

SARTORIUS

Simplifying Progress

Conference Call 9M 2023 Results

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Sartorius | Sartorius Stedim Biotech | October 19, 2023



9M 2023 overview

- Top line development influenced by various industry-wide headwinds
- Demand in Bioprocess Solutions shows signs of recovery but is picking up slower than expected
- Market environment for Lab division increasingly challenging during Q3
- Profitability impacted by volume and product mix effects
- 2023 outlook lowered; profitable growth expected for 2024; 2025 ambition under review; quantitative updates to be provided by the end of January 2024
- Fundamental growth drivers intact, however market volatility and geopolitical uncertainties remain high



Agenda

Sartorius Group
9M 2023 results | FY 2023 guidance

Sartorius Stedim Biotech Group
9M 2023 results | FY 2023 guidance

Questions & Answers



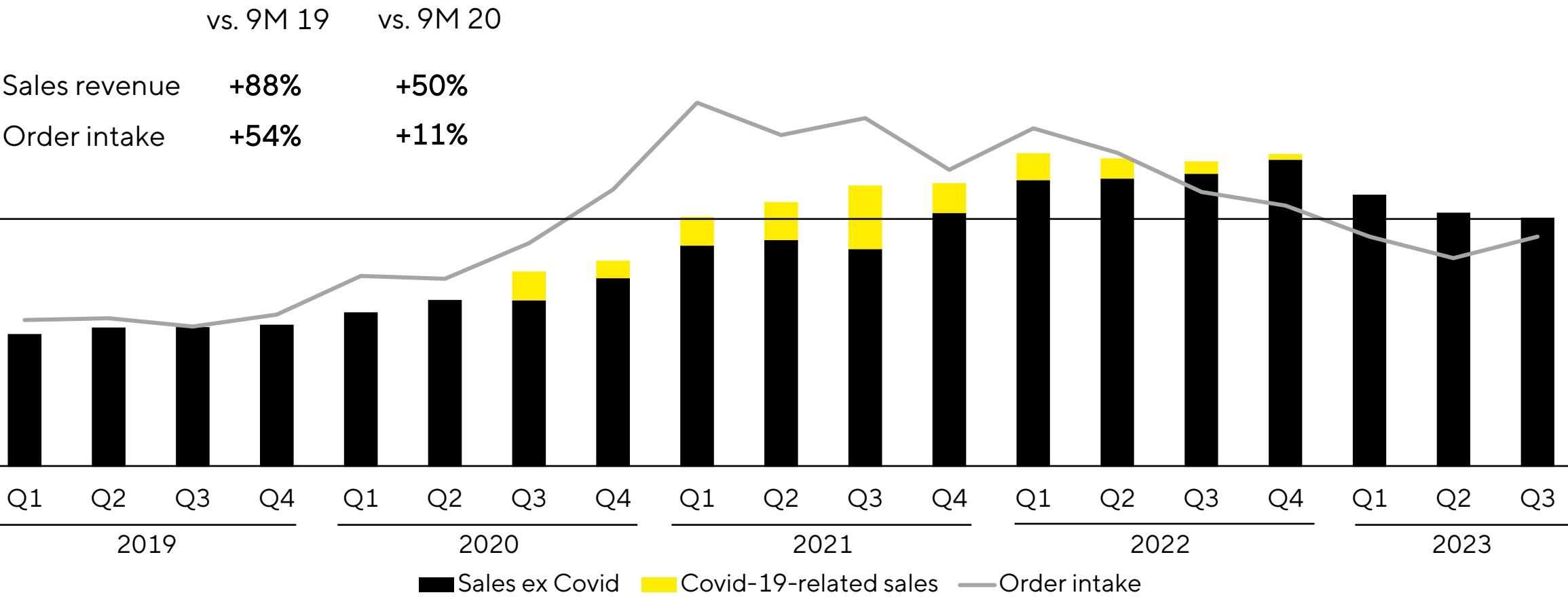
Top and bottom line impacted by temporarily weak demand

Sartorius Group in millions of € unless otherwise specified	9M 2022	9M 2023	▲ in %	▲ in % cc ¹
Sales revenue	3,113	2,546	-18.2	-16.4
Order intake	3,121	2,201	-29.5	-27.9
Underlying EBITDA ²	1,051	733	-30.3	
Underlying EBITDA ² margin in %	33.8	28.8	-5.0pp	
Underlying EPS ³ (ord.) in €	7.32	4.00	-45.4	
Underlying EPS ³ (pref.) in €	7.33	4.01	-45.3	

