




Full-year 2024 Results

**Delivering
profitable growth**

Merck KGaA
Darmstadt, Germany

- 
- 1 2024: Company returns to profitable growth, delivers on guidance.
 - 2 Q4: Strong performance across all business sectors.
 - 3 2025 outlook: Confident in continued profitable growth.

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Group – Guidance delivered

	2024 guidance	2024 results	
Net sales	€20.7 – 22.1 bn	€21.2 bn	✓
EBITDA pre	€5.8 – 6.4 bn	€6.1 bn	✓
EPS pre	€8.20 – 9.30	€8.63	✓



- Guidance: achieved
- Commitment met: return to profitable growth in 2024
- Resilience of multi-industry business model demonstrated

Highlights: Strong finish to 2024 with outstanding profitable growth



Operations

Q4 YoY organic sales growth¹

Life Science:

- Sales growing +2%, with solid QoQ growth (+4%)
- PS sales growth +4% YoY and +5% QoQ; SLS up +3%
- Very strong YoY and low-teens QoQ improvement in PS orders

Healthcare:

- Strong sales increase (+7%) driven by Oncology (+14%), CM&E (+8%), and N&I (+3%)
- Healthcare is the largest growth contributor to the Group

Electronics:

- Sales up (+2%) driven by solid growth in Semiconductor Solutions (+5%)
- Continued demand for differentiated materials, particularly for AI and adv. nodes, drives Semiconductor Materials growth



Group Financials

Q4 organic sales: +3.8%

Q4 organic EBITDA pre: +19.7%

2025 Guidance:

Net sales: €21.5bn to €22.9 bn

EBITDA pre: €6.1 bn to €6.6 bn

Net financial debt to EBITDA pre:

1.2x on Dec. 31, 2024

Stable **dividend** of €2.20 proposed²



FINANCIAL OVERVIEW

Merck KGaA
Darmstadt, Germany

FY 2024: Overview

Key figures

[€m]	FY 2023	FY 2024	Δ
Net sales	20,993	21,156	0.8%
EBITDA pre	5,879	6,072	3.3%
Margin (in % of net sales)	28.0%	28.7%	0.7pp
EPS pre	8.49	8.63	1.6%
Operating cash flow	3,784	4,586	21.2%

[€m]	Dec. 31, 2023	Dec. 31, 2024	Δ
Net financial debt	-7,500	-7,155	-4.6%
Net working capital	5,093	5,171	1.5%
Employees	62,908	62,557	-0.6%

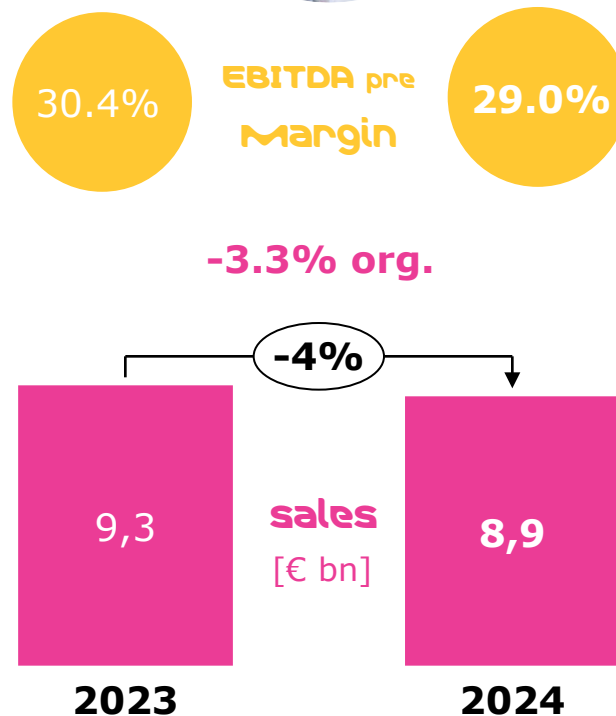
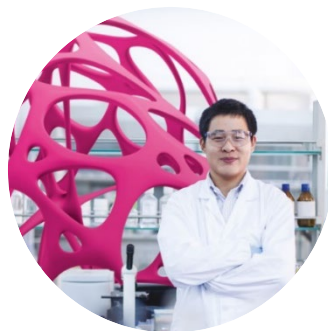
Comments

