

Aubagne, July 21, 2021

## Half-year results of Sartorius Stedim Biotech

- Sales revenue up 61.1 percent to 1,352 million euros; underlying EBITDA margin 36.1 percent
- Dynamic organic growth; added momentum from pandemic-related business and acquisitions
- Forecast for 2021 raised yet again at the beginning of July

Sartorius Stedim Biotech, a leading partner of the biopharma industry, has continued on its fast growth trajectory, closing the first half of 2021 with significant double-digit increases in both sales revenue and order intake<sup>1</sup>.

“In the first six months of the year, we have seen unabated high demand for innovative technologies used in the production of biopharmaceuticals. Orders from customers who manufacture coronavirus vaccines have played an additional important, though not dominant, role in this respect. The acquisitions closed in 2020 also are performing well and have added positive momentum. Our most recent acquisition of a majority stake in CellGenix, a leading global supplier of GMP-grade cell culture components, enables us to provide our customers with even more comprehensive support in moving their drug candidates quickly and efficiently through the various steps of drug development so that innovative therapies reach patients faster,” said Joachim Kreuzburg, Chairman of the Board of Directors and CEO.

“Due to the ongoing expansion of our production facilities worldwide, we are well prepared to respond to the continued high demand, and recruitment of additional employees is continuing at full speed. As communicated at the beginning of July, we significantly raised our sales and earnings forecast for the full year yet again though forecasts are currently subject to above-average uncertainty due to the various pandemic-related effects,” emphasized Kreuzburg.

Based on constant currencies, Group sales revenue rose 61.1 percent to 1,352 million euros (reported: +55.6 percent). The majority of this growth was generated through strong organic expansion in all regions. In addition, the ramp-up in coronavirus vaccine production by many manufacturers added around 26 percentage points to the increase in sales revenue. Non-organic growth contributed by the acquisitions<sup>2</sup> closed in the prior year contributed around 6 percentage points.

Order intake<sup>1</sup> grew even more dynamically, rising to 1,890 million euros (+87.4 percent in constant currencies, of which around 31 percentage points were attributable to the coronavirus pandemic and around 9 percentage points to acquisitions; reported: +80.2 percent). Part of this higher order intake was due to adapted ordering patterns of some customers who in the current situation have been placing their orders further in advance than usual.

In the first half, underlying EBITDA<sup>1</sup> was up sharply by 85.8 percent to 487 million euros, while the corresponding margin rose to 36.1 percent (H1 2020: 30.2 percent). The increase was driven especially by

economies of scale and, additionally, by partially deferred cost development caused by the low number of business trips and underproportionate new hires in non-production areas, an effect that is expected to decrease as the year progresses. Relevant net profit<sup>1</sup> for the Group grew by 91.9 percent to 321 million euros; earnings per share were 3.49 euros (H1 2020: 1.82 euros).

### **Business development in the regions**

Sartorius Stedim Biotech increased its revenues very significantly in all three business regions. Sales in the EMEA region surged by 71.3 percent in constant currencies (reported: +70.5 percent) to 580.1 million euros, particularly benefitting from additional demand from coronavirus vaccine manufacturers. This region accounted for the largest share of Group sales of about 43 percent. With a plus of 66.1 percent in constant currencies to 352.0 million euros (reported: +62.8 percent), sales in the Asia | Pacific also rose strongly, increasing the region's share of Group sales revenue slightly to 26 percent. The Americas region accounted for around 31 percent of Group sales and registered growth of 46.1 percent in constant currencies to 419.8 million euros (reported: +34.3 percent).

### **Key financial indicators**

The Sartorius Stedim Biotech Group has a very sound balance sheet and financial base. At the end of the first half, the equity ratio stood at 48.1 percent (December 31, 2020: 48.4 percent). Net debt to underlying EBITDA<sup>1</sup> was 0.4 on the reporting date, relative to 0.8 at year-end 2020. The ratio of capital expenditures (CAPEX) to sales in the first half of 2021 was 8.4% relative to 5.8% in the year-earlier period. Cash outflows from investing activities rose in the reporting period by 45.9%, amounting to –€114.5 million.

### **Substantial increase in the number of employees**

As of June 30, 2021, the Sartorius Stedim Biotech Group employed a total of 8,746 people worldwide. Compared with December 31, 2020, headcount thus rose considerably by 1,180 or around 15.6%. The higher increase in the number of employees compared with previous years is especially attributable to the expansion of production capacities that was moved ahead of schedule and accelerated to some extent. However, due to the pandemic, buildup of the workforce was underproportionate on the whole compared with the company's business development. This trend particularly affected the non-production departments, such as sales and marketing functions, and is expected to subside as a result of additional hires during the further course of the year.

### **Forecast for the full year of 2021 raised**

Based on the dynamic business performance in the first half, strong order intake and on expanded production capacities, management raised its full-year growth forecast again at the beginning of July for fiscal 2021. Accordingly, the Sartorius Stedim Biotech Group projects consolidated sales growth of around 48 percent (previously around 38 percent) and an underlying EBITDA margin<sup>1</sup> of about 36 percent (previously about 33%).

Due to sales revenue that is now expected to be higher, the corresponding CAPEX<sup>1</sup> ratio for the Group is projected at about 12 percent (previously about 14 percent). The focus of the substantial investments is on the partly extended and accelerated expansion of production capacities, primarily at sites in Germany, Puerto Rico, China, and South Korea. Net debt to underlying EBITDA<sup>1</sup> is expected to be around 0.5 at year-end (previously about 0.6). Possible acquisitions are not included in these projections.

