

43rd Annual J.P. Morgan Healthcare Conference

January 14, 2025

Marc N. Casper

Chairman, President and Chief Executive Officer

 The world leader in serving science



Safe Harbor / Non-GAAP Measures

Various remarks that we may make in the following presentation about the company's future expectations, plans and prospects constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995, including statements about future revenue, financial results, and the COVID-19 pandemic. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including those discussed in our Annual Report on Form 10-K for the year ended December 31, 2023 and our subsequent Form 10-Qs, under the caption "Risk Factors," which are on file with the Securities and Exchange Commission and available in the "Investors" section of our website under the heading "SEC Filings." Important factors that could cause actual results to differ materially from those indicated by forward-looking statements include risks and uncertainties relating to: the COVID-19 pandemic; the need to develop new products and adapt to significant technological change; implementation of strategies for improving growth; general economic conditions and related uncertainties; dependence on customers' capital spending policies and government funding policies; the effect of economic and political conditions and exchange rate fluctuations on international operations; use and protection of intellectual property; the effect of changes in governmental regulations; any natural disaster, public health crisis or other catastrophic event; and the effect of laws and regulations governing government contracts, as well as the possibility that expected benefits related to recent or pending acquisitions may not materialize as expected. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if estimates change, therefore, you should not rely on these forward-looking statements as representing our views as of any date subsequent to today.

During this presentation, we will be referring to certain financial measures not prepared in accordance with generally accepted accounting principles, or GAAP, including adjusted EPS, adjusted operating income, adjusted operating margin, adjusted ROIC, free cash flow, organic revenue growth, core revenue, and core organic revenue growth. The non-GAAP financial measures of Thermo Fisher's results of operations and cash flows included in this presentation are not meant to be considered superior to or a substitute for Thermo Fisher's results of operations prepared in accordance with GAAP. Definitions of these non-GAAP financial measures and, for historical periods, a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures is available in the appendix to this presentation. Thermo Fisher Scientific does not provide GAAP financial measures on a forward-looking basis because we are unable to predict with reasonable certainty and without unreasonable effort items such as the timing and amount of future restructuring actions and acquisition-related charges as well as gains or losses from sales of real estate and businesses, the early retirement of debt and the outcome of legal proceedings. The timing and amount of these items are uncertain and could be material to Thermo Fisher Scientific's results computed in accordance with GAAP. Certain amounts and percentages in this presentation are presented and calculated based on underlying unrounded amounts. As a result, the sum of components may not equal corresponding totals due to rounding.

Please note that this presentation contains financial projections and other forward-looking statements that are specific to the date of the presentation – or the applicable dates indicated in the presentation – and should not be considered current after such dates.

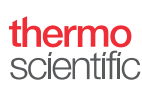
© 2024 Thermo Fisher Scientific Inc. All rights reserved. Thermo Scientific, Applied Biosystems, Invitrogen, Fisher Scientific, Unity Lab Services, Patheon, PPD, Fisher Healthcare, Gibco, Ion Torrent, Olink, AccelerOme, AGT, Alexa Fluor, Ardia, Ascend, Astral, Athena, Attune, B•R•A•H•M•S, C1qScreen, CTS, CytPix, Dynabeads, DynaDrive, DynaGreen, EasyPep, EliA, Explore, Freelite, Genexus, Greener by design, Helios, HyPerforma, ImmunoCAP, KingFisher, Krios, KRYPTOR, LInspector, Metrios, Oncomine, OncoPro, One Lambda, Optilite, OptiMSe, Orbitrap, PlasmidPro, Proteome Discoverer, QuantStudio, Signature, SMART Digest, Stellar, SuperBoost, SuperScript, TaqPath, Tribrid, Vanquish, ViewRNA, and Xenon are trademarks of Thermo Fisher Scientific and its subsidiaries. Tandem Mass Tag and TMT are trademarks of Electrophoretics Limited.

Key takeaways of the day

- Delivered differentiated performance in 2024
- Incredibly well-positioned industry leader, with leading businesses that enable our customers' success
- We serve attractive end markets that are fueled by enduring long-term trends
- Proven growth strategy that drives share gain and a capital deployment approach that creates tremendous value – both powered by our PPI Business System
- Our experienced leadership team delivers differentiated value creation for our stakeholders
- We have an outstanding track record of financial performance and an excellent short and long-term outlook



World leader in serving science



Industry-leading scale

- Exceptional commercial reach
- Unique customer access
- Extensive global footprint

Unmatched depth of capabilities

- Leading innovative technologies
- Comprehensive biopharma services offering
- Deep applications expertise
- Premier productivity partner

