

Sartorius Stedim Biotech

First-Half Financial Report January to June 2023

Key Figures for the First Half and Second Quarter of 2023

in millions of € unless otherwise specified	6 months 2023	6 months 2022	Δ in %	Δ in % cc ¹
Order Intake and Sales Revenue				
Order intake	1,142.3	1,826.7	-37.5	-37.2
Sales revenue	1,401.8	1,724.3	-18.7	-18.5
▪ EMEA ²	551.4	682.3	-19.2	-19.5
▪ Americas ²	525.6	592.9	-11.3	-12.4
▪ Asia Pacific ²	324.9	449.2	-27.7	-25.2
Results				
EBITDA ³	415.7	607.0	-31.5	
EBITDA margin ³ in %	29.7	35.2		
Net profit ⁴	241.5	405.2	-40.4	
Earnings per share ⁴ in €	2.62	4.40	-40.4	
	June 30, 2023	Dec. 31, 2022		
Balance Sheet Financials				
Balance sheet total	5,187.2	5,065.4		
Equity	2,602.7	2,514.2		
Equity ratio in %	50.2	49.6		
Net debt	1,248.5	1,028.6		
Ratio of net debt to underlying EBITDA	1.2	0.8		

in millions of € unless otherwise specified	Q2 2023 ⁵	Q2 2022 ⁵	Δ in %	Δ in % cc ¹
Order Intake and Sales Revenue				
Order intake	541.0	877.0	-38.3	-36.9
Sales revenue	675.7	861.8	-21.6	-19.7
▪ EMEA ²	254.6	333.7	-23.7	
▪ Americas ²	267.4	299.1	-10.6	
▪ Asia Pacific ²	153.7	229.0	-32.9	
Results				
EBITDA ³	195.6	303.2	-35.5	
EBITDA margin ³ in %	28.9	35.2		
Net profit ⁴	110.1	201.8	-45.4	
Earnings per share ⁴ in €	1.19	2.19	-45.4	

1 cc = in constant currencies

2 According to customers' location

3 Underlying EBITDA = earnings before interest, taxes, depreciation and amortization, and adjusted for extraordinary items

4 Underlying net profit = net profit after non-controlling interest; adjusted for extraordinary items, amortization and based on a normalized financial result and normalized tax rate

5 Figures are not audited nor reviewed

Sector Environment

The Sartorius Stedim Biotech Group serves customers mainly in the biopharmaceutical industry. Thus, the development of this sector provides important impetus to the Group's business performance.

Temporary weak demand affecting suppliers in the biopharma market

The global pharmaceutical market grew by around 7% in 2022, according to EvaluatePharma. Revenue generated with biopharmaceuticals increased by around 4% year over year to €365 billion, somewhat slower than the average of previous years. This was mainly due to lower sales of coronavirus vaccines and antibody-based Covid-19 therapeutics, both of which are classified as biopharmaceuticals. Biopharma accounted for 37% of the total pharmaceutical market, compared with 38% in 2021.

During the pandemic, the biopharmaceutical market experienced significant additional growth due to demand for Covid-19-related products. In general, however, market development depends more on medium- and long-term trends than on short-term trends. In addition to the market launch of innovative biopharmaceuticals, significant impetus is provided by the world's rising demand for medications as well as the expanded range of indications for approved medicines and their further market penetration. The number of new biopharmaceutical approvals by the US Food and Drug Administration (FDA) remained at a high level both in 2022 with 31 (2021: 30) and in the first half of 2023 with 15 (first half of 2022: 9).

The leading manufacturers of products for the development and production of biopharmaceuticals recorded further growth in 2022. As expected, the growth was lower for companies involved in the production of coronavirus vaccines and therapeutics. In addition, as many pharmaceutical manufacturers had increased their inventories due to strained supply chains during the Corona period, a reduction in inventories set in during the course of 2022 as the pandemic subsided, with a corresponding negative impact on order intake of suppliers to the biopharma industry.

The inventory reduction continued in the first months of 2023, while at the same time the relevance of the coronavirus-related business decreased significantly and relatively low investment activity was observed on the part of some biopharma companies as a result of available production capacities. These factors had a significant impact on the sales development of bioprocess technology providers and their expectations for the full year, but these should only temporarily overshadow the highly positive growth drivers of the life science and biopharma markets.

Sources: Evaluate Pharma: World Preview 2022, Outlook to 2028, October 2022; www.fda.gov

Group Business Development

- As expected, first half of 2023 characterized by temporarily weak demand
- Sales revenue down, lower but still relatively high profitability
- Full-year 2023 sales revenue and profitability outlook confirmed; uncertainties remain high due to global political and economic situation
- Polyplus acquisition closed; start of integration

Following strong growth rates during the pandemic, which as already communicated were partly based on unsustainable positive extraordinary effects, such as additional business related to the coronavirus pandemic and an inventory buildup at customers, the business development of Sartorius Stedim Biotech has been normalizing since the second half of 2022. The first half of 2023 was also characterized by ongoing inventory reductions by customers and low investment activity in view of idle production capacity. The associated soft demand momentum has been lasting longer than originally expected.

On a constant currency basis¹, Group sales revenue decreased by 18.5% (reported: -18.7%; organic: -19.6%²) to €1,401.8 million between January and June compared to a high prior-year base. This includes a growth contribution from acquisitions of around 1 percentage point. Excluding the Covid-19-related business, the decline in constant currencies was slightly above 10%.

The aforementioned temporary effects were even more pronounced in order intake, which decreased by 37.2% in constant currencies (reported: -37.5%) to €1,142.3 million.

Primarily due to the development in China, the Asia | Pacific region posted a particularly strong decline of 25.2% to €324.9 million, compared to the same period of the previous year. This region accounted for 23% of Group revenue. Sales in the EMEA region, which contributed the highest share of 39% of the total Group revenue, declined by 19.5% to €551.4 million, with the considerable business limitations in Russia dampening growth by close to 5 percentage points. Business in the Americas region, which accounted for about 38% of Group sales, declined by 12.4% to €525.6 million. (All growth rates for regional development are in constant currencies unless otherwise stated.)

Order Intake and Sales Revenue

In millions of €	6 months 2023	6 months 2022	Δ in %	Δ in % cc ¹
Sales revenue	1,401.8	1,724.3	-18.7	-18.5
▪ EMEA ³	551.4	682.3	-19.2	-19.5
▪ Americas ³	525.6	592.9	-11.3	-12.4
▪ Asia Pacific ³	324.9	449.2	-27.7	-25.2
Order intake	1,142.3	1,826.7	-37.5	-37.2

¹ Constant currencies: Figures given in constant currencies eliminate the impact of changes in exchange rates by applying the same exchange rate for the current and the previous period.

