

SARTORIUS

Simplifying Progress

Conference Call H1 2021 Results

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Sartorius | Sartorius Stedim Biotech | July 21, 2021



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 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.

Highlights H1 2021

- 60 percent top-line growth, thereof 22 percentage points corona-related and 8 percentage points non-organic
- Both divisions with dynamic organic growth and margin expansion against moderate comps
- Accelerated capacity expansion on schedule
- Acquisition of majority stake in cell culture reagents specialist CellGenix
- Outlook for 2021 raised in early July

Agenda

Sartorius Group
H1 2021 results | FY 2021 guidance

Sartorius Stedim Biotech Group
H1 2021 results | FY 2021 guidance

Questions & Answers



Strong profitable growth

Sartorius Group in millions of € unless otherwise specified	H1 2020	H1 2021	▲ in %	▲ in % cc ¹
Sales revenue	1,056.8	1,629.2	+54.2	+60.1
Order intake	1,244.8	2,178.8	+75.0	+82.4
Underlying EBITDA ²	293.5	555.3	+89.2	
Underlying EBITDA ² margin in %	27.8	34.1	+6.3pp	
Underlying EPS ³ (ord.) in €	1.81	3.79	+108.9	
Underlying EPS ³ (pref.) in €	1.82	3.80	+108.3	

- Acquisitions contribute a good 8pp to sales growth; net effect from pandemic about 22pp / about 27pp for order intake
- Underlying EBITDA margin driven by economies of scale and underproportionate cost development

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

Strong increase of new hires; underproportionate to sales development

H1 cc group sales revenue growth ~60%

H1 y/y group headcount growth ~23%

t/o in production ~28%

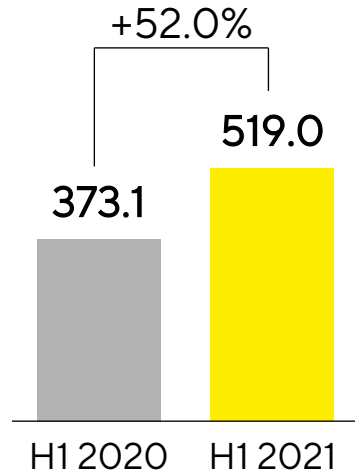
t/o in sales & marketing ~13%

- End of H1/2021, 11,981 employees work at Sartorius
- Higher increase in employees compared with previous years especially attributable to expansion of production capacities
- Due to the pandemic, buildup of the workforce was underproportionate compared to sales growth
- This development is expected to subside as a result of additional hires during the further course of the year

