

GERRESHEIMER



Q3 2020 Earnings Presentation

Dietmar Siemssen, CEO

Bernd Metzner, CFO

Duesseldorf, October 13, 2020

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Agenda

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Operational Update: On Track

2

Financial Update: Solid Q3 – Very Strong Quarter Ahead

3

Outlook: Guidance Confirmed

On Track: We Deliver on our Promises

Key Take-Aways Q3 2020

- Third quarter as expected:
 - ▢ accomplishing growth despite Covid-19
 - ▢ Backend-loaded fiscal year: very strong Q4 ahead
- Financial highlights in Q3:
 - ▢ Revenues of EUR 349m
 - ▢ Organically +2.1% in core business¹
 - ▢ Adjusted EBITDA of EUR 75m, adj. EBITDA margin 21.5%
- Strong free cash flow in Q3: EUR 38m representing strong earnings quality
- Guidance confirmed
- Pushing forward the implementation of our growth strategy



1. The core business consists of the Plastics & Devices and the Primary Packaging Glass Divisions; for adjusted EBITDA purposes also including head office/consolidation.

Gx[®] Biological Solutions Pushed Forward

Advanced Solutions for Biotechs

Highly dynamic market environment

- The industry is witnessing a **paradigm shift** from small molecules towards biologicals and new modalities
- Market for small molecules will remain strong
- The fast-growing **biologicals sector will generate significant growth opportunities for Gerresheimer**

Gx[®] Biological Solutions serving customers' needs:

Gx[®] Biological Solutions:

- Dedicated unit with technical and development expertise
- Best possible packaging configuration
- Lab services, regulatory and qualification support now available in Europe and US
- Full-service provider for small, mid and large biotech companies

The right product solutions

Serving biotech customers with the whole Gerresheimer portfolio

Main contributors for growth:

- RTF vials
- Elite vials
- RTF syringes



Further Capacity Increase for Vials and Syringes Fully Ongoing Gx as Reliable Partner for Pharma and Healthcare

Growing injectables market as global mega trend

- Vaccination as global mega trend
- Covid-19 is expected to boost the market
- Therapeutics are switching from chemical to biological
- Recurrent vaccination increases demand for syringes

Clearly standing by our responsibility

Assumption for Covid-19 vials proving conservative

- Global demand of 2-3bn units for Covid-19 vaccination in 2021/2022
- Customers demanding single and multi-dose vials
- At least 800m units foreseen to be delivered over the next two years

Capacity increase to serve global demand

Investments brought forward:

- **Vials:** New machines being installed, including new RTF vials machine in Buende
- **Syringes:** RTF 5 line ramping up, RTF 6 line to start production mid-2021



Accelerating Change - Transforming Gerresheimer in Full Swing

Update to follow at Capital Markets Day

Virtual Capital Markets Day

- December 8, 2020 – fully virtual and interactive
- Update on growth strategy and investment plans
- Digital meeting with experts for technology, excellence, innovation
- Focus on ambitious ESG strategy

Time (CET)	Section
2:00pm	Welcome
2:05pm	Our Growth Strategy – Leading in Health and Well-Being Delivery Solutions
2:50pm	Financial Foundation for our Growth Strategy
3:20pm	Driving Innovation & Digitalization
3:40pm	Q&A Session I
4:00pm	Break
4:15pm	Interactive Discussion in Expert Sessions – Three Live Streams –
5:15pm	Q&A Session II
5:30pm	Wrap-Up
5:45pm	Closing CMD

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Q3 2020 – Solid Basis Anticipating Very Strong Q4

