

Fresenius Annual Press Conference Fiscal Year 2023: #FutureFresenius gaining momentum and increasingly creating value

Bad Homburg, 21 February 2024

Safe Harbor Statement

This presentation contains forward-looking statements that are subject to various risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to certain factors, e.g. changes in business, economic and competitive conditions, regulatory reforms, results of clinical trials, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, the availability of financing and unforeseen impacts of international conflicts.

Fresenius does not undertake any responsibility to update the forward-looking statements contained in this presentation.

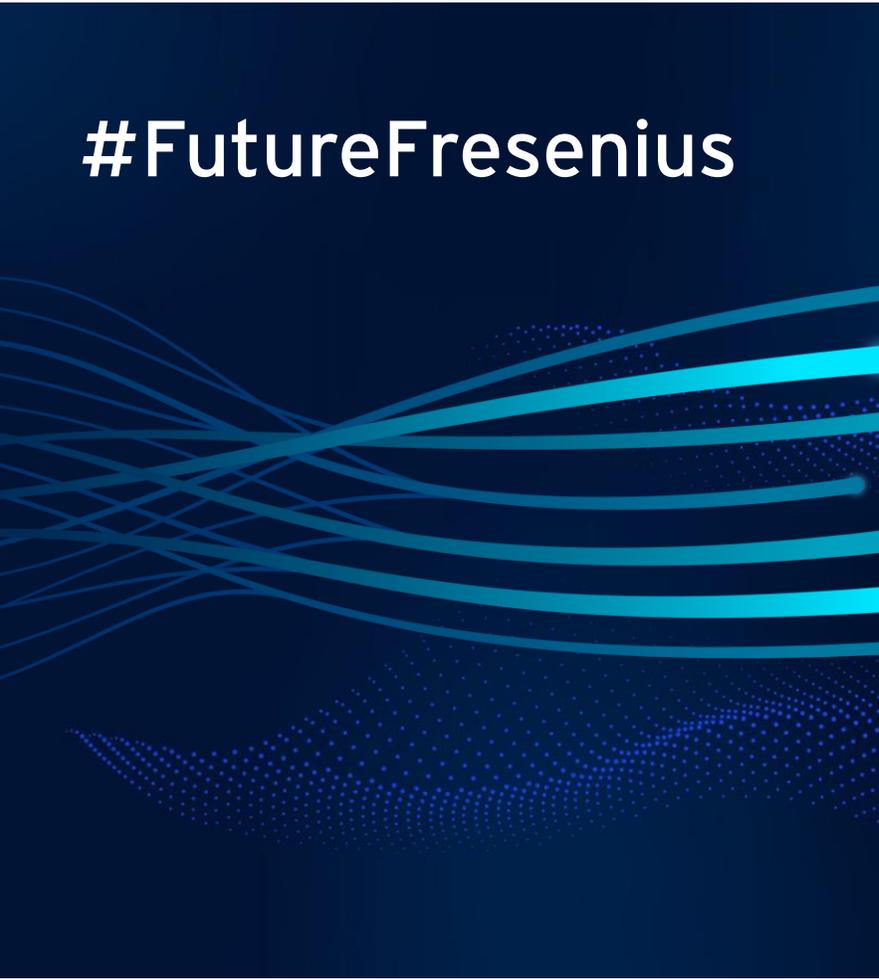
1 Performance in FY/23

2 Financial update

3 #FutureFresenius: Re-VITALIZE

#FutureFresenius is gaining momentum and increasingly creating value

#FutureFresenius



Clear focus, optimized portfolio and simpler structures



Accelerated earnings growth in our operating companies



Unique positioning to meet the future demands of healthcare



Advancing patient care is a priority

FY/23 – Simplification and focus to support our consistent performance

REVENUE



€22.3bn
+6%

Guidance FY/23:
Mid-single-digit
growth

EBIT



€2.3bn
+2%

Guidance FY/23:
Broadly flat
development

**OPERATING
CASH FLOW**
€2.1 bn
+5%

Organic revenue growth; EBIT growth in constant currency (cc)
Before special items

Consistent strong performance at Kabi and Helios

OPERATING COMPANIES

| | | Q1 YTD | Q2 YTD | Q3 YTD | FY/23 |
|---|--------------------------------|--------------------|--------------------|--------------------|--------------------|
|  FRESENIUS KABI | REVENUE ^{ORG.} | +7% ¹ ✓ | +7% ¹ ✓ | +7% ¹ ✓ | +7% ¹ ✓ |
| | EBIT | -4% ✓ | +1% ✓ | +2% ✓ | +3% ✓ |
|  FRESENIUS HELIOS | REVENUE ^{ORG.} | +5% ✓ | +6% ✓ | +6% ✓ | +5% ✓ |
| | EBIT | +2% ✓ | +3% ✓ | +4% ✓ | +4% ✓ |