Sustainable value creation

- Positive societal impact
- Comprehensive CSR strategy

Powered by our Practical Process Improvement (PPI) Business System

Our Mission is our purpose

We enable our
customers to make
the world healthier,
cleaner and safer

ThermoFisher
SCIENTIFIC

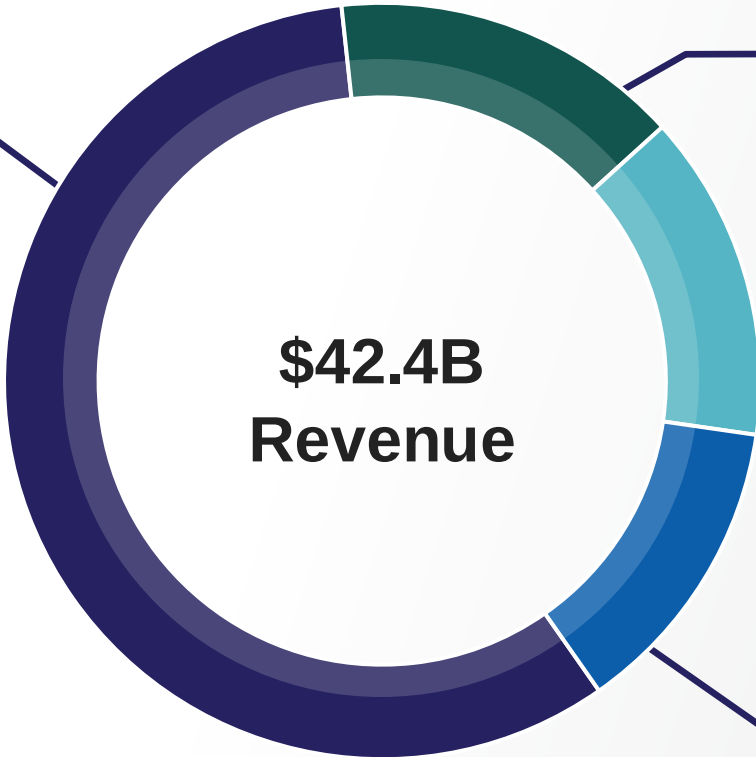


Rich set of opportunities to enable our customers' success



Pharma & Biotech 57%

Enabling our customers from scientific idea to an approved medicine



\$42.4B
Revenue

Diagnostics & Healthcare 14%

Enabling more cost-effective and better patient care, and powering precision medicine

Academic & Government 15%

Delivering new scientific advances that fuel development pipelines for pharma and biotech

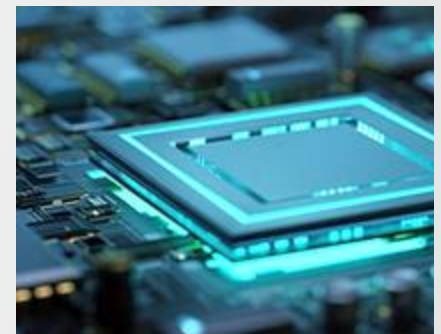
Industrial & Applied 14%

Facilitating research and development in materials science and clean energy

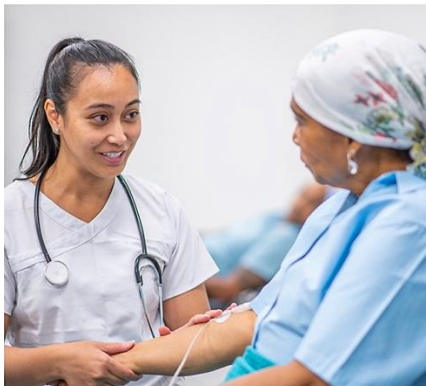
Serving a \$235B market with long-term growth of 4-6%

Our end markets are underpinned by enduring long-term trends

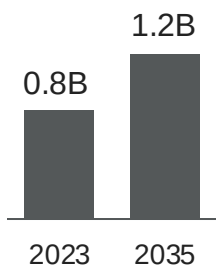
- Favorable demographics driving increased healthcare demand
- Ongoing scientific advances in life sciences research
- Strong funding momentum in pharma and biotech, fueled by
 - Growing global drug pipeline with increased mix of biologics
 - Proven ability of these companies to produce blockbuster drugs
 - Potential of AI-enabled drug discovery and development to reduce the cost and time of developing new drugs and increase success rates
- Development of increasingly complex therapeutic modalities leading customers to seek deep expertise from partners
- Breakthroughs in material sciences enabling rapid growth in semiconductors, advanced materials and the clean energy transition