P&L Overview

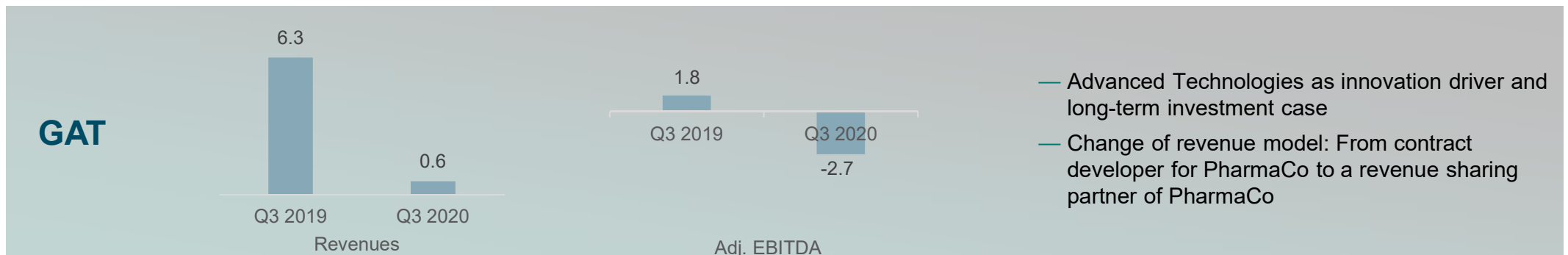
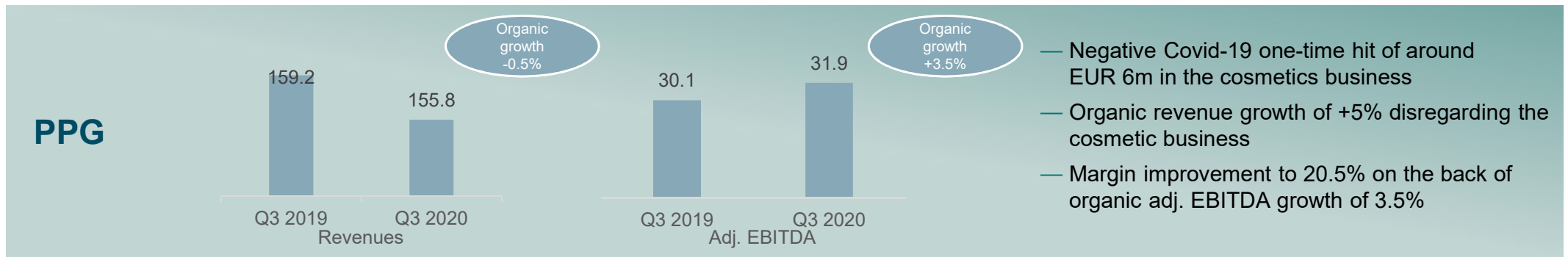
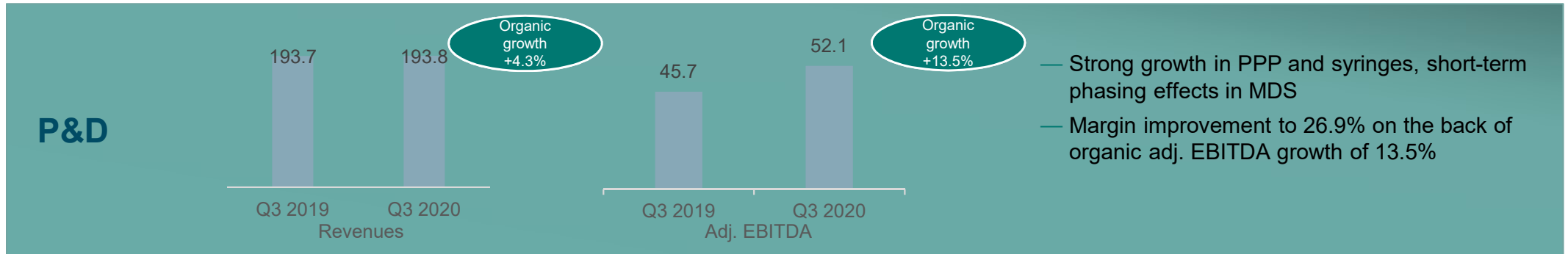
(EUR m)	Q3 2020	Q3 2019	YoY	Analysis
Revenues	349.2	358.6	0.4%¹⁾	Organic growth of +2.1% in core business including temporary Covid-19 one-time hit in cosmetics of a mid-single digit Euro amount Profitability increase due to good core business performance; excellent organic growth of +8.6% in core business
Adj. EBITDA	75.0	72.2	1.8%¹⁾	
One-off effects	3.1	-1.1		Due to lower fair value amortization
EBITDA	78.1	71.1		
Depreciation, amortization & impairment	-34.3	-37.3		
Net finance expense	-5.5	-7.0		
Income taxes	-12.7	-7.8		
Net income	25.6	19.0		
Adjustment	5.1	11.7		
Adj. net income	30.7	30.7		
Adj. EPS	0.97	0.96		

1. Organically, adjusted for exchange rate effects and acquisitions and divestments as well as regarding adj. EBITDA excluding the effects from the first-time application of IFRS 16.

