Sartorius Stedim Biotech
Investors Presentation
July 2023
Agenda

Overview | Strategy

Mid-term Growth Prospects

H1 2023 Results | FY 2023 Guidance

Appendix
Partner of Life Science research and the biopharmaceutical industry

Our mission

We empower scientists and engineers to simplify and accelerate progress in life science and bioprocessing, enabling the development of new and better therapies and more affordable medicine.

Good health and well-being at the focus of Sartorius Stedim Biotech’ business activities
Sartorius Stedim Biotech at a glance

- **€3.49bn**
  - Sales revenue 2022
- **~20%**
  - Sales CAGR\(^1\) 2012-2022
- **~35.0%**
  - EBITDA margin\(^2\) 2022
- **>25**
  - Countries, headquartered in Aubagne, France
- **~11,900**
  - Employees 12/2022

### Four strong pillars drive above-average growth

- **Pharma market**: CAGR 4-7%
- **Biopharma market**: CAGR ~10%
- **Single-use penetration**: Double-digit growth
- **Market share gains**: Esp. in North America

1. In constant currencies  
2. Excluding extraordinary items
Covering most steps of the biopharmaceutical manufacturing process

- Differentiated by the range and completeness of the portfolio
- Excellent positioning in key single-use technologies
- Internationally recognized supplier enabling innovation in bioprocessing through own R&D and partnerships
Generating revenue throughout the lifecycle of a biopharma drug

- Wide product range of equipment and consumables for all stages (from pre-commercial to large-scale manufacturing); optimal scalability
- Engineering support with excellent application knowhow and understanding of the entire bio-production process
- Production process of each individual drug is subject to validation by health authorities (e.g. FDA, EMA) and part of the drug approval
Integrated services and technologies for all types of biopharmaceuticals

- ~ 95% of revenue generated with bio/pharma customers
- Antibodies are most relevant; strong position in vaccines as well
- SSB provides solutions for the development and production of all biotechnologically derived drugs and cell derivatives
- These also include new modalities such as cell and gene therapies and viral vectors
New modalities are coming to the market and offer growth opportunities

Protein-based therapies
- mAbs
- Bi-/Multi-specifics
- Bioconjugates | ADCs
- Recombinant proteins and peptides
- Protein-based vaccines

Viral-based therapies
- Viral vectors for gene therapy
- Virus and viral vector vaccines
- Oncolytic viruses
- Novel modalities (e.g., mRNA, DNA, Exosomes)

Advanced therapies
- Cell therapy (e.g., iPSC, MSC)
- Gene-modified cell therapy (CAR-T)

Unmet needs
Share of molecules in R&D pipeline; source: GlobalData, November 2022

Process intensification
Yields
Robust manufacturing

Expected market CAGR 2021-2026, Sartorius estimates excluding Corona vaccines and therapeutics
Growing and aging population
9 billion people by 2050
World population over age 60 in 2050
>2bn
World population over 60 in 2022
>1bn

Biologics are gaining importance
Sales share of biologics in 2028
~41%
Sales share of biologics in 2022
~37%

~10% CAGR biopharma market 2022 – 2026

1 United Nations: World Population Prospects, 2019 2 Evaluate Pharma: World Preview 2022, Outlook to 2028, August 2022
Sustainable profitable growth

Sales CAGR ~20%  
EBITDA\(^1\) margin +14.3pp

~€544
21.5 23.0 23.5 26.2 27.5 27.3 28.2 29.3 32.0 35.8 35.0

+10.0% +15.9% +19.4% +20.4% +4.1% +13.7% +18.8% +34.6% +52.6% ~€3.49bn

~€1.05bn
Sales growth and CAGR in constant currencies  
1 Excluding extraordinary items
Regionalizing our supply chain and manufacturing; increasing our global capacity

**Germany | Göttingen, Guxhagen**
Production capacities increasing

**China and South Korea**
Capacities will be created in selected areas

**Puerto Rico and USA**
Capacities will be ramped up for selected areas

- Separation
- Instruments and systems
- Separation
- Fluid management
- Cell culture media
- Cell culture media
- Fluid management
- Customer interaction
M&A strategy – adding innovation, enhancing focus

