

## Life Science

### Life Science

#### Key figures<sup>1</sup>

| € million                            | 2022   | 2021  | Change    |       |
|--------------------------------------|--------|-------|-----------|-------|
|                                      |        |       | € million | %     |
| Net sales                            | 10,380 | 8,992 | 1,389     | 15.4% |
| Operating result (EBIT) <sup>2</sup> | 2,808  | 2,480 | 328       | 13.2% |
| Margin (% of net sales) <sup>2</sup> | 27.1%  | 27.6% |           |       |
| EBITDA <sup>3</sup>                  | 3,678  | 3,258 | 420       | 12.9% |
| Margin (% of net sales) <sup>2</sup> | 35.4%  | 36.2% |           |       |
| EBITDA pre <sup>2</sup>              | 3,760  | 3,287 | 473       | 14.4% |
| Margin (% of net sales) <sup>2</sup> | 36.2%  | 36.6% |           |       |

<sup>1</sup> Prior-year figures have been adjusted due to product reallocations between the Life Science and Electronics business sectors.

<sup>2</sup> Not defined by International Financial Reporting Standards (IFRS).

<sup>3</sup> Not defined by International Financial Reporting Standards (IFRS); EBITDA corresponds to operating result (EBIT) adjusted by depreciation, amortization, impairment losses, and reversals of impairment losses.

### Development of sales and results of operations

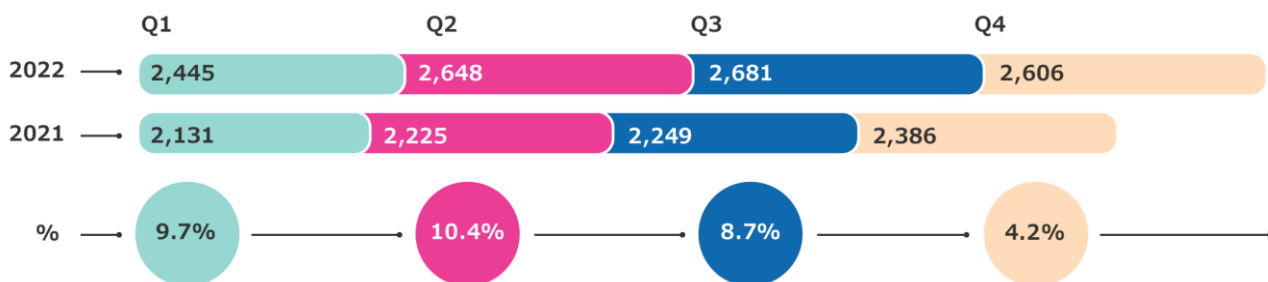
In fiscal 2022, Life Science generated organic sales growth of 8.2%. Including a favorable foreign exchange effect of 6.4% and a portfolio effect of 0.8%, net sales grew by 15.4% compared with the previous year. All three business units contributed to the organic growth, with the largest contribution coming from Process Solutions followed by Science & Lab Solutions and Life Science Services. Overall, Life Science net sales increased to € 10,380 million (2021: € 8,992 million).

The development of sales in the individual quarters in comparison with 2021 as well as the respective organic growth rates are presented in the following graph:

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#### Net sales<sup>1</sup> and organic growth<sup>2</sup> by quarter<sup>3</sup>

€ million/organic growth in %



<sup>1</sup> Prior-year figures have been adjusted due to product reallocations between the Life Science and Electronics business sectors.

<sup>2</sup> Not defined by International Financial Reporting Standards (IFRS).

<sup>3</sup> Quarterly breakdown unaudited.

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### Net sales by business unit<sup>1</sup>

| € million               | 2022          | Share       | Organic growth <sup>2</sup> | Exchange rate effects | Acquisitions / divestments | Total change | 2021         | Share       |
|-------------------------|---------------|-------------|-----------------------------|-----------------------|----------------------------|--------------|--------------|-------------|
| Science & Lab Solutions | 4,898         | 47%         | 6.2%                        | 6.0%                  | –                          | 12.2%        | 4,367        | 48%         |
| Process Solutions       | 4,526         | 44%         | 10.9%                       | 6.6%                  | –                          | 17.5%        | 3,853        | 43%         |
| Life Science Services   | 956           | 9%          | 6.1%                        | 8.0%                  | 9.8%                       | 23.9%        | 772          | 9%          |
| <b>Life Science</b>     | <b>10,380</b> | <b>100%</b> | <b>8.2%</b>                 | <b>6.4%</b>           | <b>0.8%</b>                | <b>15.4%</b> | <b>8,992</b> | <b>100%</b> |

<sup>1</sup> Prior-year figures have been adjusted owing to the reorganization of the Life Science business sector completed on April 1, 2022, as well as to product reallocations between the Life Science and Electronics business sectors.