✓ Within or above structural growth/margin band according to Fresenius Financial Framework

INVESTMENT COMPANY¹

¹ As a result of the deconsolidation, the investment in FMC is now classified in accordance with IAS 28 (at equity method) and presented in a single line item in Fresenius's balance sheet

| | | | | | |
|--|--------------------------------|-------|-------|-------|------------------|
|  FRESENIUS VAMED | REVENUE ^{ORG.} | +13% | +3% | +6% | +1% ² |
| | EBIT | -€27m | -€47m | -€37m | -€16m |

Before special items; EBIT growth in constant currency (CC)

¹ Excluding significant inflation accounting effects in Argentina ² Calculated for continued business

Outlook for FY/24: Consistent delivery on higher targets

OPERATING COMPANIES

FY/23 base¹

FY/24 outlook



€8,009m

Mid-single-digit organic revenue growth

€1,145m

Around 15% EBIT margin; structural EBIT margin band of **14 – 17%**



€11,952m

Low-to mid-single-digit organic revenue growth

€1,190m

Within structural EBIT margin band of 9 – 11%

INVESTMENT COMPANY



€2,201m

Mid-single-digit organic revenue growth²

-€16m

1 - 2%-points below structural EBIT margin band of 4 – 6%

¹ Please refer to the attachments for a reconciliation of the FY/2023 guidance base

² Calculated for continued business

Advancing patient care



**FRESENIUS
KABI**

Tyenne launched in first countries in **Europe**
mAbxience and Intas enter strategic partnership to **target autoimmune diseases**

Fresenius Kabi signs agreement with **Mayo** to deliver **10,000 Ivenix** large-volume infusion pumps

Fresenius Kabi **launches** Fresubin **plant-based** to address **growing demand** for alternatives in nutritional care

Fresenius Kabi introduces Smart Labels for **Diprivan** with Embedded **Fully Interoperable +RFID**

Advancing patient care



**FRESENIUS
HELIOS**

Five Quirónsalud centers in the **'top 10' private hospitals** with the **best reputation** in Spain (Monitor de Reputación Sanitaria 2023)

Quirónsalud brings **innovation to patients** with the first two Photon Counting CT scanners in Spain

Helios Germany **successfully completed** the **re-certification of its energy management system**

Successful measures to combat skills shortages, including international recruitment

#FutureFresenius:

Over-delivered in FY/23

- ✓ **Kabi and Helios with consistent strong performance**
- ✓ **Cost savings over-delivered – FY/25 target raised**
- ✓ **Simpler value-oriented structure: FMC deconsolidated**
- ✓ **VAMED turnaround progressing well**
- ✓ **Divestment program advancing**

1 Performance in FY/23

2 Financial update

3 #FutureFresenius: Re-VITALIZE

Q4/23: Strong finish to the year

REVENUE ^{ORG.}



EBIT



- Good organic revenue growth driven by strong performance of Operating Companies
- EBIT growth reflects strong performance at Kabi and Helios as well as Vamed's ongoing improvement
- Vamed turnaround making good progress: further sequential EBIT improvement in Q4



