



# Strengthening Resilience

Annual Report 2023

74.2  
million

Investments for the expansion of production capacities and locations, as well as for the modernization of office buildings

-12.3%

Decrease in total revenue compared with the previous year

10.5%

EBIT margin in 2023

69.2  
million

Investments in Research & Development

## Facts & figures 2023

### Key financials (IFRS)

		+/- CAGR <sup>1</sup>	2023	2022 <sup>2</sup>	2021	2020	2019
<b>Total revenue</b>	<b>in € thousand</b>	<b>7.7%</b>	<b>1,081,407</b>	<b>1,233,671</b>	<b>1,100,489</b>	<b>967,165</b>	<b>803,891</b>
Americas	%		35.8	37.5	33.3	35.2	38.0
Europe	%		33.7	31.1	37.0	37.1	35.0
Asia/Pacific/Africa	%		15.8	15.4	15,7	14,5	12.2
China	%		14.7	16.0	14.0	13.2	14.8
<b>EBITDA</b>	<b>in € thousand</b>	<b>1.6%</b>	<b>201,517</b>	<b>290,284</b>	<b>326,776</b>	<b>264,007</b>	<b>189,053</b>
EBITDA margin	%		18.6	23.5	29.7	27.3	23.5
<b>EBIT</b>	<b>in € thousand</b>	<b>-5.7%</b>	<b>113,849</b>	<b>225,568</b>	<b>271,998</b>	<b>217,666</b>	<b>144,213</b>
EBIT margin	%		10.5	18.3	24.7	22.5	17.9
<b>Net profit for the period</b>	<b>in € thousand</b>	<b>-2.7%</b>	<b>87,358</b>	<b>157,714</b>	<b>189,771</b>	<b>152,527</b>	<b>97,399</b>
Net profit for the period	%		8.1	12.8	17.2	15.8	12.1
<b>Free cash flow<sup>2</sup></b>	<b>in € thousand</b>	<b>-39.0%</b>	<b>9,326</b>	<b>8,114</b>	<b>169,756</b>	<b>-240,270</b>	<b>67,173</b>
Equity ratio	%		72.3	69.0	63.3	60.7	66.5
<b>Total assets</b>	<b>in € thousand</b>	<b>10.6%</b>	<b>1,651,732</b>	<b>1,681,592</b>	<b>1,608,917</b>	<b>1,332,706</b>	<b>1,105,124</b>
R&D expenses	<b>in € thousand</b>	8.3%	69,231	76,012	64,458	55,797	50,324
Number of employees, annual average (FTEs) <sup>3</sup>		8.4%	4,937	4,762	4,238	3,783	3,576

<sup>1</sup> CAGR = Compound average growth rate (2019-2023)

<sup>2</sup> Including retroactive adjustments in accordance with IFRS 3

<sup>3</sup> Free cash flow = cash flows from operating activities + cash flows from investing activities

<sup>4</sup> FTEs = Full-time equivalents



# Eppendorf – expert for sample management

Eppendorf's systems and products for use in laboratories satisfy the highest standards of quality and reliability and are indispensable throughout the world. The product range covers the core business areas of Liquid Handling and Consumables as well as Separation & Instrumentation and Bioprocess with products such as pipettes, centrifuges, mixers, ultra-low-temperature freezers and bioprocess reactors and control systems. In addition, Eppendorf is working on digital workflows for complete laboratory work processes. The company is developing new digital products and solutions to make laboratory workflows simpler, more transparent and more productive.

What is more, the Eppendorf Innovation Company (EpIC) unit identifies and develops entirely new, future-oriented business opportunities for the corporate group.



#### Installation service

The Eppendorf installation service offers an expert setup of your laboratory device for optimum functionality.



#### Qualification service

With Installation Qualification and Operational Qualification (IQ/OQ), you ensure compliance with both internal standards and guidelines and statutory requirements.



#### Preventive maintenance

You can avoid unexpected downtime through regular maintenance of your laboratory devices.



#### Calibration/verification

Regular calibration and verification of specific instrument parameters ensures the reproducibility of your results.



#### Repair service

Contact your local service organization with your repair requests.



#### Application support

Our specialists advise you if you have application questions about Eppendorf instruments or consumables.



#### Training and webinars

Expand your laboratory expertise in theory and practice.

## Liquid Handling



Pipettes and pipetting aids



Pipette manager (connected pipettes)



Automated pipetting systems

## Consumables



Sample tubes



Pipette tips



Multiwell plates

## Separation & Instrumentation



Centrifuges



Ultra-low-temperature (ULT) freezers



PCR thermal cyclers

## Bioprocess



Bioreactors

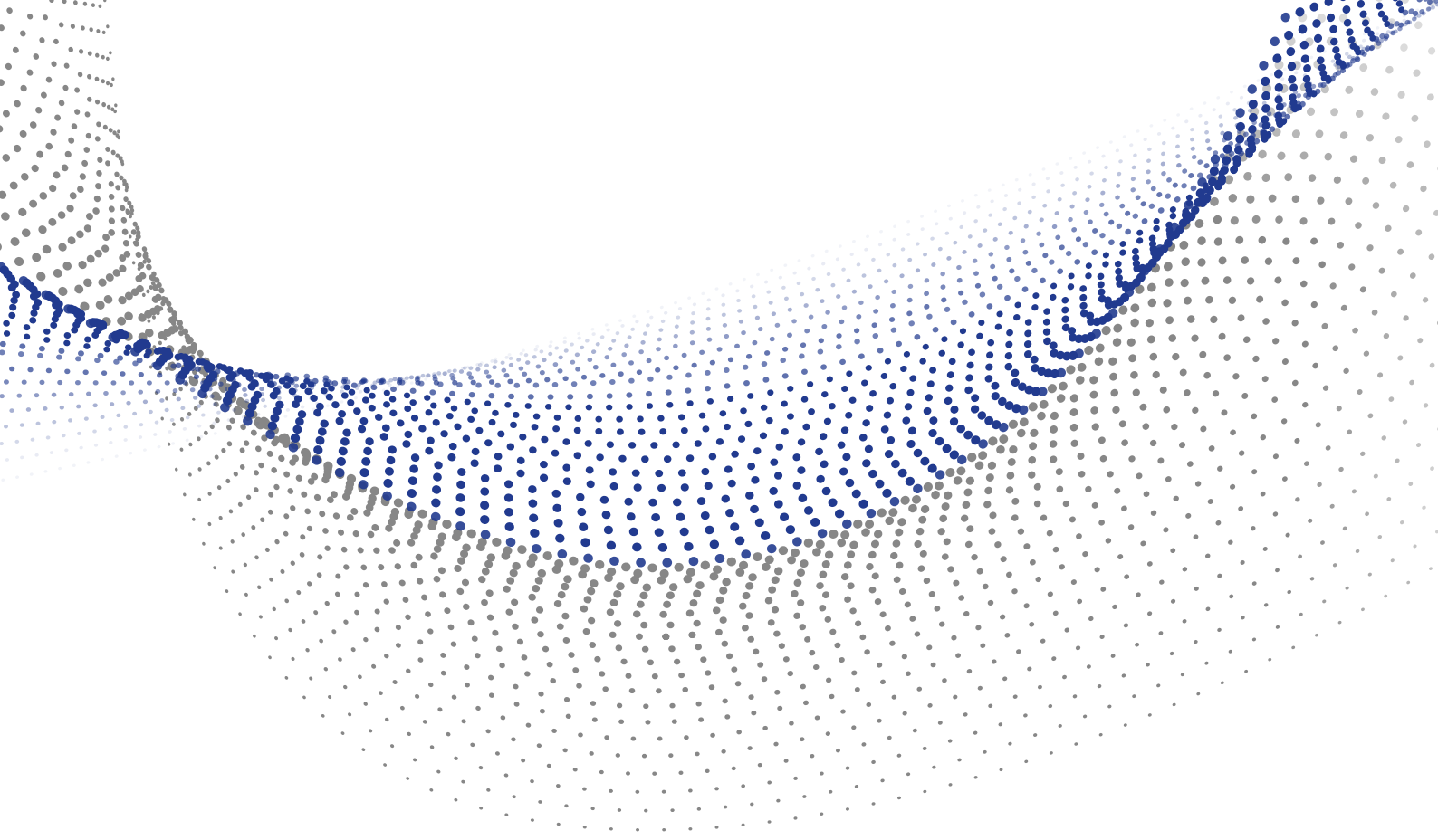


Bioprocess control systems



Bioprocess Autosampler





# Contents





# Foreword

*Ladies and Gentlemen,  
dear Colleagues,*

2023 was one of the most challenging fiscal years in Eppendorf's history, demanding a great deal from the global team and putting all of the company's employees under much strain. The year was characterized by harsh economic conditions, geopolitical crises and steep price increases along the entire value chain. Over the course of 2023, various areas for action became evident, leading to the start of a targeted strategic process to strengthen the company's resilience. The company began its preparations in the second half of the year by defining measures that will be systematically addressed and implemented in 2024. This was a response to the significant decline in demand that characterized the entire fiscal year and that has affected the life science industry as a whole following the end of the coronavirus pandemic.

The Eppendorf Group recorded consolidated revenue of €1.081 billion in the reporting year (prior year: €1.234 billion). In comparison with the same period last year, this corresponds to a decrease of 12.3% (prior year: +12.1%). The Eppendorf Group's operating profit (EBIT) likewise declined, coming to €113.8 million in 2023 (prior year: €225.6 million). This equates to an EBIT margin of 10.5% (prior year: 18.3%).

## Decline in demand in all market regions

All market regions suffered a noticeable decline in demand in the reporting year, with developments varying greatly from one market region to the next. The situation in the market region Europe proved to be very challenging over the entire reporting period. Compared to the previous year, Eppendorf recorded a total decline of 5.2% there in 2023. A similar picture emerged in the market region Asia/Pacific/Africa (APA), which generated 10.3% less revenue. However, these results require a more nuanced view, since earnings varied greatly in the individual countries. The market region China ended the year with a 19.2% decline in revenue. At 16.2%, business development in the market region Americas was also down on the very strong prior-year period.

The revenue trends in the market regions were also reflected in declining revenues across the product groups: The Business Division (BD) Consumables recorded the steepest drop in revenue at 19.5%. This was due to the anticipated normalization of demand following three years of strong growth. The Business Division Liquid Handling saw its revenue fall by 15.2%, while the revenue of the BD Separation & Instrumentation declined by 7.8%. Revenue in the Bioprocess segment also developed negatively with a 3.3% drop compared to the same period in the previous year.

## Strengthening resilience and staying competitive

The past reporting year demonstrated the importance of flexible and adaptable processes and structures that make it possible to respond quickly to dynamic market developments. To this end, the Eppendorf Group initiated a comprehensive program in fall 2023. Originally referred to as the Eppendorf Fitness Program, it aims to increase the Group's resilience. The initiative for the future, which has been running under the heading **Empowering Eppendorf** since 2024, centers on developing measures that will enable the company to remain profitable and grow sustainably in the long term. The objectives were defined in the reporting year and will be elaborated and implemented in 2024.

Another action to increase the company's resilience involved realigning the Management Board. This restructuring was the Supervisory Board's response to the ongoing economic challenges, with the aim of reducing complexity and enabling faster decision-making and implementation. Eppendorf has thus returned to a structure with only one CEO. Moreover, the new position of Chief Operating Officer (COO) was created, with Dr. Dirk Eric Loebermann being appointed to this position on October 15, 2023.

An additional measure that was implemented in the reporting year was the establishment of Eppendorf Group SE & Co. KG as a sister company of Eppendorf SE. Since January 1, 2024, this new company provides the Eppendorf Group with a further basis for ensuring future stability and safeguarding its success as a family-owned company. Finally, by selling its cell manipulation business in spring 2023, Eppendorf was able to achieve a more focused orientation and strengthen its core business.

Eppendorf's growth was bolstered by the market launch of several new products, including the first Eppendorf Centrifuge 5427 R to feature a sustainable coolant. The Mastercycler® X40 was also launched in 2023 ([see p. 17](#)). Customer demand for bio-based consumables, which go by the trade name Eppendorf Tubes® BioBased, was particularly high last year ([see p. 31](#)).

## 60 years young: The Eppi® from Eppendorf

The world's best-known Eppendorf consumable is the Eppi, a sample tube that celebrated its 60<sup>th</sup> anniversary in 2023. Eppendorf tubes have become an indispensable part of everyday laboratory life – a good reason to use the anniversary of this important product for targeted marketing measures, including a [dedicated webpage](#) and campaigns in all market regions.

At the beginning of the reporting year, Eppendorf also drew attention to a completely different development: The SLAS industry trade fair in San Diego, California, USA, gave Eppendorf customers the opportunity to lay their eyes on the enhanced epMotion® in its new design for the first time. The design offers many opportunities to incorporate functional improvements and thus respond even better to customer requirements.

## Optimizing structures and processes

During the reporting year, the company made further progress with the integration of the centrifuge business acquired in 2020 from the Japanese company Koki Holdings Co., Ltd. Himac centrifuges are now available worldwide via the Eppendorf sales channels. To optimally align the Bioprocess business for further growth, it was successfully set up as an independent unit within the Eppendorf Group at the beginning of the year.

The topics of sustainability and resource conservation were also consistently driven forward as planned in 2023. Of the many activities undertaken in all market regions, special mention ought to be made of the central revision of the sustainability strategy and the implementation of the resource strategy, which gained further momentum in the reporting year. →

**Development of worldwide locations**

As had been planned, the company invested in its locations in Europe, Asia and the market region Americas during the reporting year. For example, work on expanding the multifunctional building at the Bioprocess site in Jülich, Germany, was brought to a close. In Pinghu, China, southwest of Shanghai, a new centrifuge production plant was built in the reporting year, which is due to go into operation in 2024. This new Technology Center serves to establish local production capabilities and is a significant investment for Eppendorf aimed at securing revenue in China. The new distribution center in Enfield, Connecticut, USA, was successfully completed in spring and officially opened in May 2023. It serves as the hub for the market region Americas.

**Aligning Eppendorf for the future**

The company also systematically continued its work on the corporate strategy during fiscal year 2023. Select projects from the five core topics of Operational Excellence, Customer Centricity, Innovator, People Excellence and Lifelong Learning will be continued in 2024, with some adjustments as part of the **Empowering Eppendorf** initiative in order to further expand Eppendorf’s future viability. **Empowering Eppendorf** is Eppendorf’s response to the dramatic change in customer behavior following the coronavirus pandemic. The initiative for the future evolved from the Eppendorf Fitness Program that was launched in fall 2023 and aims to enable and secure sustainable growth, improve profitability and increase the Group’s efficiency.

**Outlook for the 2024 fiscal year**

The life science industry will continue to grow in the long term. However, the development of global markets in 2024 will remain subject to uncertainty and volatility as well as a number of specific challenges. As a result, the financial year will again be dominated by cost management, budget discipline and savings to improve profitability. Contrary to expectations, demand for our products is recovering only slowly so far. We expect order intake to stabilize in 2024 and development for the year as a whole to be at the same level as the previous year.

**Thanks**

We were able to successfully face up to the many challenges and adversities in fiscal year 2023 thanks primarily to the strong commitment of the employees working for the Eppendorf Group around the world. Each and every person in the Group showed great dedication and remarkable perseverance in helping Eppendorf stay on course. We would like to express our sincere thanks to them for this.

In addition, special thanks are due to our customers – for their loyalty, their enthusiasm for Eppendorf’s products and services, their valuable suggestions and the excellent and trustful cooperation, especially under the challenging conditions in 2023.



Best regards,

**Axel Jaeger**  
Chief Financial Officer



**Dr. Wilhelm Plüster**  
Chief Technology Officer  
and Spokesperson of the  
Management Board



**Dr. Dirk Eric Loebermann**  
Chief Operating Officer



For more information, please visit the Eppendorf website:  
[eppendorf.com](http://eppendorf.com) → Company & Career → Management Board & Supervisory Board



# 1

## Strengthening resilience

In fiscal year 2023, Eppendorf worked resolutely on maintaining and strengthening its future viability. Despite the challenging market situation, the Group was able to actively drive forward various projects during the reporting year and thus ensure its further development.



## Targeted measures for a successful future

**Eppendorf has stood for premium products and services in the life science industry for almost 80 years. Time and again, the company has set itself apart from the competition in various product groups through its technological leadership and adaptability.**

**H**owever, the many challenges Eppendorf faced in 2023 – including the ongoing decline in demand, sharp price increases and geopolitical tensions – showed that in today’s world, additional measures are needed to remain competitive and profitable in the long term. For this reason, the Management Board and the Supervisory Board undertook targeted steps to successfully navigate the changes in the market environment.

### **Empowering Eppendorf**

In fall 2023, the Management Board launched an initiative for the future to help Eppendorf become even more resilient, remain profitable in the long term and grow sustainably. Originally known as the Eppendorf Fitness Program, it was renamed **Empowering Eppendorf** in 2024. A clearly defined set of goals is the starting point for a package of measures that will be implemented in 2024.

