




Q1 2025 Results

**company continues
to deliver growth in
turbulent times**

- 
- 1 Q1 2025: Company continues to deliver growth in all three business sectors.
 - 2 Double-digit growth in Process Solutions, strong CM&E sales and continued semiconductor materials demand.
 - 3 Confident & well-positioned to achieve sustainable growth in 2025.

Disclaimer



Publication of Merck KGaA, Darmstadt, Germany. In the United States and Canada the group of companies affiliated with Merck KGaA, Darmstadt, Germany operates under individual business names (EMD Serono, Millipore Sigma, EMD Performance Materials). To reflect such fact and to avoid any misconceptions of the reader of the publication certain logos, terms and business descriptions of the publication have been substituted or additional descriptions have been added. This version of the publication, therefore, slightly deviates from the otherwise identical version of the publication provided outside the United States and Canada.

Cautionary Note Regarding Forward-Looking Statements and financial indicators

This communication may include “forward-looking statements.” Statements that include words such as “anticipate,” “expect,” “should,” “would,” “intend,” “plan,” “project,” “seek,” “believe,” “will,” and other words of similar meaning in connection with future events or future operating or financial performance are often used to identify forward-looking statements. All statements in this communication, other than those relating to historical information or current conditions, are forward-looking statements. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond control of Merck KGaA, Darmstadt, Germany, which could cause actual results to differ materially from such statements.

Risks and uncertainties include, but are not limited to: the risks of more restrictive regulatory requirements regarding drug pricing, reimbursement and approval; the risk of stricter regulations for the manufacture, testing and marketing of products; the risk of destabilization of political systems and the establishment of trade barriers; the risk of a changing marketing environment for multiple sclerosis products in the European Union; the risk of greater competitive pressure due to biosimilars; the risks of research and development; the risks of discontinuing development projects and regulatory approval of developed medicines; the risk of a temporary ban on products/production facilities or of non-registration of products due to non-compliance with quality standards; the risk of an import ban on products to the United States due to an FDA warning letter; the risks of dependency on suppliers; risks due to product-related crime and espionage; risks in relation to the use of financial instruments; liquidity risks; counterparty risks; market risks; risks of impairment on balance sheet items; risks from pension obligations; risks from product-related and patent law disputes; risks from antitrust law proceedings; risks in human resources; reputational issues related to ESG matters or our inability to reach our ESG aspirations; risks from e-crime and cyber attacks; risks due to failure of business-critical information technology applications or to failure of data center capacity; environmental and safety risks; unanticipated contract or regulatory issues; a potential downgrade in the rating of the indebtedness of Merck KGaA, Darmstadt, Germany; downward pressure on the common stock price of Merck KGaA, Darmstadt, Germany and its impact on goodwill impairment evaluations as well as the impact of future regulatory or legislative actions.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included elsewhere, including the Report on Risks and Opportunities Section of the most recent annual report and quarterly report of Merck KGaA, Darmstadt, Germany. Any forward-looking statements made in this communication are qualified in their entirety by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, us or our business or operations. Except to the extent required by applicable law, we undertake no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

This presentation contains certain financial indicators such as EBITDA pre adjustments, net financial debt and earnings per share pre adjustments, which are not defined by International Financial Reporting Standards (IFRS). These financial indicators should not be taken into account in order to assess the performance of Merck KGaA, Darmstadt, Germany in isolation or used as an alternative to the financial indicators presented in the consolidated financial statements and determined in accordance with IFRS. The figures presented in this statement have been rounded. This may lead to individual values not adding up to the totals presented.

Highlights: Company Continues to Deliver Growth in Turbulent Times



Operations

Q1 YoY organic sales growth¹

Life Science:

- Sales growing +3% driven by strong PS growth of +11%
- Very strong YoY improvement in PS orders
- SLS down -2% with headwinds from US policy changes

Healthcare:

- Sales increase +3% driven by strong growth in CM&E (+11%), Erbitux (+6%), and Mavenclad (+9%)

Electronics:

- Sales up +1% driven by +2% growth in Semiconductor Solutions
- Strong Semiconductor Materials growth benefitting from continued robust demand for AI and adv. nodes



Group Financials

Q1 organic sales: +2.5%

Q1 organic EBITDA pre: +5.8%

2025 Guidance:

Net sales: ~€20.9 – €22.4 bn

EBITDA pre: ~€5.8 – €6.4 bn

EPS pre: ~€7.90 – €9.00

Net financial debt to EBITDA pre:

