

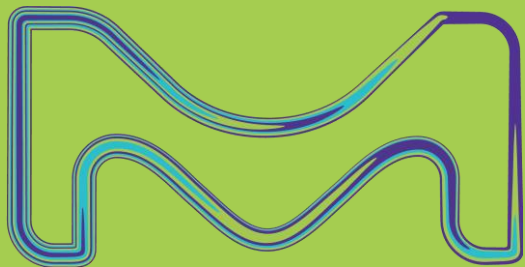
Returning to Growth with Improved Guidance

Merck KGaA, Darmstadt, Germany

Q2 2024 results

Belén Garijo, CEO
Helene von Roeder, CFO

August 1, 2024



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Agenda

01 Executive summary

02 Financial overview

03 Outlook & Guidance



EXECUTIVE SUMMARY

01



Highlights: Group returns to sales growth



Operations

Life Science:

- Sales down -4% org. compared to prior year, when destocking was not yet fully reflected, with residual COVID-19 headwinds
- Second quarter of positive QoQ order intake in PS, further confirmation H2>H1 sales dynamic

Healthcare:

- Sales up +5% org. driven by Oncology (+9% org.) and CM&E (+13% org.)
- Healthcare with largest growth contribution to Group

Electronics:

- +8% org. sales growth driven by demand for AI and advanced nodes in Semi Materials
- Semiconductor Solutions with +11% org. growth



Group Financials

Q2 organic sales: +1.7%

Q2 organic EBITDA pre: -0.8%

Guidance:

Net sales: €20.7bn to €22.1 bn

EBITDA pre: €5.8 bn to €6.4 bn

EPS pre: €8.20 to €9.30

Net financial debt to EBITDA pre:

1.4x on June 30, 2024



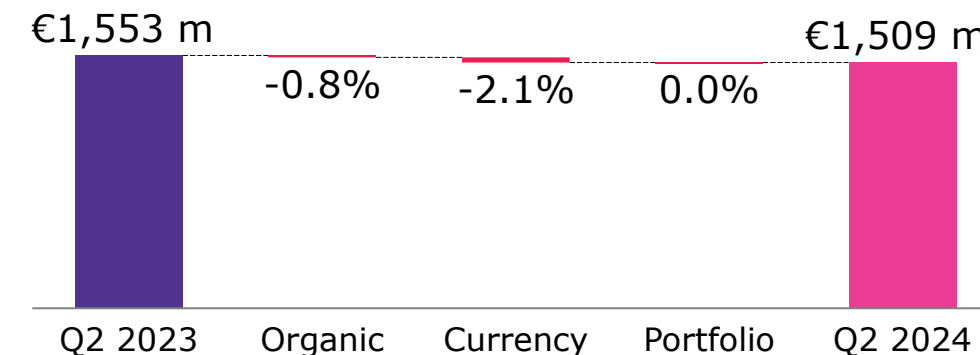
Strong operative performance in Healthcare and Electronics

Q2 YoY Net Sales

	Organic	Currency	Portfolio	Total
Life Science	-3.7%	-0.4%	0.0%	-4.1%
Healthcare	5.3%	-1.1%	0.0%	4.3%
Electronics	7.6%	-0.9%	-0.2%	6.5%
Group	1.7%	-0.7%	0.0%	0.9%

- Life Science: Down -4% org. against strong Q2'23 comparable, with SLS (+1% org.) and LSS (+8% org.) partially compensating PS (-12% org.); PS sales up +7% QoQ
- Healthcare: Sales growth of +5% org. with positive contribution from CM&E and Oncology across nearly all regions. N&I with tough comps in Q2
- Electronics: Semiconductor up +11% org., driving sector growth; Display down -2% org.; Surface up +4% org.

Q2 YoY EBITDA pre



- Life Science: Down -6% org. mainly due to lower volumes and idle & start-up capacities
- Healthcare: Up +5% org. fueled by topline growth. Full Bavencio rights and lower R&D overcompensate mid-DD Xevinapant termination provision
- Electronics: Down -3% as op. leverage largely compensates prior year UDC patent effect
- Solid increase of EBITDA pre in operative business¹

Acronym(s): SLS = Science & Lab Solutions; LSS = Life Science Services; PS = Process Solutions; CM&E = Cardiology Metabolism & Endocrinology; N&I = Neurology & Immunology; R&D = Research & Development; UDC = Universal Display Corporation; ¹Adjusting for Xevi and UDC one-time effects; Totals may not add up due to rounding



Financial Overview

02

Q2 2024: Overview

Key figures

[€m]	Q2 2023	Q2 2024	Δ
Net sales	5,302	5,352	0.9%
EBITDA pre	1,553	1,509	-2.9%
Margin (in % of net sales)	29.3%	28.2%	-1.1pp
EPS pre	2.20	2.20	0.0%
Operating cash flow	622	861	38.4%

[€m]	Dec. 31, 2023	Jun 30, 2024	Δ
Net financial debt	-7,500	-7,950	6.0%
Net working capital	5,093	5,762	13.1%
Employees	62,908	62,176	-1.2%

Comments

- Sales up +1% with organic growth overcompensating slight FX headwinds
- Sales growth driven by HC and EL, with decline in LS
- HC EBITDA pre growth only partially compensates lower EBITDA pre in LS, with EL only slightly down
- EPS pre already stable with return to growth in LS yet to come
- Operating cash flow up, mainly due to lower bonus payments
- Net financial debt up mainly due to dividend payment, mitigated by strong OCF in H1; NWC stable from Q1'24

Acronym(s): OCF = Operating Cash Flow; NWC = Net Working Capital; FX = foreign exchange; LS = Life Science; HC = Healthcare; EL = Electronics; Totals may not add up due to rounding



Q2 2024: Reported figures

Reported results

[€m]	Q2 2023	Q2 2024	Δ
EBIT	969	792	-18.3%
Financial result	-76	-7	-90.6%
Profit before tax	894	785	-12.1%
Income tax	-188	-180	-4.2%
<i>Effective tax rate (%)</i>	21.0%	22.9%	1.9pp
Net income	704	607	-13.7%
EPS (€)	1.62	1.40	-13.6%

Comments

- EBIT declines, driven mainly by €140 m impairment of Xevinapant, as well as operating performance in Life Science
- Favorable financial result mainly due to lower taxes and LTIP provisions alongside higher interest income
- Effective tax rate increased to 23%, at the top end of the guidance range due pillar 2 expenses and higher impairment related costs booked in Q2
- Net income and EPS profile mainly reflect Xevinapant impairment costs, partially compensated by favorable financial results

Acronym(s): LTIP = Long-term Incentive Plan; Totals may not add up due to rounding



Life Science Q2: Sequential sales and EBITDA growth in all businesses

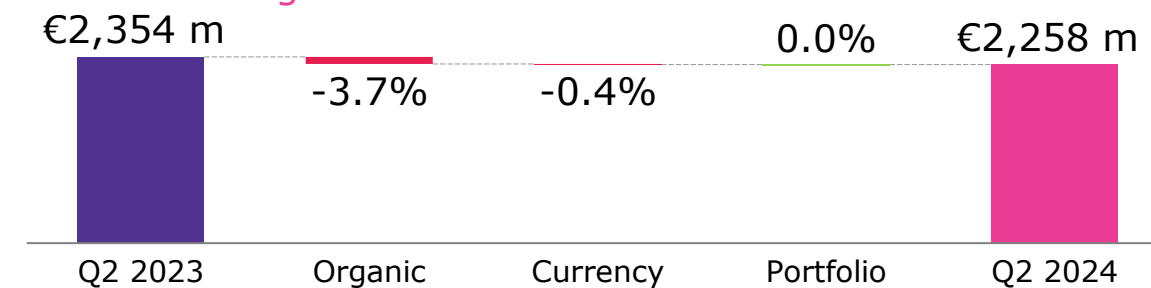
Life Science P&L

[€m]	IFRS		Pre	
	Q2 2023	Q2 2024	Q2 2023	Q2 2024
Net sales	2,354	2,258	2,354	2,258
M&S	-566	-567	-566	-563
Admin	-103	-104	-91	-96
R&D	-99	-96	-98	-96
EBIT	455	370	501	442
EBITDA	698	639	-	-
EBITDA pre	712	655	712	655
(in % of net sales)	30.2%	29.0%	30.2%	29.0%

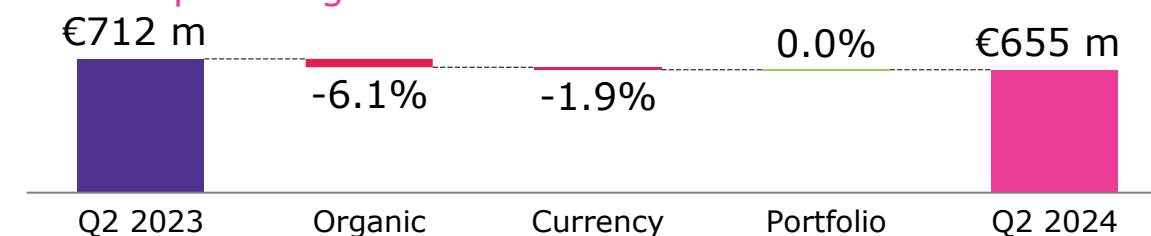
Comments

- Process Solutions: sales down -12% org. compared to tough comps; YoY decline mainly driven by destocking and COVID-19 non-repeats; 2nd quarter of QoQ order intake growth; sales also increased QoQ (+7%)
- Science & Lab Solutions: +1% org. sales YoY growth driven by Industrial & Testing and Diagnostics; 3rd quarter of sequential growth; 1st quarter of positive YoY growth since Q1-23
- Life Science Services: +8% org. sales growth driven by contract testing services, benefitting from novel modalities, expansion of product offering
- M&S spend stable; Slightly lower R&D expenses mainly due to project phasing
- EBITDA pre down mainly on lower volumes with idle costs from underutilization
- Life Science EBITDA pre margins improving by 50 bps QoQ driven by stringent cost control and some operational leverage

Net sales bridge



EBITDA pre bridge



Healthcare Q2: Record sales fueled by Oncology and CM&E

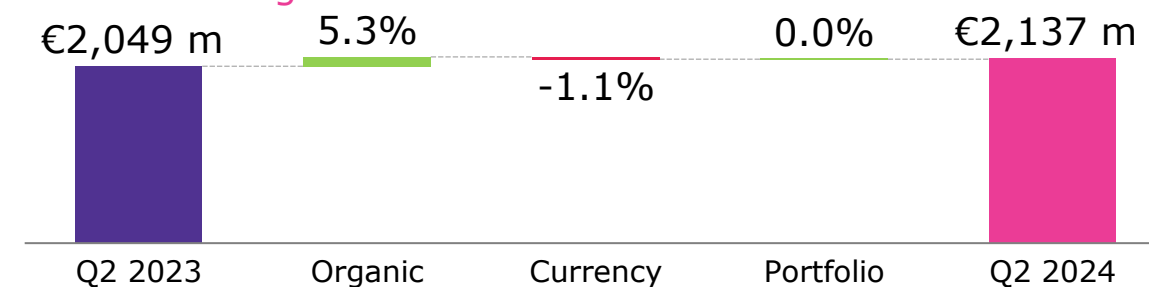
Healthcare P&L

[€m]	IFRS		Pre	
	Q2 2023	Q2 2024	Q2 2023	Q2 2024
Net sales	2,049	2,137	2,049	2,137
M&S	-422	-437	-418	-439
Admin	-79	-78	-76	-76
R&D	-401	-445	-396	-441
EBIT	616	501	627	627
EBITDA	692	749	-	-
EBITDA pre	704	720	704	720
(in % of net sales)	34.3%	33.7%	34.3%	33.7%

