

Credit Presentation

Fresenius SE & Co. KGaA

November, 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.

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Credit highlights **04**

#FutureFresenius **05**

01

Company overview

Company overview **01**

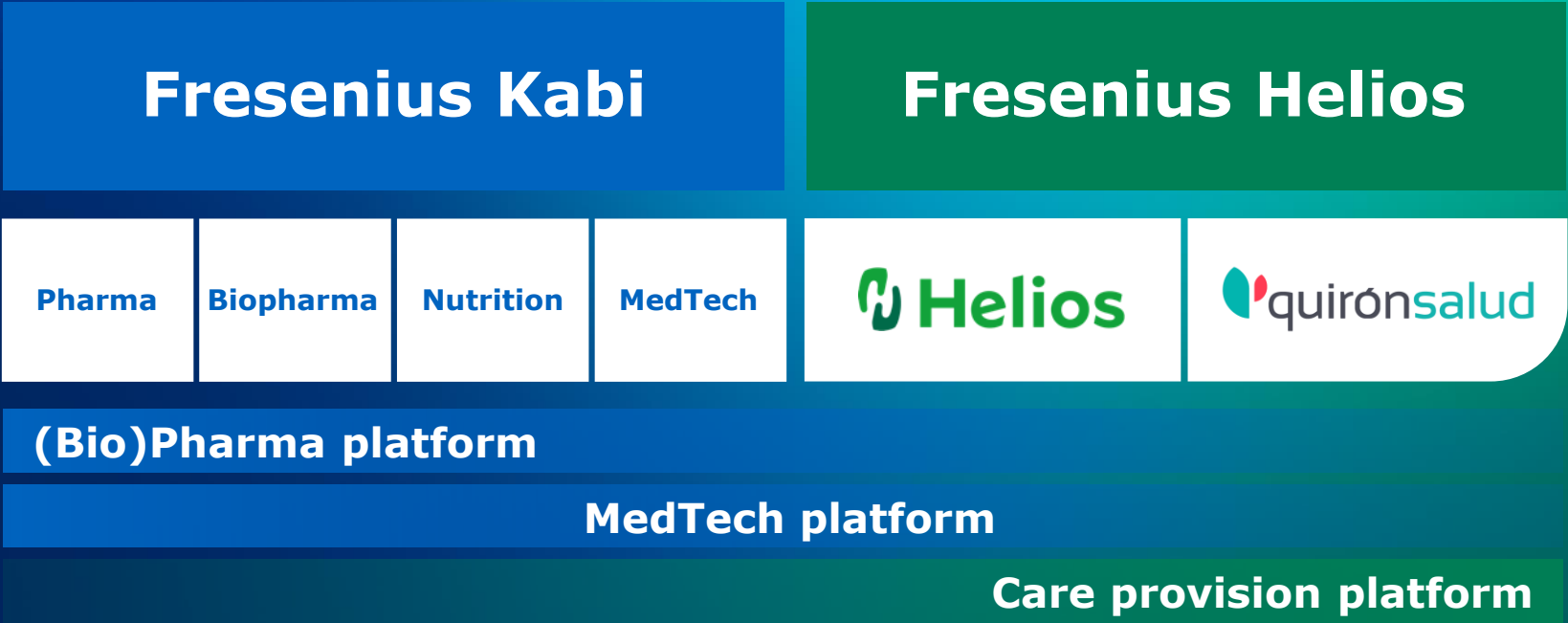
Business update Q3/24 **02**

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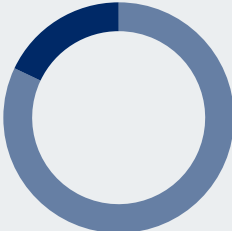

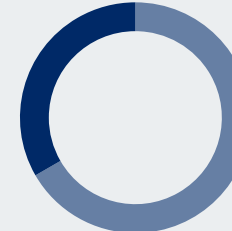
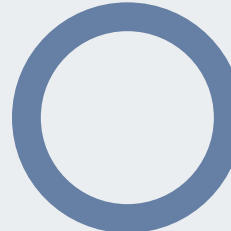
#FutureFresenius **05**

Simpler and focused



Fresenius Kabi

Strong relevance and scale across our 4 business units

	Pharma 	Nutrition 	MedTech 	Biopharma 
Overview	Hospital-sold generic IV Drugs and Fluids	Enteral and Parenteral Nutrition products	Stationary drug delivery and therapy devices	AIID & oncology biologic drugs (biosimilars)
Key facts	#1 global IV Drugs #3 global IV Fluids	#1 global Parenteral Nutrition #2 Enteral Nutrition Europe and China	#1 global provider for blood collection #2 Infusion Systems Europe and LATAM	> 100 % growth in biopharma '21-'22 10+ assets in the pipeline
Segment share	 <ul style="list-style-type: none"> IV Drugs IV Fluids 	 <ul style="list-style-type: none"> Parenteral Enteral¹ 	 <ul style="list-style-type: none"> TCT INS² 	 <ul style="list-style-type: none"> Biosimilars and CDMO
Revenue 2023	€3.8B	€2.3B	€1.5B	€0.4B

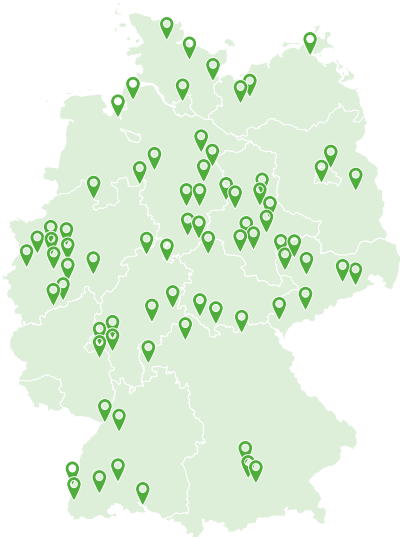
¹ Including Ketoanalogues ² Infusion & Nutrition Systems

Source: IQVIA, Fresenius Kabi internal analysis; market data refers to Fresenius Kabi's addressable markets

Fresenius Helios

We are the leading hospital care provider in Germany and Spain

Helios
80+ hospitals



Hospital location

GERMANY

SPAIN

#1 hospital provider
(~6% market share)



Position

#1 private hospital provider
(~12% market share¹)

89%
Share of cases with better
performance vs. market average



Quality

1st
Hospital group globally to receive
JCI² accreditation at corporate level

~78,000
in network



Workforce

~66,000
in network³

~€7B in 2023
(~60% of total)



Revenues

~€5B in 2023
(~40% of total)

