

January 9, 2024

J.P. Morgan Healthcare Conference



Elanco

TM

Jeff Simmons
President & Chief Executive Officer

Forward-looking statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (Exchange Act), including, without limitation, our long-term revenue and earnings growth expectations, reduction of debt and leverage, expectations regarding product launches and related regulatory proceedings, and our industry and our operations, performance, and financial condition. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national, or global political, economic, business, competitive, market, and regulatory conditions, including but not limited to the following: heightened competition, including from generics; the impact of disruptive innovations and advances in veterinary medical practices, animal health technologies and alternatives to animal-derived protein; changes in regulatory restrictions on the use of antibiotics in farm animals; our ability to implement our business strategies or achieve targeted cost efficiencies and gross margin improvements; consolidation of our customers and distributors; an outbreak of infectious disease carried by farm animals; the impact on our operations, the supply chain, customer demand, and our liquidity as a result of the COVID-19 global health pandemic; the potential impact on our business and global economic conditions resulting from the conflict involving Russia and Ukraine; the success of our R&D and licensing efforts; misuse, off-label or counterfeiting use of our products; unanticipated safety, quality or efficacy concerns and the impact of identified concerns associated with our products; fluctuations in our business results due to seasonality and other factors; the impact of weather conditions and the availability of natural resources; risks related to the modification of foreign trade policy; risks related to currency rate fluctuations; our dependence on the success of our top products; the impact of customer exposure to rising costs and reduced customer income; the lack of availability or significant increases in the cost of raw materials; use of alternative distribution channels and the impact of increased or decreased sales to our channel distributors resulting in fluctuation in our revenues; risks related to the write down of goodwill or identifiable intangible assets; risks related to the evaluation of animals; manufacturing problems and capacity imbalances; the impact of litigation, regulatory investigations, and other legal matters, including the risk to our reputation and the risk that our insurance policies may be insufficient to protect us from the impact of such matters; actions by regulatory bodies, including as a result of their interpretation of studies on product safety; risks related to tax expense or exposure; risks related to environmental, health and safety laws and regulations; risks related to our presence in foreign markets; challenges to our intellectual property rights or our alleged violation of rights of others; our dependence on sophisticated information technology and infrastructure and the impact of breaches of our information technology systems; the impact of increased regulation or decreased financial support related to farm animals; adverse effects of labor disputes, strikes, work stoppages, and the loss of key personnel or highly skilled employees; risks related to underfunded pension plan liabilities; our ability to complete acquisitions and successfully integrate the businesses we acquire, the effect of our substantial indebtedness on our business, including restrictions in our debt agreements that will limit our operating flexibility; and risks related to certain governance provisions in our constituent documents.

For additional information about the factors that could cause actual results to differ materially from forward-looking statements, please see our latest Form 10-K and subsequent Form 10-Qs filed with the Securities and Exchange Commission. We undertake no duty to update forward-looking statements.

The Elanco logo is displayed in white text on a blue, slanted rectangular background.

A Leader in the Animal Health Industry

Well-positioned to deliver meaningful long-term value

A large blue arrow graphic pointing from the left towards the key messages.

Today's Key Messages

Attractive industry backdrop for Elanco – a global, independent Animal Health leader

Our Innovation, Portfolio, Productivity (IPP) strategy designed to deliver value to all stakeholders, rooted in a deep focus on the customer

Q3 2023 return to topline growth driven by accelerating innovation contribution, stabilizing core volumes and price growth

Momentum going into 2024, with expected constant currency revenue growth driven by existing portfolio

Elanco well positioned with next era of innovation and growth to drive **meaningful long-term value creation**

Animal Health: Attractive, Growing Markets with Positive Long-Term Tailwinds



Pet Health



\$15B Global Industry¹

Pet ownership and “humanization” of pets
a continued tailwind globally

Increased compliance and convenience
expected to drive growth

Innovation and differentiation
to create value
across the value chain



Farm Animal



\$23B Global Industry¹

Protein demand growth globally
driven by GDP growth,
expanding protein diets, and
efficient trade

Producers focused on
**food safety, disease
prevention and productivity**

Livestock sustainability
expected to create the next
industry opportunity

Industry Success Factors: **Broad Portfolios, Innovation, Global Reach, Value-added Capabilities**

¹Industry figures represent Elanco analysis of 2023 market data and internal estimates for animal health medicines and vaccines.



