

H1 2023 Results

Matthias Gaertner, CEO

Falk Neukirch, CFO

August 14, 2023

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Highlights H1 2023

Operations	<ul style="list-style-type: none">• Positive business development in both operating segments• Successful acquisition of Blisterzentrum Baden-Württemberg GmbH (“bbw”) and start of integration of Afs’ manufacturing volume into Medios’ labs• Centralization of blister business at the bbw site near Stuttgart - Kölsche Blister GmbH sold• Extended distribution network of now 750 specialized pharmacies
Financials	<ul style="list-style-type: none">• Ongoing growth: Revenue of €854m (YoY +7.7%); EBITDA pre of €29m (YoY +1.9%)• Financials reflect bbw acquisition, strategically driven inventory build-up, and changed regulation• Excellent Q3 2023 expected due to strategic focus on inventory management – July 2023 exceptionally strong• Guidance 2023 confirmed: Ongoing growth in 2023 with expected revenue of up to €1.8bn, EBITDA pre of up to €63m
Strategy	<ul style="list-style-type: none">• Implementation of extended growth strategy 2025 developed: Ongoing talks with potential international M&A targets• Extended product range: parenteral nutrition for prematurely-born babies• Prepare ESG-Reporting FY2023 already in line with new regulations to be applied by Medios still on a voluntary basis• 2 Awards: M&A Awards 2023 for BEST “M&A DIRECTION” & “Best Jobs with a future”

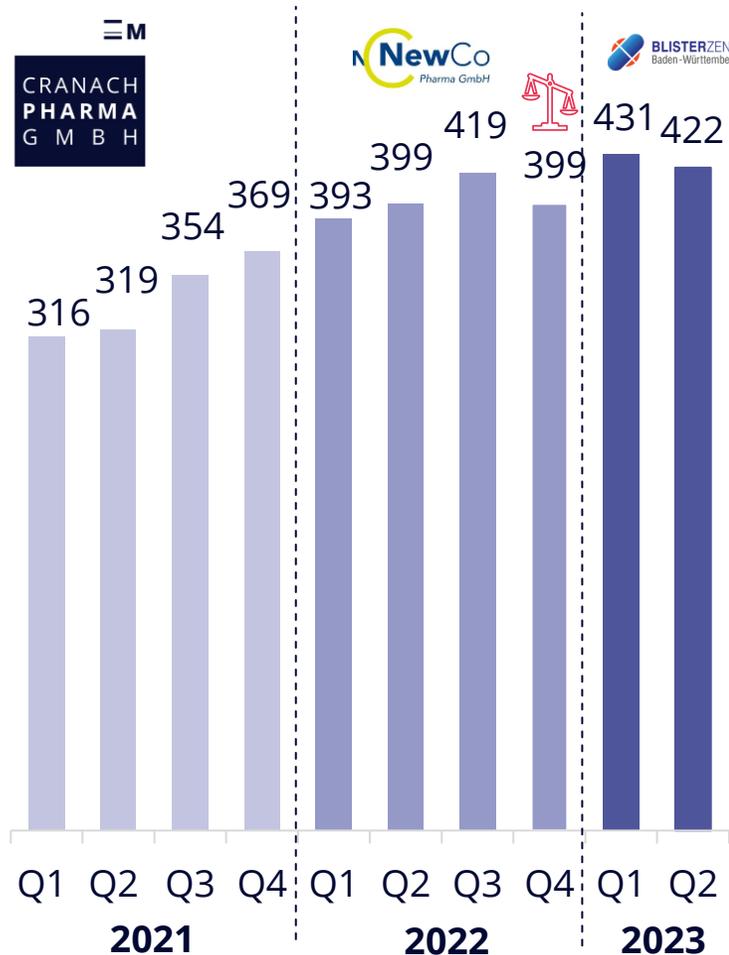
Centralization of blister business at one site – Potential efficiency gains

Sale of Kölsche Blister GmbH in June

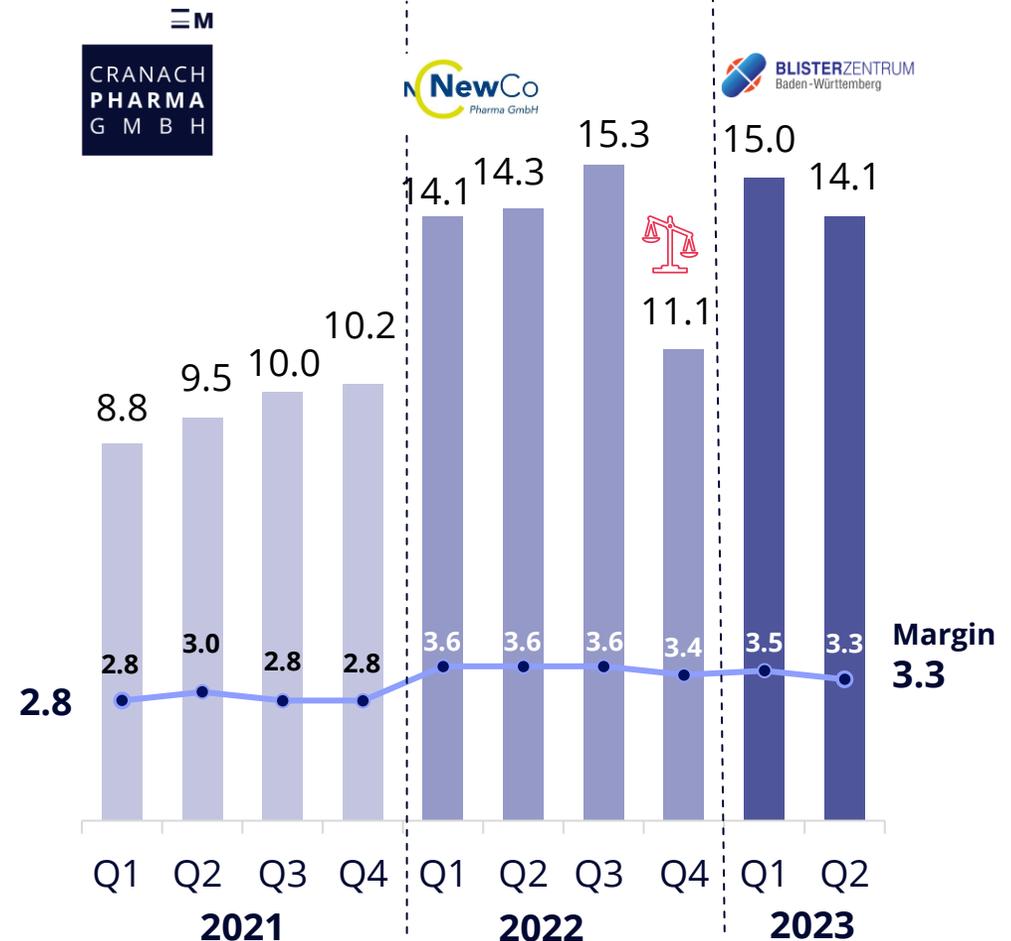
- **Kölsche Blister GmbH sold** to a strategic investor
- After acquiring bbw in January, **Medios concentrated its blister business** at the bbw site near Stuttgart, Germany
- **No significant impact on Medios earnings**, finances or assets
- Kölsche Blister GmbH will remain in Medios partner network, ongoing strategic cooperation with Medios – to result in **efficiency gains in the area of patient-specific blistering** in the medium-term
- Kölsche Blister revenue FY 2022: c. €12.6m