~9%
EBIT margin in 2023



EBIT

~12%
EBIT margin in 2023

quirónsalud
57 hospitals



COLOMBIA

> **7** hospitals⁴

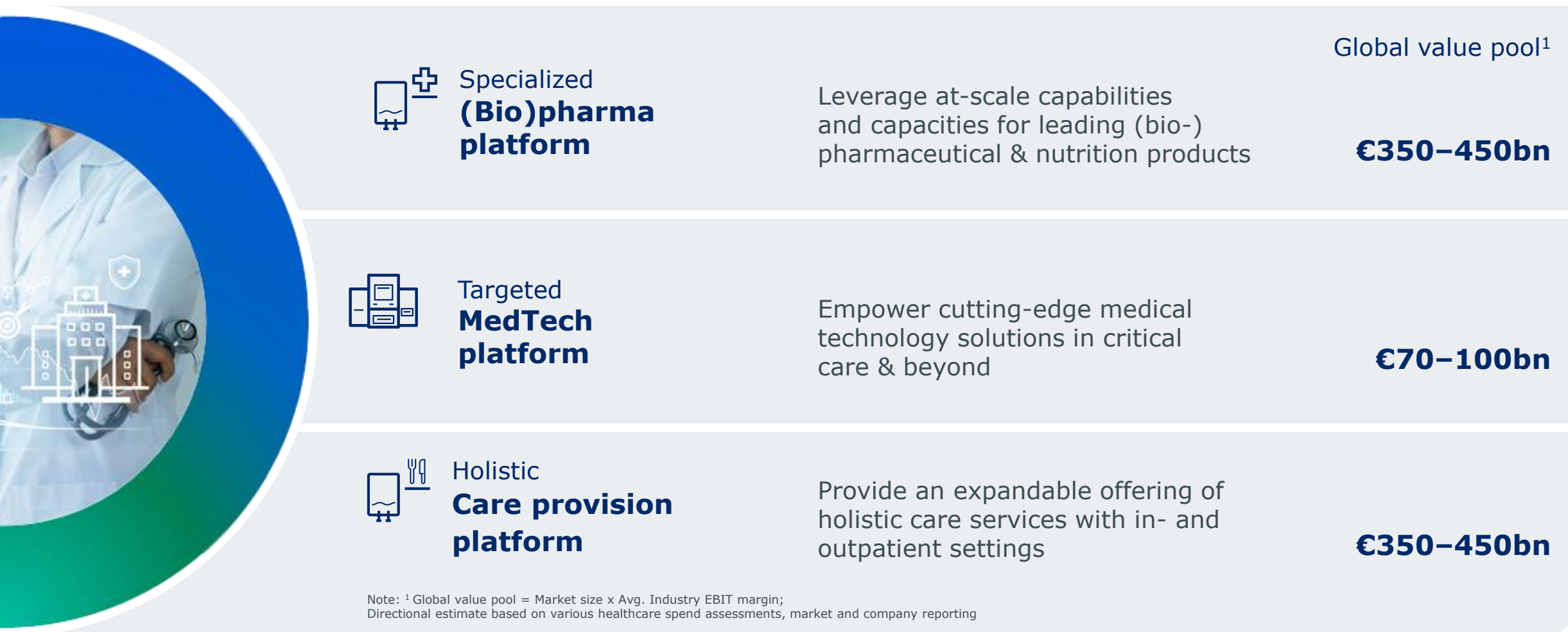
> positioned as medical
quality leader



¹ Excludes public-private partnerships (PPP) and Occupational risk prevention centers (ORP) | ² Joint Commission International | ³ Including ~50K employees and ~16K mercantile physicians | ⁴ 7 hospitals in Colombia are included in 57 Quirónsalud hospitals; Clínica Medellín has 2 locations, considered as 2 hospitals | Note: Statements alluding to our leading position refer to our market share based on revenues if not stated otherwise | Source: InEK, German Inpatient Quality Indicators (G-IQI), German Federal Statistical Office, Annual reports, Krankenhaus Rating Report

#FutureFresenius

Becoming a therapy-focused healthcare company



02

Business update Q3/24

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#FutureFresenius **05**

Q3/24

Simplification and focus drives sustained performance

Group highlights

Continued momentum and outlook upgrade

Excellent operating cash flow resulting from focused cash management & group outlook upgraded for FY 2024

Group-wide cost and productivity savings ahead of plan

Target for FY/2024 already achieved in Q3/24

Group organic revenue growth & strong bottom-line traction

Organic revenue growth of 9%¹ to €5.3 billion² & EBIT² increase of 9%^{3,4} to €552m in Q3/24

Ongoing momentum at Biopharma

Delivering positive EBIT in Q3/24 with Tyenne being in line with expectations



Credit highlights

CHF bond as first step to refinance 2025 maturities

Successful return to the Swiss bond market with a CHF 225m bond in October 2024

Ongoing positive feedback from rating agencies

S&P revised outlook from negative to stable and affirmed BBB rating on June 18

Further deleveraging based on excellent cash flow

Net leverage ratio at 3.24x^{2,5} and therefore in the middle of the self-imposed target corridor of 3.0x-3.5x

Gross debt decrease

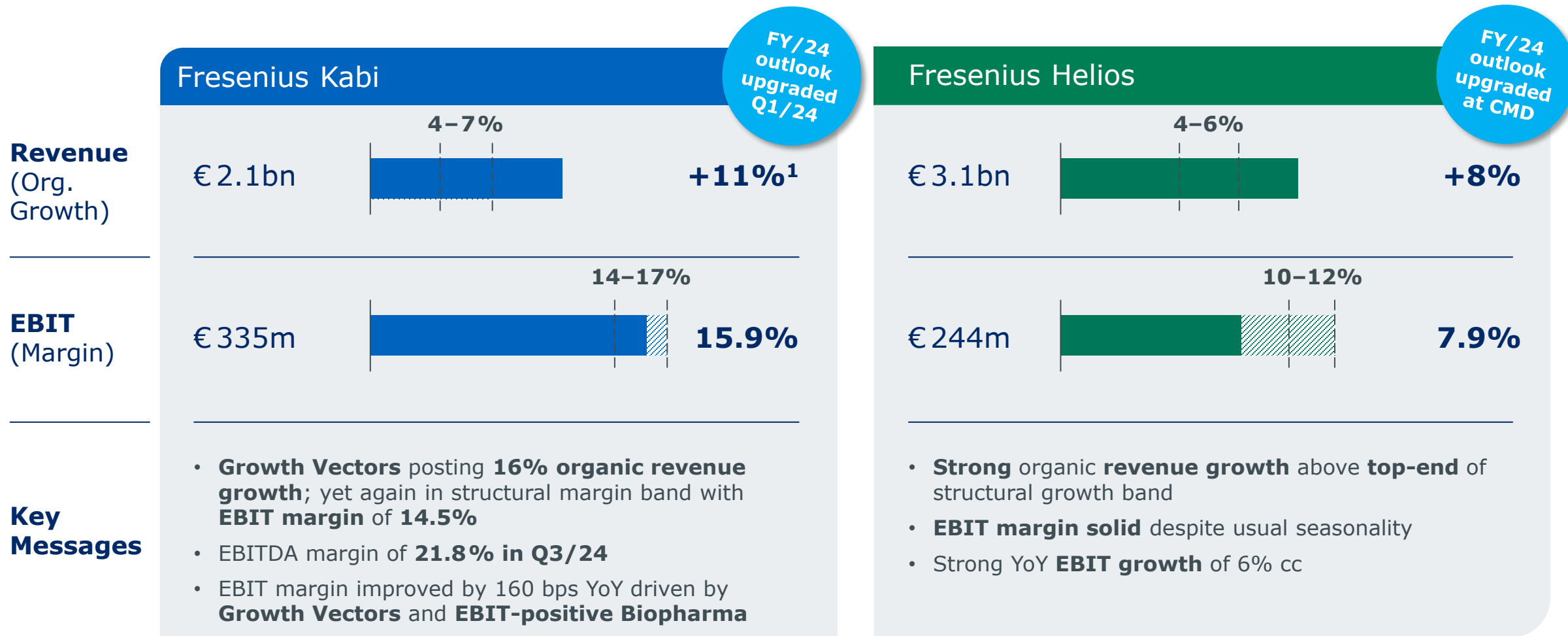
Decrease of -16% mainly due to the repayment of debt based on the excellent cash flow and the lease liability reduction related to the Vamed exit

