



SYNLAB 

SYNLAB
FY'23 RESULTS

25 March 2024

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Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Agenda

1. **FY'23 Highlights**
2. **Q4/FY'23 Financial highlights**
3. **Q4/FY'23 Business review**
4. **Outlook**
5. **Appendix**





FY'23 HIGHLIGHTS

Mathieu Floreani, CEO

FY'23 key highlights



Strong FY'23 financials

+6.4% organic growth (**+4.9%** in Q4'23)

16.6% Adjusted EBITDA margin
(**+17.0%** in Q4'23)

€74m unlevered FCF (**€69m** in Q4'23)



FY'24 guidance

~€2.7bn revenue (on current perimeter)

17-18% AEBITDA margin

€50-100m 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

FY'23 highlights – implementation of strategy continues

Organic growth

Base business +4.9% growth in Q4

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

Retail initiative progressing

- Customer satisfaction further raised with NPS 88, (>1m individual feedbacks)

B2B initiative progressing

- CRM roll-out and Sales Effectiveness Training ongoing

Operational excellence

- SALIX delivering €40m savings across all regions
- Portfolio management & STS 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
- Focus UK (Synnovis): Implementation of new operating model ongoing in Ops & IT

M&A

8 acquisitions in FY'23, in line with temporary reduction of M&A spend

- 4 countries: Belgium (2), Germany (3), Italy (2), France (1)
- ~€55m annualised revenue
- Total EV: ~€90m¹

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



Medical & ESG

Medical

- 332 scientific publications in FY'23
- SYNLAB Research Grants '23 – Woman Health, Oncology & Diagnostic Innovation & AI technical implementation related to health
- SYNLAB Medical Congress '23: oncology, infectious diseases & genetics
- 1st RNA blood test for bipolar disorder (MyEDIT-B)

Progress against ESG targets

- ↑ female representation in 2nd-line management below the Board
- ↑ training hours per FTE

Medical and ESG highlights FY2023



Medical

- ✓ SYNLAB Research Grants '23 awarded to projects on Women's Health, Oncology & Diagnostic Innovation & AI Technical Implementation related to health
- ✓ SYNLAB Medical Congress '23 on oncology, infectious diseases & genetics
- ✓ Synnovis Innovation Accelerator Fund supports >30 projects driving innovation in pathology & diagnostics; 3 completed in 2023
- ✓ Launch of first RNA blood test for bipolar disorder (MyEDIT-B)

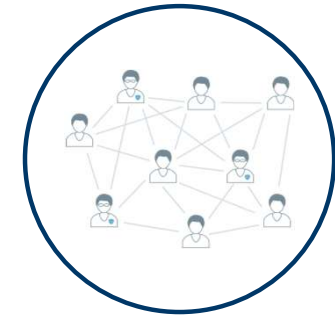


Employee matters

- ✓ Increased employee engagement (+4%)
- ✓ Increased training hours per FTE (+14%)
- ✓ Increased female representation in 2nd-line management below the Board (+3%)

Operations

- ✓ Reduction absolute CO2e emissions (-2.4%)
- ✓ Green investment: significant investments to renovate a building to meet all "EU Taxonomy-aligned" conditions in Southeast London.



Corporate Citizenship

- ✓ Increased coverage of training on data privacy at 74% of all employees (+14%)
- ✓ ESG and Human rights Due Diligence process implemented for entire value chain in 2023; Concrete ESG due diligence assessments conducted for >60% of reagent supplier spend
- ✓ SYNLAB Foundation: colorectal cancer awareness & testing for Black communities in Portugal concludes successful pilot; significant return test rates >75% (PT average 25-35%).

Proofpoint NPS

Settings

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Modify filters
 Day Week Month Quarter **Year** All-time Custom

Selected period: 01/01/2023 - 12/31/2023
 Comparing with: 01/01/2022 - 12/31/2022
 ← Previous period Next period →

Key performance indicators

Feedbacks received

1.060.768

Questions answered

7.513.014

FeedtrailScore

94,37%

Top Box Score

83,77%

3.258.654 Top Scores
3.889.902 Total Responses

Net Promoter Score (NPS)

88

- Promoters 90,43%
- Passives 6,85%
- Detractors 2,72%

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Text sentiment

Your organization doesn't currently have text sentiment analysis enabled.

FeedtrailScore: Company rankings

FeedtrailScore **NPS** Text Sentiment Top Box Score
 Account Region Sub-region Location
 All **Active**

[Add to saved reports](#)
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| # | Score | Change | Total questions answered | Total responses |
|---|-------|--------|--------------------------|-----------------|
| | | | | |