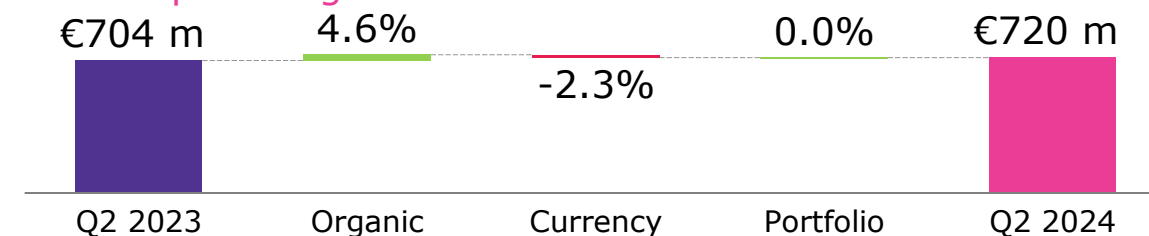
Comments

- Oncology +9% org., driven by Erbitux® growth in all major regions (+8% org.), Bavencio® (+6% org.) and Tepmetko®
- Mavenclad® growing +1% org. amid tough comps. Rebif® down -19% org., growth rate negatively impacted by prior year channel dynamics
- CM&E growth +14% org., amplified by tender business and prior year slow-down in the diabetes market in China. Fertility (-1% org.) as competitor stock-outs easing and prior year China COVID-19 catch-up
- M&S growing in line with sales, including full Bavencio repatriation¹
- Total R&D costs up driven by mid-DD termination provision for Xevinapant. For the remainder of the year lower R&D spend as percentage of sales expected
- EBITDA pre margin of 33.7% fueled by strong sales growth. Full Bavencio rights, lower underlying R&D and strong gross margin performance overcompensate Xevinapant termination provision

Net sales bridge



EBITDA pre bridge



Electronics Q2: AI & adv. node semi market inflects, driving strong growth

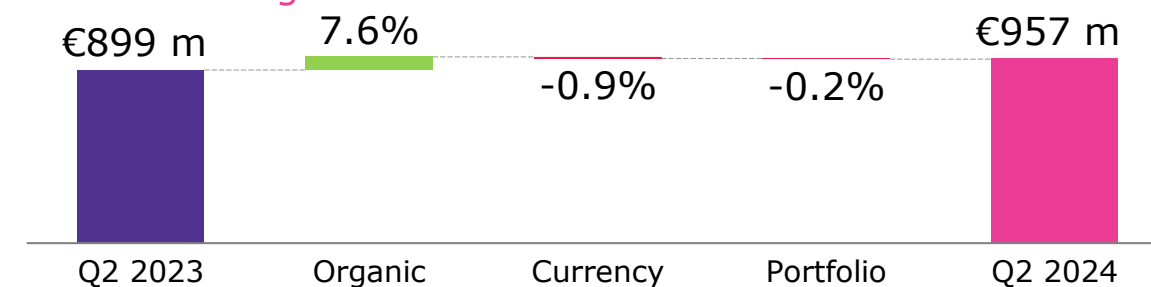
Electronics P&L

[€m]	IFRS		Pre	
	Q2 2023	Q2 2024	Q2 2023	Q2 2024
Net sales	899	957	899	957
M&S	-148	-142	-147	-142
Admin	-35	-36	-31	-34
R&D	-75	-75	-74	-75
EBIT	110	107	132	131
EBITDA	245	242	-	-
EBITDA pre	262	255	262	255
(in % of net sales)	29.1%	26.7%	29.1%	26.7%

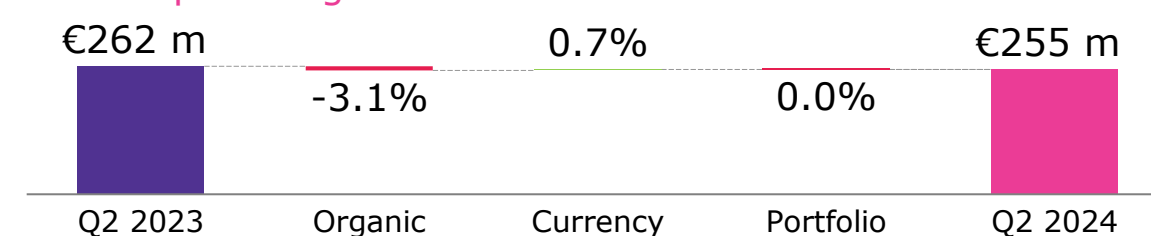
Comments

- Semiconductor Solutions: sales up +11% org., with considerable growth in Thin-Film materials driven by AI and adv. nodes; wider market inflection (incl. 3D NAND memory) not yet visible
- Display Solutions: down -2% org., continuous price pressure overcompensated volume growth; strong growth in OLED sales
- Surface Solutions: up +4% org.
- M&S costs declining with strict cost discipline and efficiency measures
- Sustained high level of R&D investment to drive mid-term growth
- EBITDA pre from prior year includes UDC patent effect (~€60 m); underlying margin expansion of ~4 % points due to operational leverage and cost discipline

Net sales bridge



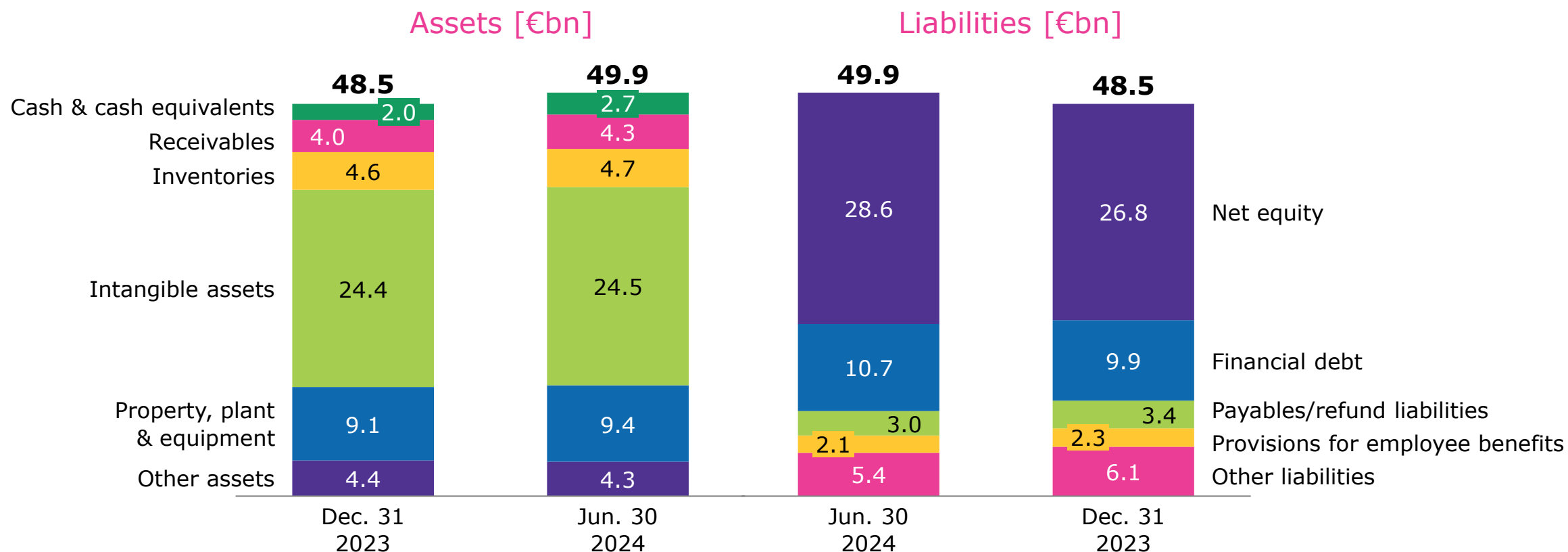
EBITDA pre bridge



Acronym(s): M&S = Marketing and selling expenses, R&D = Research & Development, AI = Artificial Intelligence; NAND = NOT AND; UDC = Universal Display Corporation; Totals may not add up due to rounding



Balance sheet



- Higher cash level driven by strong operating cash flow
- Inventories up slightly, driven by LS and HC
- Increase in PPE driven by capex to support future growth

- Net financial debt driven mainly by payment of dividend in Q2
- Decrease in payables due to in-license payments accrued in prior period
- Equity ratio improved to 57% (Dec. 2023, 55%)



Q2 2024: Cash flow statement

Cash flow statement

[€m]	Q2 2023	Q2 2024	Δ
Profit after tax	706	605	-101
D&A	482	680	198
Changes in provisions	53	-18	-72
Changes in other assets/liabilities	-421	-265	156
Other operating activities	-145	-8	138
Changes in working capital	-53	-134	-81
Operating cash flow	622	861	239
Investing cash flow	140	-30	-171
thereof Capex on PPE	-292	-310	-17
Financing cash flow	-580	-360	221

Comments

- Profit after tax lower due to less EBIT
- D&A includes one-off impairments in relation to Healthcare R&D
- Changes in provisions include lower pensions and LTIP provisions
- Delta in other assets & liabilities related to lower bonus payouts and taxes in the quarter
- Other operating activities include UDC patent agreement and Healthcare outlicensing in prior year
- NWC increase driven mainly by increased trade receivables and lower trade payables
- Investing and Financing cash flow mainly driven by proceeds from short-term investments



outlook & guidance

03



Group

Full-year 2024 guidance

Net sales:

Organic: +2% to +5% YoY
FX: -3% to 0% YoY
~€20.7 – €22.1 bn

EBITDA pre:

Organic: +4% to +10% YoY
FX: -5% to -1% YoY
~€5.8 – €6.4 bn

EPS pre:

~€8.20 – €9.30



2024 business sector guidance¹

Life Science



Net sales

- Organic: -2% to +2% YoY
- FX: -3% to +1% YoY
- ~€8.80 bn to €9.50 bn
- Gradual sequential recovery during 2024
- Returning to organic growth in H2
- COVID-19 sales to fall to negligible levels (~€250 m in 2023)

EBITDA pre

- Organic: -6% to +1% YoY
- FX: -4% to 0% YoY
- ~€2.55 bn to €2.80 bn

Healthcare



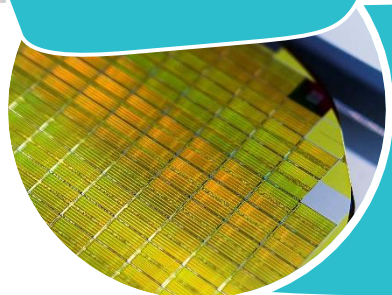
Net sales

- Organic: +6% to +9% YoY
- FX: -4% to 0% YoY
- ~€8.20 bn to €8.75 bn
- Driven by CM&E, Oncology and Mavenclad

EBITDA pre

- Organic: +18% to +23% YoY
- FX: -6% to -2% YoY
- ~€2.85 bn to €3.05 bn

Electronics



Net sales

- Organic: +4% to +8% YoY
- FX: -3% to 0% YoY
- ~€3.65 bn to €3.95 bn
- AI/adv. nodes inflected already in Q2; steady sequential development in Semi Materials in H2

EBITDA pre

- Organic: +5% to +11% YoY
- FX: -2% to +1% YoY
- ~€950 m to €1,020 m



Appendix



Additional financial guidance 2024

Further financial details

Corporate & Other EBITDA pre	-€450 m to -€520 m
Interest result ²	~ €-65 m to -95 m
Effective tax rate	~ 21% to 23%
Capex on PPE ¹	~ €1.6 to 1.8 bn
Hedging	FY 2024 overall hedge ratio ~ 50% EUR/USD hedging @ ~ 1.10
2024 Ø EUR/USD assumption	~ 1.07 to 1.11

