



Q3/9M 2023 Results

Matthias Gaertner, CEO

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November 14, 2023

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Highlights 9M 2023

Operations

- **Strong Pharmaceutical Supply (PS)** business also benefiting from destocking at higher prices; **Patient-Specific Therapies (PST)** still impacted by regulatory headwinds
- Increasing **diversification & realization of synergies**: e.g., **parenteral nutrition for prematurely-born babies** since Jan 2023
- Successful acquisition of Blisterzentrum Baden-Württemberg GmbH (“bbw”); **integration of the manufacturing volume** of Apotheken für Spezialversorgungen OHG (Afs’) into Medios’ labs ongoing

Financials

- **Strong 9M: Revenue up** by 10.9% to €1.3bn; **EBITDA pre increased** by 5.7% to €46.3m
- **Excellent Q3 results and record quarter**: €490m revenue (+16.9%), EBITDA pre €17.2m (+12.7%)
- **Operating CF** positive for 9M; very strong in Q3 with €86m
- **Loan liabilities** fully repaid: Medios debt free – strong financing power for M&A
- **Forecast 2023 narrowed**: Expected revenue of €1.8bn, EBITDA pre of €60m

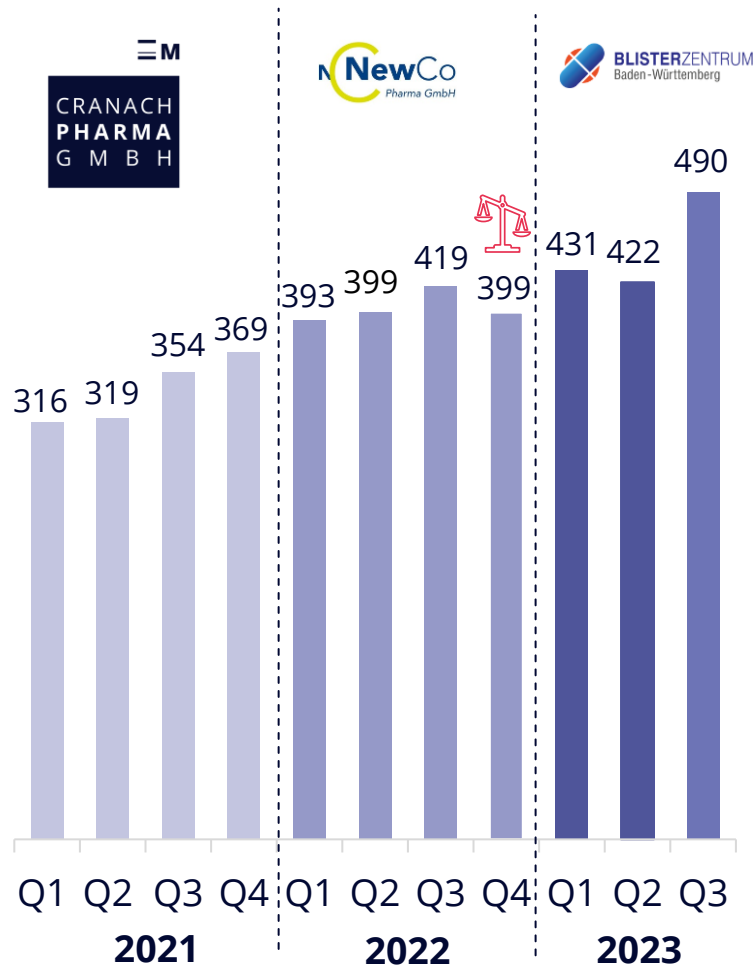
Strategy including ESG

- Further talks with **potential** international M&A targets to set up an European PST platform
- Participation in the **UN Climate Ambition Accelerator program**
- **ESG-Reporting FY2023** will already include elements according to CSRD¹ and EU Taxonomy
- **Three Awards**: 1. “Employer of the future”; 2. “Best Jobs with a future”, 3. BEST “M&A DIRECTION”

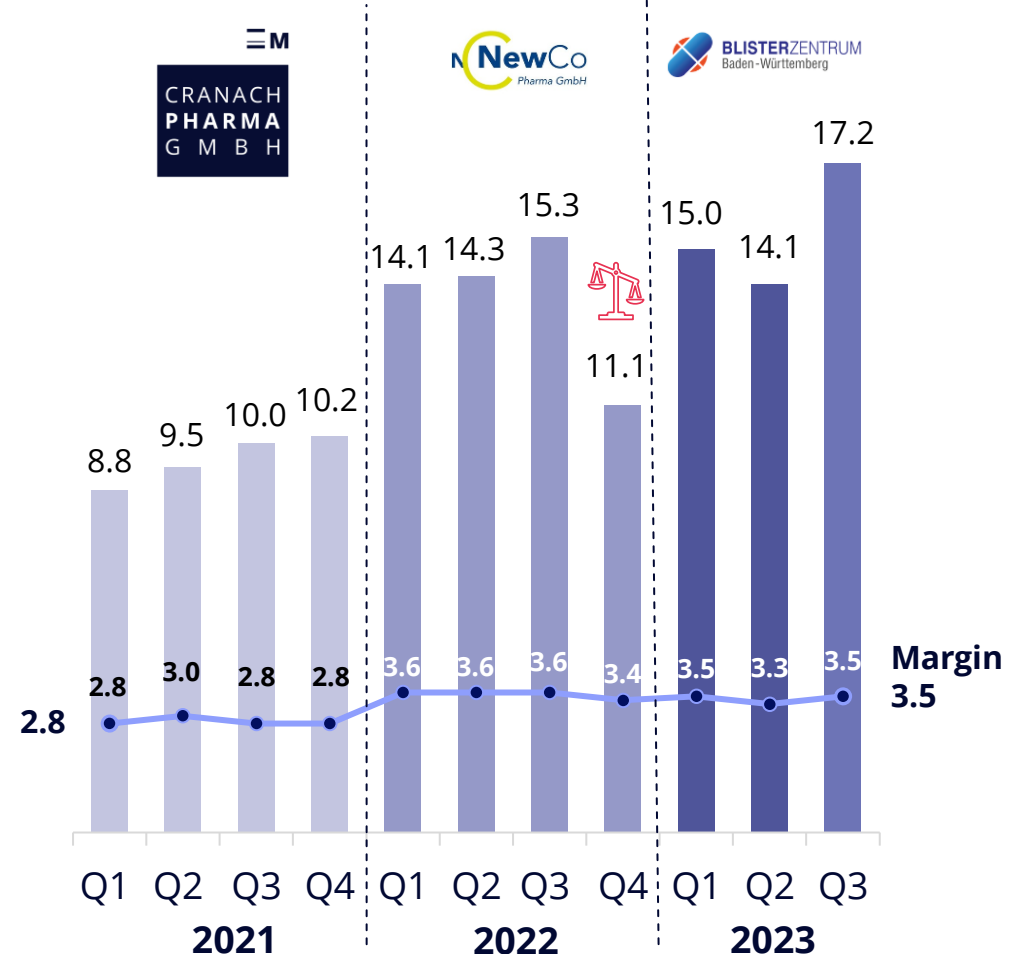
¹ Corporate Sustainability Reporting Directive | ² Awarded by: 1. Business Magazin DUP UNTERNEHMER/Deutsches Innovationsinstitut für Nachhaltigkeit und Digitalisierung, 2. Focus/DEUTSCHLAND TEST, 3. Bundesverband Mergers & Acquisitions