² Organic: Organic growth figures exclude the impact from changes in exchange rates and changes in the scope of consolidation.

³ According to customers' location

Decline in underlying earnings

Sartorius Stedim Biotech uses earnings before interest, taxes, depreciation and amortization (EBITDA) as its key profitability measure. To provide a complete and transparent presentation of the Group's profitability, the company reports earnings adjusted for extraordinary items (underlying EBITDA).

In the first half of 2023, underlying EBITDA declined by 31.5% to €415.7 million, mainly as a result of the volume development, but also due to negative product mix effects and a higher cost base. The resulting margin of 29.7% (H1 2022: 35.2%) was in line with expectations and, despite the decline, remained on a healthy level. Price effects on the procurement and customer sides largely offset each other.

Reconciliation between EBIT and underlying EBITDA

In millions of €	6 months 2023	6 months 2022
EBIT (operating result)	266.6	518.6
Extraordinary items	50.0	5.0
Depreciation & amortization	99.0	83.4
Underlying EBITDA	415.7	607.0

With functional costs remaining almost stable compared to the previous year, consolidated EBIT decreased by 48.6% to €266.6 million (H1 2022: €518.6 million), particularly as a result of the decline in sales revenue. In addition to depreciation and amortisation, this figure includes extraordinary items of -€50.0 million (previous year: -€5.0 million). These extraordinary items consisted primarily of expenses in connection with the most recent acquisitions as well as of expenses for various corporate projects and structuring measures. The EBIT margin was 19.0% (H1 2022: 30.1%).

The financial result amounted to €40.9 million in the first half of 2023 compared to €102.4 million in the prior-year period. This includes non-cash effective income of €65.4 million, mainly from the reporting date valuation of the share-based earn-out liability in connection with the acquisition of BIA Separations (H1 2022: €98.6 million). After adjustment for this effect, the increase in remaining net financing expenses resulted, among other things, from the increased debt in connection with the acquisition of Albumedix, which was completed at the end of September 2022.

Net profit attributable to shareholders of Sartorius Stedim Biotech S.A. decreased by 49.6% to €244.2 million (H1 2022: €484.9 million). A tax rate of 26% expected for the full year was applied (H1 2022: 26%) for calculating tax expenses. Including the non-tax-relevant valuation effects from the above-mentioned earn-out liability, the nominal tax rate is 20.5%.

Underlying net result below prior year

The underlying net result after non-controlling interest declined by 40.4% from €405.2 million to €241.5 million. This profit figure is calculated by adjusting for extraordinary items and eliminating amortization and is based on the normalized financial result and the normalized tax rate. Underlying earnings per share decreased accordingly from €4.40 to €2.62.

In millions of €	6 months 2023	6 months 2022
EBIT (operational result)	266.6	518.6
Extraordinary effects	50.0	5.0
Amortization IFRS 3	33.7	29.9
Normalized financial result ¹	-23.5	-5.7
Normalized income tax (26%) ²	-85.0	-142.4
Underlying net result	241.9	405.4
Non-controlling interest	-0.4	-0.2
Underlying net result excluding non-controlling interest	241.5	405.2
Underlying earnings per share in €	2.62	4.40

1 Financial result excluding fair value adjustments of hedging instruments and currency effects relating to financing activities and change in valuation of earn-out liability

2 Normalized income tax based on the underlying profit before taxes and amortization

Operating cash flow above prior year

In the first six months of 2023, cash flow from operating activities was €312.0 million, up 25.0% from €249.7 million a year ago. The decline in earnings was offset by cash inflows from the optimization of working capital (H1 2022: cash outflow from the buildup of working capital). In addition, lower tax payments had a positive effect.

In view of the growth drivers in the end markets and the medium-term growth targets, Sartorius Stedim Biotech continues to expand its production capacities. The investment program covers, in particular, production sites in Germany, the USA, France and South Korea. Cash outflow from investing activities increased by 45.6% to €261.9 million in the reporting period. The ratio of capital expenditures (CAPEX) to sales in the first half of 2023 was 18.7%, compared to 10.4% in the prior-year period. Due to expenses of €22.7 million in connection with the acquisition of Sartonet, which distributes Sartorius products in Türkiye, cash flow from investing activities and acquisitions was -€284.6 million (H1 2022: -€224.9 million).

Key balance sheet and financial indicators remain robust

The balance sheet total of the Sartorius Stedim Biotech Group stood at €5,187.2 million and was thus €121.8 million higher than the figure of €5,065.4 million as of December 31, 2022. This increase is largely due to the rise in non-current assets by €174.9 million to €3,569.2 million, predominantly driven by the continuation of the extensive investment program. Current assets decreased by €53.2 million to €1,618.0 million compared to the prior-year, mainly driven by the reduction in trade receivables. Working capital amounted to €1,356.9 million as of June 30, 2023 (December 31, 2022: €1,429.3 million).

Equity rose in the reporting period to €2,602.7 million from €2,514.2 million as of December 31, 2022. The equity ratio continued to remain at a very robust level of 50.2% (December 31, 2022: 49.6%).

In the reporting period, gross debt, which comprises liabilities to banks and loans from Sartorius AG as well as lease liabilities, increased from €1,135.7 million as of December 31, 2022, to €1,358.5 million as of June 30, 2023. Net debt, defined as gross debt less cash and cash equivalents, rose from €1,028.6 million as of December 31, 2022, to €1,248.5 million as of June 30, 2023.

The ratio of net debt to underlying EBITDA increased to 1.2 as of June 30, 2023, compared with 0.8 at year-end 2022, as a result of the decline in earnings. This ratio is calculated as the quotient of net debt and underlying EBITDA over the past 12 months, including the pro forma amount contributed by acquisitions for this period.

Number of employees reduced

As of June 30, 2023, the Sartorius Stedim Biotech Group employed a total of 11,135 people worldwide, a decline of 799 employees or 6.7% compared to December 31, 2022. In previous years, the company had significantly expanded its workforce in connection with the strong growth in sales revenue, but adjusted it in the reporting period to the changed demand conditions and the reduced capacity requirements.

The number of employees in EMEA fell by 6.4% to 7,383 in the first half of 2023 compared with the end of December 2022. In the Americas, Sartorius Stedim Biotech employed 2,222 people as of June 30, 2023, equaling a decrease of 8.2%. The workforce in the Asia | Pacific region declined by 6.1% to 1,530 people.