QoQ almost stable despite burden due to regulatory changes

Revenue in €m

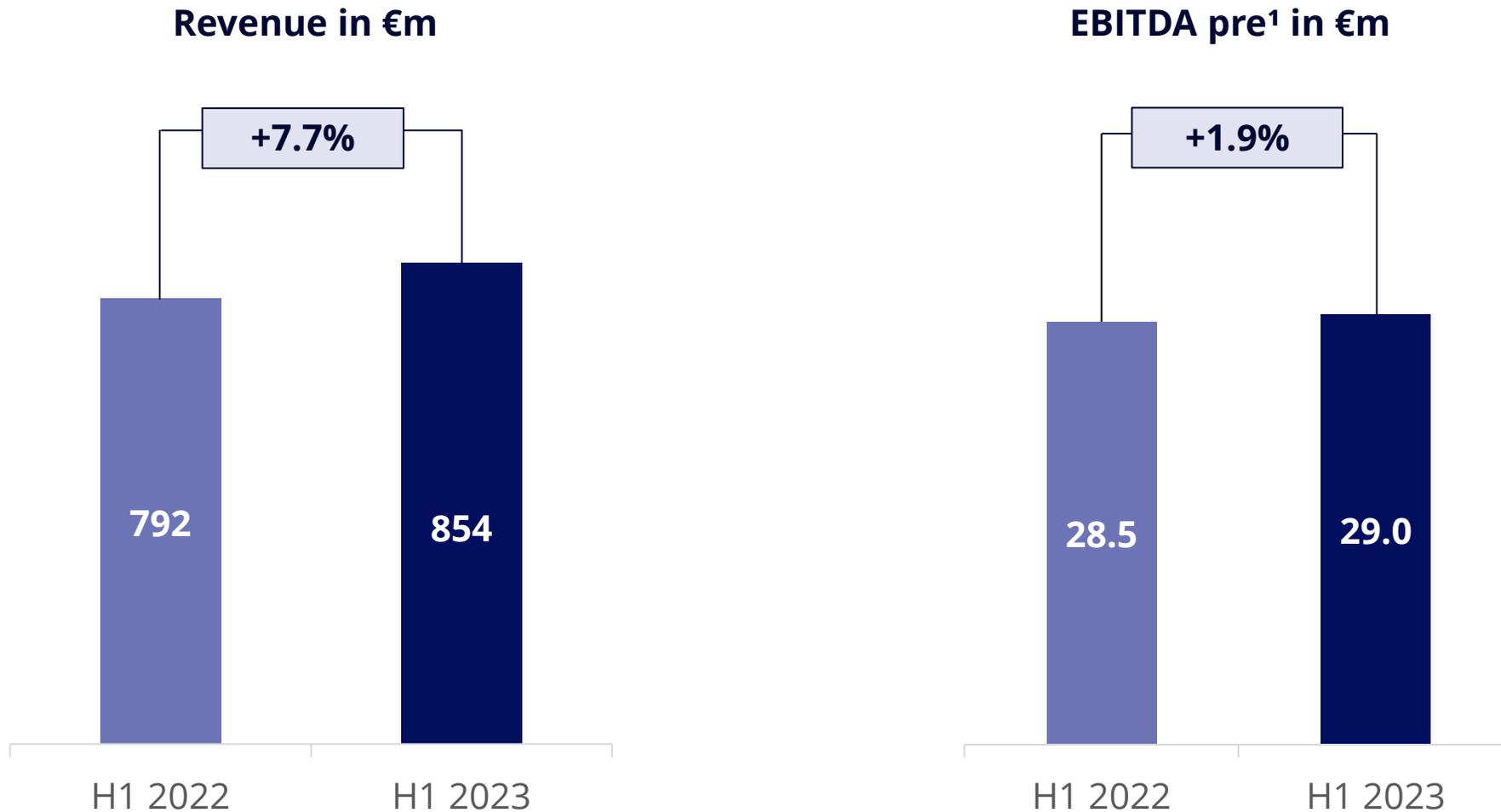


EBITDA pre¹ €m



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 compounding volumes

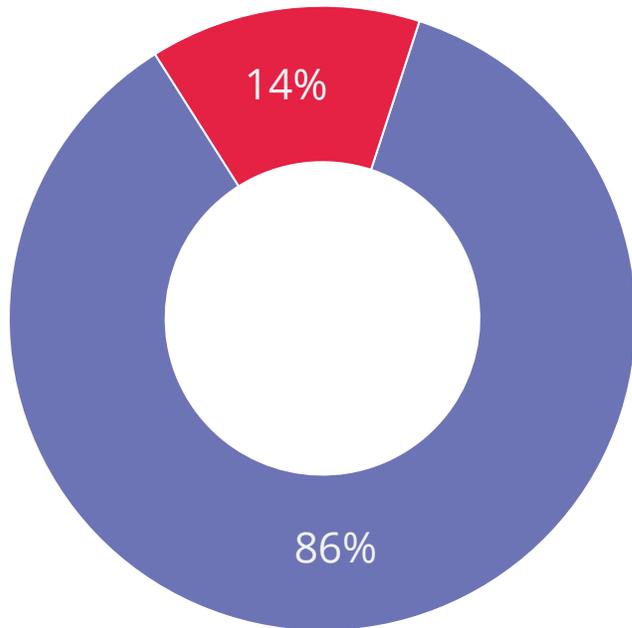
Continuous and sustainable growth YoY



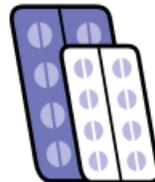
¹ EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as from 2023 additionally for one-time performance-based payments for the acquisition of compounding volumes

Split by operative segments for H1 2023: Ongoing high EBITDA pre share for PST above target rate of 40%

Revenue by segment²

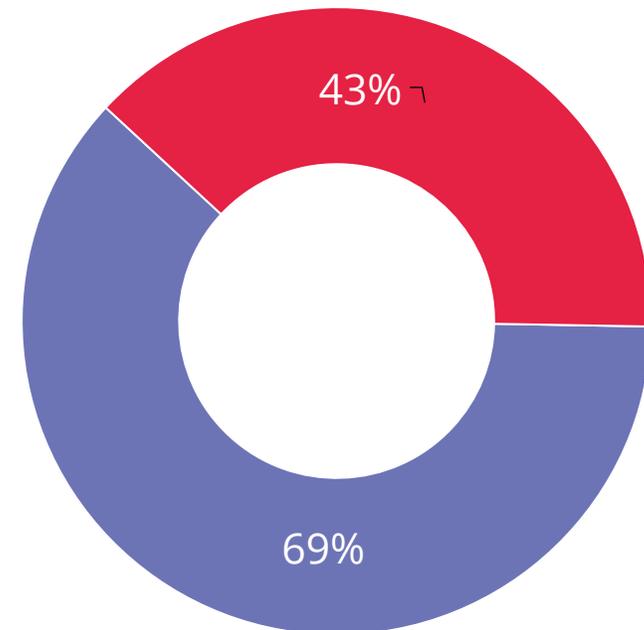


Patient-specific Therapies (PST)



Pharmaceutical Supply (PS)

