



Q1 2023 Results

Matthias Gaertner, CEO

Falk Neukirch, CFO

May 11, 2023

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Highlights Q1 2023

Operations

- Positive business development in both segments
- Successful acquisition of Blisterzentrum Baden-Württemberg GmbH (“bbw”) and start of **integration of Afs’ manufacturing volume** into Medios’ labs
- Extension of the **distribution network**

Financials

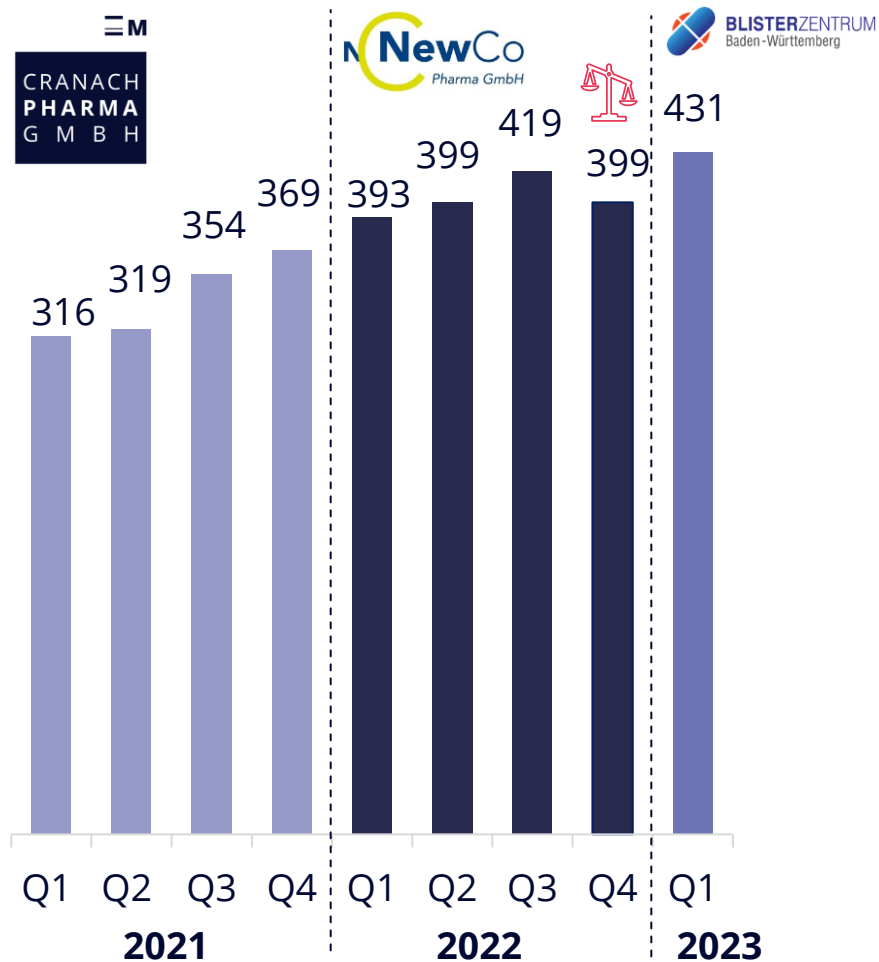
- **Ongoing growth:** Record revenue of €431m (Y-o-Y +9.7%); EBITDA pre of €15m (Y-o-Y +5.8%)
- EBITDA pre margin of 3.5% (3.6% Q1 2022)
- Financials reflect bbw acquisition, strategically driven inventory build-up, and regulation
- **Guidance 2023 confirmed:** Ongoing growth in 2023 with expected revenue of up to €1.8bn, EBITDA pre of up to €63m

