



# H1 2022 Results

**Matthias Gaertner, CEO**

**Falk Neukirch, CFO**

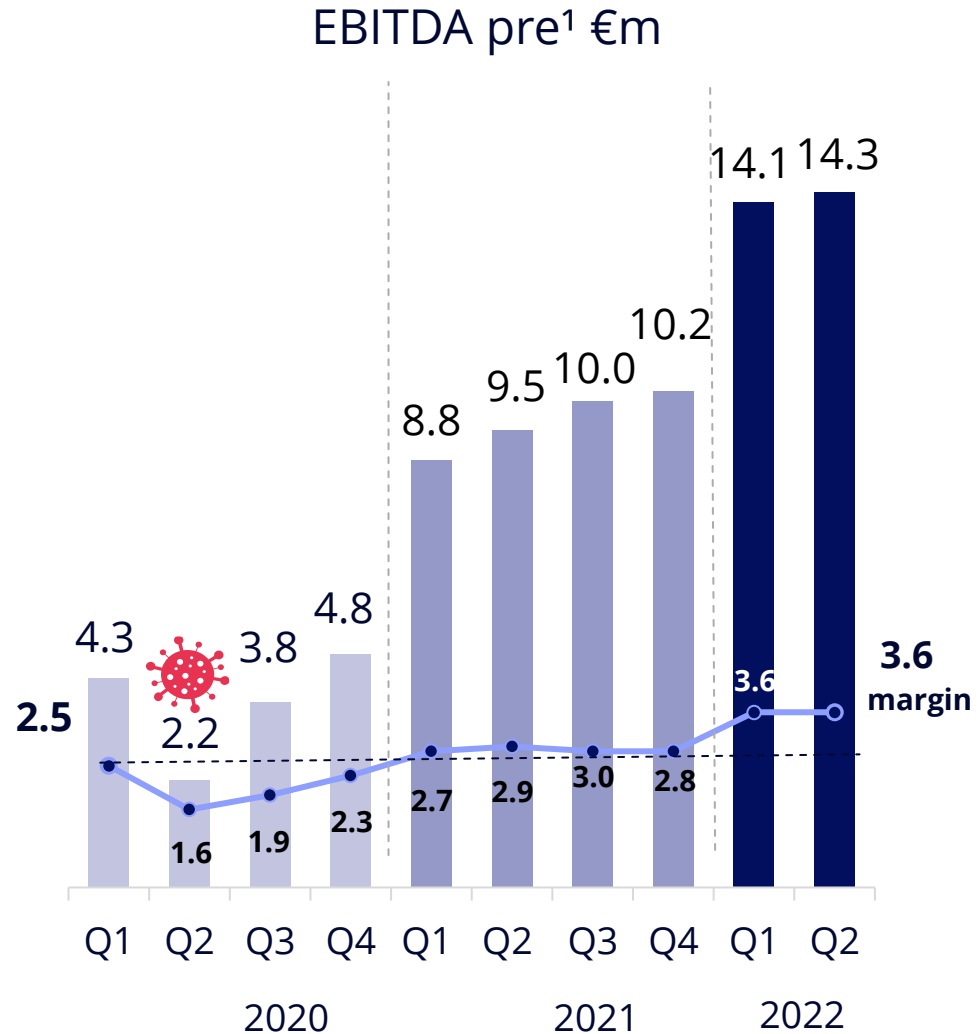
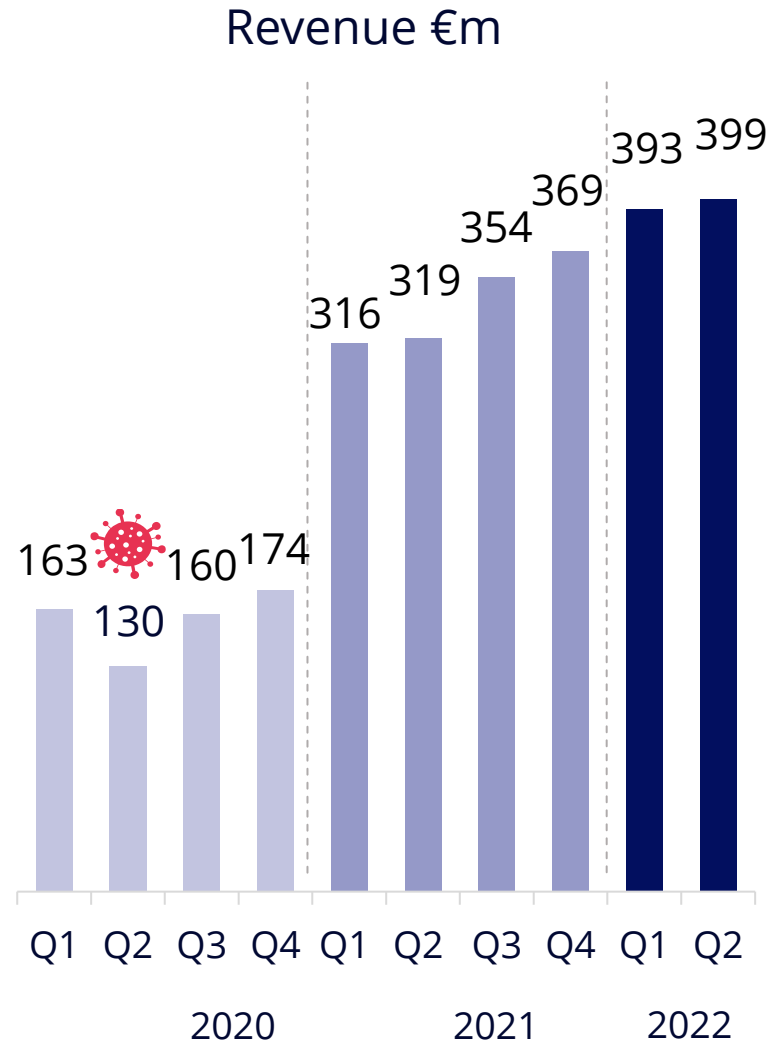
August 11, 2022