NET INCOME
EXCL. FMC



OPERATING
CASH FLOW



NET DEBT/EBITDA

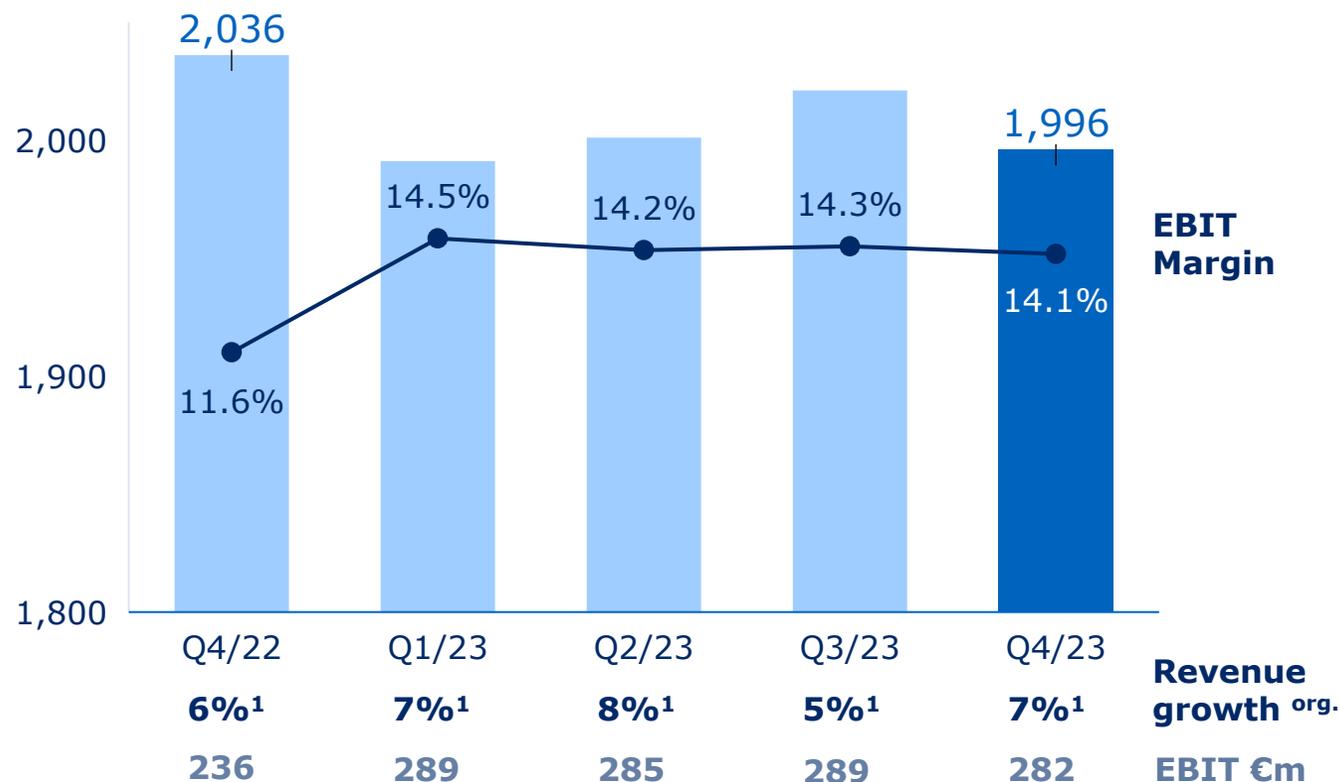
- Higher interest expense at -€118m (Q4/22: -€80m) due to rising interest rates
- Strong operating cash flow leads to lower leverage ratio at 3.76x (27bps below Q3)
- Higher tax rate of 36.4% in Q4 among others due to missing capitalization of tax loss carryforwards; FY/23 at 28.3%

Fresenius Kabi:

Growth vectors pace performance

QUARTERLY FINANCIALS

Revenue €m



MAIN DEVELOPMENTS

- Excellent organic revenue growth of 7%¹ yet again at top-end of structural growth band
- Growth Vectors fueling top-line with excellent 11%¹ organic revenue growth
- Pharma posted solid 3%¹ organic revenue growth
- EBIT margin for Q4/23 at 14.1% driven by strong top-line development and cost and efficiency measures well ahead of plan
- Significant margin expansion at Growth Vectors YoY

