

# #FutureFresenius

QUARTERLY FINANCIAL REPORT

Q1 | 2023

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## FRESENIUS GROUP FIGURES AT A GLANCE

Fresenius is a global healthcare group providing products and services for dialysis, hospitals, and outpatient medical care. In addition, Fresenius focuses on hospital operations. We also manage projects and provide services for hospitals and other healthcare facilities.

### REVENUE AND EARNINGS

€ in millions	Q1/2023	Growth	Growth in constant currency
Revenue	10,225	5%	5%
EBIT <sup>1</sup>	908	-9%	-11%/-10% <sup>2</sup>
EBIT margin <sup>1</sup>	8.9%		
EBIT ex FMC <sup>1</sup>	554	-7%	-7%
EBIT margin ex FMC <sup>3</sup>	10.0%		
Net income <sup>1,4</sup>	389	-16%	-17%

### BALANCE SHEET

€ in millions	March 31, 2023	Dec. 31, 2022	Change
Total assets	76,553	76,415	0%
Equity <sup>5</sup>	32,173	32,218	0%
Equity ratio <sup>5</sup>	42.0%	42.2%	
Net debt/EBITDA <sup>1,6</sup>	3.79	3.65	

### PROFITABILITY

	Q1/2023	Q1/2022
Cash Conversion Rate (CCR); LTM	1.1	1.0
Return on equity after tax (ROE) <sup>1,4,7</sup>	8.1%	8.5%
Return on operating assets (ROOA) <sup>1,7</sup>	5.5%	5.7%
Return on invested capital (ROIC) <sup>1,7</sup>	4.8%	5.1%

<sup>1</sup> Before special items, Q1/22 restated following remeasurement Humacyte investment

<sup>2</sup> According to FY/23 guidance, excluding Provider Relief Fund (PRF) at Fresenius Medical Care

<sup>3</sup> Before special items

<sup>4</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

<sup>5</sup> Including noncontrolling interests

<sup>6</sup> At LTM average exchange rates for both net debt and EBITDA; pro forma closed acquisitions/divestitures

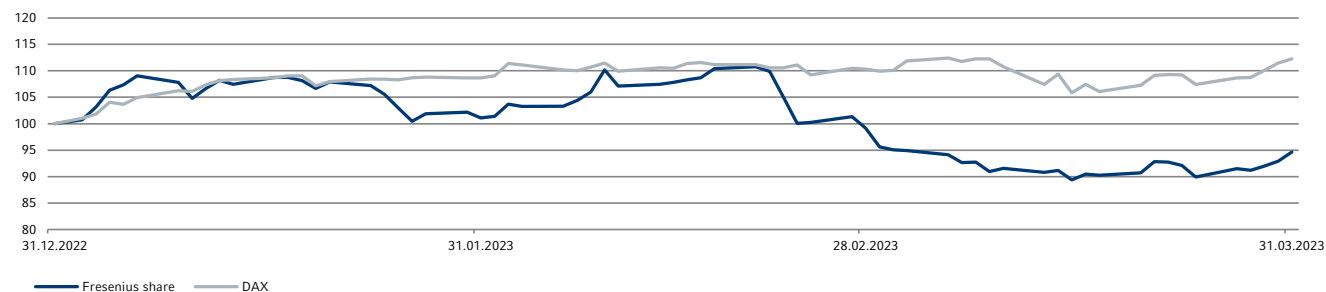
<sup>7</sup> 2022: annual return FY/22

# SHAREHOLDER INFORMATION

Despite slight economic improvements in the first quarter of 2023, macroeconomic effects and ongoing geopolitical tensions continue to burden the market environment. Overall, the DAX gained 11% in the first three months, while the Fresenius share closed -6% lower at €24.85.

RELATIVE SHARE PRICE PERFORMANCE VS. DAX

31.12.2022 = 100%



KEY DATA OF THE FRESENIUS SHARE

	Q1/2023	2022	Growth
Number of shares (Mar. 31/Dec. 31)	563,237,277	563,237,277	0%
Stock exchange quotation <sup>1</sup> in €			
High	29.08	37.88	-23%
Low	23.46	20.04	17%
Period-end quotation closing price in €	24.85	26.25	-5%
Ø Trading volume (number of shares per trading day)	1,367,174	1,590,013	-14%
Market capitalization <sup>2</sup> in million € (Mar. 31/Dec. 31)	13,996	14,785	-5%

<sup>1</sup> Xetra closing price on the Frankfurt Stock Exchange

<sup>2</sup> Total number of ordinary shares multiplied by the respective Xetra period-end quotation on the Frankfurt Stock Exchange

## DEVELOPMENT IN THE FIRST QUARTER

While the first quarter of 2023 was characterized by slightly positive economic signals in the global economy, increased energy prices across Europe compared to the previous year and ongoing geopolitical tensions continue to burden the market environment. Despite the lasting difficult market environment in the first quarter of 2023, current ECB forecasts expect GDP growth of 1.0% for the year 2023. In May 2023, the ECB decided to raise the benchmark interest rate in the eurozone by another 25 basis points to 3.75%.

The Federal Reserve expects the US economy to grow by 0.4% in 2023, according to its latest forecast. In May 2023, the Federal Reserve decided to increase its benchmark interest rate range by another 25 basis points to 5.00% to 5.25%.

In this economic environment, the DAX increased by 11% in the first quarter of 2023 to 12,784 points. The Fresenius share saw a decline of 6% and closed at €24.85 on March 31, 2023.

# INTERIM MANAGEMENT REPORT

Fresenius executing on #FutureFresenius: Strong performance of Operating Companies in Q1/23 and structural simplification on track

- ▶ **Deconsolidation of Fresenius Medical Care moving ahead as planned**
- ▶ **Group Revenue increased by 5% to €10.2 billion driven by a broad-based positive performance across the Group**
- ▶ **Group EBIT in constant currency decreased by 10%<sup>1</sup> to €908 million in line with expectations.**  
**EBIT development of Operating Companies was broadly flat despite negative effects from inflation; Investment Companies clearly dilutive**
- ▶ **Fresenius Kabi with EBIT margin of 14.5% already within structural band**
- ▶ **Enhanced transparency with change of Fresenius Kabi's financial disclosure from a geographic to a product segment view**
- ▶ **Fresenius Helios with healthy organic revenue growth driven by increasing admissions**
- ▶ **Structural productivity savings ramping up, ~€130 million already achieved in Q1/23**
- ▶ **Group outlook confirmed**

## STRATEGY AND GOALS

### AT THE HEART OF HEALTHCARE

Demographic change is posing fundamental challenges to societies worldwide. Not only are people living longer, but the pace of population aging is also increasing significantly. As a result, the social and healthcare systems of many countries are coming under increasing pressure. As the average age of the population increases, so does the number of critically and chronically ill patients.<sup>2</sup> A longer life, however, also offers opportunities for individuals and societies. The extent to which these opportunities can be leveraged depends heavily on one factor: health.

At Fresenius, we are at the heart of healthcare. In line with this purpose, we offer healthcare products and services for critically and chronically ill individuals, in line with the megatrends of health and demographics. We improve people's lives by providing high-quality and affordable healthcare. In doing so, we consider significant paradigm shifts in the healthcare environment with regards to biologic products and therapies, technological change and new forms of data generation, processing and usage. Our goal is to expand Fresenius' position as a leading global provider of products, services, and therapies for critically and chronically ill people. At the same time, we want to grow profitably and use our capital efficiently, in order to

create value for our stakeholders and enable us to continue investing in better medicine.

We have lived up to our special responsibility as part of the healthcare system, even under the difficult circumstances of the COVID-19 pandemic, major disruptions in the global supply chains, and shortages of critical medical staff in many of the regions in which we are active.

To improve our management effectiveness and enable a targeted approach to capital allocation, we are differentiating between our operating companies, Fresenius Kabi and Fresenius Helios (each with 100% ownership share) and our strategic capital investments Fresenius Medical Care (32% ownership share) and Fresenius Vamed (77% ownership share).

<sup>1</sup> According to FY/23 guidance, excluding Provider Relief Fund (PRF) at Fresenius Medical Care

<sup>2</sup> WHO 2021: "Ageing and health"

Fresenius runs operating companies and strategic capital investments in key healthcare areas indispensable for critically and chronically ill patients. We continuously develop our business areas and strive to assume leading positions in system-critical healthcare markets and segments. We orient our portfolio towards healthy, profitable growth, a strong focus on margins and capital returns, and the highest ambitions for operational excellence and competitiveness.

At Fresenius, we hold ourselves accountable to the highest standards of quality and integrity. All of our business segments make an overall contribution to increasing the quality, affordability, and efficiency of healthcare. At the same time, we care for our environment by protecting nature and using its resources carefully.

**Fresenius Kabi's** corporate philosophy "caring for life" expresses the company's commitment to improving the quality of life of its patients. The quality and safety of its products and services is thus of paramount importance to Fresenius Kabi.

**Fresenius Helios** hospitals are characterized by high standards of treatment quality, hygiene, patient safety, and quality of care.

**Fresenius Medical Care** ensures patient health and product safety by providing a safe environment in its clinics. Fresenius Medical Care considers the quality and safety of its products and services to be the foundation of its success.

**Fresenius Vamed** bases its quality processes on clearly defined and generally established standards.

Fresenius will continue building on its strength in technology, its competence and quality in patient care, and its ability to manufacture cost-effectively. Developing products and systems that provide a high level of safety and user-friendliness and enable tailoring to individual patient needs is an inherent part of our strategy of sustainable and profitable growth. We plan to develop more effective products and treatment methods for critically and chronically ill patients in order to offer best-in-class medical standards. Digitalization is playing an increasingly important role – whether it is in healthcare facilities or in production. It drives innovative technologies and treatment concepts and can contribute to solving numerous challenges in the healthcare system.

The commitment of our more than 300,000 employees worldwide is key for the success and sustained growth of Fresenius. We firmly believe in a culture of diversity, as we are convinced that different perspectives, opinions, experiences, and values enable Fresenius to continue successfully growing as a global healthcare company. To tackle the upcoming challenges, attracting new employees is key for the growth of our company. Not only do we try to attract new talent, but also do everything we can to retain and develop our employees over the long term. We offer a variety of flexible working-time models and incentive programs to ensure that our long-term needs for highly qualified employees are met. Furthermore, we offer our employees opportunities to develop their careers in an international and dynamic environment.

## EXECUTING SEGMENT STRATEGIES

The Fresenius Group offers a broad spectrum of system critical products and services for the health and quality of life of our patients. Our business segments hold leading positions in key areas of healthcare, and all of them are continuing to execute their respective strategic priorities to sustain leadership and contribute significantly to the benefit of healthcare systems. At the level of Fresenius Group, we manage the strategic direction of the Group, and orient our portfolio towards value-maximizing business areas and maximum patient impact.

With its Vision 2026, **Fresenius Kabi** has developed a strategic plan to transform the company for the next decade and to better capture new growth opportunities. Fresenius Kabi will continue to focus on high-quality products for critically and chronically ill patients. Within this clear direction, Fresenius Kabi has defined three growth vectors, next to the strengthening of resilience of our volume businesses ("3+1" strategy). The growth vectors are:

- ▶ the broadening of our biopharmaceutical offering,
- ▶ further rollout of clinical nutrition,
- ▶ expansion in the MedTech area.

In 2022, we have thoroughly focused on strengthening these growth vectors: with the acquisition of a majority stake in mAbxience, we form a fully integrated, vertical biopharma business that holds a strong portfolio and pipeline, provides extensive and cost-efficient manufacturing, and is building a targeted commercial footprint in Fresenius Kabi's and mAbxience's target regions.

Our newly bundled MedTech business has been further strengthened by the acquisition of Ivenix. With the award-winning Ivenix infusion system, we are entering the infusion therapy market in the United States. The design of the Ivenix infusion system is easier to use than conventional systems and increases the safety of infusions. The pump also works seamlessly with other systems.

Through successful organic launches, we have become the leading IV lipid nutrition supplier in North America, further strengthening our global nutrition business in addition to its strong base in Europe, Latin America, and Asia-Pacific.

In parallel, Fresenius Kabi has continued to build resilience in its volume-driven IV business, and is extending the portfolio with continued launches in all regions.

**Fresenius Helios** wants to further strengthen its position as the leading private healthcare provider in Europe.

Helios Germany will continue to focus its offerings on cross-sector healthcare, further specialize hospitals, and coordinate their respective medical service portfolios within regional structures. In regional competence centers, we are already pooling expertise in various specialist areas in order to achieve the best treatment results for our patients. We will continue to drive this clustering forward in the future in order to further enhance medical quality. We intend to exploit the growth potential in the outpatient sector by linking our medical care centers (MVZs) even more closely with hospitals. In addition, we will seize the newly created regulatory opportunity of daytime inpatient treatment as a further form of care. We also aim to increase the efficiency of our energy consumption in the interests of sustainability and climate protection. The goal is to reduce it by 20% across all hospitals in 2023 compared to 2021.

In Spain, we expect demand for hospital and other healthcare services to continue to rise. We want to continue to exploit this potential by building new clinics and expanding existing hospital sites. We aim to integrate our diverse range of inpatient and outpatient services even better and further expand them across the entire network of sites. We consistently focus on the strategic factors of medical excellence, innovation, and service quality in order to attract patients. Our focus here is on optimal treatment quality as well as patient satisfaction. In addition, we expect growth opportunities from consolidations in the fragmented private hospital market.

As a hospital operator, we aim to make even greater use of the potential offered by digitalization to further improve patient care and our service. In the future, our range of services will be supplemented even more by digital and telemedical offerings. Digital patient records and telemedicine will provide new communication channels outside the hospital, as well as faster transmission and interpretation of health data.

We also intend to grow our field of reproductive medicine and to specifically expand and extend the global network of reproductive clinics.

**Fresenius Medical Care** launched its FME25 program in 2021 and started to significantly streamline its business model in 2022, creating two global segments – Care Delivery and Care Enablement, which were introduced on January 1, 2023. Fresenius Medical Care is thus aligning its operating model with the relevant value drivers of the future.

**Fresenius Vamed** has realized projects in the area of integrated healthcare services to support healthcare systems more efficiently. In addition, state-of-the-art standards such as the use of building information modeling (BIM) in the construction of healthcare facilities, new concepts for operational management through the use of innovative technologies, and digitalization measures were implemented to improve medical care and reduce the workload of medical staff.

#### RESET FOR #FUTUREFRESENIUS

In Q4 2022, we launched #FutureFresenius and embarked on a transformative journey to prepare Fresenius for the coming decades.

The healthcare industry has a long runway for growth, which will be accelerated by quickly evolving technologies, new therapies such as biopharmaceuticals, more and more professional steering of patient journeys, and a true digital revolution. We want Fresenius to be at the forefront of these trends and have thus charted our course to continued system relevance in our businesses.

The first step of this journey was a “Reset”: strengthening our return focus, driving structural productivity, and creating change momentum across the organization. With the closure of the “Reset” phase, we are now ready to continue to “Revitalize” Fresenius, gearing up for continuous portfolio optimization and the pursuit of growth verticals.

## PORTFOLIO FOCUS

We have executed a comprehensive diagnosis of our Group portfolio at sub-segment level, in order to highlight growth opportunities aligned with market trends, further refine our management approach for each business we operate, and identify areas to strengthen our portfolio focus.

Going forward, we want to increasingly orient our portfolio along 3 platforms: (Bio)Pharma – including clinical nutrition -, MedTech and Care Provision. With these platforms, we cater to major trends in healthcare and become a more therapy-focused company. The health and quality of life of our patients who we serve with high-quality, affordable products and services is at the core. At the same time, our platforms address attractive value pools in healthcare, which will provide opportunities for future profitable growth.

To improve our management effectiveness and enable a targeted approach to capital allocation, we are differentiating between our operating companies, Fresenius Kabi and Fresenius Helios (each with 100% ownership share) and our investment companies Fresenius Medical Care (32% ownership share) and Fresenius Vamed (77% ownership share). We will prioritize growth investments for the healthcare products and services of tomorrow in our operating companies Fresenius Kabi and Fresenius Helios. Across all segments, we are seeking opportunities to strengthen the focus on core business cells, in order to safeguard a sound capital structure and availability of capital for future growth prospects. Within the Fresenius Group, we will provide effective support and governance services to the benefit of our segments and the overall capital efficiency of the Group.

## DECONSOLIDATION OF FRESENIUS MEDICAL CARE

Fresenius intends to deconsolidate the business segment Fresenius Medical through a change of legal form of Fresenius Medical Care AG & Co. KGaA into a stock corporation (Aktiengesellschaft). The deconsolidation of Fresenius Medical Care is moving ahead as planned. The separation concept has been finalized and the relevant agreements are currently being drafted. The date of the Extraordinary General Meeting (EGM) of Fresenius Medical Care has been scheduled for July 14, 2023. Subject to the necessary shareholder approvals and the registration with the commercial register, the conversion is expected to become effective latest by the end of the 2023 financial year.

Moreover, starting in Q1/23, selected financials of the Fresenius Group are reported excluding Fresenius Medical Care to better reflect #FutureFresenius.

## STRUCTURAL PRODUCTIVITY

While fundamentally healthy and geared toward long-term growth, our market environment is also characterized by strong current macro headwinds that challenge our operations and increase our cost base. With that in mind, we have reinvigorated our focus on structural productivity and are running corresponding programs in all our business segments and at the corporate center.

Structural productivity improvements are expected to offset market headwinds and to create financial flexibility for future growth investments in the coming years. The new target is to achieve annual structural cost savings of around €1 billion at EBIT level from the fiscal year 2025 onwards. To achieve the targeted cost savings, one-time costs of around €700 to €750 million are expected at EBIT level, of which around 2/3 will be incurred in 2023.