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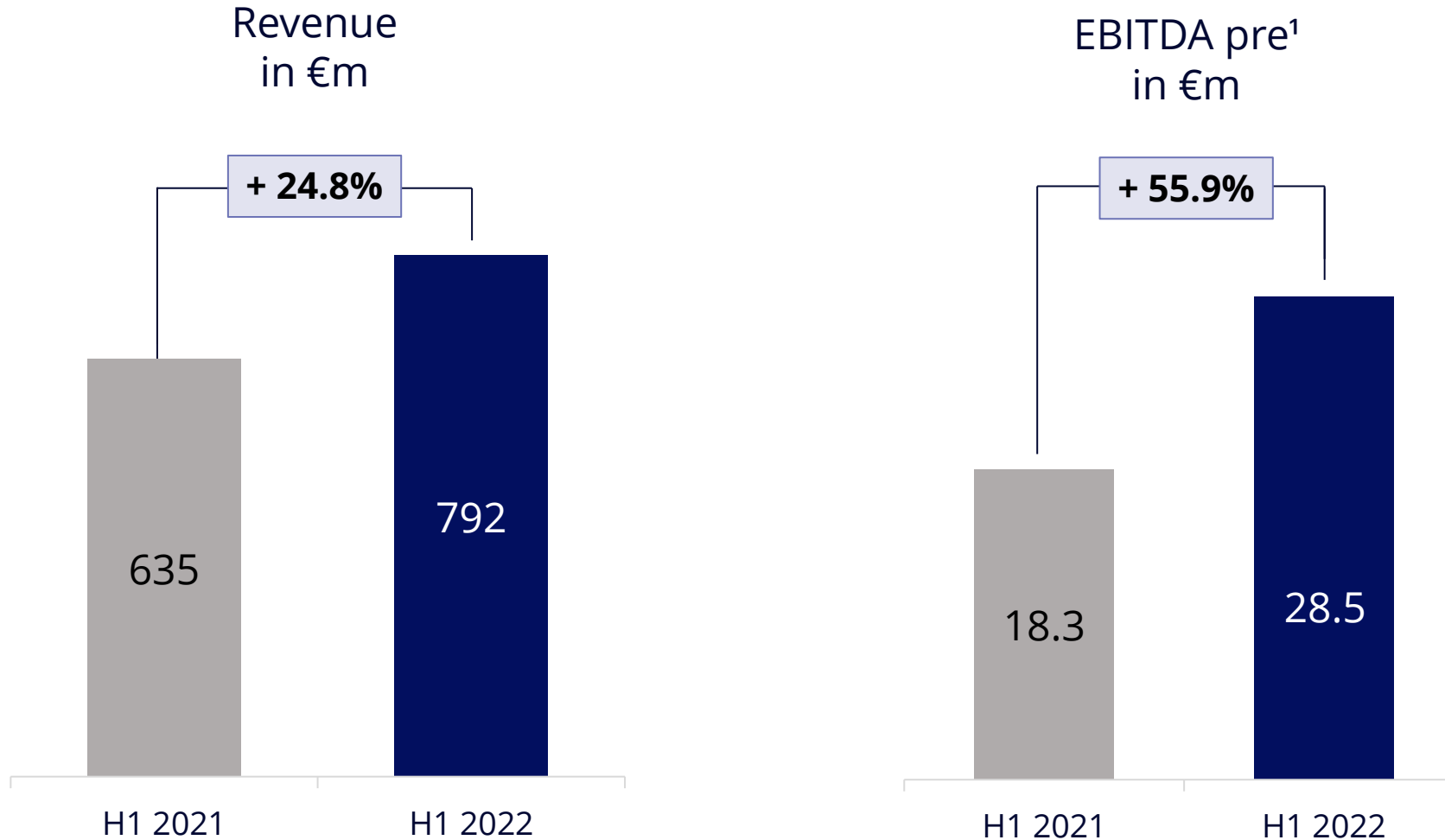
# Highlights H1 : Again, KPIs at record levels

