

Göttingen, October 20, 2021

## Sartorius grows dynamically and profitably – Substantial double-digit increases in sales and earnings

- Order intake up 72.3 percent; sales revenue up 53.9 percent; underlying EBITDA margin 34.3 percent
- Both divisions with strong double-digit growth; significant demand momentum generated by the production of coronavirus vaccines and test kits as well as excellent development of acquisitions
- Forecast raised at the beginning of July for 2021 confirmed

The life science group Sartorius has continued to grow dynamically and profitably. For the nine-month reporting period of 2021, the company listed on the DAX since September recorded significant double-digit growth rates in sales and earnings.

“In the first nine months of the year, high demand for innovative technologies for efficient development and production of biopharmaceuticals has led to the expected very dynamic development of our business. Additional momentum related to the manufacture of coronavirus vaccines and test kits was significant, but not dominant. We expanded our product portfolio for use in the production of cell and gene therapeutics as well as vaccines by taking over a majority stake in CellGenix and acquiring the cell culture media specialist Xell,” said Joachim Kreuzburg, Chairman of the Board of Directors and CEO. In addition, he confirmed the forecast for the current year. “We are optimistic about the further development of our business, are driving our extensive capacity expansion and recruitment programs full steam ahead, and confirm our full-year forecast,” emphasized Kreuzburg.

### Business development of the Group

Group sales revenue surged by 53.9 percent to around 2,527 million euros in constant currencies (reported: +50.4 percent). The majority of this growth was attributable to strong organic expansion of the core businesses of both divisions and in all regions. Acquisitions<sup>2</sup> added around 6 percentage points to the increase in sales revenue, and growth related to the development and production of coronavirus vaccines and test kits was about 21 percentage points. Order intake<sup>1</sup> grew even more dynamically, up 72.3 percent in constant currencies to 3,286 million euros (of which around 20 percentage points were attributable to the coronavirus pandemic and around 8 percentage points to acquisitions; reported: +68,0 percent).

Between January and September 2021, underlying EBITDA<sup>1</sup> grew strongly by 77.3 percent to 866 million euros while the corresponding margin rose to 34.3 percent (9M 2020: 29.1 percent). This increase was influenced by economies of scale and by partially deferred cost development, for example, as a result of the low number of business trips and underproportionate new hires in non-production areas due to the pandemic. These trends have started to abate as the coronavirus-related restrictions have progressively eased. Relevant net profit<sup>1</sup> for the Sartorius Group surged by 92.7 percent to 407 million euros; earnings

per ordinary share were 5.94 euros (9M 2020: 3.08 euros) and per preference share, 5.95 euros (9M 2020: 3.09 euros).

### **Business development of the divisions**

The Bioprocess Solutions Division, which offers a wide array of innovative technologies for manufacturing biopharmaceuticals, grew its sales in the first nine months of the year by 57.9 percent to 1,987 million euros in constant currencies (reported: 54.3 percent). In particular, its business with manufacturers of biopharmaceutical medications performed very well. Beyond this, the ramp-up in coronavirus vaccine production by many customers added around 25 percentage points to growth in sales revenue. Non-organic growth contributed by the acquisitions<sup>2</sup> was a good 5 percentage points. Expanded production capacities at several company sites and overall stable, yet strained, supply chains supported this development.

The division's order intake increased even more strongly than its sales revenue, surging 81.4 percent in constant currencies to 2,733 million euros (reported: +76,7 percent). Part of this higher order intake is due to the changed ordering patterns of some customers who, in the current situation, have been placing their orders further in advance than usual.

Underlying EBITDA<sup>1</sup> of the Bioprocess Solutions Division rose by 76.5 percent to 724 million euros and thus at a significantly overproportionate rate in relation to sales. The division's respective margin climbed year over year from 31.9 percent to 36.5 percent. Economies of scale as well as a cost base that grew only slowly in some areas due to the pandemic contributed to this rise in profitability.