### **New Management Board structure**

With the return to a single CEO position and the newly created position of Chief Operating Officer (COO),

Eppendorf will become faster and more efficient. Decision-making processes will be shorter, implementation quicker and complexity reduced.

### **New company**

In the reporting year, Eppendorf Group SE & Co. KG was founded as an associate company of Eppendorf SE. Since January 1, 2024, the new company has ensured stability within the Group and safeguarded its success as a family-owned company. The tax and legal advantages of the expanded group structure will further consolidate Eppendorf’s long-term stability and planned growth trajectory for the coming decades.

### **Sale of the cell manipulation business**

Eppendorf has sold the assets of its CellTech product portfolio to the German subsidiary of Calibre Scientific; the sale took effect on March 2, 2023. This divestment enables the Group to focus even more strongly on its core business areas of Consumables, Separation & Instrumentation, Liquid Handling and Bioprocess. →





The year under review also saw Eppendorf forge ahead with projects initiated as part of the Eppendorf 2025 corporate strategy, with important milestones being reached thanks to the great commitment of all employees. As a result, significant progress was made in the five core topics Customer Centricity, Innovator, Operational Excellence, People Excellence and Lifelong Learning.

### Operational Excellence



With the **HYDRA** manufacturing software, a digital interface is being introduced in the company's Technology Centers [\(see pp. 26/27\)](#).



The digitalization of **Global Supply Chain** has been completed [\(see p. 22\)](#).



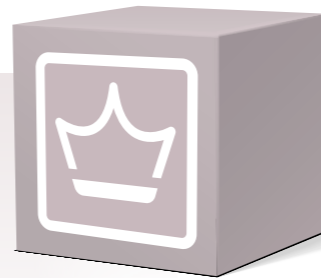
### Customer Centricity



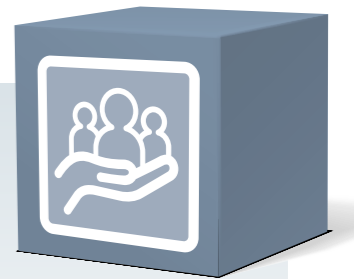
With the construction of a new **Technology Center** in Pinghu, China, Eppendorf is strengthening its global infrastructure. The company will produce centrifuges for the local market here beginning in 2024 [\(see p. 14\)](#).



A new **product design** combines a high-end look with optimized usability [\(see p. 15\)](#).



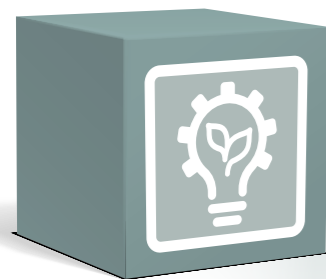
### People Excellence



Eppendorf always strives to improve as an employer. That is why a broad-based global **employee survey** was conducted in fall 2023, with 85% of the approximately 5,000 employees worldwide taking the opportunity to provide detailed feedback. Before the end of the reporting year, initial measures were derived from the results of the survey at both the department and company levels in order to become an even better employer. Eppendorf already performs well in the area work-life balance. Its score for this aspect in the current survey was 72%, which is above the external benchmark.

10,231 comments  
in 15 languages

### Innovator



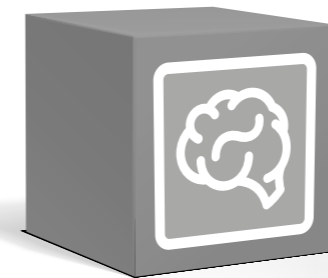
Launch of the **second brand** Excella® in the market region Asia/Pacific/Africa (APA) [\(see p. 21\)](#).

Launch of the **Centrifuge 5427 R** – one of the first refrigerated centrifuges worldwide to use sustainable cooling liquid.



Launch of bio-based pipette tip refill boxes and PCR plates [\(see p. 31\)](#).

### Lifelong Learning



Globally standardized **portfolio training** for sales and marketing staff is optimizing the performance of Global Service [\(see pp. 22/23\)](#).



The **Kaizen** Academy and Kaizen Office have created new opportunities for employees to continuously develop their skills.

## 2

## Navigating to plan

The reporting year was extremely challenging for Eppendorf and the entire life science industry. However, the Group managed to stay on course – thanks to the remarkable efforts of its employees as well as a finely tuned mix of investments in a successful future and targeted measures to increase profitability.

## With sound judgment and foresight – further development in the face of global challenges

Following the pandemic, which brought record revenues, the life science industry experienced a pronounced normalization of demand in 2023. Geopolitical factors such as the war in Ukraine, high inflation, rising energy prices and increasing global protectionism also caused problems for Eppendorf and its competitors. The Group needed to be flexible and adaptable in order to navigate the changing market conditions and at the same time set the course for a successful future.

Some of Eppendorf's divisions faced more challenges in the reporting year than others. The Consumables segment in particular suffered from a greater normalization of demand than anticipated. This was partly due to the decline in PCR tests after the coronavirus pandemic subsided. In conjunction with a change in customer purchasing behavior, this led to a 19.5% drop in revenue compared to the previous year.

The Business Division Liquid Handling suffered a 15.2% decline in revenue in comparison with the previous year. Effects related to the coronavirus, such as a slowdown in the development and production of vaccines, also had a negative impact here.

The Business Division Separation & Instrumentation was unable to repeat the growth of previous years, with revenue falling by 7.8% year-on-year. However, the individual product groups presented a more nuanced picture. While demand for ultra-low-temperature freezers declined as expected due to the effects mentioned above, the centrifugation segment actually managed to gain market share in some cases (see p. 21). In general, the separation and instrumentation business was hit harder by inflation and the resulting price increases than other business segments, which impacted its profitability.

Meanwhile, revenue in the Bioprocess segment fell by just 3.3%, whereas Eppendorf's digital business even reported year-on-year growth of 22.4%. The VisioNize® Lab Suite

tripled its user numbers. The software, which is sold on a subscription basis, has registered virtually no subscription cancellations to date – a clear indication of the high level of customer satisfaction.

### Ensuring profitability

The measures taken by Eppendorf to protect its margin were as varied as the strain on profitability in the individual business segments. High inventory levels at some German production sites made it necessary to scale back production, causing Eppendorf Liquid Handling GmbH to shut down its operations for a short period of time. At the Eppendorf Polymere GmbH site in Oldenburg, Germany, a portion of the workforce went on short time for several months starting in October.

Global hiring restrictions were imposed at the beginning of the reporting year, primarily on the administrative side. But because the normalization of demand at all production sites turned out to be more intense and long-lasting than anticipated, operating and personnel costs too had to be kept under control. The cost-cutting course that was →

“Eppendorf faced major challenges in 2023 and decided on targeted measures to strengthen its resilience.”

Dr. Wilhelm Plüster,  
CTO and Spokesperson of the Management Board

adopted contributed and will continue to contribute to maintaining Eppendorf's profitability in the long term and enabling future growth.

**Local-for-local to bring long-term success**

One thing remains true despite all of the current economic and geopolitical challenges: The life science industry is a growth market in which Eppendorf intends to live up to its role as a technology leader in sample management also in the future. The Group therefore complemented its careful cost management with targeted investments in its global production sites.

In January 2023, for example, it started producing centrifuges in Shanghai in order to be able to serve the important Chinese market well into the future. At the beginning of 2024, the production operations will be relocated to a purpose-built site in Pinghu. The premises, which cover 11,000 square meters, have been converted into a state-of-the-art Technology Center designed specifically for Eppendorf's needs in accordance with the internationally recognized LEED certification system for

green building. Once the interior construction has been completed, the building will be certified to the LEED Gold standard for Building Design and Construction (LEED BD+C).

Eppendorf Himac Technologies too will soon be producing under ideal conditions and at the cutting edge of technology in Japan. Currently based in Katsuta in the Ibaraki prefecture, the company has bought a new site outside Tokyo, which will be renovated over the next two years. The plan is to build a state-of-the-art production center for centrifuges there by 2026.

In a move to expand its market share in the flourishing gene and cell therapy market, Eppendorf also invested in the Technology Center in Jülich, Germany, by constructing a multifunctional building with a floor area of 3,600 square meters. This expansion marks a significant leap from a mere factory to a high-tech production facility. As of mid-2024, the facility will be used to manufacture bioprocess reactors and control systems as well as carry out administrative tasks.

The first product to be launched in the new design was the epMotion at the beginning of 2023. The pipetting robot not only boasts a new, modern, high-quality and functional design, it has also been enhanced with new features, including various software functions and a large waste drawer that is concealed behind the silver protective belt. In making this upgrade, Eppendorf has responded to specific customer requests.



**Eppendorf products deliver impressive quality even in space**

Demand for Eppendorf devices was lower in the past fiscal year due to the challenging market conditions. However, there was and is no question that Eppendorf offers its customers just the right products and solutions.

This was demonstrated, for example, by the use of the MiniSpin centrifuge on the International Space Station (ISS) in 2023. The Eppendorf centrifuge was not just another piece of equipment in the space lab – it fundamentally changed the way cell culture research is conducted there. Previously, it was necessary to launch living cells into space in order to carry out experiments, significantly narrowing the time corridor for the launch of the carrier rocket. But thanks to the MiniSpin, it is now possible to thaw frozen cells in the space lab. This simplifies research into diseases such as Alzheimer's or osteoporosis.

The MiniSpin centrifuge was first used on the International Space Station (ISS) in late May 2023.



**Promoting research and development**

Eppendorf believes that its innovative products and solutions put it in a good position to maintain its technological leadership in the future. The Group once again made disproportionately high investments in research and development in the reporting year. There were two main areas of focus here: for one, cross-site collaboration and the standardization of processes and software systems, and for another, various measures and projects to accelerate product development.

The pipeline for innovative and enhanced Eppendorf products is therefore well filled. Some of these products were already launched on the market in the year under review.

The first was the epMotion, a pipetting robot featuring the newly developed product design. This new, modern design

language has been in development since 2017 and will gradually be applied to all Eppendorf products. It is simple and clear, with no fanciful elements in the design of the devices. The new epMotion combines interactivity and functionality with high quality, durability and precision. With its pure white and elegant silver finish, it thus offers customers a whole host of benefits beyond its visual appearance, including the light line, which is visible from a distance and indicates the device's status, a significantly expanded waste concept and several new software functions.

In addition to the pipetting robot, the company launched sustainable pipette tips and PCR plates (see p. 31), one of the world's first propane-cooled centrifuges, a new generation of cyclers and the Bioprocess Autosampler (see next page).

Several major product launches are again planned for 2024.



# Eppendorf products: Innovative since 1945

Ever since its foundation, Eppendorf has repeatedly succeeded in bringing lasting improvements to the work of researchers with innovations large and small. This year, for example, the Eppi, which has become an indispensable part of any laboratory, celebrated its 60<sup>th</sup> anniversary. The Group also launched new and improved products on the market in 2023.



## 60 years of Eppi

Only a few innovations set standards and revolutionize application processes. Eppendorf Tubes, also known as Eppis, can certainly claim to be one of them.

The first Eppendorf Tubes appeared on the market in 1963 and quickly gained popularity in German medical and scientific laboratories. Eppis allowed laboratory workers to fill and store small sample amounts easily and practically. The development of vaccines and new medications would be unthinkable today without the Eppi and its specific material properties, which Eppendorf has continued to develop.

Over the past 60 years, new models of the reaction tube have been repeatedly introduced to the market. Its conical shape has remained virtually unchanged to this day, becoming the standard in laboratories. That said, a number of innovations have been added over the years.

Thanks to the [SnapTec® technology](#) launched in 2019, for example, Eppis can now be opened with one hand. And the [SafeCode system](#) introduced in 2022 makes handling samples even safer – because each reaction tube can now be unmistakably identified thanks to its unique label, thus significantly improving sample management. Also in 2022, Eppendorf was one of the first manufacturers to launch a more sustainable tube design for direct sample contact. The high-tech plastic used to manufacture the bio-based Eppendorf Tubes is made from propylene, which is obtained from renewable, recycled raw materials.



## Improved data quality and less effort with the [Bioprocess Autosampler](#)

By automating routine tasks, laboratories can make better use of their time and valuable manpower. Eppendorf's Bioprocess Autosampler allows them to do just that. The device removes samples automatically from a bioreactor and stores them in a refrigerated environment. This means samples can now also be taken at night and at weekends, making the process of generating complete data sets more efficient. With the Bioprocess Autosampler, Eppendorf is thus helping its customers improve the quality of their bioprocess data and reduce their workload. What's more, the device also automates sample storage, thereby preventing human error. This makes the development of vaccines, antibodies and other therapeutic agents much easier.

## Productive, ergonomic, digital: The new [Mastercycler X40](#)

The thermal cycler from Eppendorf not only sports the new product design, it also has a range of useful new functions. For example, protocols from other devices such as older Mastercycler models can be imported via a USB connection. The ramp rates automatically adapt to the total PCR run time. This means customers can get started immediately after setup, with the device taking care of protocol optimization. Programming is quick and intuitive, and the seven-inch color display makes for a very clear view. Thanks to the thermal cycler's digital interface with the VisioNize Lab Suite, the protocols can be monitored and documented from anywhere and at any time. The device is barely larger than a sheet of A4 paper and weighs just 7.25 kilograms.

The Bioprocess Autosampler simplifies research in areas such as cell and gene therapy.



The Mastercycler X40 impresses with its compact size and intuitive operation.





Three product launches for the Lab 4.0: the Bioprocess Autosampler, the Mastercycler X40 and the propane-cooled Centrifuge 5427 R.

## Strengthening technological leadership, promoting innovation

Eppendorf is one of the world's leading life science companies thanks to the high quality of its products and services. In an effort to maintain and expand this lead in the market, the Group once again invested in product innovations and digitalization during the reporting year – and also kept a keen eye out for new business opportunities.

Since it was founded, Eppendorf has repeatedly provided new impetus to the life science market and even revolutionized it – for example, by introducing the microliter system or a centrifuge that uses an environmentally friendly coolant. To ensure that it will be able to continue in this vein, Eppendorf focused on promoting innovation in 2023 and drove forward various projects that shorten product development times, create synergies and allow customer needs to be taken into account more easily. Early successes of the innovation offensive could be seen in the launch of various enhanced devices, such as the new epMotion (see p. 15), the Mastercycler X40 (see p. 17), the Bioprocess Autosampler (see p. 17) and sustainable bio-based consumables (see p. 31).

### Device modularization for faster product launches

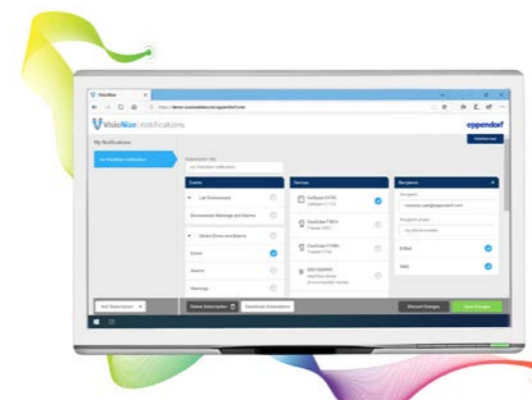
One focal point of Eppendorf's efforts to promote innovation during the reporting year was the modularization of its devices. The use of standardized components (such as touch displays or rotors) offers many advantages for the company and customers alike. Eppendorf benefits from shorter development times and higher product quality when launching new products, because it can use components that have already been tried and tested. Service technicians can be trained more easily, thus improving service quality. In addition, equipping different devices throughout the Group with identical components makes it easier for customers to use them. For example, they no

longer have to get used to different display functions and are able to replace rotors more easily themselves. It also reduces the devices' construction times and therefore the delivery times for users.

Another step taken in 2023 to speed up development cycles was the use of computer simulations. After several years of intense preparatory work, crash tests for centrifuges, for example, can now be simulated digitally. Air flow and cooling systems in incubator shakers or ultra-low-temperature freezers, for example, can also be thoroughly tested by virtual means. This allows the company to react to any problems and questions at an early stage without having to wait for physical prototypes, saving both time and resources.

### Digitalizing devices for greater sample safety and more efficient laboratory processes

In the laboratory itself, Eppendorf concentrated on further developing its [VisioNize Lab Suite](#) during the reporting year. This cloud-based IoT platform was designed for the purpose of general digital laboratory management. The software offers remote device monitoring, notifications, maintenance planning and device documentation as well as the option to book laboratory devices. The data gathered, such as temperature data from ultra-low-temperature freezers or future maintenance cycles of centrifuges, is crucial to improving sample safety, productivity and efficiency in laboratories, also for any other instruments in use. Eppendorf worked with several partners over the past fiscal year to integrate the VisioNize Lab Suite into their digital products and provide live data in the right context. The collaboration with eLabNext® and Clustermarket® – both providers of digital lab information management software – is an enormous advantage for users. The digital offerings make administrative work significantly easier, free up manpower and avoid multiple isolated solutions with regard to software tools.



Eppendorf's digital product, the VisioNize Lab Suite, tripled its number of users in 2023.