Operations	<p><b>Implementation of the growth strategy on track:</b></p> <ul style="list-style-type: none"><li>• Already synergy and cross-selling effects from the <b>NewCo Pharma integration</b> – substantial strengthening of market position in the area of compounding</li><li>• Additional <b>compounding capacities</b> in Berlin – ongoing validation &amp; qualification process</li><li>• Strategically driven <b>inventory build-up</b> in anticipation of rising prices</li><li>• Additional <b>mediosconnect</b> users and increase in orders: now in five German Federal states</li><li>• <b>CMD in Nov 22:</b> Presentation of mid- and long-term strategy incl. internationalization &amp; diversification</li></ul>
Financials	<ul style="list-style-type: none"><li>• Strong H1: Sales up by around 25% including 9% organic growth; ongoing record quarters</li><li>• Positive operating cash flow</li><li>• Forecast confirmed despite ongoing global uncertainties, revenue expected to reach upper end of the range of €1.45-1.6bn</li></ul>
ESG & Governance	<ul style="list-style-type: none"><li>• Re-inclusion in the Deutsche Börse SDAX selection index</li><li>• ESG strategy 2025 published at the end of 2021 – Good progress in implementation</li><li>• Continuation of Management team: CEO contract prematurely extended</li></ul>

# Growth and earnings achieve record levels

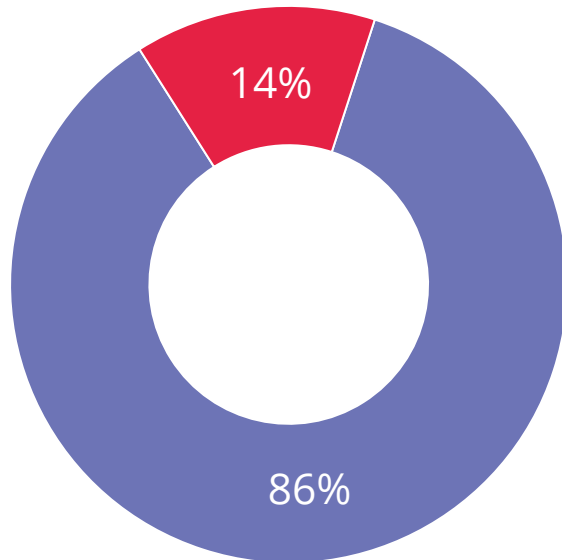


# H1 2022 – Continuous and sustainable growth



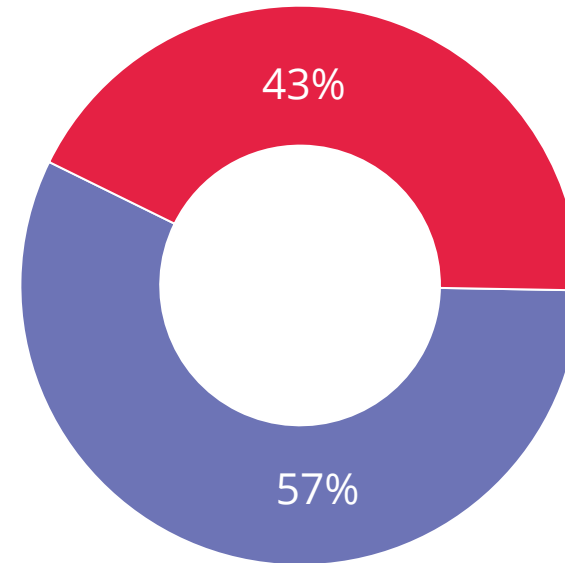
# H1 2022 – Split by segments: Share of PST significantly increased

Revenue by segment



- Pharmaceutical Supply
- Patient-specific Therapies

EBITDA pre by segment



- Pharmaceutical Supply
- Patient-specific Therapies

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



- 7 GMP<sup>1</sup> / blistering **labs**
- 2 **warehouses**
- Around 600 **specialized partner pharmacies**
- Around **320,000 individualized preparations** manufactured in 2021 (pro forma: Medios including NewCo Pharma)
- **Compounding capacities** expected in Oct 2022: around **500k - 600k** preparations p.a. including new labs in Berlin and NewCo Pharma's labs

- 📍 Compounding facilities (GMP / Blistering labs)
- Specialized partner pharmacies (various indications)
- 📦 Warehouse

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# H1 2022 – Strong financials driven by external growth

