



# SYNLAB Q3/9M'23 RESULTS

8 November 2023

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## Agenda

1. Q3/9M'23 Highlights
2. Q3/9M'23 Financial highlights
3. Q3/9M'23 Business review
4. Outlook
5. Appendix





# Q3/9M'23 HIGHLIGHTS

Mathieu Floreani, CEO

## Key highlights in 9M'23



### Strong 9M'23 financials

**+6.9%** organic growth (**+5.1%** in Q3'23)

**16.9%** Proforma EBITDA margin  
(**+15.6%** in Q3'23 in line with seasonal business effect)

**€5m** unlevered FCF



### FY'23 guidance confirmed

**~€2.7bn** revenue

**16-18%** AEBITDA margin

**~€100m** M&A spend



### Ongoing portfolio management within countries to improve performance

#### Disposal of non strategic assets

Sale of Swiss business

Sale of veterinary diagnostics business in Belgium, Germany and Spain

Sale of business in Poland and Ukraine

**Route towards margin improvement on track: Productivity recovery and active portfolio management**

## Q3'23 highlights – implementation of strategy continues

### Organic growth

#### Base business +5.1% growth in Q3

- Positive price in South and North & East
- Over-delivery of >€10m of ForYou Growth Initiative

#### Retail initiative progressing

- Customer satisfaction remains very high with NPS 87, (>800k individual feedbacks Q1-Q3)

#### B2B initiative progressing

- CRM roll-out and Sales Effectiveness Training ongoing

### Operational excellence

- SALIX delivering €30m savings across all regions
- Portfolio management activities across the value chain (BCP & lab footprint)
- Focus on increased logistics efficiency in several markets
- Ongoing efforts to optimize inventory management for cash improvement
- Ongoing preparation of IT-go live in Synnovis (UK)

### M&A

#### 7 acquisitions in 9M'23, in line with temporary reduction of M&A spent in 2023

- 3 countries: Belgium (2), Germany (3), Italy (2)
- ~€55m annualised revenue
- Total EV: ~€75m<sup>1</sup>

**Portfolio management strategy: Divestment of Swiss, Polish, Ukrainian, and veterinary business**



### Employee engagement / ESG

#### Employer brand

- Already 264 scientific publications in 9M'23

#### ESG

- New RNA blood test for bipolar disorder (EDIT-B)
- SYNLAB Medical Congress held on key diseases
- ESG and Human Rights Due Diligence process implemented
- SYNLAB Foundation first project: Colorectal Cancer Public Awareness Campaign in Portugal in Black communities

## ESG highlights



### Responsible supply chain

- ✓ ESG and Human rights Due Diligence process implemented for entire value chain

### Community investment

- ✓ First SYNLAB Foundation project supporting colorectal cancer public awareness and testing Campaign in Portugal for black communities



### Provision on high-quality healthcare

- ✓ SYNLAB Medical Congress held on oncology and infectious diseases; genetics planned in November
- ✓ 1st RNA blood test for bipolar disorder (MyEDIT-B) added to testing portfolio in Italy; roll-out planned in other countries.



