Sartorius Stedim Biotech
Investors Presentation
9M 2020 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.
Agenda

Overview | Strategy

Mid-term Growth Prospects

FY 2020 Guidance | 9M 2020 Results

Appendix
A leading partner of the biopharma industry

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.
Sartorius Stedim Biotech at a glance

- €1.9bn
  Sales revenue 2020e

- ~16.5%
  Sales CAGR 2015-2020e

- ~32.0%
  EBITDA margin 2020e

- >20
  countries, headquartered in Aubagne, France

- ~6,800
  Employees

Four strong pillars drive above-average growth

- Pharma market
  CAGR 4-7%

- Biopharma market
  CAGR ~8%

- Single-use penetration
  Double-digit growth

- Market share gains
  Esp. in North America

Based on FY 2020 guidance midpoints 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
Attractive market environment with strong growth opportunities

<table>
<thead>
<tr>
<th>Favorable demographics</th>
<th>9bn people by 2050; &gt;2bn 60 yrs or older</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rise of biosimilars</td>
<td>~30% CAGR for biosimilar sales 2019–2022</td>
</tr>
<tr>
<td>Strong R&amp;D pipeline; advances in gene and cell therapy</td>
<td>&gt;40% share of biologics in pharma R&amp;D pipeline</td>
</tr>
</tbody>
</table>

~8% CAGR for biopharma market 2019–2025
Sales revenue more than doubled over the last 5 years

Sales CAGR ~+15.5%
EBITDA-margin\(^1\) +11.1pp

Sales growth and CAGR in constant currencies; 2020 based on guidance midpoint 1 Excluding extraordinary items
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
Recent acquisitions significantly strengthen positioning

<table>
<thead>
<tr>
<th>Acquisition of selected life science assets from Danaher</th>
<th>Acquisition of Biological Industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>~$275m&lt;sup&gt;1&lt;/sup&gt; Purchase price</td>
<td>~€45m For 50%+1 of shares</td>
</tr>
<tr>
<td>~$100m Sales revenue in 2019</td>
<td>~€20-25m Sales revenue in 2019</td>
</tr>
<tr>
<td>+100 Employees</td>
<td>+130 Employees</td>
</tr>
<tr>
<td>May 2020 Date of consolidation</td>
<td>Dec. 2019 Date of consolidation</td>
</tr>
</tbody>
</table>

- Portfolio of upstream and downstream technologies
- Developer and manufacturer of cell culture media

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<sup>1</sup> Transaction was part of a broader deal of parent company Sartorius AG; of the total purchase price of $825m, approx. one third to be allocated to SSB
Acquisition of selected Danaher life science assets strengthens chromatography portfolio

- Assets include chromatography systems, columns and resins; indispensable for the purification of biologics
- Well-established technologies and innovative solutions in the high-growth areas of single-use and intensified purification
- Complement existing membrane-based solutions enabling SSB to support purification strategies at all scales
Recent acquisitions also strengthen offering in other key technologies

- Closing last gaps in TFF portfolio
- Highly competitive product portfolio

Tangential flow filtration systems

- To support growth of adherent cell cultures

Extensive portfolio of cell culture media with focus on advanced therapies (e.g. cell and gene therapies)

Gives Sartorius Stedim Biotech own production and development capabilities

Access to customers in an increasingly important and fast-growing market

1 Part of the selected life since assets acquired from Danaher in Q1 2020; 2 Product portfolio of Biological Industries acquired in Q4 2019
BIA Separations to become part of Sartorius Stedim Biotech

- Market-leading technology for purification in advanced therapy processes
- Highly complementary to current purification offering and to advanced therapy portfolio

### Acquisition terms and financials

- Transaction volume of €360mn; €240mn in cash, €120mn in SSB shares
- Performance-based earn-out payments over the next five years
- ~€25mn sales revenue in 2020, very strong double-digit growth rates; margin accretive

### Closing and consolidation

- Expected to close in Q4/2020; subject to customary closing conditions
- No material impact on P&L in 2020
Bioprocessing innovator, addressing bottlenecks in advanced therapies

- Ajdovščina, Slovenia
- ~120 employees
- Quadrupling production capacity till end 2021

**Portfolio**
- Pre-packed monolithic columns optimized for purification in advanced therapy processes (e.g. viruses, plasmids, exosomes)
- Provides significantly higher yield by avoiding shearing effects which occur in traditional purification processes, e.g. in chromatography

**Positioning**
- Monoliths already used in production of first commercialized advanced therapeutics
- Strong presence in (pre-) clinical projects
Competitive portfolio across our relevant end-markets

