

Göttingen, Germany, April 21, 2022

Sartorius records dynamic start to the new fiscal year

- Figures for the first quarter of 2022: Sales revenue up 25.4 percent in constant currencies, underlying EBITDA up 32.4 percent, underlying EBITDA margin 34.1 percent
- Healthy demand situation; normalization of pandemic-related effects and development of order intake, as expected; extensive investment program on schedule
- Positioning of both divisions strengthened by one acquisition each
- Outlook for 2022 confirmed: Sales revenue expected to rise by 15 to 19 percent and underlying EBITDA margin projected to be about 34 percent
- Global political and economic uncertainties substantially increased

The life science group Sartorius recorded a dynamic start to fiscal 2022, with sales revenue and earnings posting strong double-digit growth rates in the first quarter compared with the prior-year period. Based on its performance in the first three months, Sartorius confirms its outlook for fiscal 2022.

“Sartorius had a good start to 2022. We continued to grow in both divisions and also achieved a further slight margin increase despite rising logistics and material costs as well as negative influences from currencies. The pandemic-related effects and the development of order intake are normalizing, as expected. Demand for our products is high in all segments, and our investments in the expansion of production capacities are making good progress. In addition, the acquisitions of Automated Lab Solutions and the chromatography business of Novasep strengthened the positioning of both divisions. In light of the positive performance in the first three months and the healthy demand situation, we are confirming our outlook for the current fiscal year. However, the global political and economic uncertainties have increased substantially with the outbreak of war in Ukraine, further increasing the strain on supply chains and the risks arising from significantly higher inflation rates,” said Executive Board Chairman and CEO Joachim Kreuzburg.

Business development of the Group¹

In the first quarter, Group sales revenue rose by 25.4 percent year-over-year in constant currencies (reported: + 29.5 percent) to around 1,025 million euros. The performance was driven by strong organic growth in both divisions, while acquisitions² contributed almost 2 percentage points to the increase. All three business regions – EMEA³, Americas, and Asia | Pacific – posted double-digit percentage growth in constant currencies.

Order intake was in line with expectations compared with the exceptionally strong prior-year quarter, reaching 1,112 million euros (- 5.8 percent in constant currencies; reported: - 2.3 percent). In the Bioprocess Solutions Division, in particular, the first quarters of 2021 were influenced by extraordinarily high demand

related to the coronavirus pandemic and changed ordering patterns by some customers, who placed their orders further in advance than usual.

As a result from the growth in sales revenue, underlying EBITDA rose by 32.4 percent to 349 million euros in the first quarter. The corresponding margin improved to 34.1 percent, up from 33.3 percent a year earlier, despite being impacted by negative currency effects. Relevant net profit rose by 37.5 percent from the prior-year period to 167 million euros. Underlying earnings were 2.44 euros (prior-year quarter: 1.77 euros) per ordinary share and 2.45 euros (prior-year quarter: 1.78 euros) per preference share.

Key financial indicators

The Sartorius Group continues to have a very sound balance sheet and financial base. As of March 31, 2022, its equity ratio stood at 33.1 percent (December 31, 2021: 30.2 percent). Net debt to underlying EBITDA was 1.4 as of the reporting date, compared with 1.5 at year-end 2021. Cash flow from investing activities stood at -99 million euros as planned, compared to -90 million euros in the first quarter of 2021. The ratio of capital expenditures (CAPEX) to sales revenue reached 9.4 percent, compared with 10.2 percent in the prior-year period.

Increase in the number of employees

As of March 31, 2022, Sartorius employed a total of 15,051 people worldwide, representing a headcount increase of 1,219 from the end of December 2021.

Business development of the Bioprocess Solutions Division

The Bioprocess Solutions Division, which offers a wide array of innovative technologies for the manufacture of biopharmaceuticals and vaccines, recorded a year-over-year sales revenue increase of 29.2 percent in constant currencies (reported: + 33.4 percent) to 815 million euros in the first quarter. All business areas contributed to this development with clear double-digit growth rates. The non-organic contribution from acquisitions was around 2 percentage points.

