

Creating a world-leading AI-powered Life Sciences PLM software business

**Acquisition of Dotmatics:
A Leader in Life Sciences R&D Software**

April 2, 2025

SIEMENS

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This document contains statements related to our future business and financial performance and future events or developments involving Siemens that may constitute forward-looking statements. These statements may be identified by words such as “expect,” “look forward to,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “estimate,” “will,” “project” or words of similar meaning. We may also make forward-looking statements in other reports, in prospectuses, in presentations, in material delivered to shareholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of Siemens’ management, of which many are beyond Siemens’ control. These are subject to a number of risks, uncertainties and factors, including, but not limited to those described in disclosures, in particular in the chapter Report on expected developments and associated material opportunities and risks in the Combined Management Report of the Siemens Report ([siemens.com/siemensreport](https://www.siemens.com/siemensreport)), and in the Interim Group Management Report of the Half-year Financial Report (provided that it is already available for the current reporting year), which should be read in conjunction with the Combined Management Report. Should one or more of these risks or uncertainties materialize, should decisions, assessments or requirements of regulatory authorities deviate from our expectations, should events of force majeure, such as pandemics, unrest or acts of war, occur or should underlying expectations including future events occur at a later date

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



"By combining Dotmatics' top-tier scientific applications with Siemens' complementary simulation and AI capabilities, software portfolio, and manufacturing expertise, customers can accelerate innovation with the industry's first **AI-powered research-to-production digital thread in Life Sciences.**"

Dr. Roland Busch
President and CEO of Siemens AG

"Siemens has a long history of connecting **leading design tools with cutting-edge design-to-manufacturing data management**, unlocking massive customer value in discrete manufacturing. **Now, we're bringing that winning formula to Life Sciences**, driving the next wave of innovation and efficiency."

Cedrik Neike

CEO Digital Industries, Siemens AG



Key investment highlights

1

Dotmatics: A leader in Life Sciences R&D software with a highly profitable portfolio of scientific applications and multi-modal bio-informatics data platform

2

Extends Siemens' market-differentiating Digital Twin Technology to Life Sciences, expanding Siemens TAM by ~\$11 billion¹

3

Disrupts 'Eroom's Law'² and accelerates customer's innovation and productivity through enabling multimodal drug-discovery and contextualizing data for in-silico simulation and AI

4

Utilizes Siemens' manufacturing expertise and foundational technologies to create a first of its kind end-to-end digital thread for the Life Sciences and other process industries

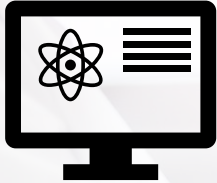
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Expands Siemens' #1 position in industrial software creating a leading Life Sciences PLM software business

¹ 2024 Market estimate for software in (1) drug discovery & pre-clinical research excl. clinical trials (2) Life Sciences R&D adjacencies (3) pharma manufacturing

² Eroom's Law states that drug development costs rise exponentially despite technological advances

1 Dotmatics : A leader in Life Sciences R&D software



A market leading SaaS platform that unites **best-in-class scientific applications** with **advanced lab informatics**, driving **next-gen, AI-powered collaboration, efficiency, and innovation** in Life Sciences.

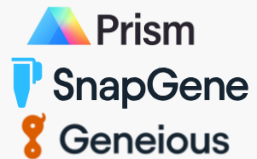
Product portfolio overview

Scientific applications and tools

~67%

% revenue (FY24A)

Mission-critical **scientific applications** such as data analysis, visualization and workflow automation software



Lab informatics

~33%

% revenue (FY24A)

AI-enabled multimodal platform for collaboration between scientists, harmonized data capture and efficient workflows in a group of scientists



Key financials

~\$300mn

FY25E ARR

~\$310mn

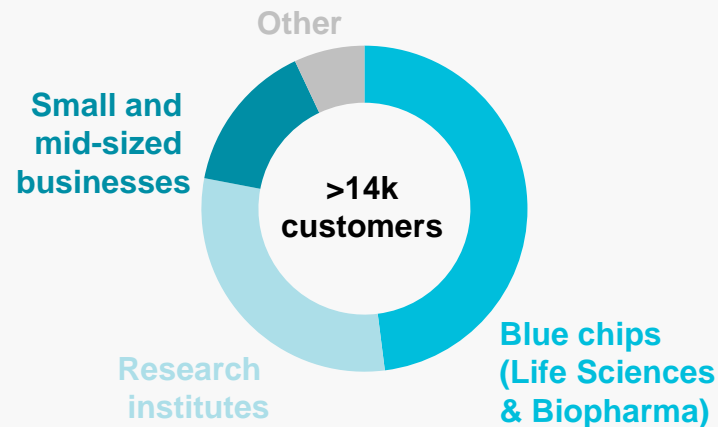
FY25E Revenue

>15%

FY25E rev. growth

>40%

FY25E Adj. EBITDA marg.