Eppendorf also intensified its collaboration with external partners in the area of automation. To further simplify sample handling for epMotion users, Eppendorf teamed up with Qiagen®, Illumina® and other manufacturers to develop pre-validated methods that speed up sample processing. Sample kits from Illumina, for example, are now transferred directly to the device's NGS library, with sample preparation being completely automated. This reduces the number of manual pipetting errors, increases the reproducibility of results and thus boosts overall productivity.

### Developing new business opportunities

In addition to product innovations in its existing portfolio, Eppendorf focused on developing future business opportunities in the year under review. The Eppendorf Innovation Company, or EpIC for short, was established specifically for this purpose around three years ago. EpIC seeks to identify and realize innovative business



The Eppendorf Innovation Company (EpIC) enabled the Group to invest in the OUP fund.

models and promising partnerships beyond Eppendorf's core business. It once again succeeded in doing so in 2023 by investing in a fund set up by Osage University Partners (OUP). This fund has secured the rights to start-ups held by the leading universities in the USA. If young scientists at the universities set up their own business, the OUP fund has the prerogative conferred by the universities to invest in these businesses. This close cooperation also benefits Eppendorf as it gains access to more than 9,000 start-ups in the United States. The Group can thus identify trends and develop business opportunities at an early stage – to again revolutionize the life science industry with innovative products and solutions in the near future.





# The customer as a partner: Understanding needs, strengthening collaboration

**Customer centricity is more than just a buzzword for Eppendorf. A major goal of the corporate strategy is to align the Group's products and services as well as its structures and processes even more closely with the needs of its customers around the world. Successful examples from the 2023 reporting year show that this path is the right one.**

**A** number of geopolitical and economic factors had a negative impact on the Eppendorf Group's revenue growth and the life science industry as a whole in 2023. The Group's global revenue was down by 12.3%. The market regions were unable to match the success of the previous three fiscal years. After three years of exceptionally strong revenues due to the coronavirus pandemic from 2020 to 2022, a normalization of demand had to be expected. However, the drop in demand proved to be much sharper and more prolonged than anticipated.

This was particularly true of the market regions Europe and China, whose revenues fell by 5.2% and 19.2% respectively compared to the previous year. The market region Americas, which had been extremely successful in the previous year, also suffered from the drop in demand, with revenue plummeting by 16.2% year-on-year. The situation in the market region Asia/Pacific/Africa (APA) was more varied. Its revenue was only down 10.3% on the previous year, with significant differences between the individual countries.

Some product groups remained encouragingly stable despite the challenges in all market regions. This was due in part to Eppendorf's measures to increase customer centricity.

### Lighthouse products in stormy waters

The Bioprocess unit was vertically integrated at the beginning of 2023 and only suffered a comparatively small drop in revenue toward the end of the year. Important central and product-related functions were combined in Jülich, Germany, on January 1, 2023. Since then, the Sales, Service, Operations, Portfolio, Research & Development, Quality, Compliance and Marketing departments of the Bioprocess unit have been working under one roof. International colleagues are trained on site and work together via a matrix organization, for example in Enfield, Connecticut, USA, and Oldenburg, Germany, where the company also manufactures bioprocess products.

With regard to logistics, the unit has established its own order processing structure in the market regions Americas and Europe. Worldwide, the unit comprises an organization with around 430 members. This makes for fast, agile and flexible processes in the rapidly growing biopharmaceutical market, allowing the unit to meet the special needs of customers that previously had to put up with long delivery times for specially assembled devices and control systems.

*“Thanks to the integration of the Himac brand, Eppendorf is now the market's one-stop store for centrifuges. No matter the application, Eppendorf has the right device in its portfolio.”*

**Dr. Wilhelm Plüster,**  
CTO and Spokesperson of the Management Board

With the second brand Excella, Eppendorf aims to gain market share in the lucrative mid-price segment of the market region Asia/Pacific/Africa (APA).

Despite the challenging market environment, the Himac® centrifuge business also performed well, even gaining market share in some regions. These gains were possible thanks to the successful integration of the centrifuge brand from Katsuta, Japan, into the Eppendorf portfolio, after having acquired it from Koki Holdings Co, Ltd. in 2020. Since 2023, high-speed centrifuges and ultracentrifuges from Eppendorf Himac Technologies have been available worldwide via the Eppendorf sales organization. Collaboration on research and development was also significantly intensified in the reporting year.

With a view to the coming years, Eppendorf took another important step toward even greater customer centricity in the market region Asia/Pacific/Africa (APA). In the fall, it launched its second brand Excella, which was created in response to the intensified price debate in laboratories across Asia. Customers in the 65 countries of the APA region can now choose from a range of consumables in the mid-price segment under the Excella brand name. They meet Eppendorf's high quality standards while serving a more price-sensitive customer base.

### Eppendorf as a service partner

The Global Service unit performed particularly well during the 2023 reporting year, with around 600 Eppendorfers making sure that our products worked perfectly and customers received fast and competent help when needed. A glance at the revenue figures is proof enough that the Global Service staff were able to meet our customers' needs: The unit managed to increase its





Regular trainings ensure the outstanding quality of Eppendorf's Global Service. Picture left: Harikrishnan Venkatachalam, Territory Manager Service, demonstrates how to change a control panel on the CO<sub>2</sub> incubator. Picture right: Lakshmi Narayanan, Assistant Manager Technical Product Support, shows Eppendorf customers how to properly handle the new ThermoMixer C – from unpacking to maintenance.

## Serving customers for 20 years: Eppendorf China and Eppendorf India celebrate their anniversary

In spite of all the challenges, Eppendorfers were able to celebrate milestones in 2023. The sales companies in China and India, for example, both celebrated their 20th anniversary. At the site in Shanghai, the entire Eppendorf China team raised a glass to its past successes and the next 20 years. Wilson Wang, Senior Vice President Market Region China (top picture), emphasized: "We're not just looking to make short-term profits, but to operate with sustainable success in the market – for our customers, but also as an employer."

Eppendorf India now has some 200 colleagues across 15 cities who work for the Group and successfully offer customers an all-round service – a good reason to celebrate the 20th anniversary together, for example with a quiz about the company and a stand-up comedian.

revenue by 2.7%. Here, too, a number of projects and measures were implemented that brought Eppendorf even closer to its customers. As in many other areas of the company, the focus was on digitalization.

### Global Service digitalization successfully driven forward

In May 2023, for example, the unit introduced standardized, comparable real-time surveys across the globe. The Qualtrics survey software now allows customers to rate Eppendorf's service performance directly after every interaction. The results are regularly evaluated and used to improve the quality of transactions involving Eppendorf and its services.

Thanks to the new service portal, Eppendorf customers will also be able to order Liquid Handling services, such as calibrations or pipette repairs, by digital means going forward. In addition, a digital overview displays completed services and reminds customers of planned measures, helping them manage high-volume and recurring ordering processes. Another component is the brand-new digiCal calibration software. This is a cloud-based solution that enables the Eppendorf service teams to record and process all information relating to a calibration. Both software solutions were developed in-house



by Eppendorf. Order data and customer data can now be automatically linked with the results of the servicing. Both the service portal and digiCal bring tangible benefits for customers and the Eppendorf service teams: smoother, more efficient and fully digitalized processes.

### Global Supply Chain goes digital too

With digital order processing, the Global Supply Chain unit reached a milestone in the market region Europe during the reporting year. In addition, it was able to further digitalize its order processing worldwide – thanks in part to the use of artificial intelligence. With the aid of optical character recognition (OCR), the system can identify keywords in customer inquiries and categorize them, allowing the customer care teams to process the inquiries in a targeted, structured and more efficient manner. If the customer inquiry contains an order, the system again uses OCR to extract the relevant information and generate the order. Eppendorf's customers benefit from this digitalization in a variety of ways. For example, they are kept actively informed about the status of their orders, and communication about delivery dates has also been significantly improved. In addition, 90% of all orders in the market region Americas can be delivered the same day, with the rest arriving the next working day at the latest.

### Continuous improvement as the basis for success

In the year under review, the Eppendorf Group made targeted efforts to drive forward its further development and increase its focus on the customer. This process will continue in 2024 – beyond individual divisions. One important lever in this transformation is to streamline and standardize processes and structures. To this end, Eppendorf relies on the Kaizen philosophy. Kaizen is a Japanese word that translates to "change for the better." It is a methodology used to promote step-by-step improvements in all aspects of a company or organization. The focus is on making minor adjustments that together help increase efficiency, quality and performance.

During the reporting year, the company actively sought to establish Kaizen as a corporate philosophy worldwide. A global digital certification program called the Kaizen Academy, for example, enables all Eppendorfers to familiarize themselves with the Kaizen principle and receive appropriate training. At a corporate level, the Kaizen Office supports projects and initiatives on request in order to streamline processes, make success measurable and thus enable continuous improvement. For instance, the service team in the market region Americas used Kaizen to develop new processes for spare parts in 2023. Once implemented, the service backlog was reduced substantially within the space of six months. Not only did this improve customer satisfaction, the new process also had a positive impact on team collaboration and morale.



# 3

## Increasing efficiency

It was essential for Eppendorf to be cost-conscious during the reporting year. Even so, the Group continued to make strategic investments in 2023, such as in the standardization of its digital infrastructure, IT security and the forward-looking expansion of national and international locations.



## Focus on resilience and growth

**After three strenuous and dynamic years of the coronavirus pandemic, Eppendorf took the year under review as an opportunity to take stock. Where does the Group stand today? Where do we want to go? How can we remain successful in the future? These questions needed to be answered in light of the changing market conditions – and with a view to making calculated investments in a successful future.**

**A**lthough the market conditions in 2023 adversely affected the company's profitability, they also presented an opportunity for Eppendorf. They prompted the Group to carry out an extensive internal review and find out where it is well positioned and where adjustments are required. Investments were critically examined and projects put to the test – all to ensure that Eppendorf remains competitive and capable of growth in the future.

As a result of this process, some projects were stretched out and recruitment was halted. Elsewhere, however, the company made a conscious decision to invest. For example, research and development expenditure remained disproportionately high in the reporting year at €69.2 million. The aim is to promote innovation and strengthen Eppendorf's position as a technology leader in the long term. Investments centered on the Bioprocess unit in →





Thanks to the new distribution center in Enfield, Connecticut, USA, customers in the market region Americas now receive their deliveries even faster.



particular, since the cell and gene therapy market offers strong opportunities for growth. Eppendorf is striving to gain market share in this area and has constructed a new multifunctional building at the unit's main site to support this goal (see p. 14/15).

**Infrastructure projects under review**

Eppendorf was also mindful of taking a structured and measured approach to its infrastructure in the reporting year. While some locations spread out the implementation of planned measures over longer periods of time, infrastructure projects elsewhere progressed according to plan. The construction of a new Technology Center in Pinghu, China, for example, was almost completed in the reporting year. From mid-2024, Eppendorf will produce centrifuges there, primarily destined for the Chinese market. By taking this step, Eppendorf is reacting to the protectionist moves of the Chinese government in order to generate future sales in this important market region.

The company also invested in the future of its production site in Japan by purchasing a piece of property outside Tokyo for the Technology Center that is currently located in Katsuta in the Ibaraki prefecture. Over the next few years, the 24,000 square meter site will become home to a state-of-the-art production, research and development center as well as storage facilities that meet the highest environmental standards and offer plenty of room for growth. Centrifuge production at this new location is scheduled to start in 2026.

The coronavirus pandemic has exposed the fragility of global supply chains. During 2023, Eppendorf therefore made a conscious decision to invest in its international logistics locations so as to be able to serve customers in all market regions more quickly now and in the future. To this end, Eppendorf inaugurated a new distribution center in Enfield, Connecticut, USA, in the first quarter, bringing together four U.S. warehouses on 23,000 square meters.

The Enfield location primarily supplies customers in the market region Americas, but also ships bioprocess units and shakers manufactured in Enfield to other market regions. Thanks to this new state-of-the-art distribution center, logistics processes can be better standardized, ensuring a faster throughput and quicker deliveries to customers.

To do the same in the market region China, Eppendorf has doubled its warehouse space in Shanghai. The new warehouse meets global standards and is connected to relevant IT systems ensuring comprehensive transparency and comparability. A new

620 square meter warehouse in Singapore additionally safeguards delivery capability in the APA region.

With the aim of better serving the African market, Eppendorf also founded a new sales company based in Johannesburg, South Africa, in the reporting year. The site is located in the immediate vicinity of the continent's most important research facilities and includes an integrated calibration laboratory. Eppendorf is thus able to ensure physical proximity to its customers and accelerate the processing of service orders. For the same purpose, a new office was opened in Bangkok, Thailand, in November 2023, with the local sales and service staff as well as a calibration laboratory finding a new home on 338 square meters. In addition, 400 square meters of storage space was rented.

Eppendorf to further strengthen and expand its market position in the centrifuge business. The Business Division will now focus even more strongly on driving innovation and offering customers an expanded range of general lab equipment solutions.

**Optimized IT security and digital infrastructure**

Eppendorf, like all companies, is aware of the growing threat of cyber crime. The Group therefore made investments in IT security in the reporting year and launched a security awareness initiative to educate employees worldwide on the topic and train them in dealing with security risks.

But digitalization was also driven forward in other areas of the company during the reporting year. The introduction of SAP Ariba enabled purchasing processes and workflows to be standardized and accelerated. And document management was also digitalized with the introduction of the Doxis® software. Employees additionally benefitted from simplified global collaboration thanks to the Digital Workplace Program. As part of this project, Eppendorfers had their digital workplaces equipped with new, globally standardized software solutions and functions.

Last but not least, the company succeeded in rolling out and establishing the Compliance Line on a global scale in 2023. Eppendorf's digital whistleblowing system enables employees or external parties (e.g., customers or business partners) to raise concerns about potential misconduct via a dedicated, protected channel that can be accessed via the corporate website. It can be used to report all incidents that violate the law, including fraud, money laundering, corruption or discrimination, as well as inappropriate behavior in the workplace.

*“We’re countering the growing threat of cyber crime with targeted investments in our IT security and ongoing training for our employees.”*

Axel Jaeger,  
CFO

**Toward a leaner and more focused future**

At the same time, the Group successfully refocused on its core business areas. On March 2, 2023, Eppendorf sold off its CellTech product portfolio assets to the German subsidiary of Calibre Scientific. The sale has reduced complexity in the Separation & Instrumentation segment and enables



The construction of the new Technology Center in Pinghu, China, began with a festive ceremony.



# 4

## Acting sustainably

The consequences of man-made climate change are becoming more and more apparent. As a group of companies with global production operations, the Eppendorf Group takes responsibility for its worldwide CO<sub>2</sub> emissions. Eppendorf's purpose of improving human living conditions demands that we act within the boundaries of our planet – to create a safe and just world for present and future generations.



## Ambitious sustainability strategy for a future worth living

**Eppendorf has integrated sustainability into its key corporate processes. By becoming a member of the Science Based Targets Initiative (SBTi), the Group has not only ensured that it meets scientific standards, but has also laid the foundation for reducing Scope 3 emissions. A revised sustainability strategy, which includes an ambitious resource strategy, prepares the Group for the Corporate Sustainability Reporting Directive.**

**D**uring the year under review, Eppendorf intensified its efforts to increase sustainability at its own sites. These efforts are based on a comprehensive climate strategy that forms part of the overarching sustainability strategy. Since 2019, Eppendorf has reduced the CO<sub>2</sub> emissions at its sites from 30,000 tons to 18,000 tons. The 12,000 tons of CO<sub>2</sub> saved are roughly equivalent to the annual emissions of around 1,000 average households.

### Sustainable energy

Eppendorf plans to use renewable energy at all of its sites in the future. All German sites, as well as those in Enfield, Connecticut, USA, and Maldon, UK, have been using carbon-neutral green electricity for some time now, thereby cutting emissions by 58%.

To reduce its energy consumption even further, the company is gradually upgrading its existing buildings to make them more energy-efficient. New buildings must meet stringent climate standards. The new multifunctional building at the location in Jülich, Germany, will be certified platinum by the German Sustainable Building

Council once the building is occupied in 2024. This is the highest seal of approval that the organization awards for sustainable, climate-conscious construction practices. For the new production site in Pinghu, China, we aspire to obtain the internationally recognized LEED Gold certificate for sustainable construction.

### Electrification of the vehicle fleet

Eppendorf's decision in the reporting year to fully electrify its vehicle fleet will bring additional progress, with electric vehicles gradually replacing combustion-engine and hybrid vehicles between now and the end of 2027. In December 2023, electric vehicles already accounted for 37% of the German fleet. From 2020 to the end of the reporting year, Eppendorf was able to reduce its CO<sub>2</sub> emissions by an impressive 56%.

### Targeting Scope 3 emissions

While the Group has primarily focused on reducing emissions at its own sites up to now, it will shift its attention to all emissions along the value chain going forward. Alongside the greenhouse gases that Eppendorf →



produces itself, which are known as Scope 1 and Scope 2 emissions, the Group also aims to significantly reduce Scope 3 emissions in the future. These originate outside the company and make up the majority of its climate-damaging emissions. Examples include emissions from the supply chain, business air travel and the use phase of Eppendorf's products.