Enduring long-term trends



Aging population driving healthcare demand

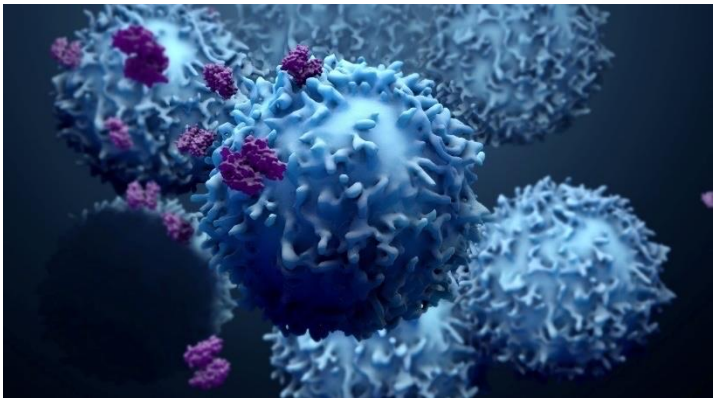
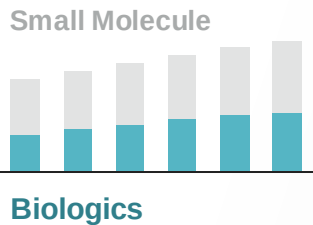


Global population over 65 years old

Growing global drug pipeline with increasing share of complex modalities

21K
Drugs in global drug pipeline

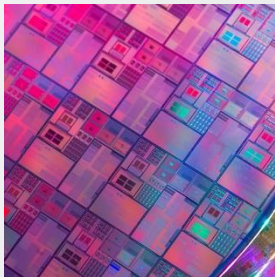
+10%
Growth in biologics pipeline



\$150B+ annual government funding for academic research globally

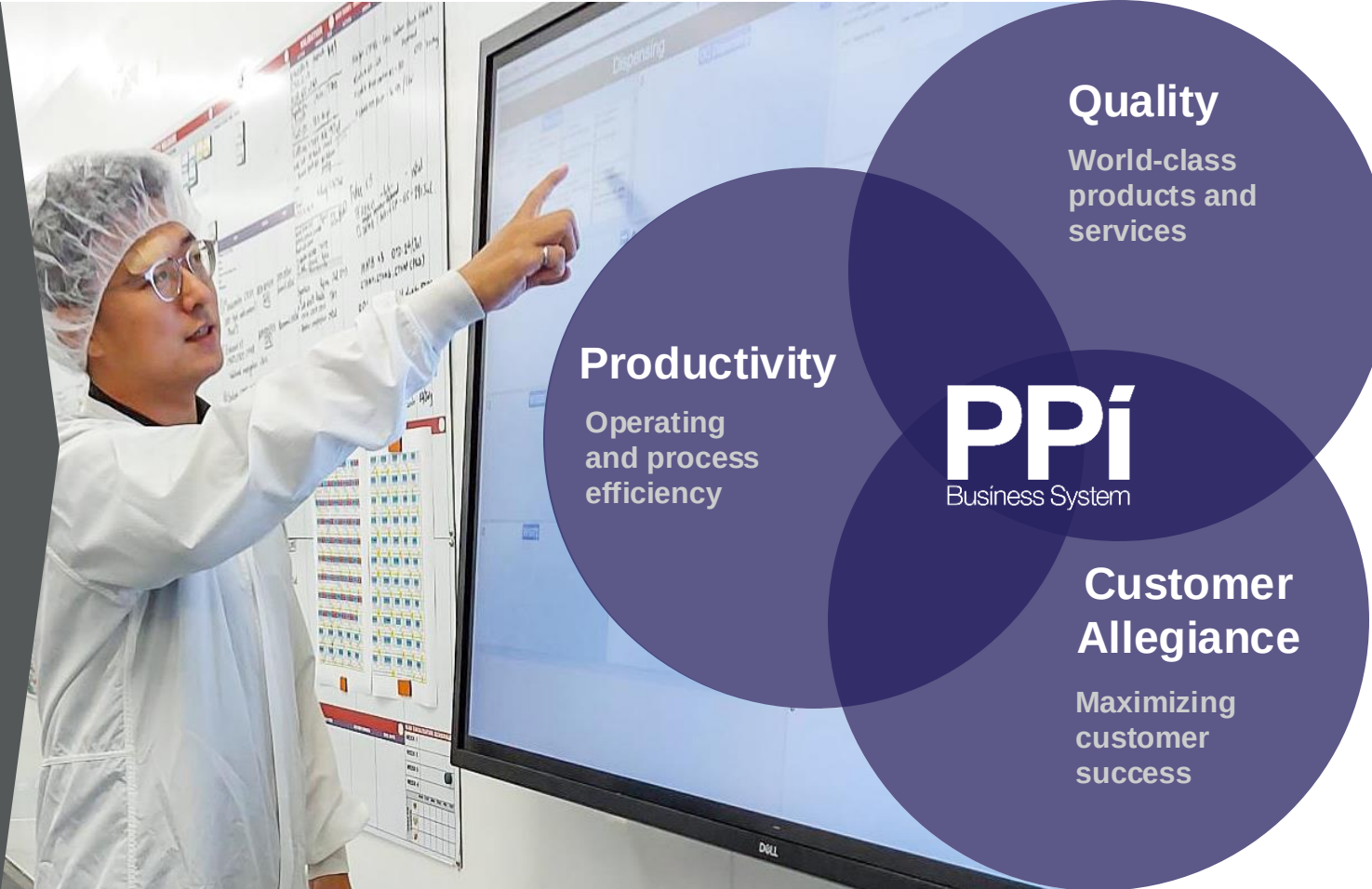


\$750B currently earmarked for investments in electric vehicles, clean energy and semiconductors in the United States