1.2x on Mar. 31, 2025

Acronym(s): **PS** = Process Solutions; **SLS** = Science & Lab Solutions; **CM&E** = Cardiology Metabolism & Endocrinology; **AI** = Artificial Intelligence; ¹QoQ growth on reported basis



FINANCIAL OVERVIEW

Merck KGaA
Darmstadt, Germany

Q1 2025: Overview

Key figures

[€m]	Q1 2024	Q1 2025	Δ
Net sales	5,120	5,280	3.1%
EBITDA pre	1,454	1,535	5.6%
Margin (in % of net sales)	28.4%	29.1%	0.7pp
EPS pre	2.06	2.12	2.9%
Operating cash flow	1,035	556	-46.3%

[€m]	Dec. 31, 2024	March 31, 2025	Δ
Net financial debt	-7,155	-7,121	-0.5%
Net working capital	5,171	5,558	7.5%
Employees	62,557	62,604	0.1%

Comments

- Sales up +3%, driven by org. growth with modest support from FX / portfolio effects
- All sectors contributing org. sales growth
- EBITDA pre growth in all sectors with margin expansion in HC and EL
- EPS pre growth slightly lower than EBITDA pre, reflecting higher regular D&A, fin. result and HC R&D impairments
- OCF down significantly due to NWC outflow and higher non-income related tax phasing
- Working capital mainly reflects normalization in receivables phasing
- Net financial debt around stable

Life Science Q1: Low-teens Process Solutions Growth, Validating Ongoing Recovery

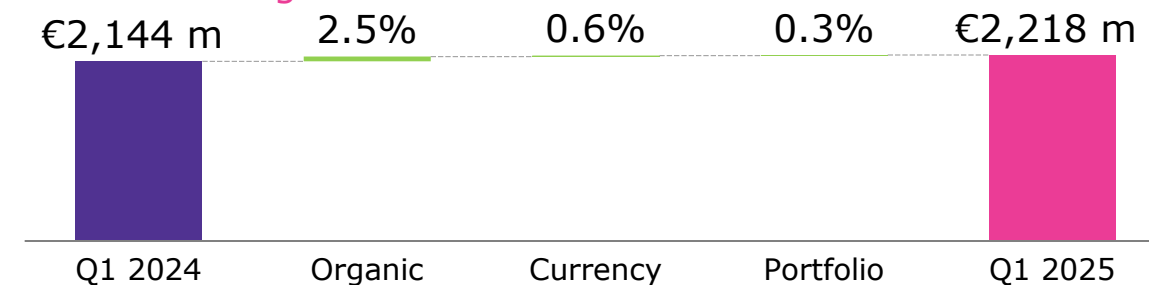
Life Science P&L

[€m]	IFRS		Pre	
	Q1 2024	Q1 2025	Q1 2024	Q1 2025
Net sales	2,144	2,218	2,144	2,218
M&S	-551	-555	-545	-554
Admin	-112	-107	-95	-99
R&D	-95	-99	-95	-99
EBIT	377	369	404	402
EBITDA	585	590	-	-
EBITDA pre	611	622	611	622
(in % of net sales)	28.5%	28.1%	28.5%	28.1%

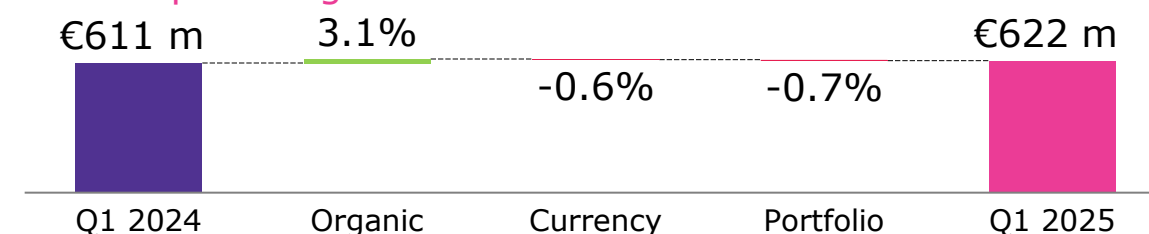
Comments

- Process Solutions: sales up +11% org. against softer comps, accelerating towards mid-term growth ambition of ~10%
- Order intake up very strong % YoY in Process Solutions continuing the momentum seen at the prior quarter
- Science & Lab Solutions: sales down -2% org. due to US policy changes impacting US academic and government labs spending amid continuously cautious pharma research spending