Mid-range targets updated in January 2021 remain unchanged and assume that by 2025, consolidated sales revenue will increase to around 4 billion euros at an underlying EBITDA margin of around 33 percent.

All forecasts are based on constant currencies, as in the past years. In addition, the company assumes that the global economy will increasingly recover as the current year progresses and that supply chains will remain stable.

The previous year's figures have been restated due to finalization of the purchase price allocations for acquisitions of 2020.

1 Sartorius Stedim Biotech publishes alternative performance measures that are not defined by international accounting standards. These are determined with the aim of improving the comparability of business performance over time and within the industry

- Underlying EBITDA: earnings before interest, taxes, depreciation, and amortization and adjusted for extraordinary items
- Order intake: all customer orders contractually concluded and booked during the respective reporting period
- Relevant / underlying net profit: profit for the period after non-controlling interest; adjusted for extraordinary items and non-cash amortization, as well as based on a normalized financial result and a normalized tax rate
- Underlying earnings per share: relevant / underlying net profit for the period divided by the number of shares outstanding
- Ratio of net debt to underlying EBITDA: quotient of net debt and underlying EBITDA over the past 12 months, including the pro forma amount contributed by acquisitions for this period
- CAPEX ratio: investment payments in relation to sales revenue for the same period

2 Acquisitions of selected life science businesses from Danaher Corporation as well as of BIA Separations and WaterSep BioSeparations

3 EMEA = Europe, Middle East, Africa

This press release contains forward-looking statements about the future development of the Sartorius Stedim Biotech Group. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such statements. Sartorius Stedim Biotech assumes no liability for updating such statements in light of new information or future events.

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### Conference call

Joachim Kreuzburg, Chairman of the Board of Directors and CEO, will discuss the company's business results with analysts and investors on July 21, 2021, at 3:30 p.m. Central European Summer Time (CEST) in a teleconference. You may register by clicking on the following link:

<https://78449.choruscall.com/dataconf/productusers/sar/mediaframe/45471/index.html>

The presentation will be available on the same day starting at 3:15 p.m. CEST, for viewing on our website at:

[www.sartorius.com/en/company/investor-relations/sartorius-stedim-biotech-sa-investor-relations](http://www.sartorius.com/en/company/investor-relations/sartorius-stedim-biotech-sa-investor-relations)

### Current image files

[www.sartorius.com/en/company/newsroom/downloads-publications](http://www.sartorius.com/en/company/newsroom/downloads-publications)

### Financial calendar

October 20, 2021

Publication of nine-month figures (January to September 2021)

## Key performance indicators for the first half of 2021

in millions of € unless otherwise specified	6 months 2021	6 months 2020 <sup>1</sup>	Δ in %	Δ in % cc <sup>2</sup>
<b>Order Intake and Sales Revenue</b>				
Order intake	1,889.9	1,048.7	80.2	87.4
Sales revenue	1,351.9	869.1	55.6	61.1
▪ EMEA <sup>3</sup>	580.1	340.3	70.5	71.3
▪ Americas <sup>3</sup>	419.8	312.6	34.3	46.1
▪ Asia   Pacific <sup>3</sup>	352.0	216.2	62.8	66.1
<b>Results</b>				
EBITDA <sup>4</sup>	487.4	262.3	85.8	
EBITDA margin <sup>4</sup> in %	36.1	30.2		
Net profit <sup>5</sup>	321.4	167.4	91.9	
Earnings per share <sup>5</sup> in €	3.49	1.82	91.9	
	<b>June 30, 2021</b>	<b>Dec. 31, 2020</b>		
<b>Balance Sheet   Financials</b>				
Balance sheet total	3,521.9	3,065.5		
Equity	1,693.1	1,482.9		
Equity ratio in %	48.1	48.4		
Net debt	355.2	527.3		
Ratio of net debt to underlying EBITDA	0.4	0.8		

1 The previous year's figures have been restated due to finalization of the purchase price allocations for acquisitions of 2020

2 cc = in constant currencies

3 According to customer location

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

5 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

## Statement of reconciliation

in millions of € unless otherwise specified	6 months 2021	6 months 2020 <sup>1</sup>
EBIT (operational result)	414.1	205.0
Extraordinary effects	7.0	13.5
Amortization   IFRS 3	21.7	10.2
Normalized financial result <sup>2</sup>	-5.1	-2.5
Normalized income tax (26%) <sup>3</sup>	-113.8	-58.8
Underlying net result	<b>324.0</b>	<b>167.4</b>
Non-controlling interest	-2.6	0.0
Underlying net result excluding non-controlling interest	<b>321.4</b>	<b>167.4</b>
Underlying earnings per share in €	3.49	1.82

1 The previous year's figures have been restated due to finalization of the purchase price allocations for acquisitions of 2020

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

3 Normalized income tax based on the underlying profit before taxes and non-cash amortization

**A profile of Sartorius Stedim Biotech**

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. Headquartered in Aubagne, France, Sartorius Stedim Biotech is quoted on the Eurolist of Euronext Paris. 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. The Group has been annually growing by double digits on average and has been regularly expanding its portfolio by acquisitions of complementary technologies. In 2020, the company employed more than 7,500 people, and earned sales revenue of 1,910 million euros.

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