Opportunity and Risk Report

With the exception of the aspects mentioned below, the opportunities and risk situation of the Sartorius Stedim Biotech Group has not materially changed since the publication of its Universal Registration Document 2022. For this reason, please refer to a detailed description of the opportunities and risks as well as the risk management system for the Sartorius Group on pages 41 et seq. of the Universal Registration Document 2022.

Sales risks have changed over the course of the first half of the year. Uncertainties and dynamics in the biopharma industry have increased significantly in all regions, as evidenced by the longer-than-expected weakness in demand. Therefore, the company has adjusted its planning for fiscal year 2023 accordingly.

Furthermore, the relevance of acquisition risks for the Group has increased as a result of the acquisition of Polyplus due to the significant transaction volume.

Forecast Report

Moderate development of biopharma market expected

In general, the trends affecting the development of the Sartorius Stedim Biotech Group that are described on pages 59 to 61 of its 2022 Universal Registration Document remain in place.

Strong, long-term trends drive growth in the pharmaceutical industry, which is largely independent of economic cycles. EvaluatePharma estimates that the global pharmaceutical market will grow by around 6% annually for the period up to 2028. Within the pharmaceutical market, the biopharma segment has been developing particularly strongly for years and will continue to outperform the market according to various forecasts. Average annual growth is expected to range between 8% and 11% in the coming years. The market is expected to have a total value of around €575 billion in 2028, which means that the share of biological medications and vaccines as a percentage of total revenue in the global pharmaceutical market could rise to 41% up from 37% today.

For 2023, leading manufacturers of bioprocess technology have lowered their growth expectations communicated at the beginning of the year. Influencing factors include a decline in pandemic-related business and the reduction of increased inventories on the customer side. However, this should only temporarily overshadow the highly positive growth drivers of the life science and biopharma markets.

Sources: 19th Annual Report and Survey of Biopharmaceutical Manufacturing Capacity and Production, April 2022; Evaluate Pharma: World Preview 2022, Outlook to 2028, October 2022

2023 outlook confirmed as revised in June

In mid-June, Sartorius Stedim Biotech adjusted its guidance for fiscal 2023 due to the longer-than-expected lasting general weak demand dynamics. Above all, the ongoing destocking by biopharma customers following the coronavirus pandemic and low investment activity on the part of customers are having a dampening effect on business development. As a result of the acquisition of Polyplus, which was completed on July 18, 2023, the expectations for the non-organic growth contribution and the ratio of net debt to underlying EBITDA have been adjusted while all other forecasted figures were confirmed.

Management expects sales revenue to decline in the low to mid-teens percentage range in fiscal 2023; excluding Covid-19-related business, sales revenue is anticipated to decline in the high single-digit to low teens percentage range. Acquisitions, including Polyplus, are expected to contribute around 2 percentage points to the sales revenue development (excluding Polyplus 1 percentage point).

Due to lower volume expectations, Sartorius Stedim Biotech expects an underlying EBITDA margin of around 30% (PY: 35.0%), whereby the positive margin effect from the Polyplus acquisition is not expected to have any significant impact due to its inclusion during the year.

The ratio of capital expenditures (CAPEX) to sales revenue in 2023 is projected to be around 15% and the ratio of net debt to underlying EBITDA is expected to be slightly below 4. The Polyplus acquisition is included in this outlook, possible future acquisitions are not.

Mid-term guidance

Sartorius Stedim Biotech views the current demand normalization after the pandemic as a phase that only temporarily overshadows the highly positive growth drivers of the life science and biopharma markets.

Accordingly, the company is not changing its medium-term targets for 2025. These assume that for 2025, consolidated sales revenue will increase to around €4.4 billion at an underlying EBITDA margin of more than 35%.

Management also points out that the dynamics and volatilities in the industry have increased significantly in recent years. In addition, uncertainties due to the changed geopolitical situation, such as the emerging decoupling tendencies of various countries, are playing a greater role. This results in higher uncertainty when forecasting business figures.

All forecast figures are based on constant currencies.

Report on Subsequent Events

Sartorius Stedim Biotech, a leading international partner of the biopharmaceutical industry, has successfully closed the acquisition of the French company Polyplus. The transaction was completed on July 18, 2023, after receiving the required approvals.

Polyplus is a provider of innovative upstream technologies for cell and gene therapies. Transfection reagents developed and produced by Polyplus are key components in the production of viral vectors. The company has been expanding its focus beyond this field through acquisitions in adjacent technologies such as plasmid design, and protein and plasmid manufacturing, broadening its portfolio for gene therapies as well as gene-modified cell therapies.

The purchase price amounting to approximately €2.4 billion was paid in cash. The transaction has not been recognized in the consolidated interim financial statements for the first half of 2023, as the entity will be consolidated as of the acquisition date. On a full-year basis, Polyplus is expected to generate sales revenue in the upper double-digit million-euro range in 2023 and an EBITDA margin above Group level. Sartorius AG Group provided Sartorius Stedim Biotech with the financing necessary to conduct the acquisition.

No further material events occurred after June 30, 2023.

Statement of Profit or Loss and Other Comprehensive Income

In millions of €	2nd quarter 2023 ¹	2nd quarter 2022 ¹	6 months 2023	6 months 2022
Sales revenue	675.7	861.8	1,401.8	1,724.3
Cost of sales	-350.8	-415.9	-702.4	-823.8
Gross profit on sales	324.9	445.9	699.4	900.5
Selling and distribution costs	-108.2	-108.1	-223.5	-217.8
Research and development costs	-28.8	-31.7	-64.2	-65.0
General administrative expenses	-35.0	-35.5	-72.5	-76.4
Other operating income	7.2	19.5	16.3	35.6
Other operating expenses	-47.2	-32.8	-88.9	-58.3
Earnings before interest & taxes (EBIT)	112.9	257.3	266.6	518.6
Financial income	72.9	37.2	88.2	124.7
Financial expenses	-26.8	-11.3	-47.3	-22.4
Financial result	46.0	25.8	40.9	102.4
Profit before tax	158.9	283.2	307.5	621.0
Income taxes	-25.8	-68.5	-62.9	-135.8
Net profit for the period	133.1	214.7	244.6	485.2
Attributable to:				
Shareholders of Sartorius Stedim Biotech	133.1	214.8	244.2	484.9
Non-controlling interest	0.0	-0.1	0.4	0.2
Earnings per share (€)	1.44	2.33	2.65	5.26
Diluted earnings per share (€)	1.44	2.33	2.65	5.26

¹ Data not audited or reviewed

Other operating income and expenses are reported separately since fiscal 2022. The previous year's figures have been restated accordingly.