- Marginal Covid-related business; excluding this effect, sales decline slightly above 10%
- OI up q-o-q, but affected by destocking, relatively low production levels at some customers and muted investment activities
- Underlying EBITDA margin decreases due to volume and product mix effects

Prior-year figures slightly adjusted due to finalization of purchase price allocation for the acquisition of Albiomedix Ltd. 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

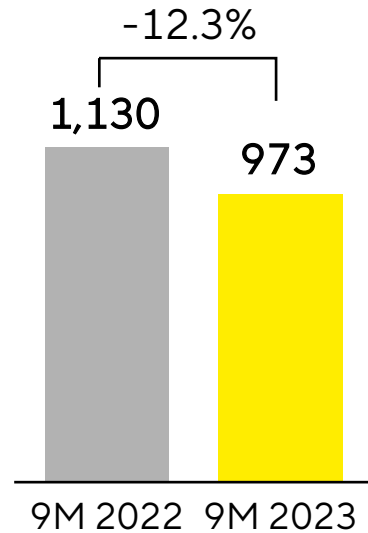
Navigating through volatility: Temporary decline in perspective



All regions influenced by destocking and low investments, mainly in the USA and China

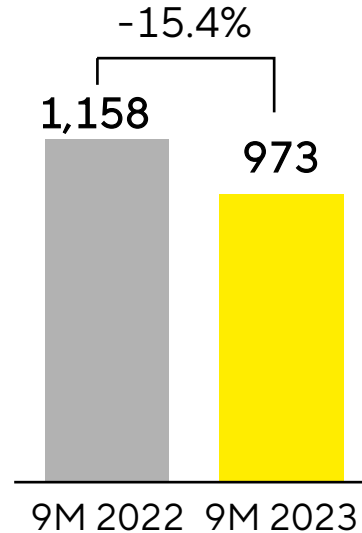
Americas

€ in millions



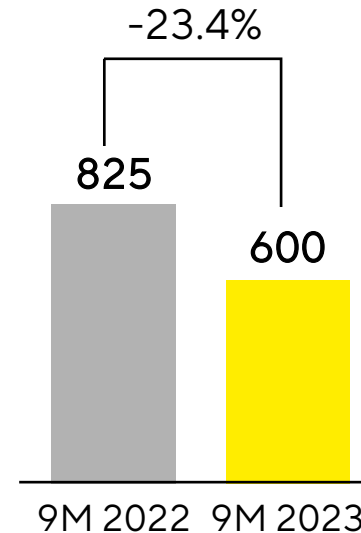
EMEA

€ in millions



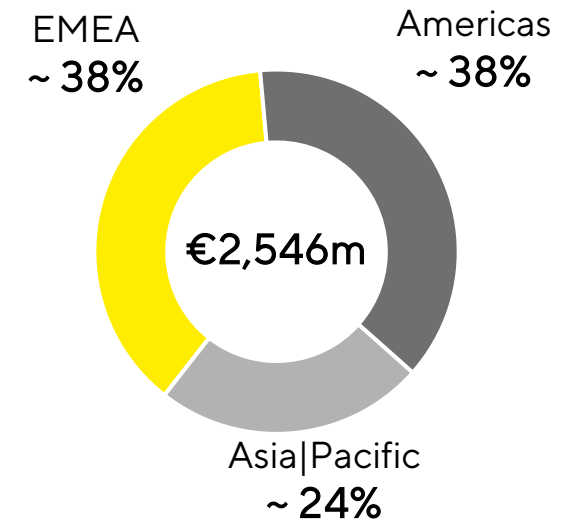
Asia|Pacific

€ in millions



Sales by region

in %



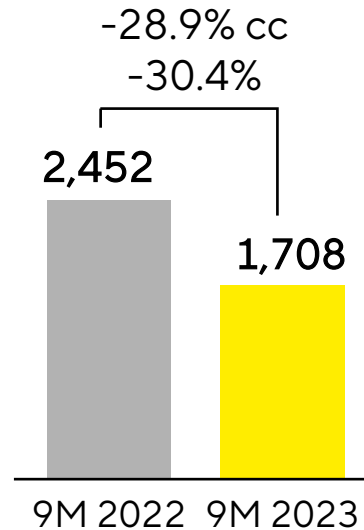
- Lower revenue in the Americas in both divisions; soft demand in LPS for BioA instruments from smaller biotech customers
- EMEA: slight sales decline in LPS, BPS below prior year due to high comps; Russia weighs on top line with > 3pp
- Sales in Asia|Pacific significantly impacted by weak China business in both divisions