2 Expanding Siemens Digital Twin Technology and Industrial Software offering for R&D into Life Sciences

Global Industrial R&D spend¹



Today, Siemens **accelerates customers' innovation** through combining the real and digital worlds **across two of the top three industries with highest R&D spend**



Life Sciences is the **only large industrial R&D space** currently not addressed by Siemens



Acquisition of Dotmatics enables Siemens to **scale its foundational technologies into Life Sciences**



Currently addressed by
SIEMENS software portfolio



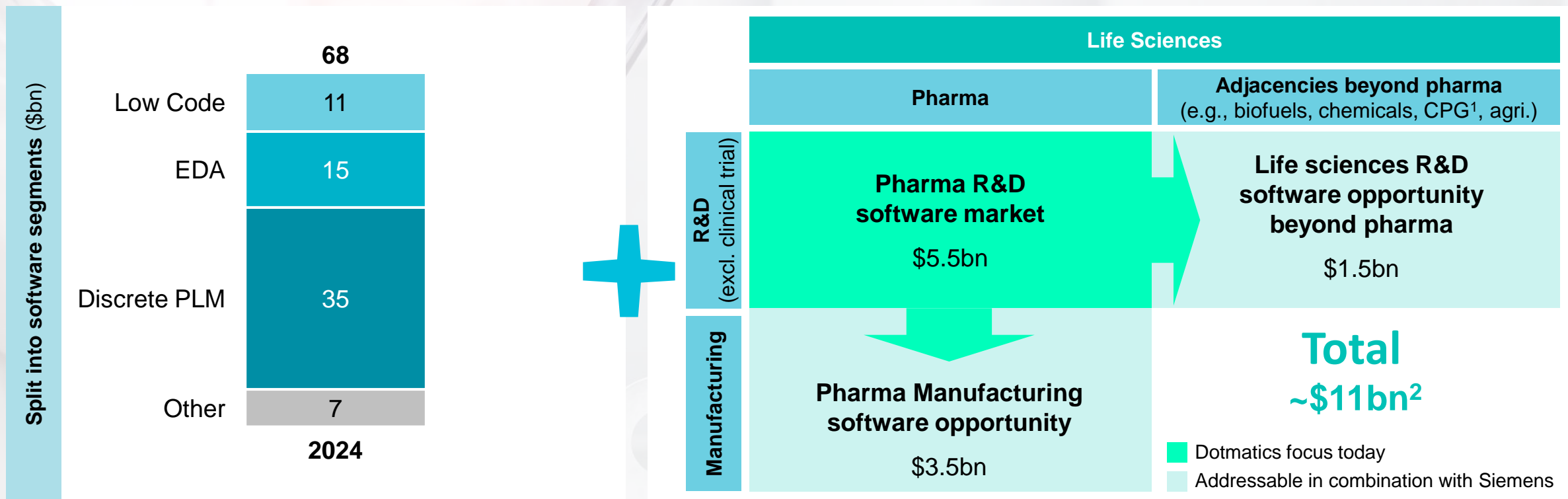
Addressed by
Dotmatics

¹ European Commission 2023 excluding computer services, financial services and non-life insurance

2 Combined with Dotmatics, Siemens expands TAM by ~\$11bn

Today, Siemens industrial software TAM of \$68bn

Combined with Dotmatics Siemens expands TAM by ~\$11bn (+16%)



Key Industries



Automotive



Industrials



Electrical & Electronic



Pharma



Biofuels



Chemicals



CPG¹

¹ Consumer packaged goods

² 2024 Market estimate software in (1) drug discovery & pre-clinical research excl. clinical trials (2) Life Sciences R&D adjacencies addressable by Dotmatics product portfolio (3) pharma manufacturing

2 Attractive pharma R&D software market for drug discovery & pre-clinical research, driven by structural shifts and long-term industry trends