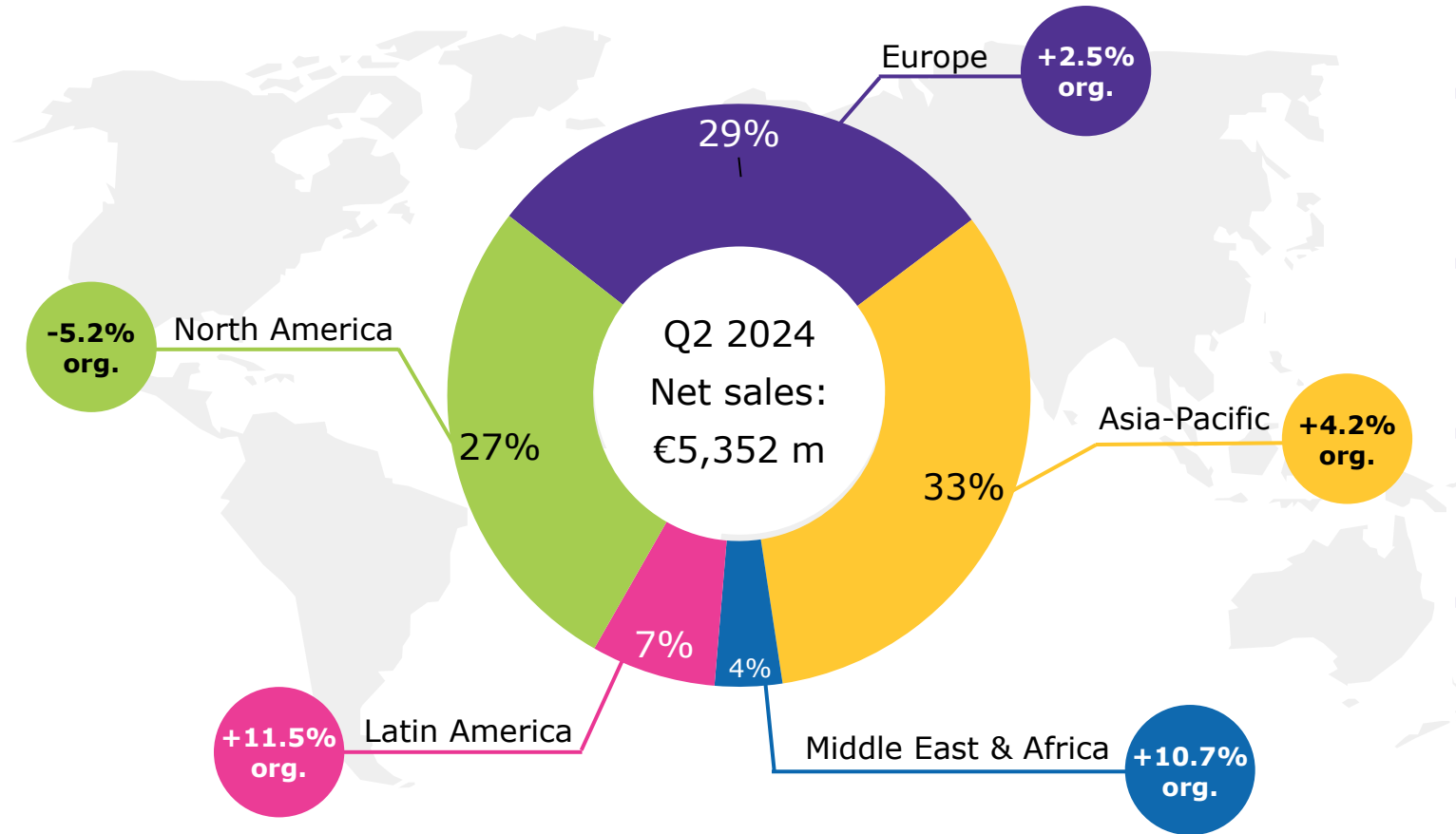
¹Based on gross additions to Property, Plant and Equipment (PPE) on balance sheet (excl. leasing) in fiscal year to reflect planned Capex expansion more accurately

²Excludes the impact from deals that are signed and not yet completed



Asia-Pacific, Europe and LATAM drive organic sales growth

Regional breakdown of net sales [€m]



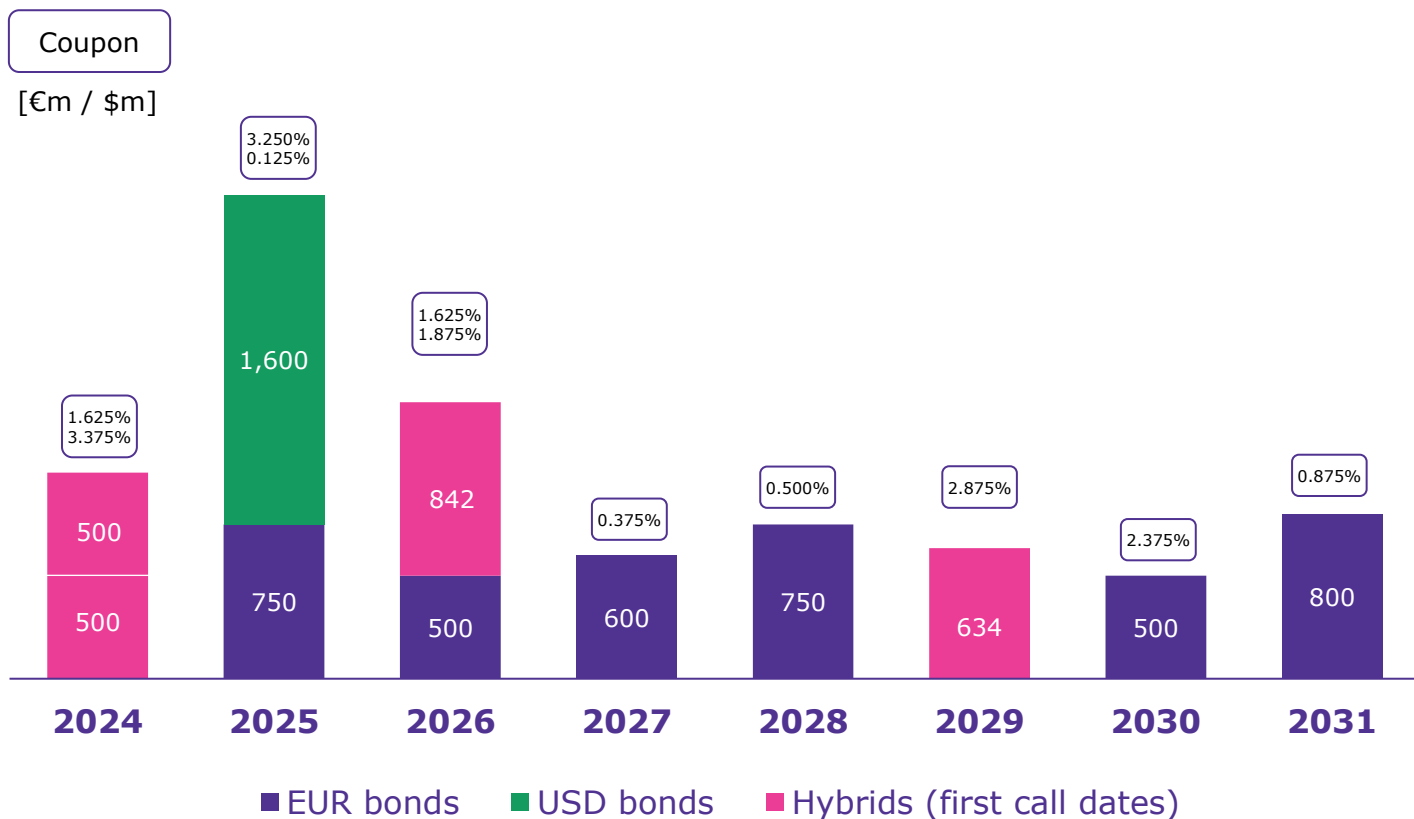
Regional organic development

- North America: decline largely driven by Life Science (particularly PS), partially compensated by growth in Electronics
- Europe: driven by growth in Healthcare across most franchises, partially offset by Life Science (particularly PS)
- APAC: Strong growth in Electronics and Healthcare overcompensates slight decline in Life Science
- ME&A and LATAM: driven by growth in Healthcare



Credit details

Maturity profile as of June 30, 2024



Credit rating information

	LT Rating	Last LT Rating Change	Outlook	ST Rating
MOODY'S	A3	21.10.21	Stable	P-2
S&P Global	A	29.05.13	Stable	A-1



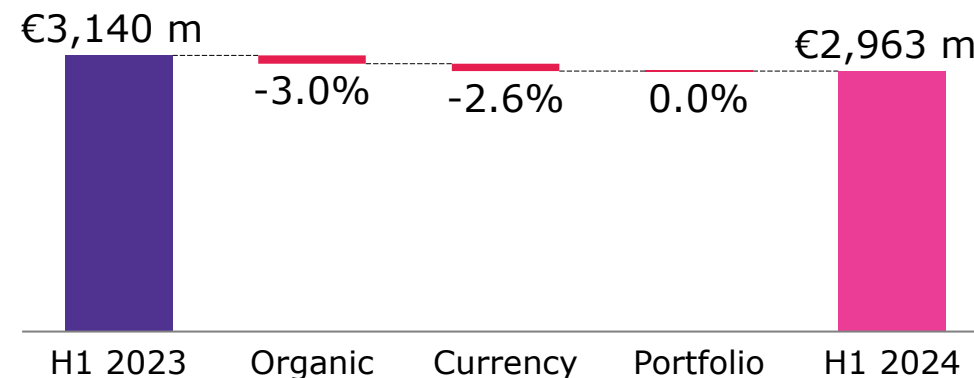
Group returns to growth in H1, driven by Healthcare and Electronics

H1 YoY Net Sales

	Organic	Currency	Portfolio	Total
Life Science	-8.3%	-0.8%	0.0%	-9.1%
Healthcare	7.6%	-1.8%	0.0%	5.8%
Electronics	7.0%	-2.0%	-0.2%	4.8%
Group	0.2%	-1.4%	0.0%	-1.2%

- Life Science: Down -8% org., against strong H1'23 comparable, across PS (-15% org.), LSS (-5% org.) and SLS (-3% org.); PS order intake up again QoQ in Q2'24
- Healthcare driving org. sector growth, supported by all franchises. Oncology up +14% org., N&I stable, Fertility up +3% org as competitor stock-outs easing and CM&E up +9% org. amid stronger tender business
- Electronics: Up +7% org. driven by +10% org. growth in Semiconductor Solutions; Display up +1% org.; Surface Solutions up +3% org.

H1 YoY EBITDA pre



- EBITDA pre down by -3% org., as +15% growth in Healthcare was overcompensated by -20% decline in Life Science
- Electronics stable, with underlying earnings growth compensating for UDC patent effect in prior year
- Negative FX effect of -3% across various currencies with largest negative impact from Asian currencies

Acronym(s): FX = Foreign exchange; SLS = Science & Lab Solutions; LSS = Life Science Services; CM&E = Cardiology Metabolism & Endocrinology; N&I = Neurology & Immunology; UDC = Universal Dispay Corporation; Totals may not add up due to rounding



H1 2024: Overview

Key figures

[€m]	H1 2023	H1 2024	Δ
Net sales	10,595	10,472	-1.2%
EBITDA pre	3,140	2,963	-5.7%
Margin (in % of net sales)	29.6%	28.3%	-1.3pp
EPS pre	4.57	4.26	-6.8%
Operating cash flow	1,475	1,896	28.2%

[€m]	Dec. 31, 2023	June 30, 2024	Δ
Net financial debt	-7,500	-7,950	6.0%
Working capital	5,093	5,762	13.1%
Employees	64,233	62,176	-1.3%

Comments

- Sales down -1% with flat organic sales and FX headwinds
- Strong growth in Healthcare EBITDA pre partially mitigates decline in Life Science
- EPS pre mainly driven by lower EBIT contribution
- OCF up, mainly from lower LTIP provisions and higher tax cash
- Higher NWC due to higher trade receivables and lower payables Q4'23 included in-licensing deals
- Net financial debt up mainly due to payment of dividend, mitigated by strong operating cash flow in H1

Acronym(s): OCF = Operating Cash Flow, NWC = Net Working Capital; FX = Foreign exchange; LTIP = Long-term Incentive Plan; Totals may not add up due to rounding



H1 2024: Reported figures

Reported results

[€m]	H1 2023	H1 2024	Δ
EBIT	2,004	1,724	-14.0%
Financial result	-98	-39	-60.0%
Profit before tax	1,906	1,684	-11.6%
Income tax	-400	-379	-5.2%
<i>Effective tax rate (%)</i>	21.0%	22.5%	1.5pp
Net income	1,500	1,302	-13.2%
EPS (€)	3.45	2.99	-13.3%

Comments

- EBIT declines, driven mainly by €140 m impairment of Xevinapant and lower Life Science EBIT
- Favorable financial result mainly due to lower LTIP provisions and taxes alongside higher interest income
- Effective tax rate increased to 23%, at the top end of the guidance range due pillar 2 expenses and higher impairment related costs booked in Q2
- Net income and EPS profile broadly reflects lower profits before tax and higher taxes.