In order to reach this goal, Fresenius is running targeted programs across all business segments and the Corporate Center with the oversight and steering of the Group. Key elements include measures to optimize the network, sales and administrative costs, procurement, as well as divesting from non-core assets.

In line with previous practice, these expenses are classified as special items.

Under the cost and efficiency program, ~€130 million of structural cost savings at EBIT level were already achieved in Q1/23, that is around 25% of the planned savings for 2023. In the same period, one-time costs of ~€50 million incurred to achieve these savings. These are treated as special items. Thereof, Fresenius Medical Care invested €26 million and realized ~€60 million of cost savings.

Fresenius Medical Care will accelerate and extend its FME25 transformation program to further optimize processes along the new operating model. Fresenius Medical Care targets savings for the program of €650 million by 2025 and expects to invest up to €650 million in the same period.

In further support of its turnaround efforts the Company will drive additional operational efficiency and cost reduction measures. In Care Delivery, this will include productivity and operating leverage improvements in the core dialysis services business. In Care Enablement, Fresenius Medical Care will focus on pricing initiatives, productivity measures and review of its global manufacturing footprint.

Fresenius Digital Technology entered a strategic partnership with Capgemini, a global leader in the IT sector, to streamline its IT services. As of October, Capgemini has taken over operational delivery of standard IT services, while Fresenius Digital Technology focuses on its core



competences as business partner for all Fresenius segments. The partnership will lead to new and optimized products, improved customer satisfaction and increased value creation, and optimized IT operations. In addition, new business models can be developed and strengthened while taking advantage of cost savings and a global support model.

### CHANGE MOMENTUM

At Fresenius, our collective actions have always been driven by our enormous passion and strongest possible commitment to patients. On our pathway to #FutureFresenius, we want to nurture this passion, and combine it with a strong appetite for change, preparing us for the dynamic shifts in the healthcare industry for the best of our patients. As part of #FutureFresenius, we aim to embrace new ways of working and establish a culture of excellence, where we measure ourselves against the best and maintain trusting dialog that welcomes diverse perspectives. Throughout our company, we engage in such trusting dialog with our employees, stakeholders, and external partners, and our global top leaders are agreed about the need for change. We aim to continuously pick up the pace of change and improvement and use this momentum to create #FutureFresenius.

### SUSTAINABILITY PROGRAM

For Fresenius, sustainability is an integral part of its business model. The company is working to establish global sustainability standards and continuously improve its own sustainability performance. To this end, Fresenius continued to drive forward its ESG (Environment, Social, Governance) initiatives.

Fresenius has set a climate target for the Group complementing its existing sustainability targets and programs. The company aims to be climate-neutral by 2040 and to reduce 50% of absolute Scope 1 and Scope 2 emissions by 2030 compared to 2020 levels. Fresenius will continuously assess Scope 3 emission impacts for inclusion in our targets.

The Fresenius Group Sustainability Board (GSB) held four meetings to discuss the implementation of regulatory requirements, in particular the EU taxonomy and the Supply Chain Sourcing Obligations Act and the EU's Corporate Sustainability Reporting Directive (CSRD). Furthermore, the internal quarterly reporting of ESG key figures as part of the Management Board compensation system was driven forward and work was done on setting quantitative sustainability targets. In addition, for the first time, Fresenius conducted an employee survey in the past fiscal year, among other things on employee identification and loyalty to the employer. In December 2022, we were again included in the Dow Jones Sustainability Index (DJSI Europe).

## HEALTHCARE INDUSTRY

The healthcare sector is one of the world's largest industries and we are convinced that it shows excellent growth opportunities.

The main **growth factors** are:

- ▶ rising medical needs deriving from aging populations,
- ▶ the growing number of chronically ill and multimorbid patients,
- ▶ stronger demand for innovative products and therapies,
- ▶ advances in medical technology,
- ▶ the growing health consciousness, which increases the demand for healthcare services and facilities, and
- ▶ the increasing demand for digital health services for patients.

In the **emerging countries, additional drivers** are:

- ▶ expanding availability and correspondingly greater demand for basic healthcare, and
- ▶ increasing national incomes and hence higher spending on healthcare.

Healthcare structures are being reviewed and cost-cutting potential identified in order to contain the steadily rising **healthcare expenditures**. However, such measures cannot compensate for the cost pressure. Market-based elements are increasingly being introduced into the healthcare system to create incentives for cost- and quality-conscious behavior. Overall treatment costs will be reduced through improved quality standards.

In addition, ever-greater importance is being placed on disease prevention and innovative reimbursement models linked to treatment quality standards.

In addition, increasing digitization in healthcare can contribute to improved cost efficiency and patient care.

The industry-specific framework for the operating business of the Fresenius Group remained essentially unchanged in the reporting period.

### External factors

In the period under review, the difficult macroeconomic environment had a negative impact on business development. This included increased uncertainties, inflation-related cost increases, staff shortages, supply chain disruptions, and increased energy costs. This had a direct impact on customer and patient behavior.

Despite the challenging market environment, the structural growth drivers in the non-cyclical healthcare markets are in place.

The legal framework for the operating business of the Fresenius Group remained essentially unchanged in the period under review.

We carefully monitor and evaluate country-specific political, legal, and financial conditions. This also applies to the potential impact on our business that could result from inflation risks.

Further explanations can be found in the opportunity and risk report.

## RESULTS OF OPERATIONS, FINANCIAL POSITION, ASSETS AND LIABILITIES

### REVENUE

Group **revenue** increased by 5% (5% in constant currency) to €10,225 million (Q1/22: €9,720 million). Organic growth was 5%. Acquisitions/divestitures contributed net 0% to growth. In total, currency translation had no effect on revenue growth. Excluding Fresenius Medical Care, Group revenue increased by 7% (7% in constant currency) to €5,546 million (Q1/22: €5,192 million).

### REVENUE BY REGION

€ in millions	Q1/2023	Q1/2022	Growth	Currency translation effects	Growth at constant rates	Organic revenue growth	Acquisitions	Divestitures/Others	% of total revenue
North America	3,894	3,759	4%	5%	-1%	0%	0%	-1%	38%
Europe	4,655	4,381	6%	0%	6%	6%	0%	0%	46%
Asia-Pacific	1,030	1,004	3%	-2%	5%	5%	1%	-1%	10%
Latin America	546	472	16%	-14%	30%	26%	4%	0%	5%
Africa	100	104	-4%	-4%	0%	1%	0%	-1%	1%
<b>Total</b>	<b>10,225</b>	<b>9,720</b>	<b>5%</b>	<b>0%</b>	<b>5%</b>	<b>5%</b>	<b>1%</b>	<b>-1%</b>	<b>100%</b>

### REVENUE BY BUSINESS SEGMENT

€ in millions	Q1/2023	Q1/2022	Growth	Currency translation effects	Growth at constant rates	Organic revenue growth	Acquisitions	Divestitures/Others	% of total revenue <sup>1</sup>
Fresenius Kabi	1,991	1,847	8%	0%	8%	7%	2%	-1%	19%
Fresenius Helios	3,066	2,931	5%	0%	5%	5%	0%	0%	30%
Fresenius Medical Care	4,704	4,548	3%	1%	2%	2%	0%	0%	46%
Fresenius Vamed	583	513	14%	1%	13%	13%	0%	0%	5%
<b>Total</b>	<b>10,225</b>	<b>9,720</b>	<b>5%</b>	<b>0%</b>	<b>5%</b>	<b>5%</b>	<b>1%</b>	<b>-1%</b>	<b>100%</b>

<sup>1</sup> The following description of revenue relates to the respective external revenue of the business segments. Consolidation effects and corporate entities are not taken into account. Therefore, aggregation to total Group revenue is not possible.

## EARNINGS

Group **EBITDA** before special items decreased by 5% (-6% in constant currency) to €1,585 million (Q1/22<sup>2</sup>: €1,662 million). Reported Group EBITDA was €1,491 million (Q1/22: €1,595 million).

Group **EBIT** before special items decreased by 9% (-11%/-10%<sup>3</sup> in constant currency) to €908 million (Q1/22<sup>2</sup>: €1,000 million). The decrease was mainly driven by the expected annualization of inflationary effects such as cost increases for personnel, material, logistics, and energy. This is due to the fact that H2/2022 showed stronger cost inflation compared to H1/2022. Moreover, a very negative performance at Fresenius Vamed weighed on Group EBIT. The EBIT margin before special items was 8.9% (Q1/22<sup>2</sup>: 10.3%). Reported Group EBIT was €787 million (Q1/22: €902 million). Excluding Fresenius Medical Care, Group EBIT before special items decreased by 7% (-7% in constant currency) to €554 million (Q1/22<sup>2</sup>: €593 million). The EBIT margin excluding Fresenius Medical Care before special items was 10.0% (Q1/22<sup>2</sup>: 11.4%).

Group **net interest** before special items was -€170 million (Q1/22<sup>2</sup>: -€119 million) mainly due to financing activities in a higher interest rate environment. Reported Group net interest was -€170 million (Q1/22: -€118 million).

## EARNINGS

€ in millions

	Q1/2023	Q1/2022	Growth
<b>Revenue</b>	<b>10,225</b>	<b>9,720</b>	<b>5%</b>
Costs of revenue	-7,714	-7,246	-6%
<b>Gross profit</b>	<b>2,511</b>	<b>2,474</b>	<b>1%</b>
Selling, general and administrative expenses	-1,526	-1,393	-10%
Research and development expenses	-198	-179	-11%
<b>Operating income (EBIT)</b>	<b>787</b>	<b>902</b>	<b>-13%</b>
Interest result	-170	-118	-44%
<b>Financial result</b>	<b>-170</b>	<b>-118</b>	<b>-44%</b>
<b>Income before income taxes</b>	<b>617</b>	<b>784</b>	<b>-21%</b>
Income taxes	-154	-185	17%
<b>Net income</b>	<b>463</b>	<b>599</b>	<b>-23%</b>
Noncontrolling interests	-117	-186	37%
<b>Net income attributable to Fresenius SE &amp; Co. KGaA<sup>1,2</sup></b>	<b>389</b>	<b>463</b>	<b>-16%</b>
Net income attributable to Fresenius SE & Co. KGaA <sup>1</sup>	346	413	-16%
<b>Earnings per ordinary share (€)<sup>1,2</sup></b>	<b>0.69</b>	<b>0.83</b>	<b>-17%</b>
Fully diluted earnings per ordinary share (€) <sup>1,2</sup>	0.69	0.83	-17%
<b>Earnings per ordinary share (€)<sup>1</sup></b>	<b>0.61</b>	<b>0.74</b>	<b>-18%</b>
Fully diluted earnings per ordinary share (€) <sup>1</sup>	0.61	0.74	-18%
Average number of shares	563,237,277	558,502,143	1%
<b>EBITDA<sup>2</sup></b>	<b>1,585</b>	<b>1,662</b>	<b>-5%</b>
Depreciation and amortization <sup>2</sup>	677	662	2%
<b>EBIT<sup>2</sup></b>	<b>908</b>	<b>1,000</b>	<b>-9%</b>
EBITDA margin <sup>2</sup>	15.5%	17.1%	
EBIT margin <sup>2</sup>	8.9%	10.3%	

<sup>1</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

<sup>2</sup> Before special items

<sup>3</sup> According to FY/23 guidance, excluding Provider Relief Fund (PRF) at Fresenius Medical Care

For a detailed overview of special items please see the reconciliation tables on page 29.

Group **tax rate** before special items increased to 24.9% (Q1/22<sup>1</sup>: 22.7%) mainly due to an increase in the proportionate share of non-tax-deductible expenses compared to taxable income at Fresenius Medical Care as well as the non-recognition of increased tax loss carryforwards. Reported Group tax rate was 25.0% (Q1/22: 23.6%).

**Noncontrolling interests** before special items were -€165 million (Q1/22<sup>1</sup>: -€218 million) of which 93% were attributable to the noncontrolling interests in Fresenius Medical Care. Reported noncontrolling interests were -€117 million (Q1/22: -€186 million).

Group **net income**<sup>2</sup> before special items decreased by 16% (-17% in constant currency) to €389 million (Q1/22<sup>1</sup>: €463 million). The decrease was driven by cost inflation and the negative earnings development at Fresenius Vamed. Moreover, rising interest costs and a higher tax rate weighed on the net income development. Reported Group net income<sup>2</sup> before special items decreased to €346 million (Q1/22: €413 million). Excluding Fresenius Medical Care, Group net income<sup>2</sup> before special items decreased by 14% (-16% in constant currency) to €341 million (Q1/22<sup>1</sup>: €397 million).

**Earnings per share**<sup>2</sup> before special items decreased by 17% (-18% in constant currency) to €0.69 (Q1/22<sup>1</sup>: €0.83). Reported earnings per share<sup>2</sup> were €0.61 (Q1/22: €0.74).

#### KEY FINANCIAL FIGURES EXCLUDING FRESENIUS MEDICAL CARE (PRO FORMA)

€ in millions	Q1/2023	Q1/2022	Growth	Growth cc
<b>Revenue</b>	<b>5,546</b>	<b>5,192</b>	<b>7%</b>	<b>7%</b>
Fresenius Kabi	1,991	1,847	8%	8%
Fresenius Helios	3,066	2,931	5%	5%
Fresenius Vamed	583	513	14%	13%
Consolidation	-94	-99	5%	3%
<b>Operating income (EBIT)</b>	<b>554</b>	<b>593</b>	<b>-7%</b>	<b>-7%</b>
Fresenius Kabi	289	293	-1%	-4%
Fresenius Helios	311	306	2%	2%
Fresenius Vamed	-27	8	--	--
Corporate	-19	-14	-36%	-29%
<b>Financial result</b>	<b>-87</b>	<b>-50</b>	<b>-74%</b>	<b>-78%</b>
<b>Income before income taxes</b>	<b>467</b>	<b>543</b>	<b>-14%</b>	<b>-15%</b>
Income taxes	-114	-120	5%	5%
<b>Net income</b>	<b>353</b>	<b>423</b>	<b>-17%</b>	<b>-18%</b>
less noncontrolling interests	-12	-26	54%	54%
Result Equity Method Fresenius Medical Care <sup>4</sup>	48	66	-27%	-26%
<b>Net income</b> <sup>1,5</sup>	<b>389</b>	<b>463</b>	<b>-16%</b>	<b>-17%</b>
EBITDA	821	842	-2%	-3%
EBITDA margin	14.8%	16.2%		
Depreciation and amortization	267	249	7%	7%
EBIT margin	10.0%	11.4%		
Operating cash flow	32	-58	-155%	
as % of revenue	0.6%	-1.1%		
Cash flow before acquisitions and dividends	-179	-254	-30%	
as % of revenue	-3.2%	-4.9%		
Net debt/EBITDA <sup>2,3</sup>	3.96	3.80		

<sup>1</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

<sup>2</sup> At LTM average exchange rates for both net debt and EBITDA; pro forma closed acquisitions/divestitures; before special items; including lease liabilities, including FME dividend 2022: December 31

<sup>4</sup> Before potential effects of updated Purchase Price Allocation

<sup>5</sup> Including at Equity result from FME before potential effects of updated Purchase Price Allocation

<sup>1</sup> Before special items

<sup>2</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

For a detailed overview of special items please see the reconciliation tables on pages 28f.

## RECONCILIATION

To present the underlying operational business performance and in order to compare the results with the scope of the guidance provided for fiscal year 2023, key figures are presented before special items.

Consolidated results for Q1/2023 as well as Q1/2022 include special items.

These concern:

- ▶ Revaluations of biosimilars contingent purchase price liabilities,
- ▶ expenses associated with the Fresenius cost and efficiency program (including costs related to FME25 program),
- ▶ transaction costs mAbxience, Ivenix,
- ▶ impacts related to the war in Ukraine,
- ▶ remeasurement Humacyte investment,
- ▶ legal form conversion costs Fresenius Medical Care as well as
- ▶ legacy portfolio adjustments

The special items shown within the reconciliation tables are reported in the “Corporate” segment. For a detailed overview of special items please see the reconciliation tables from page 28 onwards.

## INVESTMENTS

Spending on **property, plant and equipment** was €353 million corresponding to 3% of revenue (Q1/22: €338 million; 3% of revenue). These investments served primarily for the modernization and expansion of dialysis clinics, production facilities as well as hospitals and day clinics. Excluding Fresenius Medical Care, spending on property, plant and equipment was €211 million corresponding to 4% of revenue (Q1/22: €176 million; 3% of revenue).

Total **acquisition spending** was €68 million (Q1/22: €162 million) mainly for investments in debt instruments and the purchase of dialysis clinics at Fresenius Medical Care. Excluding Fresenius Medical Care, total acquisition spending was €18 million (Q1/22: €79 million).

## CASH FLOW

**Group operating cash flow** increased to €175 million (Q1/22: €101 million) driven by the governmental support on energy costs at Fresenius Helios in Germany. Significantly higher working capital at Fresenius Kabi in particular receivables and inventory weighed on cash flow. Furthermore, the earnings development at Fresenius Vamed had a negative impact. The first quarter is traditionally a softer cash flow quarter due to phasing effects with catch-up effects over the course of the year. Group operating cash flow margin was 1.7% (Q1/22: 1.0%). Free cash flow before acquisitions and dividends increased to -€177 million (Q1/22: -€255 million). **Free cash flow after acquisitions and dividends** increased to -€281 million (Q1/22: -€403 million).

The **cash conversion rate (CCR)**, which is defined as the ratio of adjusted free cash<sup>1</sup> flow to EBIT before special items, was 0.3 (LTM: 1.1). As the first quarter is traditionally a softer cash flow quarter due to phasing effects a catch-up over the course of the year is expected.