Strategy

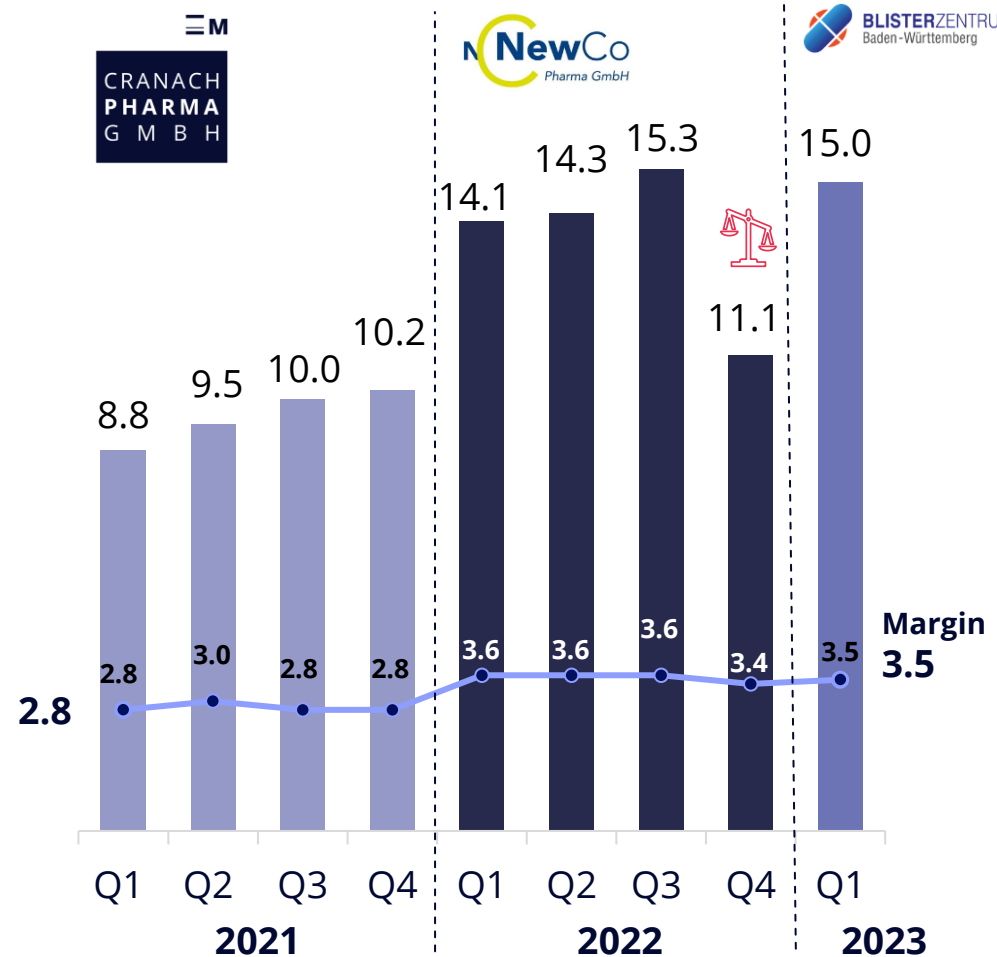
- Implementation of **ESG strategy** progressed: Extensive database now available – to be used to sharpen climate and environmental targets
 - Rating updates by Gaia Research and S&P Global led to improved rating scores
- Further implementation of **extended growth strategy 2025:** Head of International Business Development on board to push internationalization of Medios
- Launch of a new indication area and diversification of customer groups through production of **parenteral nutrition for prematurely-born babies**