Before special items

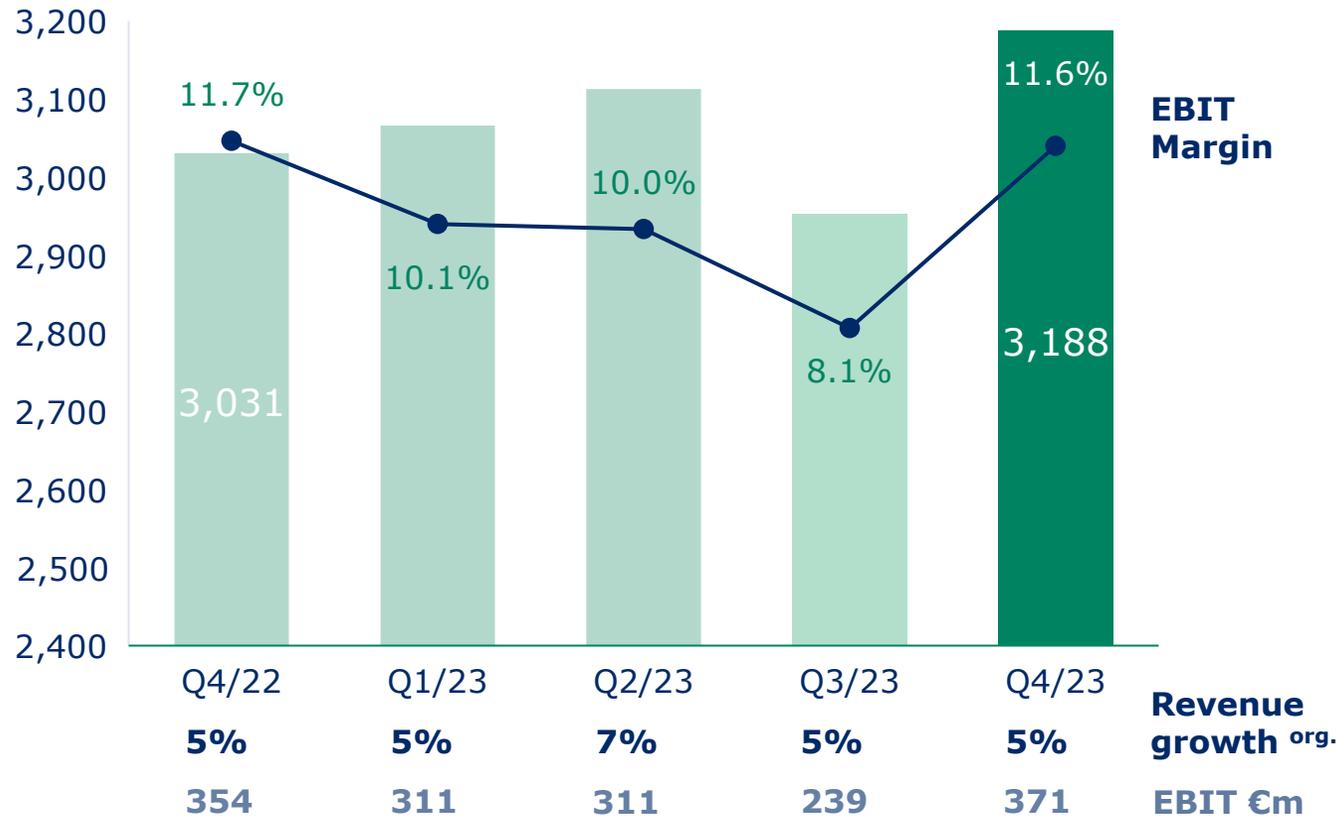
¹ To show the underlying business development, the organic growth definition was adjusted to fully exclude the significant inflation accounting effects in Argentina; according to old methodology organic growth for Fresenius Kabi overall would have been Q1: 7%, Q2: 8%, Q3: 7%, Q4: 14%

Fresenius Helios:

Strong finish to the year

QUARTERLY FINANCIALS

Revenue €m



Before special items

MAIN DEVELOPMENTS

- Strong organic revenue growth of 5% at top-end of structural growth band
- Excellent EBIT margin of 11.6% well above structural margin band in Q4/23 driven by Helios Spain (EBIT margin: 14.6%)
- Strong EBIT growth of 5% supported by strong top-line, cost savings progress and government relief funds
- Eugin divestment successfully completed in January 2024

2024: Focus on operational improvements and financial strength

Fresenius Financial Framework 2023 Actuals

Ambition level

| | Operating Companies | | Investment Companies FSE expectation as major shareholder | |
|---|---|--|--|---|
| |  FRESENIUS KABI |  FRESENIUS HELIOS |  FRESENIUS VAMED |  FRESENIUS MEDICAL CARE |
| EBIT margin <i>Ambition level</i> | 14.3% ✓ (14-17%) | 10.0% ✓ (9-11%) | -0.7% (4-6%) | 8.9% (10-14%) |
| Organic rev. growth <i>Ambition level</i> | 7% ✓ (4-7%) | 5% ✓ (3-5%) | | |
| CAPITAL EFFICIENCY ROIC | CAPITAL STRUCTURE Leverage ratio | CASH CCR¹ | DIVIDEND Progressive Dividend | |
| 5.2% (6-8%) | 3.8X (3.0-3.5X) | 1.0 ✓ (~1) | Suspended for FY/23 (making use of energy related relief funding) | |

¹ Cash conversion rate – defined as adjusted FCFBIT / EBIT (before special items)
All figures before special items

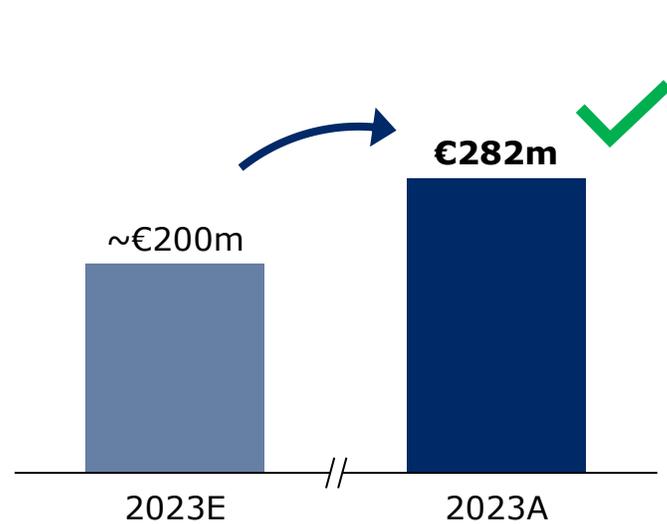
Priorities 2024

- 1** More cost savings
- 2** Drive down leverage
- 3** Focus on capital efficiency and returns