Statement of Comprehensive Income

In millions of €	2nd quarter 2023 ¹	2nd quarter 2022 ¹	6 months 2023	6 months 2022
Net profit for the period	133.1	214.8	244.6	485.2
Cash flow hedges	5.2	-12.0	8.5	-15.3
- Of which effective portion of changes in fair value	5.2	-18.9	2.6	-26.9
- Of which reclassified to profit or loss	0.1	7.0	5.9	11.5
Income tax on cash flow hedges	-1.6	3.6	-2.6	4.6
Foreign currency translation differences	5.5	28.6	-12.3	33.7
Items that are or may be reclassified subsequently to profit or loss	9.1	20.2	-6.3	23.0
Remeasurements of the net defined benefit liabilities	1.2	9.9	1.2	9.9
Income tax on remeasurements of the net defined benefit liability	-0.3	-2.8	-0.3	-2.8
Items that will not be reclassified in profit or loss	0.9	7.1	0.9	7.1
Other comprehensive income for the period	10.0	27.4	-5.4	30.1
Total comprehensive income for the period	143.2	242.1	239.2	515.3
Attributable to:				
Shareholders of Sartorius Stedim Biotech	142.9	242.7	238.9	515.6
Non-controlling interest	0.2	-0.6	0.3	-0.3

¹ Data not audited or reviewed

Statement of Financial Position

In millions of €	June 30, 2023	Dec. 31, 2022
Non-current assets		
Goodwill	1,150.0	1,136.4
Other intangible assets	879.4	876.8
Property, plant and equipment	1,455.2	1,292.0
Financial assets	24.4	24.9
Other assets	2.5	2.5
Deferred tax assets	57.5	61.6
	3,569.2	3,394.2
Current assets		
Inventories	1,033.1	1,024.8
Trade receivables	323.8	404.6
Other financial assets	23.5	31.4
Current tax assets	25.8	14.0
Other assets	101.8	89.4
Cash and cash equivalents	110.0	107.1
	1,618.0	1,671.2
Total assets	5,187.2	5,065.4
In millions of €	June 30, 2023	Dec. 31, 2022
Equity		
Attributable to SSB S.A. shareholders	2,569.2	2,449.3
Share capital	18.4	18.4
Reserves	231.5	231.5
Retained earnings (including net profit)	2,319.2	2,199.4
Non-controlling interest	33.5	64.9
	2,602.7	2,514.2
Non-current liabilities		
Pension provisions	31.1	31.7
Other provisions	13.4	12.3
Loans and borrowings	1,241.6	1,020.6
Lease liabilities	90.0	91.1
Other financial liabilities	105.4	181.2
Deferred tax liabilities	181.0	178.3
	1,662.5	1,515.3
Current liabilities		
Provisions	19.8	25.7
Trade payables	440.4	485.6
Loans and borrowings	7.0	4.5
Lease liabilities	20.0	19.5
Employee benefits	81.1	74.1
Other financial liabilities	58.7	119.7
Current tax liabilities	200.9	209.6
Other liabilities	94.2	97.1
	922.0	1,035.9
Total equity and liabilities	5,187.2	5,065.4

Statement of Cash Flows

In millions of €	6 months 2023	6 months 2022
Profit before tax	307.5	621.0
Financial result	-40.9	-102.4
Depreciation amortization of fixed assets	99.0	83.4
Change in provisions	-4.8	2.3
Change in receivables and other assets	73.6	-102.7
Change in inventories	-19.8	-152.2
Change in liabilities (excl. loans and borrowings)	-22.0	-10.2
Interest received	1.4	2.3
Income taxes paid	-82.9	-92.2
Other non-cash items	0.9	0.3
Cash flow from operating activities	312.0	249.7
Capital expenditures	-261.9	-179.9
Cash flow from investing activities	-261.9	-179.9
Payments for acquisitions of consolidated subsidiaries and other business operations; net of cash acquired	-22.7	-44.9
Cash flow from investing activities and acquisitions	-284.6	-224.9
Interest paid and other financial charges	-12.2	-5.2
Dividends paid to:		
- Shareholders of Sartorius Stedim Biotech SA	-132.7	-116.1
- Non-controlling interest	-1.2	-1.1
Changes in non-controlling interest	-87.4	0.0
Loans and borrowings repaid	-12.7	-111.8
Loans and borrowings raised	224.0	141.0
Purchases sales of own shares	-2.1	-6.7
Cash flow from financing activities	-24.4	-100.0
Net increase decrease in cash and cash equivalents	3.1	-75.2
Cash and cash equivalents at the beginning of the period	107.1	223.6
Currency translation effects on cash and cash equivalents	-0.1	7.8
Cash and cash equivalents at the end of the period	110.0	156.1

Interest received is reported under "Cash flow from operating activities" since fiscal 2022. The previous year's figures have been restated accordingly.

Statement of Changes in Equity

In millions of €	Issued capital	Capital reserves	Hedging reserves
Balance at Jan. 1, 2022	18.4	231.5	-4.7
Net profit for the period	0.0	0.0	0.0
Cash flow hedges	0.0	0.0	-15.3
Remeasurements of the net defined benefit liabilities	0.0	0.0	0.0
Foreign currency translation differences	0.0	0.0	0.0
Net investment in a foreign operation	0.0	0.0	0.0
Deferred taxes	0.0	0.0	4.6
Other comprehensive income for the period	0.0	0.0	-10.7
Total comprehensive income for the period	0.0	0.0	-10.7
Capital increase	0.0	0.0	0.0
Dividends	0.0	0.0	0.0
Purchase price liability (CellGenix/BI Israel)			
Change in non-controlling interest	0.0	0.0	0.0
Other changes in equity	0.0	0.0	0.0
Balance at June 30, 2022	18.4	231.5	-15.4
Balance at Jan. 1, 2023	18.4	231.5	6.7
Net profit for the period	0.0	0.0	0.0
Cash flow hedges	0.0	0.0	8.5
Remeasurements of the net defined benefit liabilities	0.0	0.0	0.0
Foreign currency translation differences	0.0	0.0	0.0
Net investment in a foreign operation	0.0	0.0	0.0
Deferred taxes	0.0	0.0	-2.6
Other comprehensive income for the period	0.0	0.0	6.0
Total comprehensive income for the period	0.0	0.0	6.0
Dividends	0.0	0.0	0.0
Purchase price liability (CellGenix)			0.0
Change in non-controlling interest	0.0	0.0	0.0
Other changes in equity	0.0	0.0	0.0
Balance at June 30, 2023	18.4	231.5	12.6

Foreign currency effects from loans that are part of the Group's net investment in a foreign operation are reported within foreign currency translation reserves since fiscal 2022. The previous year's figures have been restated accordingly.