High double-digit sales growth in all geographies

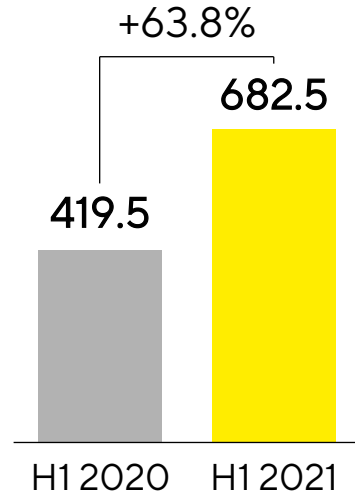
Americas

€ in millions



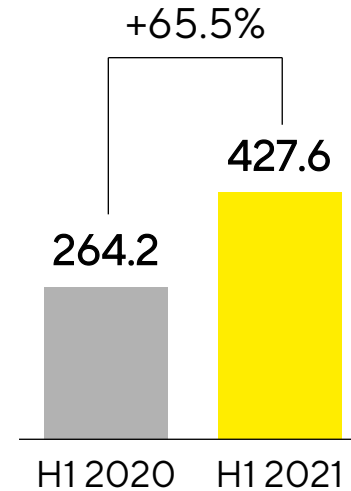
EMEA

€ in millions



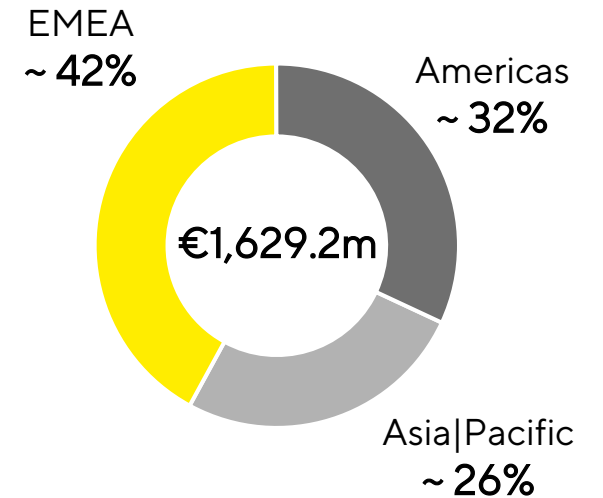
Asia|Pacific

€ in millions



Sales by Region

in %



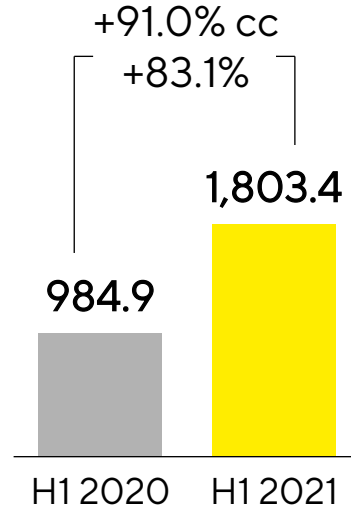
- Americas: Very solid performance of BPS; LPS with dynamic growth fueled by M&A, bioanalytics, and recovery
- EMEA: BPS with significant demand from vaccine manufacturers; Considerable sales growth of LPS
- Asia|Pacific: BPS achieved dynamic sales growth; LPS with strong recovery compared to soft prior-year H1

Acc. to customers' location; growth in constant currencies

BPS: Dynamic growth backed by expanded production capacities and stable supply chains

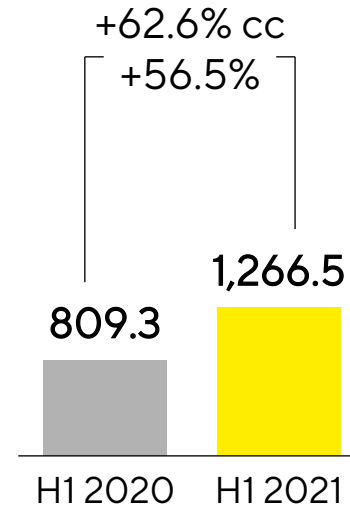
Order Intake

€ in millions



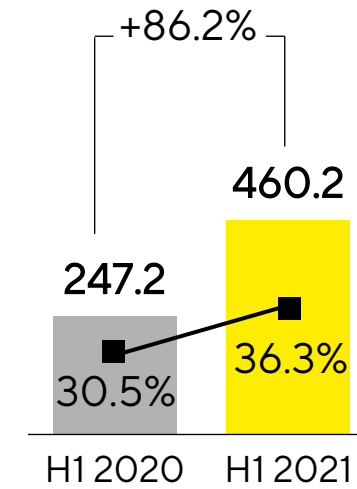
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions

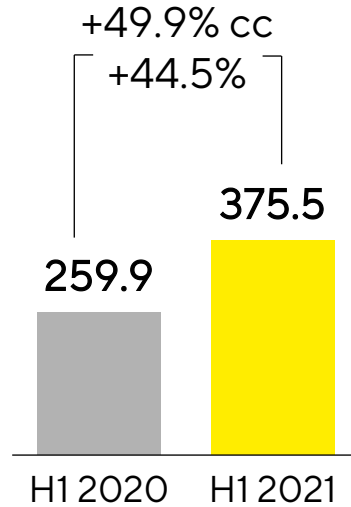


- Strong core business performance, bolstered by pandemic-related demand; Corona effect around 26pp, M&A a good 6pp
- Exceptional OI also reflects changed ordering patterns of some customers; Corona effect around 31pp, M&A around 10pp
- Significant increase of underlying EBITDA margin due to economies of scale and underproportionate cost development

