

*Lilly* A MEDICINE COMPANY

# 2024 Year in Review

Eli Lilly and Company



# To Our Lilly Shareholders

A letter from our Chair and CEO



In a year marked by tremendous global change, Lilly's dedication to improving human health resulted in remarkable progress for patients. We advanced our pipeline, expanded manufacturing capacity to meet growing demand, and delivered innovative new medicines to more than 58 million people around the world.

## Transforming Health

In 2024, we continued to introduce groundbreaking treatments for serious diseases. Kisunla received approval in the U.S. for the treatment of early symptomatic Alzheimer's disease, including mild cognitive impairment or mild dementia. People suffering from eczema now have a much-needed treatment option with U.S. regulatory approval of Ebglyss for moderate-to-severe atopic dermatitis. The FDA also approved a new indication for Zepbound, the first and only medicine to treat moderate-to-severe obstructive sleep apnea in adults with obesity.

Our launch of LillyDirect has made it easier for people living with chronic conditions to access quality care and treatment. The platform provides personalized digital tools and services to help patients take charge of their own health journeys with the aim of achieving better outcomes. In addition to streamlining access, LillyDirect ensures that patients receive safe and effective medicines for obesity, diabetes and migraine directly from a secure, trusted source.

## Delivering Results

Our growth continued to accelerate in 2024, as full-year revenue increased 32%, reaching \$45 billion. In the fourth quarter alone, revenue grew 45% compared to Q4 2023, as our portfolio of new medicines gained momentum.

Foundational to our long-term strategy of balanced growth was the exciting pipeline

progress we saw across obesity, diabetes, oncology, neuroscience and immunology. We announced positive data readouts for tirzepatide, imlunestrant and insulin efsitora alfa. Based on early phase data, we initiated Phase 3 programs for lepodisiran, remternetug and olomorasib. In 2025, we look forward to several important late-stage readouts that have the potential to contribute significantly to further growth.

### Investing to Grow

We continued to complement our pipeline with external innovation in 2024, acquiring Morphic Therapeutic and announcing a collaboration with OpenAI to invent novel antimicrobials. We opened the Lilly Seaport Innovation Center in Boston as a hub for Lilly's genetic medicine efforts, and we announced a new Lilly Gateway Labs site in the U.K. to collaborate with European researchers.

We also made substantial investments in our supply chain and expanded our manufacturing footprint to support the increasing demand for our medicines across therapeutic areas. In early 2025, we announced a major new investment in U.S. manufacturing — bringing our total commitment since 2020 to more than \$50 billion — as we establish capacity to deliver our innovative treatments for years to come.

### Innovating for Good

In 2024, Lilly furthered its commitment to people, the planet and society. Our most profound global impact is reflected in the millions of patients who benefit from our medicines each year.

We have established bold sustainability objectives and are making steady progress toward our 2030 climate goals. Among other initiatives, we signed an agreement to purchase approximately 450,000 megawatt-hours of renewable electricity per year from a new large-scale wind farm, representing over 90% of our current electrical demand in North America.

Global health is also central to our purpose. Through investments in medicines and health systems, we made strides toward our 30x30 goal of improving quality health care for 30 million people living in resource-limited settings annually by 2030. At this writing, we estimate these efforts in the U.S. and around the world reached approximately 20 million people in 2024.

### Driving Progress for Patients

In the nearly 150 years Lilly has been creating medicines, our opportunity to transform human health has never been greater. With your support, we will continue to tackle the most critical medical challenges with science, courage and persistence in the face of obstacles. Inspired by the stories patients share with us daily and the growing global impact of Team Lilly, we are driven to make medicine better and better.



DAVID A. RICKS



**58.2 million**  
total patients reached with  
our medicines in 2024

# Delivering Results

## Financial Highlights

\$ in millions, except per share data

	2024	2023	
Revenue	\$45,043	\$34,124	+32%
Net Income	\$10,590	\$5,240	+102%
Dividends Per Share	\$5.20	\$4.52	+15%
R&D	\$10,991	\$9,313	+18%
R&D as a % of Revenue	24%	27%	
Acquired IPR&D	\$3,280	\$3,800	-14%
Capital Expenditures	\$5,058	\$3,448	+47%
EPS-Diluted	\$11.71	\$5.80	+102%
Non-GAAP EPS-Diluted	\$12.99	\$6.32	+106%

