

SARTORIUS

Simplifying Progress

Conference Call 9M 2022 Results

Joachim Kreuzburg, Rainer Lehmann

Sartorius | Sartorius Stedim Biotech | October 19, 2022



Disclaimer

This presentation contains statements concerning the future performance of the Sartorius and the Sartorius Stedim Biotech Groups. These statements are based on assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, we cannot guarantee that they will actually materialize. This is because our assumptions harbor risks and uncertainties that could lead to actual results substantially diverging from the expected ones. It is not planned to update our forward-looking statements.

Throughout this presentation, differences may be apparent as a result of rounding during addition.

Highlights

- Double-digit growth of sales revenues and earnings in both divisions
- Healthy profitability based on positive scale effects, diluted by higher cost base and FX-related headwinds
- Fundamentally strong market impacted by rapid normalization of demand in bioprocessing domain
- Outlook for 2022 specified for sales growth with unchanged profitability
- Uncertainties remain high due to global geopolitical and economic situation



Acquisition of Alumedix further strengthens the portfolio for advanced therapies



Nottingham, UK



>100 employees



GMP manufacturing
and R&D laboratories



33m revenue expected for 2022,
significant double-digit EBITDA margin



Recombinant albumin

Strategic rationale

- Leader in the field of recombinant albumin, a critical component in the manufacture and formulation of innovative biopharmaceuticals
- Strengthens Sartorius' position as a relevant supplier of animal-component free media and critical ancillary materials
- Complements cell culture media business particularly for advanced therapy

Acquisition terms

- Purchase price of ~£415m in cash for 100% stake
- Acquisition closed as of September 30, 2022

Agenda

Sartorius Group
9M 2022 results | FY 2022 guidance

Sartorius Stedim Biotech Group
9M 2022 results | FY 2022 guidance

Questions & Answers



Strong sales growth, margin close to high prior-year level

Sartorius Group in millions of € unless otherwise specified	9M 2021	9M 2022	▲ in %	▲ in % cc ¹
Sales revenue	2,526.9	3,112.9	+23.2	+16.6
Order intake	3,286.2	3,121.1	-5.0	-9.5
Underlying EBITDA ²	866.4	1,051.5	+21.4	
Underlying EBITDA ² margin in %	34.3	33.8	-0.5pp	
Underlying EPS ³ (ord.) in €	5.94	7.32	+23.2	
Underlying EPS ³ (pref.) in €	5.95	7.33	+23.1	

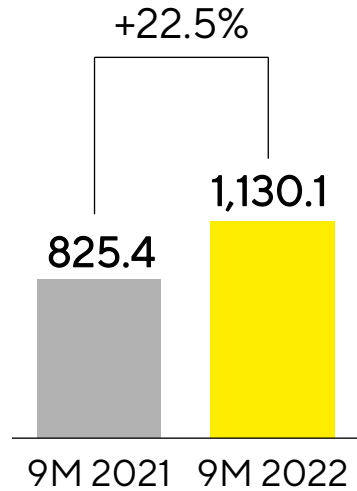
- Strong organic sales growth; acquisitions contribute close to 2pp
- OI mirrors normalizing demand as expected; prior-year figure boosted by pandemic and extraordinary ordering patterns
- Underlying EBITDA margin close to prior year despite higher costs (as planned) and FX-related headwinds

¹ Constant currencies ² Underlying = excluding extraordinary items ³ Underlying EPS = based on net profit after non-controlling interest; adjusted for extraordinary items as well as amortization and based on a normalized financial result and normalized tax rate