LPS: Strong performance against soft prior-year comps

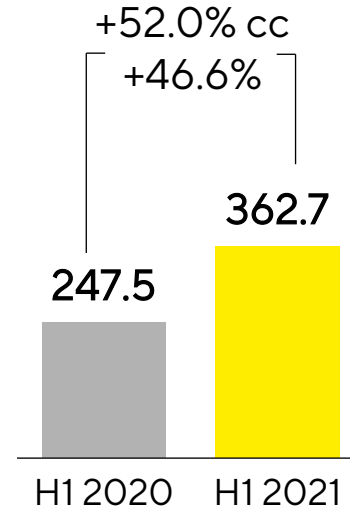
Order Intake

€ in millions



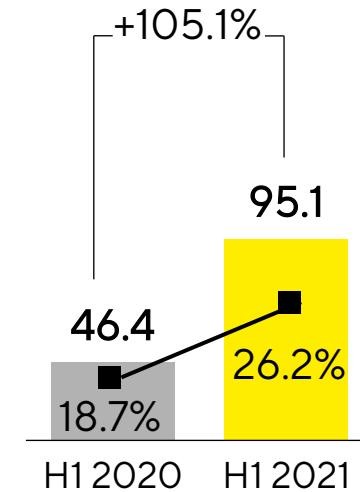
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions



- Substantial organic sales growth supported by recovery and positive momentum in bioanalytical instruments
- M&A contributed around 14pp to growth; approx. 9pp related to components used in coronavirus test kits
- Profitability expansion due to economies of scale, product mix and underproportionate cost development

Operating cash flow increases significantly

Sartorius Group in millions of € unless otherwise specified	H1 2020	H1 2021	▲ in %
Underlying EBITDA	293.5	555.3	+89.2
Extraordinary items	-28.7	-10.9	n.m.
Financial result	-20.3	-48.7	n.m.
Underlying net profit ^{1,2}	124.3	259.4	+108.7
Reported net profit ²	79.8	189.8	+137.8
Operating cash flow	215.4	440.7	+104.6
Investing cash flow ³	-849.5	-160.0	n.m.
CAPEX ratio (in %)	8.5	9.0	+0.5pp

- Net operating cash flow mostly driven by higher earnings
- Extraordinary items in prior-year influenced by M&A and corporate projects
- Financial result includes valuation effect related to the earn-out liability from acquisition of BIA Separations
- Investing cash flow in prior year driven by M&A

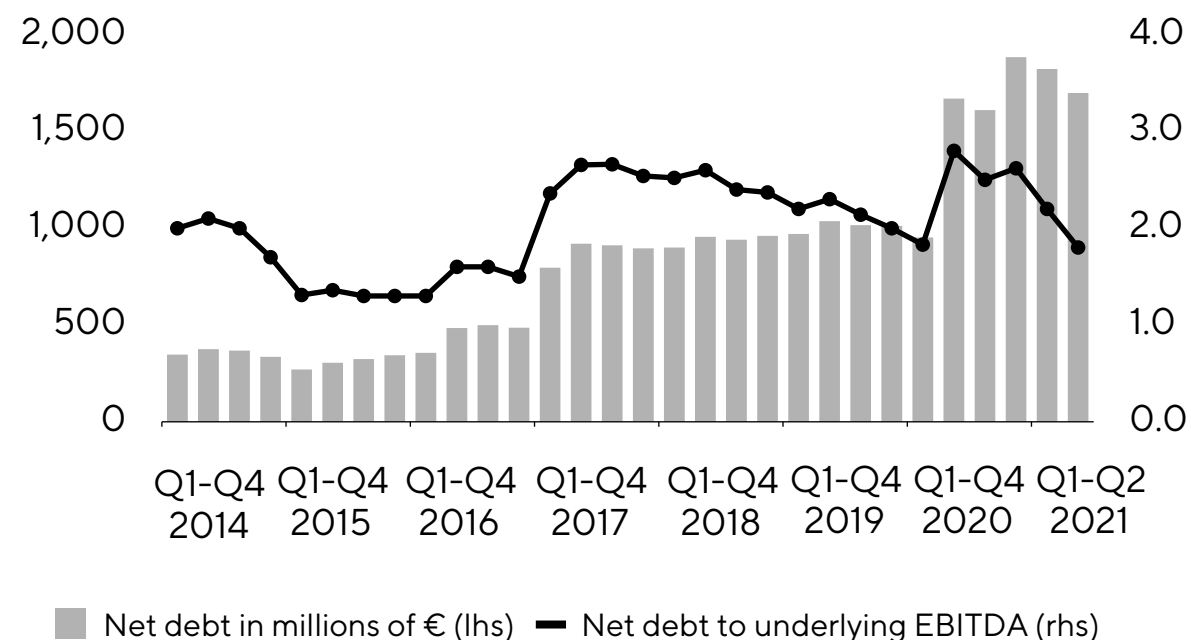
2020 numbers adjusted due to final PPA for the acquisitions of 2020 1 Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and a normalized tax rate 2 After non-controlling interest 3 Net cash flow from investing activities and acquisitions