Pension reserves	Retained earnings	Foreign currency translation reserves	Group equity	Non-controlling interest	Total equity
-17.3	1,397.2	30.6	1,655.9	77.4	1,733.2
0.0	484.9	0.0	484.9	0.2	485.2
0.0	0.0	0.0	-15.3	0.0	-15.3
9.9	0.0	0.0	9.9	0.0	9.9
0.0	0.0	34.2	34.2	-0.5	33.7
0.0	0.0	0.0	0.0	0.0	0.0
-2.8	0.0	0.0	1.8	0.0	1.8
7.1	0.0	34.2	30.6	-0.5	30.1
7.1	484.9	34.2	515.6	-0.3	515.3
0.0	0.0	0.0	0.0	0.0	0.0
0.0	-116.1	0.0	-116.1	-1.1	-117.3
	2.9		2.9	0.0	2.9
0.0	0.0	0.0	0.0	0.0	0.0
0.0	-6.7	0.0	-6.7	0.0	-6.7
-10.1	1,762.3	64.9	2,051.5	75.9	2,127.5
-7.0	2,179.0	20.7	2,449.3	64.9	2,514.2
0.0	244.2	0.0	244.2	0.4	244.6
0.0	0.0	0.0	8.5	0.0	8.5
1.2	0.0	0.0	1.2	0.0	1.2
0.0	0.0	-12.2	-12.2	-0.1	-12.3
0.0	0.0	0.0	0.0	0.0	0.0
-0.3	0.0	0.0	-2.8	0.0	-2.8
0.9	0.0	-12.2	-5.3	-0.1	-5.4
0.9	244.2	-12.2	238.9	0.3	239.2
0.0	-132.7	0.0	-132.7	-1.2	-133.9
0.0	72.7	0.0	72.7	0.0	72.7
0.0	-56.9	0.0	-56.9	-30.5	-87.4
0.0	-2.1	0.0	-2.1	0.0	-2.1
-6.0	2,304.1	8.5	2,569.2	33.5	2,602.7

Foreign currency effects from loans that are part of the Group's net investment in a foreign operation are reported within foreign currency translation reserves since fiscal 2022. The previous year's figures have been restated accordingly.

Operating Segments

Internal control and reporting within Sartorius Stedim Biotech is based on the approach of operating as a “total solutions provider” for our customers. Accordingly, one reportable operating segment has been identified by Sartorius Stedim Biotech: Biopharm.

The segment result that is the key profitability measure used internally is “underlying EBITDA,” or earnings before interest, taxes and depreciation and amortization, and adjusted for extraordinary income and expenses. Therefore, taxes and financing expenses and income are not included in the segment's measure of profit or loss. The accounting and measurement principles for the segments correspond to the general Group accounting principles.

Segment Information

In millions of €	6 months 2023	6 months 2022
Sales revenue	1,401.8	1,724.3
Underlying EBITDA of the segment	415.7	607.0
Depreciation and amortization	-99.0	-83.4
Extraordinary items	-50.0	-5.0
EBIT	266.6	518.6
Financial result	40.9	102.4
Profit before tax	307.5	621.0

Extraordinary Items

€ in millions	6 months 2023	6 months 2022
M&A projects integration costs	-11.1	-2.6
Structural measures	-35.4	0.0
Other	-3.6	-2.4
Total	-50.0	-5.0

Supplementary Information by Region

The revenues from contracts with customers according to IFRS 15 are disaggregated into the categories below. This categorization follows the approach of operating as a “total solutions provider” for our customers in the Biopharm segment. The revenues are disaggregated into geographical regions, and the basis for the regional allocation of revenues is the customers' location.

In millions of €	Sales revenue	
	6 months 2023	6 months 2022
EMEA	551.4	682.3
Americas	525.6	592.9
Asia Pacific	324.9	449.2
Group	1,401.8	1,724.3

Notes to the Condensed Interim Financial Statements

1. Reporting Entity

Sartorius Stedim Biotech is a leading international partner of the biopharmaceutical industry. As a total solutions provider, the company helps its customers to manufacture biotech medications safely, rapidly and economically. With its own manufacturing and R&D sites in Europe, North America and Asia and an international network of sales companies, Sartorius Stedim Biotech has a global reach.

Headquartered in Aubagne, France, Sartorius Stedim Biotech S.A. is listed on the Euronext Paris (ISIN code: FR 0013154002).

The interim condensed consolidated financial statements of the Sartorius Stedim Biotech Group for the period from January 1, 2023, to June 30, 2023, were authorized for issue by the Board of Directors on July 18, 2023.

2. Basis of Accounting

The interim consolidated financial statements of the Sartorius Stedim Biotech Group for the period ended June 30, 2023, were prepared in accordance with IAS 34 "Interim financial reporting." They do not include all the information required for a complete set of IFRS financial statements and must be read in relation to the consolidated annual financial statements of the Sartorius Stedim Biotech Group for the year ended December 31, 2022. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements for the year ended December 31, 2022.

The accounting principles retained for preparing the consolidated first-half statements are in conformity with the IFRS Standards and Interpretations as adopted by the European Union on June 30, 2023, and are available on the website:

https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting_en

The accounting principles applied are generally identical to those used to prepare the annual consolidated financial statements for the year ended December 31, 2022. Standards that were applied for the first time in the current reporting period are described in Section 3 below.

The Universal Registration Document 2022 provides a list of subsidiaries (see pages 139-140). The Group obtained control of the entity Sartonet Seperasyon Teknolojileri Anonim Şirketi ("Sartonet"), Istanbul, Türkiye, acquired in June 2023 (see Section 5). With the exception of this acquisition, the scope of consolidation has remained unchanged as of June 30, 2023.

In the interim reporting period, the Group acquired an additional 10% of the share capital in Sartorius Korea Biotech LLC, Seoul, South Korea, for a purchase price of approximately €20.8 million. The Group now owns 79% of the share capital and voting rights of the entity.

The Group's share in Sartorius CellGenix GmbH, Fribourg i.B., Germany, was increased by 25% from 51% to 76%. In exchange for the acquisition of the 25% of the entity, the owners of the non-controlling interest were

paid an amount of approximately €66.7 million in cash. The liability for the put option of the holders of the non-controlling interest amounting to €66.1 million (December 31, 2022) was reclassified to equity.