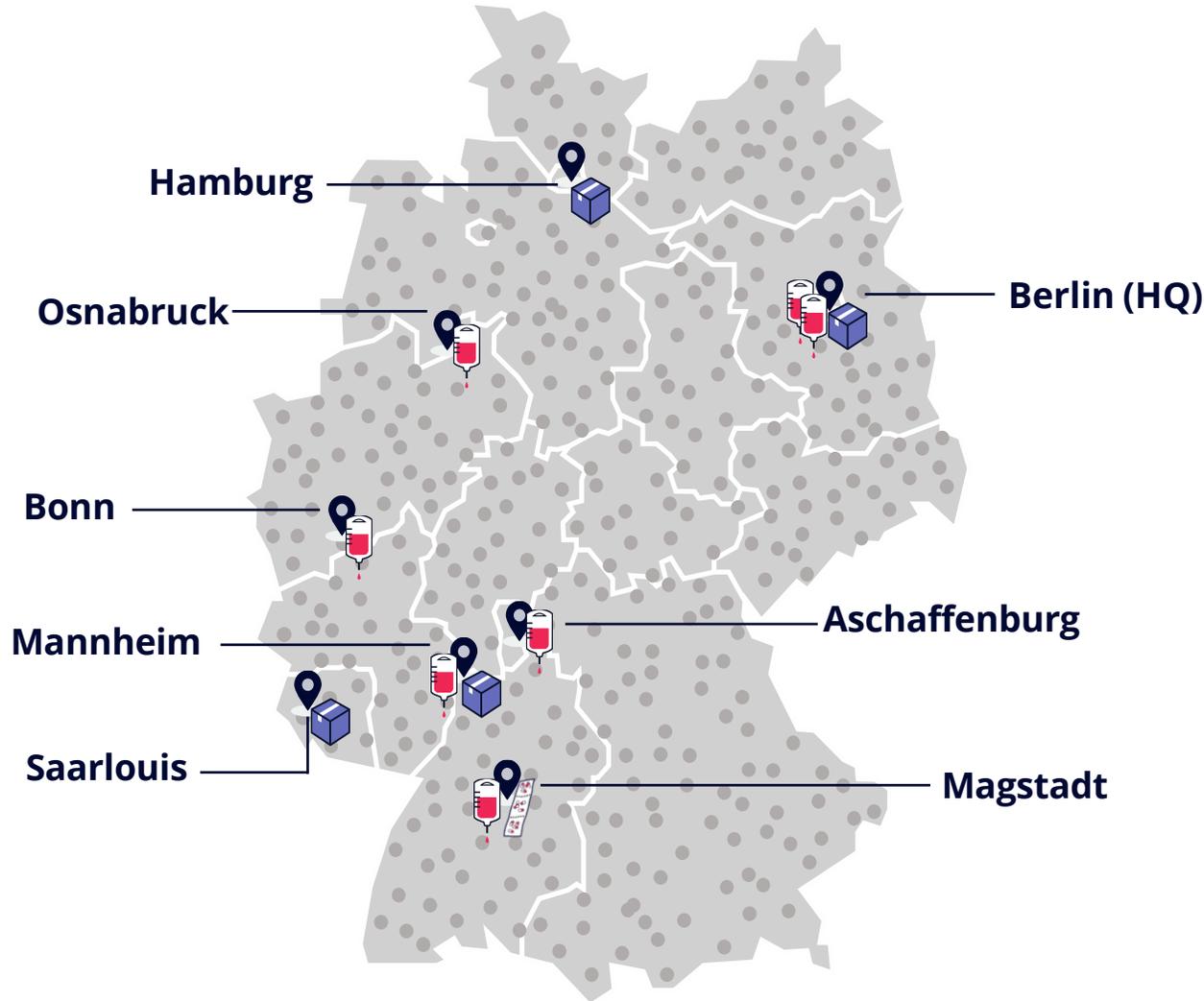
EBITDA pre¹ by segment²



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 compounding volumes

² Including the segment "Services": Revenue = 0.05% | EBITDA pre = -12%

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



- 7 GMP¹- / 1 blistering **labs**
- 2 central / 2 regional **warehouses**
- Innovative IT-based platform **mediosconnect** in 5 federal states
- Around **750 specialized partner pharmacies**
- Around **330,000 individualized preparations** manufactured in 2022
- Goal for 2023: > **400,000 preparations**, depending on indication areas

- **Pharmaceutical supply**
(Wholesale: warehouses)
- **Patient-specific therapies**
(GMP compounding facilities)
- **Specialized partner pharmacies**

ESG news H1 2023 – Twice awarded

Further development of reporting systems

- **Goal:** Extend voluntary reporting in the Non-financial Consolidated Statement to already follow new CSRD¹ rules
- **Rating update and improvement:**

S&P Global



M&A Award²

- **Award** in recognition of the best "M&A Direction" for:
 - Successful coordination of acquisition and integration of NewCo Pharma

Deutschland Test Award³ – „Best jobs with future“

- **Over 6,000** tested companies by IMWF⁴
- Medios ranks **#7** in the pharmaceutical industry – among renowned pharma companies

Branche/Unternehmen	Punkte
Pharmaunternehmen	
Vetter Pharma	100,0
Takeda	96,5
InfectoPharm	88,3
Boehringer Ingelheim	87,8
Aenova Group	87,0
Biotech	85,9
STADA	83,5
Medios	83,5
Roche	70,4
Grünenthal	68,5
Sandoz	68,1
Bayer	65,5
Engelhard Arzneimittel	64,6
Bristol-Myers Squibb	63,3
Sanofi	62,4
AstraZeneca	62,0

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H1 2023 – Financials

In € million	H1 2023	H1 2022	Δ%
Revenue	853.5	792.2	7.7%
Gross profit ¹ <i>gross margin in %</i>	54.4 6.4%	53.4 6.7%	1.8%
EBITDA pre ² <i>margin in %</i>	29.0 3.4%	28.5 3.6%	1.9%
Conversion rate in % (<i>EBITDA pre/gross profit</i>)	53.3%	53.3%	0.0%
EBIT	15.4	16.1	-4.5%
EPS (€), undiluted	0.39	0.42	-7.1%
CF from operating activities	-75.2	9.9	<-100.0%
CF from investing activities	-16.4	-84.5	-80.7%
CF from financing activities	42.6	-15.6	<-100.0%
In € million	30 June 2023	31 Dec 2022	Δ%
Inventories	99.5	50.0	98.8%
Cash & cash equivalents	30.3	79.2	-61.8%
Equity <i>ratio in %</i>	458.0 72.9%	448.0 77.8%	2.2%