Structural factors driving need for digitization in drug discovery

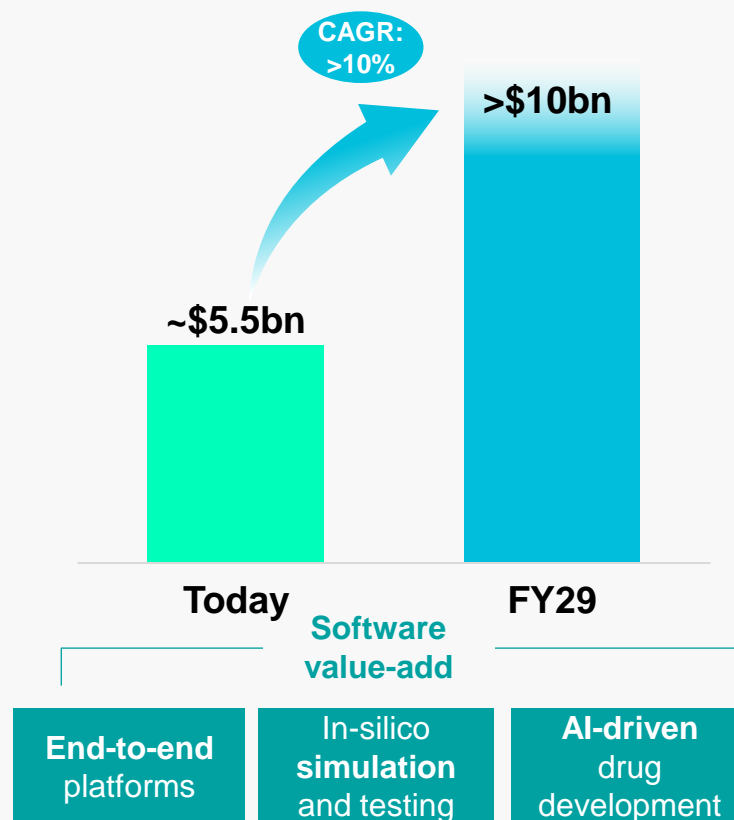
Increased medication need driven by aging societies and improved access to medicine

New treatment options from advancing science, e.g. growing use of large vs. small molecules in drug development

Necessity of collaboration and visibility across the value chain driven by increased workflow complexity and need to boost efficiency

Digital transformation opportunity: Software spending to double in next 5 years

Drug discovery & pre-clinical research (excl. clinical trials)



Why attractive?

Fragmented market with scarcity of scaled platforms

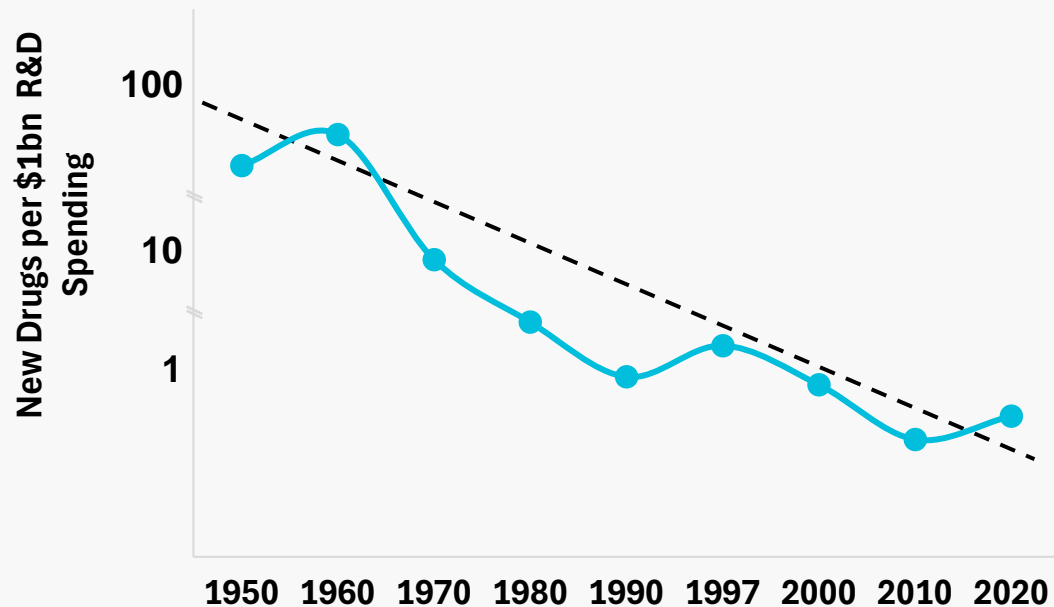
Highly complex and changing data landscape