**Acquisition criteria**
- Portfolio: Complementary products or technologies
- Market position: Either among the Top 3 or unique selling point
- Integration: Management capacity; cultural fit
- Price: Fair valuation; reach Sartorius’ profitability level in 2-3 years

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1 Acquired from Danaher
Polyplus acquisition closed

**Portfolio**

- **Transfection reagents**
  - PEI Pro
  - FectoVIR

- **Plasmids**
  - Plasmid design
  - Plasmid production

- **Other reagents**
  - LNP production
  - In-vivo RNA & DNA delivery
  - Genome editing

**Sales split**

- Transfection
- Plasmids
- Other reagents

**Profitability**

Significantly above SSB margin

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**Polyplus**

- HQ in Strasbourg, France; sites in Belgium, USA, China
- ~270 employees
- GMP manufacturing
- Founded 2001
Unique combined portfolio for cell & gene therapies (CGT)

- **Sartorius Stedim Biotech Group**

**Up & downstream solutions**

- Biological Industries
  - Cell culture media
- CellGenix
  - Growth factors and cytokines
- Xell
  - Media and supplements
- Albumedix
  - Recombinant Albumin
- Polyplus
  - Transfection reagents and plasmid DNA

**Cell line development, plasmid design & manufacturing and testing services**
A high-growth, increasingly relevant market segment

~30% of biopharma pipeline is focusing on CGT\(^1\)

Other biologics ~70%

CGT ~30%

~60 approved CGT globally\(^1\)

~10–20 CGT approvals expected p.a. by 2025\(^2\)

Polyplus spec’d into significant portion of approved & pipeline CGT

Number of commercial processes is expanding rapidly

>6,000 CGT candidates in development\(^1\)

Strong growth projections CAGRs 2022–2026\(^3\)

Cell therapy ~30%

Gene therapy ~20%

Biopharma market ~10%

1 Source: GlobalData, July 2023  2 FDA  3 Sartorius’ estimates excluding Corona vaccines and therapeutics
Financial transaction terms

- **Purchase price**: approx. €2.4bn
- **Bridge financing**
- **Bridge loan facility at Sartorius AG level**
- **Long-term refinancing via bond issuance intended on Sartorius AG level**
- **Net debt/underlying EBITDA¹**: 4
  - **Deleveraging**: <3.0
    - Targeted until 2025

¹ Sartorius Stedim Biotech Group
Recent acquisitions make us an even more relevant partner across the biopharma production workflow

- Expanded portfolio in areas where we used to have a limited offering (e.g., media, purification)
- Focus on innovative technologies especially for cell and gene therapies

### Downstream processing
Chromatography systems for smaller biomolecules and innovative systems for continuous manufacturing processes

<table>
<thead>
<tr>
<th>Novasep Chromatography-Business</th>
<th>CellGenix</th>
<th>Xell</th>
<th>Albumedix</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 2022</td>
<td>July 2021</td>
<td>August 2021</td>
<td>September 2022</td>
</tr>
</tbody>
</table>

### Cell and gene therapies
Cell culture media and components for the production of cell and gene therapies and vaccines

<table>
<thead>
<tr>
<th>Polyplus</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2023</td>
<td></td>
</tr>
</tbody>
</table>

Tapping growth opportunities in both established as well as emerging areas
### Competitive product offering

<table>
<thead>
<tr>
<th></th>
<th>Sartorius</th>
<th>Merck</th>
<th>Danaher</th>
<th>Thermo Fisher</th>
<th>Top 3 Players</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Filtration</strong></td>
<td><img src="chart1" alt="Filtration" /></td>
<td><img src="chart2" alt="Filtration" /></td>
<td><img src="chart3" alt="Filtration" /></td>
<td><img src="chart4" alt="Filtration" /></td>
<td>All player with approx. equal market shares</td>
</tr>
</tbody>
</table>
| **Fluid Management**    | ![Fluid Management](chart1) | ![Fluid Management](chart2) | ![Fluid Management](chart3) | ![Fluid Management](chart4) | 1. Sartorius  
2. Thermo Fisher  
3. Merck | Millipore |
| **Fermentation**        | ![Fermentation](chart1) | ![Fermentation](chart2) | ![Fermentation](chart3) | ![Fermentation](chart4) | 1. Sartorius  
2. Thermo Fisher  
3. Danaher | Cytiva |
| **Purification**        | ![Purification](chart1) | ![Purification](chart2) | ![Purification](chart3) | ![Purification](chart4) | 1. Danaher | Cytiva  
2. Merck | Millipore  
3. Sartorius |
| **Cell Culture Media**  | ![Cell Culture Media](chart1) | ![Cell Culture Media](chart2) | ![Cell Culture Media](chart3) | ![Cell Culture Media](chart4) | 1. Thermo Fisher  
2. Merck | Millipore  
3. Danaher | Cytiva |