Double-digit growth across all geographies; Americas growing the fastest

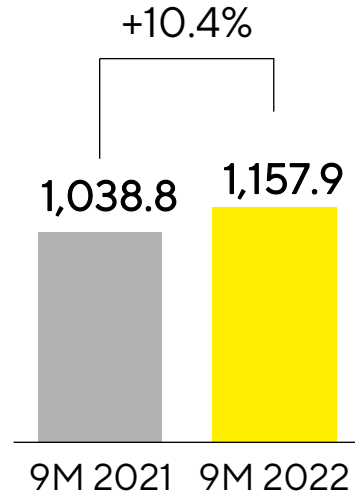
Americas

€ in millions



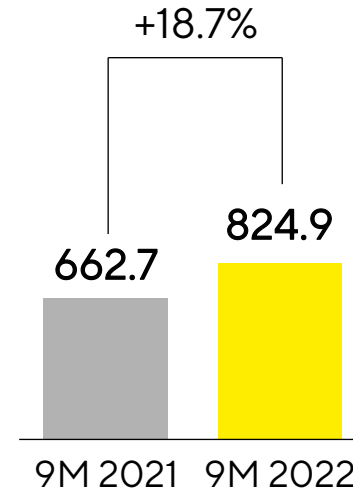
EMEA

€ in millions



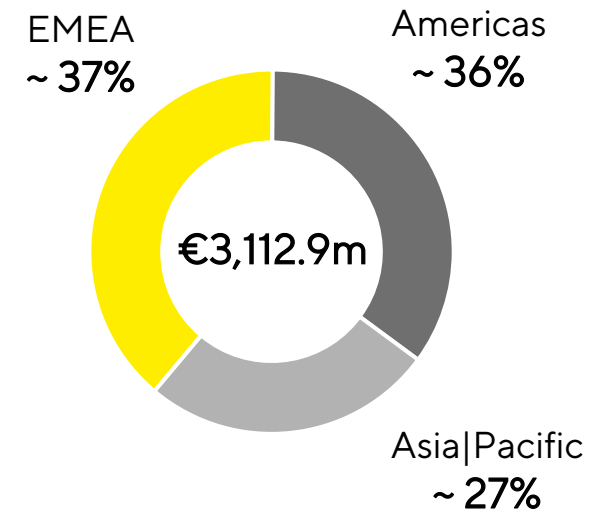
Asia|Pacific

€ in millions



Sales by Region

in %



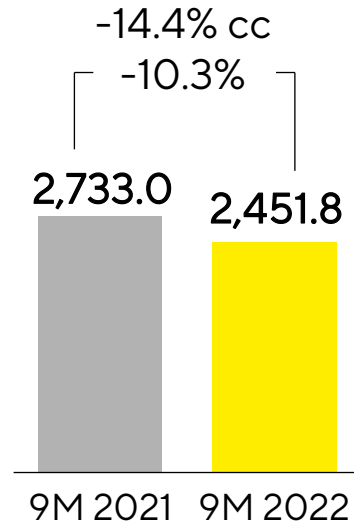
- Americas contributing most to strong sales revenue growth
- Good growth in EMEA despite tough comparables
- Partial lockdowns in China with overall only small impact on growth in Asia|Pacific

Acc. to customers' location; growth in constant currencies

Bioprocess Solutions: Double-digit increase in sales revenue and earnings; order intake below exceptionally high prior-year figure

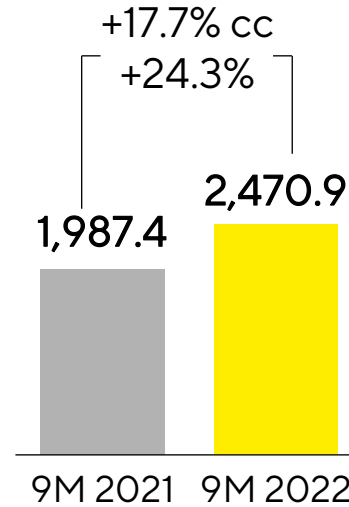
Order Intake

€ in millions



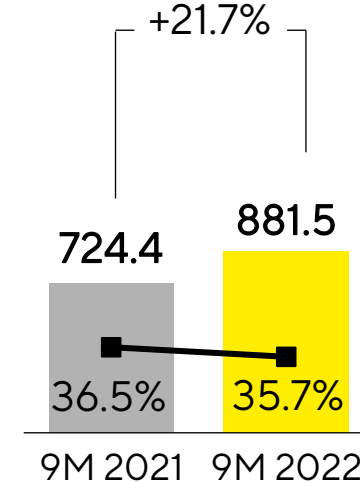
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions

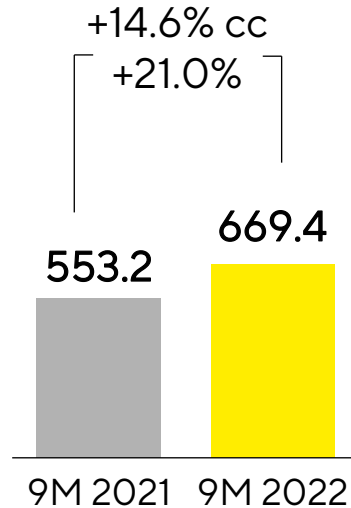


- Acquisitions contribute around 2pp to sales growth; sales with coronavirus vaccine customers declined significantly
- OI reflects normalizing demand; prior-year figure boosted by pandemic and changed ordering patterns by some customers
- Healthy underlying EBITDA margin based on positive scale effects, diluted by higher cost base and FX-related headwinds

Lab Products & Services: Dynamic growth fueled by Bioanalytics business

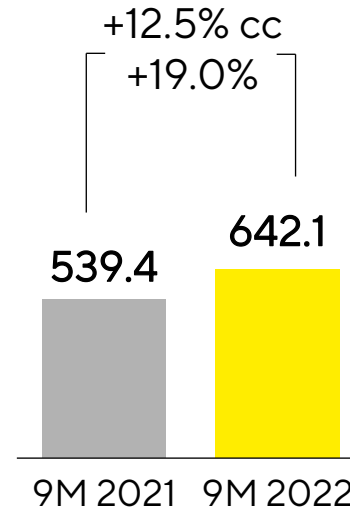
Order Intake

€ in millions



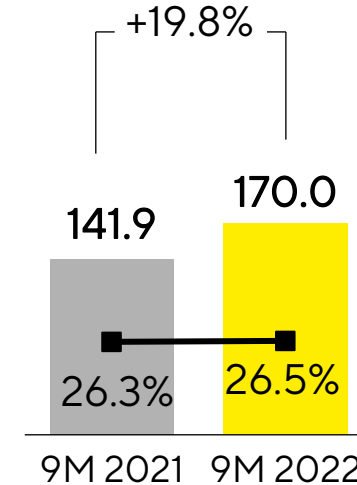
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions



- M&A contribute close to 1pp to sales growth
- Especially Bioanalytics and the U.S. show a dynamic development
- EBITDA margin slightly up due to scale effects and a favorable product mix which overcompensated FX-related headwinds and higher costs (as planned)

Build-up of inventories reflected in cash flow

Sartorius Group in millions of € unless otherwise specified	9M 2021	9M 2022	▲ in %
Underlying EBITDA	866.4	1,051.5	+21.4
Extraordinary items	-22.7	-26.1	-15.2
Financial result	-59.1	102.6	n.m.
Underlying net profit ^{1,2}	407.0	501.2	+23.1
Reported net profit ²	307.8	525.7	+70.8
Operating cash flow	638.5	449.5	-29.6
Investing cash flow ³	-395.5	-903.6	-128.5
CAPEX ratio (in %)	9.6	11.3	+1.7pp

- Higher inventories to support supply security impact cash flow
- Valuation effect of earn-out liability regarding BIA Separations mainly drives financial result
- Investing cash flow reflects substantial CAPEX program and M&A