### External ESG ratings

- ✓ ISS ESG FY 2023 Prime Status
- ✓ MSCI ESG FY 2023 A



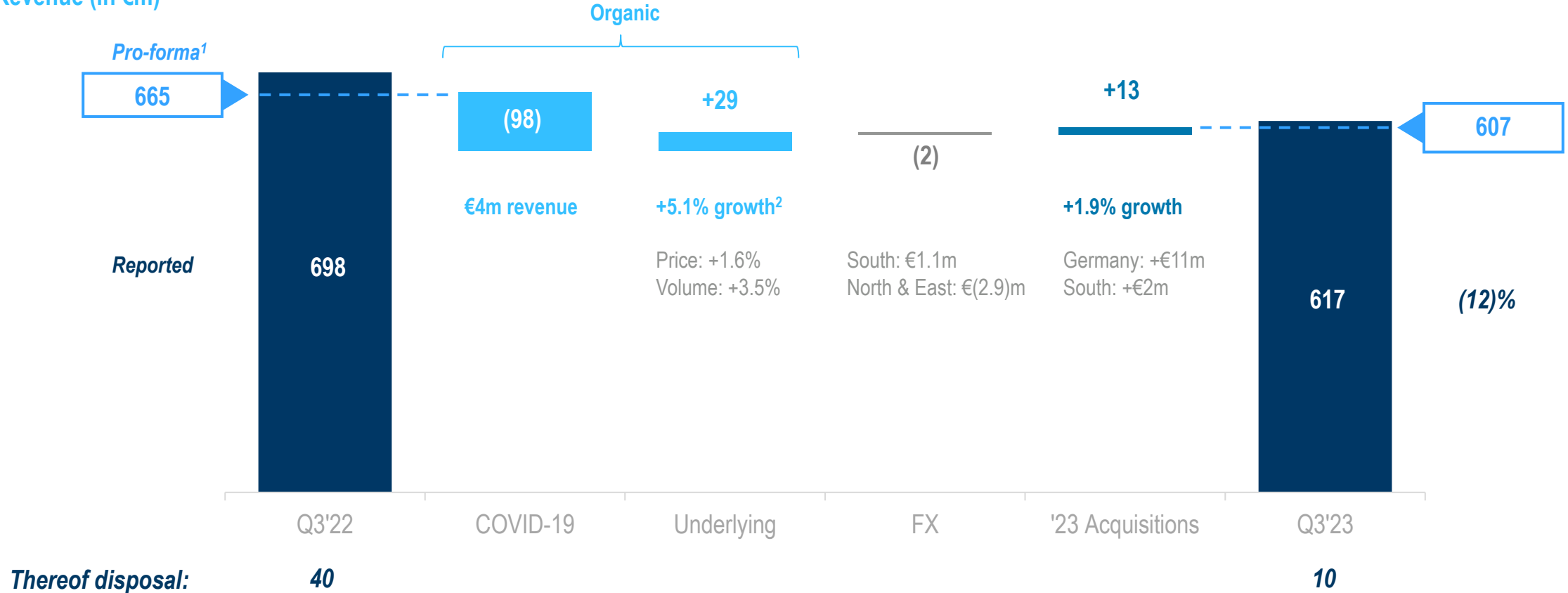
# Q3/9M'23 FINANCIAL HIGHLIGHTS

Sami Badarani, CFO



## Q3'23 revenue – Normalization of COVID-19 business

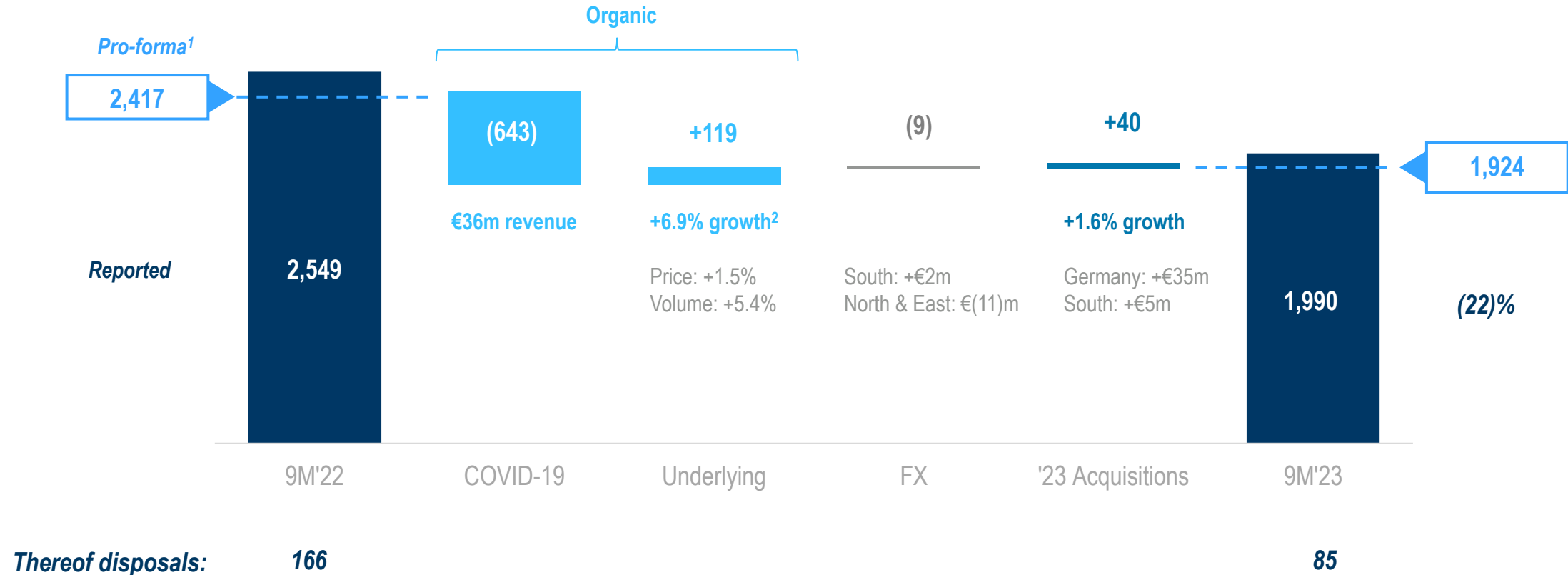
Revenue (in €m)



**Pro-forma underlying organic growth at 5.1%**

## 9M'23 revenue – High comparison base in 9M'22

Revenue (in €m)

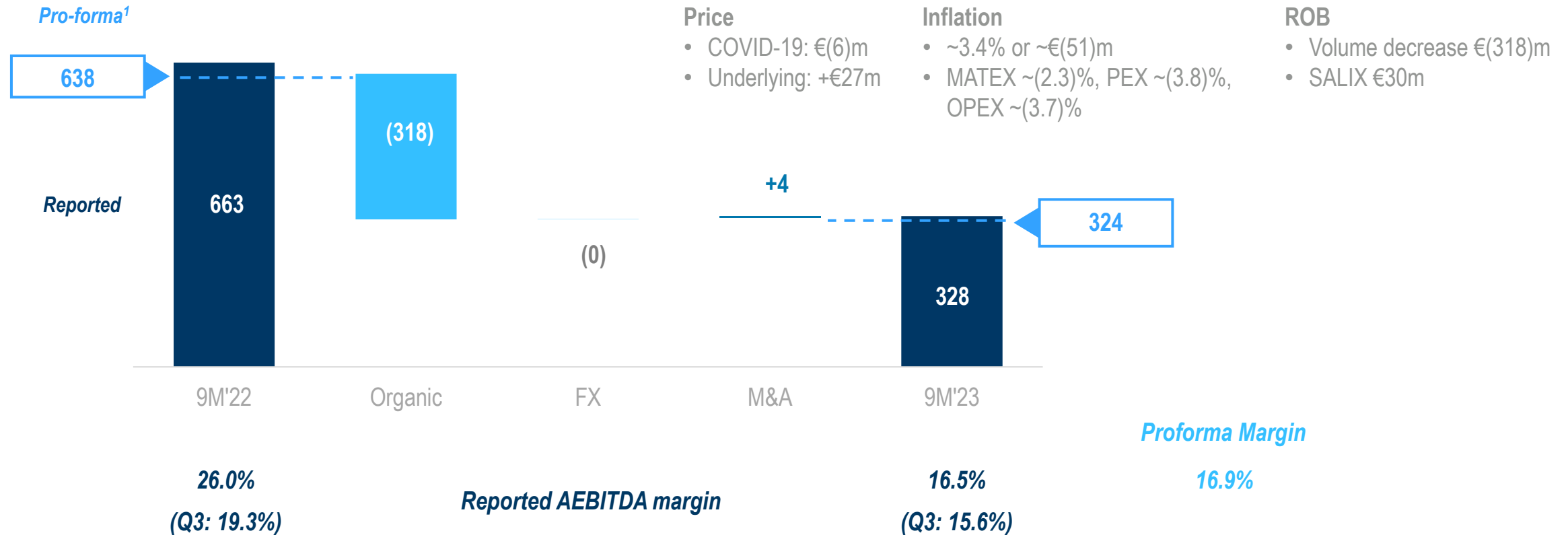


**Pro-forma underlying organic growth at 6.9%**

## 9M'23 AEBITDA margin within FY'23 guidance (16-18%)

AEBITDA (in €m)

