

Sartorius Stedim Biotech

# First-Half Financial Report January to June 2024

## Key Figures for the First Half and Second Quarter of 2024

in millions of € unless otherwise specified	6 months 2024	6 months 2023	Δ in %	Δ in % cc <sup>1</sup>
<b>Order Intake and Sales Revenue</b>				
Order intake <sup>2</sup>	1,260.5	1,142.3	10.4	11.2
Sales revenue	1,373.2	1,401.8	-2.0	-1.2
▪ EMEA <sup>3</sup>	574.5	551.4	4.2	4.4
▪ Americas <sup>3</sup>	492.4	525.6	-6.3	-6.2
▪ Asia   Pacific <sup>3</sup>	306.4	324.9	-5.7	-2.4
<b>Results</b>				
Underlying EBITDA <sup>4</sup>	387.3	415.7	-6.8	
Underlying EBITDA margin <sup>4</sup> in %	28.2	29.7		
Underlying net profit <sup>5</sup>	164.8	241.5	-31.8	
Underlying earnings per share <sup>5</sup> in €	1.71	2.62	-34.7	
	<b>June 30, 2024</b>	<b>Dec. 31, 2023<sup>6</sup></b>		
<b>Balance Sheet   Financials</b>				
Balance sheet total	8,068.9	7,730.1		
Equity	3,924.3	2,673.8		
Equity ratio <sup>7</sup> in %	48.6	34.6		
Net debt	2,464.9	3,565.2		
Ratio of net debt to underlying EBITDA <sup>8</sup>	3.3	4.5		

in millions of € unless otherwise specified	Q2 2024 <sup>9</sup>	Q2 2023 <sup>9</sup>	Δ in %	Δ in % cc <sup>1</sup>
<b>Order Intake and Sales Revenue</b>				
Order intake	584.3	541.0	8.0	8.1
Sales revenue	706.4	675.7	4.5	4.7
▪ EMEA <sup>3</sup>	290.1	254.6	14.0	
▪ Americas <sup>3</sup>	259.0	267.4	-3.1	
▪ Asia   Pacific <sup>3</sup>	157.2	153.7	2.3	
<b>Results</b>				
Underlying EBITDA <sup>4</sup>	196.3	195.6	0.3	
Underlying EBITDA margin <sup>4</sup> in %	27.8	28.9		
Underlying net profit <sup>5</sup>	80.7	110.1	-26.7	
Underlying earnings per share <sup>5</sup> in €	0.85	1.19	-29.0	

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 All customer orders contractually concluded and booked during the respective reporting period.

3 According to customers' location.

4 Earnings before interest, taxes, depreciation, and amortization and adjusted for extraordinary items.

5 Profit for the period after non-controlling interest, adjusted for extraordinary items and amortization, as well as based on the normalized financial result and the normalized tax rate.

6 The previous year's figures have been revised due to finalization of the purchase price allocation for the acquisition of Polyplus.

7 Equity in relation to the balance sheet total.

8 Quotient of net debt and underlying EBITDA over the past 12 months, including the pro forma amount contributed by acquisitions for this period.

9 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.

### Subdued development of the biopharmaceutical market

After continuous and partly significant expansion in the global pharmaceutical market in prior years, growth stagnated in 2023 according to Evaluate Pharma. Even revenue generated with biopharmaceuticals, which commonly increases faster than that generated by the pharmaceutical market as a whole, remained constant at around \$436 billion. This development was mainly due to lower sales of coronavirus vaccines and therapeutics, which more than halved in 2023 from around USD 100 billion previously. The biopharma share of the overall pharmaceutical market remained unchanged at around 39%.

The leading manufacturers of bioprocess technology recorded declining sales in 2023 and repeatedly lowered their growth forecast communicated at the start of the year. The influencing factors were of a temporary nature and included in particular the sharp decline in Covid-19-related business and the reduction of elevated inventory levels. In addition, production levels at some biopharma companies were relatively low, and investment activity was generally subdued after several years of intensive capacity expansion. These influencing factors continued to affect the business performance of bioprocess technology providers in the first quarter of 2024 and led to declining sales across the industry.

The growth of the biopharma market fundamentally depends more on medium- to long-term trends than on short-term economic developments. Significant impetus here is provided by the globally increasing demand for drugs and the approval and market launch of innovative biopharmaceuticals. Other growth factors are the extension of the range of indications for already approved medications 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 2023 with 42 (2022: 31) and in the first half of 2024 with 19 (first half of 2023: 20).

Sources: Evaluate Pharma: World Preview 2023, August 2023; SDI: Global Assessment Report 2023, June 2023; own analysis on company publications; [www.fda.gov](http://www.fda.gov)

## Group Business Development

- Sales revenue slightly down at -1.2% after six months; growth of 4.7% in the second quarter
- Underlying EBITDA margin at a robust level of 28.2%, increasingly positive impact of cost and efficiency measures expected over the course of the second half of 2024
- Deliberately more cautious outlook: Expectations for 2024 adjusted due to persistently high volatility and limited predictability
- Long-term trends in life sciences and biopharma remain positive

The Sartorius Stedim Biotech Group achieved its ambition in the first half of 2024 and recorded the targeted slight sales revenue growth and robust profitability in the second quarter. Business performance was characterized by a continuously very challenging and volatile market environment and presented an exceptionally mixed picture. Parts of the consumables portfolio and business with customers working on cell and gene therapies were clearly positive drivers. At the same time, other product groups experienced a longer-than-expected, pronounced reluctance from customers to place orders. Market dynamics in China remains subdued.

