future revenues and earnings, our ability to achieve the objectives of our restructuring initiatives and divestitures, including our future results, projected costs, prospects, plans and objectives of management, are forward-looking statements. We generally identify forward-looking statements by using words like "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "goal," "intend," "may," "plan," "position," "possible," "potential," "predict," "project," "should," "target," "will," "would," and similar expressions or variations thereof, or the negative thereof, but these terms are not the exclusive means of identifying such statements. Forward-looking statements are based on our current intentions, beliefs, assumptions and expectations regarding future events based on information that is currently available. Readers should realize that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could differ materially from our expectations. Readers are, therefore, cautioned not to place undue reliance on any forward-looking statement contained herein. Any such forward-looking statement speaks only as of the date of this press release, and, except as required by law, we do not undertake any obligation to update any forward-looking statement to reflect new information, events or circumstances.

There are a number of important factors that could cause our actual results to differ materially from those indicated by such forward-looking statements, including, among others, the availability of USG funding for contracts related to procurement of our medical countermeasure ("MCM") products, including CYFENDUS® (Anthrax Vaccine Adsorbed (AVA) Adjuvanted), previously known as AV7909, BioThrax® (Anthrax Vaccine Adsorbed), and ACAM2000® (Smallpox (Vaccinia) Vaccine, Live) among others, as well as contracts related to development of medical countermeasures; the availability of government funding for our other commercialized products, including Ebanga™ (ansuvimab-zykl) and BAT® (Botulism Antitoxin Heptavalent (A,B,C,D,E,F,G)-(Equine)); our ability to meet our commitments to quality and compliance in all of our manufacturing operations; our ability to negotiate additional USG procurement or follow-on contracts for our MCM products that have expired or will be expiring; the commercial availability and acceptance of over-the-counter NARCAN® (naloxone HCl) Nasal Spray; the impact of a generic and competitive marketplace on NARCAN® Nasal Spray and future NARCAN® Nasal Spray sales; our ability

to perform under our contracts with the USG, including the timing of and specifications relating to deliveries; our ability to provide Bioservices (as defined below) for the development and/or manufacture of product and/or product candidates of our customers at required levels and on required timelines; the ability of our contractors and suppliers to maintain compliance with current good manufacturing practices and other regulatory obligations; our ability to negotiate further commitments related to the collaboration and deployment of capacity toward future commercial manufacturing under our existing Bioservices contracts; our ability to collect reimbursement for raw materials and payment of service fees from our Bioservices customers; the results of pending government investigations and their potential impact on our business; our ability to obtain final court approval of the proposed settlement agreement relating to the stockholder litigation, including our ability to satisfy the conditions of the proposed settlement, and the source of funds to be used to resolve the litigation, and the potential impact of the settlement agreement, if approved, on our business; our ability to comply with the operating and financial covenants required by our term loan facility under a credit agreement, dated August 30, 2024, our revolving credit facility under a credit agreement, dated September 30, 2024, and our 3.875% Senior Unsecured Notes due 2028; our ability to maintain adequate internal control over financial reporting and to prepare accurate financial statements in a timely manner; our ability to successfully manage our liquidity in order to continue as a going concern; the procurement of our product candidates by USG entities under regulatory authorities that permit government procurement of certain medical products prior to FDA marketing authorization, and corresponding procurement by government entities outside the United States; our ability to realize the expected benefits of the sale of our travel health business to Bavarian Nordic, the sale of RSDL® to SERB Pharmaceuticals and the sale of our drug product facility in Baltimore-Camden to Bora Pharmaceuticals Injectables Inc.; the impact of the organizational changes we announced in January 2023, August 2023, May 2024 and August 2024; our ability to identify and acquire companies, businesses, products or product candidates that satisfy our selection criteria; the impact of cyber security incidents, including the risks from the unauthorized access, interruption, failure or compromise of our information systems or those of our business partners, collaborators or other third parties; the success of our commercialization, marketing and manufacturing capabilities and strategy; and the accuracy of our estimates regarding future revenues, expenses, capital requirements and need for additional financing. The foregoing sets forth many, but not all, of the factors that could cause actual results to differ from our expectations in any forward-looking statement. Readers should consider this cautionary statement, as well as the risks identified in our periodic reports filed with the Securities and Exchange Commission, when evaluating our forward-looking statements.

**Trademarks**

Emergent®, BioThrax®, BaciThrax®, BAT®, Trobigard®, Anthrasil®, CNJ-016®, ACAM2000®, NARCAN®, CYFENDUS®, TEMBEXA® and any and all Emergent BioSolutions Inc. brands, products, services and feature names, logos and slogans are trademarks or registered trademarks of Emergent BioSolutions Inc. or its subsidiaries in the United States or other countries. All other brands, products, services and feature names or trademarks are the property of their respective owners, including RSDL® (Reactive Skin Decontamination Lotion), which was acquired by SERB on July 31, 2024.

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**Emergent BioSolutions Inc.**  
**Consolidated Balance Sheets**  
(unaudited, in millions, except per share data)

	September 30, 2024	December 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 149.9	\$ 111.7
Restricted cash	6.5	—
Accounts receivable, net	121.3	191.0
Inventories, net	322.7	328.9
Prepaid expenses and other current assets	61.0	47.9
Total current assets	<u>661.4</u>	<u>679.5</u>
Property, plant and equipment, net	278.1	382.8
Intangible assets, net	517.8	566.6
Other assets	20.5	194.3
Total assets	<u>\$ 1,477.8</u>	<u>\$ 1,823.2</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 82.1	\$ 112.2
Accrued expenses	16.1	18.6
Accrued compensation	63.3	74.1
Debt, current portion	0.8	413.7
Other current liabilities	67.6	32.7
Total current liabilities	<u>229.9</u>	<u>651.3</u>
Debt, net of current portion	661.8	446.5
Deferred tax liability	41.9	47.2
Other liabilities	35.8	28.9
Total liabilities	<u>\$ 969.4</u>	<u>\$ 1,173.9</u>
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 15.0 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.001 par value per share; 200.0 shares authorized, 59.7 and 57.8 shares issued; 54.1 and 52.2 shares outstanding, respectively.	0.1	0.1
Treasury stock, at cost, 5.6 and 5.6 common shares, respectively	(227.7)	(227.7)
Additional paid-in capital	924.4	904.4
Accumulated other comprehensive loss, net	(7.3)	(5.7)
Accumulated deficit	(181.1)	(21.8)
Total stockholders' equity	<u>\$ 508.4</u>	<u>\$ 649.3</u>
Total liabilities and stockholders' equity	<u>\$ 1,477.8</u>	<u>\$ 1,823.2</u>

**Emergent BioSolutions Inc.**  
**Consolidated Statements of Operations**  
(unaudited, in millions, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Revenues:</b>				
Commercial Product sales	\$ 95.3	\$ 142.1	\$ 333.8	\$ 386.2
MCM Product sales	174.2	107.7	393.0	309.2
Total Product sales, net	269.5	249.8	726.8	695.4
<b>Bioservices:</b>				
Services	13.9	13.2	96.7	52.2
Leases	0.4	1.0	0.8	5.5
Total Bioservices revenues	14.3	14.2	97.5	57.7
Contracts and grants	10.0	6.5	24.6	19.6
Total revenues	293.8	270.5	848.9	772.7
<b>Operating expenses:</b>				
Cost of Commercial Product sales	47.2	60.0	152.7	160.2
Cost of MCM Product sales	54.0	72.5	147.3	208.4
Cost of Bioservices	21.4	44.3	263.3	151.7
Research and development	13.8	15.3	61.6	82.0
Selling, general and administrative	76.6	86.0	247.2	278.7
Amortization of intangible assets	16.3	16.3	48.8	49.4
Goodwill impairment	—	218.2	—	218.2
Impairment of long-lived assets	—	—	27.2	306.7
Total operating expenses	229.3	512.6	948.1	1,455.3
<b>Income (loss) from operations</b>	64.5	(242.1)	(99.2)	(682.6)
<b>Other income (expense):</b>				
Interest expense	(8.3)	(19.7)	(56.2)	(66.2)
Gain (loss) on sale of business	64.3	(0.7)	24.3	74.2
Other, net	21.9	(3.4)	15.8	(2.1)
Total other income (expense), net	77.9	(23.8)	(16.1)	5.9
<b>Income (loss) before income taxes</b>	142.4	(265.9)	(115.3)	(676.7)
<b>Income tax provision (benefit)</b>	27.6	(2.5)	44.0	34.3
<b>Net income (loss)</b>	\$ 114.8	\$ (263.4)	\$ (159.3)	\$ (711.0)
<b>Earnings (loss) per common share</b>				
Basic	\$ 2.16	\$ (5.08)	\$ (3.03)	\$ (13.97)
Diluted	\$ 2.06	\$ (5.08)	\$ (3.03)	\$ (13.97)
<b>Shares used in computing earnings (loss) per common share</b>				
Basic	53.1	51.8	52.6	50.9
Diluted	55.6	51.8	52.6	50.9