Organic drivers



**Q3 margin lower than H1 due to seasonality ... lower volume in summer**

## 9M'23 P&L summary

(in €m)	9M'23				
	Reported	Adj.	Adjusted	Adjusted vs. LY	
<b>EBITDA</b>	<b>316.2</b>	12.1	<b>328.3</b>	<b>(334.7)</b>	●—● Mostly acquisition-related adjustments
D&A - impairment	(219.2)	40.3	(178.9)	(2.5)	●—● €40m customer list amortisation
<b>Operating profit</b>	<b>97.0</b>	52.4	<b>149.4</b>	<b>(337.3)</b>	●—● Higher net interest impact of ~€(23)m, lower derivatives gain of ~€(33)m
Net finance results	(66.8)	-	(66.8)	(55.2)	●—● 27% adjusted effective tax rate
Income tax expense	(42.7)	(2.5)	(45.2)	93.8	●—● Mainly profit from disposals
Other	182.0	(183.2)	(1.2)	0.8	
<b>Net Profit</b>	<b>169.5</b>	(133.3)	<b>36.2</b>	<b>(296.2)</b>	
<b>Adjusted EPS *</b>			<b>0.16 €</b>		

**Lower adjusted net profit resulting from lower AEBITDA and increasing Net finance results**

## Q3/9M'23 cash flow summary

(in €m)	Q3'23	9M'23	9M'23 vs. LY
<b>AEBITDA</b>	<b>96</b>	<b>328</b>	<b>(335)</b>
Movements in working capital	18	(37)	(56)
Income tax paid	(13)	(64)	87
Change in provisions & other	(7)	(6)	(23)
<b>Operating cash flow</b>	<b>94</b>	<b>222</b>	<b>(327)</b>
Net CAPEX (incl. leasing)	(77)	(217)	(7)
<i>As % of revenue</i>	<i>-12.5%</i>	<i>-10.9%</i>	<i>(2.7pp)</i>
<b>Unlevered free cash flow</b>	<b>17</b>	<b>5</b>	<b>(334)</b>
Net interest	(8)	(28)	3
<b>Free cash flow</b>	<b>9</b>	<b>(23)</b>	<b>(331)</b>

- DSO at 63 (Sep'22: 54)
- Normalising working capital
- Timing of tax payments

Synnovis Net CAPEX ~€50m (9M'23)

- Q3'23 AEBITDA conversion @30% (excluding Synnovis)
- Decreased debt
- 9M'23 average cost of borrowings<sup>2</sup> at 4.3%