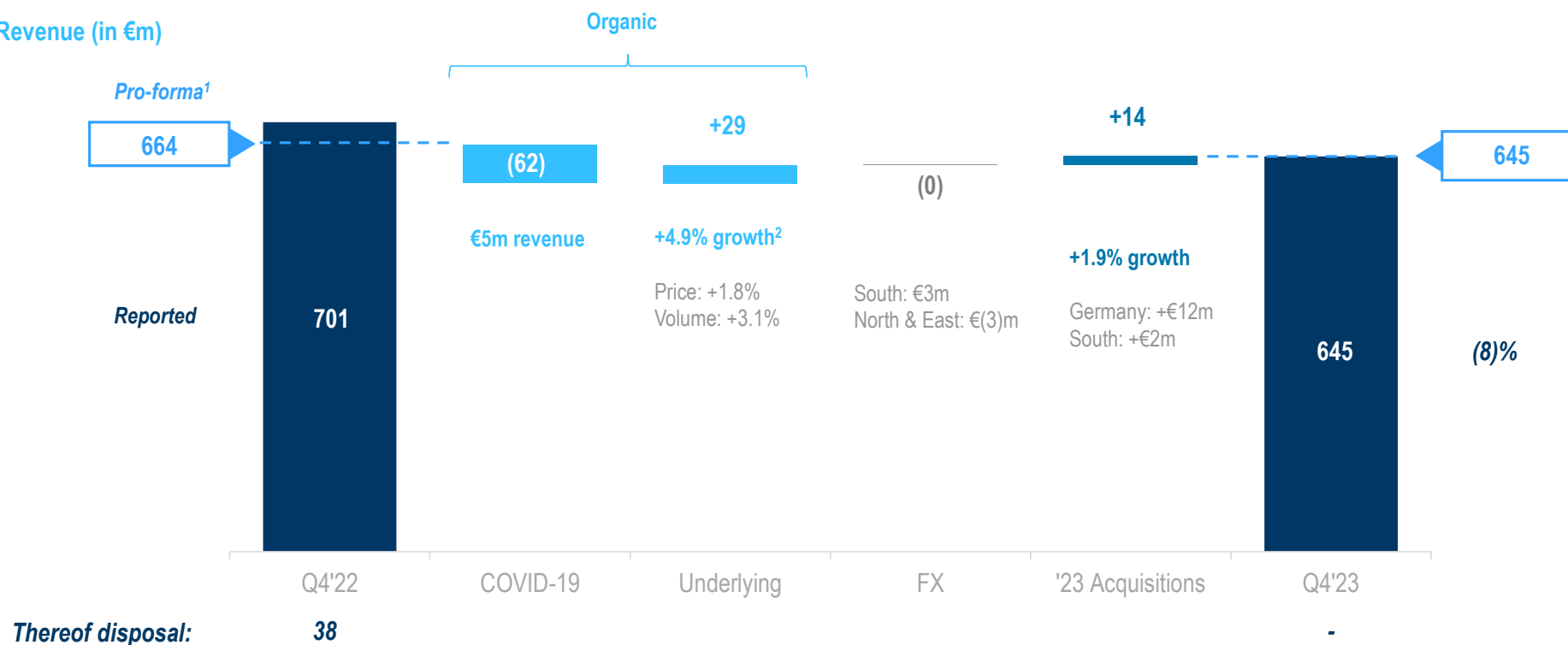


Q4/FY'23 FINANCIAL HIGHLIGHTS

Sami Badarani, CFO

Q4'23 revenue – Normalization of COVID-19 business

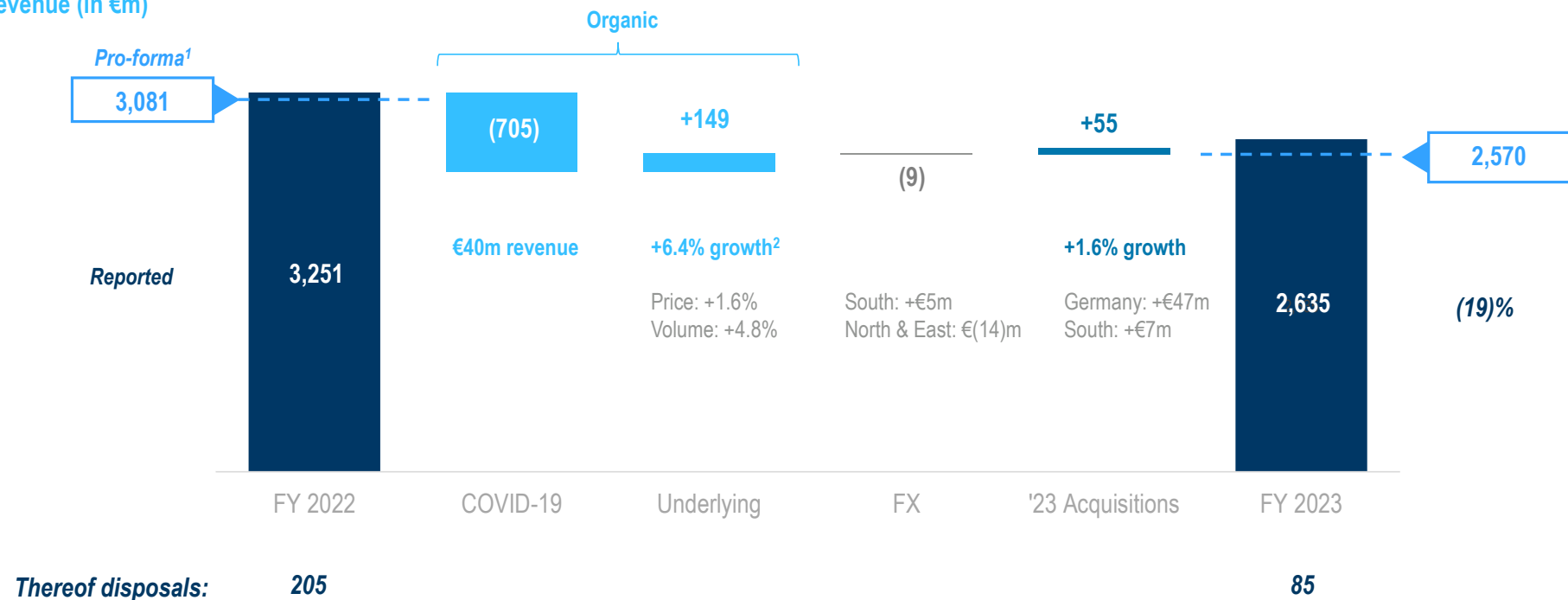
Revenue (in €m)