**Emergent BioSolutions Inc.**  
**Consolidated Statements of Cash Flows**  
(unaudited, in millions)

	Nine Months Ended September 30,	
	2024	2023
<b>Operating Activities</b>		
Net loss	\$ (159.3)	\$ (711.0)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Share-based compensation expense	13.7	19.1
Depreciation and amortization	82.8	95.5
Change in fair value of contingent obligations, net	0.6	(0.4)
Amortization of deferred financing costs	5.2	15.6
Deferred income taxes	(5.1)	(3.7)
Noncash gain on sale of business	(32.2)	(74.2)
Change in fair value of warrant and forward liabilities	(1.1)	—
Goodwill impairment	—	218.2
Impairment of long-lived assets	27.2	306.7
Loss on disposal of assets	28.9	13.9
Other	3.9	(5.0)
Changes in operating assets and liabilities:		
Accounts receivable	52.7	(58.5)
Inventories	(35.5)	(25.0)
Prepaid expenses and other assets	146.3	(18.3)
Accounts payable	(22.8)	17.7
Accrued expenses and other liabilities	32.9	(30.2)
Long-term incentive plan accrual	2.5	3.7
Accrued compensation	(9.9)	(0.8)
Income taxes receivable and payable, net	26.6	(3.5)
Contract liabilities	(18.8)	1.8
<b>Net cash provided by (used in) operating activities</b>	<b>138.6</b>	<b>(238.4)</b>
<b>Investing Activities</b>		
Purchases of property, plant and equipment	(21.2)	(40.2)
Proceeds from sale of property, plant and equipment	7.6	—
Milestone payment from prior asset acquisition	—	(6.3)
Proceeds from sale of business	110.2	270.2
<b>Net cash provided by investing activities</b>	<b>96.6</b>	<b>223.7</b>
<b>Financing Activities</b>		
Proceeds from the issuance of debt, net of lender fees	219.0	—
Proceeds allocated to warrants issued in conjunction with debt	13.4	—
Proceeds allocated to common stock issued in conjunction with debt	9.3	—
Principal payments on term loan facility	(198.2)	(160.7)
Proceeds from revolving credit facility	65.0	—
Principal payments on revolving credit facility	(284.2)	(386.8)
Debt issuance costs	(14.6)	—
Proceeds from share-based compensation activity	0.7	1.3
Taxes paid for share-based compensation activity	(0.9)	(2.4)
Proceeds from at-the-market sale of stock, net of commissions and expenses	—	8.2
<b>Net cash used in financing activities:</b>	<b>(190.5)</b>	<b>(540.4)</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	0.3
<b>Net change in cash, cash equivalents and restricted cash</b>	<b>44.7</b>	<b>(554.8)</b>
Cash, cash equivalents and restricted cash, beginning of period	111.7	642.6
Cash, cash equivalents and restricted cash, end of period	<b>\$ 156.4</b>	<b>\$ 87.8</b>

**Emergent BioSolutions Inc.**  
**Consolidated Statements of Cash Flows Continued**  
**(unaudited, in millions)**

	2023	2022
<b>Supplemental cash flow disclosures:</b>		
Cash paid for interest	\$ 55.8	\$ 56.5
Cash paid for income taxes	\$ 35.5	\$ 38.3
<b>Non-cash investing and financing activities:</b>		
Purchases of property, plant and equipment unpaid at period end	\$ 1.6	\$ 9.2
Gain on extinguishments of debt	\$ 0.6	\$ —
Issuance of common stock in conjunction with debt	7.7	—
<b>Reconciliation of cash and cash equivalents and restricted cash:</b>		
Cash and cash equivalents	\$ 149.9	\$ 87.8
Restricted cash	6.5	—
Total	\$ 156.4	\$ 87.8

**Emergent BioSolutions, Inc.**  
**Reconciliation of Non-GAAP Financial Measures**  
**Reconciliation of Net Income (Loss) and Net Income (Loss) per Diluted Share to Adjusted Net Income (Loss) and Adjusted Net Income (Loss) per Diluted Share<sup>(1)</sup>**

(\$ in millions, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,		Source
	2024	2023	2024	2023	
<b>Net income (loss)</b>	\$ 114.8	\$ (263.4)	\$ (159.3)	\$ (711.0)	
Adjustments:					
Non-cash amortization charges	\$ 9.7	\$ 21.9	\$ 54.0	\$ 65.0	Amortization of intangible assets (IA), Other Income
Impairments	—	218.2	27.2	524.9	Impairment of long-lived assets and goodwill
Severance and restructuring costs	6.3	20.6	22.9	34.5	Cost of MCM Products, Cost of Services, SG&A and R&D
Inventory step-up provision	1.2	—	1.2	1.9	Cost of MCM Products
Acquisition and divestiture costs	—	—	—	2.8	SG&A
Exit and disposal costs	—	—	13.3	6.1	R&D
Loss (gain) on sale of business	(64.3)	0.7	(24.3)	(74.2)	Other Income (Expense)
Settlement charges, net	10.0	—	120.2	—	Cost of Services and SG&A
Contingent consideration milestones	(30.0)	—	(30.0)	—	Other Income (Expense)
Changes in fair value of financial instruments	(1.1)	(1.1)	(0.5)	(0.4)	Cost of MCM Products and Other Income (Expense)
Other expense (income), net items	6.7	—	9.8	—	Other Income (Expense)
Tax effect	22.9	(53.1)	(49.2)	(122.6)	
<b>Total adjustments:</b>	<b>\$ (38.6)</b>	<b>\$ 207.2</b>	<b>\$ 144.6</b>	<b>\$ 438.0</b>	
<b>Adjusted net income (loss)</b>	<b>\$ 76.2</b>	<b>\$ (56.2)</b>	<b>\$ (14.7)</b>	<b>\$ (273.0)</b>	
<b>Net income (loss) per diluted share</b>	<b>\$ 2.06</b>	<b>\$ (5.08)</b>	<b>\$ (3.03)</b>	<b>\$ (13.97)</b>	
Adjustments:					
Non-cash amortization charges	\$ 0.17	\$ 0.42	\$ 1.03	\$ 1.28	Amortization of IA, Other Income (Expense)
Impairments	—	4.21	0.52	10.31	Impairment of long-lived assets
Severance and restructuring costs	0.12	0.40	0.44	0.68	Cost of MCM Products, Cost of Services, SG&A and R&D
Inventory step-up provision	0.02	—	0.02	0.04	Cost of MCM Products
Acquisition and divestiture costs	—	—	—	0.06	SG&A
Exit and disposal costs	—	—	0.25	0.12	R&D
Loss (gain) on sale of business	(1.16)	0.01	(0.46)	(1.46)	Other Income (Expense)
Settlement charges, net	0.18	—	2.29	—	Cost of Services and SG&A
Contingent consideration milestones	(0.54)	—	(0.57)	—	Other Income (Expense)
Changes in fair value of financial instruments	(0.02)	(0.02)	(0.01)	(0.01)	Cost of MCM Products and Other Income (Expense)
Other expense (income), net items	0.12	—	0.19	—	Other Income (Expense)
Tax effect	0.42	(1.03)	(0.95)	(2.41)	
<b>Total adjustments:</b>	<b>\$ (0.69)</b>	<b>\$ 3.99</b>	<b>\$ 2.75</b>	<b>\$ 8.61</b>	
<b>Adjusted net income (loss) per diluted share</b>	<b>\$ 1.37</b>	<b>\$ (1.09)</b>	<b>\$ (0.28)</b>	<b>\$ (5.36)</b>	
Diluted shares used in computing Adjusted net income (loss) per diluted share	55.6	51.8	52.6	50.9	

**Emergent BioSolutions, Inc.**  
**Reconciliation of Net Income (Loss) to Adjusted EBITDA<sup>(1)</sup>**

(\$ in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Net income (loss)</b>	\$ 114.8	\$ (263.4)	\$ (159.3)	\$ (711.0)
Adjustments:				
Depreciation & amortization	\$ 26.4	\$ 27.9	\$ 82.8	\$ 95.5
Income taxes	27.6	(2.5)	44.0	34.3
Total interest expense, net	7.7	19.4	54.8	59.9
Impairments	—	218.2	27.2	524.9
Inventory step-up provision	1.2	—	1.2	1.9
Changes in fair value of financial instruments	(1.1)	(1.1)	(0.5)	(0.4)
Severance and restructuring costs	6.3	20.6	22.9	34.5
Exit and disposal costs	—	—	13.3	6.1
Acquisition and divestiture costs	—	—	—	2.8
Loss (gain) on sale of business	(64.3)	0.7	(24.3)	(74.2)
Settlement charges, net	10.0	—	120.2	—
Contingent consideration milestones	(30.0)	—	(30.0)	—
Other expense (income), net items	6.7	—	9.8	—
<b>Total adjustments</b>	<b>\$ (9.5)</b>	<b>\$ 283.2</b>	<b>\$ 321.4</b>	<b>\$ 685.3</b>
<b>Adjusted EBITDA</b>	<b>\$ 105.3</b>	<b>\$ 19.8</b>	<b>\$ 162.1</b>	<b>\$ (25.7)</b>

**Emergent BioSolutions, Inc.**

**Reconciliations of Total Revenues to Total Segment Revenues and of Segment and Total Segment Gross Margin and Gross Margin % to Segment and Total Segment Adjusted Gross Margin and Adjusted Gross Margin %<sup>(1)</sup>**

<b>Three Months Ended September 30, 2024</b> (unaudited, in millions)						
	<b>Commercial Products</b>	<b>MCM Products</b>	<b>Services</b>	<b>Total Segment</b>	<b>Contracts &amp; Grants</b>	<b>Total Revenues</b>
<b>Revenues</b>	\$ 95.3	\$ 174.2	\$ 14.3	\$ 283.8	\$ 10.0	\$ 293.8
<b>Cost of sales or services</b>	47.2	54.0	21.4	122.6		
<b>Gross margin</b>	\$ 48.1	\$ 120.2	\$ (7.1)	\$ 161.2		
<b>Gross margin %</b>	50 %	69 %	(50)%	57 %		
<b>Add back:</b>						
Inventory step-up provision	\$ —	\$ 1.2	\$ —	\$ 1.2		
Restructuring costs	—	4.9	0.1	5.0		
<b>Adjusted gross margin</b>	\$ 48.1	\$ 126.3	\$ (7.0)	\$ 167.4		
<b>Adjusted gross margin %</b>	50 %	73 %	(49)%	59 %		
<b>Three Months Ended September 30, 2023</b> (unaudited, in millions)						
	<b>Commercial Products</b>	<b>MCM Products</b>	<b>Services</b>	<b>Total Segment</b>	<b>Contracts &amp; Grants</b>	<b>Total Revenues</b>
<b>Revenues</b>	\$ 142.1	\$ 107.7	\$ 14.2	\$ 264.0	\$ 6.5	\$ 270.5
<b>Cost of sales or services</b>	60.0	72.5	44.3	176.8		
<b>Gross margin</b>	\$ 82.1	\$ 35.2	\$ (30.1)	\$ 87.2		
<b>Gross margin %</b>	58 %	33 %	(212)%	33 %		
<b>Add back:</b>						
Changes in fair value of financial instruments	\$ —	\$ (1.1)	\$ —	\$ (1.1)		
Restructuring costs	—	5.0	8.1	13.1		
<b>Adjusted gross margin</b>	\$ 82.1	\$ 39.1	\$ (22.0)	\$ 99.2		
<b>Adjusted gross margin %</b>	58 %	36 %	(155)%	38 %		