In the current reporting period, the entity Biological Industries Hong Kong Ltd., Kowloon, Hong Kong, was liquidated.

For the calculation of income tax expenses, the provisions of IAS 34.30c were adopted: i.e., the best estimate of the weighted average annual income tax rate expected for the full financial year was applied (26%). Consideration of the effects in connection with the valuation of the earn-out liabilities that are not relevant for tax purposes leads to an effective rate of 20.5%.

3. Initial Application of New Standards

The Group applied the following new accounting rules that were mandatory for the reporting period:

- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

The amendments clarify that entities are required to disclose all material accounting policies (previously: “significant accounting policies”). Furthermore, the Standard now explicitly defines when information about accounting policies is material and provides examples of accounting policies that are generally considered material. The IFRS Practice Statement 2 was adjusted respectively to provide guidelines for the application of the concept of materiality on disclosures of accounting policies.

- Amendments to IAS 8 - Definition of Accounting Estimates

The amendments concern clarifications of definitions that are intended to help to distinguish between accounting policies and accounting estimates. This distinction is relevant because changes in accounting estimates are required to be recognized prospectively, while those in accounting policies are generally required to be recognized retrospectively. IAS 8 defines the term “accounting estimate” now as “monetary amounts in financial statements that are subject to measurement uncertainty.”

- Amendments to IAS 12 - Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

The so-called Initial Recognition Exemption in IAS 12 prohibited recognizing deferred taxes on initial recognition of an asset or a liability arising from a transaction that is neither a business combination nor affects accounting profit or tax results. With the amendment, the scope of this exemption is narrowed so that it does not apply to transactions that give rise to equal amounts of taxable and deductible temporary differences. The amendment is applied retrospectively, recognizing the cumulative effect of the initial application as an adjustment to the opening balance of equity at the beginning of the earliest period presented (modified retrospective approach).

From the perspective of the Group, the amendment especially applies to right-of-use assets and lease liabilities under IFRS 16 and any resulting temporary differences for which deferred taxes have to be recognized mandatorily according to the amendments. However, the amendments do not lead to a material impact on the consolidated financial statements so that no retrospective adjustment is required, as the Group already recognized deferred taxes on differences resulting from leases subsequent to initial recognition of the lease.

- IFRS 17 and Amendments to IFRS 17 – Initial Application of IFRS 17 and IFRS 9 – Comparative Information

IFRS 17, Insurance Contracts, establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard.

- Amendments to IAS 12 – International Tax Reform – Pillar Two

The aim of minimum taxation (so-called Pillar Two) of large Groups is that the companies concerned pay an effective corporate tax rate of at least 15%. As soon as the changes in the tax laws in the countries in which the Group operates come into effect, the Group may be subject to the minimum tax. Based on current knowledge, an impact may especially result from the Group activities in the countries Puerto Rico (low effective tax rate due to investment incentives) and Ireland (nominal tax rate: 12.5%). As of June 30, 2023, the Group had no sufficient information to determine the potential quantitative impact of the global minimum taxation.

The amendments to IAS 12 introduce a temporary exemption from the recognition of deferred taxes that would result from the application of the Pillar Two regulations regarding minimum taxation. In addition, the amendments require targeted disclosures for the affected entities. In the present interim financial statements as of June 30, 2023, the exemption is applied voluntarily.

The application of the new rules did not have a material impact on the consolidated interim financial statements.

4. Use of Judgments and Estimates

In preparing these interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments and estimates made by management in applying the Group's accounting policies have remained generally the same as those applied to the consolidated financial statements for the year ended December 31, 2022. Management has observed, however, that the general uncertainty inherent in accounting estimates and assumptions remains on a relatively high level, especially due to the ongoing conflict between Russia and Ukraine.

Following the exceptionally high growth rates in the recent past resulting from the Covid-19 pandemic, the Group is currently in a normalization phase. In the first half of 2023, this led to a decrease in sales revenue and net result in comparison to the prior year period. In particular, the decrease of the demand in connection with the Covid-19 pandemic as well as the ongoing reduction in inventories among biopharma customers affected sales revenue in the reporting period. The Group views the current demand normalization after the pandemic as a phase that only temporarily overshadows the highly positive growth drivers of the life science and biopharma markets. Accordingly, the medium-term expectations remain unchanged at this point in time. No material impairments on non-current assets were recognized as of June 30, 2023.

Conflict between Russia and Ukraine

Since the beginning of the war, Sartorius Stedim Biotech has suspended all business activities in Russia that are not related to humanitarian medical products. This has been done under consideration of the sanctions in force and in line with the practice of other companies in the pharmaceutical and health sector. The sales revenue in Russia were significantly lower than in the prior-year comparative period, while the Group's business in Russia was already not of a critical size in relation to the Group before the beginning of the conflict. The Group is primarily affected by the indirect consequences of the conflict, for example, increasing energy prices and the impact on the worldwide transportation and logistics sector. The Group is monitoring these indirect consequences and currently assumes that it will be able to maintain its profitability on the current level through appropriate countermeasures, such as price increases.

To date, the direct and indirect consequences of the conflict between Russia and Ukraine do not lead to changes in the material accounting estimates and assumptions compared with the consolidated financial statements for 2022. In particular, no indications of impairment of non-current assets were identified as of June 30, 2023, in this context.

5. Business Combinations

Acquisition of Sartonet

On June 1, 2023, the Group acquired 100% of shares and voting rights in Sartonet Seperasyon Teknolojileri Anonim Şirketi ("Sartonet") headquartered in Istanbul, Türkiye. The company imports and distributes the products of the Sartorius Group in Türkiye and employed around 40 employees as of the acquisition date. The consideration transferred amounts to approximately €29.1 million and was paid in cash. Expenses directly attributable to the acquisition of €0.2 million were recognized in other expenses through profit or loss. Goodwill is attributable to, among others, securing the market presence and business opportunities in the region, the know-how of the workforce acquired, and other intangible assets not recognizable separately. Goodwill is not deductible for tax purposes.

The purchase price allocation is as follows:

In millions of €	Final purchase price allocation
Customer relationships	11.0
Trade receivables	2.5
Inventories	1.3
Other assets	0.4
Cash and cash equivalents	6.4
Deferred taxes - net	(2.2)
Liabilities	(0.7)
Net assets acquired	18.5
Purchase price	29.1
Goodwill	10.5

Sartonet's contribution to sales revenues and net result of the Group since the acquisition date is immaterial. Since the entity is acting as a distributor primarily for products of the Group, there would be no material effect on the Group sales revenues and net result for the first half of 2023 if the acquisition had been completed as of January 1, 2023.