Q-on-Q improved growth despite burden due to regulatory changes

Revenue in €m

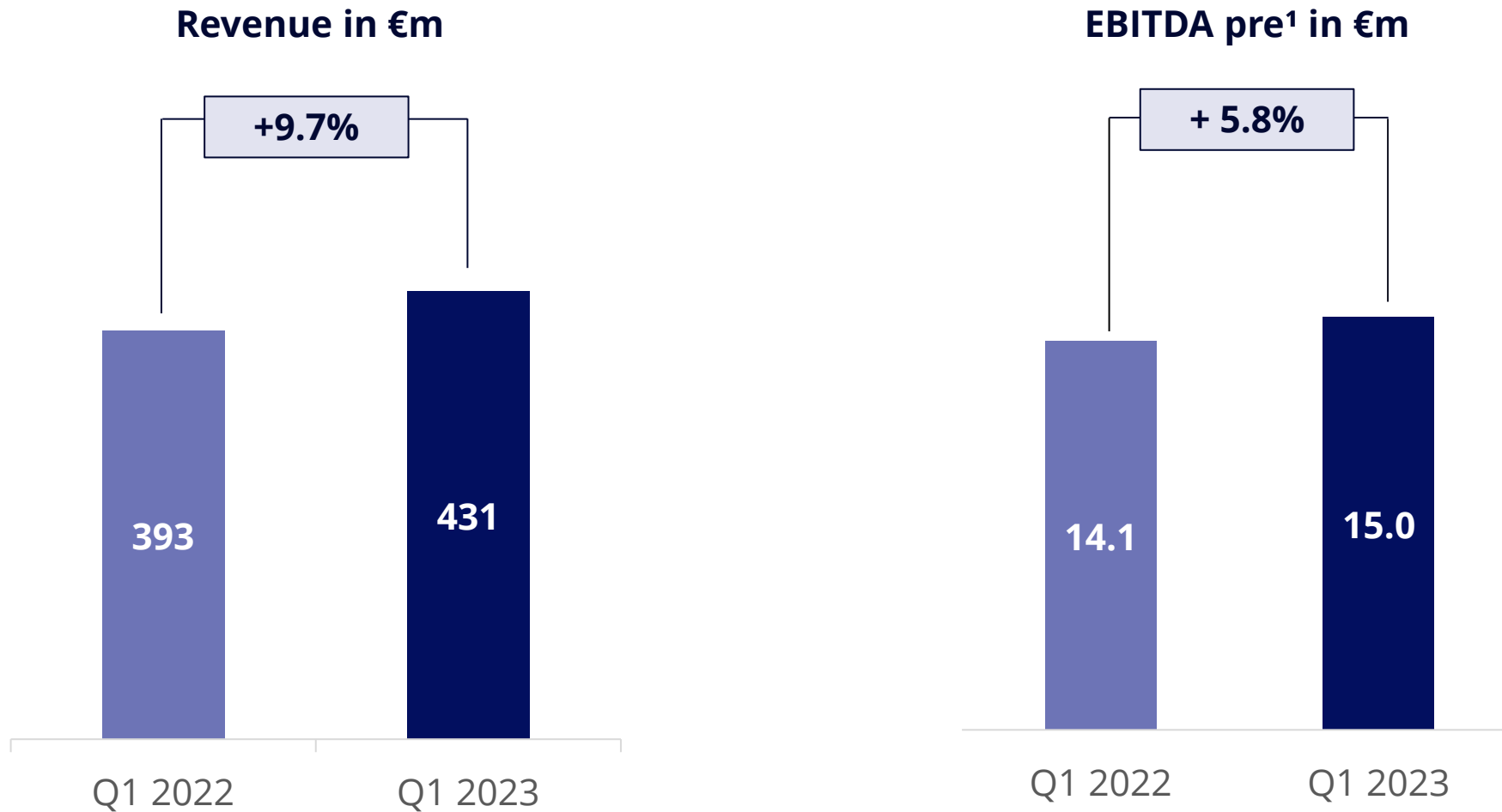


EBITDA pre¹ €m



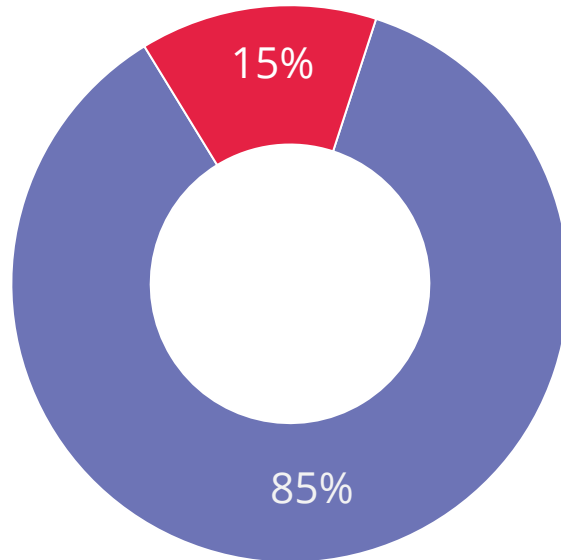
¹ EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as from 2023 additionally for one-time performance-based payments for the acquisition of manufacturing volumes

Continuous and sustainable growth Y-o-Y despite regulatory headwind

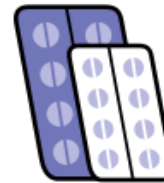


Split by operative segments for Q1 2023: EBITDA pre share for PST above target rate of 40%

Revenue by segment²

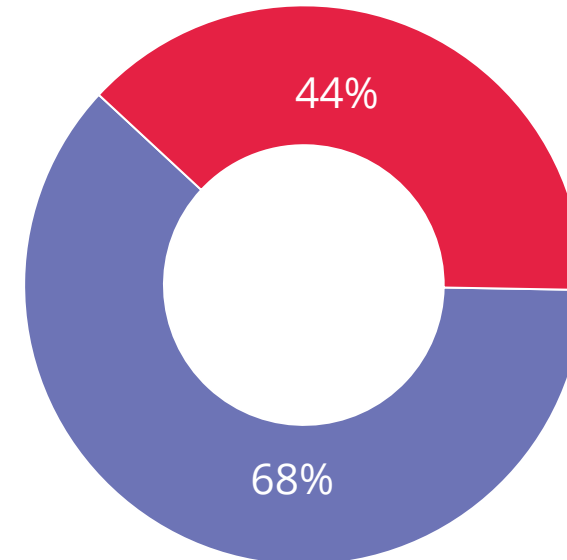


Patient-specific Therapies (PST)



Pharmaceutical Supply (PS)