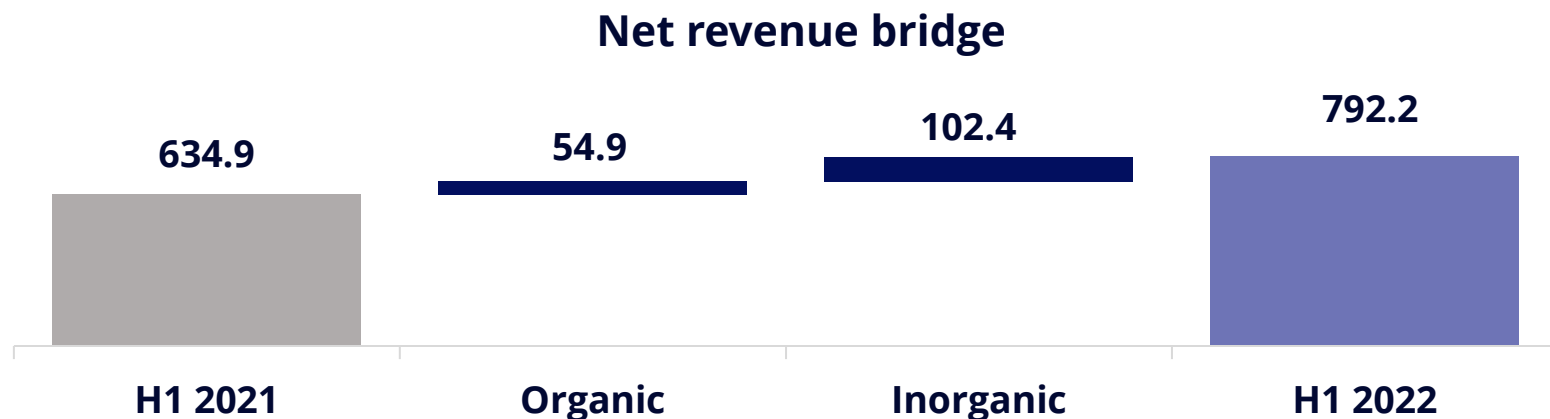
In € million	H1 2022	H1 2021	Δ%
Revenue	792.2	634.9	24.8%
Gross profit	53.4	32.4	64.8%
<i>gross margin in %</i>	6.7	5.1	
EBITDA pre <sup>1</sup>	28.5	18.3	55.9%
<i>margin (% of revenue)</i>	3.6	2.9	
Conversion rate in % (EBITDA pre/gross profit)	53.3	56.3	
EBIT	16.1	9.9	62.3%
EPS (€), undiluted	0.42	0.32	31.3%
CF from operating activities	9.9	29.7	-66.5%
CF from investing activities	-84.5	24.3	-447.5%
CF from financing activities	-15.6	1.3	< -1,000%
In € million	30 June 2022	31 Dec 2021	Δ%
Inventories	72.2	36.5	98.0%
Cash & cash equivalents	78.3	168.4	-53.5%
Equity	438.2	394.2	11.2%
<i>ratio in %</i>	70.8	75.2	

## Comments

- Strong **revenue growth** mainly driven by NewCo Pharma acquisition
- Disproportionately **increased gross profit and EBITDA pre** due to higher portion of PST revenue
- **Gross and EBITDA pre margins** follows increased gross margin
- **Operating CF** mainly burdened in Q1 22 by 2 extraordinary effects: payment of retained taxes and social contributions for SOPs and a temporary increase in inventories; after negative Q1 again positive Q2 and H1
- **Investing CF** dominated by **cash component** for NewCo acquisition (€88m) and further investments in new manufacturing site in Berlin (€1.4m)

# H1 2022 – Strong organic and inorganic revenue growth

H1 YoY Revenue in €m	H1 2021	Organic	Inorganic (NewCo only)	H1 2022	Comments
Pharmaceutical Supply	603.6	51.8	27.1	682.5	<ul style="list-style-type: none"> <li>Successful integration of NewCo Pharma led to revenue contribution of &gt; €100m (€27.1m in PS; €75.3m in PST)</li> </ul>
Patient-specific Therapies	31.0	3.2	75.3	109.5	
Services	0.3	-0.1	0.0	0.2	
<b>Medios Group total</b>	<b>634.9</b>	<b>54.9</b>	<b>102.4</b>	<b>792.2</b>	
<i>Medios Group total in %</i>		<i>8.6%</i>	<i>16.1%</i>	<i>24.8%</i>	