## INVESTMENTS/ACQUISITIONS BY BUSINESS SEGMENT

€ in millions	Q1/2023	Q1/2022	Thereof property, plant and equipment	Thereof acquisitions	Growth	% of total
Fresenius Kabi	93	86	78	15	8%	22%
Fresenius Helios	99	151	99	0	-34%	23%
Fresenius Medical Care	192	245	142	50	-22%	46%
Fresenius Vamed	34	18	32	2	89%	8%
Corporate	3	0	2	1	-	1%
<b>Total</b>	<b>421</b>	<b>500</b>	<b>353</b>	<b>68</b>	<b>-16%</b>	<b>100%</b>

## CASH FLOW STATEMENT (SUMMARY)

€ in millions	Q1/2023	Q1/2022	Growth
Net income	463	599	-23%
Depreciation and amortization	704	693	2%
Change working capital and others	-992	-1,191	17%
<b>Operating Cash flow</b>	<b>175</b>	<b>101</b>	<b>73%</b>
Capital expenditure, net	-352	-356	1%
<b>Cash flow before acquisitions and dividends</b>	<b>-177</b>	<b>-255</b>	<b>31%</b>
Cash used for acquisitions/proceeds from divestitures	-51	-92	45%
Dividends paid	-53	-56	5%
<b>Free cash flow after acquisitions and dividends</b>	<b>-281</b>	<b>-403</b>	<b>30%</b>
Cash provided by/used for financing activities	-103	-319	68%
Effect of exchange rates on change in cash and cash equivalents	-44	35	--
<b>Net change in cash and cash equivalents</b>	<b>-428</b>	<b>-687</b>	<b>38%</b>

<sup>1</sup> Cash flow before acquisitions and dividends; before interest, tax, and special items

## ASSET AND LIABILITY STRUCTURE

Group **total assets** remained nearly unchanged compared to FY/22 (1% in constant currency) at €76,553 million (Dec. 31, 2022: €76,415 million) given the expansion of business activities which, however, was offset by currency translation effects. **Current assets** increased by 5% (6% in constant currency) to €19,102 million (Dec. 31, 2022: €18,279 million), mainly driven by the increase of trade account receivables. **Non-current assets** decreased by 1% (0% in constant currency) to €57,451 million (Dec. 31, 2022: €58,136 million).

**Total shareholders' equity** decreased by 0% (2% in constant currency) to €32,173 million (Dec. 31, 2022: €32,218 million). The equity ratio was 42.0% (Dec. 31, 2022: 42.2%).

Group **debt** increased by 0% (1% in constant currency) to €27,765 million (Dec. 31, 2022: €27,763 million). Group **net debt** increased by 2% (2% in constant currency) to €25,444 million (Dec. 31, 2022: €25,014 million).

As of March 31, 2023, the **net debt/EBITDA** ratio was 3.79x<sup>1,2</sup> (Dec. 31, 2022: 3.65x<sup>1,2</sup>) mainly driven by lower EBITDA contribution and higher net debt. Excluding Fresenius Medical Care, the net debt/EBITDA ratio was 3.96x<sup>1,2</sup> (Dec. 31, 2022: 3.80x<sup>1,2</sup>).

In Q1/23, **ROIC** was 4.8% due to the lower EBIT (Q4/22: 5.1%). Excluding Fresenius Medical Care, the ROIC was 5.2% (Q4/22: 5.6%).

## BALANCE SHEET

€ in millions	March 31, 2023	Dec. 31, 2022	Change
<b>Assets</b>			
<b>Current assets</b>	<b>19,102</b>	<b>18,279</b>	<b>5%</b>
thereof trade accounts receivables	7,770	7,008	11%
thereof inventories	4,947	4,833	2%
thereof cash and cash equivalents	2,321	2,749	-16%
<b>Non-current assets</b>	<b>57,451</b>	<b>58,136</b>	<b>-1%</b>
thereof property, plant and equipment	12,770	12,919	-1%
thereof goodwill and other intangible assets	35,294	35,843	-2%
thereof right-of-use-assets	5,806	5,922	-2%
<b>Total assets</b>	<b>76,553</b>	<b>76,415</b>	<b>0%</b>
<b>Liabilities and shareholders' equity</b>			
<b>Liabilities</b>	<b>44,380</b>	<b>44,197</b>	<b>0%</b>
thereof trade accounts payable	1,998	2,070	-3%
thereof accruals and other short-term liabilities	10,800	10,488	3%
thereof debt	27,765	27,763	0%
<i>thereof lease liabilities</i>	<i>6,459</i>	<i>6,592</i>	<i>-2%</i>
<b>Noncontrolling interests</b>	<b>11,641</b>	<b>11,803</b>	<b>-1%</b>
<b>Total Fresenius SE &amp; Co. KGaA shareholders' equity</b>	<b>20,532</b>	<b>20,415</b>	<b>1%</b>
<b>Total shareholders' equity</b>	<b>32,173</b>	<b>32,218</b>	<b>0%</b>
<b>Total liabilities and shareholders' equity</b>	<b>76,553</b>	<b>76,415</b>	<b>0%</b>

<sup>1</sup> At LTM average exchange rates for both net debt and EBITDA; pro forma closed acquisitions/divestitures  
<sup>2</sup> Before special items

For a detailed overview of special items please see the reconciliation tables on pages 28f.



## BUSINESS SEGMENTS

### FRESENIUS KABI

Fresenius Kabi specializes in products for the therapy and care of critically and chronically ill patients. The portfolio includes biopharmaceuticals, clinical nutrition, MedTech products, intravenously administered generic drugs (generic IV drugs), and IV fluids.

€ in millions	Q1/2023	Q1/2022	Growth	Growth in constant currency
Revenue	1,991	1,847	8%	8%
EBIT <sup>1</sup>	289	293	-1%	-4%
EBIT margin <sup>1</sup>	14.5%	15.9%		
Net income <sup>1,2</sup>	191	201	-5%	-7%
Employees (March 31/Dec. 31)	42,371	42,063	1%	

- ▶ Strong organic revenue growth in all three growth vectors
- ▶ Biopharma with ongoing strong momentum
- ▶ EBIT margin<sup>1</sup> within structural margin band despite significantly increased year-over-year inflationary headwinds
- ▶ Enhanced transparency by change of financial disclosure from a geographic to a product segment view

Revenue increased by 8% (8% in constant currency) to €1,991 million (Q1/22: €1,847 million) mainly driven by the strong business development of all growth vectors. Organic growth was 7%.

Revenue in **MedTech** increased by 11% (organic growth: 9%) to €378 million (Q1/22: €342 million) mainly driven by the good business development in Latin America.

Revenue in **Nutrition** increased by 4% (organic growth: 8%) to €602 million (Q1/22: €577 million) mainly driven by the good business development in Latin America and Europe.

Revenue in **Biopharma** increased by 207% (organic growth: 57%) to €71 million (Q1/22: €23 million) mainly driven by the good business development in Latin America.

Revenue of the **Growth Vectors (MedTech, Nutrition and Biopharma)** increased by 12% (organic growth: 10%) to €1,051 million (Q1/22: €942 million).

Revenue in the **Pharma (IV Drugs & Fluids)** business increased by 4% (organic growth: 3%) to €940 million (Q1/22: €905 million). The good business development in Europe and North America was dampened by offsetting effects in China.

<sup>1</sup> Before special items

<sup>2</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

For a detailed overview of special items please see the reconciliation tables on pages 28f.

**EBIT<sup>1</sup>** decreased by 1% (-4% in constant currency) to €289 million (Q1/22: €293 million) due to the annualization of cost inflation effects.

**EBIT margin<sup>1</sup>** was 14.5% (Q1/22: 15.9%) and thus within the structural EBIT margin band. The positive sequential development is driven by the well progressing cost savings program as well as targeted pricing initiatives.

EBIT<sup>1</sup> of the **Growth Vectors (MedTech, Nutrition and Biopharma)** decreased by 14% (-17% in constant currency) to €96 million (Q1/22: €112 million) due to the annualization of cost inflation effects. EBIT<sup>1</sup> margin was 9.2% (Q1/22: 11.9%).

EBIT<sup>1</sup> in the **Pharma (IV Drugs & Fluids)** business increased by 7% (4% in constant currency) to €197 million (Q1/22: €185 million) due to positive development in the North American region. EBIT<sup>1</sup> margin was 21.0% (Q1/22: 20.4%).

**Net income<sup>1,2</sup>** decreased by 5% (-7% in constant currency) to €191 million (Q1/22: €201 million).

**Operating cash flow** decreased to €21 million (Q1/22: €133 million) with a margin of 1.1% (Q1/22: 7.2%) mainly driven by phasing effects and working capital build-ups, in particular higher inventories.

For **FY/23**, Fresenius Kabi expects organic revenue<sup>3</sup> growth in a low- to mid-single-digit percentage range. The EBIT margin<sup>4</sup> is expected to be around one percentage point (pp) below the structural margin band of 14% to 17%.

<sup>1</sup> Before special items

<sup>2</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA.

<sup>3</sup> FY/22 base: €7,850 million

<sup>4</sup> FY/22 base: EBIT margin: 13.8%, before special items; FY/23 before special items

For a detailed overview of special items please see the reconciliation tables on pages 28f.

## FRESENIUS HELIOS

Fresenius Helios is Europe's leading private healthcare provider. The company comprises Helios Germany, Helios Spain and Helios Fertility. Helios Germany operates 87 hospitals, ~240 outpatient centers, 22 occupational health centers and 6 prevention centers. Helios Spain operates 50 hospitals, ~100 outpatient centers and around 300 occupational risk prevention centers. In addition, the company is active in Latin America with 8 hospitals and as a provider of medical diagnostics. Helios Fertility offers a wide spectrum of state-of-the-art services in the field of fertility treatments.

€ in millions	Q1/2023	Q1/2022	Growth	Growth in constant currency
Revenue	3,066	2,931	5%	5%
EBIT <sup>1</sup>	311	306	2%	2%
EBIT margin <sup>1</sup>	10.1%	10.4%		
Net income <sup>1,2</sup>	190	195	-3%	-2%
Employees (Mar. 31/Dec. 31)	125,337	125,700	0%	

- ▶ Fresenius Helios with healthy organic revenue growth driven by ongoing admissions increase across all areas
- ▶ EBIT margin<sup>1</sup> solid following successful measures to counter inflationary headwinds
- ▶ Helios Fertility recovering with increasing volumes

**Revenue** increased by 5% (5% in constant currency) to €3,066 million (Q1/22: €2,931 million). Organic growth was 5%. Acquisitions contributed 0% to revenue growth.

Revenue of **Helios Germany** increased by 3% (organic growth: 3%) to €1,828 million (Q1/22: €1,783 million), mainly driven by increasing admissions and positive mix effects.

Revenue of **Helios Spain** increased by 7% (9% in constant currency) to €1,170 million (Q1/22: €1,089 million). Organic growth of 8% was driven by ongoing patient demand. The clinics in Latin America also showed a good performance.

Revenue of **Helios Fertility** increased by 16% (18% in constant currency) to €66 million (Q1/22: €57 million) as patients are returning to demand fertility treatments.

<sup>1</sup> Before special items

<sup>2</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

For a detailed overview of special items please see the reconciliation tables on pages 28f.

**EBIT<sup>1</sup>** increased by 2% (2% in constant currency) to €311 million (Q1/22: €306 million) with an EBIT margin<sup>1</sup> of 10.1% (Q1/22: 10.4%).

EBIT<sup>1</sup> of **Helios Germany** increased despite cost inflation by 1% to €155 million (Q1/22: €154 million) with an EBIT margin<sup>1</sup> of 8.5% (Q1/22: 8.6%).

EBIT<sup>1</sup> of **Helios Spain** increased due to the strong revenue growth and despite cost inflation by 3% (4% in constant currency) to €157 million (Q1/22: €153 million). The EBIT margin<sup>1</sup> was 13.4% (Q1/22: 14.0%).

EBIT<sup>1</sup> of **Helios Fertility** was €4 million (Q1/22: €4 million) with an EBIT margin<sup>1</sup> of 6.1% (Q1/22: 7.0%).

**Net income<sup>1,2</sup>** decreased by 3% (-2% in constant currency) to €190 million (Q1/22: €195 million).

**Operating cash flow** increased to €108 million (Q1/22: -€136 million) mainly due to governmental support measures to mitigate higher energy costs in Germany and an improved working capital management. The operating cash flow margin was 3.5% (Q1/22: -4.6%)

For **FY/23**, Fresenius Helios expects organic revenue<sup>3</sup> growth in a mid-single-digit percentage range. The EBIT margin<sup>4</sup> is expected to be within the structural margin band of 9% to 11%.

<sup>1</sup> Before special items

<sup>2</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

<sup>3</sup> FY/22 base: €11,716 million

<sup>4</sup> FY/22 base: EBIT margin: 10.1%, before special items, FY/23 before special items

For a detailed overview of special items please see the reconciliation tables on pages 28f.

## FRESENIUS MEDICAL CARE

Fresenius Medical Care is the world's largest provider of products and services for individuals with renal diseases. As of March 31, 2023, Fresenius Medical Care was treating approximately 343,000 patients in 4,060 dialysis clinics.

Dialyzers and dialysis machines are among the most important product lines. In addition, Fresenius Medical Care offers dialysis-related services.

€ in millions	Q1/2023	Q1/2022	Growth	Growth in constant currency
Revenue	4,704	4,548	3%	2%
EBIT <sup>1</sup>	354	390	-9%	-13%
EBIT margin <sup>1</sup>	7.5%	8.6%		
Net income <sup>1,2</sup>	154	197	-22%	-24%
Employees (March 31/Dec. 31)	125,231	128,044	-2%	

- ▶ Both segments contributed to organic growth with improving volume trends in Care Delivery and strong critical care business in Care Enablement
- ▶ More moderate decline in operating income due to phasing, continued improvement in organic growth in line with expectations, easing labor shortage in the U.S., and progressing FME25 transformation
- ▶ First measures of legacy portfolio optimization delivered

**Revenue** increased by 3% to €4,704 million (+2% in constant currency, organic: +2%).

**EBIT** decreased by 25% to €261 million (-28% in constant currency), resulting in a margin of 5.5% (Q1/22: 7.6%). EBIT excluding special items and U.S. Provider Relief Funding (PRF) decreased by 9% to €354 million (-13% in constant currency), resulting in a margin of 7.5% (Q1/22: 8.6%).

**Net income**<sup>2</sup> decreased by 45% to €86 million (-47% in constant currency). Excluding special items and PRF, net income decreased by 22% to €154 million (-24% in constant currency).

In the first quarter, Fresenius Medical Care generated €143 million of **operating cash flow** (Q1/22: €159 million), resulting in a margin of 3.0% (Q1/22: 3.5%). The reduction was mainly due to the decrease in net income.

Based on the results for the first quarter, Fresenius Medical Care confirms its financial targets for 2023. Fresenius Medical Care expects for 2023 revenue<sup>3</sup> to grow at a low to mid-single-digit percentage rate and EBIT<sup>4</sup> to remain flat or decline by up to a high-single-digit percentage rate.<sup>5</sup>

For further information, please see Fresenius Medical Care's press release at [www.freseniusmedicalcare.com](http://www.freseniusmedicalcare.com).

<sup>1</sup> Before special items

<sup>2</sup> Net income attributable to shareholders of Fresenius Medical Care AG & Co. KgaA

<sup>3</sup> FY/22 base: €19,398 million

<sup>4</sup> FY/22 base: €1,540 million

<sup>5</sup> Revenue and EBIT, as referred to in the outlook, are both on a constant currency basis and excluding special items. Special items will be provided as separate KPI ("Revenue excluding special items", "EBIT excluding special items") to capture effects that are unusual in nature and have not been foreseeable or not foreseeable in size or impact at the time of giving guidance. These items are excluded to ensure comparability of the figures presented with the Company's financial targets which have been defined excluding special items. For FY 2022, special items included costs related to the FME25 program, the impact of the war in Ukraine, the impact of hyperinflation in Türkiye, the Humacyte investment remeasurement, and the net gain related to InterWell Health. Additionally, FY 2022 basis for Outlook 2023 and 2025 was adjusted for Provider Relief Funding. For FY 2023, special items include costs related to the FME25 program, the Humacyte investment remeasurement, the costs associated with the legal conversion and effects from legacy portfolio optimization.

For a detailed overview of special items please see the reconciliation tables on pages 28f.

## FRESENIUS VAMED

Fresenius Vamed manages projects and provides services for hospitals and other healthcare facilities worldwide and is a leading post-acute care provider in Central Europe. The portfolio ranges along the entire value chain: from project development, planning, and turnkey construction, via maintenance and technical management, to total operational management.

€ in millions	Q1/2023	Q1/2022	Growth	Growth in constant currency
Revenue	583	513	14%	13%
EBIT <sup>1</sup>	-27	8	-	-
EBIT margin <sup>1</sup>	-4.6%	1.6%	-	-
Net income <sup>1,2</sup>	-36	4	-	-
Employees (Mar. 31/Dec. 31)	19,994	20,184	-1%	-

- ▶ Revenue growth driven by the technical services business and the European project business
- ▶ EBIT<sup>1</sup> negatively impacted by project business and negative one-time effects
- ▶ Major restructuring program initiated

**Revenue** increased by 14% (13% in constant currency) to €583 million (Q1/22: €513 million). Organic growth was 13%.

Revenue in the **service business** increased by 8% (7% in constant currency) to €436 million (Q1/22: €405 million) due to better performance of technical services in Germany, Italy and United Kingdom. Revenue in the **project business** increased by 36% (36% in constant currency) to €147 million (Q1/22: €108 million). The good revenue performance is mainly attributable to higher revenue in European project business.