Against this backdrop, Group sales revenue in the first six months recorded a moderate decline on a constant currency basis<sup>1</sup> of 1.2% (reported: -2.0%; organic: -3.8%<sup>2</sup>) to €1,373.2 million. This includes a growth contribution from the Polyplus acquisition of slightly below 3 percentage points<sup>2</sup>. On a quarterly basis, sales revenue increased by 4.7% between April and June.

In view of advanced inventory reductions on the part of customers, order intake<sup>3</sup> rose by 11.2% in constant currencies (reported: 10.4%) to €1,260.5 million in the first half of the year, while the increasing demand in the consumables business was dampened by the continuing reluctance to invest across the industry.

Business performance in the regions showed a mixed picture: Sales in the EMEA region, which contributed the highest share of 42% of the total Group revenue, rose by 4.4% to €574.5 million. Business in the Americas region, which accounted for around 36% of Group sales, fell by 6.2% to €492.4 million in the reporting period. In the Asia | Pacific region, sales were 2.4% lower at €306.4 million, in particular due to the ongoing market weakness in China. This region accounted for around 22% of total Group revenue. (All growth rates for the regional development are in constant currencies unless otherwise stated.)

### Order Intake and Sales Revenue

In millions of €	6 months 2024	6 months 2023	Δ in %	Δ in % cc <sup>1</sup>
Sales revenue	1,373.2	1,401.8	-2.0	-1.2
▪ EMEA <sup>4</sup>	574.5	551.4	4.2	4.4
▪ Americas <sup>4</sup>	492.4	525.6	-6.3	-6.2
▪ Asia   Pacific <sup>4</sup>	306.4	324.9	-5.7	-2.4
Order intake	1,260.5	1,142.3	10.4	11.2

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 Order intake: All customer orders contractually concluded and booked during the respective reporting period.

4 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 2024, underlying EBITDA decreased to €387.3 million (-6.8% compared to the same period of the previous year), in particular due to volume and product mix effects. The corresponding margin remained at the robust level of 28.2% (H1 2023: 29.7%).

### Reconciliation between EBIT and underlying EBITDA

In millions of €	6 months 2024	6 months 2023
EBIT (operating result)	214.8	266.6
Extraordinary items	27.5	50.0
Depreciation & amortization	144.9	99.0
<b>Underlying EBITDA</b>	<b>387.3</b>	<b>415.7</b>

### Extraordinary items

In millions of €	6 months 2024	6 months 2023
M&A projects   integration costs	-2.0	-11.1
Structural measures	-24.5	-35.4
Other	-1.0	-3.6
<b>Total</b>	<b>-27.5</b>	<b>-50.0</b>

Consolidated earnings before interest and taxes (EBIT) decreased accordingly by 19.4% to €214.8 million (H1 2023: €266.6 million). In addition to depreciation and amortization, this figure includes extraordinary items of -€27.5 million (previous year: -€50.0 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 15.6% (H1 2023: 19.0%).

The financial result amounted to -€72.1 million in the first half of 2024 compared to €40.9 million in the prior-year period. This includes non-cash effective income of €1.0 million, mainly from the reporting date valuation of the share-based earn-out liability in connection with the acquisition of BIA Separations (H1 2023: €65.4 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 most recent acquisitions.

Net result attributable to shareholders of Sartorius Stedim Biotech S.A. decreased by 57.4% to €104.0 million (H1 2023: €244.2 million). A tax rate of 26% expected for the full year was applied (H1 2023: 26%) for calculating interim tax expenses. In relation to the reported earnings before taxes, the tax rate is 25.8% (previous year: 20.5%).

## Underlying net result

The underlying net result after non-controlling interest was €164.8 million, down 31.8% versus the prior year. 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 amounted to €1.71 (H1 2023: €2.62).

In millions of €	6 months 2024	6 months 2023
EBIT (operational result)	214.8	266.6
Extraordinary items	27.5	50.0
Amortization   IFRS 3	58.7	33.7
Normalized financial result <sup>1</sup>	-75.8	-23.5
Normalized income tax (26%) <sup>2</sup>	-58.6	-85.0
<b>Underlying net result</b>	<b>166.7</b>	<b>241.9</b>
Non-controlling interest	-1.9	-0.4
<b>Underlying net result excluding non-controlling interest</b>	<b>164.8</b>	<b>241.5</b>
Underlying earnings per share in €	1.71	2.62

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 below prior year

Cash flow from operating activities in the first six months of the current financial year fell by 12.9% to €271.7 million, mainly as a result of lower earnings and higher tax payments.

Based on fundamentally intact growth drivers in the end markets and its medium-term growth targets, Sartorius Stedim Biotech continued its investment program to expand and diversify its production capacities, although the pace of implementation of individual measures was slowed down in view of the temporarily weaker demand. Cash outflow from investing activities decreased by 27.7% to €189.4 million in the reporting period. The ratio of capital expenditures (CAPEX) to sales in the first half of 2024 was 13.8%, compared to 18.7% in the prior-year period. As there were no acquisition-related expenses in the first half of 2024, cash flow from investing activities and acquisitions also was -€189.4 million (H1 2023: -€284.6 million).

### Capital expenditures

in millions of € unless otherwise specified	6 months 2024	6 months 2023
Sales revenue	1,373.2	1401.8
Capital expenditures	189.4	261.9
<b>Capital expenditures as % of sales revenue</b>	<b>13.8</b>	<b>18.7</b>

## Key balance sheet and financial indicators remain robust

The balance sheet total of the Sartorius Stedim Biotech Group stood at €8,068.9 million and was thus €338.8 million higher than the figure of €7,730.1 million as of December 31, 2023. This increase is largely due to the rise in current assets by €282.4 million to €1,697.6 million, predominantly driven by the increase in cash and cash equivalents as a result of the equity measures successfully implemented at the beginning of February 2024, from which the Group received gross proceeds of around €1.2 billion. Working capital<sup>1</sup> was reduced in particular due to the planned reduction in inventories and amounted to €1,094.6 million as of June 30, 2024 (December 31, 2023: €1,176.1 million). Non-current assets increased by €56.4 million to €6,371.3 million compared to the prior year, mainly driven by the continuation of the investment program.