Comments

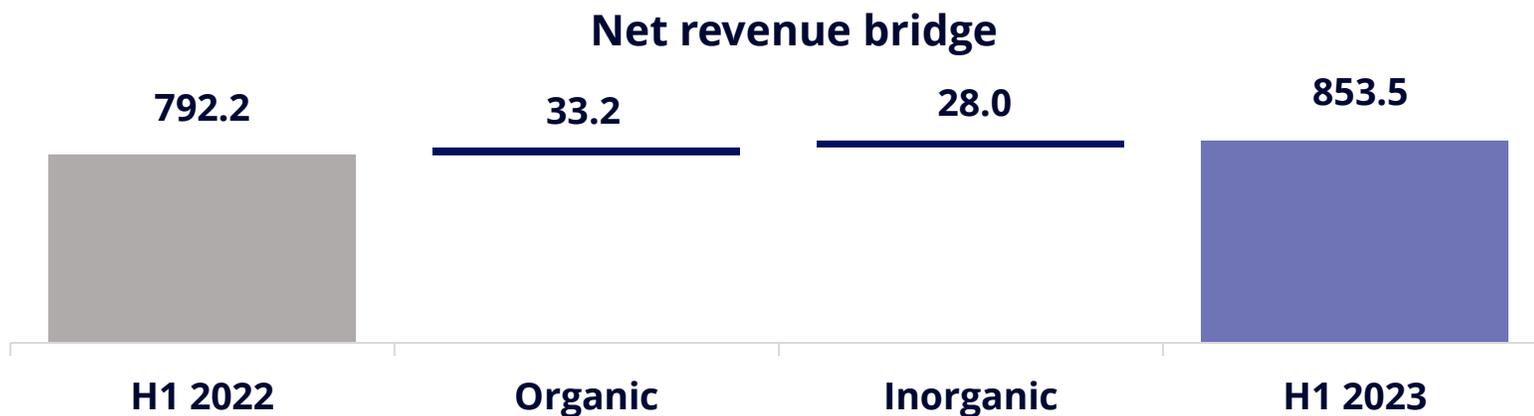
- **Record revenue** driven by contribution of both operative segments and inclusion of bbw in consolidated accounts for six months
- **Gross profit and EBITDA pre** further increased, with slightly lower margins mainly due to regulatory price deductions
- **Operating CF** burdened by a temporary increase in inventories of €50m up to €100m, mainly revenue-driven build-up of receivables, €5.7m for per-formance-based payment for compounding volumes acquisition
- **Investing CF** dominated by bbw acquisition (€19.2m)
- **Financing CF** of €43m reflects net drawings under Revolving Credit Facility for stock increase and acquisition of bbw
- Decrease in **cash & cash equivalents** mainly due to stock increase

H1 2023 – Organic and inorganic revenue contributed to growth

H1 YoY Revenue in €m	H1 2022	Organic	Inorganic (bbw/Afs)	H1 2023
Pharmaceutical Supply	682.5	28.5	23.1	734.1
Patient-specific Therapies	109.5	4.5	4.9	118.9
Services	0.2	0.2	-	0.4
Medios Group total	792.2	33.2	28.0	853.5
<i>Medios Group total in %</i>		<i>4.2%</i>	<i>3.5%</i>	<i>7.7%</i>

Comments

- bbw acquisition led to revenue contribution of €28m mainly in PS segment (€23.1m in PS; €4.9m in PST)

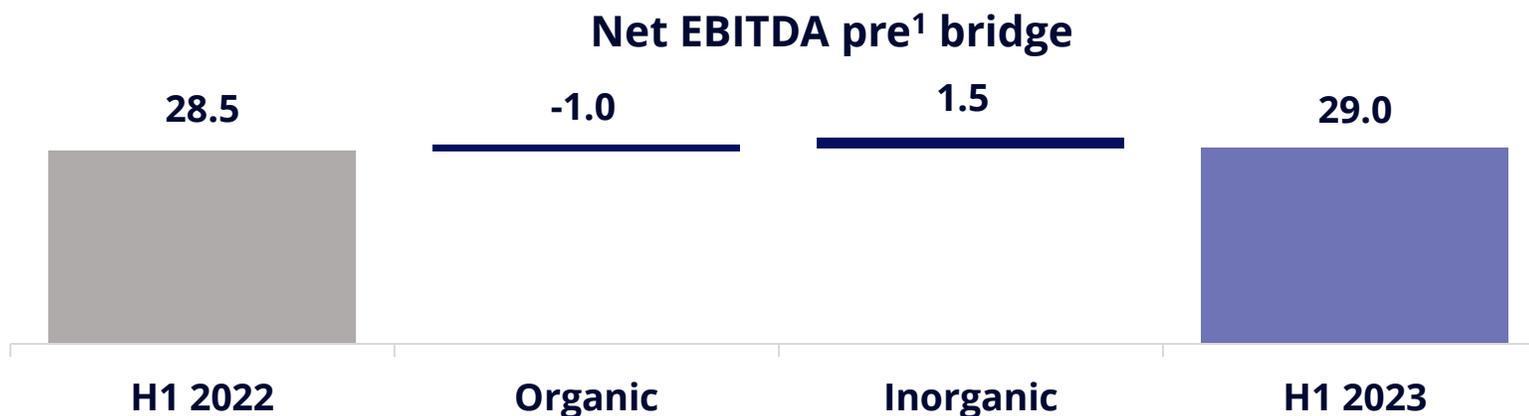


H1 2023 – EBITDA pre¹ driven by acquisition of bbw and integration of AfS' manufacturing volume into Medios' labs

H1 YoY EBITDA pre ¹ in €m	H1 2022	Organic	Inorganic (bbw/Afs)	H1 2023
Pharmaceutical Supply	17.5	1.4	1.0	19.9
Patient-specific Therapies	13.2	-1.2	0.5	12.5
Services	-2.2	-1.2		-3.4
Medios Group total	28.5	-1.0	1.5	29.0
<i>Medios Group total in %</i>		<i>-3.5%</i>	<i>5.3%</i>	<i>1.9%</i>

Comments

- **EBITDA pre of PS** grew mainly organically but also inorganically through bbw acquisition
- Successful integration of bbw and compounding from AfS led to EBITDA pre¹ contribution of €1.5 (€1.0m in PS; €0.5m in PST)
- **Services** reflects mainly increased IT and personnel costs for central functions



H1 2023 – YoY Group margin slightly decreased due to regulatory impacts

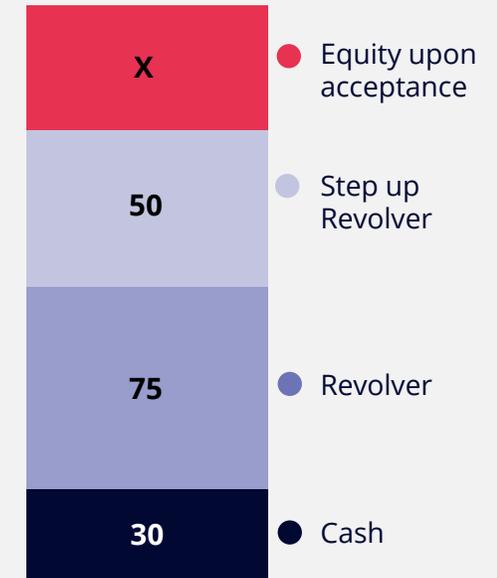
	Pharmaceutical Supply 'PS'		Patient-specific Therapies 'PST'		Internal Services and IFRS consolidation		Group	
In € million	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022
Total segment revenue <i>delta (yoy in %)</i>	800.7 12.0%	714.9	140.5 5.1%	133.6	-87.7 55.5%	-56.4	853.5 7.7%	792.2
Revenue - external <i>delta (yoy in %)</i>	734.1 7.6%	682.5	118.9 8.6%	109.5	0.4 77.2%	0.2	853.5 7.7%	792.2
EBITDA pre¹ <i>margin (% of revenue - total)</i>	19.9 2.5%	17.5 2.4%	12.5 8.9%	13.2 9.9%	-3.4 3.9%	-2.2 4.0%	29.0 3.4%	28.5 3.6%
<i>margin (% of revenue - external)</i>	2.7%	2.6%	10.5%	12.1%	<-100%	<-100%	3.4%	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
- Approx. **€30m** available cash end of June 2023
- Revolving credit facility **€75m**; available by end of June 2023
€30m; repayment of drawings in Q3 2023 based on positive operating cash flow
- Covenants Revolver: Net leverage **potential up to 3**