**SBTi membership ensures scientific basis**

To make sure that Eppendorf's climate strategy and path to climate neutrality meet scientific criteria, the Group joined the Science Based Targets Initiative (SBTi) in the reporting year. This is a global initiative that helps companies set and realize science-based climate targets. The SBTi is currently the most exacting framework for validating climate targets, making it a good match for a premium brand with high standards like Eppendorf. In addition, more and more of Eppendorf's customers have joined the SBTi and demand that their suppliers, such as Eppendorf, commit to climate targets in accordance with the SBTi standard as well.

**Resource strategy adopted**

One of the sustainability goals Eppendorf has set itself is to make responsible use of natural resources. In 2023, the company adopted a comprehensive resource strategy for consumables and product packaging that sets out specific and measurable targets to be achieved – and not just the minimum regulatory targets. This is testament to Eppendorf's high ambitions to do more than the legally required minimum.

Eppendorf is thus taking responsibility for implementing the principles of the circular economy. Some of the products successfully realized by the Business Division Consumables already align with the strategy, with further targets set for the coming years.

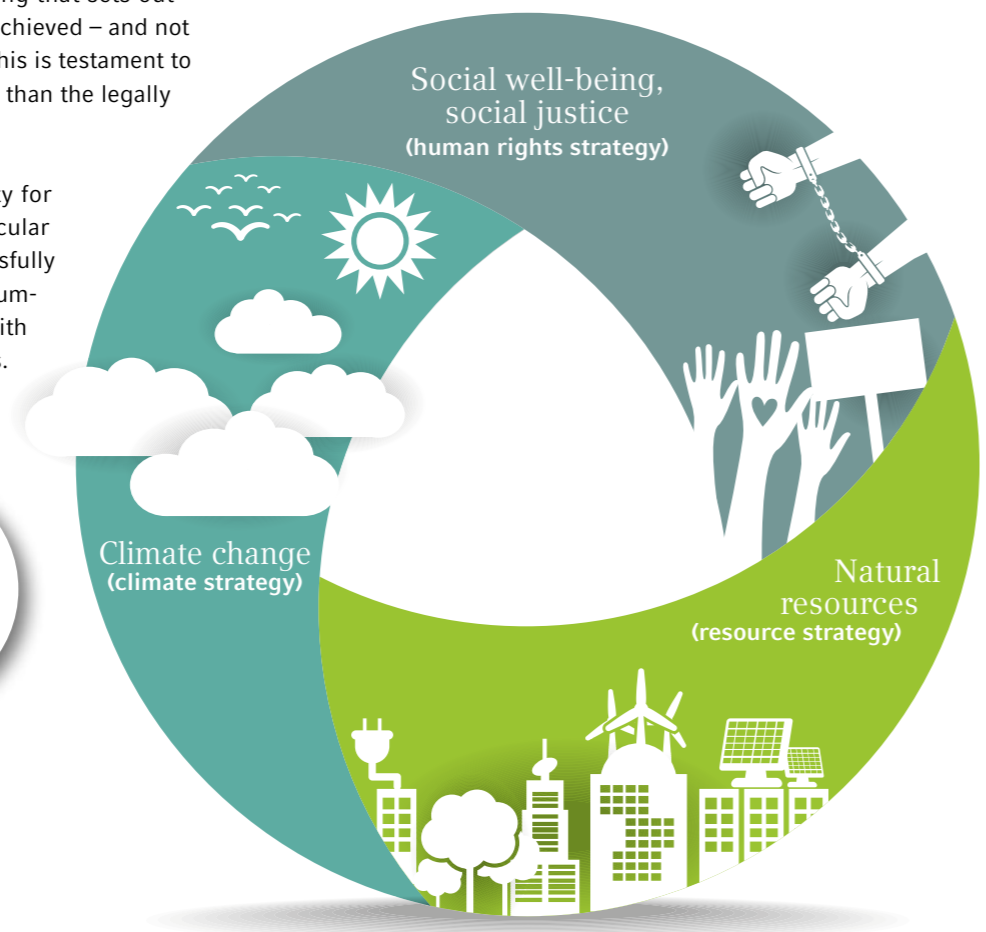
**Focus on social justice**

Along with climate and resource protection, Eppendorf also prioritizes the protection of human rights. The German Supply Chain Due Diligence Act came into force on January 1, 2023, obliging German companies to deal with human rights and environmental issues. That also includes measures to ensure respect for human rights and fair working conditions.

Effective January 1, 2023, the company therefore appointed a Human Rights Officer and set out its human rights strategy in a globally applicable declaration of principles.

**Sustainability strategy 2.0**

Eppendorf's ambitious sustainability efforts are based on a comprehensive sustainability strategy with four key topics: climate change, natural resources, social compliance and social well-being. The strategy was comprehensively revised in the reporting year. On the one hand, it now incorporates the numerous regulatory and legal requirements placed on Eppendorf. On the other, it also focuses on emissions from the supply chain and the use phase of Eppendorf products in preparation for Eppendorf's reporting obligations under the European Union's Corporate Sustainability Reporting Directive (CSRD), which will apply from 2025.



# Eppendorf as an industry trailblazer in providing sustainable consumables

**Life science companies are working hard to make products and applications more sustainable for laboratory customers. Besides packaging, they are focusing on the use of high-tech plastics, which are still indispensable for laboratory work at present. Eppendorf was one of the first companies in the world to successfully produce [laboratory consumables from biobased raw materials](#).**

**High-tech plastic made from organic rather than petroleum-based materials**

In Eppendorf's biobased consumables, the base material for the organic granules from which the Eppis, pipette tips or multiwell plates are made consists of second-generation renewable raw materials (including recycled cooking oil remnants) rather than fossil crude oil, which is in limited supply. This saves fossil resources and increases the products' sustainability. There is no difference whatsoever between the properties of the biobased consumables and those of conventional consumables; they are just as PCR-clean and suitable for working with delicate liquids.

**Numerous products available as sustainable alternatives**

In just twelve months, the Group managed to provide its customers with a more environmentally friendly alternative in every consumables product group.

The starting point were **Eppendorf Tubes BioBased\*** featuring capacities of 5, 15, 25 and 50 ml, which were launched in late 2022. While their caps were originally made from petroleum-based polymers, Eppendorf has since been able to switch their production to biobased high-tech plastic.

The **epT.I.P.S.® BioBased pipette tips**, **ep Dualfilter T.I.P.S.® BioBased** and **ep Dualfilter T.I.P.S.® SealMax® BioBased filter pipette tips** with volumes of up to 1,250 µL followed in May 2023. All of these are only available as reload versions, which additionally reduces

the generation of plastic waste. At the same time, the patented TwinLid® technology enables easier handling of the refill boxes. When the outer box lid is opened, the inner lid of the reload opens simultaneously if the user so wishes. Not only does this simplify handling; the two lids also protect the pipette tips from contamination.

Finally, **twin.tec® PCR Plates BioBased** were launched on the market in fall 2023. As well as significantly reducing the ecological footprint, these more sustainable plates offer a number of other advantages, such as:

- Traceability throughout the supply chain in accordance with the mass balance approach thanks to ISCC PLUS certification (International Sustainability & Carbon Certification)
- Better traceability in laboratory processes thanks to laser-engraved batch numbers and expiry dates on each individual plate
- Improved manual and semi-automated liquid handling thanks to the unique optical guide grid on 96-well plates for fast well alignment



\* certified by 'ISCC PLUS' mass balance approach



# Eppendorf's contribution to improving human living conditions

**Social commitment is a matter close to Eppendorf's heart. The company's activities in this regard are closely linked to its core competencies and make a further contribution to fulfilling Eppendorf's purpose to improve human living conditions.**

Researchers all over the world are tackling the major problems facing humanity. At issue are the fight against pandemics and climate change and how to feed the eight billion people inhabiting this planet today – or even more in the future. It's scientists who provide the solutions we need for the future of humanity.

That is why the Eppendorf Group feels strongly about promoting science. In 2023, young scientists engaged in biomedical and neurobiological research once again had the opportunity to apply for two prizes for their work. Both the [Eppendorf & Science Prize for Neurobiology](#) and the [Eppendorf Award for Young European Investigators](#) are presented by Eppendorf in collaboration with renowned scientific journals on the basis of strict criteria.

The prestigious Eppendorf Award for Young European Investigators was conferred for the 28th time in 2023, with the €20,000 endowment going to Dr. Maurice Michel, Assistant Professor at the Science for Life Laboratory, Karolinska Institutet, Stockholm, Sweden. Dr. Michel received the award for his research on the artificial functions of DNA repair enzymes for treating diseases.

The international Eppendorf & Science Prize for Neurobiology is awarded each year to young researchers who have made outstanding contributions to neurobiology research using methods from the fields of molecular, cellular, systems or organismic biology. In 2023, this prestigious research prize, endowed with \$25,000, went to the American scientist Marissa Scavuzzo, Ph.D., Post-doctoral Fellow at the Case Western Reserve University



**Marissa Scavuzzo, Ph.D.**  
Research on nerve cells in the gastrointestinal tract



**Dr. Maurice Michel**  
Research on artificial functions of DNA repair enzymes



School of Medicine, Cleveland, USA. Marissa Scavuzzo studies the network of nerve cells in the gastrointestinal tract, which is often referred to as the second brain.



The Eppendorf Improving Life Program is supporting a climate protection initiative in Laos that is being run by Plan International Deutschland e. V.

## International commitment

During the year under review, the Eppendorf Improving Life Program launched on the occasion of the company's 75th anniversary supported a project called "Future Opportunities through Sustainable Agriculture and Climate Protection in Laos," which is run by Plan International Deutschland e. V., a globally active children's aid organization. Eppendorf is donating €70,000 to the agricultural project for two years. The objective is to support a total of 16 communities in adapting their farming to climate change and thus securing their livelihoods.

around the world in the reporting year. While the fund receives its capital through an annual payment from Eppendorf SE, many employees and teams worldwide also did their part throughout the year by organizing fundraising campaigns to collect money for the internal relief fund or donating directly to the fund themselves. This once again goes to show that #WeAreEppendorf is actively practiced throughout the company.

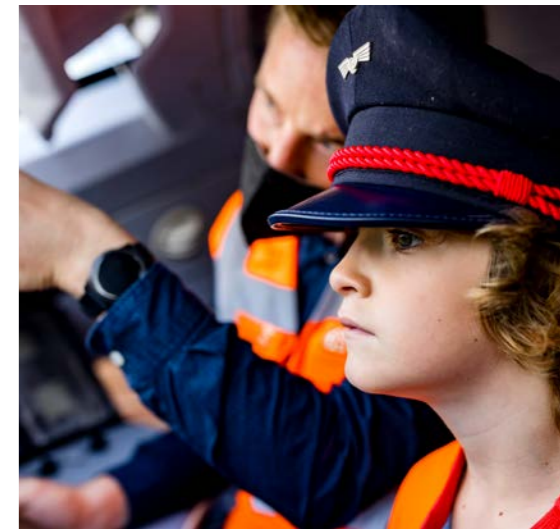
In addition, Eppendorf agreed to sponsor 15 children in the reporting year, giving them the chance of a self-determined childhood and a better future.

## Social responsibility

In the run-up to Christmas, colleagues working for Eppendorf and its partner brands in all market regions took the company's purpose to heart and organized numerous fundraising campaigns that benefitted a wide variety of organizations. The €15,000 Christmas donation traditionally given by the market region Europe went to the Make-A-Wish organization in 2023. This organization fulfills life-changing wishes for critically ill children and young adults.



The Make-a-Wish organization fulfills the wishes of sick children.



## #WeAreEppendorf

The Eppendorf Group also lends a helping hand within the company. In 2022, Eppendorf established a voluntary support program – the *Eppendorf Employee Relief Fund* – to provide assistance to employees who find themselves in financial hardship through no fault of their own. The fund distributed its first financial support to Eppendorfers



Employees collected donations for the Eppendorf Employee Relief Fund at an event in China.

# International presence

## Europe

- Eppendorf SE  
Hamburg/Germany
- Hamburg/Germany
- Oldenburg/Germany
- Landsberg/Germany
- Nijmegen/Netherlands
- Eppendorf Group SE & Co. KG  
Hamburg/Germany
- Eppendorf Belgium N.V./S.A.  
Aarschot/Belgium
- Eppendorf Ibérica S.L.U.  
San Sebastián de los Reyes (Madrid)/Spain
- Eppendorf Nederland B.V.  
Nijmegen/Netherlands
- Eppendorf Nordic A/S  
Hørsholm (Copenhagen)/Denmark
- Stockholm/Sweden
- Eppendorf Norge AS  
Oslo/Norway
- Eppendorf Russia ooo  
Moscow/Russia
- Eppendorf Vertrieb Deutschland GmbH  
Wesseling/Germany
- Berlin/Germany
- Heidelberg/Germany
- Penzberg/Germany
- Starlab France S.a.r.l.  
Orsay/France
- Starlab International GmbH  
Hamburg/Germany
- Starlab GmbH  
Hamburg/Germany
- Starlab Schweiz AG  
Affoltern am Albis/Switzerland
- Starlab s.r.l.,  
Milan/Italy
- Starlab (UK) Limited  
Milton Keynes/UK
- Milton Keynes/UK
- Eppendorf Austria GmbH  
Vienna/Austria
- Vienna/Austria
- Tata/Hungary

## Americas

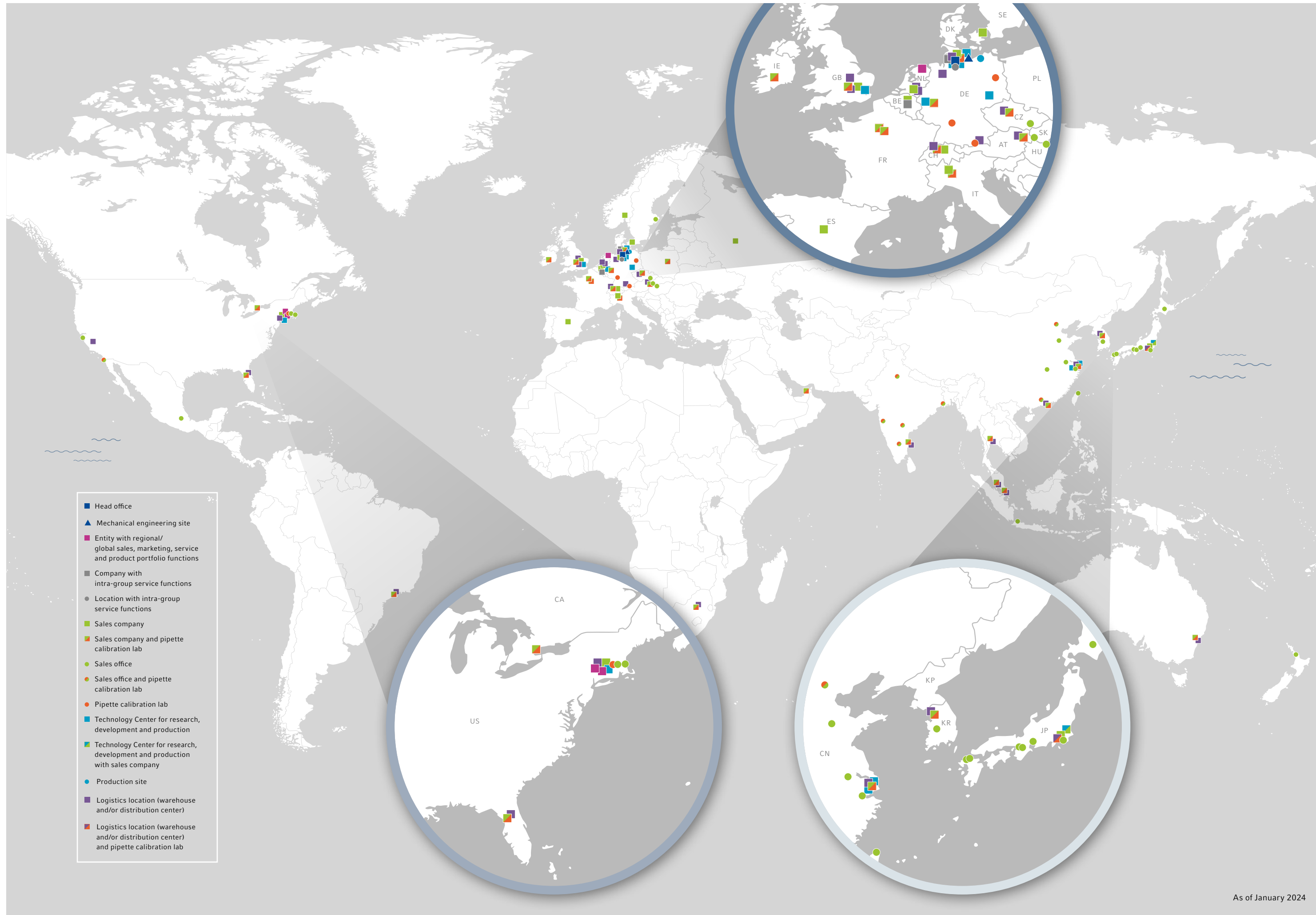
- Eppendorf Czech & Slovakia s.r.o.  
Říčany (Prague)/Czech Republic
- Prague/Czech Republic
- Brno/Czech Republic
- Bratislava/Slovakia
- Eppendorf France SAS  
Montesson (Paris)/France
- Eppendorf Poland sp. z o.o.  
Warsaw/Poland
- Eppendorf s.r.l.  
Milan/Italy
- Eppendorf UK Ltd.  
Stevenage/UK
- Corby/UK
- Vaudaux-Eppendorf AG  
Schönenbuch (Basel)/Switzerland
- Schönenbuch (Basel)/Switzerland
- Calibration Technology Ltd.  
Tipperary/Ireland
- Eppendorf Logistics Netherlands BV  
Nijmegen/Netherlands
- Bio-ITech B.V.  
Groningen/Netherlands
- DASGIP Information and Process Technology GmbH  
Jülich/Germany
- Eppendorf Application Technologies S.A.  
Namur/Belgium
- Hamburg/Germany
- Eppendorf CryoTech Ltd.  
Maldon/UK
- Eppendorf Instrumente GmbH  
Hamburg/Germany
- Eppendorf Liquid Handling GmbH  
Hamburg/Germany
- Eppendorf Polymere GmbH  
Oldenburg in Holstein/Germany
- Wismar/Germany
- Eppendorf Zentrifugen GmbH  
Leipzig/Germany
- ▲ IDE.Automation GmbH  
Lübeck/Germany