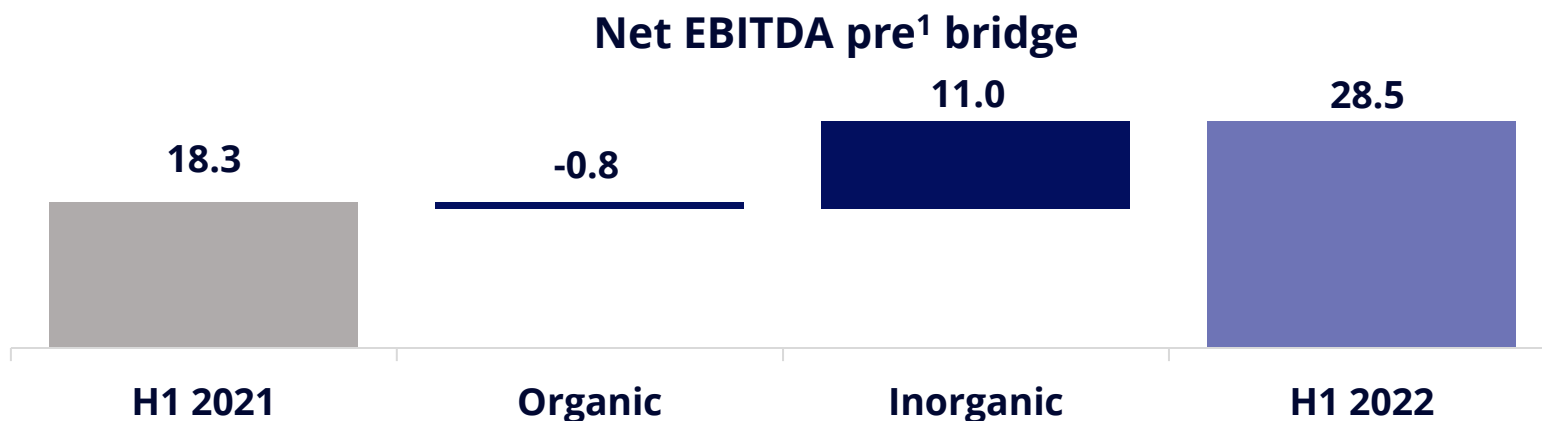


# H1 2022 – EBITDA pre<sup>1</sup> driven by acquisition of NewCo Pharma

H1 YoY EBITDA pre <sup>1</sup> in €m	H1 2021	Organic	Inorganic (NewCo only)	H1 2022
Pharmaceutical Supply	15.2	0.2	2.0	17.5
Patient-specific Therapies	4.0	0.2	9.0	13.2
Services	-0.9	-1.3	0	-2.2
<b>Medios Group total</b>	<b>18.3</b>	<b>-0.8</b>	<b>11.0</b>	<b>28.5</b>
<i>Medios Group total in %</i>		<i>-4.4%</i>	<i>60.3%</i>	<i>55.9%</i>

## Comments

- **EBITDA pre of PS and PST segments** grew mainly inorganically but also organically
- Successful integration of NewCo Pharma led to EBITDA pre<sup>1</sup> contribution of €11.0m (€2.0m in PS; €9.0m in PST)
- **Services** reflects increased need for central functions following the M&A growth strategy including risen Board remuneration