YoY & QoQ - Excellent revenue and EBITDA pre growth

Revenue in €m

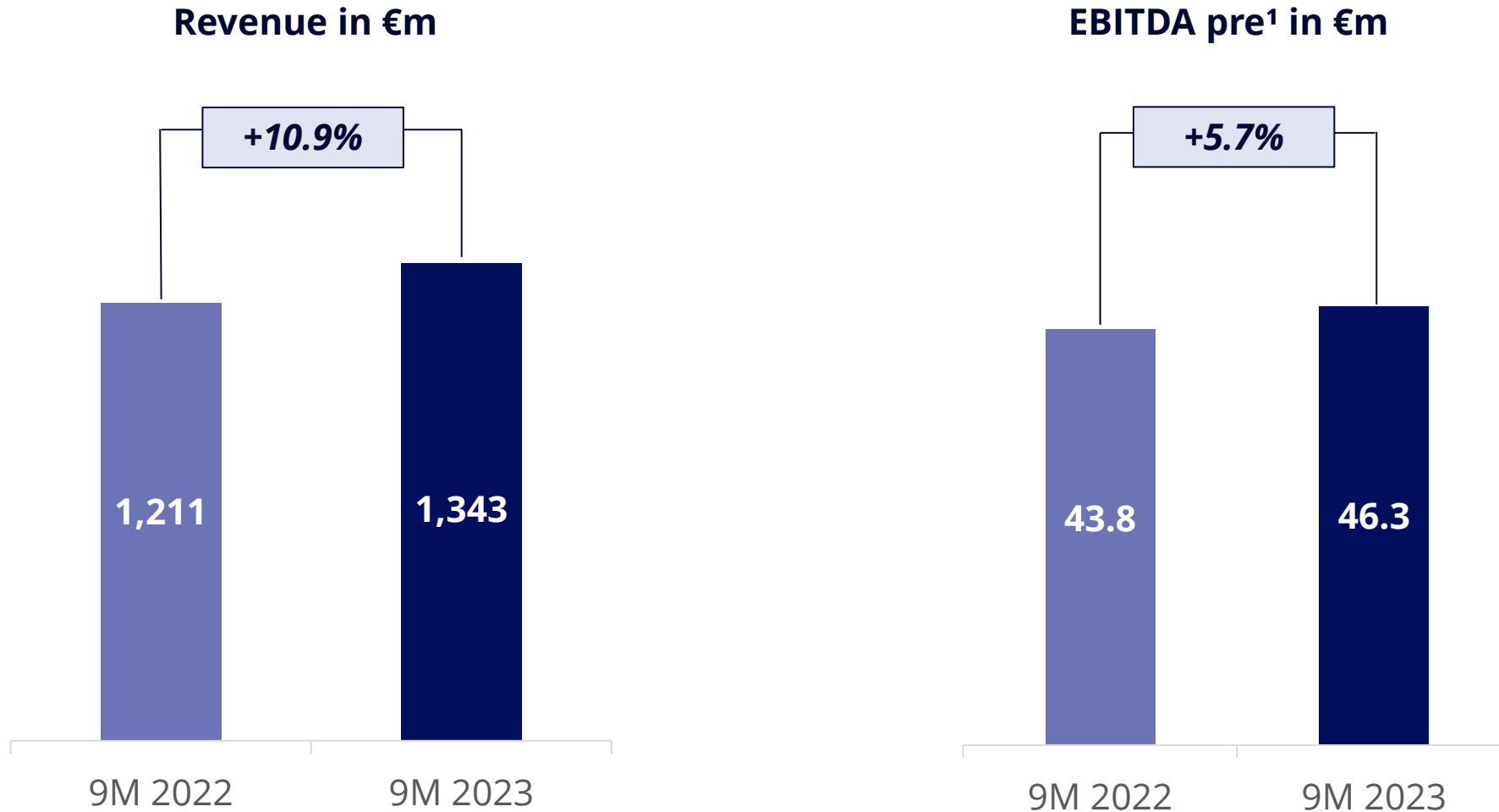


EBITDA pre¹ €m



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

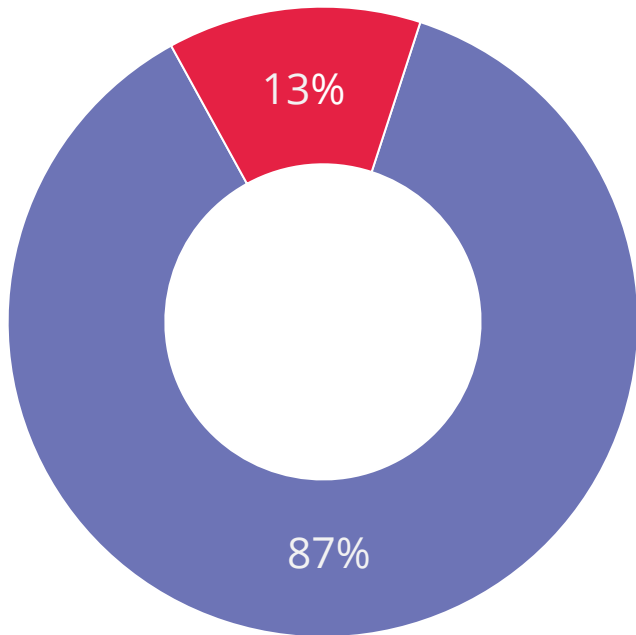
Continuous and sustainable growth YoY



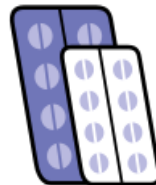
¹ EBITDA pre is adjusted for special charges for stock options and expenses for M&A activities as well as from 2023 additionally for one-time performance-based payments for the acquisition of compounding volumes