Proforma underlying organic growth at 4.9%

FY'23 revenue – Strong underlying growth

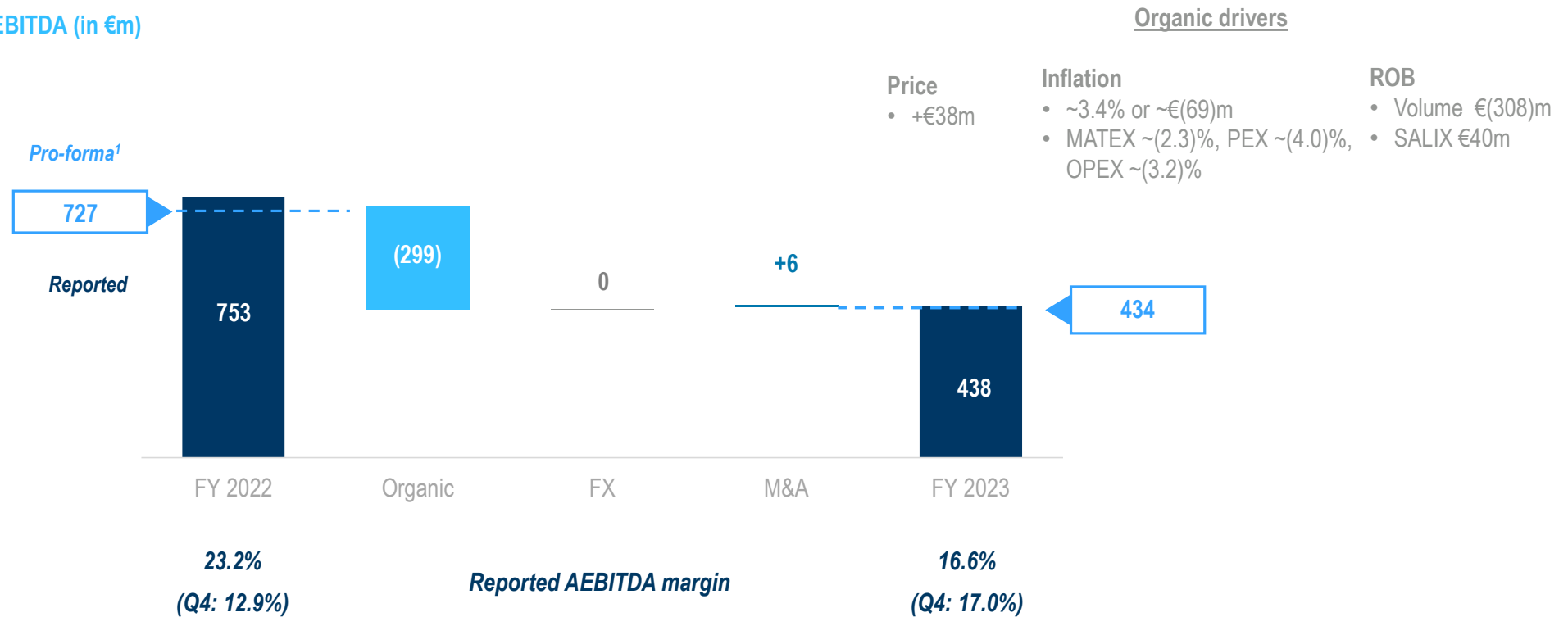
Revenue (in €m)



Pro-forma underlying organic growth at 6.4%

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

AEBITDA (in €m)



Q4 margin improving vs Last year ... FY proforma margin (adjusted for disposals) @ 16.9%

FY 23

| (in €m) | Reported | Adj. | Adjusted | Adjusted vs. LY |
|-------------------------|------------|-------|---------------|-----------------|
| EBITDA | 423 | 15 | 438 | (315) |
| D&A - impairment | (364) | 120 | (244) | 2 |
| Operating profit | 59 | 135 | 194 | (313) |
| Net finance results | (100) | - | (100) | (83) |
| Income tax expense | (50) | 0 | (50) | 90 |
| Other | 183 | (184) | (1) | 1 |
| Net Profit | 92 | (48) | 44 | (303) |
| Adjusted EPS | | | 0.20 € | |

- Mostly acquisition-related adjustments
- €52m customer list amortisation
- €68m goodwill impairment in Germany
- Higher net interest impact of ~€(25)m, lower derivatives gain of ~€(51)m
- 26.3% adjusted effective tax rate
- €184m profit from disposals

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

FY'23 cash flow summary

| (in €m) | Q4'23 | FY'23 | vs. LY |
|---------------------------------|---------------|---------------|----------------|
| AEBITDA | 110 | 438 | (315) |
| Movements in working capital | 30 | (6) | (94) |
| Income tax paid | 1 | (63) | 171 |
| Change in provisions & other | (0) | (6) | (28) |
| Operating cash flow | 141 | 363 | (266) |
| Net CAPEX (incl. leasing) | (71) | (289) | 29 |
| <i>As % of revenue</i> | <i>-11.1%</i> | <i>-11.0%</i> | <i>(1.2pp)</i> |
| Unlevered free cash flow | 69 | 74 | (238) |
| Net interest | (20) | (48) | (4) |
| Free cash flow | 49 | 26 | (241) |

DSO at 61 (Dec'22: 54)
 Normalising working capital

 Timing of tax payments

Synnovis Net CAPEX ~€62m (FY'23)

Q4'23 AEBITDA conversion @77% (excluding Synnovis)