Pie charts indicate completeness of product offering.
Pioneer and leader in the growing single-use technology market

Single-use market penetration expected to increase from ~35% to ~75%

Single-use products offer advantages over conventional stainless-steel devices

- Capex|Opex reduction over entire lifecycle
- Reduced risk of cross-contamination
- Higher flexibility; advantageous for biosimilars

![Graph showing cost reductions](image)

Source: Andrew Sinclair et al., 2008; Sartorius
Single-use allows manufacturers to mitigate investment risks

- Construction of stainless-steel based facilities takes longer and is more complex compared to single-use
- Therefore, investment in stainless-steel facilities has to start in early clinical phase II
- The construction of single-use facilities may start in clinical phase III, reducing investment risks of our clients

<table>
<thead>
<tr>
<th>Clinical Phase I</th>
<th>Clinical Phase II</th>
<th>Clinical Phase III</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probability that candidate advances to next stage</td>
<td>~ 60%</td>
<td>~ 30%</td>
</tr>
<tr>
<td>Probability of approval</td>
<td>~ 10%</td>
<td>~ 15%</td>
</tr>
</tbody>
</table>

Data based on: Wong et al. (2018): Estimation of clinical trial success rates and related parameters
Limited dependence on individual accounts

More than half of 2022 SSB sales were generated with the Top 50 customers

Largest customer accounts for approx. 5% of SSB sales revenue

Sales to Top 50 customers in 2022, € in millions

- Limited dependence on individual accounts
- Long-term business relationships with leading global (bio-)pharma companies

Cumulative share

- Top 10: 23%
- 11 to 20: 36%
- 21 to 30: 43%
- 31 to 40: 48%
- 41 to 50: 52%
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Ambition 2025

Sartorius Stedim Biotech

Sales revenue

€4.4bn  
previously ~€4.0bn

EBITDA margin

>35%  
unchanged

- 2025 revenue target does not contain any potential Covid sales
- The margin target includes expenses for reduction of the company’s CO₂ emission intensity of around 1% of sales

2025 targets are based on current currency exchange rates; EBITDA excluding extraordinary items
Running around one year ahead of our mid-term plan

Recent business development vs. mid-term growth trajectory

- Sales revenues in 2021 and 2022 substantially impacted by direct and indirect Covid effects
- Thus growth 2019-2022 significantly exceeds fundamental market growth
- Strong market fundamentals fully intact, projected growth 2019-2025 well above previous periods and initial expectations

1 Including inflationary adjustments
U.S. remains most important market; China with highest growth rates

Biologics market growth forecast

2020

- U.S. ~119
- Europe ~46
- China ~38
- ROW ~47

~€250bn

2024

- U.S. ~167
- Europe ~58
- China ~67
- ROW ~72

~€365bn

CAGR

- ~9% U.S.
- ~6% Europe
- ~15% China

Source: Evaluate Pharma, July 2021; Daedal Research, December 2020; Sartorius
The U.S. and Asia are a focus of the regional growth strategy

**Sales development by region**
Sales share 2022 | CAGR 2012-2022

- **Asia | Pacific**: ~26% | ~23%
- **Europe**: ~38% | ~18%
- **Americas**: ~36% | ~21%

**Markets**
- U.S.: Highly innovative market, further potential for market share gains
- Asia: Strong growth in China, Korea and other countries
- China is developing into an innovative biopharma hub and plays an important role in global biosimilar development and production

**Initiatives**
- Targeted strengthening of sales and service capacities
- Expansion of the regional production network and local value creation
Biosimilars: Strong growth, big opportunities

- Major blockbuster biologics are going off-patent
- Time-to-market is key as only the first providers are most likely profitable
- Several approvals in Asia and Europe; U.S. at the beginning
- For now, relatively small market but with strong growth
- Single-use is the preferred platform for biosimilars

Biosimilars will outperform the biologics market\(^1\)

![Graph showing the growth of biosimilars and other biologics from 2021 to 2026 with an approximate 20-25% CAGR.]