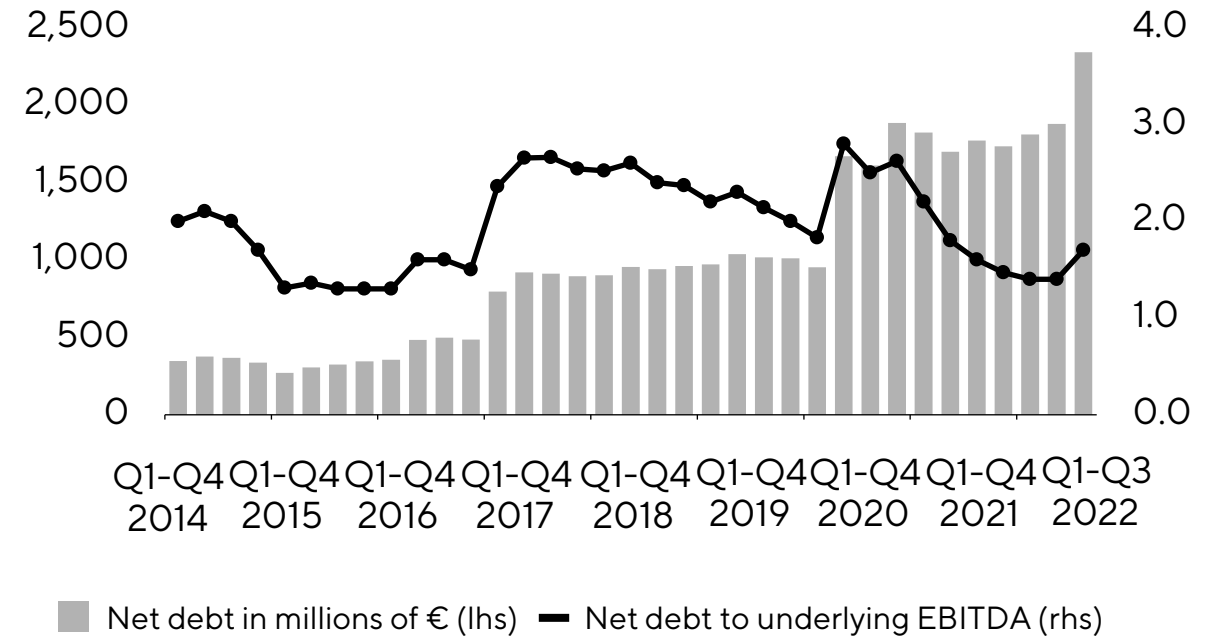
9M 2021 figures restated due to final PPA for the acquisition of BIA Separations 1 Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and a normalized tax rate 2 After non-controlling interest 3 Net cash flow from investing activities and acquisitions

Robust financial key figures, influenced by recent Albumedix acquisition

Key Financial Indicators

Sartorius Group	Dec. 31, 2021	Sep. 30, 2022
Equity ratio in %	30.2	35.4
Net debt in millions of €	1,732.7	2,342.0
Net debt underlying EBITDA ¹	1.5	1.7

Net Debt and Net Debt to Underlying EBITDA



¹ Includes underlying pro forma EBITDA of acquisitions completed in 2021 and 2022

Guidance 2022 specified for sales growth, profitability unchanged, uncertainties remain high

Specified guidance 2022 ¹	Sales revenue growth	Underlying EBITDA margin
Sartorius Group	lower half of range ~15% - 19%	~34%
thereof from acquisitions	~2pp	
Bioprocess Solutions	lower half of range ~17% - 21%	~36%
thereof from acquisitions	~2pp	
Lab Products & Services	upper half of range ~6% - 10%	~26%
thereof from acquisitions	~1pp	

- Corona-related business expected at around €250 million
- Margin targets include expenses for reduction of CO₂ emission intensity of around 0.5% of sales
- CAPEX ratio expected at around 14%
- Net debt to underlying EBITDA now anticipated at around 1.6 mainly driven by the Alumedix acquisition (previously 1.1)

¹ In constant currencies

Agenda

Sartorius Group
9M 2022 results | FY 2022 guidance

Sartorius Stedim Biotech Group
9M 2022 results | FY 2022 guidance

Questions & Answers



Double-digit increase in sales revenue and earnings; order intake below exceptionally high prior-year figure

Sartorius Stedim Biotech Group in millions of € unless otherwise specified	9M 2021	9M 2022	▲ in %	▲ in % cc ¹
Sales revenue	2,108.8	2,602.7	+23.4	+17.0
Order intake	2,851.9	2,601.2	-8.8	-12.8
Underlying EBITDA ²	765.5	911.9	+19.1	
Underlying EBITDA ² margin in %	36.3	35.0	-1.3pp	
Underlying EPS ³ in €	5.52	6.58	+19.2	