As a result of the equity measures, equity rose in the reporting period to €3,924.3 million from €2,673.8 million as of December 31, 2023. The equity ratio - defined as the quotient of equity to the balance sheet total - increased to a very robust level of 48.6% (December 31, 2023: 34.6%).

In the reporting period, gross debt, which comprises bank liabilities and loans from the parent company Sartorius AG and its affiliate Sartorius Finance B.V as well as lease liabilities, fell by €762.8 million to €2,919.0 million as of June 30, 2024 (December 31, 2023: €3,681.8 million) due to the repayment of financial liabilities. Net debt, defined as gross debt less cash and cash equivalents, decreased from €3,565.2 million as of December 31, 2023, to €2,464.9 million as of June 30, 2024.

The ratio of net debt to underlying EBITDA declined significantly to 3.3 as of June 30, 2024, compared with 4.5 at year-end 2023. 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.

### Ratio of net debt to underlying EBITDA

in millions of € unless otherwise specified	June 30, 2024	June 30, 2023
Gross debt	2,919.0	1,358.5
- Cash and Cash equivalents	454.1	110.0
<b>Net debt</b>	<b>2,464.9</b>	<b>1,248.5</b>
Underlying EBITDA (12 months)	757.0	1,030.1
+ Pro Forma EBITDA (12 months)	0.0	3.6
<b>Pro Forma Underlying EBITDA (12 months)</b>	<b>757.0</b>	<b>1,033.8</b>
<b>Ratio of net debt to underlying EBITDA</b>	<b>3.3</b>	<b>1.2</b>

<sup>1</sup> Sum of inventories and trade receivables.

## Number of employees adjusted

As of June 30, 2024, the Sartorius Stedim Biotech Group employed a total of 10,382 people worldwide, compared with 10,662 as of December 31, 2023. The reduction resulted primarily from the expiry of fixed-term employment contracts and regular attrition. The number of employees in EMEA fell by 2.1% to 7,140 in the first half of 2024 compared with the end of December 2023. In the Americas, Sartorius Stedim Biotech employed 1,858 people as of June 30, 2024, decreasing by 4.4% compared to December 31, 2023. The workforce in the Asia| Pacific region declined by 2.7% to 1,384 people.



# Opportunity and Risk Report

The opportunities and risk situation of Sartorius Stedim Biotech Group has not materially changed since the publication of its Universal Registration Document 2023. For this reason, please refer to a detailed description of the opportunities and risks as well as the risk management system on pages 49 et seq. of the Universal Registration Document 2023.

# 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 66 to 68 of its 2023 Universal Registration Document remain in place.

Strong, long-term trends drive growth in the pharmaceutical industry, which is almost entirely independent of business cycles. A number of different studies estimate that the global pharmaceutical market will grow by between 3% and 6% annually in the period up to 2027. Within the pharmaceutical market, the biopharma segment has been enjoying particularly strong performance for years and will continue to outperform the market according to various forecasts. Average annual growth is expected to be around 10% in the coming years. The market is anticipated to have a total value of around \$695 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 from the current 39% to 44%.

The leading suppliers of bioprocess technology expect generally subdued, albeit gradually improving, development in the current year. In particular, the still incomplete destocking of some biopharmaceutical companies, the muted investment environment and the pronounced general market weakness in China continue to have a dampening effect on demand. Due to the temporary nature of these influencing factors and in view of the fundamentally intact growth drivers in the end markets, significantly higher growth rates are expected again in the medium term.

Sources: BioPlan: 20th Annual Report and Survey of Biopharmaceutical Manufacturing Capacity and Production, April 2023; Evaluate Pharma: World Preview 2023, August 2023; own analysis on company publications

## Outlook for fiscal 2024 de-risked

The life science industry continues to show a mixed picture with no stable positive momentum. While demand normalization for some products has progressed, customers are continuing to reduce inventories in other product groups or remain reluctant to invest. Despite having achieved the targets for the first half of 2024, company management is deliberately taking a conservative and cautious approach to the outlook of the remainder of the year and does not expect an increase in demand until the final quarter.

Against the backdrop of continuing subdued demand, Sartorius Stedim Biotech now expects sales for fiscal year 2024 to be at prior-year level, with a bandwidth of low single-digit negative to low single-digit positive sales development (previously: sales growth in the mid to high single-digit percentage range). The Polyplus acquisition is forecast to contribute around 2 percentage points to non-organic sales growth.

In terms of profitability, the company anticipates increasingly positive effects from its cost-cutting program in the amount of over 85 million euros as the year progresses, although these will not fully offset the impact of the lower volume expectations. In addition, the measures to reduce own inventories should lead to an additional dilution of EBITDA due to lower production capacity utilization.

Against this backdrop, Sartorius Stedim Biotech now projects an underlying EBITDA margin of 27 to 29% (previously: above 30%) for the full year 2024.

Following adjustments to its capex plans in line with the current business development, the ratio of capital expenditure in relation to sales revenue is now forecast to be around 12% (previously: around 13%) in 2024 while the ratio of net debt to underlying EBITDA should be approximately 2.5 to 3.0 (previously: slightly below 2.5).