As expected, order intake fell by 9.8 percent in constant currencies (reported: - 6.6 percent) to 890 million euros on the back of the exceptionally high figure for the prior-year period, which was influenced by changed ordering patterns by some customers, who placed orders further in advance than usual, and strong demand from manufacturers of coronavirus vaccines.

Underlying EBITDA of the Bioprocess Solutions Division rose by 35.1 percent to 293 million euros, with the corresponding margin increasing to 36.0 percent (prior-year quarter: 35.6 percent) despite negative currency effects.

Business development of the Lab Products & Services Division

The Lab Products & Services Division, which specializes in equipment and technologies for life science research and pharmaceutical laboratories, increased its sales revenue by 12.4 percent in constant currencies (reported: + 16.5 percent) to 210 million euros in the first quarter. Close to 1 percentage point came from non-organic growth. Development was once again especially dynamic in the bioanalytics product segment. Order intake grew slightly faster than sales revenue, rising by 15.2 percent in constant currencies (reported: + 19.9 percent) to 223 million euros.

The division's underlying EBITDA rose by 20.1 percent to 56 million euros, translating into a margin increase to 26.5 percent (prior-year quarter: 25.7 percent), despite negative currency effects.

Outlook for fiscal 2022 confirmed

The management confirms the outlook for the current fiscal year. Consolidated sales revenue is expected to increase by about 15 percent to 19 percent, with non-organic growth from acquisitions projected to contribute about 2 percentage points. The company's underlying EBITDA margin is expected to reach about 34 percent this year.

For the Bioprocess Solutions Division, the company forecasts sales revenue growth of about 17 percent to 21 percent. This includes a non-organic growth contribution from acquisitions of about 2 percentage points. The division's underlying EBITDA margin is projected to reach about 36 percent. Lab Products & Services should achieve revenue growth of about 6 percent to 10 percent in 2022, with about 1 percentage point of this coming from the non-organic growth contribution from acquisitions. The division's underlying EBITDA margin is expected to be about 26 percent.

The CAPEX ratio is anticipated to be about 14 percent and net debt to underlying EBITDA to be about 1.1 at year-end. Possible further acquisitions are not included in this projection.

All forecasts are based on constant currencies, as in the past years. In addition, management points out that the dynamics and volatilities in the life science and biopharma sectors have increased over the past years and the coronavirus pandemic has further amplified these trends. Accordingly, current forecasts show even higher uncertainties than usual. Furthermore, the forecasts are based on the assumption of no further deterioration in the geopolitical and global economic situation, supply chains and inflation, and no new large-scale restrictions in connection with the coronavirus pandemic.

1 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 Acquisition of CellGenix, Xell, the Novasep chromatography division, and ALS Automated Lab Solutions

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.

Conference call

The Executive Board Chairman and CEO of Sartorius AG, Joachim Kreuzburg, and Executive Board member and CFO, Rainer Lehmann, will discuss the company's results with analysts and investors in a conference call at 3.30 p.m. CEST on April 21, 2022. You may register by clicking on the following link:

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

More information

<https://www.sartorius.com/en/company/newsroom>

Financial calendar

July 21, 2022	Publication of the first-half figures (January to June 2022)
October 19, 2022	Publication of nine-month figures (January to September 2022)

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 2021, the company earned sales revenue of some 3.45 billion euros. At the end of 2021, nearly 14,000 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 the First Quarter of 2022