<table>
<thead>
<tr>
<th></th>
<th>SSB¹</th>
<th>Merck</th>
<th>Millipore</th>
<th>Pall</th>
<th>Danaher</th>
<th>Cytiva²</th>
<th>Thermo</th>
<th>Fisher</th>
<th>Top 3 Players</th>
</tr>
</thead>
</table>
| **Filtration**          | 🟢   | 🟡    | 🟡        | 🟢   | 🟢      | 🟢      | 🟢      | 🟢      | 1. Merck | Millipore  
2. Danaher | Pall  
3. Sartorius Stedim Biotech |
| **Fluid Management**    | 🟢   | 🟢    | 🟢        | 🟡   | 🟡      | 🟢      | 🟢      | 🟢      | 1. Sartorius Stedim Biotech  
2. Thermo Fisher  
3. Merck | Millipore |
| **Fermentation**        | 🟢   | 🟢    | 🟢        | 🟡   | 🟡      | 🟢      | 🟢      | 🟢      | 1. Sartorius Stedim Biotech  
2. Thermo Fisher  
3. Danaher | Cytiva |
| **Purification**        | 🟢   | 🟢    | 🟢        | 🟢   | 🟢      | 🟢      | 🟢      | 🟢      | 1. Danaher | Cytiva  
2. Merck | Millipore  
3. Sartorius Stedim Biotech |
| **Cell Culture Media**  | 🟢   | 🟢    | 🟢        | 🟢   | 🟢      | 🟢      | 🟢      | 🟢      | 1. Thermo Fisher  
2. Merck | Millipore  
3. Danaher | Cytiva |

1 Sartorius Stedim Biotech with strengthened portfolio after acquisition of selected life science assets from Danaher; 2 Formerly GE Biopharma

Pie charts indicate completeness of product offering
Sartorius Stedim Biotech

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 savings and time to market]
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

Probability that candidate advances to next stage

<table>
<thead>
<tr>
<th>Clinical Phase I</th>
<th>Clinical Phase II</th>
<th>Clinical Phase III</th>
</tr>
</thead>
<tbody>
<tr>
<td>~60%</td>
<td>~30%</td>
<td>~50%</td>
</tr>
</tbody>
</table>

Probability of approval

<table>
<thead>
<tr>
<th>Clinical Phase I</th>
<th>Clinical Phase II</th>
<th>Clinical Phase III</th>
</tr>
</thead>
<tbody>
<tr>
<td>~10%</td>
<td>~15%</td>
<td>~50%</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 2019 SSB sales were generated with the Top 50 customers
- No individual customer accounts for more than 5% of SSB sales revenue
Our products are widely used in the development and production of biologics against COVID-19

- Sartorius Stedim Biotech benefits from demand related to the development and production of vaccines and therapeutics against COVID-19; consequences from delays in clinical trials not clear yet

180+ companies developing corona vaccines

The majority work with SSB products
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Sartorius 2025 targets and initiatives

Strategic initiatives

Regional
- Participate in strong Chinese market growth
- Continue to outperform the important U.S. market

Portfolio
- Add high-impact innovation, e.g. digital tools
- Enhance process development capabilities
- Expand into adjacent applications

Operations
- Accelerate workflows across the organization through digitalization
- Extend manufacturing base in Asia

2025 targets

~€2.8bn
Sales revenue

~30%
EBITDA margin

2025 targets are based on 2017 currency exchange rates; non-organic revenue growth is accounted for companies acquired from 2018 and onwards; EBITDA excluding extraordinary items
U.S. remains most important market; China with highest growth rates

Biologics market growth forecast

- **U.S.**: ~110
- **Europe**: ~48
- **China**: ~35
- **ROW**: ~47

**2019**

- **~€240bn**
- **CAGR**: ~+9% U.S.
- **~+6% Europe**
- **~+15% China**

- **U.S.**: ~155
- **Europe**: ~61
- **China**: ~62
- **ROW**: ~57

**2023**

- **~€335bn**

Sartorius Stedim Biotech
Rapidly growing importance of the Chinese market

- Huge market potential due to population size and growing average demand
- Biopharma market development priority for China
- Growth of fermentation capacity in China of 80% (2018 to 2022)
- Rapid change from traditional Chinese medicine to innovation in biopharma

- Sartorius Stedim Biotech with long-standing local presence; further expansion planned

![Map showing Beijing and Shanghai with production and sales locations.](image)
Regional balance better reflecting end-markets

Sales by region 2011

- Asia | Pacific: 20% (~+16% CAGR)
- Americas: 27% (~+18% CAGR)
- EMEA: 53% (~+11% CAGR)

Sales by region 2019

- Asia | Pacific: 25% (~+18% CAGR)
- Americas: 35% (~+11% CAGR)
- EMEA: 40% (~+18% CAGR)

Global biopharma market 2019

- Asia | Pacific: 27% (51% CAGR)
- Americas: 22% (22% CAGR)

CAGR for continued operations, in constant currencies
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

€ in billions

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>~9</td>
<td>~231</td>
<td>~311</td>
</tr>
</tbody>
</table>

~+30% CAGR

Growing number of biosimilar approvals

E.U. and U.S.