The actual mixed and volatile business development following the pandemic and the resulting limited predictability of short-term business development have no impact on the fundamentally positive growth drivers of the life science and biopharmaceutical markets. This is also underlined by latest data on market approvals and clinical pipelines which are very positive, particularly in the field of modern therapies such as cell and gene therapeutics. Accordingly, the company is currently not changing its medium-term targets up to 2028.

Management 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.

Forecasts have been prepared based on historical information and are consistent with accounting policies. All forecast figures are based on constant currencies, as in past years. Management points out that 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.

## Report on Subsequent Events

No material events occurred after June 30, 2024.

## Statement of Consolidated Profit or Loss

In millions of €	2nd quarter 2024 - unaudited <sup>1</sup>	2nd quarter 2023 - unaudited <sup>1</sup>	6 months 2024	6 months 2023
Sales revenue	706.4	675.7	1,373.2	1,401.8
Cost of sales	-400.1	-373.0	-758.3	-738.9
<b>Gross profit on sales</b>	<b>306.2</b>	<b>302.7</b>	<b>614.9</b>	<b>662.9</b>
Selling and distribution costs	-118.9	-111.2	-239.8	-226.6
Research and development costs	-35.2	-29.6	-69.7	-65.0
General administrative expenses	-39.4	-35.8	-79.0	-73.8
Other operating income	5.9	7.2	13.3	16.3
Other operating expenses	-14.3	-20.4	-24.9	-47.2
<b>Earnings before interest and taxes (EBIT)</b>	<b>104.4</b>	<b>112.9</b>	<b>214.8</b>	<b>266.6</b>
Financial income	12.8	72.9	28.4	88.2
Financial expenses	-51.7	-26.8	-100.5	-47.3
<b>Financial result</b>	<b>-39.0</b>	<b>46.0</b>	<b>-72.1</b>	<b>40.9</b>
<b>Profit before tax</b>	<b>65.4</b>	<b>158.9</b>	<b>142.8</b>	<b>307.5</b>
Income taxes	-16.8	-25.8	-36.9	-62.9
<b>Net profit for the period</b>	<b>48.6</b>	<b>133.1</b>	<b>105.9</b>	<b>244.6</b>
Attributable to:				
Shareholders of Sartorius Stedim Biotech	47.6	133.1	104.0	244.2
Non-controlling interest	1.0	0.0	1.9	0.4
Earnings per share (€)	0.50	1.44	1.08	2.65
Diluted earnings per share (€)	0.50	1.44	1.08	2.65

<sup>1</sup> Data not audited or reviewed

Extraordinary items are reported within functional expenses since the consolidated financial statements for the year 2023. The figures for the comparative period were revised accordingly (see Note 3).

## Statement of Consolidated Other Comprehensive Income

In millions of €	2nd quarter 2024 - unaudited <sup>1</sup>	2nd quarter 2023 - unaudited <sup>1</sup>	6 months 2024	6 months 2023
Net profit for the period	48.9	133.1	105.9	244.6
Cash flow hedges	0.3	5.2	-7.7	8.5
- Of which effective portion of changes in fair value	1.3	5.2	-5.8	2.6
- Of which reclassified to profit or loss	-1.0	0.1	-1.9	5.9
Income tax on cash flow hedges	-0.1	-1.6	2.3	-2.6
Foreign currency translation differences	13.9	5.5	32.1	-12.3
<b>Items that are or may be reclassified subsequently to profit or loss</b>	<b>14.2</b>	<b>9.1</b>	<b>26.7</b>	<b>-6.3</b>
Remeasurements of the net defined benefit liabilities	1.1	1.2	1.1	1.2
Income tax on remeasurements of the net defined benefit liabilities	-0.3	-0.3	-0.3	-0.3
<b>Items that will not be reclassified to profit or loss</b>	<b>0.8</b>	<b>0.9</b>	<b>0.8</b>	<b>0.9</b>
<b>Other comprehensive income for the period</b>	<b>15.0</b>	<b>10.0</b>	<b>27.5</b>	<b>-5.4</b>
<b>Total comprehensive income for the period</b>	<b>63.9</b>	<b>143.2</b>	<b>133.4</b>	<b>239.2</b>
Attributable to:				
Shareholders of Sartorius Stedim Biotech	63.0	142.9	131.8	238.9
Non-controlling interest	0.9	0.2	1.6	0.3

<sup>1</sup> Data not audited or reviewed

## Statement of Consolidated Financial Position

In millions of €	June 30, 2024	Dec. 31, 2023
<b>Non-current assets</b>		
Goodwill	2,896.3	2,885.0
Other intangible assets	1,661.7	1,693.3
Property, plant and equipment	1,715.2	1,633.2
Financial assets	36.7	40.8
Other assets	2.4	2.6
Deferred tax assets	58.9	60.0
	<b>6,371.3</b>	<b>6,314.9</b>
<b>Current assets</b>		
Inventories	797.1	882.4
Trade receivables	297.5	293.7
Other financial assets	21.2	16.5
Current tax assets	65.8	39.8
Other assets	61.9	66.1
Cash and cash equivalents	454.1	116.6
	<b>1,697.6</b>	<b>1,415.1</b>
<b>Total assets</b>	<b>8,068.9</b>	<b>7,730.1</b>
In millions of €	June 30, 2024	Dec. 31, 2023
<b>Equity</b>		
Attributable to SSB S.A. shareholders	3,888.2	2,638.5
Share capital	19.5	18.4
Reserves	1,421.9	231.5
Retained earnings (including net profit)	2,446.9	2,388.5
Non-controlling interest	36.1	35.3
	<b>3,924.3</b>	<b>2,673.8</b>
<b>Non-current liabilities</b>		
Pension provisions	29.9	30.3
Other provisions	13.0	13.8
Loans and borrowings	2,683.5	3,509.7
Lease liabilities	83.4	93.1
Other financial liabilities	82.4	82.7
Deferred tax liabilities	378.6	389.4
	<b>3,270.8</b>	<b>4,119.0</b>
<b>Current liabilities</b>		
Provisions	11.3	14.1
Trade payables	203.2	258.5
Contract liabilities	199.9	238.6
Loans and borrowings	130.2	57.7
Lease liabilities	21.9	21.4
Employee benefits	76.1	62.3
Other financial liabilities	42.3	44.8
Current tax liabilities	139.5	189.4
Other liabilities	49.4	50.5
	<b>873.8</b>	<b>937.3</b>
<b>Total equity and liabilities</b>	<b>8,068.9</b>	<b>7,730.1</b>