Lack of data standards and harmonized data for AI application

Limited end-to-end integrations across the value chain

3 Dotmatics tackles fundamental challenges in drug development through next-generation collaboration and AI enablement

Eroom's Law for drug development:
Development costs **double every nine years**¹



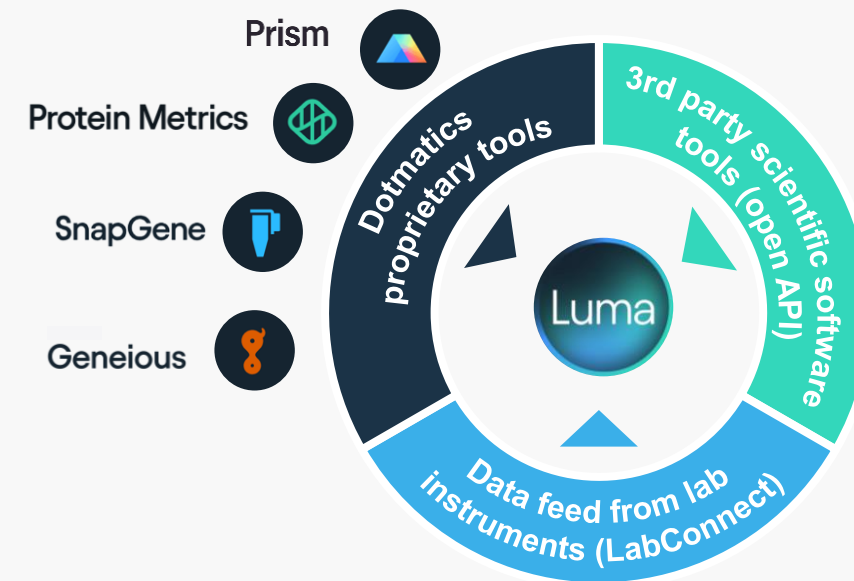
Drivers of rising development costs

Scientific progress
and new treatment
options

Inefficient and under-
invested R&D
workflows

Rising regulatory
complexity

Dotmatics' solution: Integrating data from **leading in-house scientific applications**, third-party tools, and lab instruments to drive **next-gen collaboration and AI**



Dotmatics reversing Eroom's Law through...

Contextualized and
Harmonized data for
**in-silico testing
and AI**

Data integration and
visibility across value
chain

Next-level
**collaboration and
efficiency**

¹ Source: Science.org

3

Dotmatics enables AI-powered in-silico multimodal drug-discovery through seamlessly connecting scientific applications and data across modalities

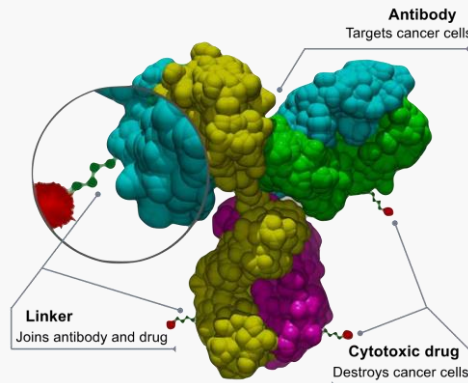
Multimodal drug development challenge

Multimodal research requires data from different sources to be **visualized and the interaction between several modalities to be simulated.**

This highly complex process requires seamless **connectivity and collaboration across multiple scientific applications and specialized experts.**

Combining of leading scientific applications, simulation and AI capabilities and data platform...

Software simulation of antibody-drug conjugate made up of an antibody that targets cancer cells and a cancer-treating drug. It is designed to distinguish between healthy and diseased tissue.