Financial indicators remain on very solid level

Key Financial Indicators

Sartorius Group	Dec. 31, 2020	June 30, 2021
Equity ratio in %	29.9	31.3
Net debt in millions of €	1,883.9	1,698.4
Net debt underlying EBITDA ¹	2.6	1.8

Net Debt and Net Debt to Underlying EBITDA



¹ Includes underlying pro forma EBITDA of acquisitions completed in 2020

Acquisition of cell culture specialist CellGenix – Transaction summary

- ⤴ Founded in 1994
- 🏭 Headquartered in Freiburg, Germany
- 👥 ~70 employees



Strategic rationale

- Acquisition of a leading supplier of critical cell culture components for advanced therapies; perfect fit with our existing media offering
- Combined portfolio makes us even more relevant for customers in this fast-growing segment of the biopharma market

Acquisition terms and financials

- Transaction volume of €100m in cash for 51% stake
- Remaining assets to be acquired at the beginning of 2023 and 2026
- Revenue of more than €20m in 2020; highly profitable

Strong outlook for 2021, uncertainties remain higher as usual

	Old Guidance		New Guidance ¹	
	Sales Revenue Growth	Underlying EBITDA Margin	Sales Revenue Growth	Underlying EBITDA Margin
Sartorius Group	~35%	~32%	~45%	~34%
- growth by acquisitions Corona demand	~5.5pp ~16pp		~4.5pp ~17pp	
Bioprocess Solutions	~40%	~34%	~50%	~36%
- growth by acquisitions Corona demand	~6pp ~18pp		~4pp ~20pp	
Lab Products & Services	~20%	~24%	~30%	~26%
- growth by acquisitions Corona demand	~5pp ~5pp		~6pp ~5pp	

- CAPEX ratio now expected ~12% due to increased sales guidance, previously ~14% (FY 2020: 10.3%)
- Net debt to underlying EBITDA: slightly below 2.0, previously ~2.0 (FY 2020: 2.6)

¹ In constant currencies

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H1 2021 results | FY 2021 guidance

Questions & Answers



Exceptionally strong and profitable growth in H1 2021

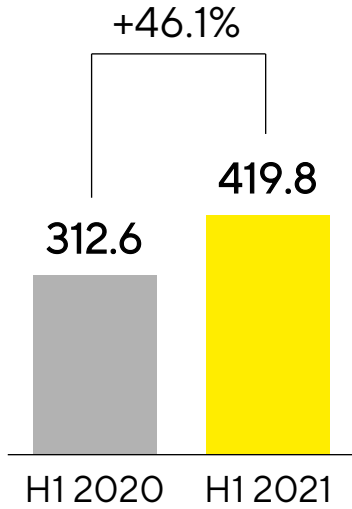
Sartorius Stedim Biotech Group in millions of € unless otherwise specified	H1 2020	H1 2021	▲ in %	▲ in % cc ¹
Sales revenue	869.1	1,351.9	+55.6	+61.1
Order intake	1,048.7	1,889.9	+80.2	+87.4
Underlying EBITDA ²	262.3	487.4	+85.8	
Underlying EBITDA ² margin in %	30.2	36.1	+5.9pp	
Underlying EPS ³ in €	1.82	3.49	+91.9	