Acc. to customers' location; growth in constant currencies

Bioprocess Solutions: ongoing destocking; relatively low production levels

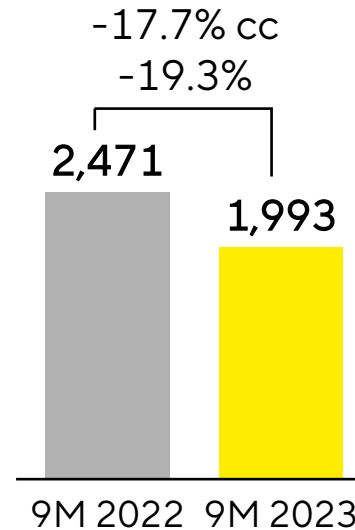
Order intake

€ in millions



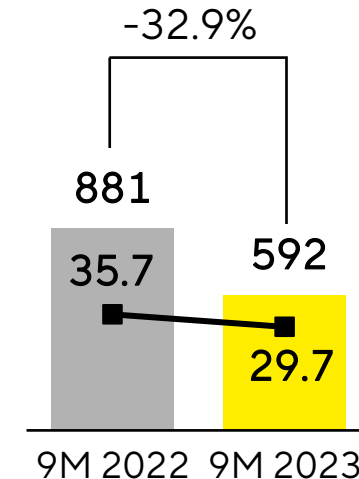
Sales revenue

€ in millions



Underlying EBITDA & margin

€ in millions

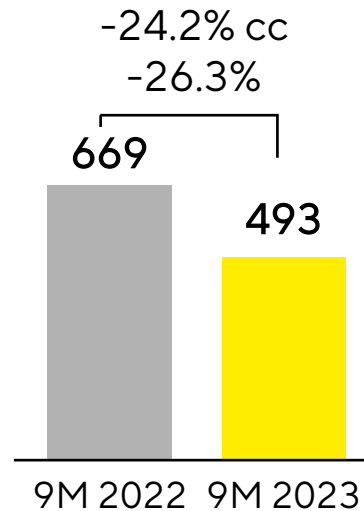


- M&A contribute ~2pp to sales growth; dampening effect Russia close to 2pp; excl. Covid, decline slightly more than 10%
- OI up q-o-q, but impacted by destocking, low production levels, and muted investment activities; demand recovery visible since end of Q3, but progressing slower than expected
- Underlying EBITDA margin decreases mainly due to volume and product mix effects

Lab Products & Services dampened by cautious cash management by biopharma customers

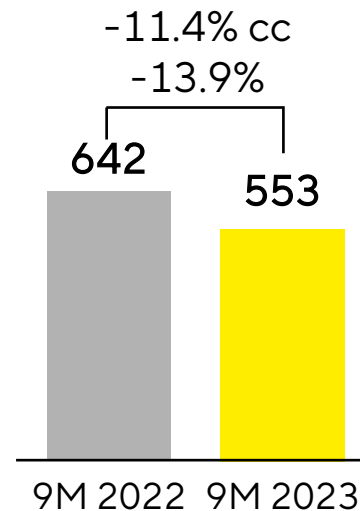
Order intake

€ in millions



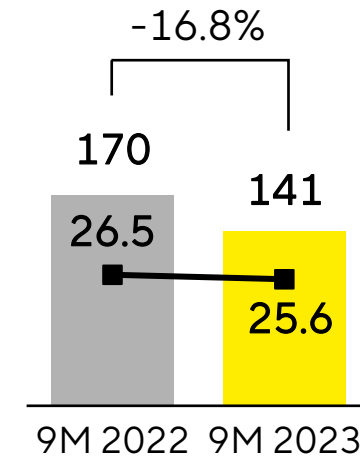
Sales revenue

€ in millions



Underlying EBITDA & margin

€ in millions



- Excluding Covid-related business, sales revenue decline around 9%
- OI impacted by overall weak end markets and low investments by early-stage biotech companies as well as larger pharma customers particularly in China and USA
- Underlying EBITDA margin remains at a healthy level