**EBIT<sup>1</sup>** decreased to -€27 million (Q1/22: €8 million) with an EBIT margin<sup>1</sup> of -4.6% (Q1/22: 1.6%). The weak development was related to the project business that partially did not have a contribution margin. Moreover, certain international business initiations did not materialize as planned. Significant negative one-time effects in the service business also impacted the EBIT development. To counteract the negative EBIT development, a major restructuring program was initiated.

**Net income<sup>1,2</sup>** decreased to -€36 million (Q1/22: €4 million).

**Order intake** was €43 million (Q1/22: €263 million). As of March 31, 2023, **order backlog** was at €3,580 million (December 31, 2022: €3,689 million).

**Operating cash flow** decreased to -€68 million (Q1/22: -€45 million) with a margin of -11.7% (Q1/22: -8.8%), due to the negative earnings and higher working capital.

For **FY/2023**, Fresenius Vamed expects organic revenue<sup>3</sup> to grow in a low-to mid-single digit percentage range. The EBIT margin<sup>4</sup> is expected to be clearly below the structural margin band of 4% to 6%.

<sup>1</sup> Before special items

<sup>2</sup> Net income attributable to shareholders of VAMED AG

<sup>3</sup> FY/22 base: €2,359 million

<sup>4</sup> FY/22 base: EBIT margin: 0.8%, before special items; FY/23 before special items

For a detailed overview of special items please see the reconciliation tables on pages 28f.

## EMPLOYEES

As of March 31, 2023, the number of employees was 313,812 (Dec. 31, 2022: 316,920).

### NUMBER OF EMPLOYEES

Number of employees	March 31, 2023	Dec. 31, 2022	Growth
Fresenius Kabi	42,371	42,063	1%
Fresenius Helios	125,337	125,700	0%
Fresenius Medical Care	125,231	128,044	-2%
Fresenius Vamed	19,994	20,184	-1%
Corporate	879	929	-5%
<b>Total</b>	<b>313,812</b>	<b>316,920</b>	<b>-1%</b>

## RESEARCH AND DEVELOPMENT

Product and process development as well as the improvement of therapies are at the core of our growth strategy. Fresenius focuses its R & D efforts on its core competencies in the following areas:

- ▶ Dialysis
- ▶ Generic IV drugs
- ▶ Biosimilars
- ▶ Infusion and nutrition therapies
- ▶ Medical devices

Apart from new products, we are concentrating on developing optimized or completely new therapies, treatment methods, and services.

### RESEARCH AND DEVELOPMENT EXPENSES BY BUSINESS SEGMENT

€ in millions	Q1/2023	Q1/2022	Growth
Fresenius Kabi	142 <sup>1</sup>	128 <sup>1</sup>	11%
Fresenius Helios	1	0	0%
Fresenius Medical Care	55 <sup>1</sup>	50	11%
Fresenius Vamed	-	-	--
Corporate	-1	0	--
<b>Total</b>	<b>197<sup>1</sup></b>	<b>178<sup>1</sup></b>	<b>11%</b>

<sup>1</sup> Before special items

## RATING

Fresenius is covered by the rating agencies Moody's, Standard & Poor's and Fitch.

The following table shows the company rating of Fresenius SE & Co. KGaA:

	Standard & Poor's	Moody's	Fitch
Company rating	BBB	Baa3	BBB -
Outlook	negative	stable	negative

## OPPORTUNITIES AND RISK REPORT

Compared to the presentation in the consolidated financial statements and the management report as of December 31, 2022 applying Section 315e HGB in accordance with IFRS, there have been the following important developments in Fresenius' overall opportunities and risk situation until March 31, 2023.

In summary, the risks to our net assets, financial position and results of operations are essentially unchanged compared to the aforementioned presentation - also considering current developments. This applies in particular to the risks related to the Ukraine war and the overall economic situation.

Russia's war against Ukraine, which began in February 2022, was characterized in the first quarter of 2023 by a largely unsuccessful Russian offensive in the east of the country, speculations about an Ukrainian counteroffensive from spring on and Russia's announcement to station tactical nuclear weapons in Belarus. An expansion of the war beyond the borders of Ukraine would have significant consequences for Europe as a whole.

We still cannot exclude that our operations in Ukraine, Russia and Belarus, which we are continuing to the best of our ability despite the war, are impacted by the destruction of assets, expropriation, or other regulatory actions, including economic sanctions.

In addition, the war in Ukraine continues to be accompanied by a very pronounced general cyber security threat situation, especially to critical infrastructures, such as health care facilities, in countries supporting Ukraine. The risk of cyber attacks against our systems and data remains increased.

Besides these risks, there are still considerable uncertainties in the highly dynamic situation, in particular from a possible further deterioration of the global macroeconomic outlook. The current macroeconomic inflationary

environment – which is also due to the Ukraine war, including materially increasing energy prices, continues to pose the risk of material increases in costs for energy, materials and supplies as well as transportation, amongst other consequences.

Furthermore, supply chain disruptions as well as qualified labor shortages and related increases in labor costs still constitute risks which can adversely effect our business operations.

In addition and unchanged to the previous presentation, increasing volatility and disruptions in the financing markets, and further rises in interest rates could adversely impact our ability to access capital and increase our financing costs. In the first quarter of 2023, uncertainty on the financing markets has temporarily increased in connection with the difficulties of single US banks, such as the closed Silicon Valley Bank, as well as of the globally systemically important major bank Credit Suisse, which was rescued by government liquidity aid and an announced takeover by UBS.

In the ordinary course of Fresenius Group's operations, the Fresenius Group is subject to litigation, arbitration as well as external and internal investigations relating to various aspects of its business. The Fresenius Group regularly analyses current information about such matters for probable losses and provides accruals for such matters, including estimated expenses for legal services, as appropriate. We report on legal proceedings on page 55 in the Notes of this report.

Overall, the abovementioned factors can have a negative impact on our net assets, financial position, and results of operations.

## SIGNIFICANT EVENTS SINCE THE END OF FIRST QUARTER OF 2023

There have been no significant changes in the industry environment since the end of the first quarter of 2023. There have also been no other events with a significant impact on the net assets, financial position, and results of operations since the end of the first quarter of 2023.



## OUTLOOK 2023

### GROUP REVENUE AND EARNINGS

For 2023, Fresenius assumes no further escalations of geopolitical tensions and challenges from COVID-19, and supply chain constraints continuing to ease. Fresenius expects that the general cost inflation and labor shortages will have a more significant negative effect on its business than in 2022 due to the annualization effect of cost increases occurred in H2/2022.

Fresenius will continue to closely monitor the potential further consequences of the overall heightened volatility and muted visibility, including balance sheet valuations.

For Fresenius Medical Care's contribution to the Group's financial figures, the assumptions for Fresenius Medical Care's FY/23 guidance are also fully applicable to Fresenius Group's FY/23 guidance. In 2022, Fresenius Medical Care's EBIT was supported by €277 million of Provider Relief Funding from the U.S. government (at current currency). There is no additional governmental support assumed for 2023.

Furthermore, the following assumptions for Fresenius Medical Care's FY/23 guidance are also fully applicable to the Fresenius Group's FY/23 guidance:

- ▶ In 2022, operating income was supported by €277 million (at current currency) of U.S. Provider Relief funding (PRF). There is no further receipt of PRF assumed for 2023. To provide a comparable basis for the 2023 earnings outlook, the basis is adjusted accordingly.
- ▶ Revenue and operating income guidance are both on a constant currency basis and excluding special items
- ▶ Special items will be provided as separate KPI ("Revenue excluding special items", "Operating income excluding special items") to capture effects that are unusual in nature and have not been foreseeable or not

foreseeable in size or impact at the time of giving guidance. These items are excluded to ensure comparability of the figures presented with the Company's financial targets which have been defined excluding special items.

All of these assumptions are subject to considerable uncertainty.

#### GROUP FINANCIAL TARGETS 2023

	Targets 2023	Fiscal year 2022
Revenue growth <sup>1</sup> (organic)	Low-to-mid-single-digit growth	€40,840 m
EBIT growth <sup>1,2</sup> (in constant currency)	Broadly flat to high-single-digit decline	€3,727 m
EBIT growth ex FMC <sup>1</sup> (in constant currency)	Broadly flat to mid-single-digit decline	€2,187 m
Dividend per share	At least stable	Proposal €0.92 per share

<sup>1</sup> Before special items

<sup>2</sup> In 2022, operating income was supported by €277 million (at current currency) of U.S. Provider Relief funding (PRF). There is no further receipt of PRF assumed for 2023. To provide a comparable basis for the 2023 earnings outlook, the basis is adjusted accordingly.

### REVENUE AND EARNINGS BY BUSINESS SEGMENT

In 2023, we expect revenue and earnings development in our business segments as shown in the table below:

#### FINANCIAL TARGETS BY BUSINESS SEGMENT 2023

Operating Companies <sup>1</sup>	Targets 2023	Fiscal year 2022
<b>Fresenius Kabi</b>		
Revenue growth (organic)	Low-to-mid-single-digit percentage growth	€7,850 m
EBIT margin	Around 1 percentage point below the structural margin band of 14% – 17%	13.8%
<b>Fresenius Helios</b>		
Revenue growth (organic)	Mid-single-digit percentage growth	€11,716 m
EBIT margin	Within the structural margin band of 9% – 11%	10.1%
<b>Investment Companies<sup>1</sup></b>		
<b>Fresenius Medical Care<sup>2</sup></b>		
Revenue growth (in constant currency)	Low-to-mid-single-digit percentage growth	€19,398 m
EBIT growth (in constant currency)	Flat-to-high-single-digit percentage decline	€1,540 m
<b>Fresenius Vamed</b>		
Revenue growth (organic)	Low-to-mid-single-digit percentage growth	€2,359 m
EBIT margin	Clearly below the structural margin band of 4 – 6%	0.8%

<sup>1</sup> Before special items

<sup>2</sup> In 2022, operating income was supported by €277 million (at current currency) of U.S. Provider Relief funding (PRF). There is no further receipt of PRF assumed for 2023. To provide a comparable basis for the 2023 earnings outlook, the basis is adjusted accordingly.

**EXPENSES**

For fiscal year 2023, we do expect selling, general, and administrative expenses (before special items) as a percentage of consolidated net revenue to slightly decrease compared to 2022 (2022: 14.6%).

**TAX RATE**

For fiscal year 2023, we do expect a tax rate in a range between 24% and 25% (2022: 23.7%).

**COST AND EFFICIENCY PROGRAM**

Structural productivity improvements are expected to offset market headwinds and to create financial flexibility for future growth investments in the coming years. The new target is to achieve annual structural cost savings of around €1 billion at EBIT level from the fiscal year 2025 onwards. To achieve the targeted cost savings, one-time costs of around €700 to €750 million are expected at EBIT level, of which around 2/3 will be incurred in the year.

In order to reach this goal, Fresenius is running targeted programs across all business segments and the Corporate Center with the oversight and steering of the Group. Key elements include measures to optimize the network, sales and administrative costs, procurement, as well as divesting from non-core assets.

In line with previous practice, these expenses are classified as special items.

Fresenius Medical Care will accelerate and extend its FME25 transformation program to further optimize processes along the new operating model. Fresenius Medical Care increases the savings target for the program from €500 million to €650 million by 2025 and now expects to invest up to €650 million in the same period.

In further support of its turnaround efforts the Company will drive additional operational efficiency and cost reduction measures. In Care Delivery, this will include productivity and operating leverage improvements in the core dialysis services business. In Care Enablement, Fresenius Medical Care will focus on pricing initiatives, productivity measures and review of its global manufacturing footprint.

**LIQUIDITY AND CAPITAL MANAGEMENT**

For fiscal year 2023, we expect a cash conversation rate around 1.0.

In addition, undrawn credit lines under syndicated or bilateral credit facilities from banks provide us with sufficient financial headroom.

Financing activities in 2023 are largely geared to refinancing existing financial liabilities maturing in 2023 and 2024.

We expect higher interest rates in fiscal year 2023, resulting in higher interest expense of €700 million to €750 million, depending on financing activities.

Without further acquisitions and depending on divestment activities, Fresenius expects the net debt/EBITDA<sup>1</sup> ratio at the end of 2023 to be slightly above the level of year-end 2022 (December 31, 2022: 3.65x) and thus above the self-imposed target corridor of 3.0x to 3.5x.

There are no significant changes in the financing strategy planned for 2023.

**INVESTMENTS**

In 2023, we expect to invest about 5% of revenue in property, plant and equipment. About 41% of the capital expenditure planned will be invested at Fresenius Medical Care, about 26% at Fresenius Kabi, and around 27% at Fresenius Helios.

At Fresenius Medical Care, investments will mainly be made in expanding production capacities, optimizing production costs, and setting up new dialysis clinics.

Fresenius Kabi will mainly invest in the expansion and maintenance of its production sites and in the introduction of new production technologies.

Fresenius Helios will primarily invest in the construction and modernization of existing and newly acquired clinics and medical centers.

Fresenius Vamed is primarily investing in modernizing and equipping existing post-acute care facilities.

<sup>1</sup> At LTM average exchange rates for both net debt and EBITDA; pro forma closed acquisitions/divestitures; excluding further potential acquisitions/divestitures; before special items

With a share of around 60%, Europe is the regional focus of investment in the planning period. Around 30% of the investments are planned for North America and around 10% for Asia-Pacific, Latin America, and Africa. About 30% of total funds will be invested in Germany.

For 2022, we assume return on invested capital (ROIC) to decline around one percentage point below the level of 2022 (2022: 5,1%).

## CAPITAL STRUCTURE

For fiscal year 2023, we do not expect the equity ratio to change significantly compared to fiscal year 2022 (2022: 42%). Furthermore, we expect that financial liabilities in relation to total assets will remain roughly the same as in fiscal year 2022 (2022: 36%).

## DIVIDEND

With the new Fresenius Financial Framework Fresenius aims to generate attractive and predictable dividend yields. In line with its progressive dividend policy, the Company aims to increase the dividend in line with earnings per share growth (before special items, in constant currency) but at least maintain the dividend at the prior-year's level. For fiscal year 2022, we will propose to the Annual General Meeting a dividend at the prior-year level of €0.92 per share (2021: €0.92). The payout to the shareholders of Fresenius SE & Co. KGaA would amount to €518 million or 30% of consolidated net income. Based on this proposal and the 2022 year-end share price, the dividend yield is 3.5%.

## NON-FINANCIAL TARGETS

From fiscal year 2023, the qualitative measurement of fiscal years 2021 and 2022 will be replaced by quantitative ESG KPIs in the short-term variable Management Board remuneration (Short-term Incentive - STI). The KPIs cover the key sustainability topics of medical quality/patient satisfaction and employees.

The topic of employees is measured with the key figure of the Employee Engagement Index (EEI) for the Fresenius Group. Fresenius is aiming for an EEI of 4.33 for the fiscal year 2023 (corresponds to 100% target achievement).

The Medical Quality/Patient Satisfaction topic is composed of four equally weighted key figures that are defined at the business segment level. The four indicators are based on the respective relevance for the business model.

Fresenius Medical Care aims for a patient Net Promoter Score (NPS) of at least 70 (100% target achievement).

Fresenius Kabi aims for an Audit & Inspection Score of at most 2.3 (100% target achievement).

Helios Germany aims to achieve an Inpatient Quality Indicator (G-IQI) score of at least 88% (100% target achievement), and Helios Spain aims to achieve a score of at least 55% (100% target achievement).

Fresenius Vamed aims to achieve a patient satisfaction score of at least 1.65 (100% target achievement) in fiscal year 2023.

## RECONCILIATION TABLES

### RECONCILIATION FRESENIUS GROUP Q1

€ in millions	Q1/2023	Q1/2022	Growth rate	Growth rate in constant currency
<b>Revenue reported</b>	<b>10,225</b>	<b>9,720</b>	<b>5%</b>	<b>5%</b>
<b>EBIT reported (after special items)</b>	<b>787</b>	<b>902</b>	<b>-13%</b>	<b>-14%</b>
Revaluations of biosimilars contingent purchase price liabilities	-	-2		
Expenses associated with the Fresenius cost and efficiency program	49	64		
Impacts related to the war in Ukraine	-	30		
Transaction costs mAbxience, Ivenix	4	2		
Remeasurement Humacyte investment	-19	4		
Legal Form Conversion Costs Fresenius Medical Care	3	-		
Legacy Portfolio Adjustments	84	-		
<b>EBIT (before special items)</b>	<b>908</b>	<b>1,000</b>	<b>-9%</b>	<b>-11%</b>
<b>Net interest reported (after special items)</b>	<b>-170</b>	<b>-118</b>	<b>-44%</b>	<b>-42%</b>
Revaluations of biosimilars contingent purchase price liabilities	-	-1		
<b>Net interest (before special items)</b>	<b>-170</b>	<b>-119</b>	<b>-43%</b>	<b>-41%</b>
<b>Income taxes reported (after special items)</b>	<b>-154</b>	<b>-185</b>	<b>17%</b>	<b>18%</b>
Revaluations of biosimilars contingent purchase price liabilities	-	1		
Expenses associated with the Fresenius cost and efficiency program	-10	-12		
Impacts related to the war in Ukraine	-	-3		
Transaction costs mAbxience, Ivenix	-1	-		
Remeasurement Humacyte investment	5	-1		
Legal Form Conversion Costs Fresenius Medical Care	-1	-		
Legacy Portfolio Adjustments	-23	-		
<b>Income taxes (before special items)</b>	<b>-184</b>	<b>-200</b>	<b>8%</b>	<b>10%</b>

€ in millions	Q1/2023	Q1/2022	Growth rate	Growth rate in constant currency
<b>Noncontrolling interests reported (after special items)</b>	<b>-117</b>	<b>-186</b>	<b>37%</b>	<b>40%</b>
Expenses associated with the Fresenius cost and efficiency program	-14	-17		
Impacts related to the war in Ukraine	-	-13		
Remeasurement Humacyte investment	9	-2		
Transaction costs mAbxience, Ivenix	-1	-		
Legal Form Conversion Costs Fresenius Medical Care	-1	-		
Legacy Portfolio Adjustments	-41	-		
<b>Noncontrolling interests (before special items)</b>	<b>-165</b>	<b>-218</b>	<b>24%</b>	<b>28%</b>
<b>Net income reported (after special items)<sup>1</sup></b>	<b>346</b>	<b>413</b>	<b>-16%</b>	<b>-18%</b>
Revaluations of biosimilars contingent purchase price liabilities	-	-2		
Expenses associated with the Fresenius cost and efficiency program	25	35		
Impacts related to the war in Ukraine	-	14		
Transaction costs mAbxience, Ivenix	2	2		
Remeasurement Humacyte investment	-5	1		
Legal Form Conversion Costs Fresenius Medical Care	1	-		
Legacy Portfolio Adjustments	20	-		
<b>Net income (before special items)<sup>1</sup></b>	<b>389</b>	<b>463</b>	<b>-16%</b>	<b>-17%</b>

The special items shown within the reconciliation tables are reported in the Corporate segment.