Robust Core Business: Organic Growth Despite Covid-19

Q3 2020 Divisions

EUR m



Outperformance in Free Cash Flow

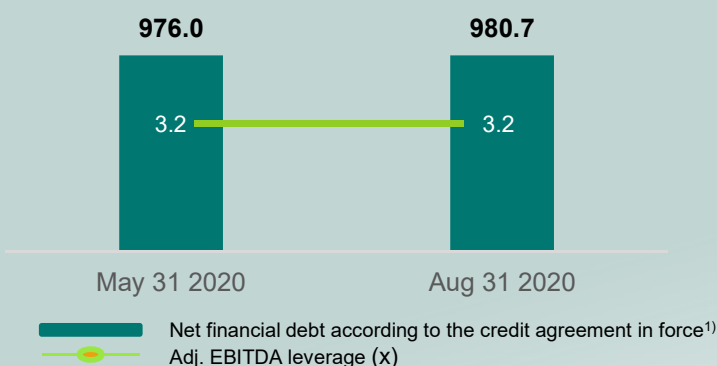
Cash Flow in Q3 2020

(EUR m)	Q3 2020	Q3 2019	Change	Analysis
Adjusted EBITDA	75.0	72.2	2.8	Driven by good core business
Change in net working capital	4.7	-12.4	17.1	Focus on operational Working Capital performance
Net capex	-28.8	-43.6	14.8	Supported by sale of Kuessnacht site
Net interest paid	-2.3	-2.4	0.1	
Net taxes paid	-8.2	-8.2	-	
Pension benefits paid	-2.4	-3.2	0.8	
Other	-0.3	-5.2	4.9	
Free Cash Flow before M&A	37.7	-2.8	40.5	

Leverage Stable – Promissory Note Agreement Signed

End of Q3 2020: Financial Status

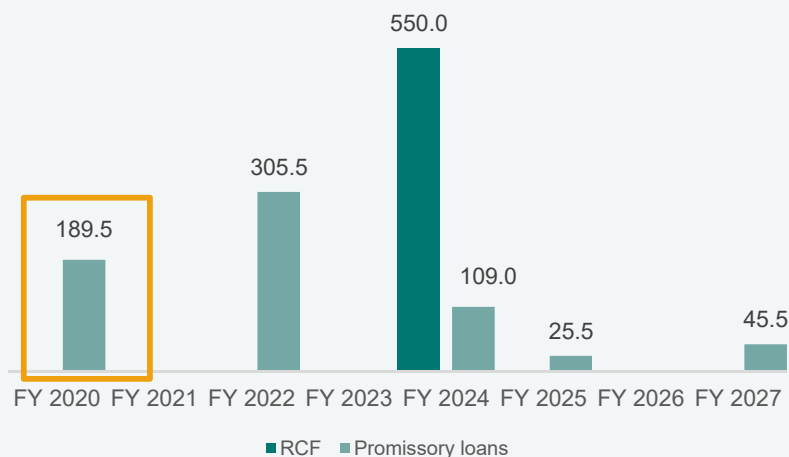
NET FINANCIAL DEBT AND ADJ. EBITDA LEVERAGE



NET FINANCIAL DEBT ACCORDING TO CREDIT AGREEMENT IN FORCE¹⁾

In EUR m	May 2020	Aug 2020
Revolving credit facility	360.2	365.5
Promissory loans (2017)	250.0	250.0
Promissory loans (2015)	425.0	425.0
Local borrowings	33.1	33.6
Installment purchase liabilities	1.7	1.7
Cash and cash equivalents	(94.0)	(95.1)
Net financial debt according to credit agreement in force¹⁾	976.0	980.7