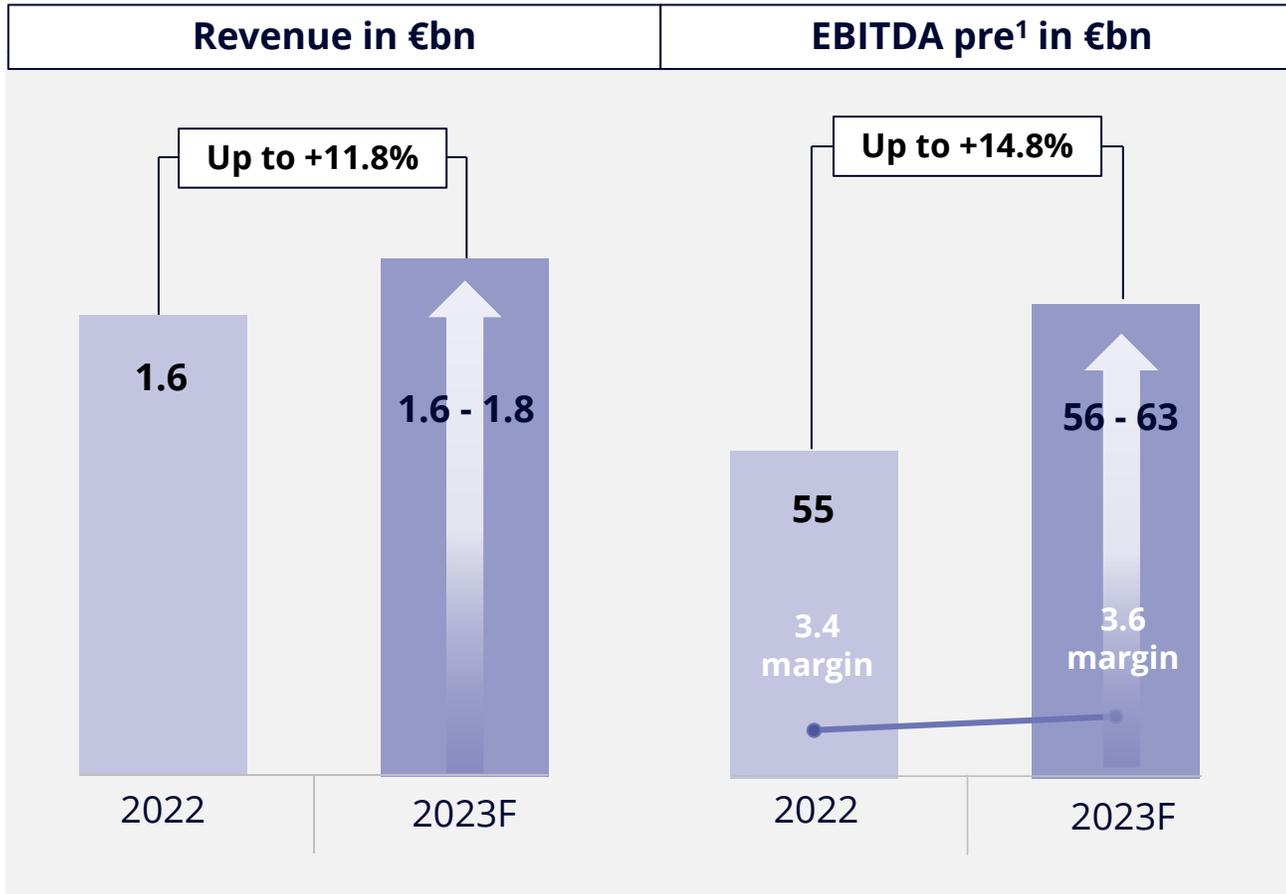
Financing power in €m



Financial scope large enough for organic and inorganic growth

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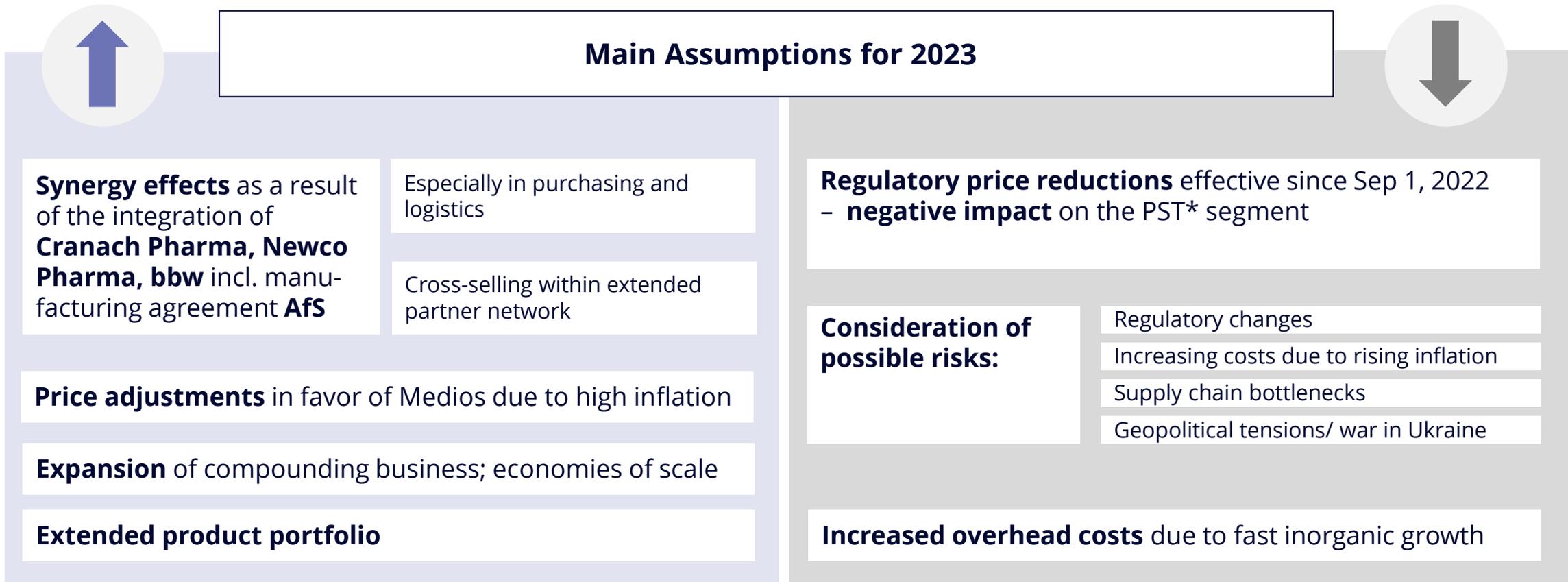
Guidance FY 2023 confirmed (1/2) – Ongoing growth story