<sup>1</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

## RECONCILIATION FRESENIUS KABI Q1

€ in millions	Q1/2023	Q1/2022	Growth rate	Growth rate in constant currency
<b>Revenue reported</b>	<b>1,991</b>	<b>1,847</b>	<b>8%</b>	<b>8%</b>
Revaluations of biosimilars contingent purchase price liabilities	0	-2		
Expenses associated with the Fresenius cost and efficiency program	8	28		
Impacts related to the war in Ukraine	-	8		
Transaction costs mAbxience, Ivenix	4	2		
<b>EBIT (before special items)</b>	<b>289</b>	<b>293</b>	<b>-1%</b>	<b>-4%</b>

The special items shown within the reconciliation tables are reported in the Corporate segment.

## RECONCILIATION FRESENIUS HELIOS Q1

€ in millions	Q1/2023	Q1/2022	Growth rate	Growth rate in constant currency
<b>Revenue reported</b>	<b>3,066</b>	<b>2,931</b>	<b>5%</b>	<b>5%</b>
Expenses associated with the Fresenius cost and efficiency program	-	0		
<b>EBIT (before special items)</b>	<b>311</b>	<b>306</b>	<b>2%</b>	<b>2%</b>

The special items shown within the reconciliation tables are reported in the Corporate segment.

## RECONCILIATION FRESENIUS MEDICAL CARE Q1

€ in millions	Q1/2023	Q1/2022	Growth rate	Growth rate in constant currency
<b>Revenue reported</b>	<b>4,704</b>	<b>4,548</b>	<b>3%</b>	<b>2%</b>
<b>EBIT reported (after special items)</b>	<b>261</b>	<b>348</b>	<b>-25%</b>	<b>-28%</b>
Costs related to FME25 program	26	33		
Impacts related to the war in Ukraine	-	22		
Remeasurement Humacyte investment	-19	3		
Legal Form Conversion Costs Fresenius Medical Care	2	-		
Legacy Portfolio Adjustments	84	-		
<b>EBIT (before special items)</b>	<b>354</b>	<b>407</b>	<b>-13%</b>	<b>-16%</b>
<b>Net income reported (after special items)<sup>1</sup></b>	<b>86</b>	<b>157</b>	<b>-45%</b>	<b>-47%</b>
Costs related to FME25 program	20	24		
Impacts related to the war in Ukraine	-	19		
Remeasurement Humacyte investment	-14	3		
Legal Form Conversion Costs Fresenius Medical Care	1	-		
Legacy Portfolio Adjustments	61	-		
<b>Net income (before special items)<sup>1</sup></b>	<b>154</b>	<b>203</b>	<b>-24%</b>	<b>-27%</b>

The special items shown within the reconciliation tables are reported in the Corporate segment.

## RECONCILIATION FRESENIUS VAMED Q1

€ in millions	Q1/2023	Q1/2022	Growth rate	Growth rate in constant currency
<b>Revenue reported</b>	<b>583</b>	<b>513</b>	<b>14%</b>	<b>13%</b>
Expenses associated with the Fresenius cost and efficiency program	1	1		
<b>EBIT (before special items)</b>	<b>-27</b>	<b>8</b>	<b>--</b>	<b>--</b>

The special items shown within the reconciliation tables are reported in the Corporate segment.

<sup>1</sup> Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA

## RECONCILIATION FRESENIUS CORPORATE Q1

€ in millions	Q1/2023	Q1/2022	Growth rate	Growth rate in constant currency
Expenses associated with the Fresenius cost and efficiency program	14	2		
Legal Form Conversion Costs Fresenius Medical Care	1	-		
<b>EBIT (before special items)</b>	<b>-19</b>	<b>-14</b>	<b>-36%</b>	<b>-29%</b>

The special items shown within the reconciliation tables are reported in the Corporate segment.



## FRESENIUS SE & CO. KGAA

### CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

€ in millions	Q1/2023	Q1/2022
Revenue	10,225	9,720
Costs of revenue	-7,714	-7,246
<b>Gross profit</b>	<b>2,511</b>	<b>2,474</b>
Selling, general and administrative expenses	-1,526	-1,393
Research and development expenses	-198	-179
<b>Operating income (EBIT)</b>	<b>787</b>	<b>902</b>
Net interest	-170	-118
<b>Income before income taxes</b>	<b>617</b>	<b>784</b>
Income taxes	-154	-185
<b>Net income</b>	<b>463</b>	<b>599</b>
Noncontrolling interests	117	186
<b>Net income attributable to shareholders of Fresenius SE &amp; Co. KGaA</b>	<b>346</b>	<b>413</b>
<b>Earnings per share in €</b>	<b>0.61</b>	<b>0.74</b>
Fully diluted earnings per share in €	0.61	0.74

The following notes are an integral part of the unaudited condensed interim financial statements.

## FRESENIUS SE & CO. KGAA

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

€ in millions

	Q1/2023	Q1/2022
<b>Net income</b>	<b>463</b>	<b>599</b>
<b>Other comprehensive income (loss)</b>		
<b>Positions which will be reclassified into net income in subsequent years</b>		
Foreign currency translation	-494	519
Cash flow hedges	1	-1
FVOCI debt instruments	8	-19
Income taxes on positions which will be reclassified	-2	3
<b>Positions which will not be reclassified into net income in subsequent years</b>		
Actuarial gains (losses) on defined benefit pension plans	-1	307
Equity method investees - share of OCI	0	-12
FVOCI equity investments	1	5
Income taxes on positions which will not be reclassified	0	-92
<b>Other comprehensive income (loss), net</b>	<b>-487</b>	<b>710</b>
<b>Total comprehensive income (loss)</b>	<b>-24</b>	<b>1,309</b>
<b>Comprehensive income (loss) attributable to noncontrolling interests</b>	<b>-109</b>	<b>448</b>
<b>Comprehensive income attributable to shareholders of Fresenius SE &amp; Co. KGaA</b>	<b>85</b>	<b>861</b>

The following notes are an integral part of the unaudited condensed interim financial statements.

## FRESENIUS SE & CO. KGAA

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

#### ASSETS

€ in millions	March 31, 2023	December 31, 2022
Cash and cash equivalents	2,321	2,749
Trade accounts and other receivables, less allowances for expected credit losses	7,770	7,008
Accounts receivable from and loans to related parties	99	157
Inventories	4,947	4,833
Other current assets	3,965	3,532
<b>I. Total current assets</b>	<b>19,102</b>	<b>18,279</b>
Property, plant and equipment	12,770	12,919
Right-of-use assets	5,806	5,922
Goodwill	31,045	31,444
Other intangible assets	4,249	4,399
Other non-current assets	2,688	2,621
Deferred taxes	893	831
<b>II. Total non-current assets</b>	<b>57,451</b>	<b>58,136</b>
<b>Total assets</b>	<b>76,553</b>	<b>76,415</b>

#### LIABILITIES

€ in millions	March 31, 2023	December 31, 2022
Trade accounts payable	1,998	2,070
Short-term accounts payable to related parties	83	94
Short-term provisions and other short-term liabilities	8,445	8,242
Short-term debt	1,188	856
Short-term debt from related parties	14	11
Current portion of long-term debt	725	669
Current portion of lease liabilities	843	851
Current portion of bonds	1,798	649
Current portion of convertible bonds	493	-
Short-term liabilities for income taxes	332	216
<b>A. Total short-term liabilities</b>	<b>15,919</b>	<b>13,658</b>
Long-term debt, less current portion	1,962	2,166
Lease liabilities, less current portion	5,616	5,741
Bonds, less current portion	15,125	16,329
Convertible bonds	-	491
Long-term liabilities to and loans from related parties	1	-
Long-term provisions and other long-term liabilities	2,711	2,802
Pension liabilities	1,109	1,099
Long-term liabilities for income taxes	242	242
Deferred taxes	1,695	1,669
<b>B. Total long-term liabilities</b>	<b>28,461</b>	<b>30,539</b>
<b>I. Total liabilities</b>	<b>44,380</b>	<b>44,197</b>
<b>A. Noncontrolling interests</b>	<b>11,641</b>	<b>11,803</b>
Subscribed capital	563	563
Capital reserve	4,321	4,323
Other reserves	15,502	15,122
Accumulated other comprehensive income	146	407
<b>B. Total Fresenius SE &amp; Co. KGaA shareholders' equity</b>	<b>20,532</b>	<b>20,415</b>
<b>II. Total shareholders' equity</b>	<b>32,173</b>	<b>32,218</b>
<b>Total liabilities and shareholders' equity</b>	<b>76,553</b>	<b>76,415</b>

The following notes are an integral part of the unaudited condensed interim financial statements.

## FRESENIUS SE & CO. KGAA

### CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

€ in millions	Q1/2023	Q1/2022
<b>Operating activities</b>		
Net income	463	599
<b>Adjustments to reconcile net income to cash and cash equivalents provided by operating activities</b>		
Depreciation and amortization	704	693
Change in deferred taxes	-28	-22
Gain on sale of fixed assets and of investments and divestitures	-33	-11
<b>Changes in assets and liabilities, net of amounts from businesses acquired or disposed of</b>		
Trade accounts and other receivables	-850	-664
Inventories	-203	-127
Other current and non-current assets	-374	-212
Accounts receivable from/payable to related parties	50	-21
Trade accounts payable, provisions and other short-term and long-term liabilities	327	-249
Liabilities for income taxes	119	115
<b>Net cash provided by operating activities</b>	<b>175</b>	<b>101</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment and capitalized development costs	-358	-362
Proceeds from sales of property, plant and equipment	6	6
Acquisitions and investments and purchases of intangible assets	-78	-125
Proceeds from sale of investments and divestitures	27	33
<b>Net cash used in investing activities</b>	<b>-403</b>	<b>-448</b>

## FRESENIUS SE & CO. KGAA

### CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

€ in millions	Q1/2023	Q1/2022
<b>Financing activities</b>		
Proceeds from short-term debt	427	871
Repayments of short-term debt	-68	-1,037
Proceeds from long-term debt	148	652
Repayments of long-term debt	-575	-472
Repayments of lease liabilities	-236	-233
Repayments of liabilities from bonds	-	-627
Proceeds from the Accounts Receivable Facility of Fresenius Medical Care	233	520
Proceeds from the exercise of stock options	-	1
Dividends paid	-53	-56
Change in noncontrolling interests, net	-32	6
<b>Net cash used in financing activities</b>	<b>-156</b>	<b>-375</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>-44</b>	<b>35</b>
<b>Net decrease in cash and cash equivalents</b>	<b>-428</b>	<b>-687</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2,749</b>	<b>2,764</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2,321</b>	<b>2,077</b>

#### ADDITIONAL INFORMATION ON PAYMENTS THAT ARE INCLUDED IN NET CASH PROVIDED BY OPERATING ACTIVITIES

€ in millions	Q1/2023	Q1/2022
Received interest	24	26
Paid interest	-192	-158
Income taxes paid	-55	-87

The following notes are an integral part of the unaudited condensed interim financial statements.

## FRESENIUS SE & CO. KGAA

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Subscribed Capital			Reserves	
	Number of ordinary shares in thousand	Amount € in thousands	Amount € in millions	Capital reserve € in millions	Other reserves € in millions
<b>As of December 31, 2021</b>	<b>558,502</b>	<b>558,502</b>	<b>558</b>	<b>4,026</b>	<b>14,860</b>
Proceeds from the exercise of stock options	-	-	-	0	
Compensation expense related to stock options				-	
Dividends paid					-
Purchase of noncontrolling interests				0	
Put option liabilities					11
Transfer of cumulative gains/losses of equity investments					3
Comprehensive income (loss)					
Net income					413
Other comprehensive income (loss)					
Cash flow hedges					
Change of FVOCI equity investments					
Foreign currency translation					
Actuarial gains on defined benefit pension plans					
Fair value changes					
Comprehensive income (loss)					413
<b>As of March 31, 2022</b>	<b>558,502</b>	<b>558,502</b>	<b>558</b>	<b>4,026</b>	<b>15,287</b>
<b>As of December 31, 2022</b>	<b>563,237</b>	<b>563,237</b>	<b>563</b>	<b>4,323</b>	<b>15,122</b>
Dividends paid					-
Transactions with noncontrolling interests without loss of control				-2	
Noncontrolling interests due to changes in consolidation group				-	
Put option liabilities					34
Comprehensive income (loss)					
Net income					346
Other comprehensive income (loss)					
Cash flow hedges					
Change of FVOCI equity investments					
Foreign currency translation					
Actuarial gains on defined benefit pension plans					
Fair value changes					
Comprehensive income (loss)					346
<b>As of March 31, 2023</b>	<b>563,237</b>	<b>563,237</b>	<b>563</b>	<b>4,321</b>	<b>15,502</b>

## FRESENIUS SE & CO. KGAA

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Accumulated other comprehensive income (loss)					Total Fresenius SE & Co. KGaA shareholders' equity € in millions	Non- controlling interests € in millions	Total shareholders' equity € in millions
	Foreign currency translation € in millions	Cash flow hedges € in millions	Pensions € in millions	Equity investments € in millions	Fair value changes € in millions			
<b>As of December 31, 2021</b>	<b>54</b>	<b>-66</b>	<b>-411</b>	<b>-42</b>	<b>19</b>	<b>18,998</b>	<b>10,290</b>	<b>29,288</b>
Proceeds from the exercise of stock options						0	1	1
Dividends paid						0	-56	-56
Purchase of noncontrolling interests						0	7	7
Put option liabilities						11	24	35
Transfer of cumulative gains/losses of equity investments				-3		-	-	-
Comprehensive income (loss)								
Net income						413	186	599
Other comprehensive income (loss)								
Cash flow hedges		-2				-2	1	-1
Change of FVOCI equity investments				5		5	0	5
Foreign currency translation	309	-1	-1	0	0	307	221	528
Actuarial gains on defined benefit pension plans			147			147	68	215
Fair value changes					-9	-9	-28	-37
Comprehensive income (loss)	309	-3	146	5	-9	861	448	1,309
<b>As of March 31, 2022</b>	<b>363</b>	<b>-69</b>	<b>-265</b>	<b>-40</b>	<b>10</b>	<b>19,870</b>	<b>10,714</b>	<b>30,584</b>
<b>As of December 31, 2022</b>	<b>613</b>	<b>-56</b>	<b>-109</b>	<b>-58</b>	<b>17</b>	<b>20,415</b>	<b>11,803</b>	<b>32,218</b>
Dividends paid						-	-53	-53
Transactions with noncontrolling interests without loss of control						-2	-23	-25
Noncontrolling interests due to changes in consolidation group						-	-13	-13
Put option liabilities						34	36	70
Comprehensive income (loss)								
Net income						346	117	463
Other comprehensive income (loss)								
Cash flow hedges		0				0	1	1
Change of FVOCI equity investments				1		1	0	1
Foreign currency translation	-264	0	0	-	0	-264	-231	-495
Actuarial gains on defined benefit pension plans			0			0	-1	-1
Fair value changes					2	2	5	7
Comprehensive income (loss)	-264	0	0	1	2	85	-109	-24
<b>As of March 31, 2023</b>	<b>349</b>	<b>-56</b>	<b>-109</b>	<b>-57</b>	<b>19</b>	<b>20,532</b>	<b>11,641</b>	<b>32,173</b>

The following notes are an integral part of the unaudited condensed interim financial statements.