- Sales up +1% with organic growth overcompensating FX headwinds
- Strong sales growth from HC and EL partially compensated by moderate sales decline in LS
- EBITDA pre growth and margin expansion in HC and EL overcompensate LS decline
- Growth in EPS pre slightly lower than EBITDA pre, reflecting higher D&A
- OCF up higher than EBITDA pre, driven by higher D&A, lower LTIP cash out, lower cash taxes and PY UDC / HC outlicensing
- NWC around stable YoY
- Net financial debt significantly down YoY, even after acquisitions¹

Life Science: Leaving destocking behind in 2024 with H2 growth inflection

Business performance

- H2 growth inflection in PS (sales +4% org.), leaving customer destocking behind
- Organic sales down -3% with Science & Lab Solutions flat; Life Science Services (-9%); Process Solutions (-6%)
- Sales decline largely driven by customer destocking in Process Solutions, non-repeat of Covid-19 business (2023: ~€250 m)
- EBITDA pre margin down due to lower volumes YoY; gradual QoQ margin expansion across 2024 as volumes recover
- Slight unfavorable FX with negative impact on sales (-1%) and EBITDA pre



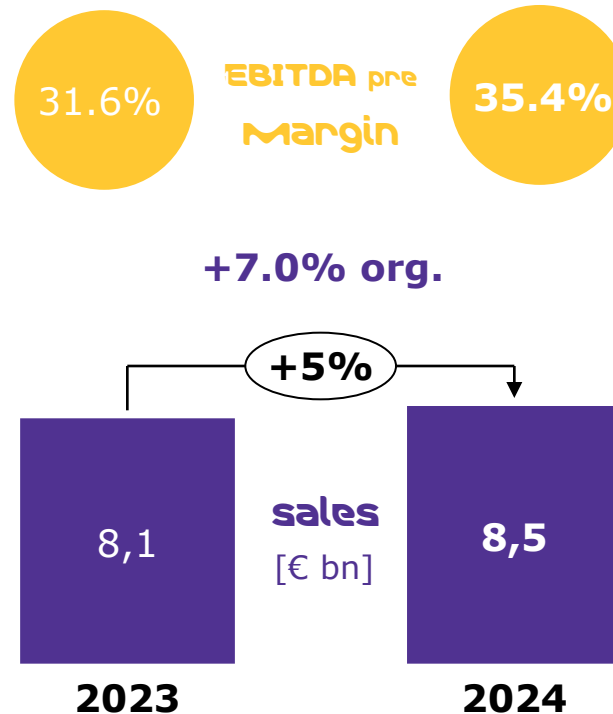
Sector focus

- **Reaccelerating towards mid-term growth targets in 2025**
 - Driven by PS as most customers started to re-order in '24; further acceleration across '25
 - SLS diversified geographically and by customer segments; expecting gradual recovery amid factors of uncertainty
- **Innovative portfolio supports growth aspirations**
 - Process Solutions a key enabler of next gen mAbs manufacturing, novels' production
 - Expanding portfolio offering for novels' production in PS, e.g. acquisition of Mirus Bio

Healthcare: Strong growth in CM&E and Oncology drive sector growth significantly above mid-term ambition

Business performance

- Strong sales growth, stringent cost focus and transitorily lower R&D drive significant EBITDA pre margin improvement
- Oncology sales growth of +13% org. driven by Erbitux[®] (+16% org.), Bavencio (+5% org.) and Tepmetko[®] (+43% org.)
- CM&E (+8% org.) largest growth contributor, strongly up in all therapeutic areas & regions
- N&I with slight growth (+2% org.); Rebif[®] decline offset by strong growth from Mavenclad[®] (+12% org.)
- Fertility slightly up (+1% org.) despite tough comps as competitor stock-outs ease
- Unfavorable FX with negative impact on sales (-2%) and EBITDA pre (-5%)