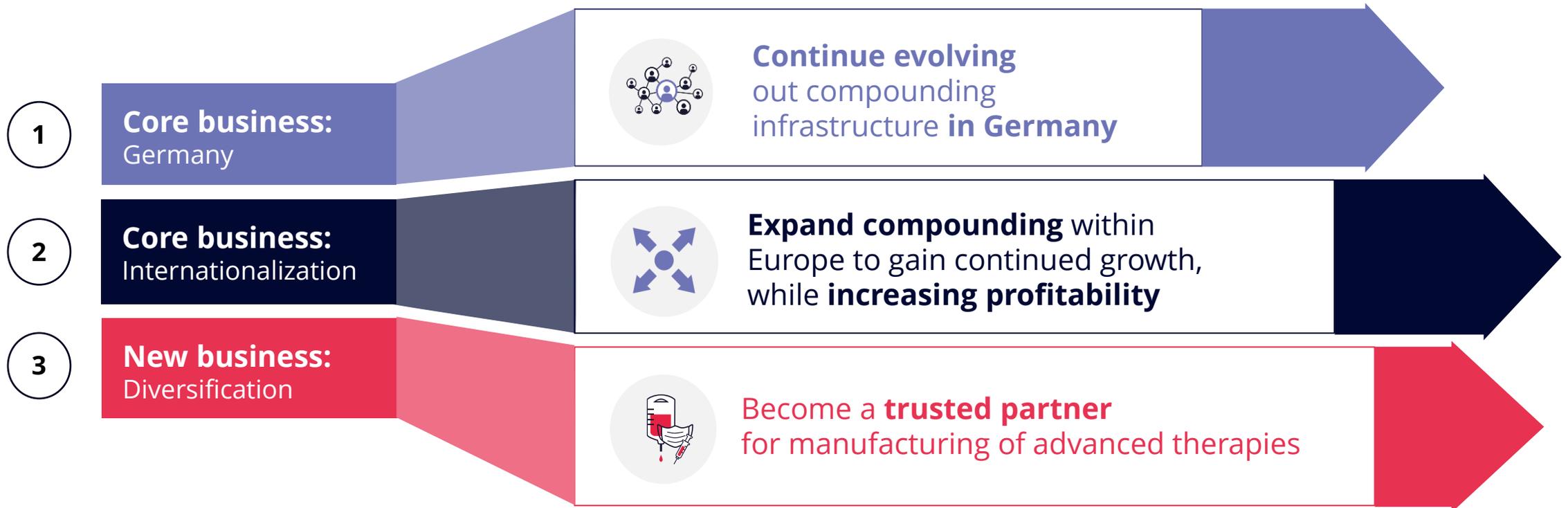
Comments

- **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

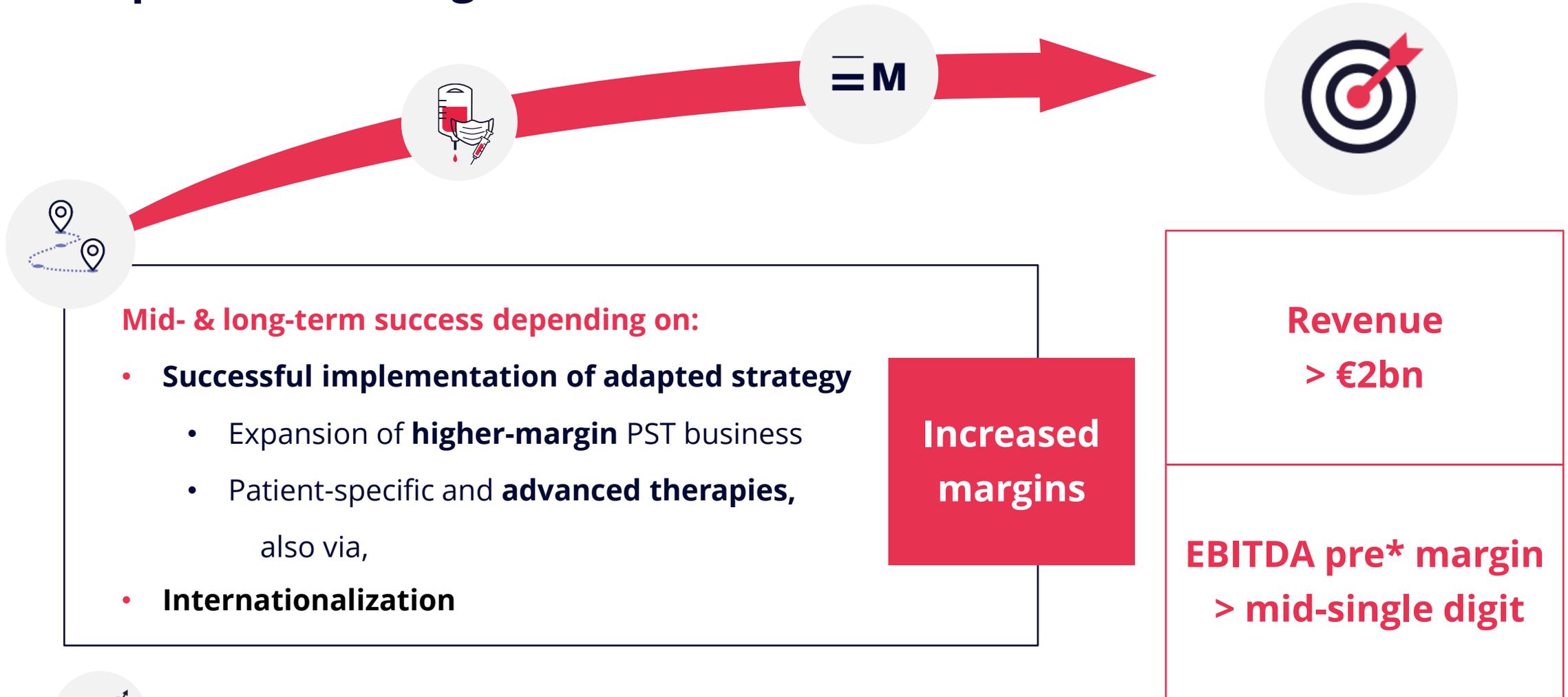


Our strategic priorities moving forward



Goal: Risk diversification and margin increase

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 compounding volumes

Conclusion H1 2023

- **Solid performance** in H1 2023 - strengthening market leadership in Specialty Pharma
- **Diversification** and **continued focus on synergies mitigate impact from regulatory changes**
- **Excellent Q3 2023 expected** - supported by inflation-related price adjustments - July 2023 exceptionally strong
- **FY 2023 guidance confirmed:** Revenue up to €1.8b and EBITDA pre up to €63m
- **Ongoing talks** with several **potential M&A-targets** in Europe (outside Germany)

Growth story well on track

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H1 / Q2 2023 - Key figures (1/2)

in € thousand

	H1 2023	H1 2022	Δ in %	Q2 2023	Q2 2022	Δ in %
Revenue	853,517	792,179	7.7%	422,278	399,224	5.8%
Pharmaceutical Supply	734,146	682,456	7.6%	366,002	343,252	6.6%
Patient-Specific Therapies	118,948	109,484	8.6%	56,012	55,875	0.2%
Services	423	238	77.2%	265	97	172.3%
EBITDA	25,908	26,788	-3.3%	12,615	13,501	-6.6%
<i>Margin (in % of Revenue)</i>	3.0%	3.4%		3.0%	3.4%	
EBITDA pre¹	29,007	28,456	1.9%	14,055	14,318	-1.8%
<i>Margin (in % of Revenue)</i>	3.4%	3.6%		3.3%	3.6%	
Pharmaceutical Supply	19,885	17,456	13.9%	9,760	9,099	7.3%
Patient-Specific Therapies	12,520	13,246	-5.5%	5,964	6,353	-6.1%
Services	-3,397	-2,247	51.2%	-1,669	-1,134	47.2%
EBIT	15,363	16,093	-4.5%	7,346	8,245	-10.9%
<i>Margin (in % of Revenue)</i>	1.8%	2.0%		1.7%	2.1%	
Comprehensive income before minority interests	9,266	9,972	-7.1%	4,437	4,934	-10.1%

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

H1 / Q2 2023 - Key figures (2/2)