Growing number of approved biosimilars\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>EU</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2013</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>2014</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2015</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>2016</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>2017</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>2018</td>
<td>16</td>
<td>10</td>
</tr>
<tr>
<td>2019</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>2020</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>2021</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2022</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

\(^1\) Source: Sartorius estimates \(^2\) FDA and EMA
High innovation dynamics in Biopharma

- Development of new drugs and vaccines must be accelerated, e.g. through more automation.
- Increased efficiency possible in the production of 'classic' biopharmaceuticals and biosimilars.
- New tools and methods required, e.g. for novel cell and gene therapies.
- Future drug manufacturing is more automated, intensified and scalable.
Analytical technologies to improve process economics and safety

- Bioprocess sensors, analyzers and software
- Collect, monitor and control quality-critical parameters
- Analyze data to obtain a better process understanding
- Use knowledge for process development, optimization and automation
- Allows customers to increase time-to-market, to reduce COGS, to improve process robustness and product quality
- Intention to upgrade Umetrics software suite with advanced analytics technologies such as AI and machine learning
- Data analytics just at the beginning in biomanufacturing with high potential
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Appendix
### Sartorius Stedim Biotech Group

#### Expected soft top-line development; margin remains on robust level

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech Group</th>
<th>H1 2022</th>
<th>H1 2023</th>
<th>▲ in %</th>
<th>▲ in % cc&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>1,724</td>
<td>1,402</td>
<td>-18.7</td>
<td>-18.5</td>
</tr>
<tr>
<td>Order intake</td>
<td>1,827</td>
<td>1,142</td>
<td>-37.5</td>
<td>-37.2</td>
</tr>
<tr>
<td>Underlying EBITDA&lt;sup&gt;2&lt;/sup&gt;</td>
<td>607</td>
<td>416</td>
<td>-31.5</td>
<td></td>
</tr>
<tr>
<td>Underlying EBITDA&lt;sup&gt;2&lt;/sup&gt; margin in %</td>
<td>35.2</td>
<td>29.7</td>
<td>-5.5pp</td>
<td></td>
</tr>
<tr>
<td>Underlying EPS&lt;sup&gt;3&lt;/sup&gt; in €</td>
<td>4.40</td>
<td>2.62</td>
<td>-40.4</td>
<td></td>
</tr>
</tbody>
</table>

- Acquisitions contribute ~1pp to sales growth; excl. Covid, decline in sales revenue slightly above 10%
- OI considerably impacted by destocking and low investment activities of customers
- Underlying EBITDA margin in line with expectations and on a decent level considering lower volumes

---

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
Navigating through volatility: Temporary decline in perspective

vs. H1 19 vs. H1 20

Sales revenue

Sales ex Covid

Covid-19-related sales

Order intake

Order intake

Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2

2019 2020 2021 2022 2023

+98% +61%

+47% +9%
All regions influenced by destocking and low investment activities

- Decline in sales in the Americas driven by destocking
- EMEA below very high comps; Russia influenced top line by close to 5pp
- Asia|Pacific revenue decreased mainly due to soft China business

Acc. to customers' location; growth in constant currencies
### Cash flow influenced by working capital development and CAPEX

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech Group</th>
<th>H1 2022</th>
<th>H1 2023</th>
<th>▲ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying EBITDA</td>
<td>607</td>
<td>416</td>
<td>-31.5</td>
</tr>
<tr>
<td>Extraordinary items</td>
<td>-5</td>
<td>-50</td>
<td>&gt; -100</td>
</tr>
<tr>
<td>Financial result</td>
<td>102</td>
<td>41</td>
<td>-60.1</td>
</tr>
<tr>
<td>Underlying net profit(^1,2)</td>
<td>405</td>
<td>242</td>
<td>-40.4</td>
</tr>
<tr>
<td>Reported net profit(^2)</td>
<td>485</td>
<td>244</td>
<td>-49.6</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>250</td>
<td>312</td>
<td>+25.0</td>
</tr>
<tr>
<td>Investing cash flow(^3)</td>
<td>-225</td>
<td>-285</td>
<td>-26.6</td>
</tr>
<tr>
<td>CAPEX ratio (in %)</td>
<td>10.4</td>
<td>18.7</td>
<td>+8.3pp</td>
</tr>
</tbody>
</table>