The previous year's figures have been revised due to finalization of the purchase price allocation for Polyplus and the separate presentation of contract liabilities (see Note 3 and Note 7).

## Statement of Consolidated Cash Flows

In millions of €	6 months 2024	6 months 2023
Profit before tax	142.8	307.5
Financial result	72.1	-40.9
Depreciation   amortization of fixed assets	144.9	99.0
Change in provisions	-3.6	-4.8
Change in receivables and other assets	3.9	73.6
Change in inventories	88.5	-19.8
Change in liabilities (excl. loans and borrowings)	-66.9	-22.0
Interest received	10.2	1.4
Income taxes paid	-122.6	-82.9
Other non-cash items	2.5	0.9
<b>Cash flow from operating activities</b>	<b>271.7</b>	<b>312.0</b>
Acquisitions of intangible and tangible assets	-189.4	-261.9
Payments for acquisitions of consolidated subsidiaries and other business operations; net of cash acquired	0.0	-22.7
<b>Cash flow used in investing activities</b>	<b>-189.4</b>	<b>-284.6</b>
Proceeds from issuance of shares	1,191.4	0.0
Interest paid	-35.0	-12.2
Dividends paid to:		
- Shareholders of Sartorius Stedim Biotech SA	-67.1	-132.7
- Non-controlling interest	-0.9	-1.2
Acquisition of non-controlling interest	0.0	-87.4
Repayments of borrowings	-840.3	-12.7
Proceeds from borrowings	13.6	224.0
Purchases   sales of own shares	-5.6	-2.1
<b>Cash flow from   used in financing activities</b>	<b>256.1</b>	<b>-24.4</b>
Net increase   decrease in cash and cash equivalents	338.5	3.1
Cash and cash equivalents at the beginning of the period	116.6	107.1
Currency translation effects on cash and cash equivalents	-1.0	-0.1
<b>Cash and cash equivalents at the end of the period</b>	<b>454.1</b>	<b>110.0</b>

## Statement of Consolidated Changes in Equity

In millions of €	Issued capital	Share premium and other reserves	Hedging reserves
<b>Balance at Jan. 1, 2023</b>	<b>18.4</b>	<b>231.5</b>	<b>6.7</b>
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
Deferred taxes	0.0	0.0	-2.6
<b>Other comprehensive income for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>6.0</b>
<b>Total comprehensive income for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>6.0</b>
Capital increase	0.0	0.0	0.0
Dividends	0.0	0.0	0.0
Purchase price liability (CellGenix)			0.0
Change in non-controlling interest	0.0	0.0	0.0
Purchases   sales of own shares	0.0	0.0	0.0
<b>Balance at June 30, 2023</b>	<b>18.4</b>	<b>231.5</b>	<b>12.6</b>
<b>Balance at Jan. 1, 2024</b>	<b>18.4</b>	<b>231.5</b>	<b>10.4</b>
Net profit for the period	0.0	0.0	0.0
Cash flow hedges	0.0	0.0	-7.7
Remeasurements of the net defined benefit liabilities	0.0	0.0	0.0
Foreign currency translation differences	0.0	0.0	0.0
Deferred taxes	0.0	0.0	2.3
<b>Other comprehensive income for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.4</b>
<b>Total comprehensive income for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.4</b>
Capital increase	1.0	1,190.4	0.0
Dividends	0.0	0.0	0.0
Purchase price liability (CellGenix)			0.0
Purchases   sales of own shares	0.0	0.0	0.0
<b>Balance at June 30, 2024</b>	<b>19.5</b>	<b>1,421.9</b>	<b>5.0</b>



Pension reserves	Retained earnings	Foreign currency translation reserves	Group equity	Non-controlling interest	Total equity
-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
-0.3	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	0.0	0.0	0.0	0.0	0.0
0.0	-132.7	0.0	-132.7	-1.2	-133.9
0.0	72.7		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
-6.8	2,391.1	-6.2	2,638.5	35.3	2,673.8
0.0	104.0	0.0	104.0	1.9	105.9
0.0	0.0	0.0	-7.7	0.0	-7.7
1.1	0.0	0.0	1.1	0.0	1.1
0.0	0.0	32.4	32.4	-0.3	32.1
-0.3	0.0	0.0	2.0	0.0	2.0
0.8	0.0	32.4	27.8	-0.3	27.5
0.8	104.0	32.4	131.8	1.6	133.4
0.0	0.0	0.0	1,191.4	0.0	1,191.4
0.0	-67.1	0.0	-67.1	-0.9	-68.0
0.0	-0.7	0.0	-0.7	0.0	-0.7
0.0	-5.7	0.0	-5.7	0.0	-5.6
-6.0	2,421.6	26.2	3,888.2	36.1	3,924.3

# Notes to the Condensed Interim Financial Statements

## 1. Reporting Entity

Sartorius Stedim Biotech is a leading international partner of the biopharmaceutical industry. As a provider of innovative solutions, the Group helps its customers to manufacture biotech medications safely, rapidly and economically. With its own manufacturing and R&D sites as well as sales entities in Europe, North America and Asia, 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, 2024, to June 30, 2024, were authorized for issue by the Board of Directors on July 18, 2024.