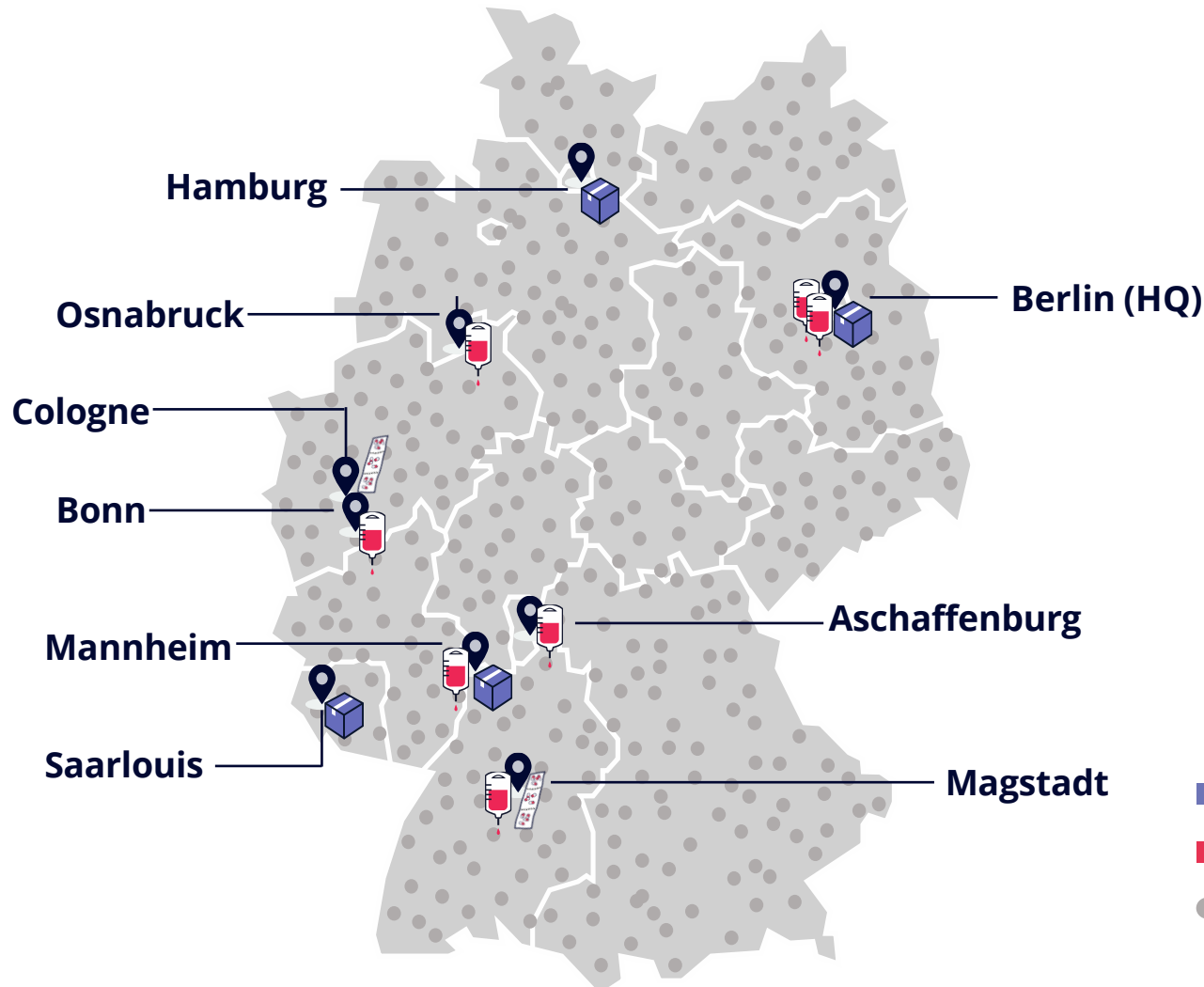
EBITDA pre¹ by segment²



¹ EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as from 2023 additionally for one-time performance-based payments for the acquisition of manufacturing volumes

² Including the segment "Services": Q1 2023: -12%; Q1 2022: -8%

Excellent geographic coverage through strong nationwide network of partners and own compounding facilities



- 7 GMP¹ / 2 blistering **labs**
- 2 central / 2 regional **warehouses**
- Innovative IT-based platform **mediosconnect** in 5 federal states
- Around 720 **specialized partner pharmacies**
- Around **330,000 individualized preparations** manufactured in 2022
- Goal for 2023: > **400,000 preparations**