## FRESENIUS SE & CO. KGAA

### CONSOLIDATED SEGMENT REPORTING FIRST QUARTER (UNAUDITED)

by business segment, € in millions	Fresenius Kabi			Fresenius Helios			Fresenius Medical Care			Fresenius Vamed			Corporate			Fresenius Group		
	2023 <sup>2</sup>	2022 <sup>2</sup>	Growth	2023 <sup>2</sup>	2022 <sup>2</sup>	Growth	2023 <sup>2</sup>	2022 <sup>2</sup>	Growth	2023 <sup>2</sup>	2022 <sup>2</sup>	Growth	2023 <sup>3</sup>	2022 <sup>3</sup>	Growth	2023	2022	Growth
Revenue	1,991	1,847	8%	3,066	2,931	5%	4,704	4,548	3%	583	513	14%	-119	-119	0%	10,225	9,720	5%
thereof contribution to consolidated revenue	1,972	1,829	8%	3,060	2,926	5%	4,686	4,534	3%	507	431	18%	0	0	--	10,225	9,720	5%
thereof intercompany revenue	19	18	6%	6	5	20%	18	14	29%	76	82	-7%	-119	-119	0%	-	-	
contribution to consolidated revenue	19%	19%		30%	30%		46%	47%		5%	4%		0%	0%		100%	100%	
EBITDA	403	396	2%	439	428	3%	764	820	-7%	-1	32	-103%	-114	-81	-41%	1,491	1,595	-7%
Depreciation and amortization	114	103	11%	128	122	5%	410	413	-1%	26	24	-8%	26	31	-16%	704	693	2%
EBIT	289	293	-1%	311	306	2%	354	407	-13%	-27	8	--	-140	-112	-25%	787	902	-13%
Net interest	-31	-11	-182%	-56	-48	-17%	-83	-69	-20%	-8	-2	--	8	12	-33%	-170	-118	-44%
Income taxes	-53	-62	15%	-60	-58	-3%	-70	-80	13%	0	-1	100%	29	16	81%	-154	-185	17%
Net income attributable to shareholders of Fresenius SE & Co. KGaA	191	201	-5%	190	195	-3%	154	203	-24%	-36	4	--	-153	-190	19%	346	413	-16%
Operating cash flow	21	133	-84%	108	-136	179%	143	159	-10%	-68	-45	-51%	-29	-10	-190%	175	101	73%
Cash flow before acquisitions and dividends	-62	39	--	13	-227	106%	2	-1	--	-100	-54	-85%	-30	-12	-150%	-177	-255	31%
Total assets <sup>1</sup>	16,283	16,745	-3%	21,921	21,337	3%	35,501	35,754	-1%	2,981	2,887	3%	-133	-308	57%	76,553	76,415	0%
Debt <sup>1</sup>	3,933	4,195	-6%	7,862	7,811	1%	13,266	13,213	0%	1,034	885	17%	1,670	1,659	1%	27,765	27,763	0%
Other operating liabilities <sup>1</sup>	3,750	3,842	-2%	3,778	3,424	10%	6,118	6,156	-1%	974	994	-2%	300	349	-14%	14,920	14,765	1%
Capital expenditure, gross	78	84	-7%	99	79	25%	142	162	-12%	32	12	167%	2	1	100%	353	338	4%
Acquisitions, gross/investments	15	2	--	0	72	-100%	50	83	-39%	2	6	-67%	1	-1	200%	68	162	-58%
Research and development expenses	142	128	11%	1	0	--	55	50	11%	-	-		0	-1	100%	198	179	11%
Employees (per capita on balance sheet date) <sup>1</sup>	42,371	42,063	1%	125,337	125,700	0%	125,231	128,044	-2%	19,994	20,184	-1%	879	929	-5%	313,812	316,920	-1%
<b>Key figures</b>																		
EBITDA margin	20.2%	21.4%		14.3%	14.6%		16.2%	18.0%		-0.2%	6.2%					15.5% <sup>2</sup>	17.1% <sup>2</sup>	
EBIT margin	14.5%	15.9%		10.1%	10.4%		7.5%	8.9%		-4.6%	1.6%					9.0% <sup>2</sup>	10.3% <sup>2</sup>	
Depreciation and amortization in % of revenue	5.7%	5.6%		4.2%	4.2%		8.7%	9.1%		4.5%	4.7%					6.9%	7.1%	
Operating cash flow in % of revenue	1.1%	7.2%		3.5%	-4.6%		3.0%	3.5%		-11.7%	-8.8%					1.7%	1.0%	
ROIC <sup>1</sup>	7.6%	7.8%		5.2%	5.4%		3.9%	4.1%		-0.8%	1.1%					4.8% <sup>4</sup>	5.1% <sup>4</sup>	

<sup>1</sup> 2022: December 31

<sup>2</sup> Before special items

<sup>3</sup> After special items

<sup>4</sup> The underlying pro forma EBIT does not include special items.

For information regarding special items, please see the reconciliation tables in the interim Group management report.

The consolidated segment reporting is an integral part of the notes.



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## GENERAL NOTES

### 1. PRINCIPLES

#### I. GROUP STRUCTURE

Fresenius is a global healthcare group with products and services for dialysis, hospitals and outpatient medical care. In addition, the Fresenius Group focuses on hospital operations and also manages projects and provides services for hospitals and other healthcare facilities worldwide. Besides the activities of the parent company Fresenius SE & Co. KGaA, Bad Homburg v. d. H., Germany, the activities are organized amongst the following legally independent business segments as of March 31, 2023:

- ▶ Fresenius Kabi
- ▶ Fresenius Helios
- ▶ Fresenius Medical Care
- ▶ Fresenius Vamed

As of January 1, 2023, the business segments are differentiated between operating companies (Fresenius Kabi and Fresenius Helios) and investment companies (Fresenius Medical Care and Fresenius Vamed).

Furthermore, as of January 1, 2023, Fresenius Medical Care and Fresenius Kabi each implemented a new global operating model. Thereafter, Fresenius Medical Care has reorganized the businesses into two global operating divisions, Care Enablement and Care Delivery, and Fresenius Kabi into four operating divisions: Biopharma, MedTech, Nutrition and Pharma (IV Drugs & Fluids).

#### Deconsolidation of Fresenius Medical Care

Fresenius announced in February 2023 its intention to initiate plans towards a conversion of the legal form of Fresenius Medical Care AG & Co. KGaA into a German stock corporation (Aktiengesellschaft – AG) and thereupon to deconsolidate the business segment Fresenius Medical Care in accordance with the relevant IFRS. The conversion is subject to the required approval of the General Meeting of Fresenius Medical Care AG & Co. KGaA and registration with the Commercial Register and should become effective this year. An Extraordinary General Meeting of Fresenius Medical Care AG & Co. KGaA is intended to convene on July 14, 2023 to resolve on the proposal of conversion of the legal form into a German stock corporation. In the first step, after the approval of the planned conversion of legal form by the General Meeting, Fresenius Medical Care will be classified in accordance with IFRS 5 as a separate item (business held for deconsolidation) in the Fresenius Group consolidated statement of financial position, the consolidated statement of comprehensive income and the consolidated statement of cash flows. After registration with the commercial register (second step), the investment in Fresenius Medical Care will be deconsolidated and subsequently accounted for at equity in accordance with IAS 28. IFRS 5 and IAS 28 both require valuation of Fresenius Medical Care at fair value. If this value, which corresponds to Fresenius Medical Care's market capitalization, is below Fresenius Medical Care's consolidated equity, the Fresenius Group must recognize a non-cash effective impairment, which is presented as special item. As of April 28, 2023, the market capitalization of Fresenius Medical Care was

€12.9 billion and thus below the consolidated shareholders' equity of Fresenius Medical Care AG & Co. KGaA of €13.8 billion as of March 31, 2023. Hypothetical application of the first step would have resulted in a one-time non-cash effective special charge of approximately €0.9 billion in the consolidated financial statements of the Fresenius Group, of which €0.3 billion would be attributable to the shareholders of Fresenius SE & Co. KGaA and €0.6 billion to the noncontrolling interests of the Fresenius Group. The actual amounts to be recognized will be dependent upon the amount of equity as well as the market capitalization of Fresenius Medical Care at the date of application of IFRS 5 as well as at the date of the deconsolidation. For the consolidated financial statements of Fresenius SE & Co. KGaA, there are no effects until the date of the Extraordinary General Meeting of Fresenius Medical Care. The application of IFRS 5 at the Fresenius Group level does not have any impact on the consolidated financial statements of Fresenius Medical Care, because the recoverability of net assets in the consolidated financial statements of Fresenius Medical Care is measured in accordance with IAS 36, which, in contrast to IFRS 5, is determined by the higher of the value in use and the fair value less costs of disposal (which mainly corresponds to the market capitalization).

The reporting and functional currency of the Fresenius Group is the euro. In order to improve the clarity of presentation, amounts are generally presented in million euros. Amounts less than €1 million, after rounding, are marked with "0".

## II. BASIS OF PRESENTATION

Fresenius SE & Co. KGaA, as a stock exchange listed company with a domicile in a member state of the European Union (EU), fulfills its obligation to prepare and publish the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and applying Section 315e of the German Commercial Code (HGB).

The consolidated interim financial statements and accompanying condensed notes are prepared in accordance with the International Accounting Standard (IAS) 34. The primary financial statements are presented in the format consistent with the consolidated financial statements as of December 31, 2022. The consolidated interim financial statements have been prepared in accordance with the Standards and interpretations in effect on the reporting date, and endorsed in the EU, as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRS IC).

The interim financial statements have been prepared in accordance with the same general accounting policies applied in the preparation of the consolidated financial statements as of December 31, 2022.

## III. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Principles of consolidation

The condensed consolidated financial statements and interim management report for the first quarter ended March 31, 2023 have not been audited nor reviewed and should be read in conjunction with the notes included and published in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS as adopted by the EU.

Except for the reported acquisitions (see note 2, Acquisitions, divestitures and investments), there have been no other material changes in the Fresenius Group's consolidation structure.

The consolidated financial statements for the first quarter ended March 31, 2023 include all adjustments that, in the opinion of the Management Board, are of a normal and recurring nature and are necessary to provide a fair presentation of the assets and liabilities, financial position and results of operations of the Fresenius Group.

The results of operations for the first quarter ended March 31, 2023 are not necessarily indicative of the results of operations for the fiscal year 2023.

### Classifications

Comparative information for certain items have been reclassified to conform with current year's presentation.

In the business segment Fresenius Medical Care, in the consolidated statement of income, €84 million for the first quarter ended March 31, 2022 have been reclassified from selling, general and administrative expenses to costs of revenue.

### Government grants and impacts of COVID-19 pandemic

In the first quarter of 2023, the Fresenius Group received in a small scope reimbursement payments and funding due to the COVID-19 pandemic.

The German hospitals of the Fresenius Group did not receive reimbursements and grants to compensate for COVID-19 related financial charges in the first quarter of 2023 (Q1/2022: €166 million, thereof €158 million recorded in revenue and €8 million as grants in other operating income).

Fresenius Medical Care recorded in the first quarter of 2023 €2 million (Q1/2022: €18 million) for government grants in various regions. The remaining amount of government grants received recorded in deferred income was €3 million at March 31, 2023 and €6 million at December 31, 2022.

In addition to the programs above, the Fresenius Group also received grants and other reimbursements in the first quarter of 2022 under various other programs from multiple governments around the world in the amount of €10 million.

### Hyperinflationary accounting

Fresenius Group's subsidiaries operating in Argentina, Lebanon and Turkey apply IAS 29, Financial Reporting in Hyperinflationary Economies, due to inflation in those countries. For the first quarter of 2023, the application of IAS 29 resulted in an effect on net income attributable to shareholders of Fresenius SE & Co. KGaA of -€17 million included in selling, general and administrative expenses. The ongoing re-translation effects of hyperinflationary accounting and its impact on comparative amounts are recorded in other comprehensive income (loss) within the consolidated financial statements.

### Use of estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

#### IV. RECENT PRONOUNCEMENTS, APPLIED

The Fresenius Group has prepared its consolidated financial statements at and for the first quarter ended March 31, 2023 in conformity with IFRS, as adopted by the EU, that must be applied for the interim periods starting on or after January 1, 2023.

For the first quarter of 2023, the following new standard relevant for Fresenius Group's business was applied for the first time:

In May 2017, the IASB issued **IFRS 17, Insurance Contracts**. In June 2020 and December 2021, further amendments were published. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure related to the issuance of insurance contracts. IFRS 17 replaces IFRS 4, Insurance Contracts, which was brought in as an interim standard in 2004. IFRS 4 permitted the use of national accounting standards for the accounting of insurance contracts under IFRS. As a result of the varied application for insurance contracts, there was a lack of comparability among peer groups. IFRS 17 eliminates this diversity in practice by requiring all insurance contracts to be accounted for using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts.

The adoption of IFRS 17 did not have a material impact on the consolidated financial statements of the Fresenius Group.

#### V. RECENT PRONOUNCEMENTS, NOT YET APPLIED

The IASB issued the following new standard relevant for the Fresenius Group's business:

In January 2020, the IASB issued **Amendments to IAS 1, Classification of Liabilities as Current and Non-current**. The amendments clarify under which circumstances debt and other liabilities with an uncertain settlement date should be classified as current or non-current. Among others, the amendments state that liabilities shall be classified depending on rights that exist at the end of the reporting period and define under which conditions liabilities might be settled by cash, other economic resources or equity. On July 15, 2020, and October 31, 2022, the IASB deferred the effective date. The amendments to IAS 1 are now effective for fiscal years beginning on or after January 1, 2024. Earlier adoption is permitted. The Fresenius Group is currently evaluating the impact of the amendments to IAS 1 on the consolidated financial statements.

The EU Commission's endorsement of the amendments to IAS 1 is still outstanding.

In the Fresenius Group's view, there are no other IFRS standards or interpretations not yet effective that would be expected to have a material impact on the consolidated financial statements.

#### 2. ACQUISITIONS, DIVESTITURES AND INVESTMENTS

The Fresenius Group made acquisitions, investments and purchases of intangible assets of €68 million and €162 million in the first quarter of 2023 and 2022, respectively. Of this amount, €78 million was paid in cash in the first quarter of 2023 including €10 million in subsequent purchase price payments already recognized as liabilities.

##### FRESENIUS MEDICAL CARE

In the first quarter of 2023, Fresenius Medical Care spent €50 million (Q1/2022: €83 million) on acquisitions, mainly on investments in debt instruments and the purchase of dialysis clinics.

##### Business combination of InterWell Health

On August 24, 2022 (acquisition date), Fresenius Medical Care completed a business combination among Fresenius Health Partners, Inc. (FHP), the value-based care division of Fresenius Medical Care's wholly owned subsidiary Fresenius Medical Care Holdings, Inc., with InterWell Health LLC, a physician organization driving innovation in the kidney care space in the United States, and Cricket Health, Inc., a U.S. provider of value-based kidney care with a patient engagement and data platform. The new company, InterWell Topco L.P. (NewCo), operates under the InterWell Health brand.

This business combination was conducted as a non-cash transaction. The contributions of the net assets of InterWell Health LLC and Cricket Health, Inc. were accounted for as a business combination in accordance with IFRS 3. Fresenius Medical Care's contribution of the net assets of FHP was recorded under common control at their respective carrying values at the acquisition date and the reduction of the Fresenius Medical Care's interest in FHP, in exchange for net assets received of InterWell Health LLC and Cricket Health, Inc., was accounted for as an equity transaction. Upon consummation of the business combination, Fresenius Medical Care holds approximately 75% of NewCo. The former owners of Cricket Health, Inc. and InterWell Health LLC hold approximately 17% and 8%, respectively, as noncontrolling interests in NewCo.

Fresenius Medical Care is in the process of reviewing and finalizing the information necessary for the purchase price allocation, including, but not limited to the final capital interest allocation. Any adjustments to acquisition accounting, net of related income tax effects, will be recorded with a corresponding adjustment to goodwill within one year from the acquisition date. Goodwill initially recorded in connection with the transaction was US\$703 million (€708 million), which has subsequently been reduced by US\$43 million (€44 million) during the fourth quarter of 2022 to account for changes in the purchase price allocation.

### **FRESENIUS KABI**

In the first quarter of 2023, Fresenius Kabi spent €15 million (Q1/2022: €2 million) on acquisitions, mainly for already planned acquisition related milestone payments relating to the acquisition of Merck KGaA's biosimilars business.

### **Acquisition mAbxience**

On August 1, 2022, Fresenius Kabi closed the acquisition of a stake of 55% of mAbxience Holding S.L. (mAbxience), a leading international biopharmaceutical company, focused on the rapidly growing market for the development and manufacturing of biological drugs (biopharmaceuticals). The company has been consolidated since August 1, 2022, and has contributed €59 million to revenue in the fiscal year 2022.

The consideration transferred in the amount of €511 million is a combination of €499 million upfront payment, which was paid in cash upon closing, and performance-based payments expected for future years with a current fair value of €12 million. These are strictly tied to the achievement of development and operating targets and could be in the low three-digit million euro range in total.

The transaction was accounted for as a business combination.

The goodwill in the amount of €464 million resulting from the acquisition is not deductible for tax purposes. Until December 31, 2022, the goodwill was allocated to the relevant four cash generating units of Fresenius Kabi according to the regional distribution of the acquired business. Since January 1, 2023, it has been allocated to the Biopharma cash-generating unit in accordance with the applicable new reporting structure.

### **Acquisition Ivenix**

On May 3, 2022, Fresenius Kabi completed the acquisition of 100% of the shares of Ivenix, Inc. (Ivenix), a specialized infusion therapy company. The cash purchase price amounts to US\$240 million (€228 million). In addition, milestone payments with a current fair value in the low three-digit million euro range were recognized. These are strictly linked to the achievement of commercial and operating targets and could increase by a low three-digit million euro amount.

The transaction was accounted for as a business combination.

Based on the preliminary purchase price allocation, goodwill of US\$199 million (€188 million) which is not deductible for tax purposes and an intangible asset of US\$180 million (€171 million) were recorded in the initial statement of financial position.

### **FRESENIUS HELIOS**

In the first quarter of 2023, Fresenius Helios did not incur any acquisition expenses (Q1/2022: €72 million).

### **FRESENIUS VAMED**

In the first quarter of 2023, Fresenius Vamed spent €2 million (Q1/2022: €6 million) on acquisitions.

