

#FutureFresenius: Simplification and focus drives sustained performance

Delivering continued momentum in Q3/24; upgrading FY/24 outlook

Bad Homburg, 6 November 2024

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Business update **01**

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Financial review Q3/24 02

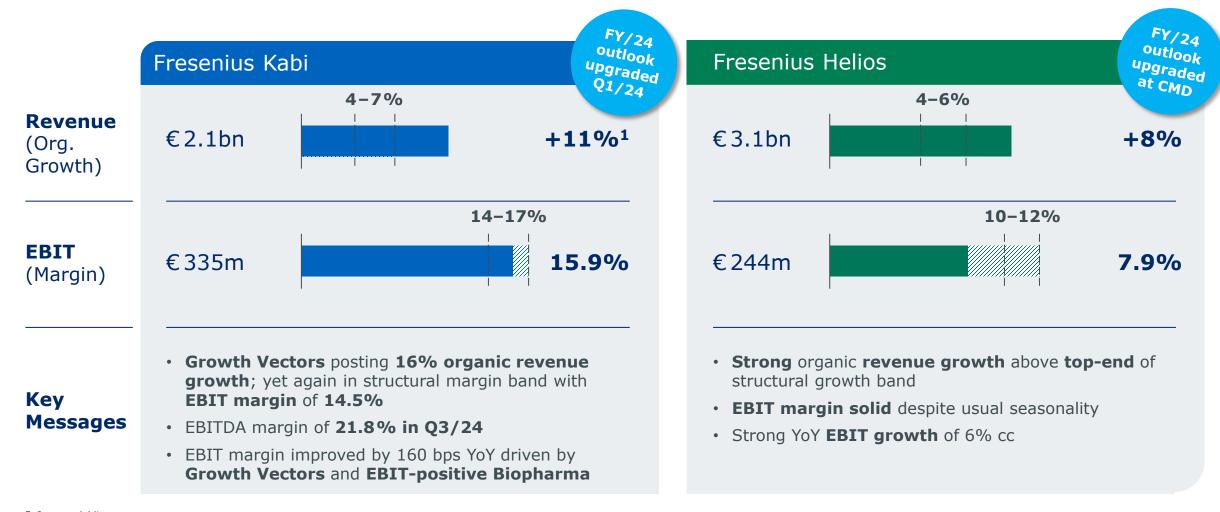
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Q3/24 **Continued momentum and sustained performance** Further deleveraging based on excellent cash flow; leverage target ratio under review Strong top-line: 9% organic revenue growth Ongoing momentum at Biopharma: Delivering positive EBIT in Q3/24 Structural productivity target for FY/24 already achieved YTD $\overline{\mathbb{M}}$ Strong bottom-line traction: High single-digit EBIT and EPS growth in Q3/24 **#Future Outlook upgraded Fresenius** Before special items; at constant currency

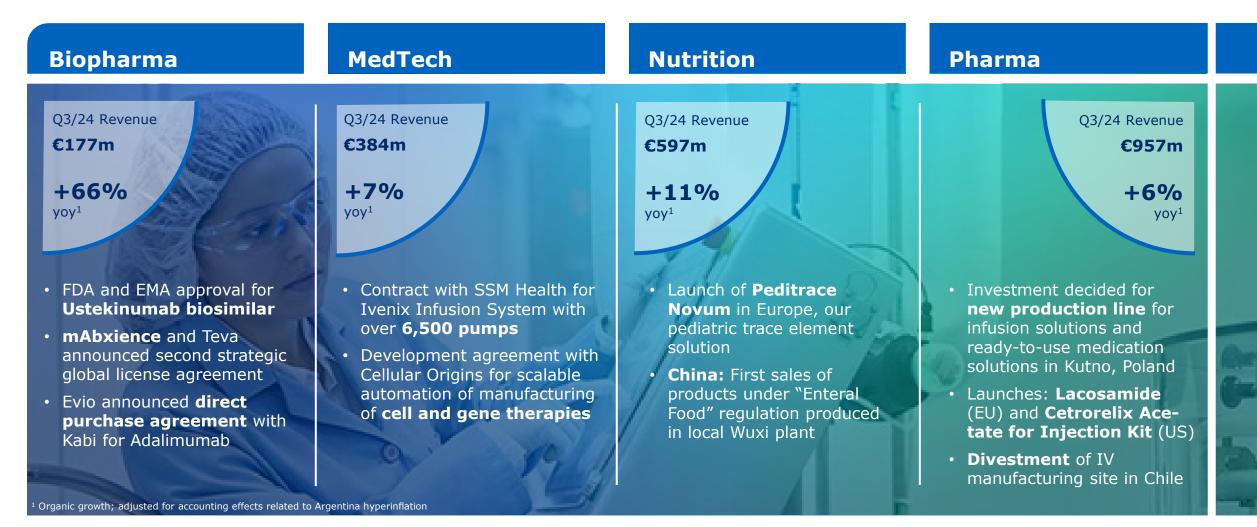
Q3/24 Kabi and Helios above structural growth band