**Back to positive Unlevered free cash flow in Q3**

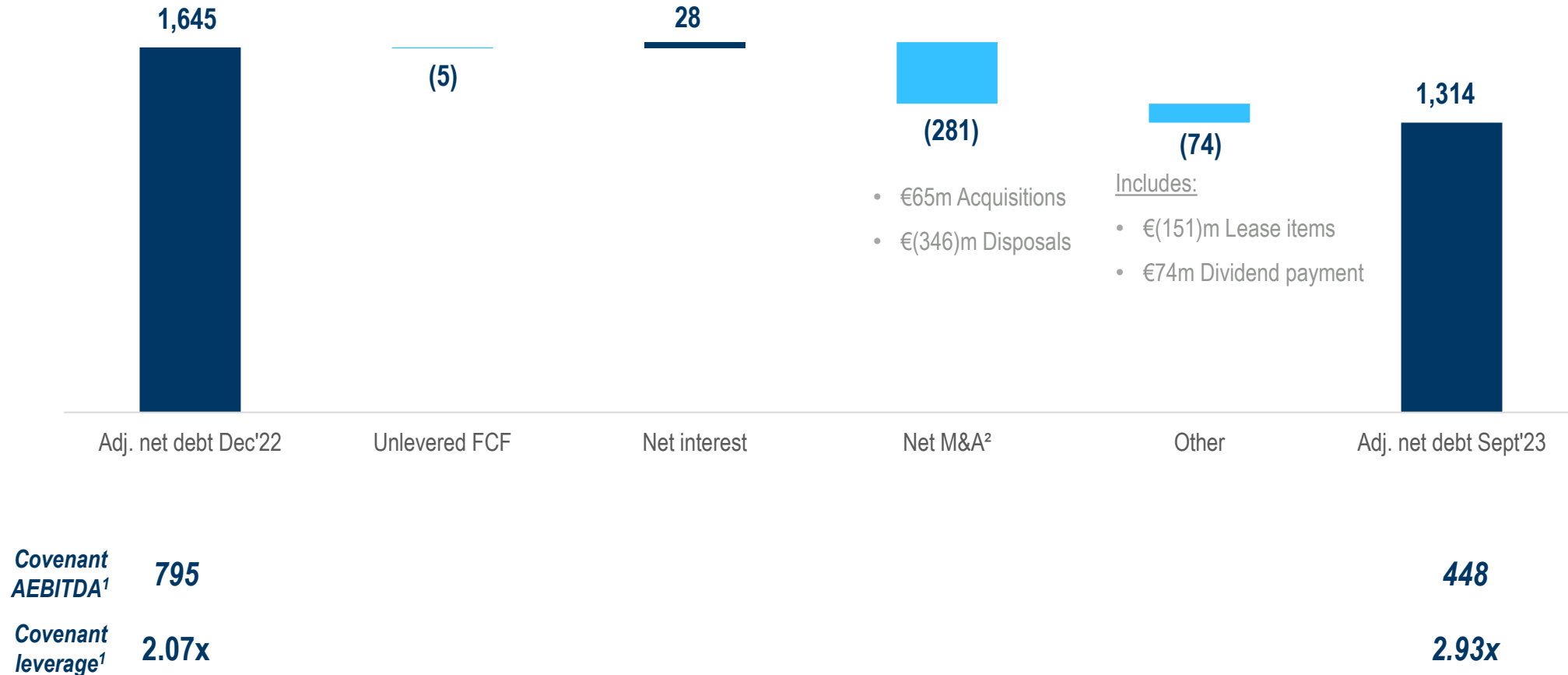
## 9M'23 balance sheet summary

(€m)	Sep'23	Dec'22	Change	
Goodwill	2,268	2,323	(55)	●—● €95m reduction from disposals
Net fixed assets	1,496	1,646	(149)	
Net working capital	99	94	5	●—● Stable vs June'23
<i>NWC as a % of LTM revenue</i>	3.8%	2.9%		
<b>Capital employed</b>	<b>3,864</b>	<b>4,063</b>	<b>(199)</b>	
Equity	2,417	2,333	84	●—● €74m dividend payment of SYNLAB AG
Net debt	1,339	1,575	(236)	
Other	108	154	(47)	●—● Including income tax liability, pension provisions
<b>Resources</b>	<b>3,864</b>	<b>4,063</b>	<b>(199)</b>	
<b>Cash</b>	<b>404</b>	<b>542</b>	<b>(138)</b>	●—● +€500m undrawn RCF at end of 9M'23

**€200m Term Loan A repaid following disposal of veterinary diagnostics business in Oct. '23**

## Adjusted net debt<sup>1</sup> for covenant calculation

(in €m)



**Leverage at 2.93x – €346m proceeds from disposals**



# Q3/9M'23 BUSINESS REVIEW

Mathieu Floreani, CEO



## FRANCE (20% of Group revenue)

### Key financials

(€m)	Q3'23	Q3'22	% var.	9M'23	9M'22	% var.
Revenue	120.6	145.5	(17)%	393.2	527.9	(26)%
AOP	7.8	25.8	(70)%	40.8	108.8	(63)%
AOP margin	6.4%	17.7%	(11.3)pp	10.4%	20.6%	(10.2)pp

### Q3 Revenue

**Underlying growth:** Price decrease of 4.5%, lower volume from working day effect and minor out of period adjustment

**COVID-19:** Testing revenue at ~€1.6m

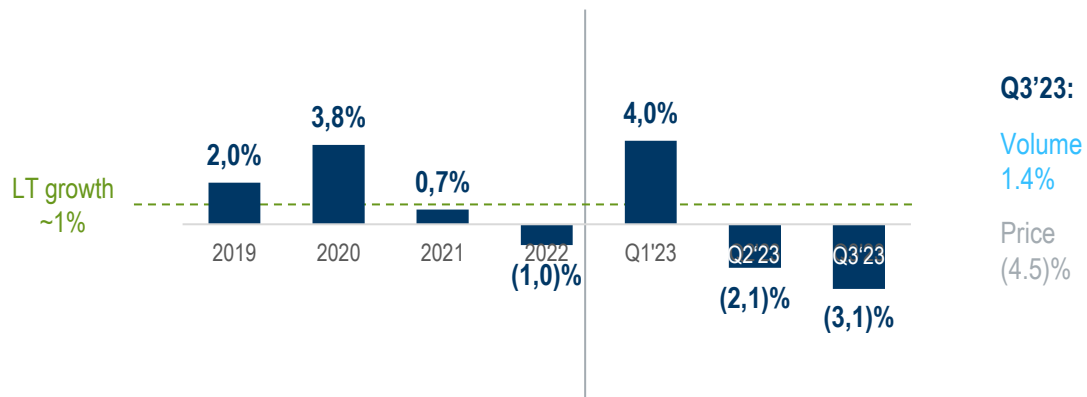
### Q3 Profitability

AOP margin lower than in H1 from lower volume from seasonality, lower COVID 19 testing, incremental price drop partially offset by lower OPEX inflation impact and positive productivity

### 2023 price update

New 3-year plan negotiations finalized resulting in a healthcare budget growth of 0.4% per year in 2024-2026, same overall principles as in the previous 3-year plans, balancing market-driven volume growth with price adjustment in line with SYNLAB long-term growth assumption.

### Underlying organic growth

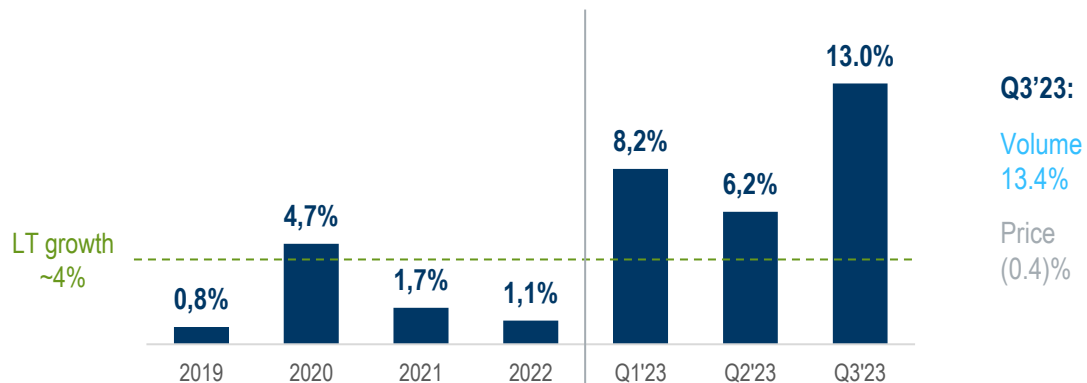


## GERMANY (20% of Group revenue)

### Key financials

(€m)	Q3'23	Q3'22	% var.	9M'23	9M'22	% var.
Revenue	134.1	150.6	(11)%	401.7	556.6	(28)%
AOP	1.0	26.2	(96)%	(4.9)	134.0	(104)%
AOP margin	0.7%	17.4%	(16.6)pp	(1.2)%	24.1%	(25.3)pp