- Core business with unabated high demand in all segments; pandemic-related effects of about 26pp, acquisitions accounted for around 6pp of growth
- Pandemic-related effects on order intake a good 31pp, M&A ~9pp; increase also reflects changed ordering pattern of customers
- Underlying EBITDA margin rose significantly due to economies of scale and underproportionate cost development

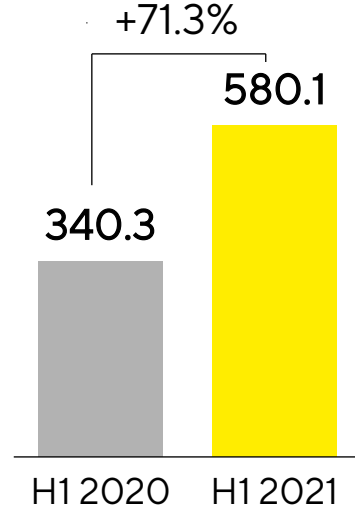
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High double-digit sales growth in all geographies

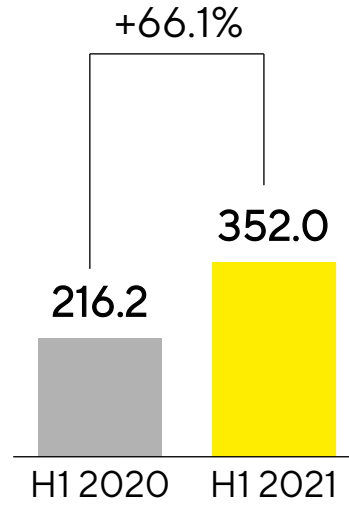
Americas
€ in millions



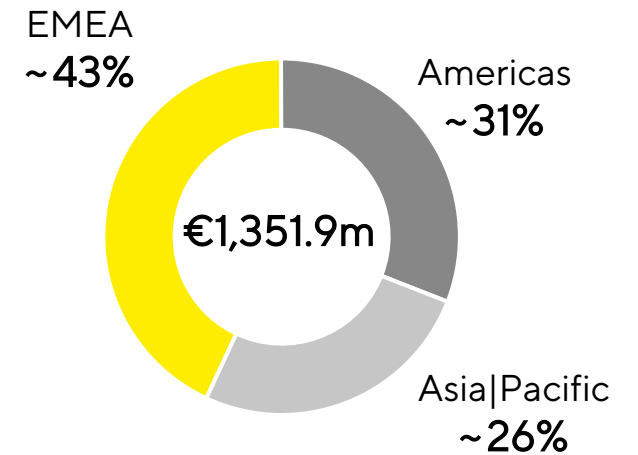
EMEA
€ in millions



Asia|Pacific
€ in millions



Sales by Region
in %



- Strong organic growth in the Americas
- EMEA with above average effect from vaccine manufacturing and acquisitions
- Very dynamic increase in Asia|Pacific

Acc. to customers' location; growth in constant currencies

Operating cash flow rises significantly

Sartorius Stedim Biotech Group in millions of € unless otherwise specified	H1 2020	H1 2021	▲ in %
Underlying EBITDA	262.3	487.4	+85.8
Extraordinary items	-13.5	-7.0	n.m.
Financial result	-10.5	-40.8	n.m.
Underlying net profit ^{1,2}	167.4	321.4	+91.9
Reported net profit ²	141.1	258.4	+83.2
Operating cash flow	195.3	368.1	+88.5
Investing cash flow ³	-296.4	-114.5	n.m.
CAPEX ratio (in %)	5.8	8.4	+2.6pp