## China

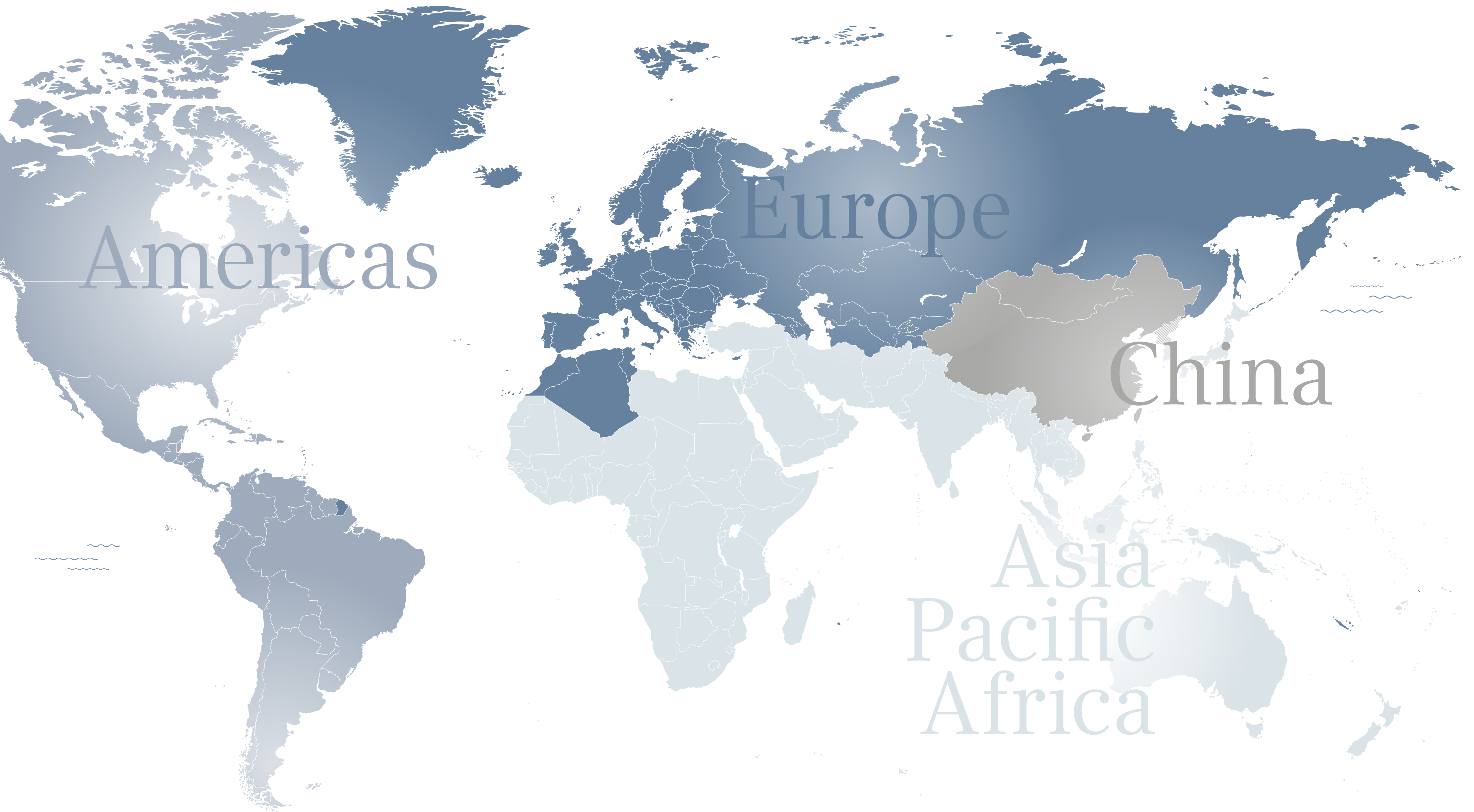
- Eppendorf China Ltd.  
Hong Kong/China
- Hong Kong/China
- Taipei/China
- Eppendorf (Shanghai) International Trade Co., Ltd.  
Shanghai/China
- Shanghai/China
- Beijing/China
- Guangzhou/China
- Hangzhou/China
- Jinan/China
- Nanjing/China
- Wuhan/China
- Eppendorf Lab Technologies (Shanghai) Co., Ltd.  
Shanghai/China
- Eppendorf (Zhejiang) Life Science Technologies Co., Ltd.  
Pinghu/China

## Asia/Pacific/Africa

- Eppendorf Asia Pacific Sdn. Bhd.  
Kuala Lumpur/Malaysia
- Kuala Lumpur/Malaysia
- Jakarta/Indonesia
- Eppendorf Co., Ltd.  
Tokyo/Japan
- Tokyo/Japan
- Fukuoka/Japan
- Osaka/Japan
- Eppendorf Himac Technologies Co., Ltd.  
Ibaraki/Japan
- Hokkaido/Japan
- Nagoya/Japan
- Osaka/Japan
- Fukuoka/Japan
- Tokyo/Japan
- Eppendorf India Pvt. Ltd.  
Chennai/India
- Chennai/India
- Bangalore/India
- Hyderabad/India
- Kolkata/India
- New Delhi/India
- Pune/India
- Eppendorf Korea Ltd.  
Seoul/South Korea
- Seoul/South Korea
- Daejeon/South Korea
- Eppendorf South Africa (Pty) Ltd.  
Gauteng/South Africa
- Johannesburg/South Africa
- Eppendorf Middle East & Africa FZ-LLC Dubai/  
United Arab Emirates
- Eppendorf South Pacific Pty. Ltd.  
Macquarie Park (Sydney), New South Wales/Australia
- Sydney/Australia
- Auckland/New Zealand
- Eppendorf (Thailand) Co., Ltd.  
Bangkok/Thailand
- Bangkok/Thailand
- Eppendorf Singapore Pte. Ltd.  
Singapore
- Singapore







The market regions of the Eppendorf Group at a glance

# Management report

## 1 Business

### **Global presence, customer proximity**

Eppendorf has been developing, producing and selling high-end products, software solutions and services since 1945, primarily for academic and industrial laboratories around the world. As a premium provider in the life science industry, we play a leading role in the global laboratory products market, particularly in the public sector. It is our goal to strengthen this leadership by continuously developing the company and focusing on innovative and strongly growing areas of the life science markets. In the process, we will focus on the continuous development and expansion of our product and solution portfolio and the steady broadening of our customer base through greater customer access, especially in the industrial sectors.

Eppendorf is active in the following business areas: Liquid Handling, Consumables, Separation & Instrumentation, Bioprocess and Lab Solutions. Our product range comprises such items as pipettes and pipetting robots, dispensers, centrifuges and mixers. In addition, Eppendorf offers ultra-low-temperature freezers, fermenters and bioreactors, CO<sub>2</sub> incubators and shakers. Consumables such as pipette tips, reaction tubes, microplates and single-use bioreactors complement the range of highest-quality premium products.

Among the cornerstones of our business strategy is the consolidation of our global market position through targeted investments in technology and digitalization, in the permanent optimization of our production and logistics structures and in our sales structures and channels, along with investments in the expansion of our training and service portfolio – with the goal of providing our customers with innovative, high-quality solutions that perfectly suit their needs.

Around 5,000 employees in 33 countries put their knowledge to work to make Eppendorf a leading sample management company in the life science industry.

## 2 Macroeconomic and industry-specific conditions

### **Global economy**

Geographically, Eppendorf's business activities are focused on Europe, the Americas, China and the Asia/Pacific/Africa (APA) region. To assess the overall development in these market regions, we use their respective gross domestic product (GDP) as a key economic indicator.

The worldwide economy recorded an increase in global economic output of 3.0% in 2023 as a whole (prior year: 3.5%). After a strong start, however, the momentum of the global economy cooled as the year progressed. The reason for this slowdown was a tightening of monetary policy, which led to significantly higher financing costs and thus curbed consumer spending. Growing uncertainty about the future geo-economic situation and the end of stimulus measures in the wake of the Covid crisis also led to a reluctance to invest. On the other hand, a shift in demand toward the service sector after the coronavirus pandemic had a bolstering effect in many economies and compensated for the decline in production in the manufacturing sector.





**Change in gross domestic product**

in %	2023	2022
China	5.0	3.0
Asia/Pacific	4.4	4.1
Worldwide	3.0	3.5
United States	2.1	2.1
Europe	0.7	3.3
Germany	-0.5	1.8

Source: International Monetary Fund (estimates as of Tuesday, February 6, 2024, with updated prior-year figures compared with the 2022 Management Report).

Developed economies have recovered from the crises of recent years to varying degrees. In 2023, the only positive impetus for the global economy came from strong domestic demand in the USA. By contrast, European countries – as well as Japan – only just exceeded the production level of the pre-crisis year 2019, falling well short of the previous growth trend. Weak domestic demand and the fragile real estate sector in China dampened growth in emerging and developing countries. The expectation that China would experience a prolonged, strong upturn following the large-scale abolition of infection control measures at the end of last year failed to materialize.

**China**

While GDP grew by 5.0% in the 2023 financial year – and thus more strongly than in the previous year (3.0%) – growth fell short of expectations following the abandonment of the zero-Covid policy. Unlike past global economic downturns, when China acted as a stabilizer for global activity, the Middle Kingdom's economy showed little momentum in the reporting year. This sluggish development was mainly due to debt in the local real estate sector. Previously the key driver of the Chinese economy, the sector has now become a permanent burden and had a noticeable impact on the economy. Falling real estate prices and failed financing models inhibited activity and unsettled private households, whose propensity to consume declined accordingly. Industrial production, corporate investment and exports also lost momentum due to a combination of weakening foreign demand and geopolitical uncertainty.

The Chinese government introduced extensive fiscal and monetary policy measures in the summer of 2023 to support the economy. Since then, the central bank has lowered various important interest rates over several rounds, including the interest rate for 5-year loans, which is relevant to real estate loans and investment projects.

Nevertheless, it was evident that sluggish construction activity continued to significantly dampen the domestic economy so that the upturn brought about by China's reopening was only short-lived. The weak real estate market combined with uncertainty on the labor market – which was reflected in high youth unemployment – therefore weighed heavily on consumer confidence.

**Asia/Pacific**

Amid a difficult economic environment, economic activity in Asia and the Pacific region increased by 4.4% in 2023 (prior year: 4.1%). As such, the Asia-Pacific region is likely to have contributed around two thirds of all global growth in 2023. The surprisingly positive growth rate in the first half of the year is due to China's reopening after the pandemic. However, the pace of growth slowed as the reopening of the People's Republic lost momentum and investment declined, partly in response to weaker foreign demand.

Although many emerging economies in Southeast Asia, such as Indonesia, Thailand and Vietnam, were also affected by weak foreign trade, their domestic demand acted as a major economic driver in the region, as households in Asia used up some of the savings they had accumulated during the coronavirus pandemic. India in particular provided positive growth stimulus. However, this trend in the advanced economies of Asia (excluding Japan) slowed down over the course of 2023, since the tightening of monetary policy had a negative impact on the conditions for interest-sensitive demand while foreign demand remained subdued.

**United States**

The US economy recorded robust growth of 2.1% in 2023 (prior year: 2.1%). Inflation was successfully countered without dampening economic activity too much. The growth is attributable to an increase in private consumption, private inventory investments (due to rising manufacturing and retail sales) and public support programs (at the national, state and municipal level). Private investment in fixed assets as well as imports and exports also picked up.

Overall, the economic situation developed more positively than had been expected in the summer of 2023. Consumer spending accounts for a large share of GDP in the US (approx. 70%). Surplus savings due to the pandemic, which had driven the post-pandemic recovery of the US economy, had actually been expected to be used up by now. However, this proved not to be the case. The only factors weighing on growth were the ongoing budget dispute and the strike in the automotive industry.

Inflation continued to ease over the course of 2023, but still fell far short of the 2% target. Although monetary policy tightening was largely complete in 2023, it remained restrictive.

**Europe**

The European economy stagnated in 2023, with growth of 0.7% for the year as a whole (prior year: 3.3%). The expectations harbored in the spring were severely disappointed, even though a sizeable decline in GDP had been forecast in view of the economic turmoil caused by the energy crisis and the resulting inflation shock. Rising employment, positive wage developments and a low rate of unemployment were unable to compensate for the negative effects of inflation such as weak private consumer spending. Only those service sectors that had been placed under restrictions during the coronavirus pandemic have had a stabilizing effect on economic development since 2022.

Investment activities were again hampered by higher financing costs. Due to the rapid tightening of monetary policy – since July 2022, key interest rates have been raised ten times in succession in ever smaller steps totaling 4.5 percentage points – economic recovery after the coronavirus has stalled. While this initially affected the housing market and the construction industry, it also led to a general slowdown in lending to the private sector.

Energy prices and their volatility decreased significantly in 2023. However, the risks with regard to energy supply remained, for example due to a shortage in the supply of natural gas as a result of the Russian war of aggression against Ukraine. Structural adjustments to production as a result of higher energy prices will have lasting effects beyond 2023.



### Life science industry

In 2023, the life science industry recorded a decline of 5.6% (prior year: +4.4%), though there were major regional differences in growth across the industry. For example, the market in India grew by 6%, while the Chinese and American markets saw a significant decline of 12% and 7.3% respectively. This varying development is also reflected in the industry's individual product groups. The consumables segment suffered the most severe downturn at -11%.

The slowdown in the life science industry was strongly influenced by the substantial decline in demand for product groups to combat COVID-19, such as test kits (antigen and PCR) or vaccine production. This effect was felt more strongly by companies that had grown considerably during the coronavirus pandemic.

### Overall statement by the Management Board and target achievement

This past year was extremely challenging for the Eppendorf Group. On the whole, the Management Board of Eppendorf SE is not satisfied with the business performance and the development of the Group's net assets, financial position and results of operations in fiscal year 2023 in light of the highly volatile development of the entire life science industry. The decline in the EBIT margin and, as a result, the development of operating profit are particularly unsatisfactory. Revenue growth and the companies' performance fell short of expectations and were thus comparable with the setbacks experienced by major market players. Despite all of the company's efforts and precautionary measures, fiscal year 2023 proved weaker than forecast in terms of target achievement. Consequently, the Management Board introduced a package of measures to increase profit. The **Empowering Eppendorf** program aims to secure Eppendorf's long-term competitiveness through growth and increased earnings in combination with cost discipline.

In terms of the key performance indicator revenue growth, our forecast for 2023 – as published in the 2022 Annual Report – was in the single-digit percentage range. However, the past year was marked by noticeable buying restraint on the part of Eppendorf customers worldwide as well as the life science industry as a whole. The anticipated decline in demand following the end of the coronavirus pandemic was stronger and longer-lasting than expected. This resulted in a 12.3% drop in revenue, which meant that the Group's total income fell short of expectations. A significantly weaker revenue performance, particularly in the Consumables segment, as well as persistently high strategic investments in Eppendorf's future viability, resulted in an EBIT margin of 10.5%, well below the previous year's figure of 18.3%.

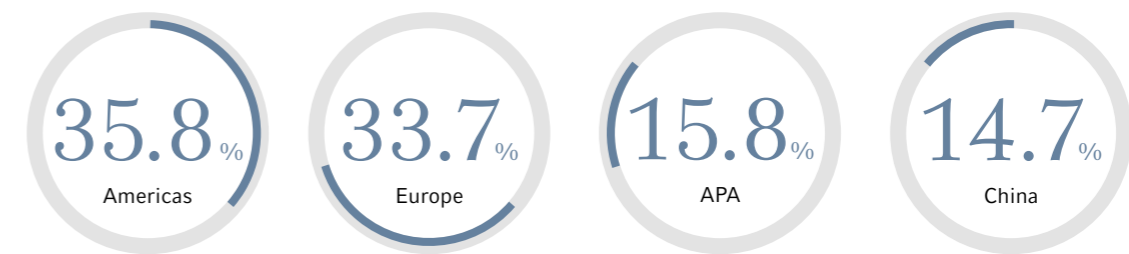
However, some product groups, such as centrifuges by Eppendorf Himac Technologies Co., Ltd., proved pleasingly resilient in terms of revenue performance, also in comparison with the overall market environment.