Raising FY/25 target: Cost savings upgrade

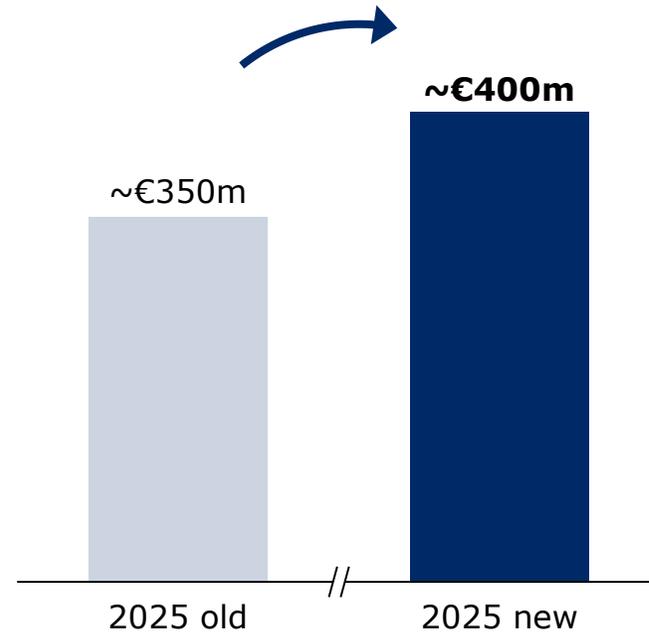
EXCEEDING GOALS FY/23

Cost savings | EBIT



One-time Costs €221m in 2023

INCREASED TARGET FY/25



~€80 to €100m between 2024–2025 confirmed

- FY/23 cost savings exceed target by >40%
- Kabi was largest contributor to cost savings
- In FY/24, approx. €330-350m of cost savings expected
- Ongoing targeted cost reduction programs among others through procurement, process optimization, digitalization

Improving debt profile as a top priority

3.0 TO 3.5X
LEVERAGE RATIO
IN FY/24



Operational performance



Increased cost savings



Disciplined and stringent capital allocation



Greater cash focus across the Group



Energy relief related dividend suspension for FY/23



Proceeds from portfolio optimization

ROIC improvements to drive value creation

OPERATING PERFORMANCE

Strong underlying growth
at **Kabi and Helios**

Steady improvement
at **Vamed**

Improved **structural productivity** and
efficiency

Increased **profitability**

INVESTED CAPITAL

Targeted and disciplined
capital allocation

Focused investments along strategic
growth pillars and **portfolio optimization**

Deconsolidation of FMC

FY/24: Continuous performance enhancements driven by strong base

- Accelerated performance of Operating Companies
- Cost savings
- Debt reduction
- Capital efficiency

1 Performance in FY/23

2 Financial update

3 #FutureFresenius: Re-VITALIZE

Healthcare Trends: Technology, Data and Biology



#FutureFresenius: Becoming a therapy-focused healthcare company



Group Outlook FY/24: Accelerating performance

**Earnings
per Share**



Re-VITALIZE

Revenue (org.)

3 – 6% GROWTH

EBIT (cc)

4 – 8% GROWTH





Attachments

Guidance base

| | | FY/2023 | | | |
|--|---------|---------------|------------------------------|--|-------------------------|
| | | Actual | Portfolio Adjustments Helios | Discontinued business Vamed ¹ | Base for Guidance FY/24 |
| €m | | | | | |
|  | Revenue | 8,009 | | | 8,009 |
| | EBIT | 1,145 | | | 1,145 |
|  | Revenue | 12,320 | -368 | | 11,952 |
| | EBIT | 1,232 | -42 | | 1,190 |
|  | Revenue | 2,356 | | -155 | 2,201 |
| | EBIT | -16 | | 0 | -16 |
| Corporate | Revenue | -386 | | | -386 |
| | EBIT | -99 | | | -99 |
|  | Revenue | 22,299 | -368 | -155 | 21,776 |
| | EBIT | 2,262 | -42 | 0 | 2,220 |

¹ Existing projects in respective countries will continue for a certain time period