The Lab Products & Services Division, which specializes in equipment and technologies for life science research and pharmaceutical laboratories, also saw sales revenue grow strongly by 40.8 percent in constant currencies to 539 million euros (reported: +37.6 percent) compared to the prior-year period dampened by the pandemic. At 32 percentage points, the major part of this increase in sales revenue was organic, with components used in coronavirus test kits accounting for close to 7 percentage points. Development was especially dynamic in the strategic growth area of bioanalytics, which Sartorius had built up over the past years by making three acquisitions in total.

Order intake grew at a similarly strong pace as sales revenue, up 38.3 percent in constant currencies to 553 million euros (reported: +35.0 percent).

Underlying EBITDA<sup>1</sup> of the Lab Products & Services Division rose sharply in the first nine months of 2021 by 81.4 percent to 142 million euros while the corresponding margin reached 26.3 percent (9M 2020: 20.0 percent). This margin expansion was based on economies of scale, a positive product mix, and cost development that was underproportionate in some areas due to the pandemic.

### **Business development in the regions**

Sartorius increased its revenues significantly in all three business regions. Sales revenue in the EMEA<sup>3</sup> region that contributes the highest share of around 41 percent to total Group revenue amounted to 1,039 million euros, up 54.8 percent in constant currencies (reported: +54.5 percent). The Americas region accounted for about 33 percent of total Group sales. Here, business grew by 49.7 percent to 825 million euros in constant currencies (reported: +40.9 percent). Sales in the Asia | Pacific region likewise saw dynamic growth, up 58.5 percent in constant currencies to 663 million euros (reported: +57.2 percent). As a result, this region's share of total Group revenue was 26 percent.

### **Key financial indicators**

The Sartorius Group has a very sound balance sheet and financial base. As of September 30, 2021, its equity ratio stood at 30.2 percent (December 31, 2020: 29.9 percent). Net debt to underlying EBITDA<sup>1</sup> was 1.6 on the reporting date as a result of strong net cash flow and the increase in earnings, relative to 2.6 at year-end 2020. The ratio of capital expenditures (CAPEX) to sales was 9.6 percent for the nine-month period relative to 8.0 percent in the prior-year period. Overall, cash flow from investing activities rose in the reporting period by 80.8 percent, amounting to -253.9 million euros.

### **Increase in the number of employees to around 13,000**

As of September 30, 2021, Sartorius employed a total of 12,952 people worldwide. Compared with December 31, 2020, headcount thus rose by 2,315 or around 21.8 percent. The accelerated increase in the number of employees compared with previous years resulted from the expansion of production capacities that was moved ahead of schedule to some extent. However, due to the pandemic, buildup of the workforce was underproportionate on the whole compared with the company's business development. This trend particularly affected the non-production departments, such as sales and marketing functions, and has begun to subside as a result of additional hires.

### **Forecast for 2021 confirmed**

Management confirms its growth forecast, last raised in July, for the full year of 2021. Accordingly, the Sartorius Group projects consolidated sales growth of around 45 percent and an underlying EBITDA margin<sup>1</sup> of about 34 percent. For the Bioprocess Solutions Division, sales are anticipated to increase by about 50 percent, and the underlying EBITDA margin<sup>1</sup> is projected at around 36 percent. Sales growth for the Lab Products & Services Division is expected to be around 30 percent at an underlying EBITDA margin<sup>1</sup> of about 26 percent.

The investment program for 2021 is to remain unchanged at around 400 million euros, and the corresponding CAPEX ratio for the Group is projected at about 12 percent. The focus of these substantial investments is on the partly extended and accelerated expansion of production capacities, primarily at sites in Germany, Puerto Rico, China, and South Korea. Net debt to underlying EBITDA<sup>1</sup> is expected to be slightly below 2.0 at year-end. Possible acquisitions are not included in these projections.

Mid-range targets updated in January 2021 remain unchanged and assume that for 2025, consolidated sales revenue will increase to about 5 billion euros at an underlying EBITDA margin of around 32 percent.

All forecasts are based on constant currencies as in the past years. In addition, the company assumes that the global economy will increasingly recover, the supply of raw materials and primary products will continue at a good level and that supply chains will remain stable as the current year progresses.