Our PPI Business System enables outstanding execution

Our culture
and mindset
engages every
colleague to
find a better
way every day



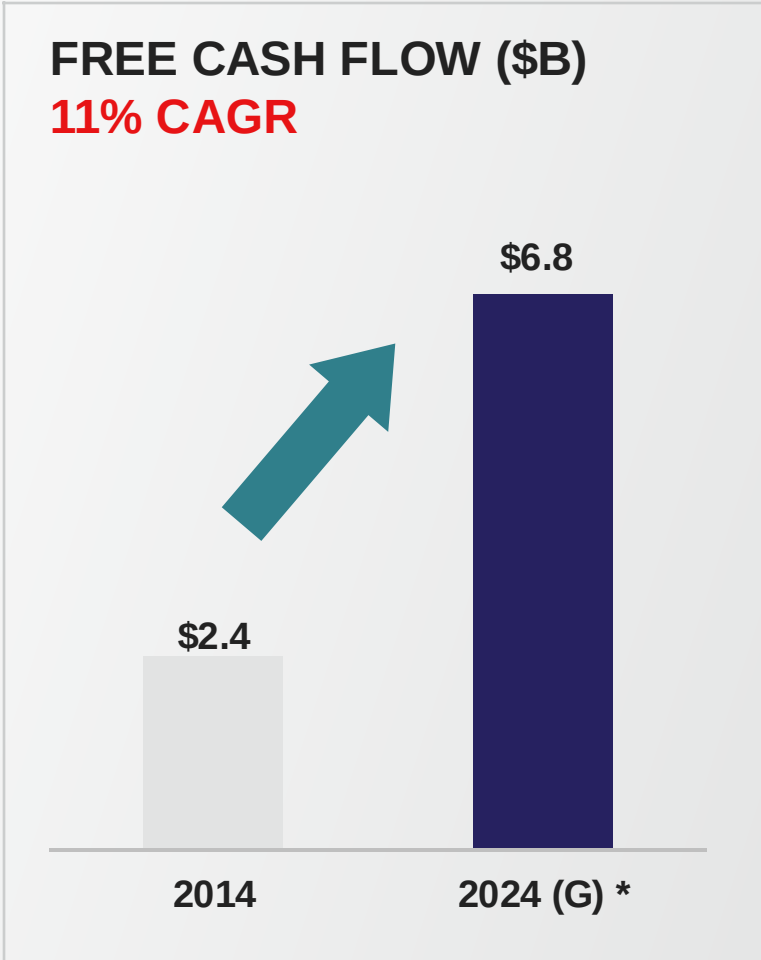
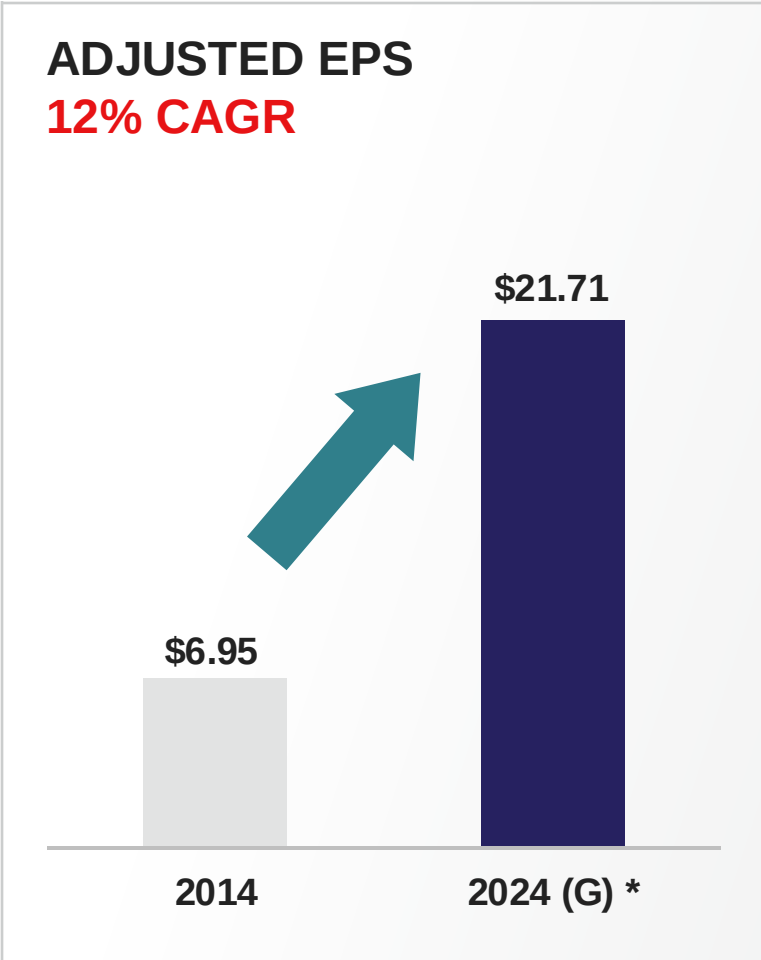
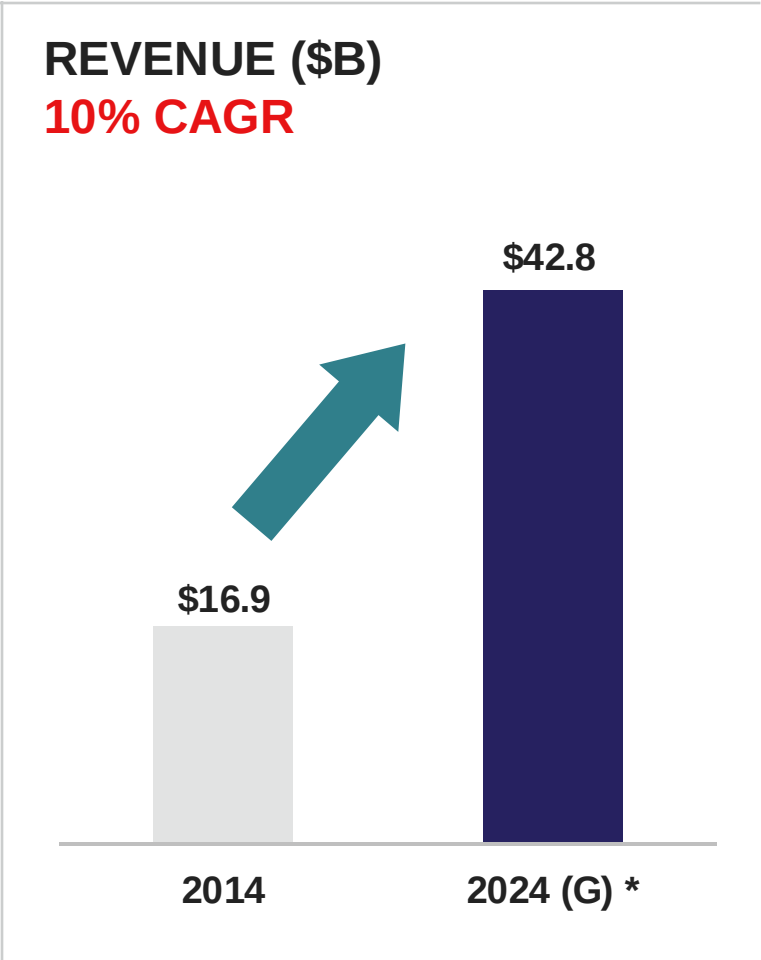
Results