## NOTES ON THE CONSOLIDATED STATEMENT OF INCOME

### 3. SPECIAL ITEMS

Net income attributable to shareholders of Fresenius SE & Co. KGaA for the first quarter of 2023 in the amount of €346 million includes special items which had the following impact on the consolidated statement of income:

€ in millions	EBIT	Interest expenses	Net income attributable to shareholders of Fresenius SE & Co. KGaA
<b>Earnings Q1/2023, before special items</b>	<b>908</b>	<b>-170</b>	<b>389</b>
Expenses associated with the Fresenius cost and efficiency program (including the FME25 program)	-49	-	-25
Legacy Portfolio Adjustments	-84	-	-20
Transaction costs mAbxience, Ivenix	-4	-	-2
Legal Form Conversion Costs Fresenius Medical Care	-3	-	-1
Remeasurement Humacyte investment	19	-	5
Revaluations of biosimilars contingent purchase price liabilities	0	-	0
<b>Earnings Q1/2023 according to IFRS</b>	<b>787</b>	<b>-170</b>	<b>346</b>

Net income attributable to shareholders of Fresenius SE & Co. KGaA for the first quarter of 2022 in the amount of €413 million included special items which had the following impact on the consolidated statement of income:

€ in millions	EBIT	Interest expenses	Net income attributable to shareholders of Fresenius SE & Co. KGaA
<b>Earnings Q1/2022, before special items</b>	<b>1,000</b>	<b>-119</b>	<b>463</b>
Expenses associated with the Fresenius cost and efficiency program (including the FME25 program)	-64	-	-35
Impacts related to the war in Ukraine	-30	-	-14
Transaction costs mAbxience, Ivenix	-2	-	-2
Remeasurement Humacyte investment	-4	-	-1
Revaluations of biosimilars contingent purchase price liabilities	2	1	2
<b>Earnings Q1/2022 according to IFRS</b>	<b>902</b>	<b>-118</b>	<b>413</b>

## 4. REVENUE

Revenue by activity was as follows:

€ in millions	Q1/2023					Fresenius Group
	Fresenius Kabi	Fresenius Helios	Fresenius Medical Care	Fresenius Vamed	Corporate	
Revenue from contracts with customers	1,971	3,058	4,531	506	0	10,066
thereof revenue of services	20	3,055	3,573	365	0	7,013
thereof revenue of products and related services	1,949	–	958	–	–	2,907
thereof revenue from long-term production contracts	–	–	–	141	–	141
thereof further revenue from contracts with customers	2	3	–	–	–	5
Other revenue	1	2	155	1	–	159
<b>Revenue</b>	<b>1,972</b>	<b>3,060</b>	<b>4,686</b>	<b>507</b>	<b>0</b>	<b>10,225</b>

€ in millions	Q1/2022					Fresenius Group
	Fresenius Kabi	Fresenius Helios	Fresenius Medical Care	Fresenius Vamed	Corporate	
Revenue from contracts with customers	1,828	2,924	4,390	430	0	9,572
thereof revenue of services	136	2,920	3,493	333	0	6,882
thereof revenue of products and related services	1,690	–	897	–	–	2,587
thereof revenue from long-term production contracts	–	–	–	97	–	97
thereof further revenue from contracts with customers	2	4	–	–	–	6
Other revenue	1	2	144	1	–	148
<b>Revenue</b>	<b>1,829</b>	<b>2,926</b>	<b>4,534</b>	<b>431</b>	<b>0</b>	<b>9,720</b>

Other revenue includes revenue from insurance and lease contracts.

## 5. RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses of €198 million (Q1/2022: €179 million) included expenditures for research and non-capitalizable development costs as well as regular depreciation and amortization expenses relating to capitalized development costs of €10 million (Q1/2022: €5 million). The expenses for the further development of the Biopharma business included in the research and development expenses amounted to €42 million in the first quarter of 2023 (Q1/2022: €34 million).

## 6. TAXES

During the first quarter of 2023, there were no material changes relating to accruals for income taxes as well as recognized and accrued payments for interest and penalties. Further information can be found in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS.

## 7. EARNINGS PER SHARE

The following table shows the earnings per share including and excluding the dilutive effect from stock options issued:

	Q1/2023	Q1/2022
<b>Numerators, € in millions</b>		
Net income attributable to shareholders of Fresenius SE & Co. KGaA	346	413
less effect from dilution due to Fresenius Medical Care shares	–	0
Income available to all ordinary shares	346	413
<b>Denominators in number of shares</b>		
Weighted average number of ordinary shares outstanding	563,237,277	558,502,143
Potentially dilutive ordinary shares	–	–
Weighted average number of ordinary shares outstanding assuming dilution	563,237,277	558,502,143
<b>Basic earnings per share in €</b>	<b>0.61</b>	<b>0.74</b>
<b>Fully diluted earnings per share in €</b>	<b>0.61</b>	<b>0.74</b>



## NOTES ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 8. TRADE ACCOUNTS AND OTHER RECEIVABLES

As of March 31, 2023 and December 31, 2022, trade accounts and other receivables were as follows:

€ in millions	March 31, 2023		December 31, 2022	
		thereof credit impaired		thereof credit impaired
Trade accounts and other receivables	8,278	755	7,480	755
less allowances for expected credit losses	508	366	472	357
<b>Trade accounts and other receivables, net</b>	<b>7,770</b>	<b>389</b>	<b>7,008</b>	<b>398</b>

Within trade accounts and other receivables (before allowances) as of March 31, 2023, €8,064 million (December 31, 2022: €7,275 million) relate to revenue from contracts with customers as defined by IFRS 15. This amount includes €505 million (December 31, 2022: €470 million) of allowances for expected credit losses. Further trade accounts and other receivables, net, relate to other revenue.

### 9. INVENTORIES

As of March 31, 2023 and December 31, 2022, inventories consisted of the following:

€ in millions	Mar. 31, 2023	Dec. 31, 2022
Raw materials and purchased components	1,268	1,200
Work in process	493	467
Finished goods	3,364	3,309
less reserves	178	143
<b>Inventories, net</b>	<b>4,947</b>	<b>4,833</b>

### 10. OTHER CURRENT AND NON-CURRENT ASSETS

At equity investments as of March 31, 2023 in the amount of €817 million (December 31, 2022: €793 million) mainly related to the equity method investee of Fresenius Medical Care named Vifor Fresenius Medical Care Renal Pharma Ltd. In the first quarter of 2023, income of €26 million (Q1/2022: €11 million) resulting from this equity investment was included in selling, general and administrative expenses in the consolidated statement of income.

## 11. GOODWILL

The carrying amount of goodwill has developed as follows:

€ in millions	Fresenius Kabi	Fresenius Helios	Fresenius Medical Care	Fresenius Vamed	Corporate	Fresenius Group
<b>Carrying amount as of January 1, 2022</b>	<b>5,373</b>	<b>8,903</b>	<b>14,361</b>	<b>300</b>	<b>6</b>	<b>28,943</b>
Additions	653	167	702	14	-	1,536
Disposals	-	-3	-7	-	-	-10
Impairment loss	-	-	-	-	-	-
Foreign currency translation	235	6	735	-1	-	975
<b>Carrying amount as of December 31, 2022</b>	<b>6,261</b>	<b>9,073</b>	<b>15,791</b>	<b>313</b>	<b>6</b>	<b>31,444</b>
Additions	-	1	0	-	-	1
Disposals	-	-	-18	-	-	-18
Foreign currency translation	-83	-4	-295	0	-	-382
<b>Carrying amount as of March 31, 2023</b>	<b>6,178</b>	<b>9,070</b>	<b>15,478</b>	<b>313</b>	<b>6</b>	<b>31,045</b>

The decrease of goodwill mainly relates to foreign currency translation.

## 12. DEBT

### SHORT-TERM DEBT

As of March 31, 2023 and December 31, 2022, short-term debt consisted of the following:

€ in millions	Book value	
	March 31, 2023	December 31, 2022
Fresenius SE & Co. KGaA Commercial Paper	370	80
Fresenius Medical Care AG & Co. KGaA Commercial Paper	574	497
Other short-term debt	244	279
<b>Short-term debt</b>	<b>1,188</b>	<b>856</b>

## LONG-TERM DEBT

As of March 31, 2023 and December 31, 2022, long-term debt net of debt issuance costs consisted of the following:

€ in millions	Book value	
	March 31, 2023	December 31, 2022
Schuldschein Loans	1,113	1,592
Loan from the European Investment Bank	400	400
Accounts Receivable Facility of Fresenius Medical Care	322	94
Other	852	749
<b>Subtotal</b>	<b>2,687</b>	<b>2,835</b>
less current portion	725	669
<b>Long-term debt, less current portion</b>	<b>1,962</b>	<b>2,166</b>

## Schuldschein Loans

As of March 31, 2023 and December 31, 2022, Schuldschein Loans of the Fresenius Group net of debt issuance costs consisted of the following:

	Notional amount	Maturity	Interest rate fixed/variable	Book value € in millions	
				March 31, 2023	Dec. 31, 2022
Fresenius SE & Co. KGaA 2017/2024	€175 million	Jan. 31, 2023	variable	–	175
Fresenius SE & Co. KGaA 2019/2023	€264 million	March 23, 2023	variable	–	264
Fresenius SE & Co. KGaA 2019/2023	€114 million	Sept. 25, 2023	0.55%	114	114
Fresenius SE & Co. KGaA 2017/2024	€246 million	Jan. 31, 2024	1.40%	246	246
Fresenius SE & Co. KGaA 2019/2026	€238 million	Sept. 23, 2026	0.85% / variable	238	238
Fresenius SE & Co. KGaA 2017/2027	€207 million	Jan. 29, 2027	1.96% / variable	206	206
Fresenius SE & Co. KGaA 2019/2029	€84 million	Sept. 24, 2029	1.10%	84	84
Fresenius US Finance II, Inc. 2016/2023	US\$43 million	March 10, 2023	3.12%	–	40
Fresenius Medical Care AG & Co. KGaA 2022/2027	€25 million	Feb. 14, 2027	variable	25	25
Fresenius Medical Care AG & Co. KGaA 2022/2029	€200 million	Feb. 14, 2029	variable	200	200
<b>Schuldschein Loans</b>				<b>1,113</b>	<b>1,592</b>

The variable tranche of €175 million of Fresenius SE & Co. KGaA's Schuldschein Loans in the total amount of €421 million originally due on January 31, 2024 was repaid prior to maturity on January 31, 2023.

The variable tranche of €264 million of Fresenius SE & Co. KGaA's Schuldschein Loans in the total amount of €378 million originally due on September 25, 2023 was also repaid prior to maturity on March 23, 2023.

As of March 31, 2023, the fixed tranche of €114 million of Fresenius SE & Co. KGaA's Schuldschein Loans due on

September 25, 2023 and the fixed tranche of €246 million of Fresenius SE & Co. KGaA's Schuldschein Loans due on January 31, 2024, are shown as current portion of long-term debt in the consolidated statement of financial position.

### Loan from the European Investment Bank

On January 31, 2022, Fresenius SE & Co. KGaA drew a loan from the European Investment Bank in the amount of €400 million with variable interest rates which is due on December 15, 2025.

### CREDIT LINES AND OTHER SOURCES OF LIQUIDITY

The syndicated credit facilities of Fresenius SE & Co. KGaA and Fresenius Medical Care AG & Co. KGaA in the amount of €2.0 billion each which were entered into in July 2021 serve as backup lines. On June 8, 2022, both syndicated credit facilities were amended and extended to extend the term by one year and replace U.S. dollar LIBOR as the reference rate with the Term Secured Overnight Financing Rate. They were undrawn as of March 31, 2023. In addition,

further bilateral facilities are available to the Fresenius Group which have not been utilized, or have only been utilized in part, as of the reporting date.

At March 31, 2023, the available borrowing capacity resulting from unutilized credit facilities was approximately €6.4 billion. Thereof, €4.0 billion related to the syndicated credit facilities and approximately €2.4 billion for bilateral facilities with commercial banks.

### 13. BONDS

As of March 31, 2023 and December 31, 2022, bonds of the Fresenius Group net of debt issuance costs consisted of the following:

	Notional amount	Maturity	Interest rate	Book value € in millions	
				March 31, 2023	December 31, 2022
Fresenius Finance Ireland PLC 2017/2024	€700 million	Jan. 30, 2024	1.50%	699	699
Fresenius Finance Ireland PLC 2021/2025	€500 million	Oct. 1, 2025	0.00%	498	498
Fresenius Finance Ireland PLC 2017/2027	€700 million	Feb. 1, 2027	2.125%	696	696
Fresenius Finance Ireland PLC 2021/2028	€500 million	Oct. 1, 2028	0.50%	498	497
Fresenius Finance Ireland PLC 2021/2031	€500 million	Oct. 1, 2031	0.875%	495	495
Fresenius Finance Ireland PLC 2017/2032	€500 million	Jan. 30, 2032	3.00%	496	496
Fresenius SE & Co. KGaA 2014/2024	€450 million	Feb. 1, 2024	4.00%	450	450
Fresenius SE & Co. KGaA 2019/2025	€500 million	Feb. 15, 2025	1.875%	498	498
Fresenius SE & Co. KGaA 2022/2025	€750 million	May 24, 2025	1.875%	748	747
Fresenius SE & Co. KGaA 2022/2026	€500 million	May 28, 2026	4.25%	497	496
Fresenius SE & Co. KGaA 2020/2026	€500 million	Sep. 28, 2026	0.375%	497	497
Fresenius SE & Co. KGaA 2020/2027	€750 million	Oct. 8, 2027	1.625%	744	743
Fresenius SE & Co. KGaA 2020/2028	€750 million	Jan. 15, 2028	0.75%	746	746
Fresenius SE & Co. KGaA 2019/2029	€500 million	Feb. 15, 2029	2.875%	496	496
Fresenius SE & Co. KGaA 2022/2029	€500 million	Nov. 28, 2029	5.00%	495	495
Fresenius SE & Co. KGaA 2022/2030	€550 million	May 24, 2030	2.875%	542	542
Fresenius SE & Co. KGaA 2020/2033	€500 million	Jan. 28, 2033	1.125%	497	497
Fresenius Medical Care AG & Co. KGaA 2019/2023	€650 million	Nov. 29, 2023	0.25%	649	649
Fresenius Medical Care AG & Co. KGaA 2018/2025	€500 million	July 11, 2025	1.50%	499	499
Fresenius Medical Care AG & Co. KGaA 2020/2026	€500 million	May 29, 2026	1.00%	497	497
Fresenius Medical Care AG & Co. KGaA 2019/2026	€600 million	Nov. 30, 2026	0.625%	596	596
Fresenius Medical Care AG & Co. KGaA 2022/2027	€750 million	Sep. 20, 2027	3.875%	745	745
Fresenius Medical Care AG & Co. KGaA 2019/2029	€500 million	Nov. 29, 2029	1.25%	498	498
Fresenius Medical Care AG & Co. KGaA 2020/2030	€750 million	May 29, 2030	1.50%	747	747
Fresenius Medical Care US Finance II, Inc. 2014/2024	US\$400 million	Oct. 15, 2024	4.75%	367	374
Fresenius Medical Care US Finance III, Inc. 2019/2029	US\$500 million	June 15, 2029	3.75%	453	462
Fresenius Medical Care US Finance III, Inc. 2020/2031	US\$1,000 million	Feb. 16, 2031	2.375%	913	930
Fresenius Medical Care US Finance III, Inc. 2021/2026	US\$850 million	Dec. 1, 2026	1.875%	776	791
Fresenius Medical Care US Finance III, Inc. 2021/2031	US\$650 million	Dec. 1, 2031	3.00%	591	602
<b>Bonds</b>				<b>16,923</b>	<b>16,978</b>

As of March 31, 2023, the bonds issued by Fresenius Medical Care AG & Co. KGaA in the amount of €650 million, which are due on November 29, 2023 and the bonds issued by Fresenius Finance Ireland PLC in the amount of €700 million, which are due on January 30, 2024 as well as the

bonds issued by Fresenius SE & Co. KGaA in the amount of €450 million, which are due on February 1, 2024, are shown as current portion of bonds in the consolidated statement of financial position.

## 14. CONVERTIBLE BONDS

As of March 31, 2023 and December 31, 2022, the convertible bonds of the Fresenius Group net of debt issuance costs consisted of the following:

	Notional amount	Maturity	Coupon	Current conversion price	Book value € in millions	
					March 31, 2023	December 31, 2022
Fresenius SE & Co. KGaA 2017/2024	€500 million	Jan. 31, 2024	0.000%	€104.2835	493	491
<b>Convertible bonds</b>					<b>493</b>	<b>491</b>

The fair value of the derivative embedded in the convertible bonds of Fresenius SE & Co. KGaA was €0 and €9 thousand at March 31, 2023 and December 31, 2022, respectively. Fresenius SE & Co. KGaA purchased stock options (call options) with a corresponding fair value to hedge future fair value fluctuations of this derivative.

Potential conversions are always cash-settled. Any increase of Fresenius' share price above the conversion price would be offset by a corresponding value increase of the call options.

As of March 31, 2023, the convertible bonds are shown as current portion of convertible bonds in the consolidated statement of financial position.

## 15. NONCONTROLLING INTERESTS

As of March 31, 2023 and December 31, 2022, noncontrolling interests in the Fresenius Group were as follows:

€ in millions	Mar. 31, 2023	Dec. 31, 2022
Noncontrolling interests in Fresenius Medical Care AG & Co. KGaA	9,380	9,489
Noncontrolling interests in VAMED Aktiengesellschaft	68	76
Noncontrolling interests in the business segments		
Fresenius Medical Care	1,399	1,460
Fresenius Kabi	616	602
Fresenius Helios	156	155
Fresenius Vamed	22	21
<b>Total noncontrolling interests</b>	<b>11,641</b>	<b>11,803</b>

The decrease of noncontrolling interests of Fresenius Medical Care mainly relates to currency translation.

For further financial information relating to Fresenius Medical Care see the consolidated segment reporting on page 40.

Accumulated other comprehensive income (loss) allocated to noncontrolling interests mainly relates to currency effects from the translation of foreign operations. For changes in noncontrolling interests, please see the consolidated statement of changes in equity.

## 16. FRESENIUS SE & CO. KGAA SHAREHOLDERS' EQUITY

### SUBSCRIBED CAPITAL

As of January 1, 2023, the subscribed capital of Fresenius SE & Co. KGaA consisted of 563,237,277 bearer ordinary shares.