Split by operative segments for 9M 2023: Increased share of PS business

Revenue by segment²

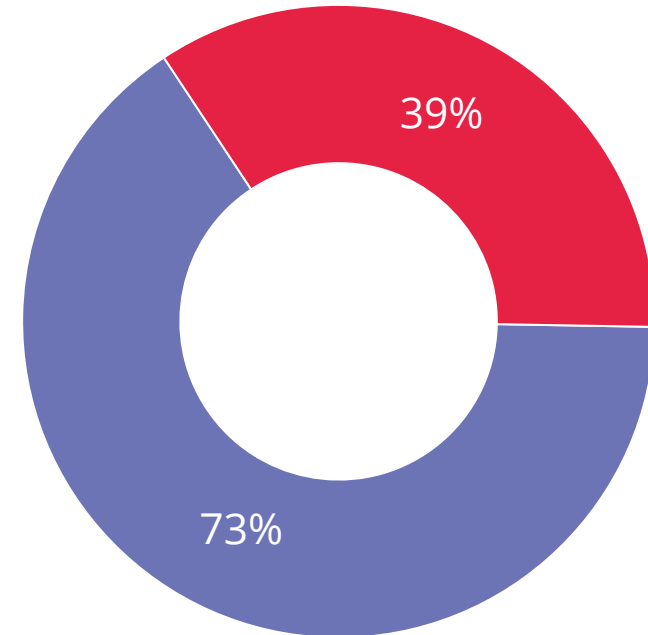


Patient-Specific Therapies (PST)



Pharmaceutical Supply (PS)

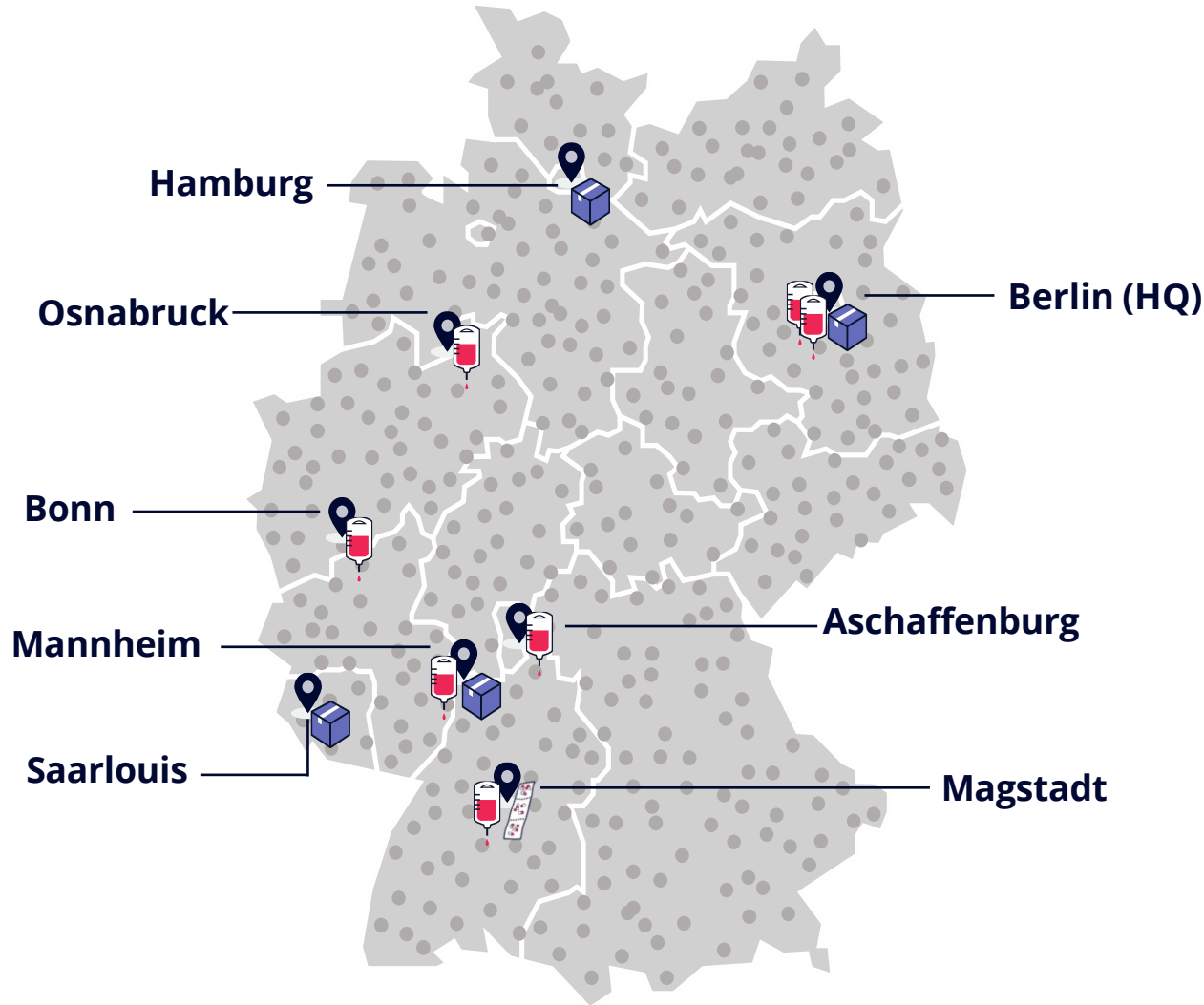
EBITDA pre¹ by segment²



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 = 0.04% | EBITDA pre = -11.4%

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



- 7 GMP¹ **labs**/ 1 blistering **lab**
- 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: around **400,000 preparations**, depending on indication areas