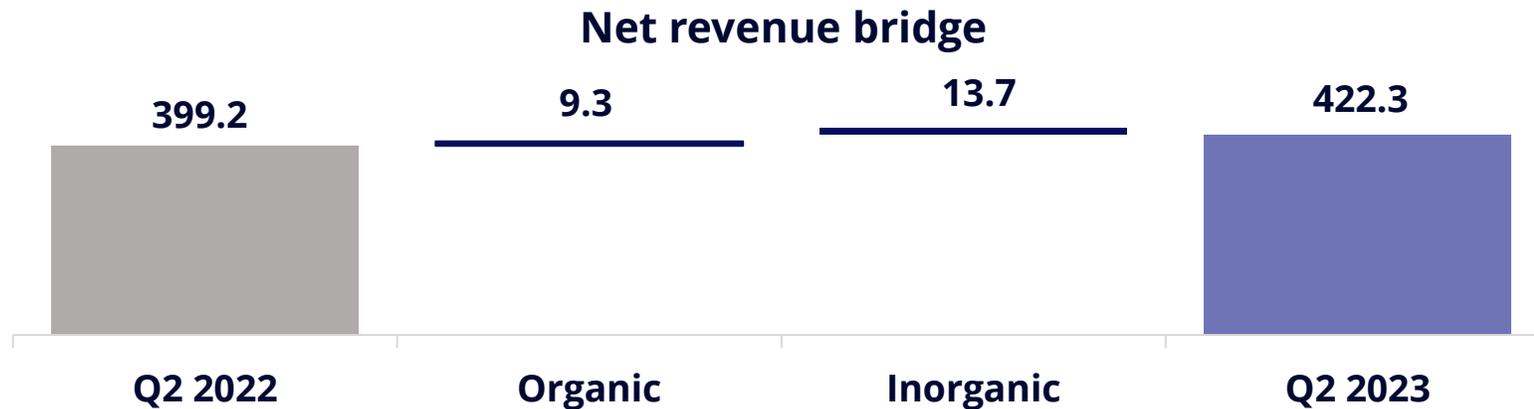
in € thousand	H1 2023	H2 2022	Δ in %	Q2 2023	Q2 2022	Δ in %
Earnings per share (in €)						
Undiluted	0.39	0.42	-7.1%	0.19	0.21	-9.5%
Diluted	0.39	0.42	-7.1%	0.19	0.21	-9.5%
Investments (CAPEX)	547	2,864	-80.9%	272	721	-62.3%
Cash flow from operating activities	-75,170	9,931	-856.8%	-49,831	12,459	-500.0%
*Extraordinary expenses	3,099	1,667	85.9%	1,441	817	76.3%
Expenses from stock options ¹	734	1,375	-46.6%	367	688	-46.7%
Other M&A expenses ¹	129	292	-55.9%	-32	130	-124.8%
Performance-related expenses for the acquisition of manufacturing volumes	2,237	0	n/a	1,106	0	n/a
Employees as of 30 June	514	501	2.6%			
Employees (average)²	513	499	2.8%			
	Jun 30, 2023	Dec 31, 2022	Δ in %			
Balance sheet total	628,198	575,958	9.1%			
Equity	458,044	448,045	2.2%			
<i>Equity ratio (in %)</i>	72.9%	77.8%	-6.3%			

Q2 2023 - Driven by acquisition of bbw and integration of AfS' manufacturing volume supported by organic growth

Q2 YoY Revenue in €m	Q2 2022	Organic	Inorganic (bbw/Afs)	Q2 2023
Pharmaceutical Supply	343.3	11.3	11.4	366.0
Patient-specific Therapies	55.9	-2.2	2.3	56.0
Services	0.1	0.2		0.3
Medios Group total	399.2	9.3	13.7	422.3
<i>Medios Group total in %</i>		<i>2.3%</i>	<i>3.4%</i>	<i>5.8%</i>

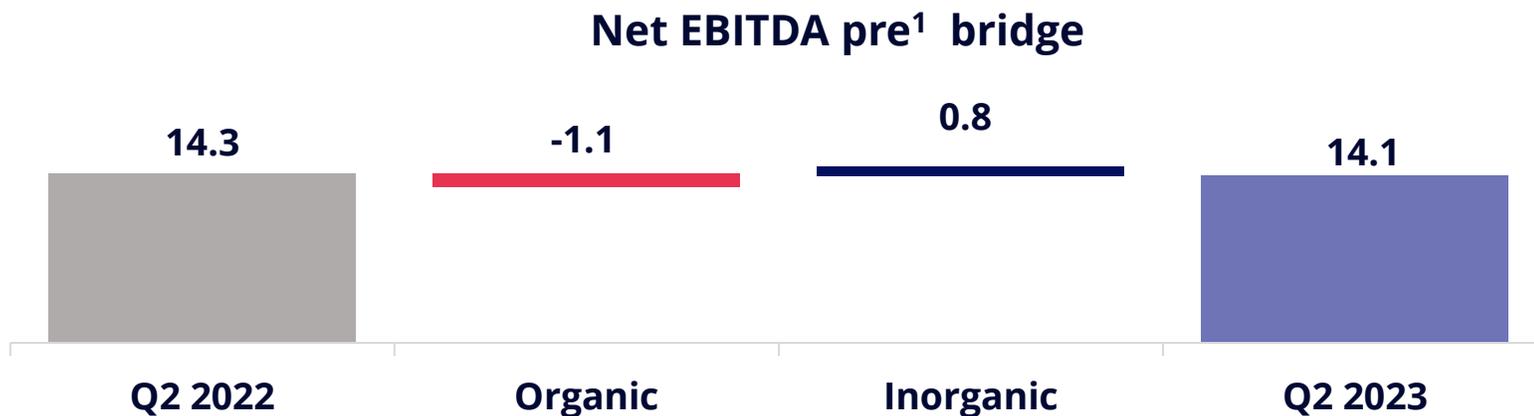
Comments

- Inorganic growth driven by bbw/AfS integration
- Organic growth 2.3%



Q2 2023 – Impacted by integration of bbw and AfS’ compounding and regulatory changes since Sep 2022

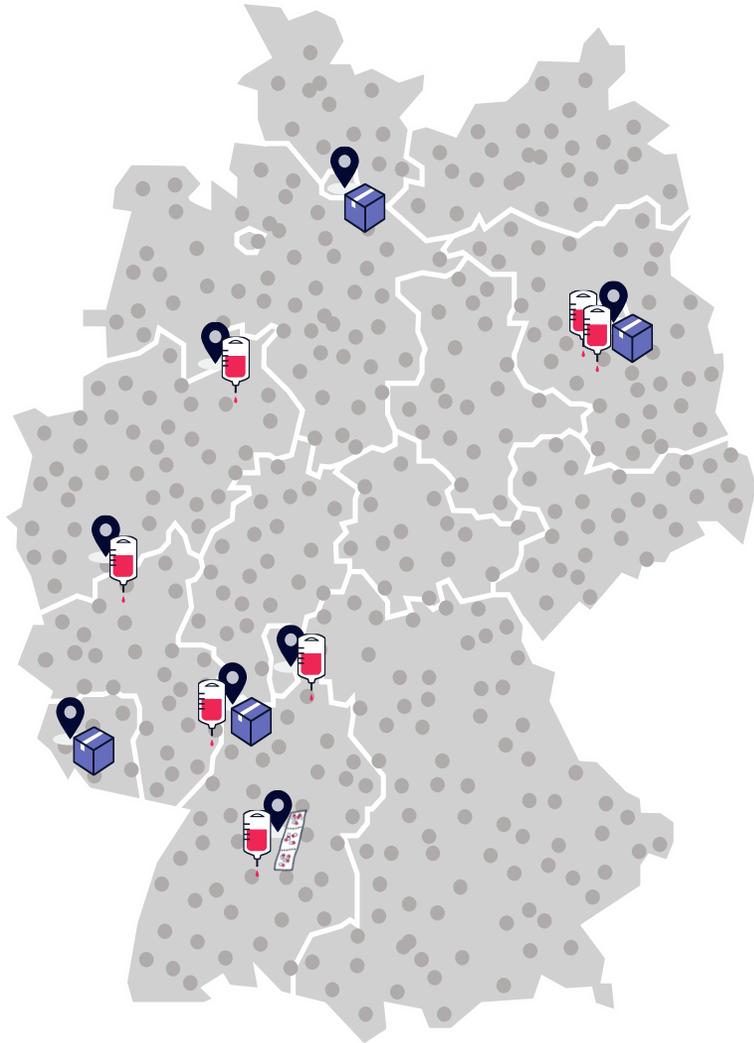
Q2 YoY EBITDA pre ¹ in €m	Q2 2022	Organic	Inorganic (bbw/Afs)	Q2 2023	Comments
Pharmaceutical Supply	9.1	0.1	0.6	9.8	<ul style="list-style-type: none"> • Successful integration of bbw and compounding from AfS led to EBITDA pre¹ contribution of €0.8m (€0.6m in PS; €0.2m in PST) • Segment Services reflects increased IT and personnel costs
Patient-specific Therapies	6.4	-0.6	0.2	6.0	
Services	-1.1	-0.6		-1.7	
Medios Group total	14.3	-1.1	0.8	14.1	
<i>Medios Group total in %</i>		<i>-7.7%</i>	<i>5.6%</i>	<i>-1.8%</i>	