Before special items $^1\,\rm Organic$ growth rate adjusted for accounting effects related to Argentina hyperinflation

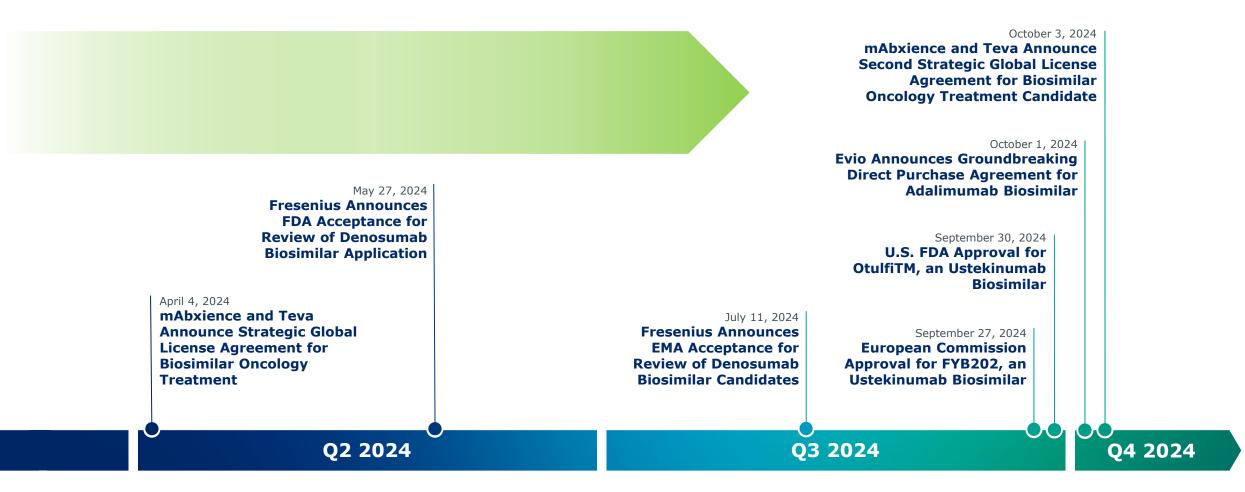


Kabi: Growth Vector momentum continues



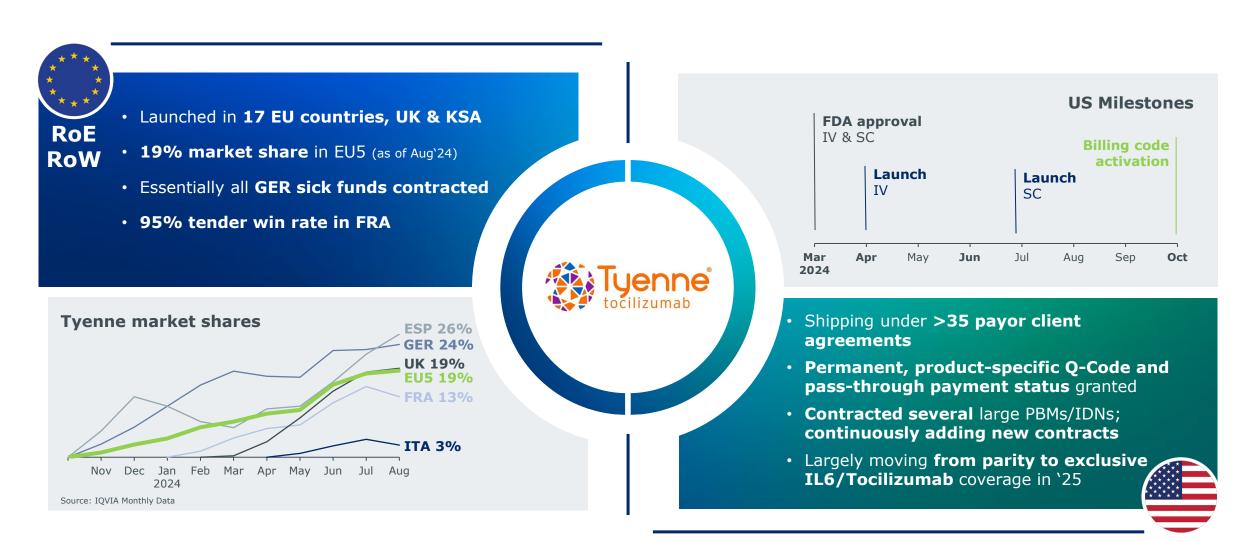
Fresenius Q3/24 Results, 6 November 2024 © Fresenius SE & Co. KGaA Investor Relations