Leading scientific applications across modalities



AI enablement through multi-source **contextualized and harmonized data**

Luma

Siemens' foundational **simulation and AI capabilities**

SIEMENS

...enables multimodal drug development



Connecting specialized scientific applications across modalities



Facilitating collaboration between specialized scientists across modalities

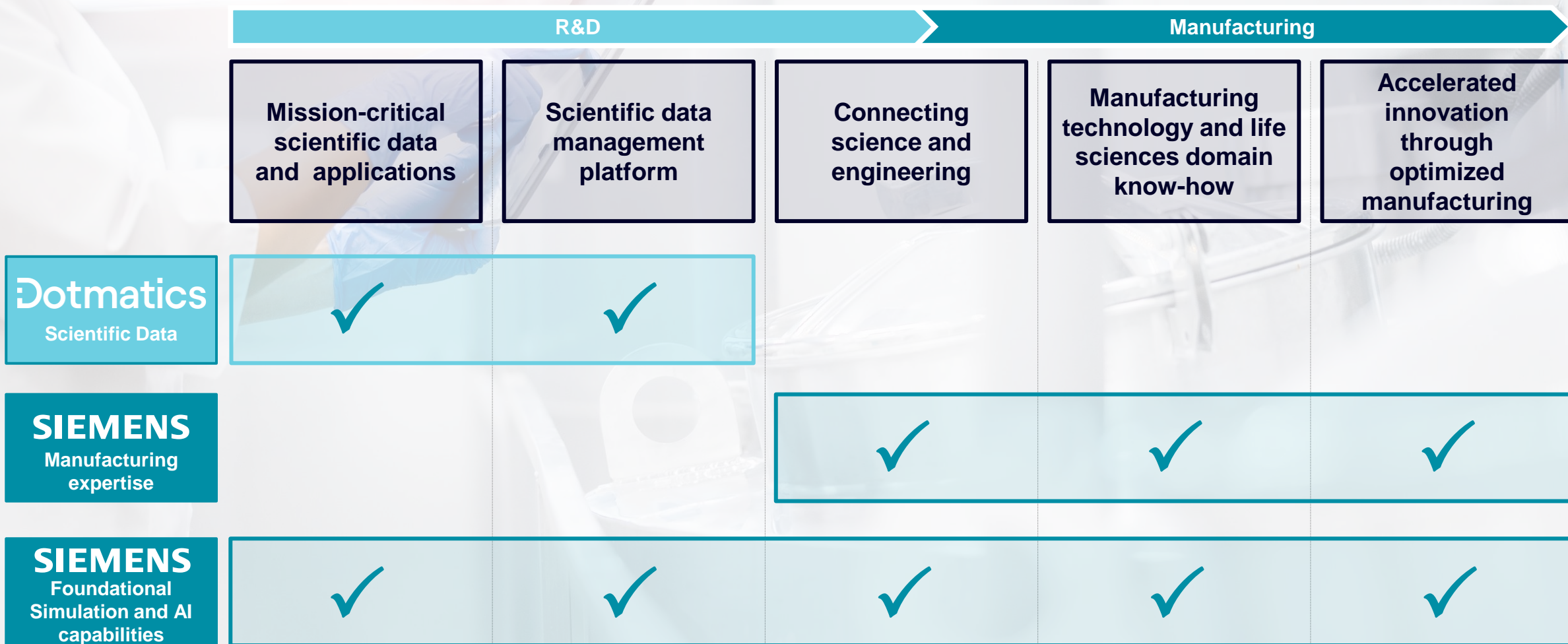


Enabling AI through harmonization and contextualization of data from different sources

4

Utilizes Siemens' manufacturing expertise and foundational technologies to create a first of its kind AI-powered research to manufacturing digital thread for Life Sciences and other process industries

Industry's first seamless AI-powered research-to-manufacturing digital thread



5

Expands Siemens' #1 position in industrial software creating a leading Life Sciences PLM software business