EXPIRY DATE MAIN FACILITIES



STATUS OF CURRENT PROMISSORY LOAN TRANSACTION

- Successful refinancing the promissory loans maturing in November 2020
- EUR 325m promissory loan agreement signed
- Conditions towards former promissory loan improved
- Highly oversubscribed: sustained confidence in Gerresheimer's business model
- Closing expected for early November 2020

1. Without base liabilities

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Very Strong Quarter Ahead

Outlook Q4 2020

P&D

- Mid to high-single digit growth
- Support of phasing effects from Q3

PPG

- High-single digit to double digit growth
- First delivery of Covid-19 vials
- Innovation materializing: first sales in Gx[®] Elite Glass
- First recovery in cosmetics business

GAT

- Exploration of further technologies, opportunities and new projects
- SQ Innovation project on track

Guidance Confirmed

At Group level (FXN)

	FY 2020	Mid-term
Revenue Growth	Mid-single digit growth	Mid-single digit growth
Adjusted EBITDA	~21% ¹	~ 23%
Capex (% of revenues)	~ 12%	8 - 10%

1. Including a positive effect of EUR 9m to EUR 11m from the transition to IFRS 16.

Focus on Growth



Q3 2020: Core business on track



Very strong quarter ahead



For our long-term profitable growth journey we are securing new orders, additional capacities and leveraging market trends

Next Events

Capital Markets Day

December 8, 2020

Public Event for Investors and Analysts - Details to follow

Financial Reporting

February 18, 2021:

Publication Annual Report 2020



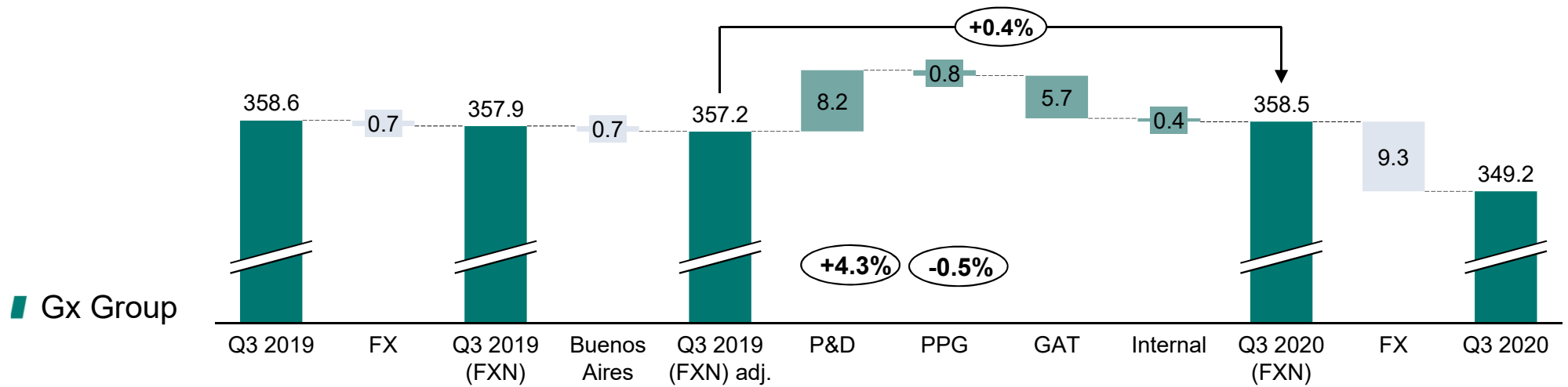
Appendix



YoY Revenue & Organic Growth Reconciliation (1 of 2)