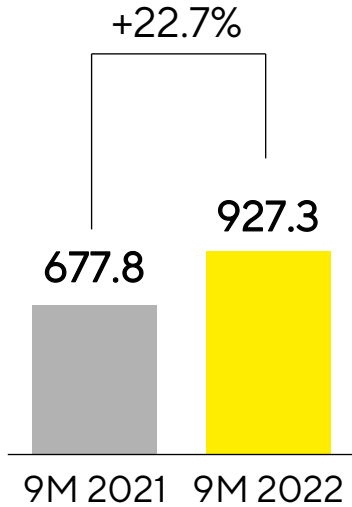
- Acquisitions contribute around 2pp to sales growth; sales with coronavirus vaccine customers declined significantly
- OI reflects normalizing demand; prior-year figure boosted by pandemic and changed ordering patterns by some customers
- Healthy underlying EBITDA margin based on positive scale effects, diluted by higher cost base and FX-related headwinds

¹ Constant currencies ² Underlying = excluding extraordinary items ³ Underlying EPS = based on net profit after non-controlling interest; adjusted for extraordinary items as well as amortization and based on a normalized financial result and normalized tax rate

Double-digit growth across all regions; Americas growing the fastest

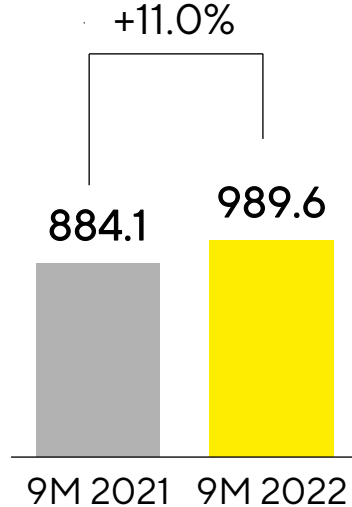
Americas

€ in millions



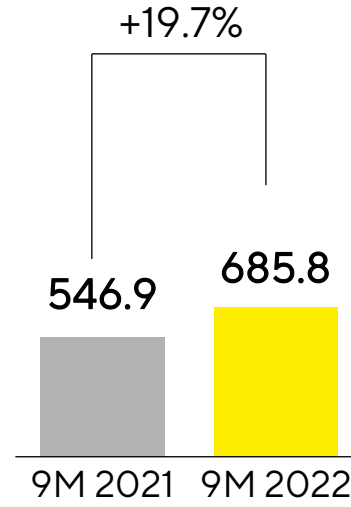
EMEA

€ in millions



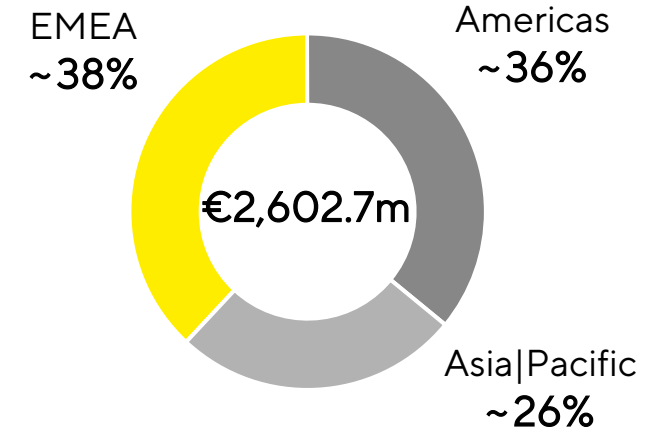
Asia|Pacific

€ in millions



Sales by Region

in %



- Americas contributing most to strong sales revenue growth
- Good growth in EMEA despite tough comparables
- Partial lockdowns in China with overall only small impact on growth in Asia|Pacific

Acc. to customers' location; growth in constant currencies

Buildup of inventories reflected in cash flow

Sartorius Stedim Biotech Group in millions of € unless otherwise specified	9M 2021	9M 2022	▲ in %
Underlying EBITDA	765.5	911.9	+19.1
Extraordinary items	-16.0	-13.4	+16.6
Financial result	-46.7	121.5	n.m.
Underlying net profit ^{1,2}	508.9	606.6	+19.2
Reported net profit ²	423.1	689.4	+63.0
Operating cash flow	536.6	392.7	-26.8
Investing cash flow ³	-327.9	-809.5	-146.9
CAPEX ratio (in %)	8.8	11.1	+2.3