### Underlying organic growth



### Q3 Revenue

**Underlying growth:** Strong volume from low base and robust new customer wins; trend maintained in Q3, market share gains; stable overall price

**COVID-19:** Testing revenue at ~€0.8m

### Q3 Profitability

Drop of AOP margin compared to prior year Q3 which benefitted from strong COVID 19 testing volume  
Positive AOP margin compared to H1

COVID-19 capacity ramp down nearly completed

Inflation contributing (2.8)ppt to margin drop (mainly from Matex and PEX);

Portfolio review in process

### M&A

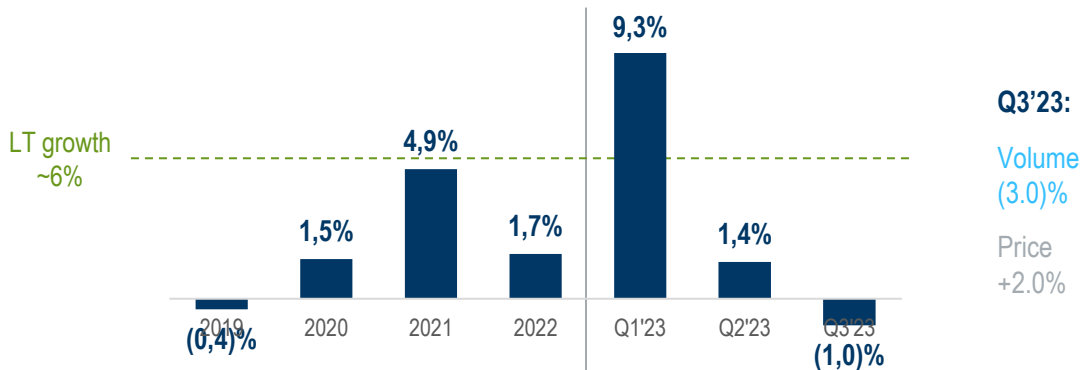
3 acquisitions in 9M'23 ~€49m annualized revenue  
VET disposal

## SOUTH (31% of Group revenue)

### Key financials

(€m)	Q3'23	Q3'22	% var.	9M'23	9M'22	% var.
Revenue	173.9	207.3	(16)%	617.3	745.4	(17)%
AOP	8.7	11.3	(24)%	50.2	98.6	(49)%
AOP margin	5.0%	5.5%	(0.5)pp	8.1%	13.2%	(5.1)pp

### Underlying organic growth



### Q3 Revenue

**Underlying growth:** At 4.5% adjusted for prior year revenue one off in Italy (€9M); strong price increases across the countries except for Portugal and Ecuador

**COVID-19:** Testing revenue at ~€0.5m

### Q3 Profitability

Strong AOP margin improvement in LATAM and Portugal offset by continued margin pressure in Spain. Italy is improving margin excluding impact of prior year revenue one off.

Margin improvement from SALIX savings, favorable base volume effect and positive price overcompensating inflation and limited COVID-19 contribution

### M&A

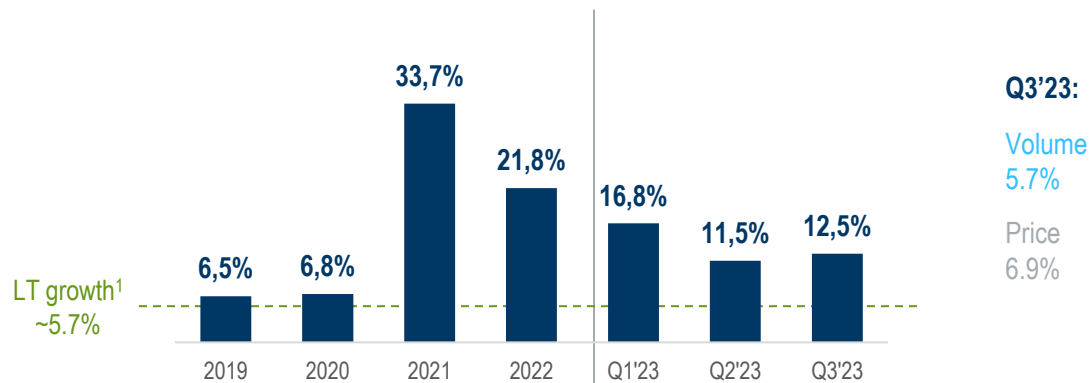
Chile contributing to growth, 2 bolt-on acquisition in 9M'23 in Italy

## NORTH & EAST (29% of Group revenue)

### Key financials

(€m)	Q3'23	Q3'22	% var.	9M'23	9M'22	% var.
Revenue	188.5	194.5	(3)%	577.6	719.4	(20)%
AOP	17.8	12.5	42%	63.4	145.4	(56)%
AOP margin	9.4%	6.4%	3.0pp	11.0%	20.2%	(9.2)pp

### Underlying organic growth



### Q3 Revenue

**Underlying growth:** Strong volume growth and price increases accross the portfolio resulting in strong expansion at +12.5%

**COVID-19:** Testing revenue at ~€0.7m

### Q3 Profitability

Positive price net of inflation AOP impact of €3.1m

Strong AOP margin improvement from a weaker prior year Q3 impacted by COVID 19 one off cost