# H1 2022 – Strong Group margin, mainly as a result of increased PST share

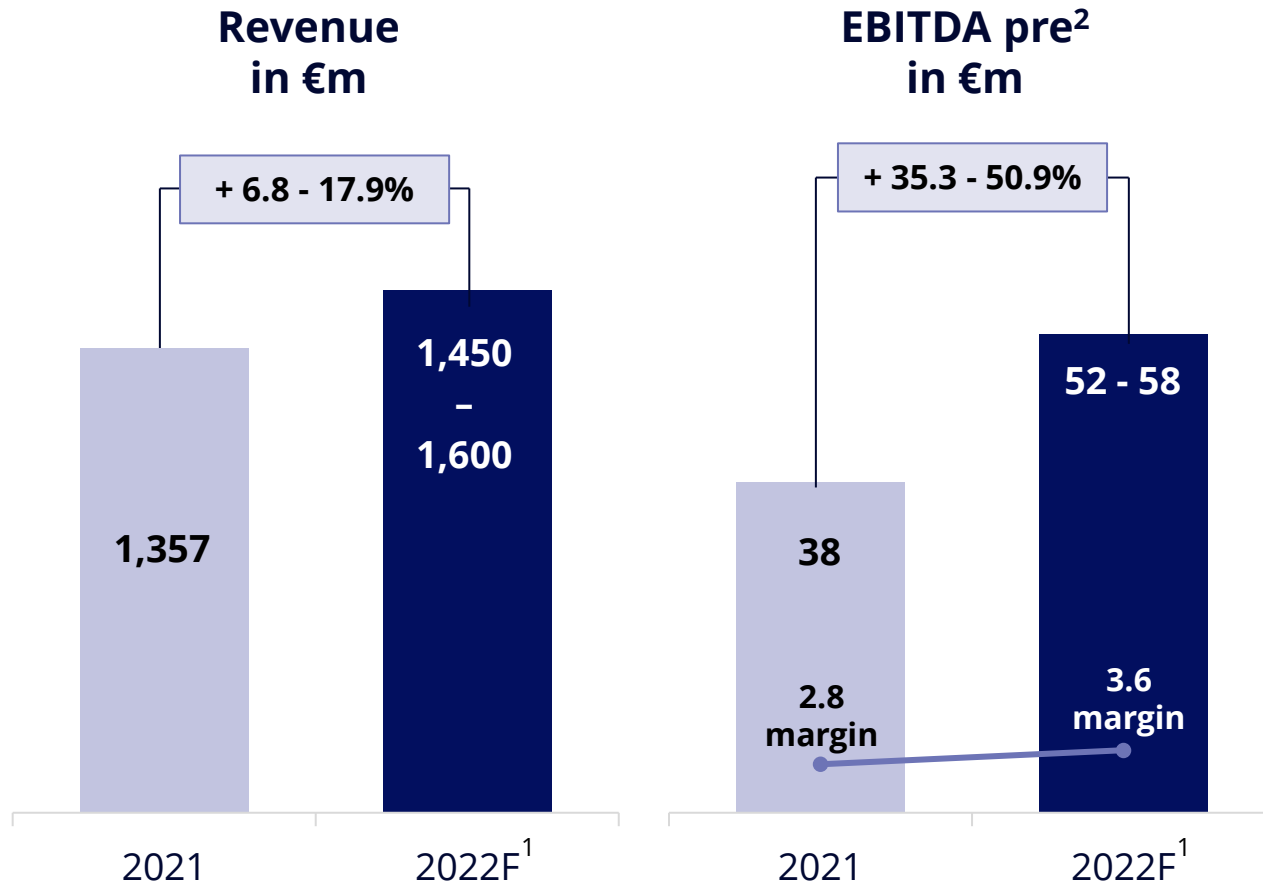
In € million	Pharmaceutical Supply ,PS'		Patient-specific Therapies 'PST'		Internal Services and IFRS consolidation		Group	
	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021	H1 2022	H1 2021
Revenue <sup>1</sup> <i>delta (y-o-y in %)</i>	682.5 <b>13.1%</b>	603.6	109.5 <b>252.6%</b>	31.0	0.2 <b>-25.5%</b>	0.3	792.2 <b>24.8%</b>	634.9
EBITDA pre <sup>2</sup> <i>margin (% of revenue)</i>	17.5 <b>2.4%</b>	15.2 <b>2.5%</b>	13.2 <b>9.9%</b>	4.0 <b>11.3%</b>	-2.2 <b>-55.5%</b>	-0.9 <b>-23.4%</b>	28.5 <b>3.6%</b>	18.3 <b>2.9%</b>

## Comments

- PS revenue including NewCo Pharma's trading activities (27.1M€)
- PST revenues including €75.3m NewCo Pharma
- PST margin decreases as the margin of the NewCo's PST business is slightly lower due to product mix

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# Forecast FY 2022 confirmed (1/2)



## Comments

**Forecast confirmed** despite ongoing global uncertainties

**Revenue** expected to reach upper end of the range of €1.45-1.6bn

**EBITDA pre<sup>1</sup>** range remains unchanged: €52-58m

- Due to the known global uncertainties and possible regulatory changes, it is not yet possible to narrow down the forecast further

Significant increase of EBITDA pre margin due to the acquisition of NewCo Pharma, and ongoing focus on higher-margin indications and products

## Forecast FY 2022 confirmed (2/2) – Main assumptions

### Main Assumptions for 2022

- + The acquisition of NewCo Pharma will significantly contribute to external growth and to significant EBITDA pre margin increase
- + Synergy effects as a result of the integration of Cranach Pharma & Newco Pharma:
  - Especially in purchasing and logistics
  - Cross-selling within extended partner network
- + Expansion of compounding business; economies of scale
- + Extended product portfolio: e.g., clinical trial supply
- Consideration of possible risks: e.g., regulatory changes, rising inflation, supply chain bottlenecks, geopolitical tensions/ war in Ukraine, COVID-related effects
- Increased overhead costs due to NewCo integration
- Qualification / validation and commissioning of new labs in Berlin

# Medios' growth strategy

## Organic growth

- **Compounding capacities to triple** as a result of new labs in Berlin
- Advance market penetration through innovative **digital trading platform** mediosconnect
- Expansion and ongoing **diversification of indication areas**
- Exploit **cross-selling** opportunities

## Inorganic growth

- **Compounding** from partner pharmacies to be potentially integrated into Medios' labs
- **Add further labs** in case of geographical fit and/or complementary indications
- Ongoing M&A to further increase EBITDA pre margin by
  - **Internationalization** and / or
  - **Launch of new segment**

**Forward-looking strategy for internationalization & launch of new segment to be presented at CMD in Nov 2022**



# Implementation of ambitious ESG strategy 2025 on track

## Status Quo

- ✓ Implementation process of IT-based ESG-platform advanced
- ✓ Corporate Governance: Successful AGM 2022: Among others, modernization of the Articles of Association
- ✓ Establishment of a digital whistleblower-system
- ✓ Project initiated to improve transport logistics

## Future

### 2023 and beyond

- Sustainability reporting in full accordance with GRI<sup>1</sup> for FY 2022
- Achieve climate neutrality at own sites in FY 2023
- Supplier Code of Conduct and assessment of suppliers
- ...