Tyenne: Strong momentum building





Helios delivering consistent strong organic growth

Helios Germany

O3/24 Revenue

€1,940m

+8%

yoy¹

Helios Spain

Q3/24 Revenue €1,142m

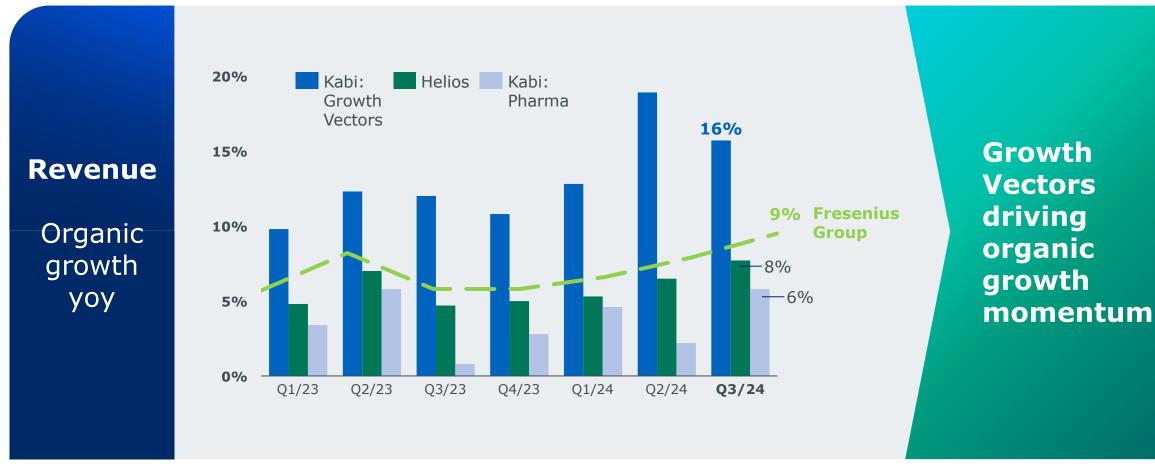
+8%

- Key parameter for 2025 DRG inflator set at 4.41%
- Antibody-drug conjugates: New era of targeted breast cancer therapy
- Dedicated Helios performance programme underway to drive further operational excellence and act against ended energy relief funding

- Start of construction of new hospital in Badajoz
- Quirónsalud patient portal exceeds
 7 million users incorporating one
 million new users in less than a year
- La Luz University Hospital becoming one of only five hospitals in Spain accredited as an Academic Medical Center

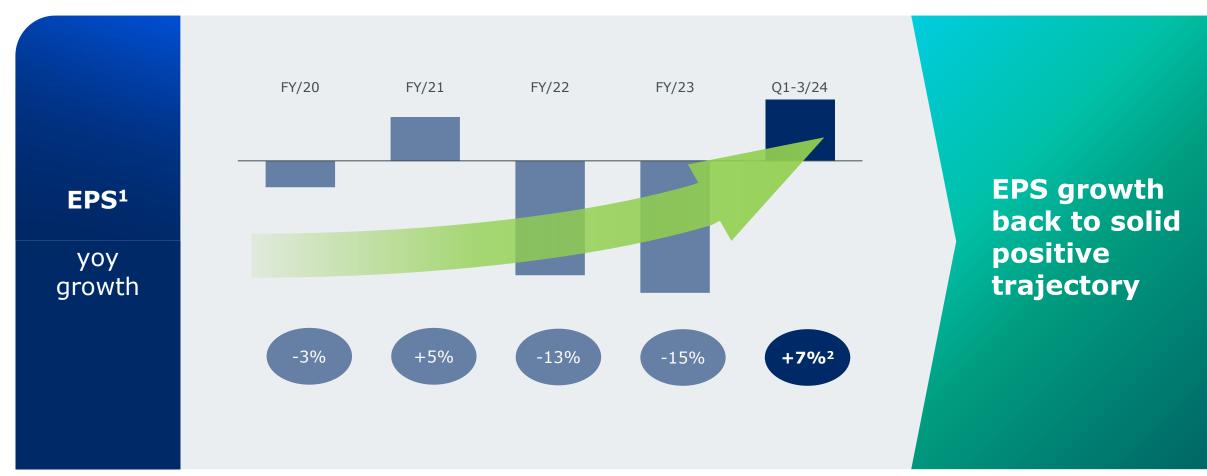
¹ Organic growth

Strong revenue growth...