Life Science H1: Sales down v.s. strong comps and COVID-19 non-repeats

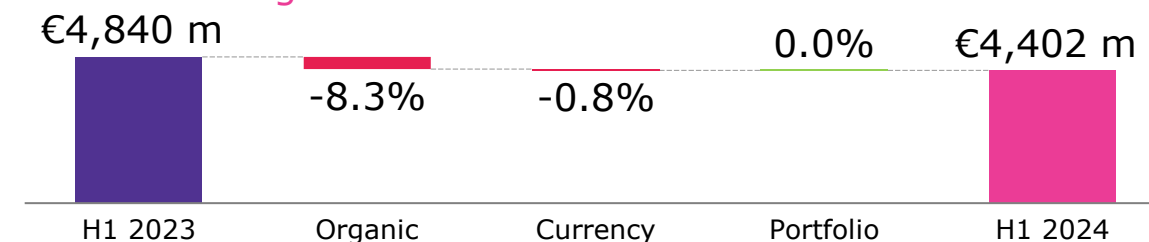
Life Science P&L

[€m]	IFRS		Pre	
	H1 2023	H1 2024	H1 2023	H1 2024
Net sales	4,840	4,402	4,840	4,402
M&S	-1,134	-1,117	-1,135	-1,108
Admin	-208	-216	-185	-191
R&D	-203	-192	-202	-191
EBIT	1,128	748	1,190	846
EBITDA	1,583	1,224	-	-
EBITDA pre	1,612	1,266	1,612	1,266
(in % of net sales)	33.3%	28.8%	33.3%	28.8%

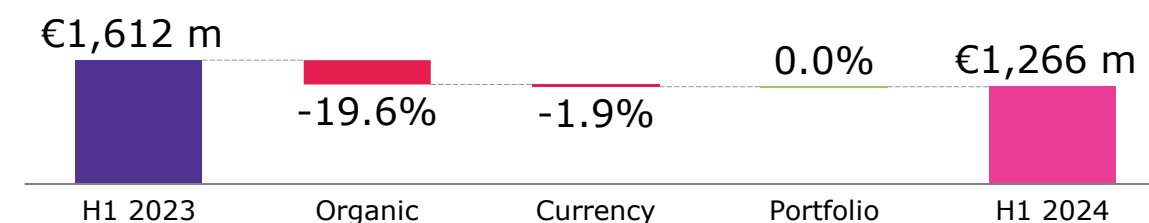
Comments

- Process Solutions: down -15% org. sales compared to strong H1'23, YoY decline driven by destocking, COVID-19 non-repeats and China slowdown; positive H1 order intake development and QoQ sales up in Q2
- Science & Lab Solutions: Sales down -3% org. in H1, driven by weaker pharma spend, alongside govt. funding delays in the US; Q2 is third quarter of sequential growth
- Life Science Services: Sales down -5% org. with unfavorable CDMO project phasing and customer streamlining in Q1; Up +8% org. in Q2
- Lower M&S YoY reflecting cost programs and efficiencies
- Lower R&D expenses YoY mainly due to project phasing
- EBITDA pre down YoY mainly on lower volumes with negative mix effects amid underutilization impacting the gross margin
- LS EBITDA margins improved 220bps QoQ in Q1 and a further 50bps in Q2 driven by cost control

Net sales bridge



EBITDA pre bridge

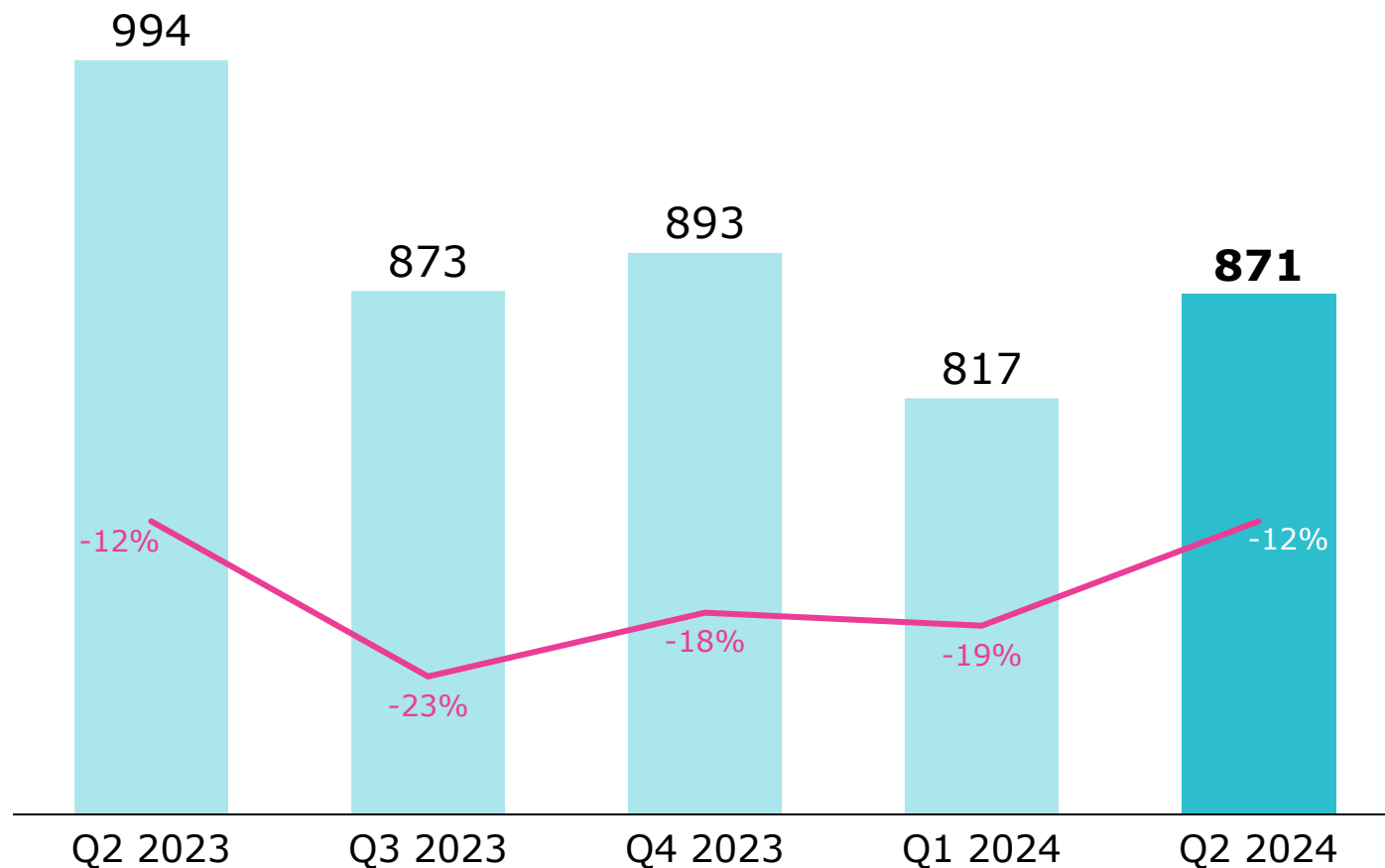


Acronym(s): M&S = Marketing and selling expenses, R&D = Research & Development, CDMO = contract development and manufacturing organization; Totals may not add up due to rounding



Process Solutions: Sales down at declining magnitude versus high comparable

Sales development [€m] - org. growth [%] YoY

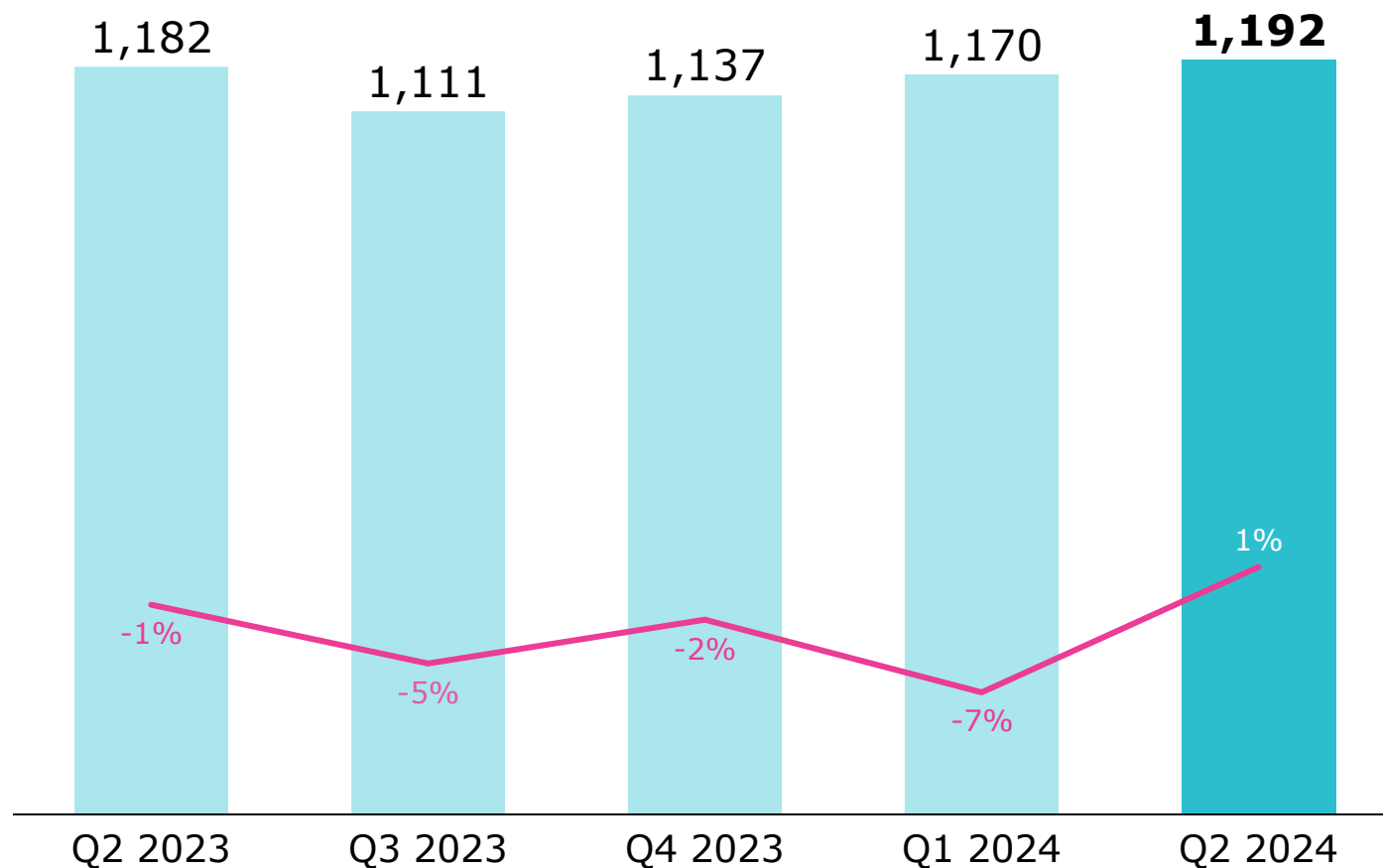


- **Org. sales down** amid improving activity, against still high case; sales up 7% sequentially
- **Solid order intake**, continuing positive trend seen in Q1, up YoY and QoQ in Q2'24
- Book-to-bill again **at around 1**
- **All key regions down org.**, Europe and APAC down in the high-single digits, NA in the high-teens