## 3 Business and financial performance

### Negative post-COVID-19 revenue development

After a successful business performance in the pandemic years from 2020 to 2022, revenue in 2023 fell by €152.3 million to €1,081.4 million (prior year: € 1,233.7 million), amounting to a decline of 12.3% (prior year: +12.1%). The effects of our lower Covid-related revenue were visible in all market regions.

### Revenue by region in 2023



in € millions	2023	2022	+/- prior year
Americas	387.7	462.8	-16.2%
Europe	364.0	383.8	-5.2%
Asia/Pacific/Africa	170.7	190.4	-10.3%
China	159.0	196.7	-19.2%
<b>Total</b>	<b>1,081.4</b>	<b>1,233.7</b>	<b>-12.3%</b>

### All market regions suffer a significant decline in revenue

The market region Americas saw its revenue drop by 16.2% in 2023, following revenue growth of 26.1% in 2022. There were three predominant market factors that led to this drop: the decrease in COVID-19 testing and related consumables, unfavorable economic conditions in the pharmaceutical and biotech industry and a surplus of consumables among many customers following the pandemic. From a product perspective, consumables experienced the sharpest decline, after having contributed significantly to our growth during the coronavirus pandemic. One bright spot was the academic market, where the growth rate once again reached the mid-single digits in 2023.

In the market region Europe, Eppendorf recorded a year-on-year revenue decline of 5.2% (prior year: -5.7%) due to a weaker market environment in the life science industry and general market uncertainty owing to the geopolitical and macroeconomic environment. The Business Division Consumables accounted for a significant proportion of the drop in revenue. This is due in particular to our customers still holding large stocks of consumables from the pandemic period, leading to reduced demand, especially at the beginning of the year.

Like the global market, the market region Asia/Pacific/Africa (APA) was confronted with a fall in customer demand in the period following the coronavirus pandemic. In total, the market region's revenue fell by 10.3% (prior year: +10.4%). This negative market impact was partially offset by strong revenue growth in the region's Bioprocess unit as well as the continued success of separation products in Japan and other countries. Further geographical expansion – for example, with the opening of a new sales unit in South Africa – along with the launch of a high-quality consumables portfolio in the lucrative mid-price segment under the Excella brand have created the basis for future revenue growth.



In the market region China, revenue was down 19.2% on 2022 (prior year: +27.6%). The applied and pharmaceutical industry – especially in the biopharma/biotech sectors – was hit by a 30% drop in revenue due to a weak business environment brought on by a lack of investment and low market confidence. In the academic sector, revenue saw slight year-on-year growth as order execution normalized. The Business Division Liquid Handling suffered heavily from dwindling market demand and dealers' pressure to reduce their inventories. In addition, this region too was affected by the industry-wide decline in demand for consumables due to the post-COVID effect. The only increase in revenue was achieved in the Separation & Instrumentation segment thanks to the integration of the Himac portfolio into Eppendorf's centrifuge business.

In their respective markets of Europe and North America, the two partner brands Starlab and USA Scientific are mainly active in the field of liquid handling. Their product portfolio, which is primarily sold directly, comprises laboratory consumables, single-channel and multichannel pipettes, cell culture and PCR consumables, nitrile and latex gloves, instruments for general laboratory use and OEM products. In 2023, the two Eppendorf subsidiaries recorded an average decline in demand of approximately 10% compared to the previous year. However, demand developed very differently from region to region. For example, orders in Eastern Europe plummeted by 47%, while the UK saw no significant decline. The drop in demand was somewhat more pronounced in North America than in Europe. The production and delivery bottlenecks that had existed in some product groups in 2022 were completely overcome in the reporting year.

At -12.3%, the Eppendorf Group's revenue performance deteriorated significantly in 2023. Having faced exceptionally strong business in the previous year due to continued high demand as a result of the pandemic, the Business Division (BD) Consumables saw its revenue fall by 19.5%. The BD Liquid Handling was also hit hard by this decline in revenue, with a drop of 15.2%. In the Business Division Separation & Instrumentation, the decrease in revenue amounted to 7.8%, though the picture was somewhat mixed. While ultra-low-temperature freezers and PCR thermocyclers, for example, generated less revenue, this was partially offset by slight growth in the areas of centrifugation and services. In fiscal year 2022, the Business Division also generated revenue in the cell manipulation segment. However, in March 2023, the assets associated with the CellTech business were sold in order to reduce complexity in the Separation & Instrumentation unit. A sharper focus on centrifuge business is meant to help strengthen and expand the unit's market position. Bioprocess and digital business activities are combined in the BD Lab Solutions. While digital business only contributes very little to the Eppendorf Group's total revenue at present, it did record double-digit percentage growth last year.

#### Revenue breakdown

in € millions	2023	2022	+/- prior year
Separation & Instrumentation	409.5	444.2	-7.8%
Liquid Handling	273.8	322.9	-15.2%
Consumables	271.8	337.6	-19.5%
Lab Solutions (Bioprocess and Digital)	126.3	129.0	-2.1%
<b>Total</b>	<b>1,081.4</b>	<b>1,233.7</b>	<b>-12.3%</b>

#### Gross profit affected by lower capacity utilization

Gross profit decreased by €99.7 million to €620.3 million (prior year: €720.0 million), while the gross margin stood at 57.4% and was thus lower than in the previous year (58.4%). Gross profit in the reporting period was negatively affected in particular by lower capacity utilization at the production sites as well as the sharp decline in consumables sales and the resulting excess inventories. Additionally, unscheduled expenses from impairment losses on fixed assets had a negative impact on gross profit.

#### Cost structure (income statement)

in € millions (incl. relative share of revenue)	2023	2022	2023	2022	+/- prior year
Cost of sales	461.1	513.7	42.6%	41.6%	-10.2%
Distribution expenses	285.7	298.2	26.4%	24.2%	-4.2%
Research and development expenses	69.2	76.0	6.4%	6.2%	-8.9%
General and administrative expenses	159.2	124.7	14.8%	10.1%	27.7%

Operating expenses (distribution expenses, research and development expenses, and general and administrative expenses) fell by 3.0% to a total of €514.1 million (prior year: €498.9 million). Distribution expenses went down to €285.7 million in absolute terms (prior year: €298.2 million). This represents a decrease of 4.2%. Research and development expenses declined to €69.2 million in the reporting period (prior year: €76.0 million) – a decrease of 8.9%. However, the ratio of research and development expenses to sales revenue shows that the Eppendorf Group aims to continue to tap into further lines of business in the life science industry and to expand its market share in the existing market segments through innovations in all product groups.

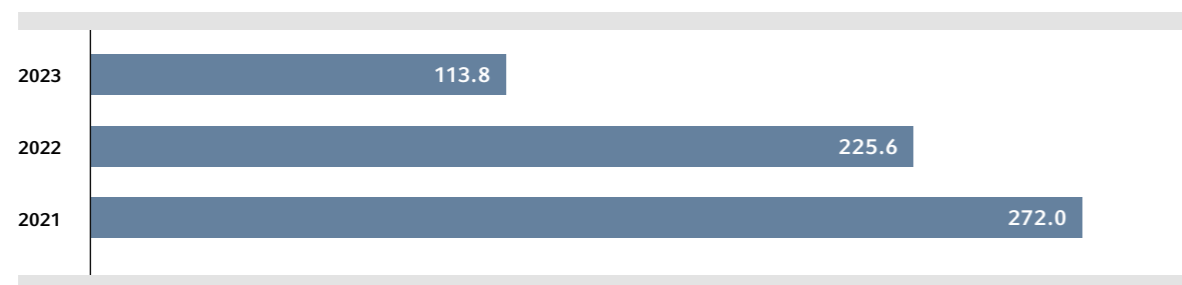
General and administrative expenses as a percentage of consolidated revenue stood at 14.8%, up on the previous year's level of 10.1%, and amounted to €159.2 million in fiscal year 2023 (prior year: €124.7 million). The increase of €34.5 million relates mainly to personnel and consulting costs and is largely attributable to the strategic adjustment of the Eppendorf organization to reflect the company's strong growth in recent years. The IT, Finance, Legal, IP & Compliance, and Human Resources departments were continuously expanded to lay a solid foundation for our growth targets for the future.

Other operating expenses were up from €11.1 million in the previous year to €26.0 million in 2023. Essentially, other operating expenses comprised exchange rate losses of €15.9 million (prior year: €10.4 million) and severance payments of €8.3 million. Other operating income climbed from €20.3 million in the previous year to €36.8 million in 2023. This item was positively impacted by the sale of the assets of the CellTech business totaling €24.1 million and exchange rate gains of €9.9 million (prior year: €18.2 million).

Earnings before interest and taxes (EBIT) slumped by €111.8 million to €113.8 million (prior year: €225.6 million), resulting in an EBIT margin of 10.5%, down significantly from the previous year's figure of 18.3%.



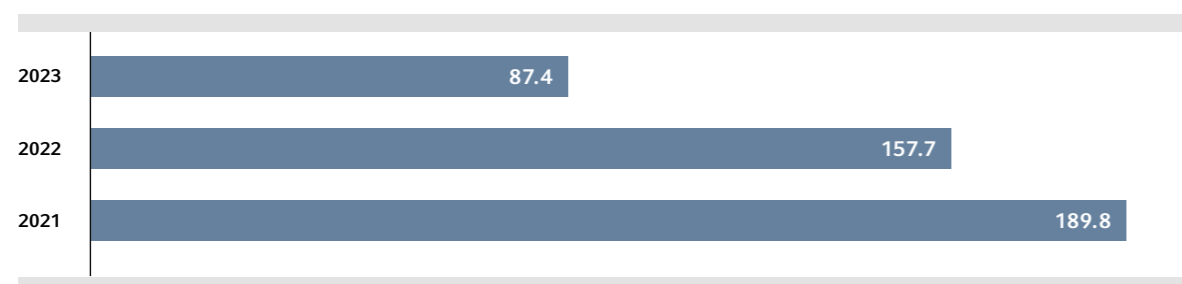
### Profit before net finance costs and income tax expense (EBIT) in € millions



Net financial income amounted to €1.0 million (prior year: €2.1 million). This deterioration in net financial income was primarily the result of higher interest expenses in 2023.

The income tax charge went down to €27.5 million in absolute terms (prior year: €70.0 million). The main reason for this was a reduction in effective taxes due to the lower operating profit both in Germany and internationally. The consolidated tax rate stood at 24.0% (prior year: 30.7%). Profit after tax declined by €70.3 million to €87.4 million (prior year: €157.7 million).

### Profit after tax in € millions



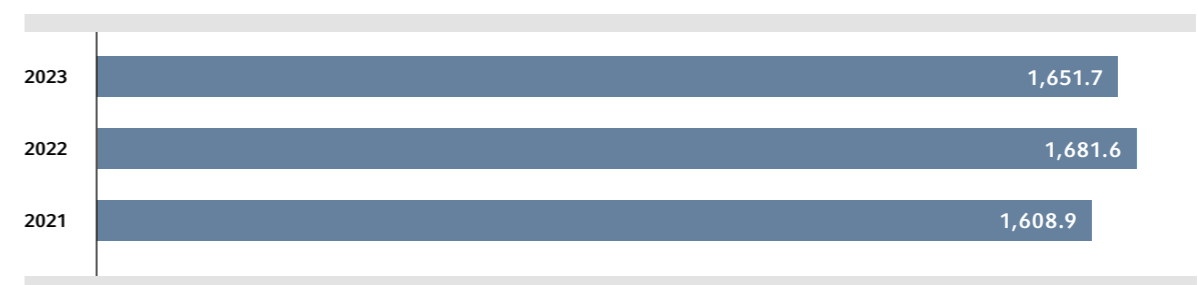
## 4 Financial position and net assets

### Slight increase in non-current assets

Intangible assets from business combinations were composed of goodwill amounting to €149.8 million (prior year: €159.5 million), and acquired customer bases, brands and technologies amounting to €48.3 million (prior year: €53.4 million).

Financial assets rose by €29.3 million, mainly as a result of the valuation of the shares in the U.S. company Promega Corporation, headquartered in Madison, Wisconsin, USA. The equity instruments are measured at fair value and recognized outside profit or loss in other comprehensive income.

### Total assets in € millions



### Assets

in € millions (as of Dec. 31)	2023	2022*	2023	2022*	+/- prior year
<b>Current assets</b>	<b>787.0</b>	<b>841.0</b>	<b>47.6%</b>	<b>50.0%</b>	<b>-6.4%</b>
Cash and cash equivalents	176.1	264.0	10.7%	15.7%	-33.3%
Trade receivables	174.8	195.4	10.6%	11.6%	-10.5%
Inventories	353.1	335.0	21.4%	19.9%	5.4%
Other assets	83.0	46.6	5.0%	2.8%	78.1%
<b>Noncurrent assets</b>	<b>864.7</b>	<b>840.6</b>	<b>52.4%</b>	<b>50.0%</b>	<b>2.9%</b>
Property, plant, equipment and rights of use	361.1	358.9	21.9%	21.3%	0.6%
Intangible assets	227.9	240.4	13.8%	14.3%	-5.2%
Financial assets	192.7	164.4	11.7%	9.8%	17.2%
Other assets	83.0	76.9	5.0%	4.6%	7.9%
<b>Total assets</b>	<b>1,651.7</b>	<b>1,681.6</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.8%</b>

\*Including retroactive adjustments in accordance with IFRS 3. Details can be found in the notes on changes in the scope of consolidation.

Property, plant and equipment and right-of-use assets were up by €2.2 million from €358.9 million in the previous year to €361.1 million in the year under review. This increase was largely due to the modernization of office buildings and the strengthening of our international presence with a focus on the Asia/Pacific/Africa (APA) region. For example, a new location in South Africa was put into operation in the summer of 2023. The main factor behind the €36.4 million increase in other current assets, which went from €46.6 million in the previous year to €83.0 million in the year under review, was an increase in current tax receivables.

### Financial position and capital structure

Other current provisions were down by €9.2 million from €103.9 million in the previous year to €94.7 million in the year under review, mainly due to liabilities to customers falling by €8.2 million to €33.5 million (prior year: €41.7 million).



**Equity and liabilities**

in € millions (as of Dec. 31)	2023	2022*	2023	2022*	+/- prior year
<b>Current liabilities</b>	<b>205.2</b>	<b>249.2</b>	<b>12.4%</b>	<b>14.8%</b>	<b>-17.7%</b>
Other provisions	94.7	103.9	5.7%	6.2%	-8.9%
Financial liabilities	16.5	16.0	1.0%	1.0%	3.1%
Trade payables	38.5	69.9	2.3%	4.2%	-44.9%
Other liabilities	55.5	59.4	3.4%	3.5%	-6.6%
<b>Noncurrent liabilities</b>	<b>251.7</b>	<b>272.9</b>	<b>15.2%</b>	<b>16.2%</b>	<b>-7.8%</b>
Provisions for pensions and similar obligations	148.0	140.7	9.0%	8.4%	5.2%
Financial liabilities	89.1	120.2	5.4%	7.1%	-25.9%
Other liabilities	14.6	12.0	0.9%	0.7%	21.7%
<b>Equity</b>	<b>1,194.8</b>	<b>1,159.5</b>	<b>72.3%</b>	<b>69.0%</b>	<b>3.0%</b>
<b>Total equity and liabilities</b>	<b>1,651.7</b>	<b>1,681.6</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.8%</b>

\* Including retroactive adjustments in accordance with IFRS 3. Details can be found in the notes on changes in the scope of consolidation.

The €31.1 million decrease in noncurrent financial liabilities from €120.2 million in the previous year to €89.1 million in the year under review was mainly due to the scheduled repayment of a long-term loan. The main factors influencing the €35.3 million increase in equity were the net profit for the period and the changes in the valuation of financial instruments, which were recognized in full in consolidated equity. This was counteracted by the dividend payment of €39.4 million (prior year: €47.6 million). At 72.3%, the equity ratio was above the level of the previous year (69.0%).

The €31.4 million decrease in trade payables from €69.9 million in the previous year to €38.5 million in the year under review is the result of a downward business trend overall and correspondingly lower demand for raw materials and production materials.

**Cash flows from operating activities**

Cash flows from operating activities reached €80.9 million in the year under review, a decrease of €14.6 million compared with the previous year (€95.5 million). The primary drivers for this were, on the one hand, lower profit after tax and, on the other, unscheduled non-cash depreciation, amortization and impairments, which were up significantly on the previous year. The decline in trade payables had a substantial impact on the development of working capital.