### Synnovis (SEL)

Continued work on preparing IT transition (along with Hospital system migration) fitting an equipping the new hub



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# OUTLOOK

Mathieu Floreani, CEO

## FY'23 Outlook confirmed

	Guidance 2023
Revenue	~€2.7bn
AEBITDA margin	16-18%
M&A spend	~€100m

### Key assumptions

- Revenue reduction by ~€65 million from 2023 disposals (~€38M million in Q4'23)
- ~6% underlying organic growth (increase from >4% stated before)
- ~€40 million COVID-19 testing revenue
- Doubling of SALIX savings
- Inflation net of price trajectory confirmation



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## Q&A

Mathieu Floreani, CEO

Sami Badarani, CFO

## Investor contact & financial calendar

### Investor contact

Etienne Ziller

**SYNLAB**

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### Financial calendar

<b>Q4/FY'23 Results</b>	25 March 2024
<b>Q1'24 Results</b>	8 May 2024
<b>Annual General Meeting 2024</b>	17 May 2024
<b>Q2/H1'24 Results</b>	8 August 2024
<b>Q3/9M'24 Results</b>	7 November 2024

### Upcoming events

<b>BNP Paribas Exane DILS Conference</b>	12 December 2023
<b>ODDO BHF FORUM</b>	11-16 January 2024
<b>UniCredit &amp; Kepler Cheuvreux 23rd German Corporate Conference</b>	15 January 2024
<b>BNP Paribas Exane Healthcare Conference</b>	26-27 March 2024





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APPENDIX

## Revenue by segment

Reported (€m)	Q3'23	Q3'22	Q3'23 PF	Q3'22 PF	Change	Organic Growth	FX Growth	M&A Growth
France	120.6	145.5	120.6	145.7	(17.2)%	(17.2)%	0.0%	0.0%
Germany	134.1	150.6	127.1	145.0	(12.4)%	(19.9)%	0.0%	7.5%
South	173.9	207.3	173.7	186.0	(6.6)%	(8.1)%	0.6%	0.9%
North & East	188.5	194.5	185.8	188.2	(1.3)%	1.3%	(2.6)%	0.0%
<b>SYNLAB Group</b>	<b>617.2</b>	<b>697.9</b>	<b>607.1</b>	<b>665.0</b>	<b>(8.7)%</b>	<b>(10.0)%</b>	<b>(0.6)%</b>	<b>1.9%</b>

Reported (€m)	9M'23	9M'22	9M'23 PF	9M'22 PF	Change	Organic Growth	FX Growth	M&A Growth
France	393.2	527.9	393.2	530.5	(25.9)%	(25.9)%	0.0%	0.0%
Germany	401.7	556.6	397.2	541.4	(26.6)%	(33.1)%	0.0%	6.4%
South	617.3	745.4	565.7	645.3	(12.3)%	(13.4)%	0.3%	0.8%
North & East	577.6	719.4	567.9	700.2	(18.9)%	(17.1)%	(1.8)%	0.0%
<b>SYNLAB Group</b>	<b>1,989.9</b>	<b>2,549.3</b>	<b>1,923.9</b>	<b>2,417.4</b>	<b>(20.4)%</b>	<b>(21.6)%</b>	<b>(0.5)%</b>	<b>1.6%</b>

## AOP by segment

Reported (€m)	Q3'23	Q3'22	Margin Q3'23	Margin Q3'22
France	7.8	25.8	6.4%	17.7%
Germany	1.0	26.2	0.7%	17.4%
South	8.7	11.3	5.0%	5.5%
North & East	17.7	12.5	9.4%	6.4%
<b>SYNLAB Group</b>	<b>35.1</b>	<b>75.8</b>	<b>5.7%</b>	<b>10.9%</b>

Reported (€m)	9M'23	9M'22	Margin 9M'23	Margin 9M'22
France	40.8	108.8	10.4%	20.6%
Germany	(4.9)	134.0	(1.2)%	24.1%
South	50.2	98.6	8.1%	13.2%
North & East	63.3	145.4	11.0%	20.2%
<b>SYNLAB Group</b>	<b>149.4</b>	<b>486.7</b>	<b>7.5%</b>	<b>19.1%</b>

## Operating profit to AOP and AEBITDA reconciliation

(in €m)	9M'23	9M'22
<b>Operating profit</b>	<b>97.0</b>	<b>265.3</b>
Strategic project costs	(0.3)	0.4
Acquisitions related costs	12.5	6.7
Impairment non current assets	0.6	173.0
Customer list amortisation	39.7	41.3
<b>Adjusted operating profit (AOP)</b>	<b>149.4</b>	<b>486.7</b>
Depreciation and amortisation	219	217.6
Customer list amortisation (elimination)	(39.7)	(41.3)
<b>Adjusted EBITDA (AEBITDA)</b>	<b>328.3</b>	<b>663.0</b>

## Consolidated statement of income

From 1 January to 30 September

€ 000	2023	2022
<b>Revenue</b>	<b>1,989,871</b>	<b>2,549,290</b>
Material and related expenses	(466,677)	(600,730)
Payroll and related expenses	(841,065)	(881,351)
Other operating income	28,345	24,452
Other operating expenses	(394,322)	(435,755)
Depreciation and amortisation	(218,601)	(217,624)
Impairment of non-current assets	(570)	(173,026)
<b>Operating profit</b>	<b>96,981</b>	<b>265,256</b>
Share of loss of associates and other non-controlling interest	(663)	(2,014)
Profit on disposal of investment	183,242	70,653
Finance income	46,092	79,746
Finance costs	(112,911)	(91,393)
<b>Profit / (loss) before taxes</b>	<b>212,741</b>	<b>322,248</b>
Income tax expenses	(42,736)	(129,751)
<b>Profit for the period</b>	<b>170,005</b>	<b>192,497</b>
thereof: Profit / (loss) attributable to non-controlling interests	550	1,576
thereof: Profit / (loss) attributable to equity holders of the parent company	169,455	190,921
<b>Basic earnings per share from continuing operations (in EUR)</b>	<b>0.77</b>	<b>0.86</b>
<b>Diluted earnings per share from continuing operations (in EUR)</b>	<b>0.77</b>	<b>0.86</b>

