



LETTER TO OUR SHAREHOLDERS

Dear Shareholders,

The healthcare industry is not only of fundamental importance to people's well-being, but also a highly attractive economic sector: nowhere are more investments currently being made. Healthcare is the most exciting field of activity right now for future technologies like artificial intelligence (AI) and robotics.

Fresenius is at the heart of healthcare and will continue to draw on these developments in the future to further strengthen its position as a leading therapy-focused company. In the 2023 fiscal year, we achieved important milestones and shall maintain the high pace of implementation in the coming years.

Michael Sen
Chairman of the Management Board

The healthcare industry offers tremendous opportunities. It is growing structurally, yet at the same time facing the challenge of having to use resources more efficiently.

A demographic shift is taking place: in many regions of the world, the population is aging and the number of people with chronic diseases is increasing. The importance of health equity – that is to say, fair, affordable, and high-quality healthcare for all people – is rightly growing. Health awareness has improved among many people, too.

At the same time, great progress has been made in recognizing, treating, and curing diseases that were until recently considered incurable. This is thanks to disruptive changes such as cell and gene research in biology, technological advances in AI and robotics, and ever greater quantities of usable data.

We have realigned our company to the #FutureFresenius strategy and are now focusing on simplifying the structure, sharpening our focus, and enhancing performance. Fresenius previously had a complex corporate structure. In today's fast-paced world, we must be faster and more focused. Only by improving Fresenius can we fulfil our mission and thus improve people's health.



Humans and machines for optimal therapy: robot-assisted surgery enables greater precision and therefore a faster recovery.

Simplified structure

We have reduced complexity and created transparency and flexibility. Fresenius completed the deconsolidation of Fresenius Medical Care (FMC) at the end of November 2023. This historic step offers both companies tremendous advantages: decisions are now made faster and more efficiently. The management teams can concentrate on their respective core business. Capital allocation has improved. FMC is no longer part of the fully consolidated subsidiaries of Fresenius. The latter continues to hold a 32 percent stake in of FMC's share capital however and therefore has a vested interest in its value-preserving development.

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Sharper focus

We are now concentrating on our operating companies Fresenius Helios and Fresenius Kabi. Both businesses afford attractive market positions and good growth opportunities. We manage FMC and the hospital and healthcare provider Fresenius Vamed as investment companies. At the same time, we are divesting ourselves of businesses for which we are no longer the "best owner." We have sold our hospital business in Peru and the Eugin chain of fertility clinics, for example.

With Fresenius Helios in Germany and Quirónsalud in Spain, Fresenius is Europe's leading private hospital operator and treats around 26 million patients every year. Two things that makes us proud: in 2023, *Newsweek* magazine voted five Quirónsalud clinics among the world's best specialized hospitals. And *Wirtschaftswoche* business magazine named Fresenius Helios the top healthcare provider in Germany in the "Regional clinic/hospital groups" category.

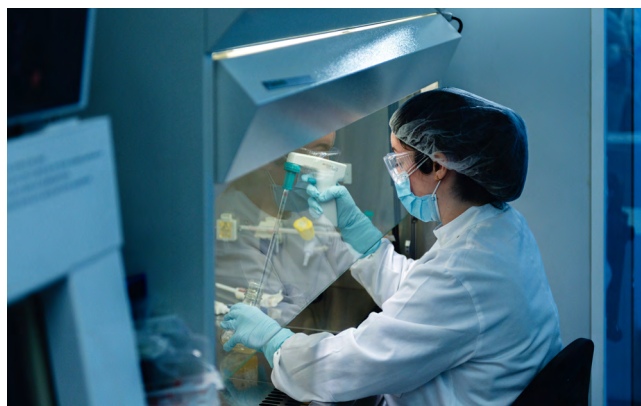
A few examples of innovations:

- ▶ At Quirónsalud, digital solutions already support a large part of the patient journey. The Casiopea platform developed in-house is used to assign patients to the right location and to initiate the correct course of treatment before a patient has even visited the doctor or clinic. Overall, the outcome is better coordinated processes, more pleasant treatment paths, and more successful therapies.
- ▶ AI applications and digital solutions are also increasingly being integrated into everyday clinical practice at our Fresenius Helios facilities in Germany. Thanks to AI, for example in the analysis of radiological images or use of robots during minimally invasive procedures, diagnoses and medical interventions are becoming more precise and efficient. This is good for both the medical quality and the company's economic success.

Fresenius Kabi is successfully implementing the Vision 2026 strategy. The generics we produce save healthcare systems around the world substantial sums of money and make high-quality medicines available to a growing number of people. Seventy percent of the intravenous drugs we deliver to the USA are on the list of essential medicines of the U.S. Food and Drug Administration (FDA). With our portfolio and pipeline of biosimilars, new treatment options with affordable medicines and medical products are constantly becoming available – in 40 countries worldwide already.

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Biosimilars are follow-on versions of biopharmaceuticals, that is to say, biotechnological drugs that are authorized after the patent period of the original active ingredient has expired. They are used to treat autoimmune diseases or cancer.



Biosimilars from Fresenius Kabi allow more people access to state-of-the-art therapies.

Some highlights at Fresenius Kabi:

- ▶ In 2023, we among others achieved two milestones with our biosimilars: with the launch of Tyenne[®], which is used to treat inflammatory and autoimmune diseases, a biosimilar with the active ingredient tocilizumab is now available in the EU for the first time. And in the USA, we significantly expanded the treatment options for patients with autoimmune diseases and cancer through the market launches of the two biosimilars Idacio[®] and Stimufend[®].
- ▶ In terms of medical technology, we offer state-of-the-art infusion pump technology with the Ivenix[®] infusion system. In the USA, we have signed a multi-year agreement with the renowned U.S. hospital group, the Mayo Clinic, for the supply and service of 10,000 Ivenix[®] large-volume infusion pumps for its hospitals and clinics.
- ▶ Fresubin[®] PLANT-BASED Drink, a vegan alternative, complements our extensive range of clinical nutrition and meets the growing demand for plant-based alternatives.