6. Related Parties

The majority shareholder of Sartorius Stedim Biotech S.A. is Sartorius AG, which holds a controlling stake in the company of 73.6% in equity capital and 84.6% of the voting rights. Shares in free float are about 26.4%.

The Sartorius Group itself is organized in two divisions: Bioprocess Solutions, which is mainly run by the Sartorius Stedim Biotech Group, and Lab Products & Services, which is primarily operated by the other companies of the Sartorius Group. This structure explains why the Sartorius Group holds two subsidiaries in most of the countries in which it operates, and these companies partially share space, staff and other resources.

Furthermore, the German Group companies carry out various central functions and accordingly deliver services to the worldwide entities. Sartorius Corporate Administration GmbH, a 100% subsidiary of Sartorius AG, has departments that perform numerous functions for the Sartorius Group. These include, for example, Group Finance, HR, IT, Investor Relations, Legal and Central Marketing. The expenses for these services are further invoiced within the Sartorius Group and, to a significant extent, to Sartorius Stedim Biotech as well.

The structure described above has resulted in various relations and transactions with related parties. These include sales, purchases and commissions, management fees and shareholder costs, as well as loans, administrative services and shared costs. For further details, please refer to the Universal Registration Document 2022 (pp. 180-182).

7. Financial Instruments

The following tables show the carrying amounts and fair values of financial assets and liabilities by category of financial instrument according to IFRS 9 as of June 30, 2023, and as of December 31, 2022.

€ in millions	Categories (IFRS 9)	June 30, 2023 Carrying amount	June 30, 2023 Fair value	December 31, 2022 Carrying amount	December 31, 2022 Fair value
Investments in non-consolidated subsidiaries and associates	n/a	18.3	18.3	18.8	18.8
Financial assets	Equity instruments at fair value through profit or loss	0.0	0.0	0.0	0.0
Financial assets	Debt instruments at fair value through profit or loss	1.1	1.1	1.1	1.1
Financial assets	Measured at amortized cost	4.9	4.9	5.0	5.0
Financial assets (non-current)		24.4	24.4	24.9	24.9
Amounts due from customers for contract work (contract assets)	n/a	13.3	13.3	13.6	13.6
Trade receivables	Measured at fair value through other comprehensive income	108.7	108.7	166.3	166.3
Trade receivables	Measured at amortized cost	201.8	201.8	224.7	224.7
Trade receivables		323.8	323.8	404.6	404.6
Receivables and other assets	Measured at amortized cost	14.3	14.3	25.9	25.9
Derivative financial instruments designated as hedging instruments*	n/a	9.2	9.2	5.5	5.5
Other financial assets (current)		23.5	23.5	31.4	31.4
Cash and cash equivalents	Measured at amortized cost	110.0	110.0	107.1	107.1

€ in millions	Categories (IFRS 9)	June 30, 2023 Carrying amount	June 30, 2023 Fair value	December 31, 2022 Carrying amount	December 31, 2022 Fair value
Loans and borrowings	Financial liabilities at cost	1,248.6	1,223.0	1,025.1	1,004.9
Trade payables	Financial liabilities at cost	202.0	202.0	251.6	251.6
Trade payables payments received for orders	n/a	238.4	238.4	234.1	234.1
Trade payables		440.4	440.4	485.6	485.6
Derivative financial instruments designated as hedging instruments*	n/a	0.7	0.7	8.0	8.0
Other financial liabilities	Financial liabilities at fair value through profit or loss	8.6	8.6	76.2	76.2
Other financial liabilities	Financial liabilities at cost	154.8	145.3	216.6	205.3
Other financial liabilities		164.1	154.5	300.9	289.5

* The amounts include the non-designated part of the contracts.

The fair values of the financial instruments were determined on the basis of the market information available on the reporting date and are to be allocated to one of the three levels of the fair value hierarchy in accordance with IFRS 13.

Level 1 financial instruments are measured on the basis of prices quoted on active markets for identical assets and liabilities. In Level 2, financial instruments are measured based on input factors which are derivable from observable market data or on the basis of market prices for similar instruments. Level 3 financial instruments are measured on the basis of input factors that cannot be derived from observable market data.

The financial instruments measured at fair value as of June 30, 2023, include especially trade receivables that are part of a portfolio that is "held-to-collect-and-sell", as well as derivatives in the form of forward contracts. These trade receivables are valued in the same way as trade receivables measured at amortized cost due to their short contractual maturities and immaterial credit risks. The derivatives were measured on the basis of their quoted exchange rates and market yield curves (Level 2).

Furthermore, financial instruments measured at fair value include contingent considerations in connection with the acquisitions of BIA Separations, WaterSep BioSeparations, and Xell, which are all classified as financial liabilities. Since the valuations depend, among other factors, on the predicted sales performance of the acquired businesses, the valuations are regarded as Level 3 inputs.

As of the reporting date on June 30, 2023, the fair value of the remaining contingent consideration liability in connection with the acquisition of BIA Separations was measured at €7.6 million. The change since December 31, 2022 (value: €72.1 million) mainly reflects adjusted expectations regarding future sales as well as the decline of the share price of Sartorius Stedim Biotech S.A. and was recognized within the financial result. The key input parameters for the valuation of the financial liability are the sales revenue expectations for the next few years and the share price of Sartorius Stedim Biotech S.A. at the respective valuation date. Assuming 20% higher (lower) sales revenues in each of the remaining relevant years of the plan period would result in an increase in the liability to be reported at the reporting date by approximately €4.7 million (decrease by approximately

€3.6 million). If the share price of Sartorius Stedim Biotech S.A. were 20% higher (lower) at the reporting date, the liability would have been €1.5 million higher (€1.5 million lower). The actual future outcomes may differ from these sensitivities, which are determined by changing only the respective key input parameter in isolation.

The earn-out component agreed in connection with the acquisition of WaterSep BioSeparations depends on sales revenue and is due in 2024. This contingent consideration was measured at a fair value of €0.8 million on the reporting date of June 30, 2023. The change since December 31, 2022, amounting to €2.2 million was recognized within the financial result. In connection with the acquisition of Xell, two earn-out components were agreed, which are due in 2024 and 2026 and depend on sales revenues with Xell products. On the reporting date of June 30, 2023, the fair value of the financial liability amounted to €0.2 million. The change since December 31, 2022, amounting to €0.9 million was recognized within the financial result. Assuming 10% higher (lower) sales revenues in each of the remaining years of the plan period would result in an increase in the liability to be reported at the reporting date of approximately €0.2 million (decrease of approximately €0.1 million).