- Net operating cash flow mostly driven by higher earnings
- Extraordinary items in prior-year influenced by M&A and corporate projects
- Financial result includes valuation effect related to the earn-out liability from acquisition of BIA Separations
- Investing cash flow in prior year driven by M&A

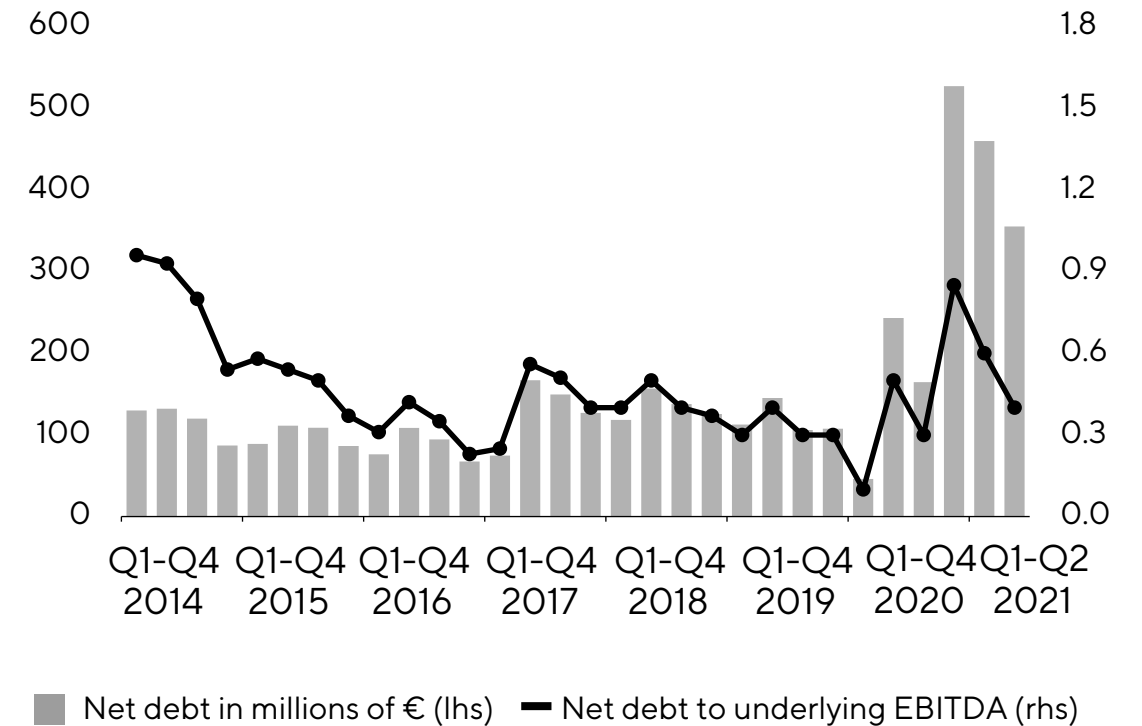
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Financial indicators remain on very solid level

Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31, 2020	June 30, 2021
Equity ratio in %	48.4	48.1
Net debt in millions of €	527.3	355.2
Net debt underlying EBITDA ¹	0.8	0.4

Net Debt and Net Debt to Underlying EBITDA



¹ Includes underlying pro forma EBITDA of acquisitions completed in 2020

Strong outlook for 2021, uncertainties remain higher than usual

FY 2021 Guidance ¹	[change vs. previous guidance]	
	Sales revenue growth	Underlying EBITDA margin
Sartorius Stedim Biotech	~ 48% [+10pp]	~ 36.0% [+3pp]

- Pandemic related demand is expected to contribute ~20pp to sales growth (previously ~18pp); M&A ~4pp (previously ~5.5pp)
- CAPEX ratio expected at ~12% due to increased sales guidance (previously ~14%; FY 2020: 8.3%)
- Net debt to underlying EBITDA: ~0.5 (previously ~0.6; FY 2020: 0.8)

¹ In constant currencies

Questions & Answers