Enhanced performance

With the implementation of our strategy at the start of the year, we also established our Fresenius Financial Framework. The main new feature is a focus on returns through clearly defined EBIT margin bands for the business segments and capital returns at Group level.

The focus on the operating companies already paid off in 2023:

- ▶ Fresenius Kabi and Fresenius Helios delivered consistently good figures in the 2023 fiscal year and fulfilled their commitments to the capital market.
- ▶ We met our earnings outlook, which we raised over the course of the year: Looking at full fiscal year 2023, group revenue increased to around EUR 22.3 billion, with a strong organic revenue growth of 6 percent. Operating earnings (EBIT) increased by 2 percent in constant currency to around EUR 2.3 billion. In terms of the EBIT and revenue, the businesses were within the defined bands.
- ▶ We significantly exceeded our savings target in 2023 and are now aiming to reduce costs by €400 million by 2025. The target for 2025 was previously around €350 million.
- ▶ The cost reductions, divestments, and higher earning power are helping to reduce the debt ratio.

The German federal government's Energy Relief Package ("Entlastungspaket Energiehilfen") also contributes to this. It involves compensation and reimbursement payments of around €300 million to cover the higher energy costs in our hospitals in Germany. However, the legislator has imposed the restriction on use of these relief payments provided for in the German Hospital Financing Act that no dividends or management bonuses may be distributed in

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«

2023. Despite this, we decided to make use of this government relief in order to further reduce the company debt and net interest and enhance the company value. Nevertheless, Fresenius is of the opinion that the linking of hospital financing to a ban on dividends and bonuses is unconstitutional, however, we are not yet finally committed to taking legal action.

In principle, we will continue to pursue our progressive dividend policy. This means that we aim to increase the dividend in line with the currency-adjusted growth in earnings per share before special items or to at least maintain the previous year's level.

We initiated #FutureFresenius with the aim of repositioning Fresenius and making it fit for the future. Hence we pressed the Reset button in 2023 with the launch of #FutureFresenius, transformed Fresenius, and immediately initiated the second phase, Revitalize. We also strengthened our team: Pierluigi Antonelli, Michael Moser, and Robert Möller were appointed to the Management Board in 2023. We have a committed management team that is now driving the necessary changes.



More than one million infusion pumps from Fresenius Kabi are in use worldwide and help to optimize patient care.

In 2024, we shall continue to focus on efficient, cross-segment collaboration, improved profitability, and higher productivity; debt reduction will also remain important. This will be followed by the Rejuvenate phase: we wish to continue to grow organically and to expand into attractive business areas that are close to our core competences. We have named the phase thereafter, during which we wish to develop first-class therapies and leading healthcare technologies, Reimagine.

Platform-driven growth will form the basis for this. Fresenius Kabi and Fresenius Helios are working on three platforms for the therapies of the future: (Bio)Pharma, MedTech, and

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Care Provision. We have a good starting position: an end-to-end integrated biopharma platform with the biopharmaceutical company mAbxience in which we acquired a majority stake in 2022 and our biosimilars; a range of state-of-the-art technical medical devices with a focus on transfusion, cell technologies, and infusion devices; and a comprehensive network of clinics and care specialists.

What makes Fresenius unique is the combination of medical expertise and clinical practice with industrial production and technological know-how. Unlike our competitors from the pharmaceutical and medical technology sectors, we have direct contact with patients through our clinics. We are able to gather experience that is beneficial to patient well-being via this human-to-human interface.

We need the best for this. Fresenius is a top address for talented experts from all over the world – as countless awards prove. Fresenius offers more than 40 apprenticeships and



Fresenius supports life from a very early stage: a caesarian section at a Fresenius Helios hospital in Germany.

over 30 dual study programs, for example in our newly created dual study programs Sustainable Science & Technology and Data Science & Artificial Intelligence, within which we explore the topics of the future. Finding new ways to attract and retain nursing staff is equally important. Whether through targeted recruitment and the subsequent integration of skilled workers from abroad. Or through innovative marketing campaigns on social media.

The words trust and responsibility are at the core of everything we do. We contribute decisively to health equity, which is one of our environmental, social, and governance (ESG) goals. Another is the reduction of our CO₂ emissions. We are making progress here as planned: in 2023, we already reduced our Scope 1 and Scope 2 emissions

(direct and indirect emissions from purchased energy) by 22 percent from the 2020 level. We are gradually approaching the targets of halving CO₂ emissions by 2030 and achieving climate neutrality by 2040.

Else Kröner's motto of "If not us, then who?" has helped to transform Fresenius into a global company. Every year, Fresenius touches the lives of almost 450 million people with its products and services. People entrust us with their most valuable asset: their health. We bear responsibility for this. On behalf of the Management Board, I would like to thank our 190,000 colleagues for their outstanding work and commitment. My heartfelt thanks also to the Supervisory Board and the Else Kröner-Fresenius Foundation for their unwavering support. Finally, I would like to thank you, dear shareholders, for the trust you place in us. I look forward to exchanging with you at our Annual General Meeting in Frankfurt am Main on May 17.

Until then, I remain cordially yours,

Michael Sen
Chairman of the Management Board