Growth rates adjusted for Argentina hyperinflation

...drives significant bottom-line progress



¹ Before special items; at constant currency

² Growth rate adjusted for Argentina hyperinflation; Before special items; Net income excluding FMC attributable to shareholders of Fresenius SE & Co. KGaA

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Business update 01

Financial review Q3/24

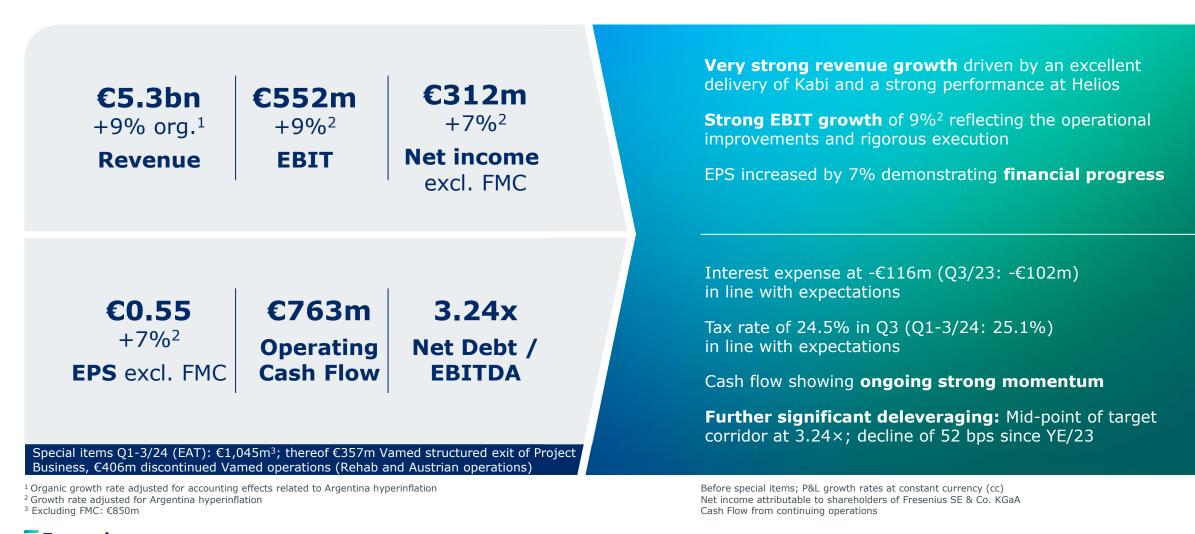
02

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Financial review Q3/24

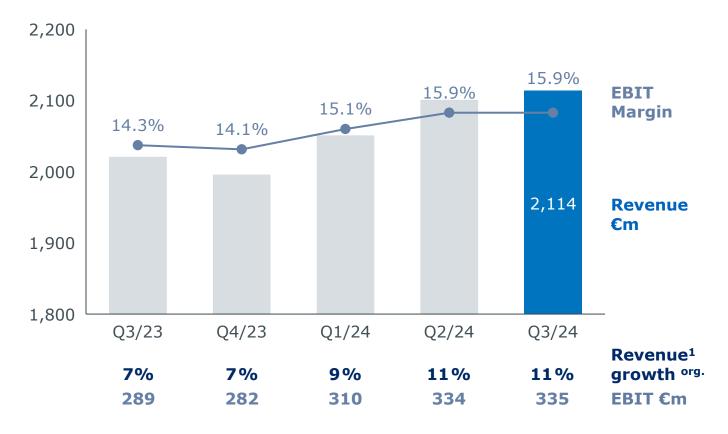
Q3/24 **Consistent strong financial performance**





Fresenius Kabi Growth Vectors showing continued momentum

Quarterly financials



Before special items; ¹ Organic growth rate adjusted for accounting effects related to Argentina hyperinflation

Main developments

Strong organic revenue growth of 11%¹ above top-end of structural growth band; pricing effects in Argentina continue to support growth

Growth Vectors with dynamic 16%¹ organic revenue growth (MedTech: 7%¹; Nutrition: 11%¹; Biopharma: 66%¹)

Pharma with good 6%¹ organic revenue growth driven by a strong performance in Europe, International and US compensating softer development in China

Very strong EBIT margin at 15.9% in Q3/24:

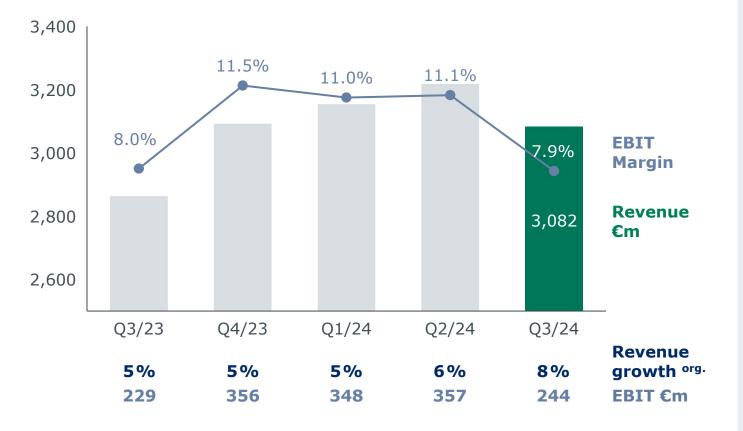
- Strong volume growth, favorable product mix and pricing as well as improved structural productivity driving significant margin expansion (+160 bps) and 16% cc growth rate
- Growth Vectors posting 470 bps margin expansion to 14.5%, again within structural margin band; broad based positive development with Biopharma standing out