Science & Lab Solutions: Sales return to YoY growth

Sales development [€m] - org. growth [%] YoY

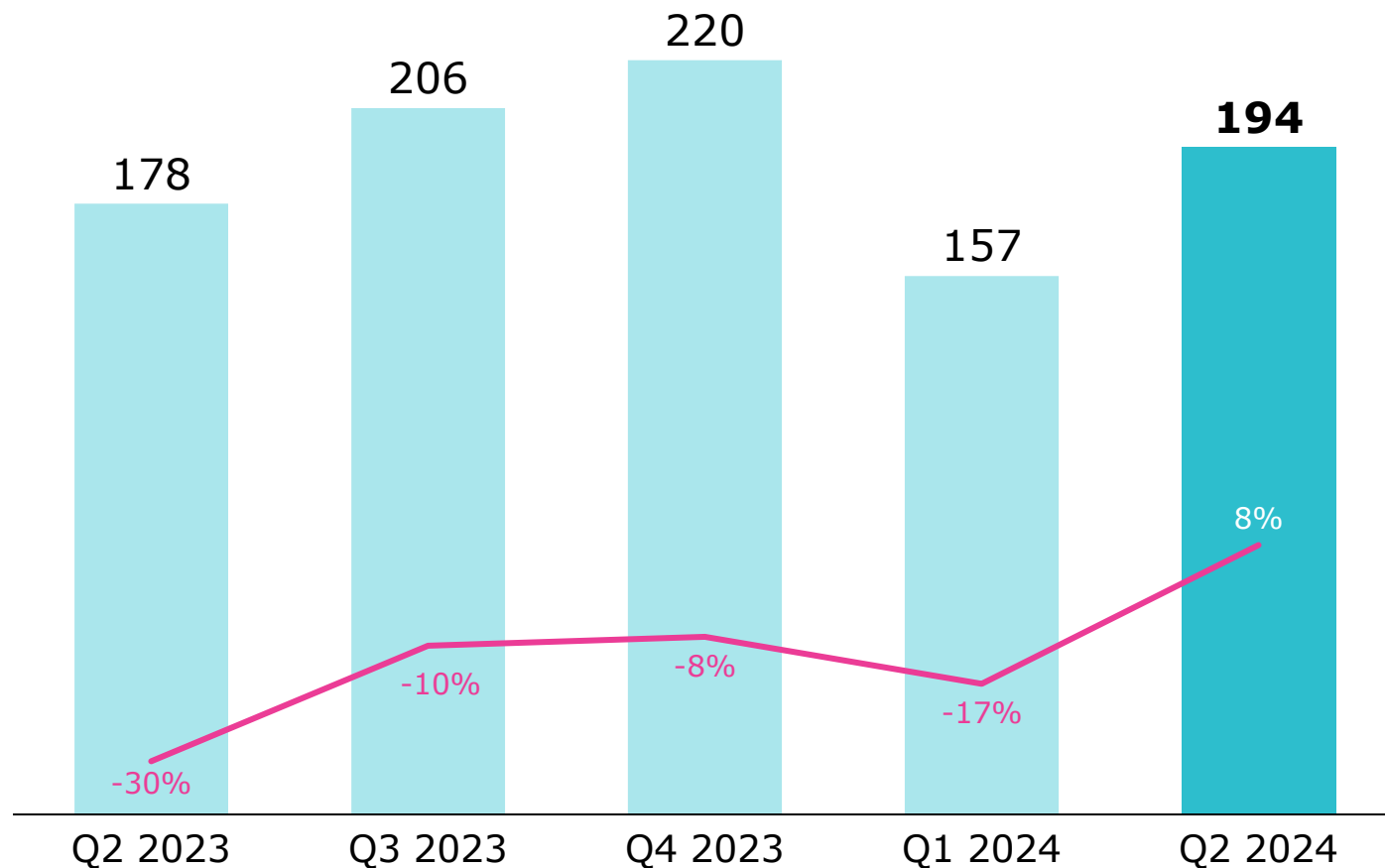


- **Sales up YoY**, first quarter since Q1-23, continuing gradual sequential development trend
- **Biomonitoring and Lab Water Solutions up** org. mid- and low-single digits, respectively
- **Diagnostics & Regulated Materials** up in low-teens, all other franchises declining
- **Europe and APAC up low-single digits**, NA down slightly; other regions only small contributors



Life Science Services: Positive development YoY and sequentially

Sales development [€m] - org. growth [%] YoY



- **Sales up** in both contract testing and CDMO businesses
- **Contract testing up** mid-teens org.
- **CDMO up** slightly
- **NA and Europe up org. in the high-single digits**, Asia up org. in the low- to mid-single digits; minor sales contribution in RoW



Healthcare H1: Strong first half supported across franchises

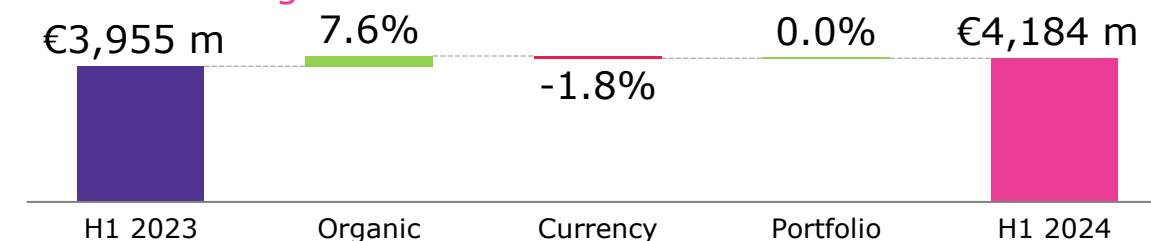
Healthcare P&L

[€m]	IFRS		Pre	
	H1 2023	H1 2024	H1 2023	H1 2024
Net sales	3,955	4,184	3,955	4,184
M&S	-803	-836	-798	-834
Admin	-155	-154	-147	-150
R&D	-797	-843	-800	-834
EBIT	1,135	1,119	1,143	1,246
EBITDA	1,285	1,456	-	-
EBITDA pre	1,293	1,428	1,293	1,428
(in % of net sales)	32.7%	34.1%	32.7%	34.1%

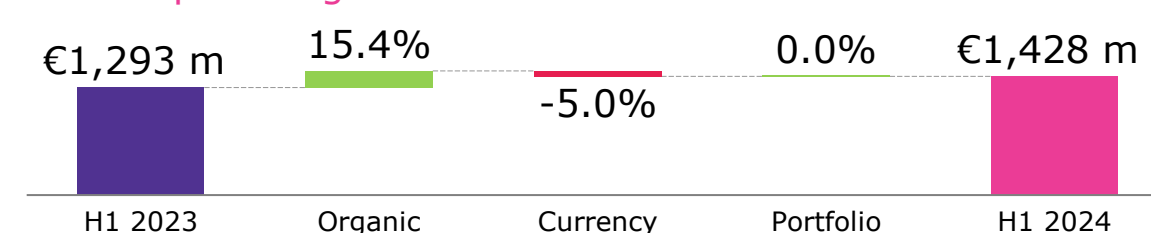
Comments

- Oncology growing in all regions, up +14% org.; driven by Erbitux[®] (+14% org.), Bavencio[®] (+10% org.) and Tepmetko
- Stable N&I franchise: Mavenclad[®] growth of +6% org. offset by Rebif[®] declining -9% org.
- CM&E growth +9% org. amplified by tender business and prior year slow-down in the diabetes market in China.
- Fertility up +3% org. as effect from competitor stock-outs moderate
- M&S slightly up in absolute terms; % of sales in-line with prior year
- R&D about stable in absolute terms; in % terms impact from Xevinapant termination provision compensated by topline growth
- EBITDA pre organic increase, driven by strong sales momentum. Full Bavencio rights and lower underlying R&D overcompensating mid-DD Xevinapant termination provision in Q2

Net sales bridge

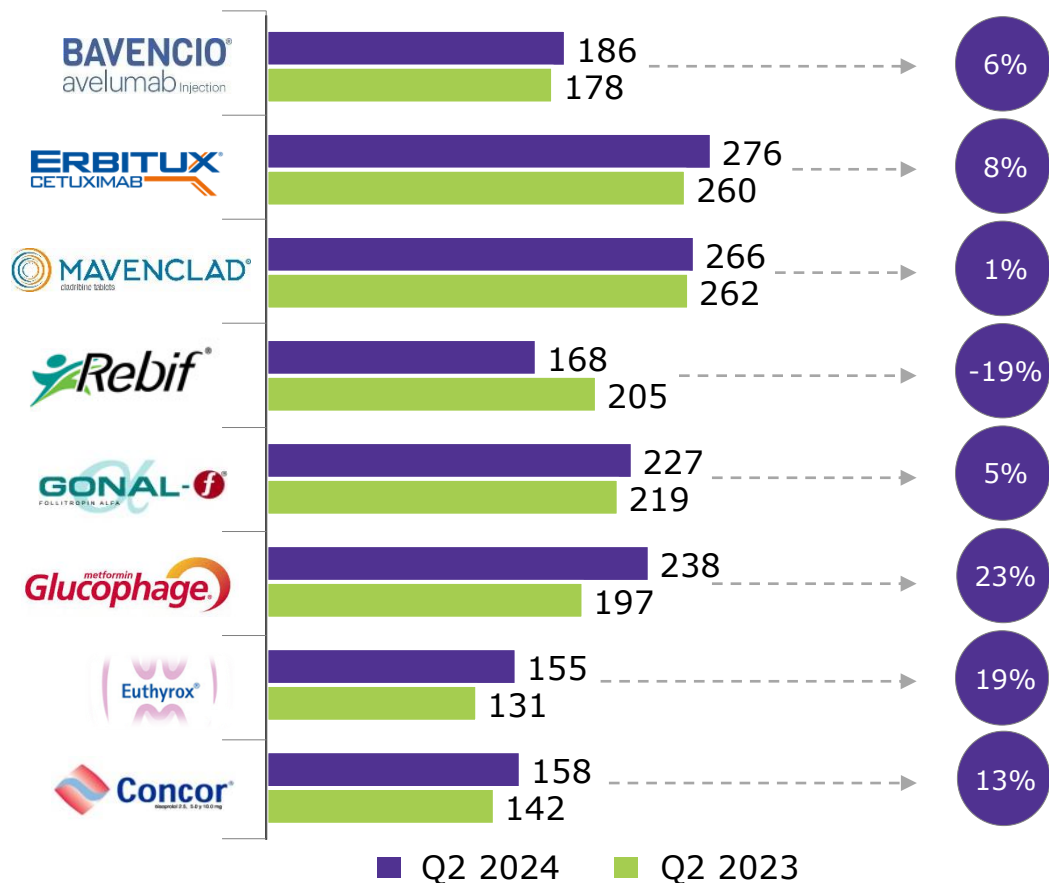


EBITDA pre bridge

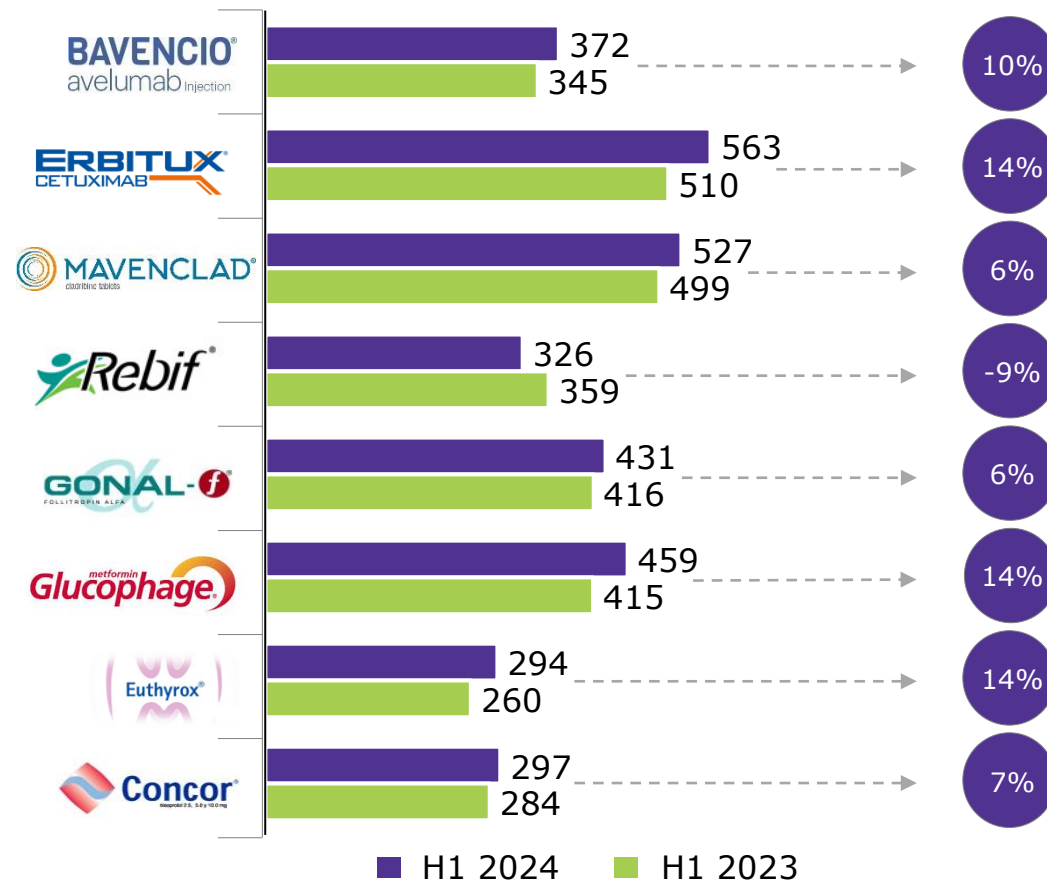


Healthcare organic growth by franchise/product

Q2 2024 organic sales growth [%]
by key product [€m]