**34 targets, realized through 65 measures using 57 different KPIs**

Ratings by



**More to come...**

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# H1 2022 - Key figures (1/2)

in € thousand

	H1 2022	H1 2021	Δ in %	Q2 2022	Q2 2021	Δ in %
<b>Revenue</b>	<b>792,179</b>	<b>634,927</b>	<b>24.8%</b>	<b>399,224</b>	<b>319,019</b>	<b>25.1%</b>
Pharmaceutical Supply	682,456	603,560	13.1%	343,252	303,932	12.9%
Patient-Specific Therapies	109,484	31,047	252.6%	55,875	14,912	274.7%
Services	238	320	-25.5%	97	175	-44.5%
<b>EBITDA</b>	<b>26,788</b>	<b>17,587</b>	<b>52.3%</b>	<b>13,501</b>	<b>9,112</b>	<b>48.2%</b>
<i>Margin (in % of Revenue)</i>	<b>3.4%</b>	<b>2.8%</b>		<b>3.4%</b>	<b>2.9%</b>	
<b>EBITDA without extraordinary expenses*</b>	<b>28,456</b>	<b>18,255</b>	<b>55.9%</b>	<b>14,318</b>	<b>9,457</b>	<b>51.4%</b>
<i>Margin (in % of Revenue)</i>	<b>3.6%</b>	<b>2.9%</b>		<b>3.6%</b>	<b>3.0%</b>	
Pharmaceutical Supply	17,456	15,248	14.5%	9,099	8,252	10.3%
Patient-Specific Therapies	13,246	3,953	235.1%	6,353	1,733	266.6%
Services	-2,247	-946	137.6%	-1,134	-528	114.9%
<b>EBIT</b>	<b>16,093</b>	<b>9,914</b>	<b>62.3%</b>	<b>8,245</b>	<b>5,273</b>	<b>56.4%</b>
<i>Margin (in % of Revenue)</i>	<b>2.0%</b>	<b>1.6%</b>		<b>2.1%</b>	<b>1.7%</b>	
<b>Comprehensive income before minority interests</b>	<b>9,972</b>	<b>6,273</b>	<b>59.0%</b>	<b>4,934</b>	<b>3,432</b>	<b>43.7%</b>

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

# H1 2022 - Key figures (2/2)

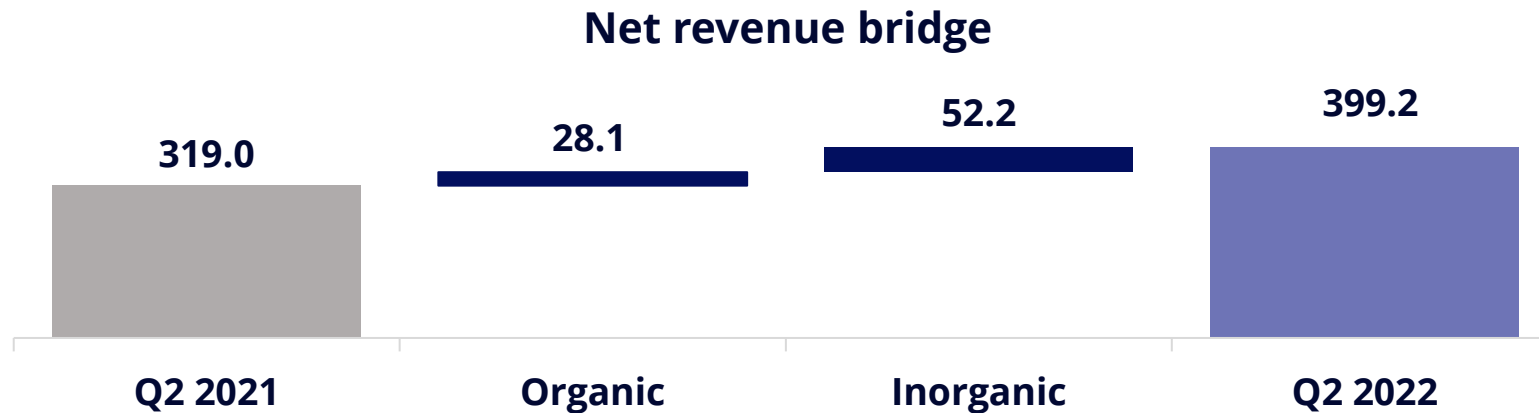
in € thousand	H1 2022	H1 2021	Δ in %	Q2 2022	Q2 2021	Δ in %
<b>Earnings per share (in €)</b>						
Undiluted	0.42	0.32	<b>31.3%</b>	0.21	0.17	<b>23.5%</b>
Diluted	0.42	0.31	<b>35.7%</b>	0.21	0.17	<b>23.5%</b>
<b>Investments (CAPEX)</b>	2,864	5,760	<b>-50.3%</b>	721	3,131	<b>-77.0%</b>
<b>Cash flow from operating activities</b>	9,931	29,654	<b>-66.5%</b>	12,414	8,254	<b>51.0%</b>
<b>*Extraordinary expenses</b>	1,667	<b>668</b>	<b>149.6</b>	817	<b>345</b>	<b>136.6</b>
Expenses from stock options <sup>1</sup>	1,375	586	<b>134.6</b>	688	264	<b>160.6</b>
Other M&A expenses <sup>1</sup>	292	82	<b>258.0</b>	130	82	<b>58.9</b>
	<b>Jun 30, 2022</b>	<b>Jun 30, 2021</b>	<b>Δ in %</b>			
<b>Full-time employees</b>	517	302	<b>71.2%</b>			
	<b>Jun 30, 2022</b>	<b>Dec 31, 2021</b>	<b>Δ in %</b>			
<b>Balance sheet total</b>	<b>619,299</b>	<b>524.142</b>	<b>18.2%</b>			
Equity	438,193	394.164	<b>11.2%</b>			
<i>Equity ratio (in %)</i>	<b>70.8%</b>	<b>75.2%</b>				