Siemens Digital Industries Software portfolio

Select products

Strategic vision

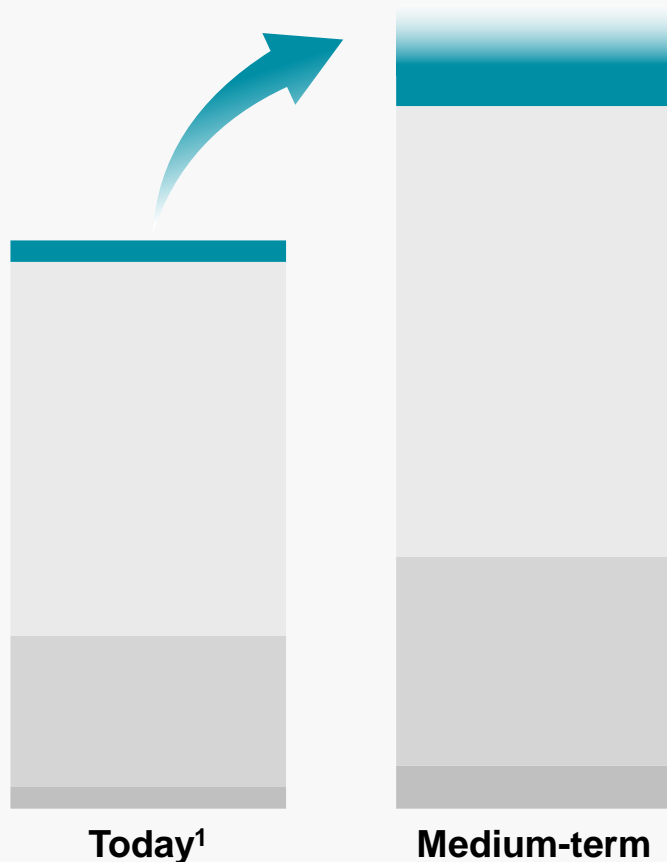
Revenue

Dotmatics
Life Sciences
PLM

Discrete PLM

EDA

Low Code



Prism

SnapGene

Luma

NX

Solid
Edge

Teamcenter

SIMCENTER



RAPIDMINER



ALTAIR

Calibre

Valor

Xpedition

Questa

mx mendix



Developing a **sizable Life Sciences PLM software business** in the medium term



Applying Siemens' **proven value creation playbook** from Discrete PLM and EDA to Life Sciences



Reinforcing Siemens' position as **#1 in Industrial Software**



Bringing Siemens winning formula of **combining leading R&D applications and cutting-edge data management** from discrete industries to Life Sciences

¹ Pro-forma incl. Altair and Dotmatics

Attractive growth and synergy potential, underpinning Siemens' stringent capital allocation towards sustainable value creation

Areas of growth?	<ul style="list-style-type: none"> Expanding Siemens' TAM by ~\$11bn with resilient double-digit market growth driven by structural need to digitalize drug discovery 	+ ~\$11bn TAM	✓
Potential profit pool?	<ul style="list-style-type: none"> Fast growing recurring software revenue with clear path for continued growth Highly profitable and cash generative with ~40% Adj. EBITDA margin 	~40% adj. EBITDA	✓
Why Siemens?	<ul style="list-style-type: none"> AI-powered Life Sciences PLM software business, reinforcing Siemens' #1 in Industrial software First of its kind end-to-end digital thread across research, development and production Applying a Siemens' proven value creation playbook from Discrete PLM and EDA to Life Sciences 	Industry 1 st end-to-end digital thread	✓
Synergetic value?	<ul style="list-style-type: none"> Substantial revenue synergies from enhanced customer offerings through end-to-end connectivity across the value chain. Leveraging Siemens' sales capabilities to drive further growth Synergy realization ensured through dedicated integration team focused on Dotmatics 	\$\$\$ Revenue Synergies	✓
Paradigm shift?	<ul style="list-style-type: none"> Pharma challenged by exponentially increasing drug development costs (Eroom's Law) Dotmatics reverses Eroom's law through next-generation collaboration and AI enablement 	AI enablement	✓
Sustainability impact?	<ul style="list-style-type: none"> Dotmatics accelerates scientific innovation, enables faster time to market, for a healthier safer world Reducing human and animal testing through in-silico testing 	faster innovation	✓

Key transaction summary

Accelerating value generation for strong and sustainable shareholder return

Key terms	<ul style="list-style-type: none">▪ Acquisition of Dotmatics for \$5.1bn Enterprise Value▪ Implied EBITDA multiple of ~39x (FY25E), in line with precedent transactions for premium software assets
Synergies	<ul style="list-style-type: none">▪ Medium-term revenue synergies expected of c. \$100mn p.a. accelerating to beyond \$500mn p.a. in the long-term▪ Synergy realization ensured through dedicated integration team focused on Dotmatics
Financial impact and returns	<ul style="list-style-type: none">▪ M&A deal hurdles fulfilled▪ Above Digital Industries' target margin range and revenue growth target
Financing, leverage, dividend policy, and share buybacks	<ul style="list-style-type: none">▪ Financing will be provided to the largest extent via selling of shares in listed companies, including Siemens Healthineers▪ Capital structure at close expected to be within target corridor▪ Continued commitment to progressive dividend policy and share buyback program▪ Continued commitment to excellent financial position recognized with industry leading credit ratings
Timing and next steps	<ul style="list-style-type: none">▪ Closing anticipated for H1 FY26▪ Subject to customary closing conditions and applicable regulatory approvals

Financial calendar

May 15, 2025

**Q2 Earnings
Release**

May 15, 2025

Roadshow UK
(virtual)

May 21, 2025

Roadshow GER
(Frankfurt)

May 27/28, 2025

Roadshow US
(Boston, New York)

May 28, 2025

Roadshow FR
(Paris)

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