**Cash flow statement**

in € millions	2023	2022*
Net profit for the period	87.4	157.7
Depreciation, amortization and impairment losses	68.8	49.2
Change in working capital	-37.6	-77.4
Other changes	-37.7	-34.0
<b>Cash flows from operating activities</b>	<b>80.9</b>	<b>95.5</b>
<b>Cash flows from investing activities</b>	<b>-71.6</b>	<b>-87.4</b>
<b>Cash flows from financing activities</b>	<b>-93.4</b>	<b>-93.3</b>
Effect of exchange rate changes on cash and cash equivalents	-3.8	3.8
<b>Change in cash and cash equivalents</b>	<b>-87.9</b>	<b>-81.4</b>
<b>Cash and cash equivalents at Jan. 1</b>	<b>264.0</b>	<b>345.3</b>
<b>Cash and cash equivalents at Dec. 31</b>	<b>176.1</b>	<b>264.0</b>

\* Including retroactive adjustments in accordance with IFRS 3. Details can be found in the notes on changes in the scope of consolidation.

At €-71.6 million, cash flows from investing activities were lower than in the previous year (€-87.4 million). Payments for property, plant and equipment as well as intangible assets amounted to €74.2 million and were thus below the previous year's figure (€87.6 million) owing to restrained expansion and replacement investments. This item also includes payments for the acquisition of Life Systems Design AG, an established distributor of products for research laboratories taken over by Eppendorf's partner brand Starlab to strengthen its core business. Eppendorf also acquired the remaining stake in the Indian subsidiary and now holds 100% of the shares.

Our cash flows from financing activities of €-93.4 million (prior year: €-93.3 million) were largely the result of the scheduled repayment of a loan and a dividend payment to the owners of Eppendorf SE in the amount of €39.4 million (prior year: €47.6 million).

Cash and cash equivalents as of 31 December, 2023, thus decreased to €176.1 million (prior year: €264.0 million).

Although revenue was down in fiscal year 2023 due to a global post-Covid-19 decline in demand and the company's result was impacted by unscheduled expenses from write-downs on fixed assets, the financial position and net assets demonstrate that Eppendorf's financial situation is robust.

## 5 Employees

The commitment of our approximately 5,000 employees worldwide is crucial to Eppendorf's future success.

To gauge the mood among our employees and track how their satisfaction with the company is developing, we have been conducting annual employee surveys since 2020. This year's survey focused on teamwork and cooperation with managers. Thanks to a comprehensive information and communication campaign, we were able to increase the participation rate by 19 percentage points. The high participation rate of 85% meant that the feedback was representative of the workforce, allowing the company to take appropriate measures.

The results of the survey were and are still being addressed at three levels: the company level, the site level and the team level. This approach has made it possible to take targeted steps to improve employee engagement.





### Lifelong learning and personal development measures

Professional qualifications and lifelong learning are fundamental elements of Eppendorf’s sustainable personnel development strategy.

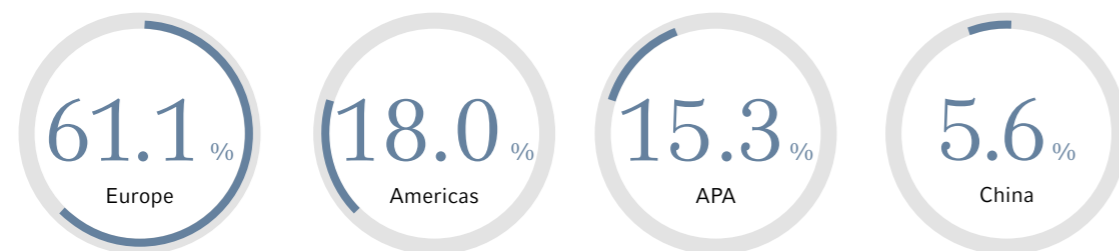
The company’s successful development depends to a large extent on the expertise and commitment of its employees. That is why the Management Board is keen to offer all Eppendorf employees an exciting, pleasant and challenging work environment with room for personal growth. Personnel development comprises formal learning opportunities, the promotion of collaborative learning and experience-based learning. Through these varied approaches, Eppendorf strives to strengthen its employees’ professional expertise and support their continuous career development.

### Diversity and inclusion

Diversity and inclusion are key elements of Eppendorf’s corporate culture and identity. Diverse life paths and professional backgrounds as well as a spirit of tolerance unite Eppendorf employees worldwide. The goal of active inclusion is to enable all people – regardless of individual differences – to participate equally in day-to-day life. Eppendorf acknowledges that its responsibility as an employer extends to this aspect as well and has therefore drawn up an inclusion agreement. In doing so, the company is underlining its commitment to an inclusive working environment in which every employee receives respect and support.

On December 31, 2023, we had 4,904 employees (FTEs) worldwide (prior year: 4,966). Most notably, the Eppendorf Group expanded its personnel capacity in the areas of sales as well as research & development. Part-time staff have been included in the calculation based on their working hours. While the number of employees in the Asia/Pacific/Africa region rose slightly, other regions saw a slight decrease in their staff numbers.

#### Employees by region in 2023



#### Employees by region

in FTEs	Dec. 31, 2023	Dec. 31, 2022	+/- prior year
Europe	2,994	3,061	-2.2%
Americas	884	905	-2.3%
Asia/Pacific/Africa	751	722	4.0%
China	275	278	-1.1%
<b>Total</b>	<b>4,904</b>	<b>4,966</b>	<b>-1.2%</b>

To allow a more flexible response to fluctuations in capacity utilization, the plants also used leased employees in addition to their permanent workforce. In light of the sharp decline in demand for Eppendorf products, the number of leased employees also decreased. A total of 110 leased employees were working in the Eppendorf Group as of December 31, 2023; the annual average was 147 leased employees (in FTEs).

The Eppendorf Group employed an average of 4,937 people worldwide in fiscal year 2023, compared with 4,762 the year before. This corresponds to a 3.7% annual average increase in employee numbers.

#### Employees by region

annual average (FTEs)	2023	2022	+/- prior year
Europe	3,032	2,931	3.4%
Americas	896	869	3.1%
Asia/Pacific/Africa	734	691	6.2%
China	275	271	1.5%
<b>Total</b>	<b>4,937</b>	<b>4,762</b>	<b>3.7%</b>

## 6 Risks and opportunities

Eppendorf aims to ensure its resilience. By identifying and managing risks at an early stage, Eppendorf is able to protect its assets and financial success against disruptions.

### Business continuity & risk management system

In December 2022, the Audit Committee issued a mandate for the further development of the business continuity and risk management system (BCRMS). Since then, the project organization created for this purpose has been working with the Head of Business Continuity and Risk Management and the Chief Financial Officer with a view to developing the guidelines, methods and processes of the BCRMS. Once the project is complete, the BCRMS will be handed over to a part of the line organization that has yet to be determined. Senior management is informed about the project’s progress at regular intervals so that it can get the relevant interfaces within the company involved.

The aim of the BCRMS is to survey, update and evaluate Eppendorf’s risks and opportunities three times per year as part of the planning and strategy process. This will be done by sending a survey to the local risk managers and subsequently holding validation meetings to enable realistic and objective reporting on risks and opportunities. The risks and opportunities communicated are used as the basis for a risk report that is prepared for the Management Board and the Supervisory Board and presents a transparent and unbiased view of the situation. By integrating this system into the planning and strategy process, Eppendorf will be able to manage its opportunity and risk profile purposefully on the basis of factual information.

Over the course of fiscal year 2023, the BCRMS underwent comprehensive, modular further development, with responsibilities, methods and processes being established, among other things.

### Risks

The first baseline survey according to the revised methodology did not identify any risks that might jeopardize the company’s continued existence. Likewise, it found no congruence between the targeted risk profile and the actual risk levels detected. However, as of the survey date, almost 400 risks were identified, of which some 100 exceeded the internal materiality threshold for risk reporting (financial or non-financial impact). Of particular relevance here are the areas of regulatory requirements, IT and data, operational processes and strategic topics. The most important risks are described below.





As a company with global operations, Eppendorf finds itself in an increasingly regulated environment. Such an environment results in various conflicting objectives that need to be resolved in the best possible way. A proactive approach in dealing with the various issues – such as the German Supply Chain Due Diligence Act or regulations on per- and polyfluoroalkyl substances (PFAS) – can turn potential regulatory restrictions into competitive advantages for Eppendorf.

The topic of information security management is also subject to various standards and directives to which Eppendorf always adheres. The international ISO/IEC 27001 standard is particularly relevant in this context. In today's digitalized world, the risk of cyberattacks is on the rise, making IT and data security increasingly important. At Eppendorf, measures for the protection of data and information are therefore subject to permanent central monitoring and ongoing development, and are backed up by modern IT monitoring and analysis systems. We take a holistic and long-term view in this regard. Another focal point is to create awareness of the issue of information security within the Group. Eppendorf counters this risk through targeted investments to protect against information security threats. To ensure that software-based business processes are carried out securely, reliably and efficiently, the IT systems are continuously reviewed, adapted and further developed. Systems and infrastructure components that are critical to operations are protected in accordance with company-wide policies to minimize risks such as unauthorized access to company data or the manipulation of IT systems.

As the requirements for IT and data security increase, so do the requirements for Eppendorf's products and applications. Along with this comes a variety of product risks, particularly in the area of research and development, since it often involves new and cutting-edge technologies for which only limited experience of use is available, and which lie at the fringes of what is technically feasible. This could negatively affect product development or delay the introduction of new products. If these products are lacking in maturity and quality, this may result in warranty and product-liability obligations or delivery problems. To minimize such risks, Eppendorf has introduced a comprehensive quality assurance and project management system.

Industry-specific risks are mainly attributable to the focus on life science research, thus reductions in R&D budgets or public and private funding may adversely affect our sales. Eppendorf mitigates this risk by addressing diverse customer segments, concluding framework agreements, using a large number of sales channels and diversifying its product portfolio and production sites.

Finally, as an international company, Eppendorf is also exposed to general business risks, such as those resulting from extreme weather conditions, natural disasters, pandemics, employee turnover (particularly among subject matter experts), attempted fraud, war, terrorism and financial or government crises.

### Opportunities

The ongoing search for suitable new products, technologies and applied fields is an integral part of Eppendorf's business strategy. For the Group, opportunities emerge in particular through the use of its products in areas that offer great potential for growth, such as laboratories where medical and basic scientific research is performed, the biotechnology and pharmaceutical industries, the health and food industries and other industrial sectors. These industries profit from favorable factors such as increased life expectancy, rising health demands and demands on food quality and safety as well as environmental protection. This is particularly true for fast-growing economies that need to catch up in these areas.

For 2024, there is the opportunity of the market environment gradually normalizing again after the decline in revenue in 2023 due to the end of the COVID-19 pandemic. Similarly, we expect life science biotech companies to receive more funding again in the medium term, which will indirectly lead to increased demand for life science instruments.

The general conditions for the life science market are still very positive – it will remain a growth market. Trends like the development of cell and gene therapies, mRNA drugs or multi-omics will continue to drive investment in the life science sector and contribute to the market's positive development over the coming years. Specific opportunities will arise for Eppendorf through the launch of new products in 2024, such as the LiquidPro® positive displacement pipette or new SafeCode tube formats.

## 7 Outlook

### Global economic growth: outlook remains weak, differences are widening

Geopolitical risks and uncertainty over economic policy determine the outlook for the global economy in 2024. Overall, the risks continue to outweigh the opportunities. Accordingly, the outlook for the coming year is somewhat subdued. Global growth is predicted to remain low at 2.9%.

#### Change in gross domestic product

in %	Forecast 2024
China	4.2
Asia/Pacific	4.1
Worldwide	2.9
United States	1.5
Europe	1.2
Germany	0.9

Source: International Monetary Fund (estimates as of Tuesday, February 6, 2024)

While the US and Chinese economies are likely to lose momentum, the European economy is expected to grow at a moderate but steady rate. The US economy will likely avoid a recession and continue to grow by around 1.5% next year. China's structural problems (overcapacity, falling prices for housing and high levels of debt in the real estate sector) will limit its growth to 4.2%. The development of the Chinese economy remains the most significant downside risk for the global economy, since an unexpectedly sharp slowdown in Chinese growth would undoubtedly have a negative impact on its most important trading partners, the USA and Europe. In the EU, macroeconomic output is projected to rise by 0.7%, primarily due to the purchasing power of private households recovering. Inflation rates are likely to go down slightly throughout the world. In the USA and the eurozone, they will fall to around 3% by the end of next year. While monetary policy tightening is largely complete, the policy will remain restrictive in the USA and the eurozone over the course of the year. An initial easing may be possible in the course of the second half of 2024. As for the economic outlook, it remains to be seen when and whether the rise in interest rates will impact companies' investment activity to any greater extent; in any case, interest rates in North America and Europe appear to have peaked in the 2023 financial year. In terms of fiscal policy, there are signs of consolidation in 2024, especially in Europe. This will help curb inflation. However, budgets will continue to be under strain due to additional defense spending and investments in the dual transformation (sustainable development and digitalization).



Geopolitical risks have intensified again as of late. On the one hand, tensions between the USA and China pose a threat to the global economy – a fact that is already evident in their trade relations, with export restrictions in place for high-tech products, for example. A downturn in the volume of bilateral trade between the two economic powerhouses is also apparent. On the other hand, the terrorist attacks committed by Hamas against Israel have significantly increased the potential for conflict in the Middle East. A spreading of the conflict to other states could further reduce the extraction of natural gas off Israel's coast and affect Middle Eastern crude oil supplies. Should the supply of energy become even scarcer, prices for food are likely to rise, unless companies reduce their profit margins accordingly. In conjunction with the as yet incomplete recovery of real incomes, a renewed loss of purchasing power would further dampen private consumer spending.

### Strengthening resilience and staying competitive

The past reporting year demonstrated the importance of flexible and adaptable processes and structures that make it possible to respond quickly to dynamic market developments. To this end, the Eppendorf Group initiated a comprehensive program in fall 2023 that aims to increase the Group's resilience. The objectives of the **Empowering Eppendorf** initiative were defined in the reporting year and will be elaborated and implemented in 2024. **Empowering Eppendorf** centers on creating measures that enable long-term profitability. Margin protection and sustainable growth are the main focal points. The program will rest on three pillars: (1) business opportunities & innovation, (2) organizational development & management model and (3) efficiency and productivity. By implementing the **Empowering Eppendorf** initiative for the future, which is currently still under development, we aim to create a solid foundation for a profitable future.

The company also systematically continued its work on the **Eppendorf 2025** corporate strategy. A number of projects were undertaken in the reporting year, focusing in particular on innovation and customer centricity, the further development of processes and workflows and, of course, the overarching topics of the future: digitalization and sustainability.

At the end of the fiscal year, we saw the demand situation ease slightly. Markets in all regions are expected to recover in 2024, with Europe likely to benefit the most. Nevertheless, global market development in 2024 will remain marked by uncertainty and volatility and will be impacted by various industry-wide challenges. The Management Board is cautiously optimistic about the coming reporting year based on a positive long-term growth forecast for the life science industry. Our forecast for 2024 as a whole points to weak, but overall stable demand for our products. Despite the challenging market environment and the restrained investment behavior of many customers, we anticipate revenue growth in the range of €1.05 billion to €1.1 billion. Cost management, budget discipline and savings will shape the entire year 2024 in an effort to increase profitability. Nevertheless, from today's perspective, a return to the profitability levels of 2018 to 2022 may prove to be overly ambitious for 2024. We currently expect our EBIT margin to remain at the level of 2023.

Eppendorf SE  
Hamburg, April 17, 2024  
The Management Board



**Dr. Wilhelm Plüster**  
Chief Technology Officer  
and Spokesperson of the  
Management Board



**Axel Jaeger**  
Chief Financial Officer



**Dr. Dirk Eric Loebermann**  
Chief Operating Officer

# Consolidated financial statements

## Consolidated income statement

in € thousand	2023	2022
Revenue	1,081,407	1,233,671
Cost of sales	-461,094	-513,745
<b>Gross profit</b>	<b>620,313</b>	<b>719,926</b>
Distribution and marketing expenses	-285,665	-298,218
Research and development expenses	-69,231	-76,012
General and administrative expenses	-159,230	-124,740
<b>Operating profit</b>	<b>106,187</b>	<b>220,956</b>
Other operating income	36,835	20,333
Other operating expenses	-25,983	-11,056
Amortization of intangible assets from business combinations	-3,190	-4,665
<b>Operating profit (EBIT)</b>	<b>113,849</b>	<b>225,568</b>
Interest income	3,159	2,500
Interest expenses	-4,800	-2,283
Other financial income (expense)	2,619	1,656
Share of profit of associates	-	286
<b>Profit before tax</b>	<b>114,827</b>	<b>227,727</b>
Income tax expense	-27,469	-70,013
<b>Net profit for the period</b>	<b>87,358</b>	<b>157,714</b>
thereof attributable to equity holders of the parent	87,046	156,814
thereof attributable to non-controlling interests	312	900

## Consolidated statement of comprehensive income

in € thousand	2023	2022
<b>Net profit for the period</b>	<b>87,358</b>	<b>157,714</b>
<b>Items that may be reclassified to profit or loss in the future</b>		
Gains/losses from currency translation	-34,798	948
<b>Items that will not be reclassified to profit or loss</b>		
Gains/losses from the remeasurement of defined benefit plans	-4,089	38,496
Gains/losses from the measurement of financial instruments	28,243	-1,859
<b>Other comprehensive income after tax</b>	<b>-10,644</b>	<b>37,585</b>
<b>Total comprehensive income</b>	<b>76,714</b>	<b>195,299</b>
thereof attributable to equity holders of the parent	76,382	194,377
thereof attributable to non-controlling interests	332	922

## Consolidated balance sheet

### Assets

in € thousand	Dec. 31, 2023	Dec. 31, 2022 <sup>1</sup>
Cash and cash equivalents	176,086	263,957
Trade receivables and contract assets	174,826	195,398
Inventories	353,063	334,963
Current tax refund claims	66,154	30,901
Other financial assets	3,471	3,607
Other current receivables	13,453	12,100
<b>Current assets</b>	<b>787,053</b>	<b>840,926</b>
Property, plant and equipment	282,124	282,072
Right-of-use assets	78,932	76,853
Intangible assets	227,892	240,400
Investments in associates	–	962
Other financial investments	192,718	163,432
Other financial assets	669	715
Other noncurrent receivables	3,184	2,294
Deferred tax assets	79,160	73,938
<b>Noncurrent assets</b>	<b>864,679</b>	<b>840,666</b>
<b>Total assets</b>	<b>1,651,732</b>	<b>1,681,592</b>

<sup>1</sup> Including retroactive adjustments in accordance with IFRS 3.