# Q2 2022 – Record quarter resulting from NewCo acquisition supported by organic growth

Q2 YoY Revenue in €m	Q2 2021	Organic	Inorganic (NewCo only)	Q2 2022
Pharmaceutical Supply	303.9	25.7	13.7	343.3
Patient-specific Therapies	14.9	2.5	38.5	55.9
Services	0.2	-0.1	0.0	0.1
<b>Medios Group total</b>	<b>319.0</b>	<b>28.1</b>	<b>52.2</b>	<b>399.2</b>
<i>Medios Group total in %</i>		<i>8.8%</i>	<i>16.4%</i>	<i>25.1%</i>

## Comments

- Inorganic growth driven by NewCo integration
- Organic growth almost 9%



## Q2 2022 – EBITDA pre growth driven by acquisition

Q2 YoY EBITDA pre <sup>1</sup> in €m	Q2 2021	Organic	Inorganic (NewCo only)	Q2 2022
Pharmaceutical Supply	8.3	-0.2	1.1	9.1
Patient-specific Therapies	1.7	0.3	4.3	6.4
Services	-0,5	-0.6	0.0	-1.1
<b>Medios Group total</b>	<b>9.5</b>	<b>-0.5</b>	<b>5.4</b>	<b>14.3</b>
<i>Medios Group total in %</i>		<i>-5.3%</i>	<i>56.7%</i>	<i>51.4%</i>

### Comments

- Slight organic decrease in PS
- Successful integration of NewCo Pharma led to EBITDA pre<sup>1</sup> contribution of €5.4m (€1.1m in PS; €4.3m in PST)
- Slight organic decrease in PS
- Segment Services reflects increased need for central functions following the M&A growth strategy including risen Board remuneration

### Net EBITDA pre<sup>1</sup> bridge



## Q2 2022 – Strong Group margin, mainly as a result of increased PST share

In € million	Pharmaceutical Supply ,PS'		Patient-specific Therapies 'PST'		Internal Services and IFRS consolidation		Group	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Revenue <sup>1</sup> <i>delta (y-o-y in %)</i>	343.3 <b>12.9%</b>	303.9	55.9 <b>274.7%</b>	14.9	0.1 <b>-44.5%</b>	0.2	399.2 <b>25.1%</b>	319.0
EBITDA pre <sup>2</sup> <i>margin (% of revenue)</i>	9.1 <b>2.5%</b>	8.3 <b>2.6%</b>	6.4 <b>9.3%</b>	1.7 <b>9.8%</b>	-1.1 <b>-57.1%</b>	-0.5 <b>-25.9%</b>	14.3 <b>3.6%</b>	9.5 <b>3.0%</b>

### Comments

- PS revenue including NewCo Pharma's trading activities (13.7M€)
- PST revenues including €38.5m NewCo Pharma
- PST margin decreased as the margin of the NewCo business is slightly lower due to product mix

# Contact



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# H1 2022 Results

**Matthias Gaertner, CEO**

**Falk Neukirch, CFO**

August 11, 2022