High investing cash flow; now strong focus on internal cash generation

Sartorius Group in millions of € unless otherwise specified	9M 2022	9M 2023	▲ in %
Underlying EBITDA	1,051	733	-30.3
Extraordinary items	-26	-96	> -100
Financial result	97	-39	> -100
Underlying net profit ^{1,2}	501	274	-45.3
Reported net profit ²	523	197	-62.4
Operating cash flow	455	543	+19.1
Investing cash flow ³	-898	-2,692	> -100
Capex ratio (in %)	11.3	17.0	+5.7pp

- 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 and higher interest expenses
- Investing cash flow mainly reflects acquisition of Polyplus and substantial capex program

Prior-year figures slightly adjusted due to finalization of purchase price allocation for the acquisition of Albiomedix Ltd. 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

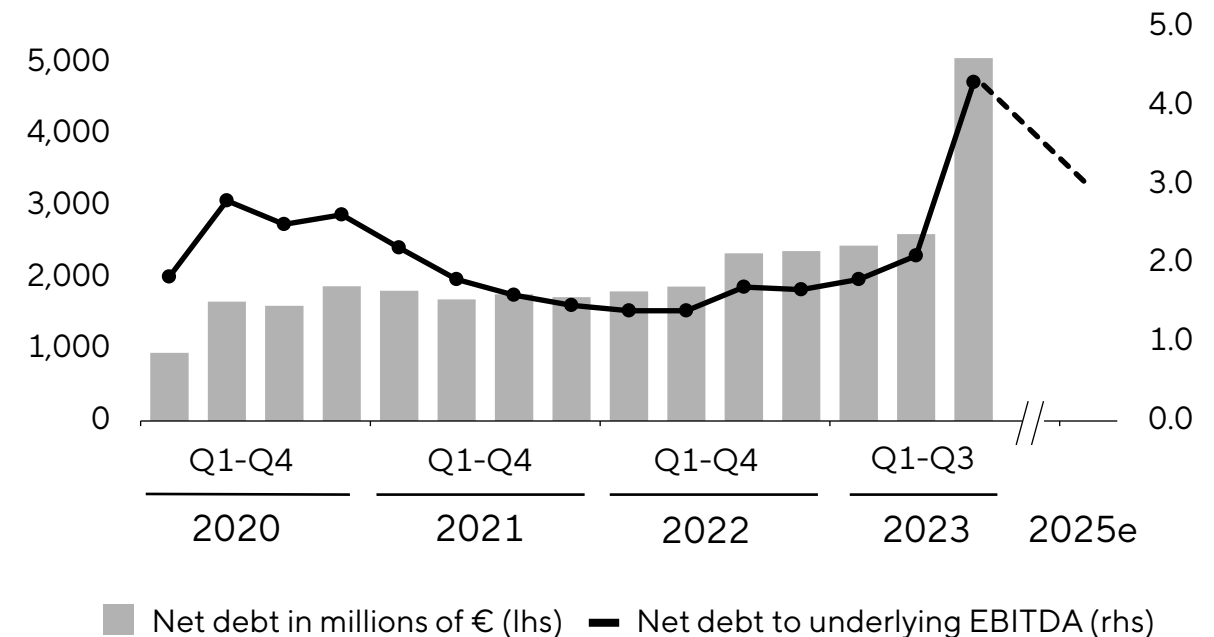
Balance sheet reflects Polyplus acquisition; significant deleveraging projected

Key financial indicators

Sartorius Group	Dec. 31, 2022	Sept. 30, 2023
Equity ratio in %	38.1	27.6
Net debt in millions of €	2,375	5,070
Net debt underlying EBITDA ¹	1.7	4.5

¹ Includes underlying pro forma EBITDA of acquisitions completed in the last 12 months