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>7</td>
<td>22</td>
<td>20</td>
<td>15</td>
</tr>
</tbody>
</table>
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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High growth across all product segments

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech Group</th>
<th>9M 2019</th>
<th>9M 2020</th>
<th>▲ in %</th>
<th>▲ in % cc&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>1,076.7</td>
<td>1,379.4</td>
<td>+28.1</td>
<td>+29.2</td>
</tr>
<tr>
<td>Order intake</td>
<td>1,147.1</td>
<td>1,637.9</td>
<td>+42.8</td>
<td>+43.9</td>
</tr>
<tr>
<td>Underlying EBITDA&lt;sup&gt;2&lt;/sup&gt;</td>
<td>312.3</td>
<td>434.7</td>
<td>+39.2</td>
<td></td>
</tr>
<tr>
<td>Underlying EBITDA&lt;sup&gt;2&lt;/sup&gt; margin in %</td>
<td>29.0</td>
<td>31.5</td>
<td>+2.5pp</td>
<td></td>
</tr>
<tr>
<td>Underlying EPS&lt;sup&gt;3&lt;/sup&gt; in €</td>
<td>2.15</td>
<td>3.02</td>
<td>+40.4</td>
<td></td>
</tr>
</tbody>
</table>

- Strong organic growth; pandemic-driven effects presumably around 9pp (approx. half of that from demand related to coronavirus vaccines and therapeutics and other half from inventory build-up), acquisitions accounted for approx. 4pp of growth
- Pandemic-driven effects estimated at around 14pp of order intake growth
- Underl. EBITDA margin rose due to economies of scale and lower costs in some areas due to pandemic; slight FX dilution

<sup>1</sup> Constant currencies  
<sup>2</sup> Underlying = excluding extraordinary items  
<sup>3</sup> 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 tax rate
## Double-digit sales growth in all geographies

<table>
<thead>
<tr>
<th>Region</th>
<th>9M 2019</th>
<th>9M 2020</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>375.3</td>
<td>484.3</td>
<td>+29.9%</td>
</tr>
<tr>
<td>EMEA</td>
<td>435.9</td>
<td>550.5</td>
<td>+26.6%</td>
</tr>
<tr>
<td>Asia</td>
<td>Pacific</td>
<td>265.5</td>
<td>344.7</td>
</tr>
</tbody>
</table>

- All regions with strong organic development; Asia|Pacific with the highest order momentum

Acc. to customers’ location; growth in constant currencies
Operating cash flow rises significantly

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech Group</th>
<th>9M 2019</th>
<th>9M 2020</th>
<th>▲ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying EBITDA</td>
<td>312.3</td>
<td>434.7</td>
<td>+39.2</td>
</tr>
<tr>
<td>Extraordinary items</td>
<td>-11.5</td>
<td>-12.9</td>
<td>-11.7</td>
</tr>
<tr>
<td>Financial result</td>
<td>-6.6</td>
<td>-13.9</td>
<td>n.m.</td>
</tr>
<tr>
<td>Underlying net profit&lt;sup&gt;1,2&lt;/sup&gt;</td>
<td>198.1</td>
<td>278.1</td>
<td>+40.4</td>
</tr>
<tr>
<td>Reported net profit&lt;sup&gt;2&lt;/sup&gt;</td>
<td>179.5</td>
<td>243.6</td>
<td>+35.7</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>223.9</td>
<td>327.3</td>
<td>+46.2</td>
</tr>
<tr>
<td>Investing cash flow</td>
<td>-102.9</td>
<td>-336.7</td>
<td>n.m.</td>
</tr>
<tr>
<td>CAPEX ratio (in %)</td>
<td>9.1</td>
<td>5.6</td>
<td>-3.5pp</td>
</tr>
</tbody>
</table>

1 Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate  
2 After non-controlling interest  
3 Net cash flow from investing activities and acquisitions

- Net operating cash flow mostly driven by higher earnings and factoring program (~€87m)
- Extraordinary items influenced by M&A expenses, among others
- Investing cash flow includes acquisition of Danaher portfolio in Q2
- Tax rate at 27.5% (+1.5pp vs. PY) due to accounting of tax risks, not cash-effective in 9M
Financial indicators remain on very solid level