in EUR m

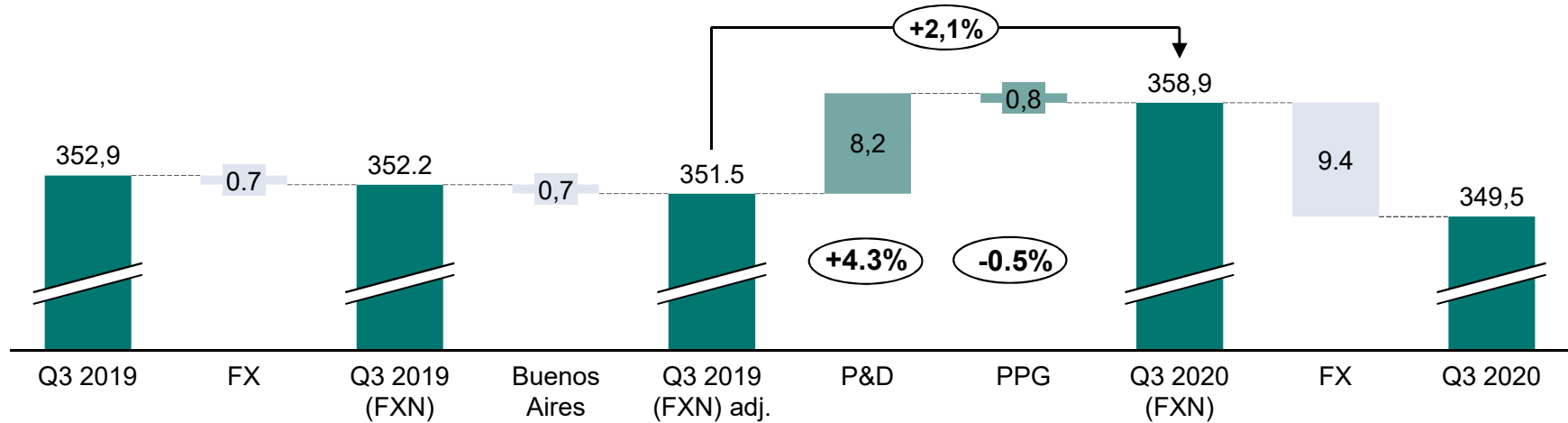
○ organic growth rate



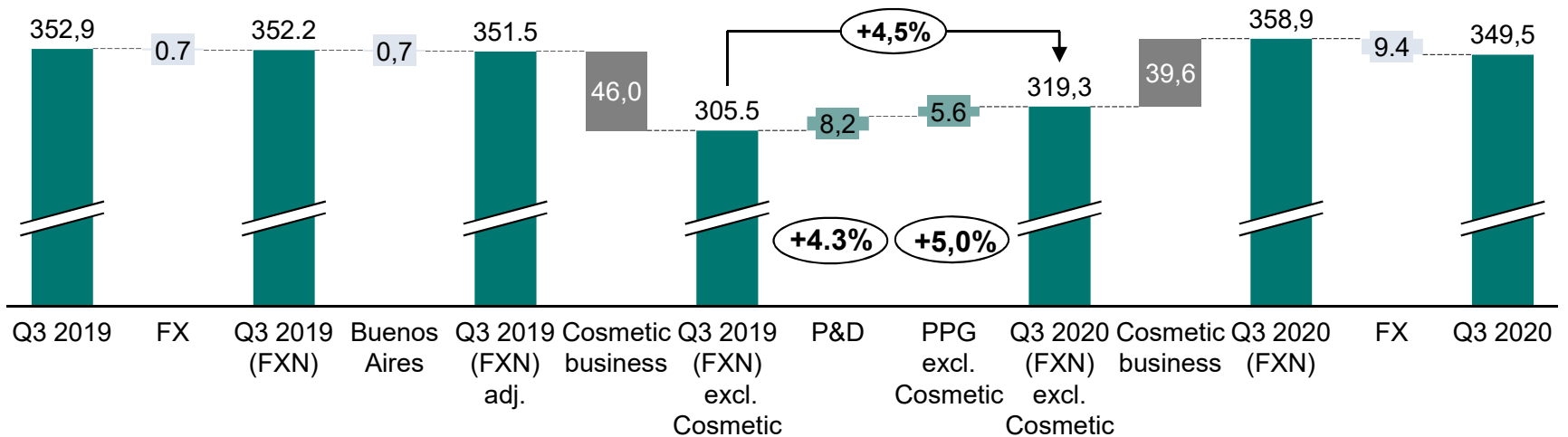
YoY Revenue & Organic Growth Reconciliation (2 of 2) in EUR m

○ organic growth rate

Gx Core Business



Gx Core Business excl. Cosmetic



YoY Adj. EBITDA & Organic Growth Reconciliation in EUR m

○ organic growth rate