Fresenius Helios



Ongoing strong organic growth performance

Quarterly financials



Main developments

Strong 8% organic revenue growth above top-end of structural growth band driven equally by Helios Germany (8% organic growth) and Helios Spain (8% organic growth):

- Organic growth at Helios Germany was supported by favorable technical reclassifications
- Helios Spain with an ongoing strong admission and price development YoY

Solid 6% YoY EBIT growth supported by strong topline growth

Q3 EBIT and margin seasonally soft driven by Spain

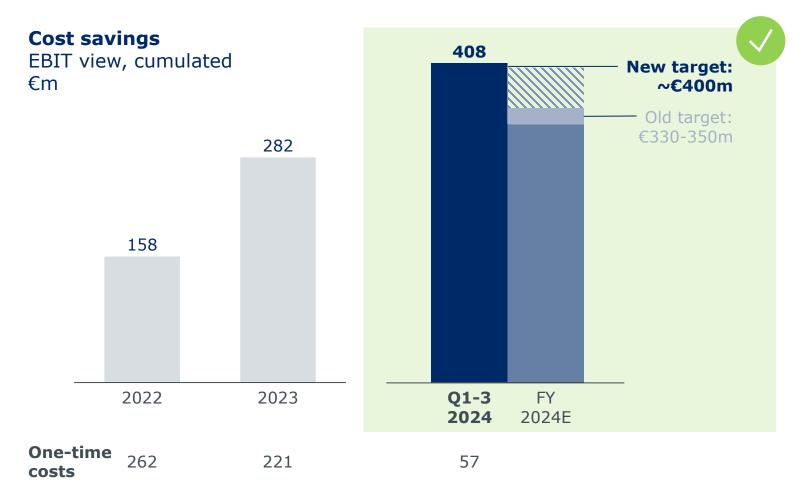
Helios Germany with good EBIT margin of 8.8% helped by energy relief funding

Helios Spain with soft EBIT margin of 6.4% in Q3/24 driven by the usual summer effect and phasing; YTD EBIT margin at Helios Spain strong at 11.2%

Before special items



Cost and productivity savings target achieved ahead of plan



Cost savings ambition for FY/25 already achieved in Q3/24:

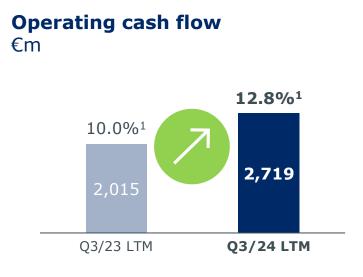
- Leaner organization based on excellence measures
- Majority realized by Kabi
- Helios to step-up with dedicated programme as outlined

Operational excellence is key: Structural productivity initiatives to improve cost base sustainably

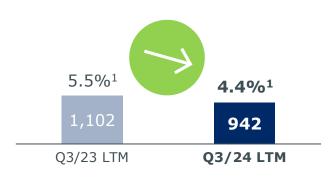
Incremental structural productivity initiatives expected for FY/25

Historic numbers include Vamed; Targets for FY/24 and FY/25 are now excluding Vamed, but remain unchanged

Disciplined execution unlocking significant cash flow

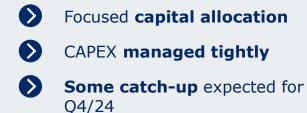


CAPEX €m



Excellent OCF performance driven by both Kabi and Helios

 Strong contribution from successfully implemented
 Working Capital measures



Free cash flow² €m





Supported by legally required suspension of dividend payments

 CCR (LTM) of 1.2 in Q3/24 – at the upper end of the F³ ambition range (around 1)

Cash flow from continuing operations ¹ % of revenue | ² After acquisitions, dividends and lease liabilities

Simplification and focus drives structurally stronger balance sheet and returns



 $rac{1}{2}$ Prior-year figures have been adjusted due to the deconsolidation of Fresenius Medical Care operations

² At average exchange rates for both net debt and EBITDA; before special items; pro forma closed acquisitions/divestitures, including lease liabilities, including Fresenius Medical Care dividend

FY/24 Outlook upgraded based on excellent first nine months

PREVIOUS OUTLOOK

NEW OUTLOOK

Revenue growth (organic):

4–7% growth



Revenue growth (organic): 6-8% growth

Q1-3/24: 8%

EBIT growth (cc): 6–10% growth



Q1-3/24: 11%

Before special items Please refer to slide 26 for a reconciliation of the FY/2023 guidance base

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Growth momentum: High single-digit organic revenue growth in Q1-3/24