### Reconciliation of EPS-Diluted to Non-GAAP EPS-Diluted

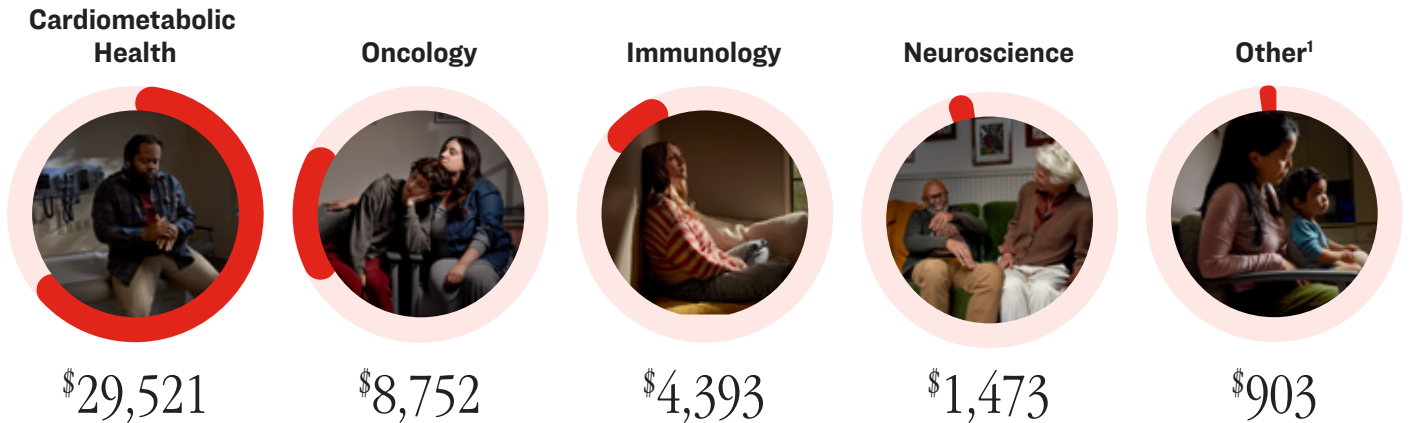
Numbers may not add due to rounding

	2024	2023
<b>Earnings Per Share (Reported)</b>	<b>\$11.71</b>	<b>\$5.80</b>
Amortization of intangible assets <sup>1</sup>	\$0.49	\$0.45
Asset impairment, restructuring and other special charges <sup>2</sup>	\$0.75	\$0.06
Net losses on investments in equity securities	\$0.04	\$0.02
<b>Earnings Per Share (Non-GAAP)</b>	<b>\$12.99</b>	<b>\$6.32</b>

1. Exclude amortization of intangibles primarily associated with costs of marketed products acquired or licensed from third parties. 2. Excludes charges related to intangible asset impairment for Vitrakvi and charges related to litigation.