- Extraordinary items driven by acquisitions and integrations, structuring measures and corporate projects
- Financial result influenced by non cash-relevant valuation of BIA Separation’s earn-out liability
- Operating cash flow increase driven by working capital optimization and lower tax payments
- Investing cash flow reflects substantial CAPEX program

---

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
Sartorius Stedim Biotech Group

Sound balance sheet and financial KPI

Key financial indicators

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech Group</th>
<th>Dec. 31, 2022</th>
<th>June 30, 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity ratio in %</td>
<td>49.6</td>
<td>50.2</td>
</tr>
<tr>
<td>Net debt in millions of €</td>
<td>1,029</td>
<td>1,248</td>
</tr>
<tr>
<td>Net debt</td>
<td>underlying EBITDA¹</td>
<td>0.8</td>
</tr>
</tbody>
</table>

¹ Includes underlying pro forma EBITDA of acquisitions completed in 2022

Net debt and net debt to underlying EBITDA

- Includes underlying pro forma EBITDA of acquisitions completed in 2022
2023 P&L outlook confirmed as revised in June

- Polyplus included since July 18; expected to contribute ~1pp sales revenue growth; no impact on outlook bandwidth
- Covid-related business expected to be marginal
- Margin targets include expenses for reduction of CO₂ emission intensity of around 1% of sales
- CAPEX ratio expected at ~15%
- Net debt to underlying EBITDA anticipated at slightly below 4\(^2\)

### Guidance 2023\(^1\)

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech Group</th>
<th>Sales revenue development (in%)</th>
<th>Underlying EBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low to mid-teens decline</td>
<td>~30</td>
<td></td>
</tr>
</tbody>
</table>

excluding Covid-related business thereof from acquisitions  

High single-digit to low-teens decline ~2pp\(^2\)

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1 In constant currencies  2 Including Polyplus acquisition
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Appendix
Corporate responsibility & further financial information

To Sartorius, sustainability means operating responsibly over the long term – with respect to business partners, employees and society as well as to natural resources. Learn more about our commitment:

- SRI Presentation
- GRI Report 2021
- Half Year Report H1 2023
- Earnings Release Q1 2023
- Earnings Release FY 2022
- Annual Report FY 2022
Reasons to invest

Biopharma market fueled by long-term growth drivers

High entry barriers, low price-sensitivity and consolidated competitive landscape

Leading market positions; mission-critical portfolio; high brand awareness

Diversified revenue base and high share of recurring revenues provide low volatility

Global presence

Strong sustainability and ESG positioning

1 In constant currencies
Sartorius Stedim Biotech Group

Share price performance

<table>
<thead>
<tr>
<th>ISIN</th>
<th>FR0013154002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticker</td>
<td>DIM</td>
</tr>
<tr>
<td>Number of share</td>
<td>92,180,190</td>
</tr>
</tbody>
</table>

Indices

- SBF 120
- CAC Next 20
- CAC Large 60
- CAC All-Tradable
- CAC All Shares
- CAC Healthcare
- MSCI Europe
- STOXX Europe 600

Market cap.

€21.9bn (as of July 20, 2023)
A sampling of the product portfolio

Filtration

Purification

Fermentation

Fluid management
Contacts and financial calendar

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- **Sep 5, 2023**
  Commerzbank and ODDO BHF Annual Corporate Conference, Frankfurt

- **Sep 8, 2023**
  Wells Fargo Healthcare Conference, Everett, MA

- **Sep 11, 2023**
  Morgan Stanley Global Health Care Conference, New York

- **October 19, 2023**
  Publication 9M 2023 Results
Disclaimer

This presentation contains statements concerning the future performance of the Sartorius Stedim Biotech Group. 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 diverging substantially 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.