In millions of € (unless otherwise specified)	Sartorius Group				Bioprocess Solutions				Lab Products & Services			
	Q1 2022	Q1 2021 ¹	Δ in % Reported	Δ in % cc ²	Q1 2022	Q1 2021 ¹	Δ in % Reported	Δ in % cc ²	Q1 2022	Q1 2021 ¹	Δ in % Reported	Δ in % cc ²
Order Intake and Sales Revenue												
Order intake	1,112.2	1,138.6	-2.3	-5.8	889.7	953.0	-6.6	-9.8	222.5	185.6	19.9	15.2
Sales revenue	1,024.8	791.1	29.5	25.4	814.6	610.7	33.4	29.2	210.2	180.3	16.5	12.4
▪ EMEA ³	401.2	334.4	20.0	20.1	329.9	260.3	26.7	27.1	71.4	74.1	-3.7	-4.6
▪ Americas ³	359.1	253.1	41.8	32.6	281.2	197.1	42.7	33.4	77.9	56.1	39.0	29.7
▪ Asia Pacific ³	264.5	203.6	29.9	25.2	203.6	153.4	32.7	27.5	60.9	50.2	21.4	18.0
Earnings												
EBITDA ⁴	349.0	263.5	32.4		293.3	217.1	35.1		55.7	46.4	20.1	
EBITDA margin ⁴ in %	34.1	33.3			36.0	35.6			26.5	25.7		
Relevant net profit ⁵	167.2	121.7	37.5									
Net profit ⁶	205.6	90.3	127.7									
Financial Data per Share												
Earnings per ordinary share ⁵ in €	2.44	1.77	37.6									
Earnings per preference share ⁵ in €	2.45	1.78	37.3									

1 The figures for the first quarter 2021 were restated due to the finalization of the purchase price allocation for the acquisitions of BIA Separations and WaterSep BioSeparations

2 In constant currencies abbreviated as "cc"

3 According to the customer's location

4 Relevant / underlying EBITDA: earnings before interest, taxes, depreciation and amortization and 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

6 After non-controlling interest

Statement of Profit or Loss

	3 months 2022 € in mn	3 months 2021 ¹ € in mn
Sales revenue	1,024.8	791.1
Cost of sales	-486.6	-373.2
Gross profit on sales	538.2	417.9
Selling and distribution costs	-149.1	-129.0
Research and development expenses	-42.7	-32.2
General administrative expenses	-49.9	-37.0
Other operating income and expenses	-17.8	-13.8
Earnings before interest and taxes (EBIT)	278.7	205.9
Financial income	90.8	10.3
Financial expenses	-18.9	-30.4
Financial result	71.9	-20.1
Profit before tax	350.6	185.9
Income taxes	-73.4	-60.3
Net profit for the period	277.2	125.5
Attributable to:		
Shareholders of Sartorius AG	205.6	90.3
Non-controlling interest	71.6	35.2
Earnings per ordinary share (€) (basic)	3.00	1.31
Earnings per preference share (€) (basic)	3.01	1.32
Earnings per ordinary share (€) (diluted)	3.00	1.31
Earnings per preference share (€) (diluted)	3.01	1.32

¹ The figures for the first quarter 2021 were restated due to the finalization of the purchase price allocation for the acquisitions of BIA Separations and WaterSep BioSeparations

Statement of Comprehensive Income

	3 months 2022 € in mn	3 months 2021 ¹ € in mn
Net profit for the period	277.2	125.5
Cash flow hedges	-3.9	-10.9
- of which effective portion of the change in fair value	-10.2	-4.8
- of which reclassified to profit or loss	6.3	-6.1
Income tax on cash flow hedges	1.2	3.3
Net investment in a foreign operation	9.0	21.6
Income tax on net investment in a foreign operation	-2.4	-5.8
Currency translation differences	12.6	41.7
Items that may be reclassified in the profit or loss statement, net of tax	16.4	49.9
Items that will not be reclassified in the profit or loss statement, net of tax	0.0	0.0
Other comprehensive income after tax	16.4	49.9
Total comprehensive income	293.6	175.4
Attributable to:		
Shareholders of Sartorius AG	221.3	135.0
Non-controlling interest	72.4	40.4

¹ The figures the first quarter 2021 were restated due to the finalization of the purchase price allocation for the acquisitions of BIA Separations and WaterSep BioSeparations