 Decreased debt
 Q4'23 average cost of borrowings² at 5.2%

Strong Unlevered free cash flow in Q4

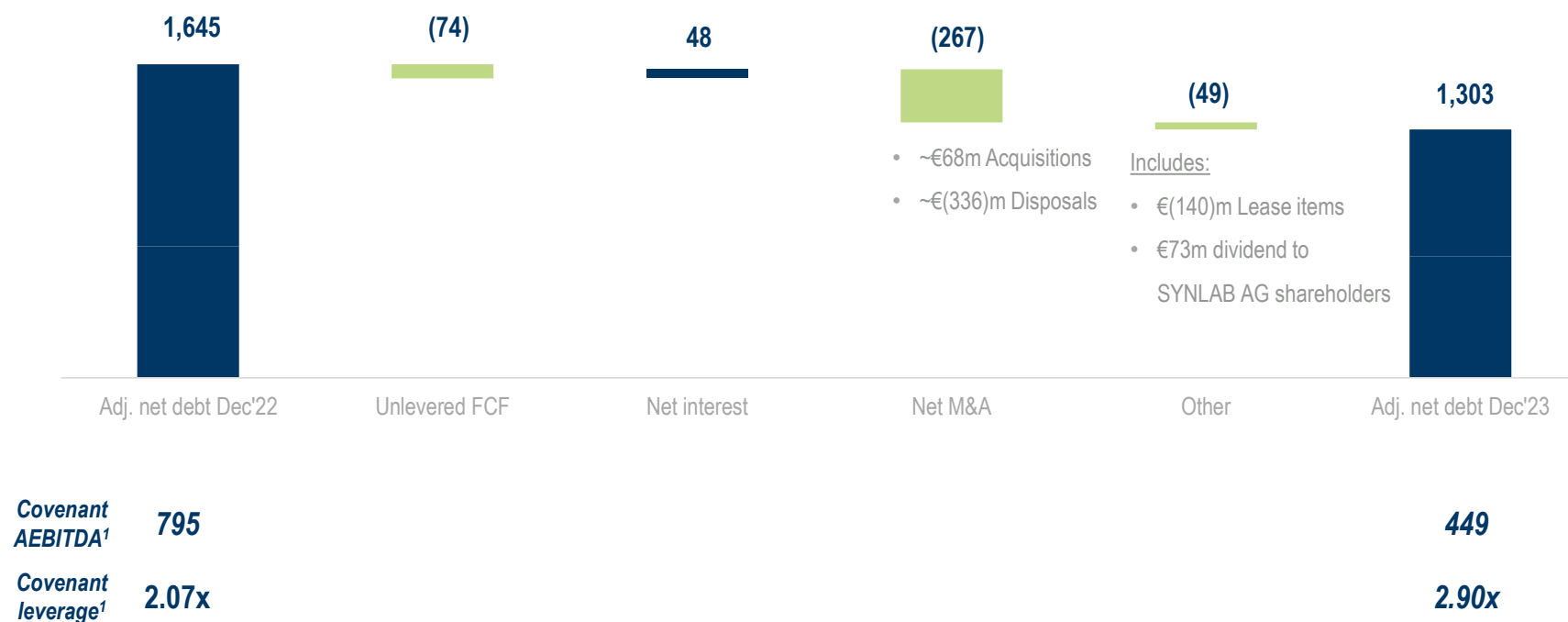
FY'23 balance sheet summary

| (€m) | Dec'23 | Dec'22 | Change | |
|----------------------------------|--------------|--------------|--------------|--|
| Goodwill | 2,199 | 2,323 | (124) | ●—● €95m reduction from disposals; €68m impairment |
| Net fixed assets | 1,513 | 1,646 | (132) | |
| Net working capital | 45 | 94 | (48) | ●—● Normalizing Net working capital |
| <i>NWC as a % of LTM revenue</i> | <i>1.8%</i> | <i>2.9%</i> | | |
| Capital employed | 3,758 | 4,063 | (305) | |
| Equity | 2,338 | 2,333 | 5 | ●—● €77m dividend payment |
| Net debt | 1,340 | 1,575 | (235) | |
| Other | 79 | 154 | (75) | ●—● Including income tax liability, pension provisions |
| Resources | 3,758 | 4,063 | (305) | |
| Cash | 221 | 542 | (321) | ●—● +€500m undrawn RCF at end of Dec'23 |

€520m Term Loan repaid in FY'23

Adjusted net debt¹ for covenant calculation

(in €m)



Leverage at 2.90x – €336m proceeds from disposals



Q4/FY'23 BUSINESS REVIEW

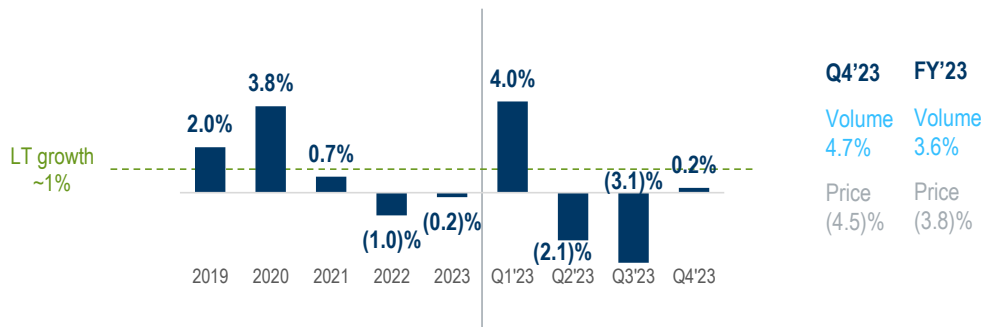
Mathieu Floreani, CEO

FRANCE (20% of Group revenue)

Key financials

| (€m) | Q4'23 | Q4'22 | % var. | FY'23 | FY22 | % var. |
|------------|-------|-------|--------|-------|-------|---------|
| Revenue | 131.3 | 146.4 | (10)% | 524.4 | 674.3 | (22)% |
| AOP | 15.3 | 7.5 | 105% | 56.1 | 116.3 | (52)% |
| AOP margin | 11.7% | 5.1% | 6.6pp | 10.7% | 17.2% | (6.5)pp |

Underlying organic growth



Q4 Revenue

Underlying growth: Price decrease of 4.5%, strong volume at 4.7%

COVID-19: Testing revenue stabilized at ~€2.0m vs €17.8m last year

Q4 Profitability

Strong year over year improvement of AOP margin +6.5pp despite lower COVID 19 testing and strong unfavorable impact from price and inflation

Operational efficiency strengthened by roll-out of FR LIS system

M&A

1 small bolt on in FY'23

2024 price update

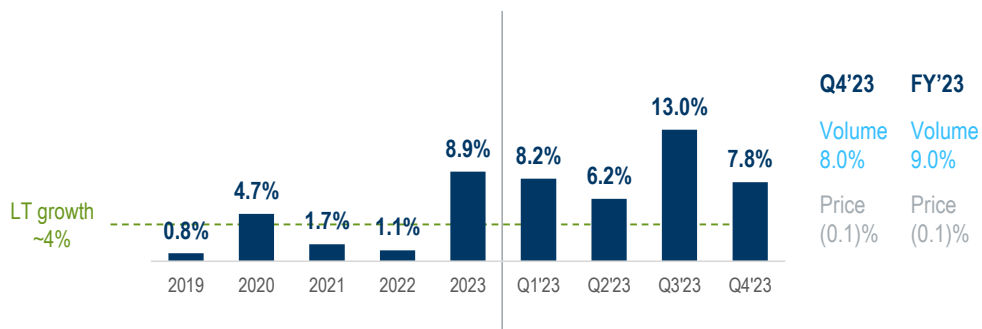
Price drop starting 15 January 2024 (€1 cent of B point)
3-year plan assumes a healthcare budget growth of 0.4% per year in 2024-2026, balancing market-driven volume growth with annual price adjustment.