Elanco: An Independent, Global Animal Health Leader

Key Financial Metrics

2023 Guidance Midpoint (as of November 8, 2023)

\$4.38 B

Revenue

\$983 M

Adj. EBITDA¹

\$0.91

Adj. EPS¹

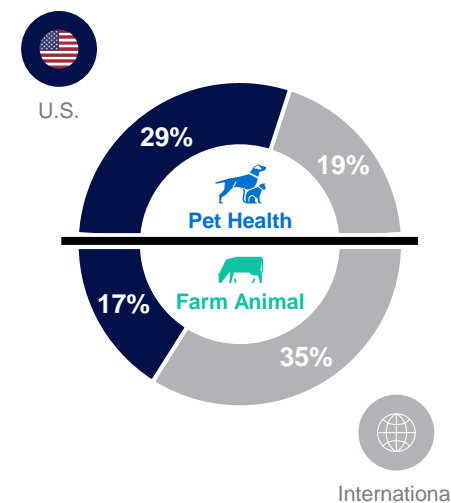
Actions and Progress Building Momentum

- ✓ Completed independent company stand up
- ✓ Intentional portfolio shift towards high margin Pet Health
- ✓ Multiple decisive actions and restructurings to execute on synergy capture and productivity
- ✓ Bayer systems integration completed in 2023
- ↗ Expect 6 potential blockbusters in market by 2025, with 3 on a path to H1 2024 approval²

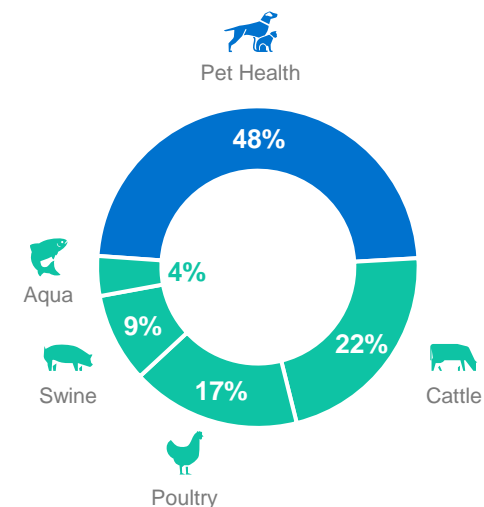
Diverse, Global Portfolio

Balanced Across Geography and Species

Revenue Category by Geography



Revenue by Species



Percentages may not add due to rounding.

¹Non-GAAP financial measure. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

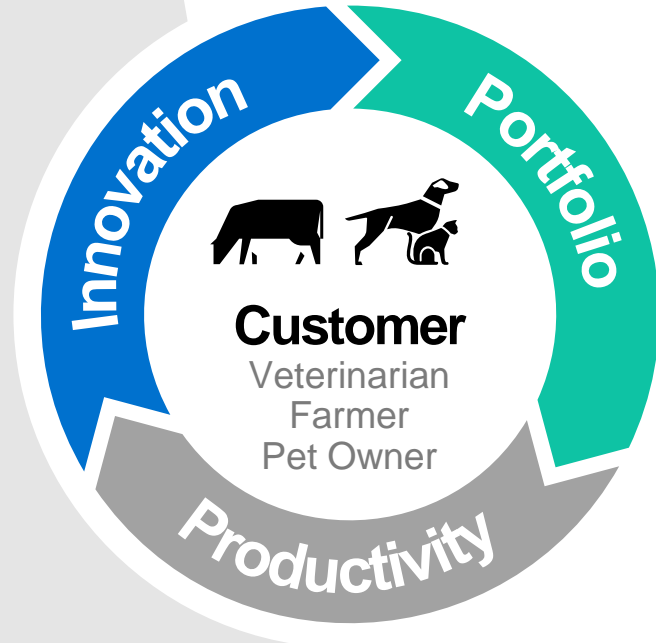
²Potential blockbusters expected in 2024 are Bovaer, Credelio Quattro, and Zenrelia

Note: Revenue breakdowns based on the midpoint of 2023 full year guidance, as provided in the Company's Q3 2023 earnings presentation issued on November 8, 2023.