#FutureFresenius

¹ Organic growth rate adjusted for accounting effects related to Argentina hyperinflation | ² Before special items | ³ Growth rate adjusted for Argentina hyperinflation | ⁴ In constant currency | ⁵ At average exchange rates for both net debt and EBITDA; pro forma closed acquisitions/divestitures, including lease liabilities, including Fresenius Medical Care dividend

Q3/24

Kabi and Helios above structural growth band



Before special items

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

Kabi: Growth Vector momentum continues

Biopharma

Q3/24 Revenue
€177m

+66%
yoy¹

- FDA and EMA approval for **Ustekinumab biosimilar**
- **mAbxience** and Teva announced second strategic global license agreement
- Evio announced **direct purchase agreement** with Kabi for Adalimumab

MedTech

Q3/24 Revenue
€384m

+7%
yoy¹

- Contract with SSM Health for Ivenix Infusion System with over **6,500 pumps**
- Development agreement with Cellular Origins for scalable automation of manufacturing of **cell and gene therapies**

Nutrition

Q3/24 Revenue
€597m

+11%
yoy¹

- Launch of **Peditrace Novum** in Europe, our pediatric trace element solution
- **China:** First sales of products under "Enteral Food" regulation produced in local Wuxi plant

Pharma

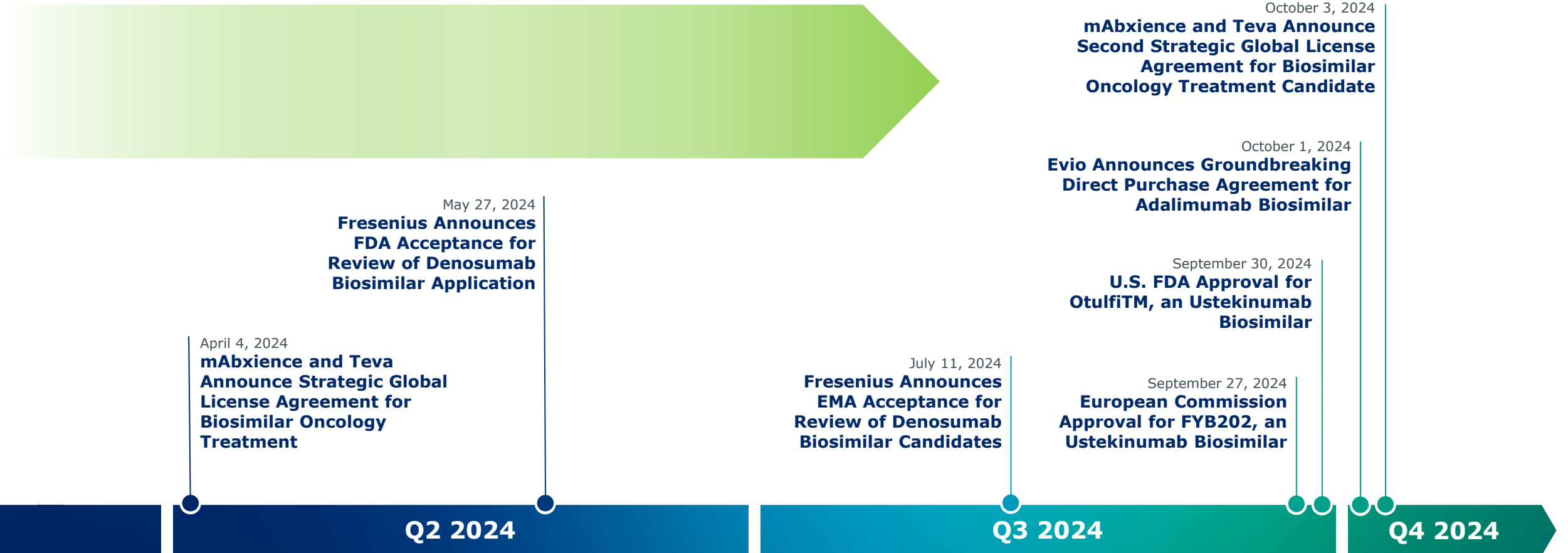
Q3/24 Revenue
€957m

+6%
yoy¹

- Investment decided for **new production line** for infusion solutions and ready-to-use medication solutions in Kutno, Poland
- Launches: **Lacosamide** (EU) and **Cetrorelix Acetate for Injection Kit** (US)
- **Divestment** of IV manufacturing site in Chile

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

Biopharma: Strong focus on market penetration reflected in recent successes



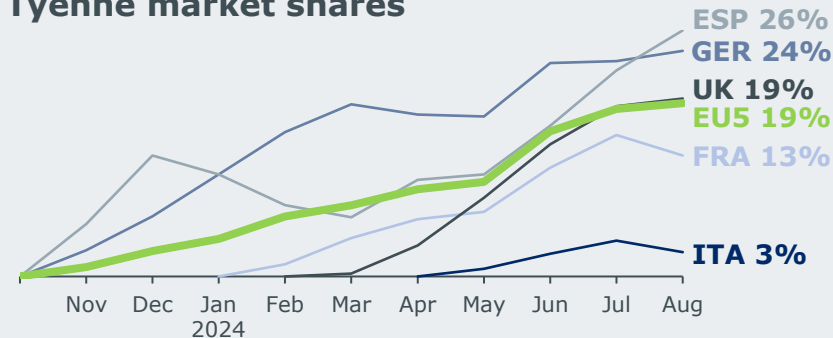
Tyenne: Strong momentum building



**RoE
RoW**

- Launched in **17 EU countries, UK & KSA**
- **19% market share** in EU5 (as of Aug'24)
- Essentially all **GER sick funds contracted**
- **95% tender win rate** in FRA

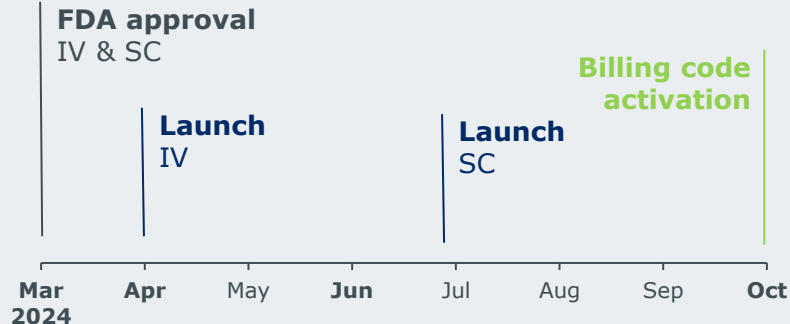
Tyenne market shares



Source: IQVIA Monthly Data



US Milestones



- Shipping under **>35 payor client agreements**
- **Permanent, product-specific Q-Code and pass-through payment status** granted
- **Contracted several large PBMs/IDNs; continuously adding new contracts**
- Largely moving **from parity to exclusive IL6/Tocilizumab** coverage in '25