## 2. Basis of Accounting

The interim consolidated financial statements of the Sartorius Stedim Biotech Group for the period ended June 30, 2024, 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, 2023. 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, 2023.

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, 2024, and are available on the website:

[https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting\\_en](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, 2023. Standards that were applied for the first time in the current reporting period are described in Section 3 below.

The Universal Registration Document 2023 provides a list of subsidiaries (see pages 151-152). In the interim reporting period, PolygenX D S.A.S., Paris, France, was merged into PolygenX A S.A.S., Illkirch-Graffenstaden, France. With this exception, the scope of consolidation remained unchanged as of June 30, 2024.

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%).

### 3. Initial Application of New Standards

#### Initial Application of new IFRS Standards and Interpretations

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

- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

The amendments introduce disclosure requirements and guidance within existing disclosure requirements that require entities to disclose qualitative and quantitative information about supplier finance programs.

- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments provide clarifications on how a seller-lessee shall subsequently measure a sale and leaseback transaction that satisfies the requirements in IFRS 15 to be accounted for as a sale.

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current, Classification of Liabilities as Current or Non-current – Deferral of Effective Date, Non-current Liabilities with Covenants

The amendments regarding the classification of liabilities as current or non-current require this distinction to be made on the basis of existing rights on the reporting date. If the entity has existing rights to defer settlement by at least twelve months, the liability shall be classified as non-current. With “Classification of Liabilities as Current or Non-current – Deferral of Effective Date”, the effective date was deferred to January 1, 2023. The amendments “Non-current Liabilities with Covenants” provide explicit guidance on how covenants affect the classification of liabilities and introduce disclosure requirements about the risk that non-current liabilities with covenants could become repayable within twelve months after the reporting date. Furthermore, the effective date was delayed to January 1, 2024.

The application of the new rules described above did not have an impact on the consolidated interim financial statements.

#### Disclosure of contract liabilities according to IFRS 15

In order to increase relevance and comparability, the Group presents contract liabilities according to IFRS 15 separately in the statement of financial position since 2024. To adjust the previous year's figures as of December 31, 2023, payments received on account of orders in the amount of €186.0 million (as of December 31, 2022: €234.1 million) and deferred revenue in the amount of €52.6 million (as of December 31, 2022: €36.9 million) were reclassified from trade payables and other liabilities, respectively, to the new line item contract liabilities.

#### Presentation of extraordinary items in the statement of profit or loss

Extraordinary items are expenses and income in connection with acquisitions, structural measures, and other gains or losses that distort the sustainable profitability of the Group, for example, gains or losses from the disposal of fixed assets and investments. Structural measures include mainly income and expenses in relation to restructuring activities, such as severance payments, and large Group projects. Since the consolidated financial statements for the year 2023, extraordinary income and expenses are generally allocated to the respective functions. The prior year's figures have been adjusted accordingly.

For this purpose, the following reclassifications were made from other operating income and expenses to the functional costs:

In millions of €	6 months 2023 as reported	adjustments	6 months 2023 as revised
Sales revenue	1,401.8	0.0	1,401.8
Cost of sales	-702.4	-36.5	-738.9
<b>Gross profit on sales</b>	<b>699.4</b>	<b>-36.5</b>	<b>662.9</b>
Selling and distribution costs	-223.5	-3.1	-226.6
Research and development costs	-64.2	-0.8	-65.0
General administrative expenses	-72.5	-1.3	-73.8
Other operating income and expenses	-72.6	41.7	-30.9
<b>Earnings before interest and taxes (EBIT)</b>	<b>266.6</b>	<b>0.0</b>	<b>266.6</b>

## 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, 2023. Management has observed, however, that the general uncertainty inherent in accounting estimates and assumptions remains higher than in pre-Covid-19 times, not least due to geopolitical developments such as ongoing conflicts between Russia and Ukraine or in the Middle East.

Following the exceptionally high growth rates resulting from the Covid-19 pandemic and a decline in sales and earnings in the previous year, the Group continues to be in a phase of normalization. In the first half of 2024, this again led to a slight decline in revenue and a decline of the net result compared with the prior year comparative period. In addition to the ongoing reduction in biopharma customer inventories and the adjustment to sustainably lower inventories than during the pandemic, the customers' reluctance to invest had a negative impact on sales development in the current interim reporting period. The Group continues to assume that the current demand situation after the pandemic is a phase that will only temporarily overshadow 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, 2024.

### 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. In comparison to the 2023 consolidated financial statements, no material changes are observed for the Group.

### Middle East Conflict

Since the attack on Israel by the terrorist group Hamas in October 2023, battles have continued, mainly affecting the Gaza Strip. The Group's Israeli site for the production of cell culture media is located in Beit Haemek in the north of the country. On-site production as well as transport and logistics have been maintained so far. To date, there is still no material impact on the consolidated financial statements.

### International Tax Reform – Pillar Two

The aim of minimum taxation (Pillar Two) of large groups is that the companies concerned pay an effective corporate tax rate of at least 15%. France adopted a law on implementing the minimum taxation in December 2023. Therefore, the Group is subject to minimum taxation starting in 2024. The relevant rules oblige the Group to determine the effective tax rate for each relevant country from the current financial year onwards and – if this is less than 15% – to pay a supplementary top-up tax in the amount of the difference. Ireland is a relevant jurisdiction for the Group with a nominal tax rate of less than 15%. At present, minor impacts from these business activities cannot be ruled out. However, considering the “Safe Harbor” regulations applicable for at least 2024 and the following two years, the Group does not expect the new regulation to have a significant impact in the foreseeable future.