IPP: Innovation, Portfolio, Productivity

Elanco's Strategy to Deliver Value to All Stakeholders, Rooted in a Deep Focus on the Customer



Deliver consistent, high-impact **Innovation**

- \$600-\$700 million annual new revenue from Innovation expected by 2025¹
- Target first-in-class, differentiation and big market spaces
- Focus on maximizing life cycle management and refilling early-stage pipeline

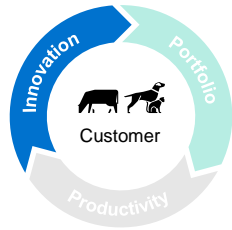
Optimize our diverse **Portfolio** to grow market share

- Leverage deep customer relationships, expanding portfolio and improved mix
- Invest in strategic commercial capabilities – sales force, digital, pricing, data - preparing for historic innovation launch window
- Drive geographic and channel expansion to reach more of the world's animals

Improve **Productivity & cash flow**

- Company-wide productivity agenda driving margin expansion since IPO
- Improve cash conversion to fund reinvestment and debt paydown
- Significant ERP transformation, driving efficiency and enabling future business optionality

¹Expected innovation revenue is from products launched from 2021 to 2025 and does not include the expected impact of cannibalization on the base portfolio.



Focused on Delivering Consistent, High Impact Innovation

With three clear parallel priorities for the R&D organization

Late-Stage Pipeline

Focus on first-in-class or differentiated late-stage potential blockbusters in high-value pet health market and pioneering new frontier markets with livestock sustainability.

6

potential blockbuster products expected in U.S. market by 2025

Life Cycle Management

Extending the life and value of our existing brands with targeted life cycle management (LCM) is core to Elanco's value proposition to customers and contributes to a stabilizing base.

LCM Opportunity Examples

- ✓ Label claim extensions
- ✓ Geographic expansions
- ✓ Species expansions
- ✓ Presentation and delivery
- ✓ Packaging and safety
- ✓ Regulatory registration renewals

Refill Pipeline with Next Wave

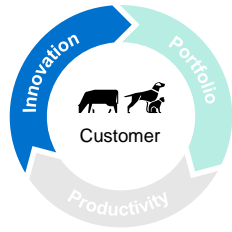
To deliver consistent, high-impact innovation over time, we are refilling our early-stage pipeline with the next wave of innovation – focused on first and best in class opportunities.

Targeted Areas of Focus

Concentrated efforts in next generation:

-  **Pet parasiticides**
-  **Pet dermatology**
-  **Pet pain**
-  **Livestock sustainability**

Leveraging existing platforms (e.g. MAb) and emerging spaces of unmet need



Innovation Launches Expected to Fuel Return to Growth

6 Blockbuster-Potential¹ Products, Complemented by Portfolio Enhancing Assets

Blockbuster-Potential Products	Regulatory Agency	Species	Product Development	Initial Submission ²	Approval ³	Launch ²	Global Market ⁴	Commentary	
Experior Ammonia Reduction	FDA (Rx)		[Progress bar]				New Space	First-in-class	
Canine Parvovirus Monoclonal Antibody (CPMA)	USDA (Rx)		[Progress bar]			✓ Q2 2023 conditional	✓ Q3 2023	New Space	First-in-class; Monoclonal AB
Credelio Quattro™⁵ Endecto Parasiticide	FDA (Rx)		[Progress bar]		Q4 2022	H1 2024	\$6.5 billion	Differentiated	
Zenrelia™⁵ Dermatology	FDA (Rx)		[Progress bar]		Q4 2022	H1 2024	\$1.5 billion	Differentiated	
Bovaer®⁵ Methane Reduction	FDA		[Progress bar]		Q4 2022	H1 2024	\$1 to \$2 billion	First-in-class	
IL-31 SA⁶ MAb Dermatology	USDA (Rx)		[Progress bar]		✓ Q1 2023	2025	\$1.5 billion	Differentiated; Monoclonal AB	

✓ Progress in 2023

¹Blockbuster refers to product with annual revenue above \$100 million. ²Expected submission and launch timing is based on internal estimates and could change as programs evolve. ³Potential approval timing is subject to regulatory agency outcomes. ⁴Industry figures represent Elanco analysis of 2023 market data and internal estimates, except for Bovaer which is based only on internal estimates for market potential. Note that Elanco only has U.S. rights for Bovaer. ⁵Expected trade name upon approval. ⁶Short acting.