Helios delivering consistent strong organic growth

Helios Germany

Q3/24 Revenue

€1,940m

+8%
yoy¹

- 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

Helios Spain

Q3/24 Revenue

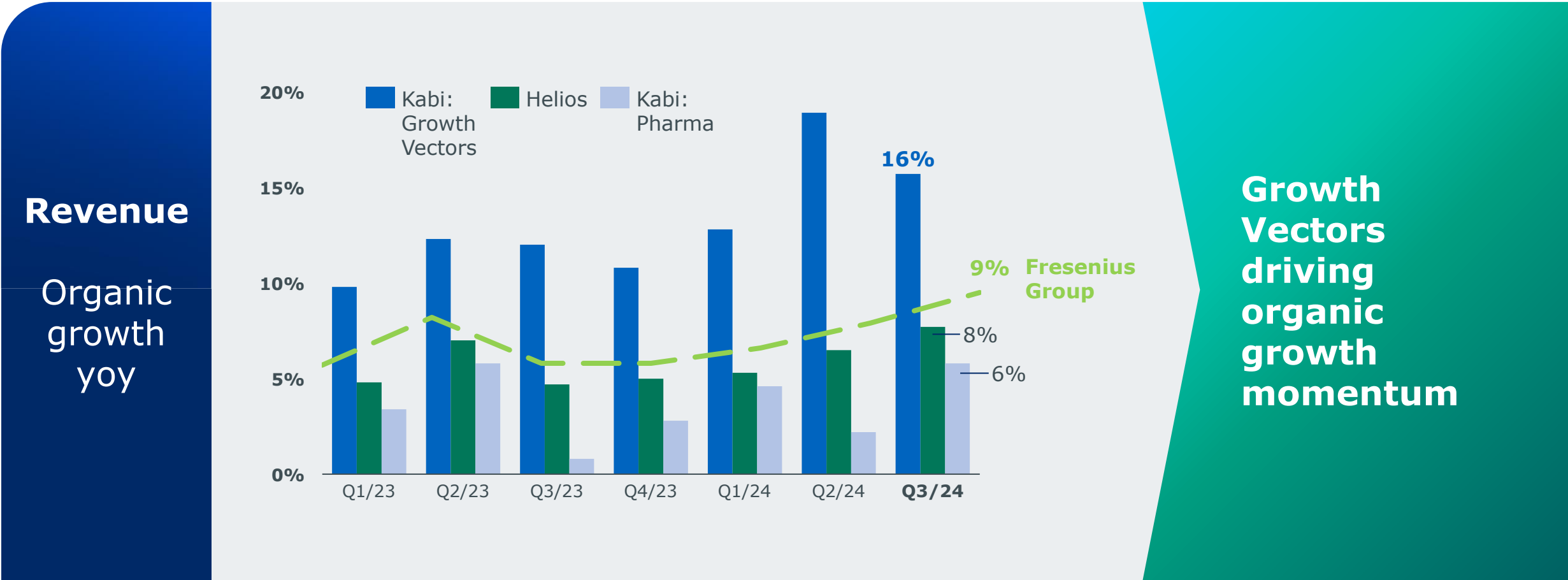
€1,142m

+8%
yoy¹

- 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

Creating sustainable value

Fresenius ESG strategy overview

Focus topics



Climate Change & Energy

Water, Circularity and Waste Management



Access & Affordability

Employee Development & Wellbeing

Diversity & Inclusion



Business Ethics



Corporate Sustainability Reporting Directive:
Transformative, groupwide & cross-functional project to collect ~120 KPIs based on ~600 data points in financial audit quality

Strategy and management

We are committed to being a socially and environmentally responsible corporate player in the global healthcare market, we ...

- Commit to the highest quality in products, treatments, and services
- Aim to be perceived as an attractive employer to acquire talent, retain employees, and allow them to further develop their skills
- Adhere to high ethical standards and rules of good corporate governance
- Protect nature as the basis of life and treat resources with care
- Committed to respecting human rights as defined by international standards



**-50%
Co₂-Emissions
by 2030**

By the end of this decade, we want to cut our direct and in-direct greenhouse gas emissions by half from the 2020 level.*

**Climate
neutral
By 2040**

We want to be climate neutral by 2040.*

Our climate protection goals are in line with the **maximum 1.5°C temperature increase** set out in the Paris Agreement.

*Scope 1&2

03

Financial review Q3/24

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Q3/24

Consistent strong financial performance

€5.3bn
+9% org.¹
Revenue

€552m
+9%²
EBIT

€312m
+7%²
Net income
excl. FMC

€0.55
+7%²
EPS excl. FMC

€763m
Operating
Cash Flow

3.24x
Net Debt /
EBITDA

Special items Q1-3/24 (EAT): €1,045m³; thereof €357m Vamed structured exit of Project Business, €406m discontinued Vamed operations (Rehab and Austrian operations)

Very strong revenue growth driven by an excellent delivery of Kabi and a strong performance at Helios

Strong EBIT growth of 9%² reflecting the operational improvements and rigorous execution

EPS increased by 7% demonstrating **financial progress**

Interest expense at -€116m (Q3/23: -€102m)
in line with expectations

Tax rate of 24.5% in Q3 (Q1-3/24: 25.1%)
in line with expectations

Cash flow showing **ongoing strong momentum**

Further significant deleveraging: Mid-point of target corridor at 3.24x; decline of 52 bps since YE/23

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

² Growth rate adjusted for Argentina hyperinflation

³ Excluding FMC: €850m

Before special items; P&L growth rates at constant currency (cc)