Implementing our ESG strategy 2025



Structural set-up, organization, responsibilities

ESG strategy published

- 34 aims realized through 65 measures

ESG committee established

- Chaired by CEO
- Members of management, Executive Board and Supervisory Board ensure interlocking of ESG and Corporate strategy

ESG software implemented

- development measured against more than 60 internal and external KPI



Steady improvement, sharpen our goals through measure control

Accomplishments and goals

- ESG-data for 2022 serves as base year
 - Specify measurable targets and measures by end 2023 to reduce climate and environmental impacts

Rating improvements in Q1

S&P Global



ESG is integrated in our Corporate strategy

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Q1 2023 – Financials

In € million	Q1 2023	Q1 2022	Δ%
Revenue	431.2	393.0	9.7%
Gross profit ¹ <i>gross margin in %</i>	27.9 6.5%	26.2 6.7%	6.4%
EBITDA pre ² <i>margin in %</i>	15.0 3.5%	14.1 3.6%	5.8%
Conversion rate in % (<i>EBITDA pre/gross profit</i>)	53.6%	53.9%	-0.6%
EBIT	8.0	7.8	2.2%
EPS (€), undiluted	0.20	0.21	-4.8%
CF from operating activities	-25.3	-2.5	>100%
CF from investing activities	-17.2	-81.3	-78.8%
CF from financing activities	24.1	-11.2	>-100%
In € million	31 Mar 2023	31 Dec 2022	Δ%
Inventories	63.3	50.0	26.5%
Cash & cash equivalents	60.7	79.2	-23.3%
Equity <i>ratio in %</i>	453.2 73.2%	448.0 77.8%	1.2%

Comments

- **Record revenue;** both operative segments contributed to growth
- **Gross profit and EBITDA pre** further increased, with slightly lower margins mainly due to regulatory price deductions
- **Operating CF** burdened by a strategically driven temporary increase in inventories; €5.7m for performance-based payment for the acquisition of manufacturing volumes within the bbw acquisition
- **Investing CF** dominated by **cash component** for bbw acquisition (€19.4m)
- Decrease in **cash & cash equivalents** mainly a result of the operating Cash Flow in Q1 23

Q1 2023 – Y-o-Y Group margin almost stable despite regulatory impacts

	Pharmaceutical Supply 'PS'		Patient-specific Therapies 'PST'		Internal Services and IFRS consolidation		Group	
In € million	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
Total segment revenue <i>delta (y-o-y in %)</i>	401.9 13.44%	354.3	75.9 15.83%	65.5	2.1 0%	2.1	431.2 9.7%	393.0
Revenue - external <i>delta (y-o-y in %)</i>	368.1 8.5%	339.2	62.9 17.4%	53.6	0.2 11.8%	0.1	431.2 9.7%	393.0
EBITDA pre¹	10.1	8.4	6.6	6.9	-1.7	-1.1	15.0	14.1
<i>margin (% of revenue - total)</i>	2.5%	2.4%	8.6%	10.5%	-82.3%	-54.0%	3.5%	3.6%
<i>margin (% of revenue - external)</i>	2.8%	2.5%	10.4%	12.9%	-850%	-110%	3.5%	3.6%

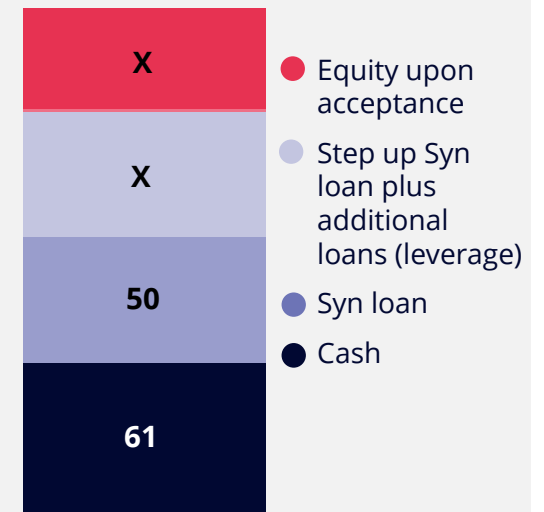
Ongoing strong financing power – to invest in future growth

Available and future funds

- Approx. **€+37m annual** operating cash flow in 2023
- Approx. **€-5m** annual operating capex need (recently accomplished manufacturing capacity just validated)
- Approx. **€61m** available cash end of March 2023
- Syn loan **€75m¹**; still available € 50m, RCF* structure, 5 years plus term and credit amount extension option
- Net leverage **potentially up to 3**