**Emergent BioSolutions, Inc.**

**Reconciliations of Total Revenues to Total Segment Revenues and of Segment and Total Segment Gross Margin and Gross Margin % to Segment and Total Segment Adjusted Gross Margin and Adjusted Gross Margin %<sup>(1)</sup>**

Nine Months Ended September 30, 2024 (unaudited, in millions)						
	Commercial Products	MCM Products	Services <sup>1</sup>	Total Segment	Contracts & Grants	Total Revenues
<b>Revenues</b>	\$ 333.8	\$ 393.0	\$ 97.5	\$ 824.3	\$ 24.6	\$ 848.9
<b>Cost of sales or services</b>	152.7	147.3	263.3	563.3		
<b>Gross margin</b>	\$ 181.1	\$ 245.7	\$ (165.8)	\$ 261.0		
<b>Gross margin %</b>	54 %	63 %	(170)%	32 %		
<b>Add back:</b>						
Changes in fair value of financial instruments	\$ —	\$ 0.6	\$ —	\$ 0.6		
Inventory step-up provision	—	1.2	—	1.2		
Settlement charges, net	—	—	110.2	110.2		
Restructuring costs	—	7.5	0.3	7.8		
<b>Adjusted gross margin</b>	\$ 181.1	\$ 255.0	\$ (55.3)	\$ 380.8		
<b>Adjusted gross margin %<sup>(1)</sup></b>	54 %	65 %	(57)%	46 %		

<sup>(1)</sup>Total Segment results for the nine months ended September 30, 2024 includes \$50.0 million attributable to the Settlement Agreement with Janssen. The revenue and cost of services is related to raw materials purchased for the Janssen Agreement which Janssen had not reimbursed. Excluding the impacts of the Settlement Agreement, Total Segment Adjusted Gross Margin % would have been 3% higher for the nine months ended September 30, 2024.

Nine Months Ended September 30, 2023 (in millions)						
	Commercial Products	MCM Products	Services	Total Segment	Contracts & Grants	Total Revenues
<b>Revenues</b>	\$ 386.2	\$ 309.2	\$ 57.7	\$ 753.1	\$ 19.6	\$ 772.7
<b>Cost of sales or services</b>	160.2	208.4	151.7	520.3		
<b>Gross margin</b>	\$ 226.0	\$ 100.8	\$ (94.0)	\$ 232.8		
<b>Gross margin %</b>	59 %	33 %	(163)%	31 %		
<b>Add back:</b>						
Changes in fair value of financial instruments	\$ —	\$ (0.4)	\$ —	\$ (0.4)		
Inventory step-up provision	—	1.9	—	1.9		
Restructuring costs	—	7.0	8.1	15.1		
<b>Adjusted gross margin</b>	\$ 226.0	\$ 109.3	\$ (85.9)	\$ 249.4		
<b>Adjusted gross margin %</b>	59 %	35 %	(149)%	33 %		

**Emergent BioSolutions, Inc.**  
**Reconciliation of Net Loss Forecast to Adjusted Net Income (Loss) Forecast**

<i>(\$ in millions)</i>	2024 Full Year Forecast	Source
<b>Net loss</b>	\$(203) - \$(183)	
Adjustments:		
Non-cash amortization charges	\$65	Amortization of intangible assets and Other Income (Expense)
Changes in fair value of financial instruments	(1)	Other Income (Expense)
Impairments	27	Impairment of long-lived assets
Severance and restructuring costs	23	Cost of MCM Products, Cost of Services, SG&A and R&D
Inventory step-up provision	1	Cost of MCM Products
Exit and disposal costs	13	R&D
Loss (gain) on sale of business	(24)	Other Income (Expense)
Settlement charges, net	120	Cost of Services and SG&A
Contingent consideration milestones	(30)	Other Income (Expense)
Other expense (income), net items	10	Other Income (Expense)
Tax effect	(51)	
Total adjustments:	\$153	
<b>Adjusted net loss</b>	<b>\$(50) - \$(30)</b>	

**Reconciliation of Net Loss Forecast to Adjusted EBITDA Forecast**

<i>(\$ in millions)</i>	<b>2024 Full Year Forecast</b>
<b>Net loss</b>	\$ (203) - \$(183)
<b>Adjustments:</b>	
Depreciation & amortization	\$109
Income taxes	60
Total interest expense, net	75
Impairments	27
Inventory step-up provision	1
Changes in fair value of financial instruments	(1)
Severance and restructuring costs	23
Exit and disposal costs	13
Loss (gain) on sale of business	(24)
Settlement charges, net	120
Contingent consideration milestones	(30)
Other expense (income), net items	10
Total adjustments	\$383
<b>Adjusted EBITDA</b>	\$180 - \$200

**Reconciliations of Forecasted Total Revenues to Forecasted Total Segment Revenues and of Forecasted Segment and Total Segment Gross Margin and Gross Margin % to Forecasted Segment and Total Segment Adjusted Gross Margin and Adjusted Gross Margin %<sup>(1)</sup>**

<i>(in millions)</i>	<b>2024 Full Year Forecast</b>
<b>Total revenues</b>	\$1,065 - \$1,125
Contracts & Grants	(30) - (35)
<b>Total segment revenues</b>	\$1,035 - \$1,090
<b>Cost of sales or services</b>	\$710 - \$719
<b>Total segment gross margin</b>	\$325 - \$371
<b>Total segment gross margin %</b>	31% - 34%
<b>Add back:</b>	
Changes in fair value of financial instruments	\$1
Inventory step-up provision	1
Settlement charges, net	110
Restructuring costs	8
<b>Total segment adjusted gross margin</b>	\$445 - \$491
<b>Total segment adjusted gross margin %</b>	43% - 45%

# Q3 2024 Financial Results Update

November 6, 2024

Proprietary & Confidential



# Introduction

Q3 2024 Update



# Safe Harbor Statement/Trademarks

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, including statements regarding the future performance of the Company or any of our businesses, our business strategy, future operations, future financial position, future revenues and earnings, our ability to achieve the objectives of our restructuring initiatives and divestitures, including our future results, projected costs, prospects, plans and objectives of management, are forward-looking statements. We generally identify forward-looking statements by using words like "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "goal," "intend," "may," "plan," "position," "possible," "potential," "predict," "project," "should," "target," "will," "would," and similar expressions or variations thereof, or the negative thereof, but these terms are not the exclusive means of identifying such statements. Forward-looking statements are based on our current intentions, beliefs, assumptions and expectations regarding future events based on information that is currently available. Readers should realize that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could differ materially from our expectations. Readers are, therefore, cautioned not to place undue reliance on any forward-looking statement contained herein. Any such forward-looking statement speaks only as of the date of this presentation, and, except as required by law, we do not undertake any obligation to update any forward-looking statement to reflect new information, events or circumstances.

There are a number of important factors that could cause our actual results to differ materially from those indicated by such forward-looking statements, including, among others, the availability of USG funding for contracts related to procurement of our medical countermeasure ("MCM") products, including CYFENDUS<sup>®</sup> (Anthrax Vaccine Adsorbed (AVA) Adjuvanted), previously known as AV7909, BioThrax<sup>®</sup> (Anthrax Vaccine Adsorbed), and ACAM2000<sup>®</sup> (Smallpox (Vaccinia) Vaccine, Live) among others, as well as contracts related to development of medical countermeasures; the availability of government funding for our other commercialized products, including Ebanga<sup>™</sup> (ansuvmab-zykl) and BAT<sup>™</sup> (Botulism Antitoxin Heptavalent (A,B,C,D,E,F,G)-(Equine)); our ability to meet our commitments to quality and compliance in all of our manufacturing operations; our ability to negotiate additional USG procurement or follow-on contracts for our MCM products that have expired or will be expiring; the commercial availability and acceptance of over-the-counter NARCAN<sup>®</sup> (naloxone HCl) Nasal Spray; the impact of a generic and competitive marketplace on NARCAN<sup>®</sup> Nasal Spray and future NARCAN<sup>®</sup> Nasal Spray sales; our ability to perform under our contracts with the USG, including the timing of and specifications relating to deliveries; our ability to provide Bioservices (as defined below) for the development and/or manufacture of product and/or product candidates of our customers at required levels and on required timelines; the ability of our contractors and suppliers to maintain compliance with current good manufacturing practices and other regulatory obligations; our ability to negotiate further commitments related to the collaboration and deployment of capacity toward future commercial manufacturing under our existing Bioservices contracts; our ability to collect reimbursement for raw materials and payment of service fees from our Bioservices customers; the results of pending government investigations and their potential impact on our business; our ability to obtain final court approval of the proposed settlement agreement relating to the stockholder litigation, including our ability to satisfy the conditions of the proposed settlement, and the source of funds to be used to resolve the litigation, and the potential impact of the settlement agreement, if approved, on our business; our ability to comply with the operating and financial covenants required by our term loan facility under a credit agreement, dated August 30, 2024, our revolving credit facility under a credit agreement, dated September 30, 2024, and our 3.875% Senior Unsecured Notes due 2028; our ability to maintain adequate internal control over financial reporting and to prepare accurate financial statements in a timely manner; our ability to successfully manage our liquidity in order to continue as a going concern; the procurement of our product candidates by USG entities under regulatory authorities that permit government procurement of certain medical products prior to FDA marketing authorization, and corresponding procurement by government entities outside the United States; our ability to realize the expected benefits of the sale of our travel health business to Bavarian Nordic, the sale of RSDL<sup>®</sup> to SERB Pharmaceuticals and the sale of our drug product facility in Baltimore-Camden to Bora Pharmaceuticals Injectables Inc.; the impact of the organizational changes we announced in January 2023, August 2023, May 2024 and August 2024; our ability to identify and acquire companies, businesses, products or product candidates that satisfy our selection criteria; the impact of cyber security incidents, including the risks from the unauthorized access, interruption, failure or compromise of our information systems or those of our business partners, collaborators or other third parties; the success of our commercialization, marketing and manufacturing capabilities and strategy; and the accuracy of our estimates regarding future revenues, expenses, capital requirements and need for additional financing. The foregoing sets forth many, but not all, of the factors that could cause actual results to differ from our expectations in any forward-looking statement. Readers should consider this cautionary statement, as well as the risks identified in our periodic reports filed with the Securities and Exchange Commission, when evaluating our forward-looking statements.