Delivers
competitive
advantage

Successful
acquisitions

Differentiated
financial
performance

Delivering exceptional financial results



**Midpoint of guidance range as provided on October 25, 2024*

2024 Goals *(as communicated at JPM Conference on January 9th, 2024)*

- **Revenue – execute on our proven growth strategy to drive continued share gains**
- **Operational excellence**
 - Leverage PPI Business System to deliver differentiated performance
- **Effectively execute our capital deployment strategy**
 - Close and successfully integrate Olink
 - Continue to execute our M&A and return of capital strategy
- **Progress our Corporate Social Responsibility priorities**

Deliver differentiated short-term performance while enhancing our long-term competitive position

2024: An outstanding year of product innovation



Enabling the golden age of biology

Furthering advances in proteomics



Thermo Scientific™ Orbitrap™ Astral™ mass spectrometer



Thermo Scientific™ Stellar™ mass spectrometer

Enabling precision medicine

Ion Torrent™ Genexus™ Dx integrated sequencer



myeloMATCH
AML | MDS
Precision Medicine in Myeloid Cancer



Ion Torrent™ Oncomine Dx Target Test

Extended 510k FDA clearance of Optilite Freelite assay



One Lambda Pre-Transplant Risk Assessment Assay

Enabling advanced materials

Supporting development of next-gen semiconductors and advanced materials

Thermo Scientific™ Iliad™ (Scanning) Transmission Electron Microscope



Thermo Scientific™ iCAP™ MX Series ICP-MS

Enabling cutting-edge research and discovery



Gibco™ OncoPro™ Tumoroid Culture Medium kit



Thermo Scientific™ KingFisher™ PlasmidPro and pre-filled cartridges

Fueling discovery and development of advanced therapeutics



Gibco™ CTS™ OpTmizer™ One Serum-Free Medium for CAR-T cell therapy manufacturing



Gibco™ CTS™ Xenon™ Electroporation System for cell therapy

Enabling breakthrough battery technology



Thermo Scientific™ LInspector Edge in-line mass profilometer

2024: Advancing our trusted partner status



“Thermo Fisher Scientific, Bayer to develop NGS-based companion diagnostic for precision cancer therapies”