**Key Financial Indicators**

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech</th>
<th>Dec. 31, 2019</th>
<th>Sep. 30, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity ratio in %</td>
<td>64.4</td>
<td>58.3</td>
</tr>
<tr>
<td>Net debt in millions of €</td>
<td>110.4</td>
<td>164.6</td>
</tr>
<tr>
<td>Net debt</td>
<td>underlying EBITDA</td>
<td>0.3</td>
</tr>
</tbody>
</table>

- Balance sheet and equity ratio influenced by recent acquisitions and higher cash position

**Net Debt and Net Debt to Underlying EBITDA**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net Debt in millions of € (lhs)</th>
<th>Net debt to underlying EBITDA (rhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-Q4 2014</td>
<td>0.0</td>
<td>0.3</td>
</tr>
<tr>
<td>Q1-Q4 2015</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Q1-Q4 2016</td>
<td>1.0</td>
<td>0.9</td>
</tr>
<tr>
<td>Q1-Q4 2017</td>
<td>1.5</td>
<td>1.2</td>
</tr>
<tr>
<td>Q1-Q4 2018</td>
<td>1.8</td>
<td>1.5</td>
</tr>
<tr>
<td>Q1-Q4 2019</td>
<td>2.0</td>
<td>1.8</td>
</tr>
<tr>
<td>Q1-Q4 2020</td>
<td>2.2</td>
<td>1.5</td>
</tr>
<tr>
<td>Q1-Q3 2020</td>
<td>3.0</td>
<td>1.5</td>
</tr>
</tbody>
</table>

FY 2020 Guidance | 9M 2020 Results
Outlook for 2020 specified and slightly increased

<table>
<thead>
<tr>
<th>FY 2020 Guidance(^1)</th>
<th>Sales revenue growth</th>
<th>Underlying EBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>previous</td>
<td>change / new</td>
</tr>
<tr>
<td>Sartorius Stedim Biotech</td>
<td>~ 26% - 30%</td>
<td>upper end or slightly above ~ 26% - 30%</td>
</tr>
<tr>
<td>- thereof acquisitions</td>
<td>~5pp</td>
<td>~5pp</td>
</tr>
</tbody>
</table>

- CAPEX ratio ~8% (unchanged) net debt to underlying EBITDA projected at slightly below 0.5 (unchanged)
- Acquisition of Biological Industries included for 12 months; life science portfolio from Danaher included for approx. 8 months; closing of the acquisition of BIA Separations expected before year end
- Guidance based on the assumption that logistics chains continue to be stable and production lines remain in operation

\(^1\) In constant currencies
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Corporate responsibility & further financial information

To Sartorius Stedim Biotech, 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

Please click below for further financial information:

- Earnings Release 9M 2020
- Half-Year Report H1 2020
- Earnings Release Q1 2020
- Annual Report 2019
Sartorius Stedim Biotech shares – an attractive investment

Biopharma market fueled by long-term growth drivers

Leading market positions in key technologies and high brand awareness

Global presence with strong base in growth regions

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

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

Proven growth track record: Sales CAGR of ~14.5% over the last five years
Share key facts

ISIN          FR0013154002
Ticker        DIM
Number of share 92,180,190

Indices                  SBF 120 | CAC Next 20 | CAC Large 60 | CAC All-Tradable | CAC All Shares | CAC Healthcare | MSCI France | STOXX Europe 600
Market cap.\(^1\)    €30.0bn

1 As of October 20, 2020
A sampling of the product portfolio

Filtration

Purification

Fermentation

Fluid management
On track to meet 2020 targets

Strategic initiatives

Regional
- Further grow sales force effectiveness ✔
- Gain share in North America ✔
- Leverage market growth in Asia ✔

Portfolio
- Alliances and acquisitions ✔
- Own product development ✔

Operations
- Continued capacity expansion ✔
- Drive digitalization and roll-out of efficient IT systems ✔

2020 targets

- ~€1.5-1.6bn Sales revenue
- ~4/5 Organic
- ~1/5 Acquisitions
- ~29-30% EBITDA margin

2025 targets are based on 2017 currency exchange rates; non-organic revenue growth is accounted for companies acquired from 2018 and onwards; EBITDA excluding extraordinary items
Financial calendar and contacts

- **January 27, 2021**
  Publication Preliminary Full-Year 2020 Results | Göttingen

- **March 24, 2021**
  Annual Shareholders’ Meeting

- **April 21, 2021**
  Publication First-Quarter 2021 Results | Göttingen

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**Petra Kirchhoff**
Head of Corporate Communications & IR
Phone: +49.551.308.1686
E-mail: petra.kirchhoff@sartorius.com

**Ben Orzelek**
Head of Investor Relations
Phone: +49.551.308.1668
E-mail: ben.orzelek@sartorius.com

Sartorius Corporate Administration GmbH
Otto-Brenner-Straße 20
37079 Göttingen, Germany
Visit our IR website or click here.