GERMANY (20% of Group revenue)

Key financials

| (€m) | Q4'23 | Q4'22 | % var. | FY'23 | FY22 | % var. |
|------------|--------|-------|---------|--------|-------|----------|
| Revenue | 134.4 | 146.6 | (8)% | 536.2 | 703.2 | (24)% |
| AOP | (6.6) | 0.7 | ns | (11.4) | 134.7 | ns |
| AOP margin | (4.9)% | 0.5% | (5.4)pp | (2.1)% | 19.2% | (21.3)pp |

Underlying organic growth



Q4 Revenue

Underlying growth: Strong volume and robust new customer wins; market share gains with stable overall price

COVID-19: Testing revenue stabilized at ~€1.7m vs €29.2m last year

Q4 Profitability

COVID-19 capacity ramp down completed

Inflation contributing (1.8)ppt to margin drop :
Largest impact from PEX; Pressure on PEX expected to continue in the coming quarters

Restructuring provision impacting AOP and AOP margin performance as part of ongoing portfolio management process

M&A

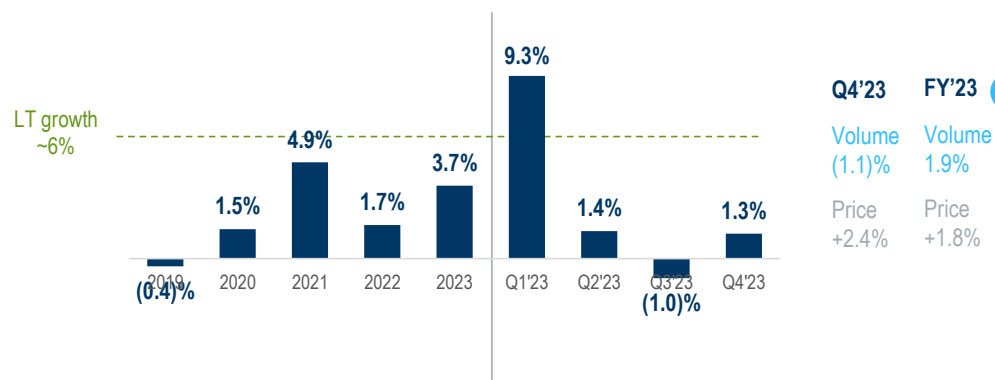
3 acquisitions in FY'23 including 1 Hospital (regulatory purposes)
VET disposal

SOUTH (31% of Group revenue)

Key financials

| (€m) | Q4'23 | Q4'22 | % var. | FY'23 | FY22 | % var. |
|------------|-------|--------|---------|-------|-------|---------|
| Revenue | 186.4 | 215.0 | (13)% | 803.8 | 960.3 | (16)% |
| AOP | 20.9 | (1.7) | (1301)% | 71.0 | 96.8 | (27)% |
| AOP margin | 11.2% | (0.8)% | 12.0pp | 8.8% | 10.1% | (1.2)pp |

Underlying organic growth



Q4 Revenue

Underlying growth: strong price increases across the countries except for Portugal (pressure on some hospital contracts), strong volume growth in Italy

COVID-19: Testing revenue at ~€0.5m vs €6.7m last year

Q4 Profitability

Strong AOP margin improvement mostly from Italy and Portugal and despite continued margin pressure in Spain.

Margin improvement from SALIX savings and positive price overcompensating inflation

M&A

2 bolt-on acquisitions in Italy
VET disposal in Spain (non significant impact)

General

New regional tariffs in Italy to become gradually effective from Q2'24 onwards.
Marginal impact in 2024 as expected

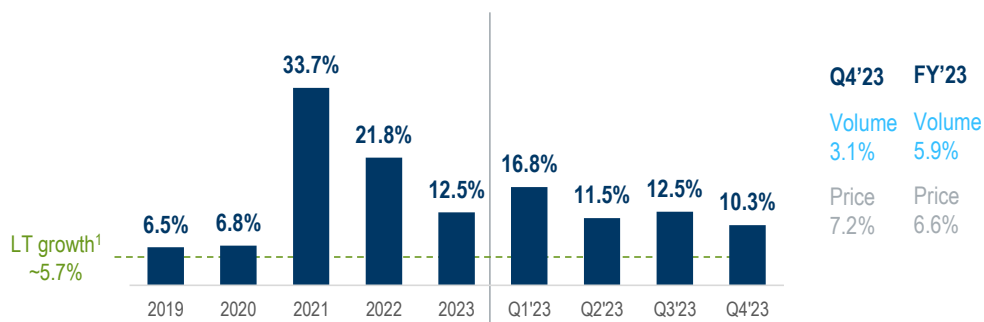
Antitrust case in Portugal resolved.