Net debt and net debt to underlying EBITDA



Outlook 2023 updated on October 12

Guidance 2023	Sales revenue development	Underlying EBITDA margin
Sartorius Group	~ -17%	slightly above 28%
excluding Covid-related business thereof from acquisitions	~ -12% ~2pp	
Bioprocess Solutions	~ -18%	slightly above 29%
excluding Covid-related business thereof from acquisitions	~ -13% ~2pp	
Lab Products & Services	~ -13%	slightly above 25%
excluding Covid-related business	~ -10%	

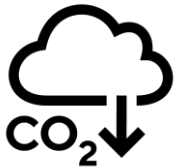
- Covid-related business expected to be marginal
- Margin targets include expenses for reduction of CO₂ emission intensity of around 1% of sales
- Capex ratio expected to be slightly above 17%
- Net debt to underlying EBITDA anticipated to be slightly above 5

All figures in constant currencies

Additional sustainability target: Climate neutral by 2045

Long-term target complements existing climate strategy

- Decarbonization in collaboration with suppliers and customers
- 100% electricity from renewable sources by 2030
- Electricity from hydropower at German sites in Göttingen, Guxhagen and Ulm since 2021



Sartorius commits to extending its medium-term climate related ambition by targets approved by the Science Based Targets initiative.

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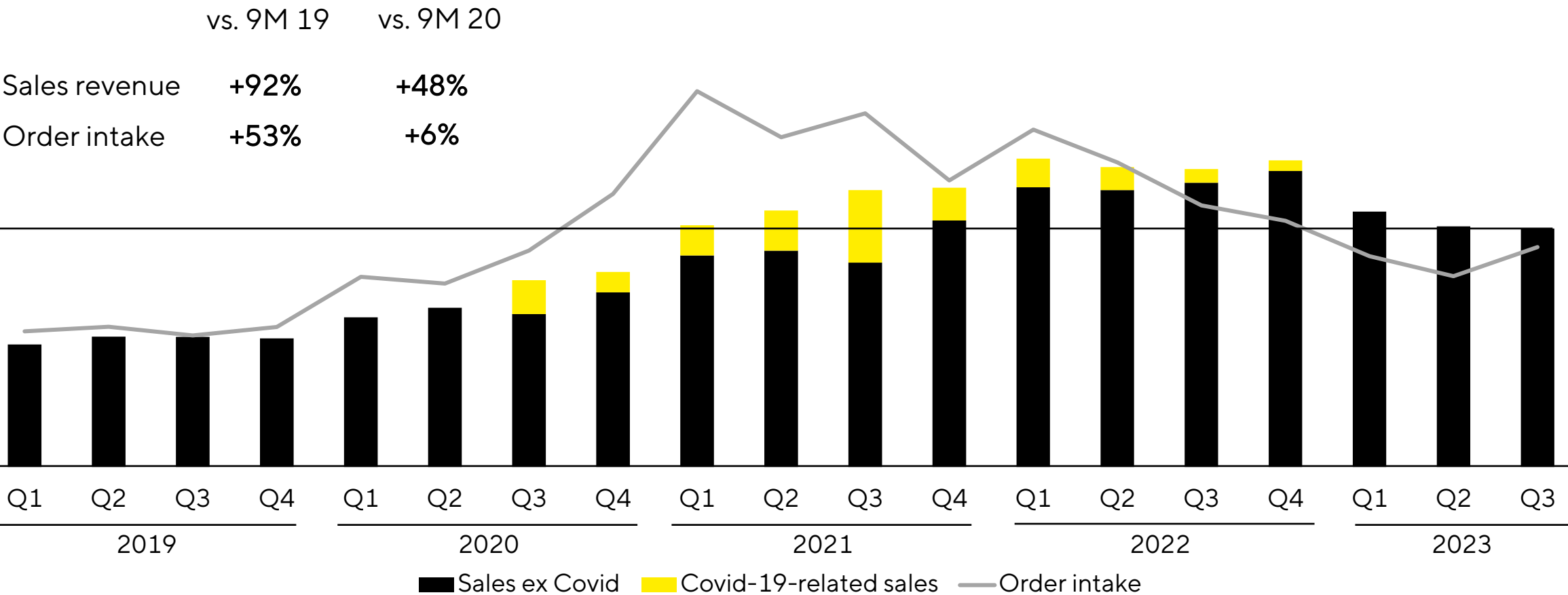
Top and bottom line impacted by temporarily weak demand