## 5. 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 2024	6 months 2023
Sales revenue	1,373.2	1,401.8
Underlying EBITDA of the segment	387.3	415.7
Depreciation and amortization	-144.9	-99.0
Extraordinary items	-27.5	-50.0
<b>EBIT</b>	<b>214.8</b>	<b>266.6</b>
Financial result	-72.1	40.9
<b>Profit before tax</b>	<b>142.8</b>	<b>307.5</b>

### Extraordinary items

€ in millions	6 months 2024	6 months 2023
M&A projects   integration costs	-2.0	-11.1
Structural measures	-24.5	-35.4
Other	-1.0	-3.6
<b>Total</b>	<b>-27.5</b>	<b>-50.0</b>

## 6. Disaggregation of revenue

Revenue is recognized according to IFRS 15, Revenue from Contracts with Customers. The revenues from contracts with customers are disaggregated into geographical regions based on the customers' location and according to the type of revenue (recurring or non-recurring). The Group defines recurring revenue as revenue from consumables and services, while non-recurring revenue is primarily defined as instrument revenue.

In millions of €	Sales revenue	
	6 months 2024	6 months 2023
<b>EMEA</b>	<b>574.5</b>	<b>551.4</b>
<b>Americas</b>	<b>492.4</b>	<b>525.6</b>
<b>Asia   Pacific</b>	<b>306.4</b>	<b>324.9</b>
<b>Group</b>	<b>1,373.2</b>	<b>1,401.8</b>

In millions of €	6 months 2024	6 months 2023
	<b>Sales revenue</b>	<b>1,373.2</b>
of which recurring	1,086.1	1,111.8
of which non-recurring	287.2	290.0

## 7. Business Combinations

### 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 USA, and China. At the time of the acquisition, the company employed a total of around 270 people. 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 determination of the fair values of the assets acquired and liabilities assumed was completed in July 2024. The preliminary (December 31, 2023) and final valuations are as follows:

In millions of €	Preliminary purchase price allocation	Final purchase price allocation
Intangible assets	888.8	845.1
Property, plant and equipment	35.5	35.5
Inventories	6.9	6.9
Trade receivables	17.3	17.3
Other assets	7.5	7.5
Cash and cash equivalents	8.2	8.2
Deferred taxes - net	-217.4	-206.8
Trade payables	-5.4	-5.4
Loans and borrowings	-194.1	-194.1
Lease liabilities	-9.3	-9.3
Other liabilities	-14.8	-14.8
<b>Net assets acquired</b>	<b>523.2</b>	<b>490.1</b>
Purchase price	2,226.4	2,226.4
<b>Goodwill</b>	<b>1,703.2</b>	<b>1,736.3</b>

The purchase price amounting to approximately €2,226.4 million was paid in cash. The directly attributable acquisition-related costs totaled €11.8 million and were recognized in other expenses in fiscal 2023.

The intangible assets recognized separately consist of technologies (approximately €788 million) with useful lives of 5 to 18 years, as well as customer relationships (€48 million) and brands (€9 million) with limited useful lives. As of December 31, 2023, the carrying amounts of the technologies and brands were lower by €15.6 million and €27.3 million, respectively, and deferred tax liabilities were reduced by €10.6 million in comparison to the values based on the preliminary purchase price allocation. The resulting goodwill reflects the expansion of the Group's product offering for biopharmaceutical customers and synergies, especially from the combination of the acquired business with the existing product portfolio with a focus on cell and gene therapies. In particular, the products of Polyplus are key components in the manufacture of cell and gene therapies and provide access to a significant share in this growing, early-stage market. In addition, goodwill reflects other non-separable intangible assets, such as the know-how of the acquired workforce. Goodwill is not deductible for tax purposes.

## 8. Capital Increase

On February 7, 2024, Sartorius Stedim Biotech S.A. successfully placed 5,150,215 shares with institutional investors in an international private placement by way of an accelerated bookbuilding. The new shares were issued in a capital increase without preferential subscription rights of the shareholders at a price of €233.00 per share resulting in gross proceeds of €1.2 billion. Transaction costs amounted to €8.6 million and were recognized in equity. Sartorius AG subscribed for an amount of approximately €400 million, representing approximately one-third of the capital increase. Following completion of the capital increase, Sartorius AG holds approximately 71.5% of the company's share capital (December 31, 2023: 73.6%). Sartorius AG also concurrently carried out the placement of approximately €200 million of Sartorius AG treasury preference shares through a private placement.

The main purpose of the capital increase was to accelerate the Group's debt deleveraging beyond strong internal cash generation, and to strengthen its overall strategic flexibility. In line with this objective, in the first half of 2024, Sartorius Stedim Biotech repaid shareholder loans obtained from Sartorius AG and Sartorius Finance B.V. with a nominal amount of €830 million in total.

## 9. Related Parties

The majority shareholder of Sartorius Stedim Biotech S.A. is Sartorius AG, Göttingen, Germany, which holds a controlling stake in the company of 71.5% in equity capital and 83.0% of the voting rights. Shares in free float are about 28.5%.

The Sartorius AG 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 AG Group. This structure explains why the Sartorius AG 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 wholly-owned 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 2023 (pp. 192-194). The methods and principles for the determination of the charges between the entities of Sartorius Stedim Biotech Group and other Sartorius AG Group entities remained unchanged since December 31, 2023.