Global Pet Health Strategic Framework



Vision

Helping pets live longer, healthier, more active lives

Where We Play



Parasiticides



Dermatology



Pain & Other Therapeutics



Vaccines¹

Seresto[®]

Advantage[®]

FAMILY

Credelio[®]

(lotilaner)

FAMILY

INTERCEPTOR[®]
PLUS
(milbemycin oxime/praziquantel)

ZENRELIA[™] ²

IL-31 MAb

Galliprant[®]
(grapiprant)

Zorbium[®] [©]
(buprenorphine transdermal solution)

Canine Parvovirus Monoclonal Antibody

Bexacat[®]
(bexagliflozin tablets)

truCan[™]

truFel[™]

Next Wave of Innovation

¹ US only. ²Expected trade name upon approval.

Global Pet Health Strategic Framework



Vision

Helping pets
live longer,
healthier, more
active lives

Where We Play



Parasiticides



Dermatology



Pain & Other
Therapeutics



Vaccines¹

Key Enablers

Innovation Address unmet needs and expand portfolio

Share of Voice Increase product awareness with our customers

Physical Availability Maximize access to our products

Price Execution Optimize value based on willingness to pay

¹ US only.

Global Farm Animal Strategic Framework



Vision

Helping farmers improve animal health and wellbeing, and raise livestock more sustainably

Where We Play



Efficiency & Performance



Disease Prevention & Treatment



Food Safety



Sustainability



BOVAER^{®1}

Next Wave of Innovation

¹Expected trade name upon approval.

Global Farm Animal Strategic Framework



Vision

Helping farmers improve animal health and wellbeing, and raise livestock more sustainably

Where We Play



Efficiency & Performance



Disease Prevention & Treatment



Food Safety



Sustainability

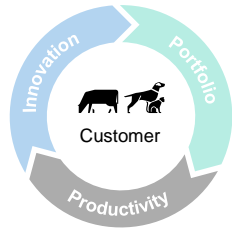
Key Enablers

Portfolio Comprehensive, complementary product offerings

Value Beyond Product Data and analytics to drive improved outcomes

Innovation Solutions to producers' greatest challenges

Price Execution Optimize value based on willingness to pay



Improve Productivity and Cash Flow

Actions and progress to support investment in the business and de-leveraging

IPO to 2023

Improving margin through

- Optimizing organization & footprint
- Enhanced ownership mentality
- API¹ sourcing improvements
- SKU Rationalization

Key Proof Points

Expanded Margins ~\$400 million of manufacturing productivity achieved from 2018 through 2023

Reduced Footprint² from 9 to 6 R&D sites; 20 to 18 Internal manufacturing sites

Introduced **Elanco Cash Earnings** (ECE) to incentivize annual improvement in after-tax returns in excess of cost of capital

2024 and Beyond

Improving cash conversion through

- Reduced project expense
- Continued productivity improvements
- Improvement in NWC, led by inventory
- New high-margin blockbuster innovation

Near Term Expectations

Project Cash Costs: ~\$1 billion since IPO; reduces to <\$20 million annually in 2024+

~\$380 million of cumulative **Adj. EBITDA Synergies;** expected at \$400 million+ in 2024 as ERP consolidation completion is realized

Future innovation is expected to be accretive to corporate margin over time

Capital Allocation Priorities



Invest in the Business

R&D, Launch Readiness, Commercial Excellence

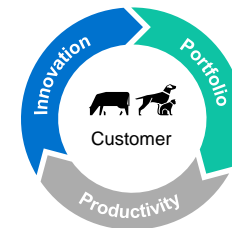


Debt Pay Down

Primary use of Free Cash Flow

¹Active pharmaceutical ingredient.

²Represents data from initial Bayer animal health acquisition footprint in August 2020 compared to footprint at year-end 2023. R&D sites refers to global R&D sites.