Financial indicators of the comparative period partly restated due to the finalized purchase price allocation for acquisitions made in 2020.

<sup>1</sup> Sartorius publishes alternative performance measures that are not defined by international accounting standards. These are determined with the aim of improving the comparability of business performance over time and within the industry.

- Order intake: all customer orders contractually concluded and booked during the respective reporting period
- Underlying EBITDA: earnings before interest, taxes, depreciation and amortization and adjusted for extraordinary items
- Relevant net profit: profit for the period after non-controlling interest, adjusted for extraordinary items and non-cash amortization, as well as based on the normalized financial result and the normalized tax rate

- Ratio of net debt to underlying EBITDA: quotient of net debt and underlying EBITDA over the past 12 months, including the pro forma amount contributed by acquisitions for this period

2 Acquisitions of the following entities: selected life science businesses from Danaher; BIA Separations; WaterSep BioSeparations; CellGenix; and Xell

3 EMEA = Europe, Middle East, Africa

This press release contains forward-looking statements about the future development of the Sartorius Group. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such statements. Sartorius assumes no liability for updating such statements in light of new information or future events. This is a translation of the original German-language press release. Sartorius shall not assume any liability for the correctness of this translation. The original German press release is the legally binding version.

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### Conference call

Joachim Kreuzburg, CEO and Executive Board Chairman of Sartorius AG, and Rainer Lehmann, CFO and a member of the Executive Board, will discuss the company's business results with analysts and investors on October 20, 2021, at 3:30 p.m. Central European Summer Time (CEST) in a teleconference. You may register by clicking on the following link:

<https://services.choruscall.com/mediaframe/webcast.html?webcastid=P22ZUZu2>

The presentation will be available on the same day starting at 2:30 p.m. CEST, for viewing on our website at:

<https://www.sartorius.com/en/company/investor-relations/sartorius-ag-investor-relations/presentations>

### Current image files

<http://www.sartorius.com/en/company/newsroom/downloads-publications>

### A profile of Sartorius

The Sartorius Group is a leading international partner of life science research and the biopharmaceutical industry. With innovative laboratory instruments and consumables, the Group's Lab Products & Services Division concentrates on serving the needs of laboratories performing research and quality control at pharma and biopharma companies and those of academic research institutes. The Bioprocess Solutions Division with its broad product portfolio focusing on single-use solutions helps customers to manufacture biotech medications and vaccines safely and efficiently. The Group has been annually growing by double digits on average and has been regularly expanding its portfolio by acquisitions of complementary technologies. In fiscal 2020, the company earned sales revenue of some 2.34 billion euros. At the end of 2020, nearly 11,000 people were employed at the Group's approximately 60 manufacturing and sales sites, serving customers around the globe.

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## Key Performance Indicators for Nine Months 2021

€ in millions (unless otherwise specified)	Sartorius Group <sup>1</sup>				Bioprocess Solutions <sup>1</sup>				Lab Products & Services <sup>1</sup>			
	9-mo. 2021	9-mo. 2020	Δ in % Reported	Δ in % cc <sup>2</sup>	9-mo. 2021	9-mo. 2020	Δ in % Reported	Δ in % cc <sup>2</sup>	9-mo. 2021	9-mo. 2020	Δ in % Reported	Δ in % cc <sup>2</sup>
<b>Order Intake and Sales Revenue</b>												
Order intake	3,286.2	1,956.5	68.0	72.3	2,733.0	1,546.8	76.7	81.4	553.2	409.7	35.0	38.3
Sales revenue	2,526.9	1,680.0	50.4	53.9	1,987.4	1,288.1	54.3	57.9	539.4	391.9	37.6	40.8
▪ EMEA <sup>3</sup>	1,038.8	672.6	54.5	54.8	829.6	506.4	63.8	64.1	209.2	166.2	25.9	26.3
▪ Americas <sup>3</sup>	825.4	586.0	40.9	49.7	654.1	470.7	39.0	47.6	171.3	115.3	48.5	58.1
▪ Asia   Pacific <sup>3</sup>	662.7	421.5	57.2	58.5	503.8	311.1	62.0	63.2	158.9	110.4	43.9	45.1
<b>Earnings</b>												
EBITDA <sup>4</sup>	866.4	488.7	77.3		724.4	410.5	76.5		141.9	78.2	81.4	
EBITDA margin <sup>4</sup> in %	34.3	29.1			36.5	31.9			26.3	20.0		
Net profit for the period <sup>5</sup>	406.9	211.2	92.7									
<b>Financial Data per Share</b>												
Earnings per ordinary share <sup>5</sup> in €	5.94	3.08	92.7									
Earnings per preference share <sup>5</sup> in €	5.95	3.09	92.4									