The fair values to be disclosed for financial liabilities recognized at amortized cost, especially liabilities to Sartorius AG, were measured on the basis of the market interest rate, taking the current indicative credit spreads into account (Level 2). The liability for the acquisition of non-controlling interests in Sartorius CellGenix GmbH is measured using the effective interest rate method, with any changes recognized directly in equity. Subsequent to the acquisition of an additional 25% in Sartorius CellGenix GmbH in the interim reporting period (see Note 2), the liability for the acquisition of the remaining shares amounts to €96.2 million on the reporting date. Assuming 10% higher (lower) sales revenues in each of the remaining relevant years of the plan period would result in an increase in the liability to be reported at the reporting date of approximately €6.1 million (decrease of approximately €6.4 million).

The fair values of the remaining financial assets and liabilities to be disclosed approximate the carrying amounts on account of their predominantly short-term maturity. The maximum credit loss risk is reflected by the carrying amounts of the financial assets recognized in the statement of financial position.

The Group recognizes transfers between the levels of the fair value hierarchies at the end of the reporting period during which a change occurs. In the current reporting period, there were no transfers between the levels.

8. Material Events after the Reporting Date

Acquisition of Polyplus

On July 18, 2023, the Group acquired 100% of the shares and voting rights of PolygenX A, the parent company of the Polyplus Group. Headquartered in Strasbourg, France, Polyplus was founded in 2001 and has locations in France, Belgium, the U.S., and China. With around 270 employees, Polyplus develops and produces transfection as well as other DNA/RNA delivery reagents and plasmid DNA in high quality and GMP grade. These are key components in the production of viral vectors used in cell and gene therapies and other advanced medicinal therapeutic products.

The purchase price amounting to approximately €2.4 billion was paid in cash. In view of the short period between the obtainment of control and the preparation of the consolidated interim financial statements, it was not yet possible to perform a revaluation of the acquired net assets according to IFRS 3. Therefore, the following estimations are only of an indicative nature and are subject to change in the course of the purchase price allocation according to IFRS 3.

It is expected that the material intangible assets to be recognized separately will primarily reflect technologies (estimation: €650 million to €1,000 million) and customer relationships (estimation: €150 million to €350 million). Goodwill may arise from the expansion of the Group's product portfolio and further synergies, especially those from the combination of the acquired business with the existing product portfolio in the field of cell and gene therapies, as well as intangible assets not recognizable separately, such as the know how of the acquired workforce. The amount of goodwill is expected in a bandwidth of €1.3-1.8 billion. Such goodwill is not expected to be deductible for tax purposes. Expenses directly attributable to the acquisition of €0.7million up to now were recognized in other operating expenses.

The transaction has not been recognized in the consolidated interim financial statements for the first half of 2023 as the entity will be consolidated as of the acquisition date. On a full-year basis, Polyplus is expected to generate sales revenue in the upper double-digit million-euro range in 2023 and an EBITDA margin above Group level.

Sartorius AG Group provided Sartorius Stedim Biotech with the financing necessary to conduct the acquisition.

No other material events occurred after the reporting date.

9. Other Disclosures

Impairment Test

As of June 30, 2023, no material asset impairments were identified. Generally, impairment tests need to be performed annually for goodwill and other assets with indefinite useful lives. In addition, impairment tests need to be conducted when indicators are observed that non-current assets may be impaired.

Earnings Reporting

Sartorius Stedim Biotech uses the indicator "underlying EBITDA" as the key figure for measuring earnings. The key indicator "EBITDA" refers to earnings before interest, taxes, depreciation and amortization. In addition, the key indicator "underlying EBITDA" corresponds to the key indicator EBITDA adjusted for extraordinary income and expenses recorded during the relevant period.

Dividend

In the reporting period, shareholders of Sartorius Stedim Biotech S.A. passed a resolution to pay a dividend of €1.44 per share for fiscal 2022. The total dividend distribution of €132.7 million was paid in March 2023.

Audit

Level of audit procedures:

- December 31, 2022: audit
- June 30, 2023: limited review
- Quarterly information: not audited, not reviewed

Statutory Auditors' Review Report on the 2023 Half-yearly Financial Information

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

SARTORIUS STEDIM BIOTECH S.A.

Société anonyme

Z.I. Les Paluds - Avenue de Jouques

C.S. 91051

13781 Aubagne cedex

For the period from January 1 to June 30, 2023

To the Shareholders of Sartorius Stedim Biotech S.A.,

In compliance with the assignment entrusted to us by your Shareholders meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Sartorius Stedim Biotech S.A., for the period from January 1, 2023, to June 30, 2023,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Marseille, July 20, 2023

The Statutory Auditors

French original signed by

KPMG SA

Deloitte & Associés

Nicolas BLASQUEZ

Philippe BATTISTI

Information on the First-Half Financial Report

Declaration of Responsibility for the First-Half Financial Report

I certify, to the best of my knowledge, that the condensed financial statements for the first half ended June 30, 2023, have been prepared in accordance with the applicable accounting standards and give a fair view of the assets, the financial position and the results of the company and of the group of companies included in the consolidation, and that the first-half financial report on pages 2 to 26 presents a fair review of the important events that occurred during the first six months of the financial year, including their effects on the accounts, and of the major transactions between the related parties, as well as of the description of the main risks and uncertainties for the remaining six months of the financial year.



Dr. René Fáber
CEO of the Sartorius Stedim Biotech Group

Financial Schedule

Publication of nine-month figures for 2023	October 19, 2023
Publication of preliminary results for fiscal 2023	January 2024
Publication of Universal Registration Document 2023	February 2024
Annual General Shareholders' Meeting Aubagne, France	March 2024
Publication of first-quarter figures for 2024	April 2024

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This is a translation of the original French-language first-half financial report "Rapport financier semestriel." Sartorius Stedim Biotech S.A. shall not assume any liability for the correctness of this translation. The original French interim report is the legally binding version. Furthermore, Sartorius Stedim Biotech S.A. reserves the right not to be responsible for the topicality, correctness, completeness or quality of the information provided. Liability claims regarding damage caused by the use of any information provided, including any kind of information which is incomplete or incorrect, will therefore be rejected.

Forward-looking Statements Contain Risks

This Sartorius Stedim Biotech Group Interim Report for the period from the beginning of January 2023 to the end of June 2023 contains various statements concerning the Sartorius Group's future performance. 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 apply. 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 the entire report, differences may be apparent as a result of rounding during addition.