“Thermo Fisher Scientific launches Accelerator Drug Development™: transforming drug development with comprehensive CDMO and CRO Services”



“Thermo Fisher Scientific helps manufacturers with PFAS testing”



“Thermo Fisher to create center of excellence in South Africa”



“Thermo Fisher & Novo Nordisk drive future of cell therapy”



The trusted partner helping customers accelerate innovation and enhance productivity

2024: Further strengthening our unparalleled commercial engine

- Expanded clinical trial logistics solutions around the globe to accelerate the development of breakthrough therapies, including ultra-cold capabilities in the Netherlands and a state-of-the-art innovation lab in Pennsylvania
- Opened a state-of-the-art facility in Taiwan to showcase our advanced analytical instrumentation and expertise for semiconductor and material science customers
- Leveraging AI to further optimize commercial effectiveness and improve the customer experience



Commercial advantage through deep engagement with customers wherever they are

2024: Driving impact with PPI

INVENTORY AND MATERIALS PLANNING



10%

Reduction in raw material inventory at critical sites in Chromatography and Mass Spectrometry business¹

SUPPLY CHAIN



20%+

Lead time improvement in Laboratory Products business²

MANUFACTURING OPERATIONS



30%+

Increase in effective capacity at major Pharma Services and BioProduction sites³

QUALITY



35%

Reduction in deviations at Pharma Services sites⁴

- Increasing use of AI and digital tools to drive higher accuracy and quality, and to enable automation
- Effectively using data and a common data platform to enable real-time performance management

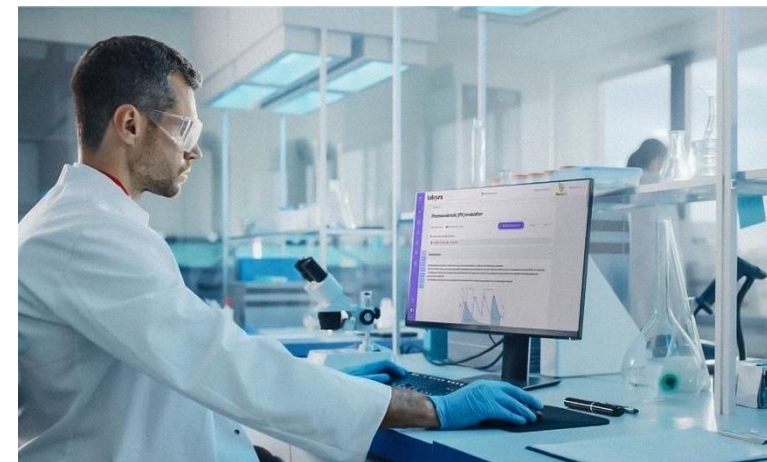
PPI in practice: Leveraging AI to enhance our business processes

COMMERCIAL

- AI-driven personalized marketing content to enable more relevant customer interactions
- Streamlined technical document generation

R&D & IT

- AI-driven enhancements to products and services
- Gen AI-supported software development



OPERATIONS

- Rapid search and summarization of standard operating procedures
- Generation of documentation for quality-related processes
- Prediction and avoidance of deviations
- Targeted patient recruitment for clinical trials

CUSTOMER SUPPORT

- AI tools to drive faster and more accurate resolution of customer enquiries

Driving productivity and improving the customer and colleague experience

2024: Actively deploying capital

- **M&A update: Completed Olink acquisition, extending leadership in proteomics offerings**
 - Integration progressing very well
 - Long-term mid-teens organic growth business
 - Expect \$125M adjusted operating income from revenue and cost synergies by Year 5
- **Capital Expenditure*:**
 - Net Capital Expenditure: \$1.3B - \$1.5B
 - Fueling long-term growth and delivering high ROI
- **Return of Capital:**
 - Share repurchases: \$4.0B (including \$1.0B shares repurchased in December)
 - Dividends: \$600M (11% increase from 2023)



Proven capital deployment strategy drives significant value

2024: Our CSR strategy in action



COMMUNITIES

- **STEM education:**

100K+
students reached through
STEM programs¹

100K+
hours volunteered
by colleagues¹



- **Health equity:**

- Advanced key programs to increase global product access and diversity in clinical trials



ENVIRONMENT

- **Climate:**

Our progress	30% reduction in Scope 1 & 2 emissions since 2018 ²	44% of our global electricity sourced from renewable energy ²
	50% reduction in Scope 1 & 2 emissions by 2030	80% renewable electricity globally by 2030
Our targets		