## Key Performance Indicators for the Third Quarter of 2021

€ in millions (unless otherwise specified)	Sartorius Group <sup>1</sup>				Bioprocess Solutions <sup>1</sup>				Lab Products & Services <sup>1</sup>			
	Q3 2021	Q3 2020	Δ in % Reported	Δ in % cc <sup>2</sup>	Q3 2021	Q3 2020	Δ in % Reported	Δ in % cc <sup>2</sup>	Q3 2021	Q3 2020	Δ in % Reported	Δ in % cc <sup>2</sup>
<b>Order Intake and Sales Revenue</b>												
Order intake	1,107.4	711.7	55.6	55.2	929.6	561.9	65.4	64.9	177.8	149.8	18.7	18.7
Sales revenue	897.7	623.2	44.0	43.8	721.0	478.7	50.6	50.3	176.7	144.5	22.3	22.2
▪ EMEA <sup>4</sup>	356.3	253.1	40.8		290.3	195.5	48.5		65.9	57.6	14.5	
▪ Americas <sup>4</sup>	306.4	212.8	43.9		248.9	165.9	50.1		57.4	47.0	22.3	
▪ Asia   Pacific <sup>4</sup>	235.1	157.3	49.4		181.7	117.4	54.8		53.4	39.9	33.7	
<b>Earnings</b>												
EBITDA <sup>5</sup>	311.1	195.1	59.4		264.2	163.3	61.8		46.9	31.9	47.0	
EBITDA margin <sup>5</sup> in %	34.7	31.3			36.6	34.1			26.5	22.1		
Net profit for the period <sup>6</sup>	147.5	86.9	69.7									
<b>Financial Data per Share</b>												
Earnings per ordinary share <sup>6</sup> in €	2.16	1.27	69.6									
Earnings per preference share <sup>6</sup> in €	2.16	1.27	69.6									

- 1 The previous year's figures have been restated due to finalization of the purchase price allocations for the acquisitions of 2020
- 2 In constant currencies
- 3 According to customers' location
- 4 Adjusted for extraordinary items
- 5 After non-controlling interest, adjusted for extraordinary items and non-cash amortization, as well as based on the normalized financial result and the normalized tax rate

## Statement of Profit or Loss

€ in millions	3rd quarter 2021	3rd quarter 2020	9 months 2021	9 months 2020
Sales revenue	897.7	623.2	2,526.9	1,680.0
Cost of sales	-411.4	-294.6	-1,168.3	-802.9
<b>Gross profit on sales</b>	<b>486.3</b>	<b>328.6</b>	<b>1,358.5</b>	<b>877.1</b>
Selling and distribution costs	-145.8	-109.8	-417.0	-320.1
Research and development expenses	-34.0	-28.0	-100.4	-77.9
General administrative expenses	-40.4	-31.0	-119.3	-91.6
Other operating income and expenses	-28.7	-19.5	-49.2	-61.2
<b>Earnings before interest and taxes (EBIT)</b>	<b>237.5</b>	<b>140.3</b>	<b>672.6</b>	<b>326.3</b>
Financial income	5.1	5.9	19.6	18.2
Financial expenses	-29.8	-13.9	-93.1	-46.5
<b>Financial result</b>	<b>-24.7</b>	<b>-8.0</b>	<b>-73.5</b>	<b>-28.3</b>
<b>Profit before tax</b>	<b>212.7</b>	<b>132.2</b>	<b>599.2</b>	<b>298.0</b>
Income taxes	-69.8	-39.7	-196.3	-89.4
<b>Net profit for the period</b>	<b>143.0</b>	<b>92.6</b>	<b>402.9</b>	<b>208.6</b>
Attributable to:				
Shareholders of Sartorius AG	105.6	66.2	295.4	146.0
Non-controlling interest	37.3	26.4	107.5	62.6
Earnings per ordinary share (€) (basic)	1.54	0.97	4.31	2.13
Earnings per preference share (€) (basic)	1.54	0.97	4.32	2.14
Earnings per ordinary share (€) (diluted)	1.54	0.97	4.31	2.13
Earnings per preference share (€) (diluted)	1.54	0.97	4.32	2.14