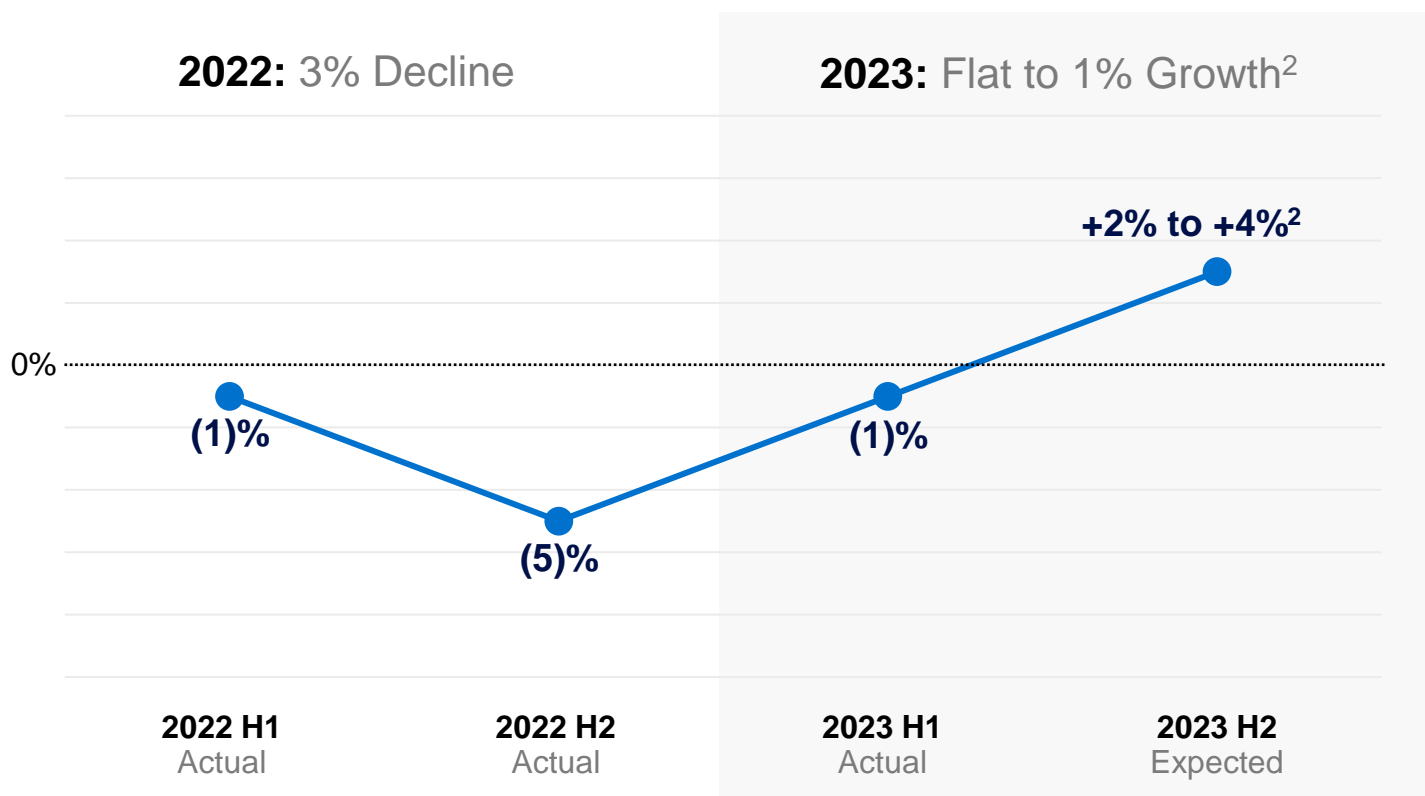


H2 2023 Marks Expected Return to Topline Growth

Innovation and a Stabilizing Base Business Drives Inflection

Revenue

Year-over-year CC¹ Change



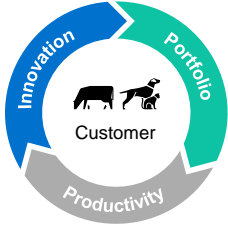
Drivers of Growth Inflection:

- ✓ Innovation Ramp
- ✓ Price Growth
- ✓ Improved Supply
- ✓ Improved EU Pet Retail Environment
- ✓ Growth in Poultry

Stabilizing Base Business

¹CC = Constant Currency, representing the growth rate excluding the impact of foreign exchange rates.

²Based on company's Q3 2023 results and Q4 2023 guidance issued on November 8, 2023.