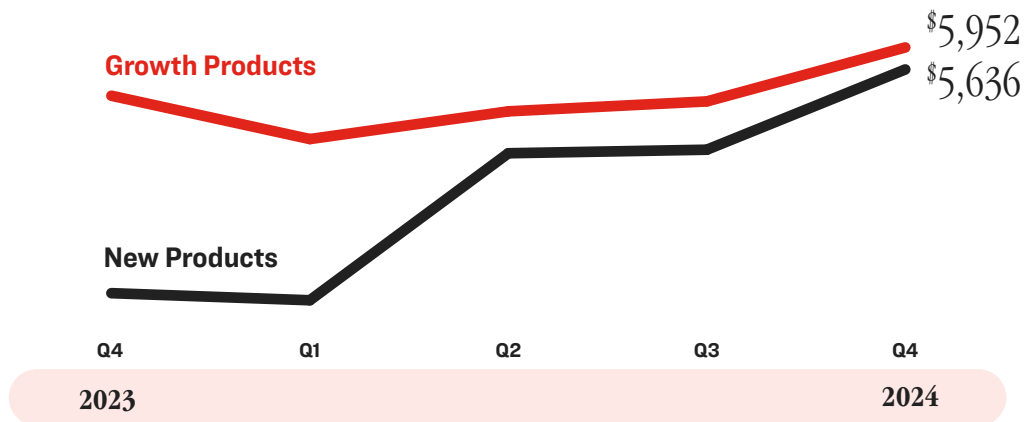
## Revenue by Therapeutic Area

\$ in millions and numbers may not reconcile due to rounding



## Quarterly Revenue Contribution of New and Growth Products²

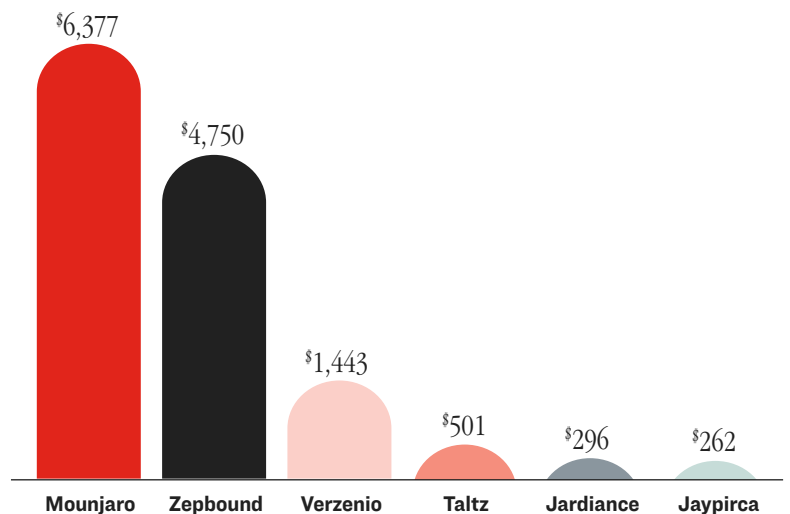
\$ in millions



## Select Product Revenue Growth³

\$ in millions represent growth in revenue in 2024 vs. 2023

Six products — Mounjaro, Zepbound, Verzenio, Taltz, Jardiance and Jaypirca — together generated revenue growth of \$13.6 billion, driven by volume increases.



1. Comprised primarily of sales for Cialis, Forteo, Humatrope, and numerous other legacy products. 2. For purposes of this year-in-review, Lilly defines New Products as select products launched since 2022, which currently consist of Ebgllyss, Jaypirca, Kisunla, Mounjaro, Omvoh and Zepbound. Lilly defines Growth Products as select products launched prior to 2022, which currently consist of Cyramza, Emgality, Jardiance, Olumiant, Retevmo, Taltz, Trulicity, Tyvyt and Verzenio. 3. Excludes one-time payments related to business development.

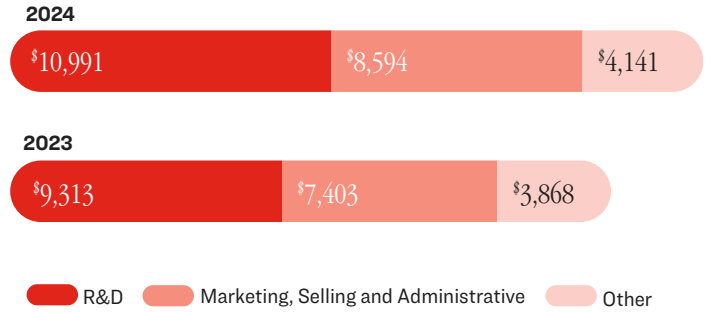
## Operating Expenses

\$ in millions

Increase in R&D expenses was primarily driven by continued investments in our early and late-stage portfolio.

Increase in marketing, selling and administrative expenses was primarily driven by promotional efforts supporting ongoing and future launches.

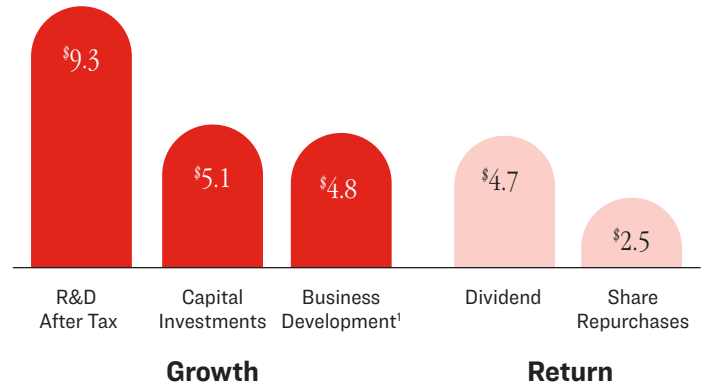
Other charges primarily included acquired IPR&D due to asset acquisitions and business development transactions.



## Capital Allocation

\$ in billions

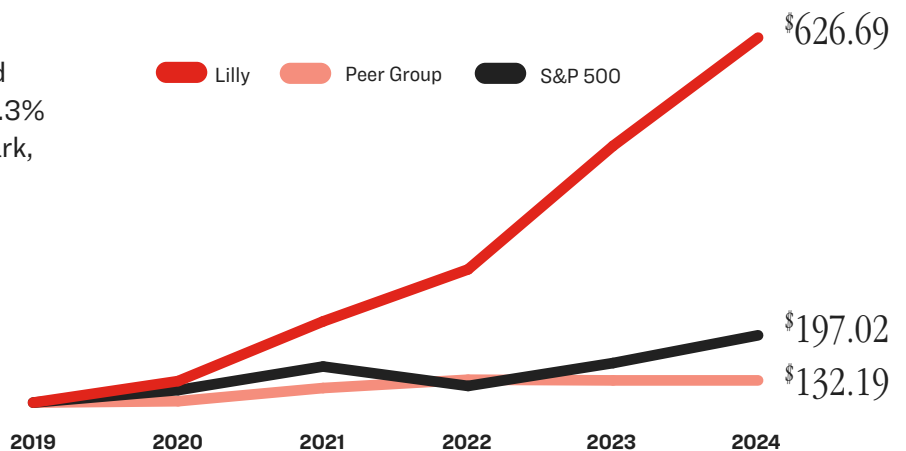
In 2024, we invested \$19.2 billion to drive future growth through a combination of R&D expenditures, capital investments and business development outlays, and we returned \$7.2 billion to shareholders via dividends and share repurchases.