In the interim reporting period, Sartorius Stedim Biotech repaid major shareholder loans (see Note 8). As of June 30, 2024, the nominal value of the remaining shareholder loans amounts to €2,700 million.

## 10. 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, 2024, and as of December 31, 2023.

In millions of €	Categories (IFRS 9)	June 30, 2024 Carrying amount	June 30, 2024 Fair value	December 31, 2023 Carrying amount	December 31, 2023 Fair value
Investments in non-consolidated subsidiaries and associates	n/a	27.5	27.5	27.5	27.5
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	3.6	3.6	3.5	3.5
Financial assets	Measured at amortized cost	5.6	5.6	9.7	9.7
<b>Financial assets (non-current)</b>		<b>36.7</b>	<b>36.7</b>	<b>40.8</b>	<b>40.8</b>
Amounts due from customers for contract work (contract assets)	n/a	13.9	13.9	16.3	16.3
Trade receivables	Measured at fair value through other comprehensive income	88.7	88.7	46.9	46.9
Trade receivables	Measured at amortized cost	194.8	194.8	230.6	230.6
<b>Trade receivables</b>		<b>297.5</b>	<b>297.5</b>	<b>293.7</b>	<b>293.7</b>
Receivables and other assets	Measured at amortized cost	16.6	16.6	10.4	10.4
Derivative financial instruments designated as hedging instruments*	n/a	4.6	4.6	6.1	6.1
<b>Other financial assets (current)</b>		<b>21.2</b>	<b>21.2</b>	<b>16.5</b>	<b>16.5</b>
<b>Cash and cash equivalents</b>	<b>Measured at amortized cost</b>	<b>454.1</b>	<b>454.1</b>	<b>116.6</b>	<b>116.6</b>



In millions of €	Categories (IFRS 9)	June 30, 2024 Carrying amount	June 30, 2024 Fair value	December 31, 2023 Carrying amount	December 31, 2023 Fair value
<b>Loans and borrowings</b>	<b>Financial liabilities at cost</b>	<b>2,813.7</b>	<b>2,907.4</b>	<b>3,567.4</b>	<b>3,719.9</b>
<b>Trade payables</b>	<b>Financial liabilities at cost</b>	<b>203.2</b>	<b>203.2</b>	<b>258.5</b>	<b>258.5</b>
Derivative financial instruments designated as hedging instruments*	n/a	5.2	5.2	2.1	2.1
Other financial liabilities	Financial liabilities at fair value through profit or loss	0.8	0.8	1.7	1.7
Other financial liabilities	Financial liabilities at cost	118.7	113.5	123.6	118.0
<b>Other financial liabilities</b>		<b>124.7</b>	<b>119.5</b>	<b>127.5</b>	<b>121.9</b>

\* 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, 2024, 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 and Xell, which are classified as financial liabilities. Since the valuations depend, among other factors, on the expected sales performance of the acquired businesses, the valuations are regarded as Level 3 inputs.

As of the reporting date on June 30, 2024, the fair value of the remaining contingent consideration liability in connection with the acquisition of BIA Separations was measured at €0.8 million. The change since December 31, 2023 (value: €1.7 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 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 €0.8 million (decrease by approximately €0.5 million). If the share price of Sartorius Stedim Biotech S.A. were 20% higher (lower) at the reporting date, the liability would have been €0.2 million higher (€0.2 million lower). The actual future outcomes may differ from these sensitivities, which are determined by changing only the respective key input parameter in isolation. No material value is attributed to the remaining contingent consideration in relation to the acquisition of Xell as of June 30, 2024.

The fair values to be disclosed for financial liabilities recognized at amortized cost, especially liabilities to Sartorius AG, Sartorius Finance B.V., and banks, were measured on the basis of the market interest rate, taking the current indicative credit spreads into account (Level 2). With regard to the major loans of €2.7 billion in total taken out in 2023, the fair values are determined with reference to the underlying bonds of Sartorius Finance B.V. for which market values are available (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. The liability for the acquisition of the remaining shares amounts to €79.6 million on the reporting date (December 31, 2023: €79.0 million). 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 at the reporting date of approximately €4.3 million (decrease of approximately €3.9 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.

## 11. Material Events after the Reporting Date

No material events occurred after the reporting date.

## 12. Other Disclosures

### Impairment Test

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. The Group's analyses showed that no material impairments of assets in accordance with IAS 36 were to be recognized as of June 30, 2024.

### 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 €0.69 per share for fiscal 2023. The total dividend distribution of €67.1 million was paid in April 2024.

### Audit

Level of audit procedures:

- December 31, 2023: audit of annual financial statements
- June 30, 2024: review of interim financial information
- Quarterly information: not audited, not reviewed

# Statutory auditors' review report on the 2024 interim financial information

For the period from January 1 to June 30, 2024

This is a free translation into English of the statutory auditors' review report on the interim 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.

To the Shareholders,

**Sartorius Stedim Biotech S.A.**

Zone Industrielle Les Paluds

Avenue De Jouques

13400 Aubagne

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 interim consolidated financial statements of Sartorius Stedim Biotech S.A., for the period from January 1, 2024 to June 30, 2024;
- the verification of the information presented in the interim management report.

These condensed interim 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 interim 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 interim management report on the condensed interim consolidated financial statements subject to our review.

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

Marseille, July 18, 2024

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

KPMG SA

Cédric Minarro

François Assada

# 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, 2024, 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 25 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 2024	October 17, 2024
Publication of preliminary results for fiscal 2024	January 2025
Publication of Universal Registration Document 2024	February 2025
Annual General Shareholders' Meeting   Aubagne, France	March 2025
Publication of first-quarter figures for 2025	April 2025

## Contacts

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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 2024 to the end of June 2024 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.