Revigoration of EPS momentum: High single-digit growth in Q1-3/24



Structural productivity: 2025 savings target already achieved in Q3/24



Structurally strengthened balance sheet: Accelerated deleveraging



Improved returns: ROIC reached structural ambition range



Cultural change: Driving people strategy across broader leadership team

#FutureFresenius: Rigorous execution drives consistent delivery

F Fresenius

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#FutureFresenius: Heading towards Re-Juvenation



Simplification + Focus + Performance = VALUE

Fresenius Q3/24 Results, 6 November 2024 © Fresenius SE & Co. KGaA Investor Relations

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Outlook for FY/24

	FY/23 base ¹	FY/24 outlook	F Fresenius
Fresenius Kabi	€8,009m €1,145m	 Mid to high single-digit organic revenue growth Q1-3/24: 10% Between 15–16% EBIT margin; structural EBIT margin band of 14–17% Q1-3/24: 15.6% 	Revenue growth (organic): 6–8% growth FY/23 base: €20,307m ¹ Q1-3/24: 8%
Fresenius Helios	€11,952m €1,190m	 Mid single-digit organic revenue growth Q1-3/24: 6% EBIT margin of 10–11% Q1-3/24: 10.0% 	<pre> EBIT growth (cc): B-11% growth FY/23 base: €2,266m¹ Q1-3/24: 11.1% </pre>
Helios	€1,190m	-	

 $^1\,\mbox{Please}$ refer to slide 26 for a reconciliation of the FY/2023 guidance base

Other financial KPIs

€m		FY/23	FY/24 expectation
Profitability	Interest expense	€418m	Upper end of €420 to €440m range
	Tax rate	28.3%	Between 25 to 26%
	CAPEX % of revenue	5.1%	Below 5% (Previously: around 5%)
Capital	CCR LTM	1.0	Around 1
Capital Allocation	ROIC	5.2%	Above 6% (Previously: around 6%)
	Leverage ratio	3.76x	Lower end of target range of 3.0 to 3.5x net debt/EBITDA (Previously: Within target range of 3.0 to 3.5x net debt/EBITDA)

Before special items

F Fresenius

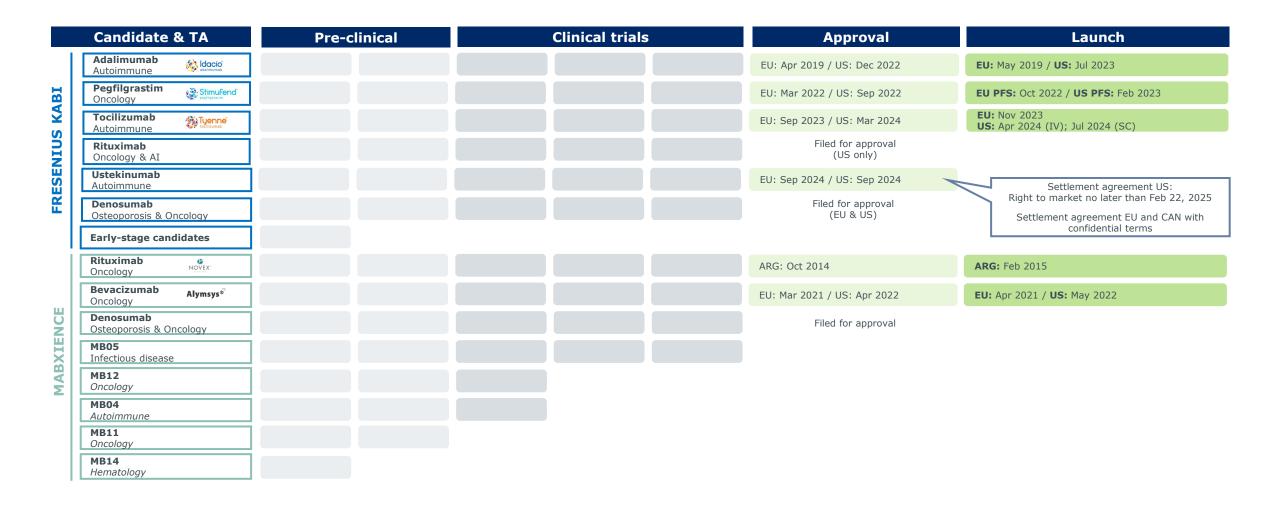
Guidance base

€m		FY/23 Actual	Portfolio Adjustments Helios	Vamed Exit	Base for Guidance FY/24
	Revenue	8,009			8,009
КАВІ	EBIT	1,145			1,145
FRESENIUS	Revenue	12,320	-368		11,952
HELIOS	EBIT	1,232	-42		1,190
	Revenue	2,356		-2,356	0
VAMED	EBIT	-16		+16	0
Correrate	Revenue	-386		+732	346
Corporate	EBIT	-99		+30	-69
= - - - - - - - - - -	Revenue	22,299	-368	-1,624	20,307
F Fresenius	EBIT	2,262	-42	+46	2,266

Before special items

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Attractive biosimilar portfolio and pipeline focused on oncology and autoimmune diseases