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

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9M 2023 – Financials

| In € million | 9M 2023 | 9M 2022 | Δ% |
|---|-------------|-------------|--------|
| Revenue | 1,343.5 | 1,211.4 | 10.9% |
| Gross profit ¹ | 83.6 | 81.5 | 2.6% |
| <i>gross margin in %</i> | 6.2% | 6.7% | |
| EBITDA pre ² | 46.3 | 43.8 | 5.7% |
| <i>margin in %</i> | 3.4% | 3.6% | |
| Conversion rate in % (<i>EBITDA pre/gross profit</i>) | 55.3% | 53.7% | 3.0% |
| EBIT | 25.7 | 25.0 | 3.0% |
| EPS (€), undiluted | 0.69 | 0.67 | 3.0% |
| CF from operating activities | 10.8 | 17.9 | -40.0% |
| CF from investing activities | -16.5 | -85.2 | -80.6% |
| CF from financing activities | -3.7 | -39.0 | -90.5% |
| Free cash flow ³ (before M&A) | 9.9 | 14.3 | -30.5% |
| In € million | 30 Sep 2023 | 31 Dec 2022 | Δ% |
| Inventories | 71.0 | 50.0 | 41.9% |
| Cash & cash equivalents | 69.8 | 79.2 | -11.9% |
| Equity | 465.5 | 448.0 | 3.9% |
| <i>ratio in %</i> | 74.4% | 77.8% | |

Comments

- **Record revenue** driven by PS segment and inclusion of bbw in consolidated accounts
- **Gross profit and EBITDA pre** further increased with slightly lower margins mainly due to regulatory price deductions since Sep 22
- Very strong **operating CF** of €86m in Q3 mainly due to a positive sell-off in PS segment which led to a positive operating CF of €11m YTD; H1 CF mainly burdened by a temporary inventory build-up
- **Investing CF** dominated by bbw acquisition (€19.2m)
- **Financing CF** of €-3.7m reflects €-1.6m interest payments (previous year €-1.1m) and IFRS 16 interest effects; the drawings of €45m under the Revolving Credit Facility were repaid in full in Q3 – the syndicated credit line of €75m is again fully available
- Decrease in **cash & cash equivalents** mainly due to seasonal inventory buildup and increased trade receivables

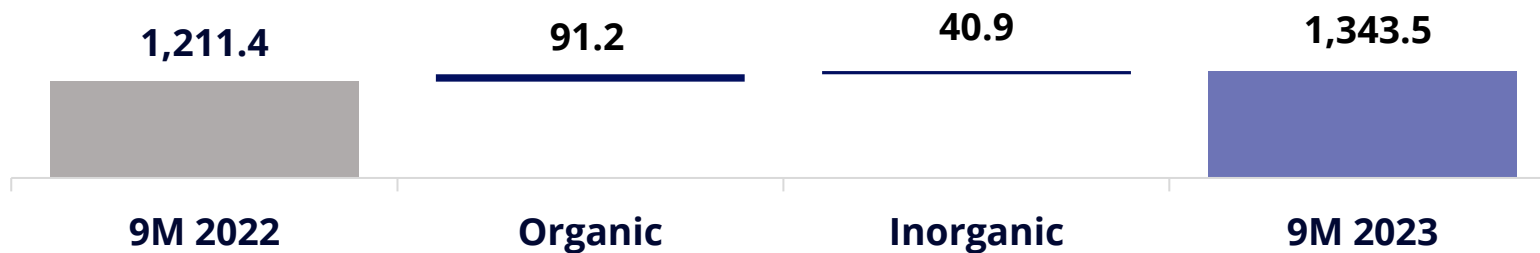
9M 2023 – Ongoing organic and inorganic revenue growth

| 9M YoY revenue in €m | 9M 2022 | Organic | Inorganic (bbw/AfS) | 9M 2023 |
|--------------------------------|----------------|-------------|---------------------|----------------|
| Pharmaceutical Supply | 1,044.4 | 90.1 | 33.5 | 1,168.0 |
| Patient-specific Therapies | 166.6 | 1.0 | 7.4 | 175.0 |
| Services | 0.4 | 0.1 | - | 0.5 |
| Medios Group total | 1,211.4 | 91.2 | 40.9 | 1,343.5 |
| <i>Medios Group total in %</i> | | <i>7.5%</i> | <i>3.4%</i> | <i>10.9%</i> |

Comments

- bbw acquisition led to revenue contribution of €40.9m mainly in PS segment (€33.5m in PS; approximately €7.4m in PST)

Revenue bridge



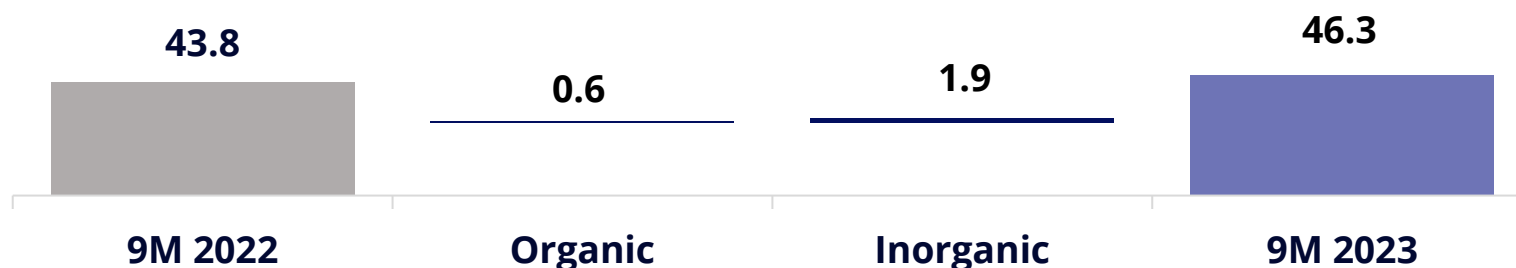
9M 2023 – Ongoing organic and inorganic EBITDA pre growth

| 9M YoY EBITDA pre ¹ in €m | 9M 2022 | Organic | Inorganic (bbw/AfS) | 9M 2023 |
|--------------------------------------|-------------|-------------|---------------------|-------------|
| Pharmaceutical Supply | 28.2 | 4.4 | 1.1 | 33.7 |
| Patient-specific Therapies | 19.3 | -2.3 | 0.8 | 17.8 |
| Services | -3.8 | -1.5 | - | -5.3 |
| Medios Group total | 43.8 | 0.6 | 1.9 | 46.3 |
| <i>Medios Group total in %</i> | | <i>1.4%</i> | <i>4.3%</i> | <i>5.7%</i> |

Comments

- **EBITDA pre of PS** grew mainly organically but also inorganically through the bbw acquisition
- Decreased EBITDA pre¹ of **PST** is mainly a result of regulatory price reductions
- **Services** reflects mainly increased IT and personnel costs for central functions