### Equity and liabilities

in € thousand	Dec. 31, 2023	Dec. 31, 2022 <sup>1</sup>
Trade payables	38,486	69,886
Current contract liabilities	13,719	13,663
Financial liabilities	16,510	15,990
Provisions for income taxes	12,531	12,925
Other current provisions	94,722	103,937
Other financial liabilities	12,828	14,864
Other current liabilities	16,462	17,904
<b>Current liabilities</b>	<b>205,258</b>	<b>249,169</b>
Provisions for pensions and similar obligations	148,000	140,718
Noncurrent contract liabilities	268	199
Financial liabilities	88,860	120,190
Other noncurrent liabilities	2,705	1,370
Deferred tax liabilities	11,876	10,399
<b>Noncurrent liabilities</b>	<b>251,709</b>	<b>272,876</b>
Subscribed capital	51,132	51,132
Other equity items	1,142,319	1,106,998
Non-controlling interests	1,314	1,417
<b>Equity</b>	<b>1,194,765</b>	<b>1,159,547</b>
<b>Total equity and liabilities</b>	<b>1,651,732</b>	<b>1,681,592</b>

<sup>1</sup> Including retroactive adjustments in accordance with IFRS 3.



## Consolidated statement of changes in equity

in € thousand	Subscribed capital	Reserves	Net retained profits	Other comprehensive income	Equity attributable to shareholders of Eppendorf SE	Non-controlling interests	Total
<b>January 01, 2022</b>	<b>51,132</b>	<b>648,828</b>	<b>339,019</b>	<b>-23,415</b>	<b>1,015,564</b>	<b>2,334</b>	<b>1,017,898</b>
Change in pension obligations	-	-	-	38,496	38,496	-	38,496
Gains/losses from the measurement of financial instruments	-	-	-	-1,859	-1,859	-	-1,859
Currency translation	-	-	-	926	926	22	948
Other comprehensive income after tax	-	-	-	37,563	37,563	22	37,585
Net profit for the period	-	-	156,814	-	156,814	900	157,714
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>156,814</b>	<b>37,563</b>	<b>194,377</b>	<b>922</b>	<b>195,299</b>
Allocation to retained earnings	-	90,870	-90,870	-	-	-	-
Dividend for prior year	-	-	-47,553	-	-47,553	-	-47,553
Dividend to non-controlling shareholders	-	-	-	-	-	-	-
Change in scope of consolidation	-	-4,258	-	-	-4,258	-1,839	-6,097
<b>Dec. 31, 2022 / Jan. 1, 2023</b>	<b>51,132</b>	<b>735,440</b>	<b>357,410</b>	<b>14,148</b>	<b>1,158,130</b>	<b>1,417</b>	<b>1,159,547</b>
Change in pension obligations	-	-	-	-4,089	-4,089	-	-4,089
Gains/losses from the measurement of financial instruments	-	-	-	28,243	28,243	-	28,243
Currency translation	-	-	-	-34,818	-34,818	20	-34,798
Other comprehensive income after tax	-	-	-	-10,664	-10,664	20	-10,644
Net profit for the period	-	-	87,046	-	87,046	312	87,358
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>87,046</b>	<b>-10,664</b>	<b>76,382</b>	<b>332</b>	<b>76,714</b>
Allocation to retained earnings	-	120,802	-120,802	-	-	-	-
Release of retained earnings	-	-11,818	11,818	-	-	-	-
Dividend for prior year	-	-	-39,372	-	-39,372	-	-39,372
Dividend to non-controlling shareholders	-	-	-	-	-	-172	-172
Change in scope of consolidation	-	-1,689	-	-	-1,689	-263	-1,952
<b>December 31, 2023</b>	<b>51,132</b>	<b>854,553</b>	<b>284,282</b>	<b>3,484</b>	<b>1,193,451</b>	<b>1,314</b>	<b>1,194,765</b>

## Consolidated cash flow statement

in € thousand	2023	2022 <sup>1</sup>
<b>Profit after tax</b>	<b>87,358</b>	<b>157,714</b>
Depreciation, amortization and impairment losses	68,834	49,170
Amortization of rights-of-use	17,988	15,549
Gains/losses on the disposal of property, plant and equipment, intangible assets and other financial assets	252	-52
Change in rights-of-use (excluding amortization)	-22,012	-44,821
Change in other current provisions	-9,252	11,785
Change in pension provisions	7,282	-56,565
Change in pension provisions in other comprehensive income	-4,089	38,496
Change in deferred tax assets and liabilities	-4,392	10,524
Change in inventories	-17,742	-92,426
Change in trade receivables and contract assets	20,892	-13,221
Change in trade payables	-31,469	16,455
Change in tax receivables	-35,252	-10,601
Interest expenses less interest income	1,641	217
Other changes	36,463	27,231
Income tax	27,469	70,014
Income tax paid	-63,028	-83,967
<b>Cash flows from operating activities</b>	<b>80,943</b>	<b>95,502</b>
Payments for investments in property, plant, equipment and intangible assets	-74,152	-87,556
Proceeds from disposal of property, plant, equipment and intangible assets	3,563	607
Payments for the acquisition of subsidiaries, equity-accounted entities and other financial assets	-2,898	-2,385
Dividends received from associated companies	-	239
Dividends received from other financial assets	1,870	1,656
<b>Cash flows from investing activities</b>	<b>-71,617</b>	<b>-87,439</b>
Dividends paid to shareholders of Eppendorf SE	-39,372	-47,553
Dividends paid to non-controlling shareholders	-172	-
Repayment of non-current borrowings	-32,982	-24,733
Repayment of lease liabilities	-17,251	-15,142
Capital increase of equity investments	-1,952	-6,097
Interest received	3,159	2,500
Interest paid	-4,800	-2,283
<b>Cash flows from financing activities</b>	<b>-93,370</b>	<b>-93,308</b>
<b>Cash change in cash and cash equivalents</b>	<b>-84,044</b>	<b>-85,245</b>
Effect of exchange rate changes on cash and cash equivalents	-3,827	3,849
<b>Change in cash and cash equivalents</b>	<b>-87,871</b>	<b>-81,396</b>
<b>Cash and cash equivalents at Jan. 1</b>	<b>263,957</b>	<b>345,353</b>
<b>Cash and cash equivalents at Dec. 31</b>	<b>176,086</b>	<b>263,957</b>

<sup>1</sup> Including retroactive adjustments in accordance with IFRS 3.

# Report of the Supervisory Board

## Focal points of the Supervisory Board's activities

The year 2023 was challenging for Eppendorf. After a slowdown in demand in the last quarter of 2022, the trend continued to intensify across the industry in 2023. Rising energy costs and high inflation meant that material prices and operating costs also increased. The Management Board, in consultation with the Supervisory Board, introduced a company-wide cost management strategy to guide Eppendorf through this period. Its aim is to ensure that the Group remains competitive in the long term and gains further market share.

Consolidated revenue decreased by 12.3% in 2023, coming in at €1,081.4 million. Given the aforementioned circumstances, this is a respectable performance – made possible above all by the high level of commitment of our employees and their excellent teamwork.

By systematically pursuing our long-term corporate strategy and implementing medium-term measures to increase our profitability and capacity to innovate, Eppendorf has laid the foundation for continued success in the future.

## Collaboration between Management Board and Supervisory Board

In the year under review, the Supervisory Board of Eppendorf SE continuously monitored and advised the Management Board. The Management Board provided the Supervisory Board with regular, timely and comprehensive information about the company's business performance, economic situation and financial and investment planning in the course of the various meetings. In addition, the two Co-CEOs or the Spokesperson of the Management Board kept the Chairman of the Supervisory Board constantly informed of key developments and decisions, either in writing or during personal discussions. The Chairman of the Supervisory Board was also consulted in cases of doubt or far-reaching decisions.

## Main issues discussed at the individual Supervisory Board meetings

The Supervisory Board convened for a total of five meetings in the fiscal year just ended. Resolutions were adopted either at these meetings or in three cases by way of written circulation procedure.

At the meeting to approve the financial statements on April 12, 2023, the Supervisory Board reviewed and approved the annual financial statements and the consolidated financial statements. The Management Board also reported in detail on how business had progressed up to that point. In addition, it presented new strategies for the Business Divisions Liquid Handling and Consumables as well as measures for company-wide cost management and delivered an update on the company's sustainability strategy. The Supervisory Board approved an investment in a new production site for centrifuges in Japan.

The Supervisory Board was newly elected at the Annual General Meeting on May 12, 2023, with the constituent meeting of the Supervisory Board taking place on the same day. At this meeting, the Chairman of the Supervisory Board was elected, as were the Deputy Chairman and the members of the Audit Committee and the Compensation Committee.

At the Supervisory Board meeting on July 6 and 7, 2023, the Management Board first reported comprehensively on the course of business up to that point in 2023. It also presented new strategies for individual divisions and market regions as well as the current status of ongoing company-wide initiatives to the Supervisory Board and discussed these matters with it.

In its meeting on October 4, 2023, the Supervisory Board appointed Dr. Dirk Eric Loebermann as an additional member of the Management Board and Chief Operating Officer with effect from October 15, 2023. Furthermore, Dr. Wilhelm Plüster was appointed Spokesperson of the Management Board.

At the Supervisory Board meeting on December 15, 2023, the Management Board reported in detail on the business performance in 2023. The Supervisory Board approved the 2024 budget and discussed the investment plans for 2024. The meeting also served to discuss potential areas of growth and present and approve further company-wide cost management measures. Finally, new rules of procedure were adopted for the Management Board and the Supervisory Board.

## Activities of the Supervisory Board committees

The Supervisory Board continued to have two committees, an Audit Committee and a Compensation Committee, which prepare the deliberations and resolutions of the Supervisory Board. The chairpersons of these committees report regularly at meetings of the Supervisory Board about the work of the committees.

## Personnel matters

On October 4, 2023, Dr. Dirk Eric Loebermann was elected as an additional member of the Management Board of Eppendorf SE with effect from October 15, 2023. On the same day, the Supervisory Board appointed Dr. Wilhelm Plüster as Spokesperson of the Management Board. The two Co-CEOs Eva van Pelt and Dr. Peter Fruhstorfer stepped down from their respective positions on October 10, 2023.

The Annual General Meeting elected Philipp von Loeper, Prof. Elmar Hinz, William A. Linton III, Ph.D., Poncho Meisenheimer, Marlis Kripke and Peter Schmidt to the Supervisory Board.

## Annual and consolidated financial statements as of December 31, 2023

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS). These accounts, the annual financial statements of Eppendorf SE, and the management reports for the company and the Group were examined by the auditor, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, which

was elected by the Annual General Meeting and commissioned by the Supervisory Board. On April 17, 2024, the auditor issued an unqualified opinion. The documents named above and the associated audit reports, including the relevant reports prepared by the Management Board, were made available to all members of the Supervisory Board and were discussed.

The auditor informed the Audit Committee and the Supervisory Board of the key findings of its audit.

The Audit Committee and the Supervisory Board duly noted the results of the audit conducted by the auditor. In the course of their own reviews of the annual financial statements and management report of Eppendorf SE, as well as the consolidated financial management report, they found no cause for objection. The Audit Committee recommended that the Supervisory Board approve the annual financial statements and the consolidated financial statements of December 31, 2023. The Supervisory Board approved the consolidated financial statements prepared by the Management Board on April 17, 2024, and the annual financial statements of Eppendorf SE. The annual financial statements are hereby adopted. In addition, the Supervisory Board also reviewed and concurred with the proposal for the appropriation of profit.

The Audit Committee was additionally informed in detail about the work of the Internal Audit department in fiscal year 2023.

The Supervisory Board would like to thank the Management Board and all the employees of the Eppendorf Group in Germany and internationally for their dedicated efforts and successful work for the company in fiscal year 2023.

Hamburg, April 17, 2024



Philipp von Loeper  
Chairman of the Supervisory Board

# Boards

## Supervisory Board

**Philipp von Loeper**  
Chairman

**Prof. Elmar Hinz**  
Vice Chairman

**William A. Linton III, Ph.D.**  
Vice Chairman

**Poncho Meisenheimer**  
Member of the Supervisory Board

**Marlis Kripke**  
Employee representative

**Peter Schmidt**  
Employee representative

## Management Board

**Dr. Wilhelm Plüster**  
Spokesperson of the Management Board,  
Chief Technology Officer

**Axel Jaeger**  
Chief Financial Officer

**Dr. Dirk Eric Loebermann**  
Chief Operating Officer



## Editorial information

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In the interest of better readability, we have refrained from using gender-specific language forms simultaneously in the financial section on pp. 35–55. All personal references apply equally to all genders. This report is also available in German.

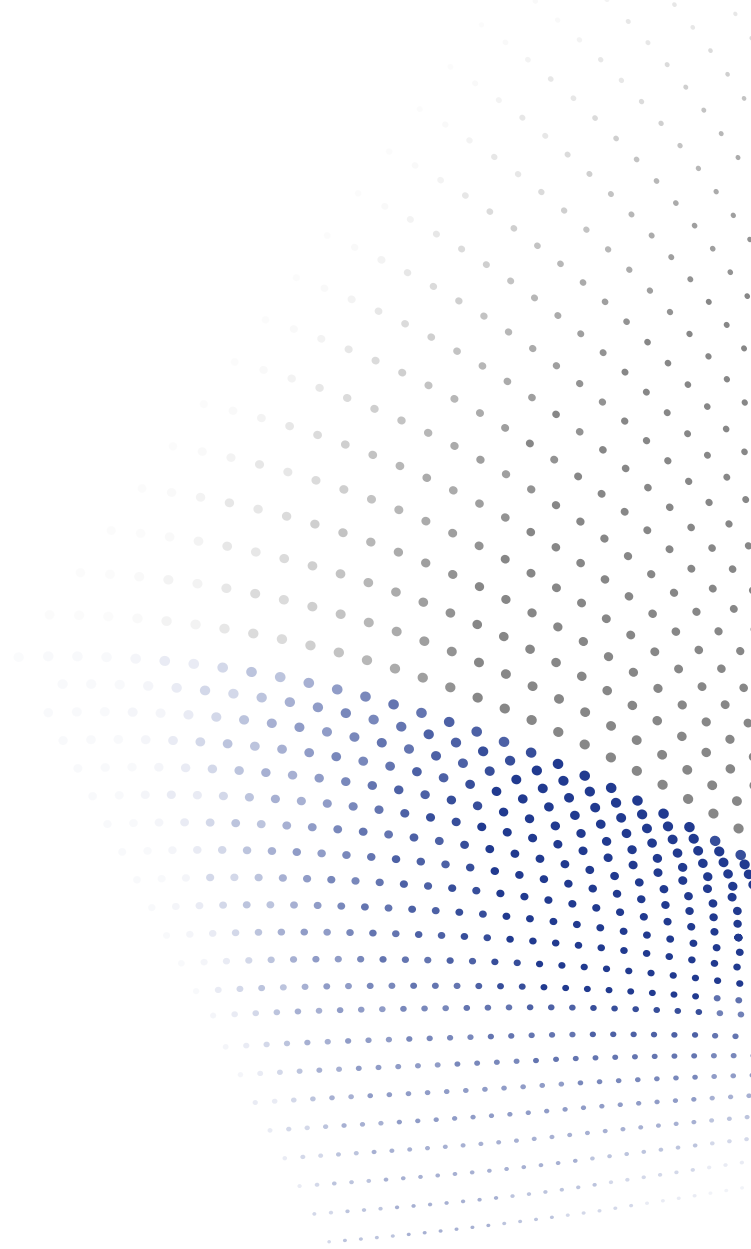
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