NORTH & EAST (29% of Group revenue)

Key financials

| (€m) | Q4'23 | Q4'22 | % var. | FY'23 | FY22 | % var. |
|------------|-------|-------|--------|-------|-------|---------|
| Revenue | 193.2 | 193.2 | (0)% | 770.8 | 912.6 | (16)% |
| AOP | 15.2 | 14.4 | 5% | 78.5 | 159.7 | (51)% |
| AOP margin | 7.8% | 7.4% | 0.4pp | 10.2% | 17.5% | (7.3)pp |

Underlying organic growth



Q4 Revenue

Underlying growth: Strong volume growth and price increases across the portfolio resulting in strong expansion at +10.3%

COVID-19: Testing revenue at ~€0.7m vs €13.3m last year

Q4 Profitability

Slight AOP margin improvement

Positive price net of inflation AOP impact of €4.0m

Synnovis (SEL)

Continued work on fitting and equipping the new hub for start of operations planned in Q2 '24 including successful launch of the new single LIS system in October. Integration of Royal Brompton Hospital successfully completed (joined in August)

M&A

VET disposal in Belgium



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OUTLOOK

Mathieu Floreani, CEO

FY'24 Outlook

Guidance 2024

| | |
|----------------|--------------------------------|
| Revenue | ~€2.7bn (at current perimeter) |
| AEBITDA margin | 17-18% |
| M&A spend | ~€50 - 100m |

Key assumptions

- Around 4% underlying organic growth
- Price net of inflation trajectory
- SALIX savings ~€40m



SYNLAB 

Q&A

Mathieu Floreani, CEO

Sami Badarani, CFO

Investor contact & financial calendar

Investor contact

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Financial calendar

| | |
|-----------------------------|-----------------|
| Q1'24 Results | 8 May 2024 |
| Annual General Meeting 2024 | 17 May 2024 |
| Q2/H1'24 Results | 9 August 2024 |
| Q3/9M'24 Results | 7 November 2024 |

Upcoming events

| | |
|---------------|------------------|
| DB Conference | 12 June 2024 |
| GS Conference | 3 September 2024 |



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APPENDIX

Revenue by segment

| Reported (€m) | Q4'23 | Q4'22 | Q4'23 PF | Q4'22 PF | Change | Organic Growth | FX Growth | M&A Growth |
|---------------------|--------------|--------------|--------------|--------------|---------------|----------------|---------------|-------------|
| France | 131.3 | 146.4 | 131.3 | 146.6 | (10.5)% | (10.5)% | 0.0% | 0.1% |
| Germany | 134.4 | 146.6 | 134.4 | 140.7 | (4.4)% | (13.3)% | 0.0% | 8.9% |
| South | 186.4 | 215.0 | 186.4 | 185.9 | 0.3% | (2.1)% | 1.4% | 1.0% |
| North & East | 193.2 | 193.2 | 193.2 | 190.4 | 1.5% | 2.9% | (1.5)% | 0.0% |
| SYNLAB Group | 645.3 | 701.2 | 645.3 | 663.7 | (2.8)% | (4.9)% | (0.0)% | 2.2% |

| Reported (€m) | FY'23 | FY'22 | FY'23 PF | FY'22 PF | Change | Organic Growth | FX Growth | M&A Growth |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|-------------|
| France | 524.4 | 674.3 | 524.8 | 677.2 | (22.5)% | (22.6)% | 0.0% | 0.1% |
| Germany | 536.2 | 703.2 | 531.6 | 682.1 | (22.1)% | (29.0)% | 0.0% | 6.9% |
| South | 803.8 | 960.3 | 752.2 | 831.3 | (9.5)% | (10.9)% | 0.5% | 0.8% |
| North & East | 770.8 | 912.6 | 761.0 | 890.6 | (14.5)% | (13.0)% | (1.5)% | 0.0% |
| SYNLAB Group | 2,635.2 | 3,250.5 | 2,569.6 | 3,081.1 | (16.6)% | (18.1)% | (0.3)% | 1.8% |

AOP by segment

| Reported (€m) | Q4'23 | Q4'22 | Margin Q4'23 | Margin Q4'22 |
|---------------------|-------------|-------------|--------------|--------------|
| France | 15.3 | 7.5 | 11.7% | 5.1% |
| Germany | (6.6) | 0.7 | (4.9)% | 0.5% |
| South | 20.9 | (1.7) | 11.2% | (0.8)% |
| North & East | 15.2 | 14.4 | 7.8% | 7.4% |
| SYNLAB Group | 44.8 | 20.9 | 6.9% | 3.0% |

| Reported (€m) | FY'23 | FY'22 | Margin FY'23 | Margin FY'22 |
|---------------------|--------------|--------------|--------------|--------------|
| France | 56.1 | 116.3 | 10.7% | 17.2% |
| Germany | (11.4) | 134.7 | (2.1)% | 19.2% |
| South | 71.0 | 96.8 | 8.8% | 10.1% |
| North & East | 78.5 | 159.7 | 10.2% | 17.5% |
| SYNLAB Group | 194.2 | 507.5 | 7.4% | 15.6% |

Operating profit to AOP and AEBITDA reconciliation

| (in €m) | FY'23 | FY'22 |
|--|--------------|--------------|
| Operating profit | 59.2 | 231.7 |
| Strategic project costs | 2.5 | 0.5 |
| Acquisitions related costs | 12.6 | 6.9 |
| Impairment non current assets | 69.5 | 213.0 |
| Customer list amortisation | 50.4 | 55.4 |
| Adjusted operating profit (AOP) | 194.2 | 507.5 |
| Depreciation and amortisation | 294 | 301.3 |
| Customer list amortisation (elimination) | (50.4) | (55.4) |
| Adjusted EBITDA (AEBITDA) | 437.9 | 753.4 |