Net sales bridge



EBITDA pre bridge



- M&S and adjusted admin spend slightly up, in line with net sales growth demonstrating good cost discipline
- Slightly higher R&D expenses; continued investment in innovation as a key driver of future growth and differentiation
- EBITDA pre up +3% org., margin slightly up excluding FX and portfolio effects

Healthcare Q1: Continued Profitable Growth Driven by CM&E, Erbitux and Mavenclad

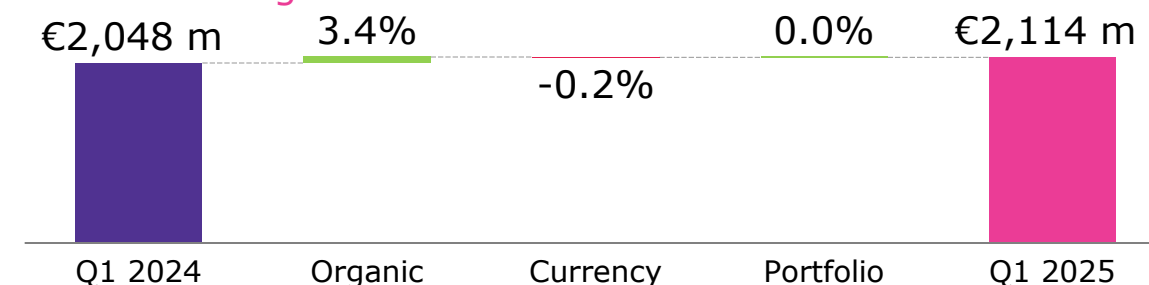
Healthcare P&L

[€m]	IFRS		Pre	
	Q1 2024	Q1 2025	Q1 2024	Q1 2025
Net sales	2,048	2,114	2,048	2,114
M&S	-398	-411	-395	-411
Admin	-75	-73	-74	-71
R&D	-397	-357	-393	-358
EBIT	618	703	620	698
EBITDA	706	801	-	-
EBITDA pre	708	796	708	796
(in % of net sales)	34.6%	37.6%	34.6%	37.6%

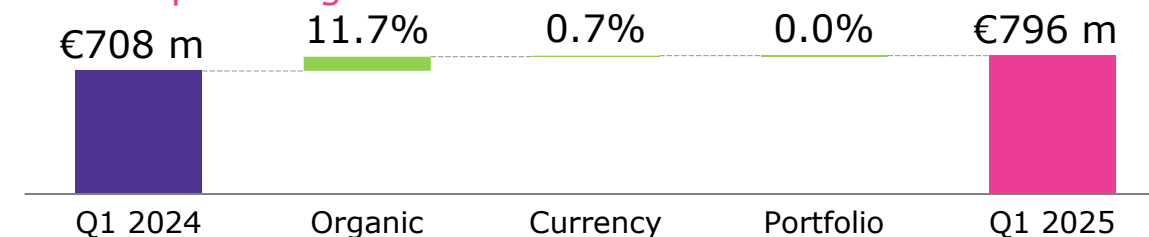
Comments

- CM&E sales up +11% org., broad-based across therapeutic areas with some favorable phasing; Fertility sales around stable against still elevated comps reflecting competitor stock-outs
- Oncology down -2% org., as growth of Erbitux® (+6% org.) and Tepmetko® (+5% org.) are offset by lower Bavencio® sales (-15% org.) due to rising competition
- N&I sales down -4% org., with strong growth of Mavenclad® (+9% org.) and Rebif® down (-25% org.) in declining interferon market
- M&S growing in line with sales
- R&D spending envelope gradually increasing from mid-teens percentage of sales level in H2'24 as projected
- EBITDA pre margin of 38% fueled by sales growth, temporarily lower R&D cost, and strict cost control