EBITDA pre¹ bridge



9M 2023 – Strong PS business; PST impacted by regulatory effects

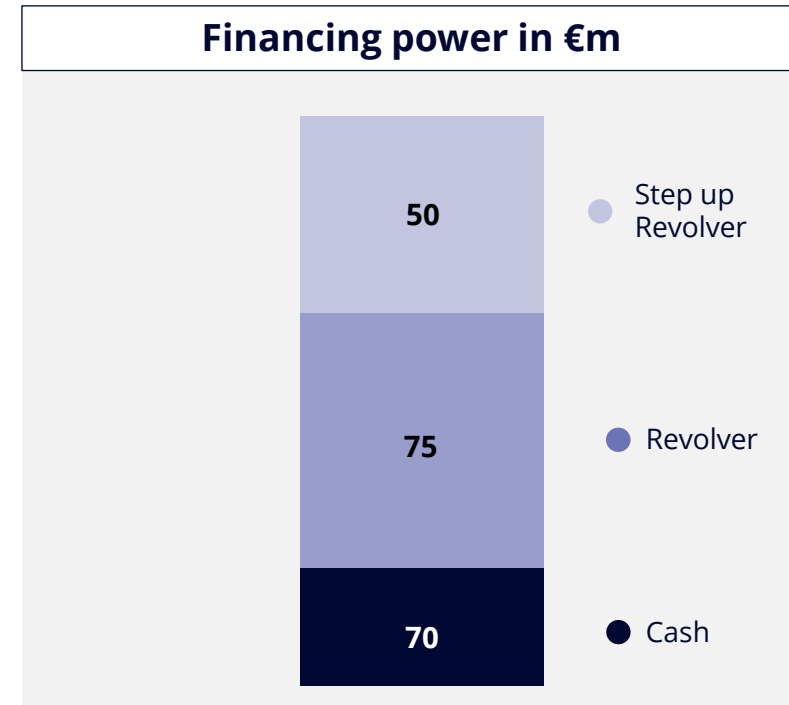
| In € million | Pharmaceutical Supply 'PS' | | Patient-specific Therapies 'PST' | | Services | | IFRS consolidation | | Group | |
|---|----------------------------|---------------------|----------------------------------|---------------------|-----------------------|-----------------------|------------------------|-------|-------------------------|---------------------|
| | 9M 23 | 9M 22 | 9M 23 | 9M 22 | 9M 23 | 9M 22 | 9M 23 | 9M 22 | 9M 23 | 9M 22 |
| Total segment revenue <i>delta (yoy in %)</i> | 1,271.8 15.9% | 1,097.0 | 201.3 -0.4% | 202.1 | 6.7 11.3% | 6.0 | -136.4 45.6% | -93.7 | 1,343.5 10.9% | 1,211.4 |
| Revenue - external <i>delta (yoy in %)</i> | 1,168.0 11.8% | 1,044.4 | 175.0 5.0% | 166.6 | 0.5 26.7% | 0.4 | n/a | n/a | 1,343.5 10.9% | 1,211.4 |
| EBITDA pre¹ <i>margin (% of revenue - total)</i> | 33.7 2.6% | 28.2 2.6% | 17.8 8.9% | 19.3 9.6% | -5.3 -79.0% | -3.8 -63.1% | n/a | n/a | 46.3 3.4% | 43.8 3.6% |
| <i>margin (% of revenue - external)</i> | 2.9% | 2.7% | 10.2% | 11.6% | <-100.0% | <-100.0% | | | 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. **€70m** available cash end of Sep 2023
- Revolving credit facility **€75m**: Drawn loans fully repaid – RCF fully available
- Covenants RCF: Net leverage **potential up to 3**