Consolidated statement of income

| | Note | For the year ended 31 December | |
|--|--------|--------------------------------|------------------|
| | | 2023 | 2022 |
| €000 | | | |
| Revenue | 6 | 2,635,163 | 3,250,521 |
| Material and related expenses | 7 | (615,733) | (776,916) |
| Payroll and related expenses | 8 | (1,119,339) | (1,166,671) |
| Other operating income | 10 | 54,085 | 35,756 |
| Other operating expenses | 9 | (531,404) | (596,682) |
| Depreciation and amortisation | 11 | (294,115) | (301,304) |
| Impairment of non-current assets | 17 | (69,495) | (213,026) |
| Operating profit | | 59,162 | 231,678 |
| Share of loss of associates and other non-controlling interest | | (26) | (2,022) |
| Profit on disposal of investment | 4 / 15 | 183,845 | 70,491 |
| Finance income | 12 | 48,760 | 86,590 |
| Finance costs | 12 | (148,723) | (103,755) |
| Profit before taxes | | 143,018 | 282,982 |
| Income tax expenses | 13 | (50,063) | (130,463) |
| Profit for the period | | 92,955 | 152,519 |
| thereof: Profit attributable to non-controlling interests | | 681 | 1,822 |
| thereof: Profit attributable to equity holders of the parent company | | 92,274 | 150,697 |
| Basic earnings per share (in EUR) | 14 | 0.42 | 0.68 |
| Diluted earnings per share (in EUR) | 14 | 0.42 | 0.68 |

Consolidated statement of financial position

| | Note | As at 31 December | |
|---------------------------------|------|-------------------|------------------|
| | | 2023 | 2022 |
| ASSETS | | | |
| Goodwill | 17 | 2,198,943 | 2,323,423 |
| Intangible assets | 18 | 598,977 | 733,238 |
| Property, plant and equipment | 19 | 358,513 | 311,506 |
| Right of use assets | 19 | 594,583 | 655,968 |
| Investments in associates | 20 | 575 | 1,281 |
| Financial non-current assets | 23 | 71,006 | 80,518 |
| Other non-current assets | 21 | 4,607 | 4,700 |
| Deferred tax assets | 24 | 46,914 | 47,916 |
| Total non-current assets | | 3,874,118 | 4,158,550 |
| Inventories | 16 | 65,037 | 84,094 |
| Trade accounts receivables | 25 | 397,601 | 443,089 |
| Financial current assets | 23 | 44,651 | 47,299 |
| Other current assets | 22 | 60,921 | 106,398 |
| Cash and cash equivalents | 26 | 220,938 | 541,684 |
| Total current assets | | 789,148 | 1,222,564 |
| Total assets | | 4,663,266 | 5,381,114 |

| | Note | As at 31 December | |
|---------------------------------------|------|-------------------|------------------|
| | | 2023 | 2022 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Contributed capital | 36 | 222,222 | 222,222 |
| Additional paid-in capital | 36 | 2,938,715 | 2,932,618 |
| Treasury shares | 36 | (34,711) | (35,730) |
| Cumulative transition adjustment | 36 | 13,100 | 31,771 |
| Accumulated deficit | 36 | (798,928) | (817,710) |
| Total parent company interests | | 2,340,398 | 2,333,171 |
| Non-controlling interests | | (2,167) | 70 |
| Total equity | | 2,338,231 | 2,333,241 |
| LIABILITIES | | | |
| Loans and borrowings (non-current) | 27 | 904,212 | 1,411,000 |
| Non-current lease liabilities | 27 | 499,878 | 557,773 |
| Employee benefits liabilities | 28 | 27,680 | 31,042 |
| Non-current provisions | 30 | 3,590 | 3,562 |
| Contract liabilities | | 10,569 | 9,510 |
| Other non-current liabilities | 32 | 34,501 | 62,862 |
| Deferred tax liabilities | 24 | 161,752 | 189,375 |
| Total non-current liabilities | | 1,642,182 | 2,265,124 |
| Current loans and borrowings | 27 | 19,117 | 15,873 |
| Current lease liabilities | 27 | 138,152 | 132,187 |
| Trade accounts payable | 32 | 289,742 | 313,693 |
| Contract liabilities | | 9,786 | 10,515 |
| Current provisions | 30 | 8,509 | 31,517 |
| Income tax liabilities | | 13,214 | 56,836 |
| Other current liabilities | 32 | 204,333 | 222,128 |
| Total current liabilities | | 682,853 | 782,749 |
| Total liabilities | | 2,325,035 | 3,047,873 |
| Total equity and liabilities | | 4,663,266 | 5,381,114 |

Consolidated statement of cash flows

€000

For the year ended 31 December

| | Note | 2023 | 2022 |
|---|------|----------------|------------------|
| Operating profit | | 59,162 | 231,678 |
| Depreciation, amortisation, impairment | | 363,573 | 514,297 |
| Change in provisions | | (461) | 169 |
| Loss (income) from the disposal of non-current assets | | 1 | 1,151 |
| Other non-cash revenues and expenses | 34 | 9,790 | 27,994 |
| Change in inventories | | 15,044 | 28,146 |
| Change in trade accounts receivable | | 30,552 | 167,502 |
| Change in trade accounts payable | | (16,643) | (74,411) |
| Change in other net working capital | | (35,361) | (33,794) |
| Income tax paid | | (62,530) | (233,107) |
| Cash flow from operating activities (A) | | 363,127 | 629,625 |
| Acquisition of subsidiaries, net of cash acquired and changes in debt related to acquisitions | 4 | (68,263) | (140,290) |
| Purchase of intangibles and property, plant and equipment | | (126,232) | (158,271) |
| Sale of subsidiaries, net of cash disposed and changes in debt | 15 | 347,157 | 79,659 |
| Income tax paid | 15 | (11,600) | - |
| Proceeds from sale of intangibles and property, plant and equipment | | 1,560 | 1,172 |
| Cash paid for other non-current assets | | (14,000) | (691) |
| Cash received from other non-current assets | | 46 | 39 |
| Interest received | | 15,491 | 2,450 |
| Dividends received | | 4 | 227 |
| Cash flow (used in)/from investing activities (B) | | 144,163 | (215,705) |