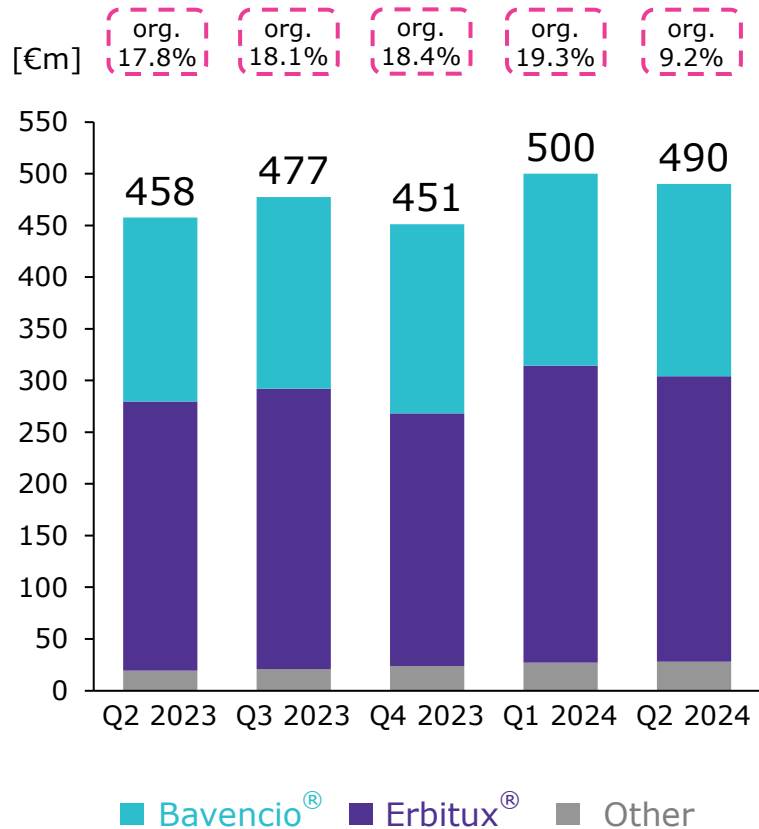


H1 2024 organic sales growth [%]
by key product [€m]

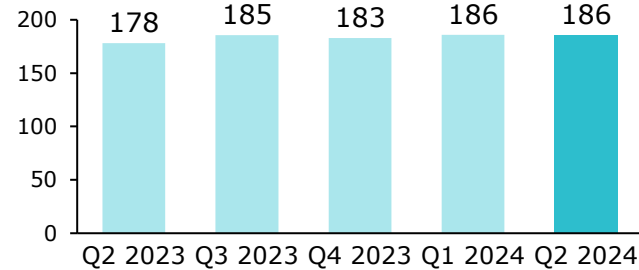


Oncology: Erbitux[®] with strong contribution to +9% org. franchise growth

Sales development Oncology, [€m] YoY

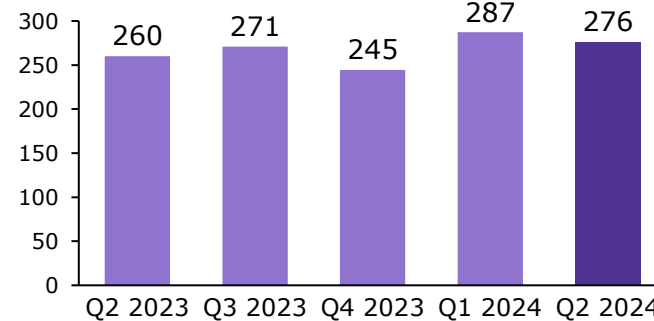


Bavencio[®] net sales, [€m]



- Growth of +6% org. supported across nearly all regions
- North America -16% org. due to the launch of an alternative treatment option in line with expectations

Erbitux[®] net sales, [€m]

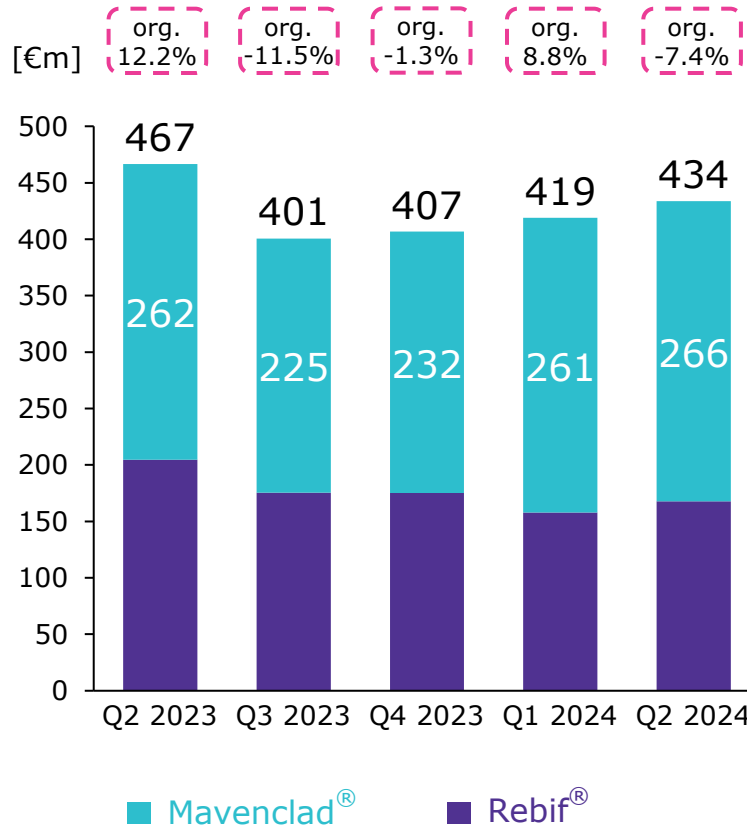


- Strong growth in China supported by NRDL expansion is more than offsetting negative pricing effect in Japan

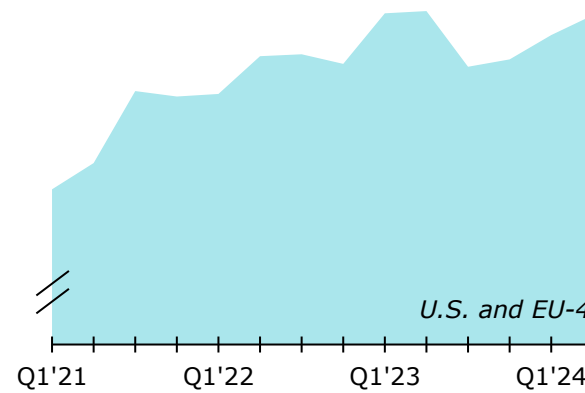


N&I: Continued Mavenclad® patient growth, PY dynamics amplify Rebif® decline

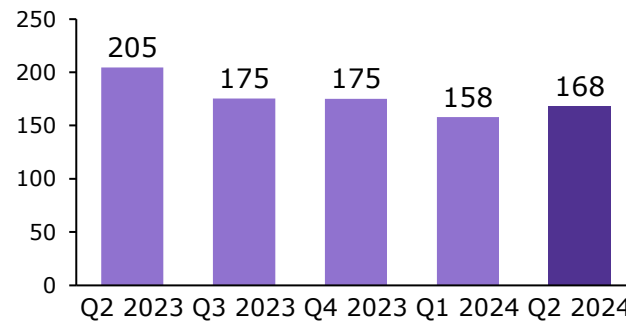
Sales development N&I, [€m] YoY



Mavenclad® Y1+Y2 patients¹



Rebif® net sales, [€m]



- Record sales quarter, driven by continued U.S. prescription depth & breadth expansion²
- Most prescribed HE oral in the dynamic market³ setting across US and EU
- Overall maturing growth profile amid increasing competitive intensity

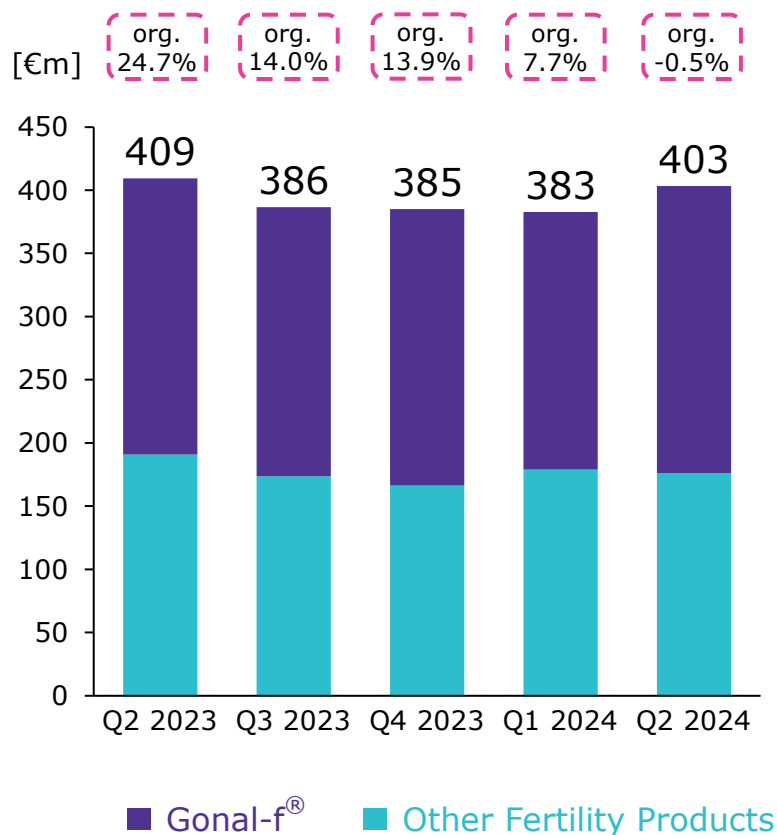
- Rebif® -19% org. growth amid prior year comps positively impacted by channel dynamics
- Rebif® to continue declining in line with interferon market trend

¹Number of Year-1 and Year-2 patients in U.S. and EU-4 per quarter, based on IQVIA and internal validation; ²Internal MS LifeLine ibond data; ³Based on IQVIA dynamic market data; Acronym(s): HE = High Efficacy; PY = Prior year; N&I = Neurology & Immunology

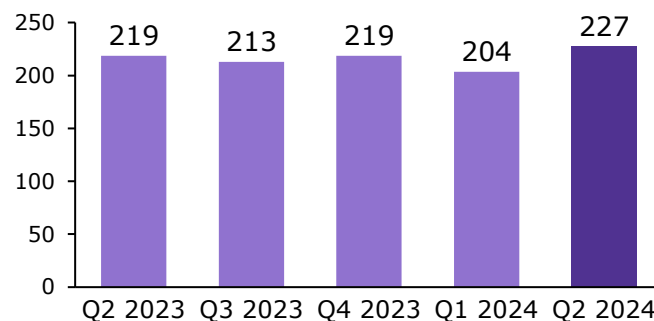


Fertility: -1% org. growth as competitors' stock-out effects to moderate

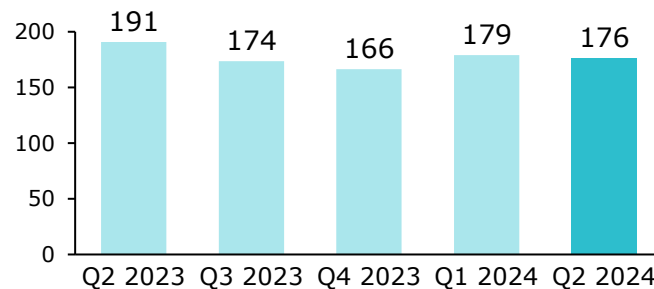
Sales development Fertility, [€m] YoY



Gonal-f[®] net sales, [€m]