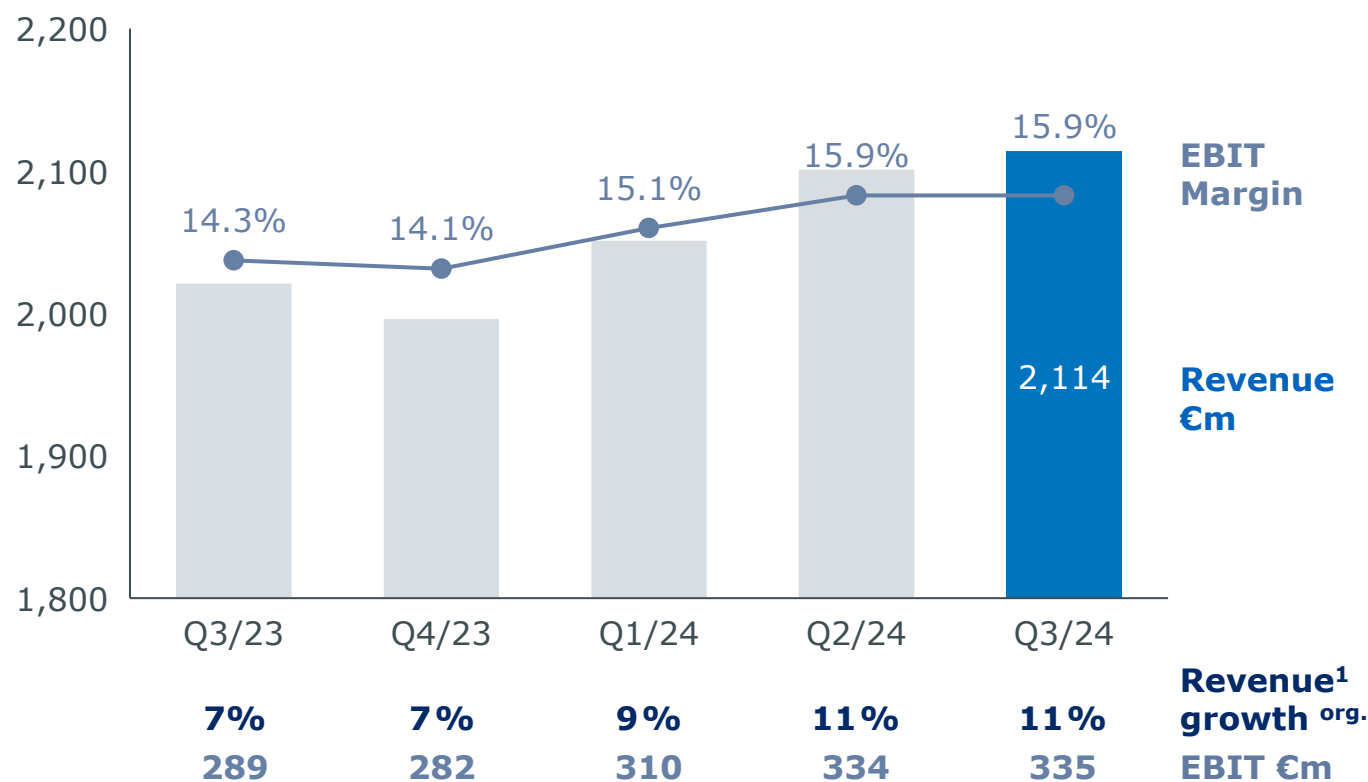
Net income attributable to shareholders of Fresenius SE & Co. KGaA

Cash Flow from continuing operations

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

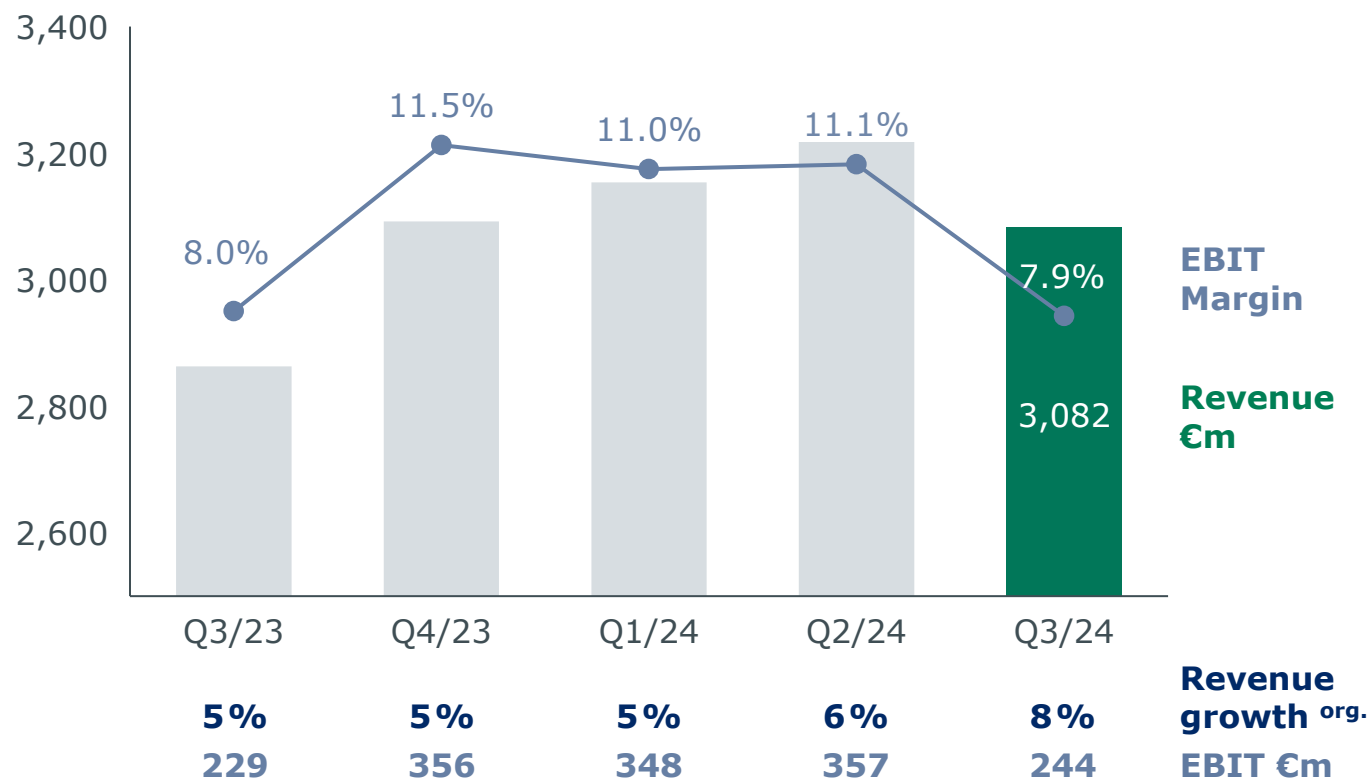
Very strong EBIT margin at 15.9% in Q3/24:

- 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



Before special items

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 top-line growth

Q3 EBIT and margin seasonally soft driven by Spain

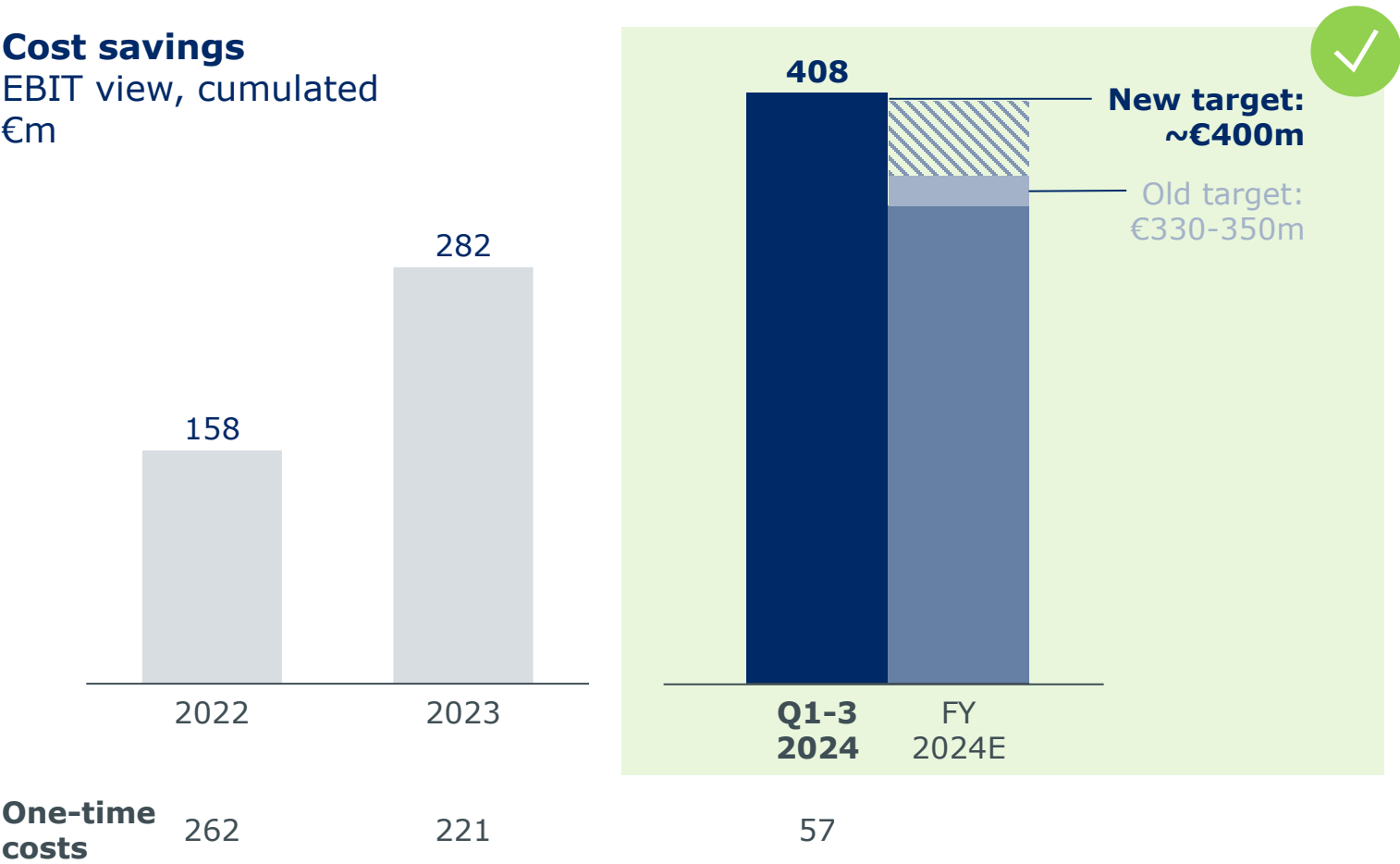
Helios Germany with good EBIT margin of 8.8% helped by energy relief funding

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%

Cost and productivity savings target achieved ahead of plan

Cost savings

EBIT view, cumulated
€m



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

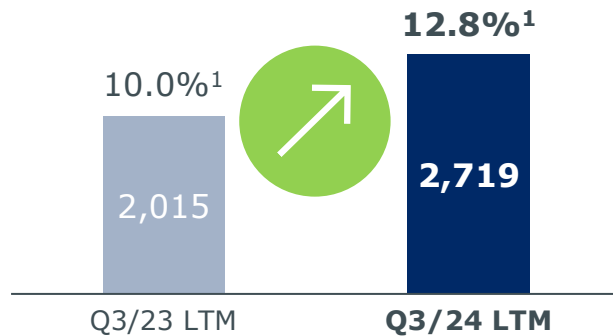
Operational excellence is key: Structural productivity initiatives to improve cost base sustainably

Incremental structural productivity initiatives expected for FY/25

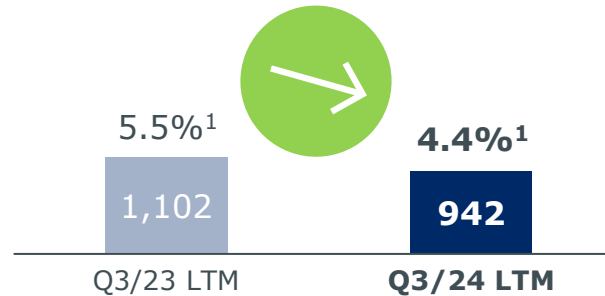
Historic numbers include Vamed; Targets for FY/24 and FY/25 are now excluding Vamed, but remain unchanged

Disciplined execution unlocking significant cash flow

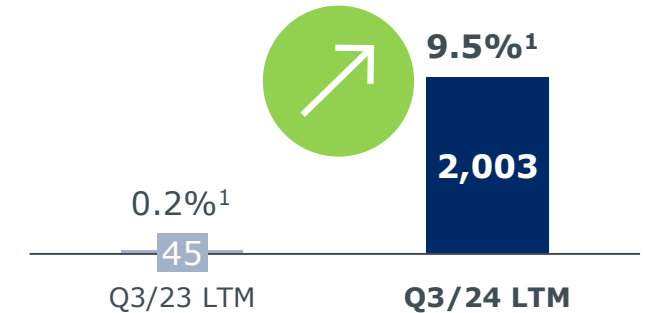
Operating cash flow €m



CAPEX €m



Free cash flow² €m



- **Excellent OCF performance** driven by both Kabi and Helios
- Strong contribution from successfully implemented **Working Capital measures**