#### Trademarks

Emergent<sup>®</sup>, BioThrax<sup>®</sup>, BacThrax<sup>®</sup>, BAT<sup>™</sup>, Trobigard<sup>®</sup>, Anthrasil<sup>®</sup>, CNJ-016<sup>®</sup>, ACAM2000<sup>®</sup>, NARCAN<sup>®</sup>, CYFENDUS<sup>®</sup>, TEMBEXA<sup>®</sup> and any and all Emergent BioSolutions Inc. brands, products, services and feature names, logos and slogans are trademarks or registered trademarks of Emergent BioSolutions Inc. or its subsidiaries in the United States or other countries. All other brands, products, services and feature names or trademarks are the property of their respective owners, including RSDL<sup>®</sup> (Reactive Skin Decontamination Lotion), which was acquired by SERB on July 31, 2024.

# Agenda

Presenter	Topic(s)
<b>Joseph C. Papa</b> <i>President and CEO</i>	<ul style="list-style-type: none"><li>• Multi-Year Progress Update</li></ul>
<b>Rich Lindahl</b> <i>EVP, CFO and Treasurer</i>	<ul style="list-style-type: none"><li>• Q3 2024 Financial Review</li><li>• FY 2024 Guidance</li></ul>
<b>Joseph C. Papa</b> <i>President and CEO</i>	<ul style="list-style-type: none"><li>• Key Product Highlights</li><li>• Future Growth Drivers</li><li>• Entering Turnaround Phase</li><li>• Closing Remarks</li></ul>
<b>Q&amp;A</b>	

# Multi-Year Progress Update

Q3 2024 Update

**Joseph C. Papa**  
President and Chief Executive Officer



# Transformation Update<sup>1</sup>

- Achieved critical stabilization milestones in Q1-Q3: entering our turnaround phase
- Raising 2024 revenue and adjusted EBITDA<sup>2</sup> guidance

Key Financial Stabilization Priorities	Successfully Achieved Objectives	YTD Results; Activities Completed in Q3
	✓ Reduced net debt versus 2023 year end	• Gross debt lowered \$167M, or 19%; Net debt <sup>2</sup> lowered \$206M, or 27%
	✓ Refinanced debt and extended maturity	• New term loan \$250M due 2029; satisfied prior credit facility • New ABL revolver due in 2029 provides access to \$100M of additional liquidity
	✓ Improved operating performance and profitability	• Realization of cost-savings & financial efficiencies (\$130M annualized savings)
	✓ Improved net working capital	• \$98M reduction vs. prior quarter; \$100M reduction YoY
	✓ Conducted asset divestitures	• \$117M in completed asset sales of Camden, RSDL, Canton Facility
	✓ Streamlined site network	• Significant restructuring efforts; optimization/focus on Winnipeg & Lansing
	✓ Continued focus on MCM and NARCAN <sup>®</sup> Nasal Spray as core business drivers	• Several new MCM contract awards and orders • Continued performance in public interest and retail channels for NARCAN <sup>®</sup>
	✓ Sharpened strategy on growth drivers	• Mpox expanded indication FDA approval for ACAM2000 <sup>®</sup> • Appointed new SVP, Head of R&D, CMO executive leader
	✓ Resolved certain legal & quality legacy matters; continued to lead with integrity through quality & compliance enterprise values and actions	• Received \$50M in Janssen settlement • Successfully completed FDA inspection for Baltimore-Camden facility, received NAI status • Received NAI status for Baltimore-Bayview Facility • Granted preliminary approval by the Court regarding the settlement of legacy COVID securities class action litigation

1. All financial information incorporated within this presentation is unaudited.

2. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

# Financials

Q3 2024 Update

**Rich Lindahl**  
Executive Vice President,  
Chief Financial Officer and Treasurer



PROPRIETARY AND CONFIDENTIAL

# Stronger Financial Position Driven By Q3 Achievements<sup>1</sup>

## Key Accomplishments

### Streamlined Business & Completed \$117M of Asset Sales

- \$75M for the sale of RSDL® to SERB
- \$35M for the sale of Baltimore-Camden facility to Bora, plus significant headcount reduction
- \$7M for the sale of an underutilized warehouse in Canton, MA

\$50M received from Janssen Settlement

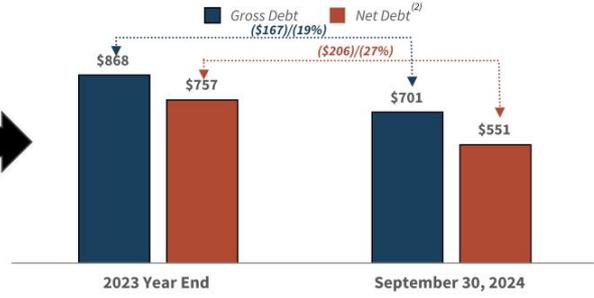
\$98M improvement in Net Working Capital versus Q2 2024

### Refinanced Debt & Extended Maturity until 2029

- Entered into \$250M Term Loan with Oak Hill Advisors
- Closed \$100M ABL Revolver led by Wells Fargo

## Positive Outcomes

### Material Debt Reduction (\$ Millions)



### Credit Rating Upgrades

- Moody's B3 from Caa1
- S&P Global B- from CCC

### Removed Going Concern Qualification

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# Key Business Highlights | MCM Awards & Increased Full Year Guidance<sup>1</sup>

**Received ~\$500 million in MCM contract modification awards:**

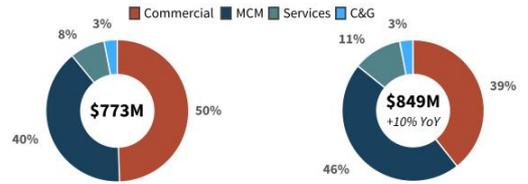
- \$20M Biothrax® (\$236M through 2033)
- \$30M CYFENDUS®
- \$100M ACAM2000®
- \$185M of incremental ACAM2000® & VIGIV® orders
- \$67M TEMBEXA®
- \$60M BAT®
- \$42M for Ebanga™ Development Program

**Two milestone payments totaling \$30M are due from Bavarian Nordic for the acceptance by the EMA and FDA of the Chikungunya license applications**

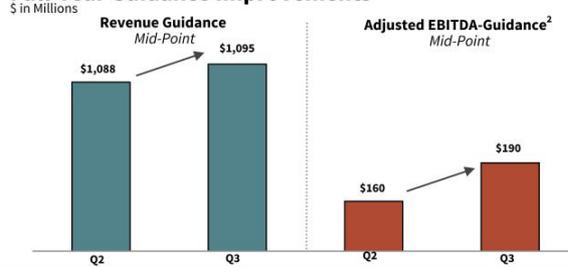
**Revenue further diversified versus prior year with key MCM contract awards**

**NARCAN® year-to-date volume +7% versus 2023; value proposition continues to support and drive a differentiated price point in the market**

**Year-to-Date Revenue Diversification**



**Full-Year Guidance Improvements**



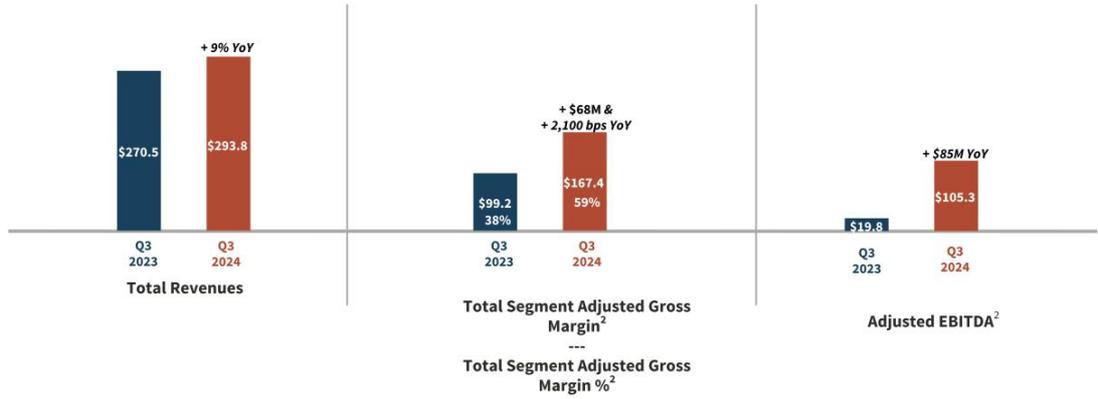
**Raising both Revenue and Adjusted EBITDA<sup>2</sup> Guidance for Full Year**

1. All financial information incorporated within this presentation is unaudited.  
 2. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

# Key Financial Performance Metrics Q3 2024 vs. Q3 2023<sup>1</sup>

(\$ in millions)

■ Q3 2023 ■ Q3 2024



1. All financial information incorporated within this presentation is unaudited.

2. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

## Notable Revenue Elements Q3 2024 vs. Q3 2023<sup>1</sup>

(\$ in millions)	Q3 2023	Q3 2024	% Change
<b>Product sales, net<sup>(2)</sup>:</b>			
NARCAN <sup>®</sup>	\$ 142.1	\$ 95.3	(33)%
Anthrax MCM	32.9	11.4	(65)%
Smallpox MCM	24.7	132.7	437 %
Other Products	50.1	30.1	(40)%
<b>Total Product sales, net</b>	<b>\$ 249.8</b>	<b>\$ 269.5</b>	<b>8 %</b>
<b>Bioservices:</b>			
Services	\$ 13.2	\$ 13.9	5 %
Leases	1.0	0.4	(60)%
<b>Total Bioservices revenues</b>	<b>\$ 14.2</b>	<b>\$ 14.3</b>	<b>1 %</b>
<b>Contracts and grants</b>	<b>\$ 6.5</b>	<b>\$ 10.0</b>	<b>54 %</b>
<b>Total revenues</b>	<b>\$ 270.5</b>	<b>\$ 293.8</b>	<b>9 %</b>

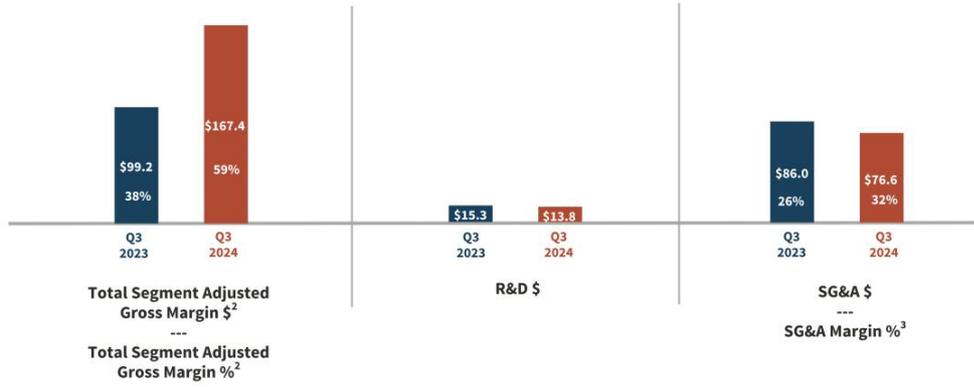
1. All financial information incorporated within this presentation is unaudited.