Statement of Financial Position

	March 31, 2022 € in mn	Dec. 31, 2021 € in mn
Assets		
Non-current assets		
Goodwill	1,396.1	1,362.0
Other intangible assets	1,130.9	1,095.6
Property, plant and equipment	1,378.1	1,305.8
Financial assets	64.2	60.8
Other assets	1.5	1.6
Deferred tax assets	83.9	75.2
	4,054.6	3,901.1
Current assets		
Inventories	978.0	892.8
Trade receivables	494.4	424.0
Other financial assets	27.8	24.9
Current tax assets	23.2	29.0
Other assets	106.1	83.3
Cash and cash equivalents	246.9	342.8
	1,876.4	1,796.8
Total assets	5,931.0	5,697.9
	March 31, 2022 € in mn	Dec. 31, 2021 € in mn
Equity and liabilities		
Equity		
Equity attributable to Sartorius AG shareholders	1,427.7	1,260.3
Issued capital	68.4	68.4
Capital reserves	43.6	43.3
Other reserves and retained earnings	1,315.6	1,148.6
Non-controlling interest	537.7	459.9
	1,965.4	1,720.2
Non-current liabilities		
Pension provisions	76.6	75.4
Other provisions	13.7	13.3
Loans and borrowings	1,646.4	1,649.1
Lease liabilities	89.7	88.9
Other financial liabilities	403.9	421.8
Deferred tax liabilities	188.9	182.0
	2,419.1	2,430.6
Current liabilities		
Provisions	60.1	58.4
Trade payables	569.2	515.0
Loans and borrowings	294.3	311.3
Lease liabilities	27.3	26.1
Employee benefits	124.6	153.9
Other financial liabilities	98.2	169.0
Current tax liabilities	223.5	178.7
Other liabilities	149.2	134.7
	1,546.5	1,547.2
Total equity and liabilities	5,931.0	5,697.9

Statement of Cash Flows

	3 months 2022 € in mn	3 months 2021 ¹ € in mn
Profit before tax	350.6	185.9
Financial result	-71.9	20.1
Depreciation amortization of intangible and tangible assets	64.6	52.5
Change in provisions	2.2	7.6
Change in receivables and other assets	-68.2	-51.4
Change in inventories	-72.8	-54.2
Change in liabilities (without loans and borrowings)	18.9	98.8
Income taxes paid	-34.5	-32.8
Other non-cash items	1.3	2.5
Cash flows from operating activities	190.2	228.9
Capital expenditures	-96.4	-80.8
Other payments	-2.1	-9.5
Cash flow from investing activities	-98.5	-90.4
Payments for acquisitions of consolidated subsidiaries and other business operations, net of cash acquired	-64.3	-0.1
Cash flow from investing activities, acquisitions and disposals	-162.9	-90.4
Interest received	1.5	1.3
Interest paid and other financial charges	-4.3	-3.8
Dividends paid to:		
- Shareholders of Sartorius AG	-85.9	-48.2
- Non-controlling interest	-1.1	-16.4
Changes in non-controlling interest	-5.6	0.0
Loans repaid	-209.1	-115.1
Loans raised	180.6	199.1
Cash flow from financing activities	-124.0	16.8
Change in cash and cash equivalents	-96.7	155.2
Cash and cash equivalents at the beginning of the period	342.8	203.4
Change in scope of consolidation	0.0	0.0
Net effect of currency translation on cash and cash equivalents	0.8	2.2
Cash and cash equivalents at the end of the period	246.9	360.8

¹ The figures for the first quarter 2021 were restated due to the finalization of the purchase price allocation for the acquisitions of BIA Separations and WaterSep BioSeparations

Reconciliation

	3 months 2022 € in mn	3 months 2021 ¹ € in mn
EBIT	278.7	205.9
Extraordinary effects	5.7	5.1
Amortization	25.4	19.9
Normalized financial result ²	-6.9	-6.8
Normalized income tax (27%) ³	-81.8	-60.5
Underlying net result after tax	221.2	163.6
Non-controlling interest	-53.9	-41.9
Underlying earnings after taxes and non-controlling interest	167.2	121.7
Underlying earnings per share		
per ordinary share in €	2.44	1.77
per preference share in €	2.45	1.78

1 The figures for the first quarter 2021 were restated due to the finalization of the purchase price allocation for the acquisitions of BIA Separations and WaterSep BioSeparations

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