# Consolidated statement of financial position

## ASSETS

	As at 30 September	As at 31 December
€ 000	2023	2022
<b>ASSETS</b>		
Goodwill	2,268,497	2,323,423
Intangible assets	611,157	733,238
Property, plant and equipment	356,787	311,506
Right of use assets	579,488	655,968
Investments in associates	1,471	1,281
Financial non-current assets	60,940	80,518
Other non-current assets	4,554	4,700
Deferred tax assets	52,622	47,916
<b>Total non-current assets</b>	<b>3,935,516</b>	<b>4,158,550</b>
Inventories	69,291	84,094
Trade accounts receivables	412,333	443,089
Financial current assets	64,716	47,299
Other current assets	103,722	106,398
Cash and cash equivalents	404,159	541,684
<b>Total current assets</b>	<b>1,054,221</b>	<b>1,222,564</b>
<b>Total assets</b>	<b>4,989,737</b>	<b>5,381,114</b>

## EQUITY AND LIABILITIES

	As at 30 September	As at 31 December
€ 000	2023	2022
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Contributed capital	222,222	222,222
Additional paid-in capital	2,864,909	2,932,618
Own shares	-35,352	-35,730
Cumulative translation adjustment	16,793	31,771
Accumulated deficit	-649,666	-817,710
<b>Total parent company interests</b>	<b>2,418,906</b>	<b>2,333,171</b>
<b>Non-controlling interests</b>	<b>-1,536</b>	<b>70</b>
<b>Total equity</b>	<b>2,417,370</b>	<b>2,333,241</b>
<b>LIABILITIES</b>		
Loans and borrowings (non-current)	1,099,122	1,411,000
Non-current lease liabilities	492,624	557,773
Employee benefits liabilities	29,610	31,042
Non-current provisions	3,860	3,562
Contract liabilities	9,756	9,510
Other non-current liabilities	38,294	62,862
Deferred tax liabilities	170,733	189,375
<b>Total non-current liabilities</b>	<b>1,843,999</b>	<b>2,265,124</b>
Current loans and borrowings	24,366	15,873
Current lease liabilities	127,376	132,187
Trade accounts payable	274,895	313,693
Contract liabilities	11,421	10,515
Current provisions	31,268	31,517
Income tax liabilities	35,138	56,836
Other current liabilities	223,904	222,128
<b>Total current liabilities</b>	<b>728,368</b>	<b>782,749</b>
<b>Total liabilities</b>	<b>2,572,367</b>	<b>3,047,873</b>
<b>Total equity and liabilities</b>	<b>4,989,737</b>	<b>5,381,114</b>

## Consolidated statement of cash flows

€ 000	2023	2022
<b>Operating profit</b>	<b>96,981</b>	<b>265,256</b>
Depreciation, amortisation, impairment	218,941	390,579
Change in provisions	756	593
Loss (income) from the disposal of non-current assets	(248)	2,066
Other non-cash revenues and expenses	6,254	22,358
Change in inventories	11,413	20,710
Change in trade accounts receivable	18,854	138,844
Change in trade accounts payable	(32,323)	(96,221)
Change in other net working capital	(34,556)	(44,219)
Income tax paid	(63,700)	(150,847)
<b>Cash flow from operating activities (A)</b>	<b>222,372</b>	<b>549,119</b>
Acquisition of subsidiaries, net of cash acquired and changes in debt related to acquisitions	(65,450)	(91,759)
Purchase of intangibles and property, plant and equipment	(97,654)	(91,056)
Sale of subsidiaries, net of cash disposed and changes in debt	346,529	83,790
Proceeds from sale of intangibles and property, plant and equipment	918	296
Cash paid for other non-current assets	(1)	(299)
Cash received from other non-current assets	5	-
Interest received	5,232	1,896
Dividends received	30	167
<b>Cash flow (used in)/from investing activities (B)</b>	<b>189,609</b>	<b>(96,965)</b>
Acquisition of treasury shares	-	(14,570)
Proceeds from the exercise of share options	203	-
Interest paid	(51,385)	(47,143)
New loans, borrowings and other financial liabilities	40,680	690
Repayment of loans, borrowings and other financial liabilities	(361,154)	(554)
Repayment of lease liabilities	(102,568)	(105,321)
Contribution from non-controlling interests	-	900
Dividends paid and other payments to non-controlling interests	(75,846)	(76,918)
<b>Cash flow used in financing activities (C)</b>	<b>(550,070)</b>	<b>(242,916)</b>
<b>TOTAL CASH FLOWS (A+B+C)</b>	<b>(138,089)</b>	<b>209,238</b>
<b>Cash and cash equivalent at the beginning of the period</b>	<b>541,590</b>	<b>443,525</b>
Net foreign exchange differences	449	7,108
<b>Cash and cash equivalents at the end of the period</b>	<b>403,950</b>	<b>659,871</b>