2. Product sales, net are reported net of variable consideration including returns, rebates, wholesaler fees and prompt pay discounts in accordance with U.S. generally accepted accounting principles.

# Key Financial Performance Metrics Q3 2024 vs. Q3 2023<sup>1</sup>

(\$ in millions)

■ Q3 2023 ■ Q3 2024



1. All financial information incorporated within this presentation is unaudited.

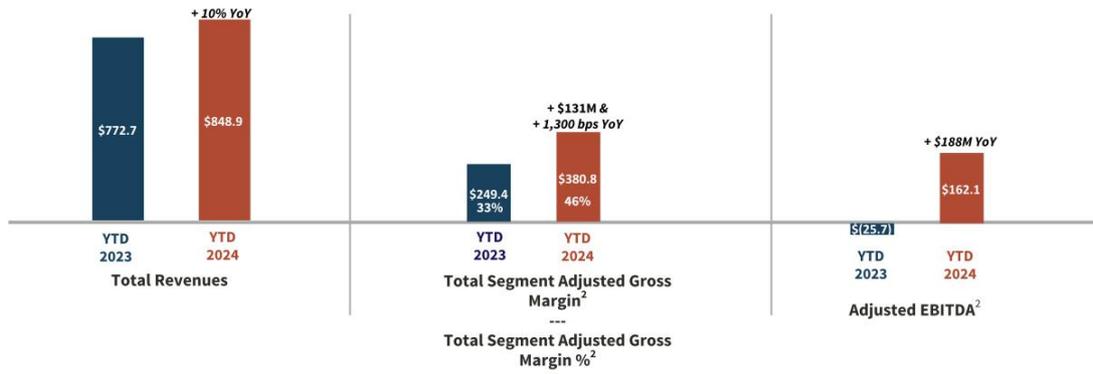
2. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

3. SG&A Margin is calculated as SG&A Expense divided by total revenues.

# Key Financial Performance Metrics YTD 2024 vs. YTD 2023<sup>1</sup>

(\$ in millions)

■ YTD 2023 ■ YTD 2024



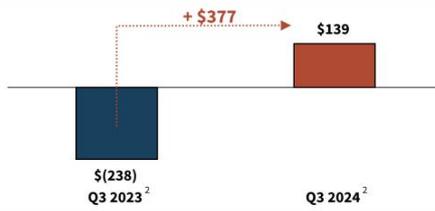
1. All financial information incorporated within this presentation is unaudited.

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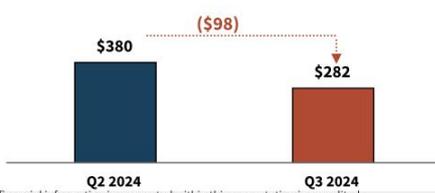
# Significantly Improved Financial Metrics in Q3<sup>1, 4</sup>

\$ in Millions

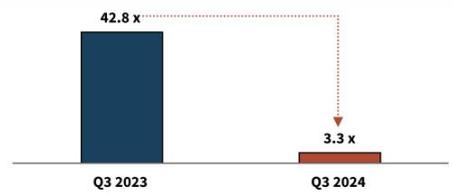
## Turned Around Operating Cash Flow



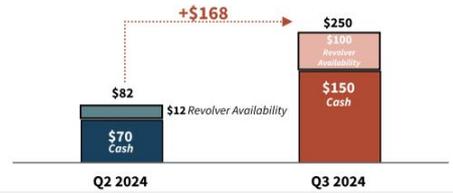
## Reduced Net Working Capital<sup>4</sup>



## Much Lower Net Leverage<sup>3,4</sup>



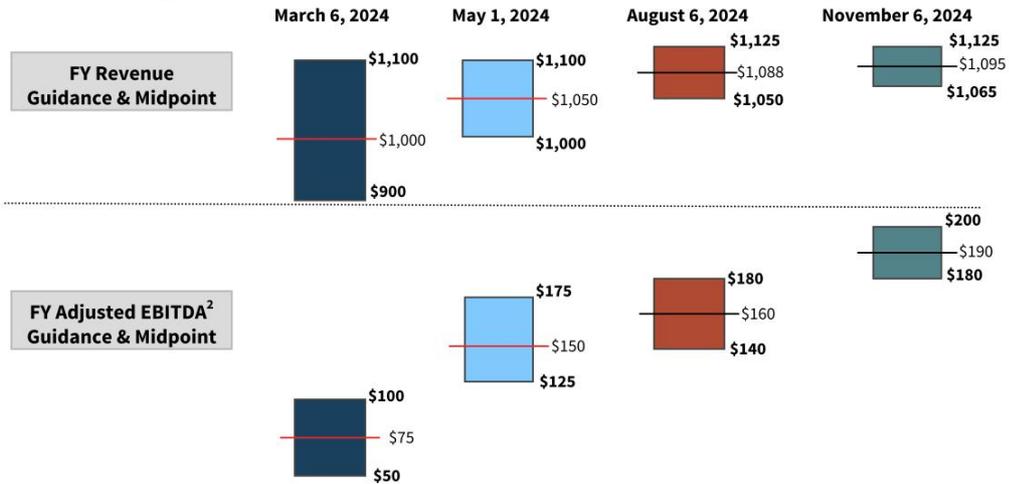
## Stronger Liquidity



1. All financial information incorporated within this presentation is unaudited.  
 2. Operating Cash Flow presented for the nine months ended September 30, 2024 and 2023.  
 3. Net Debt divided by Trailing Twelve Month Adjusted EBITDA.  
 4. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

# 2024 Full Year Revenue & Adjusted EBITDA Guidance<sup>1,2</sup>

Increased Midpoint of 2024 Revenue and Adjusted EBITDA<sup>2</sup> Guidance Range



1. All financial information incorporated within this presentation is unaudited.

2. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

**Continued Focus  
on Our  
Transformation  
Efforts**



# NARCAN<sup>®</sup> Nasal Spray – Making Progress Through Increased Access and Awareness Efforts

## Strong Ongoing Bipartisan Support

CDC reports overdose deaths decreased by 3% between May '23-'24; Making Progress, but with 80,000+ American lives lost there is more work to do.<sup>1</sup>

- In 2023, opioid death rates were highest among American Indian/Alaska Native and Black people, individuals aged 26 to 44, and males.<sup>2</sup>
- OSU study found frequency of layperson administered naloxone drastically increased over the study period, demonstrating the impact of take-home naloxone initiatives.<sup>3</sup>

### Key Highlights:

- Public interest channel volume is up 14% YTD vs. last year
- NARCAN<sup>®</sup> Nasal Spray volumes up 7% YTD
- Strive to offer best-in-class NARCANDirect™ distribution network; opened new West Coast Distribution Center
- Broadened OTC access via retailers, public places, businesses and workplaces
- Support of 'White House Challenge to Save Lives from Overdose' through workplace and public safety measures
- Expanding awareness and education through *Ready to Rescue* campaign
- Donated 20,000 additional doses in October
- Engaged with new stakeholders and channels to expand access; line extensions and kitting

1. Centers for Disease Control and Prevention. Provisional Drug Overdose Death Counts. <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>. Accessed September 26, 2024.  
2. Source: KFF Analysis of Provisional CDC WONDER multiple causes of death files. Accessed September 26, 2024.  
3. JAMA Netw Open. 2024;7(10):e2439427. doi:10.1001/jamanetworkopen.2024.39427. Accessed September 26, 2024.

# Medical Countermeasures – Critical to Public Health Preparedness & Response

## Strong Ongoing Bipartisan Support

The world is facing an ever-growing number of public health threats; WHO declares 2024 mpox surge a 'public health emergency of international concern'

- 16 countries on the African continent have reported mpox cases in the last six weeks. The most affected country in 2024 continues to be the Democratic Republic of the Congo, followed by Burundi.<sup>1</sup>
- Trust for America's Health's new report entitled "Blueprint for Strengthening Public Health 2024" discussed MCMs as a crucial aspect of health security preparedness and calls for new investments in the development, production, and distribution of vaccines, therapeutics, and other essential tools needed to combat public health emergencies.

### Key Highlights:

- Received ~\$500 million in new MCM contract modification awards
- U.S. FDA approval of ACAM2000<sup>®</sup> vaccine for expanded mpox indication
- WHO EUL submission for mpox response
- Donated 50,000 doses of ACAM2000<sup>®</sup> to Direct Relief
- Awarded contract option for Ebanga<sup>™</sup> Development Program
- Ongoing USG and allied government discussions with stakeholders surrounding sustainment of product and preparedness capabilities

1. WHO <https://www.who.int/publications/m/item/multi-country-outbreak-of-mpox-external-situation-report-40-13-october-2024> accessed October 30.