NET-ZERO by 2050
Scope 1, 2, and 3 emissions



- **Greener by design program:**

- Introduced biobased solutions to help customers reduce the climate impact of biologics manufacturing



Invitrogen™ DynaGreen™
magnetic beads

Strong progress on executing our CSR strategy

2024 Goals *(as communicated at JPM Conference on January 9th, 2024)*

- **Revenue** – execute on our proven growth strategy to drive continued share gains
- **Operational excellence**
 - Leverage PPI Business System to deliver differentiated performance
- **Effectively execute our capital deployment strategy**
 - Close and successfully integrate Olink
 - Continue to execute our M&A and return of capital strategy
- **Progress on our Corporate Social Responsibility priorities**



2025 Goals

- **Revenue – execute on our proven growth strategy to drive continued share gains**
 - Advance our trusted partner status with customers
 - Deliver another year of high-impact innovation and outstanding product launches
- **Operational excellence**
 - Leverage PPI Business System to deliver differentiated performance
- **Effectively execute our capital deployment strategy**
 - Continue to execute our M&A and return of capital strategy
- **Progress our Corporate Social Responsibility priorities**

**Deliver excellent performance in 2025
while enhancing our long-term competitive position**

Key takeaways of the day

- Delivered differentiated performance in 2024
- Incredibly well-positioned industry leader, with leading businesses that enable our customers' success
- We serve attractive end markets that are fueled by enduring long-term trends
- Proven growth strategy that drives share gain and a capital deployment approach that creates tremendous value – both powered by our PPI Business System
- Our experienced leadership team delivers differentiated value creation for our stakeholders
- We have an outstanding track record of financial performance and an excellent short and long-term outlook



Our Mission is to enable our customers to make the world

Healthier Cleaner and Safer

GAAP/Non-GAAP Reconciliation and
Financial Package

January 14, 2025



Use of Non-GAAP Financial Measures

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), we use certain non-GAAP financial measures such as organic revenue growth, which is reported revenue growth, excluding the impacts of acquisitions/divestitures and the effects of currency translation. We also report Core organic revenue growth, which is reported revenue growth including the impact of PPD revenue (as applicable), excluding the impacts of COVID-19 testing revenue, and excluding the impacts of acquisitions/divestitures other than PPD and currency translation, as well as Core revenue, which is reported revenue plus pre-acquisition PPD revenue (as applicable), less COVID-19 testing revenue. We calculate period-to-period Core organic revenue growth by adding to the baseline period PPD's pre-acquisition revenues from such period (as applicable). We report these measures because Thermo Fisher management believes that in order to understand the company's short-term and long-term financial trends, investors may wish to consider the impact of acquisitions/divestitures, foreign currency translation and/or COVID-19 testing on revenues. In particular, given PPD's significance relative to our existing businesses, management believes it is appropriate to also present information on a basis that includes PPD pre-acquisition revenues (as applicable) in order to demonstrate the impact PPD has on our current growth profile. Core revenue and Core organic revenue growth amounts are not indicative of the combined results of operations that would have been realized had the PPD acquisition occurred on January 1, 2021. Thermo Fisher management uses these measures to forecast and evaluate the operational performance of the company as well as to compare revenues of current periods to prior periods.

We report adjusted gross margin, adjusted SG&A expense, adjusted EBITDA, adjusted operating income, adjusted operating margin, adjusted other expense/income, adjusted tax rate, adjusted net income, and adjusted EPS. We believe that the use of these non-GAAP financial measures, in addition to GAAP financial measures, helps investors to gain a better understanding of our core operating results and future prospects, consistent with how management measures and forecasts the company's core operating performance, especially when comparing such results to previous periods, forecasts, and to the performance of our competitors. Such measures are also used by management in their financial and operating decision-making and for compensation purposes. To calculate these measures we exclude, as applicable:

- Certain acquisition-related costs, including charges for the sale of inventories revalued at the date of acquisition, significant transaction/acquisition-related costs, including changes in estimates of contingent acquisition-related consideration, and other costs associated with obtaining short-term financing commitments for pending/recent acquisitions. We exclude these costs because we do not believe they are indicative of our normal operating costs.
- Costs/income associated with restructuring activities and large-scale abandonments of product lines, such as reducing overhead and consolidating facilities. We exclude these costs because we believe that the costs related to restructuring activities are not indicative of our normal operating costs.
- Discontinued operations; equity in earnings/losses of unconsolidated entities; impairments of long-lived assets; and certain other gains and losses that are either isolated or cannot be expected to occur again with any predictability, including gains/losses on investments, the sale of businesses, product lines, and real estate, significant litigation-related matters, curtailments/settlements of pension plans, and the early retirement of debt. We exclude these items because they are outside of our normal operations and/or, in certain cases, are difficult to forecast accurately for future periods.
- The depreciation of property, plant and equipment. Exclusion of depreciation expense allows comparisons of operating results that are consistent over time for both our capital intensive and other businesses.
- The expense associated with the amortization of acquisition-related intangible assets because a significant portion of the purchase price for acquisitions may be allocated to intangible assets that have lives of up to 20 years. Exclusion of the amortization expense allows comparisons of operating results that are consistent over time for both our newly acquired and long-held businesses and with both acquisitive and non-acquisitive peer companies.
- The noncontrolling interest and tax impacts of the above items and the impact of significant tax audits or events (such as changes in deferred taxes from enacted tax rate/law changes), the latter of which we exclude because they are outside of our normal operations and difficult to forecast accurately for future periods.