## FY'23 leverage calculation

### Covenant net debt

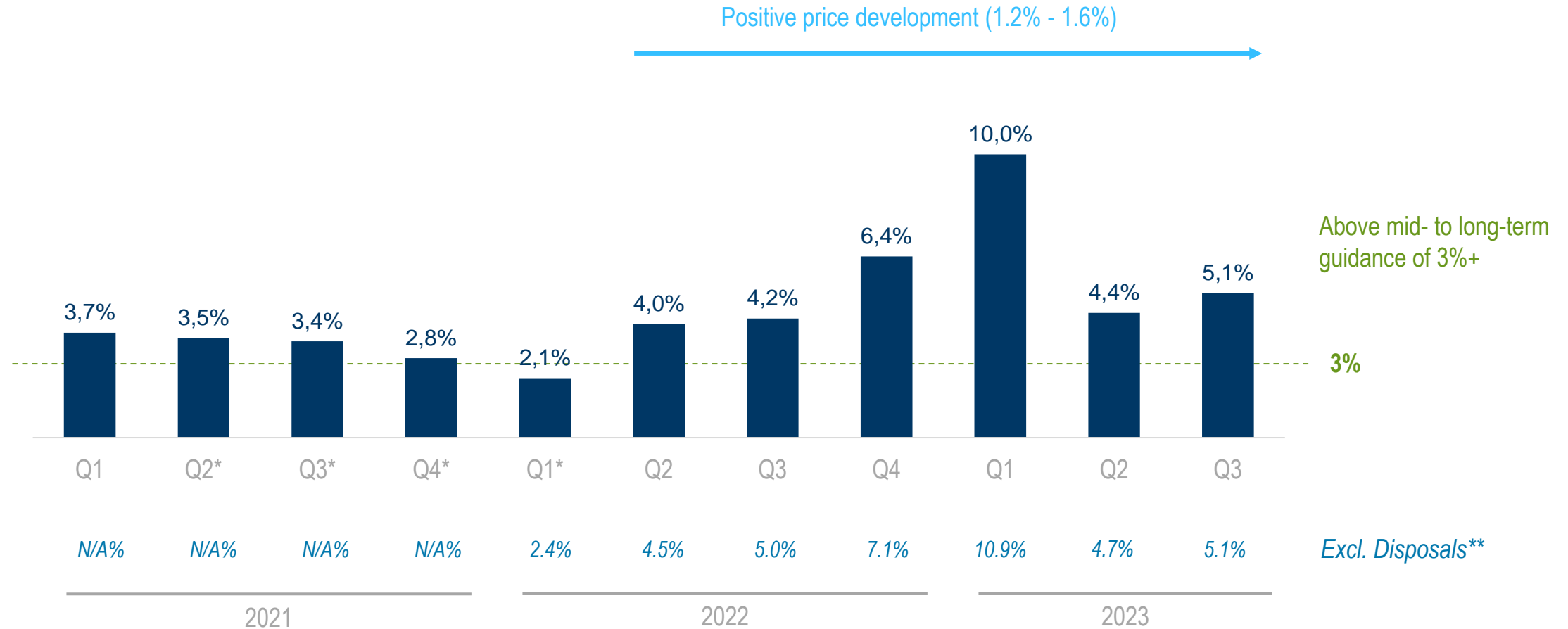
(€m)	Sep'23			Dec'22
	Net Debt as in the Balance Sheet	Capitalized Transaction Costs	Other Adj	Adjusted Net Debt
Term Loan (2.5%+EURIBOR), due 2026		-		320
Term Loan (2.5%+EURIBOR), due 2027	374	11		385
Term Loan A (2.5%*+EURIBOR), due 2026	723	12		735
<b>Total Borrowing</b>	<b>1,097</b>	<b>23</b>	<b>-</b>	<b>1,120</b>
Derivatives	2	(2)		-
Accrued Interest	23	-		23
Other Bank Debt	2	-		2
Leases	620	-	(81)	539
Cash	(404)	-		(404)
<b>Total Net Debt</b>	<b>1,339</b>	<b>22</b>	<b>(81)</b>	<b>1,280</b>
Net deferred considerations for acquisitions	39		(5)	34
<b>Total Net Debt</b>				<b>1,314</b>

### Covenant AEBITDA

(in €m)	9M'23
Reported LTM AEBITDA	418.7
<i>PF for M&amp;A &amp; Disposals</i>	(4.7)
<b>PF AEBITDA</b>	<b>414.0</b>
<i>Covenant adjustments</i>	33.8
<b>AEBITDA for covenant</b>	<b>447.8</b>
<b>Adjusted net debt for covenant</b>	1,314
<b>Covenant Leverage</b>	<b>2.93x</b>



## Underlying organic growth (excl. COVID testing)



**Underlying organic growth accelerating after COVID pandemic**

## Explanation of non-IFRS measures

**Organic growth** represents a non-IFRS measure calculating the growth in revenue for a given period compared to the equivalent prior year period for the same scope of businesses presented in a uniform currency, i.e. using the exchange rates of the prior-year period.

When calculating organic growth, SYNLAB uses the scope of businesses that have been consolidated in the Group's prior year financial statement. Revenue contribution from businesses acquired in the prior year but not consolidated for the full year are adjusted as if they had been consolidated as from January of the prior year. All revenues from businesses acquired since 1 January of the current year are excluded from the calculation.

**Adjusted EBITDA (AEBITDA)**, is operating profit adjusted for (by adding-back) the following:

- Depreciation and amortisation
- Impairment of goodwill
- Expenses related to acquisition and post-merger integration

**Adjusted operating profit (AOP)** is operating profit adjusted for the following:

- Customer list amortisation
- Impairment of goodwill
- Expenses related to acquisition and post-merger integration

**Adjusted net profit** is defined as profit (Group share) adjusted for adjustment items defined in the adjusted operating profit definition including the respective tax effects.

**Adjusted net debt** is defined as per banking covenant, the sum of financial debt including loans and borrowings adding back capitalised transaction costs, adjusted lease liabilities, and adjusted deferred price considerations for acquisitions, net of cash & cash equivalents.

**Unlevered free cash flow pre-M&A (uFCF)** is defined as the sum of cash flow from operating activities, net CAPEX (defined as the cash outflow from the purchase of intangibles and property, plant and equipment, net of proceeds from the sale of intangibles and property, plant and equipment) and leases (defined as the sum of lease repayments and lease interest).