Sartorius Stedim Biotech Group in millions of € unless otherwise specified	9M 2022	9M 2023	▲ in %	▲ in % cc ¹
Sales revenue	2,603	2,069	-20.5	-19.0
Order intake	2,601	1,760	-32.4	-31.0
Underlying EBITDA ²	912	594	-34.9	
Underlying EBITDA ² margin in %	35.0	28.7	-6.3pp	
Underlying EPS ³ in €	6.58	3.47	-47.3	

- Marginal Covid-related business; M&A contribute ~2pp to sales growth; excl. Covid, decline slightly below 13%
- OI up q-o-q; but impacted by destocking, low production levels, and muted investment activities; demand recovery visible since end of Q3, but progressing slower than expected
- Underlying EBITDA margin decreases mainly due to volume and product mix effects

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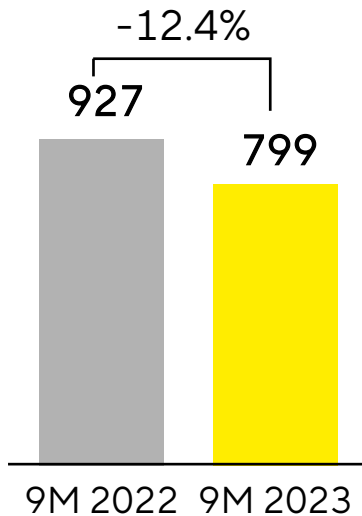
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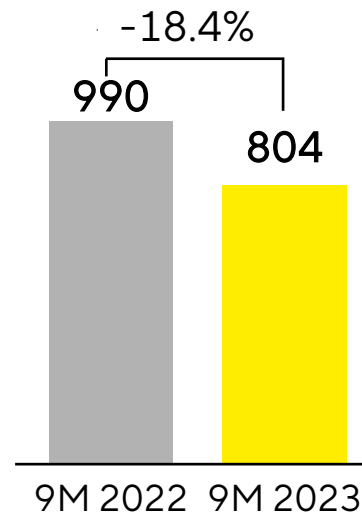
Americas

€ in millions



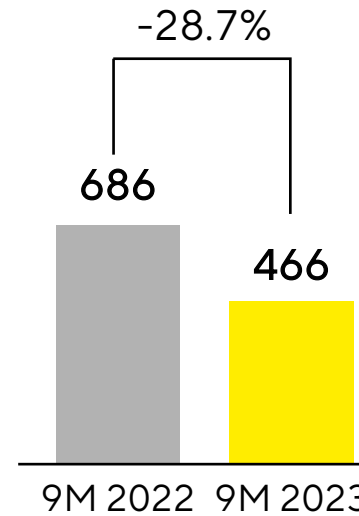
EMEA

€ in millions



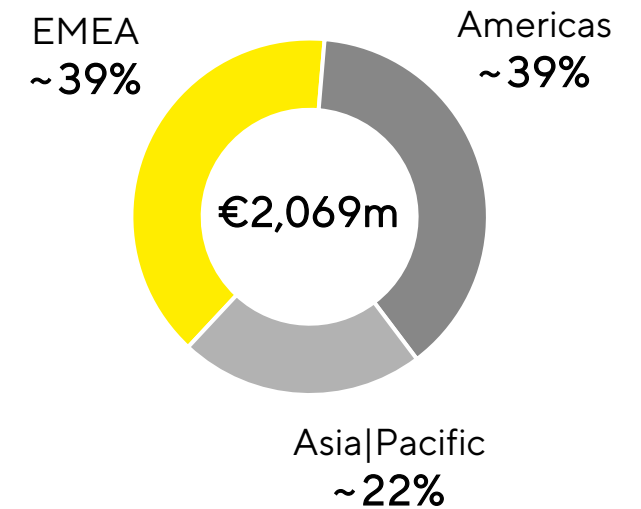
Asia|Pacific

€ in millions



Sales by region

in %



- Lower sales in the Americas driven by destocking
- EMEA below prior year due to very high comps; Russia weighs on top line with ~4pp and close to 2pp for the whole Group
- Sales in Asia|Pacific significantly impacted by weak China business