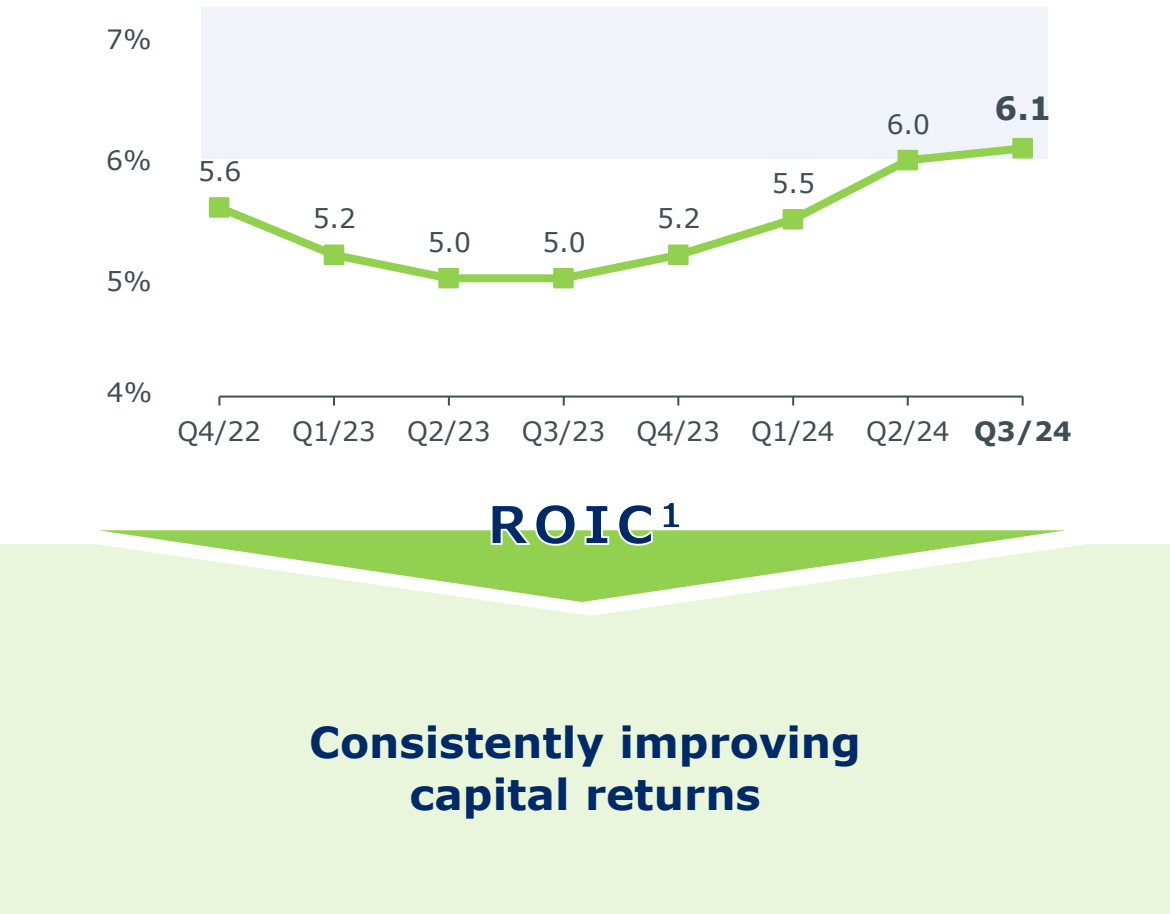
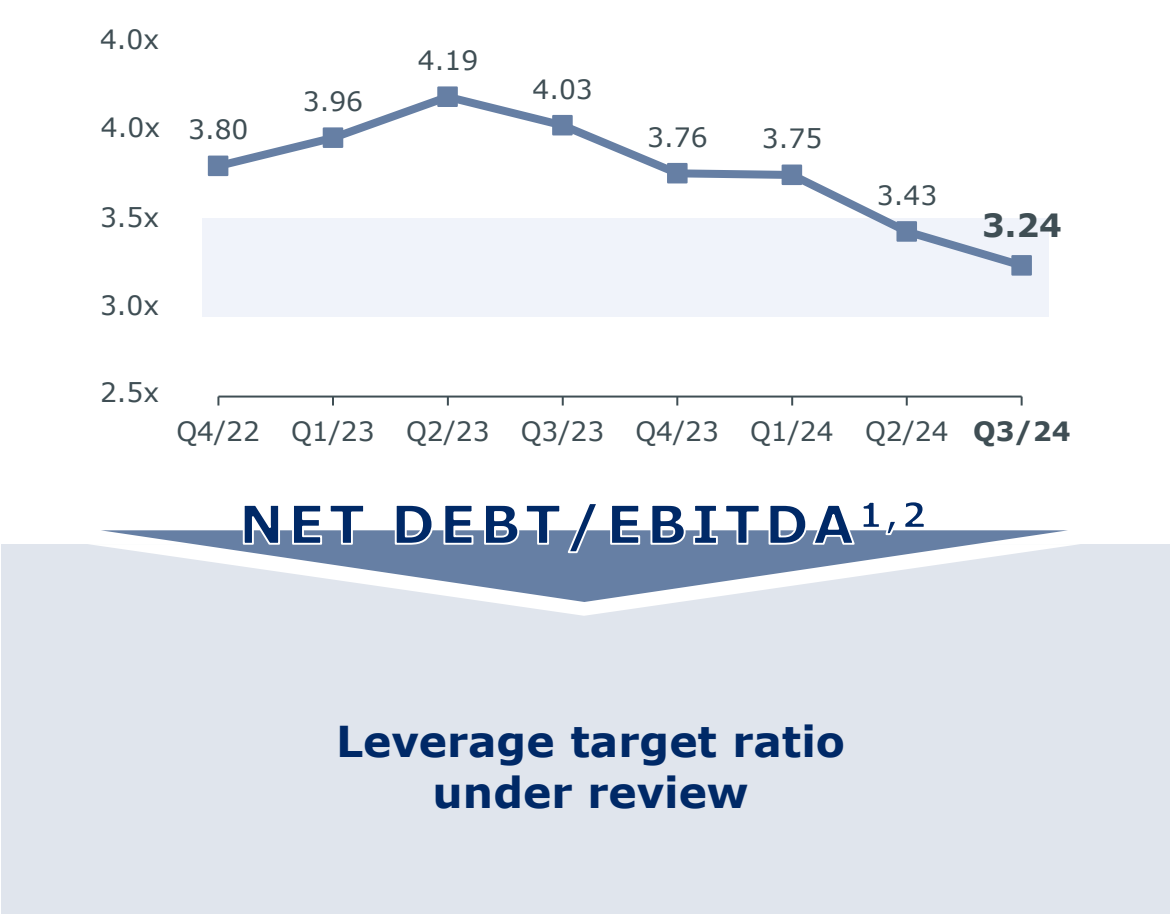
- Focused **capital allocation**
- CAPEX **managed tightly**
- **Some catch-up** expected for Q4/24

- **FCF improved significantly**
- 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



¹ 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

Revenue growth (organic):
4–7% growth



NEW OUTLOOK

Revenue growth (organic):
6–8% growth

Q1-3/24: 8%

EBIT growth (cc):
6–10% growth



EBIT growth (cc):
8–11% growth

Q1-3/24: 11%

Before special items
Please refer to page 25 of our Q3/24 Quarterly Financial Report for a reconciliation of the FY/2023 guidance base

04

Credit highlights

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#FutureFresenius **05**

Clear priorities for capital allocation



Deleveraging

Continuous commitment to our investment grade rating



Organic growth

Stringent CAPEX for organic growth
R&D to support portfolio innovation
Return focus



Shareholder return

No share buyback envisaged
Dividend suspended in 2024¹, thereafter maintaining dividend policy



M&A / inorganic growth

Large deals unlikely in near-term
Highly selective, cash-flow funded bolt-on acquisitions possible

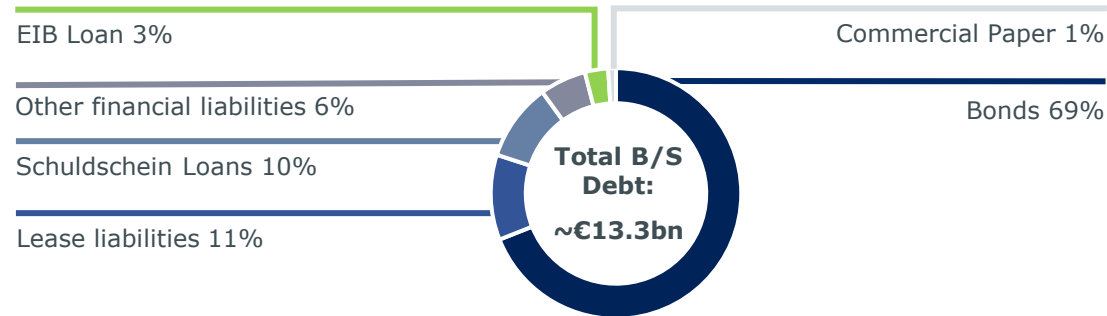
Commitment to IG rating

- Stringent capital allocation focused on organic growth and deleveraging
- Capital allocation in line with market and business prospects
- Reinvigorated focus on ROIC and Cash Conversion