Early Considerations for 2024, Continued Revenue Growth¹

Tailwinds

Existing innovation ramp and 3 new blockbuster-potential launches

Expanded physical availability in Pet retail

Enhanced share of voice in U.S. Pet vet

Improved EU pet retail market impacting H1

Growth in poultry, aqua & price

Reduced project cash costs

Headwinds

Competition in U.S. Pet Health vet clinic business

Farm Animal generics and U.S. cattle numbers

Gross margin headwind related to internal inventory management

Investments to support launches in sales, marketing, and capex

U.S. dollar strength



Expected Outcomes

Deliver High Impact Innovation

Launch New Products with Excellence

Grow Revenue

Improve OCF and de-lever

¹Expect revenue growth in constant currency, representing the growth rate excluding the impact of foreign exchange rates, driven by existing portfolio is achievable before new blockbuster-potential launches.

Elanco:

A Compelling Long-Term Value Proposition



Attractive, Growing Markets

~\$38B global industry across Pet Health (\$15B) and Farm Animal (\$23B) with consistent mid-single digit growth driven by durable trends



An Established Market Leader

A top-tier global player with portfolio diversity in 6 core species and leadership in OTC Pet parasiticides, Poultry, and Farm Animal Sustainability



Progressing a Valuable Late-Stage Pipeline

Path to 6 potential blockbuster products in major market spaces contributing toward an incremental \$600-\$700 million in Revenue by 2025



Disciplined Delivery, Infrastructure Optimization

Reduced costs and expanded margins amidst macro challenges, with infrastructure optimization to support growth from innovation



Improving Financial Profile

Moving past stand up and integration cash costs, with focus on reinvestment in business and debt paydown

Appendix

Guidance and GAAP reported to
non-GAAP adjusted reconciliations



ElancoTM

Full Year 2023

Financial Guidance¹

\$ millions, except
per share values

	2023
Revenue	\$4,360 - \$4,400
Reported Net Loss	\$(1,204) - \$(1,174)
Adjusted EBITDA²	\$965 - \$1,000
Reported Diluted EPS	\$(2.43) - \$(2.37)
Adjusted Diluted EPS²	\$0.88 - \$0.94

¹Represents 2023 full year guidance, as provided in the Company's Q3 2023 earnings presentation issued on November 8, 2023.

²Non-GAAP financial measure. See slides 19 and 20 for the GAAP to non-GAAP reconciliations.

Full Year 2023

EPS Guidance Reconciliation¹

Reported Loss per Share	\$(2.43) - \$(2.37)
Amortization of Intangible Assets	Approx. \$1.11
Asset Impairment, Restructuring, and Other Special Charges ²	\$0.19 - \$0.21
Goodwill Impairment ³	\$2.11
Other Expenses, Net	Approx. \$0.06
Subtotal	\$3.47 - \$3.49
Tax Impact of Adjustments	\$(0.18) - \$(0.16)
Total Adjustments to Earnings per Share	Approx. \$3.31
Adjusted Earnings per Share⁴	\$0.88 - \$0.94

Note: Numbers may not add due to rounding.

¹Represents 2023 full year guidance, as provided in the Company's Q3 2023 earnings presentation issued on November 8, 2023.

²Asset impairment, restructuring, and other special charges adjustments are related to integration efforts, including the acquisition of the animal health business of Bayer.

³Current guidance does not assume any further impairment beyond the third quarter charge.

⁴Adjusted EPS is calculated as the sum of reported EPS and total adjustments to EPS.

Full Year 2023

EBITDA Guidance Reconciliation¹

\$ millions

Reported Net Loss	\$(1,204) - \$(1,174)
Net Interest Expense	Approx. \$280
Income Tax Provision	\$27 - \$44
Depreciation and Amortization	Approx. \$695
EBITDA	\$(199) - \$(154)
Non-GAAP Adjustments	
Cost of Sales	Approx. \$2
Asset Impairment, Restructuring, and Other Special Charges	Approx. \$100
Goodwill Impairment ²	\$1,042
Accelerated Depreciation and Other Special Charges	Approx. \$(10)
Other Expense (Income), Net	Approx. \$28
Adjusted EBITDA	\$965 - \$1,000
Adjusted EBITDA Margin	22.1% - 22.7%

Note: Numbers may not add due to rounding

¹Represents 2023 full year guidance, as provided in the Company's Q3 2023 earnings presentation issued on November 8, 2023.

²Guidance does not assume any further impairment beyond the third quarter charge