€000

For the year ended 31 December

| | Note | 2023 | 2022 |
|--|------|------------------|------------------|
| Acquisition of treasury shares | 36 | - | (35,730) |
| Proceeds from non-controlling interests | | - | 900 |
| Proceeds from the exercise of share options | | 203 | - |
| Interest paid and other financing activities | | (88,220) | (64,362) |
| New loans, borrowings and other financial liabilities | 27 | 40,854 | 946 |
| Repayment of loans, borrowings and other financial liabilities | 27 | (561,592) | (2,637) |
| Repayment of lease liabilities | 27 | (139,507) | (139,840) |
| Dividends paid and other payments to non-controlling interests | | (76,934) | (79,047) |
| Cash flow used in financing activities (C) | | (825,196) | (319,770) |
| TOTAL CASH FLOWS (A+B+C) | | (317,906) | 94,150 |
| Cash and cash equivalent at the beginning of the period | | 541,590 | 443,525 |
| Net foreign exchange differences | | (3,316) | 3,915 |
| Cash and cash equivalents at the end of the period | 26 | 220,368 | 541,590 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | (321,222) | 98,065 |

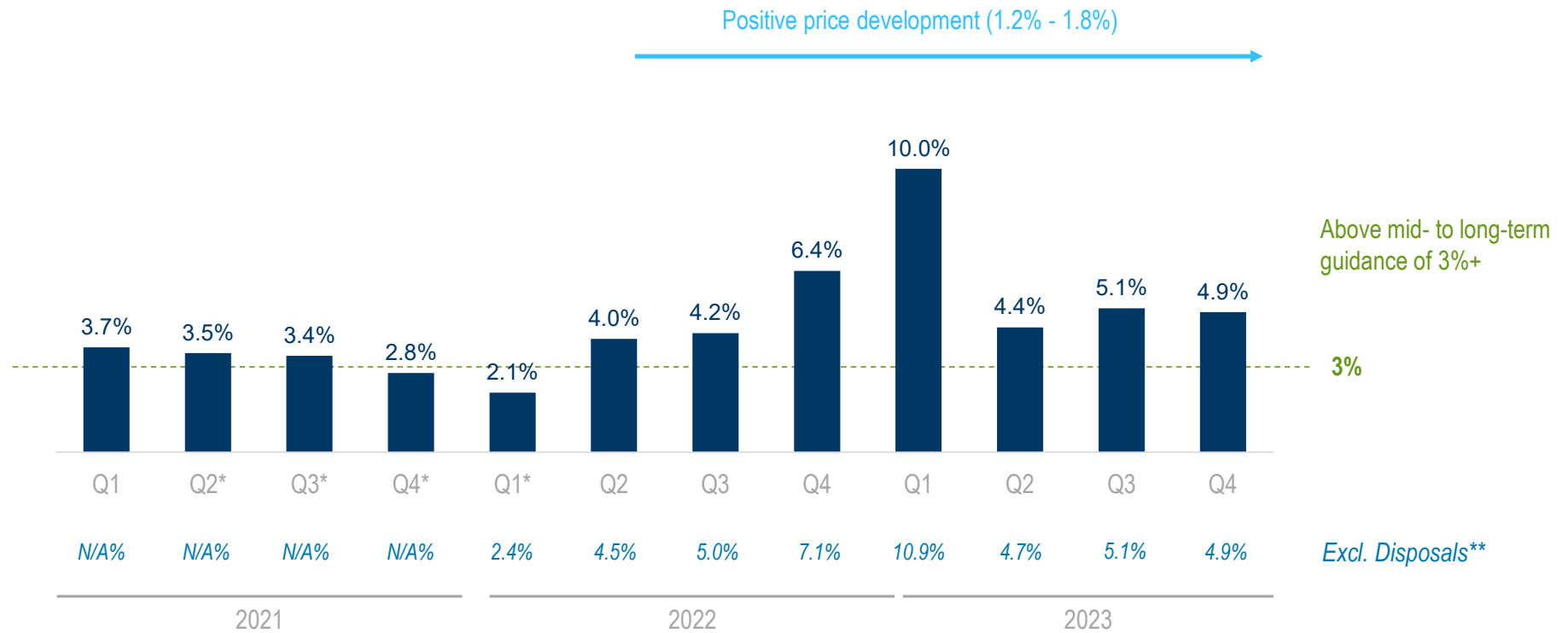
FY'23 leverage calculation

| Covenant net debt | Dec'23 | | | | Dec'22 |
|--|----------------------------------|-------------------------------|-------------|-------------------|-------------------|
| | Net Debt as in the Balance Sheet | Capitalized Transaction Costs | Other Adj | Adjusted Net Debt | Adjusted Net Debt |
| (€m) | | | | | |
| Term Loan (2.5%+EURIBOR), due 2026 | | - | | | 320 |
| Term Loan (2.5%+EURIBOR), due 2027 | 374 | 11 | | 385 | 385 |
| Term Loan A (2.5%+EURIBOR), due 2026 | 528 | 7 | | 535 | 735 |
| Total Borrowing | 902 | (18) | - | 920 | 1,440 |
| Derivatives | 1 | (1) | | - | - |
| Accrued Interest | 17 | - | | 17 | 14 |
| Other Bank Debt | 3 | - | | 3 | 3 |
| Leases | 638 | - | (88) | 550 | 690 |
| Cash | (221) | - | | (221) | (542) |
| Total Net Debt | 1,341 | (19) | (88) | 1,270 | 1,605 |
| Net deferred considerations for acquisitions | 38 | | (6) | 33 | 40 |
| Total Net Debt | | | | 1,303 | 1,645 |

Covenant AEBITDA

| (in €m) | FY23 |
|---------------------------------------|--------------|
| Reported LTM AEBITDA | 437.9 |
| <i>PF for M&A & Disposals</i> | <i>(4.1)</i> |
| PF AEBITDA | 433.8 |
| <i>Covenant adjustments</i> | <i>15.2</i> |
| AEBITDA for covenant | 449.0 |
| Adjusted net debt for covenant | 1,303 |
| Covenant Leverage | 2.90x |

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.

The underlying organic growth is the organic growth excluding COVID-19 testing revenue.

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).