## Entering Our Turnaround Phase

- Continue to be a mission-driven leader in public health
- Diversify revenue stream
- Enable growth and seek new opportunities aligned to our internal capabilities
- Elevate our business lines for today's competitive landscape
- Create long-term and sustainable value for shareholders

*Remain committed to quality and compliance as the foundation of our mission to protect, enhance and help save lives.*

## Focus on Growth Opportunities for Core Business; New CMO Leader Supports Turnaround Efforts

Product	Current Markets	Short-Term (by end 2025)	Mid - / Long-Term (2026 & later)
<b>NARCAN<sup>®</sup> Nasal Spray</b> - Opioid Overdose	US   CAN	Line extentions	market expansion options
<b>ANTHRASIL<sup>®</sup></b> - Anthrax	US   CAN		
<b>CYFENDUS<sup>®</sup></b> - Anthrax	US	Market expansion evaluation	PrEP indication / next gen / alt ROA
<b>Biothrax<sup>®</sup></b> - Anthrax	US   CAN		
<b>Raxibacumab<sup>®</sup></b> - Anthrax	US   CAN   FRA   GER   POL   SGP		
<b>ACAM2000<sup>®</sup></b> - Smallpox	US   AUS   SGP   CAN	Mpox indication (End 2024) / market expansion evaluation	Other orthopox indications
<b>VIGIV<sup>®</sup></b> - Smallpox	US   CAN		Next gen
<b>TEMBEXA<sup>®</sup></b> - Smallpox	US   CAN	Market expansion evaluation	Other orthopox indications
<b>BAT<sup>®</sup></b> - Botulism	US   CAN   UKR   SGP		
<b>Ebanga<sup>™</sup></b> - Ebola (Zaire)	US	Market expansion evaluation / WHO prequalification	Label expansion (high viral load)

## Well Positioned for Turnaround



Continued stabilization helps position EBS for the future



Substantial debt reduction



NARCAN® Nasal Spray continues to be in demand as crisis evolves



New MCM contract awards and orders from the U.S. Government



Strong YTD results build a solid foundation for our turnaround



Well positioned for success, driven by our unique focus on addressing global health threats

Q&A



## End Notes: Non-GAAP Financial Measures

In this presentation, we sometimes use information derived from consolidated and segment financial information that may not be presented in our financial statements or prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). Certain of these financial measures are considered not in conformity with GAAP ("non-GAAP financial measures") under the United States Securities and Exchange Commission ("SEC") rules. Specifically, we have referred to the following non-GAAP financial measures:

- **Adjusted Net Income (Loss)**
- **Adjusted EBITDA**
- **Total Segment Revenues**
- **Total Segment Gross Margin**
- **Total Segment Adjusted Gross Margin**
- **Total Segment Adjusted Gross Margin %**
- **Segment Adjusted Gross Margin**
- **Segment Adjusted Gross Margin %**
- **Net Debt**
- **Net Leverage Ratio**
- **Net Working Capital**

We define Adjusted Net Income (Loss), which is a non-GAAP financial measure, as net income (loss) excluding the impact of changes in fair value of financial instruments, acquisition and divestiture-related costs, severance and restructuring costs, settlement charges, net, exit and disposal costs, impairment charges, gain (loss) on sale of business, non-cash amortization charges, contingent consideration milestones, and other income (expense) items. We believe that these non-GAAP financial measures, when considered together with our GAAP financial results and GAAP financial measures, provide management and investors with an additional understanding of our business operating results, including underlying trends.

We define Adjusted EBITDA, which is a non-GAAP financial measure, as consolidated net income (loss) before income tax provision (benefit), interest expense, net, depreciation, amortization of intangible assets, excluding the impact of changes in fair value of financial instruments, acquisition and divestiture-related costs, severance and restructuring costs, settlement charges, net, exit and disposal costs, impairment charges, gain (loss) on sale of business, non-cash amortization charges, contingent consideration milestones and other income (expense) items. We believe that this non-GAAP financial measure, when considered together with our GAAP financial results and GAAP financial measures, provides management and investors with a more complete understanding of our operating results, including underlying trends. In addition, EBITDA is a common alternative measure of operating performance used by many of our competitors. It is used by investors, financial analysts, rating agencies and others to value and compare the financial performance of companies in our industry, although it may be defined differently by different companies. Therefore, we also believe that this non-GAAP financial measure, considered along with corresponding GAAP financial measures, provides management and investors with additional information for comparison of our operating results with the operating results of other companies.

We have included the definitions of Segment Gross Margin and Segment Gross Margin %, which are GAAP financial measures, below in order to more fully define the components of certain non-GAAP financial measures presented in this presentation. We define Segment Gross Margin, as a segment's revenues, less a segment's cost of sales or services. We define Segment Gross Margin %, as Segment Gross Margin as a percentage of a segment's revenues. We define Segment Adjusted Gross Margin, which is a non-GAAP financial measure as Segment Gross Margin excluding the impact of restructuring costs, changes in the fair value of financial instruments, settlement charges, net and inventory step-up provision. We define Segment Adjusted Gross Margin %, which is a non-GAAP financial measure, as Segment Adjusted Gross Margin as a percentage of a segment's revenues.

We define Total Segment Revenues, which is a non-GAAP financial measure, as our Total Revenues, less contracts and grants revenue, which is also equal to the sum of the revenues of our reportable operating segments. We define Total Segment Gross Margin, which is a non-GAAP financial measure, as Total Segment Revenues less our aggregate cost of sales or services. We define Total Segment Gross Margin %, which is a non-GAAP financial measure, as Total Segment Gross Margin as a percentage of Total Segment Revenues. We define Total Segment Adjusted Gross Margin, which is a non-GAAP financial measure, as Total Segment Gross Margin, excluding the impact of restructuring costs, settlement charges, net, changes in the fair value of financial instruments and inventory step-up provision. We define Total Segment Adjusted Gross Margin %, which is a non-GAAP financial measure, as Total Segment Adjusted Gross Margin as a percentage of Total Segment Revenues.

We define Net Debt, which is a non-GAAP financial measure, as our total debt less our cash and cash equivalents. We believe this non-GAAP financial measure, when considered together with our GAAP financial results, provides management and investors with an additional understanding of the Company's ability to pay its debts.

We define Net Leverage Ratio, which is a non-GAAP financial measure, as our Net Debt divided by our Trailing Twelve Month Adjusted EBITDA. We believe this non-GAAP financial measure, when considered together with our GAAP financial results, provides management and investors with an additional understanding of the Company's current borrowing capabilities.

We define Net Working Capital, which is a non-GAAP financial measure, as the difference between our current assets, excluding cash and cash equivalents and our current liabilities, excluding debt, current portion. We believe this non-GAAP financial measure, when considered together with our GAAP financial results, provides management and investors with an additional understanding of the Company's ability to pay its current obligations.

Non-GAAP financial measures are not defined in the same manner by all companies and may not be comparable with other similarly titled measures of other companies. The determination of the amounts that are excluded from these non-GAAP financial measures are a matter of management judgment and depend upon, among other factors, the nature of the underlying expense or income amounts. Because non-GAAP financial measures exclude the effect of items that will increase or decrease the Company's reported results of operations, management strongly encourages investors to review the Company's consolidated financial statements and publicly filed reports in their entirety. For additional information on the non-GAAP financial measures noted here, please refer to the reconciliation tables provide in the Appendix to this presentation as well as the associated press release which can be found on the Company's website at [www.emergentbiosolutions.com](http://www.emergentbiosolutions.com).

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# Appendix

## 2024 Forecast – Updated as of 11/6/2024

METRIC (\$ in millions)	Updated Range (as of 11/6/2024)		Previous Range (as of 08/06/2024)	Previous Range (as of 05/01/2024)	Previous Range (as of 03/06/2024)
<b>Total revenues</b>	\$1,065 - \$1,125	↑	\$1,050 - \$1,125	\$1,000 - \$1,100	\$900 - \$1,100
<b>Net loss</b>	\$(203) - \$(183)	↑	\$(314) - \$(274)	\$(148) - \$(98)	\$(183) - \$(133)
<b>Adjusted net loss</b> <sup>(1)</sup>	\$(50) - \$(30)	↑	\$(115) - \$(75)	\$(65) - \$(15)	\$(130) - \$(80)
<b>Adjusted EBITDA</b> <sup>(1)</sup>	\$180 - \$200	↑	\$140 - \$180	\$125 - \$175	\$50 - \$100
<b>Total segment adjusted gross margin %</b> <sup>(1)</sup>	43% - 45%	↑	42% - 45%	44% - 47%	40% - 45%
<b>Segment Level Revenue</b> <sup>(2)</sup>					
Commercial Products	\$420 - \$430	↓	\$450 - \$480	\$460 - \$500	\$460 - \$500
MCM Products	\$510 - \$550	↑	\$455 - \$490	\$440 - \$490	\$340 - \$490
Services <sup>(3)</sup>	\$105 - \$110	↓	\$120 - \$130	\$70 - \$80	\$70 - \$80
<b>Key Assumptions</b> (\$ and shares in millions)					
Interest expense	Updated Range (as of 11/6/2024)				
	~\$75				
R&D	~7% of Revenue				
Weighted avg. fully diluted share count	~53				
Capex	~\$25				
Depreciation & amortization	~\$109				

1. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

2. Other Commercial products, which includes Vivotif® and Vaxchora®, which were sold to Bavarian Nordic as part of our travel health business in May 2023, are not included in the 2024 forecast. **26**

3. Services revenue forecast includes \$50.0 million related to the Settlement Agreement with Janssen and excludes revenues related to the Baltimore-Camden Facility after August 20, 2024.