¹ of which €25m were drawn for the acquisition of bbw at the beginning of 2023

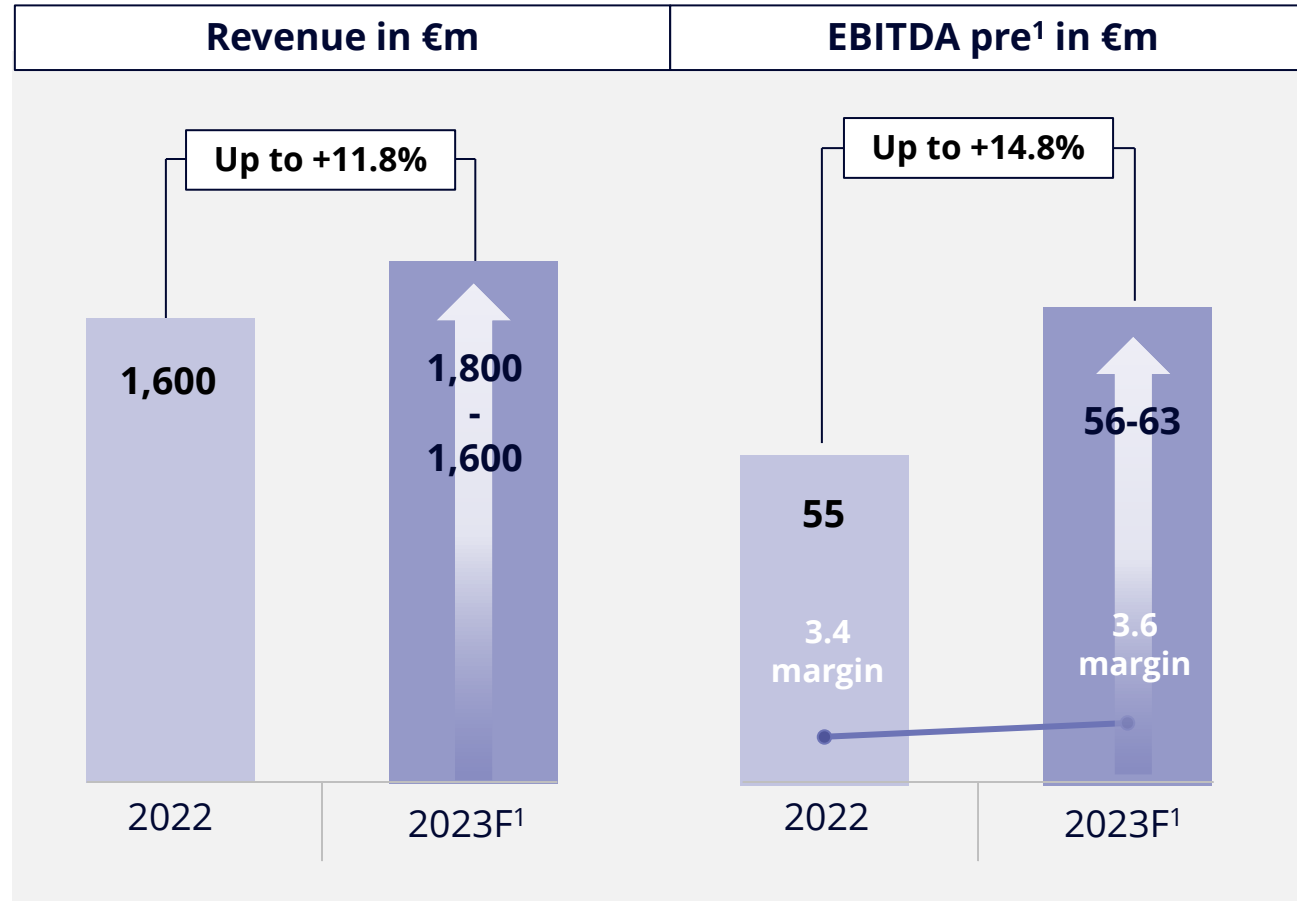
Financing power in €m



Financial scope large enough for organic and inorganic growth

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Guidance FY 2023 confirmed (1/2) – Ongoing growth story



Comments

- **Revenue expected** to reach **range of €1.6-1.8bn in 2023** (growth up to 11.8% compared to 2022)
- **EBITDA pre¹ expected** to reach range of €56-63m in 2023 (growth up to 14.8% compared to 2022)

Guidance FY 2023 confirmed (2/2) – Main assumptions



Main Assumptions for 2023 as of March 2023



Synergy effects as a result of the integration of **Cranach Pharma, Newco Pharma, bbw** incl. manufacturing agreement **AfS**

Especially in purchasing and logistics

Cross-selling within extended partner network

Price adjustments in favor of Medios due to high inflation

Expansion of compounding business; economies of scale

Extended product portfolio

Regulatory price reduction effective since Sep 1, 2022, for certain cytostatic drugs – **negative impact** on the PST* segment