Acc. to customers' location; growth in constant currencies

High investing cash flow; now strong focus on internal cash generation

Sartorius Stedim Biotech Group in millions of € unless otherwise specified	9M 2022	9M 2023	▲ in %
Underlying EBITDA	912	594	-34.9
Extraordinary items	-13	-76	> -100
Financial result	116	-0.5	> -100
Underlying net profit ^{1,2}	607	320	-47.3
Reported net profit ²	686	270	-60.6
Operating cash flow	397	410	+3.3
Investing cash flow ³	-804	-2,618	> -100
Capex ratio (in %)	11.1	17.9	+6.8pp

- 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 and higher interest expenses
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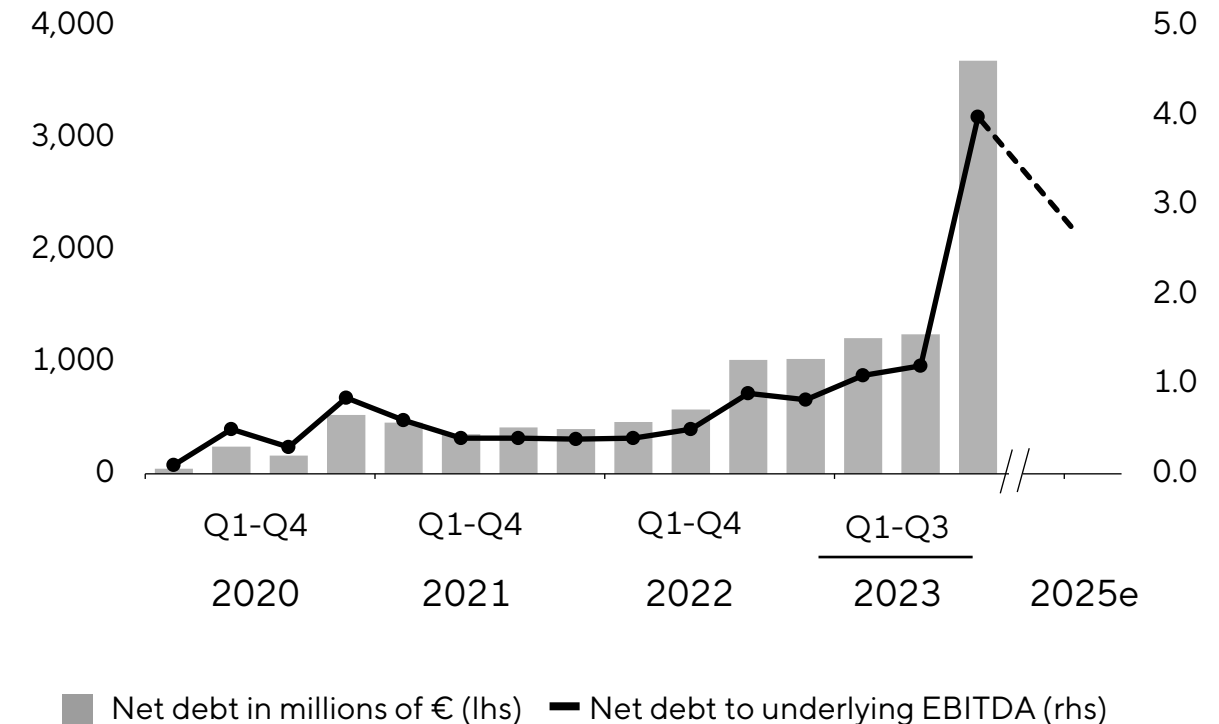
Balance sheet reflects Polyplus acquisition; significant deleveraging projected

Key financial indicators

Sartorius Stedim Biotech Group	Dec. 31, 2022	Sept. 30, 2023
Equity ratio in %	49.6	33.0
Net debt in millions of €	1,029	3,695
Net debt underlying EBITDA ¹	0.8	4.0

¹ Includes underlying pro forma EBITDA of acquisitions completed in the last 12 months

Net debt and net debt to underlying EBITDA



Outlook 2023 updated on October 12

Guidance 2023	Sales revenue development	Underlying EBITDA margin
Sartorius Stedim Biotech Group	~ -19%	slightly above 28%
excluding Covid-related business thereof from acquisitions	~ -14% ~2pp	

- 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 to be ~18%
- Net debt to underlying EBITDA anticipated to be ~4.5

All figures in constant currencies

Questions & Answers



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.