## Product Portfolio | Key Product Details

Product	FDA Approved	Production	Contract Terms	2024 Award	Current Markets	2024 FY Revenue Forecast (\$M)
NARCAN® Nasal Spray - Opioid Overdose	<input checked="" type="checkbox"/>	3rd party	In-Year Procurement	<input checked="" type="checkbox"/>	US   CAN	\$420 - \$430
ANTHRASIL® - Anthrax	<input checked="" type="checkbox"/>	Winnipeg	In-Year Procurement	<input checked="" type="checkbox"/>	US   CAN	
CYFENDUS® - Anthrax	<input checked="" type="checkbox"/>	Lansing	10 Yr thru 2026*	<input checked="" type="checkbox"/>	US	
Biothrax® - Anthrax	<input checked="" type="checkbox"/>	Lansing	5 Yr Base + 5 Extension thru 2033*	<input checked="" type="checkbox"/>	US   CAN	
Raxibacumab® - Anthrax	<input checked="" type="checkbox"/>	N/A	N/A	<input checked="" type="checkbox"/>	US   CAN   FRA   GER   POL   SGP	
ACAM2000® - Smallpox	<input checked="" type="checkbox"/>	Canton / Rockville	10 Yr thru 2029*	<input checked="" type="checkbox"/>	US   AUS   SGP   CAN	
VIGIV® - Smallpox	<input checked="" type="checkbox"/>	Winnipeg	10 Yr thru 2029*	<input checked="" type="checkbox"/>	US   CAN	
TEMBEXA® - Smallpox	<input checked="" type="checkbox"/>	3rd party	10 Yr thru 2029*	<input checked="" type="checkbox"/>	US   CAN	
BAT® - Botulism	<input checked="" type="checkbox"/>	Winnipeg	10 YR thru 2029*	<input checked="" type="checkbox"/>	US   CAN   UKR   SGP	
Ebanga™ - Ebola (Zaire)		R&D Development		<input checked="" type="checkbox"/>	US	

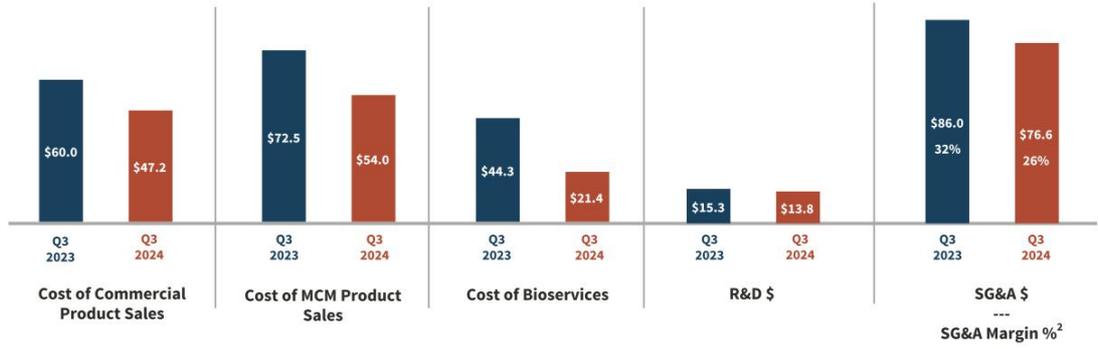
# Streamlining Toward a Leaner Site Network, While Maintaining Capabilities to Meet/Exceed All Customer and Product Demand



# Key Financial Performance Metrics Q3 2024 vs. Q3 2023<sup>1</sup>

(\$ in millions)

■ Q3 2023 ■ Q3 2024

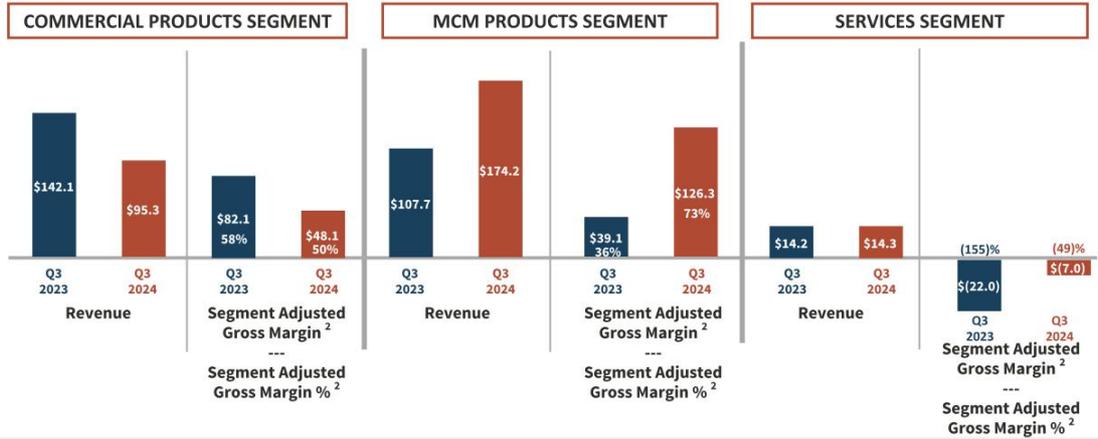


1. All financial information incorporated within this presentation is unaudited.  
 2. SG&A Margin is calculated as SG&A Expense divided by total revenues.

# Segment Reporting Q3 2024 vs. Q3 2023<sup>1</sup>

(\$ in millions)

■ Q3 2023 ■ Q3 2024



1. All financial information incorporated within this presentation is unaudited.  
 2. See "End Notes: Non-GAAP Financial Measures" and "Appendix" for the definitions of non-GAAP terms and reconciliations to the most directly comparable GAAP financial measures.

## Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss) - Q3 2024 vs. Q3 2023

(unaudited, \$ in millions)	Three Months Ended September 30,		Source
	2024	2023	
<b>Net income (loss)</b>	\$ 114.8	\$ (263.4)	
Adjustments:			
Non-cash amortization charges	\$ 9.7	\$ 21.9	Amortization of intangible assets (IA), Other Income
Changes in fair value of financial instruments	(1.1)	(1.1)	Cost of MCM Products and Other Income (Expense)
Impairments	—	218.2	Impairment of long-lived assets and goodwill
Severance and restructuring costs	6.3	20.6	Cost of MCM Products, Cost of Services, SG&A and R&D
Inventory step-up provision	1.2	—	Cost of MCM Products
Loss (gain) on sale of business	(64.3)	0.7	Other Income (Expense)
Settlement charges, net	10.0	—	Cost of Services and SG&A
Contingent consideration milestones	(30.0)	—	Other Income (Expense)
Other expense (income), net items	6.7	—	Other Income (Expense)
Tax effect	22.9	(53.1)	
Total adjustments:	\$ (38.6)	\$ 207.2	
<b>Adjusted net income (loss)</b>	\$ 76.2	\$ (56.2)	

## Reconciliation of Net Loss to Adjusted Net Loss – YTD 2024 vs. YTD 2023

<i>(unaudited, \$ in millions)</i>	Nine Months Ended September 30,		Source
	2024	2023	
<b>Net loss</b>	\$ (159.3)	\$ (711.0)	
Adjustments:			
Non-cash amortization charges	\$ 54.0	\$ 65.0	Amortization of intangible assets (IA), Other Income
Changes in fair value of financial instruments	(0.5)	(0.4)	Cost of MCM Products and Other Income (Expense)
Impairments	27.2	524.9	Impairment of long-lived assets and goodwill
Severance and restructuring costs	22.9	34.5	Cost of MCM Products, Cost of Services, SG&A and R&D
Inventory step-up provision	1.2	1.9	Cost of MCM Products
Acquisition and divestiture costs	—	2.8	SG&A
Exit and disposal costs	13.3	6.1	R&D
Loss (gain) on sale of business	(24.3)	(74.2)	Other Income (Expense)
Settlement charges, net	120.2	—	Cost of Services and SG&A
Contingent consideration milestones	(30.0)	—	Other Income (Expense)
Other expense (income), net items	9.8	—	Other Income (Expense)
Tax effect	(49.2)	(122.6)	
<b>Total adjustments:</b>	\$ 144.6	\$ 438.0	
<b>Adjusted net income (loss)</b>	\$ (14.7)	\$ (273.0)	

## Reconciliation of Net Income (Loss) to Adjusted EBITDA - Q3 2024 vs. Q3 2023

<i>(unaudited, \$ in millions)</i>	Three Months Ended September 30,	
	2024	2023
<b>Net income (loss)</b>	\$ 114.8	\$ (263.4)
Adjustments:		
Depreciation & amortization	\$ 26.4	\$ 27.9
Income taxes	27.6	(2.5)
Total interest expense, net	7.7	19.4
Impairments	—	218.2
Inventory step-up provision	1.2	—
Changes in fair value of financial instruments	(1.1)	(1.1)
Severance and restructuring costs	6.3	20.6
Loss (gain) on sale of business	(64.3)	0.7
Settlement charges, net	10.0	—
Contingent consideration milestones	(30.0)	—
Other expense (income), net items	6.7	—
Total adjustments	\$ (9.5)	\$ 283.2
<b>Adjusted EBITDA</b>	<b>\$ 105.3</b>	<b>\$ 19.8</b>

## Reconciliation of Net Loss to Adjusted EBITDA – YTD 2024 vs. YTD 2023

<i>(unaudited, \$ in millions)</i>	Nine Months Ended September 30,	
	2024	2023
<b>Net loss</b>	\$ (159.3)	\$ (711.0)
Adjustments:		
Depreciation & amortization	\$ 82.8	\$ 95.5
Income taxes	44.0	34.3
Total interest expense, net	54.8	59.9
Impairments	27.2	524.9
Inventory step-up provision	1.2	1.9
Changes in fair value of financial instruments	(0.5)	(0.4)
Severance and restructuring costs	22.9	34.5
Exit and disposal costs	13.3	6.1
Acquisition and divestiture costs	—	2.8
Loss (gain) on sale of business	(24.3)	(74.2)
Settlement charges, net	120.2	—
Contingent consideration milestones	(30.0)	—
Other expense (income), net items	9.8	—
Total adjustments	\$ 321.4	\$ 685.3
<b>Adjusted EBITDA</b>	\$ 162.1	\$ (25.7)

**Reconciliations of Total Revenues to Total Segment Revenues and of Segment and Total Segment Gross Margin and Gross Margin % to Segment and Total Segment Adjusted Gross Margin and Adjusted Gross Margin % - Q3 2024 vs. Q3 2023**