- Higher inventories to support supply security impact cash flow
- Valuation effect of earn-out liability regarding BIA Separations mainly drives financial result
- Investing cash flow reflects substantial CAPEX program and M&A

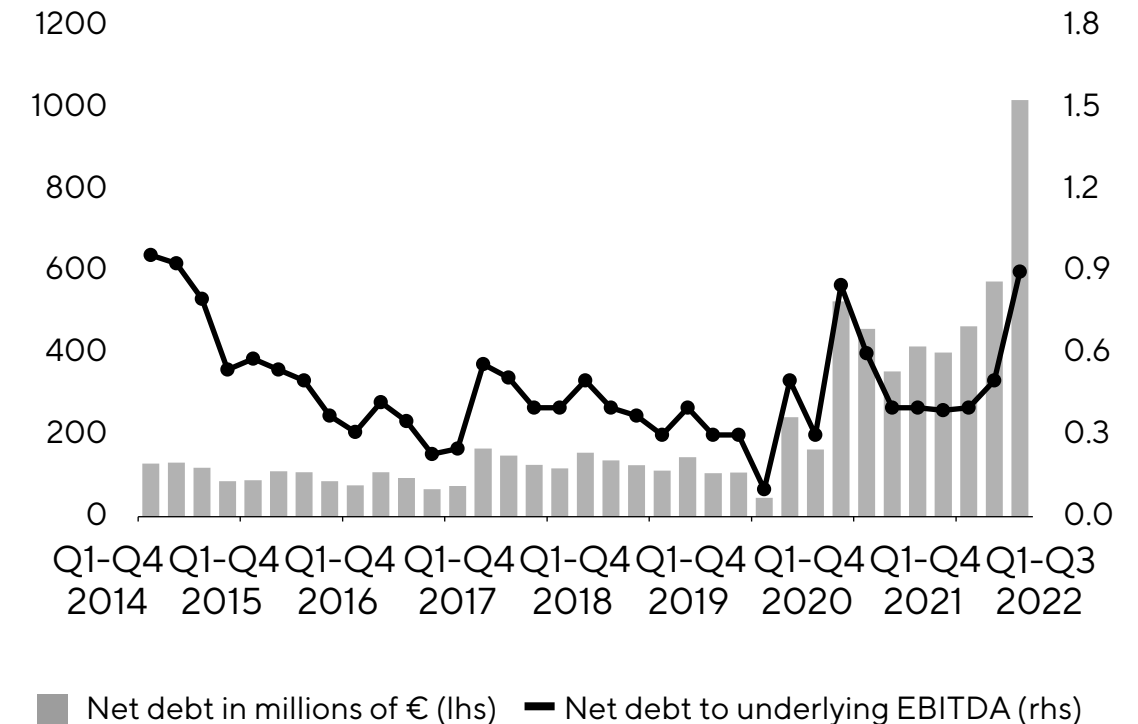
9M 2021 figures restated due to final PPA for the acquisition of BIA Separations 1 Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and a normalized tax rate 2 After non-controlling interest 3 Net cash flow from investing activities and acquisitions

Robust financial indicators; debt ratio remains low despite recent Albumedix acquisition

Key Financial Indicators

Sartorius Stedim Biotech Group	Dec. 31, 2021	Sep. 30, 2022
Equity ratio in %	43.9	46.1
Net debt in millions of €	401.9	1,020.1
Net debt underlying EBITDA ¹	0.4	0.9

Net Debt and Net Debt to Underlying EBITDA



¹ Includes underlying pro forma EBITDA of acquisitions completed in 2021 and 2022

Guidance 2022 specified for sales growth, profitability unchanged, uncertainties remain high

Specified Guidance 2022 ¹	Sales revenue growth	Underlying EBITDA margin
Sartorius Stedim Biotech Group	lower half of range ~15% - 19%	>35%
thereof from acquisitions	~2pp	

- Corona-related business expected at around €250 million
- Margin target includes expenses for reduction of CO₂ emission intensity of approx. 0.5% of sales
- CAPEX ratio expected at around 14.5%
- Net debt to underlying EBITDA now anticipated at around 0.8 mainly driven by the Albumedix acquisition (previously 0.2)

¹ In constant currencies

Questions & Answers