Sector focus

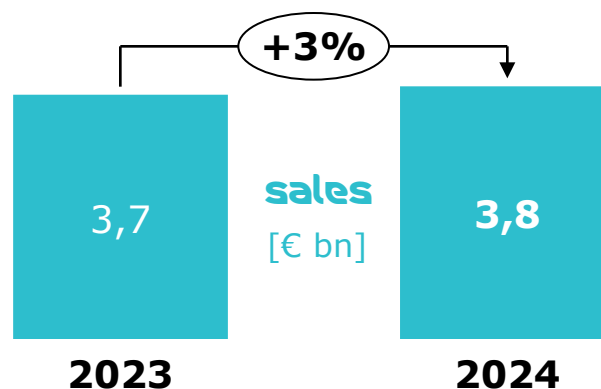
- Strong confidence in long-term growth led by internal and external innovation**
 - Oncology and N&I franchises remain core
 - Promising late-/mid-stage pipeline assets (incl. Pimicotinib, cladribine capsules, enpatoran)
 - Exciting early-/mid-stage Oncology pipeline (novel ADCs and next-gen DDRs)
 - ~50% of launches to be sourced from external innovation with stringent criteria
- Resilient portfolio driving slight growth in the medium-term**
 - Sustained growth from established franchises not exposed to patent expiries
 - Broad footprint in Fertility and CM&E capturing developing market potential

Acronym(s): **CM&E** = Cardiology Metabolism & Endocrinology; **N&I** = Neurology & Immunology; **R&D** = Research & Development; **FX** = Foreign exchange; **DDR** = DNA Damage Response; **ADC** = Antibody-drug conjugates

Electronics: Profitable growth in Semiconductor Solutions driven by AI and advanced node technologies

Business performance

- Semiconductor Solutions sales up +8% org; now ~80%¹ of segment sales excl. Surface
- Semiconductor Materials with low-teens sales growth driven by demand for high-value materials, particularly in AI
- Delays to customer fabs impacts DS&S project scheduling into 2025 and beyond
- Display Solutions sales down -3% org. with continuous price declines in general LC partially compensated by growth areas
- EBITDA pre margin expanded >200bps excl. UDC² effect; support from '24 efficiency program



Sector focus

- **Short-term industry outlook**
 - Continued growth in materials needed for AI and advanced nodes technologies
 - Wider semi market yet to meaningfully rebound, with gradual recovery expected
- **Ecosystem relevance with acceleration in mid-term growth ambition**
 - Mid-term sales growth target upgraded to +5% to +9% org. at CMD24
 - Clear tech leadership in key high-value materials³; Well-placed for AI growth⁴
 - Several layers of integration across materials, DS&S, R&D services and metrology and inspection
- **Electronics pureplay transformation**
 - Deal signed to divest Surface Solutions with expected completion timing in H2'25



OUTLOOK & GUIDANCE

Merck KGaA
Darmstadt, Germany

Group

Full-year 2025 guidance

Net sales:

Organic: +3% to +6% YoY

FX: -1% to +2% YoY

~€21.5 – €22.9 bn

EBITDA pre:

Organic: +3% to +8% YoY

FX: -2% to +1% YoY

~€6.1 – €6.6 bn

2025 business sector guidance¹

Life Science



Net sales

- Organic: +2% to +7% YoY
- FX: 0% to +3% YoY
- ~€9.1 bn to €9.8 bn

EBITDA pre

- Organic: +2% to +9% YoY
- FX: -1% to +2% YoY
- ~€2.6 bn to €2.9 bn

Healthcare



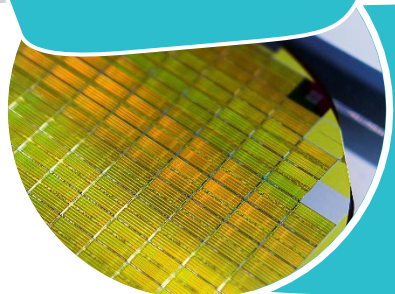
Net sales

- Organic: +1% to +5% YoY
- FX: -2% to +1% YoY
- ~€8.3 bn to €8.9 bn

EBITDA pre

- Organic: +3% to +9% YoY
- FX: -3% to 0% YoY
- ~€3.0 bn to €3.3 bn

Electronics




Net sales

- Organic: +2% to +6% YoY
- FX: 0% to +3% YoY
- ~€3.8 bn to €4.2 bn

EBITDA pre

- Organic: +3% to +9% YoY
- FX: +2% to +5% YoY
- ~€1.0 bn to €1.1 bn

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