<sup>2</sup> Not defined by International Financial Accounting Standards (IFRS).

The Science & Lab Solutions business unit, which provides products and services to support life science research for pharmaceutical, biotechnology, academic research laboratories and researchers as well as scientific and industrial laboratories, delivered organic sales growth of 6.2% in 2022. This was mainly driven by growth in the core business amid a decline in pandemic-related demand. Including a favorable foreign exchange effect of 6.0%, net sales amounted to € 4,898 million (2021: € 4,367 million). Science & Lab Solutions thus accounted for 47% of Life Science net sales (2021: 48%). Organic sales growth was mainly driven by Asia-Pacific and North America.

The Process Solutions business unit, which markets products and services for the pharmaceutical production value chain, generated organic sales growth of 10.9%. While pandemic-related business declined as expected, the performance of the core business was robust. Including a favorable foreign exchange effect of 6.6%, net sales increased to € 4,526 million in 2022 (2021: € 3,853 million). The percentage contribution of the Process Solutions business unit to Life Science net sales was 44% (2021: 43%). In regional terms, mainly Europe and North America contributed to the organic sales growth within Process Solutions.

The Life Science Services business unit, which offers fully integrated Contract Development and Manufacturing Organization (CDMO) and Contract Testing services, accounted for a 9% share of Life Science net sales (2021: 9%). Life Science Services delivered an organic sales growth of 6.1% in 2022 which was driven by both Covid-19-related and core business sales. Including a favorable foreign exchange effect of 8.0% as well as a positive portfolio effect of 9.8% from the acquisition of Exelead Inc., USA, net sales totaled € 956 million (2021: € 772 million). Geographically, Life Science Services organic sales growth was mainly attributable to the North America and Asia-Pacific regions.

Net sales of the business sector by region developed as follows:

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### Net sales by region<sup>1</sup>

| € million                    | 2022          | Share       | Organic growth <sup>2</sup> | Exchange rate effects | Acquisitions / divestments | Total change | 2021         | Share       |
|------------------------------|---------------|-------------|-----------------------------|-----------------------|----------------------------|--------------|--------------|-------------|
| Europe                       | 3,445         | 33%         | 7.9%                        | 1.1%                  | 0.7%                       | 9.8%         | 3,139        | 35%         |
| North America                | 3,931         | 38%         | 8.4%                        | 13.3%                 | 1.6%                       | 23.3%        | 3,189        | 36%         |
| Asia-Pacific (APAC)          | 2,536         | 25%         | 7.0%                        | 3.9%                  | –                          | 10.9%        | 2,286        | 25%         |
| Latin America                | 353           | 3%          | 16.8%                       | 9.0%                  | 1.1%                       | 26.9%        | 278          | 3%          |
| Middle East and Africa (MEA) | 116           | 1%          | 13.9%                       | 2.0%                  | –                          | 15.9%        | 100          | 1%          |
| <b>Life Science</b>          | <b>10,380</b> | <b>100%</b> | <b>8.2%</b>                 | <b>6.4%</b>           | <b>0.8%</b>                | <b>15.4%</b> | <b>8,992</b> | <b>100%</b> |

<sup>1</sup> Prior-year figures have been adjusted due to product reallocations between Life Science and Electronics business sectors.

<sup>2</sup> Not defined by International Financial Accounting Standards (IFRS).

The following table presents the composition of EBITDA pre for 2022 in comparison with 2021. The International Financial Reporting Standards (IFRS) figures have been modified to reflect the elimination of adjustments included in the respective functional costs.

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#### Reconciliation EBITDA pre<sup>1,2</sup>