During the first quarter of 2023, no stock options were exercised. Consequently, as of March 31, 2023, the subscribed capital of Fresenius SE & Co. KGaA consisted of 563,237,277 bearer ordinary shares. The shares are issued as non-par value shares. The proportionate amount of the subscribed capital is €1.00 per share.

### CONDITIONAL CAPITAL

In order to fulfill the subscription rights under the current stock option plan 2013 of Fresenius SE & Co. KGaA, Conditional Capital IV exists (see note 21, Share-based compensation plans). Another Conditional Capital III exists for the authorization to issue option bearer bonds and/or convertible bonds.

The Conditional Capital did not change in the first quarter of 2023. It was composed as follows as of March 31, 2023:

in €	Ordinary shares
Conditional Capital I Fresenius AG Stock Option Plan 2003 (expired)	4,735,083
Conditional Capital II Fresenius SE Stock Option Plan 2008 (expired)	3,452,937
Conditional Capital III option bearer bonds and/or convertible bonds	48,971,202
Conditional Capital IV Fresenius SE & Co. KGaA Stock Option Plan 2013	22,824,857
<b>Total Conditional Capital as of March 31, 2023</b>	<b>79,984,079</b>

## DIVIDENDS

Under the German Stock Corporation Act (AktG), the amount of dividends available for distribution to shareholders is based upon the unconsolidated retained earnings of Fresenius SE & Co. KGaA as reported in its statement of financial position determined in accordance with the German Commercial Code (HGB).

The general partner and the Supervisory Board of Fresenius SE & Co. KGaA will propose a dividend of €0.92 per bearer ordinary share to the Annual General Meeting taking place on May 17, 2023, i.e. a total dividend payment of €518 million.

## OTHER NOTES

### 17. LEGAL AND REGULATORY MATTERS

The Fresenius Group is routinely involved in claims, lawsuits, regulatory and tax audits, investigations and other legal matters arising, for the most part, in the ordinary course of its business of providing healthcare services and products. Legal matters that the Fresenius Group currently deems to be material or noteworthy are described below.

The Fresenius Group records its litigation reserves for certain legal proceedings and regulatory matters to the extent that the Fresenius Group determines an unfavorable outcome is probable and the amount of loss can be reasonably estimated. For the other matters described below, the Fresenius Group believes that the loss is not probable and/or the loss or range of possible losses cannot be reasonably estimated at this time. The outcome of litigation and other legal matters is always difficult to predict accurately and outcomes that are not consistent with Fresenius Group's view of the merits can occur. The Fresenius Group believes that it has valid defenses to the legal matters pending against it and is defending itself vigorously. Nevertheless, it is possible that the resolution of one or more of the legal matters currently pending or threatened could have a material adverse effect on its business, results of operations and financial condition.

Further information regarding legal disputes, court proceedings and investigations can be found in detail in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS. In the following, only changes as far as content or wording are concerned during the first quarter ended March 31, 2023 compared to the information provided in the consolidated financial statements are described. These changes should be read in conjunction with the overall information in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS; defined terms or abbreviations having the same meaning as in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS.

### INTERNAL REVIEW /FCPA COMPLIANCE

The United States Department of Justice (DOJ) and the Securities and Exchange Commission (SEC) have accepted the Monitor's certification and the non-prosecution agreement (NPA) with the DOJ and the separate agreement with the SEC (SEC Order) expired on March 1, 2023 and March 29, 2023, respectively.

### PRODUCT LIABILITY LITIGATION

Trial on the remaining issue is scheduled to begin March 11, 2024. Both parties have preserved appeals from the court's summary judgment rulings.

### SUBPOENA "MARYLAND"

Relator has filed an appeal.

## 18. FINANCIAL INSTRUMENTS

### VALUATION OF FINANCIAL INSTRUMENTS

#### Carrying amounts of financial instruments

As of March 31, 2023 and December 31, 2022, the carrying amounts of financial instruments by item of the statement of financial position and structured according to categories were as follows:

€ in millions	March 31, 2023						
	Carrying amount	Amortized cost	Fair value through profit and loss <sup>1</sup>	Fair value through other comprehensive income <sup>2</sup>	Relating to no category		
					Derivatives designated as cash flow hedging instruments at fair value	Put option liabilities measured at fair value	Valuation according to IFRS 16 for leasing receivables and liabilities
<b>Financial assets</b>							
Cash and cash equivalents	2,321	2,016	305				
Trade accounts and other receivables, less allowances for expected credit losses	7,770	7,471	212	2			85
Accounts receivable from and loans to related parties	99	99					
Other financial assets <sup>3</sup>	2,889	1,971	320	455	20		123
<b>Financial assets</b>	<b>13,079</b>	<b>11,557</b>	<b>837</b>	<b>457</b>	<b>20</b>	<b>-</b>	<b>208</b>
<b>Financial liabilities</b>							
Trade accounts payable	1,998	1,998					
Short-term accounts payable to related parties	83	83					
Short-term debt	1,188	1,188					
Short-term debt from related parties	14	14					
Long-term liabilities to and loans from related parties	1	1					
Long-term debt	2,687	2,687					
Lease liabilities	6,459						6,459
Bonds	16,923	16,923					
Convertible bonds	493	493					
Other financial liabilities <sup>4</sup>	5,268	2,700	648		11	1,909	
<b>Financial liabilities</b>	<b>35,114</b>	<b>26,087</b>	<b>648</b>	<b>-</b>	<b>11</b>	<b>1,909</b>	<b>6,459</b>

<sup>1</sup> All included financial assets and liabilities are mandatorily measured at fair value through profit and loss according to IFRS 9.

<sup>2</sup> The option to measure equity instruments at fair value through other comprehensive income has been exercised. The option has been used for €89 million other investments (included in other financial assets).

<sup>3</sup> Other financial assets are included in the item other current and non-current assets in the consolidated statement of financial position.

<sup>4</sup> Other financial liabilities are included in the items short-term provisions and other short-term liabilities and long-term provisions and other long-term liabilities in the consolidated statement of financial position.



December 31, 2022							
€ in millions	Carrying amount	Amortized cost	Fair value through profit and loss <sup>1</sup>	Fair value through other comprehensive income <sup>2</sup>	Relating to no category		
					Derivatives designated as cash flow hedging instruments at fair value	Put option liabilities measured at fair value	Valuation according to IFRS 16 for leasing receivables and liabilities
<b>Financial assets</b>							
Cash and cash equivalents	2,749	2,398	351				
Trade accounts and other receivables, less allowances for expected credit losses	7,008	6,648	268	3			89
Accounts receivable from and loans to related parties	157	157					
Other financial assets <sup>3</sup>	2,759	1,903	279	427	21		129
<b>Financial assets</b>	<b>12,673</b>	<b>11,106</b>	<b>898</b>	<b>430</b>	<b>21</b>	<b>–</b>	<b>218</b>
<b>Financial liabilities</b>							
Trade accounts payable	2,070	2,070					
Short-term accounts payable to related parties	94	94					
Short-term debt	856	856					
Short-term debt from related parties	11	11					
Long-term debt	2,835	2,835					
Lease liabilities	6,592						6,592
Bonds	16,978	16,978					
Convertible bonds	491	491					
Other financial liabilities <sup>4</sup>	5,400	2,732	652		11	2,005	
<b>Financial liabilities</b>	<b>35,327</b>	<b>26,067</b>	<b>652</b>	<b>–</b>	<b>11</b>	<b>2,005</b>	<b>6,592</b>

<sup>1</sup> All included financial assets and liabilities are mandatorily measured at fair value through profit and loss according to IFRS 9.

<sup>2</sup> The option to measure equity instruments at fair value through other comprehensive income has been exercised. The option has been used for €88 million other investments (included in other financial assets).

<sup>3</sup> Other financial assets are included in the item other current and non-current assets in the consolidated statement of financial position.

<sup>4</sup> Other financial liabilities are included in the items short-term provisions and other short-term liabilities and long-term provisions and other long-term liabilities in the consolidated statement of financial position.

## Fair value of financial instruments

The following table shows the carrying amounts and the fair value hierarchy levels as of March 31, 2023 and December 31, 2022:

€ in millions	March 31, 2023				December 31, 2022			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial assets</b>								
Cash and cash equivalents <sup>1</sup>	305	305			351	351		
Trade accounts and other receivables, less allowances for expected credit losses <sup>1</sup>	214		214		271		271	
Other financial assets <sup>1</sup>								
Debt instruments	472	472			445	445		
Equity investments	245	52	104	89	224	36	103	85
Derivatives designated as cash flow hedging instruments	20		20		21		21	
Derivatives not designated as hedging instruments	58		58		37		37	
<b>Financial liabilities</b>								
Long-term debt	2,687		2,596		2,835		2,770	
Bonds	16,923	15,317			16,978	14,872		
Convertible bonds	493	485			491	481		
Other financial liabilities <sup>1</sup>								
Put option liabilities	1,909			1,909	2,005			2,005
Accrued contingent payments outstanding for acquisitions	633			633	633			633
Derivatives designated as cash flow hedging instruments	11		11		11		11	
Derivatives not designated as hedging instruments	15		15		19		19	

<sup>1</sup> Fair value information is not provided for financial instruments, if the carrying amount is a reasonable estimate of the fair value due to the relatively short period of maturity of these instruments.

Explanations regarding the significant methods and assumptions used to estimate the fair values of financial instruments and classification of fair value measurements

according to the three-tier fair value hierarchy as well as explanations with regard to existing and expected risks from financial instruments and hedging can be found in the

consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS.

The following table shows the changes of the fair values of financial instruments classified as level 3 in the first quarter of 2023:

€ in millions	Equity investments	Accrued contingent payments outstanding for acquisitions	Put option liabilities
<b>As of January 1, 2023</b>	<b>85</b>	<b>633</b>	<b>2,005</b>
Additions	4	3	14
Disposals	-	-1	-27
Gain/loss recognized in profit or loss	1	1	0
Gain/loss recognized in equity	-	0	-57
Currency effects and other changes	-1	-3	-26
<b>As of March 31, 2023</b>	<b>89</b>	<b>633</b>	<b>1,909</b>

## 19. INFORMATION ON CAPITAL MANAGEMENT

The Fresenius Group has a solid financial profile. As of March 31, 2023, the equity ratio was 42.0% and the debt ratio (debt/total assets) was 36.3%. As of March 31, 2023, the leverage ratio (before special items) on the basis of net debt/EBITDA, calculated on the basis of closing rates, was 3.77 (December 31, 2022: 3.64).

The aims of the capital management and further information can be found in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS.

The Fresenius Group is covered by the rating agencies Moody's, Standard & Poor's and Fitch.

The following table shows the company rating of Fresenius SE & Co. KGaA:

	Mar. 31, 2023	Dec. 31, 2022
<b>Standard &amp; Poor's</b>		
Corporate Credit Rating	BBB	BBB
Outlook	negative	stable
<b>Moody's</b>		
Corporate Credit Rating	Baa3	Baa3
Outlook	stable	stable
<b>Fitch</b>		
Corporate Credit Rating	BBB-	BBB-
Outlook	negative	negative

On February 24, 2023, Standard & Poor's confirmed Fresenius Group's BBB Corporate Credit Rating, the outlook was changed from stable to negative.

## 20. NOTES ON THE CONSOLIDATED SEGMENT REPORTING

### GENERAL

The consolidated segment reporting table shown on page 40 of this interim report is an integral part of the notes.

The Fresenius Group has identified the business segments Fresenius Kabi, Fresenius Helios, Fresenius Medical Care and Fresenius Vamed, which corresponds to the internal organizational and reporting structures (Management Approach) at March 31, 2023. As of January 1, 2023, the business segments are differentiated between operating companies (Fresenius Kabi and Fresenius Helios) and investment companies (Fresenius Medical Care and Fresenius Vamed).

The column Corporate is comprised of the holding functions of Fresenius SE & Co. KGaA as well as Fresenius Digital Technology GmbH, which provides services in the field of information technology. Corporate includes intersegment consolidation adjustments as well as all special items (see note 3, Special items).

The business segments were identified in accordance with IFRS 8, Operating Segments, which defines the segment reporting requirements in the annual financial statements and interim reports with regard to the operating business, product and service businesses and regions. Further explanations with regard to the business segments can be found in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS.

### NOTES ON THE BUSINESS SEGMENTS

Explanations regarding the notes on the business segments can be found in the consolidated financial statements as of December 31, 2022 applying Section 315e HGB in accordance with IFRS.

#### RECONCILIATION OF KEY FIGURES TO CONSOLIDATED EARNINGS

€ in millions	Q1/2023	Q1/2022
Total EBIT of reporting segments	927	1,014
Special items	-121	-98
General corporate expenses Corporate (EBIT)	-19	-14
<b>Group EBIT</b>	<b>787</b>	<b>902</b>
Net interest	-170	-118
<b>Income before income taxes</b>	<b>617</b>	<b>784</b>

#### RECONCILIATION OF NET DEBT WITH THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ in millions	Mar. 31, 2023	Dec. 31, 2022
Short-term debt	1,188	856
Short-term debt from related parties	14	11
Current portion of long-term debt	725	669
Current portion of lease liabilities	843	851
Current portion of bonds	1,798	649
Current portion of convertible bonds	493	-
Long-term debt, less current portion	1,962	2,166
Lease liabilities, less current portion	5,616	5,741
Bonds, less current portion	15,125	16,329
Convertible bonds	-	491
Long-term liabilities to and loans from related parties	1	-
<b>Debt</b>	<b>27,765</b>	<b>27,763</b>
less cash and cash equivalents	2,321	2,749
<b>Net debt</b>	<b>25,444</b>	<b>25,014</b>

## 21. SHARE-BASED COMPENSATION PLANS

### SHARE-BASED COMPENSATION PLANS OF FRESENIUS SE & CO. KGAA

As of March 31, 2023, Fresenius SE & Co. KGaA had two share-based compensation plans in place: the Fresenius SE & Co. KGaA Long Term Incentive Program 2013 (2013 LTIP) which is based on stock options and phantom stocks and the Long Term Incentive Plan 2018 (LTIP 2018) which is solely based on performance shares.

#### Transactions during the first quarter of 2023

During the first quarter of 2023, no stock options were exercised.

At March 31, 2023, 3,580,559 stock options issued under the 2013 LTIP were outstanding and exercisable. The members of the Fresenius Management SE Management Board held 461,250 stock options. At March 31, 2023, the Management Board members of Fresenius Management SE

held 402,431 performance shares and employees of Fresenius SE & Co. KGaA held 2,494,196 performance shares under the LTIP 2018.

### SHARE-BASED COMPENSATION PLANS OF FRESENIUS MEDICAL CARE AG & CO. KGAA

On March 1, 2023, 276,587 performance shares with a total fair value of €9 million were allocated under the Management Board Long Term Incentive Plan 2020 to the members of the Management Board and to certain former members of the Management Board. Of this number, 212,148 performance shares with a total fair value of €7 million relate to members of the Management Board and 64,439 performance shares with a total fair value of €2 million relate to certain former members of the Management Board. These amounts will be amortized over the three-year vesting period. The weighted average fair value per performance share at the allocation date was €32.16.

During the first quarter of 2023, no stock options were exercised.

## 22. SUBSEQUENT EVENTS

There have been no significant changes in the Fresenius Group's operating environment following the end of the first quarter of 2023. No other events of material importance on the assets and liabilities, financial position, and results of operations of the Group have occurred following the end of the first quarter of 2023.

## 23. CORPORATE GOVERNANCE

For each consolidated stock exchange listed entity, the declaration pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz) has been issued and made available to shareholders on the website of Fresenius SE & Co. KGaA ([www.fresenius.com/corporate-governance](http://www.fresenius.com/corporate-governance)), and of Fresenius Medical Care AG & Co. KGaA ([www.freseniusmedicalcare.com](http://www.freseniusmedicalcare.com)).

## FINANCIAL CALENDAR

Annual General Meeting	May 17, 2023
Capital Markets Day, London	May 25, 2023
Report on 1st half 2023	
Conference call, Live webcast	August 2, 2023
Report on 1st – 3rd quarter 2023	
Conference call, Live webcast	November 2, 2023

Subject to change

## FRESENIUS SHARE/ADR

	Ordinary share		ADR
Securities identification no.	578 560	CUSIP	35804M105
Ticker symbol	FRE	Ticker symbol	FSNUY
ISIN	DE0005785604	ISIN	US35804M1053
Bloomberg symbol	FRE GR	Structure	Sponsored Level 1 ADR
Reuters symbol	FREG.de	Ratio	4 ADR = 1 share
Main trading location	Frankfurt / Xetra	Trading platform	OTC

## CONTACT

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Commercial Register: Bad Homburg v. d. H.; HRB 11852  
Chairman of the Supervisory Board: Wolfgang Kirsch

General Partner: Fresenius Management SE  
Registered Office and Commercial Register: Bad Homburg v. d. H.; HRB 11673  
Management Board: Michael Sen (Chairman), Pierluigi Antonelli, Dr. Sebastian Biedenkopf, Dr. Francesco De Meo, Helen Giza, Sara Hennicken, Dr. Ernst Wastler  
Chairman of the Supervisory Board: Wolfgang Kirsch

For additional information on the performance indicators used please refer to our website <https://www.fresenius.com/alternative-performance-measures>.

**Forward-looking statements:**

This Quarterly Financial Report contains forward-looking statements. These statements represent assessments which we have made on the basis of the information available to us at the time. Should the assumptions on which the statements are based on not occur, or if risks should arise – as mentioned in the consolidated financial statements and the management report as of December 31, 2022 applying Section 315e HBG in accordance with IFRS and the SEC filings of Fresenius Medical Care AG & Co. KGaA – the actual results could differ materially from the results currently expected.