Three Months Ended September 30, 2024 (unaudited, in millions)	Commercial Products	MCM Products	Services	Total Segment	Contracts & Grants	Total Revenues
Revenues	\$ 95.3	\$ 174.2	\$ 14.3	\$ 283.8	\$ 10.0	\$ 293.8
Cost of sales or services	47.2	54.0	21.4	122.6		
Gross margin	\$ 48.1	\$ 120.2	\$ (7.1)	\$ 161.2		
Gross margin %	50 %	69 %	(50)%	57 %		
<b>Add back:</b>						
Inventory step-up provision	—	1.2	—	1.2		
Restructuring costs	—	4.9	0.1	5.0		
Adjusted gross margin	\$ 48.1	\$ 126.3	\$ (7.0)	\$ 167.4		
Adjusted gross margin % <sup>(1)</sup>	50 %	73 %	(49)%	59 %		

Three Months Ended September 30, 2023 (unaudited, in millions)	Commercial Products	MCM Products	Services	Total Segment	Contracts & Grants	Total Revenues
Revenues	\$ 142.1	\$ 107.7	\$ 14.2	\$ 264.0	\$ 6.5	\$ 270.5
Cost of sales or services	60.0	72.5	44.3	176.8		
Gross margin	\$ 82.1	\$ 35.2	\$ (30.1)	\$ 87.2		
Gross margin %	58 %	33 %	(212)%	33 %		
<b>Add back:</b>						
Changes in fair value of contingent consideration	\$ —	\$ (1.1)	\$ —	\$ (1.1)		
Restructuring costs	—	5.0	8.1	13.1		
Adjusted gross margin	\$ 82.1	\$ 39.1	\$ (22.0)	\$ 99.2		
Adjusted gross margin %	58 %	36 %	(155)%	38 %		

**Reconciliations of Total Revenues to Total Segment Revenues and of Segment and Total Segment Gross Margin and Gross Margin % to Segment and Total Segment Adjusted Gross Margin and Adjusted Gross Margin % – YTD 2024 vs. YTD 2023**

Nine Months Ended September 30, 2024 (unaudited, in millions)	Commercial Products	MCM Products	Services	Total Segment	Contracts & Grants	Total Revenues
<b>Revenues</b>	\$ 333.8	\$ 393.0	\$ 97.5	\$ 824.3	\$ 24.6	\$ 848.9
<b>Cost of sales or services</b>	152.7	147.3	263.3	563.3		
<b>Gross margin</b>	\$ 181.1	\$ 245.7	\$ (165.8)	\$ 261.0		
<b>Gross margin %</b>	54 %	63 %	(170)%	32 %		
<b>Add back:</b>						
Changes in fair value of financial instruments	\$ —	\$ 0.6	\$ —	\$ 0.6		
Inventory step-up provision	—	1.2	—	1.2		
Settlement charges, net	—	—	110.2	110.2		
Restructuring costs	—	7.5	0.3	7.8		
<b>Adjusted gross margin</b>	\$ 181.1	\$ 255.0	\$ (55.3)	\$ 380.8		
<b>Adjusted gross margin %<sup>(1)</sup></b>	54 %	65 %	(57)%	46 %		

<sup>(1)</sup> Total Segment results for the nine months ended September 30, 2024 includes \$50.0 million attributable to the Settlement Agreement with Janssen. The revenue and cost of services is related to raw materials purchased for the Janssen Agreement which Janssen had not reimbursed. Excluding the impacts of the Settlement Agreement, Total Segment Adjusted Gross Margin % would have been 3% higher for the nine months ended September 30, 2024.

Nine Months Ended September 30, 2023 (unaudited, in millions)	Commercial Products	MCM Products	Services	Total Segment	Contracts & Grants	Total Revenues
<b>Revenues</b>	\$ 386.2	\$ 309.2	\$ 57.7	\$ 753.1	\$ 19.6	\$ 772.7
<b>Cost of sales or services</b>	160.2	208.4	151.7	520.3		
<b>Gross margin</b>	\$ 226.0	\$ 100.8	\$ (94.0)	\$ 232.8		
<b>Gross margin %</b>	59 %	33 %	(163)%	31 %		
<b>Add back:</b>						
Changes in fair value of contingent consideration	\$ —	\$ (0.4)	\$ —	\$ (0.4)		
Inventory step-up provision	—	1.9	—	1.9		
Restructuring costs	—	7.0	8.1	15.1		
<b>Adjusted gross margin</b>	\$ 226.0	\$ 109.3	\$ (85.9)	\$ 249.4		
<b>Adjusted gross margin %</b>	59 %	35 %	(149)%	33 %		

## Reconciliation of Total Debt to Net Debt<sup>1</sup> and Leverage Ratio to Net Leverage Ratio

<i>(unaudited, \$ in millions)</i>	As of September 30, 2024	As of September 30, 2023	As of December 31, 2023
<b>Total debt</b>	\$ 700.8	\$ 866.3	\$ 868.4
Less: Cash and cash equivalents	149.9	87.8	111.7
<b>Net debt</b>	<u>\$ 550.9</u>	<u>\$ 778.5</u>	<u>\$ 756.7</u>
	Trailing twelve months ended September 30, 2024	Trailing twelve months ended September 30, 2023	
<b>Net loss</b>			
Nine months ended September 30, 2024 and 2023	\$ (159.3)	\$ (711.0)	
Plus: Year ended December 31, 2023 and 2022	(760.5)	(211.6)	
Less: Nine months ended September 30, 2023 and 2022	(711.0)	(144.6)	
<b>Twelve months ended September 30, 2024 and 2023</b>	<u>\$ (208.8)</u>	<u>\$ (778.0)</u>	
<b>Trailing twelve month adjustments:</b>			
Depreciation & amortization	112.4	131.1	
Income taxes	39.0	39.9	
Total interest expense, net	75.8	70.6	
Impairments	27.2	531.6	
Inventory step-up provision	3.2	53.3	
Changes in fair value of financial instruments	0.1	(0.2)	
Severance and restructuring costs	21.8	34.5	
Exit and disposal costs	19.7	6.1	
Acquisition and divestiture costs	1.9	3.5	
Loss (gain) on sale of business	(24.3)	(74.2)	
Settlement charges, net	120.2	—	
Contingent consideration milestones	(30.0)	—	
Other expense (income), net items	7.3	—	
<b>Total adjustments</b>	<u>\$ 374.3</u>	<u>\$ 796.2</u>	
<b>Trailing twelve month adjusted EBITDA</b>	<u>\$ 165.5</u>	<u>\$ 18.2</u>	
<b>Net Leverage Ratio</b>	<u>3.3</u>	<u>\$ 42.8</u>	

1. Debt amount indicated on the Company's balance sheet is net of unamortized debt issuance costs of \$38.2M as of September 30, 2024, \$4.5M as of September 30, 2023 and \$1.6M as of June 30, 2024.

## Reconciliation of Working Capital to Net Working Capital

<i>(unaudited, \$ in millions)</i>	As of		As of		As of	
	September 30, 2024		June 30, 2024		September 30, 2023	
<b>Working Capital</b>	\$	431.5	\$	34.8	\$	56.8
Less: Cash and cash equivalents		149.9		69.7		87.8
Add: Debt, current portion <sup>1</sup>		0.8		415.2		413.6
<b>Net working capital</b>	\$	282.4	\$	380.3	\$	382.6

1. Debt, current portion indicated on the Company's balance sheet is net of no current unamortized debt issuance costs of as of September 30, 2024, \$1.5 million current unamortized debt issuance costs as of June 30, 2024 and \$9.4 million unamortized debt issuance costs as of September 30, 2023.

## Reconciliation of Net Loss to Adjusted Net Loss – FY 2024 Forecast

(\$ in millions)	2024 Full Year Forecast	Source
<b>Net loss</b>	\$ (203) - \$ (183)	
Adjustments:		
Non-cash amortization charges	\$65	Amortization of intangible assets and Other Income (Expense)
Changes in fair value of financial instruments	(1)	Other Income (Expense)
Impairments	27	Impairment of long-lived assets
Severance and restructuring costs	23	Cost of MCM Products, Cost of Services, SG&A and R&D
Inventory step-up provision	1	Cost of MCM Products
Exit and disposal costs	13	R&D
Loss (gain) on sale of business	(24)	Other Income (Expense)
Settlement charges, net	120	Cost of Services and SG&A
Contingent consideration milestones	(30)	Other Income (Expense)
Other expense (income), net items	10	Other Income (Expense)
Tax effect	(51)	
Total adjustments:	\$153	
<b>Adjusted net loss</b>	<u>\$ (50) - \$ (30)</u>	

## Reconciliation of Net Loss to Adjusted EBITDA – FY 2024 Forecast

<i>(\$ in millions)</i>	<b>2024 Full Year Forecast</b>
<b>Net loss</b>	\$(203) - \$(183)
Adjustments:	
Depreciation & amortization	\$109
Income taxes	60
Total interest expense, net	75
Impairments	27
Inventory step-up provision	1
Changes in fair value of financial instruments	(1)
Severance and restructuring costs	23
Exit and disposal costs	13
Loss (gain) on sale of business	(24)
Settlement charges, net	120
Contingent consideration milestones	(30)
Other expense (income), net items	10
<b>Total adjustments</b>	<b>\$383</b>
<b>Adjusted EBITDA</b>	<b>\$180 - \$200</b>

**Reconciliations of Forecasted Total Revenues to Forecasted Total Segment Revenues and of Forecasted Segment and Total Segment Gross Margin and Gross Margin % to Forecasted Segment and Total Segment Adjusted Gross Margin and Adjusted Gross Margin % - FY 2024 Forecast**

<i>(in millions)</i>	<b>2024 Full Year Forecast</b>
<b>Total revenues</b>	\$1,065 - \$1,125
Contracts & Grants	(30) - (35)
<b>Total segment revenues</b>	\$1,035 - \$1,090
<b>Cost of sales or services</b>	\$710 - \$719
<b>Total segment gross margin</b>	\$325 - \$371
<b>Total segment gross margin %</b>	31% - 34%
<b>Add back:</b>	
Changes in fair value of financial instruments	\$1
Inventory step-up provision	1
Settlement charges, net	110
Restructuring costs	8
<b>Total segment adjusted gross margin</b>	\$445 - \$491
<b>Total segment adjusted gross margin %</b>	43% - 45%

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