Q2 2023 – YoY Group margin slightly decreased due to regulatory impacts

	Pharmaceutical Supply 'PS'		Patient-specific Therapies 'PST'		Internal Services and IFRS consolidation		Group	
In € million	Q2 2023	Q2 2022	Q2 2023	Q2 2022	Q2 2023	Q2 2022	Q2 2023	Q2 2022
Total segment revenue <i>delta (yoy in %)</i>	398.9 10.6%	360.7	64.5 -5.2%	68.1	-41.1 39.3%	-29.5	422.3 5.8%	399.2
Revenue - external <i>delta (yoy in %)</i>	366.0 6.6%	343.3	56.0 0.2%	55.9	0.3 172.3%	0.1	422.3 5.8%	399.2
EBITDA pre¹ <i>margin (% of revenue - total)</i>	9.8 2.4%	9.1 2.5%	6.0 9.2%	6.4 9.3%	-1.7 4.1%	-1.1 3.8%	14.1 3.3%	14.3 3.6%
<i>margin (% of revenue - external)</i>	2.7%	2.7%	10.6%	11.4%	<-100%	<-100%	3.3%	3.6%

1. Push forward manufacturing business in Germany



- **Closing the white spots** in geographic coverage of Medios' partner network, especially in Bavaria and/or Eastern Germany – **Acquisition of labs** and /or conclude cooperation agreements
- Advance market penetration through innovative digital IT-based platform **mediosconnect**
- **Increase the number of doctors and surgeries** behind our partner pharmacies
- **Expansion and diversification** of Medios' indication areas:
 - For example, like the recent start of **parenteral nutrition for prematurely born babies** – diversify customer groups

- **Pharmaceutical supply**
(Wholesale: warehouses)
- **Patient-specific therapies**
(GMP compounding facilities)
- **Specialized partner pharmacies**

2. Prioritised markets are growing markets with attractive gross margins



The **gross margins** range from **10% - 60% ***

The **segment growth** rate ranges from **5% - 65% ***



Total population* of ~ **106m** and a total specialty pharma spending of ~ **€17bn***

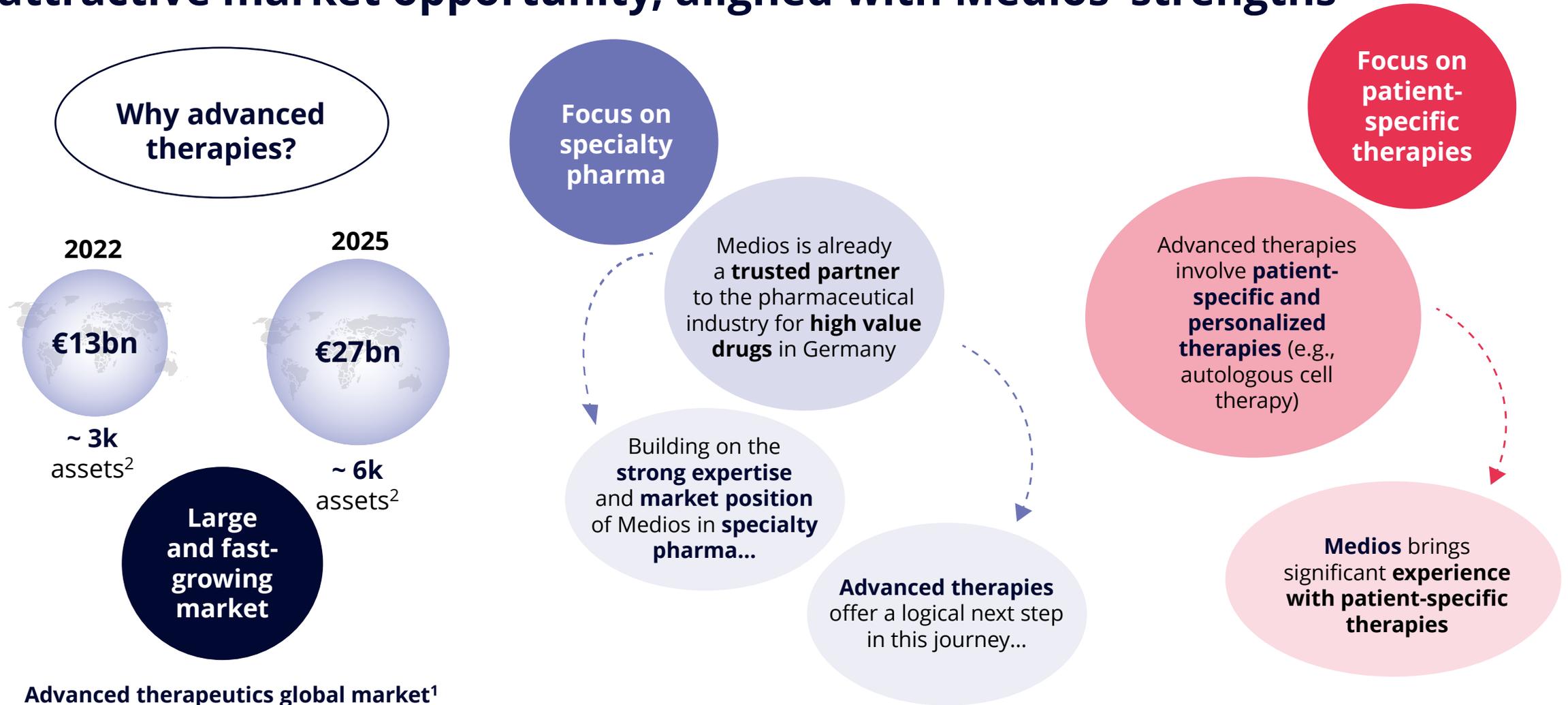


The **total compounding market size*** is estimated to be ~ **€2bn**



* In terms of the prioritized markets

3. Advanced therapies manufacturing represents a highly attractive market opportunity, aligned with Medios' strengths



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Matthias Gaertner, CEO

Falk Neukirch, CFO

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