Q3/24 & Q1-3/24 Fresenius Kabi Organic Revenue Growth by Product Group

€m	Q3/24	Δ YoY organic ²	Q1-3/24	Δ YoY organic ²
MedTech	384	7%	1,144	6%
Nutrition	597	11%	1,785	11%
Biopharma	177	66%	466	91%
Growth Vectors ¹	1,158	16%	3,396	16%
Pharma (IV Drugs & Fluids)	957	6%	2,870	4%
Corporate	0		0	
Total revenue	2,114	11%	6,266	10%

¹ Consists of MedTech, Nutrition, Biopharma

² Organic growth rate adjusted for accounting effects related to Argentina hyperinflation

Q3/24 & Q1-3/24 Fresenius Kabi EBIT(DA) development

€m	Q3/24	Δ YoY cc ²	Q1-3/24	Δ YoY cc ²
Total EBITDA	460	14%	1,372	14%
Margin	21.8%	+170 bps	21.9%	+180 bps
Total EBIT	335	16%	979	14%
Margin	15.9%	+160 bps	15.6%	+120 bps
Growth Vectors ¹	168	53%	462	39%
Margin	14.5%	+470 bps	13.6%	+450 bps
Pharma	182	-8%	573	-4%
(IV Drugs & Fluids) Margin	19.0%	-230 bps	20.0%	-130 bps
Corporate	-15	-	-56	-

All figures before special items

Margin growth at actual rates

¹ Consists of MedTech, Nutrition, Biopharma

² Growth rate adjusted for Argentina hyperinflation

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website https://www.fresenius.com/financial-results.

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Q3/24 & Q1-3/24 Fresenius Helios **Key Financials**

€m	Q3/24	Δ YoY cc	Q1-3/24	Δ ΥοΥ cc
Total revenue	3,082	8% ¹	9,466	6% ¹
Thereof Helios Germany	1,940	8%1	5,725	5% ¹
Thereof Helios Spain	1,142	8%1	3,741	9%1
Total EBIT Margin	244 7.9%	6% -10 bps	949 10.0%	13% +60 bps
Thereof Helios Germany Margin	170 8.8%	8% +10 bps	532 9.3%	14% +80 bps
Thereof Helios Spain Margin	73 6.4%	0% -70 bps	418 11.2%	9% +0 bps
Thereof Corporate	1		-1	

Fresenius Helios: Key Metrics

	Q1-3/24	FY/23	ΔΥοΥ
Helios Germany			
Hospitals	85	86	-1%
- Acute care hospitals	82	83	-1%
Beds	30,011	29,976	0%
- Acute care hospitals	29,445	29,410	0%
Admissions	4,161,348	5,470,871	0%
- patients treated in hospital	866,294	1,136,446	1%
- patients treated as outpatient	3,295,054	4,334,425	0%
Helios Spain (incl. Latin America)			
Hospitals	57	59	-3%
Beds	8,132	8,299	-2%
Admissions (including outpatients)	15,353,414	20,301,158	2%
 patients treated in hospital 	864,807	1,153,240	1%
 patients treated as outpatient 	14,488,607	19,147,918	2%

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Q1-3/24 Fresenius Group Calculation of Noncontrolling Interests

€m	Q1-3/24	Q1-3/23
Earnings before tax and noncontrolling interests	1,507	1,373
Taxes	-378	-325
Noncontrolling interests, thereof	-58	-54
Fresenius Kabi	-49	-47
Fresenius Helios	-8	-4
Corporate	-1	-3
Net income from deconsolidated operations	205	160
Net income attributable to Fresenius SE & Co. KGaA	1,276	1,154

Before special items For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <u>https://www.fresenius.com/results-center</u>.

Q3/24 & Q3/24 LTM Fresenius Group Cash flow development

€m	Q3/24	Q3/23	Q3/24 LTM	Q3/23 LTM
OCF	763	603	2,719	2,015
thereof Kabi	374	380	1,224	879
thereof Helios	454	208	1,808	1,333
% OCF Margin	14.4%	12.1%	12.8%	10.0%
Capex (net)	-231	-257	-942	-1,102
<i>Capex in % of revenue</i>	-4.4%	-5.2%	-4.4%	-5.5%
Dividends received from FMC	-	-	112	106
Acquisitions (net)	133	-181	296	-235
Dividends paid	-	1	-7	-551
Lease liabilities	-42	-64	-175	-188
FCF	623	102	2,003	45

Cash flow from continuing operations

Q3/24 & Q1-3/24 Fresenius Group Reconciliation adjusted Free Cash Flow for CCR

€m	Q3/24	Q3/23	Q1-3/24	Q1-3/23
Operating Cash Flow	763	603	1,444	802
Capex (net)	-231	-257	-568	-652
Free Cash Flow (before acquisitions, dividends, and lease liabilities)	532	346	876	-150
Special items (net income before minorities)	+31	+35	+62	+86
Interests (before special items)	+116	+102	+336	+285
Taxes (before special items)	+107	+94	+378	+325
Adjusted Free Cash Flow for CCR	786	577	1,652	846