The previous year's figures have been restated due to finalization of the purchase price allocation for the acquisition of the Life Science business from Danaher.

## Statement of Comprehensive Income

€ in millions	3rd quarter 2021	3rd quarter 2020	9 months 2021	9 months 2020
<b>Net profit for the period</b>	<b>143.0</b>	<b>92.6</b>	<b>402.9</b>	<b>208.6</b>
Cash flow hedges	-6.3	5.0	-21.4	10.4
- of which effective portion of the change in fair value	-6.8	9.3	-10.4	13.9
- of which reclassified to profit or loss	0.5	-4.3	-11.0	-3.5
Income tax on cash flow hedges	1.9	-1.5	6.5	-2.9
Net investment in a foreign operation	11.8	-38.6	27.0	-54.8
Income tax on net investment in a foreign operation	-3.1	9.8	-7.2	14.5
Currency translation differences	21.0	-15.3	52.6	-28.3
<b>Items that may be reclassified in the profit or loss statement, net of tax</b>	<b>25.2</b>	<b>-40.7</b>	<b>57.5</b>	<b>-61.1</b>
<b>Items that will not be reclassified in the profit or loss statement, net of tax</b>	<b>0.0</b>	<b>0.0</b>	<b>2.9</b>	<b>0.4</b>
<b>Other comprehensive income after tax</b>	<b>25.2</b>	<b>-40.7</b>	<b>60.4</b>	<b>-60.8</b>
<b>Total comprehensive income</b>	<b>168.1</b>	<b>51.9</b>	<b>463.3</b>	<b>147.8</b>
Attributable to:				
Shareholders of Sartorius AG	128.5	30.0	349.7	92.6
Non-controlling interest	39.6	21.9	113.5	55.2

The previous year's figures have been restated due to finalization of the purchase price allocation for the acquisition of the Life Science business from Danaher.

## Statement of Financial Position

	Sept. 30, 2021 € in mn	Dec. 31, 2020 € in mn
<b>Assets</b>		
<b>Non-current assets</b>		
Goodwill	1,465.5	1,369.0
Other intangible assets	1,216.7	1,061.5
Property, plant and equipment	1,161.0	971.5
Financial assets	54.0	34.1
Other assets	1.6	1.5
Deferred tax assets	51.4	45.0
	<b>3,950.2</b>	<b>3,482.8</b>
<b>Current assets</b>		
Inventories	804.7	558.6
Trade receivables	434.3	314.3
Other financial assets	15.3	40.3
Current tax assets	19.6	15.2
Other assets	105.8	78.8
Cash and cash equivalents	356.0	203.4
	<b>1,735.8</b>	<b>1,210.7</b>
<b>Total assets</b>	<b>5,685.9</b>	<b>4,693.5</b>
	Sept. 30, 2021 € in mn	Dec. 31, 2020 € in mn
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity attributable to Sartorius AG shareholders	1,234.1	1,047.6
Issued capital	68.4	68.4
Capital reserves	43.0	42.0
Other reserves and retained earnings	1,122.7	937.2
Non-controlling interest	481.0	354.6
	<b>1,715.1</b>	<b>1,402.2</b>
<b>Non-current liabilities</b>		
Pension provisions	76.7	80.4
Other provisions	11.9	11.9
Loans and borrowings	1,682.6	1,826.3
Lease liabilities	81.1	65.5
Other financial liabilities	497.7	302.2
Deferred tax liabilities	184.6	133.9
	<b>2,534.6</b>	<b>2,420.2</b>
<b>Current liabilities</b>		
Provisions	54.6	29.5
Trade payables	475.4	330.7
Loans and borrowings	340.1	175.4
Lease liabilities	23.9	20.0
Employee benefits	169.0	96.3
Other financial liabilities	85.0	48.7
Current tax liabilities	184.6	87.7
Other liabilities	103.7	82.7
	<b>1,436.2</b>	<b>871.1</b>
<b>Total equity and liabilities</b>	<b>5,685.9</b>	<b>4,693.5</b>