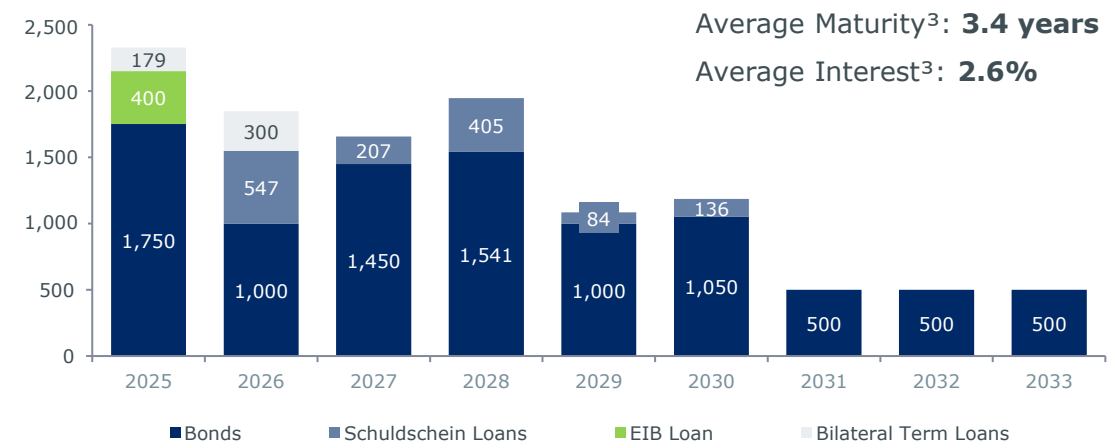
¹ Legally required due to making use of energy related relief funding

Prudent financing strategy and financial policy

Diversified financing mix¹



Well-balanced maturity profile^{1, 2} (€m)



Financial policy highlights¹

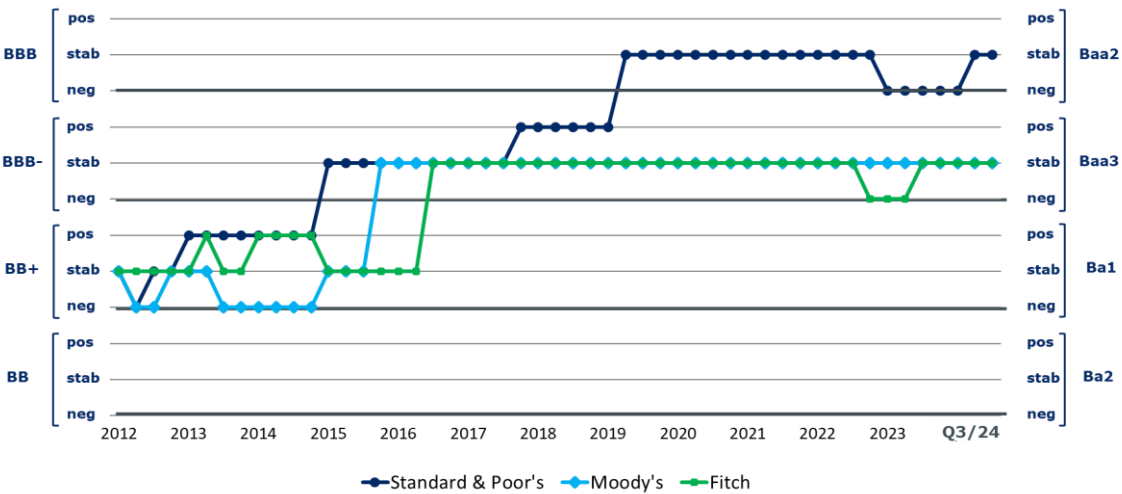
- **Sufficient liquidity reserve:**
 - Undrawn ESG-linked revolving credit facility of €2bn
 - Committed available bilateral credit facilities of ~€630m, complemented by available uncommitted facilities and €1.5bn Commercial Paper program
- **Conservative fix-floating rate debt mix of ~89%/11%³**
- **Strong access to capital markets:**
 - Three different debt markets tapped in 2023 despite volatile market environment
 - Successful return to the Swiss market in 2024 with the second CHF bond issuance
- **Large and strong relationship banking group**

¹ As of September 30, 2024, if not stated otherwise | ² Based on utilization of major financing instruments, excl. Commercial Paper and other cash management lines |

³ Calculations based on total financial debt, excluding Lease & Purchase Money Obligations

Fresenius SE: Credit rating overview

Rating history



Current credit ratings

Standard & Poor's
BBB
Outlook: stable

Moody's
Baa3
Outlook: stable

Fitch
BBB-
Outlook: stable

Rating agencies' key statements

S&P Global
Ratings
(Jun-24)

"We base the outlook revision on Fresenius's clear signs of **operational recovery**, and its **more simplified structure** and capacity to deliver on its **profitable growth plans**. [...] Our 'BBB' ratings on Fresenius reflects the company's **good cash flow** and **prudent discretionary spending**."

MOODY'S
(May-24)

"FSE's rating remains supported by (1) its **strong business profile**, underpinned by its large absolute scale and strong positions in its operating companies Helios und Kabi; (2) its **balanced regional footprint and segmental diversification** within the healthcare market; (3) exposure to **defensive non-cyclical demand drivers** with good fundamental **growth prospects** as well as the recurring nature of its revenue streams; (4) track record of **positive free cash flow generation**; and (5) a 32% stake in its dialysis subsidiary FMC, which provides additional financial flexibility."

FitchRatings
(Aug-24)

"FSE's business model risk remains strongly anchored within the 'BBB' rating category. This reflects the **prime market position in its two core divisions** both characterised by critical operating scale, and structurally rising demand for its products and services."

Key Credit KPIs Q3 2024



Leverage

Net debt/EBITDA^{1,2} **3.24 x**

Gross debt/EBITDA^{1,2} **3.65 x**

Equity ratio **45.8%**



Cash flow

Operating Cash flow³ in % of revenue **14.4%**

Free Cash flow^{3,4} in % of revenue **10.0%**

Cash Conversion Rate **1.2**



Interest coverage

EBITDA/Interest¹ **7.02 x**

EBIT/Interest¹ **4.76 x**



Investments

Capex in % of revenue **4.4%**

ROIC **6.1%**

¹ Before special items | ² At LTM average exchange rates for both debt and EBITDA; pro forma acquisitions /divestitures; including lease liabilities, including FME dividend |

³ Continuing operations | ⁴ Before acquisitions, dividends and lease liabilities

05

#FutureFresenius

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#FutureFresenius: Rigorous execution drives consistent delivery



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: Heading towards Re-Juvenation


RESET


REVITALIZE
Optimize portfolio &
refine operating model

REJUVENATE
Pursue platform-driven
growth opportunities

REIMAGINE
Shape the future
of healthcare

Simplification + Focus + Performance = VALUE

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.

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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