We report free cash flow, which is operating cash flow from continuing operations excluding net capital expenditures, to provide a view of the continuing operations' ability to generate cash for use in acquisitions and other investing and financing activities. The company also uses this measure as an indication of the strength of the company. Free cash flow is not a measure of cash available for discretionary expenditures since we have certain non-discretionary obligations such as debt service that are not deducted from the measure.

We define net debt as total debt less cash, cash equivalents and, beginning in 2024, short-term investments. We have recast prior periods to conform to the current presentation. We believe net debt is meaningful to investors as the company considers net debt and its components to be important indicators of liquidity and financial position.

We define adjusted ROIC as trailing twelve months' adjusted net income excluding net interest expense, net of tax benefit therefrom, divided by trailing five quarters' average invested capital, which is equity plus short-term and long-term debt and net liabilities of discontinued operations less cash, cash equivalents, short-term investments, and equity method investments. We define adjusted ROE as trailing twelve months' adjusted net income excluding interest expense, net of tax benefit therefrom, divided by trailing five quarters' average equity. We believe these measures are meaningful to investors as they focus on shareholder value creation.

Thermo Fisher Scientific does not provide GAAP financial measures on a forward-looking basis because we are unable to predict with reasonable certainty and without unreasonable effort items such as the timing and amount of future restructuring actions and acquisition-related charges as well as gains or losses from sales of real estate and businesses, the early retirement of debt and the outcome of legal proceedings. The timing and amount of these items are uncertain and could be material to Thermo Fisher Scientific's results computed in accordance with GAAP.

The non-GAAP financial measures of Thermo Fisher Scientific's results of operations and cash flows included herein are not meant to be considered superior to or a substitute for Thermo Fisher Scientific's results of operations prepared in accordance with GAAP. Reconciliations of such non-GAAP financial measures to the most directly comparable GAAP financial measures are set forth in the accompanying tables.

Certain amounts and percentages reported herein are presented and calculated based on underlying unrounded amounts. As a result, the sum of components may not equal corresponding totals due to rounding.

Reconciliation of Adjusted EPS and Free Cash Flow (2014)

(Dollars in millions except EPS)

	<u>2014</u>
	<u>\$</u>
Reconciliation of adjusted earnings per share	
GAAP diluted EPS attributable to Thermo Fisher Scientific Inc.	4.71
Cost of revenues adjustments (a)	0.82
Selling, general and administrative expenses adjustments (b)	0.33
Restructuring and other costs (c)	(1.49)
Amortization of acquisition-related intangible assets	3.31
Other income/expense adjustments (d)	(0.01)
Provision for income taxes adjustments (e)	(0.71)
Equity in earnings/losses of unconsolidated entities	(0.01)
Adjusted diluted EPS (non-GAAP measure)	<u>6.95</u>
Reconciliation of free cash flow	
GAAP net cash provided by operating activities	2,729
Net cash used in discontinued operations	4
Purchases of property, plant, and equipment	(427)
Proceeds from sale of property, plant and equipment	49
Free cash flow (non-GAAP measure)	<u>2,355</u>

(a) Adjusted results exclude charges for the sale of inventories revalued at the date of acquisition, accelerated depreciation on assets to be abandoned due to facility consolidations, and charges to conform the accounting policies of recently acquired businesses to the company's accounting policies.

(b) Adjusted results exclude certain third-party expenses, principally significant transaction/integration costs related to recent acquisitions; charges/credits for changes in estimates of contingent acquisition consideration; net charges associated with product liability litigation; and charges to conform the accounting policies of recently acquired businesses to the company's accounting policies.

(c) Adjusted results exclude restructuring and other costs consisting principally of severance, abandoned facility and other expenses of headcount reductions and real estate consolidation; compensation contractually due to employees of acquired businesses; net charges for the settlement/curtailment of pension plans; and gains on the sale of businesses, product lines, and property.

(d) Adjusted results exclude net gains/losses on investments and costs to obtain short-term financing commitments related to acquisitions.

(e) Adjusted results exclude the incremental tax impacts for the reconciling items between GAAP and adjusted net income and the incremental tax impacts as a result of tax rate/law changes.