| € million                                                                      | 2022          |                            |                  | 2021         |                            |                  | Change           |
|--------------------------------------------------------------------------------|---------------|----------------------------|------------------|--------------|----------------------------|------------------|------------------|
|                                                                                | IFRS          | Elimination of adjustments | Pre <sup>2</sup> | IFRS         | Elimination of adjustments | Pre <sup>2</sup> | Pre <sup>2</sup> |
| <b>Net sales</b>                                                               | <b>10,380</b> | <b>-</b>                   | <b>10,380</b>    | <b>8,992</b> | <b>-</b>                   | <b>8,992</b>     | <b>15.4%</b>     |
| Cost of sales                                                                  | -4,280        | 7                          | -4,273           | -3,578       | 4                          | -3,574           | 19.6%            |
| <b>Gross profit</b>                                                            | <b>6,100</b>  | <b>7</b>                   | <b>6,107</b>     | <b>5,414</b> | <b>4</b>                   | <b>5,418</b>     | <b>12.7%</b>     |
| Marketing and selling expenses                                                 | -2,400        | 16                         | -2,384           | -2,119       | 5                          | -2,114           | 12.8%            |
| Administration expenses                                                        | -400          | 22                         | -377             | -352         | 22                         | -331             | 14.1%            |
| Research and development costs                                                 | -399          | -                          | -399             | -351         | 1                          | -349             | 14.3%            |
| Impairment losses and reversals of impairment losses on financial assets (net) | -9            | -                          | -9               | -3           | -                          | -3               | >100.0%          |
| Other operating income and expenses                                            | -85           | 61                         | -24              | -109         | 7                          | -102             | -76.4%           |
| <b>Operating result (EBIT)<sup>2</sup></b>                                     | <b>2,808</b>  |                            |                  | <b>2,480</b> |                            |                  |                  |
| Depreciation/amortization/impairment losses/reversals of impairment losses     | 870           | -24                        | 845              | 778          | -11                        | 767              | 10.2%            |
| <b>EBITDA<sup>3</sup></b>                                                      | <b>3,678</b>  |                            |                  | <b>3,258</b> |                            |                  |                  |
| Restructuring expenses                                                         | 41            | -41                        | -                | 26           | -26                        | -                |                  |
| Integration expenses/IT expenses                                               | 24            | -24                        | -                | 21           | -21                        | -                |                  |
| Gains (-)/losses (+) on the divestment of businesses                           | -             | -                          | -                | -            | -                          | -                |                  |
| Acquisition-related adjustments                                                | 18            | -18                        | -                | -18          | 18                         | -                |                  |
| Other adjustments                                                              | -             | -                          | -                | -            | -                          | -                |                  |
| <b>EBITDA pre<sup>2</sup></b>                                                  | <b>3,760</b>  | <b>-</b>                   | <b>3,760</b>     | <b>3,287</b> | <b>-</b>                   | <b>3,287</b>     | <b>14.4%</b>     |
| of which: organic growth <sup>2</sup>                                          |               |                            |                  |              |                            |                  | 9.7%             |
| of which: exchange rate effects                                                |               |                            |                  |              |                            |                  | 5.0%             |
| of which: acquisitions/divestments                                             |               |                            |                  |              |                            |                  | -0.4%            |

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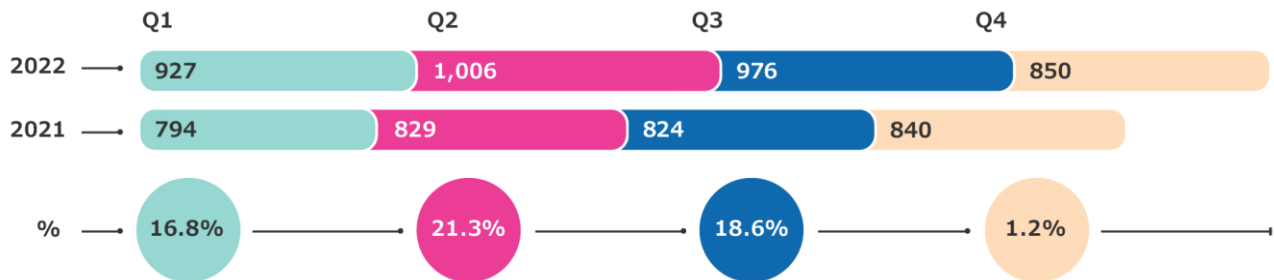
Adjusted gross profit increased by 12.7% to € 6,107 million (2021: € 5,418 million). The increase was mainly driven by a strong sales growth of the core business, while sales related to the Covid-19 pandemic declined. Adjusted marketing and selling expenses increased by 12.8% to € 2,384 million (2021: € 2,114 million) due to higher logistics costs and increased personnel expenses. Adjusted administration expenses increased by 14.1% to € 377 million (2021: € 331 million) owing to additional expenses to support our sustainability strategy as well as our organic transformation. Adjusted research and development costs increased by 14.3% to € 399 million (2021: € 349 million) driven mainly by our core growth areas. In addition to organic developments, unfavorable foreign exchange effects impacted the development of costs compared to 2021. After eliminating adjustments, amortization and depreciation, EBITDA pre rose by 14.4% to € 3,760 million (2021: € 3,287 million). Organically, the EBITDA pre grew by 9.7% in 2022.

The development of EBITDA pre in the individual quarters in comparison with 2021 is presented in the following overview:

### Life Science

#### EBITDA pre<sup>1,2</sup> and change by quarter<sup>3</sup>

€ million/change in %



<sup>1</sup> Prior-year figures have been adjusted due to product reallocations between the Life Science and Electronics business sectors.

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