Cash flow from continuing operations

Q3/24 Cash Flow development

	Operating Cash Flow			Operating Cash Flow Capex (net) ¹				Free Cash Flow ²				
€m	Q3/24	Q3/23	Q3/24 Margin	Q3/23 Margin	Q3/24	Q3/23	Q3/24 % rev.	Q3/23 % rev.	Q3/24	Q3/23	Q3/24 Margin	Q3/23 Margin
	374	380	17.7%	18.8%	-71	-110	-3.4%	-5.4%	303	270	14.3%	13.4%
FRESENIUS HELIOS	454	208	14.7%	7.3%	-152	-143	-4.9%	-5.0%	302	65	9.8%	2.3%
Corporate/Other	-65	15			-8	-4			-73	11		
F Fresenius	763	603	14.4%	12.1%	-231	-257	-4.4%	-5.1%	532	346	10.0%	7.0%

Cash flow from continued operations ¹ Total incl. FME dividend ² Before acquisitions, dividends and lease liabilities

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Q3/24 LTM Cash Flow development

	Operating Cash Flow			Operating Cash Flow Capex (net) ¹				Free Cash Flow ²				
€m	Q3/24 LTM	Q3/23 LTM	Q3/24 LTM Margin	Q3/23 LTM Margin	Q3/24 LTM	Q3/23 LTM	Q3/24 LTM % rev.	Q3/23 LTM % rev.	Q3/24 LTM	Q3/23 LTM	Q3/24 LTM Margin	Q3/23 LTM Margin
	1,224	879	14.8%	10.9%	-370	-472	-4.5%	-5.8%	854	407	10.3%	5.1%
FRESENIUS HELIOS	1,808	1,333	14.4%	11.3%	-537	-590	-4.3%	-5.0%	1,271	743	10.1%	6.3%
Corporate/Other	-313	-197			77	66			-236	-131		
F Fresenius	2,719	2,015	12.8%	10.0%	-830	-996	-3.9%	-5.0%	1,889	1,019	8.9%	5.0%

Cash flow from continued operations ¹ Total incl. FME dividend ² Before acquisitions, dividends and lease liabilities

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Q3/24 Revenue by Business Segment – FX, Acquisitions/Divestitures

€m	Q3/24	Q3/23	Growth at actual rates	Currency translation effects	Growth at constant rates	Organic growth ¹	Acquisi- tions	Divestiture/ Others
Fresenius Kabi	2,114	2,021	5%	-5%	10%	11%	0%	-1%
Fresenius Helios	3,082	2,863	8%	0%	8%	8%	0%	0%
Corporate/ Other	107	83	n/a	n/a	n/a	n/a	n/a	n/a
Total	5,303	4,967	7%	-2%	9%	9%	0%	0%

¹ Organic growth rate adjusted for accounting effects related to Argentina hyperinflation

Q1-3/24 **Revenue by Business Segment – FX, Acquisitions/Divestitures**

€m	Q1-3/24	Q1-3/23	Growth at actual rates	Currency translation effects	Growth at constant rates	Organic growth ¹	Acquisi- tions	Divestiture/ Others
Fresenius Kabi	6,266	6,013	4%	-6%	10%	10%	0%	0%
Fresenius Helios	9,466	8,860	7%	1%	6%	6%	0%	0%
Corporate/ Other	268	258	n/a	n/a	n/a	n/a	n/a	n/a
Total	16,000	15,131	6%	-2%	8%	8%	0%	0%

¹ Organic growth rate adjusted for accounting effects related to Argentina hyperinflation

Financial Calendar / Contact

Financial Calendar

Please note that these dates could be subject to change.

26 Feb 2025 Results FY/24 07 May 2025 Results Q1/25 23 May 2025 Annual General Meeting 06 Aug 2025 Results Q2/25 05 Nov 2025 Results Q3/25

Events

Please note that these dates could be subject to change.

07 Nov 2024	Roadshow London/UK
14 Nov 2024	HSBC Luxembourg Day
19 Nov 2024	DZ Bank Equity Conference, Frankfurt/Germany
19 Nov 2024	Roadshow Tokyo/Japan
20 Nov 2024	Roadshow Hong Kong
21 Nov 2024	Roadshow Singapore
28 Nov 2024	Roadshow Stockholm/Sweden
29 Nov 2024	Roadshow Copenhagen/Denmark
04 Dec 2024	Berenberg European Conference, Pennyhill/UK

- 13 Jan 2025 J.P. Morgan Healthcare Conference, San Francisco/USA
- 21 Jan 2025 KeplerCheuvreux German Corporate Conference, Frankfurt/Germany

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November 2024