Net sales bridge



EBITDA pre bridge



Electronics Q1: Semiconductor Materials is the Key Growth Driver

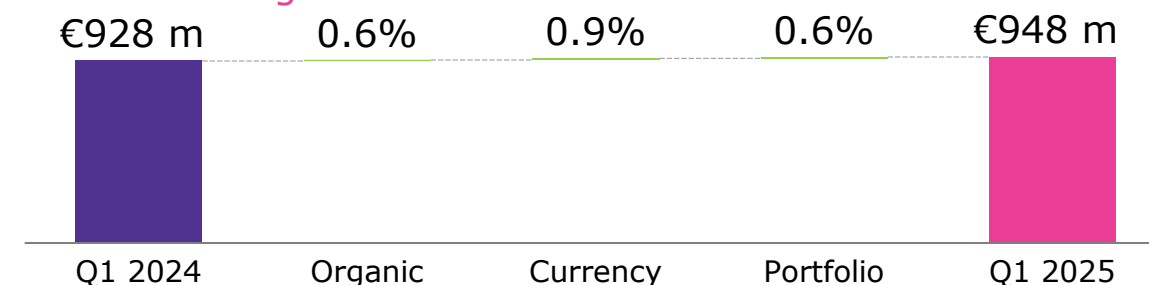
Electronics P&L

[€m]	IFRS		Pre	
	Q1 2024	Q1 2025	Q1 2024	Q1 2025
Net sales	928	948	928	948
M&S	-138	-142	-138	-139
Admin	-37	-48	-32	-36
R&D	-73	-76	-73	-76
EBIT	95	97	107	123
EBITDA	225	220	-	-
EBITDA pre	237	244	237	244
(in % of net sales)	25.5%	25.8%	25.5%	25.8%

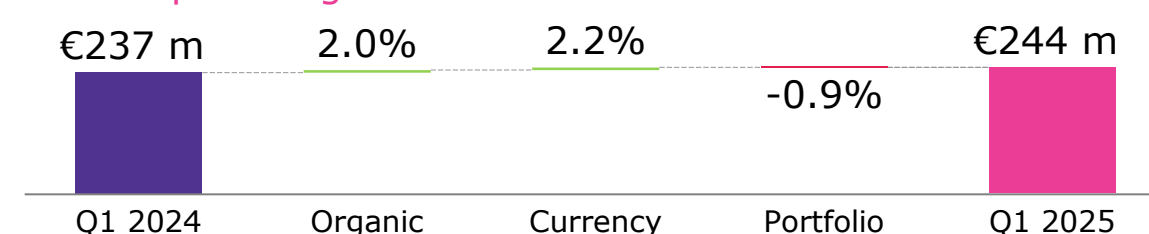
Comments

- Semiconductor Solutions: sales up +2% org., on HSD growth in Semi Materials with the highest quarterly sales since 2022; DS&S org. sales down low-double-digit % as customer project phasing further delayed
- Strong Materials demand continues, particularly for AI and adv. nodes; geopolitics adds uncertainty on wider market recovery timing
- Optronics: Sales around stable org.; UnitySC adds +4% portfolio effect
- Surface: sales down -7% org. on weaker cosmetics demand
- M&S costs around stable, amid strict cost discipline and efficiency measures with slightly higher adjusted admin costs
- Slight EBITDA pre margin expansion reflecting overall cost efficiency and positive mix effects from high value materials overcompensating start-up costs on new capacities
- Higher exceptional costs reflect carve out activities in the divestment of Surface Solutions¹; expected completion on-track for H2'25

Net sales bridge



EBITDA pre bridge





OUTLOOK & GUIDANCE

Merck KGaA
Darmstadt, Germany

Group

Full-year 2025 guidance

Net sales:

Organic: +2% to +6% YoY
FX: -3% to +0% YoY
~€20.9 – €22.4 bn

EBITDA pre:

Organic: +2% to +7% YoY
FX: -5% to -2% YoY
~€5.8 – €6.4 bn

EPS pre:

~€7.90 – €9.00

2025 Business Sector Guidance¹

Life Science

Net sales

- Organic: +2% to +6% YoY
- FX: -3% to +0% YoY
- ~€8.80 bn to €9.40 bn
- Driven by Process Solutions

EBITDA pre

- Organic: +1% to +7% YoY
- FX: -4% to -1% YoY
- ~€2.50 bn to €2.70 bn

Healthcare

Net sales

- Organic: +2% to +6% YoY
- FX: -4% to -1% YoY
- ~€8.30 bn to €8.90 bn
- Mainly driven by CM&E

EBITDA pre

- Organic: +4% to +10% YoY
- FX: -6% to -3% YoY
- ~€2.90 bn to €3.20 bn


Electronics

Net sales

- Organic: +1% to +6% YoY
- FX: -3% to +0% YoY
- ~€3.70 bn to €4.10 bn
- Driven by Semiconductor Materials

EBITDA pre

- Organic: -3% to +8% YoY
- FX: -3% to +0% YoY
- ~€0.90 bn to €1.10 bn

- 
- 1 Q1 2025: Company continues to deliver growth in all three business sectors.
 - 2 Double-digit growth in Process Solutions, strong CM&E sales and continued semiconductor materials demand.
 - 3 Confident & well-positioned to achieve sustainable growth in 2025.