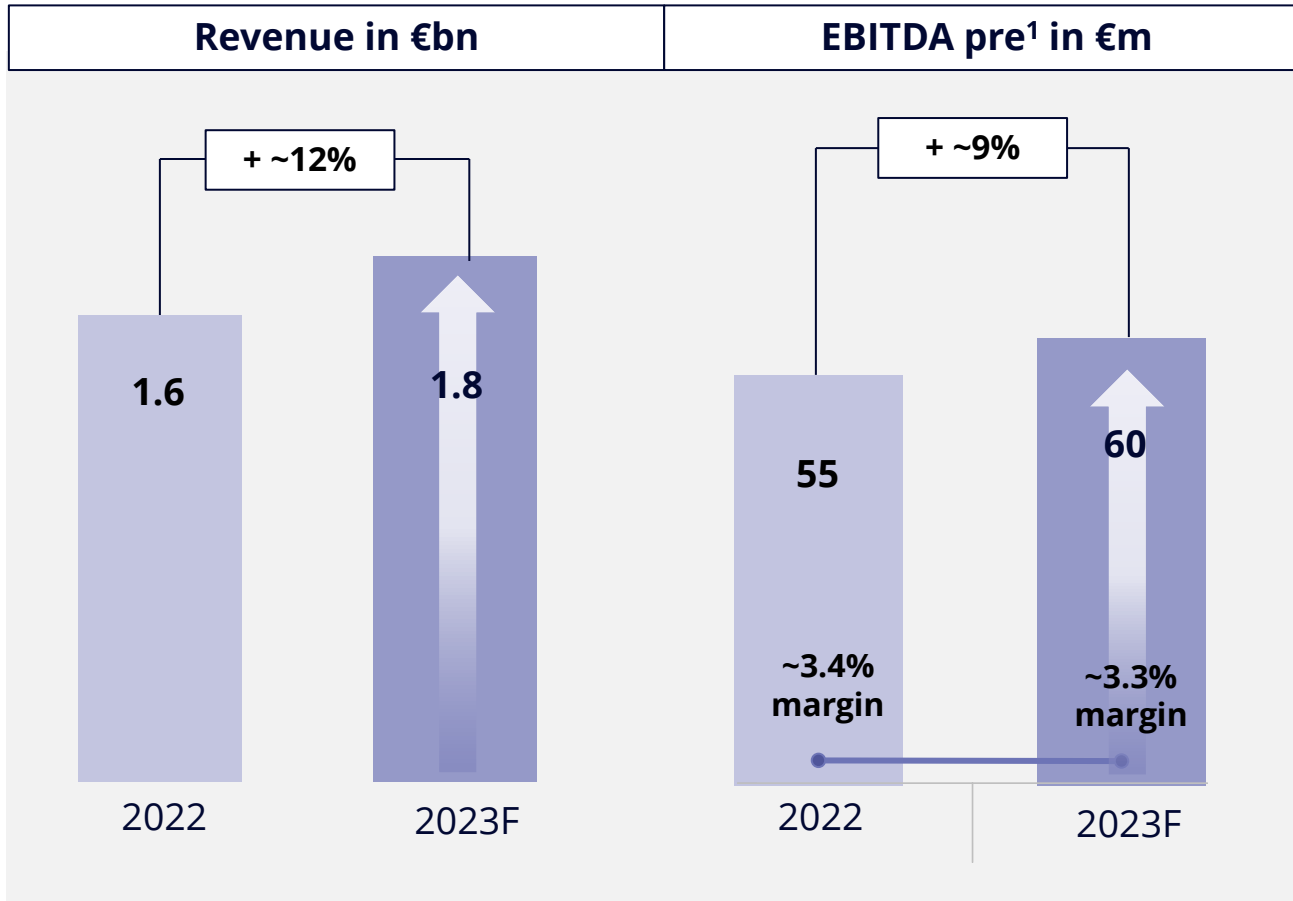
Financing power in €m



Financial scope large enough for organic and inorganic growth

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Narrowed guidance for FY 2023



Comments

- **Revenue** expected to reach approx. €1.8bn in 2023 representing a **growth of ~12%** compared to 2022
- **EBITDA pre¹** expected to be approx. €60m in 2023 representing a **growth of ~9%** compared to 2022

Clear strategy to build the European Specialty Pharma Platform with over €2bn in revenue



New markets: Strategic M&A approach with focus on compounding



Entering stable countries with **favourable regulatory environment** (allowing e.g. import/export, broad product range)

Profile M&A targets

- Top-3 market position
- Experienced team with strong cultural fit
- Revenue synergies and cross-selling opportunities (realized <24 months)
- Nationwide coverage/platform
- Revenue range of €10m to €150m with EBITDA margin of 5% to 20%

Conclusion 9M 2023

- **Excellent performance** in 9M and Q3 2023 - strengthening our market leadership in Specialty Pharma
 - **Strong 9M: Revenue up** by 10.9% to €1.3bn; **EBITDA pre increased** by 5.7% to €46.3m
 - **Excellent Q3 results** and **record quarter**: €490m revenue (+16.9%), EBITDA pre €17.2m (+12.7%)
 - **Operating CF** positive for 9M; very strong in Q3 with €86m
- **Strong financing power**
- **Planned inventory sell-off** at higher prices in Q3 has proven successful
- Narrowed FY 2023 guidance: **Revenue expected to be €1.8b, EBITDA pre €60m**
- **Further talks** with several **potential M&A-targets** in Europe (outside Germany)

Growth story well on track

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Q3 / 9M 2023 - Key figures (1/2)

| in € thousand | 9M 2023 | 9M 2022 | Δ in % | Q3 2023 | Q3 2022 | Δ in % |
|---|-----------|-----------|--------|---------|---------|--------|
| Revenue | 1,343,458 | 1,211,397 | 10.9% | 489,942 | 419,218 | 16.9% |
| Pharmaceutical Supply | 1,168,005 | 1,044,383 | 11.8% | 433,860 | 361,926 | 19.9% |
| Patient-Specific Therapies | 174,961 | 166,626 | 5.0% | 56,012 | 57,141 | -2.0% |
| Services | 492 | 388 | 26.7% | 70 | 150 | -53.5% |
| EBITDA | 41,486 | 41,090 | 1.0% | 15,578 | 14,302 | 8.9% |
| <i>Margin (in % of revenue)</i> | 3.1% | 3.4% | -8.8% | 3.2% | 3.4% | -5.9% |
| EBITDA pre¹ | 46,254 | 43,759 | 5.7% | 17,247 | 15,304 | 12.7% |
| <i>Margin (in % of revenue)</i> | 3.4% | 3.6% | -5.6% | 3.5% | 3.7% | -5.4% |
| Pharmaceutical Supply | 33,696 | 28,202 | 19.5% | 13,811 | 10,746 | 28.5% |
| Patient-Specific Therapies | 17,828 | 19,339 | -7.8% | 5,309 | 6,093 | -12.9% |
| Services | -5,271 | -3,782 | 39.4% | -1,873 | -1,535 | 22.0% |
| EBIT | 25,706 | 24,970 | 3.0% | 10,343 | 8,877 | 16.5% |
| <i>Margin (in % of revenue)</i> | 1.9% | 2.1% | -9.5% | 2.1% | 2.1% | 0.0% |
| Comprehensive income before minority interests | 16,369 | 15,851 | 3.3% | 7,103 | 5,879 | 20.8% |

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

Q3 / 9M 2023 - Key figures (2/2)

| in € thousand | 9M 2023 | 9M 2022 | Δ in % | Q3 2023 | Q3 2022 | Δ in % |
|---|---------------------|---------------------|---------------|----------------|----------------|-----------------|
| Earnings per share (in €) | | | | | | |
| Undiluted | 0.69 | 0.67 | 3.0% | 0.30 | 0.25 | 20.0% |
| Diluted | 0.69 | 0.66 | 4.5% | 0.30 | 0.25 | 20.0% |
| Investments (CAPEX) | 861 | 3,576 | -75.9% | 314 | 712 | -56.0% |
| Cash flow from operating activities | 10,806 | 17,875 | -40.0% | 85,975 | 7,944 | >100% |
| Free cash flow³ (before M&A) | 9,945 | 14,302 | -30.5% | 85,662 | 7,232 | >100% |
| Extraordinary expenses | 4,768 | 2,669 | 78.7% | 1,668 | 1,002 | 66.6% |
| Expenses from stock options ¹ | 1,099 | 2,063 | -46.7% | 365 | 688 | -46.9% |
| Other M&A expenses ¹ | 291 | 606 | -52.0% | 162 | 314 | -48.4% |
| Performance-related expenses for the acquisition of manufacturing volumes | 3,378 | 0 | <i>n/a</i> | 1,141 | 0 | <i>n/a</i> |
| Full-time employees as of 30 September | 529 | 514 | | | | |
| Employees (average)² | 510 | 500 | | | | |
| | Sep 30, 2023 | Dec 31, 2022 | Δ in % | | | |
| Total assets | 625,416 | 575,958 | 8.6% | | | |
| Equity | 465,512 | 448,045 | 3.9% | | | |
| <i>Equity ratio (in %)</i> | 74.4% | 77.8% | 4.4% | | | |