The previous year's figures have been restated due to finalization of the purchase price allocations for WaterSep BioSeparations.

## Statement of Cash Flows

€ in millions	9 months 2021	9 months 2020
Profit before tax	599.2	298.0
Financial result	73.5	28.3
Depreciation   amortization of intangible and tangible assets	171.2	126.8
Change in provisions	22.0	12.2
Change in receivables and other assets	-129.4	-34.8
Change in inventories	-217.2	-91.7
Change in liabilities (without loans and borrowings)	239.5	112.2
Income taxes paid	-123.4	-73.5
Other non-cash items	0.2	2.5
<b>Cash flows from operating activities</b>	<b>635.6</b>	<b>380.0</b>
Capital expenditures	-242.3	-134.8
Other payments	-11.5	-5.6
<b>Cash flow from investing activities</b>	<b>-253.9</b>	<b>-140.4</b>
Payments for acquisitions of consolidated subsidiaries and other business operations, net of cash acquired	-138.7	-770.7
<b>Cash flow from investing activities, acquisitions and disposals</b>	<b>-392.6</b>	<b>-911.0</b>
Interest received	5.0	4.4
Interest paid and other financial charges	-24.8	-16.4
Dividends paid to:		
- Shareholders of Sartorius AG	-48.2	-24.3
- Non-controlling interest	-17.5	-8.9
Changes in non-controlling interest	0.0	-1.1
Loans repaid	-203.5	-209.1
Loans raised	197.6	1,205.4
<b>Cash flow from financing activities</b>	<b>-91.5</b>	<b>950.1</b>
Change in cash and cash equivalents	151.5	419.1
Cash and cash equivalents at the beginning of the period	203.4	54.4
Change in scope of consolidation	0.3	0.0
Net effect of currency translation on cash and cash equivalents	0.7	2.3
<b>Cash and cash equivalents at the end of the period</b>	<b>356.0</b>	<b>475.8</b>

The previous year's figures have been restated due to finalization of the purchase price allocation for the acquisition of the Life Science business from Danaher.

## Reconciliation

€ in millions	9 months 2021	9 months 2020 <sup>1</sup>
EBIT	672.6	326.3
Extraordinary effects	22.5	36.9
Amortization	67.2	41.0
Normalized financial result <sup>2</sup>	-20.9	-16.0
Normalized income tax (27%) <sup>3</sup>	-200.2	-104.8
<b>Underlying net result after tax</b>	<b>541.3</b>	<b>283.4</b>
Non-controlling interest	-134.3	-72.2
<b>Underlying earnings after taxes and non-controlling interest</b>	<b>406.9</b>	<b>211.2</b>
Underlying earnings per share		
per ordinary share in €	5.94	3.08
per preference share in €	5.95	3.09

1 The previous year's figures have been restated due to finalization of the purchase price allocation for the acquisition of the Life Science business from Danaher.

2 Financial result excluding fair value adjustments of hedging instruments and effects related to accounting of share-based earn-outs and non-periodic expenses and income.

3 Income tax considering the average group tax rate, based on the underlying profit before tax.