## Total Shareholder Return

Value of \$100 invested in Lilly, S&P 500 Stock Index, and Peer Group<sup>2</sup>

Over the past five years, Lilly's annualized total shareholder return has averaged 44.3% compared to 14.5% for the S&P benchmark, and 5.7% for the Peer Group.



1. Includes development milestones, closed acquisitions and cash outflows associated with equity investments; does not include cash inflows from business development transactions. 2. The peer group, for purposes of this graph, is comprised of the following companies in the pharmaceutical and biotechnology industries: AbbVie Inc.; Amgen Inc.; AstraZeneca PLC; Biogen Inc.; Bristol-Myers Squibb Company; Gilead Sciences Inc.; GlaxoSmithKline plc; Johnson & Johnson; Merck & Co., Inc.; Novartis AG; Novo Nordisk A/S; Pfizer Inc.; Roche Holding AG; Sanofi S.A.; and Takeda Pharmaceutical Company Limited. The peer group used for performance benchmarking aligns with the peer group used for executive compensation purposes for 2024.

# Innovating for Good

## Sustainability Highlights

### Continued progress against our 2030 environmental goals

- Implemented a new on-site solar array at our Corporate Headquarters in Indianapolis and now operate on-site solar arrays in eight countries.
- Advanced our commitment to 100% renewable electricity by signing an agreement to purchase power from a new large-scale wind farm, which is expected to generate approximately 450,000 megawatt-hours of renewable electricity per year, representing over 90% of our current electrical demand in North America.

### Continued progress toward our goal to expand access to quality healthcare

- Partnered with EVA Pharma to expand access to insulin and baricitinib in Africa.
- Donated \$6.5 million to the U.S. Fund for UNICEF to enhance health outcomes for at-risk children and youth in resource-limited settings in India.
- Launched LillyDirect, a direct-to-consumer digital healthcare experience for patients in the U.S., expanding access to millions of adults with obesity, diabetes and migraine directly from a secure, trusted source.

**~50 percent**

of electricity purchased from renewable sources, doubling our renewable energy purchasing compared to 2023



**58.2 million**

people around the world reached with Lilly medicines in 2024

**~20 million**

people reached in 2024 as part of goal to improve quality health care for 30 million people living in resource-limited settings by 2030

**~\$11 billion**

invested in R&D in 2024 to advance innovation across therapeutic areas of focus



### **Lilly Cautionary and Other Statements**

The statements made in the 2024 Year in Review may contain forward-looking statements that are based on management's current expectations and assumptions, but actual results may differ materially due to various factors. Words such as "estimate," "project," "intend," "expect," "believe," "target," "anticipate," "may," "could," "aim," "seek," "will," "continue" and similar expressions are intended to identify forward-looking statements. However, by their nature, forward-looking statements are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the "Risk Factors" and "Forward-Looking Statements" sections included in the company's Annual Report on Form 10-K for the year ended December 31, 2024 and may be further updated by any subsequent Forms 10-Q or 8-K filed with the Securities and Exchange Commission. The company undertakes no duty to update forward-looking statements except as required by applicable law.

References to information in this report should not be construed as a characterization regarding the materiality of such information to the company's financial results or operations. Lilly follows structured processes to collect, evaluate, calculate and validate the environmental, social impact and governance data included in this report. The data presented in this report is collected using various methodologies, which in some instances are based on assumptions and estimates in which there are inherent uncertainties and limitations, such as information collected from third-party sources and operations outside of Lilly's control. While the company believes such information is reasonably accurate and is based on reasonable principles and methodology, the third-party collection of this data is beyond its direct control. In addition, any changes in methodology may result in material changes to the calculations and may result in the current and previous periods being adjusted. Furthermore, the achievement of certain sustainability goals and targets may be dependent on the actions of Lilly's partners, suppliers and other third parties, all of which are outside of its control.

Certain financial information in this Year in Review is presented on a non-GAAP basis; these non-GAAP measures should be referred to in addition to, not as a substitute for or superior to, measures prepared in accordance with GAAP.

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***Find more detail on Lilly's sustainability priorities, strategies, and operations at [lilly.com](https://www.lilly.com).***