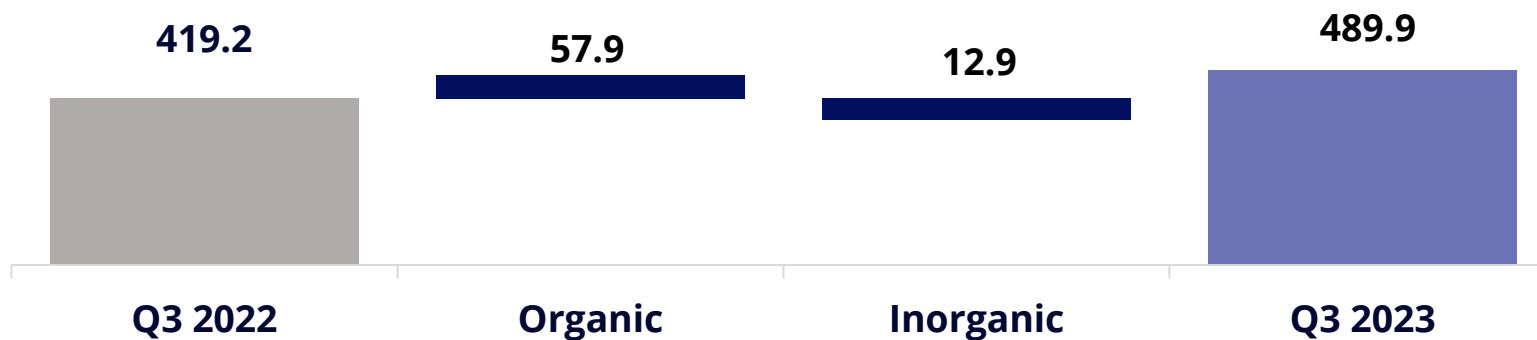
Q3 2023 – Record quarter driven by organic growth in PS segment

| Q3 YoY Revenue in €m | Q3 2022 | Organic | Inorganic (bbw/AfS) | Q3 2023 |
|--------------------------------|--------------|--------------|---------------------|--------------|
| Pharmaceutical Supply | 361.9 | 61.6 | 10.4 | 433.9 |
| Patient-specific Therapies | 57.1 | -3.6 | 2.5 | 56.0 |
| Services | 0.2 | -0.1 | - | 0.1 |
| Medios Group total | 419.2 | 57.9 | 12.9 | 489.9 |
| <i>Medios Group total in %</i> | | <i>13.8%</i> | <i>3.1%</i> | <i>16.9%</i> |

Comments

- Inorganic growth driven by bbw/AfS integration (PST value is an approximation)
- Organic growth 13.8% mainly from PS

Revenue bridge



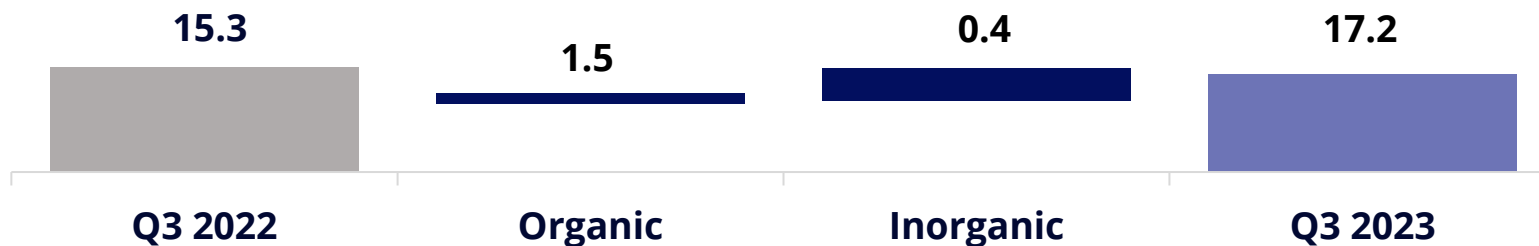
Q3 2023 – Record quarter driven by organic growth

| Q3 YoY EBITDA pre ¹ in €m | Q3 2022 | Organic | Inorganic (bbw/AfS) | Q3 2023 |
|--------------------------------------|-------------|-------------|---------------------|--------------|
| Pharmaceutical Supply | 10.7 | 3.0 | 0.1 | 13.8 |
| Patient-specific Therapies | 6.1 | -1.1 | 0.3 | 5.3 |
| Services | -1.5 | -0.4 | - | -1.9 |
| Medios Group total | 15.3 | 1.5 | 0.4 | 17.2 |
| Medios Group total in % | | 9.8% | 2.6% | 12.7% |

Comments

- Successful integration of bbw and compounding from AfS led to EBITDA pre¹ contribution of €0.4m (€0.1m in PS; €0.3m in PST)
- Segment **Services** reflects increased IT and personnel costs