Other Fertility net sales, [€m]

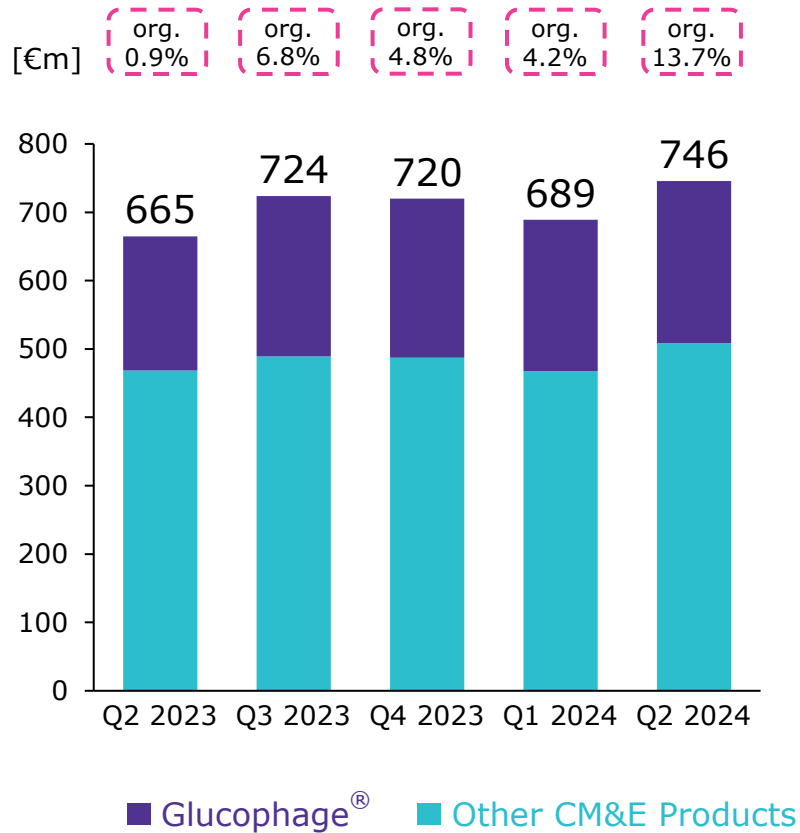


- Competitor stock-out of urine-based product projected to further moderate throughout the year
- PY COVID-19 catch-up in China
- Confidence in mid-term mid-single-digit CAGR for the Fertility franchise

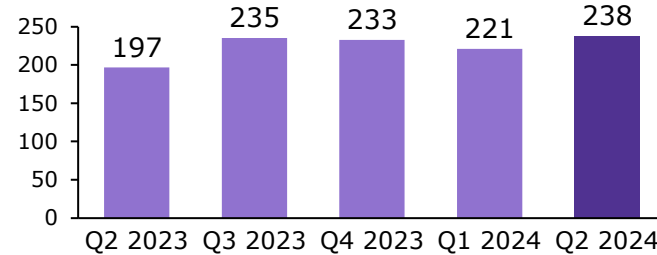


CM&E: All segments contributing to +14% org. franchise growth

Sales development CM&E, [€m] YoY

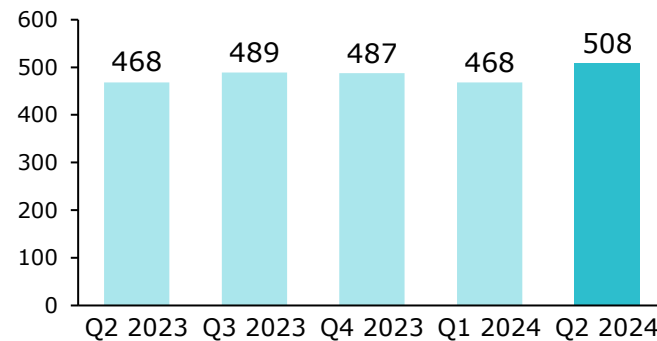


Glucophage[®] net sales, [€m]



- Glucophage[®] growth rate of +23% org. impacted by prior year slow-down in China

Other CM&E net sales, [€m]

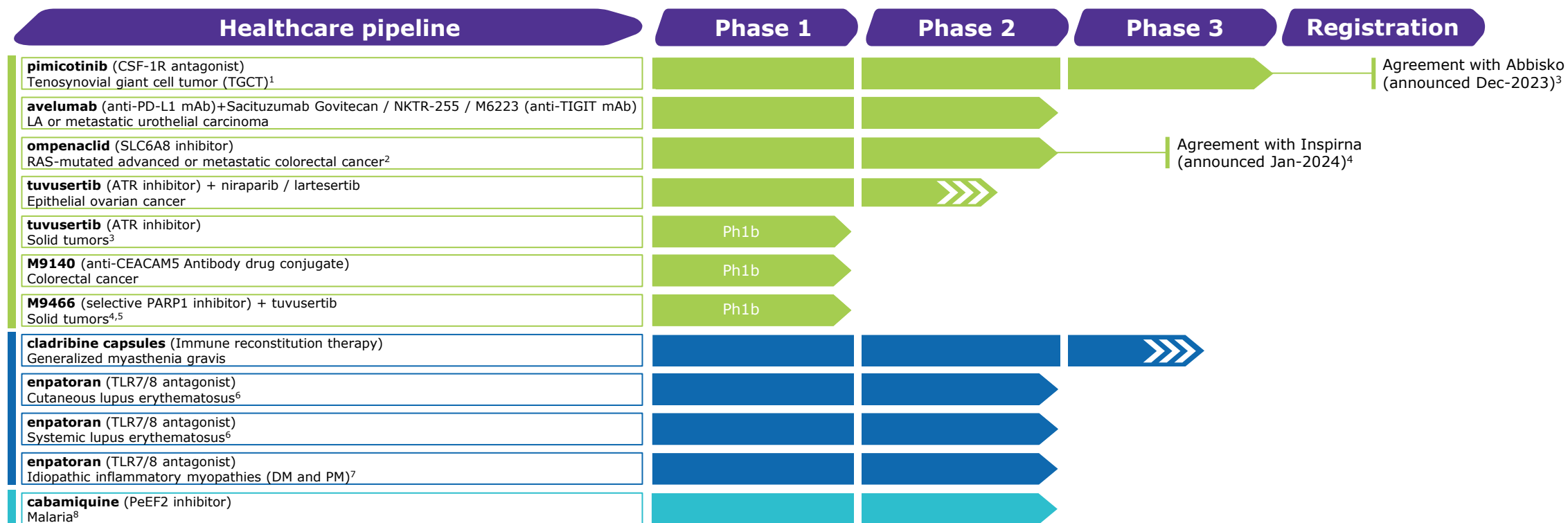


- Other CM&E portfolio positively affected by tender business in developing markets
- Growth of Saizen[®] amplified by competitor stock-out. Leveraging geographical opportunities, manufacturing at capacity



Group pipeline

August 01, 2024



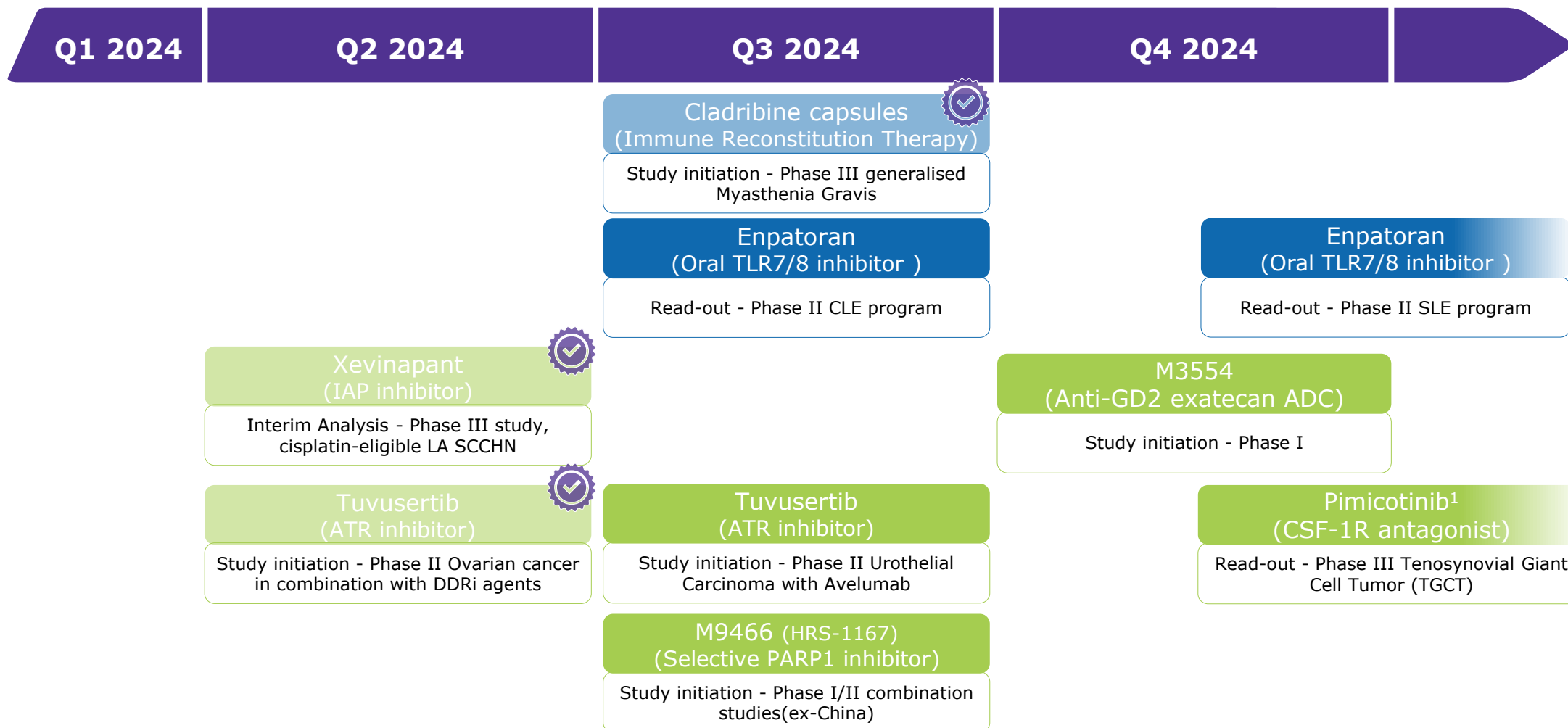
■ Oncology ■ Neurology & Immunology ■ Global Health ▶▶▶▶ Asset entering new phase⁹ ▶ Current phase ■ Previous phase(s)

LA: Locally advanced; Ph1a: phase 1a, dose finding; Ph1b: phase 1b, dose escalation/expansion and signal seeking

¹ Group entered a license agreement with Abbisko Therapeutics Co. Ltd, Shanghai, China, for pimicotinib (ABSK021), which grants a license to commercialize pimicotinib in mainland China, Hong Kong, Macau and Taiwan, with an option for rest of world. ² Group entered into a licensing agreement with Inspirna, Inc. (New York, NY) for ompenacilid (RGX-202), which grants an exclusive license to ompenacilid outside of the United States and an option to co-develop and co-promote ompenacilid in the US. ³ Studies as monotherapy and in combination with avelumab or cemiplimab (NSCLC). Includes studies (phase I/II) in collaboration with/ sponsored by external partners, e.g. US National Cancer Institute (NCI). ⁴ As a single agent and in combination with tuvusertib (ATRI); study includes patients with castration-resistant prostate cancer (CRPC) and epithelial ovarian cancer (EOC). ⁵ Group entered a collaboration with Jiangsu Hengrui Pharmaceuticals Co. Ltd., China, including an exclusive license worldwide (ex-China) to develop, manufacture and commercialize M9466/HRS-1167. ⁶ Clinical trial passed futility analysis. ⁷ Dermatomyositis and Polymyositis. ⁸ In combination with pyronaridine in two studies, either in participants with acute uncomplicated malaria, or as chemoprevention in participants with asymptomatic malaria infection. ⁹ Registered study with open enrollment; subjects may not yet be enrolled.