Consideration of possible risks:

Regulatory changes

Increasing costs due to rising inflation

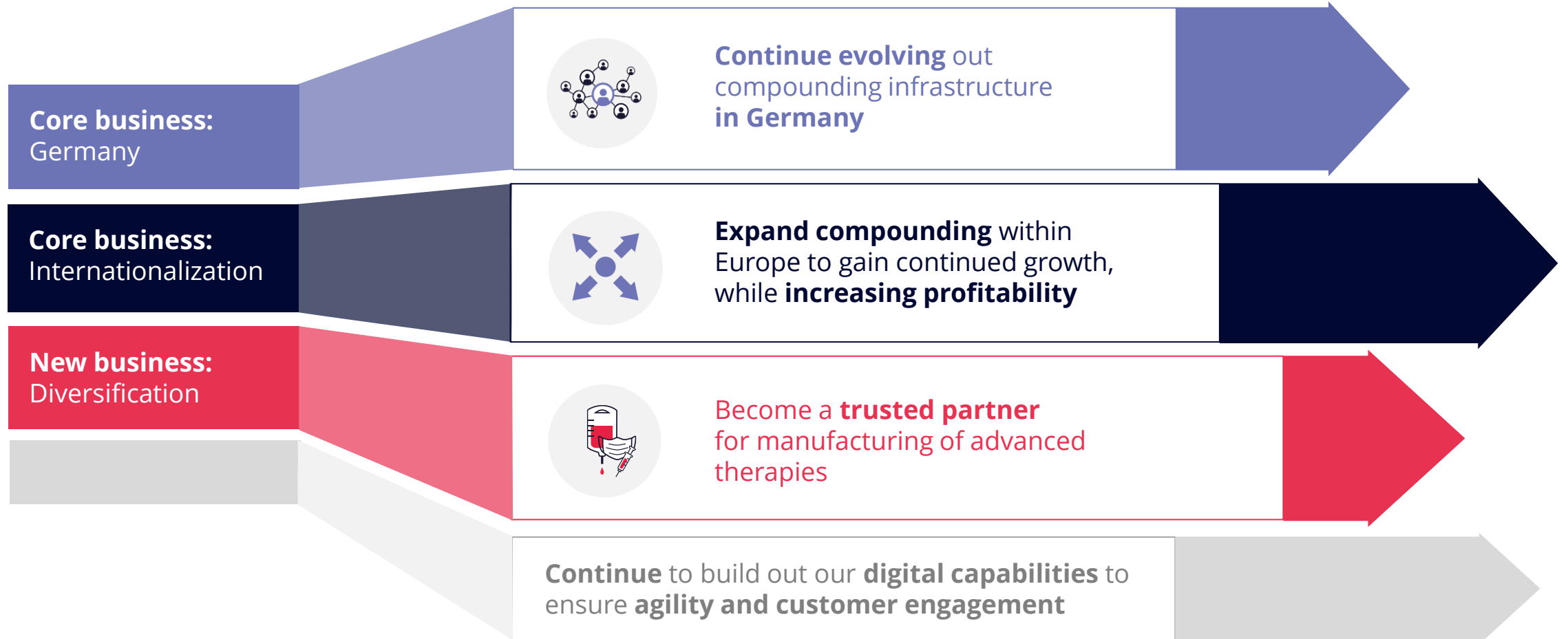
Supply chain bottlenecks

Geopolitical tensions/ war in Ukraine

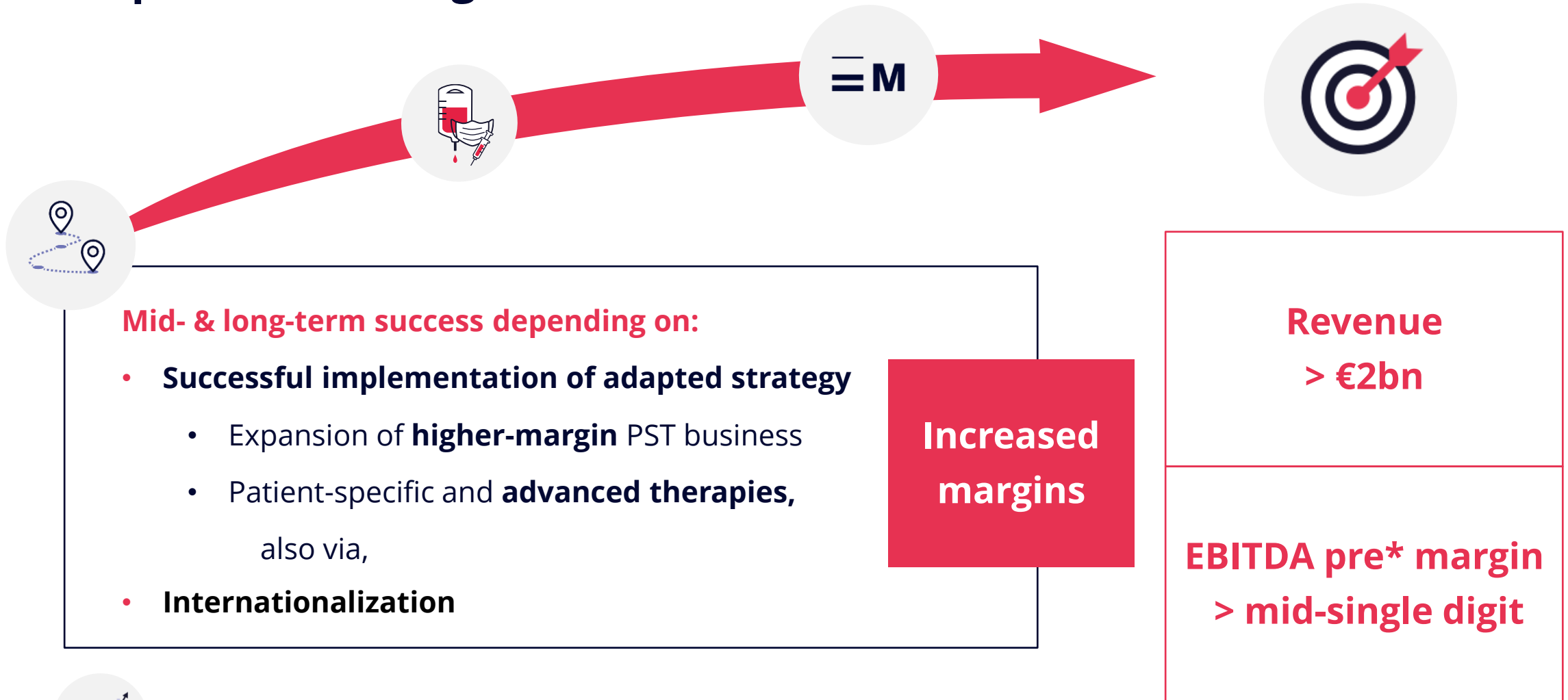
COVID-related effects

Increased overhead costs due to increasing network, fast growth

Our strategic priorities moving forward



Group Mid-term targets 2025-2027



Growth drivers: organic, M&A, economies of scale, cost efficiencies

* EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as from 2023 additionally for one-time performance-based payments for the acquisition of manufacturing volumes

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Key figures (1/2)

in € thousand

	Q1 2023	Q1 2022	Δ in %
Revenue	431,238	392,955	9.7%
Pharmaceutical Supply	368,144	339,205	8.5%
Patient-Specific Therapies	62,937	53,609	17.4%
Services	158	141	12.1%
EBITDA	13,293	13,287	0.0%
<i>Margin (in % of Revenue)</i>	3.1	3.4	
EBITDA pre*	14,952	14,137	5.8%
<i>Margin (in % of Revenue)</i>	3.5	3.6	
Pharmaceutical Supply	10,125	8,357	21.2%