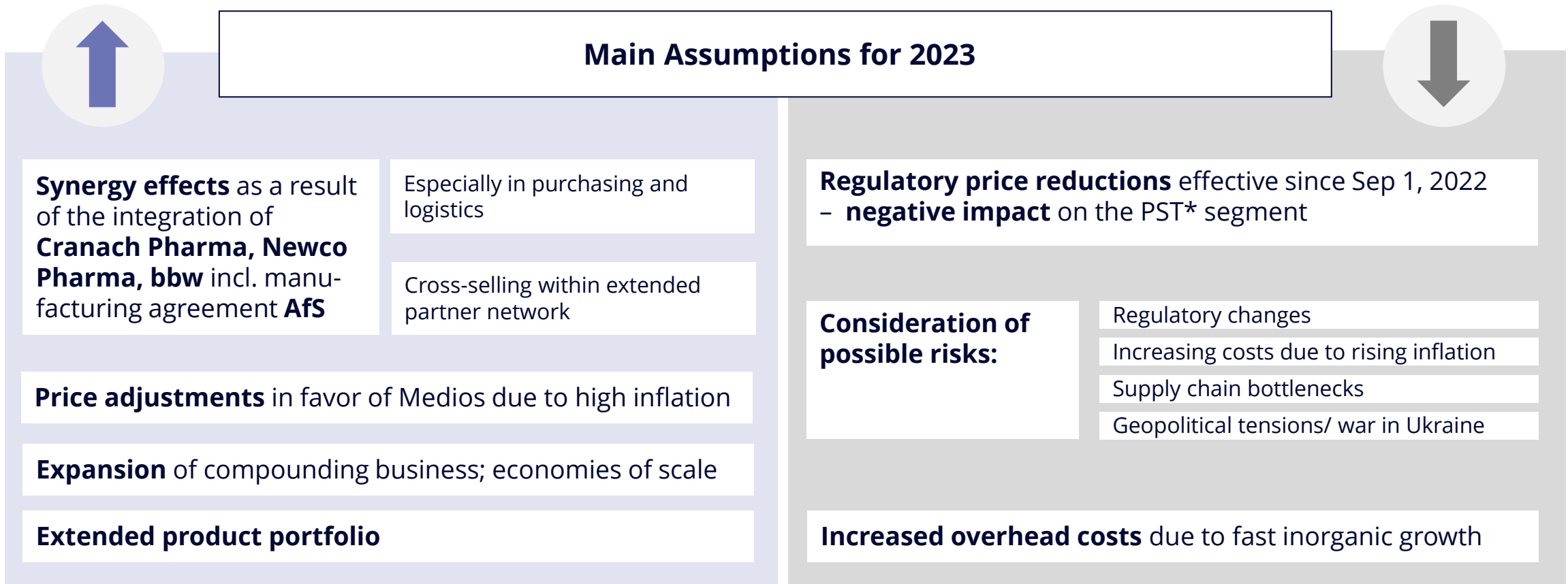
EBITDA pre¹ bridge



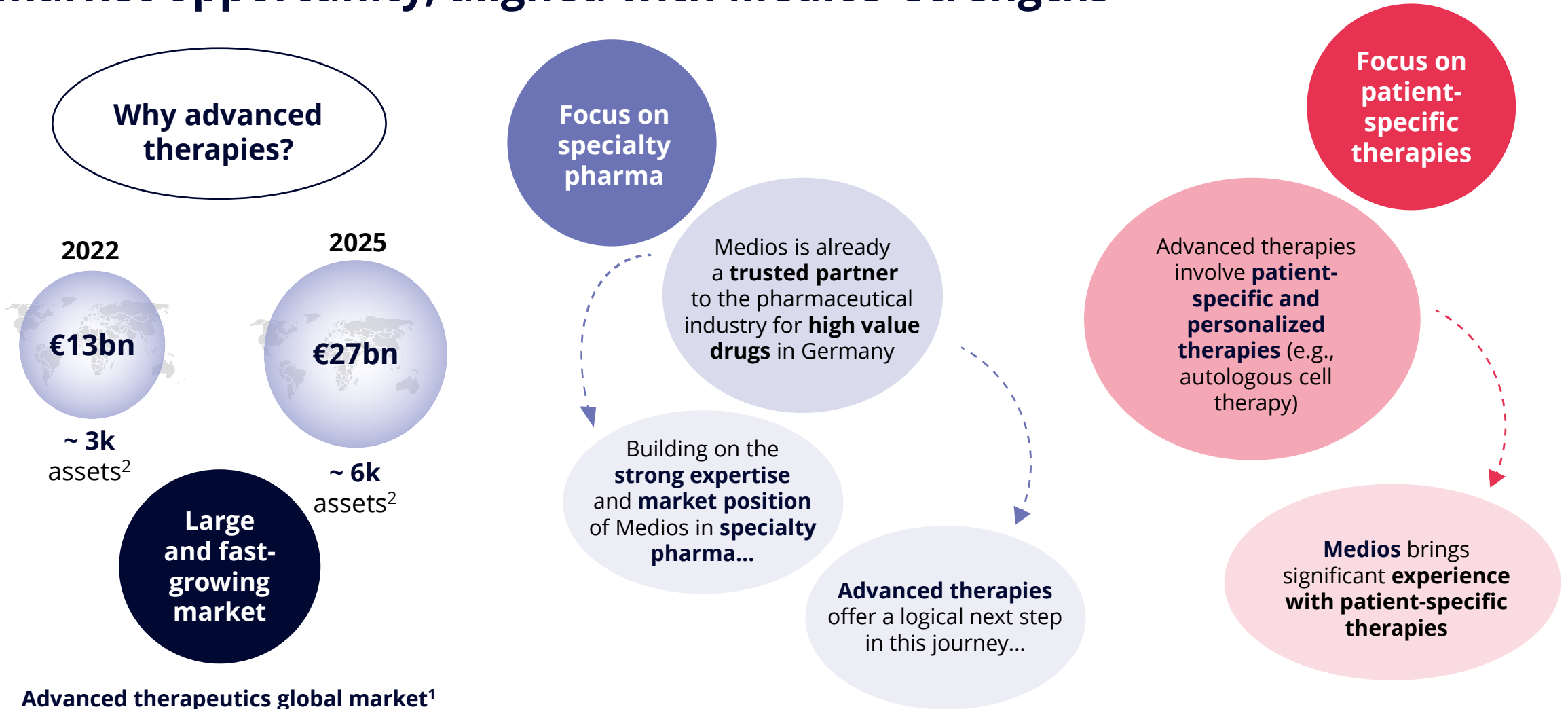
Q3 2023 – Strong financials driven by PS segment

| | Pharmaceutical Supply 'PS' | | Patient-specific Therapies 'PST' | | Services | | IFRS consolidation | | Group | |
|---|----------------------------|---------------------|----------------------------------|--------------------|-----------------------|-----------------------|--------------------|-------|-----------------------|---------------------|
| In € million | Q3 23 | Q3 22 | Q3 23 | Q3 22 | Q3 23 | Q3 22 | Q3 23 | Q3 22 | Q3 23 | Q3 22 |
| Total segment revenue <i>delta (yoy in %)</i> | 471.1 23.3% | 382.1 | 60.8 -11.1% | 68.4 | 2.1 8.8% | 1.9 | -44.1 | -33.3 | 490.0 16.9% | 419.2 |
| Revenue - external <i>delta (yoy in %)</i> | 433.9 19.9% | 361.9 | 56.0 -2.0% | 57.1 | 0.1 -53.3% | 0.2 | n/a | n/a | 490.0 16.9% | 419.2 |
| EBITDA pre¹ <i>margin (% of revenue - total)</i> | 13.8 2.9% | 10.7 2.8% | 5.3 8.7% | 6.1 8.9% | -1.9 -88.6% | -1.5 -79.0% | n/a | n/a | 17.2 3.5% | 15.3 3.7% |
| <i>margin (% of revenue - external)</i> | 3.2% | 3.0% | 9.5% | 10.7% | <-100.0% | <-100.0% | | | 3.5% | 3.7% |

Guidance FY 2023 narrowed – Main assumptions



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



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