Healthcare catalysts



¹Study sponsor: Abbisko Therapeutics Co, Ltd.

Group entered a license agreement with Abbisko Therapeutics Co. Ltd, Shanghai, China, for pimicotinib (ABSK021), which grants a license to commercialize pimicotinib in mainland China, Hong Kong, Macau and Taiwan, with an option for rest of world.

■ Oncology

■ Immunology

Acronyms: TLR = toll-like receptor, SLE = Systemic lupus erythematosus, CLE = Cutaneous lupus erythematosus, LA = locally advanced, SCCHN = squamous cell carcinoma of the head and neck, IAP = Inhibitor of Apoptosis Proteins, ADC = Antibody-Drug Conjugate, GD2 = Disialoganglioside, ATR = Ataxia Telangiectasia and Rad3-related protein, DDR = DNA Damage Repair, PARP1 = Poly [ADP-ribose] polymerase 1, CSF-1R = Colony Stimulating Factor 1 receptor



Electronics H1: Strong growth driven by Semiconductor Solutions

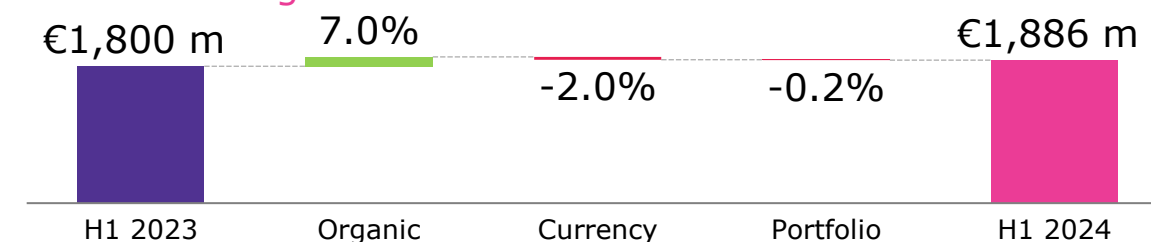
Electronics P&L

[€m]	IFRS		Pre	
	H1 2023	H1 2024	H1 2023	H1 2024
Net sales	1,800	1,886	1,800	1,886
M&S	-306	-280	-305	-279
Admin	-68	-73	-62	-66
R&D	-149	-148	-148	-148
EBIT	196	202	237	238
EBITDA	473	467	-	-
EBITDA pre	499	492	499	492
(in % of net sales)	27.7%	26.1%	27.7%	26.1%

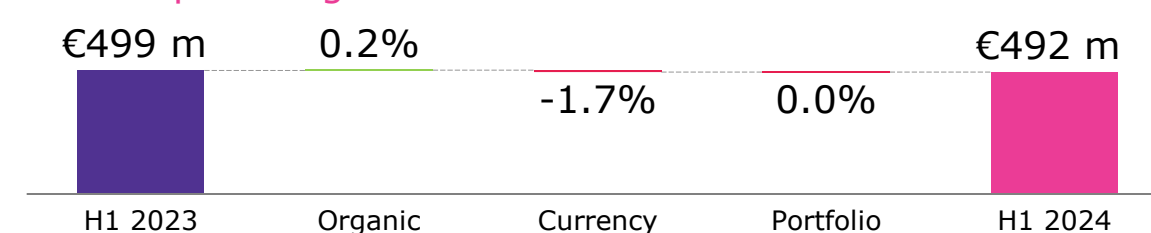
Comments

- Semiconductor Solutions: sales up +10% org.; driven by inflection in AI and adv. nodes, with signs of wider market inflection not yet evident
- Display Solutions: up +1% org. as growth in OLED offsets decline in LC; higher volumes overcompensating continuous price pressure
- Surface Solutions: up +3% org.
- M&S costs down reflecting cost efficiencies and stringent cost discipline
- R&D stable reflecting continued investment to drive mid-term growth
- EBITDA pre margin down by 160 basis points, driven by the one-off financial impact from the UDC patent agreement; excluding the patent agreement the underlying performance is up by ~2% points.

Net sales bridge

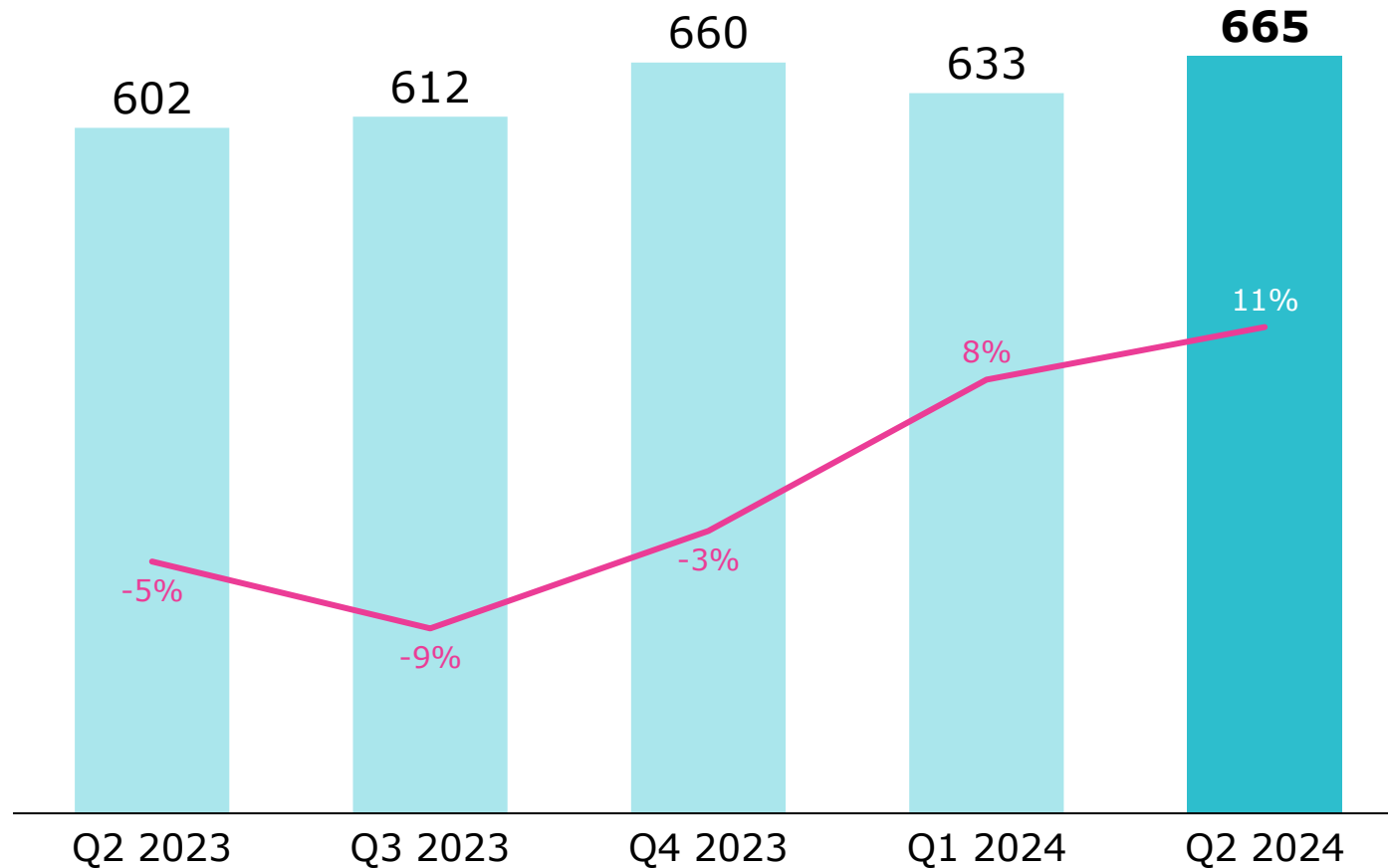


EBITDA pre bridge



Semiconductor Solutions returning to growth in 2024

Sales development [€m] - org. growth [%] YoY



- **Overall**, returning to growth driven by strong Semi Materials performance
- Bifurcation of Semi growth as AI and adv. nodes inflect in H1, with wider market to recover gradually in H2
- **Semi Materials** delivers fourth quarter of QoQ sales growth
- **DS&S** slightly down YoY growth in Q2; negative project phasing in H2'24
- Demand for adv. nodes / AI driving considerable growth in Thin-Films
- Positive signals remain in wider market with higher chip ASPs and lower chip inventories



Cash flow statement

H1 2024 – cash flow statement

[€m]	H1 2023	H1 2024	Δ
Profit after tax	1,506	1,305	-201
D&A	938	1,134	196
Changes in provisions	45	22	-24
Changes in other assets/liabilities	-608	-232	376
Other operating activities	-129	-20	109
Changes in working capital	-277	-311	-34
Operating cash flow	1,475	1,896	421
Investing cash flow	-1,091	-719	372
thereof Capex on PPE	-855	-822	33
Financing cash flow	-456	-467	-11

Cash flow drivers

- Profit after tax driven by lower EBIT
- D&A includes one-time impairments in relation to Healthcare R&D
- Delta in other assets & liabilities related to lower bonus payouts and taxes in the
- Other operating activities include UDC patent agreement and Healthcare outlicensing in prior year
- Investing and Financing cash flow mainly driven by proceeds from short-term investments



Adjustments in Q2 2024

Adjustments in EBIT

[€m]	Q2 2023		Q2 2024	
	Adjustments	thereof D&A	Adjustments	thereof D&A
Life Science	45	32	72	56
Healthcare	12	0	126	155
Electronics	22	5	24	11
Corporate & Other	60	0	38	0
Total	138	37	259	222



Adjustments in H1 2024

Adjustments in EBIT

[€m]	H1 2023		H1 2024	
	Adjustments	thereof D&A	Adjustments	thereof D&A
Life Science	62	32	98	56
Healthcare	8	-1	127	155
Electronics	41	15	36	11
Corporate & Other	133	0	67	0
Total	245	47	328	223



CONSTANTIN FEST



Head of Investor Relations
+49 6151 72-5271
constantin.fest@emdgroup.com

NADJA GROSSCHMIDT

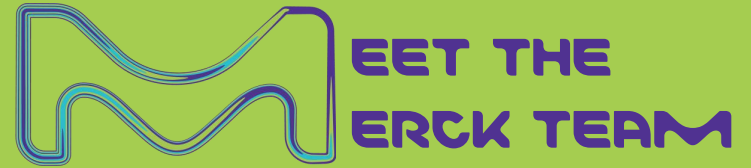


Assistant Investor Relations
+49 6151 72-3321
nadja.grosschmidt@emdgroup.com

SUSAN KUEHN



Assistant Investor Relations
+49 6151 72-3321
susan.kuehn@emdgroup.com



DATE	EVENT
August 1, 2024	Q2 2024 Earnings release
October 17, 2024	Capital Markets Day
November 14, 2024	Q3 2024 Earnings release
March 6, 2025	Q4 2024 Earnings release
April 25, 2025	Annual General Meeting
May 15, 2025	Q1 2025 Earnings release

E-MAIL: investor.relations@emdgroup.com
WEB: www.emdgroup.com/investors
FAX: +49 6151 72-913321

PETER DICKSON



Institutional Investors
/ Analysts
+49 6151 72-20753
peter.dickson@emdgroup.com

ADRIAN GORSKI



Institutional Investors
/ Analysts
+49 6151 72-22076
adrian.gorski@emdgroup.com

FLORIAN SCHRAEDER



Institutional Investors
/ Analysts
+49 6151 72-42005
florian.schraeder@emdgroup.com

EVA STERZEL



ESG / Institutional &
Retail Investors / AGM
+49 6151 72-5355
eva.sterzel@emdgroup.com

DANIEL WENDORFF



Institutional Investors
/ Analysts
+49 6151 72-24164
daniel.wendorff@emdgroup.com