Patient-Specific Therapies	6,555	6,893	-4.9%
Services	-1,729	-1,113	55.4%
EBIT	8,017	7,848	2.2%
<i>Margin (in % of Revenue)</i>	1.9	2.0	
Comprehensive income before minority interests	4,829	5,038	-4.2%

Key Performance Indicator (KPI): Figures used to manage the Company's success

Key figures (2/2)

in € thousand	Q1 2023	Q1 2022	Δ in %
Earnings per share (in €)			
Undiluted	0.20	0.21	-4.8%
Diluted	0.20	0.21	-4.8%
Investments (CAPEX)	275	2,143	-87.2%
Cash flow from operating activities	-25,338	-2,529	>100%
*Extraordinary expenses	1,659	850	95.2%
Expenses from stock options ¹	367	688	-46.7%
Other M&A expenses ¹	161	162	-0.6%
Performance-related expenses for the acquisition of manufacturing volumes	1,130	0	n/a
Employees as of 31 March	546	512	6.6%
Employees (average)²	530	512	3.5%
	Mar 31, 2023	Dec 31, 2022	Δ in %
Balance sheet total	619,064	575,958	7.5%
Equity	453,241	448,045	1.2%
<i>Equity ratio (in %)</i>	73.2	77.8	

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Q1 2023 Results

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